

567—44.7(455B) Project point ranking system (project priority list).

44.7(1) *Project priority list.* The director shall develop and maintain a project priority list of public water systems that have a need for either a new or an upgraded drinking water system, including individual subcomponents. The term “public water system projects” may also include separate segments or phases of a segmented or phased project. The project priority list may include projects which are not ready to proceed (e.g., the list may include projects that by their nature are planned and implemented for a longer term than one year or projects that are unable to be implemented within one calendar year). Projects may be construed as not ready to proceed due to emergencies experienced by the applicant (or the state), or due to construction or other scheduling constraints. Projects will continue to be eligible for loan funding when funded for the first year of a multiyear project effort.

44.7(2) *Application.* Applications for placement on the project priority list shall be accepted by the department on a continuous basis.

44.7(3) *Amendment of project priority list.* The department may amend the project priority list to add eligible projects or remove projects. List adjustment can be done to ensure that the department uses at least 15 percent of each capitalization grant and required state match to provide loan assistance to systems serving fewer than 10,000 persons (allowable under Section 1452(a)(2) of SDWA), to the extent that there are a sufficient number of eligible projects to fund.

44.7(4) *Preliminary engineering study requirements.* To be eligible for placement on the project priority list for a construction loan, the water system must have a preliminary engineering study of potential system needs (e.g., a “planning” study) approved by the department, and must submit to the director a written application for placement on the list. The application must include:

- a. A description of the type of project for which financial assistance is being requested;
- b. The amount of financial assistance being requested; and
- c. A proposed project construction schedule.

Application shall be made on the form from the DWSRF application package provided by the department; the applicant may include additional information in the application. Forms may be obtained from the Environmental Services Division, Iowa Department of Natural Resources, Water Supply Engineering Section, 401 SW 7th Street, Suite M, Des Moines, Iowa 50309, or at www.iowasrf.com.

44.7(5) *Construction project requirements.* An applicant seeking financial assistance for construction must include with the application:

- a. A description of the entity’s current drinking water supply system, including a discussion of existing and potential problems or failures in the current drinking water system and compliance with state and federal criteria;
- b. An estimate of the population and the number of households to be served;
- c. A completed Self-Assessment Manual for Iowa Water System Viability;
- d. A description of the basis for project design;
- e. A map showing the geographical area that the project is expected to serve; and
- f. A cost estimate for the selected project.

44.7(6) *Project priority list ranking criteria.* A construction project’s priority points shall be the total number of points assigned by the department pursuant to the department’s scoring system, delineated in subrule 44.7(7). All projects shall be listed in descending order on the published project priority list according to the number of total priority points assigned each project. When two or more projects have the same priority point total, the project sponsored by a system in the process of consolidation shall receive the higher priority. A private system in the process of forming and becoming a PWS shall have the next highest priority (if the system is determined by U.S. EPA regulations or guidance to be eligible for DWSRF funding), and the entity with the smallest served population shall receive the next highest priority. The most current official census population shall be used for all municipalities which serve only the population within their incorporated boundaries and which apply for these loan funds. For all other municipalities and other community public water supply systems and for nontransient noncommunity systems, population will be counted based on either the actual population verifiable by the department or population as calculated by multiplying by an occupancy factor of 2.5 persons per service connection. New systems will be counted based on census data, an occupancy factor of 2.5

persons per service connection, an occupancy factor of 2.5 persons per identifiable occupied building, or other means acceptable to the department. Funding shall be offered to the projects with highest rank on the project priority list, subject to the project's readiness to proceed, and shall proceed from the highest project downward, subject to availability of funds. The published project priority list shall also be included in the department's intended use plan (IUP), pursuant to rule 567—44.8(455B). Projects involving a multiyear, phased effort may carry over their original priority point total from the previous year's application, provided that the project owner reapplies at each stage.

44.7(7) Project priority list scoring criteria. Eligible public drinking water supply projects shall be scored pursuant to the following priority point scoring system.

IOWA DWSRF PROJECT SCORING SYSTEM

(Multiple attributes within a lettered subcategory are not additive, but points are additive from other subcategories; consolidation/restructuring is an approved option to correct violations or “improve” treatment.)

Scoring Criterion	Points
A. Human Health Risk-related Criteria (maximum of 60 points)	
1. Correction of acute MCL or Tier I treatment technique violation as defined in 567—paragraph 42.1(2) “a” (fecal coliform, nitrate, nitrite, chlorine dioxide, turbidity, CT corrective measures, and Giardia)	60
2. Correction of nonacute MCL violation (IOCs excluding acute contaminants, radionuclides, SOCs, VOCs)	50
3. Correction of an expected MCL or treatment technique violation (acute or nonacute)	45
4. Correction of Tier II treatment technique violation as defined in 567—paragraph 42.1(3) “a” (Pb/Cu corrective measures, disinfection byproduct precursor removal)	40
5. Mitigation of an imminent threat from groundwater contamination (from UST site, from CERCLA site, from uncontrolled site)	35
6. Connection of individual residences to PWS to eliminate use of contaminated individual private wells (bacterial, nitrate, radionuclide, or IOC/VOC/SOC well contamination all eligible)	35
7. Replacement of asbestos cement pipe (replace at least 200 feet of pipe)	15
B. Infrastructure and Engineering-related Improvement Criteria (maximum of 35 points)	
1. Development of system redundancy and additional source to meet peak day demand with largest well or intake out of service; plant process rehabilitation (made to ensure redundancy of treatment units to protect against acute or chronic MCL with system's largest treatment unit out of service); water storage improvements (system reliability enhancement—to increase effective storage to Average Daily Demand, including either at-ground or elevated storage); pumping improvements meeting hydraulic and Ten-State Standard requirements for Average Daily Demand.	35
2. Water systems over capacity expansion. Points are allowable only when system is operating at 85% or more of system design capacity. Source, plant, or distribution system improvements for system expansion are all eligible under this category.	30
3. Pressure and other distribution system improvements, including pump upgrades, pipe looping, valves, fittings, line replacement, hydrants, pumping stations, and water meters	20
4. Treatment plant improvements, excluding operation and maintenance costs	15
5. Provision of emergency power/emergency pumping capacity including purchase of diesel generators or installation of automatic switching systems	15
6. Security improvements (fencing, lighting, video surveillance, locks, access control)	10
C. Affordability Criteria (maximum of 10 points)	
1. System serves low-income population (Community Development Block Grant (CDBG) Iowa Department of Economic Development (IDED) Low-Moderate Income Criteria (LMI))	10

Scoring Criterion	Points
D. Special Category Improvements (maximum of 15 points)	
1. Wellhead or source water protection plan development or implementation meeting department standards, including loans for land or easement acquisition	15
2. Water conservation measures/conservation plan preparation, adoption, and enforcement	5
E. IDNR Adjustment Factor for Population	
1. (Project Serves) Population less than 10,000	10
TOTAL MAXIMUM POINTS	130