



NEVADA DIVISION OF  
**ENVIRONMENTAL  
PROTECTION**

Clean Water State Revolving Fund

**FINAL**

# **Intended Use Plan State Fiscal Year 2023**

Submitted to the  
U.S. Environmental Protection Agency  
Region IX

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## List of Acronyms

<b>ACFR</b>	Annual Comprehensive Financial Report
<b>ARRA</b>	American Recovery and Reinvestment Act of 2009
<b>BIL</b>	Bi-partisan Infrastructure Law
<b>BWPC</b>	Nevada Bureau of Water Pollution Control
<b>CFR</b>	United States Code of Federal Regulations
<b>CWA</b>	Clean Water Act of 1987, as amended
<b>CWSRF</b>	Clean Water State Revolving Fund
<b>DWSRF</b>	Drinking Water State Revolving Fund
<b>EPA</b>	Environmental Protection Agency
<b>ER</b>	Environmental Review
<b>FSP</b>	Fiscal Sustainability Plan
<b>FFY</b>	Federal Fiscal Year
<b>IUP</b>	Intended Use Plan
<b>MHI</b>	Median Household Income
<b>NAC</b>	Nevada Administrative Code
<b>NDEP</b>	Nevada Division of Environmental Protection
<b>NIFS</b>	Nevada Infrastructure Financial System
<b>NRS</b>	Nevada Revised Statute
<b>OFA</b>	Office of Financial Assistance
<b>PER</b>	Preliminary Engineering Report
<b>SFY</b>	State Fiscal Year
<b>TMDL</b>	Total Maximum Daily Loads
<b>WQF</b>	Water Quality Factor
<b>WRRDA</b>	Water Resource Reform and Development Act of 2014

## 1) Executive Summary

The Clean Water Intended Use Plan (IUP) communicates to drinking water systems, the public, the U.S. Environmental Protection Agency (EPA), and other State departments on how money in the Clean Water State Revolving Fund (CWSRF) will be managed. The IUP further provides specific details on key aspects of the program, including our State’s short- and long-term goals, the priority setting process used to rank projects, list of projects eligible to receive funding from CWSRF, and programmatic requirements to receive funding.

Nevada has qualified projects to apply for federal grants from the EPA. Those amounts are as follows:

<b>Federal Grants available to Nevada</b>			
	<b>Available</b>	<b>Current Plan</b>	<b>Future Plan</b>
2023 Base Appropriation	\$3,683,000	\$3,683,000	\$0
<b>Subtotal Base funding</b>	<b>\$3,683,000</b>	<b>\$3,683,000</b>	<b>\$0</b>
2023 BIL Supplemental	\$10,233,000	\$10,233,000	\$0
2023 BIL Emerging Contaminants (EC)	\$1,043,000	\$1,043,000	\$0
<b>Subtotal BIL Funding</b>	<b>\$11,276,000</b>	<b>\$11,276,000</b>	<b>\$0</b>
<b>Total Federal Funding</b>	<b>\$14,959,000</b>	<b>\$14,959,000</b>	<b>\$0</b>

The first requirement for a system to obtain funding is to be added to the Nevada Project Priority List. **Attachment A** outlines the CWSRF project priority list ranking criteria. See **Attachment D** for the Priority List effective July 2022. An updated Priority List effective June 2023 is underway. This priority list will be forwarded to EPA once finalized. A project pre-application can be submitted at any time through the Nevada Infrastructure Financial System (NIFS)<sup>1</sup>.

Nevada will spend the required grant amounts according to the grant terms and conditions outlined in **Attachment E**. Nevada’s expected projects receiving funding are outlined on **Attachment C**. Eligibility and amounts for principal forgiveness loans that satisfy the subsidy requirement in the grants are outlined in **Attachment B**.

## 2) Introduction and anticipated funding

The 1987 amendments to the Federal Clean Water Act (CWA) authorized the creation of the CWSRF. Nevada’s program is administered by the Office of Financial Assistance (OFA), under the direction of the Nevada Division of Environmental Protection (NDEP), Department of Conservation and Natural Resources. NDEP is the designated agency to apply for the capitalization grant for the CWSRF Program and related State funds<sup>2</sup>.

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<sup>1</sup> <https://ndepifs.nv.gov>

<sup>2</sup> Nevada Revised Statutes (NRS) 445A.060 to 445A.160  
Nevada Administrative Code (NAC) 445A.685 to 445A.805

Additionally, Congress and the President passed and signed into law the Infrastructure Investments and Jobs Act (IIJA), also known as the Bi-partisan Infrastructure Law (BIL) that is expected to provide Nevada additional resources over the next five years.

The IUP must describe: the use of a state’s capitalization grant; state match and leverage funds; principal and interest from loan repayments; other interest earnings of the CWSRF; bond proceeds; funds designated for administration; funds transferred from or to the Drinking Water State Revolving Fund (DWSRF); and any other monies deposited into the CWSRF.

Nevada has projects on its IUP that support applications to EPA for federal funding. Nevada intends to request the following from the appropriations act:

<b>Federal Grants</b>				
	<b>Base Appropriation</b>	<b>BIL Supplemental</b>	<b>BIL EC</b>	<b>TOTAL</b>
<b>Total Amount Provided as Subsidy</b>	<b>\$1,473,200.00</b>	<b>\$5,014,170.00</b>	<b>\$1,043,000.00</b>	<b>\$7,530,370.00</b>
Mandate to communities meeting affordability criteria	\$1,104,900.00	\$5,014,170.00	\$0.00	\$6,119,070.00
Mandate to qualified entities	\$368,300.00	\$0.00	\$1,043,000.00	\$1,411,300.00
<b>Total Amount for Set-asides</b>	<b>\$220,980.00</b>	<b>\$613,980.00</b>	<b>\$0.00</b>	<b>\$834,960.00</b>
2% Small systems technical assistance	\$73,660.00	\$204,660.00	\$0.00	\$278,320.00
4% Administration	\$147,320.00	\$409,320.00	\$0.00	\$556,640.00
<b>Amount provided as Loans</b>	<b>\$1,988,820.00</b>	<b>\$4,604,850.00</b>	<b>\$0.00</b>	<b>\$6,593,670.00</b>
<b>Total Award</b>	<b>\$3,683,000.00</b>	<b>\$10,233,000.00</b>	<b>\$1,043,000.00</b>	<b>\$14,959,000.00</b>
<b>Federal Match requirement</b>	<b>\$736,600.00</b>	<b>\$1,023,300.00</b>	<b>\$0.00</b>	<b>\$1,759,900.00</b>

<b>Federal Capitalization Grant Awards</b>				
	<b>Base Appropriation</b>	<b>BIL Supplemental</b>	<b>BIL EC</b>	<b>Total</b>
<b>Total Amount Provided as Subsidy</b>	<b>40.0%</b>	<b>49.0%</b>	<b>100.0%</b>	<b>50.3%</b>
Mandate to communities meeting affordability criteria	30.0%	49.0%	0.0%	40.9%
Mandate to qualified entities	10.0%	0.0%	100.0%	9.4%
<b>Total Amount for Set-asides</b>	<b>6.0%</b>	<b>6.0%</b>	<b>0.0%</b>	<b>5.6%</b>
2% Small systems technical assistance	2.0%	2.0%	0.0%	1.9%
4% Administration	4.0%	4.0%	0.0%	3.7%
<b>Amount provided as Loans</b>	<b>13.3%</b>	<b>45.0%</b>	<b>0.0%</b>	<b>44.1%</b>
<b>Federal Match requirement</b>	<b>20.0%</b>	<b>10.0%</b>	<b>0.0%</b>	<b>11.8%</b>

### 3) Goals

#### **Nevada's Short-Term Goals**

- Provide financial assistance to recipients outlined on Nevada's Fundable List (Attachment C).
- Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations.
- Coordinate and partner with other federal and state funding authorities to ensure systems receive as many resources as possible to fund projects.
- Market the CWSRF program to educate potential borrowers on funding opportunities with the program.
- Ensure all publicly owned treatment works obtaining funding from the CWSRF develop a fiscal sustainability plan.
- Provide technical assistance to build operating, managerial, and financial capacity in wastewater systems.
- Help systems address emerging contaminants in their communities.
- Ensure the program's operating budget adequately supports resources and administrative activities, while anticipating future needs.

