



# Nashville Area Indian Health Service Sanitation Facilities Construction (SFC) Infrastructure Funding Opportunities



**Infrastructure Development within IHS' Processes**



# Nashville Area Indian Health Service Sanitation Facilities Construction (SFC)



## The SFC program does not get Direct Infrastructure Funding

- ❖ IHS – SFC is a Public Health Program
- ❖ All funding is for Sanitation Facilities
- ❖ All Funding is to serve health based needs of Residential Homes





# Nashville Area Indian Health Service Sanitation Facilities Construction (SFC)



## Large Influx of Funding from IIJA until 2026

IIJA → Infrastructure Investment and Jobs Act

- ❖ The first year Nashville Area had about \$46M  
(*roughly 10 times our normal allocation*)
- ❖ Second year will be less (*not allocated yet*)
- ❖ Third year is in process now
- ❖ Two full additional years still to come







# Influx of Funding Come From Where?

IIJA Funding directed to **IHS** and **EPA**

IHS calls it IIJA: Infrastructure Investment and Jobs Act

EPA calls it BIL: supposedly means Bipartisan Infrastructure Law

News release headline states:

IHS Allocates \$700 Million From President Biden's Bipartisan Infrastructure Law to Improve Tribal Water and Sanitation Systems

**Both IHS & EPA funds** can be used for IHS Projects



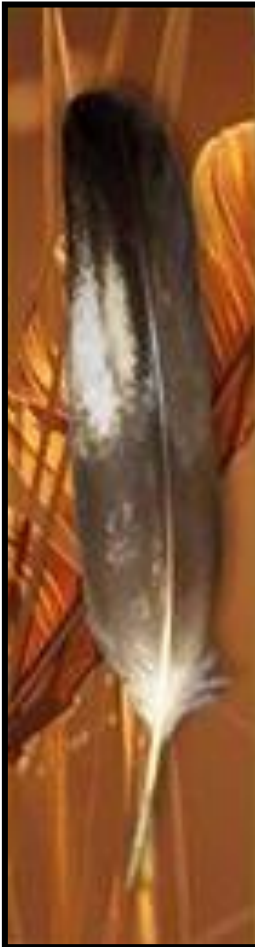


# How do Tribal Nations Access Funding?



Sanitation Deficiency System (SDS): process used to allocated funding for IHS

- ❖ SDS is **Project Based** not Grant based like the EPA or Grant/Loan based Rural Development (RD) funding
- ❖ Each Funding Agency uses its own rules
- ❖ Each Funding Agency can use SDS for its project section
- ❖ *These difference makes it possible to address more project overall costs!*



**All Tribal Nations are Encouraged to Develop Projects!**



# Sanitation Deficiency System (SDS)



## What is it:

- ✓ Inventory of sanitation deficiency needs for existing tribal homes and communities
- ✓ Prioritizes projects to correct those deficiencies
- ✓ Allocates IHS Regular and IIJA Funding
- ✓ Also - Allocates EPA Clean Water Act Funding

## Why is it used:

Required by Congress per PL-94-437





# SDS Project Scoring Factors

<u>Factors</u>	<u>Score</u>
<input type="checkbox"/> Health Impact	(0 - 30)
<input type="checkbox"/> Existing Deficiency Level	(0 - 25)
<input type="checkbox"/> Previous Service	(0 - 4)
<input type="checkbox"/> Capital Cost	(-9 - 9)
<input type="checkbox"/> Tribal Priority	(0 - 16)
<input type="checkbox"/> Operations & Maintenance	(0 - 16)
<input type="checkbox"/> Contributions	(0 - 8)
<input type="checkbox"/> Local Conditions	(-15 - 0)

Total Score determines area priority.



**All Tribal Nations are Encouraged to Develop Projects!**



# SDS Schedule: When to get Involved



- ❖ Maintenance and Updates – **On Going**
- ❖ Notification to Tribal Nations – **First Quarter of the CY**
- ❖ Submittal to Nashville Area SFC – **Middle of June**
- ❖ Submission to IHS HQ – **Early August**
- ❖ IHS HQ Comments – **Early October**
- ❖ Submission to Congress – **Early November**
- ❖ Notification of Project Selection – **Late 1<sup>st</sup> CY Quarter**





