

Final
Approved by U.S. EPA on November 24, 2010
Revision 1 approved by U.S. EPA on November 14, 2012
Revision 2 approved by U.S. EPA on November 28, 2016

Maryland Department of the Environment

Integrated Project Priority System for Drinking Water Capital Projects

Overview:

This document outlines the criteria and procedures for prioritizing drinking water projects into a single list known as the “Project Priority List” (PPL) to provide funding through the Maryland Water Quality Financing Administration (MWQFA), a unit within Maryland Department of the Environment (MDE). Financial assistance programs administered by MWQFA to fund drinking water projects include the Drinking Water Revolving Loan Fund (DWSRF or DWRLF) as authorized in the Safe Drinking Water Act (SDWA) Amendments of 1996 and the Water Supply Financial Assistance Program as enabled by Environment Article 9-420 to 9-426. Please go to: [Water Quality Financing Home](#) for details about these programs.

The SDWA grants authority to states to provide DWSRF funding toward community water systems and nonprofit noncommunity water systems, provided the system 1) has the technical, managerial, and financial capability to ensure compliance with the requirements of SDWA and 2) is in compliance with any requirement of a national primary drinking water regulation or variance. Per 40 Code of Federal Regulations §35.3520 for DWSRF, systems in significant noncompliance may be funded, provided that:

- The purpose of the assistance is to address the cause of the significant noncompliance and will ensure that the systems return to compliance; or
- The purpose of the assistance is unrelated to the cause of the significant noncompliance and the systems are on enforcement schedules (for maximum contaminant level and treatment technique violations) or have compliance plans (for monitoring and reporting violations) to return to compliance.

In accordance with the SDWA, priority for use of these funds is based upon the degree of public health risk, compliance with the SDWA, affordability and sustainability criteria. Consistent with these priority criteria, the Maryland ranking system is composed of the six categories described below. Projects will be prioritized based on points accrued in these categories. Each category is assigned a specified maximum number of points. Each applicable category will be scored. All items that apply in each category may receive points; however, the sum of all possible points awarded within each category can not exceed the assigned maximum number of points. A maximum of 200 total points can be awarded to any project.

The following drinking water projects are not eligible for funding:

1. Projects that are not included in and consistent with the County Water and Sewerage Plan;
2. Projects that are not consistent¹ with Priority Funding Area (PFA) law or have not received a PFA exception;
3. Projects needed primarily for fire protection;
4. Projects needed primarily to serve future population growth. Projects must be sized only to accommodate a reasonable amount of population growth expected to occur over the useful life of the facility;
5. Projects for systems that lack adequate technical, managerial and financial capacity, unless the proposed projects will allow the system to develop adequate capacity;
6. Projects for systems serving more than 10,000 people that lack (a) a Water Conservation Plan containing all elements outlined in the MDE guidance document and (b) a water audit for the previous year;
7. Projects for systems that lack a completed Capacity Management Plan, if applicable based on the elements outlined in the MDE guidance document.

¹ “Consistent” means that the entire project and the area it serves is located within a PFA.

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Project Rating Procedure and Criteria:

MDE's Water Supply Program (WSP) and MWQFA will evaluate each project application using a "project score sheet." The procedure described below contains references to section numbers used on the score sheet. Projects will be rated and ranked on the PPL in descending order based on the total points awarded on the score sheet. A maximum of 200 points can be awarded to any project. In case of tied scores, projects will be ranked based on population served (smallest to largest).

Section I - Resolving Drinking Water Quality Problems (Maximum 40 pts)

Forty (40) points will be assigned to a project which eliminates an acute water quality problem. As used here, an acute water quality problem is one which poses immediate and ongoing health hazards to water consumers. Examples include confirmed waterborne disease outbreaks as determined by the Maryland Department of Health and Mental Hygiene (DHMH), public health emergencies as determined by the MDE, E.coli/fecal coliform bacteria contamination, nitrate contamination, or high level of any contaminant which presents an immediate risk to health, or persistent violation of the treatment technique requirements of the Surface Water Treatment Rules for systems using surface water or systems using ground water that has been found to be under the direct influence of surface water (GWUDI).

Thirty (30) points will be assigned to a project which eliminates a chronic water quality problem. As used here, a chronic water quality problem is one which poses long-term health hazards to water consumers. Examples include persistent violation of a maximum contaminant level (MCL) at a concentration which does not present an immediate risk to health such as total coliform bacteria, volatile organic chemicals, synthetic organic chemicals, or lead and copper action level exceedances.

Ten (10) points will be assigned to a project which eliminates a persistent exceedance of secondary drinking water standards.

Ten (10) points will be assigned to a project which eliminates a potential water quality problem. As used here, a potential water quality problem is one which is likely to result in public health hazards, such as poor water quality that is not an MCL violation.