#### **Nevada's Long-Term Goals**

- Continue to assist Nevada's communities with fulfilling the requirements of the federal Clean Water Act and State law through below-market-rate financing for projects.
- Obtain optimum turnover of the CWSRF fund while maintaining the necessary reserve for debt service that safeguards the program's AAA rating from Standard and Poor's.
- Issue debt obligations as needed so program funds either match federal grants or provide additional resources for projects.
- Enhance long-term sustainability for Nevada's communities meeting affordability criteria by helping develop fiscal sustainability plans, calculating sufficient rates to sustain systems, and funding capital reserve accounts.
- Address emerging contaminants, especially perfluoroalkyl and polyfluoroalkyl substances (hereinafter PFAS), in communities through direct funding of projects that will capture, treat, and mitigate emerging contaminants.

#### 4) Project Eligibility, Criteria, and Selection

Treatment	<ul style="list-style-type: none"><li>•Primary, Secondary, Advanced</li><li>•Centralized and De-centralized</li></ul>
Stormwater	<ul style="list-style-type: none"><li>•Gray and green infrastructure</li><li>•Collection, control, storage, filters, infiltration, wetland restoration</li></ul>
Conservation	<ul style="list-style-type: none"><li>•Reduce treatment works demand</li><li>•Direct and indirect reuse</li><li>•Water efficiency fixtures</li></ul>
Agriculture Best Management Practice	<ul style="list-style-type: none"><li>•Water efficient irrigation equipment</li><li>•Sediment control and chemical management</li><li>•manure management</li></ul>
Contaminated Sites	<ul style="list-style-type: none"><li>•Brownfields, Superfund, Underground Storage Tanks</li><li>•Capping of wells</li></ul>
Landfills	<ul style="list-style-type: none"><li>•Landfill closure, leachate collection, gas condensation, liner systems.</li></ul>
Silviculture	<ul style="list-style-type: none"><li>•Removal of vegetation, timber thinning, timber planting, erosion control.</li></ul>
Groundwater Protection	<ul style="list-style-type: none"><li>•Aquifer recharge, septic conversions, leachate control.</li></ul>
Surface Water Protection	<ul style="list-style-type: none"><li>•Purchase land and water rights</li></ul>
Planning	<ul style="list-style-type: none"><li>•Preliminary Engineering Reports, Environmental Reviews, Fiscal Sustainability Plans, Watershed Management Plans</li></ul>
Security	<ul style="list-style-type: none"><li>•Physical security and Cyber security</li></ul>
Refinancing	<ul style="list-style-type: none"><li>•For qualifying debt obligations for projects if the debt was incurred, and construction initiated after March 7, 1985</li></ul>

## Special BIL Funding Emerging Contaminants

The primary purpose must be to address emerging contaminants in drinking water.

Given the clear Congressional intent that these funds focus on projects addressing PFAS, EPA expects Nevada to actively solicit and prioritize PFAS-focused projects. Nevada, however, has the flexibility to fund projects for any contaminant in any of EPA's Contaminant Candidate Lists and other contaminants identified by EPA. Some of the eligible project types from the Contaminant Candidate List include but are not limited to: Cyanobacteria (blue-green algae); Pesticides; Pharmaceuticals; Biological toxins; Disinfection byproducts; Legionella; Micro-plastics.

Eligible costs include but are not limited to: New treatment; Upgrade or rehabilitate treatment; Consolidation with another system; Planning and design; Pilot testing; non-routine sampling; Septic conversions.

NDEP considers the health and safety of the citizens of Nevada its priority. OFA conservatively estimates the needs of the systems within the State over a two-year fiscal period. The needs of our systems, however, vary widely. Some of our systems are concerned with aging infrastructure, while others are working on attaining water quality standards. NDEP accounts for these challenges by having direct dialogue with systems, engineers, technical assistance providers, and contractors that deal with these systems directly. Nevada's relatively low system count allows NDEP to directly work with these systems and understand which projects will be most ready to proceed.

### Partnership in Funding

In an effort to ensure as many projects are completed as possible, and all available federal funds are utilized in Nevada, OFA partners with various agencies to bridge funding gaps and make projects more affordable. OFA proudly partners with the following agencies on a regular basis to coordinate funding and planning (this list is not limited but is provided as an example):

- United States Department of Agriculture—Rural Development.
- United States Department of the Interior—Bureau of Reclamation
- United States Department of Health and Human Services—Indian Health Services
- Nevada Governor's Office of Economic Development—Community Development Block Grant Program.
- Nevada Department of Emergency Management-Federal Emergency Management Agency grants
- Nevada State Infrastructure Bank



## Priority list

For a municipality<sup>3</sup> to obtain funding for a publicly owned treatment works project it must be added to the Nevada Project Priority List. **Attachment A** outlines the CWSRF project priority list ranking criteria. See **Attachment D** for the current Priority List. A project pre-application can be submitted at any time through NIFS<sup>4</sup>.

Systems addressing a non-point source project or stormwater project do not need to be listed on the project priority list. These systems must still complete a pre-application, Letter of Intent, and Loan Application in the NIFS system.

## Public participation

NDEP will conduct a public hearing on the draft priority list to encourage public participation and provide a time for public comment. NDEP will provide notice of the time and place set for the workshop no less than 15 days before the workshop, unless a longer period is required. NDEP may provide notice by mailing the notice to each person on its mailing list, posting on its public notice website, posting on the State's Public Notice website, sending an email through its maintained electronic mailing server, or any other means. The notice will include all the required elements of a public notice, as outlined in the regulations.

NDEP sent out solicitations in February 2022 for the Clean Water Priority List. A publicly noticed workshop was held on July 27, 2022, at 10:00am. The Clean Water Priority List—Effective July 2022—went into effect at the close of that public workshop.

To ensure that the public has an opportunity to review our proposed plans for the CWSRF, the 2023 draft IUP was posted on NDEP's website<sup>5</sup> for 30 days before it was finalized. Additional notice of the DRAFT IUP was emailed to subscribers to NDEP's maintained email subscription service.

## 5) Administration and set-aside activities

The CWA allows each state to set aside a portion of its federal capitalization grant to support administering the program and providing technical assistance to wastewater systems. The funding request is based on the State's biannual budget.


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<sup>3</sup> **NRS 445A.375** Municipality means: 1. Any city, town, county, district, association or other public body created by or pursuant to the laws of this State and having jurisdiction over disposal of sewage, industrial wastes or other wastes; or 2. An Indian tribe or an authorized Indian tribal organization.

<sup>4</sup> <https://ndepifs.ndep.nv.gov/Default>

<sup>5</sup> <https://ndep.nv.gov/posts>

## Small system technical assistance


 This set-aside assists small wastewater systems serving less than 10,000 people via State personnel or agreements with third party assistance providers. Assistance includes, but is not limited to:

- Compliance issues
- Emergency assistance
- Water and energy conservation
- Operation and maintenance manuals
- Digital mapping of system assets
- Budgeting, rate setting, board training, general office, and business training
- Non-routine sampling for emerging contaminants.
- Operator training

### Small Systems Technical Assistance Set-Aside (2% of grant)

	Requested Amount	Maximum Amount (2%)
2023 Base Appropriation	\$73,660	\$73,660
<b>Subtotal Base funding</b>	<b>\$73,660</b>	<b>\$73,660</b>
2023 BIL Supplemental	\$204,660	\$204,660
2023 BIL Emerging Contaminants (EC)	\$0	\$20,860
<b>Subtotal BIL Funding</b>	<b>\$204,660</b>	<b>\$225,520</b>

## Administration

 This set-aside assists OFA in administering the program and associated expenses allocated to the clean water grants. Funds support site inspections, grant reporting, project compliance monitoring, project applications, and draw processing.

- Salaries and benefits
- Travel and Training
- Contracts and Subgrants
- Equipment
- Operations, rentals, and lease expenses

Nevada has historically requested less than what is authorized to allow more funding for projects.

