

Intended Use Plan

State Revolving Fund (SRF) Clean Water and Drinking Water - State Fiscal Year 2026

Approved by Board of Environmental Quality 06/18/2025, Revised 06/23/2025.



State of Idaho
Department of Environmental Quality

June 18, 2025



Cover photo taken in Glenns Ferry by Tara Kleffner

Prepared by

MaryAnna Peavey, CPM
Grants & Loans Bureau Chief
Idaho Department of Environmental Quality
Drinking Water Protection and Finance Division
1410 N Hilton
Boise, Idaho 83706



Printed on recycled paper, DEQ April 2025, PID 9302, CA code 82041. Costs associated with this publication are available from the State of Idaho Department of Environmental Quality in accordance with Section 60-202, Idaho Code.

Table of Contents

1	Executive Summary	5
2	Introduction	5
	Program Goals.....	6
3	Funding Sources and Uses	8
3.1	CWSRF Base and BIL Supplemental Sources and Uses.....	8
3.2	DWSRF Base and BIL Supplemental Sources and Uses	10
3.3	Assistance Agreement Fees.....	12
3.4	State Matching Funds and Federal Payments.....	13
3.5	Administrative Costs and Technical Assistance Allowances	14
3.5.1	CWSRF Base and BIL Supplemental Set-Asides	14
3.5.2	DWSRF Base and BIL Supplemental Set-Asides.....	15
3.5.3	DWSRF BIL DWSRF Emerging Contaminants	16
3.5.4	DWSRF Lead Service Lines Supplemental Set-Asides	17
3.5.5	Unused Set-Asides	17
3.6	Transfers Between State Revolving Funds	17
3.7	Principal Forgiveness	17
4	Criteria and Method for Distribution of Funds.....	18
4.1	Priority Rating System	18
4.1.1	Public Review and Comment.....	19
4.2	Fundable Projects	19
4.3	Invitation to Apply	20
4.3.1	Bypass Procedures.....	20
4.4	Disbursements.....	20
5	Eligible Activities	20
5.1	CWSRF Construction Assistance Agreements	21
5.2	DWSRF Construction Assistance Agreements.....	21
5.2.1	Green Project Reserve Goals	21
5.3	Emergencies	21
5.4	Emerging Contaminants	22
5.5	BIL Lead Service Line Replacement	23
5.6	DWSRF Reduction of Lead and Copper Exposure	23
5.7	Facility Planning Grants	23
5.8	CWSRF Septic Tank Replacement.....	24
5.9	CWSRF Nonpoint Source Sponsorship Agreements.....	25
6	Assurances and Specific Proposals	25
6.1	Environmental Reviews	25

6.2	Timely and Expeditious Expenditures	26
6.3	State Laws and Procedures	26
6.4	National Reporting Requirements.....	26
6.5	Binding Commitments	27
6.6	Consistency with Planning.....	27
6.7	Qualifications Based Standards for Selection of Professional Service Providers.....	27
Attachment I. Fundable List of Clean Water Loan Projects		28
Attachment II. Fundable List of BIL Clean Water Emerging Contaminants Projects		29
Attachment III. Fundable List of Drinking Water Loan Projects		30
Attachment IV. Fundable List of BIL Drinking Water Emerging Contaminants Projects		33
Attachment V. Fundable List of BIL Lead Service Line Replacement Projects.....		34
Attachment VI. Priority List of Clean Water Loan Projects.....		35
Attachment VII. Priority List of BIL Clean Water Emerging Contaminants Projects.....		39
Attachment VIII. Priority List of Drinking Water Loan Projects		40
Attachment IX. Priority List of BIL Drinking Water Emerging Contaminants Projects		44
Attachment X. Priority List of BIL Lead Service Line Replacement Projects.....		46
Attachment XI. Priority List of Wastewater Planning Grants		47
Attachment XII. Priority List of Drinking Water Planning Grants		49
Attachment XIII. Legislative Supplemental Funding Ranking and Priority List		51
Attachment XIV. Description of Disadvantaged Assistance		57
Attachment XV. Listing of Capitalization Grants—Reference for Potential Transfers Between Funds.....		59
Attachment XVI. CWSRF Priority Rating Criteria		61
Attachment XVII. DWSRF Priority Rating Criteria		63
Attachment XVIII. Decision-Making Strategy for Fundable Versus Non-Fundable Portions of the Priority List.....		66
Attachment XIX. Public Notification and Involvement Strategy.....		67
Revision Log		68

List of Tables

Table 1. CWSRF Sources and Uses Table	9
Table 2. BIL Clean Water Emerging Contaminants Sources and Uses Table	10
Table 3. DWSRF Sources and Uses Table	11
Table 4. BIL Drinking Water Emerging Contaminants Sources and Uses Table	12
Table 5. BIL Drinking Water Lead Service Line Replacement (LSLR) Sources and Uses Table.....	12
Table 6. Example of EPA Payment Schedule CWSRF	14
Table 7. SFY 26 CWSRF Principal Forgiveness	18
Table 8. SFY 26 DWSRF Principal Forgiveness	18
Table 9. DWSRF Grants VS DWSRF and CWSRF Demand	60

1 Executive Summary

The State of Idaho, Department of Environmental Quality (DEQ) provides construction funding through the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) loans to qualified applicants through a competitive ranking process.

IMPORTANT INFORMATION FOR ALL READERS

As of the drafting this year's IUP for DEQ Board approval, the federal allotments for the State Revolving Fund (SRF) programs for State Fiscal Year 2026 (Federal Fiscal Year 2025) have been published. However, DEQ still has outstanding grants from Environmental Protection Agency (EPA) from State Fiscal Year 2025. Due to the uncertainty of when these funds will be received, DEQ will not issue loans on the fundable list until the EPA funds are secured. The program will continue to work closely with the applicants. DEQ will fund projects based on priority and readiness to proceed.

CWSRF and DWSRF funding is available to the highest-ranking, shovel ready applicants as shown in state fiscal year (SFY) 2026 fundable lists below:

- [*Attachment I. Fundable List of Clean Water Loan Projects*](#)
- [*Attachment II. Fundable List of BIL Clean Water Emerging Contaminants Projects*](#)
- [*Attachment III. Fundable List of Drinking Water Loan Projects*](#)
- [*Attachment IV. Fundable List of BIL Drinking Water Emerging Contaminants Projects*](#)
- [*Attachment V. Fundable List of BIL Lead Service Line Replacement Projects*](#)

Planning Grant Priority Lists:

- [*Attachment XI. Priority List of Wastewater Planning Grants*](#)
- [*Attachment XII. Priority List of Drinking Water Planning Grants*](#)

2 Introduction

DEQ has developed this Intended Use Plan (IUP) for both CWSRF and DWSRF SFY 2026 (7/1/2025, through 6/30/2026). The purpose of this IUP is to provide detailed information of the sources and proposed uses of the funds available to Idaho's CWSRF and DWSRF programs and simultaneously satisfy the requirements of the Clean Water Act (CWA) Section 606c and the Safe Drinking Water Act (SDWA) Section 1452(b). This IUP also contains information regarding the sources and uses of the SRF funding through the Bipartisan Infrastructure Law

(BIL) also known as the Infrastructure Investment and Jobs Act (IIJA). For the purpose of this document, it will only be referenced as BIL.

Program Goals

DEQ's long-term, basic goals for both CWSRF and DWSRF (unless otherwise noted) are as follows:

1. Assist local communities as they strive to achieve and maintain statewide compliance with federal and state standards.
2. Protect public health and the waters of the state by offering financial assistance for the construction of drinking water and wastewater treatment facilities or other projects providing direct water quality benefits. Financial assistance consists of below-market-rate interest on assistance agreements and may include principal forgiveness for disadvantaged communities.
3. Monitor the disparity and evaluate the impact of transferring money between the CWSRF and DWSRF and use transfers between the two funds to balance funding with relative need. [Section 3.5](#) and [Attachment XV](#) further discuss transfers.
4. Administer Idaho's SRF account to ensure its financial integrity, viability, and revolving nature in perpetuity. DEQ will continue to strive to ensure the viability of the fund by: (1) generally applying a minimum interest rate above 0%; (2) applying a 0.25% higher interest rate for assistance agreements that are repaid in 30 years; and (3) conscientiously underwriting all loans.
5. Comply with all Environmental Protection Agency (EPA) grant conditions (e.g., Davis Bacon, Green Project Reserve, American Iron and Steel, and Build America Buy America).
6. **DWSRF Specific:** Implement a capacity development strategy. The capacity development program is to assist public drinking water systems in improving or optimizing their technical, managerial, and financial framework so they can sustainably provide safe drinking water to their customers in a cost-effective manner.
7. **DWSRF Specific:** Implement a source water assessment and protection strategy. The goal is supported through assessing public drinking water sources, developing source water assessments for PWS, promoting and supporting source water protection planning and implementation, and providing tools, education, technical assistance and subawards to support the implementation of source water protection strategies.

DEQ's short-term, basic goals for both CWSRF and DWSRF (unless otherwise noted) are as follows:

1. Ensure that current capitalization funding is disbursed to projects in a timely manner. This will be accomplished by using initial capitalization dollars prior to repayment funds, whenever practical.
2. Ensure that the floor of the capitalization grant (20% of CWSRF and 26% of DWSRF) and 49% of the BIL grant are provided as loan subsidy. See [Section 3.6](#) for subsidy information. Ensure transparent tracking of fee revenues and expenditures while developing clear rules, policies, and procedures related to a maturing fee structure. Financial statement disclosure has continued to change to meet State Legislative Service Office and EPA concerns over disclosure adequacy. In the absence of generally accepted accounting principles for non-primary government units, DEQ has chosen a limited, core financial statement disclosure approach.
3. Fully utilize a cradle-to-grave assistance agreement checklist, implemented through the new Loan and Grant Tracking System comprehensive SRF software program. The software is expected to achieve reporting efficiencies and better manage the SRF funds with long-term forecasting, and reduce duplicate data entry. The software was purchased with a mix of DWSRF and CWSRF assistance fees.
4. Continue efforts to explore and plan for the SRFs to implement leveraging through the Idaho State Bond Bank.
5. Implement BIL's Emerging Contaminants grant program and Lead Servicing Line Funding.
6. Monitor and take necessary actions to ensure the annual capitalization grant and set-asides are spent within two years in accordance with EPA's policy. Set-aside funds may be transferred into the loan fund, if it appears that the set-aside funds will not be disbursed within two years.
7. Continue to implement funding for emergencies.
8. **DWSRF Specific:** Use a competitive process to provide a portion of the source water set-aside funding to local governments and nonprofit organizations for the implementation of source water protection activities. This will be accomplished through the use of sub-grants to promote, plan and implement source water protection activities and education outreach. The highest-rated projects that are selected for funding will be able to apply for grant funding. DEQ staff starts at the top of the Priority Lists and continues to select projects until all the available funds are obligated.

3 Funding Sources and Uses

In carrying out the requirements of the CWA and SDWA, DEQ will use accounting, audit, and fiscal procedures conforming to generally accepted governmental accounting and auditing standards. The sources of funding identified in this IUP include the following:

- Federal fiscal year (FFY) 2025 CWSRF and DWSRF Capitalization grants,
- FFY2025 CWSRF and DWSRF BIL General Supplemental grants,
- FFY2025 CWSRF and DWSRF BIL Emerging Contaminants grants.
- FFY2023 DWSRF BIL Lead Service Line Replacement grant.
- Cash and investment holdings (where applicable)
- SFY 2026-29 Loans and receivables (where applicable)
- SFY 2026-29 Income on cash and investments (where applicable)
- State matching funds.

3.1 CWSRF Base and BIL Supplemental Sources and Uses

Estimation of CWSRF net resources and uses for SFY 2026 can be seen below in Table 1 and Table 2. Key assumptions used to develop estimated CWSRF resources include:

- Projects take on average, 30 months to construct and close from the date of assistance agreement signing.
- DEQ will use the Total Resources amounts for the next 27 months to support conservative cash flow projections.
- New assistance agreement will be limited to the Net Resources Available to Provide Assistance shown in Tables 1 and 2.
- Projections are made quarterly. The next projection is scheduled to be made on September 18, 2025. The September 18, 2025 projection may be preempted if a future assistance agreement materially alters the amount available for assistance.
- Recycled Funds are being set aside to help complete ARPA projects that are facing budget shortfalls due to higher than expected bids for labor and materials, and that have no capacity to take on debt or additional federal requirements.

Table 1. CWSRF Sources and Uses Table

Sources of Funds	
Cash and Investment Holdings	\$ 73,916,605
EPA Capitalization Grant FFY 2024 (actual)	\$ 4,008,000
State Match from Water Pollution Control Account (remaining)*	\$ 3,240,219
EPA Capitalization Grant FFY 2025 (actual)	\$ 7,788,000
State Match from Water Pollution Control Account and Fee Account (100%)*	\$ 7,788,000
EPA BIL Supplemental Grant FFY 2025 (actual)	\$ 12,094,000
State Match from Water Pollution Control Account and Fee Account (20%)*	\$ 2,418,800
Loans Receivable SFY 2024 Mar-June (estimate)	\$ 6,379,275
Loans Receivable SFY 2025 (estimate)	\$ 47,083,270
Loans Receivable SFY 2026 (estimate)	\$ 25,019,807
Income on Cash and Investments SFY 2024 Mar-June (estimate)	\$ 630,667
Income on Cash and Investments SFY 2025 (estimate)	\$ 1,419,000
Income on Cash and Investments SFY 2026 (estimate)	\$ 1,419,000
Transfer from DWSRF	\$ -
Add Back: 5% Project Shrinkage**	\$ 5,472,631
TOTAL RESOURCES	\$ 198,677,274
Uses of Funds	
Current Remaining Assistance Agreement Obligations***	\$ 109,452,610
Recycled dollars reserved for project cost escalation	\$ 39,882,161
Set Asides	\$ 795,280
NET REMAINING RESOURCES	\$ 48,547,223
Breakdown of CWSRF Construction Loans	
Amount of Principal Forgiveness from Base Grant	\$ 1,557,600
Amount of Principal Forgiveness BIL Supplemental Grant	\$ 5,926,060
Total Principal Forgiveness	\$ 7,483,660
Percent Principal Forgiveness Base Grant	20%
Percent Principal Forgiveness BIL Supplemental Grant	49%
Estimated Amount of Green Infrastructure	\$ 10,403,000
Estimated Percent of Green Infrastructure****	44%

*See Section 3.4 State Matching Funds and Federal Payments

**Some projects will deobligate or self-finance thus reducing disbursement requests from CWSRF

***Assistance agreements in design/construction less disbursements and deobligations that have already occurred

****Percent of sum of FFY 2024 and FFY 2025 Cap Grants, and FFY 2025 BIL Supplemental Grant

Table 2. BIL Clean Water Emerging Contaminants Sources and Uses Table

Sources of Funds	
BIL CW Emerging Contaminants Grant FFY 2025	\$ 1,043,000
TOTAL RESOURCES	\$ 1,043,000
Uses of Funds	
Set Asides (4%)	\$ 41,720
Reserve for Increase Requests	\$ -
NET REMAINING RESOURCES	\$ 1,001,280
Breakdown of BIL Clean Water Emerging Contaminants Loans	
Amount of Principal Forgiveness From BIL Emerging Contaminants Grant	\$ 1,001,280
Percent Principal Forgiveness BIL Emerging Contaminants Grant	100%

3.2 DWSRF Base and BIL Supplemental Sources and Uses

Estimation of DWSRF net resources for SFY 2026 can be seen below in Table 3, Table 4 and Table 5. Key assumptions used to develop estimated DWSRF resources include:

- Projects take an average of 28 months to construct and close from the date of loan signing.
- New assistance agreements cannot exceed net available resources, ensuring obligations do not exceed the program's financial capacity shown in Tables 3-5.
- The next projection will be made on 3/1/2026.
- Recycled Funds are being set aside to help complete ARPA projects that are facing budget shortfalls due to higher than expected bids for labor and materials, and that have no capacity to take on debt or additional federal requirements.

