

State of Idaho
Water Pollution Control State Revolving Fund
State Fiscal Years 2009 and 2010
Intended Use Plan

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IDAHO REVOLVING FUND

INTENDED USE PLAN

State Fiscal Years 2009 and 2010

I. Introduction

The State of Idaho, Department of Environmental Quality (DEQ) has adopted the following Intended Use Plan (IUP) for the remainder of State fiscal year 2009 (April 21, 2009 through June 30, 2009) and for the state fiscal year 2010 (July 1, 2009 through June 30, 2010) as required under Section 606c of the Clean Water Act.

The primary purpose of the IUP is to identify the intended use of the funds available in Idaho's Water Pollution Control Loan Account. Projects on the Priority List, from which this IUP was derived, have been reviewed by the public in accordance with Idaho's Administrative Procedures Act (Idaho Code Title 67, Chapter 52) and are proposed for approval by the State Board of Environmental Quality.

The IUP includes the following:

- lists of loan projects, including payment schedules for those most likely to qualify for a loan;
- long-term and short-term goals;
- assurances and specific proposals;
- criteria and methods for distribution of funds; and
- attachments relevant to the above.

Available funding for projects during the remainder of State fiscal year 2009 (SFY 2009) and for State fiscal year 2010 (SFY 2010) is documented on the following page. This methodology of estimating funding should continue to accelerate the pace of drawing down the cash balance of the fund by recognizing revenues out two (2) years and obligating against those revenues. In carrying out the requirements of Section 606(b)(8) the State will use accounting, audit and fiscal procedures conforming to generally accepted governmental accounting standards.

Resources:	
Cash on Hand 3/1/09	\$62,441,068
American Recovery and Reinvestment	19,239,100
State Contribution of ARRA Discretionary Funds	10,000,000
Est. EPA Capitalization Grant FFY2009	3,274,300
Est. State Match	654,860
Est. EPA Capitalization Grant FFY2010	4,800,000
Est. State Match	1,000,000
Loans Receivable:	
SFY 2009 –Estimated (Feb. -June)	2,871,690
SFY 2010 - Estimated	10,158,765
SFY 2011 - Estimated	10,158,765
Income on Cash and Investments:	
SFY 2009 – Estimated (Feb. -June)	885,834
SFY 2010 - Estimated	2,050,800
SFY 2011 - Estimated	2,135,800
Total Resources:	\$129,670,981
Current Remaining Loan Obligations: (Loans in construction less disbursements)	(\$63,715,998)
Add back: 5 percent project shrinkage (Some projects will deobligate, or self-finance and reduce disbursement requests from the CWSRF)	3,185,800
Net Remaining Loan Obligations:	(60,530,198)
NET RESOURCES AVAILABLE TO LOAN	\$69,140,783

Key Assumptions:

Projects take thirty (30) months to construct and close from date of loan signing. We will use the **Total Resources** amount for the next twenty-seven (27) months to facilitate a conservative cashflow analysis. New loan obligations cannot exceed **NET RESOURCES AVAILABLE TO LOAN**. Projections are made quarterly. Our next projection will be made on 7/1/09 or when loans signed from this projection forward exceed the **NET RESOURCES AVAILABLE TO LOAN** amount, whichever event comes first. No transfers will be made between the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF).

Loan Fees

To provide for support of the administrative costs associated with operating the Water Quality SRF loan program or to otherwise facilitate the operation of the CWSRF effort, a fee program has been instituted. The fee will be one percent of the unpaid balance of the loan, payable when the regular loan repayments are made. The loan interest rate will be reduced by the corresponding percentage of the loan fee, so that there is no net effect on borrowers. Fees are only being charged on new loans or on projects in progress, for which a loan offer amendment is required (for purposes other than adding the fee).

For SFY 2008, the fee revenues were \$258,495, and for SFY 2009, the expected fee revenue is \$332,435. The fee revenue account balance, at the time of this report, is approximately \$670,000. Fee revenues will likely be used to fund SFY 2009 and 2010 Water Quality SRF administrative and technical support costs incurred beyond the Federal Capitalization Grant support level (the annual Federal Capitalization Administrative support is currently being spent down in approximately nine months time). Additionally, fee revenues will be used to support Clean Water Act efforts (as per IDAPA 58.01.12.032.01) to initially include supplementing of State planning grant efforts and to meet discrete emergency needs of communities faced with an imminent health hazard. To the extent that emergency needs are met with fee revenues, such subsidies would only be awarded to entities that in the normal course of events, would meet basic SRF loan qualification criteria. Surplus fee revenues will be transferred into the loan account, to increase “available resources,” starting in SFY 2010. Due to budgetary uncertainties, it is not known what level of fee expenditures would be made that would affect any residual monies comprising the surplus. Surplus loan fees will earn the same interest as regular repayment idle monies, and will be transferred to the fund corpus should a cashflow deficiency arise. Loan fees are not expected to be charged on ARRA loans.

II. List of Projects

Attachments I and II are the SFY 2009 and 2010 draft Clean Water Loan Fundable List and Project Priority List. Upon completion of the public comment period, a final project was approved by the Board of Environmental Quality on April 21, 2009.

The first use requirement of the Act [Section 602(b)(5)], relating to National Municipal Policy (NMP), does not apply in Idaho since all NMP needs have been met with separate funds in the form of state and federal grants and separate state loans in Federal fiscal year 1989.

III. Long-and Short-Term Goals

DEQ’s goals associated with the American Recovery and Reinvestment Act (ARRA) grant award of \$19,239,100 are to:

1. Make loan commitments to those projects ready to proceed to construction or be able to have 100 percent of their loan commitment under contract by June 17,

2009 (for fifty percent of the ARRA funds) and to those projects ready to proceed to construction or be able to have 100 percent of their loan commitment under contract by February 17, 2010 (for the remaining fifty percent of the ARRA funds). In order to meet the requirements and deadlines of the ARRA for the expeditious and timely commitment and expenditure of funds, the State of Idaho will regularly review the data reported to EPA on the progress of assistance recipients under the statutory deadlines specified in this IUP to identify any issues with the timeliness of this progress. If such issues are identified, the State of Idaho intends to work with EPA to resolve such issues. The State will include conditions in its assistance agreements to ensure that assistant recipients make timely progress with respect to entering into contracts and/or construction. If a recipient fails to maintain progress with these conditions, they will receive funding from other CWSRF monies so that ARRA funding can be provided for a project that is ready to proceed.

The State understands that the U.S. Environmental Protection Agency may deobligate grant funds from States that fail to meet requirements on use of ARRA funds. However, if the State is eligible for additional funds made available by a reallocation of ARRA funds, the State will provide EPA with a list of projects from its project priority list that are immediately prepared to proceed to construction.

2. Comply with ARRA reporting requirements so as to demonstrate a transparent accountability and the creation or retention of jobs.
3. Provide for the subsidy level required of the ARRA projects, consistent with IDAPA 58.01.12.021. Fundable ARRA projects will be subsidized, and the subsidies were listed for DEQ Board approval upon completion of the public comment period. The amounts of subsidies and financing terms are reflected on the Fundable List.
4. Provide for the green infrastructure support required of the ARRA projects. DEQ will document and support green infrastructure projects at the twenty percent (20%) level required in the ARRA (\$3,847,820). The entities on the priority list were sent questionnaires at the beginning of the public comment period to solicit from them their green infrastructure efforts. The questionnaire elicited each entity's estimate of their green infrastructure efforts. The City of Bliss will meet the green infrastructure goal in that it is a categorical green project (replacement of individual septic tanks with a cluster system). Should the City of Bliss not be able to move forward with its project, the City of Coeur d'Alene has developed a business case that should suffice to meet the state's CWSRF green infrastructure requirement.
5. Ensure that ARRA-funded projects are compliant with ARRA-specific requirements such as Davis-Bacon wage provisions, use of American manufactured products, and the reporting requirements needed to highlight accountability. Additionally, ensure that ARRA-funded projects will make every effort to maximize job creation and economic benefits to the communities.

