

Water Pollution Control State Revolving Fund Base and Supplemental Intended Use Plan and Project Priority List

State Fiscal Year 2025

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MONTANA
WATER POLLUTION CONTROL STATE REVOLVING FUND
SFY25 INTENDED USE PLAN

I. INTRODUCTION

The primary purpose of the Intended Use Plan (IUP) is to identify the proposed annual intended uses of the federal and state funds available to the Montana Water Pollution Control State Revolving Fund (WPCSRF) program. Federal dollars appropriated in one federal fiscal year (FFY) are available for use in the next year (i.e., the FFY24 appropriation is available in FFY25). On November 15, 2021, the Bipartisan Infrastructure Law (BIL) was signed into law. The BIL reauthorized the CWSRF program for FFYs 2022 through 2026 with funding levels set through the annual appropriations process. With the enactment of BIL, in FFY24 Montana’s WPCSRF program will receive a supplemental capitalization grant to go along with the base grant issued under the FFY24 Consolidated Appropriations Act. Both grants are discussed in this document and will be referred to as either the “base” capitalization grant or the “supplemental” capitalization grant. Montana’s WPCSRF federal base capitalization grant for federal fiscal year 2024 is \$4,008,000. Montana’s WPCSRF federal supplemental capitalization grant for federal fiscal year 2024 is \$11,164,000. The State match for both grants will be raised through the sale of general obligation bonds as the need for funds arises. For the base and supplemental cap grants, Montana provides the required 20% matching funds by issuing state GO bonds. The draft IUP will be reviewed by the public and a hearing will be held to allow an opportunity to publicly comment on the draft IUP.

The IUP includes the following:

- I. Introduction
- II. List of Projects
- III. Order of Funding
- IV. Uses of the Revolving Fund
- V. Goals and Objectives
- VI. Activities to be Supported
- VII. Assurances and Specific Proposals
- VIII. Criteria and Method for Distribution of Funds
- IX. Extended Financing
- X. Public Comment, Amending IUP, State Commitment of Funds

II. LIST OF PROJECTS

The WPCSRF program was developed to provide low interest loans for the planning, design, and construction (or implementation) of water pollution control projects. A complete list of all eligible projects that are considered possible candidates for assistance from the WPCSRF program (with either the base or supplemental cap grant funds) can be found in **Attachment I**, the Project Priority List (PPL). A discussion of the ranking criteria used to develop the PPL is included in **Attachment IV**. In addition to the PPL, this IUP also contains a list of new projects expected to receive WPCSRF funds in the next State Fiscal Year 2025 (SFY25) which runs from

July 1, 2024, through June 30, 2025. These projects are listed in **Attachment III** for the base allotment and in **Attachment IIIA** for the supplemental allotment.

A binding commitment will be in the form of a letter to the borrower describing the project and indicating the amount of the loan and the time at which the funds will be made available. The binding commitment obligates the State to make the loan and the borrower to receive the proceeds and repay the loan, as per specified terms.

III. ORDER OF FUNDING

The following factors will be considered when the project is ranked by the program:

1. Need for and benefit to be derived from the project as determined by the annual project priority list. The criteria considered for ranking projects includes four major categories: 1) Water Quality and Public Health Impacts, 2) Water Quality Improvement, 3) Activity Specific Criteria, and 4) Readiness to Proceed (see Attachment IV). The ranking criteria integrates both point source and nonpoint source projects. Additional points are given if the project is part of a DEQ compliance strategy or a Total Maximum Daily Load (TMDL) watershed restoration plan. Also, projects that are just refinancing existing long-term debt are only awarded a total of 10 priority points and interim financing projects are limited to 25 total points per project so that more funds are directed toward new projects that provide direct benefit to water quality or human health.
2. Ability of the municipality or private person to finance the project, with and without loan assistance (See Section IX).
3. Amount of financial assistance available from the revolving fund and the cumulative amount of funds requested by other applicants.

IV. USES OF THE WATER POLLUTION CONTROL STATE REVOLVING FUND

The WPCSRF may be used to:

1. Provide low interest loans to municipalities for wastewater treatment systems, new interceptors, collectors, and appurtenances, infiltration/inflow correction, sewer system rehabilitation, correction of combined sewer overflows, and construction of new storm sewers and detention basins. The low interest loans can be made for up to 100 percent of the total project cost. Approximately \$737 million in loans (this does not include agricultural nonpoint source projects) have been made to communities in Montana. Each of these loans has had a total loan interest rate of 4% or less. Program interest rates will be evaluated and set annually. The interest rate for WPCSRF loans for SFY25 will be 2.50%. The maximum term for these loans can be extended to 30 years or to the useful life of the project, whichever is less.
2. Provide interim financing during construction for eligible projects. The interim financing rate for SFY25 will be 1.75%. The maximum term of the interim loan is the shorter of the construction period or three years.

3. Refinance qualifying debt obligations for water pollution control facilities if the debt was incurred, and construction initiated after March 7, 1985. Approximately \$11.5 million of debt has been refinanced through this program in the past. However, due to high demand for WPCSRF funds during the period covered by this IUP, it is not anticipated that WPCSRF funds will be provided for refinancing in SFY25.
4. Guarantee or purchase insurance for local debt obligations. As of April 2024, no loans have been made for this purpose.
5. Provide a source of revenue or security for general obligation bonds, the proceeds of which are deposited in the revolving fund. There is a 0.25% loan loss reserve surcharge included as part of the 2.50% interest rate. The purpose of the surcharge is to pay principal and interest on state G.O. Bonds if the Debt Service Account is insufficient to make payments. The excess over the required reserve has periodically been transferred to the principal account to make loans. In SFY25, it is anticipated that approximately \$200,000 in excess loan loss reserve funds will be transferred to the principal account and would be counted as an additional state match for future capitalization grants.
6. Provide loan guarantees for similar revolving funds established by municipalities. As of April 2024, no loans have been made for this purpose.
7. Finance non-point source pollution control (Section 319) implementation projects or programs. As of April 2024, approximately \$93 million has been loaned for these types of projects. This includes irrigation, landfill, and stormwater projects.
8. Earn interest on program fund accounts. At the beginning of SFY13, cash flow analysis demonstrated this program will continue to be a strong source of loan funds after the federal grants are terminated. Interest income to date has been used to pay off program G.O. Bond debt. The cumulative interest earned in the program on investments is approximately \$11million through December of 2023.
9. Pay reasonable administrative costs of the WPCSRF program not to exceed 4% (or the maximum amount allowed under the federal act) of all federal grants awarded to the fund. In addition to using WPCSRF funds for administration, each loan has a 0.25% administrative surcharge included in the 2.50% interest rate. These fees are not considered part of the loan principal. The reserve generated from this loan surcharge will be used for WPCSRF administration costs not covered by the EPA grants. Capitalization grants are approved by Congress every year and EPA is currently projecting WPCSRF funding for at least several more years. However, if needed, these administrative funds could be transferred to the principal account and used to make loans. In SFY25, it is anticipated that no administrative surcharge funds will be transferred to the principal account.

The special administrative fees collected through loan repayments can be broken down into two categories. If the fees are repaid from direct federal loans during the grant period (i.e., from capitalization grants that are still open as of May 2023 – see list below) the uses of these fee funds will be limited to either SRF program administration or

transfers to the principal account, as indicated above. However, fees repaid from loans made from capitalization grants that have been closed or from recycled funds, may be used for other purposes if those uses are consistent with the federal Clean Water Act, this Intended Use Plan, the Operating Agreement between DEQ and EPA, the Trust Indenture and DEQ and DNRC rules and laws governing the WPCSRF program.

Capitalization grants for FFY21, FFY22 (base and supplemental) and FFY23 (base and supplemental) are currently open. Projects drawing funds from these grants are:

Kalispell Lift Station 9	Helena Collection CIPP
Plentywood Phase II	Missoula – South Hills Stormwater
Shelby III – Lagoon	Kalispell – Grandview Lift Station
Terry WW Treatment	Wibaux WW Treatment
St. Regis Force Main	Shelby III - Liner

The special administrative fee collected from these combined projects in SFY25 is expected to be approximately \$33,864. The total special administrative fees expected to be collected in SFY25 are approximately \$931,315. Therefore, approximately \$897,451 could be used for Clean Water Act-related purposes other than SRF administration and loans. Of the \$897,451 to be received in SFY25, it is anticipated that about \$533,951 will be available for SRF administration, and approximately \$363,500 will be used for Clean Water Act-related purposes, as indicated below.

The WPCSRF program is expecting to use up to \$20,000 of the special administrative fee funds for optimization assessments and advanced training of wastewater treatment operators at various wastewater treatment systems throughout Montana to help promote nutrient and ammonia reduction. This optimization assessment/training is a free service to Montana's wastewater treatment systems and their operators. Special administration fees (up to \$83,500) are also expected to be used for partial funding of a wetland specialist to provide outreach, technical assistance and education for conservation and protection of natural wetlands. Approximately \$122,000 will be directed towards personal services and operating expenses for a wastewater technical assistance provider within DEQ to assist with optimization efforts, plant start-ups, O&M reviews, and operator training. Up to \$35,000 of these fee-based funds are anticipated to be used to fund water pollution control training costs for the Montana Water and Wastewater Operators Initiative (MW2OI), which provides specific education to water and wastewater operators in Montana. The WPCSRF program will contribute up to \$50,000 annually (SFY25 to SFY26) for the monitoring and testing of a constructed wetland pilot study to evaluate its use as a low-tech ammonia and nutrient reduction "technology" to help lagoons affordably reduce these effluent parameters. An additional \$30,000 will be provided in SFY 25 and SFY26 to expand the pilot wetland study to assess phosphorus reduction and its bioavailability to algae. Due to a reduction in federal PPG funding in FFY24, approximately \$23,000 of special administration fees will be used to pay salaries and operating costs of WPCSRF technical staff for technical assistance to Montana communities for operation and maintenance inspections, advanced operations training, and support. The total annual cost of the training, the wetland specialist, MW2OI, technical assistance providers, and the nutrient pilot study, including indirect costs, is expected to be approximately \$363,500.