Table 3. DWSRF Sources and Uses Table

Sources of Funds	
Cash and Investment Holdings	\$ 41,743,652
EPA Capitalization Grant FFY 2023 (actual)	\$ 3,407,220
State Match from Water Pollution Control Account*	\$ 987,600
EPA BIL Supplemental Grant FFY 2023 (actual)	\$ 11,235,846
State Match from Water Pollution Control Account *	\$ 1,521,709
EPA Capitalization Grant FFY 2024 (actual)	\$ 3,216,090
State Match from Water Pollution Control Account*	\$ 932,200
EPA BIL Supplemental Grant FFY 2024 (actual)	\$ 15,859,650
State Match from Water Pollution Control Account*	\$ 4,597,000
EPA Capitalization Grant FFY 2025 (actual)	\$ 10,906,000
State Match from Water Pollution Control Account (20%)*	\$ 2,181,200
EPA BIL Supplemental Grant FFY 2025 (if allocated)	\$ 24,898,000
State Match from Water Pollution Control Account (20%)*	\$ 4,979,600
Loans Receivable SFY 2024 Mar-June (estimate)	\$ 3,298,214
Loans Receivable SFY 2025 (estimate)	\$ 9,493,218
Loans Receivable SFY 2026 (estimate)	\$ 9,468,555
Income on Cash and Investments SFY 2024 Mar-June (estimate)	\$ 407,333
Income on Cash and Investments SFY 2025 (estimate)	\$ 1,222,000
Income on Cash and Investments SFY 2026 (estimate)	\$ 1,222,000
Transfer from CWSRF	\$ -
Add Back: 5% Project Shrinkage**	\$ 5,552,065
TOTAL RESOURCES	\$ 157,129,152
Uses of Funds	
Current Remaining Assistance Agreement Obligations***	\$ 107,121,305
Recycled dollars reserved for project cost escalation	\$ 8,805,661
Amount of DWSRF Construction Loans	\$ -
Set Asides (31%)	\$ 11,099,240
NET REMAINING RESOURCES	\$ 30,102,946
Breakdown of DWSRF Construction Loans	
Amount of Principal Forgiveness from Base Grant	\$ 2,835,560
Amount of Principal Forgiveness From BIL Supplemental Grant	\$ 12,200,020
Total Principal Forgiveness	\$ 12,035,580
Percent Principal Forgiveness Base Grant	26%
Percent Principal Forgiveness BIL Supplemental Grant	49%

*See Section 3.4 State Matching Funds and Federal Payments.

**Some projects will deobligate or self-finance thus reducing disbursement requests from DWSRF

***Assistance agreements in design/construction less disbursements and deobligations that have already occurred

Table 4. BIL Drinking Water Emerging Contaminants Sources and Uses Table

Sources of Funds	
BIL DW Emerging Contaminants Grant FFY 2025	\$ 7,640,000
BIL DW Emerging Contaminants Grant FFY 2022 (remaining)	\$ 302,200
BIL DW Emerging Contaminants Grant FFY 2023 (remaining)	\$ 305,600
BIL DW Emerging Contaminants Grant FFY 2024 (remaining)	\$ 366,100
TOTAL RESOURCES	\$ 8,613,900
Uses of Funds	
Set Asides (4%)	\$ 305,600
State Program Management Set Asides (10%)	\$ 764,000
Reserved for Encumbrances (City of Twin Falls and City of Roberts)	\$ 3,565,200
NET REMAINING RESOURCES	\$ 3,979,100
Breakdown of BIL Drinking Water Emerging Contaminants Loans	
Amount of Principal Forgiveness	\$ 8,613,900
Percent Principal Forgiveness	100%
Percent Funds to Small Systems or Disadvantage Communities	39.3%

Table 5. BIL Drinking Water Lead Service Line Replacement (LSLR) Sources and Uses Table

Sources of Funds	
BIL DW LSLR Grant FFY 2022 (remaining)	\$ 835,000
BIL DW LSLR Grant FFY 2023 (remaining)	\$ 22,633,500
TOTAL RESOURCES	\$ 23,468,500
Uses of Funds	
Reserve for Increase Requests	\$ 13,136,990
NET REMAINING RESOURCES	\$ 10,331,510
Estimated Principal Forgiveness of BIL Drinking Water LSLR Loans	
Amount of Principal Forgiveness From BIL LSLR Grant	\$ 4,473,872
Percent Principal Forgiveness BIL LSLR Grant	19%

3.3 Assistance Agreement Fees

To support administrative costs associated with operating the CWSRF and DWSRF programs, or to facilitate the operation of the SRF effort, a fee program has been instituted. The fee will be 1% of the unpaid balance of the assistance agreement (unless the grand total of the interest rate and fee is less than 1%, in which case the fee will be reduced), payable when the regular

repayments are made. Herein the term *effective interest* will be the sum of the fee and the true interest. The interest rate will be reduced by the corresponding percentage of the fee, so there is no net effect on borrowers.

For SFY 2025, the fee revenues for both the DWSRF and the CWSRF were \$ 1,586,437 as of April 2025, and for SFY 2026, the expected fee revenue should be approximately \$2,094,458. The fee cash account balance, at the end April 2025, was \$5,216,206. In SFY 2025, \$300,000 of fee revenues were used to fund CWSRF administrative and technical support costs incurred beyond the federal capitalization grant support level. Clean water fees support wastewater planning grants and operator training classes.

For SFY 2026, DEQ expects to expend approximately \$400,000 of DWSRF fee revenues. Approximately \$50,000 will be charged to support municipal wastewater planning grant efforts and \$350,000 will be used for administrative and technical support costs.

Support for wastewater and drinking water planning grants will include direct support to municipalities for their plan development and the DEQ staff time to administer the grant support. The DEQ personnel costs will be drawn from each regional office and the state office. In each regional office, the personnel charging against the fee account will be engineering staff to support wastewater and drinking water planning grants. In the state office, the personnel time will consist of financial and environmental review staff. Support for SRF administration may include capitalization grant match, software development, and contractual costs.

Surplus fee revenues will be transferred into the assistance agreement repayment account to increase available resources for assistance agreements. Surplus fees will earn the same interest as regular repayment idle monies and will be periodically transferred to the fund corpus. Should a cash flow deficiency arise in the fund corpus, surplus fees would be transferred ad hoc.

3.4 State Matching Funds and Federal Payments

Idaho's match for all capitalization grants is provided from funds that are drawn from the state Water Pollution Control Account and from the fee account, when necessary. The Water Pollution Control Account derives its funding from a set amount from the state sales tax or added, as otherwise appropriated, by the legislature and is perpetually appropriated to DEQ under [*Idaho Code Title 63 Chapter 36*](#).

CWSRF - DEQ agrees to deposit into the CWSRF from state monies an amount equal to 100% of the capitalization grant on or before the date on which the state receives each grant payment from EPA (see Table 6. EPA Payment Schedule). For the BIL match requirement, DEQ agrees to deposit into CWSRF from state monies an amount equal to 20% of the General Supplemental grant on or before the date on which the state receives each grant payment from EPA. No match is required for the BIL Emerging Contaminants funding. Matching funds will be transferred from Idaho's Water Pollution Control Account and/or the fee account. DEQ draws administrative funding from 100% federal funds.

Payments are defined as increases to the amount of funds available from the Automated Standard Application for Payments (ASAP). The payment schedule assumes that the FFY 2026

award will occur after 9/1/2025. Capitalization grant money for the “base” CWSRF grant and for the BIL, will be disbursed using the “expend the State Match First method.” After the State Match has been expended to projects, then the Federal grant funds will be disbursed at 100% Federal funds.

The Idaho CWSRF has cumulative binding commitments in excess of the amount required for the current capitalization grant. This allows for the entire Federal payment to be made in a timely manner.

DWSRF - DEQ agrees to deposit state monies into the DWSRF in an amount equal to 20% of the federal capitalization grant and 20% of the BIL General Supplemental grant on or before the date by which the State of Idaho receives the cash draw from EPA (see Table 6. EPA Payment Schedule as an example). These funds will be transferred from a combination of the state's Water Pollution Control Account and from the loan fee account. The FFY 2025 BIL supplemental grant requires a 20% match. There are no match requirements for the BIL Emerging Contaminants grant or the BIL LSL grant.

Table 6. Example of EPA Payment Schedule CWSRF

Quarter Ending	Payments	Total	Source
09/30/2025	\$2,004,000	\$2,004,000	FFY24 Cap Grant
12/31/2025	\$2,004,000	\$4,008,000	FFY24 Cap Grant

3.5 Administrative Costs and Technical Assistance Allowances

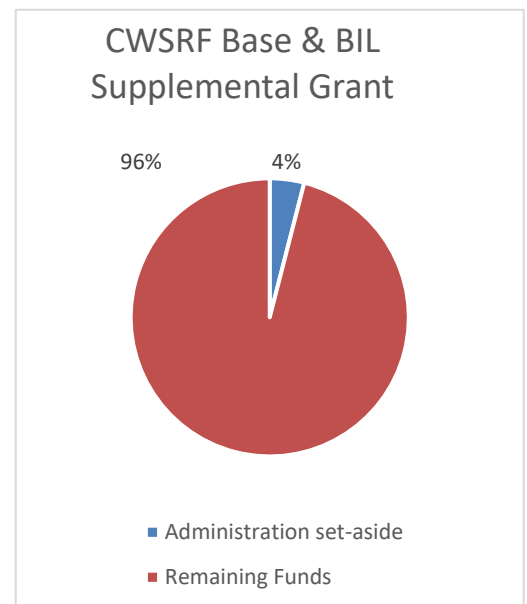
3.5.1 CWSRF Base and BIL Supplemental Set-Asides

The following set-asides are based on CWSRF federal grant awards for the capitalization grant and the general supplemental grant for a total of \$19,873,000.

4% Administration set-aside

DEQ plans to reserve four percent of the regular CWSRF capitalization grant and the BIL CWSRF General Supplemental grant for administrative expenses plus the amount of any fees collected for such a purpose. The amount that will be reserved for administrative expenses is \$311,520 from the base capitalization grant and \$483,760 from the BIL General Supplemental grant. The total amount for administrative expenses is \$795,280 DEQ also plans to reserve 4% percent of the BIL CWSRF Emerging

Contaminants grant for administrative expenses. The amount that will be reserved is \$41,720 for administrative expenses from FFY 2025 BIL CWSRF Emerging Contaminants grants. A workplan is not required for the 4% set-aside. DEQ will use this funding for activities that support utilization of this grant such as application reviews, environmental reviews, tracking and reporting, engineering reviews, etc.



2% Technical assistance set-aside

The amount that will be reserved for CWSRF technical assistance is \$0 from the base capitalization grant and CWSRF BIL supplemental grant. DEQ also plans to bank the two percent available for technical assistance. If that changes, DEQ will provide EPA for approval, a work plan that identifies the tasks and goals of the funding. No funds will be spent until EPA has approved a work plan.

3.5.2 DWSRF Base and BIL Supplemental Set-Asides

The following set-asides are based on federal grant awards for the capitalization grant and the general supplemental grant for a total estimated amount of \$35,899,000. If the grants are less or more, the set-aside amounts will be proportionately reduced or increased. Set-aside use requirements are outlined in the Code of Federal Regulations, 40 CFR 35.3535.

4% Administration set-aside

DEQ plans to utilize 4% or \$1,432,160 of the FFY 2025 capitalization grant (\$436,240) and BIL General Supplemental grant (\$995,920) for administrative expenses of the DWSRF. The 4% administrative set-aside does not require a work plan unless the funds are used for technical assistance. Activities for the administrative set-aside include, but are not limited to, preparation of project lists; reviews of applications, project monitoring, review of environmental documents, disbursement of loan funds, tracking and reporting, receipting of loan repayments; and general administration of activities funded from the DWSRF set-asides.

