

Attachment A: CWSRF Project Priority List Ranking Criteria

Nevada uses a ranking system to prioritize the order in which eligible projects will be financed⁷. On an annual basis – following a statewide solicitation for projects – NDEP develops a statewide priority list of 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 regulations⁸.

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 objection⁹. 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

⁷ NAC 445A.767

⁸ NAC 445A.768

⁹ NAC 445A.7675

- Treatment works necessary to eliminate documented public health hazards in sewer 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 sewer 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 unsewer communities with no public health hazards or water standards violations; or projects providing wastewater collection systems to unsewer portions of sewer 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 beneficial use was not met.
- (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 specifications 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 customer's 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:
 - Likelihood 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 (if eligible by federal requirements) are projects that include a component(s) that install improve green infrastructure as defined by EPA.