DEQ's long-term, basic SRF goals are to:

1. Protect public health and the waters of the state by offering financial assistance for the construction of wastewater treatment facilities.
2. Assist local communities as they strive to achieve and maintain statewide compliance with federal and state water quality standards.
3. Administer Idaho's Water Pollution Control Loan Account to ensure its financial integrity, viability, and revolving nature in perpetuity.

DEQ's short-term, basic SRF goals are to:

1. Perform all necessary tasks to assure that all loan assistance requested from Federal fiscal year 2009 funding is provided for projects on the list in a timely manner.
2. Provide funding for the nonpoint source projects when they are identified in Attachment I. A major component of this goal will be an improved marketing effort directed at potential sponsors of nonpoint source projects. Pursue Rule changes to allow for loans to individuals and to clarify the distinction between nonpoint source projects and point source projects.
3. Ensure clear tracking of fee revenue and develop clear rules, policies, and procedures related to a maturing fee structure. Pursue rule changes to allow more flexibility in how loan fees are utilized.
4. Update the State Environmental Review Process (SERP) and state Water Quality SRF Handbook for placement on Department Web site. Pursue Rule changes to incorporate revised U.S. Environmental Protection Agency (EPA) National Environmental Policy Act (NEPA) regulations and to incorporate a Tier II approach.
5. Ensure project files include clear documentation to support the following: compliance with Executive Order 12898 on Environmental Justice; inclusion of financial assessments; environmental assessments; and changes to amortization schedules.
6. Monitor matching contributions for Federal grants to ensure they are not drawn from initial capitalization funds.
7. Update the Operating Agreement with EPA.

IV. Information on the Activities to be Supported

A. Allocation of Funds/Assistance Terms

The primary type of assistance to be provided by the Water Quality SRF is expected to be low-interest loans for up to 100 percent of project costs. The rate of interest for the remainder of SFY 2009 and 2010 will be 1.75 percent for loans awarded directly by DEQ. All loans will be paid back over a period not to exceed twenty (20) years. There could be some disadvantaged loans where the interest rate will be lower than 1.75%. This determination is made on a case by case basis. Interest reductions may be considered,

below 1.75%, to help communities meet ARRA imposed requirements. CWSRF-specific ARRA funding will be directed to those communities that are ready to proceed and that meet disadvantaged community criteria established in IDAPA 58.01.12.021. ARRA monies, which were originally designated by Congress for the CWSRF program, will be committed with the goal of principal forgiveness and interest reductions necessary for the community to pay not more than 1.5 percent of median household income. Principal reductions will be at least fifty percent (50%) of CWSRF-specific ARRA funding. Principal and interest repayments must begin no later than one year after the initiation of operation date. Fifty percent (50%) of projects chosen to receive CWSRF-specific ARRA funding shall be ready to proceed to construction within 120 days of ARRA enactment (June 16, 2009).

In addition to the ARRA funding directly designated by Congress for the CWSRF, DEQ will also be receiving \$10 million from the Governor's Office (an additional distribution of ARRA discretionary funds). The additional distribution will be included in the corpus of the regular CWSRF funds and will carry with it the additional requirements associated with the CWSRF-specific ARRA funding for Davis-Bacon and Buy American compliance.

B. Administrative Costs of the Water Quality SRF

DEQ plans to reserve not more than four (4) percent of the regular capitalization grant for administrative expenses. DEQ will not take administrative costs out of the ARRA funds. This will move the entire ARRA funds in to the SRF fund corpus. DEQ does not plan to take set-asides out of the ARRA funding.

C. Loan-Eligible Activities

CWSRF loans will provide for planning, design, and construction of secondary, and advanced secondary interceptors and appurtenances for infiltration/inflow correction, collector sewers, and rehabilitation. Water Quality SRF loan assistance will be provided to local communities, counties, sewer districts, and non-profit sewer associations for the construction of publicly owned wastewater treatment facilities. Loans may also be provided to sponsors of nonpoint source projects to implement water pollution control projects. Such projects must be consistent with the State Water Quality Management Plan and demonstrate a nexus or benefit to a municipality.

V. Assurances and Specific Proposals

A. Environmental Reviews - 602(a) of the Clean Water Act (CWA)

DEQ certifies that it will conduct environmental reviews of each wastewater treatment project receiving assistance from the Water Quality SRF. DEQ will follow EPA-approved NEPA-like procedures in conjunction with environmental reviews.

These procedures are outlined in Section 58.01.12.042 of the state Rules for Administration of Water Pollution Control Loans. More detailed procedures are

embodied in the Wastewater Facilities Loan Account Handbook of Procedures (Chapter 5). The Chapter 5 Checklist may be found at http://www.deq.idaho.gov/water/permits_forms/forms/waste_water/form_j_eid_outline_c hecklist.doc

B. Binding Commitments - 602(b)(3) of the CWA

DEQ will enter into binding commitments for 120 percent of each quarterly payment within one (1) year of receipt of that payment. Binding commitment dates are listed in Section VI of this plan.

C. Expeditious and Timely Expenditures - 602(b)(4) of the CWA

DEQ will expend all funds in the Water Quality SRF in a timely and expeditious manner.

D. First-Use Enforceable Requirements - 602(b)(5) of the CWA

DEQ certifies that all major and minor wastewater treatment facilities that the state has previously identified as part of the National Municipal Policy Universe are:

1. In compliance, or
2. On an enforceable schedule, or
3. Have an enforcement action filed, or
4. Have a funding commitment during or prior to the first year covered by an IUP.

E. Compliance with Title II Requirements - 602(b)(6) of the CWA

DEQ has met the specific statutory requirements for publicly-owned wastewater treatment projects constructed in whole or in part before SFY 1995 with funds directly made available by federal capitalization grants. Therefore, DEQ no longer plans to use its federal capitalization grant and state match on “equivalency projects.” These projects meet the sixteen (16) specific statutory requirements provided by Section 602(b)(6) of the Clean Water Act as amended by the Water Quality Act of 1987, Public Law 100-4 and are eligible under 201(b); 201(g)(1) and (2); 201(N); and 211.

However, DEQ agrees to comply with and to require recipients of loans from Idaho’s Water Pollution Control Loan Account to comply with applicable federal cross-cutting requirements. DEQ will notify EPA when consultation or coordination by EPA is necessary to resolve issues regarding these requirements.

F. State Matching Funds - 602(b)(2) of the CWA

DEQ agrees to deposit into the Water Quality SRF from state monies an amount equal to twenty (20) percent of the capitalization grant on or before the date on which the state receives each grant payment from EPA. These funds will be transferred from Idaho’s Water Pollution Control Account. No State match is required for the ARRA grant.

G. State Laws and Procedures - 602(b)(7) of the CWA

DEQ agrees to expend all grant payment in accordance with state laws and procedures.

H. Consistency with Planning

DEQ agrees that it will not provide assistance to any wastewater treatment project unless that project is consistent with plans developed under Section 205(j), 208, 303(e), 319, or 320.

I. Reporting

DEQ agrees to provide data or information to EPA as may be required for national reports, public inquiries, or Congressional inquiries. Capitalization and ARRA grant funded recipients will be monitored for Single Audit Act compliance.

DEQ will comply with reporting requirements of the EPA Order on Environmental Benefits. This will include completion of the electronic “one-pager” for all funded projects, including all ARRA projects. A hard copy of each “one-pager” will be provided to EPA with the Annual Report.

VI. Criteria and Method for Distribution of Funds

The following principles and procedures will be the basis for the administration, funding, allocation, and distribution of the Water Quality SRF monies. They are designed to provide maximum flexibility for assistance and assure long-term viability of the revolving program.

A. Program Administration

The percent allowed in the capitalization grants provided by EPA will be set aside to be used for program administration, with the exception that ARRA funds will be used to make loans. Program administration costs will be met by capitalization grant allocations. Program administration costs, to the extent that the annual capitalization grant is insufficient to meet our needs, will be supplemented by CWSRF loan fee revenues. DEQ will put the four percent administrative set-aside amount, allowed for the ARRA grant, into the fund corpus.

