APPENDIX 1: RANKING CRITERIA FOR DWSRF PRIORITY LIST AND BYPASS PROCEDURES

Ranking Criteria for DWSRF Priority List

1. EC Priority Type

a. PFAS - 60 points

In describing eligible uses of the EC grant funds, the BIL specifically states that the funds shall be used to address ECs with a focus on PFAS. To align with the Congressional intent of these funds, projects that address PFAS will receive 60 points.

b. Manganese above secondary standard of 0.05 mg/L - 40 points

Manganese is a known contaminant in many of Montana's drinking water sources. In 1979, EPA established a secondary standard (i.e., SMCL) for manganese of 0.05 mg/L citing aesthetic and corrosion-related issues. In 2004, the EPA established a health advisory (HA) limit for manganese of 0.3 mg/L and cited health effects related to the nervous system with specific concerns regarding potential neurological effects. In 2021, the State of Montana issued guidance regarding manganese setting a health-based guideline of 0.1 mg/L for children ages 6 and under. Based upon this history, projects to address drinking water sources that have manganese concentrations above the secondary standard of 0.05 mg/L will receive 40 points.

c. Emerging contaminants, other than manganese, that exceed the secondary standard, health advisory, or state-specific standard - 10 points

Maximum points are awarded if the EC (CCLs 1 - 5) being addressed by the project (other than manganese) has a concentration above the secondary standard (i.e., SMCL), health advisory, or state-specific standard, as applicable.

d. Known emerging contaminant - 5 points

A project that is addressing an EC (CCLs 1-5) that does not fall into any of the other EC Priority Type categories above will receive 5 points.

2. Disadvantaged Community Status – 30 points

Maximum points are awarded to a community if the community, or a specific area in the community where construction for the project is taking place, meets the state criteria for being disadvantaged as discussed in Section 6.0.

3. Readiness to Proceed – 30 points

Maximum points are awarded if the project plans and specifications have been approved by DEQ or the project is scheduled to start within the next 18 months.

4. Construction of a regional public water supply that would serve two or more existing public water supplies - 10 points.

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Regionalization would increase the technical, managerial and/or financial capacity of the overall system and would result in some improvement to public health when ECs are addressed.

DWSRF Priority List Bypass Procedures

If it is determined by DEQ that a project or projects are not ready to proceed or that the project sponsors have chosen not to use the DWSRF funds, other projects may be funded in an order different from that indicated on the priority list. If DEQ chooses to bypass higher ranked projects, it should follow the bypass procedure.

The bypass procedure is as follows:

- 1. DEQ shall notify all projects which are ranked higher than the proposed project on the DWSRF priority list unless it is known that a higher project will not be using DWSRF funds.
- 2. The notified water systems shall have 15 calendar days to respond with any objections they may have to the funding of the lower ranked project.
- 3. DEQ shall address, within a reasonable time period, any objections received.

Emergency Bypass Procedures

If DEQ determines that immediate attention to an unanticipated failure is required to protect public health, a project may be funded with DWSRF funds whether the project is on the DWSRF priority list. DEQ will not be required to solicit comments from other projects on the priority list regarding emergency funding.

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