

- D. The project owner not able to execute financing agreements or begin construction **within one year** of VDH’s award letter.
- E. Need to obligate funding to meet EPA/Program goals:
 - a. 15% goal to Small Communities (population less than 10,000),
 - b. 20% minimum/50% maximum for Additional Subsidization,
 - c. Other equivalency requirements under the EPA grant.
- F. Detailed project evaluation uncovers information previously unknown or not considered; or level of the required documentation is insufficient to proceed with the decision process. An example is the required prescreening for technical, financial, and managerial capability of an owner may disclose information that would prevent offering a loan to an owner.
- G. A project has secured adequate funding elsewhere.
- H. The owner withdraws the project; project will be identified as “withdrawn”.
- I. The owner is not making sufficient progress on an existing project(s), planning grant(s), or other FCAP activity(ies).
- J. The owner has not completed/closed out an existing project(s), planning grant(s), or other FCAP activity(ies); To promote readiness to proceed ODW may not be offering funding to any waterworks owner with more than two open/incomplete DWSRF projects.
- K. The owner is considered in default with regard to obligations under existing loans. This includes and is not limited to informational requirements to VRA; or federal or state debarment.
- L. The owner has initiated construction activities without complying with program requirements.
- M. The project scope, benefits, circumstances, or intent have been or will be changed causing the project to no longer serve its intended purpose; or any changes that would result in a reduced project score and priority ranking.

VDH reserves the right to reconsider by-passed projects for future allocations. The owner of a by-passed project is eligible to re-apply for future allocations based upon their submittal of another application and in competition with all applicants for that year. All waterworks whose project has been by-passed will receive assistance needed to prepare future applications, if requested and if program requirements can be met. VDH reserves the right to reimburse completed work (e.g., investigation, planning and design, and/or preconstruction costs) of by-passed projects or projects that can’t proceed to construction out of 15% set aside funds at its discretion if the owner has made progress in good faith.

X. CRITERIA UTILIZED IN PRIORITIZING CONSTRUCTION PROJECTS

In March 2023, the DWSRF Program updated the construction application scoring system changing it from a **Tiered System** to a system based on **Total Points**. Under the previous Tiered System, projects designated as resolving an Acute Health Issue would always be ranked the highest and they would only compete with other projects in this Acute Health category. Then, the Projects in the Chronic Health category would be next, followed by Public Health, followed by projects designated as Other. Using this methodology, the program ensured that all eligible projects would be ranked according to Acute Health, Chronic Health, Public Health, and Other (in that order) to ensure that the most urgent health issues were prioritized. Using a Tiered System, however, a project in the Acute Health Category which may be at the top of our Project Priority List (PPL), may not have the highest total points.

To make the scoring system clearer, the DWSRF Program is now using a system based on **Total Points only**. The milestones reviewing these applications still remains the same: (1) the Application must be received by the deadline; (2) the Application must be complete, and the proposed scope of work must be an eligible activity; (3) then the DWSRF Program will review the Application using the new scoresheet titled the “Project Selection Scorecard DWSRF and BIL.” **Below is a copy of this Scorecard.** Please note that the majority of points are still awarded for Acute Health Priorities first, Chronic Health Priorities second, Public Health Projects third, followed by Other Considerations. This way, the program will continue to ensure that the most urgent health issues are prioritized. At the bottom of the Scorecard, there is a section that indicates that the Maximum Possible Score is **7,876 points** which will ultimately be converted to a Percent Score (0 to 100 percent). With this new Scoring System, the construction applications will be ranked by **Total Points Awarded** from highest to lowest.

For Construction Applications where FCAP staff have reviewed the application (and supporting documentation) and determined that the proposed scope of work should resolve a documented Acute or Chronic Health issue, the applicant will receive points under “Section I – SDWA Compliance” on the Project Selection Scorecard. Applicants receiving points under “Section I – SDWA Compliance” will receive a funding offer. The funding terms for this offer will be determined by the FCAP Director.

LEAP projects are scored independently. See Appendix D.

Project Selection Scorecard DWSRF and BIL

APPLICANT NAME:

REVIEWER:

PROJECT NAME:

FY:

Points can only be awarded if the project addresses a documented need. In situations where the waterworks wants to do a project but have no documented need, points should not be awarded. Documentation would include NOV's, enforcement actions/letters, sanitary survey requirements, documented leaks, documented break data, documented problems, etc.

Project Category (Indicate Health or Other)	
Is applicant eligible for funding? (Indicate Yes or No)	
Are all required attachments provided? (Indicate Yes or No)	
Has the owner submitted multiple applications this funding year? (Indicate Yes or No)	
If multiple applications, does one project depend upon obtaining funding for the other? (Indicate Yes or No) If yes, please identify the other project(s)	

