



Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

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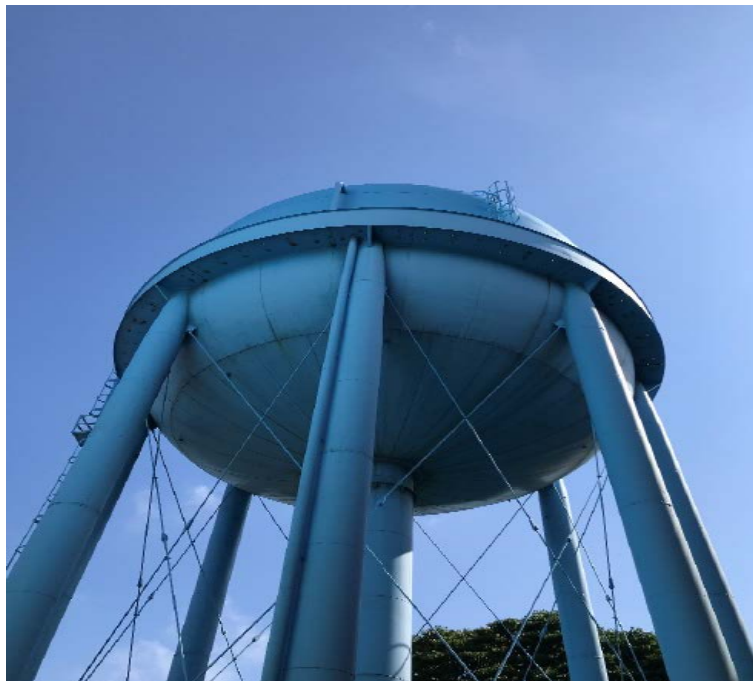
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FINAL 2021 INTENDED USE PLAN For the DRINKING WATER STATE REVOLVING FUND April 13, 2021



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EXECUTIVE SUMMARY

The Massachusetts Department of Environmental Protection (MassDEP) is pleased to present the Final Calendar Year 2021 Intended Use Plan (IUP), which lists the projects, borrowers, and amounts that will be offered financing through the Drinking Water State Revolving Fund (DWSRF) loan program. The DWSRF is a joint federal-state financing program that provides subsidized loans to protect public health by improving water supply infrastructure systems and protect drinking water in the Commonwealth.

Massachusetts is offering approximately \$195 million to finance drinking water projects across the Commonwealth. As noted in Table 1, approximately \$166 million is being offered to finance 21 new construction projects, an additional \$22.7 million will be allocated to finance 6 previously approved multi-year projects, and approximately \$1.3 million is allocated towards the 6 planning projects. An additional \$5 million has been allocated to the emergency set-aside account.

Two (2) proposals, totaling \$259,788, as noted in Table 2, have been selected to receive financial assistance for their Asset Management Planning (AMP) projects. Communities will receive 60% of the project cost, up to \$150,000, as a grant from the Massachusetts Clean Water Trust (Trust), totaling \$155,738. The balance of the cost can be made up of local contributions of cash and/or in-kind services. All or part of the local contribution may be borrowed from the Trust at the standard 2% interest rate with a term of up to five years.

2021 Highlights

- Congress requires states to use 20% of the annual DWSRF grant for additional subsidy. Massachusetts was awarded \$25.53 million in 2021. Additional subsidy will be provided in the form of loan forgiveness for communities that might otherwise be unable to afford to undertake a project. MassDEP and the Trust will continue to provide additional subsidy as a fixed percentage of principal. Further details may be found in section II(A) of this IUP. Information about the Trust's Affordability Calculation may be found on the following webpage: <https://www.mass.gov/service-details/the-affordability-calculation>.
- On October 4, 2019, the Water Infrastructure Funding Transfer Act (WIFTA) was signed into law. This statute temporarily expands the authority to transfer funds from the Clean Water State Revolving Fund (CWSRF) to the DWSRF specifically to address a threat to public health because of heightened exposure to lead in drinking water. This temporary authority allows the Commonwealth to transfer up to 5% of the cumulative CWSRF federal grants to the DWSRF. Massachusetts has transferred \$30 million from the CWSRF to the DWSRF and the funding will be used to provide financial support in the form of loan forgiveness. This authority is in addition to the existing transfer authority under the Safe Drinking Water Act. Further details may be found in section V(E) of this IUP.
- During the 2021 calendar year, PFAS mitigation projects will continue to be eligible to receive additional subsidy in the form of a 0% interest rate loan contingent on the availability of funds.
- MassDEP is also offering additional subsidy for all projects with a renewable energy

component.

- The United States Environmental Protection Agency (USEPA) requires that 15% of total IUP assistance be directed toward Small Systems, those serving populations less than 10,000. Seven of the 2021 Small System applicants will be offered financing from the 2021 IUP with projects totaling approximately \$67 million. Since financing for Small Systems exceeds 15% of \$195 million, or \$29 million, Massachusetts expects to meet this requirement.

MassDEP appreciates the efforts that proponents have invested in the development of applications and recognizes proponents' efforts to enhance and protect the public health of the Commonwealth.

**TABLE 1
DRINKING WATER STATE REVOLVING FUND
Calendar Year 2021 DWSRF Intended Use Plan**

NEW PROJECTS

Rating	Applicant	SRF ID	Project	Project Cost	2021 IUP Cost
535	NEW BEDFORD (PF)(L)	6845	Lead Service Line Replacement Program - Phase II	\$16,170,000	\$6,000,000
525	HUDSON (PF)	6791	Chestnut Street PFAS Treatment System	\$4,349,000	\$4,349,000
525	MANSFIELD (H)	6792	Cate Springs Well PFAS Treatment System	\$4,286,000	\$4,286,000
523	ACTON WATER SUPPLY DISTRICT #(H)(RE)	6802	PFAS Treatment at North Acton WTP	\$6,872,000	\$6,872,000
521	TRI TOWN WATER BOARD #(RE)	6865	Tri-Town Regional Water Treatment Plant	\$68,000,000	\$15,000,000
518 *	MILLBURY - AQUARION WATER COMPANY OF MASSACHUSETTS (PF)	6794	Oak Pond Well GAC Treatment Facility-Millbury, MA	\$2,025,775	\$2,025,775
518 *	LITTLETON WATER DEPARTMENT (H)	6906	Fe, Mn, and PFAS Water Treatment Plant	\$24,500,000	\$15,000,000
517	WESTFIELD (PF)	6881	Dry Bridge Road PFAS Water Treatment Plant	\$12,257,000	\$12,257,000
517 *	EASTHAM #(PF)(RE)	6879	Eastham Water System - Phase 2D	\$12,966,625	\$12,966,625
514 *	DUDLEY (PF)	6854	Dudley PFAS Water Treatment Plant	\$11,500,000	\$6,500,000
514 *	MEDWAY (H)	6887	Medway - Populatic St. Water Treatment Plant	\$11,473,000	\$11,473,000
510 *	DEVENS #(RE)	6757	Devens Water Treatment Plant Project	\$29,800,000	\$15,000,000
449	NEW BEDFORD #(PF)(RE)	6846	Phase 2 - WTP Upgrades	\$16,012,500	\$5,500,000
445	NEW BEDFORD (PF)	6847	Braleley Station Transmission Main Reinforcement	\$3,500,000	\$3,500,000
440	LOWELL (PF)(H)	6810	Transmission Main Connection	\$5,075,500	\$5,075,500
425	ANDOVER (H)	6811	Phase 1 Water Transmission Main Improvements	\$8,390,400	\$8,390,400
423	HAVERHILL (PF)(H)(L)	6889	Phase 3 - Transmission Main Improvements	\$10,231,900	\$10,231,900
421	LAWRENCE (PF)(H)	6868	Lawrence Tower Hill Transmission Main	\$2,960,000	\$2,960,000
421	FRANKLIN #(H)(RE)	6884	LSA Energy Efficiency Project & Other Tank Repairs	\$6,056,000	\$6,056,000
333	CONCORD #(RE)	6877	Nagog Pond Water Treatment Plant	\$28,316,000	\$9,000,000
211 *	DIGHTON WATER DISTRICT (PF)	6863	Main Street Water Main Replacement	\$3,850,000	\$3,850,000
TOTAL OF NEW PROJECTS				\$288,591,700	\$166,293,200