A determination of which projects are to be selected from the PPL, the amount of assistance, and the financing terms and conditions will be made by the Montana Department of Environmental Quality (DEQ) and the Montana Department of Natural Resources and Conservation (DNRC). See Section VIII below for a discussion on the distribution of funds.

The entire state match for the current federal grant will be deposited into the SRF fund once the federal capitalization grants are received and disbursed on eligible activities. Administrative draws for all base cap grants and for the FFY24 supplemental cap grant will be at the conventional 83.33% federal and 16.67% state match. BIL supplemental funds for FFY22 and FFY23 will use a cash draw ratio of 90.91% federal and 9.09% state match. During SFY25, the State of Montana will continue to issue state match bonds and sweep excess SRF fees and deposit both sources of match into the SRF to be used for projects. These funds will be used to match future federal grants. Furthermore, we understand that there is flexibility which allows loan fund draws to be taken at 100% state match followed by 100% federal. That approach will be applied on a case-by-case basis.

At the Governor's discretion, the state may transfer up to 33% of its Drinking Water SRF base and supplemental cap grants, on a cumulative basis, to the WPCSRF or an equal amount from the WPCSRF to the Drinking Water SRF. This transfer authority was effective through fiscal year 2001. One-year extensions of this transfer authority were granted through the Appropriation Bills for federal fiscal years 2002 - 2024. In addition to transferring grant funds, states can also transfer state match, investment earnings, or principal and interest repayments between SRF programs.

Table 1 itemizes the amount of base funds available for transfer and that have been transferred between the WPCSRF and DWSRF programs to date based on the base SRF capitalization grants. It is not expected that any funds will be transferred from the base DWSRF to the base WPCSRF during the next 12 months. Table 1A itemizes the amount of supplemental funds that can be transferred between the WPCSRF and DWSRF program within the corresponding supplemental SRF capitalization grants.

TABLE 1 - AMOUNTS AVAILABLE TO TRANSFER BETWEEN STATE REVOLVING FUND BASE PROGRAMS

Year	Transaction Description	Banked Transfer Ceiling	Transferred from WPCSRF to DWSRF	Transferred from DWSRF to WPCSRF	DWSRF Funds Available for Transfer	WPCSRF Funds Available for Transfer
1997	DW Grant Award	4,892,646	---	---	4,892,646	4,892,646
1998	DW Grant Award	7,242,675	---	---	7,242,675	7,242,675
1999	DW Grant Award	9,705,729	---	---	9,705,729	9,705,729
2000	DW Grant Award	12,265,539	---	---	12,265,539	12,265,539
2000	Transfer (2nd Rnd \$)	12,265,539	4,750,328	-0-	17,015,867	7,515,211
2001	DW Grant Award	14,835,942	---	---	19,586,270	10,085,614
2001	Transfer (2nd Rnd \$)	14,835,942	4,032,158	-0-	23,618,428	6,053,456
2002	DW Grant Award	17,493,267	---	---	26,275,753	8,710,781
2004	DW Grant Award	20,134,608	---	---	28,917,094	11,352,122
2004	Transfer (2nd Rnd \$)	20,134,608	-0-	2,559,810	26,357,284	13,911,932
2005	Transfer (2nd Rnd \$)	20,134,608	-0-	2,570,403	23,786,881	16,482,335
2005	Transfer (2nd Rnd \$)	20,134,608	-0-	1,000,000	22,786,881	17,482,335
2005	DW Grant Awards	25,608,821	---	---	28,261,094	22,956,548
2005	Transfer (1st Rnd \$)		-0-	5,000,000	23,261,094	27,956,548
2006	DW Grant Award	28,324,490	-	-	25,976,763	30,672,217
2007	DW Grant Award	31,040,060	-	-	28,692,333	33,387,787
2008	Transfer (2nd Rnd \$)		2,500,000		31,192,333	30,887,787
2008	DW Grant Award	33,728,240			33,880,513	33,575,967
2009	Transfer (1st Rnd \$)			5,000,000	28,880,513	38,575,967
2009	DW Grant Award	36,416,420			31,568,693	41,264,147
2009	DW ARRA Grant Award	42,851,420			38,003,693	47,699,147
2010	DW Grant Award	47,330,510			42,482,783	52,178,237
2011	Transfer (1st Rnd \$)			3,000,000	39,482,783	55,178,237
2011	DW Grant Award	50,438,450			42,590,723	58,286,177
2012	DW Grant Award	53,400,200			45,552,473	61,247,927
2013	DW Grant Award	56,179,130			48,331,403	64,026,857
2014	DW Grant Award	59,097,980			51,250,253	66,945,707
2015	DW Grant Award	61,997,690			54,149,963	69,845,417
2016	DW Grant Award	64,740,650			56,892,923	72,588,377
2017	DW Grant Award	67,460,180			59,612,453	75,307,907
2018	DW Grant Award	71,208,650			63,360,923	79,056,377
2019	Transfer (2nd Rnd \$)			3,000,000	60,360,923	82,056,377
2019	DW Grant Award	74,839,970			63,992,243	85,687,697
2020	DW Grant Award	78,473,600			67,625,873	89,321,327
2021	DW Grant Award	82,103,930			71,256,203	92,951,657
2022	DW Grant Award	84,416,570			73,568,843	95,264,297
2023	DW Grant Award	86,046,110			75,198,383	96,893,837
2024	DW Grant Award	87,584,240			76,736,513	98,431,967
Total			\$11,282,486	\$22,130,213		

TABLE 1A - AMOUNTS AVAILABLE TO TRANSFER BETWEEN STATE REVOLVING FUND SUPPLEMENTAL PROGRAMS

Year	Transaction Description	Banked Transfer Ceiling	Transferred from WPCSRF to DWSRF	Transferred from DWSRF to WPCSRF	DWSRF Funds Available for Transfer	WPCSRF Funds Available for Transfer
2022	DW Grant Award	5,937,360	---	---	5,937,360	5,937,360
2023	DW Grant Award	12,885,510			12,885,510	12,885,510
2024	DW Grant Award	20,470,560			20,470,560	20,470,560
Total			\$0	\$0		

V. GOALS AND OBJECTIVES

Long-Term Goal and Objectives

The long-term goal of the WPCSRF is to maintain, restore and enhance the chemical, physical and biological integrity of the State's waters for the benefit of the overall environment and the protection of public health.

Objectives:

1. Provide affordable financial assistance for eligible applicants concurrent with the objective of maintaining a long-term, self-sustaining State Revolving Fund Program.
2. Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities, while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.
3. Direct additional subsidy (AS) to small, rural, tribal, and disadvantaged communities with eligible clean water projects.
4. Work with the DEQ 319 program and explore ways to fund more NPS projects.

Short-Term Goal and Objectives

The short-term goals of the WPCSRF are to continue to preserve and improve the quality of the state's waters (surface and groundwater), meet the water pollution control needs of the state, and eliminate any public health hazards related to the discharge of inadequately treated wastewater or other pollutants. As an estimated measure of the environmental benefits attained through funding of water pollution control projects, the WPCSRF program will continue to enter into the EPA database the environmental benefits information for each project during SFY25.

Objectives:

1. Maintain and promote the WPCSRF program, which provides low interest financing (up to 100 percent loans) for water pollution control projects; provide loans for approximately 21 new projects in SFY25 from the base capitalization grant and approximately 13 new projects in SFY25 from the supplemental capitalization grant.
2. Ensure the technical integrity of WPCSRF projects through the review of planning documents, design plans and specifications, construction activities and development of a sound operation and maintenance program.
3. Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations.

4. Obtain optimum turnover of the funds for the State in the shortest reasonable time; fund eligible NPS projects.
5. Simplify the administrative and regulatory requirements of the program, without sacrificing project quality, to make the financial assistance readily accessible; coordinate on a regular basis with DNRC and financial consultants to consider ways to improve the program and optimize use of resources.
6. Apply for all available appropriated federal funds, for which a need has been identified, contingent upon federal legislation.

VI. INFORMATION ON THE ACTIVITIES TO BE SUPPORTED

The primary type of assistance to be provided by the WPCSRF is expected to be loans. On a more limited basis, the State may provide funds for refinancing existing debt, guarantee or buy insurance for local debt obligations, or leverage bond issues, although none of these activities are expected during the period covered by this IUP.

These types of assistance will be provided to local communities, sanitary sewer districts, counties, eligible private persons, or other sub-governmental units recognized under Montana statutes for the construction of publicly owned wastewater treatment facilities or non-point source water pollution control projects.

The State plans on reserving 4% from both the base and supplemental federal capitalization grant (total \$606,880) for administrative expenses in SFY25.

VII. ASSURANCES AND SPECIFIC PROPOSALS

The State will assure compliance with the following sections of the law in the State/EPA Operating Agreement, of which this document is a part. In addition, the State has developed specific proposals for implementation of those assurances in the rules promulgated by the Montana Department of Environmental Quality (DEQ) and the Montana Department of Natural Resources and Conservation (DNRC).