B. Water Quality SRF Priority List

Letters of interest were sent to all cities, counties, and water and sewer districts in the state. Returned letters of interest and priority list rating forms were sent to project engineers in DEQ regional offices to complete a rating of projects in each region. The result of the rating and ranking was the preliminary Priority List that was presented during the public review and comment period. ARRA-funded projects are drawn from the results of the Priority List process, as required by IDAPA 58.01.12.020. Separate letters of interest were sent to potential nonpoint source applicants. Projects are rated using the following criteria:

- | | |
|----------------------------------------------------------------------------------|------------------|
| 1. Public health emergency certified by the DEQ Board or a Health District Board | 150 Points |
| 2. Regulatory Compliance Status | 70 to 100 Points |
| 3. Watershed Restoration | 0 to 100 Points |
| 4. Watershed Protection | 0 to 100 Points |
| 5. Preventing Impacts to Uses | 0 to 100 Points |
| 6. Secondary Incentive Ranking Points | 0 to 50 Points |

Attachment III contains the guidance document that fully explains how DEQ staff applied the above criteria when rating individual projects.

C. Fundable Projects

The highest rated projects on the adopted Priority List **that are ready to proceed** are selected for funding and are listed on the IUP. These fundable projects are listed on Attachment I. DEQ staff starts at the top of the Priority List and continues as far down the list as needed to select enough projects that are ready to proceed to use all of the funds that are available. In cases where a lower ranked project is selected, it is because higher ranked projects have not indicated a readiness to proceed, or because additional funding has become available. A project that is “ready to proceed” will have shown evidence of legal authority to enter into debt, have a completed facility plan, and express willingness to proceed with the SRF loan process.

In some cases, the project amount on Attachment I may be less than the project amount on the Priority List. The Priority List amount is the estimate of the total project cost, while the costs on Attachment I are the amount that project applicants expect to borrow from the Water Quality SRF. In each case, the difference will be provided from some other source, such as cash on hand or a grant from the Community Development Block Grant program administered by the Idaho Department of Commerce.

D. Disbursements

The estimated timing and amount of disbursements for the projects on the new IUP are added to the latest cash disbursement request projections for prior year funded and projected projects. The projections are normally provided to EPA in July each year. The projections are based upon estimated disbursement schedules submitted by loan recipients and projected timing of loan agreements, adjusted for corrections by regional project engineers and state office staff. These disbursements are tracked on an ongoing basis to project needed cash from all capitalization grants and state match. All funds will be expended in an expeditious and timely manner.

E. Federal Payments

The Idaho CWSRF has cumulative binding commitments in excess of the amount required for the current capitalization grant. This allows for the entire federal payment to be made in the current quarter. Please refer to Attachment IV for more detail.

F. State Match

Idaho's match for all capitalization grants is provided from funds that are drawn from the state Water Pollution Control Account. The Water Pollution Control Account derives its funding from a set amount of \$4.8 million from the state sales tax and is perpetually appropriated to DEQ under Idaho Code Title 63, Chapter 36.

VII. Additional Information Requirements

A. Public Review and Comment

See Attachment V.

B. Bypass Procedures

A project that does not or will not meet the project target date (shown on the Fundable List) or a DEQ schedule that allows for timely utilization of loan funds may be bypassed, substituting in its place the next highest ranking project(s) that is ready to proceed (Rules IDAPA 58.01.12.020.04.c). DEQ intends to utilize Priority List ranking as much as possible when preparing the IUP. However, the lack of adequate funding, changes in project scopes, failure to pass a bond election, or other unforeseen circumstances may require that a project on the IUP be removed. Project dates for ARRA funded projects are driven by the two completion dates specified in the ARRA legislation (see Section III). If a project is removed, DEQ will offer loan funds to the highest ranked, ready-to-proceed project from the most current approved Priority List.

ATTACHMENT I. Clean Water State Revolving Loan Fundable Listing

State of Idaho Water Quality State Revolving Loan Fund for the Period of April 21, 2009 through June 30, 2010 LIST OF FUNDABLE CLEAN WATER LOAN PROJECTS

Rank	Project	Rating Points	Reg. Office	DEQ Est Loan Amount	Needs Category	NPDES Permit #	Project Description	Expected Commitment Date	Expected Terms of Loan
1	City of Reubens (ARRA)	150	LRO	\$1,380,000	I	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a cluster system	May-2009	0% interest on 20 year \$200,000 repayment obligation, with \$1,180,000 of loan forgiveness
2*	Chubbuck/North Bannock - Phase I - Portion B	144	PRO	\$10,600,000	IV-B	Not currently an NPDES discharger	The system is entering into a multi-phase project to replace numerous septic systems with central collection and treatment (this part of the phased approach is to construct an interceptor)	Sept-2009	1.75% interest rate for 20 years
3	Chubbuck/North Bannock - Phase I - Portion C	144	PRO	\$11,000,000	IV-B	Not currently an NPDES discharger	A new collection system is needed to facilitate integration of households dependent upon failing septic systems	Sept-2009	1.75% interest rate for 20 years
6*	City of Franklin	135	PRO	\$600,000	I	ID-002556-9	System improvements to meet TMDL. The current treatment system has reached the end of its life expectancy. Mechanical treatment or new lagoons are needed	May-2009	1.75% interest rate for 20 years
7	City of Greenleaf	135	BRO	\$7,600,000	VII	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system	Jan-2010	0% interest rate for 20 years

ATTACHMENT I. (CONT.)

Rank	Project	Rating Points	Reg. Office	DEQ Est Loan Amount	Needs Category	NPDES Permit #	Project Description	Expected Commitment Date	Expected Terms of Loan
8	City of Potlatch (ARRA)	134	LRO	\$3,160,000	I, III-A	ID-000001-9	The City's collection system has significant deterioration, renovation of lift station is needed and improvements to treatment system are needed	May-2009	0.0% interest on 20 year \$100,000 obligation, with \$3,060,000 of loan forgiveness
9	City of Murtaugh (ARRA)	133	TFRO	\$900,000	I	Not currently an NPDES discharger	New storage lagoon, headworks improvements, addition of aeration, disinfection systems and a slow rate land application site	July-2009	0.0% interest on 20 year \$100,000 obligation, with \$800,000 of loan forgiveness
10	City of Melba (ARRA)	128	BRO	\$2,100,000	I	Not currently an NPDES discharger	The City needs to make improvements to its treatment facilities (evaporation ponds and pond linings)	Sept-2009	0.0% interest on 20 year \$100,000 obligation, with \$2,000,000 of loan forgiveness
11	City of Bliss (ARRA)	123	TFRO	\$6,400,000	I	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system	May-2009	0% interest on 20 year \$3,823,450 repayment obligation, with \$2,576,550 of loan forgiveness
12	City of Lava Hot Springs (ARRA)	122	PRO	\$9,320,000	I, IV-B	ID-002182-2	Design and construct new trunk line, upgrade headworks and lagoon aeration system, purchase land application site and equipment, line lagoons, and construct pump station and irrigation system	Nov-2009	0.5% interest rate for 20 years
13	Southside Water and Sewer District	118	CRO	\$3,900,000	I	Not currently an NPDES discharger	Increase treatment capacity by expansion of land application site acreage	Nov-2009	1.75% interest rate for 20 years

ATTACHMENT I. (CONT.)

Rank	Project	Rating Points	Reg. Office	DEQ Est Loan Amount	Needs Category	NPDES Permit #	Project Description	Expected Commitment Date	Expected Terms of Loan
14	City of Soda Springs	115	PRO	\$3,601,683	I, II	ID-002081-8	City needs to treat for phosphorus and ammonia, requiring upgrades to existing treatment facilities and construction of new, tertiary treatment	July-2009	1.75% interest rate for 20 years
28	City of Coeur d'Alene (ARRA)	94	CRO	\$8,579,100	I, II	ID-0022853	Upgrade treatment to meet permit limits for phosphorus and ammonia	July-2009	0.5% interest rate for 20 years

\$69,140,783

*Note: Projects with an asterisk in the "Rank" column are carried over from fiscal year's 2009 list. These communities had began the loan process during fiscal year 2009; however, the loan process was not completed during the same fiscal year and so the projects were carried forward. The number following the asterisk is the entity's ranking on the FY 2009-10 Priority List. Projects with "ARRA" following their name are being funded as part of the American Recovery and Reinvestment Act.

