

Missouri Drinking Water SRF (taken from the FY2020 IUP)

<https://dnr.mo.gov/env/wpp/srf/docs/2019-10-16-fy20-drinking-water-state-revolving-fund-intended-use-plan.pdf>

Appendix 5: Drinking Water State Revolving Fund

Priority Points Criteria

General Information

This document sets forth the Priority Points Criteria and procedures used to evaluate proposed Drinking Water State Revolving Fund (DWSRF) projects for fiscal year 2021. The priority points criteria forms the basis for project ranking and funding allocation.

The Missouri Department of Natural Resources must prepare annually a DWSRF Intended Use Plan that includes lists of projects expected to qualify for financing within the fiscal year addressed by the plan. Projects are listed so that the most serious problems are given the highest priority. Consistent with the federal Safe Drinking Water Act, priorities are based primarily on protection of public health, compliance with the Act and household affordability. Each project's priority score is generated from assignment of points based on the priority points criteria, and projects are ranked in priority order in each funding category. Only those proposed projects identified within the plan's project lists are eligible to receive financial assistance.

The Department must annually seek public comments on the priority point criteria proposed. The priority points criteria must be approved by the Missouri Safe Drinking Water Commission at least 60 days before the annual application deadline

Assignment of Priority Points

Priority points shall be assigned only where the proposed project is intended to correct the problem associated with the points. For example, if the public water system has had persistent violations of a Treatment Technique, Maximum Contaminant Level (MCL), or secondary MCL, but the proposed project does not address the persistent violations, then the points associated with those violations will not be assigned.

The sections on Distribution System Reliability (section III.B.) and Design Considerations (section III.F.) are limited to a maximum of 20 points each. This is done to ensure projects addressing MCL

violations are not overwhelmed by projects addressing only design considerations or distribution system problems. The 25 points available for violations of acute risk contaminant MCLs are used as the baseline in developing the priority point criteria.

Projects will be ranked by the total number of points received. In the event of a tie, the projects receiving the highest number of points under Distribution System Reliability and Design Considerations (sections III.B. and III.F.) with the 20-point maximum limits lifted will receive the higher ranking. If the projects are still tied, the secondary tie-breaking criteria will be number of affordability points. The applicant with the highest affordability points will receive the higher ranking. If the projects are still tied, the third tier of tie-breaking criteria will be the number of people served. The system serving the larger number of people will receive the higher ranking.

Projects that involve the refinancing of existing debt will receive priority points only for affordability. No priority points shall be assigned to a project intended to correct deficiencies resulting from inadequate operation and maintenance of the public water system.

Priority point assignment and listing in the plan does not guarantee all financial and project eligibility requirements have been met.

Priority Points

I. Safe Drinking Water Act Compliance

Only projects for existing eligible public water systems as defined in 40 CFR 35.3520 will be assigned points under this section. See the lists on pages 35 and 36, Safe Drinking Water Act Compliance Priority Points: Existing and Anticipated Regulations for further explanation of categories A through D below.

A. Acute Risk Contaminants (such as E coli, turbidity or nitrate). 25 points will be assigned if there have been persistent violations of MCLs or treatment performance criteria for acute risk contaminants within the past 36 calendar months.

B. Treatment Technique Requirements. 20 points will be assigned if there have been persistent violations of treatment technique requirements (for example, the Surface Water Treatment Rule, lead and copper, etc.).

C. Non-Acute Risk Contaminants

1. 25 points will be assigned if there have been persistent violations of any non-acute risk primary MCL within the past 36 calendar months.

2. 10 points will be assigned if there have been persistent violations of any secondary MCL within the past 36 calendar months.

D. Anticipated Federal Regulations. 10 points will be assigned if the proposed project will enable the public water system to comply with anticipated federal regulations identified on the attached list, Safe Drinking Water Act Compliance Priority Points: Existing and Anticipated Regulations.

E. Compliance. 15 points will be assigned if the proposed project will enable an eligible public water system to comply with an administrative order, a bilateral compliance agreement, or other enforceable document issued by the Department.

II. Public Health

A. Waterborne Disease Outbreak. 25 points will be assigned if a waterborne disease outbreak declared by the Missouri Department of Health and Senior Services is attributable to an existing public water system and 51 percent or more of the cost of the proposed project addresses the problem(s) causing the waterborne disease outbreak.

B. Inadequate Water Supply

1. 10 points will be assigned if an existing public water system can document its inability to consistently maintain at least 35 pounds per square inch (psi) as a normal working pressure in the distribution system.

