



STATE OF RHODE ISLAND

DRAFT STATE FISCAL YEAR (SFY) 2019 INTENDED USE PLAN

in support of the

FEDERAL FISCAL YEAR (FFY) 2018 CAPITALIZATION GRANT

*To be made available by the Federal Clean Water Act for the
Clean Water State Revolving Fund*

Introduction

Rhode Island Infrastructure Bank (RIIB) hereby submits to the Environmental Protection Agency (EPA) the Intended Use Plan (IUP) for all Clean Water Act (CWA), Title VI funds available to the Clean Water State Revolving Fund (CWSRF) including the Federal Fiscal Year (FFY) 2018 allotment of \$10,777,000. The FFY2018 funding includes the State of Rhode Island's 20% match of \$2,155,400 for a total amount of \$12,932,400.

In February 2018, the Federal Government enacted H.R.1892 – Bipartisan Budget Act of 2018 Consolidated Appropriations Act, 2017, which requires that capitalization grant recipients agree to make timely and concerted “good faith” solicitations for projects that address requirements relating to the Green Project Reserve (GPR). Projects with GPR-related elements incorporate green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. A good faith solicitation must be open to all GPR eligible projects in each of the four GPR categories. The State's annual open solicitation for projects will be deemed sufficient for these purposes as long as that solicitation was open to all GPR eligible projects in each of the four GPR categories. The recipient agrees to include in its IUP such qualified projects, or components of projects, that total an amount at least equal to 10% of its capitalization grant. The State must document the GPR solicitation process in its IUP and Annual Report and document, if necessary, why the GPR requirement was not able to be funded. Any State not meeting the 10% requirement must outline in the Annual Report how they will expand their GPR solicitation for the subsequent year.

On June 10, 2014, the Water Resources Reform and Development Act amended the CWA to include permanent requirements for the use of American Iron and Steel (AIS) in CWSRF projects. Section 608 of the CWA now contains requirements for AIS that repeat those of the Consolidated Appropriations Act of FY2014. As such, all CWSRF projects must comply with Section 608 of the CWA for implementation of the permanent AIS requirements. Therefore, all guidance adopted for FY2014 apply for the permanent AIS requirements for the CWSRF.

This plan also reiterates RIIB's intended use of revolved monies.

Listing of State Revolving Fund Projects

With the total FFY2018 Federal and State allotment of \$12,932,400, it is our plan to continue assisting water pollution abatement projects in Rhode Island and to continue the proper administration of the CWSRF program (Program). To determine which projects are to be funded by the Program, the SFY2019 Project Priority List (PPL), prepared by the Rhode Island Department of Environmental Management (DEM), Office of Water Resources, was reviewed in relation to requests received by RIIB through March 30, 2018 from potential borrowers and those projects requiring CWSRF funds in SFY2019 are identified in priority order. The projects identified for funding are in the communities Bristol, East Greenwich, Narragansett Bay Commission (which serves all, or portions of, Central Falls, Cranston, Cumberland, East Providence, Johnston, Lincoln, North Providence, Pawtucket, Providence, and Smithfield), City of Pawtucket, Smithfield Sewer Authority, and Warwick Sewer Authority. Note: All borrowers are subject to change.

In November 2012, a State Bond Referendum was approved by the voters, allotting \$12 million to be used by RIIB to provide the 20% State Match required by CWSRF. The State will seek voter authorization in November, 2018 to issue additional general obligation debt to provide State Match funds for the next two fiscal years. RIIB plans on disbursing the \$2,155,400 in the 2nd Quarter of FFY2019.

Short and Long-Term Goals

As required by the CWA, the Program has identified the following goals for the CWSRF. The goals described below are grouped according to short-term and long-term objectives and are not listed in any particular order:

A. SHORT TERM GOALS

- Goal #1:** Continue the Program such that it will operate in perpetuity.
- Goal #2:** Manage the Program to distribute funding to borrowing communities in a timely and efficient manner.
- Goal #3:** Administer rules, regulations, and guidelines that are conducive to the proper functioning of the Program while ensuring compliance with the intent of the CWA.
- Goal #4:** Develop an IUP to be submitted along with the annual capitalization grant application, in a timely manner, to EPA.
- Goal #5:** Administer loan policies and procedures associated with the proper management of the CWSRF program.
- Goal #6:** Prepare an annual report which lists the State's accomplishments for the fiscal year and submit to EPA in a timely manner.
- Goal #7:** Assure full compliance with Title VI of the Clean Water Act and all federal crosscutting issues as required by the 1987 CWA amendments.

B. LONG TERM GOALS

- Goal #8:** Place emphasis on all municipal facilities in attaining compliance with RIPDES permits limitations.
- Goal #9:** Reinforce the importance of attaining general water quality standards where they are negatively impacted by municipal point-source discharges and/or sources of nonpoint source pollution.
- Goal #10:** Coordinate CWSRF activities with both State and Federal enforcement activities.
- Goal #11:** Coordinate all state funded programs for wastewater treatment facilities with CWSRF activities.
- Goal #12:** Evaluate environmental needs throughout the state, by rating specific needs for water quality improvement and/or protection and strive to distribute CWSRF funds in a priority manner.
- Goal #13:** Protect the public health and the environment and promote completion of cost-effective projects.
- Goal #14:** Assist communities during facilities planning and application for CWSRF funding.
- Goal #15:** Continue efforts to improve the water quality of the Narragansett Bay and its tributaries, which was designated as an Estuary of National Significance in March of 1988.
- Goal #16:** Assist in the development of an assessment and management program for non-point source (NPS) and estuary protection projects to be considered for funding by the State CWSRF.

