



**State of Alabama  
Alabama Department of Environmental Management  
Drinking Water State Revolving Fund (DWSRF) Loan Program**

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## DWSRF BIL Intended Use Plan



**Fiscal Year 2022**

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## **I. Introduction**

The Safe Drinking Water Act (SDWA) Amendments of 1996 authorized a Drinking Water State Revolving Fund (DWSRF) for the purpose of assisting public water systems to finance the cost of potable water infrastructure. The U.S. Environmental Protection Agency (EPA) is authorized to award capitalization grants to the States, which in turn administer the DWSRF program. This Intended Use Plan (IUP) describes how the State intends to use available DWSRF program funds for the year to meet the objectives of the SDWA and further the goal of protecting public health.

The State of Alabama is applying for \$38,787,000 in EPA grant funding that will be used to provide low interest financial assistance from the DWSRF program. The 10% state match requirement for the projected grant is \$3,878,700 and will be fulfilled by utilizing state funds appropriated by the State Legislature.

Alabama's DWSRF is designed to be a perpetual source of low cost financial assistance for the construction of public water supply facilities needed to meet compliance standards and public health requirements. Once ultimate capitalization has been achieved, the program may utilize the direct loan repayments, undedicated interest from the bond debt service reserve funds and construction funds and assets of the Master State Revolving Account as the source funds to fund direct loans.

## **II. Program Goals**

### **A. Short-term goals**

1. To provide financial assistance for the construction of public water supply facilities on the DWSRF Priority List.
2. To provide DWSRF financial assistance to include additional subsidization in the form of principal forgiveness for not less than the required minimum of \$19,005,630 to disadvantaged communities for the construction of water treatment and distribution facilities.
3. To provide DWSRF loans for a goal of 10% of the Capitalization Grant to projects which address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These four categories of projects are the components of the Green Project Reserve.
4. To implement the State's DWSRF in compliance with the Safe Drinking Water Act and to ensure conformance with Federal crosscutting requirements.
5. To protect the public health and the environment and promote the completion of cost-effective water treatment, storage, and distribution facilities.

### **B. Long term goals**

1. To maintain the DWSRF program and the long-term fiscal integrity of the fund.
2. To provide a self-perpetuating source of financial assistance for the construction of public water treatment and distribution facilities needed to meet the public health goals of the Safe Drinking Water Act.
3. To fund projects which will have a positive impact on public health and ensure compliance with the Safe Drinking Water Act.

4. To assist systems in ensuring affordable water supply.

The Department shall comply with all of the requirements of the Operating Agreement made with EPA dated August 8, 1998, including the assurances contained therein. The Operating Agreement is incorporated by reference.

The Department is in compliance with the operator certification and capacity development regulations along with the associated reporting requirements.

### C. Program Changes

The Department has revised the DWSRF disadvantaged community definition to include the utilization of the Justice40 Mapping Tool, (click link for additional information: <https://screeningtool.geoplatform.gov>) to verify disadvantaged communities within large service areas.

Build America, Buy America (BABA) will be implemented for this fiscal year and be required for certain projects funded through the Drinking Water State Revolving Fund Bipartisan Infrastructure Law (DWSRF BIL).

BABA is considered a federal cross-cutting requirement that applies to SRF assistance equivalent to the federal capitalization grant (i.e., "equivalency" projects). EPA's SRF regulations at 40 CFR 35.3145 and 35.3575 require states and recipients of SRF funds equivalent to the amount of the federal capitalization grant to comply with federal cross-cutting requirements. Section 70914 of the IIJA, which states when a Buy America preference applies, explains that "none of the funds made available for a Federal financial assistance program for infrastructure...may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." Therefore, BABA only applies to projects funded in an amount equivalent to the federal capitalization grant.

### III. Sources and Uses of Funds:

The Department is expected to fund FY 2022 projects using a combination of the 2022 EPA DWSRF BIL Cap Grant. Match for the EPA Grant will be fulfilled by utilizing state funds appropriated by the State Legislature. The estimated sources and uses of funds in the FY 2022 DWSRF program are as follows:

#### Projected Sources:

2022 EPA DWSRF BIL Cap Grant:	\$38,787,000
DWSRF State Match:	\$3,878,700
<hr/>	
Total:	\$42,665,700

#### Projected Uses:

Project Assistance:	\$42,665,700
10% State Program Management:	\$0
15% Local Assistance:	\$0
Funds Reserved for Administrative Cost (4%):	\$0
<hr/>	
Total:	\$42,665,700

## **A. Leveraging**

The Department does not intend to issue DWSRF revenue bonds for new projects during FY 2022.