2% Technical assistance set-aside

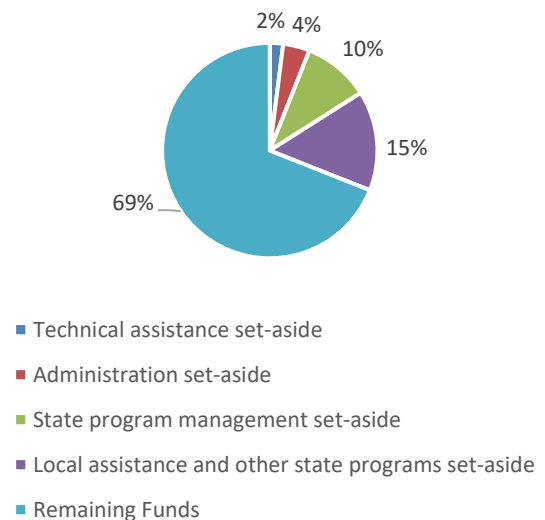
DEQ plans to utilize 2%, or \$716,080, of the FFY 2025 capitalization grant (\$218,120) and BIL General Supplemental grant (\$497,960) to provide technical assistance to small public water systems serving fewer than 10,000 people. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

10% State program management set-aside

DEQ plans to utilize 10%, or \$3,580,400, of the FFY 2025 capitalization grant (\$1,090,600) and BIL General Supplemental grant (\$2,489,800) to supplement the administration of the Drinking Water Bureau. DEQ anticipates using this funding to assist small and disadvantaged communities with lead service line inventories and other activities as detailed in the approved workplan. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

15% Local assistance and other state programs set-aside

FFY 2025 DWSRF Base and BIL Supplement grants



Source Water Protection - DEQ plans to utilize 10%, or \$3,580,400, of the FFY 2026 capitalization grant (\$1,090,600) and BIL General Supplemental grant (\$2,489,800) for source water protection. These funds will be used to assess public drinking water sources to characterize the water source, develop source water delineations, to identify and prioritize potential contaminant sources, and determine the source water area of contribution to its susceptibility to identified potential contamination sources; and provide the complete source water assessment to the pertinent public drinking water system. The source water assessments will also be shared with the Idaho Department of Water Resources to help them in the consideration of permitting and or approving UICs and managed aquifer recharge projects. The Source Water Assessments will also be promoted as a useful source of information for county and city commissioners and planning and zoning staff to use during land use and development decision making efforts.

In addition the funds will be used to assist with promoting, developing and implementing source water protection plans; working with PWS and communities to plan, develop and implement source water protection projects and activities; develop tools and resources to facilitate source water protection implementation efforts; and provide source water protection education, outreach, training, and technical assistance to owners and operators of public water systems, staff at local governments, schools, businesses, and the public. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

Capacity Development - DEQ plans to reserve 5%, or \$1,790,200, of the FFY 2025 capitalization grant (\$545,300) and BIL General Supplemental grant (\$1,244,900) for the implementation of the capacity development strategy. These monies will fund several capacity development tasks as detailed in the approved work plan. DEQ may utilize the additional funds to assist small and disadvantaged communities with lead service line inventories. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used. DEQ will utilize \$350,000 from this grant to pay for drinking water planning grants.

3.5.3 DWSRF BIL DWSRF Emerging Contaminants

The following set-asides are based on federal grant awards for the BIL DWSRF Emerging Contaminants grant for a total estimated amount of \$7,640,000. If the grants are less or more, the set-aside amounts will be proportionately reduced or increased. Set-aside use requirements are outlined in the Code of Federal Regulations, 40 CFR 35.3535.

4% Administration set-aside

DEQ plans to utilize 4% or \$305,600 of the FFY 2025 BIL DWSRF Emerging Contaminants (EC) grant for administrative expenses of the DWSRF. The 4% administrative set-aside does not require a work plan unless the funds are used for technical assistance. Activities for the administrative set-aside include, but are not limited to, preparation of project lists; reviews of applications, project monitoring, review of environmental documents, disbursement of loan funds, tracking and reporting, receipting of loan repayments; and general administration of activities funded from the BIL DWSRF EC set-asides.

10% State program management set-aside

DEQ plans to utilize 10%, or \$764,000, of the FFY 2025 BIL DWSRF EC grant for state program management. DEQ may use this set-aside for special (non-routine) PFAS monitoring. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

3.5.4 DWSRF Lead Service Lines Supplemental Set-Asides

DEQ will not be taking the FFY 2024 BIL LSL grant. The set-asides funds that DEQ will be using are from FFY 2023 BIL LSL grant and the amounts and usage are following SFY 2025 Intended Use Plan.

3.5.5 Unused Set-Asides

If the amount of funds reserved for the set-asides is not projected to be used by the end of the second year, or as agreed upon between EPA Region 10 and DEQ, the excess funds will be transferred into the loan corpus. When 2%, 4%, or 10% set-asides are transferred to the loan corpus, the amounts transferred may be considered as "banked" and if additional set-aside funds are needed in the future, the programs needing set-aside funds may draw upon these "banked" funds. However, the 15% set-asides (used for Source Water Protection and for Capacity Development) cannot be "banked."

3.6 Transfers Between State Revolving Funds

Should transfers become needed, DEQ reserves the right to transfer surplus funds originating back to FFY 1997 capitalization grant awards. See [Attachment XV](#) for listings of capitalization grants and related narratives. Per 40 CFR 35.3550, a state may reserve the authority to transfer funds in future years. Funds may be transferred on a net basis, provided that the 33% transfer allowance associated with the DWSRF program capitalization grants received is not exceeded. Only repayments will be used for transfers. Through SFY 2025, \$45 million in transfers will have been made from the DWSRF to the CWSRF. In SFY 2026, it is expected that there will be no transfers from CWSRF to the DWSRF or vice versa.

3.7 Principal Forgiveness

Communities that meet disadvantaged criteria, as established in IDAPA 58.01.12 Section 021, can qualify for a disadvantaged loan which may include principal forgiveness. The details of disadvantaged criteria are further described in [Attachment XIV](#). The proposed funding terms in the Fundable Lists will reflect principal forgiveness subsidy amounts shown in Table 7 and 8. The subsidy amounts reflect how DEQ plans to meet the minimum and maximum requirements of the SRF and BIL grants. At the time of drafting this IUP, it is unknown what the principal forgiveness requirements will be for the FFY2025 capitalization grants. DEQ did not want to identify specific amounts for communities only to have them potentially reduced. The criteria used remains unchanged.

Table 7. SFY 26 CWSRF Principal Forgiveness

Funding Source	Total Funding	Subsidy %	Subsidy Amount
CWSRF Base Grant	\$7,788,000	20.00%	\$1,557,600
BIL Supplemental	\$12,094,000	49.00%	\$5,926,060
BIL Emerging Contaminants	\$1,043,000	100.00%	\$1,001,280
Sub Total			\$8,484,940
Emergencies			(\$200,000)
Septic Tank Replacement			(\$150,000)
Net Available Subsidy			\$8,134,940

Table 8. SFY 26 DWSRF Principal Forgiveness

Funding Source	Total Funding	Subsidy %	Subsidy Amount
DWSRF Base Grant	\$10,906,000	26%	\$2,835,560
BIL Supplemental	\$24,898,000	49%	\$12,200,020
BIL Emerging Contaminants	\$8,613,900	100%	\$8,613,900
BIL Lead Service Line Replacement	\$23,468,500	19%	\$4,473,872
Sub Total			\$27,053,752
Emergencies			(\$1,000,000)
Reduction of Lead/Copper			(\$2,000,000)
Net Available Subsidy			\$24,053,752

4 Criteria and Method for Distribution of Funds

The following principles and procedures will be the basis for the administration, funding, allocation, and distribution of the CWSRF and DWSRF funding. The principles and procedures are designed to provide maximum flexibility for assistance and ensure the long-term viability of the revolving program.

4.1 Priority Rating System

Letters of interest are sent to all cities, counties, and water and sewer districts in the state. Completed letters of interest are reviewed and ranked by Bureau staff in collaboration with DEQ regional office staff. CWSRF projects are rated and ranked using the criteria shown in [Attachment XVI](#) and DWSRF projects are rated and ranked using the criteria shown in

[Attachment XVII](#). The results of the rating and ranking are used to develop the Priority Lists that are provided for public review and comment. The Priority Lists for FY 2026 are included in this IUP:

- [Attachment VI. Priority List of Clean Water Loan Projects](#)
- [Attachment VII. Priority List of BIL Clean Water Emerging Contaminants Projects](#)
- [Attachment VIII. Priority List of Drinking Water Loan Projects](#)
- [Attachment IX. Priority List of BIL Drinking Water Emerging Contaminants Projects](#)
- [Attachment X. Priority List of BIL Lead Service Line Replacement Projects](#)

4.1.1 Public Review and Comment

Projects on the IUP Priority Lists and Fundable Lists go through a review by the public in accordance with Idaho’s Administrative Procedures Act ([Idaho Code 67-52](#)) and are then reviewed and adopted by the Board of Environmental Quality. Public review and comment procedures are described in [Attachment XIX](#).

4.2 Fundable Projects

The highest-rated projects on the adopted Fundable Lists that are ready to proceed are selected for funding. DEQ staff starts at the top of the Priority Lists and continues to select projects ready to proceed until all the available funds are obligated. The criteria used in this process are described in [Attachments XVI and XVII](#).

The following Fundable Lists are included in this IUP:

- [Attachment I. Fundable List of Clean Water Loan Projects](#)
- [Attachment II. Fundable List of BIL Clean Water Emerging Contaminants Projects](#)
- [Attachment III. Fundable List of Drinking Water Loan Projects](#)
- [Attachment IV. Fundable List of BIL Drinking Water Emerging Contaminants Projects](#)
- [Attachment V. Fundable List of BIL Lead Service Line Replacement Projects](#)

In some cases, the project amount on the Fundable List may be less than the project amount on the Priority List. The Priority List amount is the estimate of the total project cost, while the costs on the Fundable List are the amount that project applicants expect to borrow from the SRF. In each case, the difference will be provided from some other source, such as cash on hand or a partner funding agency.

4.3 Invitation to Apply

Systems with projects on the Fundable List are invited to apply for funding. Invitations are normally issued shortly after DEQ Board approval. Systems receiving invitations are asked to notify DEQ within 60 days regarding their intent to proceed with funding. After a successful DEQ review of a complete application, a funding offer is extended to the applicant. Funding offers must be accepted within 60 days of an offer, in accordance with IDAPA 58.01.12.050.02 and IDAPA 58.01.22.050.02. Preference is given to loan applicants that demonstrate readiness to proceed, typically documented by 1) Approved facility plan, 2) Completed environmental review, and 3) Ability to incur debt. In some instances, loan funds may be used to complete a facility plan and environmental review. Upon execution of the funding offer by the applicant and DEQ, project expenses can be incurred.

4.3.1 Bypass Procedures

A project may be bypassed in accordance with [IDAPA 58.01.12 Section 020.05.b](#) and is described in [Attachment XVI](#).

4.4 Disbursements

The estimated timing and amount of disbursements for the projects on the new IUP are added to the latest cash disbursement request projections for prior year funded and projected projects. The projections are normally provided to EPA in September each year. The projections are based upon estimated disbursement schedules submitted by assistance agreement recipients and projected timing of assistance agreements, adjusted for corrections by regional project engineers and state office staff. These disbursements are tracked on an ongoing basis to project needed cash from all capitalization grants and state match. All funds will be expended in an expeditious and timely manner.

5 Eligible Activities

The primary type of assistance to be provided by the CWSRF and DWSRF is expected to be low-interest assistance agreements for up to 100% of project costs. The interest rate range is set based on the revised interest rate policy in a DEQ Policy Memorandum PS24-02, effective beginning 7/1/2024.

The range in rate of interest for the for all CWSRF and DWSRF assistance agreements except for the Lead Service Line Replacement (LSLR) loans will vary from a ceiling of 2.50% and a floor of 1.50%. The LSLR funding interest rate as approved in this IUP will range from 1.00% to 1.25%.

An interest rate floor is established to help offset the effects of inflation, support EPA expectation that SRF program revolve into perpetuity, and to encourage communities to complete their projects in a timely manner. This rate is tied to the loans issued from the SFY 2026 Intended Use Plan. All loans will be paid back over a period not to exceed 20 years unless it is a disadvantaged loan where a 30-year period is allowed. Principal and interest repayments

will begin no later than one year after the date the constructed/upgraded facility initiates operations.

5.1 CWSRF Construction Assistance Agreements

CWSRF construction assistance agreements will provide for the planning, design, and construction of secondary and advanced wastewater treatment units, interceptors and appurtenances for infiltration/inflow correction, collector sewers and appurtenances, new interceptor sewers and appurtenances, combined sewer overflow correction, stormwater management programs, water conservation, nonpoint source (NPS) best management practices, and recycled water distribution. CWSRF assistance will be provided to local communities, counties, sewer districts, and nonprofit sewer associations with authority to collect, treat, or dispose of wastewater or otherwise provide direct water quality benefits. NPS projects must be consistent with the State Water Quality Management Plan.

5.2 DWSRF Construction Assistance Agreements

DWSRF construction assistance agreements will provide for the construction of water supply, treatment, storage, and distribution facilities. DWSRF loan assistance will be provided to local communities, counties, water districts, and nonprofit associations. If growth or fire flow is funded, they cannot constitute the primary purpose for the loan. DEQ may award any combination of planning, design, and construction loans from the DWSRF.

5.2.1 Green Project Reserve Goals

As a condition to receive federal funds for infrastructure improvement projects, The Fiscal Year (FY) 2012 Appropriation Act (P.L. 112-74) requires DEQ to allocate not less than 10% of funds to projects that address green infrastructure, water conservation, energy efficiency improvements, resiliency efforts, cyber-informed engineering, or other environmentally innovative activities which are commonly known as green project reserve (GPR).

Each year DEQ solicits and incentivizes projects that include GPR components through the LOI process. In their LOI, applicants identify potential GPR components and associated cost estimates. These GPR components are incorporated in the funding agreements and near completion of the project, recipients are required to submit documentation of the actual construction costs in a GPR technical memorandum using Attachment GPR-01 – *GPR Technical Memorandum Template* found in the customer handbook. DEQ uses this information to satisfy the reporting requirements needed to maintain funding.

DEQ expects to meet the required 10% GPR goal in SFY 2026. DEQ will draw upon previous experience in identifying and documenting GPR project costs.

5.3 Emergencies

For FY 2026, DEQ's SRF program will have available funding for emergencies. The total amount available statewide for the year is \$200,000 for all wastewater system emergencies and \$1,000,000 for all drinking water systems emergencies. Wastewater systems and public

drinking water systems seeking emergency funding should call the Grant and Loan Bureau Chief in the DEQ State Office at (208) 373-0122 to discuss their needs and application process.

Use of principal forgiveness monies that were not utilized by economically disadvantaged communities will be considered on a case-by-case basis for emergency funding. If a community's emergency costs exceed the amount allotted to them, and available principal forgiveness has been fully utilized, DEQ may enter into loan terms for the remainder of the project given sufficient funding is available and the community has adequate debt authority.