Program Issues and Initiatives

This IUP addresses the sources of monies expected to be available to the CWSRF as of September 30, 2018. The use of these monies is expected to go beyond the term of this IUP. The financing capability of this IUP is based on the total Federal and State capitalization grant awarded and paid into the Automated Clearing House (ACH), direct loan repayments, revolved Federal and State capital, debt proceeds and interest earnings from the CWSRF.

Projects expected to be funded with this year's available Capitalization Grant monies and State Match, which totals \$12,932,400, are attached (See Table 2 attached hereto). In addition, RIIB will use repaid funds from previous loans and proceeds from the issuance of new debt in the second quarter of FFY2019. These resources will be allocated to long-term direct loans and/or pooled long-term financings (RIIB Loans). The total amount of loans issued in SFY2019 from the CWSRF is expected to approximately \$63 million. The resources available in the CWSRF are anticipated to be sufficient to finance all eligible projects ready for financing during this IUP period. RIIB will fund projects according to the PPL developed by DEM and readiness to proceed.

Information on the CWSRF Activities to be supported

The FFY2018 Capitalization Grant funds for the CWSRF are intended to provide financial assistance to municipalities and sewer authorities using direct loans, RIIB Loans, or Federal Direct Loans. The maximum permissible principal repayment period shall be up to 30 years following project completion and may begin up to 12 months after construction is completed, but not to exceed 5 years from the beginning of construction.

Rhode Island's CWSRF has de-allocated LIST funds, Federal Direct Loan re-payments, and State Match direct loan repayments in the fund. These amounts will be used to fund direct loans (not leveraged), or for RIIB revenue bond pool issues, or to fund another LIST fund during this IUP period as loan demand and timing dictates.

The Program intends to use 4% of the Capitalization Grant funds for DEM administrative costs to support the Program. Based upon the FFY2018 allotment of funds, DEM plans to use \$431,080 of the FFY2018 Title VI funds for administrative support in managing and operating the Program. RIIB, from FFY98 through FFY05 has "banked" the authority to use the 4% of the federal capitalization funds for DEM administrative costs to support the Program. RIIB also banked the FFY2009 American Recovery and Reinvestment Act Capitalization Grant's 4% administrative monies. To date, \$3,849,156 in Capitalization Grant funds for DEM's administrative costs have been banked. These funds have been loaned to various communities. As of June 30, 2018, RIIB has "unbanked" \$2,195,364.03 utilizing its deallocated funds to pay for DEM administrative costs leaving a balance of \$1,653,791.97 of banked DEM administrative funds.

RIIB has used its first round of revolved funds to provide direct loans to municipalities for establishing management and repair programs for On-Site Wastewater Systems (OWTS) to achieve the goals and objectives of the approved Section 319 Non-Point Source Management Plan. This program, called the Community Septic System Loan Program (CSSLP), was publicly announced in March of 1998. Municipalities and special purpose districts whose primary function is management of OWTS are eligible to apply for direct loans funded by the revolved CWSRF funds. RIIB, in cooperation with DEM and Rhode Island Housing (RI Housing), successfully launched its CSSLP as part of the CWSRF in the Spring of 1999. RIIB has engaged Rhode Island Housing to be the homeowner loan administrator on behalf of the community for the CSSLP. The CSSLP allows communities without wastewater treatment facilities to access low-interest cost CWSRF funds. Communities can access the CSSLP after completing an On-Site Wastewater Management Plan (OSWWMP) approved by DEM. Once the plan appears on DEM's PPL and the Certificate of Approval (CA) is obtained, the community will negotiate a 0% loan with RIIB. The amount requested should be sufficient to repair or replace failing, failed or sub-standard septic systems. Once the loan is negotiated, the community may then allow residents to access the funds. The borrowing cost for the homeowner is 1% per annum of the outstanding loan balance and a \$300 loan origination fee for a term up to ten years. To date, RIIB has made fifty-three CSSLP loans to seventeen communities in the total amount of \$17,300,000. As an illustration of this program's success, several of the communities are on their ninth and tenth round of borrowings. Several other communities whose OSWWMP's are being prepared or reviewed have expressed interest in utilizing the CSSLP.

Assurances and Specific Proposals

RIIB provides the necessary assurances and certifications as part of the Operating Agreement (OA) between RIIB and EPA. Rhode Island's OA includes the requirements of the following sections of the law:

602 (a): Environmental Reviews

DEM has formulated the State Environmental Review Process (SERP) which has been approved by EPA. For FFY18 funds, we expect that most projects will require a Finding of No Significant Impact (FONSI), or, reaffirmation of a FONSI.

602 (b)(3): Binding Commitments

RIIB certifies that it will enter into binding commitments for 120% of each quarterly payment received under the Capitalization Grant within one (1) year of receipt of that payment into the EPA/ACH payment system.

