



# Nebraska State College System

CHADRON | PERU | WAYNE

## **Coronavirus State Fiscal Recovery Funds Federal Assistance Listing Number (ALN) 21.027 31 CFR Part 35 and LB 1014 (2022), Sec. 37**

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### **GUIDANCE DOCUMENT**

June 13, 2022

*This guidance document is advisory in nature but is binding on an agency until amended by such agency. A guidance document does not include internal procedural documents that only affect the internal operations of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.*

As required by LB 1014, *"All grants utilizing Federal Funds allocated to the State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund shall meet the eligible uses under the federal American Rescue Plan Act of 2021 and any relevant guidance on the use of such funds by the United States Department of the Treasury."*

*"Each agency, board, or commission shall complete guidance documents related to the distribution of the Federal Funds appropriated pursuant to this act within sixty days after the effective date of this act."*

(Due 6/13/2022)

As defined in Neb. Rev. Stat. § 84-901(5) *"Guidance document shall mean any statement developed by an agency which lacks the force of law but provides information or direction of general application to the public to interpret or implement statutes or such agency's rules or regulations. A guidance document is binding on an agency until amended by the agency. A guidance document shall not give rise to any legal right or duty or be treated as authority for any standard, requirement, or policy. Internal procedural documents which provide guidance to staff on agency organization and operations shall not be considered guidance documents."*

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## Nebraska State College System Water & Sewer Projects

The Nebraska State College System (NSCS) was appropriated a total of \$6,000,000 in Federal Funds to upgrade water and sewer systems on the Chadron State College, Peru State College, and Wayne State College campuses.

The federal government has targeted water and sewer upgrades as an essential infrastructure need to ensure public safety in recovering and coping with the pandemic's lasting effects. This is envisioned as large-scale water and sewer projects for colleges/universities and communities while also making significant renovations to public spaces that hinder social distancing. A second issue is a critical concern in many residence halls across college campuses where bathrooms designed in the 1960s and 1970s do not provide the necessary size, privacy, or ventilation to meet public health official guidance and support social distancing.

The Board of Trustees of the Nebraska State Colleges (Board) has allocated \$2,000,000 to each College for the purposes of completing eligible water and sewer projects. The projects qualify under the U.S. Department of the Treasury guidance:

### Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule

#### Water & Sewer Infrastructure (Pages 37-38)

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in water and sewer infrastructure. State, local, and Tribal governments have a tremendous need to address the consequences of deferred maintenance in drinking water systems and removal, management, and treatment of sewage and stormwater, along with additional resiliency measures needed to adapt to climate change.

Recipients may undertake the eligible projects below:

#### **PROJECTS ELIGIBLE UNDER EPA'S CLEAN WATER STATE REVOLVING FUND (CWSRF)**

Eligible projects under the CWSRF, and the final rule, include:

- ✓ Construction of publicly owned treatment works
- ✓ Projects pursuant to the implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA)
- ✓ Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
- ✓ Management and treatment of stormwater or subsurface drainage water
- ✓ Water conservation, efficiency, or reuse measures

- ✓ Development and implementation of a conservation and management plan under the CWA
- ✓ Watershed projects meeting the criteria set forth in the CWA
- ✓ Energy consumption reduction for publicly owned treatment works
- ✓ Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- ✓ Security of publicly owned treatment works

Treasury encourages recipients to review the EPA handbook for the CWSRF for a full list of eligibilities.

### **PROJECTS ELIGIBLE UNDER EPA'S DRINKING WATER STATE REVOLVING FUND (DWSRF)**

Eligible drinking water projects under the DWSRF, and the final rule, include:

- ✓ Facilities to improve drinking water quality
- ✓ Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements
- ✓ New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage
- ✓ Green infrastructure, including green roofs, rainwater harvesting collection, permeable pavement
- ✓ Storage of drinking water, such as to prevent contaminants or equalize water demands
- ✓ Purchase of water systems and interconnection of systems
- ✓ New community water systems

Treasury encourages recipients to review the EPA handbook for the DWSRF for a full list of eligibilities.

### **ADDITIONAL ELIGIBLE PROJECTS**

With broadened eligibility under the final rule, SLFRF funds may be used to fund additional types of projects— such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitation of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be "necessary" according to the definition provided in the final rule and outlined below.