Criteria for emergency funding:

- The situation must be a serious and unexpected situation that requires immediate action;
- An emergency must be declared by a local, state, or national governmental entity;
- Public health must be at imminent risk;
- Will not be used for addressing deferred maintenance issues;
- Intended for like-kind replacement, unless the damaged infrastructure would not meet current standards. Infrastructure repairs or replacements will only be made to fix the proximate cause of the emergency;
- Replacement work should all be done in the existing footprint of damaged infrastructure unless such an approach would not allow the facility to meet current standards;
- Costs incurred for replacement prior to a loan being signed will be considered for inclusion in the loan;
- Legal debt authority must be obtained if DEQ is unable to entirely meet replacement needs with principal forgiveness;
- Receipts will have to be submitted to justify all costs. "All" costs include any cash advances or costs incurred prior to the funding assistance agreement having been signed;
- Any overpayments by DEQ (most likely happening in the context of an advance) will require timely reimbursement by the funding recipient;
- Rules for SRF loans will be followed to determine cost/expense eligibility.
- Volunteers will not be compensated for their time;
- All personnel time, in order to be eligible, must be supported by the existence of W-2s or contracts.

5.4 Emerging Contaminants

DEQ received funding through the BIL, 2021 Pub L. No. 117-58, that is specifically intended to address emerging contaminants in drinking water and wastewater systems. The grant funding has an emphasis on addressing per- and poly-fluoroalkyl substances (PFAS) but may be used for other emerging contaminants. This emerging contaminant funding is made available following the same processes as SRF construction funding. Eligible projects include planning, design, and construction of infrastructure whose primary purpose is to address emerging contaminants.

DEQ recommends that systems combine emerging contaminants projects with their SRF infrastructure projects when appropriate.

5.5 BIL Lead Service Line Replacement

DEQ received funding through the BIL, 2021 Pub L. No. 117-58. This Act provides funding for inventory and replacement of lead service lines within a public drinking water system. This lead service line replacement (LSLR) loan funding is made available following the same processes as SRF construction loans. Recipients that qualify as disadvantaged may also qualify for principal forgiveness as a portion of the loan.

The funding must be used to replace the entire lead or galvanized service line, from the main to the point at which the line connects to the customer's premise plumbing. No partial lead service replacement can be funded unless a portion of the line has previously been replaced. This funding cannot be used for main line replacement. DEQ recommends that public water systems combine LSLR projects with their Drinking Water State Revolving Fund infrastructure projects when appropriate.

5.6 DWSRF Reduction of Lead and Copper Exposure

In addition to the funding identified for BIL Lead Service Line Replacement, public drinking water systems (including public schools (K-12)) will have access to available funding through the DWSRF subsidy. The total amount available statewide for the year is \$2,000,000 for all projects that:

- Address corrosion control treatment requirements for lead; or,
- Address lead service line replacement requirements;
- Address lead bearing materials such as water mainline lead gaskets and,
- The system has triggered the requirement to implement a lead service line replacement program or other approved lead mitigation practices under the currently adopted lead and copper rule (i.e., Corrosion Control Treatment, Lead Service Line Replacement, provision of point of use for lead, or replacement of all lead-bearing materials).

At the end of the year, unused project subsidy funds will not be rolled forward into the next year but will be added to the funds available as principal forgiveness.

Note: This funding is not the BIL Lead Service Line funding.

5.7 Facility Planning Grants

DEQ provides financial assistance to eligible wastewater and drinking water systems through its planning grant program to help communities develop projects that are ready to proceed. The wastewater planning grant funds will come from the assistant agreement fees and the drinking water planning grants funds will come from the DWSRF capacity development set-asides. This aids in ensuring a sufficient pipeline of projects necessary to obligate available SRF funds to secure water quality and public health benefits in communities through the SRF.

The planning grant funds are used by systems to develop facility plans to identify the most cost effective, environmentally sound method of upgrading and expanding a system. This allows the system to achieve and maintain compliance with state and federal standards.

The number of grants offered each year is limited to the available funding and funds are committed to the highest ranked projects. Grants provide funding for up to 50% of eligible planning costs in accordance with IDAPA 58.01.22.030.02. Funding is typically subject to a maximum amount. For example, the maximum DEQ match amount for drinking water and wastewater planning grants has historically been \$45,000 and \$65,000, respectively. The remaining cost is the recipient's responsibility.

The highest-rated projects on the adopted drinking water and wastewater planning grant priority Lists that are selected for funding will be able to apply for grant funding. DEQ staff starts at the top of the Priority Lists and continues to select projects until all the available funds are obligated. The planning grant priority lists are in [Attachment XI and XII](#).

5.8 CWSRF Septic Tank Replacement

DEQ's SRF program will provide up to \$150,000 of subsidy for a system's septic system replacement program in collaboration with the Rural Community Assistance Corp (RCAC). With these funds, RCAC will provide grant and loan funding to refurbish or replace individual septic systems.

Criteria for this funding includes:

- Residence must be in a rural area, town or community in the state of Idaho with a population not exceeding 50,000.
- Applicants must own and occupy the home served by the septic system to be renovated or replaced.
- New home construction and systems serving other than the homeowner occupied dwelling are not eligible.
- Households with annual income not exceeding \$63,377 are income eligible for loan assistance.
- Households with annual income not exceeding \$31,689 are income eligible for grant assistance.
- System renovation or replacement must require a permit and the work must be performed by a licensed contractor.
- The homeowner's property will be encumbered by a Deed of Trust for loans and a Grant Lien Agreement for grants.
- Maximum amount of assistance is \$15,000
- Associated loan costs estimated not to exceed \$600, e.g., credit report, recording and RCAC loan fee are applicant expenses and can normally be included in the loan or grant.

To apply, please visit <https://www.rcac.org/lending-2/idaho-srf-household-septic-system-program/> or call 1-855-979-7322.

5.9 CWSRF Nonpoint Source Sponsorship Agreements

Some of the traditional CWSRF assistance agreements may be leveraged to provide NPS project funding up to \$250,000 project sponsorships. It is possible that sponsorship projects will be entered into and detailed in the SFY 2026 CWSRF Annual Report. The effective interest rate charged on wastewater treatment/collection facility assistance agreements may be adjusted to accommodate NPS projects that have a nexus with the CWSRF assistance recipient community. However, even with a nexus, the NPS projects cannot be required by the sponsor's National Pollutant Discharge Elimination System (NPDES) permit or the Idaho Pollutant Discharge Elimination System (IPDES) permit.

The NPS projects will be administered jointly by the Clean Water Act, Section 319 grant staff within DEQ, and the CWSRF staff. The NPS project will have the same administrative conditions as any Section 319 grant, however, CWSRF cost eligibility criteria will apply. Additionally, sponsorship projects will be strongly encouraged to complete their projects within the same timeframe as their point source counterparts. Since NPS sponsorship projects are not using point source solutions (i.e., Clean Water Act, Section 212), they will not need environmental reviews. See DEQ's website for details <https://www.deq.idaho.gov/water-quality/grants-and-loans/other-funding-opportunities/>.

When a sponsorship agreement is signed, the signatories will be the point source assistance agreement recipient, the DEQ Director, and the community's NPS project manager. The amount of the point source assistance agreement will increase, but the interest rate will be reduced so that the point source assistance agreement recipients' rates will not be impacted by the NPS project.

Should any NPS project help to meet a municipality's NPDES or IPDES permit requirements, the NPS project will be treated as if it were an integral part of the point source project, with the reporting requirements that go along with a point source project.

Unless the NPS project uses point source solutions (i.e., Clean Water Act, Section 212) it will not need environmental reviews. DEQ will also not apply Federal crosscutters to the NPS sponsorship projects. NPS projects, in order to be selected, will have a completed, technically correct 319 grant application (and are therefore in compliance with 40 CFR 35.3115 et seq.), be located in the same (6-digit HUC) basin as their sponsor, and have their sponsor's support in the NPS effort. Separate letters of interest are sent to potential CWSRF NPS applicants.

6 Assurances and Specific Proposals

6.1 Environmental Reviews

DEQ certifies that it will conduct environmental reviews of each project receiving CWSRF¹ and DWSRF funding. DEQ will follow its EPA-approved State Environmental Review Process (SERP) for conducting environmental reviews. These procedures are outlined in the "Rules for

¹ As defined by Clean Water Act Section 212 project

Administration of the Wastewater and Drinking Water Loan Funds" ([IDAPA 58.01.12.042](#)). A more detailed procedural description is found in the Section 3 of the DEQ [Customer Handbook](#).

6.2 Timely and Expeditious Expenditures

DEQ will expend all funds in the CWSRF and DWSRF in a timely and expeditious manner. Should additional funds be made available to the SRF during the course of the SFY, the DEQ will use the existing Priority List to allocate and commit those additional funds.

6.3 State Laws and Procedures

DEQ agrees to expend all EPA capitalization grant payments in accordance with state laws and procedures.

6.4 National Reporting Requirements

DEQ agrees to provide data or information to EPA as may be required for national reports, public inquiries, or congressional inquiries. Capitalization grant-funded recipients will be monitored for Single Audit Act compliance, and annual reports will be sent to assistance agreement recipients telling them the amount of federal monies they received through DEQ during the past year.

American Iron and Steel, and Davis Bacon wage provisions compliance apply to all funds (not just the capitalization grant and BIL funds) and carry reporting and compliance requirements. If any SRF funds are used for projects, these requirements apply. For all equivalency projects, American Iron and Steel, Build America Buy America, and Davis Bacon wage provisions apply.

CWSRF - DEQ will comply with reporting requirements of the EPA Order on Environmental Benefits, National Information Management System and the Federal Funding Accountability and Transparency Act. Project information will be updated at least quarterly in the Clean Water Benefits Reporting System. An environmental benefits summary report for all funded projects will also be completed.

DEQ agrees to comply with and require recipients of assistance agreements from the CWSRF to comply with applicable federal cross-cutting requirements. The basic rules for complying with cross-cutting federal authorities are set out in 40 CFR §35.3145. DEQ will notify EPA when consultation or coordination by EPA is necessary to resolve issues regarding these requirements.

DWSRF - DEQ agrees to comply with and require recipients of assistance agreements from the DWSRF to comply with applicable federal cross-cutting requirements. The basic rules for complying with cross-cutting federal authorities are set out in 40 CFR §35.3575. DEQ will notify EPA when consultation or coordination by EPA is necessary to resolve issues regarding these requirements. These requirements include Federal Funding Accountability and Transparency Act (FFATA) reporting. In order to minimize administrative complexity and the burden on borrowers, the DWSRF program will select projects with a dollar value equaling the most recent federal capitalization grant award that is reserved for loans, to comply with the FFATA

requirements. Additionally, FFATA reporting will be conducted for set-aside single transactions that equal or exceed \$30,000.

6.5 Binding Commitments

CWSRF - DEQ will enter into binding commitments for 120% of each quarterly payment within 1 year of receipt of that payment.

DWSRF - DEQ will enter into binding commitments in an amount equal to the most recent grant awards and proportional state match within one year of receipt of those funds.

6.6 Consistency with Planning

CWSRF -DEQ agrees that it will not provide assistance to any wastewater treatment project unless that project is consistent with plans developed under the Clean Water Act, Section 205(j), 208, 303(e), 319, or 320.

6.7 Qualifications Based Standards for Selection of Professional Service Providers

CWSRF - DEQ is in compliance with the Clean Water Act's (Section 602(b)(14)) Federal procurement standard by its adherence to [Idaho Code 67-2320](#).

Attachment I. Fundable List of Clean Water Loan Projects

State of Idaho State Revolving Fund

for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	Est. Cost of Green Infrastructure	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Estimated Assistance Loan	PF Qualification	Estimated Funding Terms and Commit Date	Estimated Project Cost	Project Description
1	PAYETTE LAKES RECREATIONAL WATER AND SEWER DISTRICT	280	BRO	\$13,000	X, I	ID0020231 M-236-01	\$2,813,775		July 2025 2.75% at 20 years	\$8,280,800	Lagoon rehabilitation project with reuse system improvements.
2	CITY OF KENDRICK	270	LRO	\$1,600,000	I, II	ID0024554	\$7,383,448	\$4,117,328.32	December 2025 2.00% at 30 years	\$14,508,700	WWTP upgrades including a new plant lift station, packaged headworks, equalization lift station, extended aeration package plant, dewatering improvements, chiller system, backup power generator, and SCADA improvements.
3+	CITY OF SANDPOINT	255	CRO	\$10,000,000	I	ID0020842	\$38,000,000	\$3,016,331.68	December 2025 2.00% at 30 years	\$130,000,000	Upgrade and completely rebuild aging treatment plant.
11	Rural Community Assistance Corp.	TBD	TBD	\$0	XII	None	\$150,000	\$150,000	Date TBD \$150,000 of principal forgiveness	\$150,000	Replacement of failing septic system
12	Emergencies	TBD	TBD	\$0	TBD	TBD	\$200,000	\$200,000	Date TBD \$200,000 of principal forgiveness	\$200,000	See Section 5.3 of the Intended Use Plan
Totals:				\$11,613,000			\$48,547,223	\$7,483,660		\$153,139,500	

+Note: DEQ plans to fund City of Sandpoint if they can secure 100% funding for their project. The Sandpoint project will serve the following Ancillary Requirements for both the capitalization grant and the IJJA supplemental grant: Davis Bacon Wage Provisions, Cross-cutting Requirements, American Iron and Steel, Build American, Buy America, FFATA Reporting, Single Audit Act and Disadvantaged Business Enterprise Compliance Reporting

Attachment II. Fundable List of BIL Clean Water Emerging Contaminants Projects

State of Idaho Revolving Fund

for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Estimated Assistance Loan/PF	Requested DEQ Share	Project Description
1	CITY OF LEWISTON	60	LRO	Public	ID0022055	34,471	\$7,440,000	\$1,001,280	\$4,440,000	Sewer transmission line to convert septic systems and address PFAS samples near the septic systems.
Totals:							\$7,440,000	\$1,001,280	\$4,440,000	

Attachment III. Fundable List of Drinking Water Loan Projects

State of Idaho State Revolving Fund

for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Assistance Loan	Estimated Assistance PF (Only DACs except Lead/Emergency)	Estimated Funding Terms and Commit Date	Estimated Project Cost	Project Description
1^	CEDAR SPRINGS COMMUNITY WATER	217	CRO	Private	ID1090101	100	\$1,250,000	\$1,250,000	July 2025 2.00% at 30 years	\$1,750,000	Development of a facility plan and associated projects including a storage tank, distribution system replacement, and several other system improvements.
2^	CITY OF MALAD	149	PRO	Public	ID6360006	2,303	\$2,782,940		July 2025 2.75% at 20 years	\$4,170,000	The system will add a booster pump station and well; they will also address issues with their distribution system and two wells.
3^	CAMP FIRE INC. (Camp Sweyolakan)	139	CRO	Private	ID1280033	150	\$2,250,000		July 2025 2.75% at 20 years	\$2,250,000	The project will address a construction shortfall associated with ARPA project.
4*	CITY OF WORLEY	128	CRO	Public	ID1280206	550	\$2,760,881	\$1,189,509	December 2025 2.00% at 30 years	\$4,910,000	The project will add a new well, repair a concrete tank, and replace meters.
5	LAKE FOREST HOMES ASSOCIATION INC.	119	CRO	Private	ID1280109	98	\$50,000		July 2025 2.75% at 20 years	\$50,000	Development of a facility plan and associated projects likely including a new storage tank and distribution system improvements, and potentially including a new well.