602 (b)(4): Expeditious and Timely Expenditures

RIIB will expend all funds in the CWSRF in a timely and expeditious manner. Disbursements for approved CWSRF projects are dependent upon changeable construction schedules and consistency with planning. RIIB agrees that it will not provide assistance to any project unless that project is consistent with plans developed under Section 205(j), 208, 303(e), 319 or 320.

Sources and Uses of Funds Potential

The estimated funds available for projects in this IUP are summarized in Table 1 attached. The estimate includes awarded but unused (undedicated) EPA and State Capitalization Grants available to be drawn from the ACH (see Table 1 attached hereto); direct loan repayments; deallocated reserve funds; estimated debt proceeds; and interest earnings on investments of Program resources.

In fiscal years 1997 and 1998, RIIB determined that a prudent financing strategy would include direct loans made with the Federal and state match Capitalization Grants instead of pooled leveraged financing to accommodate the accumulation of federal awards in the ACH and relatively slow construction starts. Also, the delay in the start of the Combined Sewer Overflow project by the Narragansett Bay Commission contributed to this decision. RIIB originated \$18.5 million in three direct loans in fiscal year 1997. Two loans were also made in fiscal year 1998 totaling \$11.4 million using this financing mechanism.

Criteria and Methods for Distribution of CWSRF Funds

DEM has an integrated priority ranking system, approved by EPA Region I. A PPL is developed annually using this ranking system (Attachment A).

The CWSRF will provide loans for up to 100% of eligible project and finance costs, consistent with Federal limitations on the use of CWSRF funds, with the State determining the eligibility based on state-developed criteria.

RIIB and DEM take several factors into consideration when determining which projects from the PPL will be funded by the CWSRF. These factors include:

- ✧ Relative ranking on the PPL;
- ✧ Indication that the community (or service district) has the authority to encumber debt for water pollution abatement projects from RIIB;
- ✧ Indication that the community (or service district) will make an application to the CWSRF for financing;

- ✧ Indication that the community's (or service district's) credit quality is adequate;
- ✧ Indication that DEM will approve the project in the form of a Certificate of Approval; and
- ✧ Indication that projects are ready to proceed within six months of bonding the loan.

By-Pass procedure and revisions to the Intended Use Plan

Throughout the course of the year the need may arise to amend this IUP. In such an event, the Program will only propose projects that have been selected from the approved PPL. The projects on this list will have been previously identified and approved through the public participation process as per 40 C.F.R. Section 35.3150 (c).

In the event that projects identified for funding in the IUP are unable to proceed, funding assistance for these projects will be deferred and other projects from the PPL will be selected for funding based on procedures in the priority determination system, readiness to proceed, and availability of funds.

Federal Cash Draw Proportionality Ratio

RIIB will use the 100% State Match equivalent disbursement method, i.e., disburse 100% of the State Match before any of Federal funds are disbursed to meet the proportionality requirement.

Projected Funding List

With the award of this grant in the amount of \$10,777,000 plus the State Match of \$2,155,400 for a total amount of \$12,932,400, RIIB expects to fund all or portions of the projects identified in Table 2 attached hereto.

Additional Subsidization

Exactly 10% (\$1,077,700) of the Capitalization Grant must be provided as additional subsidization consistent with the FFY2018 Enacted Appropriation. This amount is not subject to the restrictions of WRRDA. In addition, between 0% and up to 30% of the capitalization grant may be provided as additional subsidization consistent with the WRRDA provisions. This amount is separate from what is required by the FFY2018 Enacted Appropriation. RIIB, to the extent that it is able to, plans on providing up to \$1,077,700 in additional subsidy from the FFY2018 Capitalization Grant to eligible borrowers. A study by DEM revealed that there is not a compelling case for awarding additional subsidization to small or disadvantaged communities. In its solicitation for projects to be included on the SFY2019 PPL, DEM announced, to the extent permitted by EPA, that principal forgiveness funds will be applied to projects that constituted a Green Project Reserve project. The City of Pawtucket and Narragansett Bay Commission (see next section) could receive \$1,077,700 (RI's minimum requirement) in principal forgiveness.

Green Project Reserve (GPR)

The FFY2018 omnibus appropriation act sets a goal, subject to eligible projects, that not less than 10% of each state capitalization grant be used to fund the GPR: green infrastructure, water and energy efficiency, and other environmentally innovative projects. A good faith solicitation must be open to all GPR eligible projects in each of the four GPR categories. The State's annual open solicitation for projects will be deemed sufficient for these purposes as long as that solicitation was open to all GPR eligible projects in each of the four GPR categories. The recipient agrees to include in its IUP such

qualified projects, or components of projects, that total an amount at least equal to 10% (\$1,077,700) of its capitalization grant. The State must document the GPR solicitation process in its IUP and Annual Report and explain, if applicable, why GPR projects totaling at least 10% of the capitalization grant were not able to be funded. Any State not meeting the 10% requirement must outline in the Annual Report how they will expand their GPR solicitation for the following year.

The attached project list shows that 10% (\$1,077,700) of the total assistance amount is for projects or portions of projects meeting one or more of the specific objectives required by this provision. The City of Pawtucket and Narragansett Bay Commission could receive \$1,077,700 (RI's minimum required) of GPR monies for a portion of their project.