Section II - Resolving Drinking Water Quantity Problems (Maximum 40 pts)

Forty (40) points will be assigned to a project which resolves continuous (generally during all periods of operation) water shortages or pressure loss.

Thirty (30) points will be assigned to a project which resolves periodic (such as during seasonal high use) water shortage or pressure loss.

Twenty (20) points will be assigned to a project which resolves occasional (occurring less frequently than a seasonal event) water shortage or pressure loss.

Twenty (20) points will be assigned to a project that provides for a needed water source redundancy.

Section III - Infrastructure Replacement/Improvement (Maximum 40 pts)

Forty (40) points will be assigned to a project that provides for consolidation of two or more public water systems.

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Thirty (30) points will be assigned to a project that provides for extension of water service to an unserved area with individual wells with documented severe water shortage or documented acute/chronic water quality problems, unless project is part of a consolidation (as described above).

Twenty (20) points will be assigned to a project that replaces/improves treatment facilities or source water-related structures.

Fifteen (15) points will be assigned to a project that replaces/improves deteriorating transmission/distribution water mains.

Fifteen (15) points will be assigned to a project that replaces/improves or adds pumping facilities.

Fifteen (15) points will be assigned for new/replacement of storage tanks.

Ten (10) points will be assigned to a project that replaces/improves system control or automation.

Ten (10) points will be assigned to a project that provides for redundancy of facility components not specified above, such as power supply.

Ten (10) points will be assigned to a project that provides for any other improvements not mentioned above that ensure compliance with the SDWA and will have a positive impact on the system's operation and reliability. Examples include: monitoring/testing equipment; safety/security improvement; installation of metering devices; improvements related to meeting disinfection contact time (CT) requirements; necessary coating/painting of old storage tank interior; resolution of water quality problems resulting from "dead end" lines; treatment residuals management; any other necessary project element that is identified in the sanitary survey of the system and supported/recommended by MDE WSP staff.

Section IV - MDE Order/Directives (Maximum 30 pts)

Thirty (30) points will be assigned to a project that addresses an existing consent or administrative (i.e., legal) order or a U.S. Environmental Protection Agency (EPA) Enforcement Targeting Tool score of 11 or higher.

Twenty (20) points will be assigned to a project that addresses an MDE directive (e.g., corrective action notification letter) regarding significant sanitary deficiencies or an MDE notice of violation.

Ten (10) points will be assigned to a project that addresses any other directive-related issues not mentioned above such as MDE WSP staff communication with the system owner/operator regarding deficiencies of water system, particularly communication of the WSP staff involved in the sanitary survey of the water system.

Section V - Water Conservation and Other Beneficial Practices (Maximum 15 pts)

Ten (10) points will be assigned to a project that provides for the implementation of a Water Conservation Plan containing all elements outlined in the MDE guidance document, for small public water systems with a population of 10,000 people or fewer.

Five (5) points will be assigned to a project that provides a water audit completion for the previous year for small public water systems with a population of 10,000 people or fewer.

Five (5) points will be assigned to a project that provides for leak detection studies.

Ten (10) points will be assigned to a project that provides for water reuse.

Five (5) points will be assigned to a project that provides for cross-connection control.

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Five (5) points will be assigned to a project that provides for any other beneficial practices not mentioned above, such as water saving devices, special water-related research/studies, or project that includes green practices.

Section VI - Affordability, Cost-Efficiency, and Sustainability Impact (Maximum 35 pts)

Affordability

Ten (10) points will be assigned if the current water user rate is greater than 1.25% of community median household income (MHI) or

Five (5) points will be assigned if the current water user rate is between 1.00% & 1.25% of the community MHI.

Cost-Efficiency

Ten (10) points will be assigned if the capital cost of the project per Equivalent Dwelling Unit (EDU) served by the project is less than or equal to \$15,000 or

Five (5) points will be assigned if the capital cost of the project per Equivalent Dwelling Unit (EDU) served by the project is greater than \$15,000 but less than or equal to \$35,000.

Sustainability

Seven (7) points will be assigned to a project whose owner has (and submits) an accepted Asset Management Plan for the system.

Three (3) points will be assigned to a project that is located in an Environmental Benefits District.

Five (5) points will be assigned to a project that includes sustainable green elements (e.g., Leadership in Energy and Environmental Design (LEED) rating, WaterSense certified products, U.S. Environmental Protection Agency Water Quality Scorecard, positive climate change impact) or the will achieve energy/water reduction.

Public Participation:

This document was the subject of a 30-day public comment period as well as a public hearing on November 10, 2010 at 9:00 AM at the Maryland Department of Environment (Aeris Conference Room, 1st Floor Lobby), 1800 Washington Boulevard, Baltimore, Maryland, 21230.