## **B. Transfer of Funds**

In accordance with 40 CFR 35.3530, the Alabama Department of Environmental Management (the Department) reserves the right to transfer funds from the Clean Water State Revolving Fund Bipartisan Law (CWSRF BIL) to the DWSRF BIL. Funds transferred from the CWSRF BIL to the DWSRF BIL are to be used to fulfill the DWSRF infrastructure financing demand as needed.

## **C. Eligible projects to be funded**

Eligible projects include the planning, design, and construction of improvements to:

- Rehabilitate or develop water sources to replace contaminated sources;
- Install or upgrade treatment facilities if the project would improve the quality of drinking water to comply with primary or secondary standards;
- Install or upgrade water storage tanks to prevent microbiological contaminants from entering the water system;
- Install or replace distribution pipes to prevent contamination caused by leaks or breaks in the pipe.
- Consolidate water supplies when customers have an inadequate quantity of water, the water supply is contaminated, or the system is unable to maintain compliance for financial or managerial reasons; and
- Other projects meeting the priority objectives of the program.

## **D. Financial terms of loans**

The Fund may offer loans for up to 100 percent of allowable project costs for the construction of water treatment and distribution facilities and may offer a range of options regarding the term, interest rate and level of loan funding. Such loans must be made at or below market interest rates as determined by the Department. Loan interest rates will usually be set approximately 1% - 1.5% less than the AAA rated tax exempt municipal bonds.

The total term financing shall not exceed 20 years or, under special circumstances, 30 years may be considered. Repayments shall commence after completion of construction or within 3 years for which such financial assistance was made. Financial assistance repayments shall be made in accordance with the repayment schedule indicated in the recipient's financial agreement. Principal and accrued interest with respect to a particular financial agreement may be prepaid in accordance with the provisions of the financial agreement. Interest shall accrue from the estimated date of the execution of the DWSRF financial agreement.

Project fund disbursements to recipients at intervals as work progresses and expenses are incurred and approved.

The specific terms and conditions of the funds shall be incorporated in the financial agreement to be executed by the recipient and the Department.

## IV. Project Selection and Method for Distribution of Funds

### A. Priority List

In order to be considered for DWSRF BIL assistance, projects must be on or added to the Priority List and have a proposed project schedule that coincides with the availability of DWSRF BIL funds. The DWSRF BIL priority list was developed by identifying the priority point rating for each proposed project. The funding of such projects is also subject to the availability of funds.

The State reserves the right to fund projects not on the priority list, on an emergency basis, if funds are available. Emergency projects would include those where some type of failure was unanticipated and requires immediate attention to protect public health. Additionally, supplemental loans may be issued to previous recipients as needed to complete segmented projects or to cover cost overruns. See Attachment 1.

### B. Additional Subsidization:

The 2022 EPA Capitalization Grant includes a requirement for a minimum \$19,005,630 be provided as assistance with additional subsidy. The Department will meet these requirements by offering selected borrowers additional subsidization in the form of principal forgiveness. The Department expects to allocate principal forgiveness to projects in communities determined to be disadvantaged based on the following criteria: small (less than 10,000) communities, assessment of financial records, ratio of annual average water bill to median household income (MHHI) and utilization of the Justice40 Mapping Tool.

The Department will utilize Table 1 to evaluate and score communities to determine principal forgiveness ranking. The highest ranked communities will receive principal forgiveness until it is exhausted (see Attachment 1). Any subsequent revision to this project list will likewise demonstrate principal forgiveness will be provided to meet the required percentage of the Capitalization Grant.

Criteria	Points
<10,000 population	1
<1.1x coverage ratio	1
Project location considered disadvantaged on Justice40 Map	1
Ratio of Water Bill/MHHI	Actual Number

Table 1

The Department has authority to provide additional subsidization to meet the requirements by the Code of Alabama Section 22-23B-3.

### C. Prevailing Wages

Davis-Bacon wage requirements apply for fiscal year 2021 and each fiscal year thereafter and the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) shall apply to any construction project carried out in whole or in part with assistance made available by the DWSRF as authorized by section 1452 of that Act (42 U.S.C. 300j-12). The Department will include in all loan agreements and procurement contracts terms and conditions requiring compliance with this requirement.

#### **D. Distribution of Funds to Set-Aside Accounts**

EPA provisions allow funds to be set aside from the State Revolving Fund Capitalization Grant for activities such as administration of the SRF Program, operator training and technical assistance, special drinking water projects, and source water assessment. These activities are discussed in “Set-Aside Activities” below.

#### **E. Selection of Systems to Receive Assistance**

To the maximum extent possible, the DWSRF gives priority for the use of funds to projects that address the most serious risk to human health and are necessary to ensure compliance with the Safe Drinking Water Act.