FY2026 – Clean Water & Drinking Water Intended Use Plan

6	STRAWBERRY MINK CREEK ASSOCIATION	109	PRO	Private	ID6210017	34	\$350,000	\$0	May 2026 2.00% at 30 years	\$350,000	The system will make improvements to the spring box.
7*	CITY OF NOTUS	108	BRO	Public	ID3140083	633	\$2,973,575	\$675,506	May 2026 2.00% at 30 years	\$2,973,575	New well, booster station improvements and distribution improvements.
8*	CITY OF MIDVALE	104	BRO	Private	ID3440007	197	\$2,716,550	\$1,569,192	May 2026 2.00% at 30 years	\$2,716,550	Build new well and booster station to address capacity issues from source reduction.
9	BIRCH CREEK CULINARY WATER COMPANY	101	PRO	Private	ID6210009	120	\$869,000	\$869,000	October 2025 2.00% at 30 years	\$869,000	The system will address contact time by upsizing the transmission main.
10^	CITY OF CLIFTON	98	PRO	Public	ID6210002	774	\$1,900,000		December 2025 2.75% at 20 years	\$1,900,000	The system needs additional funding to complete the well and storage tank.
11*	TWENTY MILE CREEK WATER USERS ASSOCIATION	93	CRO	Private	ID1110030	225	\$6,000,000	\$3,668,049	December 2025 2.00% at 30 years	\$6,000,000	The project will replace leaking/aging pipes, water meters, some main upsizing, and adding backup power.
12*	BAILEY CREEK HOMEOWNERS ASSOCIATION	92	PRO	Private	ID6150001	256	\$3,200,000	\$2,814,323	December 2025 2.00% at 30 years	\$3,200,000	Upgrade booster pump station including controls to fill tank in upper pressure zone, backup generation, water meters, SCADA
55	Systems w/Corrosive Water or Lead Fixtures Presenting a Public Health Hazard	UNK	ALL	ALL	ALL	UNK	\$2,000,000	\$2,000,000	TBD	\$2,000,000	Fund Planning, Design and Construction to remediate corrosive/aggressive water situations that present a clear threat to public health.

FY2026 – Clean Water & Drinking Water Intended Use Plan

56	Emergencies	UNK	ALL	ALL	ALL	UNK	\$1,000,000	\$1,000,000	TBD	\$1,000,000	See Section 5.3 of the Intended Use Plan
Totals:							\$30,102,946	\$15,035,580		\$34,139,125	

NOTES:

*Denotes projects that will meet BIL Supplemental equivalency requirements and ^ projects will meet cap grant requirements. Program is currently in discussion with City of Shelley for Lead Remediation funds. If the program funds City of Shelley, their project will meet cap grant equivalency requirements and smaller systems will be removed from the equivalency requirement.

Attachment IV. Fundable List of BIL Drinking Water Emerging Contaminants Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
1	CITY OF GARDEN CITY	145	BRO	Public	ID4010066	12,400	\$2,179,100	\$2,179,100	Project will include design and build out of a new well to replace existing PFAS contaminated well.
2	CITY OF LEWISTON	145	LRO	Public	ID2350014	34,471	\$1,800,000	\$1,800,000	Well #4 has high PFAS, they want to remove the well but need to fix issues at the system.
Totals:							\$3,979,100	\$3,979,100	

Attachment V. Fundable List of BIL Lead Service Line Replacement Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Assistance Loan	PF Qualifications	Estimated Funding Terms and Commit Date	Project Type
1	CITY OF MCCALL	65	BRO	Public	ID4430033	3,686	\$3,495,400	\$1,513,619	December 2025 1.00% at 30 years	Inventory and Replacement
2	CITY OF ARCO	45	IFRO	Public	ID6120001	749	\$860,000	\$372,408	December 2025 1.00% at 30 years	Inventory
3	CITY OF ST. MARIES	45	CRO	Public	ID1050024	2,410	\$3,000,000	\$1,299,095	December 2025 1.00% at 30 years	Replacement
4	CAMELOT WATER USERS ASSOCIATION	25	BRO	Private	ID3140014	157	\$933,110	\$404,066	December 2025 1.00% at 30 years	Replacement
5	EAST LIZARD BUTTE WATER CORPORATION	20	BRO	Public	ID3140042	144	\$23,000	\$9,960	December 2025 1.00% at 30 years	Inventory
6	CITY OF CULDESAC	10	LRO	Public	ID2350003	407	\$2,020,000	\$874,724	December 2025 1.00% at 30 years	Inventory and Replacement
Totals:							\$10,331,510	\$4,473,872		

Attachment VI. Priority List of Clean Water Loan Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
1	PAYETTE LAKES RECREATIONAL WATER AND SEWER DISTRICT	280	BRO	\$8,280,800	X, I	ID0020231 M-236-01	\$13,000	Lagoon rehabilitation project with reuse system improvements.
2	CITY OF KENDRICK	270	LRO	\$14,508,700	I, II	ID0024554	\$1,600,000	WWTP upgrades including a new plant lift station, packaged headworks, equalization lift station, extended aeration package plant, dewatering improvements, chiller system, backup power generator, and SCADA improvements.
3	CITY OF SANDPOINT	255	CRO	\$130,000,000	I	ID0020842	\$10,000,000	Upgrade and completely rebuild aging treatment plant.
4	CITY OF DRIGGS	250	IFRO	\$31,000,000	II	ID0020141	\$6,475,000	New MBR treatment plant to address discharge permit limits.
5	CITY OF RICHFIELD	230	TFRO	\$7,615,000	I	ID0021211; M-048-05	\$391,000	Upgrades to influent lift station and headworks with treatment system improvements to meet permit limits.
6	GROVELAND WATER AND SEWER DISTRICT	215	PRO	\$30,000,000	X, I	NA	\$6,100,000	Wastewater collection line improvements to remove two lift stations from the system to eliminate a recent point of unauthorized discharge of raw wastewater into the canal system. Installation of a new modular treatment plant to remove the potential of raw discharge into the Snake River.

FY2026 – Clean Water & Drinking Water Intended Use Plan

7	CITY OF BELLEVUE	210	TFRO	\$15,000,000	II, X	M-112-03	\$4,800,000	New wastewater treatment system to replace catastrophic failure.
8	CITY OF POTLATCH	195	LRO	\$26,484,785	I, II	ID0022501; M-0230-02	\$1,500,000	Lagoon rehabilitation, ammonia removal system, disinfection equipment and remove sludge for land application.
9	CITY OF BLACKFOOT	190	PRO	\$22,000,000	I	ID0020044	\$10,750,000	Biological Treatment improvements to improve nitrification, Anaerobic Digestion improvements, Dewatering improvements and Phosphorus Removal.
10	HOO DOO WATER AND SEWER DISTRICT	185	LRO	\$3,800,000	IV-A, III-B	M07-55	\$117,000	Remove aging collection system, add disinfection and lift station improvements.
11	CITY OF CAMBRIDGE	180	BRO	\$3,140,000	III-A, I, III-B	ID0021806	\$450,000	Refurbishing existing lagoons to meet more stringent limits.
12	CITY OF CHALLIS	170	IFRO	\$11,500,000	I	ID0022934; LA00008502	\$2,650,000	Refurbishing lagoons and consolidation of treatment systems.
13	MOOSE DRAW ASSOCIATION INC.	170	LRO	\$2,750,000	III-A, I	N/A	\$0	Purchase land for sludge application, install pre-treatment and septic tanks.
14	SOUTH FORK COEUR D'ALENE RIVER SEWER DISTRICT	170	CRO	\$26,500,000	I, III-A	ID0021300	\$850,000	Force main and collection system upgrades with a lagoon rehabilitation project and lift station improvements.
15	CITY OF MIDDLETON	160	BRO	\$79,685,000	I	ID0021831	\$2,247,300	Construction of a new BNR treatment facility for recycled water system.
16	IONA BONNEVILLE SEWER DISTRICT	160	IFRO	\$60,454,200	X, II	NA	\$13,230,000	New MBR treatment plant and surface water discharge so that they can disconnect from Idaho Falls treatment facility.
17	CITY OF GRAND VIEW	155	BRO	\$6,600,000	III-B, I	NA	\$0	Relining and expanding total containment lagoons.
18	CITY OF REXBURG	155	IFRO	\$11,480,000	III-B, I	ID0023817	\$8,163,000	Update the headworks facilities and upsize sewer trunk lines.
19	CITY OF ELK RIVER	140	LRO	\$7,760,413	I	ID0020362	\$2,875,000	Lagoon reconstruction with pump station upgrades.
20	CITY OF MENAN	140	IFRO	\$4,200,000	III-B, I	M-066-04	\$2,000,000	Collection system rehabilitation and disinfection upgrades.

FY2026 – Clean Water & Drinking Water Intended Use Plan

21	CITY OF AMERICAN FALLS	135	PRO	\$5,000,000	III-A, I	ID0020753	\$240,000	Collection system improvements, treatment upgrades and SCADA improvements.
22	CITY OF ARCO	120	IFRO	\$13,000,000	III-B, I	M-029-04	\$372,500	Mechanical treatment plant with class B recycled water irrigation system.
23	COUNTRY HAVEN UTILITIES ASSOCIATION	115	PRO	\$1,547,500	II	NA	\$400,000	Construction of a lift station and main line improvements. Planning consolidation with City of Blackfoot.
24	CITY OF MOUNTAIN HOME	110	BRO	\$11,651,610	I	M-037-04	\$1,122,000	Construction of new wastewater lagoon and reuse site improvements.
25	CITY OF PAUL	110	TFRO	\$6,992,000	I, X	M-009-04	\$85,000	Lagoon rehabilitation , lift station upgrades and new generator to add resiliency and redundancy.
26	CITY OF NEW PLYMOUTH	105	BRO	\$4,322,000	X	ID0020389	\$470,000	Construction of a new recycled water irrigation system.
27	CITY OF RUPERT	105	TFRO	\$48,621,487	II, X	M-001-04	\$33,056,300	New mechanical treatment plant to meet class A recycled water requirements.
28	CITY OF MCCAMMON	100	PRO	\$15,465,000	X, III-B	M-192-03	\$92,000	Expand and line winter storage ponds, increase available land for land application, improve lift station 4, and remove biosolids.
29	COOLIN SEWER DISTRICT	100	CRO	\$31,130,000	I, X	M-013-05	\$19,000,000	Treatment plant upgrades, reuse site improvement, and collection system upgrades to increase capacity.
30	KINGSTON-CATALDO SEWER DISTRICT	100	CRO	\$1,500,000	III-B	NA	\$650,000	Additional funding to complete alternatives to connect homes to new land application facility.
31	CITY OF RIRIE	85	IFRO	\$3,500,000	III-B, I	ID0026174	\$2,130,000	Removal of basement stormwater sumps and collection system improvements
32	FISH HAVEN AREA RECREATIONAL SEWER DISTRICT	85	PRO	\$11,100,000	I, III-B	M-087-03	\$4,776,900	Increase capacity of the lagoons by constructing an additional winter storage lagoon and to construct a new pipeline to a new larger land application site.
33	YELLOWSTONE ACRES AT HENRY'S LAKE	85	IFRO	\$3,080,000	III-B, I	97-01-22	\$38,500	Conversion of septic systems to centralized large soil absorption system.
34	CITY OF FRUITLAND	80	BRO	\$11,000,000	I	ID0021199; ID0020338	\$180,000	Updates to existing wastewater treatment including sand filters, clarifiers, equalization, and UV disinfection
35	CITY OF PLUMMER	80	CRO	\$3,400,000	III-A	ID0022781	\$100,000	Address I/I to improve permit compliance and upgrade the collection system.