In its solicitation for projects to be included on the SFY2019 PPL, DEM announced, to the extent permitted by EPA, that principal forgiveness funds will be applied to projects that constituted green infrastructure.

Borrower	Project	GPR Category	Project Cost	Loan/Total	GPR Eligible Cost
Pawtucket	Green Stormwater Infrastructure in TOD District	GI	750,000	17%	185,811
NBC	CSO Phase III Facilities GSI Demonstration	GI	3,000,000	69%	743,241
NBC	CSO Phase III Facilities Dexter Street GSI	GI	600,000	14%	148,648
Totals			\$4,350,000	100%	\$1,077,700

GI - Green Infrastructure
 EI - Environmentally Innovative
 EE - Energy Efficiency

Reporting

- Federal Funding Accountability & Transparency Act (FFATA)** – RIIB is committed to transparency and accountability under FFATA (reporting requirements may be obtained at their website <https://fsrs.gov/>). RIIB program information, IUP's, Annual Reports, Audited Financials and other program materials will be posted on RIIB's website: www.riib.org or can be obtained by contacting the Clean Water SRF Program Manager.
- Clean Water Benefits Reporting (CBR)** – Project milestones and information are reported through EPA's clean water Benefits Reporting data base. DEM commits to entering benefits information on all projects into the CBR by the end of the quarter in which assistance agreement is signed.
- National Information Management System (NIMS)** – RIIB agrees to submit requested data into the NIMS for the reporting period July 1 – June 30 on an annual basis.
- Utilization of small, minority and Women's Business Enterprise (MBE/WBE)** – RIIB/DEM agrees to comply with the requirements of EPA's Program for Utilization of small, minority and women's business Enterprises (MBE/WBE) in procurement Under assistance agreements contained in 40 CFR, Part 33
- Central Contractor Registration (CCR)/System for Award Management (SAM & Universal Identifier Requirements)** – RIIB will comply with the requirement under 2 CFR 25.110 and

maintain the currency of its information in the SAM – until it submits the final financial report required under the award or receive the final payment, whichever is later. RIIB will review and update the information at least annually after the initial registration and more frequently if required by changes in RIIB information or another award term.

- **Requirement for data universal number system (DUNS) numbers** – RIIB will keep its DUNS number updated/active. RIIB/DEM will also notify potential subrecipients that no entity may receive a subaward from RIIB unless the entity has provided its DUNS Number, it may not make a subaward to an entity unless the entity has provided its DUNS number to RIIB.
- **Single Audit Act** – RIIB in accordance with OMP Circular A-133, which implements the single audit act, hereby agrees to obtain a single audit from an independent auditor if it expends \$750,000 in total Federal funds in any fiscal year. Within nine months after the end of a recipient's fiscal year or 30 days after receiving the report from the auditor, RIIB shall submit a copy of the SF-SAC and a Single Audit Report Package to the Federal Audit Clearing House. RIIB will require the same of its borrowers should they expend \$750,000 in total federal funds in any fiscal year.
- **Final Federal Financial Report (SF-425)** – Pursuant to 40 CFR 31.41 (b) and 31.50 (b) RIIB shall submit a final Federal Financial Report (SR-425) to EPA no later than 90 Calendar days after the end of the project period.
- **EPA Annual Report** – RIIB agrees to provide an Annual Report to EPA by September 30 the first fiscal year after it receives payments under title VI. RIIB will submit this report to EPA according to the schedule established in the grant agreement.
- **EPA Sustainability Policy Implementation** - RIIB and DEM continue to support the implementation of the EPA CWSRF& DWSRF Infrastructure Sustainability Policy by funding only wastewater treatment projects that are consistent with local facilities plans, prioritize projects through an integrated priority determination system that places emphasis on public health and water quality protection projects and awards extra points for “smart growth” projects and projects that incorporate Green Project Reserve (GPR) elements, and tie Additional Subsidization to GPR projects. While the vast majority of the projects currently funded are mandated through compliance orders or consent agreements, both RIIB and DEM recognize that has not been the case in the past nor will it be in the future. The RI Clean Water SRF Program will therefore continue to investigate means by which other sustainability measures (e.g., effective utility management, asset management, and integrated water resource management) can be further incorporated into funding decisions to build a “pipeline” of sustainable projects eligible to receive Clean Water SRF funding.
- **Additional Requirements** - In order to comply with federal reporting requirements such as DBE reporting & FFATA for the FFY2018 Capitalization Grant, RIIB will apply these requirements to all of its borrowers (see Table 2) as well as for all other requirements such as the Single Audit Act & federal environmental crosscutters etc., RIIB also applies these requirements to all of its borrowers. In addition, RIIB will comply with equivalency requirements.

Davis-Bacon Wage Rates

FWPCA Section 602(b)(6) permanently applies the prevailing wage (Davis-Bacon) provision of FWPCA Section 513 to any projects for treatment works that are funded by a CWSRF. Consistent with EPA's

prior implementation of this provision, application of the Davis-Bacon Act requirements extends not only to assistance agreements funded with capitalization grants, but to all CWSRF-funded projects involving the construction of treatment works regardless of the source of the funding (e.g., prior years' appropriations, state match, bond proceeds, interest earnings, principal repayments, etc.). Any project that is considered a "treatment work" as defined in the FWPCA section 212, now incorporated in FWPCA Section 502(26), must comply with the FWPCA 513, regardless of which eligibility it is funded under (see section 603(c)).

