



# CLEANWATER

state revolving fund

FY 2025

## INTENDED USE PLAN – Emerging Contaminants



**CLEANWATER**

STATE REVOLVING FUND

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

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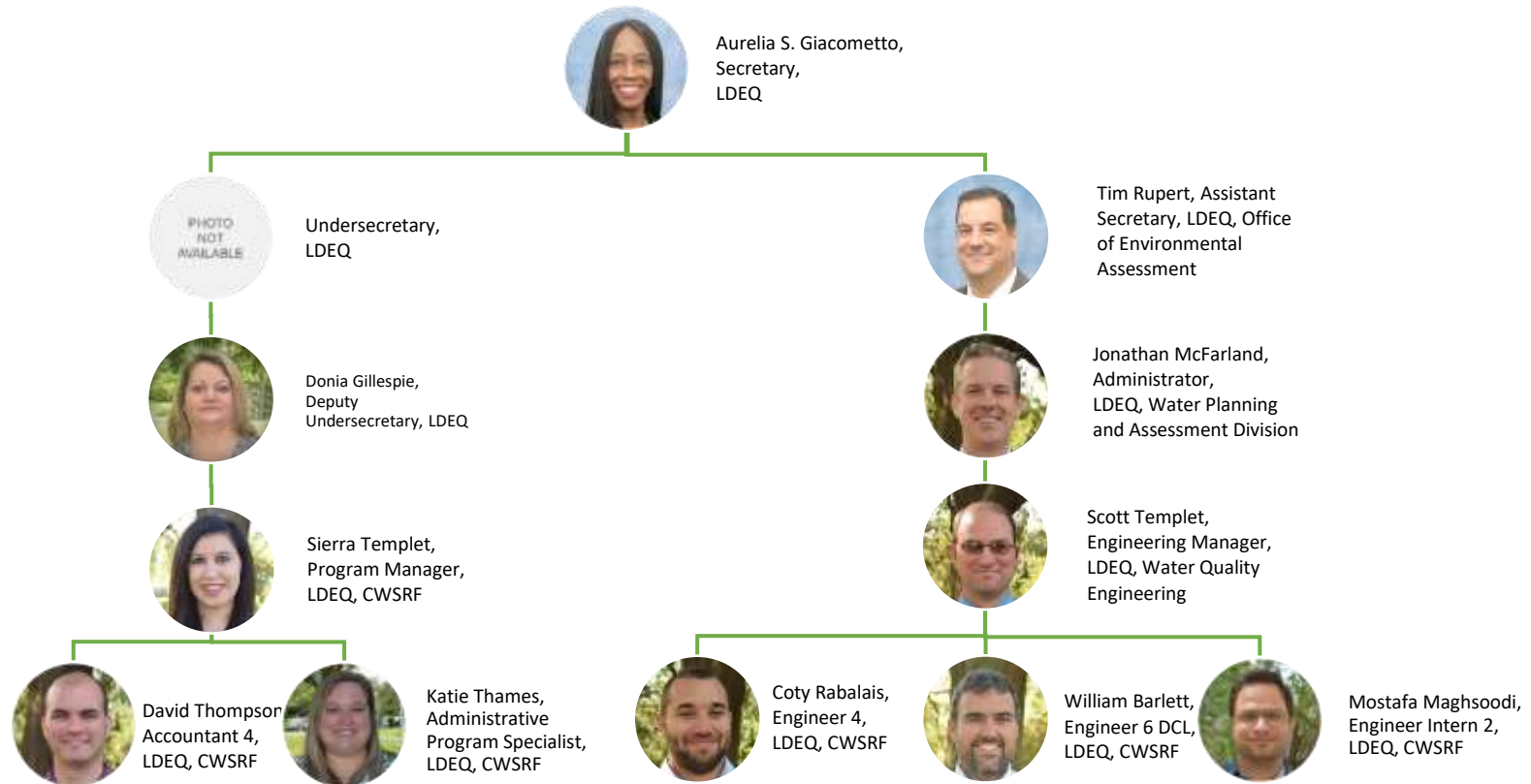
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Louisiana Clean Water State Revolving Fund Program



## I. Introduction

The Louisiana Department of Environmental Quality's (LDEQ) Intended Use Plan (IUP) for the Clean Water State Revolving Fund (CWSRF) is prepared in accordance with the provisions of Title VI of the Clean Water Act of 1987, and Bipartisan Infrastructure Law (BIL) signed by President Biden on November 15, 2021. This IUP is a required part of the process to request the Capitalization Grants for the Emerging Contaminants Grant. The Federal Fiscal Year (FFY) 2023 grant allotment is \$2,337,000.

Emerging Contaminants (EC) refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified re-emerging risks to human health, aquatic life, or the environment. {Per the 2020 White House Office of Science and Technology Policy document.} The main categories of emerging contaminants include, but are not limited to: Perfluoroalkyl and polyfluoroalkyl substances (PFAS), biological contaminants and microorganisms, pharmaceuticals and personal care products (PPCPs), nanomaterials, and microplastics.