The criteria for ranking projects give priority to projects that:

1. Provide the highest nature of benefit;
2. Benefit the most people per dollar expended;
3. Assist systems most in need on a per household affordability basis as required by the Safe Drinking Water Act.
4. Use consolidation with other systems to correct existing deficiencies and improve management.

These considerations are addressed by the Priority Ranking Criteria found in ADEM Administrative Code R. 335-11-2-.04 and in the DWSRF Pre-Application provided in Attachment 3.

When two or more projects score equally under the Project Priority System a tie breaking procedure will be utilized. The project with the smallest number of existing customers served will receive the higher ranking.

A project on the fundable portion of the list may be bypassed and the next eligible project funded if it is determined that the project will not be ready to proceed during the funding year. The Department will give the applicant whose project is to be bypassed written notice. Projects that have been bypassed may be funded at a later date when the project is ready to proceed. Should a system on the funded list decline the loan, the next ranked project shall be offered access to all or a portion of these funds.

#### **F. Project Bypass/Reallotment:**

The Department may bypass any project on the DWSRF Priority List that is not, in the Department's opinion, making satisfactory progress in satisfying requirements for DWSRF assistance. Bypassed projects will be removed from the priority list. In determining whether or not a project is making satisfactory progress in satisfying the requirements for DWSRF assistance, the Department shall use the criteria contained in subparagraphs 1- 6 of this paragraph. Funds released through project bypass will be considered as uncommitted and available for redistribution in accordance with this section.

1. Any project on the DWSRF Priority List may be bypassed if the applicant fails to submit a complete DWSRF application.
2. The Department may use individual project schedules developed by the Department to determine whether or not the project is making satisfactory progress during the fiscal year.

3. In order to comply with EPA certification restrictions related to equivalency requirements, it may be necessary to bypass projects which have not complied with Title II requirements and other federal authorities.
4. Any project on the DWSRF Priority List may be bypassed if the applicant fails to demonstrate the ability to repay the loan.
5. To maintain the fiscal integrity of a leveraged loan program or provide funds for new construction, the Department may choose to bypass projects which involve refinancing of existing debt.
6. Projects may be removed from the priority list at the request of the applicant or if the Department finds that the project is ineligible for DWSRF assistance.

**V. Set-Aside Activities**

**A. Administrative Set-Aside**

SRF Guidelines allow states to set aside 4% of the grant for SRF administrative costs. The Department is not allocating set aside funds for FY22; however, the Department reserves the right to take administrative set-aside funds in future fiscal years. Any set-aside funding will be included on an Intended Use Plan (IUP) and provided for comment by the public prior to use.

**VI. Program Income**

The Alabama Drinking Water Finance Authority, with ADEM as its agent, assesses a fee annually based on outstanding principal. These fees vary based on the fiscal year to which the loan agreement was secured. These fees are collected twice a year, when the recipient initiates repayment of the loan. In accordance with EPA regulations, fees collected from loans sourced from outstanding grants will be used for administration of the SRF fund only. All other fees will be used for activities eligible for the DWSRF grant only. The Department expects to receive fees during FY 2022 as follows:

Total Program Income	Program Income Collected During Grant Period	Program Income Collected After Grant Period
\$4,068,253.60	\$0.00	\$4,068,253.60



## VII: Estimated DWSRF Capitalization Grant Schedules

### A. Estimated Grant Draw Schedule

Fiscal Year	Month	Draw
2023	Oct	\$3,232,250
2023	Nov	\$3,232,250
2023	Dec	\$3,232,250
2023	Jan	\$3,232,250
2023	Feb	\$3,232,250
2023	Mar	\$3,232,250
2023	Apr	\$3,232,250
2023	May	\$3,232,250
2023	Jun	\$3,232,250
2023	Jul	\$3,232,250
2023	Aug	\$3,232,250
2023	Sep	\$3,232,250
Total		\$38,787,000

### B. Estimated Grant Disbursal Schedule

Payment Quarter	Payment Date	Payment Amount
FY2023/Quarter 1	10/1/2022	\$38,787,000

Payments are defined as increases to the amount of funds available from the federal SRF capitalization grant. This draft payment schedule is based on the State's projection of binding commitments and disbursements from the SRF to the members of the SRF project list. The disbursement schedule will essentially coincide with the grant payment schedule as ACH draw requests will be processed only upon submittal of payment requests from loan recipients for actual costs incurred. Funds from the ACH will be disbursed to the recipient immediately. The disbursement of funds will be in proportion to the amount of state and federal funds provided by the grant and state match. This will be ensured by disbursing all state match funds prior to drawing capitalization grant funds for project disbursements.