American Iron & Steel (AIS)

On June 10, 2014, the Water Resources Reform and Development Act (WRRDA) amended the Clean Water Act (CWA) to include permanent requirements for the use of AIS in CWSRF projects. Section 608 of the CWA now contains requirements for AIS that repeat those of the Consolidated Appropriations Act of FY2014. As such, all CWSRF projects must comply with Section 608 of the CWA for implementation of the permanent AIS requirements. Therefore, all guidance adopted for FY2014 apply for the permanent AIS requirements for the CWSRF.

Fiscal Sustainability Planning

For treatment works proposed for repair, replacement, or expansion, the EPA is now requiring that Clean Water borrowers develop and implement a fiscal sustainability plan (FSP) that includes:

- an inventory of critical assets that are a part of the treatment works;
- an evaluation of the condition and performance of inventoried assets or asset groupings;
- a certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and
- a plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities; or a certification that the borrower has developed and implemented a plan that meets these requirements.

The Borrower shall develop and implement the FSP for the Planning Area in accordance with all statutory requirements. The FSP for the Planning Area shall be developed, implemented, and submitted to the Department of Environmental Management with a copy to the Bank by the earlier of one year from the date of this Agreement or the final draw on the Loan. DEM will inform RIIB of compliance with this requirement the earlier of the aforementioned.

Cost and Effectiveness

Starting with the loan applications submitted as of April 1, 2016, EPA is now requiring that Clean Water borrowers provide a certification that the borrower:

- has studied and evaluated the cost and effectiveness of the processes, materials, techniques and technologies for carrying out the proposed project; and
- has selected, to the maximum extent practicable, a project maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account:
 - the cost of constructing the project;

- the cost of operating and maintaining the project over the life of the project; and
- that the cost of replacing the project.

RIIB has developed a Cost and Effectiveness Self- Certification Form stating that as a condition for receiving assistance through the Rhode Island Clean Water State Revolving Fund, the Borrower hereby certifies that per Section 602(b)(13) of the Water Resources Reform and Development Act of 2014 (WRRDA) the project is Cost Effective.

Architectural and Engineering (A/E) Services Procurement

The EPA is requiring that A/E services that are paid with Federal funds for Clean Water projects be procured using the qualifications-based selection process under Chapter 11 of title 40, United States Code or an equivalent state qualifications-based requirement.

Affordability Criteria

The EPA required each state to develop new affordability criteria for the distribution of additional subsidy by September 30, 2015. These criteria needed to take into account income, unemployment rate, and population trends. RIIB developed these criteria, accepted public comment and approved the final criteria on January 5, 2016. The affordability criteria will be applied to projects rated less than nine points on the Project Priority List and will be eligible for principal forgiveness.

Project Accounting

The EPA requires that project accounts be maintained in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets. RIIB has always required that project accounts be maintained in accordance with generally accepted government accounting standards, but not particularly with respect to the reporting of infrastructure assets. The most recent applicable standard is Governmental Accounting Standards Board (GASB) Statement No. 34, issued in June 1999, which details governmental reporting requirements including standards for reporting of infrastructure assets. RIIB will be changing the standard condition in the Project Regulatory Agreement to reflect this change. It is expected that this change will have little, if any impact on SRF borrowers as most communities are already complying with GASB 34 requirements

Signage

The recipient agrees to comply with the SRF Signage Guidance in order to enhance public awareness of EPA assistance agreements nationwide. RIIB will include the EPA logo on all of its project signs.

Transfer and Cross-Collateralization between the CWSRF & DWSRF

RIIB reserves the right to cross-collateralize between the CWSRF and Drinking Water SRF (DWSRF) should the need arise.

The State of Rhode Island is currently not contemplating the transfer of capitalization grants from the CWSRF to the DWSRF or vice-versa; but reserves the right to do so if the need arises. The State reserves the right to transfer up to 33 % of the CWSRF Capitalization grant to the DWSRF or an equivalent amount from the DWSRF to the CWSRF. Since program inception, no transfers have been made.

Program Income from Administrative Fees

Program income earned during the grant period may be used for the specific purposes identified in 2 CFR 200.307 and 2 CFR 1500-7. The recipient agrees to comply with EPA's "Guidance on Fees Charged by States to Recipients of Clean Water State Revolving Fund Program Assistance" issued October 20, 2005, as amended by subsequent guidance. Specifically, the State has agreed: 1) to maintain records which account for fees separate from the CWSRF project fund, 2) to identify in the IUP all types of fees charged on loans, including the fee rate, and the amount of fees available, and 3) to include in the annual report the types of fees charged on loans, the amount of fees collected, and how those amounts were used.

RIIB charges a 1.0% Loan Origination Fee on all Loans, this fee is used to pay the "Trustee" fees. RIIB also charges a 0.5% service fee on all outstanding loan balances; this fee is used to pay RIIB expenses.