(Count: 21)

(Average Rating: 466.9)

* - Small System

(H) - Housing Choice Communities

(L) - Water Infrastructure Funding Transfer Act (WIFTA) Projects

(PF)- Disadvantaged Community

(RE) - Potential Renewable Energy Projects

- Projects contains Energy Efficiency, Renewable Energy and/or meets EPA's definition of a Green Project (<https://www.epa.gov/greeningepa/energy-and-emissions-epa>)

(D) - Dropped by Applicant

MassDEP PRIORITY PROJECTS

Applicant	SRF ID Project	Project Cost	2021 IUP Cost
EMERGENCY SRF SET-A-SIDE	2978	\$5,000,000	\$5,000,000
TOTAL OF MassDEP PRIORITY PROJECTS		\$5,000,000	\$5,000,000

(Count: 1)

MULTI-YEAR CARRYOVER AND STATUTORY PROJECTS

Applicant	SRF ID Project	Project Cost	2021 IUP Cost
DRACUT WATER SUPPLY DISTRICT (H)(PF)	6659 Water System Improvements	\$25,207,400	\$6,460,000
MASSACHUSETTS WATER RESOURCES AUTHORITY	6691 Northern Intermediate High Section 89 Replacement	\$27,700,000	\$1,000,000
MASSACHUSETTS WATER RESOURCES AUTHORITY	4406 Commonwealth Ave Pump Station Redundancy	\$7,500,000	\$3,500,000
MASSACHUSETTS WATER RESOURCES AUTHORITY	4564 Weston Aqueduct Supply Main Rehabilitation	\$19,382,850	\$500,000
MASSACHUSETTS WATER RESOURCES AUTHORITY	4119 SEH Redundancy and Storage	\$49,297,289	\$4,500,000
SPRINGFIELD WATER AND SEWER COMMISSION (PF)	6649 Clearwell and Backwash Pump Station Replacement	\$21,750,000	\$6,750,000
TOTAL OF MULTI-YEAR CARRYOVER AND STATUTORY PROJECTS		\$150,837,539	\$22,710,000

(Count: 6)

PLANNING PROJECTS

Applicant	SRF ID Project	Project Cost	2021 IUP Cost
BARNSTABLE FIRE DISTRICT (H)	6748 BFDWD Wells 2&5 PFAS Filtration Pilot Study	\$110,000	\$110,000
BILLERICA (H)	6871 Billerica Raw Water Intake/Transmission Main Study	\$500,000	\$500,000
BILLERICA (H)	6825 Treble Cove Booster Pump Station Study	\$100,000	\$100,000
EAST BROOKFIELD	6769 Planning for Systemwide Water Quality Improvements	\$220,000	\$220,000
NEW BEDFORD	6927 Lime to Caustic	\$200,000	\$200,000
NEW BEDFORD	6880 Uni-Directional Flushing Program	\$150,000	\$150,000
TOTAL OF PLANNING PROJECTS		\$1,280,000	\$1,280,000

(Count: 6)

TOTAL OF INTENDED USE PLAN	\$445,709,239	\$195,283,200
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**TABLE 2
DRINKING WATER STATE REVOLVING FUND
Calendar Year 2021 DWSRF ASSET MANAGEMENT PLANNING PROJECTS**

ASSET MANAGEMENT PLANNING PROJECTS

Rating	Applicant	SRF ID	Project	Project Cost	Grant Amount
86	DUDLEY	6905	2021 Dudley Water Department Asset Management Plan	\$150,000	\$90,000
58	SOUTHAMPTON	6893	Southampton Water Department Asset Management	\$109,788	\$65,738
TOTAL OF ASSET MANAGEMENT PLANNING PROJECTS				\$259,788	\$155,738

(Count: 2)

TOTAL OF PROJECT PRIORITY LIST	\$259,788	\$155,738
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I. BACKGROUND

The Federal Safe Drinking Water Act Amendments of 1996 authorized the award of capitalization grants to the States to create individual Drinking Water State Revolving Fund (DWSRF) loan programs. These programs provide state-administered subsidized loans to finance publicly and privately owned community water supply projects. Under the DWSRF program, states provide a 20% match to the federal capitalization grant to create the loan fund. Projects to be financed are selected using a priority ranking system based upon protection of the public health and improved compliance together with affordability.

The DWSRF is jointly administered by the Massachusetts Department of Environmental Protection (MassDEP) and the Massachusetts Clean Water Trust (Trust). MassDEP manages the technical aspects of project development while the Trust manages the disbursement of funds and the sale of bonds to provide capital to the program.

Pursuant to the applicable provisions of the Federal Safe Drinking Water Act Amendments of 1996, Chapter 78 of the Acts of 1998, and 310 CMR 45.00, MassDEP has developed its Final Calendar Year 2021 Intended Use Plan/Project Priority List (IUP/PPL), with its attendant ranking of drinking water projects, as noted in Table 3. A project must appear on the PPL and the IUP Project Listing to receive financial assistance under the State Revolving Fund (SRF) Loan program.

This Final IUP includes \$195 million in financing and describes Massachusetts' intended uses for all funds available in the DWSRF program for calendar year 2021. It includes the projects that Massachusetts expects to provide financial assistance to and an overview of how the state will comply with federally mandated requirements.

This Final IUP contains two Asset Management Planning (AMP) projects, totaling \$259,788. These communities will receive 60% of the project cost, up to \$150,000, as a grant from the Trust, totaling \$155,738. The remaining project costs are to be funded by local contributions of cash and/or in-kind services. All or part of the local contribution may also consist of a loan from the Trust at the standard 2% interest rate with a term of up to five years.

All new projects receiving financial assistance from the DWSRF will be eligible for loans at 2% or, in certain instances, below 2%. The Commonwealth subsidizes these loans, funding the spread between market interest rates and the awarded rate. This subsidy will continue to be allotted to the SRF programs in this and upcoming budget cycles. Certain priority projects, with the primary purpose of PFAS mitigation, may be eligible for 0% interest loans. Prior to committing to permanent financing, MassDEP will review all submitted information to determine a project's eligibility for the reduced interest rate.

To be considered for funding priority, communities must have appropriated the necessary local project funds or have committed to a schedule to obtain those funds by **June 30, 2021**.

