

Ohio Environmental Infrastructure Program • Section 594



US Army Corps of Engineers®
Buffalo District
BUILDING STRONG®

AUTHORITY - Congress passed the Water Resources Development Act of 1999 (Public Law 106-53), Section 594 to help alleviate some of the environmental infrastructure problems throughout the state. The law provides a program of federal assistance through the U.S. Army Corps of Engineers (USACE). Specifically, the law states that assistance may be provided for design and/or construction of publicly owned water related environmental infrastructure and resource protection and development projects. The Program's Federal Authorization is \$240 million. The Section 594 Environmental Infrastructure Program is applicable to the entire State of Ohio and falls within the boundaries of four USACE districts (Huntington, Buffalo, Louisville and Pittsburgh).



U.S. Army Corps of Engineers Districts within Ohio:

-  Buffalo
-  Pittsburgh
-  Huntington
-  Louisville

THE PROGRAM OBJECTIVE - is to provide design and/or construction assistance to Non-Federal interests for carrying out water-related environmental infrastructure and resource protection and development projects in the State of Ohio.

Authorized Project Types:

- Waste water treatment and related facilities
- Combined sewer overflow
- Water supply, storage, treatment and related facilities
- Surface water resource protection and development
- Mine drainage issues that impact water supply
- Environmental restoration

SELECTION PROCESS - The Section 594 Program Management Plan (PgMP) outlines the selection process for new projects. A call for applications begins the process, unless Congress designates projects for implementation. If that occurs, projects designated by Congress are funded first, and any remaining funds are allocated to projects through the selection process.

COST SHARING - The Section 594 program is a reimbursement program, whereby 75% of the Total Project Costs (TPC) are borne by the government and 25% of the costs are borne by the local sponsor. Federal assistance is in the form of reimbursements and the Non-Federal sponsor will contribute 25% of the total project costs.

The Non-Federal sponsor may also receive credit for:

- Reasonable costs of design work completed prior to entering into an agreement with the Government. **(no construction work will be cost shared until the local sponsor has entered into an agreement with the Government and National Environmental Policy Act (NEPA) compliance is achieved.)**
- Lands, Easements, Right-of-Way, Relocations, and Disposal/Borrow Areas (LERRDs) which are required as the result of these projects.

Reimbursement Program-This reimbursement is not a grant, and therefore, the money is not provided in one lump sum. Reimbursement is made when invoices for work performed or paid receipts for work performed are provided to USACE.

USACE PROJECT CONTRIBUTIONS - USACE is responsible for the participation with the local sponsor on these local projects. Corps' contributions include:

- Providing information to the local sponsor regarding the program
- Developing the Project Partnership Agreement (PPA)
- Performing a real estate gross appraisal
- Preparing audit reports to provide reimbursement to the local sponsor
- Preparing NEPA documentation
- Reviewing Hazardous, Toxic and Radiological Waste (HTRW) investigations
- Auditing of Sponsor Real Estate crediting requests
- Reviewing plans and specifications and cost estimates.

These contributions are part of the TPC and are subject to cost sharing.

PROJECT PARTNERSHIP AGREEMENT (PPA) -

An agreement between USACE and the local sponsor shall be signed. This PPA will specify the cost-share requirements applicable to the project and provide the total project costs that will be shared 75/25 between the Federal Government and the Sponsor. In addition to cost-sharing provisions, the PPA spells out:

1. Rights and responsibilities of the parties
2. Defines the scope of work that will be cost shared
3. Sets up the Project Coordination Team (PCT)
4. Cost Reimbursement Process

There are Three types of PPAs:

1. Design
2. Design /Construction
3. Construction

The local sponsor and USACE will determine which PPA will be best suited for their particular project. USACE is responsible for editing the suitable PPA model and submitting to the local sponsor for signature. The PPA must be signed Prior to any reimbursement of funds.



Ohio Environmental Infrastructure Program • Section 594

RESPONSIBILITIES OF BOTH THE LOCAL SPONSOR AND USACE *PRIOR* TO THE SIGNING OF PROJECT PARTNERSHIP AGREEMENT.