Schedule of Anticipated Payments into the ACH system

The Rhode Island CWSRF program anticipates deposits into the ACH for the FFY2018 capitalization grant as per the following schedule. At this time, it is also expected that RIIB will draw cash from the ACH as per the same schedule:

FFY2018 CAPITALIZATION GRANT ANTICIPATED PAYMENTS INTO EPA/ACH PAYMENT SYSTEM

Federal Fiscal Qtr.	Payment Into ACH	Cumulative Ceiling
Oct., - Dec., 2018 (19-1)	\$0.00	\$0.00
Jan., - Mar., 2019 (19-2)	\$3,592,334.00	\$3,592,334.00
Apr., - Jun., 2019 (19-3)	\$3,592,333.00	\$7,184,667.00
Jul., - Sept., 2019 (19-4)	\$3,592,333.00	\$10,777,000.00

Public Review and Comment

Joint Notice for public comment was announced in the Providence Journal on July 20, 2018. The IUP will also be posted on RIIB's website and the PPL also be posted on the DEM website providing the opportunity for public comment for thirty (30) days from the date of posting. Any public comments received will be reviewed by RIIB and DEM collectively.

TABLE 1

Cap Grant Year	Cap Grant Amount	State Match	DEM 4% Admin.	Used DEM 4% Admin.	Remaining DEM 4% Admin	Banked DEM 4% Admin.	Un-Banked DEM 4% Admn. (deallocated)	Remaining Banked DEM 4% Admin.	Grants pledged for specific purpose	State Match Pledged for a Specific Purpose	Cap Grants Available	State Match Available	Total Cap Grant & State Match Available
CS44000190-0	\$13,378,481	\$2,675,696	\$535,139.24	\$551,880.00	-\$16,740.76				\$13,378,481.00	\$2,675,696.20	\$0.00	\$0.00	\$0.00
CS44000191-0, 2	\$26,826,822	\$5,365,364	\$1,073,072.88	\$1,056,332.12	\$16,740.76				\$26,826,822.00	\$5,365,379.00	\$0.00	-\$14.60	-\$14.60
CS44000193	\$12,905,937	\$2,581,187	\$516,237.48	\$516,237.48	\$0.00				\$12,905,937.00	\$2,581,187.40	\$0.00	\$0.00	\$0.00
CS44000194	\$7,988,800	\$1,597,760	\$319,552.00	\$319,552.00	\$0.00				\$7,988,800.00	\$1,597,760.00	\$0.00	\$0.00	\$0.00
CS44000195	\$8,254,100	\$1,650,820	\$330,164.00	\$330,164.00	\$0.00				\$8,254,100.00	\$1,650,820.00	\$0.00	\$0.00	\$0.00
CS44000196	\$13,547,500	\$2,709,500	\$541,900.00	\$541,900.00	\$0.00				\$13,547,500.00	\$2,709,500.00	\$0.00	\$0.00	\$0.00
CS44000197	\$4,127,100	\$825,420	\$165,084.00	\$165,084.00	\$0.00				\$4,127,100.00	\$825,420.00	\$0.00	\$0.00	\$0.00
CS44000198	\$9,033,100	\$1,806,620	\$361,324.00			\$361,324.00	\$361,324.00	\$0.00	\$9,033,100.00	\$1,806,620.00	\$0.00	\$0.00	\$0.00
CS44000199	\$9,033,800	\$1,806,760	\$361,352.00			\$361,352.00	\$361,352.00	\$0.00	\$9,033,800.00	\$1,806,760.00	\$0.00	\$0.00	\$0.00
CS44000100	\$9,002,900	\$1,800,580	\$360,116.00			\$360,116.00	\$360,116.00	\$0.00	\$9,002,900.00	\$1,800,580.00	\$0.00	\$0.00	\$0.00
CS44000101	\$8,921,900	\$1,784,380	\$356,876.00			\$356,876.00	\$356,876.00	\$0.00	\$8,921,900.00	\$1,784,380.00	\$0.00	\$0.00	\$0.00
CS44000102	\$8,942,000	\$1,788,400	\$357,680.00			\$357,680.00	\$357,680.00	\$0.00	\$8,942,000.00	\$1,788,400.00	\$0.00	\$0.00	\$0.00
CS44000103	\$8,883,300	\$1,776,660	\$355,332.00			\$355,332.00	\$355,332.00	\$0.00	\$8,883,300.00	\$1,776,660.00	\$0.00	\$0.00	\$0.00
CS44000104	\$8,888,700	\$1,777,740	\$355,548.00			\$355,548.00	\$42,684.03	\$312,863.97	\$8,888,700.00	\$1,777,740.00	\$0.00	\$0.00	\$0.00
CS44000105	\$7,208,600	\$1,441,720	\$288,344.00			\$288,344.00		\$288,344.00	\$7,208,600.00	\$1,441,720.00	\$0.00	\$0.00	\$0.00
CS44000106	\$5,839,300	\$1,167,860	\$233,572.00	\$233,572.00	\$0.00	\$0.00		\$0.00	\$5,839,300.00	\$1,167,860.00	\$0.00	\$0.00	\$0.00
CS44000107	\$7,159,200	\$1,431,840	\$286,368.00	\$286,368.00	\$0.00	\$0.00		\$0.00	\$7,159,200.00	\$1,431,840.00	\$0.00	\$0.00	\$0.00
CS44000108	\$4,515,300	\$903,060	\$180,612.00	\$180,612.00	\$0.00	\$0.00		\$0.00	\$4,515,300.00	\$903,060.00	\$0.00	\$0.00	\$0.00
ZW44000209	\$26,314,600	\$0	\$1,052,584.00			\$1,052,584.00		\$1,052,584.00	\$26,314,600.00	\$0.00	\$0.00	\$0.00	\$0.00
CS44000109	\$4,515,300	\$903,060	\$180,612.00	\$180,612.00	\$0.00	\$0.00		\$0.00	\$4,515,300.00	\$903,060.00	\$0.00	\$0.00	\$0.00
CS44000110	\$13,681,000	\$2,736,200	\$547,240.00	\$547,240.00	\$0.00	\$0.00		\$0.00	\$13,681,000.00	\$2,736,200.00	\$0.00	\$0.00	\$0.00
CS44000111	\$9,915,000	\$1,983,000	\$396,600.00	\$396,600.00	\$0.00	\$0.00		\$0.00	\$9,915,000.00	\$1,983,000.00	\$0.00	\$0.00	\$0.00
CS44000112	\$9,486,000	\$1,897,200	\$379,440.00	\$379,440.00	\$0.00	\$0.00		\$0.00	\$9,486,000.00	\$1,897,200.00	\$0.00	\$0.00	\$0.00
CS44000113	\$8,955,000	\$1,791,000	\$358,200.00	\$358,200.00	\$0.00	\$0.00		\$0.00	\$8,955,000.00	\$1,791,000.00	\$0.00	\$0.00	\$0.00
CS44000114	\$9,410,000	\$1,882,000	\$376,400.00	\$376,400.00	\$0.00	\$0.00		\$0.00	\$9,410,000.00	\$1,882,000.00	\$0.00	\$0.00	\$0.00
CS44000115	\$9,361,000	\$1,872,200	\$374,440.00	\$374,440.00	\$0.00	\$0.00		\$0.00	\$9,361,000.00	\$1,872,200.00	\$0.00	\$0.00	\$0.00
CS44000116	\$8,962,000	\$1,792,400	\$358,480.00	\$329,748.60	\$28,731.40	\$0.00		\$0.00	\$8,962,000.00	\$1,792,400.00	\$0.00	\$0.00	\$0.00
CS44000117	\$8,892,000	\$1,778,400	\$355,680.00	\$0.00	\$355,680.00	\$0.00		\$0.00	\$8,892,000.00	\$1,778,400.00	\$0.00	\$0.00	\$0.00
TOTALS	\$283,948,740	\$51,526,828	\$11,357,949.60	\$7,124,382.20	\$384,411.40	\$3,849,156.00	\$2,195,364.03	\$1,653,791.97	\$283,948,740.00	\$51,526,842.60	\$0.00	-\$14.60	-\$14.60