## Administration Set-Aside (4% of grant)

	Requested Amount	Maximum Amount (4%)
2023 Base Appropriation	\$147,320	\$147,320
<b>Subtotal Base funding</b>	<b>\$147,320</b>	<b>\$147,320</b>
2023 BIL Supplemental	\$409,320	\$409,320
2023 BIL Emerging Contaminants (EC)	\$0	\$41,720
<b>Subtotal BIL Funding</b>	<b>\$409,320</b>	<b>\$451,040</b>

## 6) Financial Management

### Grant match requirements

The CWA requires states to provide a 20% match to the base program capitalization grant. The BIL requires states to provide a 10% match to the supplemental grant. Nevada issues general obligation bonds – additionally secured by pledged revenues – to meet this match requirement. In SFY 2023, Nevada issued \$5,000,000, which satisfied the match requirement for the base and BIL grants through SFY 2023.

CW SRF Current Match Coverage	Base Program	BIL Supplemental	Total
Total Grants Received by July 1, 2022	243,409,400	8,738,000	<b>252,147,400</b>
Less ARRA Grant	(19,239,100)	0	<b>(19,239,100)</b>
Total thru July 1, 2022	224,170,300	8,738,000	<b>232,908,300</b>
Total Match Spent	50,055,857	6,000,000	<b>56,055,857</b>
Total Match Needed	44,834,060	873,800	<b>45,707,860</b>
Overmatch / (undermatch)	5,221,797	5,126,200	<b>10,347,997</b>
2023 Grant match requirement	736,600	1,023,300	<b>1,759,900</b>
Overmatch / (undermatch) for FFY 2023	4,485,197	4,102,900	<b>8,588,097</b>

### Program leveraging

States may issue additional bonds through the CWSRF program using the federal capitalization grant as security to provide for higher funding levels in the current year. The CWSRF has issued \$135,014,956.70 in leverage funds to further support project needs.

## Loan Origination Fees

NDEP charges a loan origination fee.

- For borrowers issuing a bond and receiving a long-term loan:
  - The loan origination fee is 0.50% of the loan amount and collected within 30 days of loan closing.
- For borrowers that meet the CWSRF affordability criteria, no origination fee is collected.

<b>As of July 1, 2022</b>	<b>Received</b>	<b>Spent on Administration</b>	<b>Balance</b>
Loan Origination Fee	\$1,973,948.23	\$1,276,973.03	\$696,975.20

## Use of all funds available

All loans will be funded with resources in a specific order, utilizing the first-in, first-out method for bonds and grants:

1. Bond proceeds (match and leverage, if available)
2. Capitalization grant funds
3. BIL grant funds
4. Re-loan principal
5. Re-loan interest
6. Treasurer's interest

Loans provided to tribal governments will be funded using capitalization grant funds, BIL supplemental funds, or re-loan funds only.

## Program transfers

NDEP reserves the option to transfer up to 33% of the CWSRF capitalization grant funds to the DWSRF program, or an equivalent amount from the DWSRF to the CWSRF. The amount is based upon the Drinking Water Capitalization grants awarded<sup>6</sup>. NDEP reserves the right to transfer funds as needed to support the programs.

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<sup>6</sup> Sec. 302 of the SDWA limits the amount of the funds that can be transferred between programs (both directions) to the amount awarded in the DWSRF capitalization grant.

## Transfers (based on the DWSRF Grants)

	Base Appropriations	BIL Supplemental	BIL EC	Lead Service	TOTAL
Cumulative DWSRF Grants through SFY 2022	\$275,995,500.00	\$0.00	\$8,758,000.00	\$0.00	\$284,753,500.00
DWSRF Grants SFY 2022 Pending	\$232,000.00	\$20,857,000.00	\$0.00	\$0.00	\$21,089,000.00
DWSRF Grants SFY 2023	\$5,120,000.00	\$21,830,000.00	\$7,921,000.00	\$28,650,000.00	\$63,521,000.00
33% allowed for transfer	\$92,844,675.00	\$7,203,900.00	\$5,504,070.00	\$9,454,500.00	\$115,007,145.00
<b>Transferred prior to SFY 2022</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,890,140.00</b>	<b>\$0.00</b>	<b>\$2,890,140.00</b>
Requested in SFY 2023	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Remaining Authority to transfer	\$92,844,675.00	\$7,203,900.00	\$2,613,930.00	\$9,454,500.00	\$112,117,005.00
<b>Total transfers at the end of SFY 2023</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,890,140.00</b>	<b>\$0.00</b>	<b>\$2,890,140.00</b>

## Sources and Uses of all CWSRF funds since inception

The following table illustrates the CWSRF program funds since inception.

<b>Estimated FY2023 Cumulative Sources and Uses</b>			
	Through SFY 2022	2023 Fiscal Year	Cumulative
<b>Sources</b>			
Federal Grants (Base Program)	218,489,300	3,683,000	222,172,300
Federal Grants (BIL Funding)	0	20,014,000	20,014,000
Federal Grants (ARRA)	19,239,100	0	19,239,100
State Match Bonds	48,374,715	6,006,314	54,381,029
State Leverage Bonds	129,997,725	5,002,408	135,000,133
Principal Repayments	328,563,663	21,776,914	350,340,577
Interest Repayments	129,819,673	5,419,413	135,239,086
Service Fees for Administration	1,973,948	186,433	2,160,381
Investment Earnings	22,059,907	405,007	22,464,914
<b>TOTAL SOURCES</b>	<b>898,518,031</b>	<b>62,493,490</b>	<b>961,011,521</b>
<b>USES</b>			
Final Loan Agreements (Base Program)	596,064,412	3,462,020	599,526,432
Final Loan Agreements (BIL Funding)	0	19,400,200	19,400,200
Final Loan Agreements (ARRA)	19,222,555	0	19,222,555
Match Bond Debt Service	49,087,526	2,322,369	51,409,895
Leverage Bond Debt Service	137,196,740	5,480,116	142,676,856
Administrative Expenses (Service Fees)	1,276,973	82,150	1,359,123
Administrative Expenses (Base Program)	4,987,030	227,240	5,214,270
Administrative Expenses (BIL Funding)	0	409,320	409,320
Administrative Expense (ARRA)	16,545	16,545	33,090
Small Systems Expenses (Base Program)	0	113,620	113,620
Small Systems Expenses (BIL Funding)	0	204,660	204,660
Available for loan commitments	82,205,586	30,775,249	112,980,835
Debt Service Reserves	8,460,664	0	8,460,664
<b>TOTAL USES</b>	<b>898,518,031</b>	<b>62,493,489</b>	<b>961,011,520</b>

## Attachment A: CWSRF Project Priority List Ranking Criteria

Nevada uses a ranking system to prioritize the order in which eligible projects will be financed<sup>7</sup>. On an annual basis – following a statewide solicitation for projects – NDEP develops a statewide priority list of water projects, which is a part of this IUP. Placement on the priority list does not guarantee that a project will be funded. However, only those projects that are included on the priority list will be considered for possible funding. Any list, before it is finalized, must undergo the public review and comment process outlined in regulations<sup>8</sup>.

NDEP may revise the ranking of a project on an existing list at any time if information affecting the ranking of the project becomes available. NDEP may, without holding a public participation workshop, revise a priority list to correct minor typographical or technical errors.

If two or more projects within the same class have the same final rank number, the project with the highest population in its service area will be ranked higher within the class.

projects meeting affordability criteria as outlined in **Attachment B** shall receive an additional 25 points within a class of projects to determine the final rank number for the project within each class.

Eligible projects on the priority list may be bypassed if the applicant withdraws a project, requests that action be deferred, fails to meet submittal deadlines, or is not ready to proceed as determined by NDEP. The projects that are bypassed will be provided notice by NDEP and have an opportunity for objection<sup>9</sup>. Projects shall be ranked within the priority classes based on the total number of ranking points each project receives.

Requests for financial assistance for emergency situations may be made to NDEP at any time. In any emergency situation, an applicant may submit a loan application without waiting for a revision to the priority list. All other applicants on an approved priority list will be notified of an emergency request and given an opportunity for any comments or objections.

