# **Small Communities Advisory Subcommittee**

Public Meeting Agenda All times in Eastern Daylight Time

## **MEETING SUMMARY**

## Friday, June 24

Zoom Access: <u>https://usepa.zoomgov.com/i/1617974160</u>; Meeting ID: 161 797 4160; Find your local number: <u>https://usepa.zoomgov.com/u/azSBhsQnv</u>

Physical Location: William Ruckelshaus Conference Center (Room B150), EPA Headquarters, 1201 Constitution Ave. NW, Washington, DC

### 8:30am Call to Order SCAS Meeting

Paige Lieberman, Designated Federal Officer, called the meeting of the Environmental Protection Agency's Small Communities Advisory Subcommittee to order and invited Vice Chair Julian McTizic to provide opening remarks.

### **Opening Remarks and Roll Call**

Mayor Julian McTizic, SCAS Vice-Chair

Mayor McTizic thanked everyone for joining today – both in person and online, noting that leaders of small communities are pulled in a million different directions.

He also acknowledged Commissioner Christine Lowery, the SCAS Chair. She has been a thoughtful leader of this group over the last several months. As you might know, her community – and much of New Mexico – has been battling the Calf Canyon/Hermits Peak Fire. It's been burning for two months and has claimed over 325,000 acres and more than 370 homes and buildings. This was a prescribed fire, started intentionally, but because of the increasing effects of climate change, it became unpredictable and uncontrollable. Our thoughts and prayers are with Commissioner Lowery and those being affected by this tragedy.

Mayor McTizic completed a roll call, establishing a quorum. See APPENDIX 1 for list of attendees.

I'd like to turn first to William Niebling. William is the EPA's Associate Administrator for Congressional and Intergovernmental Relations, which is the office that supports the LGAC and SCAS. Prior to coming to EPA, he worked in the U.S. Senate, including for then Senator Joe Biden and Kamala Harris. He also served in the EPA's Office of Air and Radiation under the Obama Administration.

#### 8:40am Welcoming Remarks and Response

William Niebling, EPA Associate Administrator for Congressional and Intergovernmental Relations

William Niebling welcomed everyone to the meeting and thanked his staff for making this meeting happen – the second hybrid public meeting in EPA's history. He highlighted this Administration's genuine commitment to engaging local governments -- especially small and disadvantaged communities – which is illustrated by the Bipartisan Infrastructure Law and its historic investment to revitalize and rebuild rural communities across the country. He also noted the need for local government input to effectively implement the Law. He applauded the group's draft recommendations, encouraged them to be as specific as possible when completing the work, and to continue coming to EPA with their needs.

8:45am Update on Current Draft Recommendations Mayor Julian McTizic, SCAS Vice-Chair Mayor McTizic reviewed the group's draft recommendations, highlighting the following:

- EPA identify an approach that simplifies the process for small communities to apply for funding
- EPA proactively develop funding set asides for capacity building and technical assistance in communities with populations of 10,000 or less, and also give us the flexibility as government leaders to determine how capacity needs are defined within our communities.
- EPA collaborate with university and community colleges, as well as state municipal leagues and associations, to ease the challenge of finding and applying for funding.
- EPA coordinate with multiple federal agencies, so that engagement is consolidated and covers the various authorities needed to implement an infrastructure project.
- In the face of increasingly erratic weather patterns, we recommend that EPA provide workforce training and continuing education to address the national shortages of engineers, utility workers, etc., support efforts to maintain affordability in today's volatile economy, and allow flexibility in planning so that small communities can develop recovery and resiliency contingencies.

He also suggested including an example to illustrate the challenge a small community must endure to access State Revolving Fund dollars and oversee its implementation.

# 8:50am Member Discussion on Recommendations

Facilitated by Mayor Julian McTizic, SCAS Vice-Chair

Mayor Julian McTizic facilitated a discussion of the recommendations. All items raised will be considered for inclusion in the SCAS' final recommendations submitted to EPA Administrator on this topic.

Mayor Kwasi Fraser noted the need for EPA to lean in on partnerships across federal agencies, as well as partnerships with nonprofit organizations. His town of Purcellville doesn't have capacity to go after BIL funding, so they are seeking support from the Bloomberg foundation, which will help identify grant opportunities and develop applications on behalf of the community.