Completed applications must be submitted to MassDEP at the earliest possible time, but not later than **October 15, 2021**. A complete application must contain the local funding authorization and the required supporting documentation. Any project not meeting these deadlines will be removed from the IUP Project Listing. Projects offered financing that do not advance, may be replaced by the highest ranked project on the Project Priority List that is ready to proceed.

All SRF related documents, including this IUP, the priority ranking system, loan application forms, regulations, and IUPs from the previous year, may be found on the MassDEP web site at: <https://www.mass.gov/state-revolving-fund-srf-loan-program>.

II. CALENDAR YEAR 2021 PROJECT FINANCING

In 2021, MassDEP expects to finance 21 new construction projects, 6 carryover projects, and 6 planning projects totaling approximately \$195 million. Included in this amount is a \$5 million emergency reserve to finance unanticipated problems of acute public health concern that may arise during the year. Table 1 is the proposed funding list for 2021 and Table 3 is the extended PPL. Tables 2 and 4 list the projects that have been selected to receive grants from the Trust for their Asset Management Planning projects.

Massachusetts received \$25.53 million from the United States Environmental Protection Agency (USEPA) to fund the DWSRF for 2021. Following are some of the more notable DWSRF program components and requirements:

A. Additional Subsidy

Eligible construction projects appearing on the 2021 IUP will receive additional subsidy, to the extent that funds are available, in the form of loan forgiveness, based on the affordability tier system described below and provided as a set percentage based on the community's tier ranking.

Massachusetts has established an Affordability Criteria to calculate and distribute loan forgiveness. The assignment of communities to an affordability tier is based on an Adjusted Per Capita Income (APCI) calculation. Tier rankings are calculated annually by comparing a community's APCI as a percentage of the Commonwealth's APCI. See the following table for the tier breakdown.

Tier	Percent of State APCI	Minimum Loan Forgiveness
1	Greater than 80%, but less than 100%	6.6%
2	Greater than 60%, but less than 80%	13.2%
3	Less than 60%	19.8%

With the establishment of the Disadvantaged Communities program, all projects that are eligible for additional subsidy on the 2021 DWSRF IUP and PPL are now considered Disadvantaged Communities (DC) and will be reported as such. The establishment of a formal DWSRF DC program does not change the distribution of loan forgiveness and does not require any additional actions from eligible communities beyond the requirements already in place for loan forgiveness.

Projects that have a renewable energy component will qualify as a Tier 1 community and receive loan forgiveness for the portion of the loan that is financing the renewable energy component.

*Loan forgiveness will be disbursed over construction contracts that are executed by **June 30, 2022** subject to the availability of funds and may be limited to the lesser of the executed contracts or the IUP cost. Planning projects are not eligible for loan forgiveness.*

In addition to meeting the Affordability Criteria, under Chapter 259 of the Acts of 2014, *An Act Improving Drinking Water and Wastewater Infrastructure*, applicants for additional subsidy are required to:

- a. establish water enterprise funds (or equivalent separate restricted accounts); and
- b. not have made any transfers from such enterprise fund since January 1, 2015 to fund the community’s general operating budget.

B. Housing Choice Initiative

Communities that have earned the Housing Choice designation at the time of the SRF project solicitation are eligible to have their loan’s interest rate reduced by 0.5% (for example from 2% to 1.5% for a standard term loan). However, under no circumstance can the interest rate fall below 0%. For example, if a community qualifies for a 0% interest loan for a PFAS mitigation project, it cannot receive an added discount through the Housing Choice designation. Housing Choice initiative communities must also certify to the enterprise account requirements noted above.

C. Applicant Cap

The Massachusetts SRF regulations (310 CMR 45) place a limit on any one proponent receiving any more than 25% of the available financing each year. Because of the shortfall of available funds relative to the number of worthwhile projects, and to extend financial assistance to as many highly ranked projects as possible, MassDEP is implementing an applicant cap of \$15 million for the 2021 financing period. MassDEP reserves the right to waive the applicant cap limitation if MassDEP determines that one or more projects on the IUP Project Listing are not ready to proceed. If the applicant cap is waived, communities may see an increase in financing for projects not fully financed on the IUP listing.

D. Small Systems

Congress requires that 15% of the total amount of DWSRF funds be dedicated towards Small Systems, i.e., drinking water systems serving fewer than 10,000 customers. The total DWSRF funds expected to be available for 2021 is \$195 million. Fifteen percent of that amount is \$29 million. The IUP list contains 7 small system projects totaling approximately \$67 million, which exceeds the 15% requirement. Therefore, Massachusetts expects to meet this requirement.

E. Set-Aside Activities

Congress allows states to apply set-asides from the DWSRF grant, to provide management of the program and technical assistance to Public Water Suppliers. MassDEP's objectives for DWSRF set-aside activities are included as Appendix A. For 2021, these set-aside activities include funds that will be earmarked for issues involving small water supply systems, local assistance for wellhead protection, capacity implementation, and program management and administration. Appendix A details how MassDEP intends to utilize these set-aside funds in FY 2021 to implement the federal Safe Drinking Water Act (SDWA).

III. SHORT- AND LONG-TERM GOALS

The following are the goals that Massachusetts has set for its DWSRF:

Short-Term Goals

- Provide a DWSRF reserve, not to exceed \$5 million of available funds, to finance, at MassDEP's discretion, projects addressing unanticipated problems of acute public health concern that arise during the year, and constitute an imminent public health threat, and otherwise meet MassDEP's applicable criteria;
- Replace lead service connections extending to the meter of the building;
- Finance PFAS mitigation projects affecting water supplies;

- Incorporate the recently developed affordability criteria into the additional subsidy distribution;
- Develop and finance innovative education, planning, and compliance assistance programs for small systems to identify and reduce the number of small systems with compliance problems;
- Perform outreach efforts to DWSRF borrowers that identify the focus on and eligibility of energy efficiency/alternative energy projects;
- Upgrade failing distribution systems to ensure adequate pressure and flow, and to reduce the potential of bacterial contamination;
- Provide additional storage to ensure adequate water volume, system pressure and redundancy;
- Enhance security of drinking water systems during the construction or rehabilitation of major facilities;
- Assist communities in the identification and elimination of naturally occurring contamination (e.g. radionuclide, arsenic, etc.); and
- Execute DWSRF set-aside work plans.

Long-Term Goals

- Support protection of public health by ensuring that all Massachusetts Public Water Suppliers have the necessary technical, financial and managerial capacity to maintain compliance with the current and foreseeable SDWA requirements and provide safe drinking water to their customers;
- Annually reexamine the balance between use of set-aside and project funds and adjust strategy as needed in subsequent years' applications for DWSRF funds;
- Promote the completion of cost-effective projects that maximize protection of public health;
- Effectively manage a drinking water program that facilitates compliance with the SDWA through the use of outreach efforts such as capacity assessments and technical assistance;
- Ensure that water treatment projects financed through the SRF fully consider cost-effective energy efficiency measures and/or renewable energy strategies;
- Encourage strategies to ensure sufficient water supplies under drought conditions and the stresses of climate change;
- Support long-term water system planning efforts by reserving DWSRF funds for these types of planning studies; and
- Establish and efficiently manage a permanent source of financing for drinking water infrastructure to enhance and protect public health.