FY2026 – Clean Water & Drinking Water Intended Use Plan

36	CITY OF LAVA HOT SPRINGS	75	PRO	\$600,000	I	ID0021822 ; M 034-03	\$395,000	Install a data logger for the influent flow meter, effluent flow meter, instream temperature measuring system, and prepare an updated QAP.
37	CITY OF DECLO	70	TFRO	\$1,000,000	III-B	NA	\$505,000	Replacement of two lift stations due to aging infrastructure.
38	CITY OF BASALT	65	PRO	\$1,600,000	I	NA	\$40,000	Design and construction of an additional total containment lagoon.
39	CITY OF ROBERTS	65	IFRO	\$1,388,000	III-B	ID0026913	\$120,000	Lift station and collections system upgrades due to aging infrastructure.
40	CITY OF LEWISTON	60	LRO	\$7,750,000	IV-A	ID0022055	\$7,440,000	New sewer collection system to eliminate nine lift stations.
41	CITY OF LEWISVILLE	60	IFRO	\$22,400,000	IV-A	NA	\$2,006,000	Conversion of septic system to centralized collection and centralized treatment.
42	CITY OF MALAD	60	PRO	\$2,060,000	III-A, III-B	M-159-02	\$550,000	Decommissioning and closing the existing lagoons and sewer collection system inspection.
43	CITY OF SODA SPRINGS	60	PRO	\$2,000,000	III-B	ID0020818	\$0	Collection system and SCADA improvements.
44	CITY OF ALBION	50	TFRO	\$300,000	I	M-077-04	\$5,000	Relining existing lagoon treatment system.
45	CITY OF VICTOR	15	IFRO	\$5,811,000	III-B	ID0020141	\$0	Increase the capacity of the lift station and parallel force main.
46	Rural Community Assistance Corp.	TBD	TBD	\$150,000	XII	None	\$0	Replacement of failing septic system
47	Emergencies	TBD	TBD	200,000	TBD	TBD	\$0	See Section 5.3 of the Intended Use Plan
Totals:				\$719,327,495			\$147,985,500	

Attachment VII. Priority List of BIL Clean Water Emerging Contaminants Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
1	CITY OF LEWISTON	60	LRO	Public	ID0022055	34,471	\$7,440,000	\$4,440,000	Sewer transmission line to convert septic systems and address PFAS samples near the septic systems.
			Totals:				\$7,440,000	\$4,440,000	

Attachment VIII. Priority List of Drinking Water Loan Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Description
1	CEDAR SPRINGS COMMUNITY WATER	217	CRO	Private	ID1090101	100	\$1,750,000	Development of a facility plan and associated projects including a storage tank, distribution system replacement, and several other system improvements.
2	CITY OF MALAD	149	PRO	Public	ID6360006	2,303	\$4,170,000	The system will add a booster pump station and well; they will also address issues with their distribution system and two wells.
3	CAMP FIRE INC. (Camp Sweyolakan)	139	CRO	Private	ID1280033	150	\$2,250,000	The project will address a construction shortfall associated with ARPA project.
4	CITY OF WORLEY	128	CRO	Public	ID1280206	550	\$4,910,000	The project will add a new well, repair a concrete tank, and replace meters.
5	LAKE FOREST HOMES ASSOCIATION INC.	119	CRO	Private	ID1280109	98	\$50,000	Development of a facility plan and associated projects likely including a new storage tank and distribution system improvements, and potentially including a new well.
6	STRAWBERRY MINK CREEK ASSOCIATION	109	PRO	Private	ID6210017	34	\$350,000	The system will make improvements to the spring box.
7	CITY OF NOTUS	108	BRO	Public	ID3140083	633	\$2,973,575	New well, booster station improvements and distribution improvements.
8	CITY OF MIDVALE	104	BRO	Private	ID3440007	197	\$2,716,550	Build new well and booster station to address capacity issues from source reduction.
9	BIRCH CREEK CULINARY WATER COMPANY	101	PRO	Private	ID6210009	120	\$869,000	The system will address contact time by upsizing the transmission main.

FY2026 – Clean Water & Drinking Water Intended Use Plan

10	CITY OF CLIFTON	98	PRO	Public	ID6210002	774	\$1,900,000	The system needs additional funding to complete the well and storage tank.
11	TWENTY MILE CREEK WATER USERS ASSOCIATION	93	CRO	Private	ID1110030	225	\$6,000,000	The project will replace leaking/aging pipes, water meters, some main upsizing, and adding backup power.
12	BAILEY CREEK HOMEOWNERS ASSOCIATION	92	PRO	Private	ID6150001	256	\$3,200,000	Upgrade booster pump station including controls to fill tank in upper pressure zone, backup generation, water meters, SCADA
13	CITY OF ABERDEEN	90	PRO	Public	ID6060001	2,611	\$10,000,000	The system will install a new well, tank, and booster station and install a separate irrigation system.
14	CITY OF LEWISTON	90	LRO	Public	ID2350014	34,471	\$17,400,000	Replace main transmission line from treatment to their primary reservoir.
15	CITY OF GRACE	88	PRO	Public	ID6150010	920	\$13,000,000	The system plans to install a new transmission line for the springs which will be adjacent to the existing line.
16	CITY OF PRESTON	88	PRO	Public	ID6210014	5,545	\$4,000,000	The system will add a new storage tank and rehabilitate a source.
17	CITY OF MACKAY	86	IFRO	Public	ID7190032	719	\$1,912,300	Booster pump station and distribution improvements with SCADA and flowmeter upgrades.
18	CITY OF MCCAMMON	86	PRO	Public	ID6030038	825	\$10,674,677	The system needs additional funding to complete the well and storage tank.
19	CITY OF WENDELL	83	TFRO	Public	ID5240028	2,917	\$15,273,000	Construct a new well, storage tank, and booster pump station.
20	CITY OF AMERICAN FALLS	80	PRO	Public	ID6390001	4,322	\$34,000,000	The system will install a well and water mains along with other distribution system improvements.
21	SANTA WATER AND SEWER DISTRICT	80	CRO	Public	ID1050023	141	\$6,514,835	Development of a new source, 200,000 gallon storage tank, and distribution improvements.
22	CITY OF CASCADE	78	BRO	Public	ID4430012	1,071	\$5,337,000	New well to maintain source redundancy, replace aging pipes and storage tank.
23	CITY OF CHUBBUCK	78	PRO	Public	ID6030008	15,638	\$13,805,000	The system plans to add a well and storage and address transmission supply capacity.
24	CITY OF FRUITLAND	78	BRO	Public	ID3380005	7,135	\$18,100,000	Surface water capacity upgrade, additional pretreatment and backwash pond.

FY2026 – Clean Water & Drinking Water Intended Use Plan

25	CITY OF TETONIA	78	IFRO	Public	ID7410012	389	\$1,200,000	New storage tank and distribution system improvements
26	RIVERSIDE WATER AND SEWER DISTRICT	78	LRO	Public	ID2180032	1,800	\$2,640,000	New booster station and distribution system improvements.
27	CITY OF SHELLEY	76	PRO	Public	ID6060071	5,120	\$10,150,490	The system will address a wide range of distribution and well issues.
28	COMORE LOMA WATER CORPORATION	76	IFRO	Private	ID7100020	1,500	\$4,855,700	Upgrades to storage and transmission system capacity.
29	CITY OF ASHTON	75	IFRO	Public	ID7220004	1,129	\$350,000	Replacement of lead main lines.
30	ARROWHEAD RANCH WATER COMPANY	74	CRO	Private	ID1090289	30	\$415,966	New storage reservoir and booster pump station improvements.
31	CITY OF BOVILL	74	LRO	Public	ID2290005	275	\$4,942,824	Upgrades to 3 wells, storage tanks , install well emergency power, modifications and distribution improvements.
32	CENTRAL SHOSHONE COUNTY WATER DISTRICT	73	CRO	Public	ID1400089	6,098	\$13,837,400	Replacement of existing transmission main with a new 24-inch transmission line.
33	COUNTRY HAVEN UTILITIES ASSOCIATION	72	PRO	Private	ID6060013	112	\$1,500,000	The system needs to address aging infrastructure including a well and distribution mains.
34	CITY OF NEW PLYMOUTH	71	BRO	Public	ID3380008	1,645	\$1,830,000	New well and distribution system improvements.
35	CITY OF CULDESAC	69	LRO	Public	ID2350003	407	\$3,767,000	Main line replacement and replace distribution elements to address water efficiency.
36	CARIBOU ACRES WATER COMPANY	67	PRO	Private	ID6030005	120	\$3,200,000	The system will replace a lower storage tank and address distribution system issues as well as improvements at the well and booster station.
37	CITY OF CAMBRIDGE	64	BRO	Public	ID3440002	326	\$1,615,000	Well #1 improvements to treat arsenic and replace galvanized pipes.
38	CITY OF DONNELLY	63	BRO	Public	ID4430019	246	\$3,810,000	Aging pipe lines and a new storage tank.
39	BRUNEAU WATER AND SEWER DISTRICT	62	BRO	Public	ID3370007	220	\$230,000	Need new RO membranes, lacking isolation valves and replace metering system.
40	FAIRVIEW WATER DISTRICT	62	PRO	Private	ID6210006	1,300	\$24,003,400	The system will address distribution system issues as well as add backup generators to wells and drill an additional well.

41	DRAKE SUBDIVISION PROPERTY OWNERS ASSOCIATION	59	BRO	Private	ID3140028	175	\$1,560,500	Distribution system improvements.
42	CITY OF ASHTON	58	IFRO	Public	ID7220004	1,129	\$1,800,000	Construction of a new well to address declining water levels.
43	CITY OF LAVA HOT SPRINGS	58	PRO	Public	ID6030030	358	\$6,980,000	The system will drill an additional well and additional work on existing well. The system will also replace distribution main.
44	BLACKHAWK ESTATES	56	IFRO	Private	ID7100207	98	\$3,170,000	New well source to address corrosive water issues.
45	CITY OF SODA SPRINGS	53	PRO	Public	ID6150017	3,150	\$4,850,000	The system will repair distribution main, water tanks, and PRV upgrade.
46	BEAR LAKE WEST HOMEOWNERS ASSOCIATION	51	PRO	Public	ID1050021	1,400	\$5,440,000	The system will address undersized water mains and other distribution system issues.
47	COTTONWOOD POINT WATER USERS ASSOCIATION	51	CRO	Private	ID1050008	150	\$546,000	Construction of new well and concrete storage tanks.
48	CITY OF FIRTH	48	PRO	Public	ID6060016	548	\$12,440,000	The system plans to construct a new well, storage tank, and booster station.
49	KOOTENAI COUNTY WATER DISTRICT #1	47	CRO	Public	ID1280106	787	\$500,000	Polyphosphate dosing system to reduce the corrosive water.
50	CITY OF GEORGETOWN	33	PRO	Public	ID6040013	757	\$1,520,000	The system will replace transmission line from tank to upper pressure reducing valve.
51	TROW CREEK WATER ASSOCIATION	32	CRO	Public	ID1110029	96	\$0	Replacement of storage tanks and distribution piping.
52	CITY OF RIGBY	31	IFRO	Public	ID7260032	5,400	\$4,008,000	Up sizing of undersized pipes, closing dead end loops.
53	MELLEN SUBDIVISION WATER DISTRICT	19	BRO	Private	ID4200089	119	\$400,000	Want new well so they can stop getting water from City of Mountain Home.
54	HUCKLEBERRY BAY WATER SYSTEM	11	CRO	Private	ID1090209	248	\$113,967	Security fencing for the pump house and 2 cisterns.
55	Systems w/Corrosive Water or Lead Fixtures Presenting a Public Health Hazard	Unk	TBD	TBD	TBD	Unk	\$2,000,000	Fund Planning, Design and Construction to remediate corrosive/aggressive water situations that present a clear threat to public health.
56	Emergencies	Unk	TBD	TBD	TBD	Unk	\$1,000,000	See Section 5.3 of the Intended Use Plan
Totals:							\$305,832,184	

Attachment IX. Priority List of BIL Drinking Water Emerging Contaminants Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
1	CITY OF GARDEN CITY	145	BRO	Public	ID4010066	12,400	\$2,179,100	\$2,179,100	Project will include design and build out of a new well to replace existing PFAS contaminated well.
2	CITY OF LEWISTON	145	LRO	Public	ID2350014	34,471	\$1,800,000	\$1,800,000	Well #4 has high PFAS, they want to remove the well but need to fix issues at the system.
3	MALAD AND HILTON WATER COMPANY	120	BRO	Private	ID4010092	70	\$1,300,000	\$1,300,000	Project will consolidate to a large city water system (Veolia) and abandon PFAS contaminated Well.
4	MELLEN SUBDIVISION WATER DISTRICT	105	BRO	Private	ID4200089	119	\$1,350,000	\$1,350,000	The system has PFAS in their water, they are looking at permanent consolidation with Mountain Home or a new well.
5	CITY OF GREENLEAF	90	BRO	Public	ID3140041	812	\$4,400,000	\$4,400,000	Centralized manganese treatment (oxidation/filtration) to treat the City's existing supply wells and EC testing equipment.
6	GOTHAM BAY ESTATES HOMEOWNERS ASSOCIATION	80	CRO	Private	ID1280311	53	\$200,000	\$100,000	Install treatment to reduce manganese concentrations.
7	CITY OF NOTUS	75	BRO	Public	ID3140083	633	\$1,403,105	\$1,275,550	Purchase EC testing and build new well to replace manganese contaminated well.

FY2026 – Clean Water & Drinking Water Intended Use Plan

8	CITY OF WEISER	55	BRO	Public	ID3440011	6,056	\$200,000	\$200,000	Purchase cyanotoxin testing equipment to identify the emerging contaminants.
9	CITY OF WILDER	55	BRO	Public	ID3140138	1,672	\$7,937,800	\$7,937,800	Construction of new filtration system to remove manganese which is above health advisory.
10	CITY OF KAMIAH	45	LRO	Public	ID2310003	1,495	\$175,000	\$175,000	Address Manganese issues and determine how to address the contaminant.
11	BRUNEAU WATER AND SEWER DISTRICT	25	BRO	Public	ID3370007	220	\$230,000	\$210,000	Facility upgrades to address manganese.
Totals:							\$21,175,005	\$20,927,450	

Attachment X. Priority List of BIL Lead Service Line Replacement Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2025 through June 30, 2026

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Type
1	CITY OF MCCALL	65	BRO	Public	ID4430033	3,686	\$3,495,400	Inventory and Replacement
2	CITY OF ARCO	45	IFRO	Public	ID6120001	749	\$860,000	Inventory
3	CITY OF ST. MARIES	45	CRO	Public	ID1050024	2,410	\$3,000,000	Replacement
4	CAMELOT WATER USERS ASSOCIATION	25	BRO	Private	ID3140014	157	\$933,110	Replacement
5	EAST LIZARD BUTTE WATER CORPORATION	20	BRO	Public	ID3140042	144	\$23,000	Inventory
6	CITY OF CULDESAC	10	LRO	Public	ID2350003	407	\$2,020,000	Inventory and Replacement
7	CITY OF ASHTON	0	IFRO	Public	ID7220004	1,129	-	Not eligible
Totals:							\$10,331,510	

Attachment XI. Priority List of Wastewater Planning Grants

Rank	Project	Rating Points	Regional Office	Total Project Cost	Funding Amount	Project Description
1*	PRINCETON-HAMPTON SEWER DISTRICT	210	LRO	\$50,000	\$25,000	Update the facility plan to address biosolids removal, disinfection and new permit limits.
2*#	CITY OF BUHL	205	TFRO	\$150,000	\$65,000	Upgrade the facility plan to address new permit limits, aging infrastructure and biosolids removal.
3*#	CITY OF BURLEY	195	TFRO	\$1,653,000	\$65,000	Upgrade the facility plan due to aging infrastructure and address permit violations.
4*#	HAYDEN AREA REGIONAL SEWER BOARD (HARSB)	170	CRO	\$450,000	\$65,000	Update facility plan to include recent plant upgrades and growth.
5*	NORTH TOMER BUTTE WATER AND SEWER DISTRICT	170	LRO	\$50,000	\$25,000	Update the facility plan to address aging infrastructure and address the anticipated discharge permit.
6*	KALISPEL BAY SEWER DISTRICT	150	CRO	\$120,000	\$60,000	Update the facility plan to address aging infrastructure and include hydraulic modeling.
7*	CITY OF BLOOMINGTON	145	PRO	\$80,000	\$40,000	Update the facility plan and address lagoon test seepage failure.
8	CITY OF BOVILL	130	LRO	\$70,000	\$35,000	Update the facility plan to address inspection violations and new permit limits.
9#	2 FORKS RECREATIONAL	125	BRO	\$200,000	\$100,000	Address increased flows and need for reuse or discharge permit.
10#	STAR SEWER AND WATER DISTRICT	105	BRO	\$193,800	\$85,000	Address capacity, infiltration, collection and lift station deficiencies.
11	CITY OF ROBERTS	100	IFRO	\$100,000	\$50,000	Update facility plan to address aging infrastructure, SCADA, and oxygen deficiencies
12	CITY OF TETONIA	90	IFRO	\$75,000	\$37,500	Update facility plan to address aging infrastructure and growth.
13	CITY OF FRUITLAND	80	BRO	\$125,000	\$62,500	Update the master plan and address collection system, treatment and disposal deficiencies.
14	FREMONT COUNTY	75	IFRO	\$130,000	\$65,000	Update facility plan to address growth.
15	FREMONT COUNTY	75	IFRO	\$130,000	\$65,000	Update facility plan to address growth.

