



WATER RESOURCE MANAGEMENT

N.J.A.C. 7:22

Financial Assistance Programs for
Environmental Infrastructure Projects

Rulemaking Stakeholder Meeting

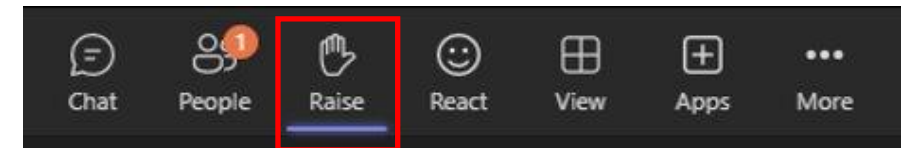
September 4, 2024



MEETING GROUND RULES

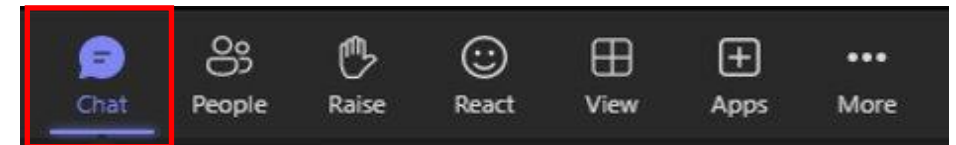
The purpose of the focus group is to have an interactive discussion

- For sound quality all participants will be muted.
- If you are on the telephone, *6 can be used to mute/unmute yourself.
- During the discussion portion, the audience will be asked a series of questions.
- Please “raise your hand” to answer the questions.
- A DEP staff member will call on you.
- Please be sure to unmute before speaking.

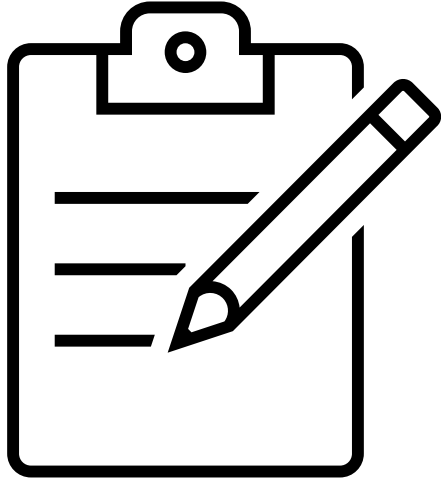


Comments or Questions at any point during the meeting?

- Please use the chat box.
- Enter your question.
- A DEP staff member will address your question at the end of the presentation.



AGENDA



- Introduction
- Overview of Focus Groups
- Overview of N.J.A.C. 7:22
- Past Stakeholder Outreach
- Potential DEP & I-Bank Changes
- Feedback
- Next Steps

DEP RULEMAKING

Team

- Division of Water Quality
- Division of Water Supply & Geoscience
- I-Bank
- Office of Equal Opportunity & Public Contract Assistance