This list contains projects that are the highest rated that are ready to proceed. Projects on this fundable list may be bypassed if they do not complete a timely loan application.

NOTE: The available resources amount of \$69,140,783 is contingent upon the receipt of a \$10,000,000 Legislative appropriation. If the appropriation is withdrawn the amount will be reduced.

ATTACHMENT II. Priority List of Water Quality Loan Projects

State of Idaho, Water Quality State Revolving Loan Fund for the Period of April 21, 2009 through June 30, 2010

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
1	City of Reubens	150	LRO	\$1,380,000	\$1,380,000	I	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system
2	Chubbuck/North Bannock - Phase I - Portion B	144	PRO	\$10,600,000	\$10,000,000	IV-B	Not currently an NPDES discharger	The system is entering into a multi-phase project to replace numerous septic systems with central collection and treatment (this part of the phased approach is to construct an interceptor)
3	Chubbuck/North Bannock - Phase I - Portion C	144	PRO	\$11,000,000	\$11,000,000	IV-B	Not currently an NPDES discharger	A new collection system is needed to facilitate integration of households dependent upon failing septic systems
4	City of Buhl	143	TFRO	\$12,000,000	\$5,000,000	I	ID-002066-4	Change from use of lagoons to mechanical treatment
5	Eastern Idaho Regional Wastewater Authority	138	IFRO	\$15,000,000	\$0	IV-B	ID-002013-3	Construct an interceptor to continue the regional wastewater treatment and reuse effort
6	City of Franklin	135	PRO	\$600,000	\$0	I	ID-002556-9	System improvements to meet TMDL. The current treatment system has reached the end of its life expectancy. Mechanical treatment or new lagoons are needed
7	City of Greenleaf	135	BRO	\$8,060,000	\$0	VII	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system
8	City of Potlatch	134	LRO	\$6,500,000	\$0	I, III-A	ID-000001-9	The City's collection system has significant deterioration, renovation of lift station is needed and improvements to treatment system are needed

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
9	City of Murtaugh	133	TFRO	\$2,600,000	\$0	I	Not currently an NPDES discharger	New storage lagoon, headworks improvements, addition of aeration, disinfection systems and a slow rate land application site
10	City of Melba	128	BRO	\$2,100,000	\$0	I	Not currently an NPDES discharger	The City needs to make improvements to its treatment facilities (evaporation ponds and pond linings)
11	City of Bliss	123	TFRO	\$6,400,000	\$6,824,000	I	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system
12	City of Lava Hot Springs	122	PRO	\$9,320,000	\$2,850,000	I, IV-B	ID-002182-2	Design and construct new trunk line, upgrade headworks and lagoon aeration system, purchase land application site and equipment, line lagoons, and construct pump station and irrigation system
13	Southside Water and Sewer District	118	CRO	\$3,900,000	\$0	II	Not currently an NPDES discharger	Increase treatment capacity by taking on a tertiary treatment phase
14	City of Soda Springs	115	PRO	\$4,000,000	\$0	I, II	ID-002081-8	City needs to treat for phosphorus and ammonia, requiring upgrades to existing treatment facilities and construction of new, tertiary treatment
15	City of Georgetown	114	PRO	\$1,000,000	\$0	I, III-A, IV-A	Not currently an NPDES discharger	There is significant leakage in the collector lines, a lift station is in need of replacement and the lagoon needs refurbishment
16	City of Salmon	111	IFRO	\$4,750,000	\$0	I, III-A	ID-002000-1	The City cannot meet the NPDES discharge limits and their collection system is in need of repair. Proposal is to construct a new headworks and treatment facility
17	City of Fairfield	110	TFRO	\$1,670,000	\$0	III-A	ID-002438-4	City needs to repair infiltration and inflow problems with its collection system. During spring melts treatment ponds receive 800% of their designed flows

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
18	City of Twin Falls	104	TFRO	\$1,200,000	\$1,200,000	I, II	ID-002127-0	Improve capacity of existing treatment plant (some existing unit processes require replacement) and add tertiary treatment
19	City of Worley	103	CRO	\$1,236,900	\$0	III-A, IV-A	ID-002271-3	City is experiencing significant infiltration and inflow issues due to an aging collection system. Significant energy savings could be realized through improvements and the lifespan of the treatment facility could be extended
20	Fremont County	101	IFRO	\$12,439,000	\$0	I, IV-A, IV-B	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system
21	City of Ketchum	100	TFRO	\$890,000	\$836,000	X	ID-002028-1	City plans on implementing reuse practices to help the City meet future discharge requirements
22	City of Rockland	100	PRO	\$6,000,000	\$0	I	ID-002691-3	The lagoon is in need of rehabilitation and there is a related need to develop land application
23	City of Hansen	99	TFRO	\$7,680,000	\$0	I, II	ID-002244-6	City needs to improve its treatment approach and to increase its treatment capacity. The City will implement reuse practices to help it meet future discharge requirements.
24	City of Aberdeen	98	PRO	\$7,600,000	\$0	I,II	ID-002017-6	The system needs greater capacity and improved treatment methodologies to meet high demand periods and new discharge requirements
25	City of Hailey	96	TFRO	\$18,300,000	\$0	II, III-B, IV-A	ID-002030-3	Treatment and collector capacity need to be increased. Additionally, treatment methodology needs improvement. City is unable to meet discharge requirements for total suspended solids and total phosphorus
26	City of Gooding	95	TFRO	\$3,000,000	\$0	I, IV-B	ID-002002-8	City needs to construct a bioselector basin and a new force main, in addition to improving the digester

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
27	City of Middleton	95	BRO	\$7,250,000	\$7,450,000	I, II, IV-A	ID-0022063	Major treatment plant upgrades, improve capacity, and meet permit requirements for discharge
28	City of Coeur d'Alene	94	CRO	\$13,000,000	\$0	I, II	ID-0022853	Upgrade treatment to meet permit limits for phosphorus and ammonia
29	City of Burley	94	TFRO	\$17,596,000	\$0	I, III-A, IV-A	ID-002009-5	Aging and undersized collection piping need replacement/repair and the treatment methodology requires updating
30	City of Grangeville	93	LRO	\$6,500,000	\$0	II	ID-002003-6	Treatment plant improvements to meet phosphorus limits set by S. Fork Clearwater TMDL
31	Bottle Bay Recreational Water and Sewer	88	CRO	\$0	\$2,997,000	I, II, III-B, IV-B	Not currently an NPDES discharger	Treatment, land application, replacement of worn parts, land acquisition
32	City of Boise	86	BRO	\$22,700,000	\$0	II	ID-002398-1	Improve treatment of discharge from the West Boise Wastewater Treatment Facility by adding enhanced biological phosphorus removal. Current discharge amounts of phosphorus need to be improved
33	Hayden Area Regional Sewer Board	85	CRO	\$19,700,000	\$0	II	ID-002659-0	The new TMDL requirement will require tertiary treatment (the system now employs only secondary treatment)
34	City of Silverton	84	CRO	\$2,900,000	\$0	VI-D	Not currently an NPDES discharger	Drainage system replacement to address flooding events and degradation of Superfund remedies
35	City of Nezperce	82	LRO	\$1,300,000	\$0	I, II	ID-002039-7	The City's collection and treatment system are aging and corrective actions need to be taken to address discharge compliance issues. The City's current lagoon system is inadequate to meet emerging NPDES limits