- Section 602(a) - Environmental Reviews - The State of Montana certifies that it will conduct environmental reviews of each Title II project receiving assistance from the WPCSRF. Montana will follow EPA approved, NEPA-like procedures in conjunction with such environmental reviews.
- Section 602(b)(3) - Binding Commitments - The State of Montana certifies that it will enter into binding commitments equal to at least 120% of each quarterly grant payment within one year after receipt (on a cumulative basis).
- Section 602(b) (4) - Timely Expenditures - The State of Montana certifies that it will expend all funds in the WPCSRF in an expeditious and timely manner.
- Section 602(b)(6) - Compliance with Title II Requirements - The State of Montana certifies that the applicable Title II requirements listed under this section will be

satisfied in the same manner as projects constructed under Title II of the Clean Water Act.

- Report Use of Funds Under Title VI of the Clean Water Act (CWA) - The State of Montana agrees to report all uses of the funds no less than quarterly, as the Environmental Protection Agency specifies into the SRF Data System. This reporting shall include, but not be limited to, data with respect to compliance with the Green Project Reserve and additional subsidization requirements as specified in P.L. 117-328.

The requirements for Clean Water SRF programs, including Montana's WPCSRF program, included in the Federal Water Resources Reform and Development Act (WRRDA) which was passed by Congress in 2014 remain in effect for both the base and supplemental FFY24 capitalization grants. A summary of the requirements and a brief description of how the WPCSRF program will address them are included below.

Cost and Effectiveness: The SRF recipient must certify that it has studied and evaluated the cost and effectiveness of the proposed project and, to the maximum extent possible, has selected the alternative that maximizes the potential for water conservation and energy efficiency. With a continuing trend for the development of wastewater facilities that are more sustainable and resilient, it has been our experience that most, if not all, engineering consultants consider energy usage and practical opportunities for water conservation (which are limited in water pollution control projects) in the alternative analysis within Preliminary Engineering Reports. It is through the development of these planning documents that we feel the cost and effectiveness requirement is adequately addressed. The WPCSRF program requires a certification statement from the recipient in the final stages of the planning phase of a project that cost and effectiveness requirements have been met.

Engineering Procurement: The State must either certify that the laws required for procurement of engineering services are equivalent to the federal requirements, which stipulates a qualifications-based selection process, or adopt the federal procurement requirements (40 U.S.C. 1101). Although Montana's procurement laws are consistent or equivalent to the federal requirements in most respects, DEQ's legal counsel felt that the differences between the state and federal laws were significant enough that the certification of equivalence could not be made. Therefore, the WPCSRF program will use the federal procurement requirements for architect and engineer procurement rather than try to change the state law.

Fiscal Sustainability Plans: A loan recipient must certify that it has developed and implemented a fiscal sustainability plan that includes: an inventory of critical assets; an evaluation of the condition and performance of the assets; evaluation and implementation of water and energy conservation efforts; and a plan for maintaining, repairing and replacement of treatment works. Some states, including Montana, do not give direct loans to communities. Rather, they buy the bonds that are issued by communities. The wording in the WRRDA pertaining to this requirement specifically refers to loans and, therefore, unless and until the wording in the law is modified, EPA has indicated that this requirement does not apply to Montana's WPCSRF program.

Extended loan terms: Loan terms can be extended to 30 years or to the useful life of the project, whichever is less. Affordability does not need to be a factor in extending loan terms. As indicated in this IUP, Montana WPCSRF program has removed the requirement that extended loan terms only apply to disadvantaged communities. However, the loan term cannot exceed the useful life of the project. For project components that may have a shorter life than the loan, replacement costs will be factored into the operating budget.

Disadvantaged Communities/Affordability: A key priority of the bipartisan infrastructure law (BIL) is to ensure that small (population < 10,000) or disadvantaged communities benefit equitably from this investment in water infrastructure. Disadvantaged communities can include low-income people, communities of color, or areas that experience, or are at risk of experiencing, disproportionately high exposure to pollutants. Both the base and supplemental capitalization grants mandate that a portion of the funds be provided as additional subsidy (AS) to communities that meet the state's affordability criteria. The Clean Water Act specifically requires states to develop affordability criteria for the distribution of AS based on income, unemployment data, and population trends. The criteria Montana uses for awarding AS (i.e., principal forgiveness loans), include unemployment rates, median household income and population trends. The BIL explicitly seeks to ensure that small or disadvantaged communities have access to funds to improve their wastewater infrastructure. To better ensure these communities receive AS, the criteria will also consider community size, and low- and moderate- income data. It is left up to each state as to how these criteria are incorporated into the evaluation of affordability. Please see discussion below for further details.

Build America/Buy America (BABA) Requirements: Effective May 14, 2022, all WPCSRF projects funded fully or in part with base or supplemental capitalization grant funds must comply with the Build America, Buy America Act. This Act requires that all the iron, steel, manufactured products, and construction materials used in the project must be produced in the United States.

For iron and steel products and construction materials that are permanently incorporated in the project, all manufacturing processes, from the initial melting state through the application of coatings must occur in the United States. This includes products made primarily of iron or steel such as lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, and reinforced precast concrete and construction materials made primarily of iron or steel such as wire, cables, rebar, framing, joists, decking, grating, railings, stairs, and fencing.

The term "manufactured product" means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product. This includes (but is not limited to) pumps, motors, drives, mixers, motorized screens, controls and switches, membrane bioreactor systems, membrane filtration systems, clarifiers, disinfection systems, HVAC systems, and skids that contain multiple components.

For construction materials, all manufacturing processes for the construction material occurred in the United States. This includes an article, material, or supply that is or consists primarily of non-ferrous metals (construction materials made of ferrous metals are covered under iron and steel), plastic- and polymer-based products including PVC, composite building materials, and polymers used in fiber optic cables, glass including optic glass, lumber, and drywall.

Specification inserts and certification forms have been developed by the WPCSRF program and will be used to help communities meet this requirement.

American Iron and Steel Requirements: All iron and steel products (as defined by WRRDA) in any project funded fully, or in part, with SRF recycled funds must be produced in the USA. Iron and steel products are defined in WRRDA as: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restrains, valves, structural steel, reinforced precast concrete, and construction materials. The WPCSRF program has been implementing this requirement, as required by previous federal grants, for several years now. Specification inserts and certification forms have been developed by the WPCSRF program and will continue to be used to help communities meet this requirement.

Federal Davis Bacon wages and Disadvantaged Business Enterprises: These requirements have been in place for some time and will continue to be a requirement. Davis Bacon requirements apply to all SRF-funded projects and DBE requirements apply to only those projects funded with federal WPCSRF funds.

Additional Subsidization: Under BIL CWSRF programs must provide additional subsidization (AS). The maximum amount of AS that a state program may award from the base cap grant amount is dependent on the national appropriation amount. Some AS is allowed in proportion to federal appropriations greater than \$1 billion. If the federal appropriation is less than \$1 billion, no AS is allowed. The awarding of AS must be based on affordability criteria or for projects that address water or energy efficiency goals; mitigate stormwater runoff; or encourage sustainable project planning, design and construction. Montana has chosen to primarily use the affordability criterion for awarding AS but reserves the right to award AS to projects in the other categories if funds are available.

In FFY24 the total amount of AS (i.e., principal forgiveness) that the CWSRF must allocate for the base capitalization grant ranges from a minimum of 20% up to a maximum of 40% of that capitalization grant. The total amount of principal forgiveness that the CWSRF may allocate under the FFY24 supplemental capitalization grant is fixed at 49% of that capitalization grant. This amount is mandated in the BIL.

The Montana WPCSRF program has historically awarded 25 to 35% of its cap grant as AS in any individual year. This has generally been based on user rates per median household income, unemployment rates, and population trends. Starting in FFY23, as a means of ensuring that small (population <10,000) or disadvantaged communities are prioritized to receive AS, the affordability criteria began taking into consideration

community size, and low- to moderate- income data. Please see discussion above on affordability requirements and Section VIII, Criteria and Method for Distribution of Funds.

VIII. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

Historically, WPCSRF funds were allocated on a first-come, first-served basis because the supply of funds exceeded the demand. This allowed for the funding of all the projects as they went into construction. However, due to annual federal requirements for principal forgiveness and green project reserve, it has become important to identify in each IUP which projects will be receiving SRF funds, including principal forgiveness, for the next fiscal year. **See Attachment III for a list of projects expected to receive WPCSRF funds and principal forgiveness in SFY25 from the base capitalization grant. See Attachment III A for a list of projects expected to receive WPCSRF funds and principal forgiveness in SFY25 from the supplemental capitalization grant.** The CWSRF program will target the “Sidney Phase 4 Sludge Disposal” project as an equivalency project for the FFY24 base cap grant and the “Big Sky Canyon Phase 1 Collection system” project as an equivalency project for the FFY24 supplemental cap grant.

The FFY24 Consolidated Appropriations Act through which the base capitalization grant was appropriated and the FFY24 Clean Water SRF federal appropriation provided through BIL requires that at least 10% of the base capitalization grant and 10% of the supplemental capitalization grant must be used to fund green projects as defined by EPA. Projects that qualify for the Green Project Reserve are those that address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These projects are identified based upon information provided in the Clean Water Needs Survey that is required for each project that requests funding from the WPCSRF program. Each fiscal year the Resource Development (RD) Bureau housed within the Department of Natural Resources and Conservation requests a \$1-2 million dollar loan that they then administer to Montana farmers and ranchers for the implementation of agricultural best management practices (BMPs); primarily the conversion of flood irrigation operations to sprinkler irrigation systems. This loan to the RD Bureau meets the 10% green project reserve requirements for both the base capitalization grant and the supplemental capitalization grant. Projects that qualify in whole, or in part, for green reserve are identified in Attachment III and Attachment IIIA.