IV. ALLOCATION OF FUNDS

A. Criteria and Method for Distribution of Funds

Massachusetts rates projects using the Commonwealth's priority ranking system. The criteria used to rank potential projects can be found on the MassDEP website at <http://www.mass.gov/eea/agencies/massdep/water/grants/state-revolving-fund.html>.

The ranking system is reviewed annually to reflect changing priorities at MassDEP. The criteria emphasize the nature of the public health problem that the project will address, compliance with the Safe Drinking Water Act, project affordability, the extent to which the project is consistent with regional or watershed wide plans and the extent to which the project qualifies as a green project, a project that minimizes greenhouse gas emissions and energy use.

Once all projects have been rated and ranked, the PPL is developed (Table 3). With input from the Trust, MassDEP identifies all the sources of funds and spending limits and develops the IUP Project Listing (Table 1).

To be considered for financing, projects must meet State and Federal eligibility requirements, must be ready to proceed during the financing period, must have appropriated local funds necessary to finance the entire project, and have a MassDEP approved planning element. An approvable planning element can be a Project Evaluation Report, Integrated Water Resource Management Plan, or other MassDEP sanctioned planning document. Projects proposing to replace lead service lines must ensure that lines will be replaced to the meters to preserve priority ranking. Furthermore, no community can receive financial assistance unless it can demonstrate that it has adequate technical, financial, and managerial capacity, as approved by MassDEP. Eligibility includes consistency with the assurances described in this document and the requirements contained within MassDEP's financial assistance regulations.

B. Project Bypass Procedure

A project on the IUP Project Listing may be bypassed if MassDEP determines that the bypassed project will not be ready to proceed during the financing period. Project(s) bypassed may be replaced by the highest ranked priority project(s) on the PPL that are ready to proceed, or the funds may be used to provide emergency financing, or for project cost increases to other projects approved previously. If complete loan applications are not received by MassDEP by **October 15, 2021**, the project will be automatically considered for bypassing.

C. Types of Projects to be Financed and Financing Rates

Any drinking water project of an eligible borrower is eligible to receive financial assistance from the Trust. Such eligible projects include, but are not limited to:

- Projects to address or prevent violation of public health standards, including projects to come into or maintain compliance.
- Projects to replace aging infrastructure, if such projects are needed to maintain compliance or further public health goals and requirements, including projects to rehabilitate or develop sources to replace contaminated sources, install or upgrade treatment or storage facilities, and install or replace transmission and distribution pipes to prevent contamination or improve water pressure to safe levels.
- Projects to consolidate and/or restructure a public water system.
- Planning and/or design of any eligible project.

Costs of construction that MassDEP determines are necessary for the completion of the project are eligible for financing in the loan and to receive a subsidy under the loan, subject to the applicant cap. Costs for planning projects are eligible for financing during the 2021 funding period. Although costs for design are eligible, they will not be financed during this funding period due to the high demand for construction financing.

All projects on the IUP are eligible for 2% interest rate loans. Certain projects that are primarily for PFAS mitigation are eligible for 0% interest loans. A determination will be made as to the eligibility for 0% interest loans before the loan is permanently financed.

V. FINANCIAL MANAGEMENT

A. Source of State Match

Based on the anticipated 2021 DWSRF grant of \$25.53 million from USEPA, the required 20% state match equals \$5.11 million. These funds are provided to the Trust from the Commonwealth's Capital Plan.

B. Fee Income

The Trust charges an amount not to exceed \$5.00 per \$1,000 as a loan origination fee to offset the costs incurred during its bond issuances. Recipients of SRF loans are charged an annual administrative fee of 0.15% (15 basis points) against the outstanding loan principal to fund salaries and expenses of the Trust and MassDEP related to SRF project development and loan management. As of June 30, 2020, the Trust has a balance approximately \$52.2 million in its Administrative Account. The Trust's Administrative Account funds the 10% state management set-aside. Use of those funds is detailed in the attached Set-Aside plan (Appendix A).

C. Program Administration

The Commonwealth of Massachusetts intends to use the full 4% of the Federal capitalization grant funds for administrative support of activities related to the DWSRF. Use of those funds is detailed in the DWSRF Grant Application that the Trust files each year with the USEPA and in the attached Set-Aside plan (Appendix A).

D. Anticipated Cash Draw Ratio

Massachusetts will draw 100% of the state match funds before drawing federal funds. This will ensure that Massachusetts remains in compliance with the required cash draw ratios.

E. Transfer of Funds Between CWSRF and DWSRF

Section 302 of the 1996 Safe Drinking Water Act Amendments allows states the flexibility to move funds between the Clean and the Drinking Water SRF programs, to better address specific state priorities. The USEPA allows an equivalent of up to 33% of the Drinking Water grant to be transferred between the CWSRF and DWSRF.

The CWSRF IUP capacity frequently allows Massachusetts to finance all the requested projects each year. Generally, half to a third of requested DWSRF construction projects go unfinanced. The level of federal grant funding of the DWSRF is insufficient to meet the need for project financing. Transferring a limited amount of funds from the CWSRF to the DWSRF this year and in the future will help increase the overall capacity of the DWSRF and reduce the number of unfinanced projects without any impacts to the CWSRF IUP. Massachusetts will transfer funds from the CWSRF to the DWSRF program in the amount of \$8.42 million (33% of the 2021 DWSRF grant amount of \$25.53 million).

Furthermore, on September 30, 2020, under WIFTA's transfer authority, the Trust transferred \$30 million from the CWSRF to the DWSRF. The transfer will be used to provide added subsidies for eligible projects in the 2021, 2022, and possibly the 2023 DWSRF IUPs. Project activities eligible for this lead abatement loan forgiveness include planning and construction for lead removal, corrosion control capital improvements, and full replacements of lead service lines. WIFTA funds must be drawn down within 5 years of the date of the WIFTA transfer. The Trust evaluated the financial impact that the transfer will have on the CWSRF and determined it will not adversely impact the Trust's ability to finance high priority CWSRF projects.

F. Estimated Sources and Uses

The sources of funds available to the Massachusetts DWSRF include the federal capitalization grant, 20% state match and borrower loan repayments. The Trust may leverage these funds up to 3 times. Under this authority, the Trust will finance approximately \$195 million of DWSRF eligible projects.

G. Additional Subsidy and the Disadvantaged Communities Program

As required in federal law applicable to the DWSRF capitalization grant, a minimum of 14% of the grant must be provided as additional subsidy to Disadvantaged Communities (DCs). In the 2021 DWSRF IUP, MassDEP and the Trust will ensure that the required level of additional subsidy is disbursed to eligible projects.

VI. Program Management

A. Assurances and Special Conditions

MassDEP and the Trust have provided the required assurances and certifications as part of the Operating Agreement (OA) between Massachusetts and the USEPA. The OA describes the mutual obligations among USEPA, MassDEP and the Trust. The purpose of the OA is to provide a framework of procedures to be followed in the management and administration of the DWSRF.