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
36	City of Smelterville	81	CRO	\$6,000,000	\$0	VI-D	ID-002011-7	Install erosion controls to protect Superfund remedies. Severe storm events could precipitate heavy sediment runoff including soils heavily laced with heavy metals
37	City of Post Falls	81	CRO	\$20,000,000	\$0	II	ID-002585-2	City needs to use tertiary treatment to reduce amount of phosphorus discharge
38	Eagle Sewer District - Callaway Ranch	80	BRO	\$400,000	\$0	I	Not currently an NPDES discharger	Pressure sewer line to connect to Eagle Sewer District
39	City of Meridian	80	BRO	\$23,330,000	\$23,330,000	I, II, VI-C	ID-002019-2	Wastewater treatment system upgrades, including the improvement of energy efficiency and recycling practices of treatment plant and odor mitigation
40	City of Hailey	78	PRO	\$2,900,000	\$0	X	ID-002030-3	City wants to implement a water reclamation process. The process will reduce pollutant loading to a high priority water body
41	City of Fruitland	78	BRO	\$4,440,000	\$1,110,000	I	ID-002119-9	Facility capacity needs to be increased and treatment capability needs to be enhanced
42	City of Menan	76	IFRO	\$1,820,200	\$0	I	Not currently an NPDES discharger	A lack of winter storage for treated wastewater
43	City of Kellogg	75	CRO	\$1,600,000	\$0	VI-D	Not currently an NPDES discharger	Install erosion controls to protect Superfund remedies. Severe storm events could precipitate heavy sediment runoff including soils heavily laced with heavy metals
44	City of Mullan	75	CRO	\$3,500,000	\$0	VI-D	ID-002129-6	Drainage system replacement to address flooding events and degradation of Superfund remedies
45	City of Wallace	75	CRO	\$700,000	\$0	VI-D	ID-002129-6	Drainage system replacement to address flooding events and degradation of Superfund remedies
46	Shoshone County - Grouse Creek	75	CRO	\$1,600,000	\$0	VI-D	Not currently an NPDES discharger	Install erosion controls to protect Superfund remedies. Severe storm events could precipitate heavy sediment runoff including

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
								soils heavily laced with heavy metals
47	Shoshone County - Burke Road	75	CRO	\$100,000	\$0	VI-D	Not currently an NPDES discharger	Install erosion controls to protect Superfund remedies. Severe storm events could precipitate heavy sediment runoff including soils heavily laced with heavy metals
48	Shoshone County - Meyer Creek	75	CRO	\$1,200,000	\$0	VI-D	Not currently an NPDES discharger	Install erosion controls to protect Superfund remedies. Severe storm events could precipitate heavy sediment runoff including soils heavily laced with heavy metals
49	City of Crouch	74	BRO	\$3,700,000	\$0	VII	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system
50	Hayden Area Regional Sewer Board	72	CRO	\$388,000	\$0	X	LA-000109-03	New irrigation system for wastewater reuse
51	Southlake Recreational Sewer & Water District	70	BRO	\$15,000,000	\$0	VII	Not currently an NPDES discharger	Aging individual septic systems will be replaced with a centralized collection and treatment system
52	South Fork Sewer District	69	CRO	\$13,000,000	\$0	III-A	ID-002130-0	Replacement of collection lines to address severe inflow and infiltration
53	City of Mullan	69	CRO	\$1,200,000	\$0	III-A	ID-002129-6	The system experiences stormwater and groundwater inflow to the sanitary sewer, requiring replacement of collection lines
54	City of American Falls	68	PRO	\$3,000,000	\$3,000,000	I, III-B	ID-002075-3	City needs to replace the existing treatment plant with an advanced treatment approach and to refurbish its collection system
55	City of Bellevue	67	TFRO	\$330,000	\$0	IV-B	Not currently an NPDES discharger	City needs four new lift stations. The current pumps are reaching their life expectancy and are not pumping at needed levels

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
56	City of Smelterville	66	CRO	\$400,000	\$0	I	ID-002011-7	Repair and replace 50 year old lagoon system. System is currently operating under an NPDES variance for metals and has signs of leakage
57	North Lake Recreational Sewer and Water District - Gold Fork Bay	64	BRO	\$2,465,000	\$0	IV-A,IV-B	Not currently an NPDES discharger	System needs a new lift pump and pressure lines
58	City of Meridian	63	BRO	\$3,550,000	\$3,550,000	X	ID-002019-2	Reclaimed water program - reuse of discharge for habitat, irrigation and groundwater recharge. The reuse project will help make it possible to meet phosphorus discharge limits
59	City of Meridian	63	BRO	\$6,835,000	\$6,835,000	IV-A	ID-002019-2	Make improvements to collection system, to include repairs, rehabilitation and replacements. The improvements will reduce the quantity of sewage needed to be treated
60	City of Nampa	63	BRO	\$18,800,000	\$18,800,000	II	ID-002206-3	Reuse demonstration project, to treat liquid process stream to meet upcoming phosphorus limits
61	City of Nampa	63	BRO	\$6,900,000	\$0	II	ID-002206-3	Implement a reuse process to reduce phosphorus loading into Indian Creek
62	City of McCall	62	BRO	\$2,040,000	\$2,580,000	IV-A	ID-002023-1	Lift station replacements will help address the causes for spills of wastewater into the North Fork of the Payette River
63	City of Riggins	61	LRO	\$2,130,500	\$0	I	ID-002093-1	Add a solid dewatering system, computer control, new headworks and an aeration system
64	City of Emmett	58	BRO	\$1,000,000	\$0	III-A	ID-002031-1	Collection system repairs are needed to solve leakage issues. The treatment inflows increase four-fold during spring irrigation
65	North Fremont Canal System	56	IFRO	\$9,000,000	\$0	X	Not currently an NPDES discharger	Construction of irrigation piping. Existing open canal will be eliminated

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
66	City of Garden City	53	BRO	\$3,655,569	\$0	IV-A	Not currently an NPDES discharger	The City needs extensive collection system repairs and upgrades
67	Meridian Heights Water and Sewer Association	51	BRO	\$300,000	\$0	IV-A	Not currently an NPDES discharger	Connect to City of Meridian system, as land application will not be renewed.
68	City of Driggs	48	IFRO	\$7,000,000	\$0	II	ID-002014-1	City needs to use tertiary treatment to reduce amount of discharge into tributary of the Teton River. City will also apply some form of reuse
69	City of Riggins	46	LRO	\$90,000	\$0	I	ID-002093-1	Make improvements to computer control system to provide early warning of potential for spill events
70	City of Cascade	44	BRO	\$8,000,000	\$650,000	I, III-A	ID-002316-7	Significant leakage in the collection system and general system upgrades to meet the needs for replacing aging equipment and for improving treatment
71	Fairview Lateral	42	PRO	\$1,500,000	\$0	VII-A	Not currently an NPDES discharger	Reduce sediment to the Bear River. Installation of piping to reduce sediment pick-up and transport. Project complies with standards established in the State's Nonpoint Source Management Plan
72	Fish Haven Recreational Sewer District	41	PRO	\$650,000	\$0	I	Not currently an NPDES discharger	Design and construct pump station, disinfection system, transmission pipeline and land application equipment
73	City of Heyburn	38	TFRO	\$2,900,000	\$0	I, III-A, IV-A	ID-002094-0	Replace/repair collection lines, lift stations and improve solids handling
74	City of Hazelton	38	TFRO	\$543,000	\$0	I, IV-A, IV-B	Not currently an NPDES discharger	Replace/repair collection lines, lift stations, headworks and mechanical aerators
75	City of Rupert	38	TFRO	\$13,000,000	\$0	I, II	Not currently an NPDES discharger	City needs to make improvements to its current treatment system and to add tertiary treatment

