

To: Melissa Bethal, John Day City Manager
From: Nick Ducote, Ducote Consulting
Re: FY2025 Congressionally Directed Spending/Community Initiated Project Memo
Date: February 23, 2024

Request

The City of John Day has submitted a request for \$3,000,000 from the EPA Clean Water Revolving Loan Fund account. This request would be 85-100% grant, depending on waivers and applicability. Staff may ask us to reduce our request amount.

The City also submitted a funding request to DEQ through the Clean Water State Revolving Loan Fund in December 2023 for \$4,000,000. These two requests are the City's best chance for additional grants outside of the USDA funding package that will be finalized in 2024. It is possible to combine State Revolving Fund money with EPA/federal Revolving Fund money on the same project.

Process Explanation

Congressionally Directed Spending/Community Initiated Projects are a mechanism for local communities, districts, other public entities, and some non-profits to request grants to be appropriated directly from the US federal budget. The current intake process is for projects that would potentially be included in FY 2025's budget.

In order to end up included in the federal budget, this request has to go through a number of steps:

1. The request is reviewed by local staff for Senators Merkley and Wyden, and then by DC and other state staff. They ask follow-up questions, get more information, may ask for a decrease in the ask amount.
2. If selected for advocacy by Oregon's two senators, the project is then horse traded with every other state's project requests at the sub-committee and committee level.
3. If the project makes it into a bill at the sub-committee level, it then has to pass the full committee. Once it passes committee, it must be adopted by the House of Representatives and the US Senate. Then signed by the President.
4. Once the President signs the bill, with your project included, then your project **will** be funded, but it can take another 6-9 months. The agency that is handling your project – in this case it will be EPA – will have to write and adopt their FY Community Projects rules, assign staff, and send you preliminary documents.
5. Once the agency is ready to accept documents, you have to complete a full grant application with budgets and descriptions. EPA staff reviews and reconciles that paperwork with project realities and grant rules.
6. After what can take several months, your grant application is eventually accepted and the agency finalizes the grant contract and you can start drawing down the grant.



This process can take 12-24 months from when we submit the request. An important note, this is an entirely political process. The federal budget is often a political football thrown around, delayed, and Continuing Resolutions are used to fund the federal government in the absence of adopting the new FY's budget. If the FY 2024 budget is never passed, I'm not sure how the staff would handle all those requests going into FY 2025.



Fiscal Year 2025 Community Initiated Project (CIP) Appropriations Request

Form (John Day Wastewater Treatment Plant)

Name & Contact Info	Mailing Address	Permanent Address
Melissa Bethel Work: 5415750028 ex 4224 bethelm@grantcounty-or.gov	450 E Main St John Day OR 97845-1238	450 E Main St John Day OR 97845-1238

* indicates a required field.

Section 1. Organization Information

These questions refer to the organization/government entity that is requesting the funds.

1. Recipient Organization *

This should be the name of the organization that would apply for the grant with a federal agency to receive funds, if awarded.

City of John Day

2. Tax Identification Number (EIN) *

A Taxpayer Identification Number (TIN) is an identification number used by the Internal Revenue Service (IRS) in the administration of tax laws. Please format as XX-XXXXXXX.

93-6002192

3. Organization's Mailing Address *

Please include the requesting organization's mailing address. For example, 121 SW Salmon Street., Ste. 1400, Portland, OR 97204

450 East Main Street John Day, Oregon 97845

4. Contact's Name at Organization *

This should be the name of the person that either Senate office or federal agency staff can contact with questions or to notify of the award, if awarded.

City Manager Melissa Bethel

5. Contact's Email *

bethelm@grantcounty-or.gov

6. Contact's Phone *

5415750028

Section 2. Project Overview

The questions in this section concern the project that your organization is seeking funding for.

1. Title of Project *

Please provide a brief title to identify your request by. This should be how the project would appear in the bill or in a grant application. For example, HWY 101 Bridge Repair.

John Day Wastewater Treatment Plant Project

2. What is the amount of funding being requested? *

Number, not in thousands. No commas, decimals or numbers with leading zeros. For example if you want to request two-hundred twenty-million, three hundred thousand dollars you would put 220300000.

3000000

3. Please describe your project in one sentence. *

Please frame this brief, short description (30 words or less) as: "Funds will be used to..."