The FFY24 Clean Water SRF federal appropriation is approximately \$1.63 billion, therefore, Montana has the option of awarding between 20 and 40% of its base capitalization grant in the form of principal forgiveness. The WPCSRF program is proposing to award approximately 30% of its FFY24 base cap grant, or \$1,202,847 as principal forgiveness. The Clean Water SRF federal appropriation provided through BIL mandates that 49% of the funds provided through the FY24 supplemental cap grant funding, or \$5,470,360 must be provided as principal forgiveness.

The following factors will be considered in the allocation of principal forgiveness:

The WPCSRF program has historically and will continue to award principal forgiveness (PF) primarily through an affordability assessment for those projects deemed ready to proceed to construction in SFY25. For a project to be considered eligible for PF, the project must be consistent with the definition of “treatment works” as set forth in Section 212 of the CWA.

As required by federal law, three factors will continue to be used to arrive at a composite affordability score: income, the local unemployment rate, and local population trends. The BIL funding explicitly seeks to ensure that small or disadvantaged communities have better access to SRF funds to improve their wastewater infrastructure. It was felt by the WPCSRF program that the best way to ensure that that objective was achieved was to consider community size, and low- and moderate-income data in the affordability criteria analysis. Each criterion is described in more detail below.

Monthly Median Household Income (mMHI)

The WPCSRF program has chosen to incorporate income into the composite affordability score through comparison of the user rate per monthly median household income factor for each community. The WPCSRF program feels that this factor establishes a level playing field between different communities with regards to varied user rates and incomes. The idea is that communities with higher monthly median household incomes can afford higher rates than those with lower monthly median household incomes and those communities already paying high user rates should be given more points when considering which communities should benefit from AS. For example, if a community has a user rate of \$32.67 and a mMHI of \$3,192 the user rate/mMHI ratio would be 1.02 % and the composite affordability score would be increased by 1.02 points.

Unemployment

A local unemployment rate greater than 150% of the current state average unemployment rate (3.8%) will be added to the affordability criteria score. For example, if the unemployment rate for a community is 8.3%, that rate would be approximately 2.6 percentage points higher than 150% of the average state unemployment rate. So, the composite affordability score would be increased by 2.6 points.

Population Trends

Population growth rates of zero to 1.5% per year are viewed by the WPCSRF program as relatively normal based on many years of reviewing municipal wastewater planning documents. Therefore, growth rates above 1.5%/year or negative growth rates may pose exceptional affordability issues. Very high growth rates may put a higher financial burden on existing residents to accommodate the building of large treatment projects relative to the existing population. Decreasing growth rates leave fewer people to shoulder the financial burden of regulatory compliance. For a population growth factor, the WPCSRF proposes a method like the unemployment rate methodology and will award points if the growth rate is either above 1.5%/year or less than -0.25%/year. For example, if a community has a growth rate of -0.4%/year, this is 0.15 percentage points less than -0.25%/year. The composite affordability score would be increased by 0.15.

Community Size

A priority of the BIL is to ensure that small communities (population < 10,000) benefit equitably from the SRF investment in water infrastructure. To achieve this goal the SRF program used census data from the Montana Census and Economic Information Center to

calculate the percentage below (positive number) or above (negative number) the baseline population of 10,000. For example, if a community has a population of 7,300, this is equivalent to a 0.27 percentage change whereas a community with a population of 14,900 would have a -0.49 percentage change. These percentages will increase or decrease the community's composite affordability score depending on the size of the community.

Disadvantaged Communities

Another priority of the BIL is to ensure that disadvantaged communities benefit equitably from the SRF investment in water infrastructure. To identify economically disadvantaged communities the WPCSRF program considered low- and moderate- income (LMI) data. This information is available for all incorporated city/towns and census designated places from the Montana Department of Commerce's Community Development Division and is based on the U.S. Census Bureau's American Communities Survey data set 2015-2019. The LMI percent is calculated by U.S. Housing and Urban Development (HUD) using data from the U.S. Census Bureau's Decennial Census. LMI families are defined as those families whose income does not exceed 80% of the county median income for the previous year or 80% of the median income of the entire non-metropolitan area of the State of Montana, whichever is higher. For example, a community with an LMI of 43.5% would receive 0.435 points to their overall composite affordability score.

Based on these criteria, communities are ranked based on their overall composite affordability score and AS awarded in the form of principal forgiveness until those funds are fully awarded. If AS is still available after all qualifying communities (i.e., treatment works as defined in Section 212 of the CWA) have been award AS, then municipalities that do not meet the affordability criteria may also be given consideration and provided AS to benefit individual rate payers in the residential user rate class.

It is important to keep in mind that the composite affordability score is just a relative comparison of a community's ability to "afford" the project based on the criteria considered and is not indicative of the importance or need for any project.

1. Consideration will be given to the effectiveness of the principal forgiveness in reducing user rates for each project. If the infusion of principal forgiveness funds into a project result in a similar reduction of grant funds from another funding agency, with the result being no or limited decrease in user rates, the WPCSRF program may instead allocate the principal forgiveness to another project where final user rates will, in fact, be reduced.
2. Generally, no project shall be awarded principal forgiveness more than once. However, in some circumstances if project costs (after bidding) are considerably higher than anticipated, that project may be awarded additional principal forgiveness to help offset the higher costs provided there is still an open capitalization grant that has not fully allocated the maximum amount of AS allowed for under its grant conditions. Projects receiving additional principal forgiveness must be at or above the target rate for wastewater only (0.9% of the mMHI).
3. To spread the funds to more than one project, it is proposed that the principal forgiveness will be capped at \$850,000 or 49% of the long-term SRF loan amount, whichever is less for the base cap grant; and at \$850,000 or 49% of the long-term SRF loan amount, whichever is

less for the supplemental cap grant. These caps and percentages may change slightly depending on the projects selected in the final IUP.

4. Projects seeking short-term financing will not be given principal forgiveness; only long-term loans will be eligible for additional subsidy. Principal forgiveness will not be given for refinancing of projects.
5. Projects receiving principal forgiveness will be allowed to receive extended loan terms of up to 30 years provided the loan term does not exceed the useful life of the improvements.
6. If a community determines they no longer need to utilize SRF funds, any principal forgiveness awarded to that community will be awarded to the next highest rated project based on the criteria described above.

The proposed list of projects that will receive WPCSRF funds in SFY25 is included as Attachment III and Attachment IIIA.

Loan terms and interest rates will be determined in accordance with the Administrative Rules adopted by the DNRC. The WPCSRF program may choose to limit the maximum amount of any loan if the demand for loan funds exceeds the availability of funds. Interest rates must be established to generate sufficient revenues to allow the State to make the principal and interest payments on general obligation bonds sold to generate the State match or meet project demand and to ensure the program is operated in perpetuity. The ability to repay the loan will also be considered when establishing loan terms. The types of financial assistance provided by the WPCSRF will initially be based on the applicant's request. It is anticipated that most of the assistance will be provided in the form of direct loans (more precisely, the purchase of community-issued bonds by the WPCSRF program).

While the Base Program Funding Status for the Montana WPCSRF Program (Attachment II) shows a surplus of funds in the program, it should be noted that the "new loan amount" listed is based on estimated loan amounts many of which will likely need to be increased due to the current bidding climate and inflation which have resulted in higher costs for recently bid projects. A portion of this surplus (which includes non-federal dollars) will also be needed to fund the shortfall that is shown on Attachments II A and III A (projects funded with the supplemental cap grant). EPA should also keep in mind that the infusion of American Rescue Plan Act (ARPA) grant funds into Montana wastewater infrastructure projects (\$168 million) has resulted in some projects no longer needing or reducing the amount of SRF funds needed in their projects. The WPCSRF program has historically never had a problem fully obligating its funds and we expect that will be the case this year as well.

IX. EXTENDED FINANCING

To provide additional assistance to communities, the WPCSRF program will offer extended finance terms to qualifying projects. The extended loan terms allow communities up to 30 years to repay the loan. Loan terms cannot extend past the useful life of the improvements to be funded; therefore, it is expected that eligible projects will generally be new collection system piping and appurtenances. However, in certain situations, the WPCSRF program may consider extended financing for some treatment facilities if the replacement costs for the shorter-term

assets (pumps, blowers, controls, lagoon liners, etc.) are set aside by the community on an annual basis to ensure continuity of treatment or use throughout the term of the loan. The WPCSRF program reserves the right to limit extended term financing at any time to ensure the perpetuity of the fund.

X. PUBLIC COMMENT, AMENDING IUP, STATE FINANCIAL COMMITMENT

Public Review and Comment – One public meeting was held on May 6, 2024, in Helena to discuss the SFY25 PPL and to allow public comment on the draft IUP. Public notice concerning the PPL and IUP was posted in major newspapers across the state, and the notice and draft IUP was published on DEQ's website. There was a 30-day public comment period for the public to review and comment on the draft IUP. That comment period ended May 28, 2024. No comments were received regarding the draft IUP.