### Priority classes

#### **Class A: Project benefits public health and/or the environment**

- (10 points) Treatment works or pollution control projects necessary to eliminate documented public health hazards in unsewered communities. These are evidenced by:
  - A finding of violation issued in writing by the public health authority for the area; and
  - An official action to:
    - Halt or restrict construction of individual sewerage disposal systems;
    - Eliminate or restrict discharge from a non-point source; or

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<sup>7</sup> NAC 445A.767

<sup>8</sup> NAC 445A.768

<sup>9</sup> NAC 445A.7675

- Treatment works necessary to eliminate documented public health hazards in sewerred communities (where existing facilities have exceeded their useful life and have deteriorated enough to create a public health hazard)
- (8 points) Treatment works or pollution control projects necessary to correct existing violations of surface water quality standards. Violations must be documented by in-stream water quality data. The municipal discharger or person(s) responsible for the non-point source discharge must have been notified of the violation by NDEP.
- (6 points) Treatment works necessary to correct violations of discharge permit limitations. The violation must be documented by discharge monitoring reports or NDEP compliance monitoring. A notice of violation and an administrative order must have been issued by NDEP.
- (4 points) Treatment works or pollution control projects necessary to eliminate and/or prevent interference with an existing beneficial use of groundwater where it has been determined that such an interference exists.

**Class B: Projects necessary to increase reliability or sustainability**

- (10 points) Treatment works necessary to provide a degree of treatment beyond water quality standards or permit requirements. These treatment works are intended to reclaim and reuse wastewater, sustain compliance with water quality standards, or maintain beneficial uses.
- (8 points) Interceptors in sewerred communities, pumping stations, infiltration inflow correction, correction of combined sewer overflows, sewer system rehabilitation, and reclaimed water distribution.
- (6 points) Facility flow or loading as a percent of design capacity exceeds 85 percent;
- (4 points) exceeds 75 percent.

**Class C: Other clean water needs projects**

- (10 points) Projects providing wastewater treatment and collection systems in existing unsewerred communities with no public health hazards or water standards violations; or projects providing wastewater collection systems to unsewerred portions of sewerred communities.
- (5 points) All other treatment works or pollution control projects.

**Water quality factor (WQF): applies only to Class A and B projects**

Assessments of surface waters in Nevada are based on a two-year, rotating watershed basin cycle. Assessment data and narrative explanations are compiled into the 305(b) Report to Congress. Section 303(d) of the CWA requires each state to list waters where technology-based effluent limitations are not stringent enough to protect water quality standards. The 303(d) List of Waters, now published with the 305(b) report, identifies all assessed waters with one or more pollutants as "impaired" and therefore not "meeting the water quality standard." NDEP is required to develop Total Maximum Daily Loads (TMDLs) for those water bodies that do not meet water quality standards. NDEP then establishes the allowable loadings of pollutants or other quantifiable parameters for a waterbody, based on the relationship between point and non-point pollution sources and in-stream water quality conditions. TMDLs are prioritized by designated use classifications and the severity of pollution.

The numerical value of WQF is based on where a treatment plant discharges or what is affected by the discharge from a non-point source.



- (5 points) Not supporting: at least one of the water quality standards for the beneficial use was not met
- (5 points) Groundwater impairment that affects water quality
- (1 point) Fully supporting: however, a project is needed to maintain water quality standards

### **Project readiness: applies to all priority classes**

The highest point value is assigned to projects that are ready to bid a project. Projects with approved facility plans and that are ready to go to bid will receive a median point value. Projects with only an approved facility plan receive the lowest point value available.

- (10 points) Plans and specification approved by NDEP: includes everything needed to bid the project
- (7 points) Facility plan approved by NDEP: final plans and specifications to be completed within six months
- (5 points) Facility plan approved by NDEP

### **Asset management: applies to all priority classes**

NDEP encourages systems that do not have an existing Asset Management Plan to develop and implement one. Asset management is actively managing infrastructure capital assets to minimize the total cost of owning and operating them – while still delivering the service levels customers desire. Each utility is responsible for making sure that its system stays in good working order, regardless of the age of components or the availability of additional funds. Asset management programs with long-range planning, life-cycle costing, proactive operations and maintenance, and capital replacement plans based on cost-benefit analyses can efficiently meet this challenge.

Systems will receive additional points for each of the following criteria that apply:

- (1 point) The system has mapped its treatment and collection system and analyzed conditions, including:
  - Risks of failure
  - Expected dates of renewals and ultimate replacements
  - Sources and amounts of revenues needed to finance operation, maintenance, and capital needs
- (1 point) The system has developed appropriate rate structures to build, operate, and maintain the system
- (1 point) The system has specifically allocated funds for the rehabilitation and replacement of aging and deteriorating infrastructure

### **Green projects: applies to all priority classes**

Green projects are projects that include a component(s) that has green infrastructure, water efficiency, energy efficiency, or an environmentally innovative benefit. EPA has provided information<sup>10</sup> on green

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<sup>10</sup> [http://water.epa.gov/grants\\_funding/cwsrf/Green-Project-Reserve.cfm](http://water.epa.gov/grants_funding/cwsrf/Green-Project-Reserve.cfm)

project reserve guidance. Systems may receive additional points for projects that incorporate green infrastructure, water conservation/efficiency, energy efficiency, or environmentally innovative components. Systems will receive 5 additional points if any of the following criteria apply (this is not an exhaustive list):

- Energy-efficient retrofits and upgrades to pumps, treatment processes, etc.
- Installation of water-efficient devices
- On-site clean power production (wind, solar, hydroelectric, geothermal, biogas, etc.)
- Energy management planning, including energy assessments, energy audits, optimization studies, and submetering of individual processes to determine high energy use areas expected to result in a capital project
- Reuse of treated effluent
- Establishment or restoration of permanent riparian buffers, floodplains, wetlands, or other vegetated buffers
  
- Project to manage wet weather and restore natural hydrology by infiltration, evapotranspiration, or harvesting and using storm water
  
- Green storm water infrastructure for parking areas
- Other environmentally innovative projects

## Attachment B: CWSRF Principal Forgiveness Loans

<b>Federal Grants</b>				
	<b>Base Appropriation</b>	<b>BIL Supplemental</b>	<b>BIL EC</b>	<b>TOTAL</b>
<b>Total Amount Provided as Subsidy</b>	<b>\$1,473,200.00</b>	<b>\$5,014,170.00</b>	<b>\$1,043,000.00</b>	<b>\$7,530,370.00</b>
Mandate to communities meeting affordability criteria	\$1,104,900.00	\$5,014,170.00	\$0.00	\$6,119,070.00
Mandate to qualified entities	\$368,300.00	\$0.00	\$1,043,000.00	\$1,411,300.00

### System or project qualifications and limits

#### **Base appropriation mandate to qualified systems**

- **Qualifications**  
Systems or projects must qualify through Nevada’s affordability criteria.

#### **Base appropriation mandate to qualified entities**

- **Qualifications**  
Traditional loan recipients who are willing to be an equivalency project for federal reporting purposes may receive up to 1.5% of the loan as principal forgiveness. Funds will be available to the first qualified borrower(s) to submit a loan application and sign a contract. The program is available until funds are committed. Funds are available on a first come, first qualified basis. There are no limits to the number of borrowers or size of repayable loan that qualifies.
- **Project Limits**  
Up to \$368,300 to a single project. No exceptions apply to this funding.

#### **BIL supplemental mandate to qualified systems**

- **Qualifications**  
Systems or projects must qualify through Nevada’s affordability criteria.

### **BIL emerging contaminants funding**

- Qualifications  
Systems or projects must be addressing an emerging contaminant issue.

Nevada seeks to support as many communities as possible with the limited resources available. Therefore, the amount a single project may receive as principal forgiveness funding is limited.

Funds are committed on a first-come, first-served basis, depending on project priority list rank and readiness-to-proceed within a grant cycle. Projects already partially funded or projects meeting the definition of disadvantaged will be prioritized over other projects when determining if available funds exist.

#### **Construction Projects**

Limit of \$1,500,000 per project

Exceptions to the limit:

1. NDEP has available funds from the grants, and;
  - The system would take on unreasonable bonding costs for the additional loan amount (greater than 5% of the loan), or;
  - The system is addressing a public health emergency, or;
  - The system has demonstrated that a loan for the remaining cost of the project would raise reasonable rates by more than 10%.

#### **Planning documents**

Limit of \$100,000 per project. A 15% match will be required for each disbursement request.

### **Affordability Criteria**

Federal law requires Nevada to establish affordability criteria that includes income, unemployment data, population trends, and other data determined relevant by the State<sup>11</sup>. This identifies the systems or projects that will further qualify for additional subsidy in the form of principal forgiveness loans. Funding is available for systems that meet the affordability criteria, are implementing a project that addresses water-efficiency, energy-efficiency, stormwater management, or project planning.