2. 10 points will be assigned if an existing public water system can document its inability to consistently maintain pressures of at least 20 psi at all service connections, including fire flow.

3. 20 points will be assigned if the private or noncommunity wells or sources in the proposed project service area are unable to consistently provide an adequate amount of potable water for general household purposes and 51 percent or more of the cost of the proposed project addresses this need. Private or noncommunity wells or sources contaminated by commercial, industrial or mining wastes will be considered in this category.

III. Public Water System Infrastructure Improvement Note: Only projects for existing eligible public water systems will be assigned points under this subsection.

A. System source reliability.

1. 10 points will be assigned to a project that addresses a need for a new backup well or a backup interconnection with another public water system.
2. 10 points will be assigned if the system has one or more improperly constructed wells.

B. Distribution system reliability. (Limited to a maximum of 20 points.)

Reminder: After points have been calculated for all eligible applicants, ties will be broken by calculating total points possible under this section and section III.F., design considerations, without the 20-point limitations. The project receiving the higher score under these two sections without the 20-point limitations will be ranked above the project receiving the lower score.

1. 10 points will be assigned if the system has water loss that exceeds 10 percent of the drinking water produced by the system.
2. 10 points will be assigned if the distribution system is anticipated to exceed design capacity or useful facility life within the next five years.
3. 10 points will be assigned if the distribution system has faulty waterlines or substandard waterline materials.
4. 5 points will be assigned if the public water system requires additional system isolation and flushing measures.
5. 5 points will be assigned if the public water system requires looping of water waterlines.

C. Disinfection. 15 points will be assigned if a public water system is unable to maintain a disinfectant residual at all points in its distribution system.

D. 10 points will be assigned if a system has storage facilities in poor condition, not related to inadequate maintenance of the facilities.

E. Reliability of service. 10 points will be assigned if a system has water storage capacity that is less than one day's average use or lacks adequate standby power.

F. Design considerations. (Limited to a maximum of 20 points)

Reminder: After points have been calculated for all eligible applicants, ties will be broken by

calculating total points possible under this section and section III.B., system distribution reliability, without the 20- point limitations. The project receiving the higher score under these two sections without the 20-point limitations will be ranked above the project receiving the lower score.

1. 20 points will be assigned if the source or treatment facility is anticipated to exceed its useful life or if the demand is expected to exceed the design capacity within the next five years.
2. 20 points will be assigned if a system has suffered significant degradation of the quality of the raw water supply.
3. 20 points will be assigned if a system has suffered significant degradation of the quality of finished water in storage.
4. 10 points will be assigned if a system currently does not meet existing state requirements for the treatment or storage of waste residues generated by the water treatment plant.

G. 20 points will be assigned if the treatment facility(ies) for required disinfection or turbidity removal are severely deteriorated and beyond the facility useful life.

H. Vulnerability.

1. 10 points will be assigned to a water system whose source is vulnerable to natural disasters (such as flood or drought) or contamination.
 2. 10 points will be assigned to a water system whose treatment plant is vulnerable to natural disasters (such as flood, earthquake, etc.) or contamination.
- I. Wellhead and Source Water Protection. 10 points will be awarded to applicants who have a Department-approved wellhead or source water protection plan.

IV. Affordability Only community water system projects will be assigned points under this section.

A. Annual Median Household Income. The statewide annual median household income levels of the state must be determined from income data from the latest decennial census of the United States or by an income survey overseen by a state or federal agency. The median household income data can be found at the following web address:

http://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml.

1. A community water system will use the annual decennial median household income for the appropriate political subdivision or subdivisions encompassing its service area.
2. A nonmunicipal community water system will use the annual decennial median household income for the smallest political subdivision encompassing the nonmunicipal community water system.

B. Assignment of Points. (Limited to a maximum of 25 points)

1. 10 points will be assigned a project if the median household income of the applicant is less than 75 percent of the state median household income as reported in the most recent decennial census.
2. From 1 to 25 points will be assigned, determined by the ratio of their current monthly water bill for 5,000 gallons of water to the monthly median household income for the project area to be served (expressed in percent times 10 and rounded to the nearest whole number).