## II. Background and Organization

The CWSRF program was established pursuant to Title VI of the Clean Water Act, as amended in 1987 (the Act). The CWSRF program presently operates under R.S. 30:2301-2306 (Act 296 of the 2010 Regular Session of the Louisiana Legislature). These statutes establish a state revolving loan fund capitalized by federal grants (Capitalization Grants for Clean Water State Revolving Funds, CFDA 66.458), by state funds when required or available, and by any other funds generated by the operation of the clean water revolving loan fund. LDEQ is authorized to engage in activities regarding the sums on deposit in, credited to, or to be received by the state revolving loan fund.

The Financial Services-Support Division and Water Planning and Assessment Division within LDEQ are responsible for the operations of the CWSRF program in the State of Louisiana. These divisions within LDEQ provide assistance to municipalities in developing, financing, and implementing wastewater treatment and/or storm water management plans. The Water Planning and Assessment Division provides engineering oversight, design review, and inspection services as well as environmental assessments. The Financial Services-Support Division oversees grant management, program administration, and financial services on eligible projects. All efforts are directed toward improving water quality by assisting communities in providing wastewater treatment processes that meet established effluent limits and achieve the goals of the Clean Water Act (CWA).

## III. Program Goals

For a project or activity to be eligible under this supplemental EC funding, it first must be otherwise eligible under section 603(c) of the CWA and the primary purpose must be to address emerging contaminants. The supplemental funding for emerging contaminants will address the EC for eligible

entities (i.e. public or non-profit, state or other governmental bodies, etc.). The EC projects could consist of any of the following:

- wastewater treatment technology focusing on removing PFAS or any PPCPs,
- eliminating plastics that could result in a microplastic pollution,
- planning and remediation efforts for PFAS for non-point sources,
- stormwater mitigation projects pertaining any EC
- harmful algal blooms / cyanotoxins cleanup and/or prevention

The EC funding goals are in concert with the short-term and long-term goals listed in section IV of the CWSRF FY25 IUP. Any additional goals are listed below.

A. Short-term Goals – Outputs

1. To fund eligible project proposals that address emerging contaminants.
2. To provide CWSRF loans with additional subsidization in the form of principal forgiveness for not less than 100% of the EC supplemental funding.
3. To ensure the projects receiving EC funds are in compliance with all federal requirements {as listed, but not limited to: Build America, Buy America (BABA), Davis Bacon, Disadvantaged Business Enterprise (DBE), signage, etc.}.
4. To provide outreach to Louisiana entities regarding availability of the Emerging Contaminant funding.

B. Long-term Goals – Outputs

1. To the extent eligible project proposals are available, use all the emerging contaminant funds allotted to the State to improve public health and the environment in order to meet the objectives of the Clean Water Act.
2. Collaborate with other State funding agencies regarding the possibility of co-funding to allow for project specifics and technologies in order to meet the objectives of the Clean Water Act.
3. Promote technical, managerial, and financial capability of all community sewer systems within the State.

#### **IV. Transfer of Funds**

If at any point during a federal allocation cycle and/or following solicitations, project proposal reviews, or construction, LDEQ does not have enough eligible projects to cover the entire allocation of EC funding, then LDEQ reserves the authority to transfer the remaining allocation of EC funds, as appropriate, to the Drinking Water Revolving Loan Fund (DWRLF) program. The DWRLF must utilize these EC funds as part of their EC funding allocation. Transfers between the CWSRF and DWRLF are eligible up to 33 percent of the FFY DWRLF capitalization grant amount.

#### **V. Program Management**

The EC funding is to be provided as a forgivable loan to either one entity or split between multiple projects. Only the EC eligible project portion will be allocated for EC funding. Any remaining project costs will either be funded with a CWSRF loan and/or other funding source.

### **Types of Projects to be funded**

Any of these below types of projects are eligible to be funded by the CWSRF program.

- (1) To any municipality or intermunicipal, interstate, or State agency for construction of publicly owned treatment works (as defined in section 212);
- (2) For the implementation of a management program established under section 319;
- (3) For development and implementation of a conservation and management plan under section 320;
- (4) For the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage;
- (5) For measures to manage, reduce, treat, or recapture storm water or subsurface drainage water;
- (6) To any municipality or intermunicipal, interstate, or State agency for measures to reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse;
- (7) For the development and implementation of watershed projects meeting the criteria set forth in section 122;
- (8) To any municipality or intermunicipal, interstate, or State agency for measures to reduce the energy consumption needs for publicly owned treatment works;
- (9) For reusing or recycling wastewater, storm water, or subsurface drainage water;
- (10) For measures to increase the security of publicly owned treatment works; and
- (11) To any qualified nonprofit entity, as determined by the Administrator, to provide assistance to owners and operators of small and medium publicly owned treatment works—
  - (A) To plan, develop, and obtain financing for eligible projects under this subsection, including planning, design, and associated preconstruction activities; and
  - (B) To assist such treatment works in achieving compliance with this Act.