FY2026 – Clean Water & Drinking Water Intended Use Plan

16	CITY OF ARIMO	40	PRO	\$75,000	\$37,500	Update the facility plan and address consolidation with City of McCammon.
17#	CITY OF WILDER	35	BRO	\$170,000	\$80,000	Update the facility plan to address collection system deficiencies, land application reuse and develop hydraulic model.
18*	CITY OF FRANKLIN		PRO	\$5,000	\$2,500	Complete overflow and stormwater analysis, address wastewater treatment and lagoon operation.
		Totals:		\$3,826,800	\$965,000	

#Maximum grant amount is \$65,000

*Denotes entities within the anticipated available grant funding range

Attachment XII. Priority List of Drinking Water Planning Grants

Rank	Project	Rating Points	Regional Office	Total Project Cost	Funding Amount	Project Description
1*#	CEDAR SPRINGS COMMUNITY WATER	217	CRO	\$135,000	\$45,000	Update facility plan to address deficiencies identified in the recent sanitary survey.
2*	CITY OF ISLAND PARK	173	IFRO	\$60,000	\$30,000	Facility plan to include consolidation of water systems in the Sawtelle planning area.
3*#	CALDERA WATER COMPANY	172	IFRO	\$150,000	\$45,000	Facility plan for consolidating seven Public Water Systems.
4*	SWAN LAKE CULINARY WATER COMPANY	153	PRO	\$50,000	\$25,000	Facility plan for source, treatment and distribution system upgrades.
5*	SWAN SHORES II	138	CRO	\$35,160	\$17,580	Facility plan for existing system, TFM and rate study.
6*	LAKE FOREST HOMES ASSOCIATION INC.	129	CRO	\$50,000	\$25,000	Update facility plan to address system upgrades for water storage concerns, aging infrastructure, and bacteria water quality issues.
7*	LAKEVIEW TOWNSITE IMPROVEMENT ASSOCIATION INC.	122	CRO	\$50,000	\$25,000	Update facility plan to address source, safety, and distribution system upgrades.
8*#	GOTHAM BAY ESTATES HOMEOWNERS ASSOCIATION	107	CRO	\$100,000	\$45,000	Need a facility plan and includes addressing iron/manganese and source redundancy.
9*	BEE LINE WATER ASSOCIATION	106	CRO	\$50,000	\$25,000	Update facility plan to include new well and distribution system upgrades.
10*#	CITY OF LEWISTON	100	LRO	\$250,000	\$45,000	Update facility plan to include new water treatment plant, well, reservoir and distribution system improvements.
11	LAKEVIEW HOMEOWERS ASSOCIATION INC. (Idaho Falls)	100	IFRO	\$80,000	\$40,000	Update facility plan to address source, disinfection, and distribution deficiencies.
12#	BRUNEAU WATER AND SEWER DISTRICT	99	BRO	\$50,000	\$50,000	Update the facility plan to address aging infrastructure.
13	VALLEY VIEW ESTATES	94	PRO	\$50,000	\$25,000	Facility plan to analyze water system and identify deficiencies.
14	CITY OF PRIEST RIVER	91	CRO	\$60,000	\$30,000	Update facility plan to address backwash system deficiencies.
15	CITY OF BLOOMINGTON	90	PRO	\$80,000	\$40,000	Update facility plan to address distribution, and disinfection deficiencies.

FY2026 – Clean Water & Drinking Water Intended Use Plan

16	CITY OF FRUITLAND	83	BRO	\$75,000	\$37,500	NA
17	CITY OF PARIS	82	PRO	\$65,000	\$32,500	Update facility plan to address source, storage deficiencies and current and future demand.
18	CITY OF BASALT	78	PRO	\$65,000	\$32,500	Update facility plan to address storage and pump controller deficiencies.
19	CITY OF MCCALL	76	BRO	\$141,996	\$45,000	Update the facility plan to include a new hydraulic model and address growth.
20	CITY OF DOWNEY	74	PRO	\$70,000	\$35,000	Update facility plan to address aging infrastructure and source deficiencies.
21	CITY OF LAPWAI	74	LRO	\$70,000	\$18,000	Facility plan to determine if there are system deficiencies.
22	PARADISE POINT CAMP	74	BRO	\$82,000	\$41,000	Facility plan to address year round operation, now just seasonal. What upgrades would be required.
23	WAHA GLEN WATER DISTRICT	74	LRO	\$80,000	\$40,000	Facility plan to address aging infrastructure.
24	WILDERNESS RANCH OWNERS ASSOCIATION	74	BRO	\$40,000	\$20,000	Update facility plan to include booster station, storage, generators and distribution improvements
25	KIDD ISLAND BAY WATER ASSOCIATION	62	CRO	\$75,000	\$37,500	Update facility plan to address source and pump station deficiencies.
26#	CITY OF RIGGINS	61	LRO	\$70,000	\$70,000	Update the facility plan to address aging infrastructure and system integrity.
27	CITY OF WILDER	60	BRO	\$185,000	\$45,000	Update the facility plan to include well pump station upgrades to address low system pressure.
28#	WOODVILLE WATER AND SEWER DISTRICT	57	PRO	\$1,500	\$52,000	Facility plan to address generator and metering deficiencies.
29	COUNTRY SQUIRE ESTATES	54	IFRO	\$30,000	\$15,000	Facility plan to address aging infrastructure.
30#	ROSE LAKE WATER ASSOCIATION	49	CRO	\$90,000	\$45,000	Update facility plan to address source , infrastructure, SCADA and meter deficiencies.
31	CITY OF KENDRICK	44	LRO	\$90,000	\$45,000	Update facility plan to determine the stability of the system.
32	CITY OF SODA SPRINGS	41	PRO	\$90,000	\$45,000	Update facility plan to identify system deficiencies.
33	OK WATER ASSOCIATION	31	BRO	\$40,000	\$20,000	Need a facility plan to address aging infrastructure.
34	BEAR LAKE WEST HOMEOWNERS ASSOCIATION	22	PRO	\$50,000	\$25,000	Facility plan to address redundancy and aging infrastructure.
Totals:				\$2,660,656	\$1,213,580	

#Maximum grant amount is \$45,000

*Denotes entities within the anticipated available grant funding range

Attachment XIII. Legislative Supplemental Funding Ranking and Priority List

System Information				Legislative Supplemental Funding	
Rank	System Name	Funding Type	Total LSF Project Request	Eligible Percentage	Maximum Funding Amount
1	CITY OF MALAD	DWSRF	\$3,920,000	29%	\$1,137,060
2	PAYETTE LAKES RECREATIONAL WATER AND SEWER DISTRICT	CWSRF	\$7,000,000	60%	\$4,186,255
3	CITY OF WORLEY	DWSRF	\$4,910,000	44%	\$2,149,119
4	CITY OF SANDPOINT	CWSRF	\$130,000,000	75%	\$2,527,566
5	STRAWBERRY MINK CREEK ASSOCIATION	DWSRF	\$350,000	Exceeds Available Funds	
6	CITY OF DRIGGS	CWSRF	\$31,000,000	Exceeds Available Funds	
7	CITY OF NOTUS	DWSRF	\$2,703,250	Exceeds Available Funds	
8	CITY OF RICHFIELD	CWSRF	\$7,615,000	Exceeds Available Funds	
9	MELLEN SUBDIVISION WATER DISTRICT	DWSRF	\$1,350,000	Exceeds Available Funds	
10	GROVELAND WATER AND SEWER DISTRICT	CWSRF	\$30,000,000	Exceeds Available Funds	
11	CITY OF MIDVALE	DWSRF	\$2,690,000	Exceeds Available Funds	
12	CITY OF BELLEVUE	CWSRF	\$15,000,000	Exceeds Available Funds	
13	TWENTY MILE CREEK WATER USERS ASSOCIATION	DWSRF	\$6,000,000	Exceeds Available Funds	
14	CITY OF POTLATCH	CWSRF	\$17,900,000	Exceeds Available Funds	
15	BAILEY CREEK HOMEOWNERS ASSOCIATION	DWSRF	\$3,200,000	Exceeds Available Funds	
16	HOO DOO WATER AND SEWER DISTRICT	CWSRF	\$3,800,000	Exceeds Available Funds	
17	CITY OF ABERDEEN	DWSRF	\$10,000,000	Exceeds Available Funds	
18	CITY OF CAMBRIDGE	CWSRF	\$3,140,000	Exceeds Available Funds	
19	CITY OF GRACE	DWSRF	\$13,000,000	Exceeds Available Funds	

FY2026 – Clean Water & Drinking Water Intended Use Plan

20	CITY OF CHALLIS	CWSRF	\$11,500,000	Exceeds Available Funds
21	CITY OF PRESTON	DWSRF	\$4,000,000	Exceeds Available Funds
22	CITY OF MIDDLETON	CWSRF	\$79,685,000	Exceeds Available Funds
23	CITY OF MACKAY	DWSRF	\$1,912,300	Exceeds Available Funds
24	CITY OF MENAN	CWSRF	\$4,200,000	Exceeds Available Funds
25	CITY OF WENDELL	DWSRF	\$15,273,000	Exceeds Available Funds
26	CITY OF AMERICAN FALLS	CWSRF	\$5,000,000	Exceeds Available Funds
27	SANTA WATER AND SEWER DISTRICT	DWSRF	\$6,514,835	Exceeds Available Funds
28	CITY OF ARCO	CWSRF	\$13,000,000	Exceeds Available Funds
29	CITY OF CASCADE	DWSRF	\$5,337,000	Exceeds Available Funds
30	CITY OF PAUL	CWSRF	\$6,992,000	Exceeds Available Funds
31	CITY OF FRUITLAND	DWSRF	\$18,100,000	Exceeds Available Funds
32	CITY OF NEW PLYMOUTH	CWSRF	\$4,322,000	Exceeds Available Funds
33	CITY OF TETONIA	DWSRF	\$1,200,000	Exceeds Available Funds
34	CITY OF MCCAMMON	CWSRF	\$6,066,505	Exceeds Available Funds
35	CITY OF SHELLEY	DWSRF	\$10,150,490	Exceeds Available Funds
36	COOLIN SEWER DISTRICT	CWSRF	\$31,130,000	Exceeds Available Funds
37	CITY OF ASHTON	DWSRF	\$350,000	Exceeds Available Funds
38	CITY OF RIRIE	CWSRF	\$3,500,000	Exceeds Available Funds
39	ARROWHEAD RANCH WATER COMPANY	DWSRF	\$415,966	Exceeds Available Funds
40	CITY OF FRUITLAND	CWSRF	\$11,000,000	Exceeds Available Funds
41	CITY OF BOVILL	DWSRF	\$4,942,824	Exceeds Available Funds

FY2026 – Clean Water & Drinking Water Intended Use Plan

42	CITY OF PLUMMER	CWSRF	\$3,400,000	Exceeds Available Funds
43	COUNTRY HAVEN UTILITIES ASSOCIATION	DWSRF	\$1,500,000	Exceeds Available Funds
44	CITY OF LAVA HOT SPRINGS	CWSRF	\$600,000	Exceeds Available Funds
45	CITY OF NEW PLYMOUTH	DWSRF	\$1,830,000	Exceeds Available Funds
46	CITY OF DECLO	CWSRF	\$1,000,000	Exceeds Available Funds
47	CITY OF BASALT	CWSRF	\$1,600,000	Exceeds Available Funds
48	CARIBOU ACRES WATER COMPANY	DWSRF	\$3,200,000	Exceeds Available Funds
49	CITY OF ROBERTS	CWSRF	\$1,388,000	Exceeds Available Funds
50	CITY OF CAMBRIDGE	DWSRF	\$1,615,000	Exceeds Available Funds
51	CITY OF MALAD	CWSRF	\$2,060,000	Exceeds Available Funds
52	CITY OF DONNELLY	DWSRF	\$3,810,000	Exceeds Available Funds
53	CITY OF ALBION	CWSRF	\$300,000	Exceeds Available Funds
54	FAIRVIEW WATER DISTRICT	DWSRF	\$1,285,000	Exceeds Available Funds
55	CITY OF VICTOR	CWSRF	\$5,811,000	Exceeds Available Funds
56	CITY OF ASHTON	DWSRF	\$1,300,000	Exceeds Available Funds
57	CITY OF SODA SPRINGS	CWSRF	\$2,000,000	Exceeds Available Funds
58	CITY OF LAVA HOT SPRINGS	DWSRF	\$6,150,000	Exceeds Available Funds
59	YELLOWSTONE ACRES AT HENRY'S LAKE	CWSRF	\$3,080,000	Exceeds Available Funds
60	CITY OF SODA SPRINGS	DWSRF	\$4,850,000	Exceeds Available Funds
61	CITY OF LEWISVILLE	CWSRF	\$21,900,000	Exceeds Available Funds
62	COTTONWOOD POINT WATER USERS ASSOCIATION	DWSRF	\$546,000	Exceeds Available Funds
63	MOOSE DRAW ASSOCIATION INC.	CWSRF	\$2,000,000	Exceeds Available Funds