Section I - SDWA Compliance (Maximum Possible Score = 3,960 points)	Points Available	Points Awarded
Acute Health Priority - Formal Enforcement Actions or Commissioner's Letter	550	
SWTR Violations/GUDI	510	
Persistent TCR, Nitrate	510	
Continuing Boil Water Notice	510	
Chronic Health Priority - Formal Enforcement Actions or Commissioner's Letter	500	
Persistent PMCL Violations (VOC, SOC, IOC, RAD, etc.)	460	
Pb & Cu Action Levels	460	
Priority System (i.e., ETT score ≥11)	460	
Section II - Public Health Projects (Maximum Possible Score = 3,830 points)		
<u>A Infrastructure Improvement for Cross Connection Reduction and Public Health Improvement</u>		
Reduce Water Loss and increase accountability. Leakage noted as percent ranges, leak rate must be documented, project must be addressing the water loss to award these points: (water loss points are not additive, boil water notice and meter points ARE additive)		
0% to ≤ 10% Loss	0	
Didn't provide leakage data but provided maintenance records of leaks repaired	110	
>10% to ≤30%	110	
>30% to ≤50%	200	
>50% loss and above	300	
Precautionary Boil Water Notice for Pressure Loss	150	
Adding 1 st time meters to system	150	
Provide adequate storage capacity or tank repair/rehab	300	
Replacing waterline with lead joints	110	
Replacing asbestos cement waterline	110	
Add a generator for backup power	200	

B Water Regulation Compliance		
Ensure drinking water receives appropriate treatment	400	
Provide adequate pressure (documented by Notice of Violation, Significant Deficiency or hydraulic model)	200	
Resolving conditions of inadequate quality and quantity of a water source	200	
● Enforcement Targeting Tool (ETT) health based score ≥ 5 and < 11	200	
● Preventing or resolving aesthetic problems such as taste, odor, or discoloration of water	200	
● Inadequate individual home water supplies with supporting data/evidence***	500	

***To be designated as a priority water line extension in the Public Health category (i.e. additional 250 points in Other Considerations) $\geq 50\%$ of the potential residential connections in the proposed project area must be sampled for e-coli and/or have issues documented (i.e. inadequate individual supplies, failing wells, documented contamination when compared to a Primary Maximum Contaminant Level, water hauling, etc.)

- For extensions that would serve 50 or more individual connections: at least 25% of those sampled/investigated must be e-coli positive and/or have a documented issue.
- For extensions that would serve less than 50 individual connections: at least 50% of those sampled/investigated must be e-coli positive and/or have a documented issue

C. Regionalization (consolidation of non-complying waterworks - pick 1. NOT additive)		
Taking over, or providing water service to, customers of an abandoned waterworks.	300	
Consolidation of multiple non-complying waterworks	200	
Consolidation of one non-complying waterworks	110	
Consolidation or interconnection of complying waterworks	110	
Service to areas with individual homes having quality/quantity problems	200	
PWS Created (Indicate Yes or No)		
PWS Eliminated (Indicate Yes or No)		
PWS Created/Eliminated Comments:		
Section III – Other Considerations (Maximum Possible Score = 86 points)		
Affordability (Points are not additive)		
<\$30,000 MHI	15	
\$30,000 \leq MHI \leq \$37,000	12	
\$37,001 \leq MHI \leq \$45,000	10	
\$45,001 \leq MHI \leq \$54,000	8	
\$54,001 \leq MHI \leq \$66,000	6	
MHI > \$66,001	0	
Average Water Rates as % of MHI		
Avg Water Rate $\geq 1\%$ MHI	5	
Avg Water Rate < 1% MHI	0	
Environmental Justice		
Climate and Economic Justice Screening Tool (CEJST) indicates project area disadvantaged	15	
Readiness to proceed (Points for user agreements are not additive, P&S points are not additive)		

User agreements/mandatory hookup ordinances - (# of signed user agreements) ÷ (# of potential users in project area) (must be >50%):		
0-50% - Application Incomplete	0	
51-79%	1	
80-100% or no user agreements required	2	
Engineering procurement has been submitted and approved	1	
Environmental Review accepted (by VDH, USDA-RD or DMME)	1	
PER, letter report, or design memo has been submitted, approved or waived	1	
Approved P&S / Construction Permit Issued	1	
A biddability review has been completed and approved by DWSRF	1	
P&S not required (supported by ODW Letter)	1	
Other Funds Available (Points are not additive)		
<5%	0	
5% to <10%	1	
10% to <15%	2	
15% to <20%	3	
≥ 20%	4	
Projected Cost per Connections Served (Points are not additive)		
<\$500/household	5	
\$500-\$2500/household	3	
\$2501-\$5000/household	1	
>\$5000/household	0	
Asset Management Plan (AMP)		
Waterworks has an AMP approved by VDH-ODW	20	
Proposed project is identified in VDH-ODW approved Asset Management Plan	10	
Green Project Reserve (Points are not additive)		
Green Project Reserve (Business Case must be presented) (% of construction cost)		
0-10%	0	
11-20%	1	
21-40%	2	
41-60%	3	
61-80%	4	
81-100%	5	
	Max. Possible Score	Total Points Awarded
TOTAL	7,876	0

Percent Score = 0.0%

10% construction contingency used? (Indicate Yes or No)	
(If bids have already been received contingency should equal 5% of actual construction costs)	
If no, calculate revised Total Project Cost (TPC) using 10%: Revised TPC =	

Initials Date

2nd reviewers Initials & Date:		
Project Team Leader Initials & Date:		
Final Reviewer Initials & Date:		