Amending the IUP - A simple addition to the PPL and IUP will be allowed after notification has been provided to affected projects (if any) already on the list. If a project scheduled to receive loan assistance within the year is displaced by the addition of a new project, a formal public hearing, if requested, will be held to allow comment on the modifications to the PPL and IUP.

State Financial Commitment - The 1989 Montana Legislature passed House Bill (HB) 601, entitled the Wastewater Treatment Revolving Fund Act, which was subsequently signed into law by the Governor. The Act created the new program, established administrative procedures and allowed for the sale of state general obligation bonds in an amount not to exceed ten million dollars. The 1995 Montana Legislature passed HB 493, which was subsequently signed into law by the Governor. Among other things, the Act allowed for the sale of state general obligation bonds in an amount not to exceed an additional five million dollars. The 1999 Montana Legislature passed HB 110, which gives the WPCSRF an additional fifteen million dollars in general obligation-bonding authority. The 2003 Montana legislature passed HB 46, which gives the WPCSRF an additional ten million dollars in general obligation-bonding authority. The combined bonding authority provided by these four bills furnishes the WPCSRF with forty million dollars in state general obligation bond authority, which provides enough funds to match all federal appropriations (1989-2023) that have been awarded to the program to date, as well as excess bond authority to match potential future federal appropriations. In 2005 with HB 142, the Legislative session allowed the bond authority to be up to \$40 million in outstanding bonds.

The State held its first bond sale in 1991. In June of 1996, Montana held its second and third bond sales to provide State match funds for projects scheduled to proceed in FFY 1997. In March of 1998, a fourth bond sale was held to provide State match for projects scheduled to proceed in FFY 1998 and 1999. In March of 2000, a fifth bond sale was held to provide State match for projects scheduled to proceed in FFY 2000 and 2001. In June 2001, a sixth bond sale was held to provide a match for projects scheduled to proceed in 2002. In June of 2003, a sixth bond sale was held to provide match for projects projected to proceed in 2003. In April of 2004, a seventh bond sale was held to provide match for projects projected to proceed in 2004. An eighth bond sale was held in April of 2005, to provide state match for proposed projects to proceed in 2005. The bond authorization includes notes to be issued instead of bonds. Note sales were held in October 2007, for \$500,000, in April 2008, for \$400,000, and in March 2009, for \$2,000,000. A bond sale

of \$6,450,000 was held in 2010. In 2013, a bond sale of \$5,000,000 was held. A bond sale of \$24,365,000 was held in June 2015. A revenue anticipation note was issued in October 2016.

As discussed previously, the increased demand for funds may force the WPCSRF program to issue periodic bond anticipation notes (BANs) for the program to keep the projects moving through construction with adequate SRF funds. Two bond anticipation notes of approximately \$1,500,000 and \$1,040,000 are anticipated in SFY25.

MONTANA

WPCSRF Project Priority List

State Fiscal Year: 2025

<i>Rank</i>	<i>Name</i>	<i>EPAID MPDES ID</i>	<i>Category</i>	<i>Ranking Points</i>	<i>Amount Assist Type</i>	<i>Commit Date Project Type</i>
1	Malta Force Main Replacement	C302289 No MPDES Per	IIIB	430	\$1,000,000 Loan	7/1/2024 BLF
2	Wibaux Spray Irrigation	C301302 No MPDES per	I	405	\$1,400,000 Loan	5/1/2023 BLF
3	Fort Smith W&S WWTP Upgrades	C301218 No MPDES per	I, IVA, IVB	380	\$2,600,000 Loan	7/1/2023 BLF
4	Columbus UV Disinfection Project	C301330 MT0031801	I	365	\$1,150,000 Loan	7/1/2024 BLF
5	Plains WWTP	C301291 MT0030465	I	365	\$2,020,000 Loan	1/1/2022 BLF
6	Hobson WW Improv.	C303714 MT0021636	I, IIIB	360	\$1,350,000 Loan	8/1/2024 BLF
7	Missoula South Hills Stormwater	C305187 MTR040000	VI	360	\$245,500 Loan	6/1/2023 BLF
8	Whitefish WWTP Upgrade 2019	C301288 MT0020184	II	360	\$17,400,000 Loan	9/1/2019 BLF
9	Philipsburg WWTP Improvements	C301318 MT0031500	I	340	\$1,220,000 Loan	5/1/2024 BLF
10	Hardin WWTP Improv Ph 2 & Ph 3	C301316 NPDES MT003	I	330	\$5,554,213 Loan	9/1/2023 BLF
11	Fort Peck Spray Irr. Project	C301322 MTG580019	I	330	\$212,000 Loan	3/1/2024 BLF
12	Riverside Connection to Bozeman	C302257 MT0022608	IVB	325	\$2,200,000 Loan	9/1/2024 BLF
13	Kalispell Lift Station	C302266 MT0021938	III	315	\$1,800,000 Loan	5/1/2023 BLF
14	White Sulphur Springs Collection Sys.	C302286 MT0020699	IVA	310	\$210,800 Loan	10/1/2023 BLF
15	Red Lodge Collection 2021	C302270 MT0020478	III	310	\$400,000 Loan	6/1/2021 BLF

<i>Rank</i>	<i>Name</i>	<i>EPAID MPDES ID</i>	<i>Category</i>	<i>Ranking Points</i>	<i>Amount Assist Type</i>	<i>Commit Date Project Type</i>
16	DNRC NPS Projects	C307175 No MPDES per	VIIA, VIIE	310	\$2,000,000 Loan	5/1/2024 BLF
17	Jordan Treat. Sys. Improv.	C301312 MT0021385	I	300	\$450,000 Loan	4/1/2024 BLF
18	Plentywood Collection Ph 2	C302254 MTG580008	IIIB	295	\$5,000,000 Loan	7/1/2020 BLF
19	Havre - Clear Creek Court Com.	C302287 MT0022535	IIIB	290	\$450,000 Loan	9/1/2024 BLF
20	Sunburst Collection System Improvements	C304261 MT0021679	IIIA, IIIB	290	\$1,122,000 Loan	4/1/2025 BLF
21	Terry WWTP Upgrades	C301285 MTG580017	I, IIIA	290	\$962,000 Loan	5/1/2023 BLF
22	Gardiner W&S District WW Rehab	C301299 MT0022705	I, IIIA	290	\$3,565,850 Loan	7/1/2024 BLF
23	Manhattan WWTP Improvements	C301311 MT0021857	II	290	\$5,100,000 Loan	5/1/2024 BLF
24	Wolf Point Ph2A WWTP Improve.	C303716 NPDES MT002	I, IIIB	290	\$1,050,000 Loan	6/1/2024 BLF
25	Denton 2022WW Sys. Improv.	C304256 MT0022462	I, IVA	285	\$862,000 Loan	9/1/2024 BLF
26	St Regis Sewer District - FM	C302272 No MPDES per	IVA	285	\$899,922 Loan	5/1/2023 BLF
27	Cooke City - New WWTF	C303711 No MPDES per	I, IVA	285	\$3,000,000 Loan	4/1/2026 BLF
28	Darby Collection and UV System	C303726	I, IIIA	285	\$2,020,000 Loan	3/1/2026 BLF
29	Green Acres Collection System	C302285 MT0021938	IVA	280	\$201,000 Loan	9/1/2024 BLF
30	Conrad Storm Sewer & L.S. Project	C306122 MT0020079	IVA, VI	280	\$672,526 Loan	5/1/2024 BLF
31	Columbia Falls Wastewater System Upgrade	C301332 MT0020036	II	280	\$900,000 Loan	8/1/2024 BLF
32	Evergreen Lift Station #19	C302291 N/A	IIIB	280	\$2,765,000 Loan	8/1/2024 BLF

<i>Rank</i>	<i>Name</i>	<i>EPAID MPDES ID</i>	<i>Category</i>	<i>Ranking Points</i>	<i>Amount Assist Type</i>	<i>Commit Date Project Type</i>
33	Saco ww & coll sys imp. Ph2	C303720 MTG580000	I, IIIB	280	\$330,000 Loan	5/1/2025 BLF
34	Red Lodge Storm Sewer	C305186 MT0020478	V	275	\$2,300,000 Loan	8/1/2024 BLF
35	Harrison Collection System & Force Main Project	C304263 No MPDES Per	IIIA	270	\$700,000 Loan	11/1/2024 BLF
36	Bigfork West Trunk Main Coll.	C304257 MT0020397	IIIA, IIIB	265	\$3,480,000 Loan	9/1/2024 BLF
37	Drummond Lagoon Improvements	C304154 MTG580002	I	265	\$600,000 Loan	6/1/2023 BLF
38	Big Sky Canyon Phase 1.	C302273 No MPDES per	IIIA	265	\$11,625,000 Loan	5/1/2026 BLF
39	West Yellowstone WWTP 2021	C301313 MTX000244	II	260	\$30,400,000 Loan	6/1/2024 BLF
40	Superior Wastewater System Improvements	C301327 MT0020664	I	260	\$2,030,000 Loan	9/1/2024 BLF
41	Cascade Coll. Sys. 2024 Improv.	C304258 No MPDES per	IIIB	255	\$770,000 Loan	8/1/2024 BLF
42	Missoula Treat, Collect, Compos	C303713 MT0022594	II, IIIA, IIIB	255	\$3,100,000 Loan	9/1/2022 BLF
43	Kalispell EQ Basin and Fermenter	C301314 MT0021938	II	255	\$5,600,000 Loan	9/1/2023 BLF
44	Willow Creek Collection and Spray Irrigation	C303723 MT0025038	I, IVA	250	\$384,000 Loan	5/1/2026 BLF
45	Glendive - 2022 Main Repl./Rehab	C302268 MT0021628	IIIA	245	\$1,400,000 Loan	5/1/2024 BLF
46	Evergreen W&S District 2 & 15 Lift Station Project	C302290 N/A	IIIB	245	\$377,000 Loan	7/1/2024 BLF
47	Momont LS Project-Missoula	C302271 MT0022594	IIIB	245	\$1,320,000 Loan	7/1/2024 BLF
48	Victor Wastewater Improvements	C303722 No MPDES Per	I, III	240	\$696,068 Loan	7/1/2024 BLF
49	Fromberg Transmission Main	C304260 MTG580033	IIIB	235	\$413,500 Loan	5/1/2024 BLF