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<sup>11</sup> 33 U.S.C. §1383(i)

NAC 445A.764(b) requires the Intended Use Plan to list “the types of activities to receive financial assistance from the fund, including eligible categories of cost, the types of financial assistance to be provided by the fund and the terms for the various types of financial assistance provided by the fund.”

<b>Income Data</b>		<b>Possible Points</b>
<b>Median Household Income (MHI) of project service area</b>		
<i>MHI shall be taken to mean the latest American Community Survey information used for the current year project priority list that relates to the census tract of the project area; or a valid income survey performed within the last five calendar years.</i>		
Based upon the Current Priority List data		
*Below 80% of the State MHI		50
*Between 80% and 99% of State MHI		30
*Between 100% and 119% of State MHI		0
*Above 120% of State MHI		-10
<b>Percent of families and people whose income in the past 12 months is below the state poverty level</b>		
*Project service area is at or below the state percent		20
*Project service area is below the state percent		0
<b>Population Trend</b>		<b>Possible Points</b>
Based upon last three years of American Community Survey best available data		
*Decreasing and/or system serves less than 1000 residents		5
*Increasing		0
<b>Workforce Indicators</b>		<b>Possible Points</b>
<b>Percent of residential population of the service area not in the workforce</b>		
Based upon American Community Survey used for MHI data		
*Lower than or equal to state		0
*Between 100% and 110% of state		10
*Between 111% and 120% of state		15
*Above 120% of State		20
<b>Unemployment Rate</b>		
Based upon American Community Survey used for MHI data		
*Lower than or equal to the state		0
*Between 100% and 110% of state		5
*Greater than 110% of state		10

<b>Affordability</b>		<b>Possible Points</b>
<p>How will additional loan dollars impact water system residential rates</p> <p><i>*Rates must already be sufficient to cover current operations, maintenance, debt service and required reserves for the system.</i></p> <p><i>*Average user rate is based on the rate a residential customer would pay for the average usage of water consumed.</i></p>		
The system has not specifically allocated funds for the rehabilitation and replacement of aging and deteriorating infrastructure		-5
System has not reviewed rates in five years		-5
Residential average user rates increased by more than 10% in the last 5 years, or will increase by more than 10% to fully fund this project		10
Residential average user rates increased by more than 20% in the last 5 years, or will increase by more than 20% to fully fund this project		20
Residential average user rates increased by more than 30% in the last 5 years, or will increase by more than 30% to fully fund this project		30
Residential base rate to Median Household Income:		
*Residential base rate is above 2.0% of the community's MHI		20
*Residential base rate is between 1.5% and 1.99% of the community's MHI		10
*Residential base rate is below 1.5% of the community's MHI		0
<b>Other Factors</b>		<b>Possible Points</b>
Qualifies as a Class A project on the current Clean Water Priority List		10
Project is preparing a PER with an ER to plan for a project		10
Septic-to-Sewer Conversions with required centralized system consolidation		10
Project addressing non-point source, stormwater, or green infrastructure		10
System at risk for emergencies or is facing a current emergency		10
Population demographics 10% of the population (see below)		10
Population demographics 15% of the population (see below)		20
Population demographics 25% of the population (see below)		30
2nd homes/vacation homes are greater than 30% of the service area		-10
<b>Maximum Points are 235</b>		
<b>Points needed to Qualify for Principal Forgiveness is 50</b>		

### **Population Demographics**

Percent of the population experiencing one or more of the following will receive additional points

- \*Temporary Assistance for Needy Families (TANF)
- \*Medicaid benefits
- \*Supplemental Nutrition Benefits
- \*Low-income housing assistance
- \*Utility assistance
- \*Disabilities
- \*Population not proficient in the English language
- \*Population that is non-white/minority
- \*No health insurance
- \*Location is more than 50 miles from the nearest accessible Social Services (Medicaid, SNAP etc.)

### **Special terms and conditions for principal forgiveness loans**

- Planning documents
  - Systems will be required to commit to a timeline in the funding agreement.
  - The preliminary engineering report must be formatted in accordance with Rural Utilities Services Bulletin 1780-2 to prepare for a specific course of action the community must address. They cannot simply address all system needs or provide for a master plan of the system. The funding may also include pilot studies if the specific course of action the community must address is water quality.
  - The environmental review must include sufficient information and evidence to support NDEP's determination for environmental impacts.
- Construction projects
  - Applicants seeking funding from the CWSRF for construction projects must demonstrate the system's willingness to sustain themselves into the future and ensure the public funds provided in the contract are used in the best interest of the community. NDEP will add, as a condition of the loan contract for principal forgiveness loans, that borrowers:
    - Evaluate user rates approved by the governing board at least once every three years to ensure they are sufficient to cover costs of:
      - Operating the current and funded system,
      - Maintaining the current and funded system,
      - Debt service of the current and funded system, and
      - Reserve requirements of any funding authority.

- Maintain a fiscal sustainability plan that:
    - Includes an inventory of all assets that are part of the system; and
    - Evaluates the condition and performance of inventoried assets or asset groupings; and
    - Documents the useful life of the assets; and
    - Contains a plan for maintaining, repairing, and as necessary, replacing the assets; and
    - Contains a plan for funding maintenance, repair and replacement; and
    - Evaluates and implements water and energy conservation efforts
    - **NOTE: The development of an Asset Management Plan will satisfy this requirement.** Loan applicants must certify as part of the funding agreement that the recipient has, or will develop, a plan prior to the final draw on the loan. Existing applicant plans must have been reviewed and/or updated by the governing board no longer than five years prior to the date of the loan application.
- Set-aside funds into a reserve account for capital replacement
  - NDEP calculates this yearly investment based upon the system’s short-lived assets (15 years or less) amortized on a straight-line basis.
  - Short-lived assets are in conformity to capital assets generally accepted as those with a life expectancy of 15 years or less.
  - Utilities may only use these reserve funds for capital improvements. Importantly, these improvements are not restricted to the system’s short-lived assets. There are several expenses that qualify as capital expenditures:
    - Bringing a new facility into service;
    - Planning or designing a new facility that will enhance the existing system;
    - Extending the life or enhancing the value of an asset with better quality materials or system upgrades.
  - Utilities cannot use these reserve funds for inventory items, for maintenance, or for operation expenses. For example, utilities cannot use these reserve funds for minor incidentals like repair clamps, small tools, service contracts, inventory parts and fittings, spare lengths of pipe for repairs, or maintenance supplies like paint, grease, and other similar day-to-day supplies.
  - Utilities cannot use the funds in the reserve account for the purpose of expanding their system. For example, they may not use these reserves to finance the installation of new services or the extension of main lines to serve new areas/customers.
  - Utilities must clearly identify their annual contribution to this fund— along with the fund balance — on their financial statements.
  - The required capital reserve schedule — established at the completion of a project — will become a binding condition of the loan. Utilities must notify NDEP, in writing, when they make a withdrawal from the reserve fund for a capital improvement. They must also include the amount and nature of the expenditure.



- NDEP may consider other cash of the system that is available for capital improvements to meet this requirement.