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
76	City of New Meadows	37	BRO	\$390,000	\$1,013,639	I	ID-002315-9	Wastewater treatment system upgrades, to include solids profiling and removal, new pond liners, installation of new aerators and new backup power supply
77	City of Idaho Falls	36	IFRO	\$18,000,000	\$0	I, X	ID-002126-1	Replace existing disk nozzles, upgrade aeration basins, install detwatering and use waste methane gas
78	City of Newdale	36	IFRO	\$747,000	\$0	I	Not currently an NPDES discharger	Effluent disposal and land application practices do not meet current regulations. Disinfection unit requires improvement and the treatment facility building is in need of repairs
79	City of Rexburg	36	IFRO	\$6,000,000	\$0	I	ID-002381-7	City needs to increase its system's treatment capacity, the local college campus is expecting a large increase in student population levels and the current system is operating at capacity
80	City of Rigby	35	IFRO	\$2,700,000	\$0	III-A	ID-002001-0	The City's collection system has significant deterioration (25% of lines need replacement)
81	City of Weiser	32	BRO	\$500,000	\$570,000	I	ID-002029-0	Permit issues, treatment system, sludge disposal, dissolved oxygen monitoring, screening and grit removal
82	Willow Creek Complex	31	TFRO	\$3,500,000	\$0	X	Not currently an NPDES discharger	Implement controls to ensure agriculturally produced sediment is not carried into surface waters. Project will be partially funded through a Clean Water Act 319 grant.
83	Bogus Basin	28	BRO	\$935,164	\$1,744,000	I	LA-000080	The non-profit needs to expand its lagoon storage capabilities and land application, while relining existing lagoons

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
84	City of Post Falls	27	CRO	\$1,588,500	\$0	IV-B	ID-002585-3	The system needs a new lift station, the current lift station is operating at its capacity. The plan includes a new overflow basin and three new pumps
85	City of Post Falls	27	CRO	\$2,050,000	\$0	IV-B	ID-002585-2	The system needs a new force main to meet emerging needs and needs to improve flow to a new lift station to remove excess flow from an existing lift station
86	Kootenai-Ponderay Sewer District	27	CRO	\$1,060,000	\$0	I	ID-002122-9	Employ the use of a new dual force main, which will result in improved effluent quality
87	City of Idaho City	27	BRO	\$1,290,237	\$3,300,000	IV-B	LA-000108	The City needs a new lift station and pressure pipelines
88	City of Caldwell	25	BRO	\$5,000,000	\$0	IV-B	ID-002150-4	Replace 21st Street lift station and construct 8,350 L.F. of 30" to 36" trunk line
89	Star Sewer and Water District	25	BRO	\$1,425,000	\$1,425,000	IV-A	ID-002359-1	The District needs extensive collection system repairs and upgrades
90	Kingston-Cataldo Sewer District	23	CRO	\$1,241,844	\$1,241,844	IV-A	Not currently an NPDES discharger	Make improvements to collection system, to include repairs and replacements. The entire system is located on a floodplain and improvements will greatly reduce the chances for flood induced spill events
91	City of Glenns Ferry	23	BRO	\$1,400,000	\$0	III-A, III-B	ID-002200-4	Leaking collection system piping and sanitary sewer system overflow events need to be addressed. Some collection lines have had their dirt cover degraded over time to the extent that the lines are now visible

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
92	City of Arco	0	IFRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$6,824,000	III-B	Not currently an NPDES discharger	Upgrade of sewer system
93	City of Boise	0	BRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$400,000	III-B	ID-002044-3	Relocate sewer line at Boise State University
94	City of Lapwai	0	LRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$319,000	Unk	Not currently an NPDES discharger	Refinance existing debt
95	City of Lewiston	0	LRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to	\$1,400,000	III-B, VI-A	ID-002205-5	Sewer line rehabilitation and stormwater sewer construction

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
				Governor's Office)				
96	City of Mountain Home	0	BRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$1,200,000	I, IV-A	Not currently an NPDES discharger	New lagoon system and collection line extensions
97	City of Osburn	0	CRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$1,668,000	III-A	Not currently an NPDES discharger	Correct collection line leakage
98	City of Payette	0	BRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$11,010,000	I, II	ID-002067-2	Expansion and update of treatment facility

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
99	City of Pocatello	0	PRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$22,650,000	III-B	ID-002178-4	Sewer line rehabilitation
100	City of Ponderay	0	CRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$629,900	VI-A	Not currently an NPDES discharger	Stormwater conveyance improvements
101	City of Rexburg	0	IFRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$100,000	VI-B	ID-002381-7	Stormwater treatment improvements
102	City of Stites	0	LRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to	\$52,000	III-B	ID-002034-6	Sewer line rehabilitation

ATTACHMENT II. (CONT.)

Rank	Project	Rating Points	Reg. Office	Est. Cost per SRF Letter of Interest	Est. Cost per Request to Governor's Office	Needs Category	NPDES Permit #	Project Description
				Governor's Office)				
103	City of Twin Falls	0	TFRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$6,700,000	III-B, IV-B	ID-002127-0	Sewer line rehabilitation and lift station work
104	City of Wilder	0	BRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$12,000,000	Unk	ID-0020265	Wastewater improvements
105	Lewiston Orchards Irrigation District	0	LRO	No response to ratings questionnaire; therefore, unable to assign point value (original submission directly to Governor's Office)	\$2,000,000	X	Not currently an NPDES discharger	Non-potable water metering

\$492,966,914 \$52,219,744

WARNING: USE OF THIS LIST AS A MAILING LIST OR AS A TELEPHONE NUMBER LIST IS PROHIBITED BY IDAHO CODE SECTION 9-348 AND IS PUNISHABLE BY A CIVIL PENALTY OF UP TO \$1,000.

ATTACHMENT III. Guidance for Integrated Priority System: Water Quality Project Ranking

DEQ Water Pollution Control Loan Program

Priority Year _____
Final Score _____

PROJECT NAME _____

PROJECT ADDRESS (*Street or P.O. Box*) _____

City _____ Zip Code _____ Telephone _____

Contact Person _____

Date of Rating _____ Project Rater _____ Regional Office _____

Estimated Total Project Cost \$ _____

Total cost to be funded by DEQ (if different from total project cost) \$ _____

PROJECT INFORMATION

Write a brief description of the project. Site-specific information should be provided from the project contact and/or local DEQ staff. Some project specificity is needed to justify point factoring for which DEQ Board approval is requested.

Project Description:

NOTE: If the project has an NPDES permit or a reuse (WLAP) permit, the permit number must be provided and, if possible, the primary permit limits for BOD and SS permit limits (NPDES permit).

Permit # _____ BOD _____ SS _____

SECTION I. INTEGRATED PRIORITY SYSTEM

An integrated priority system will be used by the Department of Environmental Quality (DEQ) to annually allot available funds in accordance with the **Rules for Administration of Water Pollution Control Loans (58.01.12)**. Each water quality project will be ranked using the integrated priority system in accordance with this guidance.

Section I includes five major rating categories, **A, B, C, D and E**. Answer “**Yes**” to one rating category that best fits the project, then answer the questions related to that rating category in the appropriate **subsection (A, B, C, D or E) in Section II**. If the subject project does not fit any of the rating categories (i.e., you answer “**NO**” to all five questions), then the project is not eligible for further funding considerations by the DEQ Loan Program.

A. Public Health Emergency or Public Health Hazard

Will the proposed project eliminate an officially declared or designated water-borne public health hazard or public health emergency?

___ Yes ___ No If YES, go to page 2

B. Regulatory Compliance Status

Will the proposed project minimize or resolve an existing legal action between the facility and either a state or federal agency?

___ Yes ___ No If YES, go to page 2

C. Watershed Restoration

Will the proposed project address watershed restoration as identified in the Unified Watershed Assessment and Restoration Priorities for Idaho (UWA)? The UWA is in Appendix A-7 of the *Idaho Nonpoint Source Management Plan*, which can be found on DEQ’s Web site under **Publications**. Watershed restoration projects are those that implement TMDLs to help restore watersheds.

___ Yes ___ No If YES, go to page 3

D. Watershed Protection from Impacts

Will the proposed project address watershed protection as identified in the Idaho Water Quality Standards or the Idaho Ground Water Quality Rule? Go to http://www.deq.idaho.gov/rules/admin_rules.cfm#links on the DEQ web site under Rules and Policies to view the rules. For point sources, these are primarily treatment and collection projects that are **NOT** directly driven by implementation of a TMDL.

___ Yes ___ No If YES, go to page 5

E. Preventing Impacts to Uses

Will the proposed project address prevention of watershed degradation? This rating subsection is reserved primarily for rating nonpoint source projects.

