Attachment A: DWSRF Project Priority List Ranking Criteria

Nevada uses a ranking system to prioritize the order in which eligible projects will be financed¹¹. At least annually – following a statewide solicitation for projects – NDEP develops a statewide priority list of water projects. The priority list is a part of this IUP. Placement on the priority list does not guarantee that a project will be funded. However, only projects included on the priority list will be considered for possible funding. Any list, before it is adopted, must undergo the public review and comment process outlined in the regulations and must be approved by the Board for Financing Water Projects.

NDEP may revise the ranking of a project on an existing list at any time if new information affecting the ranking of the project becomes available. NDEP may revise a priority list to correct minor typographical or technical errors. NDEP does not need approval from BFWP or to hold a public participation workshop to make these corrections¹².

NDEP may bypass a water project on the priority list if it determines that the water project is not ready to proceed or the applicant for the project withdraws the project or fails to file a letter of intent. NDEP will notify systems bypassed on the list and provide an opportunity to object to the determination¹³.

If the scores for two or more projects are tied, ranking will be based on population, with the higher population given the higher ranking. Systems or projects that meet the definition of disadvantaged will receive an additional 25 points to arrive at the final score for the project.

Projects are ranked into the following four classes (listed in order of priority):

- 1. Acute health risks¹⁴
 - i) a concern regarding human health that occurs when exposure to a contaminant causes an immediate risk to human health and causes symptoms to occur quickly.
- 2. Chronic health risks¹⁵
 - a concern regarding human health that occurs when: (1) Short-term exposure to a contaminant does not cause an immediate risk to human health but may result in adverse, long-term health symptoms; or (2) Long-term exposure may cause adverse health symptoms to develop over a long period.
- 3. Infrastructure rehabilitation
 - obtaining and installation of any equipment, accessories or appurtenances during the life of a
 water project that are necessary to maintain the capacity and performance which the water
 project was designed to achieve, including major rehabilitation, repair or replacement of any
 capital or fixed assets of a water project.
- 4. Refinancing existing debt that qualifies under the DWSRF.

In each of the categories, projects are ranked by type of PWS, in the following order:

- 1. Community public water systems
- 2. Non-profit, non-transient, non-community water systems

¹¹ NAC 445A.67569

¹² NAC 445A.6757

¹³ NAC 445A.67573

¹⁴ NAC 445A.67513

¹⁵ NAC 445A.67521

3. Non-profit, transient, non-community water system

The priority list allows the intended use plan to outline additional projects within each class. ¹⁶ The following types of projects shall be added to each ranking class to the ranking criteria:

<u>Class I Acute:</u> Systems that have not received a written notice of violation for an acute contaminant exceedance but are actively addressing the increasing levels of an acute contaminant within their project to prevent a violation. **1 point**.

<u>Class II Chronic:</u> Systems that have not received a written notice of violation for a chronic contaminant exceedance but are actively addressing the increasing levels of a chronic contaminant within their project to prevent a violation. **1 point**.

<u>Class III Rehabilitation</u>: Projects that address the removal of lead transmission, distribution, or services lines, if it does not qualify for acute or chronic contamination. **1 Point**.

<u>Class III Rehabilitation:</u> Systems that are actively addressing climate change by introducing innovative technologies and systems that will reduce energy or water consumption, increase resiliency to natural or manmade disasters, reduce their dependency on fossil fuels, prevent erosion, increase reuse technology, or otherwise increase their reliability to sustain water distribution amid a changing climate. **1 point**.

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 be given an opportunity for any comments or objections. The Board for Financing Water Projects will add the project to the priority list at the same time it approves the loan commitment. The project must meet the definition of an emergency project¹⁷, the project must be ready to proceed faster than the normal process for funding, and the system must demonstrate a current response to the emergency.

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¹⁶ NAC 445A. 67569

¹⁷ NAC 445A.67527