You will be asked to provide a more detailed description later in this application. This brief sentence should be generalized and emphasize the ultimate goal for this project.

To construct a new wastewater treatment plant outside of the floodplain that will bring the City's utility into compliance with regulations and revitalize the economy through creative water reuse.

4. Subcommittee *

More information about which agencies fall under each subcommittee can be found [here](#).

Interior, Environment, and Related Agencies (Interior)

5. Account *

The accounts listed are the **anticipated Fiscal Year 2025 accounts**. CDS accounts are subject to change pending final instructions/guidance from the Senate Appropriations Committee for the Fiscal Year 2025 appropriations process. The Senators staff will provide updates of any changes.

Only specific accounts are eligible to receive congressionally-directed spending items.

If you are interested in submitting an request for a military construction, please discuss them with the Senators' staffs prior to submission.

Accounts with a cost-share are denoted with an asterisk (*). Specific information about the details of the cost-share can be found in the committee's guidance documents.

Interior - EPA, STAG, Clean Water SRF*

6. Please provide a description of the project. *

Please include a description of the project or activity you are requesting funds for. It should not be the name of an existing program, project, or activity, but rather a description unique to your project request.

This description should provide a brief summary (250 words or less) of the project including its purpose, goals, history, current status, and a justification for the project (i.e., why funding is in the interest of taxpayers). The justification should also state what performance standards will be used to measure whether this project has achieved its objectives. This description must be complete on its own and may not simply incorporate supporting materials by reference. You may make a longer case for your project in the supplemental materials.

The purpose of the City's wastewater system improvement project is to maintain the system's compliance with the Clean Water Act (CWA) and Oregon Department of Environmental Quality (DEQ) rules and regulations regarding wastewater systems. DEQ has recently approved the permit pathway for the planned new WWTF after over a decade of being without a permit. The existing wastewater treatment facility is well past its useful life and in need of a complete replacement. Relocating the facility to its new location will place it outside of the FEMA 100-year floodplain, as updated through a FEMA Letter of Map Revision effective October 17, 2019. The proposed project will construct a new WWTP outside of the floodplain and will include at least Class B effluent. This project is essential to ensure human health and safety for residents within the City of John Day as well as complying with environmental regulations and CWA standards.

This treatment plant, originally constructed in 1949, serves both the communities of John Day and Canyon City, Oregon. Both communities are majority low-income, rural towns in Eastern Oregon. They are the center of the 20th century dredge mining operations that environmentally devastated the John Day River Valley. The proposed WWTF project not only brings the City's utility into compliance, but it also provides innovative opportunities to maximize the value of the reclaimed water. This sort of long-term business model creates a value-add piece of infrastructure that reaches beyond a simple WWTF.

7. What is the total cost of the project? *

This number is used to calculate any potential cost-shares.

Use a whole number, not an amount in thousands. No commas, decimals or numbers with leading zeros. For example, if the total project cost is two-hundred twenty-million, three hundred thousand dollars you would put 220300000.

19850000

8. Do you have the ability to meet the applicable matching or non-federal cost-share requirements? *

Not every account requires a local match. Please consult the guidance document.

Yes

9. How much funding from non-federal sources can you provide as a match for this project? *

The purpose of this question is to assess whether or not the project can meet potential cost-share requirements. Not every account requires a cost-share. Please consult the guidance document.

Number, not in thousands. No commas, decimals or numbers with leading zeros. For example if the total project cost is two-hundred twenty-million, three hundred thousand dollars you would put 220300000.

5000000

10. Please provide a short summary of the budget for this project.

Please provide one or two sentences about where funds for the project will be coming from and, specifically, what the funds requested for in this project will be used for. This serves as a summary for your full budget document, which must be uploaded with this application. Please be specific when describing the activities and expenditures.

For example: This project will be funded with \$XX state grant funding, \$XX from private donations, and \$XX from this funding request. The funding requested will be used on \$XX for salaries, \$XX for programming, and \$XX for equipment.

Project estimated total: \$19,850,000

\$2,500,000 - State Administered HUD-CDBG (awarded). Being used for Final Design and Package Plant procurement.

\$2,500,000 - Oregon State Water/Wastewater Financing Program (awarded). Being used for Final Design and Package Plant procurement.

\$7,850,000 - USDA-WEP (request pending). Will be used for construction and package plant procurement.