### C. Capitalization Grant Budget Periods:

2022 EPA DWSRF BIL Capitalization Grant

October 1, 2022 through September 30, 2028

## VIII. Public Participation

The IUP was provided for a public notice period and comments were received. All comments have been addressed and were responded to on September 28, 2022. No changes to the proposed projects or IUP were made as a result of the comments.

ATTACHMENT 1

Attachment 1 - Project Priority List

County Served	Applicant Name	Population Served	Priority Point Rank	Assistance Amount	Additional Subsidization (Principal Forgiveness)	Unfunded/Match Portion	Estimated Construction Start Date	*GPR Component Cost	*GPR Type	GPR Project	Disadvantaged Criteria	PWSID Number	Appropriation fund being used
Mobile	*Mobile, AL (MAWSS), Board of Water and Sewer Commissioners of the City of	259,224	SUPP	\$7,336,075.00	\$0	\$0	N/A	N/A	N/A	N	Y	AL0001005	DWSRF/DWBIL
Clarke, Monroe, Wilcox	*CWM (Clarke, Wilcox, and Monroe) Water Authority	1,800	370	\$743,505.00	\$743,505.00	\$0	1/1/2023	\$336,170.00	WEE, GI	Y	Y	AL0001764	DWBIL
Wilcox	*Wilcox County Water and Sewer District	8,423	250	\$736,080.00	\$0	\$4,500,000.00	N/A	N/A	N/A	N	Y	AL0001371	DWBIL/ARPA
Pickens	*Reform, City of	2,376	230	\$5,500,000.00	\$5,500,000.00	\$0	5/1/2023	\$1,119,500.00	WE	Y	Y	AL0001107	DWBIL
Bibb	*West Blockton, Town of	4,050	190	\$375,000.00	\$0	\$2,998,990.00	2/15/2023	\$2,546,900.00	WE	Y	Y	AL0000097	DWBIL/ARPA
Greene	*Greene County Water and Sewer Authority	2,692	135	\$3,336,328.00	\$3,011,328.00	\$1,666,672.00	1/21/2023	\$420,600.00	WEE	Y	Y	AL0000643	DWBIL/ARPA
Clarke	*Thomasville, City of	3,900	135	\$819,300.00	\$0.00	\$5,000,000.00	4/1/2023	\$2,110,000.00	WEE, GI	Y	Y	AL0000262	DWBIL
Mobile	*Mobile, AL (MAWSS), Board of Water and Sewer Commissioners of the City of	259,224	135	\$4,707,700.00	\$0	\$0	N/A	N/A	N/A	N	Y	AL0001005	DWSRF/DWBIL
Clarke	*Grove Hill, Utilities Board of the Town of	3,750	130	\$1,550,000.00	\$775,000.00	\$775,000.00		\$0	N/A	N	Y	AL0000255	DWBIL
Calhoun	*Weaver, City of	3,061	95	\$671,250.00	\$335,625.00	\$0	4/1/2023	N/A	N/A	N	Y	AL0000168	DWBIL
Calhoun	*Weaver, City of	3,061	95	\$924,400.00	\$462,200.00	\$0	4/1/2023	N/A	N/A	N	Y	AL0000168	DWBIL
Lowndes	*Lowndesboro, Town of	1,210	70	\$1,000,000.00	\$1,000,000.00	\$0	12/1/2022	\$595,975.00	WE	Y	Y	AL0000852	DWBIL
Conecuh	*Lyeffion Water	1,500	70	\$930,000.00	\$930,000.00	\$0	11/1/2022	\$0.00	N/A	N	Y	AL000341	DWBIL
Choctaw	*North Choctaw Water & Sewer Authority	12,665	60	\$1,790,222.00	\$1,690,222.00	\$100,000.00	10/21/2022	\$360,000.00	WEE	Y	Y	AL0000243	DWBIL
Monroe	*Frisco City, Town of	1,910	55	\$222,475.00	\$0	\$222,475.00	10/1/2022	\$233,750.00	EE, GI	Y	Y	AL0001047	DWBIL/ARPA
Lowndes	*Lowndes County Water Authority	3,500	45	\$735,000.00	\$735,000.00	\$0	11/1/2022	\$171,875.00	WEE	Y	Y	AL0001512	DWBIL
Chambers	*Beulah Utilities District	6,173	35	\$1,245,500.00	\$622,750.00	\$622,750.00	6/1/2023	\$1,968,000.00	WE	Y	Y	AL0000180	DWBIL
St. Clair	*Wolf Creek Water, Sewer, and Fire Protection Authority	810	35	\$300,000.00	\$0	\$500,000.00	10/1/2022	\$410,000.00	WE	Y	Y	AL0001219	DWBIL/ARPA
Lee	*Beauregard Water Authority	12,605	30	\$9,742,865.00	\$3,200,000.00	\$6,542,865.00	9/1/2022	\$0	N/A	N	Y	AL0000814	DWBIL

\*denotes equivalency Projects

**\$42,665,700.00      \$19,005,630.00      \$22,928,752.00      \$9,936,600.00**

EE= Energy Efficiency  
 GI= Green Infrastructure  
 WE= Water Efficiency  
 WEE= Water & Energy Efficiency

**49% PF of Total Grant Amount      \$19,005,630.00**

ATTACHMENT 2

**FS010121-03 City of Weaver - Weaver Booster Pump Station**

Project Description: The City of Weaver proposes to install a new booster pump station at the existing connection to the Anniston water system. Completion of this project would result in pressure adequate to completely fill the Water Tower Road tank.

**FS010121-02 City of Weaver - Weaver Tank and Pump Station**

Project Description: The City of Weaver proposes to construct a new 125,000 gallon standpipe tank and booster pump station. Completion of this project would result in approximately 15 customers receiving water service above the minimum water pressure required by ADEM regulations.

**FS010216-01 Beauregard Water Authority – Beauregard 2022 DWSRF Water System Improvements**

Project Description: The Beauregard Water Authority proposes to replace existing smaller-diameter water lines with 6-inch water lines in several locations. Completion of this project would reduce leaks and improve water flow, pressure, and fire protection.

**FS010424-01 Beulah Utilities District – Beulah Water System Improvements**

Project Description: The Beulah Utilities District proposes to upgrade the Halawakee Creek Bridge water line to a larger line. Completion of the project would result in an increase in the reliability of the water supply to the system.

**FS010404-01 Clarke, Wilcox, and Monroe Water Authority – CWM New Well and Treatment**

Project Description: The CWM Water Authority proposes a project to address longstanding water quality problems and provide a safe water supply to CWM customers by developing a water supply well at Lower Peach Tree and constructing a reverse osmosis Water Treatment Plant at the site. Water produced by this well/treatment facility would be virtually free of DBP precursors, total dissolved solids, and other contaminants which tend to produce HAA5 and TTHM compounds. The project would provide a safe and healthier supply of water to CWM customers.

**FS010431-01 Greene County Water and Sewer Authority - Greene County Water Improvements**

Project Description: The Greene County Water and Sewer Authority proposes crucial improvements to their drinking water source, treatment, storage, and distribution system. Proposed improvements include replacement of all existing water meters with new Automatic Meter Reading (AMR) meters; development and installation of a new drinking water supply/production well; replacement of approximately 1,165 LF of broken water main along US-43 two miles north of Forkland near CR-42 and of approximately 1,000 LF along SR-14 seven miles north of Clinton near CR-119; extension of approximately 1,700 LF of water main to eliminate a dead-end and create a complete loop along Acorn Circle and CR-18; and the inspection, repair, and rehabilitation of existing water supply well. These improvements will ensure the provision of safe drinking water and benefit all service area customers.

### **FS010197-02 Town of Grove Hill, Utilities Board – Grove Hill Water System Improvements**

Project Description: The Utilities Board of the Town of Grove Hill proposes installing of a new drinking water production well near US Highway 84 and Lavender Road. The Utilities Board currently operates four (4) 200-gpm wells for a combined production of approximately of 770,000 gpd when all four wells are operating at the maximum recommended running time of sixteen (16) hours a day. These maximized operating conditions, however, result in a reduction of both the design life and reliability of production equipment. Extreme dry weather conditions have also created a peak water demand of nearly 900,000 gpd such that an additional well of 200-gpm or greater is really needed. Additional proposed work items would include installation of approximately 500 LF of 8-inch water main in connecting the new well to the existing distribution system and nearly 4,000 LF of 6-inch water main to connect two dead end lines along Love Road (CR-18) to allow two-way feed from the well. Proposed improvements will insure an adequate supply of drinking water to all Grove Hill service area customers.

### **FS010228-02 Lowndes County Water Authority - Lowndes Water Mains & Generators**

Project Description: The Lowndes County Water Authority proposes a project that replaces two sections of water main with recurring maintenance problems; repair a major hydraulic loop; and install backup generators on major water well pumps plus purchase a portable generator to handle interruptions on smaller well pumps. The improvements will decrease I/I, and increase the energy efficiency for the system.

### **FS010228-03 Town of Lowndesboro – Lowndesboro Water Main Replacement**

Project Description: The Town of Lowndesboro proposes a project for the rehabilitation of a hydraulic loop which will eliminate water supply issues associated with breaking of water mains; and install standby generators for water well pumps to avoid disruption of service due to power interruptions.