Commissioner Ann Mallek said that adding resiliency to small communities is a paradigm shift, and any capacity building to support that would be helpful. She suggested creating an RSS feed to let small communities know about new opportunities.

Mayor Jeremy Stutsman said that while he understands the need for transparency and tracking of government funds, they need to be less of a burden, and should be relevant to the amount of funding given. He said his city has turned down grants because the amount of staff time needed to manage it was too great.

Mayor Pro-Tem Hattie Portis-Jones encouraged EPA to work with community colleges for workforce development in water infrastructure, which will help build community-level capacity.

Commissioner Ann Mallek asked if EPA is in a position to work with state workforce board on these issues, noting that all communities are competing with one another to attract qualified applicants.

William Niebling noted that EPA is providing workforce training through the Brownfields program and Environmental Finance Centers.

Representative Tina Sablan asked if EPA could support capacity development through IPA staff, noting this has been done in Mariana Islands to provide engineers and compliance experts. She also encouraged EPA to support cross-Agency collaboration (FEMA, ACE, HUD), specifically in communities trying to recover from environmental disasters and improve climate resilience. Finally, she requested EPA support communities needing waivers to the Buy America requirements of federal funding, especially with supply chain issues. She noted it can sometimes take more than a year for supplies to get to Mariana Islands, even in the best of circumstances. Specifics for cross-Agency work includes USDA for agricultural wastewater, affordability of services, modeling HUD's heating assistance program; DOE and DOT work on greening of fleets and related infrastructure; CDBG and HUD for disaster recovery; and HHS for health objectives related to water.

Commissioner Ann Mallek noted the issue of incentivizing contractors to support rural communities of 200 families rather than a large community with many more customers, and how the federal government could help address this.

Representative Tina Sablan gave an example of the recovery effort in Mariana Islands after Typhoon Yutu. She said there wasn't enough labor available locally to support repairing infrastructure and rebuilding homes. They decided to bring in workers from across the U.S. to staff utility and repair programs. Sablan asked if that can be replicated on a regional level to pool resources and send them to one area needing construction and lacking workforce?

City Manager Tom Carroll said that when staying in a hotel you often see tons of construction workers, but is there a way to invest in housing stock for workers to really integrate into a community over a multi-year project?

In discussing rising costs of materials, Mayor Kwasi Fraser noted a comment earlier from Gary Brown that Detroit is using convenience clauses in contracts to re-bid contracts if prices go down from current inflation.

No members of the public were present to provide input.

9:55am Closing Remarks and Next Steps Mayor Julian McTizic, SCAS Vice-Chair

Mayor Julian McTizic thanked everyone for joining the meeting.

10:00am Meeting Closed Paige Lieberman, Designated Federal Officer

Paige Lieberman, Designated Federal Officer, closed the meeting.

# Joint Meeting of the Small Communities Advisory Committee and Local Government Advisory Committee

Public Meeting Agenda -- All times in Eastern Daylight Time

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In-person Location: William Ruckelshaus Conference Center (Room B150), EPA Headquarters, 1201 Constitution Ave. NW, Washington, DC

10:30amCall to Order and Meeting GoalsMayor Leirion Gaylor Baird, LGAC Chair

Paige Lieberman, Designated Federal Officer, called the meeting to order.

Mayor Leirion Gaylor Baird, LGAC Chair, welcomed everyone to the joint meeting of the LGAC and SCAS. She noted that EPA has asked this group for input on various aspects of the implementation of the Bipartisan Infrastructure Law. Today will feature a panel of several individuals working outside of the government to address the need for technical assistance.

# 10:35am Welcome and Overview Jonathan Nelson, EPA Senior Advisor

Jonathan Nelson, EPA Senior Advisor, explained his role at EPA to oversee development of a technical assistance program focused on water services and infrastructure. He currently has a team of 30 people, which is growing. He expressed appreciation for the LGAC and SCAS' recommendations, and a genuine desire to understand the challenges in communities from their perspective. He asked them to continue to strategize with EPA about how to take the biggest step forward possible in the most efficient way possible. He

Mayor Leirion Gaylor Baird, LGAC Chair, introduced the panel, which included Cynthia McCoy, Federal Engagement Director at the Urban Sustainability Directors Network; Sarah Gimont, Associate Legislative Director for Environment, Energy, and Land Use Policy at the National Association of Counties; Carolyn Berndt, Legislative Director for Sustainability at the National League of Cities; and Jennifer Palmiotto, Senior Federal Policy Advisor from National Rural Water Association.