<i>Rank</i>	<i>Name</i>	<i>EPAID MPDES ID</i>	<i>Category</i>	<i>Ranking Points</i>	<i>Amount Assist Type</i>	<i>Commit Date Project Type</i>
50	Kalispell Grandview L.S. & F.M.	C302282 MT0021938	IIIB	235	\$3,020,000 Loan	8/1/2023 BLF
51	Evergreen I&I Correction Project	C302293 N/A	IIIA	230	\$478,000 Loan	2/1/2025 BLF
52	Sidney Sludge Removal Phase 4	C301328 MT0021849	I	225	\$4,300,000 Loan	9/1/2024 BLF
53	East Helena Wastewater Improv.	C303710 MT0022560	I, IIIA	215	\$3,253,000 Loan	4/1/2025 BLF
54	Helena Prim. Clar pump stat.	C301317 MT0022641	I	215	\$850,000 Loan	10/1/2024 BLF
55	Simms Lagoon improvements	C301284 No MPDES per	I	210	\$360,000 Loan	8/1/2024 BLF
56	Lakeside LS & WWTF Improvements	C303712 No MPDES per	I, III	210	\$1,400,000 Loan	4/1/2025 BLF
57	Chester WW Improv. Project	C303715 MT0020338	I, IIIA, IIIB	205	\$600,000 Loan	8/1/2024 BLF
58	Missoula Compost Phase II Expan.	C301321 No MPDES per	I	205	\$4,600,000 Loan	3/1/2025 BLF
59	Big Sky Reuse Pumping Station	C304259 No MPDES per	IIIB	205	\$5,900,000 Loan	3/1/2025 BLF
60	Kalispell - Morning Star Comm.	C302281 MT0021938	IVA, IVB	205	\$137,100 Loan	5/1/2025 BLF
61	Winnett WWTF Improvements	C301329 MTG580041	I	205	\$540,000 Loan	8/1/2024 BLF
62	Lockwood WSD Ph3 Sewer Improve.	C302262 MT0022586	IVA, IVB	205	\$5,900,000 Loan	9/1/2024 BLF
63	Lolo RS WWTP Improv.	C301325 MT0020168	I	195	\$5,500,000 Loan	4/1/2025 BLF
64	Three Forks Flood Mitigation	C307196 No MPDES per	VI	195	\$3,000,000 Loan	7/1/2025 BLF
65	View Vista Collection System	C302284 MT0020435	IIIB	195	\$450,000 Loan	5/1/2025 BLF
66	Belgrade Lagoon Rehab	C301323 MTX00116	I	190	\$3,500,000 Loan	4/1/2025 BLF

<i>Rank</i>	<i>Name</i>	<i>EPAID MPDES ID</i>	<i>Category</i>	<i>Ranking Points</i>	<i>Amount Assist Type</i>	<i>Commit Date Project Type</i>
67	Wolf Point Phase 3 Collection System	C304264 NPDES MT002	IIIA	185	\$1,000,000 Loan	8/1/2025 BLF
68	Missoula RAS Valve Replacement	C301324 MT0022594	I	185	\$1,500,000 Loan	5/1/2024 BLF
69	Libby Creek Community	C303718 MT0030341	I, IVA,IVB	180	\$500,000 Loan	4/1/2025 BLF
70	Missoula - Pattee Creek Drainage	C305188 No MPDES Per	VI	175	\$379,000 Loan	7/1/2025 BLF
71	Helena Airport Gravity Main	C302275 MT0022641	IIIB	170	\$3,000,000 Loan	8/1/2024 BLF
72	Hideaway Com. W&S - Col. Falls	C303719 MT0020036	I, IVA, IVB	170	\$470,000 Loan	9/1/2024 BLF
73	West Yellowstone Vactor Truck	C302288 MTX000244	IIIA	170	\$225,000 Loan	9/1/2024 BLF
74	Joliet Coll. Sys. Improv.	C302276 MT0020249	IIIA	160	\$230,000 Loan	5/1/2024 BLF
75	Geysler Wastewater System Improvements	C303725 N/A	I, IIIB	155	\$1,042,000 Loan	9/1/2025 BLF
76	Lakeside Wastewater Improvements - Phase 2	C301326 No MPDES per	II	155	\$17,100,000 Loan	5/1/2026 BLF
77	Joliet WW System Improvements	C301331 MT0020249	I	150	\$1,657,000 Loan	9/1/2026 BLF
78	Cut Bank N. Glacier Co. W&S Dis.	C302274 MT0020141	IIIB	150	\$200,000 Loan	4/1/2024 BLF
79	Lake County Solid Waste Landfill Expansion Project	C307197 No MPDES Per	VIIJ	145	\$1,355,000 Loan	11/1/2024 BLF
80	Missoula Compost Equipment	C301319 No MPDES per	I	140	\$270,000 Loan	10/1/2024 BLF
81	Conrad Wastewater System Improvements	C303724 MT0020079	I, IIIB	135	\$1,825,000 Loan	9/1/2026 BLF
82	Missoula Land Application	C307195 MT0022594	VIIA	125	\$1,612,500 Loan	2/1/2026 BLF
83	Hingham WW Sys Improv	C303717 No MPDES per	I, IIIB	125	\$1,000,000 Loan	9/1/2024 BLF

Rank	Name	EPAID MPDES ID	Category	Ranking Points	Amount Assist Type	Commit Date Project Type
84	Polson Stormwater Improvements	C306119 No MPDES per	VIID	115	\$500,000 Loan	7/1/2025 BLF
85	Libby WWTP Improvements	C303151 MT0030341	I, IVA	110	\$2,000,000 Loan	6/1/2025 BLF
86	Havre I&I Improvements	C304222 MT0022535	IIIA	110	\$1,700,000 Loan	7/1/2026 BLF
87	Deer Lodge Collection System Phase 2	C302292 MT0022616	IIIA	90	\$750,000 Loan	9/1/2025 BLF
88	Missoula WWTP Volute Thickeners	C301320 MT0022594	I	75	\$1,300,000 Loan	2/1/2026 BLF
89	Wolf Point Ph2B Collection System Improvements	C304262 NPDES MT-00	IIIB	25	\$4,500,000 Loan	8/1/2024 BLF
90	Chinook WW Improv.	C303721 MT0020125	I, IIIB	25	\$1,100,000 Loan	8/1/2024 BLF
91	Thompson Falls Phase 3&4	C302283 MTG580035	IVA	25	\$4,793,000 Loan	9/1/2024 BLF
Total Project Assistance:					\$229,104,979	

PROJECT DESCRIPTION CATEGORIES			
I	Secondary Treatment	VIID	NPS Urban Runoff
II	Advanced Treatment	VIII	NPS Ground Water
IIIA	Infiltration/Inflow Correction	VIIIF	NPS Marinas
IIIB	Major Sewer System Rehabilitation	VIIIG	NPS Resource Extraction
IVA	New Collectors & Appurtenances	VIIH	NPS Brownfields
IVB	New Interceptors & Appurtenances	VII-I	NPS Storage Tanks
V	Correction of Combined Sewer Overflows	VIIJ	NPS Sanitary Landfills
VI	Stormwater Control	VIIK	NPS Hydromodification
VIIA	NPS Agric. (Cropland)	VIII	Confined Animals-Point Source
VIIIB	NPS Agric. (Animals)	IX	Mining-Point Source
VIIIC	NPS Silviculture		

ATTACHMENT II

**PROGRAM FUNDING STATUS
MONTANA WPCSRF BASE PROGRAM**

STATE FISCAL YEARS 1990 TO 2024

Capitalization Grants (NIMS line 57)	\$ 247,279,765
State Match (20% of cap grants).....	\$ 49,455,953
Overmatch: RIT, COI fees, investments, LLS (incl GO bonds in excess of 20% match)	\$ 93,780,102
Program Administration Expenses (NIMS line 244)	\$ (9,022,960)
Available to Loan.....	\$ 381,492,860
Principal Repayments and Interest as of May 2024 (DNRC).....	\$ 489,388,717
Transfers to DWSRF (principal repayments) (NIMS line 83)	\$ (10,847,727)
Transfers from DWSRF (direct capitalization grants) (NIMS line 61).....	\$ 13,000,000
Total Funds Available to Loan through May, 2024.....	\$ 873,033,850

SFY25

Capitalization Grant (FFY24)	\$ 4,008,000
DWSRF Transfer.....	\$ 0
State Match for FFY24	
- Normal G.O. Bond match.....	\$ 801,600
- Additional BAN match.....	\$ 1,428,200
- Estimated Loan Loss Surcharge (LLS)	\$ 200,000
Program Administration Allowance.....	\$ (160,320)
Anticipated Investment Transfers (DNRC).....	\$ 1,250,000
Anticipated Principal Repayments and Interest (DNRC).....	\$ 24,443,537
Anticipated Overmatch (RIT or other)	\$ 0
Anticipated transfers from special administration Acct	\$ 0
Available to Loan SFY25	\$ 31,971,017