___ Yes ___ No If YES, go to page 6

If you have answered Yes to one category in this section (Section I), please advance to Sections II and III and answer questions in the appropriate subsections.

SECTION II. WATER QUALITY PROJECT RANKING

Only statewide initiatives or regional on-the-ground implementation project proposals that have answered “Yes” to a subsection in **Section I** may be ranked under **Section II**.

A. Public Health Emergency or Public Health Hazard (Bypass Section III)

NOTE: An *emergency* is an officially declared or designated public health hazard or emergency that is a documented health threat as certified by a Health District Board or the DEQ Board.

Emergency or Hazard	_____ 150
No Emergency or Hazard	_____ 0
Section II, Item A Points	<hr/>
	(0 or 150 pts)

B. Regulatory Compliance Status (Bypass remainder of Section II and proceed to Section III)

For purposes of qualifying for points in this subsection (Regulatory Compliance Status), the cause of noncompliance and resulting legal actions should be restricted to infrastructure deficiencies at a permitted point source facility. The purpose of this subsection is not to assign points for noncompliance resulting **purely** from system mismanagement or O&M deficiencies.

A permitted point source facility is required to comply with the EPA NPDES discharge permit and/or state water reuse permit. A facility is considered to be out of compliance if the facility is not meeting limits or conditions in the permit and legal action for noncompliance has been set in place. The severity of legal actions vary depending on the impact or potential impact to water quality, the watershed or public health and how long attempts to resolve the problem(s) have been ongoing. Legal actions may include but are not limited to a consent order, a notice of violation, an administrative order, a permit compliance schedule, or assessment of monetary penalties:

(Choose one):

- **Low Level Noncompliance** – includes documented permit violations, DMRs, land application inspections or equivalent _____ 70 Pts
- **Moderate Level Noncompliance** – includes a 1st State or EPA Warning Letter, a notice of violation, or equivalent _____ 80 Pts
- **High Level Noncompliance** – includes 2nd State or EPA Warning Letter, consent order, permit compliance schedule, or equivalent _____ 90Pts

- **Noncompliance Consequences Imposed** - Penalties assessed (e.g., monetary fines)

_____100Pts

Section II. Item B. Points _____ (0 to 100 pts)

C. Watershed Restoration

The project implements best management practices or initiates construction of wastewater collection and treatment facilities as part of an approved TMDL, protects threatened waters identified through the Idaho’s Nonpoint Source Management Program plan, or is part of a special water quality effort (e.g., Governors Bull Trout Conservation Plan). **Score the subject project under numbers 1 and 2 of this section (Watershed Restoration).**

1. Status - Points can be assigned based upon the priority of the listed 303(d) water as indicated on the 8-year TMDL schedule, implications to threatened or endangered species, impacts to a sole source aquifer, impacts to an outstanding resource water or impacts to sensitive or special resource ground water, or compliance with an NPDES or Wastewater Land Application permit. Select one subpart (a, b, or c) and complete a rating for the subject project.

5. **No Status**
Is not included on a current 303(d) list, is not on a TMDL schedule, is not out of compliance with a NPDES permit or water reuse permit, is not part of a known special surface or groundwater category or listing, or does not affect listed threatened or endangered species. _____0 pts

6. **Medium Status**
Project is located on a medium priority 303(d) water body on the 8-year TMDL Schedule (2005 and 2006 on the 8-year schedule). _____ 12pts

Status of the TMDL in project subbasin: **(Choose all that apply)**

- TMDL completed but not approved No 0 pts / Yes 5 pts _____
- TMDL approved by EPA No 0 pts / Yes 5 pts _____
- TMDL approved by DEQ No 0 pts / Yes 5 pts _____

Expected benefits to a sole-source aquifer and other ground water resources: **(Choose one)**

Low	_____	1
Medium	_____	3
High	_____	5

Expected reduction in impacts to threatened and endangered species:
(Choose one)

Low	_____	1
Medium	_____	3
High	_____	5

Current level of compliance with NPDES and water reuse permits:

Low	_____	1
Medium	_____	3
High	_____	5

Subtotal _____ (0 to 42 pts)

7. **High Status**

Project is located on a high priority 303(d) water body according to the 8-year TMDL schedule (2004 and earlier on the 8-year schedule) _____20 pts

Status of the TMDL in project subbasin: **(Choose all that apply)**

- TMDL completed but not approved No 0 pts / Yes 5 pts _____
- TMDL approved by EPA No 0 pts / Yes 5 pts _____
- TMDL Implementation Plan No 0 pts / Yes 5 pts _____
 approved by DEQ

Impacts to a sole-source aquifer and other ground water resources:
(Choose one)

Low	_____	1
Medium	_____	3
High	_____	5

Expected benefits reduction in impacts to threatened and endangered species: **(Choose one)**

Low	_____	1
Medium	_____	3
High	_____	5

Level of compliance with NPDES and water reuse permits: (Choose one)

Low	_____	5
Medium	_____	3
High	_____	1

Subtotal _____
(0 to 50 Pts)

2. Potential for Restoration Points - Points are awarded according to the expected effectiveness of the project and the transferability of the demonstrated technologies to other parts of the State of Idaho. The proposed project will either restore designated or existing beneficial uses, reduce the severity of nonpoint source impacts, or will promote statewide nonpoint pollution reduction or remediation. **Select one subpart below:**

- 8. No load reduction or effectiveness calculations provided ____ 0 Pts
- 9. Improvements are minor (ex. <25% estimated reduction in pollutant load) or statewide project will require substantial capital/manpower commitment: _____ 15 Pts
- 10. Designated or existing beneficial uses of surface or ground water are partially restored and the impacts are reduced (ex. >25% reduction but <75% reduction in pollutant load) or statewide project will require moderate capital/manpower commitment: _____ 30 Pts
- 11. Designated or existing beneficial uses of surface or ground water are partially restored or the impacts are reduced (ex. >75% reduction but <100% reduction in pollutant load) or statewide project will require minimal capital/manpower commitment: _____ 50 Pts

Section II. Item C. Points _____

(0 to 100 pts)

D. Watershed Protection from Impacts

Score the subject project under number 1, 2, and 3 of Watershed Protection from Impacts.

1. Points will be assigned based upon impacts to the watershed, water quality or public health such as the number of stream miles impacted; the number of lake/reservoir surface acres impacted; the extent of groundwater impacts to beneficial uses; or ability of a statewide project to promote point or nonpoint source pollution reduction or mitigation. Proposed project applicants must include a map showing the impact area of the proposed water quality projects to receive more than the minimal score. **(Select one Subpart [a, b, or c] and complete the rating for the subject project.)**
 12. Low Impact (Select one)
 - i. Point Source contributes little evident impact to watershed and is in substantial compliance with NPDES permit and/or water reuse permit. ____ 5 Pts
 - ii. Nonpoint Source contribution or statewide NPS project initiatives (i.e., < 5 miles or 200 acres effected or minor impacts to ground water) ____ 5 Pts
 13. Moderate Impact
 - i. Point Source contributes moderate evident impact to watershed and is in substantial compliance with NPDES permit and/or water reuse permit. ____ 15 Pts
 - ii. Nonpoint Source contribution or statewide NPS project initiatives (i.e., < 5 miles or 200 acres effected or minor impacts to ground water) ____ 15 Pts
 14. High Impact
 - i. Point Source contributes severe impacts to watershed and is in substantial compliance with NPDES permit and/or water reuse permit ____ 35 Pts
 - ii. Nonpoint Source contribution or statewide NPS project initiatives (i.e., < 5 miles or 200 acres effected or minor impacts to ground water) have severe impacts. ____ 35 Pts
2. Potential for Restoration Points - Points are awarded according to the expected effectiveness of the project and the transferability of the demonstrated technologies to other parts of the State of Idaho. The proposed project will either restore designated or existing beneficial uses, reduce the severity of point or nonpoint source impacts, or the project will promote statewide nonpoint pollution reduction or remediation. (Select one subpart below)
 15. No load reduction or effectiveness calculations provided. ____ 0 Pts
 16. Improvements are minor (ex. <25% estimated reduction in pollutant load)

or statewide project will require substantial capital/manpower commitment. _____ 5 Pts

17. Designated or existing beneficial uses of surface or ground water are partially restored and the documented impacts are reduced (ex. >25% reduction but <75% reduction in pollutant load) or statewide project will require moderate capital/manpower commitment. _____ 15 Pts
18. Designated or existing beneficial uses of surface or ground water are partially restored and the documented impacts are reduced (ex. >75% reduction but <100% reduction in pollutant load) or statewide project will require minimal capital/manpower commitment. _____ 35 Pts
3. Nexus/benefit to municipality - Points are awarded based on the direct benefit to a municipality for implementing or financing a portion of the proposed project. A municipality-driven project reflects a commitment from the community and is awarded the maximum 30 points.
Community/Agency Support: (Choose one)
 19. No support letters _____ 0 Pts
 20. One or two support letters _____ 10 Pts
 21. Three or more support letters OR municipal-driven project _____ 30 Pts

Section II. Item D. Points _____ (0 to 100 pts)

E. Preventing Impacts to Uses

Score project under numbers 1, 2, and 3 of this section (Preventing Impacts and Uses).