Title XIV of the Federal Safe Drinking Water Act amendments of 1996 and subsequent regulations and guidance require that the Commonwealth certify compliance with or acceptance of a number of conditions. These include compliance with the applicable provisions of s. 1452, State Revolving Loan Fund, as follows:

- **Environmental Reviews:** DWSRF borrowers are required to meet the standards of the National Environmental Policy Act (NEPA) or a State equivalent. Some projects, owing to their relatively minor environmental impacts, if any, do not trip the threshold of the Massachusetts Environmental Policy Act (MEPA) and are therefore not subject to the rigorous environmental review process set forth in MEPA. The Commonwealth reasons that these projects are categorically exempt from the NEPA review process as well. A planning level review of each of the eligible projects concludes that since these projects almost uniformly are the upgrade or rehabilitation of existing infrastructure, most will not usually require MEPA review. A final determination of project relevancy under MEPA cannot be made until the preliminary design phase of work is complete on each project.
- **Binding Commitments:** The DWSRF will enter binding commitments for 120 percent of each quarterly grant payment within one year of receipt of the payment.
- **Expeditious and Timely Expenditures:** The DWSRF will expend all funds in the DWSRF in a timely manner.
- **Set-Aside Programs.** The Commonwealth will conduct set-aside activities consistent with the plan provided as Appendix A to this document.

B. Federal Requirements

A number of federal requirements apply to DWSRF projects in an amount equal to the capitalization grant including:

- Single Audit Act (2 CFR 200 Subpart F)
- Federal Funding Accountability and Transparency Act (FFATA) reporting
- Disadvantaged Business Enterprise compliance (all projects)

- Federal environmental crosscutters (all projects)

MassDEP and the Trust will identify the group of projects that must comply with these requirements in the USEPA grant application. Frequently, the group of projects changes as projects move towards construction, usually due to attrition. If changes are made to the group of projects, appropriate amendments to the grant application will be made.

C. Davis-Bacon Wage Rates

The USEPA's FY2021 Appropriations bill requires the application of Davis-Bacon prevailing wage rates to all drinking water projects funded in whole or in part by the DWSRF. MassDEP ensures that the required Davis-Bacon language is included in contracts and conducts field verifications of project compliance with the wage rate requirements.

D. American Iron and Steel

The USEPA's FY 2021 Appropriations bill requires the use of American Iron and Steel (AIS) in all drinking water construction projects. MassDEP ensures that the required AIS language is included in contracts and conducts field verifications of project compliance. Appropriate AIS language has also been included in the Project Regulatory Agreement and the Financing Agreement.

E. Audits and Reporting

MassDEP and the Trust will comply with all the auditing and reporting requirements of the USEPA. A single audit is conducted annually and reporting to the USEPA is done through the Drinking Water Project Benefits Reporting system, the National Information Management System, Biennial Report and FFATA reporting.

VII. Public Review and Comment

Notice of the availability of the Draft Calendar Year 2021 IUP/PPL was made on January 22, 2021. Due to protocols put in place by the State of Massachusetts in response to the COVID-19 emergency, a public hearing on the Draft IUP took place virtually on February 24, 2021. MassDEP accepted oral testimony during the public hearing and written testimony submitted during the public comment period that closed on February 24, 2021. Records of the testimony received are maintained in MassDEP's files. MassDEP took into consideration the testimony received to finalize the IUP.

**TABLE 3
DRINKING WATER STATE REVOLVING FUND
Calendar Year 2021 DWSRF Project Priority List**

NEW PROJECTS

Rating	Applicant	PWSID	Pop.	SRF ID	Project	Project Cost
535	NEW BEDFORD (PF)(L)	4201000	95072	6845	Lead Service Line Replacement Program - Phase II	\$16,170,000
525	HUDSON (PF)	2141000	18406	6791	Chestnut Street PFAS Treatment System	\$4,349,000
525	MANSFIELD (H)	4167000	23380	6792	Cate Springs Well PFAS Treatment System	\$4,286,000
523	ACTON WATER SUPPLY DISTRICT #(H)(RE)	2002000	20890	6802	PFAS Treatment at North Acton WTP	\$6,872,000
521	TRI TOWN WATER BOARD #(RE)	4040002	25	6865	Tri-Town Regional Water Treatment Plant	\$68,000,000
518 *	LITTLETON WATER DEPARTMENT (H)	2158000	9182	6906	Fe, Mn, and PFAS Water Treatment Plant	\$24,500,000
518 *	MILLBURY - AQUARION WATER COMPANY OF MASSACHUSETTS (PF)	2186000	8803	6794	Oak Pond Well GAC Treatment Facility-Millbury, MA	\$2,025,775
517	WESTFIELD (PF)	1329000	42000	6881	Dry Bridge Road PFAS Water Treatment Plant	\$12,257,000
517 *	EASTHAM #(PF)(RE)	4086095	2026	6879	Eastham Water System - Phase 2D	\$12,966,625
514 *	MEDWAY (H)	2177000	9654	6887	Medway - Populatic St. Water Treatment Plant	\$11,473,000
514 *	DUDLEY (PF)	2080000	7644	6854	Dudley PFAS Water Treatment Plant	\$11,500,000
510 *	DEVENS #(RE)	2019001	6500	6757	Devens Water Treatment Plant Project	\$29,800,000
449	NEW BEDFORD #(PF)(RE)	4201000	95072	6846	Phase 2 - WTP Upgrades	\$16,012,500
445	NEW BEDFORD (PF)	4201000	95072	6847	Brale Station Transmission Main Reinforcement	\$3,500,000
440	LOWELL (PF)(H)	3160000	106519	6810	Transmission Main Connection	\$5,075,500
425	ANDOVER (H)	3009000	33201	6811	Phase 1 Water Transmission Main Improvements	\$8,390,400
423	HAVERHILL (PF)(H)(L)	3128000	57311	6889	Phase 3 - Transmission Main Improvements	\$10,231,900
421	LAWRENCE (PF)(H)	3149000	76377	6868	Lawrence Tower Hill Transmission Main	\$2,960,000
421	FRANKLIN #(H)(RE)	2110000	10703	6884	LSA Energy Efficiency Project & Other Tank Repairs	\$6,056,000
333	CONCORD #(RE)	3067000	16402	6877	Nagog Pond Water Treatment Plant	\$28,316,000
331	WAREHAM FIRE DISTRICT (PF)	4310000	20830	6789	Seawood Springs Raw Water Transmission Line	\$7,570,000
329	KINGSTON #(PF)(RE)	4145000	13720	6872	Manganese Removal Facility for GH and 1-86 Wells	\$8,820,000
329	BILLERICA (PF)(H)	3031000	40243	6867	Billerica Phase 1 Water Main Replacement	\$8,099,000
325	MEDFIELD #(H)(RE)	2175000	12595	6799	Wells 3 & 4 Water Treatment Plant	\$12,890,000
323	HOLLISTON	2136000	14946	6859	Greensand Filtration Plant foe Well#5	\$16,750,000