Total Funds Dedicated to Loan	\$ 905,004,867
Loans closed as of May 2024 (DNRC).....	\$(778,765,456)
Funds available for Loans in SFY25	\$ 126,239,411
Amount of estimated new loans identified on Attachment III of State Fiscal Year 2025 Intended Use Plan.....	\$ 91,800,142

ATTACHMENT II A

**PROGRAM FUNDING STATUS
MONTANA WPCSRF SUPPLEMENTALPROGRAM**

STATE FISCAL YEAR 2023 to 2024

Capitalization Grants (NIMS line 57)	\$ 18,971,000
State Match (10% of cap grant)	\$ 1,897,100
Overmatch: RIT, COI fees, investments, LLS (incl GO bonds in excess of 20% match)	\$ N/A
Program Administration Expenses (NIMS line 244)	\$ (758,840)
Available to Loan	\$20,109,260
Principal Repayments and Interest as of May 2021 (DNRC).....	\$ N/A
Transfers to DWSRF (principal repayments) (NIMS line 83)	\$ (N/A)
Transfers from DWSRF (direct capitalization grants) (NIMS line 61).....	\$ N/A
Total Funds Available to Loan through May, 2024.....	\$ 20,109,260

SFY25

Capitalization Grant (FFY24)	\$ 11,164,000
DWSRF Transfer.....	\$ 0
State Match for FY20	
- Normal G.O. Bond match.....	\$ 2,232,800
- Additional BAN match.....	\$ 0
- Estimated Loan Loss Surcharge (LLS)	\$ 0
Program Administration Allowance.....	\$ (446,560)
Anticipated Investment Transfers (DNRC).....	\$ 0
Anticipated Principal Repayments and Interest (DNRC).....	\$ 0
Anticipated Overmatch (RIT or other)	\$ 0
Anticipated transfers from special administration Acct	\$ 0
Available to Loan SFY25	\$ 12,950,240

Total Funds Dedicated to Loan \$ 33,059,500

Loans closed as of May 2024 (DNRC)..... \$(0)

Funds available for Loans in SFY25 \$ 33,059,500

Amount of estimated new loans identified on Attachment III A of
State Fiscal Year 2025 Intended Use Plan..... \$ 41,670,011

State Fiscal Year 2025 IUP Attachment III (Base Cap Grant)
\$4.008M Cap Grant (FFY24)

updated 05/29/2024

Fundable projects for 2024/2025 construction

SFY 2025 Construction Starts

	Total Loan Amoun	Green Project Reserve	Equivalency Total FFY24 ***	Principal Forgiven FFY24	Equivalency Loa FFY24	Non-Equivalency SFY25	Unempl rate %	W/W rate/ MHI (%)	Annual growth rate %	% population < 10000	% LMI	Composite Factor %**	Affordability Rank
Manhattan Wastewater Treatment Improvements*	5,100,000			previous award		4,350,000							
Big Fork West Trunk Main*	1,598,382			previous award		1,194,886							
Big Sky Reuse Booster Pumping*	5,900,000			previous award		5,150,000							
Glendive Main Replacement/Rehabilitation*	1,304,000			previous award		978,000							
East Helena Wastewater Improvements*	2,487,650			previous award		2,127,000							
Wolf Point Wastewater System Improvements*	1,050,000			previous award		682,500							
Helena Primary Clarifier Lift Station*	850,000			previous award		552,500							
Gardiner W&S District Lagoon Rehabilitation*	2,500,000			previous award		2,150,000							
West Yellowstone W/WTP	30,400,000			previous award		29,650,000							
Conrad Stormwater & Lift Station (lift station only)	650,000			previous award		422,500							
Columbia Falls W/WTP Upgrades	717,210		182,790	89,567	93,223		4.9	0.63	2.47	0.43	0.423	2.46	11
Columbus UV System	1,150,000		1,150,000	563,500	586,500		2.9	1.01	1.02	0.78	0.457	2.25	12
Sunburst Collection System	1,122,000		1,122,000	549,780	572,220		2.9	0.91	1.35	0.97	0.196	2.08	13
Fort Peck Spray Irrigation	212,000		212,000	0	212,000		3.6	0.39	-0.42	0.98	0.205	1.74	14
Helena Airport Gravity Main	3,000,000			0	0		3.4	0.70	2.57	-2.39	0.421	-0.20	15
Bozeman Riverside	2,200,000		2,165,280	0	2,165,280	34,720	2.5	1.01	2.34	-4.61	0.536	-2.22	16
Missoula Compost Equip	270,000			0	0	270,000	4	0.40	1.72	-6.70	0.484	-5.60	17
Missoula Momont Lift Station	1,320,000			0		1,320,000	4	0.40	1.72	-6.70	0.484	-5.60	17
Missoula Land Application	1,612,500			0		1,612,500	4	0.40	1.72	-6.70	0.484	-5.60	17
Missoula Volute Thickener	1,300,000			0		1,300,000	4	0.40	1.72	-6.70	0.484	-5.60	17
Missoula Compost Phase 2 Expansion	4,600,000			0		4,600,000	4	0.40	1.72	-6.70	0.484	-5.60	17
Missoula RAS Valves	1,476,600			0		1,476,600	4	0.40	1.72	-6.70	0.484	-5.60	17
Missoula Bitterroot Outfall	379,000			N/A		379,000							
Lake County Solid Waste Landfill Expansion	1,355,000			N/A		1,355,000							
Hingham W/W Improvements - Interim Financing	1,000,000			N/A		1,000,000							
Wolf Point Collection Phase 2 B - Interim Financing	4,500,000			N/A		4,500,000							
Hobson Wastewater System Improvements - Interim Financing	820,000			N/A		820,000							
Chinook Wastewater Improvements - Interim Financing	2,200,000			N/A		2,200,000							
Thompson Falls Phases 3 & 4 - Interim Financing	4,800,000			N/A		4,800,000							
West Yellowstone Vector Truck	225,000			N/A		225,000							
DNRC Resource Development Bureau (Non-Point Source 27)	400,800	400,800		N/A		400,800							
Red Lodge Storm Sewer Project	2,300,000			N/A		2,300,000							
Three Forks Flood Mitigation	3,000,000			N/A		3,000,000							
	91,800,142	400,800	4,649,280	1,202,847	3,536,000	78,851,006							

Preaward costs to be reimbursed with FFY24 grant

2% Technical Assistance

Min green project reserve required: \$400,800

Minimum Principal Forgiveness required \$801,600

Max Principal Forgiveness allowed: \$1,603,200

Administration (4% of cap grant) = \$160,320

160,320

State match (20% of grant): \$801,600

Total grant with Match \$4,809,600

Total Grant (including match) expenditures

4,809,600

This assumes a maximum 35% subsidy with a cap of \$750,000 for projects with the highest composite affordability factor.

W/W rate / MHI taken from planning documents, possibly in combination with revised budgets, and census data.

Unemployment rates taken from MT Dept of Labor and Industry website - by county. Current February 2024 unadjusted MT unemployment rate is 3.8%

Growth rate (2020 Census - July, 2022) from US Census data. Benjamin Gill, MT Dept. of Commerce. Some data are by county and others by City (larger communities). Average annual since the 2020 census.

Population taken from census estimate July 1, 2022 (source MDOC)

Low to Moderate Income (LMI) data taken from MT Department of Commerce Community Development Division website

* awarded principal forgiveness in prior years

** See narrative discussion on composite formula derivation.

*** "First Round" funds are those directly associated with the EPA Capitalization Grant

State Fiscal Year 2025 IUP Attachment III A (Supplemental Cap Grant)
\$11.164M Cap Grant (FFY24) updated 08/29/24
Fundable projects for 2024/2025 construction