Community	RIPDES #	Project Name/Number	*SFY19 Estimated PPL COST (\$)	SFY19 Project Cost (\$)	Funded w/Available Cap Grant	Funded w/Available State Match (\$)	Funded w/Repayment and/or Leveraged Funds (\$)
Bristol	RI0100005	WWTF RBCs & Misc. Improvements	\$ 1,900,000	\$ 1,865,000	\$ -	\$ -	\$ 1,865,000
Bristol	RI0100005	Replacement of Misc. Compost Equipment	\$ 300,000	\$ 260,000	\$ -	\$ -	\$ 260,000
Bristol	RI0100005	Sewer System Repairs (Includes Leahy & Sowams & Fairview)	\$ 50,000	\$ 95,000	\$ -	\$ -	\$ 95,000
Bristol	RI0100005	Inflow Source Removal/Pilot Area Flow Metering	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 50,000
East Greenwich	RI0100030	Wastewater Treatment Plant Upgrades	\$ 4,200,000	\$ 4,200,000	\$ -	\$ -	\$ 4,200,000
Johnston	RIR040008	Sewer Pump Station Replacement/Repair - Various	\$ 750,000	\$ 750,000	\$ -	\$ -	\$ 750,000
Johnston	RIR040008	Sewer Line Replacement - Various	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 250,000
Johnston	RIR040008	Stormwater Line Replacement in accordance with MS4	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 250,000
NBC	RI0100315	Phase III CSO Facilities 1304 High Street Demolition	\$ 450,760	\$ 300,000	\$ -	\$ -	\$ 300,000
NBC	RI0100315	Phase III CSO Facilities OF 205 Facilities	\$ 23,345,789	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	FPWWTF New Maintenance Facilities	\$ 6,478,000	\$ 500,000	\$ -	\$ -	\$ 500,000
NBC	RI0100315	Phase III CSO Facilities - OF 218 Facilities	\$ 21,697,313	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	Phase III A CSO Facilities Design	\$ 74,000,000	\$ 15,850,000	\$ 9,699,300	\$ 2,155,400	\$ 3,995,300
NBC	RI0100315	Phase III CSO Facilities Phase B	\$ 28,500,000	\$ 200,000	\$ -	\$ -	\$ 200,000
NBC	RI0100315	Phase III CSO Facilities Dexter Street Parking Lot GSI †	\$ 603,750	\$ 600,000	\$ 148,648	\$ -	\$ 451,352
NBC	RI0100315	Phase III CSO Facilities GSI Projects	\$ 8,331,750	\$ 6,000,000	\$ -	\$ -	\$ 6,000,000
NBC	RI0100315	Phase III CSO Facilities GSI Demonstration Project †	\$ 3,622,500	\$ 3,000,000	\$ 743,241	\$ -	\$ 2,256,759
NBC	RI0100072	Phase III CSO Facilities BPWWTF Clarifiers and Flow Splitting	\$ 11,723,615	\$ 10,350,000	\$ -	\$ -	\$ 10,350,000
NBC	RI0100315	Phase III CSO Facilities - OF 217 Facilities	\$ 4,639,361	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	NBC CSO Interceptors Rehabilitation	\$ 6,484,000	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100072	Phase III CSO Facilities BPWWTF Polymer System	\$ 241,500	\$ 200,000	\$ -	\$ -	\$ 200,000
NBC	RI0100315	Phase III CSO Facilities OF 210/213/214 Facilities	\$ 28,244,555	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	RIPDES Compliance Improvements	\$ 1,551,000	\$ 200,000	\$ -	\$ -	\$ 200,000
NBC	RI0100315	Phase III CSO Facilities Regulator Modifications	\$ 1,628,765	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
NBC	RI0100315	Phase III CSO Facilities - Pawtucket Tunnel & Pump Station Cavern	\$ 261,454,784	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	Phase III CSO Facilities Tunnel P.S. Fit-out	\$ 63,427,555	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	Improvements to Interceptors - FY 2017	\$ 1,570,840	\$ 200,000	\$ -	\$ -	\$ 200,000
NBC	RI0100315	IM Facilities	\$ 6,425,000	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	Louisquisset Pike Interceptor Replacement	\$ 4,594,000	\$ 800,000	\$ -	\$ -	\$ 800,000
NBC	RI0100315	Providence River Siphon Rehabilitation	\$ 6,922,000	\$ 500,000	\$ -	\$ -	\$ 500,000