245	LOWELL (PF)(H)	3160000	106519	6826	Lowell Regional Water Utility Lagoon Construction	\$3,655,000
236	FALL RIVER (PF)(H)(L)	4095000	88857	6861	Water Main Rehabilitation - Phase 21	\$4,403,960
235	NEW BEDFORD #(PF)(RE)	4201000	95072	6844	Hathaway Road HSA Improvements	\$21,000,000
234	MASSACHUSETTS WATER RESOURCES AUTHORITY	6000000	2550000	6827	Chestnut Hill Emergency Pump Station Improvements	\$13,554,000
228	LAWRENCE #(PF)(H)(RE)	3149000	76377	6858	Water Treatment Plant & Source Improvements	\$4,225,279
227	WAREHAM FIRE DISTRICT #(PF)(RE)	4310000	20830	6765	RTCR Tank Biostability Improvement Project	\$7,152,962
227	WAREHAM FIRE DISTRICT (PF)	4310000	20830	6774	Chlorine Contact Pipe for 4 Log Virus Inactivation	\$662,000
227	BILLERICA (PF)(H)	3031000	40243	6892	Billerica Crosby Hill Tank Replacement Project	\$2,008,500
227	WAREHAM FIRE DISTRICT (PF)	4310000	20830	6812	Water Meter Renewal Program	\$3,190,000
226	BROCKTON (PF)(H)	4044000	93810	6853	Water Main Improvements	\$5,000,000
226	FALL RIVER (PF)(H)	4095000	88857	6763	Wilson Road Booster Pumping Station	\$1,424,980
225	ANDOVER (H)	3009000	33201	6830	Water Main Improvements - Columbia Gas Recovery	\$17,044,500
225	MASSACHUSETTS WATER RESOURCES AUTHORITY	6000000	2550000	6829	Section 56 Replacement	\$9,750,000
220	HOLYOKE (PF)	1137000	40124	6835	Phase 2B Water Main Replacement Project	\$4,570,700
219	NORTHBOROUGH	2215000	11490	6856	Assabet Hill Tank Improvements	\$736,500
217	BROOKLINE	3046000	58732	6813	2022 Water System Improvements Project	\$6,314,261
215	BARNSTABLE (PF)(H)	4020004	35000	6907	Pipe Replacement/Installation Project	\$1,900,000
211	SAUGUS #(PF)(RE)	3262000	24703	6873	Oceanview Avenue Water Booster Station	\$370,000
211*	DIGHTON WATER DISTRICT (PF)	4076000	4709	6863	Main Street Water Main Replacement	\$3,850,000
*	HATFIELD (PF)	1127000	3292	6904	Water Main Extension Project	\$980,000

TOTAL OF NEW PROJECTS

\$450,663,342

(Count: 45)

(Average Rating: 344.71)

* - Small System

(H) - Housing Choice Communities

(L) - Water Infrastructure Funding Transfer Act (WIFTA) Projects

(PF)- Disadvantaged Community

(RE) - Potential Renewable Energy Projects

- Projects contains Energy Efficiency, Renewable Energy and/or meets EPA's definition of a Green Project (<https://www.epa.gov/greeningepa/energy-and-emissions-epa>)

(D) - Dropped by Applicant

MassDEP PRIORITY PROJECTS

Applicant	SRF ID	Project	Project Cost
EMERGENCY SRF SET-A-SIDE	2978		\$5,000,000
TOTAL OF MassDEP PRIORITY PROJECTS			\$5,000,000

(Count: 1)

MULTI-YEAR CARRYOVER AND STATUTORY PROJECTS

Applicant	PWSID	Pop.	SRF ID	Project	Project Cost
DRACUT WATER SUPPLY DISTRICT (H)(PF)	3079000	25773	6659	Water System Improvements	\$25,207,400
MASSACHUSETTS WATER RESOURCES AUTHORITY	6000000	2550000	6691	Northern Intermediate High Section 89 Replacement	\$27,700,000
MASSACHUSETTS WATER RESOURCES AUTHORITY	6000000	2550000	4564	Weston Aqueduct Supply Main Rehabilitation	\$19,382,850
MASSACHUSETTS WATER RESOURCES AUTHORITY	6000000	2550000	4406	Commonwealth Ave Pump Station Redundancy	\$7,500,000
MASSACHUSETTS WATER RESOURCES AUTHORITY	6000000	2550000	4119	SEH Redundancy and Storage	\$49,297,289
SPRINGFIELD WATER AND SEWER COMMISSION (PF)	1281000	230578	6649	Clearwell and Backwash Pump Station Replacement	\$21,750,000
TOTAL OF MULTI-YEAR CARRYOVER AND STATUTORY PROJECTS					\$150,837,539

(Count: 6)

PLANNING PROJECTS

Applicant	SRF ID	Project	Project Cost
BARNSTABLE FIRE DISTRICT (H)	6748	BFDWD Wells 2&5 PFAS Filtration Pilot Study	\$110,000
BILLERICA (H)	6871	Billerica Raw Water Intake/Transmission Main Study	\$500,000
BILLERICA (H)	6825	Treble Cove Booster Pump Station Study	\$100,000
EAST BROOKFIELD	6769	Planning for Systemwide Water Quality Improvements	\$220,000
NEW BEDFORD	6927	Lime to Caustic	\$200,000
NEW BEDFORD	6880	Uni-Directional Flushing Program	\$150,000
TOTAL OF PLANNING PROJECTS			\$1,280,000

(Count: 6)

TOTAL OF PROJECT PRIORITY LIST **\$607,780,881**

TABLE 4
DRINKING WATER STATE REVOLVING FUND
Calendar Year 2021 DWSRF ASSET MANAGEMENT PLANNING PROJECTS

ASSET MANAGEMENT PLANNING PROJECTS

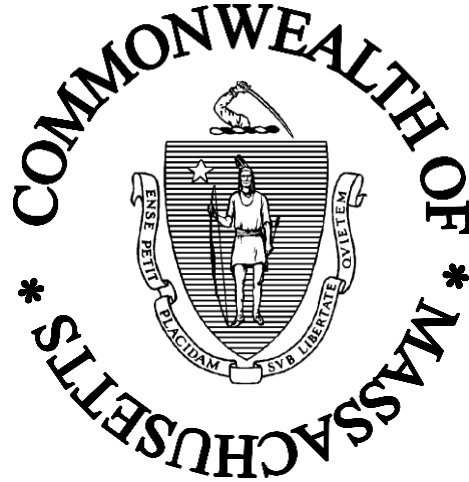
Rating	Applicant	SRF ID	Project	Project Cost
86	DUDLEY	6905	2021 Dudley Water Department Asset Management Plan	\$150,000
58	SOUTHAMPTON	6893	Southampton Water Department Asset Management	\$109,788

TOTAL OF ASSET MANAGEMENT PLANNING PROJECTS **\$259,788**

(Count: 2)

TOTAL OF PROJECT PRIORITY LIST **\$259,788**

APPENDIX A



DRINKING WATER STATE REVOLVING FUND (DWSRF)

*Final Intended Use Plan For
Fiscal Year 2021 Set-aside*
Funds Authorized Under the Federal
Safe Drinking Water Act

Information on Set-asides

The State of Massachusetts plans to set aside \$7,920,500 (31% of \$25,550,000 (Estimate: Note: FY2020 Amended Amount)) of the Capitalization Grant for various non-construction related activities that are authorized in the Safe Drinking Water Act Amendments of 1996. These activities are often vital to water systems so that they can develop and maintain the financial, technical, and managerial capacity to run their system effectively. A portion of the set-aside money will be used to develop and implement programs within state government necessary to implement the DWSRF and the SDWA Amendments of 1996.