	Total Loan Amount	Green Project Reserve	Equivalency Total FFY24 ***	Principal Forgiveness FFY24	Equivalency loan FFY24	Non-Equivalency SFY25	Unempl rate %	W/w rate/ MHI (%)	Annual growth rate %	% population < 10000	% LMI	Composite Affordability Factor %**	Rank
SFY 2025 Construction Starts													
Joliet Collection System*	230,000			previous award		117,300							
Chester Collection System*	920,000			previous award		469,200							
Belgrade Lagoon Rehabilitation*	3,000,000			previous award		2,250,000							
North Cut Bank Collection System*	197,000			previous award		100,470							
Kalispell EQ Basin/Fermenter*	3,100,000			previous award		2,350,000							
View Vista (Livingston)*	448,000			previous award		228,480							
Morning Star (Kalispell)*	137,100			previous award		69,921							
Jordan Treatment Expansion*	450,000			previous award		229,500							
Denton Lagoon Rehabilitation*	862,000			previous award		439,620							
Drummond Lagoon Improvements*	518,000			previous award		264,180							
White Sulphur Springs Collection Extension*	210,800			previous award		107,508							
Lakeside w/wTF Improvements*	1,400,000			previous award		772,910							
Hideaway Community (Columbia Falls)*	470,000			previous award		239,700							
Cooke City Sewer System (phase 2)*	1,304,000			previous award		665,040							
Hardin w/w Treatment System (Phases 2&3)*	3,443,213			previous award		2,693,213							
Lockwood Sewer (Phase 3)*	5,900,000			previous award		5,150,000							
Cascade Collection System*	420,000			previous award		214,200							
Big Fork West Trunk Main*	1,372,618			previous award		1,023,300							
Phillipsburg w/wTF Improvements*	1,220,000			previous award		622,200							
Superior w/w Treatment	2,030,000		2,030,000	850,000	1,180,000	0	7.7	1.30	5.04	0.91	0.8333	8.58	1
Harrison Collection & Force Main	700,000		700,000	343,000	357,000	0	2.9	1.82	3.31	0.99	0.617	5.24	2
Hobson Collection System	490,400		490,400	240,296	250,104	0	3.6	1.22	2.2	0.98	0.283	3.21	3
Victor w/w Improvements	700,000		700,000	343,000	357,000	0	4.3	1.21	0	0.90	0.831	2.94	4
Sidney Phase 4 Sludge Disposal	4,400,000		4,400,000	850,000	3,550,000	0	3.1	0.74	-1.54	0.38	0.427	2.84	5
East Helena w/w System Improvements	765,350		765,350	475,000	290,350	0	3.4	1.54	1.31	0.80	0.469	2.81	6
Malta Force Main Replacement	989,920		989,920	485,061	504,859	0	6.1	1.02	0.38	0.81	0.541	2.77	7
Winnett w/w Improvements	540,000		540,000	264,600	275,400	0	3.7	1.07	1.29	0.98	0.600	2.65	8
Jordan Treatment Expansion	853,000		853,000	417,970	435,030	0	5.4	0.67	1.99	0.96	0.515	2.64	9
Evergreen Lift Station #19	2,765,000		1,130,137	850,000	280,137	1,634,863	4.9	1.83	1.44	0.20	0.465	2.49	10
Columbia Falls w/wTP Upgrade	717,210		351,433	351,433	0	365,777	4.9	0.63	2.47	0.43	0.423	2.46	11
DNRC Resource Development Bureau (Non-Point Source 27)	1,116,400	1,116,400		N/A		1,116,400							
	41,670,011	1,116,400	12,950,240	5,470,360	7,479,880	21,123,782							

Preaward costs to be reimbursed with FFY24 grant

2% Technical Assistance

Min green project reserve required: \$1,111,6400

Required Principal Forgiveness: \$5,470,360

Administration (4% of cap grant) = \$446,560

446,560

State match (20% of grant): \$2,232,800

Total grant with Match: \$13,396,800

Total Grant (including match) expenditures

13,396,800

This assumes a 49% subsidy for most projects with a cap of \$850,000 for projects with the highest composite affordability factor.

W/w rate / MHI taken from planning documents, possibly in combination with revised budgets, and census data.

Unemployment rates taken from MT Dept of Labor and Industry website - by county. Current February 2024 unadjusted MT unemployment rate is 3.8%

Growth rate (2020 Census - July, 2022) from US Census data. Benjamin Gill, MT Dept. of Commerce. Some data are by county and others by City (larger communities). Average annual since the 2020 census.

Population taken from census estimate July 1, 2022 (source MDOC)

Low to Moderate Income (LMI) data taken from MT Department of Commerce Community Development Division website

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** See narrative discussion on composite formula derivation.

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**WATER POLLUTION CONTROL
STATE REVOLVING FUND
PRIORITY LIST RANKING CRITERIA**

A. WATER QUALITY OR PUBLIC HEALTH IMPACTS RELATED TO THE PROJECT

May assign points to all that apply
(Give zero or full points only)

Public Health

Is the purpose of the project to protect a public health? **75** _____
- e.g., public drinking water source from a leaking lagoon or pipes, sewer on-site systems, conservation easement for source water protection, sewage back-ups into homes, operator safety, contact recreation, surfacing sewage, flooding, etc.

Water Quality

Is the purpose of the project to reduce toxic effects to aquatic life? **25** _____
- e.g., ammonia or metals toxicity in a surface water discharge

Is the purpose of the project to reduce sediment loading to a surface water body? **25** _____
- e.g., Channel storm water runoff to settling ponds.
Protect streambanks by providing alternate sources of stock water.
Install buffer strips between fields and streams.
Generally green infrastructure.

Is the purpose of the project to reduce nutrients in a surface water body? **25** _____
- e.g., Implement nutrient management plans to prevent excess fertilizer use.
Install waste control structures at animal feeding operations.
(Note: Concentrated animal feeding operations do not qualify for nonpoint source projects.)
Improve irrigation water use management to reduce return flows.
Replace failing septic tanks or sewer the area.

Is the purpose of the project for compliance with national secondary standards? **25** _____
- e.g., national secondary standards or basic stabilization req. are not met

Is the proposed project to help meet a TMDL? **50** _____

Project addresses a formal state or federal enforcement action. **50** _____

TOTAL POINTS IN WATER QUALITY AND PUBLIC HEALTH IMPACTS _____

B. EFFECTIVENESS OF PROPOSED PROJECT IN IMPROVING WATER QUALITY OR PUBLIC HEALTH

Pick one of the following:

Project is expected to eliminate health hazards or restore local water body to fully supporting all uses that are impacted by the activity: 100 ____

Examples: All septic tanks in an area are being replaced by sewer.
A small stream is listed for nutrients and the primary source of the nutrients is the WWTP and BNR, total retention or spray irrigation is proposed. (Note: This scenario would probably only apply for a large discharge in a small stream.)
Stormwater project which eliminates flooding that is public health related.
Eliminate sewer backups into homes.

Any project that directly improves the quality of ground or surface water, but may not fully restore uses as indicated above. 50 ____

Examples: Stormwater retention to prevent runoff from reaching sediment-impacted stream.
I/I correction to eliminate SSOs or to improve treatment efficiency.
Separation of sanitary and storm sewers.
WWTP upgrade that improves treatment capabilities/effluent quality.
Fix existing leaking lagoons (unless conversion to spray irrigation or total retention, in which case, it may be given more points as indicated above).
Replacement of failing lift station.

Project is primarily designed to improve infrastructure and/or may not have direct impacts to improving water quality. 25 ____

Examples: Stormwater collection not related to public health or safety.
Upgrading unit processes – not expected to reduce pollution.
Landfills and related equipment.
Replacing old collection systems – not related to treatment improvement or overflows.

TOTAL POINTS FOR WATER QUALITY IMPROVEMENT _____

C. ACTIVITY-SPECIFIC CRITERIA

Select either category 1 (Point Source Projects) or 2 (Nonpoint Source Projects) next page.

1. Wastewater Projects

May assign points in all categories that apply
(Give 0 points or full points only)

Capacity Issues

One or more unit processes is nearing or beyond capacity,
resulting in adverse impacts to performance.

10 _____

Reliability or Obsolescence

Reliability and/or equipment obsolescence is adversely
affecting one or more existing unit processes and the proposed
project will replace or upgrade the unit process. (This could
include leaking lagoons or pipes.)

10 _____

Beneficial Use

Proposed project involves beneficial use of biosolids or treated
wastewater resulting in reduction or elimination of a discharge to
state water AND provides some further benefit such as the growth
of crops or turf, industrial reuse.

20 _____

Water Conservation

Water meters are installed in the entire project area.

10 _____

An I/I reduction program is being implemented or will
be part of the proposed project OR I/I is currently less
than 20% of the total wastewater flow on an annual basis
(i.e., I/I is not a significant problem)

10 _____

Energy Conservation

Proposed project reduces energy consumption or includes energy
reducing principles or technologies

10 _____

TOTAL POINTS FOR WASTEWATER PROJECTS

2. **Nonpoint Source Projects**

May assign points in all categories
(Give 0 points or full points)

The proposed project will improve water use efficiency 20 _____

Examples: Improve irrigation water use management to increase return flows or groundwater recharge or to decrease stream withdrawals.

Proposed project will have beneficial uses in addition to water quality protection such as promoting wildlife habitat. 25 _____

Examples: Construct, restore, and protect wetlands
Projects designed to increase in-stream flows to protect aquatic life. Stream bank restoration, green stormwater projects such as green roofs, vegetated swales, wetlands treatment, etc.

The proposed project's primary purpose is to protect water quality or public health. 25 _____

Example: Sewering an area with on-site systems to protect DW supply.

TOTAL POINTS FOR NONPOINT SOURCE PROJECTS _____

D. READINESS TO PROCEED

May assign points for each category.

Engineer has been formally hired for planning and design 20 _____
(0 or full points only)

Planning document or complete, conceptual plan has been approved by SRF program at DEQ. (10 points for submittal of draft planning document) 20 _____

All other project funding is in place. 20 _____
(0 or full points only)

Rates and Charges are in place and deemed by SRF adequate to cover loan 10 _____
(0 or full points only)

Final plans and specs have been approved or final project approval has been given by SRF program. (10 points for submittal of draft P&S) 20 _____

Construction is expected to begin with the next 12 months 75 _____

TOTAL POINTS FOR READINESS TO PROCEED _____

E. FINANCING

Refinancing of existing long-term debt. 10 _____

Interim financing: 25 _____

I. Water Quality/Public Health Impacts _____
(Maximum points -- 275)

II. Project Effectiveness _____
(Maximum points -- 100)

III-1. Activity-Specific, Wastewater _____
(maximum points -- 70)

III-2. Activity Specific, NPS _____
(maximum points -- 70)

IV. Readiness to Proceed _____
(maximum points -- 165)

V. Financing _____
(maximum points -- 25)

TOTAL RANKING POINTS _____

Ranked By: _____ Date: _____

Comments: