

Base Program Capitalization Grant and the BIL General Supplemental Capitalization Grant are utilized expeditiously.

## 24. Disadvantaged Communities

For the Base Program Capitalization Grant, a congressional mandatory 14% (\$2,551,500) must be provided as subsidization to eligible recipients. Also, an additional subsidization between \$2,187,000 to \$6,378,750 must be provided to disadvantaged communities. Therefore, a minimum of \$4,738,500 to a maximum of \$8,930,250 must be given out as subsidization from the Base Program Capitalization Grant (including the reallocation for the State of Wyoming).

For the BIL General Supplemental Capitalization Grant, a mandatory 49% (\$37,231,180) must be provided as subsidization to eligible recipients.

The State definition of a small community is a municipality or unincorporated community or other identifiable entity with a total service area population of less than 10,000. A financially disadvantaged community is defined as a municipality, county or agency (such as a county-wide department) thereof, franchised area, or other entity with a defined public water system service jurisdiction having a median household income of less than the statewide average.

Should subsidization remain available, communities serving a population of 25,000 or less will receive subsidization.

DWSRF will prioritize the small disadvantaged communities to utilize the BIL EC Capitalization Grant by utilizing the additional bonus points in the priority ranking system. The bonus points are calculated as follows:

Median Household Income (MHI) Score:

$$\text{MHI Score} = 100 \times \left( 1.00 - \frac{\text{MHI of the Service Area}}{\text{Statewide MHI}} \right)$$

Population Score:

$$\text{Population Score} = 50 - \left( \frac{\text{Population of the Service Area}}{200} \right)$$

Affordability Score:

$$\text{Affordability Score} = \text{MHI Score} + \text{Population Score}$$

The MHI Score shall not be greater than 75 points or less than zero points and be rounded to the nearest whole number. The Population Score shall not be less than zero and rounded to the nearest whole number.

## 25. Set-Asides

DWSRF does not intend to take set-asides from the Base Program Capitalization Grant. DWSRF intends to use set-asides from the BIL General Supplemental Capitalization Grant. The set-asides will be used as indicated in the following subsections.