The SDWA provides guidance for a variety of uses of the set-aside money. The set-aside money will be placed in separate accounts outside the Project Fund. The SDWA allows for transfers between the set-aside accounts and are the current best estimates of the funds required to complete the programs and projects described in the IUP. Transfers of funds between accounts and projects in accordance with EPA requirements will be made as necessary to accomplish the programs and projects described and efficiently and effectively use the available funds. The SDWA limits the percentage of the capitalization grant that can be used in each of these set-asides and whether the set-aside funds can be “banked” or reserved for future use.

I. 4% DWSRF ADMINISTRATION – 10 FTEs

MassDEP anticipates applying for the full 4% (\$1,022,000) from FY 2021 (Estimate) SRF Capitalization Grant for DWSRF Program Administration. These funds will be combined with any remaining prior year funds in order to provide comprehensive DWSRF program assistance. Duties may include (but not be limited to):

A. MANAGE DWSRF COORDINATION of projects and liaison with the Massachusetts Water Pollution Abatement Trust.

B. OVERSEE ADMINISTRATION AND MANAGEMENT of the DWSRF Priority List/Intended Use Plan process and fiscal administrative aspects of the set-asides, such as grant application and fiscal reporting, and coordinate with the Drinking Water Program in regard to the set-asides.

C. SUPPORT, CONDUCT, AND ANALYZE SRF PROJECT APPLICATIONS AND PROJECT REVIEWS

4% Set-Aside Deliverables

Coordination of all DWP Source Protection and Technical Services Activities
Set-Aside IUP and Work Plan Sections that Reflect Drinking Water Program Needs and Priorities
Oversight of DWSRF Loans and Grants

4% Set-Aside Measures of Success

Drinking Water Source Protection and Technical Services Section activities that support Drinking Water Program goals and priorities and are coordinated with the DWSRF
Set-Aside activities achieve stated deliverables and measures of success that are consonant with Drinking Water Program objectives.
Award of loans and grants in a timely manner

II. 2% FOR SMALL SYSTEMS SET-ASIDE- (3FTEs)

MassDEP anticipates applying for the full 2% (\$511,000) from (FY 2020 SRF Capitalization Grant for small systems technical assistance. These funds will be combined with any remaining prior year funds in order to provide comprehensive technical assistance to small public water systems. Duties may include (but not be limited to):

A. STAFFING TO SUPPORT SAFE DRINKING WATER ACT COMPLIANCE (3 FTEs) - in providing technical assistance in support of Small System Capacity Development. FTEs will continue to be provided in the region to follow up with individual small systems on specific compliance issues and other system operation issues.

B. CONTRACTED SERVICES – TRAINING &/OR TECHNICAL ASSISTANCE:

MassDEP will fund a contractor to provide a variety of technical, financial and managerial assistance to small drinking water system. Topics and activities will focus on the Safe Drinking Water Act requirements as determined by MASSDEP. The proposed activities may include (but not be limited to) the following; technical and planning assistance, Very Small System Operator Training, Opening and Closing a Seasonal System, Total Coliform Rule (RTCR), Manganese, Annual Statistical Reporting and Regulatory Updates, pump and motor maintenance, rate setting, board training, public relations, disinfection, sampling and exam review. A portion of this contract also includes funding from 15% set-aside.

All activities are subject to change and are dependent upon the availability of funding.

2% Set-Aside Deliverables:

- On-site training and support to Public Water Suppliers.
- Perform TNC compliance assistance sanitary surveys and provide Groundwater Under the Influence evaluations.
- Technical assistance given to targeted systems that have specific SDWA treatment compliance issues
- Technical assistance to public water systems on GWR.
- Reviews of technical reports related to water supply technology and analysis.
- Technical reviews of state initiatives such as disinfection byproduct treatment or groundwater disinfection.
- Supervision of technical staff and training programs for suppliers.
- Technical reviews of major water quality projects and public health data.
- Information for the public and for water suppliers on major water quality problems.
- Seminars on SDWA Topics.
- Establishment and operation of mentoring groups.
- Training sessions (with credits) providing Certified Operator Training.

2% Set-Aside Measures of Success:

- Compliance issues are successfully addressed in the targeted systems.
- Completion of planned capacity sanitary survey visits.
- Effective technical assistance given as scheduled.
- Each group seminar will be followed by an evaluation form to be filled out by participants to assess the efficacy of the seminar. Evaluation of the results will be considered as part of the contract assistance, and provided to the MassDEP staff responsible for implementing

training initiatives and reporting on Capacity Development, for their assessment and future planning. Evaluation of all training and assistance will consider the success of recruiting recalcitrant and high-priority systems.

- Reports reviewed as scheduled.

III. 10% FOR STATE PROGRAM MANAGEMENT – 14.00 FTEs

MassDEP anticipates applying for the full 10% (\$2,555,000) from FY 2020 SRF Capitalization Grant for Program Management. The State Program Management Set-aside is used to fund: A) Administrative assistance to the PWSS program; B) Technical assistance for source water protection activities; C) Assistance for capacity development initiatives; D) support for state operator certification program; E) Public Water System data management; F) Technical assistance for emerging contaminants and Rules. G. Indirect charges

A. PWSS SUPPORT – 10 FTEs

The money will provide funding for approximately 10 FTEs and their associated operating costs. Duties of the FTEs include capacity development, consumer confidence report assistance, adoption and implementation of new regulations, implementation of new and existing federal rules, source water assessments and protection, planning, outreach, data management, engineering and construction supervision, compliance supervision and other drinking water program activities.

B. SOURCE PROTECTION SUPPORT – 1 FTEs

The Source Protection function has been integrated into the general drinking water program activities. MassDEP is still funding 3 FTEs worth of this work from the 10% set-aside, but the source protection tasks are now distributed among more individuals and reaching more PWS. It also includes implementing the chemical monitoring waiver program which provides incentive to do source protection as well as promoting preparedness and sustainability.

C. CAPACITY DEVELOPMENT SUPPORT – 2.0 FTEs

MassDEP has designated specific regional staff as capacity development specialists. The Drinking Water Program has discerned that it is more productive to train all staff that do Sanitary Surveys in the elements of Capacity Development. The Drinking Water Program will focus on promoting the following four elements during the coming year;

1. Asset Management
2. Water System Collaboration
3. Water Quality
4. Funding Options

D. OPERATOR CERTIFICATION SUPPORT – 1 FTEs

The MassDEP has a very active operator certification program. The program activities have been integrated into daily activities of staff. Program activities range from chairing the Board of Certification of Drinking Water Operators to providing general and specialized training of and guidance for drinking water operators at all levels.

E. CONTRACT SERVICES- PUBLIC WATER SYSTEM INFORMATION MANAGEMENT

MassDEP will fund Information Technology (IT) staff to assist with data management support for programs related to public water systems and implementation of the Safe Drinking Water Act. Key activities include reporting and database maintenance and improvement. All activities are dependent upon the availability of funding.

F. CONTRACTED SERVICES –TECHNICAL ASSISTANCE:

MassDEP will fund a contractor to provide a variety of technical, financial and managerial assistance to public drinking water system. Topics and activities will focus on the Safe Drinking Water Act requirements as determined by MASSDEP. The proposed activities may include (but not be limited to) the following; Unregulated contaminants, water quality reports review, including PFAS/PFOA, Total Coliform Rule (RTCR), Disinfection By Products reduction, LCR compliance, Regulatory Updates, Sampling sites review. A portion of this contract also includes funding from 15% set-aside.