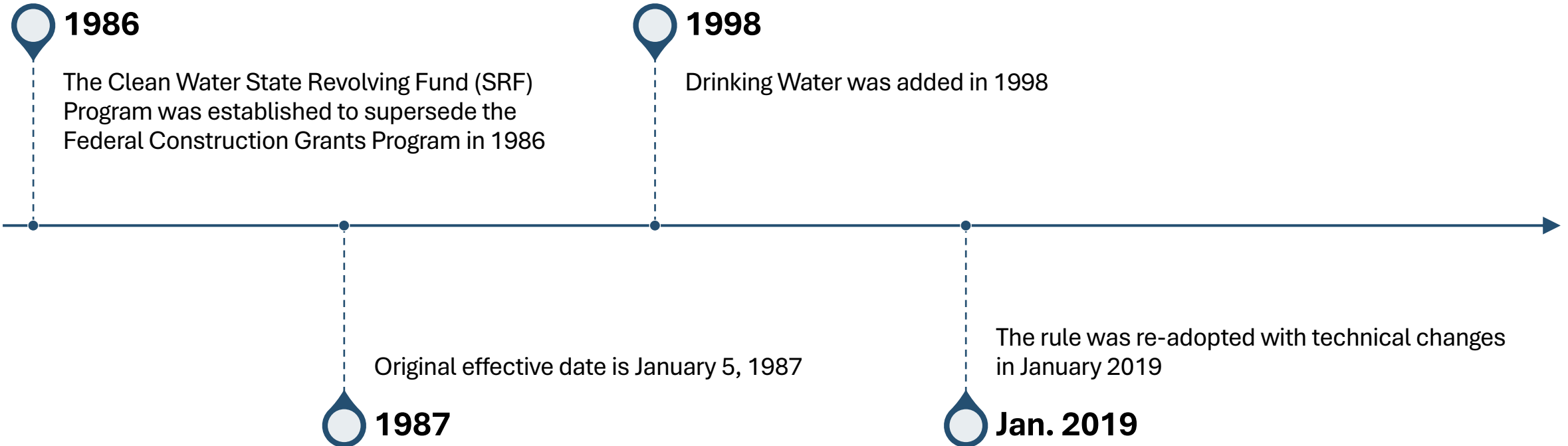
Process

- Internal launch identifying key issues
- Stakeholder (various times)
- Drafting
- Internal review
- Proposal Publication



OVERVIEW OF RULE

7:22 contains the rules of the Department and I-Bank governing the financial assistance application and award procedures for project sponsors to qualify for monies to finance environmental infrastructure projects.



**Various amendments and re-adoptions: 1992, 1998, 2000, 2005, 2012*



PAST STAKEHOLDER OUTREACH

Emailed **100+ stakeholders** in Summer 2019
receiving written feedback from five organizations

Held **two in-person stakeholder meetings** where
opportunity was provided for presenting feedback



AUGUST STAKEHOLDER FOCUS GROUPS

Held **two online focus group stakeholder meetings** where opportunity was provided for presenting feedback.

Focus Group 1 consisted of municipal and utility representatives actively involved with the Water Bank.

Focus Group 2 consisted of professional consultants that work with Water Bank applicants.

SUMMARY CHANGES CONSIDERED



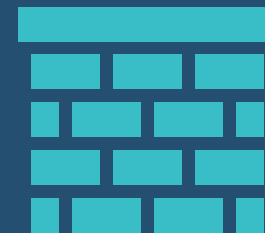
Focus on Subchapters
3, 4, 5, 6, 7, 9, 10



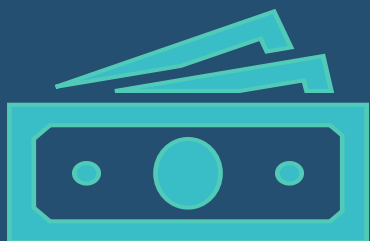
Modernization



Asset
Management



Climate Change
Resilience



Rolling Applications
and Short-Term
Loans



Repair and
Replacement



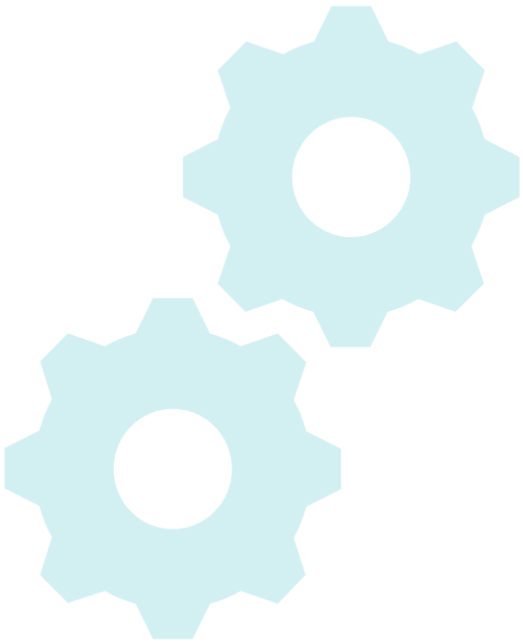
Consistency with
Federal Updates



Pinelands
Commission



MODERNIZATION



- **Streamlining**

- Targeted revisions for internal consistency
- Reflect current processes and procedures

- **H2lOans**

- Application portal for loans
- Reflect the electronic application process
- Management and review of projects now online



ASSET MANAGEMENT

Continue to build on the DEP and I-BANK long-standing priority to facilitate proper short and long-term management of environmental infrastructure. Formalizes requirements for Asset Management Plan (AMP) and Fiscal Sustainability Plan (FSP).