\$4,000,000 - DEQ-CWSRF (state administered, pending). Will be used for construction.

\$3,000,000 - This CIP/CDS request. Will be used for construction.

11. What is the primary purpose of the requested funding? *

Construction,

12. If applicable, please include a link to the project website.

NOTE: For THUD projects, a project website is **required**.

<https://www.cityofjohnday.com/planning/page/new-wastewater-treatment-plant>

13. Project Location (City): *

Please indicate the closest city to the project. If the project has multiple locations, please put the city of the recipient organization for the purposes of complying with disclosure rules.

City of John Day

14. Project Location (s) (County): *

Please put the name of the county that the project occurs within. If multiple counties, please list the county where the recipient organization is located. The project city and county must match.

Grant

15. What area or areas are served by this project? *

Please include a description of the areas served if different than the project location. For example, you might list multiple cities or counties where the project will be active.

City of John Day and City of Canyon City

16. Can grantee begin spending the requested funding within 12 months of the award? *

Yes

17. If funds were awarded, when would project activities occur? *

The purpose of this question is to determine whether or not funds would likely be available prior to when projects plan to begin and to ensure that project activities will be completed during the window funds are available. For a construction project, it would be the start and end dates of construction. For a research or service project, it would be the beginning and end of the research or service activities.

04/01/25 to 12/31/2026

18. What is the status of the required planning and environmental review work? *

CDS funding is a type of federal funding and normal rules for the use of federal funding apply. The purpose of this question is to ensure that the applicant understands these requirements and is able to meet them. For planning purposes, construction should not begin until the environmental review work is complete.

Complete

19. Given that these awards are not a recurring or permanent source of funding, what is the grantee's plan to sustain the work long-term? *

The capital construction will be a one-time expense. On-going operational expenses will be paid for with user rates, revenues from the sale of reclaimed water, and

20. Is the amount requested scalable to a lower amount? *

Yes

20.1 If so, what is the minimum amount?

1000000

20.2 If so, what would the minimum amount cover?

The funding is very flexible and scalable. The City has three different financing agencies - DEQ, Business Oregon, and USDA - where additional funds can be requested if grants like this are not successful.

21. If you are submitting multiple projects, please rank this request in order of priority. *

If you are only submitting one project, put "1"

1

Section 3. Account or Bill Specific Questions

The Senate Appropriations Committee requires different specific information between the different subcommittees and for some accounts within an agency or subcommittee. Please answer the questions in this section that are relevant to the project that you are requesting funding for.

1. If you are applying for transportation funding, projects must be on the State Transportation Infrastructure Plan (STIP) or applicants must have an eligibility letter from the Oregon Department of Transportation (ODOT). Do you meet these requirements? *

No, I am not applying for a transportation project

2. If you are applying for transportation funding, please include the link to the relevant transportation planning document. *

This could include the Statewide Transportation Improvement Plan, the Transportation Improvement Plan, and Statewide Rail Plan, or the relevant Airport master plan.

N/A

3. If you are applying for State and Private forestry funding, how does this project contribute to the state's Forest Action Plan? *

If you are not applying for State and Private forestry funding, please put N/A

N/A

4. If you are applying for State and Private Forestry funding, describe how this project will conserve and steward working forests/open space, protect forest health from insects and disease, meet urban and community forestry goals, create opportunities. *

If you are not applying for SPF funding, write N/A

N/A

5. If applying for Historic Preservation Fund funding, is the property listed, at the appropriate level, for the National Register of Historic Places or as a National Historic Landmark individually or as contributing to an historic district? *

No

6. If you are applying for Economic Development Initiative funding, explain how the project is included or complements planned or current projects within the HUD five year Consolidated Plan or Annual Action Plan? *

N/A

7. If you are applying for Economic Development Initiative funding, please provide a link to the relevant HUD five year Consolidated Plan or Annual Action Plan. *

N/A

8. If you are applying for Economic Development Initiative funding, which of the National Objectives of the broader Community Development Block Grant program does the project meet? *

No answer.

9. For projects applying for Economic Development Initiatives funding, explain how the projects meets one or more of the National Objective(s). *

This should be a short and generalized one-sentence description.