NBC	RI0100315	Inspection and Cleaning of CSO Interceptors	\$ 3,608,000	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	NBC System-Wide Facilities Planning	\$ 386,000	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	NBC Easement Restoration - BVI Wetlands	\$ 194,000	\$ 100,000	\$ -	\$ -	\$ 100,000
NBC	RI0100315	Moshassuck Valley Interceptor Replacements	\$ 7,035,000	\$ 3,500,000	\$ -	\$ -	\$ 3,500,000
NBC	RI0100072	BPWWTF UV Disinfection Improvements	\$ 5,726,000	\$ 500,000	\$ -	\$ -	\$ 500,000
NBC	RI0100315	Municipal Sewer Acquisition Impact	\$ 296,000	\$ 100,000	\$ -	\$ -	\$ 100,000
Pawtucket	RIR040024	Green Stormwater Infrastructure in TOD District †	\$ 750,000	\$ 750,000	\$ 185,811	\$ -	\$ 564,189
Smithfield	RI0100251	Stillwater Interceptor Upgrade Project	\$ 1,250,000	\$ 900,000	\$ -	\$ -	\$ 900,000
Warwick	RI0100234	Bayside Tidewater Interceptor & Lateral Sewers	\$ 22,000,000	\$ 8,875,000	\$ -	\$ -	\$ 8,875,000
Warwick	RI0100234	East Natick III / O'Donnell Hill Sewer Extension	\$ 1,600,000	\$ 100,000	\$ -	\$ -	\$ 100,000
Warwick	RI0100234	Northwest Gorton Pond Sewer Project: WSA Contract #88	\$ 5,400,000	\$ 275,000	\$ -	\$ -	\$ 275,000
Warwick	RI0100234	Governor Francis Farms III Sewer Project: WSA Contract #85B	\$ 5,700,000	\$ 50,000	\$ -	\$ -	\$ 50,000
Warwick	RI0100234	Misc. Facility & Process Improvements	\$ 2,400,000	\$ 100,000	\$ -	\$ -	\$ 100,000
Total Rated			\$ 1,144,785,197	\$ 63,670,000	\$ 10,777,000	\$ 2,155,400	\$ 50,737,600

Not Rated - Project Already Funded/Under Construction/Completed

Community	Project Name/Number	* SFY19 Estimated PPL COST (\$)	FY15 Project Cost (\$)	Funded w/Available Cap Grant	Funded w/Available State Match (\$)	Funded w/Repayment and/or Leveraged Funds (\$)
NBC	RI0100315	FPWWTF Blower Improvements - Phase II	\$ 9,284,704	\$ 100,000	\$ -	\$ 100,000
Total Non-Rated:			\$ 98,367,329	\$ 100,000	\$ -	\$ 100,000
**Total Projects on Project Priority List SFY19			\$ 1,243,152,526	\$ 63,770,000	\$ 10,777,000	\$ 2,155,400

† Qualifies for Green Project Reserve.

** All projects not shown. Projects shown are expected to be funded w/2018 Capitalization Grant and other available RIIB funds