Current

- No formal requirement included with the regulations.
- Required as per loan conditions.

Proposal

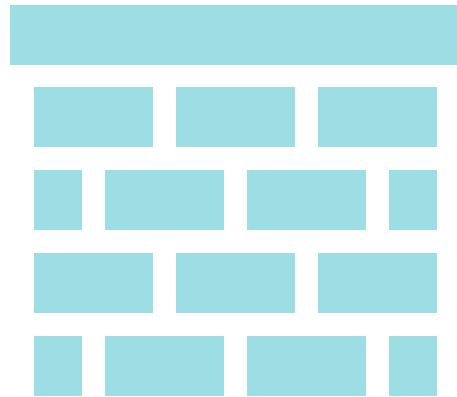
- Includes definitions for AMP and FSP.
- Loan recipients to commit to a comprehensive AMP or FSP, as applicable, for funded projects.
- Clarifying relationship between AMP and FSP.



CLIMATE CHANGE RESILIENCE

Continue to build on New Jersey's priority to plan for and address the current and anticipated impacts of climate change.

Current



- No formal requirement included with the regulations.

Proposal

- Update Project Report requirements to include an evaluation of alternatives to account for federal and state resilience considerations



ROLLING APPLICATIONS AND SHORT-TERM LOANS

Reflect the increased flexibility of the application submission process currently provided by the program.



Current Rules

- Rules are configured to reflect a yearly application cycle
- Award cycle with deadlines and submission constraints

Proposed Rules

- Rules to be configured to reflect rolling application
- Removing concept of application submission deadlines



REPAIR AND REPLACEMENT

For all new systems, loan recipients shall demonstrate or establish sufficient reserve funds for operation and maintenance, repair, and replacement of the system.



Current

- Implemented on a case-by-case basis

Proposal

- All new systems to address this requirement



CONSISTENCY WITH FEDERAL UPDATES



Allowance Table

- Planning and Design financing as a percentage of the building cost no longer allowable as per US EPA.
- Planning and Design costs now financed on a dollar-for-dollar basis as confirmed by NJ Water Bank review.
- Rule amendments are being developed to reflect these changes.



PINELANDS COMMISSION

Update rules to match program changes for project eligibility



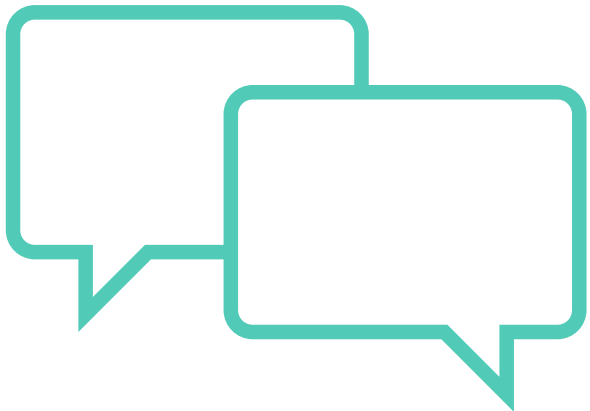
Current

- Rules originally developed for Clean Water financing of traditional wastewater infrastructure

Proposal

- Update to expand funding opportunities to a wider array of infrastructure types such as drinking and storm water.

FEEDBACK



Are there any terms or requirements in the rules that should be redefined or further developed?

Are there any requirements in the rule that need additional descriptions or qualifiers?

Are there missing application or contract document requirements that should be included in the rules?

Are there any additional improvements to processes or requirements that should be considered?

NEXT STEPS

Submit feedback to:

waterbankinfo@dep.nj.gov

We kindly ask that written feedback be submitted by September 13
2024.