# Panel on Technical Assistance and Local Government

Presentation on technical assistance needs across the country, Cynthia McCoy, Urban Sustainability Director Network

Cynthia McCoy gave a presentation on perceptions of federal funding opportunities and technical assistance needs, which was based on direct input from USDN's membership. <u>See presentation here</u>.

Feedback shared in presentation:

- In a survey of USDN members, only 10-15 percent responded that they feel comfortable or extremely comfortable, informed and equipped to pursue federal funding
- When asked about the biggest hurdles to accessing federal funding for sustainability members identified lack of staff capacity for additional projects (52%); lack of capacity to evaluate opportunity and apply (50%); knowing what funding opportunities are available (30%); local government structure (28%); and inability to find cost share of matching funds (22%)
- Justice40 may represent an opportunity to increase the competitiveness of under-resourced communities, but local government capacity challenges are likely to remain, particularly in the Southeast
- Categories of barriers are 1) lack of capacity and/or experience, 2) applications are complicated, 3) high administrative burden, and 4) time is short

Recommendations shared in presentation for pre-application phase:

- Build capacity and partnerships by aligning local governments with partnerships and resources either externally or embedded into the local government offices; increase understanding of how local governments can engage with and inform federal policy through responding to federal register notices, rulemakings, draft guidance, etc.; and provide federal grants 101 training, technical assistance and direct support to prepare and complete competitive applications
- Provide customized assistance to pay community organizations with local expertise to provide their input;
  broaden the provision of informal technical assistance to underrepresented areas; and increase
  awareness of technical assistance hubs and public-private partnerships supporting communities
- Provide more funding directly to local governments rather than routing grants and other programs through states
- Lead with equity by requiring local governments to establish successful relationships with communities prior to receiving grant funding to support them; pay community organizations to build capacity and strengthen relationships; and deepen conversations with local governments and community partners to design and tailor projects to their needs

- Provide success stories that include details about past projects and how technical assistance helped a community achieve their goal
- Address the funding gap by helping communities develop a plan that includes a diversified stream of funding options; supporting communities in developing cost estimates and advocating for support through local government so that funding is available in advance of grant period
- Providing guidance on collaboration and relationship building with State Agencies to influence funding priorities and the distribution of funding passed through a state

Recommendations shared in presentation for the application phase include:

- Increasing flexibility in the list of allowable costs including funding for staff time, workforce development, community outreach, compensating community members, managing regional partnerships, as well as the ability to pay for refreshments and travel for events
- Increasing flexibility for funding to fulfill grant program requirements such as developing planning documents, codes, standards, analyses and assessments so that they will qualify for funding in the future
- Be transparent with anticipated details and timetables for recurring grants solicitations and anticipated award announcements so that local governments can determine the fit of a grant in advance of the application period
- Simplifying pre-and post-award administrative burdens and requirements
- Providing stock language to meet federal requirements and using one application format across all federal grant programs
- Standardizing notifications through grants.gov even when a full application package is not required for submission.

Mayor Leirion Gaylor Baird, LGAC Chair, facilitated a discussion with the panelists and the following questions:

- How can EPA support technical assistance for environmental programs at the local government level, regardless of a community's capacity?
- How can EPA better communicate its available resources, particularly to reach disadvantaged communities?

All ideas raised will be considered for inclusion in current and future recommendations submitted by the LGAC/SCAS to the EPA Administrator.

Cynthia McCoy stated a need for government to shift to a bottom-up approach, starting with the communities and what they need.

Sarah Gimont noted that BIL presents a unique opportunity for transformational change, but part of this work is to ensure that communities can implement the programs successfully.

Carolyn Berndt noted an analysis from NLC (whose membership is 80% from communities under 50,000 population), that looked at mayoral addresses in 2022. They found that cities are ready to rebuild and use ARPA money with a lens on equity and inclusion, and that infrastructure was the number one topic discussed, particularly water and sewer.