## Attachment C: CWSRF 2023 Fundable List

PL Class <sup>A</sup>	PL Rank <sup>A</sup>	D <sup>D</sup>	E <sup>C</sup>	C <sup>E</sup>	Community Name/Project Sponsor	Population	Project Description	Total Assistance <sup>B</sup>	Principal Forgiveness	Green Project Reserve	Binding Commitment
A	1	Y	Y		Fallon Paiute Shoshone Tribe	300	Lagoon rehabilitation and lift stations	1,287,500	1,287,500		Apr 2023
A	2	Y			Esmeralda County-Goldfield	237	Sesspit correction	240,595	240,595		Jun 2023
A	3	Y			Minden Gardnerville Sanitation District	520	Pine View Estates consolidation and sewer	2,182,000	2,182,000		Jun 2023
A	5	Y			McGill Ruth CSWGID	905	Wastewater treatment plant upgrade	1,450,000	1,450,000		Jun 2023
A	8		Y		Incline Village GID	9,462	Effluent Pipeline Phase Two	16,000,000	240,000	1,591,400	Apr 2023
B	18	Y			Nye County - Gabbs	75	Collection system improvements	1,260,628	1,260,628		Jun 2023
B	30				TRI GID	20,000	PER for sewer replacement and upgrades	97,500	97,500		Jun 2023
C	60	Y		Y	Las Vegas Valley Water District	14,000	septic-to-sewer conversion	1,043,000	1,043,000		Jun 2023
C	67	Y			Las Vegas, City of	205,618	Las Vegas Wash improvements	1,500,000	1,500,000		Jun 2023
								<b>25,061,223</b>	<b>9,301,223</b>	<b>1,591,400</b>	

<sup>A</sup>Clean Water Priority List Effective July 2022

<sup>B</sup>includes traditional and principal forgiveness loans

<sup>C</sup>Equivalency Project

<sup>D</sup>Meets the state definition of affordability for additional subsidy

<sup>E</sup>Funding from the BIL Emerging Contaminants Grant

# Attachment D: CWSRF 2022 Project Priority List

### Class A: Project benefits public health and/or the environment

Priority Number	N1	D2	G3	Applicant	Permit No.	Project Population	Total Points	State MHI/ PWS MHI	Revised Points	Project Description	Program Cost Estimate	Funded <sup>f</sup>
1		D		Fallon Paiute-Shoshone Tribe - CW	TRIBAL	700	27	1.23	33.23	Retention Lagoon & lift Station Rehabilitation	\$500,000	Yes
2	N	D		Esmeralda County - Goldfield - CW	NS0040030	237	16	1.71	27.36	Goldfield Sesspit Correction	\$210,595	
3		D		Minden Gardnerville Sanitation District	NS0040027	520	23	0.87	20.12	MGSD-Pine View Estates Sewer	\$802,400	
4				Humboldt County - CW		4,000	16	0.92	14.78	Grass Valley PER Nitrate Compliance	\$95,000	Yes
5		D		McGill Ruth Consolidated Sewer & Water GID - CW	NS0087046	905	11	1.12	12.32	McGill WWTP Upgrade	\$1,750,000	
6				Pershing County - CW		500	10	1.09	10.87	Grass Valley waste water treatment facility	\$2,968,875	
7				Pershing County - CW		500	10	1.09	10.87	Grass Valley Waste Water PER	\$85,000	
8	N		G	Incline Village GID - CW	NS0030009	9,462	20	0.52	10.40	Effluent Export Pipeline Seg 2	\$33,423,549	
9	N	D		Carson City - CW	NS0090008	57,000	7	1.06	7.45	SE Mandatory SS Extension	\$12,355,403	
10		N	D	Elko County - Montello - CW	NS0030003	287	6	1.10	6.59	Sewer Pond Relining	\$483,075	
11		D		Humboldt County - CW		1,634	6	0.94	5.63	Grass Valley Waste Water Improvement	\$27,395,581	
<b>Total Class A Projects</b>											<b>\$80,069,478</b>	

### Class B: Projects necessary to increase reliability or sustainability

Priority Number	N1	D2	G3	Applicant	Permit No.	Project Population	Total Points	State MHI/ PWS MHI	Revised Points	Project Description	Program Cost Estimate	Funded <sup>f</sup>
12		D	G	Hawthorne Utilities - CW	NS0020009	3,020	31	1.84	57.08	Effluent Reuse Improvements	\$9,425,000	
13		D		Hawthorne Utilities - CW	NS0020009	3,020	26	1.84	47.87	Effluent Management PER	\$85,000	
14	N	D	G	Shoshone-Paiute Tribes of the Duck Valley Indian Reservation -CW	TRIBAL	351	29	1.29	37.48	Newtown Lift Station	\$660,000	
15			G	Reno, City of - CW	NS2008500	43,038	31	1.06	32.72	Reno-Stead Water Reclamation Expansion	\$52,850,000	Yes
16		D		Tonopah, Town of - CW	NS0000026	126	16	1.96	31.41	NDOT Main Street Sewer	\$1,540,418	
17	N		G	Las Vegas, City of - CW	NV0020133	662,641	28	1.06	29.76	WPCF 30 MGD Treatment Plant Infrastructure Replacement	\$79,000,000	
18		D		Nye County-Gabbs - CW	NS0070021	75	25	1.08	27.06	Gabbs Sewer System Replacement	\$1,260,628	
19			G	Reno, City of - CW	NS2008500	27,000	23	1.06	24.27	APWF at American Flat	\$82,530,399	
20	N			West Wendover, City of - CW	NS0010019	4,512	21	1.10	23.05	WWTP Basin Repair	\$370,733	
21	N			Douglas County - CW	NS0060025	5,260	31	0.74	22.88	NV WWTP Solids Handling Upgrade	\$3,100,000	
22	N			Orovada GID - CW	NS0090006	215	21	1.07	22.55	Sewer Improvements	\$845,000	
23		N	D	Minden Gardnerville Sanitation District	NS0040027	12,100	21	0.98	20.55	MGSD GRID Interceptor	\$3,015,991	
24			G	Kingsbury GID - CW	NS0080033	6,200	20	1.02	20.34	Market Street Lift Station	\$4,862,500	
25		D		Hawthorne Utilities - CW	NS0020009	3,020	11	1.84	20.25	Sewer System Rehabilitation	\$8,925,000	
26	N		G	Gardnerville Ranchos GID - CW	NS0040027	11,300	20	0.98	19.54	Ph.3 Storm & Sewer Upgrades	\$16,007,719	
27	N			North Las Vegas, City of - CW	NV0023647	265,000	17	1.02	17.30	Loose/LV Wash Diversion Sewer	\$8,745,913	

### Class B: Projects necessary to increase reliability or sustainability

Priority Number	N1	D2	G3	Applicant	Permit No.	Project Population	Total Points	State MHI/ PWS MHI	Revised Points	Project Description	Program Cost Estimate	Funded <sup>f</sup>
28			G	Douglas County Lake Tahoe Sewer Authority	NS0080033	659	18	0.93	16.83	Headworks and Improvments	\$892,160	Yes
29	N		G	Minden Gardnerville Sanitation District	NS0040027	9,653	17	0.98	16.63	MGSD Aging Infrastructure	\$9,027,000	
30			G	TRI- GID - CW	NS2000502	20,000	17	0.97	16.48	Wastewater Treatment Plant Rehab	\$5,376,250	
31		D		Ely, City of - CW	NS0070015	1,360	16	1.02	16.29	Sewer Replacement Upgrades	\$8,971,521	
32				Lyon County-Dayton-CW	NS2000500	14,189	18	0.86	15.53	Rolling A WWTP Expansion	\$2,835,000	Yes
33			G	Washoe County - CW	NS0040024	4,000	16	0.94	15.03	Reclaim Expansion into HV	\$13,800,000	
34	N		G	Minden Gardnerville Sanitation District	NS0040027	9,653	17	0.98	16.63	Gravity Belt Thickener Project	\$3,634,850	
35	N			Henderson, City of - CW	NV0024139	332,258	18	0.82	14.81	Wastewater treatment process improvements	\$30,000,000	
36	N			Gardnerville Ranchos GID - CW	NS0040027	11,300	15	0.98	14.66	Ph.2 Storm and Sewer Upgrades	\$15,489,798	
37	N			Gardnerville Ranchos GID - CW	NS0040027	11,300	15	0.98	14.66	Lift Station Improvements	\$395,900	