### **FS010310-01 Lyeffon Water – Lyeffon Water System Improvements**

Project Description: Lyeffon Water proposes water system improvements consisting of installation of a water main to connect with the Southwest Alabama Water System, installation of a new booster pumping station, and sandblasting and repainting the interior and exterior of the existing elevated tank. These improvements will provide Lyeffon customers with better water quality and keep the system up to date.

### **FS010304-01 City of Thomasville - Thomasville Water System Improvements**

Project Description: The City of Thomasville proposes improvements to their drinking water system in active response to a Consent Order concerning exceedances of disinfection byproducts, total trihalomethanes (TTHM). Project scope will consist of the cleaning, media blasting, and recoating of interiors and exteriors of two existing 2.0 MG ground level water storage tanks (GSTs) and one 0.125 MG elevated water storage tank. New mixing systems will also be added to these same tanks to maintain chlorine residuals, regulate water temperature, and reduce water age within each tank. The remaining 1.0 MG ground level storage tank, which has been assessed as structurally deficient beyond repairs will be completely replaced by a new 1.0 MG GST with mixing system. Proposed improvements will deter future formation of disinfection byproducts in compliance with Consent Order requirements and insure the provision of safe drinking water to all service area customers.

**FS010384-01 Wilcox County Water and Sewer District - Wilcox Water Well Improvements**

Project Description: Wilcox County Water and Sewer District proposes to install 2 new water wells to include well house, backup generator, telemetry, piping, and disinfection equipment. Completion of this project would result in lower costs for purchasing water.

**FS010096-08 Mobile Board of Water & Sewer Commissioners (MAWSS) - Mobile DWSRF Master Plan Phase I (2019-2023) Supplemental**

Project Description: The Mobile Board of Water and Sewer Commissioners (MAWSS) proposes improvements to Stickney WTP which include installation of VFD and actuator pumps, improvements to Operations Building, HVAC improvements to blower and sludge pump buildings, replacement of six (6) MCCs, new emergency generator, new main electrical and generator building, repairs and renovations to reservoirs, new finished water line to clearwells, new laboratory, security upgrades, new flammable storage building, and sludge removal; solids handling and SCADA improvements at Myers WTP; DC to AC conversion study and emergency by-pass connection at Big Creek Pump Station; development of SCADA change management processes and procedures; design and implementation support of Wide Area Network (WAN) SCADA; development of updated radio telemetry; cybersecurity program design: structural, mechanical, and electrical upgrades to various booster pump stations; and implementation of permanent spill isolation and contamination prevention BMPS at Big Creek Lake. These improvements will insure continued provision of safe drinking water to all service area customers.

**FS010096-09 Mobile Board of Water & Sewer Commissioners (MAWSS) – Mobile Causeway Water Main Replacements and Rehabilitation**

Project Description: Mobile Board of Water & Sewer Commissioners proposes the emergency replacement and/or rehabilitation of various existing sections of the Causeway Water Main to the Spanish Fort Water System which are experiencing significant water loss. Proposed improvements will include replacing or rehabilitating more than 9,300 LF of 20-inch HDPE main. As MAWSS currently supplies 70% of Spanish Fort’s total water supply, these repairs are immediately and urgently needed to eliminate existing water loss.

**FS010355-01 Town of Frisco City – AMR Meter Upgrades**

Project Description: The purpose of this project is to provide the Town of Frisco City Water System with a more stable, energy efficient, and economical water system using Radio Read Meters (AMR). The proposed improvements will decrease the required manpower each month for reading meters and will increase the accuracy to which those meters are read. The AMR System will also help reduce

**FS010367-01 Wolf Creek Water, Sewer, and Fire Protection Authority - Wolf Creek Water Storage Tank & Water Main Extensions**

Project Description: The Wolf Creek Water, Sewer, and Fire Protection Authority is proposing a project for their system that entails of the installation of a 100,000-gallon standpipe water storage tank, extension upon an existing 6" water main, and extension of another existing 6" water main. These improvements will improve the water quality for this system and provide improved service to existing customers.

**FS010303-01 North Choctaw Water & Sewer Authority - North Choctaw Water System Improvements**

Project Description: North Choctaw Water & Sewer Authority proposes a project for their system that entails the rehabilitation of four water tanks, repairing a hydraulic loop improving service, and installation of logo on a fifth water tank. Completion of this project will ensure the customers of North Choctaw quality water service.

**FS010359-01 City of Reform – Reform Water System Upgrades**

Project Description: The City of Reform proposes to develop a new water supply well, install a new 500,000 gallon storage tank, and install strategic isolation valves in the distribution system. Completion of this project would result in improved service to existing customers.