G. MASSDEP INDIRECT CHARGES ON MATCH FOR 10% PROGRAM MANAGEMENT ACTIVITIES

The Commonwealth intends to completely meet the one-to-one match required through in-kind services incurred by MassDEP through the administration costs that were incurred during the periods of fiscal years 1993 and 2018. Detailed documentation will be provided upon request.

IV. 15% -SOURCE WATER PROTECTION AND CAPACITY DEVELOPMENT - 21 FTEs

MassDEP anticipates applying for the full 15% (\$3,866,100) from FY 2019 SRF Capitalization Grant for Source Water Protection and Capacity Development. The authorized activities under this set-aside can include; land acquisition and conservation easement program, source water protection, wellhead protection and technical and financial capacity implementation. (21) FTE's and contracted services.

A. WELLHEAD PROTECTION AND CAPACTIY IMPLEMENTATION-21 FTEs

1. Assist with source protection program activities related to groundwater sources, as well as operation of the UIC program (a.k.a. "Underground Source Water Protection Program"). Ensure consistency of this work among regions; coordinate with GIS and Internet programs; coordinate with other MassDEP programs; investigate available data for usefulness to groundwater protection; and develop relevant policies and procedures.
2. Develop and maintain spatial data related to public water sources and potential contamination threats. Work with regional staff and resources to locate regulated facilities including locating information in files and making site visits to collect location information. Assist with GIS management.
3. Assist in Zone II delineation (and re-delineation as needed) and other wellhead protection-related work.
4. Provide technical assistance on source protection to public water suppliers and local officials, and assist with the source water assessment program and with protection of groundwater sources from contamination by septic systems. This includes providing system-specific protection recommendations.
5. In accordance with the Capacity Strategy, provide technical assistance in implementing

capacity development, including the ability to provide adequate quantities of source water.
Provide Capacity Outreach.

6. Provide assistance, primarily with protection of groundwater sources.

B. CONTRACTED SERVICES - TRAINING AND TECHNICAL ASSISTANCE:

Capacity Development - MassDEP proposes to fund third-party contractor to complete some of the following Capacity Development activities:

Provide support and review of (quality assurance/quality control) of Water Quality Assurance database. Provide general administrative assistance to Drinking Water Program. Provide assistance in implementation and coordination of the Wellhead Protection Program, Surface Water Treatment Rule (SWTR), Ground Water Rule, Lead and Copper Rule, POU/POE, new technology evaluations, Arsenic Rule and Stage II Disinfectants Rule, Well Drillers Program, Coordinate Comprehensive Performance Evaluations (CPE) with DEP Staff. Review variances and exemptions. Maintain and enhance water quality testing system as it relates to SDWIS database. Development of applications for the purpose of processing well data compiled by the Well Driller Program. A portion of this contract also includes funding from 2% set-aside.

C. CONTRACTED SERVICES –TECHNICAL ASSISTANCE:

MassDEP will fund a third-party contractor to provide a variety of technical, financial and managerial assistance to public drinking water system. Topics and activities will focus on the Safe Drinking Water Act requirements as determined by MASSDEP. The proposed activities may include (but not be limited to) the following; Unregulated contaminants, water quality reports review, including PFAS/PFOA, Total Coliform Rule (RTCR), Disinfection By Products reduction, LCR compliance, Regulatory Updates, Sampling sites review. A portion of this contract also includes funding from 2% set-aside.

All activities are subject to change and are dependent upon the availability of funding.

15% Set-Aside Deliverables

- UIC program operating under State Primacy
- Spatial data, maps.
- Zone II Reviews
- On-Site training and support to water suppliers
- UIC tracking and reports
- Outreach materials, technical assistance meetings, training for regions, and bylaw reviews.
- Implementation of water conservation capacity improvement grant program.
- Implementation of Capacity Development program.
- Implementation of the Source Water Protection program.
- Plan for implementation of the Revised Total Coliform Rule

15% Set-Aside Measures of Success:

- Improved source protection for ground water sources at state and local levels
- GIS databases are properly reviewed and maintained
- Reviews are conducted in a timely manner
- Contract oversight is effective
- Technical Assistance is appropriate and timely and leads to improved source and

aquifer protection in the systems visited

- Methods to assure capacity to deliver adequate quantities of drinking water are developed
- Program goals meet MassDEP objectives
- Improved protection at the local level

IUP SET-ASIDE BUDGET BASED ON FFY 2020 FUNDING LEVEL
This Budget equals 31 % of the Cap Grant and
100 % of all allowable Set-Asides.

Administration Set-Aside – 4%

Total Available: \$1,022,000

PURPOSE	AMOUNT REQUESTED
Staff	\$1,309,387
Support	<u>\$ 1,000</u>
TOTAL PROJECTED EXPENSES	\$1,310,387
TOTAL UNEXPENDED PRIOR YEAR FUNDS TO BE USED	<u>\$ 288,387.</u>
TOTAL 2020 FUNDS REQUESTED (100% of available Set-Aside)	\$1,022,000

Small Systems Set-Aside - 2%

Total Available: \$511,000

PURPOSE	AMOUNTS REQUESTED
Staff	\$ 508,260
Support	\$ -
Contracts – Technical Assistance -Small Systems	<u>\$ 175,000</u>
TOTAL PROJECTED EXPENSES	\$ 683,260
TOTAL UNEXPENDED PRIOR YEAR FUNDS TO BE USED	<u>\$ 172,260.</u>
TOTAL 2020 FUNDS REQUESTED (100% of available Set-Aside)	\$ 511,000.

State Program Management Set-Aside – 10%

Total Available: \$ 2,555,000

PURPOSE	AMOUNTS REQUESTED
Staff	\$2,248,204
Support	\$ 1,000
Contract – (IT)	\$ 150,000
Contracts – Technical Assistance – Emerging Contaminants	<u>\$ 350,000</u>
TOTAL PROJECTED EXPENSES	\$2,749,204
TOTAL UNEXPENDED PRIOR YEAR FUNDS TO BE USED	<u>\$ 194,204</u>
TOTAL 2020 FUNDS REQUESTED (100% of available Set-Aside)	\$2,555,000

Local Assistance Set-Aside – 15%

Total Available: \$3,832,500

PURPOSE	AMOUNTS REQUESTED
Staff	\$3,518,753
Support	\$ -
Contracts – Training/Technical Assistance – SDWA	\$ 175,000
Contracts – Technical Assistance – Emerging Contaminants	<u>\$ 350,000</u>
TOTAL PROJECTED EXPENSES	\$ 4,043,753
TOTAL UNEXPENDED PRIOR YEAR FUNDS TO BE USED	<u>\$ 211,253</u>
TOTAL 2020 FUNDS REQUESTED (100% of available Set-Aside)	\$3,832,500

TOTAL REQUESTED FOR ALL FFY 2020 SET-ASIDES	<u>\$7,920,500</u>
TOTAL REQUESTED FROM PRIOR YEAR UNEXPENDED FUNDS	<u>\$ 866,104</u>
TOTAL OF FFY 2020 DW SRF SET-ASIDES PLUS PRIOR FUNDS	\$8,786,604