Priority Number	N1	D2	G3	Applicant	Permit No.	Project Population	Total Points	State MHI/PWS MHI	Revised Points	Project Description	Program Cost Estimate	Funded <sup>5</sup>
38				West Wendover, City of - CW	NS0010019	4,512	13	1.10	14.27	WWTP MBR Filter Replacement	\$1,682,660	
39			G	Douglas County Lake Tahoe Sewer Authority	NS0080033	659	15	0.93	14.02	Grit Removal	\$1,322,720	Yes
40	N			Alamo Sewer & Water GID - CW	NS0030019	1,169	12	1.11	13.35	Sewer Lift Station Replacement	\$1,400,000	
41				Ely, City of - CW	NS0070015	5,500	13	1.02	13.24	W WTP Sludge Dewatering Press	\$519,900	
42	N			North Las Vegas, City of - CW	NV0023647	265,000	13	1.02	13.23	Sloan Channel Effluent Repair	\$17,215,400	
43			G	Washoe County - CW	NS0040024	5,200	16	0.76	12.08	SW Reno Reclaim Expansion	\$37,417,870	
44	N			West Wendover, City of - CW	NS0010019	4,512	11	1.10	12.08	Peppermill deep sewer	\$421,870	
45	N			West Wendover, City of - CW	NS0010019	4,512	11	1.10	12.08	Reuse Line Replacement	\$4,092,946	
46	N			West Wendover, City of - CW	NS0010019	4,512	11	1.10	12.08	Reclaimed water storage tank restoration	\$81,314	
47			G	Washoe County - CW	NS0040024	100	15	0.76	11.33	PVI and STMWRF Expansion	\$50,000,000	Yes
48				North Las Vegas, City of - CW	NV0023647	251,721	11	1.02	11.19	Sewer Main Project	\$11,840,000	Yes
49		D		Mountain City, Town of - CW	NS0040023	40	8	1.29	10.34	Sewer collection system repairs	\$1,280,750	
50			G	Washoe County - CW	NS0040024	35,580	16	0.60	9.56	STM- I&I Mitigation	\$14,713,026	
51				Henderson, City of - CW	NV0024139	42,658	11	0.82	9.05	Magic Way Sewer Rehabilitation	\$14,128,500	
52				Pershing County - CW	GNEVOSDS09	212	6	1.09	6.52	Imlay Septic Replacement	\$3,268,125	
53	N			Pershing County - CW	GNEVOSDS09	212	6	1.09	6.52	Imlay Septic Replacement PER	\$85,000	
54			G	Carlin, City of - CW	NS0093001	1,886	26	0.89	0.89	Sewer System Improvements	\$21,249,595	
<b>Total Class B Projects</b>											<b>\$544,366,456</b>	

**Class C: Other clean water needs projects**

Priority	N <sup>1</sup>	D <sup>2</sup>	G <sup>3</sup>	Applicant	Permit No.	Project Population	Total Points	State MHI/PWS MHI	Revised Points	Project Description	Program Cost Estimate	Funded <sup>5</sup>
55	N		G	Storey County - CW		150	33	0.97	32.03	Gold Hill Collection System	\$1,114,752	
56	N		G	Churchill County - CW	NS2007500	1,800	28	1.10	30.84	Membrane Module Replacement	\$391,892	
57	N		G	Las Vegas, City of - CW	NV0020133	7,200	18	1.06	19.13	CLV Septic Conversion Project	\$60,000,000	
58		D		Yerington, City of - CW	NS0040033	3,200	10	1.84	18.38	WWTP Relocation PER	\$14,200,000	
59	N		G	Elko County - CW	NS0020014	20,300	19	0.80	18.20	North Reservoir Repair Project	\$1,114,752	
60			G	Las Vegas Valley Water District-CW / Southern Nevada Water Authority - CW	VARIOUS	14,000	18	1.16	16.84	Septic to sewer conversion	\$9,000,000	
61	N		G	Henderson, City of - CW	NV0024139	3,000	18	0.82	14.81	Septic Conversion	\$36,074,000	
62	N			White Pine County - CW		400	15	1.08	13.92	WPC Sewer Expansion Project	\$4,999,280	
63	N		G	Canyon General Improvement District - CW	NS0050028	1,250	13	0.97	12.03	WWTP Improvements	\$1,197,500	
64	N	D	G	Reno Sparks Indian Colony - CW		825	12	1.55	10.45	RSIC HV Clean Water	\$54,500,000	
65	N		G	Elko, City of - CW	NS0020014	20,564	10	0.80	9.20	8-Mile Storm Drain MHs	\$563,000	
66	N			Carlin, City of - CW	NS0093001	1,500	8	0.89	7.11	Sewer System Improvements	\$21,263,500	
67	N			Las Vegas, City of - CW		205,618	8	1.06	6.94	Las Vegas Wash	\$41,368,797	
68	N			Las Vegas, City of - CW		10,000	8	1.06	6.94	Paiute/Creech Detention Basin	\$48,054,000	
69	N			West Wendover, City of - CW	NS0010019	4,512	8	1.10	6.90	W WTF Compressor Replacement	\$111,720	
70	N			Las Vegas, City of - CW		216,961	5	1.06	3.94	Owens Storm Drain	\$58,289,630	
<b>Total Class C Projects</b>											<b>\$352,242,823</b>	

**Total Projects \$976,678,757**

N<sup>1</sup> Project is new to the priority list

D<sup>2</sup> Project has met initial evaluation for affordability criteria. Further evaluation will be completed before contract initiation.

G<sup>3</sup> System qualifies as a green project

Notes<sup>4</sup>: Reserved for special funding

Funded<sup>5</sup>: System as received partial or full funding from SRF, is not complete, and must stay on the list until project is compl

Amount

N<sup>1</sup> New Systems 569,104,879.40

D<sup>2</sup> Affordability Systems 147,361,362.00

G<sup>3</sup> Green Projects 600,148,534.00

## Attachment E: CWSRF Grant and Loan Conditions

For the purposes of this section, the following definitions are used:

<b>Equivalency Project</b>	Projects that are selected to comply with the capitalization grants. The funding of these projects must equal an equivalent amount of the grant to satisfy the grant requirements.
<b>Peer Review</b>	A cursory review of the work of the design engineer for a water project, conducted by a person with equal competence and expertise in that discipline who is retained by the applicant specifically to provide suggestions or comments which may enhance the performance of the water project or aid in the operation and maintenance of the water project
<b>Useful Life</b>	the period during which a water project provides a service without becoming obsolete or inoperable
<b>Value Engineering</b>	A specialized technique for controlling costs which uses a systematic and creative approach to identify and focus on any unnecessary cost to reduce the cost of a water project without affecting the reliability or efficiency of the water project

<b>Additional Subsidy</b>	Nevada awards principal forgiveness loans to satisfy the subsidy requirement in the grants. A borrower does not need to issue a bond if the loan is forgiven. Additionally, interest is also forgiven. Eligibility for a principal forgiveness loan is outlined in <b>Attachment B</b> . Nevada’s expected projects receiving principal forgiveness funding are outlined on <b>Attachment C</b> .
<b>American Iron and Steel</b>	All borrowers will comply with the American Iron and Steel Requirement on any project funded in whole, or in part, with CWSRF funds.
<b>Architectural and Engineering Procurement</b>	A CWSRF applicant identified as an equivalent project will be required to demonstrate that architectural and engineering contracts were procured through a process identified in 40 U.S.C. 1101 et seq. Nevada considers a contract “significantly modified” for purposes of this section if: the type or scope of work varies from the professional services in the original solicitation, and/or; the cost of work increases by more than 50 percent of the original contract.
<b>Auditing</b>	Nevada’s Annual Comprehensive Financial Report (ACFR), Single Audit Report, and internal controls over financial reporting are independently audited by a contracted accounting firm. The CWSRF program is presented on the ACFR as a major enterprise fund, along with two other funds. OFA will prepare a financial report at the end of the fiscal year and will publish the report when the State audit is completed. The report will highlight the program’s financial activities.

<p><b>Binding Commitments</b></p>	<p>Nevada will enter into binding commitments equal to at least 120 percent of each grant payment within one year after receipt (on a cumulative basis), in accordance with the 33 U.S. Code §1382(b)(3). Nevada defines a binding commitment when a loan contract is executed.</p>
<p><b>Borrower Financial Review and Assurances</b>  (NAC 445A.770)  (NAC 445A.778)  (NAC 445A.779)  (NAC 445A.780)  (NAC 445A.781)  (NAC 445A.789)  (NAC 445A.790)</p>	<p>OFA will evaluate each applicant’s fiscal information prior to executing a loan, as well as each year the loan is outstanding. Borrowers must demonstrate their ability to repay the loan to safeguard the public funds in the loan contract. Borrowers must also demonstrate fiscal sustainability in their system throughout the term of the loan contract.</p> <p>Reviewable fiscal information includes, but is not limited to bank statements, financial reports, financial audits, credit reports, letters of credit, user rates, debt management policies, and capital improvement plans.</p> <p>Current ratios used to analyze the borrower’s solvency and liquidity include (but not limited to): working capital, operating ratio (before non-cash expenses), and debt coverage ratio (before non-cash expenses). Borrowers must design a system user rate that produce the money required for the cost of operation, maintenance, and the replacement of treatment works. Phased-in rate structures will be considered sufficient if they are fully implemented by the time construction of the proposed project is complete.</p> <p>Borrowers will maintain project accounts in accordance with generally accepted governmental accounting standards. This includes maintaining a separate account that records all revenues and expenditures directly and indirectly related to the system receiving funding.</p> <p>Borrowers receiving any loan for a treatment works project or a principal forgiveness loan must further prepare fiscal sustainability plan, or asset management plan. Borrowers receiving a principal forgiveness loan must further commit to funding a capital replacement reserve account as a condition of receiving funding.</p>
<p><b>Build America, Buy America (BABA)</b></p>	<p>Borrowers identified as an equivalent project will comply with the Build America / Buy America Requirement on any project funded with DWSRF funds that executes a new or amended loan agreement after May 14, 2022, unless an EPA approved waiver is issued.</p>
<p><b>Cost and Effectiveness</b>  (NAC 445A.734)  (NAC 445A.736)</p>	<p>CWSRF applicants for pollution control projects must certify that the proposed project has prepared a cost-effect analysis of the project.</p>

