



August 9, 2022

Mr. Aaron Snyder
Chief, Regional Planning and Environment Division
Corps Water Infrastructure Financing Team
441 G. Street NW CECW
Washington, DC 20314

Re: Docket Number COE-2022-0004 Credit Assistance and Related Fees for Water Resources Infrastructure Projects

Dear Aaron Snyder,

The Association of Metropolitan Water Agencies (AMWA) is pleased to have the opportunity to comment on the U.S. Army Corps of Engineers (Corps) proposed rule implementing a new credit assistance program under the Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) for safety projects related to dams. AMWA is an organization of the general managers and CEOs of large publicly owned drinking water utilities, which serve communities of more than 100,000 people. Our member utilities across the United States and Puerto Rico provide clean, reliable drinking water to approximately 160 million people, and many have reservoirs and dams that may benefit from this program. The association welcomes this expansion of federal access to advance the resilience and safety of our nation's dam infrastructure in this rulemaking. AMWA is pleased to provide the following feedback for the Corps' consideration.

AMWA has three main comments, which are summarized below and explained further in this letter, regarding the Corps' proposed rulemaking for safety projects to maintain, upgrade, and repair dams under WIFIA.

- 1.) First, AMWA asks that the Corps improve the application process by providing guidance on which projects are eligible for funding.
- 2.) Next, AMWA asks that the Corps work with the U.S. Environment Protection Agency (USEPA) to provide clarification between what, if any, differences in eligibility and funding structures there are for similar projects that are eligible for funding under the USEPA WIFIA program. We also ask that the Corps address questions about whether utilities would be able to combine funds from both this credit assistance program and the USEPA WIFIA program.

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- 3.) Finally, the association asks that the Corps clarify eligibility to receive the set aside of additional credit assistance and waived application fee for “economically disadvantaged communities.”

Clarification of eligibility and application process

AMWA believes the Corps should clarify eligibility and application processes for applicants through creating a clearer list of eligibility criteria as well as releasing a draft application for review. In the implementation of the final rulemaking, the Corps could include a list of projects that would not be eligible according to section C. Project Eligibility of the rule as an example to help potential applicants.

Clarification of differences and interactions with USEPA WIFIA program

AMWA is encouraged by the commitment to closely coordinate with the USEPA on the overlapping project eligibility to ensure borrowers utilize the program best suited for their project. We encourage the Corps to clarify eligibility and implementation for prospective applicants by first explaining the differences between USEPA WIFIA and this program and then explaining if utilities may combine credit assistance from both funds for the same eligible projects.

AMWA asks the Corps to consider working with USEPA to provide resources to potential applicants in the rollout of this program that will help applicants understand how each program could benefit their utility. The Corps and USEPA could establish a webpage, portal, webinar series, or other guidance explaining the differences in applications, financing, and other relevant information to help utilities understand which financing structure would best match a project’s scope and needs.

Guidance on defining economically disadvantaged communities and eligibility for additional credit assistance

The association generally supports the proposal to provide credit assistance for greater than the limitation of 49% of eligible project costs and waived application fee to projects serving “economically disadvantaged” communities but urges more guidance on implementation of this proposal. Such guidance would help ensure utilities serving economically disadvantaged communities pursue this opportunity.

AMWA hopes the Corps will further explain a.) any specific measures of “low-income,” “persistent poverty,” or “high unemployment;” b.) how much of a project’s service area must be an economically disadvantaged community to be eligible; and c.) the process for weighing selection criterion 12 – the extent to which the project serves economically disadvantaged communities and spurs economic opportunity for, and minimally adversely impacts, disadvantaged communities and their populations – in reviewing applications.

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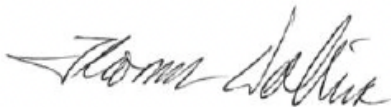
At the forefront of drinking water utilities' priorities is protecting public health by providing clean, reliable drinking water to communities through maintaining the integrity and resilience of their infrastructure. Utilities often use funds available through government programs to supplement efforts to do this. As utilities serving metropolitan areas, many AMWA member utilities serve cities or counties with communities that experience low-income, persistent poverty, and/or high unemployment. These communities may not represent the full scale of a utility's service area but nonetheless would benefit from the utility's project and credit assistance.

Providing clearer guidance on specific metrics or definitions of low-income, level of persistent poverty, or levels of unemployment would encourage utilities to apply for projects. Additionally, providing guidance on how much weight would be afforded to selection criterion 12, would help applicants understand more about the application process. AMWA therefore appreciates the flexibility of a broad definition but believes the Corps' rulemaking should provide more guidance about the implementation of additional credit assistance for projects serving economically disadvantaged communities.

Conclusion

AMWA sincerely thanks the Corps for the opportunity to engage and provide feedback on its proposed rulemaking for safety projects to maintain, upgrade, and repair dams. We are supportive of the Corps for its work developing this new program. We appreciate the efforts of the Corps to maintain our nation's water infrastructure and encourage a continuation of engagement with water sector stakeholders, including AMWA and our members. If you have any questions, please contact Jessica Evans (evans@amwa.net), AMWA's Government Affairs Associate.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Dobbins". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Thomas Dobbins
Chief Executive Officer