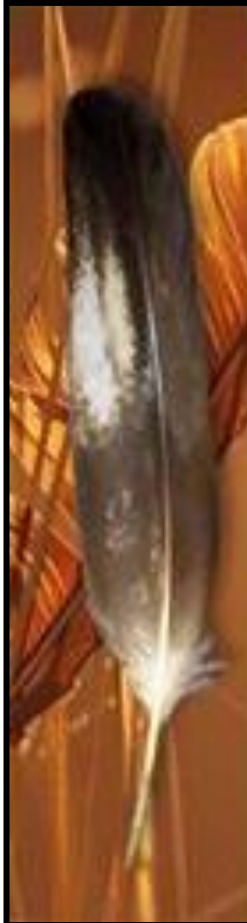


# Nashville Area Indian Health Service Sanitation Facilities Construction (SFC)



## Infrastructure Funding Opportunities Summary

- ❖ IHS has Public Health Based projects that fund Infrastructure for Sanitation Facilities
- ❖ Funding for Residential Homes
- ❖ SDS Process Distributes the funds based on priority scoring
- ❖ SDS Allocates IHS Regular & IIJA and EPA Clean Water Funds
- ❖ Other Funding Sources EPA and RD can use SDS list





Questions



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# Nashville Area Indian Health Service Sanitation Facilities Construction (SFC) Infrastructure Funding Opportunities Summary



## SDS General Summary Review

1 Page Summary of SDS  
provided in the Nashville  
Library: *21-02-01 Nashville  
Area IHS Sanitation  
Deficiency System Thumbnail*

### Nashville Area IHS Sanitation Deficiency System (SDS) Summary/Overview

- ❖ **Basis used for** prioritization and distribution of IHS Regular funds and EPA Clean Water Act funds to Tribes in the Area, to correct existing sanitation facilities deficiencies.
- ❖ **Tribal input** is required for SDS and requested at any time, however, the primary focus is the first part of the calendar year up to or about the 15<sup>th</sup> of June. Tribal input is a critical part of the process to ensure Tribal needs are addressed per their priorities and EPA or other regulatory agencies' stated deficiencies.
- ❖ **It is a dynamic scoring process** with interrelated scoring categories:
  1. Health Impact (0 – 30 pts)
  2. Deficiency Level (DL) 1 – 4/5 (0 – 25 pts)
  3. Adequate Previous Service (0 – 4 pts)
  4. Capital Cost (-9 – 9 pts)
  5. Local Tribal Priority (0 – 16 pts)
  6. O&M Capacity (0 – 16 pts)
  7. Contributions (0 – 8 pts)
  8. Local Condition Factor (-15 – 0 pts)
  - Generally, higher Health Impacts have higher Deficiency Levels leading to higher scores for those categories and, at the same time, frequently have higher capital costs leading to lower capital costs scores.
  - O&M scoring, determined by IHS in consultation with each Tribe using a standard scoresheet (0 to 16 points based on O&M capacity, regulatory compliance, budgeting, organization, etc) can change from year to year, however not normally by a large difference.
  - Tribal Priorities (top 4 priority projects for each Tribe awarded 16, 12, 8, and 4 points, respectively), Contributions (towards IHS eligible costs only, prorated from 0 to 8 points with maximum of 8 points for a 50% contribution), and Local Factors can change from year to year and, depending on situations, these categories can change significantly.
  - *Therefore, where a particular project lands in the IHS priority funding ranking on any given year is dependent on the project's individual characteristics and Tribal priority, relative to other Area SDS projects for each fiscal year. Hence, scorings from year to year can change significantly and thereby change the relative funding priority ranking.*
- ❖ **Funding allocations are based on DL 3 – 5 projects** that are at a Tier 1 level (adequately scoped, developed, and otherwise ready for funding). These projects generally range from compliance issues with regulations to systems that are failing or are simply inadequate drinking water or sewerage systems by today's standards (e.g. water system not in compliance with National Primary Drinking Water Standards or applicable codes in place to protect public health (DL-3) to untreated water (DL-4)). Fortunately, the Nashville Area IHS does not have many communities without adequate Drinking Water and/or Wastewater systems, DL-4 or 5.
- ❖ **DL 1 & 2 projects are not counted in the funding allocation process.** They are generally O&M or replacement and renewal (R&R) projects (e.g. replace filters, pumps, valves, other components, paint, and etc).
- ❖ While **proactive Utility Management** (DL-1 & 2) **is desired** and the best way to manage a utility, the SDS process is set up to address failed equipment, processes, or facilities and facilities that are out of compliance due to age and/or changes in regulations (generally DL-3 and higher). Therefore, it is not generally a system that works within proactive utility management and Capital Improvement Planning funding.
- ❖ The **published review schedule** is generally the same from year to year but is always subject to changes based IHS HQ or congressional requests/changes.
- ❖ **Detailed Guidance** is found in the *2019 SDS Guidelines* from IHS HQ and the *Nashville Area IHS SDS Policy 210* in the [wSTARS Nashville Library \(https://WSTARS.IHS.gov/\)](https://WSTARS.IHS.gov/).