<p><b>Construction Commencement</b> (NAC 445A.792) (NAC 445A.793)</p>	<p>OFA will require borrowers to submit bidding schedules, estimated schedules of payment, proof of the receipt of all permits required to construct the water project, documentation that any procedures for purchasing and contracting required by a State agency will be adhered to, agendas for any conferences regarding bidding and construction, project schedules, and any other related activity; and any other documents OFA deems necessary.</p>
<p><b>Construction Process</b> (NAC 445A.793) (NAC 445A.797) (NAC 445A.798) (NAC 445A.799) (NAC 445A.800)</p>	<p>OFA will require borrowers to promptly notify OFA in writing of awarding contracts, changes to contracts, delays in construction, and when construction is anticipated to be completed.</p> <p>The Division may conduct oversight inspections during the construction of a water project to ascertain that the recipient is constructing the project according to the approved plans and specifications and applicable contract requirements.</p>
<p><b>Construction Completion</b> (NAC 445A.801) (NAC 445A.802) (NAC 445A.803) (NAC 445A.804) (NAC 445A.805)</p>	<p>Borrower shall submit to NDEP a draft operations and maintenance manual, one set of draws of the water system as it was built, certification of performance, and any other documents deemed necessary by the division.</p> <p>Borrowers shall coordinate with NDEP a final inspection of the water project to ensure that the facilities of the water project are operating and capable of satisfying the applicable requirements for public health and water quality.</p> <p>Borrowers shall notify the Division of any claims against the owner, the professional engineer, the contractor or any subcontractor arising from or related to the water project; and is responsible for the resolution of those claims.</p> <p>A recipient shall not abandon, substantially discontinue the use of or dispose of a water project during its useful life without the prior written approval of the Division.</p>
<p><b>Davis-Bacon Wage Act and State Prevailing Wage Requirements.</b> (NAC 445A.794)</p>	<p>Borrowers shall comply with the provisions of the Davis-Bacon Act, 40 U.S.C. §§ 276a et seq., if they apply, the applicable provisions of chapter 338 of NRS and all other applicable state and federal labor laws.</p>
<p><b>Disadvantaged Business Enterprise</b> (NAC 445A.795)</p>	<p>A recipient shall comply with the requirements of federal law concerning the participation of disadvantaged businesses.</p>

<b>Emerging Contaminants</b>	Funding provided to Nevada from the BIL Emerging Contaminants grants will be used in accordance with federal law and EPA guidance. Nevada will continue to prioritize systems addressing Per- and polyfluoroalkyl substances with this funding. Should projects that do not address Per- and polyfluoroalkyl substances materialize, Nevada will concentrate these funds on addressing any item on the EPA Contaminant Candidate Lists.
<b>Environmental Review</b> (NAC 445A.742 to NAC 445A.762)	Nevada will ensure an environmental review of each project receiving assistance is completed prior to awarding funds from the DWSRF. The environmental review will meet federal requirements and include any other applicable crosscutter requirements.
<b>Federal Crosscutters</b>	Nevada will ensure borrowers identified as an equivalent project comply with other federal crosscutters, where applicable, that are allowed to be followed on an equivalency basis. Nevada will ensure borrowers follow all federal crosscutters, including Title VI of the Civil Rights Act, where the law requires all borrowers must follow federal requirements.
<b>Fiscal Sustainability Plans</b>	For applicable CWSRF projects involving repair, replacement, or expansion of a publicly owned treatment works, the recipient of a loan shall develop and implement a fiscal sustainability plan as outlined by The Water Resource Reform and Development Act of 2014 (WRRDA). Nevada will obtain appropriate certifications from those projects.
<b>Green Projects</b>	Nevada will commit to use at least 10 percent of the federal grants for projects that qualify for funding under the green project reserve, as specified by the EPA Green Project Reserve Guidance (EPA 2012 Green Project Guidance).
<b>Leveraging the Program</b>	The CWSRF program has issued leveraged bonds. OFA reserves the right to issue a leverage bond should project demand require additional funds.
<b>Loan Interest</b>	Nevada does not issue direct loans to CWSRF public applicants. Rather, the CWSRF applicant will be required to issue a bond, which the State Treasurer will purchase on behalf of the CWSRF program – if the loan is repayable. For private applicants, a direct loan is issued and secured with a combination of collateral and lien instruments at OFA’s discretion. Interest rates are established by the State Board of Finance, Debt Management Policy and are fixed for the life of the loan. Interest will begin to accrue upon a draw against the bond. It will be repayable every six months on July 1 and January 1 while the principal remains outstanding. Loan interest will be used by the program to repay outstanding debt issued to match the capitalization grant.

	<p>The interest rate policy is established by the State Board of Finance and published in the State Debt Management Policy<sup>12</sup>.</p> <p>OFA considers the market rate to be that of the Bond Buyer 20 Index. Interest rates will range from 54% to 62.5% of the market rate depending on the type of bond the borrower is issuing.</p> <p>When a loan is for a 30-year term, the Bond Buyer 20 will be adjusted using the Municipal Market Data scale up to a 30-year rate. Special terms may be offered under certain circumstances after consultation and concurrence from the State Treasurer’s Office.</p>
<b>Loan Principal</b>	<p>Traditional loans may have a maximum term of 30 years, or the life of the assets funded – whichever is shorter.</p> <p>Repayment of loan principal will commence no later than three years after the date of the agreement, or immediately after project completion – whichever is earlier. Loan principal will be payable every six months on July 1 and January 1. Principal from loan recipients will be used by the program to issue new loans.</p>
<b>Loan Payoff and Refinancing</b>	<p>NDEP recognizes the need for proper fiscal and infrastructure sustainability in systems. Therefore, NDEP does allow a current CWSRF borrower to pay off or restructure their outstanding CWSRF debt. Due to the impact this will have on the CWSRF fund and staff resources, these requests are processed on a first-come, first-served basis and can be denied by NDEP for good cause shown. Borrowers must meet certain conditions to qualify for approval from NDEP for early payoff or restructuring:</p> <ul style="list-style-type: none"> <li>• The existing CWSRF loan must be fully drawn or de-obligated;</li> <li>• The first principal draw on the loan must be five years old or older;</li> <li>• The early payoff or restructuring cannot violate tax-exempt bond law;</li> <li>• The borrower must demonstrate the need and/or benefit of early payoff and/or restructure to the users of the system;</li> <li>• The State Treasurer’s Office must also agree to the payoff;</li> <li>• Loans can only be restructured one time. If the loan was previously restructured, it cannot be paid early at a later date.</li> </ul>
<b>Procurement of Contracts</b>	<p>Borrowers shall comply with applicable Nevada laws for procuring engineering and construction contracts.</p>
<b>Reporting</b>	<p>Nevada will provide data or information on the CWSRF program to federal, state, or public inquiries in a manner as requested.</p>

<sup>12</sup> <https://www.nevadatreasurer.gov/Finances/Debt/Home/>



<b>Telecommunications</b>	Borrowers must comply with 2 CFR 200.216 from procuring or obtaining telecommunication equipment as described in Public Law 115-232, Section 889, covered telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
<b>Value Engineering</b> (NAC 445A.782)	Systems shall conduct value engineering if the total estimated cost of constructing the water project is more than \$10,000,000. If the Division determines that a water project is especially complex, the Division shall require the applicant to submit the project for peer review.