Jennifer Palmiotto noted NRWA's experience working with communities and helping them assess and address infrastructure needs. In particular, she highlighted their portfolio of programs that bridge the gap of regulatory requirements and developing capacity, and that EPA has been helpful in providing trainings and tools that technical assistance providers can use in the field.

Carolyn Berndt said that she echoed comments already shared, and not just in small communities, but all

communities. She said the long-term question is how to carry out the work started with BIL funding. She recommended EPA facilitate regional collaboration to find people addressing similar issues and resources that can be leveraged to help multiple communities.

Sarah Gimont noted a need to communicate more clearly about application and funding streams, particularly how ARPA funding is sent directly to communities and BIL funding is managed through various federal agencies and application processes. She also noted the difficulty of compliance reporting and how it discourages applications from small communities – she asked that assistance be offered for this phase as well.

Carolyn Berndt said that she has seen confusion in terms of what a disadvantaged community is, and how that intersects with Justice 40 and BIL funding; communities are asking if they qualify and how to prove it. She said that getting in the field is needed, perhaps through EPA Regional Offices engaging with state municipal leagues. She also noted the value added by environmental finance centers and the need to improve amplification and awareness of these resources.

Sarah Gimont added that it's important to note that many rural communities don't have broadband, so it's hard to rely on the internet for finding and applying for funds.

Jennifer Palmiotto said that EPA holding office hours is helpful; NWRA held a webinar with EPA partners to answer questions and plans to do more.

Nathaly Agosto Filion noted the longstanding issue of "EPA can't help writing a grant," but that this has been inconsistent over the years and between EPA offices.

Jonathan Nelson noted that the level of support offered depends on the program. For SRF programs there are ways where EPA can provide technical assistance through providers like NWRA to write and support applications. EPA will be announcing new resources like this soon. He emphasized that EPA is in a building stage right now as we develop more and more regional, community-based, technical assistance providers. There is currently a Request For Applications out for \$100 million to develop environmental finance centers in communities.

Nathaly Agosto Filion said that the actual submission of grant application is the barrier for her community of Newark. Even in a large community with resources they have only submitted applications for federal grants with the assistance of outside consultants.

Jonathan Nelson said that EPA recognizes that challenge. He offered to give a presentation to the LGAC and SCAS on what EPA has planned to help communities with all phases: assessing and identifying needs, applying for funding, doing the technical work of designing a program like engineering reports, and finally helping put that all together into a package ready to submit to state's SRF program. He noted that this has to be a real partnership with the state and local communities.

Cynthia McCoy said that USDN provides technical assistance for federal funding, and several universities are providing this service, including like Polis Center in Indiana and West Virginia University.

Mayor Kwasi Fraser suggested the idea of developing a database of available contractors to do this work, that communities could access when a project is being developed.

Jonathan Nelson agreed that every state needs this, noting the huge problem of workforce availability. He said that some states have master contracts where communities can access for these types of services. EPA is working with the Department of Labor to encourage states to set these up.

Jonathan Nelson asked the LGAC and SCAS to help EPA understand where they need to go, and to feel empowered to tell us where a need exists and invite EPA to events to learn more.

Carolyn Berndt asked if EPA could put all 50 State Intended Use Plans for the State Revolving Funds online to compare, track, and hold states accountable.

Jennifer Palmiotto asked if a list could be provided that shows nationwide systems that have never received funding under SRF.

### **Request for EPA action:**

- EPA should put all 50 SRF intended use plans online to compare, track, and hold states accountable
- EPA should provide a list that shows nationwide water systems that have never received SRF funding
- EPA should develop a database of available contractors to complete water infrastructure work that communities could access when a project is being developed.

# 11:55am Closing Remarks and Next Steps

Mayor Leirion Gaylor Baird, LGAC Chair

Mayor Leirion Gaylor Baird, LGAC Chair, thanked everyone for their participation. She said the LGAC's Executive Committee will be meeting soon to finalize all recommendations and send them to EPA's Administrator Regan; the SCAS in particular will weave the discussion we heard today into their final recommendations for EPA.

### 12:00pm Meeting Closed

Paige Lieberman, Designated Federal Officer

Paige Lieberman, Designated Federal Officer, closed the meeting.