- ✓ Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure
- ✓ Infrastructure to improve access to safe drinking water for individuals served by residential wells, including testing initiatives and treatment/remediation strategies that address contamination
- ✓ Dam and reservoir rehabilitation if the primary purpose of dam or reservoir is for drinking water supply and project is necessary for the provision of drinking water
- ✓ Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water

Infrastructure Improvements for the Nation (WIIN) Act, such as lead testing, installation of corrosion control treatment, lead service line replacement, as well as water quality testing, compliance monitoring, and remediation activities, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities

A "necessary" investment in infrastructure must be:

- 1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise,
- 2) a cost-effective means for meeting that need, taking into account available alternatives, and
- 3) for investments in infrastructure that supply drinking water in order to meet projected population growth, projected to be sustainable over its estimated useful life.

Please note that DWSRF and CWSRF-eligible projects are generally presumed to be necessary investments. Additional eligible projects generally must be responsive to an identified need to achieve or maintain an adequate minimum level of service. Recipients are only required to assess the cost-effectiveness of projects for the creation of new drinking water systems, dam and reservoir rehabilitation projects, or projects for the extension of drinking water services to meet population growth needs. Recipients should review the supplementary information to the final rule for more details on requirements applicable to each type of investment.

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## Nebraska State College System COVID Training Equipment

The NSCS was appropriated a total of \$2,000,000 in Federal Funds to purchase needed equipment to prepare health care professionals to combat the effects of COVID-19.

The pandemic reinforced the need for colleges/universities to have a robust broadband infrastructure on campus to support the hybrid teaching and learning process that became necessary as students transitioned to remote delivery or returned and experienced high-flex delivery due to quarantine. This also resulted in the need for modified classroom environments that could facilitate a combination of in-person and remote instruction as students transitioned between these two (2) modalities. Adequate keycard access capacity at the classroom vs. building level became a valuable tool for: 1) allowing only appropriate students and staff access to buildings; 2) monitoring attendance in classes to assess student well-being; and 3) increasing general safety and security for all students. Additionally, the increased volatility of cybersecurity attacks at higher education institutions has demonstrated the vulnerability of essential student data and increased student costs to provide necessary cybersecurity insurance to respond to attacks effectively.

The Board has allocated \$600,000 to Chadron State College, \$510,000 to Peru State College, and \$890,000 to Wayne State College to purchase equipment to prepare health care professionals in combating the effects of COVID-19. Those projects qualify under the U.S. Department of the Treasury guidance:

### Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule

#### Impacted Households and Communities (pages 19-20)

Treasury presumes the following households and communities are disproportionately impacted by the pandemic:

- ✓ Low -income households and communities
- ✓ Households residing in Qualified Census Tracts
- ✓ Households that qualify for certain federal five benefits
- ✓ Households receiving services provided by Tribal governments
- ✓ Households residing in the U.S. territories or receiving services from these governments

Low-income households and communities are those with (i) income at or below 185 percent of the Federal Poverty Guidelines for the size of its household based on the most recently published poverty guidelines or (ii) income at or below 40 percent of area median income for its county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines

level is higher than the area median income level, and using this level would result in more households and communities being presumed eligible. Treasury has provided an easy-to-use spreadsheet with Federal Poverty Guidelines and area median income levels on its website.

Recipients can measure income for a specific household or the median income for the community, depending on whether the service they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a general community.

The income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$40,626 per year. In other words, recipients can always presume that a household earning below this level, or a community with median income below this level, is disproportionately impacted by the pandemic and eligible for services to respond.

Treasury recognizes the enumerated projects below, which have been expanded under the final rule, as eligible to respond to disproportionate impacts of the pandemic on households and communities:

- ✓ Pay for community health workers to help households access health & social services
- ✓ Remediation of lead paint or other lead hazards
- ✓ Primary care clinics, hospitals, integration of health services into other settings, and other investments in medical equipment & facilities designed to address health disparities
- ✓ Housing vouchers & assistance relocating to neighborhoods with higher economic opportunity
- ✓ Investments in neighborhoods to promote improved health outcomes
- ✓ Improvements to vacant and abandoned properties, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing
- ✓ Services to address educational disparities, including assistance to high-poverty school districts & educational and evidence-based services to address student academic, social, emotional, and mental health needs
- ✓ Schools and other educational equipment & facilities
- ✓ Responses available to respond to impacts of the pandemic on households and communities (including those listed on page 18)