**FS010192-02 Town of West Blocton - West Blocton Water System Improvements**

Project Description: The Town of West Blocton proposes a project for their system that entails 5.3 miles of water main replacements, the installation of an emergency generator, valve replacement, water meter replacement, and the replacement of a pump station. Completion of this project would result in improved service to existing customers.



ATTACHMENT 3



# Form 370: Drinking Water State Revolving Fund Preapplication

Project Name	
Assistance Amount Requested	\$
Date Submitted	



Submit Complete Preapplication to:	
Preferred method <b>By email:</b>	srf@adem.alabama.gov
By overnight mail:	1400 Coliseum Boulevard Montgomery, Alabama 36110-2400 (334) 271-7714
By mail:	SRF Section Alabama Department of Environmental Management Post Office Box 301463 Montgomery, Alabama 36130-1463

## Section 1: Contact Information

### Loan Applicant

Applicant Name			
Authorized Representative (Signatory of Loan Agreement)		Title of Authorized Representative	
Email Address		Telephone Number	
Contact Person (Daily SRF Communications)		Title of Contact Person	
Email Address		Telephone Number	
Mailing Address		City, Zip Code	
County		UEI Number	
Fax Number		PWSID Number	
AL House District(s)		AL Senate District(s)	
Total Number of System Connections (Current)		Population of System	

### Project Engineer:

Firm Name	
Address	
City, State, Zip code	
Engineer Name	
Telephone Number	
Email Address	
Fax Number	

**Section 2: Project Information**

For the following questions, please attach additional pages if adequate space is not provided on this form:

Break down the total project cost (categories should sum to 100%) and list all other funding sources to be utilized to complete this project.

Treatment:	%	Other Funding Source(s)	Amount(s)	Commitment Date
Distribution:	%			
Source:	%			
Storage:	%			

Enter the Median Household Income (MHI) for the affected community:	Enter the Average Annual Household Water Bill Based on 5,000 Gal Usage:
Source:	Source:
\$	\$

**Priority Ranking System**

The following factors are used to rank the proposed project and will ultimately determine if the project is fundable. The applicant must provide documentation where required in order to receive credit.

\*Any ranking criteria that cannot be verified through supporting documentation by the Department will be awarded zero points.

**A. Enforcement and Compliance Rating Criteria (Maximum: 50 points)\***

	Ranking Criteria	Point Value
1	The system is under formal enforcement action by ADEM. Completion of the project will return the system to compliance.	50
2	The project is a voluntary effort to resolve noncompliance and will mitigate the issuance of a formal enforcement action.	40
3	The system is currently in compliance but will be in imminent noncompliance without the proposed project.	25

**B. Drinking Water Contaminants Criteria (Maximum: 150 points)\***

	Ranking Criteria	Point Value
1	The system has current primary MCL violations and completion of the project will return the system to compliance.	100
2	The system has current secondary MCL violations and completion of the project will return the system to compliance.	50
3	The primary purpose of the project is to extend service to persons presently served by contaminated wells.	50

**C. Water/Energy Efficiency Rating (Maximum: 45 points)\***

Ranking Criteria		Point Value
1	The project significantly reduces water loss. The unaccounted reported water loss during the last 12-month period was: 50% or higher 35% - 49% 20% - 34% 15% - 19%	25 20 10 5
2	The project incorporates energy efficient design considerations with established objectives and targets for energy reduction opportunities.	5
3	The project uses renewable energy such as wind, solar, geothermal, hydroelectric, micro-hydroelectric, biogas combined heat and power (CHP) systems, or biofuels production to provide power to a drinking water treatment plant.	5
4	The project implements upgrades to pumps and treatment processes which result in: a) 20% or greater reduction in energy consumption at a drinking water treatment plant. b) 10-20% reduction in energy consumption at a drinking water treatment plant, or 20% or greater reduction in energy consumption at a remote pump station.	10 5

**D. Capacity and Pressure Criteria (Maximum: 100 points) \***

Ranking Criteria		Point Value
1	The system lacks adequate capacity to provide safe drinking water. Completion of the project will restore capacity to existing customers.	100
2	The project will mitigate pressure readings of <20 psi at 50 or more customer meters.	50
3	The project will mitigate pressure readings of <20 psi at 10-49 customer meters.	25

**E. System Consolidation Criteria (Maximum: 100 points) \***

Ranking Criteria		Point Value
1	The project will result in the elimination of at least one public water system.	100
2	The project will establish a new interconnection between two water systems, where the beneficiary water system (or portion of the beneficiary water system) is served by only one source.	25