For example: Monthly water bill = \$20 Annual median household income = \$24,000

Monthly median household income = $\$24,000/12 = \$2,000$ ($\$20/\$2,000$) x 100% = 1%

1 x 10 = 10 points

V. Additional Priority Point Categories

A. Natural disasters.

1. 10 points will be assigned if 51 percent or more of the proposed project cost is for repair or replacement of an existing public water system damaged or destroyed by a natural disaster. In order to be assigned these points, the project must be located in an area declared a federal or state natural disaster area, and a description of the public water system damaged or destroyed by the natural disaster must be submitted along with a statement that other state or federal disaster relief is not sufficient to meet the costs of the project.
2. 20 points will be assigned for systems affected by drought for projects that will result in interconnections with other systems or for upgrades to existing systems to address drought related problems.
3. 20 points will be assigned to address systems prone to flooding that will result in interconnections with other systems or for upgrades to existing systems to address flood related problems.

B. Consolidation.

1. 20 points will be assigned if the proposed project provides necessary infrastructure upgrades to a primary water system, allowing it to continue or expand service as a regional water supplier.
2. 20 points will be assigned for consolidation of public water systems, where at least one of the systems has demonstrated technical, managerial, and financial capacity with respect to the National Primary Drinking Water Regulations. This would include newly formed regional water suppliers (generally water districts), which will allow small water systems within their boundaries to consolidate.
3. 10 points will be assigned for consolidation of public water systems where the proposed project will result in a regional management system responsible for the day-to-day operation of the water system, where the management system has the required technical, managerial, and financial capacity to meet the National Primary Drinking Water Regulations. If the project meets the criteria for the points under item V.B.4., points under these criteria will not be awarded.
4. 20 points will be assigned if the proposed project will result in a new water distribution system or existing distribution system upgrade to meet the standards of a regional water supplier for the purpose of consolidation.

C. Security. 10 points will be assigned for eligible security measures. Eligible security measures include vulnerability assessments, emergency response plans, fencing, security cameras and lights, motion detectors, secure chemical and fuel storage, security hatches and access panels, cross-connection control, and supervisory control and data acquisition (SCADA).

D. Board Member or City Council Member Training. 10 points will be assigned if 50 percent of the governing body has received training related to the operation and management of the water utility.

E. Asset Management. 10 Points will be assigned if the system has completed an asset inventory, including the condition and age of assets, for all critical assets in their system and has incorporated replacement schedules into annual and capital improvement budgets.

SDWA Compliance Priority Points: Existing and Anticipated Regulations

Maximum Contaminant Levels (MCL) and Treatment Technique Requirements. Acute Risk

Contaminants

10 CSR 60-4.022 (or Missouri State Revised Total Coliform Rule in effect at the time of application) Maximum Microbiological Contaminant Levels and Monitoring Requirements, subsections (7)(A) and (7)(B).

10 CSR 60-4.030 Maximum Inorganic Chemical Contaminant Levels, Action Levels, and Monitoring Requirements, paragraphs 13, 14, and 15 of subsection (l)(A).

10 CSR 60-4.050 Maximum Turbidity Contaminant Levels and Monitoring Requirements, subsections (2)(A) and (2)(B).

Treatment Technique Requirements

10 CSR 60-04.025 Ground Water Rule, section (4)

10 CSR 60-4.050 Maximum Turbidity Contaminant Levels and Monitoring Requirements, section (2).

10 CSR 60-4.052 Source Water Monitoring and Enhanced Treatment Requirements, sections (1) and

(2) 10 CSR 60-4.055 Disinfection Requirements, subsection (l)(A), section (2), section (3), section (4), section (5) and section (6).

10 CSR 60-4.094 Disinfectant Residuals, Disinfection Byproduct Precursors and the Stage 2 Disinfectants/Disinfection Byproducts Rule.

10 CSR 60-15.010 General Requirements (lead and copper), sections (4), (5) and (6). Non-Acute Primary MCL.

10 CSR 60-4.030 Maximum Inorganic Chemical Contaminant Levels, Action Levels, and Monitoring Requirements, section (1).

10 CSR 60-4.040 Maximum Synthetic Organic Chemical Contaminant Levels and Monitoring Requirements, section (1).

10 CSR 60-4.060 Maximum Radionuclide Contaminant Levels and Monitoring Requirements, subsections (1)(A)-(D).

10 CSR 60-4.100 Maximum Volatile Organic Chemical Contaminant Levels and Monitoring Requirements, section (2).

Secondary MCL

10 CSR 60-4.070 Secondary Contaminant Levels and Monitoring Requirements, section (1).

New and Anticipated Federal Regulations

None at this time