### **Assurances and Specific Proposals**

The LDEQ has provided the necessary assurance and certifications as part of the Operating Agreement (OA) between LDEQ and US Environmental Protection Agency (EPA). The OA describes the mutual obligations between EPA and LDEQ, and through a Memorandum of Understanding. The purpose of the OA is to provide a framework of procedures to be followed in the management and administration of the CWSRF.

### **Federal Requirements**

Many federal requirements apply in an amount equal to the capitalization grant. These requirements include, but are not limited to:

- Single Audit Act (OMB A-133)
- DBE compliance
- Federal environmental crosscutters
- Environmental Reviews (aka State Environmental Review Process)
- Federal Funding Accountability and Transparency Act (FFATA) reporting
- A/E Procurement
- Signage Requirements

- BABA
- Cybersecurity

### **American Iron and Steel (AIS)**

All section 212 projects funded in whole or in part by the CWSRF must comply with the AIS requirements. To ensure compliance with these requirements, LDEQ will review manufacturer material certification letters for all iron and steel products implemented into a construction project. LDEQ will provide the assistance recipients with the specific AIS contract language that is to be included in the bid specification and/or contract documents.

### **Build America, Buy America (BABA)**

According to the Infrastructure Investment and Jobs Act {Public Law 117-58}, Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

- (1) all iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) all manufactured products used in the project are produced in the United States--this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- (3) all construction materials are manufactured in the United States--this means that all manufacturing processes for the construction material occurred in the United States. The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. For additional information (including published waivers), please see the EPA website: <https://www.epa.gov/cwsrf/build-america-buy-america-baba>

### **Davis-Bacon Wage Rates**

All grant funding being applied for in this IUP requires the application of Davis-Bacon prevailing wage rates to all treatment works projects funded in whole or in part by the CWSRF. The Davis-Bacon requirements do not apply to nonpoint source or decentralized wastewater treatment projects. Davis-Bacon applies to construction contracts over \$2,000 and their subcontractors (regardless of the subcontract amount). To ensure compliance with these requirements, LDEQ will confirm that the correct wage determinations are being included in the bid specifications and/or construction contracts. LDEQ will also provide assistance recipients with the specific EPA Davis-Bacon contract language that is to be included in bid specifications and/or contracts.

### **Cost and Effectiveness**

All assistance recipients must comply with the Cost and Effectiveness analysis. To ensure compliance with this requirement, LDEQ CWSRF has updated the plans and specifications guidance to include a

required signed certification from the loan recipient and/or consulting engineer. No construction project will be allowed to commence until this signed certification is received.

### **Audits and Reporting**

The LDEQ CWSRF is committed to transparency and accountability. To that end, program information, Intended Use Plans, Annual Reports, and other program materials are posted on the SRF website: [www.deq.louisiana.gov/cwsrf](http://www.deq.louisiana.gov/cwsrf).

An independent audit is conducted annually by the Louisiana Legislative Auditor's office. Project milestones and information are reported through EPA's Clean Water Benefits Reporting database. The LDEQ CWSRF commits to entering benefits information on all projects into CBR by the end of the quarter in which the assistance agreement is signed.

## **VI. CWSRF Program Participation**

### **A. Project Solicitation**

The CWSRF Program actively solicited for eligible EC projects using, but not limited to, direct emails, social media, posted website information, virtual and in-person meetings, workshop presentations, conference booths, etc.

Potential applicants were encouraged to submit a pre-application, note the potential emerging contaminant concern, and provide a description of the proposed project to address the EC.

Exhibit 1 shows the eligible applicants that are expected to be funded with the SFY 2025 funds (i.e. federal FY 2023 allocation).

### **B. Public Participation**

The FY 2025 Emerging Contaminant Intended Use Plan will be publically available for review (via EDMS and website) upon internal approval. A public notification for comment will be sent at a later date allowing a 30-day comment period. Any comments will be addressed and incorporated into the final version which will be directed toward EPA Region 6 as well as updated in EDMS and the program website.

A public hearing will also be scheduled at a later date. Anyone who registers will be provided the notification for the public hearing as well as information posted on the program website.



**VII. Exhibit 1 – EC Project Priority List**

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Louisiana Clean Water State Revolving Fund Program

Exhibit 1 – List of Emerging Contaminants fundable list

#	Recipient	Project Number	AI Number	LPDES Number	Priority Number	Project Description	EC Eligibility (Contaminant)	Project Amount Requested	EC Eligible Amount	Disadvantaged Community	Estimated Project Start Date	Affected Waterbody	Impaired Use
1	LSU Fire & Emergency Training Institute (FETI)	221983-01	29822	LAG542165	45	Further delineation and Remediation of PFAS	PFAS	\$2,337,000	\$2,337,000	N/A	Dec 2024	LA040201_00 Bayou Manchac (from Headwaters to Amite River)	FWP
	Total							\$2,337,000	\$2,337,000				

**VIII. Exhibit 2 - Public Notice**

PUBLIC NOTICE

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