**F. Sustainability Criteria (50 possible bonus points) \***

Ranking Criteria		Point Value
1	The project implements one or more of the following planning methodologies: a) Asset Management Plan	10
2	The project includes one or several of the following design considerations: a) LEED certified or other ADEM-approved green building techniques. b) Project envelope is located in a previously developed area. c) Use of environmentally friendly post-consumer recycled or reclaimed materials.	5 5 5
3	The project incorporates at least one of the following construction methods: • Innovative erosion control practices; • Protection of onsite trees, vegetation, native habitats and urban forests; or • Replanting of disturbed areas with native plant species.	5
4	The project will utilize one or more of the following water conservation strategies: a) Incorporates sustainable water pricing practices and rate structures. b) Completion of EPA's Water Quality Scorecard (see <a href="http://www.epa.gov/smartgrowth/water_scorecard.htm">http://www.epa.gov/smartgrowth/water_scorecard.htm</a> ).	10 5

**G. Reporting Criteria (Maximum point reduction: 30) \***

Ranking Criteria		Point Reduction
1	The system was cited during the last twelve months for late submittal of Monthly Operating Reports (MOR) or Consumer Confidence Reports (CCR), or was cited for a monitoring/reporting violation.	-10
2	The system was sent a Drinking Water Needs Survey and/or a Clean Watershed Needs Survey in the last four years and failed to return a completed survey.	-20

**H. Affordability Criteria (Maximum: 60 points)**

Ranking Criteria	Point Value
Divide the Average Annual Household Water Bill by the Median Household Income (from Page 2) and multiply by 100%:	
2.50% or higher	60
2.00 – 2.49%	40
1.50 – 1.99%	20
Less than 1.50%	0

**I. Infrastructure Improvement Criteria\***

Ranking Criteria	Point Value
1 Construction of a new water treatment plant	20
2 Level of treatment upgrade to an existing water treatment plant	15
3 Modifications to address disinfection byproduct requirements	25
4 Replacement of water lines due to age, leaks, breaks, or lead or asbestos-cement pipe	10
5 Installation of new water lines, where none existed previously	5
6 Rehabilitation or replacement of a water storage tank	15
7 Installation of a new water storage tank	10
8 New or upgraded pump station (not associated with a tank project)	5
9 Security improvements to a water system	5
10 Emergency power generators	5
11 Construction of a new well	15
12 Rehabilitation/upgrade of an existing well	10
13 Installation of green stormwater infrastructure at a water treatment plant	5
14 Installation of water meters in previously unmetered areas, or replacement of traditional water meters with AMR or smart meters	10
15 Water meter replacement with traditional meters	5
16 Installation or retrofitting water efficient devices such as plumbing fixtures and appliances (toilets, showerheads, urinals)	5
17 Replacement of (potable) landscape irrigation with more efficient landscape irrigation systems	5
18 Recycling and water reuse projects that replace potable sources with non-potable sources (grey water, wastewater effluent)	10
19 Installation or upgrade of SCADA systems	15

**Sum the points from each category below.**

Part A: Enforcement and Compliance (50 points maximum)	
Part B: Drinking Water Contaminants (150 points maximum)	
Part C: Water/Energy Efficiency (45 points maximum)	
Part D: Capacity and Pressure (100 points maximum)	
Part E: System Consolidation (50 points maximum)	
Part F: Sustainability (50 bonus points maximum)	
Part G: Reporting (Maximum Reduction of 30)	
Part H: Affordability (60 points maximum)	
Part I: Infrastructure Improvement	
<b>TOTAL POINTS CLAIMED:</b>	

This form should be signed by the official who is authorized to execute contracts on behalf of the applicant jurisdiction. **ONE SIGNED COPY (including attachments)** should be emailed to the address shown on Page 1 of this form.

Attachments to be included with this form:

1. **Preliminary Engineering Report (PER Outline PER Format Below (Preferred))**
2. **Copies of last three (3) years of audited financial statements (if available)**

Preliminary Engineering Report Outline:

1. **Description of Project**
  - a. Brief description and background of project
  - b. Purpose of project
  - c. Location of project
  - d. Project Scope
  - e. Average annual household water bill
  - f. Population and median household income
2. **Proposed Improvements**
  - a. System connections and connections that benefit from construction
  - b. System plan for water conservation
  - c. Proposed operation and management
  - d. Improvements to system
3. **Project Maps**
  - a. Include all affected water bodies
4. **Projected Outlay Schedule**
5. **Cost Breakdown**
  - a. Estimated cost outline for entire project
6. **Supporting Documentation\*** for priority points claimed, as required above. Any points claimed that cannot be readily substantiated from the information submitted will not be counted. The Department reserves the right to make the final determination of all points awarded.

The undersigned representative of the applicant certifies that the information in the application and in the attached statements and exhibits is true, correct and complete to the best of the applicant's knowledge, information and belief.

Signature of Authorized Representative	Print or Type Name
Title	Date