1. Points will be assigned based upon the documented number of designated beneficial uses impacted by nonpoint source pollutants. **(Select a subpart [a, b, c, or d] and complete a rating for the subject project.)**
Number of Use Impacts:
 22. No impacts _____ 0 Pts
 23. One or two uses impacted _____ 10 Pts
 24. Three or four uses impacted _____ 25 Pts
 25. Four or more uses impacted _____ 40 Pts
2. Nexus/benefit to municipality - Points are awarded based on the commitment of a municipality for implementing or financing a portion of the proposed project.
Community/Agency Support: (Select one subpart below.)
 26. No support letters. _____ 0 Pts
 27. One or two support letters. _____ 20 Pts
 28. Three or more support letters. _____ 40 Pts

3. State and National Priorities - Points will be assigned based upon recognition of the special status of waters or uses of those waters.

Instruction: answer statements below: a, b, both a and b, or c if not applicable:

29. State Priorities - The project impacts either: a State Park or State Recreational Area, a blue ribbon fishery, water classified as a special or outstanding resource water, or designated as part of a sole source aquifer, an area of high ground water vulnerability, or the project enhances the State's nonpoint source management program. _____ 10 Pts
30. National Priorities - A nonpoint source or statewide initiative project is intended to positively impact either: a threatened or endangered species, a wilderness area, a wild and scenic river or a sole source aquifer. _____ 10 Pts
31. Not applicable _____ 0 Pts

Section II. Item E. Points _____ (0 to 100 pts)

SECTION II. -- WATER QUALITY PROJECT RANKING

SUBTOTAL POINTS for SECTION II = _____ (0 to 150 pts)

SECTION III. SECONDARY INCENTIVE PROJECT RANKING

All projects are ranked under Section III criteria, with the exception of a public health emergency or public health hazard. Section III criteria are established to further rate water quality project rankings from **Section II** of this guidance form.

Answer the following set of questions specifically as they relate to the project. Each answer that receives points should be subtotaled and added to the score from **Section II** for the “Grand Total Points.” **Answer one subpart per question and calculate the cumulative in the Subtotal.**

1. Is project ready to proceed? The level of readiness will be based on the following milestones: (Choose one)

No facility plan	_____ 0 pts
Consultant hired for facility plan preparation	_____ 3 pts
Draft facility plan	_____ 5 pts
Approved facility plan and environmental review completed	_____ 7 pts
10% or more (preliminary) design completed	_____ 9 pts

2. Resulting monthly user service (charges) rates as an outcome of the project, for example hardship, etc. [NOTE: The service charge is based on the most recent census MHI of \$37,572 and taking 1.5% of MHI as the norm for a utility bill per the Environmental Finance Center.] **(Choose one)**

Up to \$47	_____ 3 pts
\$47 to \$63	_____ 6 pts
> \$63	_____ 9 pts

3. Is financial documentation in place to ensure payback assurance? **(Choose one)**

No plan	_____ 0 pts
Bond council or financial consultant retained	_____ 5 pts
Legal instrument(s) in place (e.g., bond election, bylaws, etc.)	_____ 9 pts

4. Project will correct a water quality impact being created by current point or nonpoint wastewater disposal practices? One example could be the implementation of reuse practices. **(Choose one)**

_____ 3, 6 or 9 pts

5. Project will correct an existing or potential health hazard (not emergency) being created by current point or nonpoint wastewater disposal practices? **(Choose one)**

_____ 7, 11 or 14 pts

Section III Point Total _____ (0 to 50 Pts)

GRAND TOTAL POINTS FOR SECTIONS II and III _____ (0 to 150 Pts)

ATTACHMENT IV. EPA Payment Schedule

FFY2008, FFY2009, AND AMERICAN RECOVERY AND REINVESTMENT ACT INTENDED USE PLAN

<u>Quarter Ending</u>	<u>Payments</u>	<u>Total</u>	<u>Source</u>
03/31/2009	\$19,239,100	\$19,239,100	ARRA
06/30/2009	\$3,274,300	\$22,513,400	FFY09 Cap Grant
12/31/2009	\$5,000,000	\$27,513,400	FFY10 Cap Grant

Payments are defined as increases to the amount of funds available from the Automated Clearinghouse (ACH).

ATTACHMENT V. Public Notification and Involvement Strategy

FOR STATE FISCAL YEARS 2009 AND 2010 WATER QUALITY AND DRINKING WATER PRIORITY LISTS

The public was involved in the State fiscal year 2009-2010 Priority List development at several points in the process. Involvement for the drinking water and water pollution control lists was solicited directly from the systems through a survey of system interest that was mailed out by DEQ early in the Priority List process. Information on the completed letter of interest forms was used by state and regional office staff in preparing draft lists. The initial rating of projects was peer reviewed. A copy of the letter of interest form and the cover letter that was sent with it will be included as attachments in the final IUP. We are finding that combining information obtained directly from eligible entities with that provided by our engineering staff results in the most accurate listing of infrastructure needs. Additionally, possible funding recipients were drawn from ARRA submissions made directly to the Governor's Office.

Notification that all four State fiscal year 2009-2010 Priority Lists were available for public review was given in Idaho's six major (regional) newspapers for approximately four weeks. Notices were published three times in each of the newspapers. Copies of proofs of publication will be included as attachments to the final IUP.

Notification of availability of the lists was also placed on DEQ's web site from March 17- April 8, 2009 and then from April 15 – April 21, 2009. During March 17 – April 8 the draft IUP did not include a Fundable Listing, from April 15 – April 21 the Fundable Listing was added to the draft IUP.

Approval packages related to the four lists were sent to the Board of Environmental Quality prior to their meeting on April 21, 2009. Copies of the issue analyses for the CWSRF loan lists and the Board agenda will be included as attachments upon Board action. DEQ staff made presentations at the Board meeting on April 21, 2009 and answered questions about the lists. The Board approved all lists on April 21, 2009.

ATTACHMENT VI. Decision Making Strategy for Fundable vs. Non-Fundable Portions of the Priority List

FOR STATE FISCAL YEARS 2009 AND 2010 WATER QUALITY AND DRINKING WATER PRIORITY LISTS

In order to develop the fundable portion of the Priority List, several factors were taken into account. These included, but are not limited to, the project's timeliness in completing the facility plan/engineering report, completing the Environmental Information Document, having the legal authority to incur debt, and overall readiness to proceed. The draft terms of the loans to be offered are given on the fundable list; however, at the time of the loan offer these may be adjusted. The Idaho Department of Environmental Quality's policy memorandum PM09-1, gives the Department's Director the ability to set interest rates for the CWSRF program. As noted in the memorandum, "there could be some "disadvantaged loans" where the interest rate will be 0%..." This determination is made on a case by case basis.

As mentioned in Attachment V, from April 15 – April 21, 2009, the draft CWSRF Intended Use Plan, including fundable and non-fundable portions of the Priority List, were made available for public comment. At the end of the public comment period, the Priority List was modified to address some of the public comments.