RESPONSIBILITIES OF THE LOCAL SPONSOR -

It is the responsibility of the local sponsor to provide the necessary documents to USACE, prior to the signing of the PPA.

- **Letter of Intent** - The sponsor will provide a letter of intent indicating their willingness to participate in this program.
- **Ordinance or Resolution** - The sponsor will provide an ordinance/resolution, indicating commitment to participate in this program. The Sponsor will also designate an official representative to sign any and all agreements with USACE.
- **Self Certification of Financial Capability** - The local sponsor, in conjunction with USACE, will provide a signed document certifying their ability to meet the financial responsibility of the project.
- **Provide a Facility Plan** (if none exists or is outdated).

RESPONSIBILITIES OF USACE - It is the responsibility of USACE to provide the necessary documents, *Prior* to the signing of the PPA.

- **Real Estate Checklist** - USACE will conduct a quality control of the local sponsor's ability to provide necessary real estate for the project.
- **Certificate of Legal Review** - USACE will provide a legal review of the Financial Plan and PPA to ensure that the documents are legally sufficient.
- **NEPA Review and Processing** - (note: for construction only type PPAs, this work is performed prior to signing the PPA). Typically includes the final review and processing of the Environmental Assessment along with review of the Limited Phase I HTRW report.

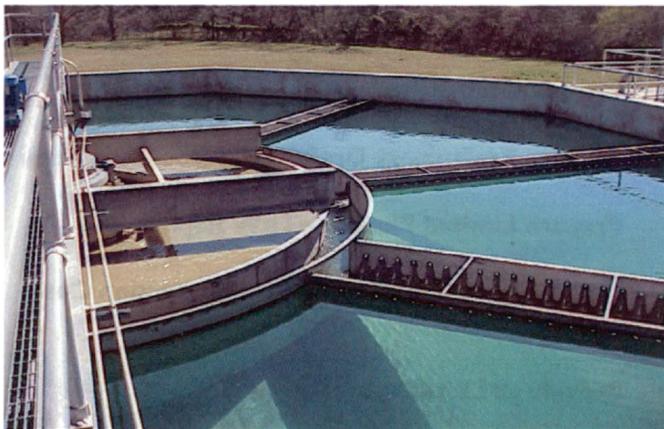
RESPONSIBILITIES OF THE LOCAL SPONSOR AND USACE *AFTER* SIGNING OF THE PPA.

RESPONSIBILITIES OF THE LOCAL SPONSOR -

- **Timely Invoices**-The local sponsor is responsible for providing USACE with timely invoices and/or receipts for work completed on the project. **Provide a listing of Prevailing Wages Used During Construction Phase**, if applicable - USACE will review for compliance with the Davis-Bacon Act.
 - Provide Plans & Specifications (P&S)
 - Provide Cost Estimates
 - Prepare Preliminary Draft NEPA Documentation
 - Prepare Limited Phase I HTRW Report
 - Award and Administration of Construction Contract.
 - Provide all LERRDs, etc.
 - Design and/or Construction of the Project
 - Operation and Maintenance (O&M)-the sponsor is responsible for 100% of O&M for the project when completed.

RESPONSIBILITIES OF USACE -

- **Environmental Review (NEPA)** - USACE will conduct and environmental review of the project to ensure compliance with environmental regulations are adhered to. USACE will prepare the appropriate NEPA documents for public comment as required by law.
- **Design Review** - A USACE design engineer will review the project design, plans/specifications, and cost estimates.
- **Sponsor Reimbursement** - USACE will audit the invoices, and then Prepare an audit report authorizing reimbursement. The audit report will then be processed for payment through the USACE Finance Center. Reimbursement will be made in a timely manner and can be deposited electronically, if preferred by the local sponsor.



U.S. ARMY CORPS OF ENGINEERS

Frank O'Connor, 594 LRB Project Manager
USACE, Buffalo District

1776 Niagara Street
Buffalo, NY 14207-3199

Phone: 716-879-4131

Fax: 716-879-4225

E-mail: Frank.A.O'Connor@usace.army.mil