N/A

10.If you are applying for EPA Water or Wasterwater Infrastructure funding, only projects that meet the eligibility requirements for the Drinking Water and Clean Water State Revolving Funds are eligible. Do you meet these requirements? *

Yes, I have uploaded the required eligibility letter from the state agency

11.If you are applying for EPA Water or Wasterwater Infrastructure funding, is the project on the state's most recent finalized Clean Water or Drinking Water State Revolving Fund Intended Use Plan? *

Yes

12.For projects applying for Indian Health Service Sanitation Facilities Construction funding, is the project on the IHS Sanitation Deficiency Systems list? *

No

13.For projects applying for Indian Health Service (IHS) Sanitation Facilities Construction funding, is the project eligible under the Criteria for the Sanitation Facilities Construction Program? *

No

14.If you are applying for funding from the Army Corps or Bureau of Reclamation, has the project been funded in a prior fiscal year? *

Before you finalize your request please ensure that you verify with the appropriate local Corps of Engineers or Bureau of Reclamation office that the project or program you are requesting has been funded in a prior fiscal year.

No

Section 4. Additional Information

The questions in this section will help our offices coordinate with other Congressional Offices on requests.

1. Have you submitted this project for funding with another Congressional Office? *

No

1.1 If yes, which office(s)?

Please note: Rep. Bentz (OR-02) is not included below because his office does not participate in this process.

No answer.

2. Has this project received funding via a CIP award in previous years? *

This question does not refer to any other federal awards or competitive grants that your organization may have applied for.

Community Initiated Project (CIP) award refers to an award in the House or in the Senate via Congressionally Directed Spending or Community Project funding.

No

2.1 If yes, which year?

No answer.

2.2 How are the intended uses of these funds different from previous awards?

No answer.

3. Have you submitted this project for other funding opportunities? *

This is distinct from whether or not the proposed project has matching funds.

Yes

3.1 If so, where else have you submitted this project for funding?

State funds, Federal competitive grant,

City of John Day: WWTF Construction Budget

Costs	Amount	Status of Phase	Comments and/or Details
Ground/Surface Water Monitoring	\$ 300,000	Will begin in Q1 2024, annual \$100,000 cost for 3 years	This work is already beginning under the supervision of CwM-H20
Grant Admin, Legal, Permits, Labor Compliance, Proj. Mng., Bond Counsel, Training, Initial Ops, Interim Loan Interest	\$ 750,000	Ongoing	Ducote Consulting is the City's Grant Administrator, Environmental Reviewer, and Labor Standards compliance consultant. Bryant, Lovelin, Jarvis is our City Attorney
PER/Final Design Engineering	\$ 3,200,000	PER is completed, Final Design is starting in earnest in 2024	Flagline Engineering is providing Final Design/Construction Admin support.
Construction Admin/Inspections/Engineering	\$ 1,000,000	Will begin at the bidding stage pre-construction	
Construction of the WWTP and System Upgrades	\$ 5,500,000	Planned for 2025-2026	A prime contractor will be procured after the plans are 100% completed and the package treatment plant is finished.
Package Treatment Plant & Installation	\$ 7,600,000	Will be procured and built off-site in 2024-2025	This "engine" of the treatment plant is proprietary based on a competitive selection at 30% Final Design, built off-site, and will be delivered to the project site prior to construction.
Construction Contingency	\$ 1,500,000		
Total Cost	\$ 19,850,000		

Funding	Amount	Status of Funding	Comments and/or Details
<i>Funding, HOME funding, federal tax credits, etc.)</i>			
USDA-WEP	\$ 7,850,000	Applied for, waiting on final Environmental Clearance to proceed	USDA-WEP will fund starting at Package Treatment Plant procurement through the end of construction.
<i>Local or State Government Funding (eg: bond votes, tax credits, etc.)</i>			
HUD-CDBG (State administered) Program	\$ 2,500,000	Awarded, committed	HUD-CDBG is funding Final Design activities & Package Plant
	\$ 2,500,000	Awarded, committed	W/WW is funding Final Design, environmental, & Package Plant
DEQ-CWSRF (BIL)	\$ 4,000,000	Applied for, pending inclusion on Intended Use Plan	Will be earmarked for use in construction activities only.

Congressionally Directed Spending**Request for Fiscal Year 2023** \$ 3,000,000

Will be earmarked for use in construction activities only.

Total Funding \$ **19,850,000**