FY2026 – Clean Water & Drinking Water Intended Use Plan

64	CITY OF FIRTH	DWSRF	\$12,440,000	Exceeds Available Funds
65	FISH HAVEN AREA RECREATIONAL SEWER DISTRICT	CWSRF	\$11,100,000	Exceeds MHI
66	CITY OF GEORGETOWN	DWSRF	\$1,520,000	Exceeds Available Funds
67	CITY OF BLACKFOOT	CWSRF	\$22,000,000	Large System
68	TROW CREEK WATER ASSOCIATION	DWSRF	\$0	Exceeds Available Funds
69	SOUTH FORK COEUR D'ALENE RIVER SEWER DISTRICT	CWSRF	\$26,500,000	Exceeds Available Funds
70	CITY OF RIGBY	DWSRF	\$4,008,000	Exceeds Available Funds
71	IONA BONNEVILLE SEWER DISTRICT	CWSRF	\$60,454,200	Large System
72	LAKE FOREST HOMES ASSOCIATION INC.	DWSRF	\$50,000	Not Shovel Ready
73	CITY OF REXBURG	CWSRF	\$6,479,457	Large System
74	BRUNEAU WATER AND SEWER DISTRICT	DWSRF	\$210,000	Not Shovel Ready
75	CITY OF MOUNTAIN HOME	CWSRF	\$10,900,000	Large System
76	EAST LIZARD BUTTE WATER CORPORATION	DWSRF	\$23,000	EC or LSL Project
77	CITY OF LEWISTON	CWSRF	\$4,750,000	Large System
78	CITY OF ASHTON	DWSRF	\$750,000	EC or LSL Project
79	CITY OF KENDRICK	CWSRF	\$7,383,448	Previous ARPA/LIF
80	CAMP FIRE INC. (Camp Sweyolakan)	DWSRF	\$900,000	No Rates
81	CITY OF GRAND VIEW	CWSRF	\$3,300,000	Previous ARPA/LIF
82	CEDAR SPRINGS COMMUNITY WATER	DWSRF	\$1,250,000	Exceeds MHI
83	CITY OF ELK RIVER	CWSRF	\$3,000,000	Previous ARPA/LIF
84	CITY OF CLIFTON	DWSRF	\$1,900,000	Exceeds MHI
85	COUNTRY HAVEN UTILITIES ASSOCIATION	CWSRF	\$5,553,288	Previous ARPA/LIF

FY2026 – Clean Water & Drinking Water Intended Use Plan

86	COMORE LOMA WATER CORPORATION	DWSRF	\$4,855,700	Exceeds MHI
87	CITY OF RUPERT	CWSRF	\$32,565,215	Previous ARPA/LIF
88	BLACKHAWK ESTATES	DWSRF	\$3,170,000	Exceeds MHI
89	KINGSTON-CATALDO SEWER DISTRICT	CWSRF	\$1,500,000	Previous ARPA/LIF
90	BEAR LAKE WEST HOMEOWNERS ASSOCIATION	DWSRF	\$5,440,000	Exceeds MHI
91	CITY OF LEWISTON	CWSRF	\$4,440,000	EC Project
92	MELLEN SUBDIVISION WATER DISTRICT	DWSRF	\$400,000	Not Shovel Ready
93	CITY OF LEWISTON	DWSRF	\$17,400,000	Large System
94	CITY OF CHUBBUCK	DWSRF	\$13,305,000	Large System
95	CITY OF MCCAMMON	DWSRF	\$8,133,364	Previous ARPA/LIF
96	CITY OF AMERICAN FALLS	DWSRF	\$3,007,000	Previous ARPA/LIF
97	RIVERSIDE WATER AND SEWER DISTRICT	DWSRF	\$840,000	Previous ARPA/LIF
98	CENTRAL SHOSHONE COUNTY WATER DISTRICT	DWSRF	\$5,306,450	Previous ARPA/LIF
99	DRAKE SUBDIVISION PROPERTY OWNERS ASSOCIATION	DWSRF	\$1,560,500	Previous ARPA/LIF
100	KOOTENAI COUNTY WATER DISTRICT #1	DWSRF	\$500,000	Previous ARPA/LIF
101	CITY OF GARDEN CITY	DWSRF	\$2,179,100	EC or LSL Project
102	CITY OF LEWISTON	DWSRF	\$1,800,000	EC or LSL Project
103	MALAD AND HILTON WATER COMPANY	DWSRF	\$1,300,000	EC or LSL Project
104	BIRCH CREEK CULINARY WATER COMPANY	DWSRF	\$869,000	Yes
105	CITY OF GREENLEAF	DWSRF	\$4,400,000	EC or LSL Project
106	GOTHAM BAY ESTATES HOMEOWNERS ASSOCIATION	DWSRF	\$100,000	EC or LSL Project
107	CITY OF NOTUS	DWSRF	\$1,275,550	EC or LSL Project

FY2026 – Clean Water & Drinking Water Intended Use Plan

108	CITY OF MCCALL	DWSRF	\$3,495,400	EC or LSL Project
109	CITY OF WEISER	DWSRF	\$200,000	EC or LSL Project
110	CITY OF WILDER	DWSRF	\$7,937,800	EC or LSL Project
111	CITY OF ARCO	DWSRF	\$860,000	EC or LSL Project
112	CITY OF KAMIAH	DWSRF	\$175,000	EC or LSL Project
113	CITY OF ST. MARIES	DWSRF	\$3,000,000	EC or LSL Project
114	BRUNEAU WATER AND SEWER DISTRICT	DWSRF	\$210,000	EC or LSL Project
115	CAMELOT WATER USERS ASSOCIATION	DWSRF	\$933,110	EC or LSL Project
116	HUCKLEBERRY BAY WATER SYSTEM	DWSRF	\$113,967	Exceeds MHI
117	CITY OF CULDESAC	DWSRF	\$2,020,000	EC or LSL Project

Attachment XIV. Description of Disadvantaged Assistance

Disadvantaged Community Determination

To qualify for a disadvantaged loan, an applicant must meet the DEQ criteria of a disadvantaged community as defined in IDAPA 58.01.12.021. For a disadvantage loan, the applicant will have an annual cost of wastewater or drinking water service for residential customers that exceeds 2.0% of the local median household income (MHI) (as reported by Census Reporter) or annual service costs are between 1.5% and 2.0% with unemployment that exceeds the state average, and a decreasing population. The annual cost includes all operating, maintenance, replacement, and debt service costs, both for the existing system and upgrades being financed with debt. If the applicant's service area is not within the boundaries of a municipality, the applicant may use the Census Reporter data for the county in which it is located or may use a DEQ-approved income survey (which details the community's median household income). DEQ uses the following steps to establish disadvantage communities, their rate and principal forgiveness amount:

1. First, the assistance agreement interest rate will be set at 2.75% at 20 years to establish whether the annual cost exceeds 2.00% of MHI. If it doesn't the rate is set for that community. If it exceeds, DEQ will go on to the next step. If the community is between 1.5% and 2.00% MHI, with unemployment that exceeds the state average and decreasing population, DEQ will go on to the next step.
2. Second, if a 2.75% interest rate and 20-year repayment assistance agreement terms and conditions result in the annual user charge exceeding 2.0% of median household income, then the length of the assistance agreement repayment will be extended in increments of 1 year up to a maximum of 30 years until the annual user charges equals 2.00% MHI or not lower than 1.5% (including unemployment and population). Thirty-year assistance agreements will be charged a 0.25% higher interest rate than otherwise comparable 20-year assistance agreements.
3. Third, if a 30-year term still results in a rate higher than 2.00% MHI, the interest rate will be reduced to 1.75% at 20 years or 2.0% at 30 years to achieve a rate that is 2.0% of MHI. However, if the rate still exceeds 2.00% of MHI or 1.5% with conditions, DEQ will go onto the next step.
4. Fourth, if at 2.00% interest and a 30-year repayment, the annual user charge still exceeds 1.50% of median household income, the principal may be reduced. The principal reduction will be based on the pool of qualifying disadvantaged communities (projects) receiving a proportionate share of the amount available for principal reduction. Principal forgiveness is provided only to disadvantaged communities and may not be provided to community if resulting in user rates below 1.50% of the median household income. Please see below the principal forgiveness allocation steps.
 - At the end of the state fiscal year any unallocated principal forgiveness (identified in the Fundable Lists – [Attachment I](#), [Attachment II](#), [Attachment III](#), [Attachment IV](#) and [Attachment V](#)), will be allocated to those disadvantaged entities that signed loans with DEQ during the state fiscal year and still qualify as disadvantaged. If a project's budget increases after the Fundable List is established, any year-end reallocation of unused principal forgiveness will consider the project's new cost.
 - If a disadvantaged community accepts principal forgiveness and their project is completed under budget, their remaining principal forgiveness will be allocated to those disadvantaged entities that signed loans with DEQ during the state fiscal year and still qualify as disadvantaged.
 - If a project that has a claim to disadvantaged assistance (on the Fundable List) opts out of the loan process and the funding thereby goes to a lower rated project, that lower rated project (if the community is disadvantaged) can lay claim to the disadvantaged assistance (however, the ratio of principal forgiveness to dollars loaned will remain consistent).

If a disadvantaged community's user rates exceed 2.00% of median household income there will be no more qualification requirements for that community to receive principal forgiveness. However, if user rates fall between 1.50% and 2.00% of the MHI, DEQ will verify that:

- The most recent census reports a decline in population for the community during the recent five-year reporting period: <https://worldpopulationreview.com/states/idaho-population>.
- Unemployment exceeds the statewide average as posted on the Idaho Department of Labor's website, March 2024: <http://labor.idaho.gov/dnn>.

Principal Forgiveness Allocation:

After a community goes through the Disadvantage Communities screening, those that are determined qualified for principal forgiveness, DEQ proportionally allocates principal forgiveness to each qualified project. To the extent those entities on the Fundable List meet the following conditions, they will qualify for up to one-half of the principal forgiveness for the year, or until their user rates are driven down to \$100 per month. The entities must be:

- Comprised of primary residences (i.e., not communities of vacation or second homes)
- Comprised of houses whose median housing tax assessed value is no greater than 50% above the county median (per Census Bureau available on City-Data.com); and,
- Projected to have drinking water or wastewater system user rates in excess of \$100 per month.

After the allocation or exhaustion of 50% of the initial principal forgiveness allocation for those communities that are faced with rates above \$100 per month, all disadvantaged systems (with the exception of houses whose median housing tax assessed value is greater than 50% above the county median using Census Bureau data available on City-Data.com) will share equally, on a user rate pro-rata basis, in the remaining available for principal forgiveness. If no communities are facing rates in excess of \$100 per month, then principal forgiveness will be available for those communities that are disadvantaged and are facing rates of less than \$100 per month.

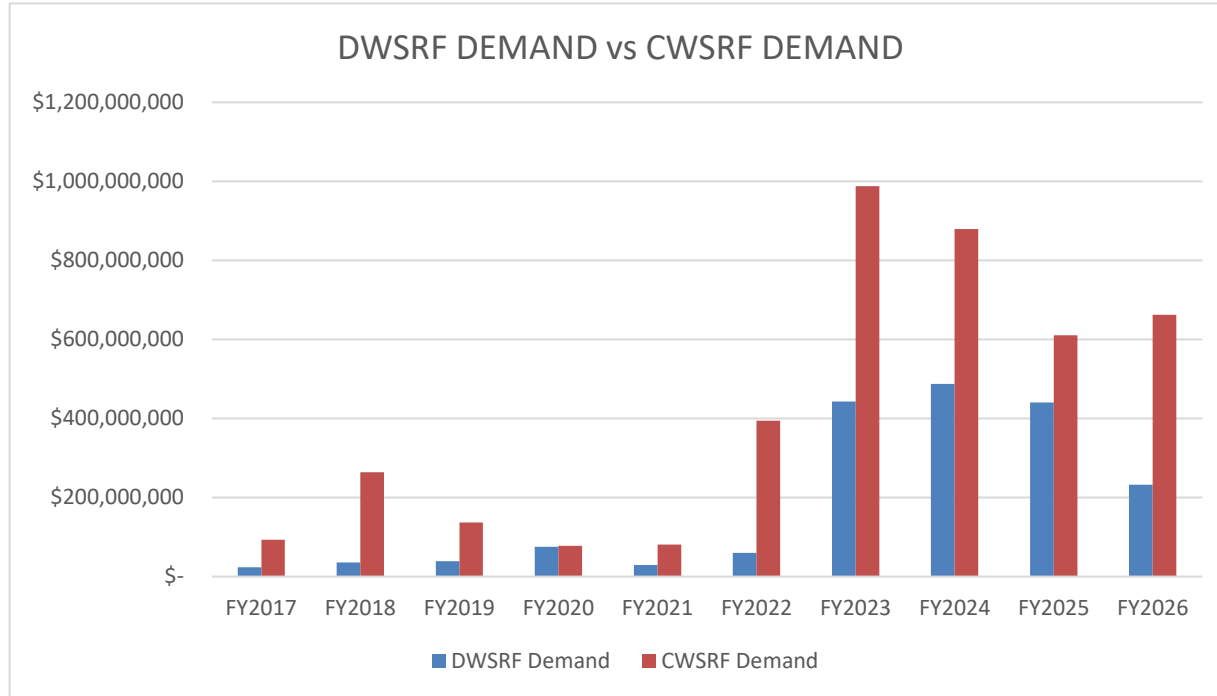
The proposed funding terms first adjust the length of the loan interest and second adjust the loan term to reduce the monthly user rate to 1.50% of the median household income. After these steps are taken, the remaining projects in disadvantaged communities will be provided principal forgiveness based on a percentage of the overall remaining project costs. Principal forgiveness is capped (on an individual loan basis) at the amount necessary to get to 1.50% of the median household income.

DWSRF Lead Service Line Replacement: The Lead Service Line Replacement funding will utilize the existing SRF principal forgiveness criteria and additional criteria to fully utilize the funding to address this significant health hazard. To accomplish this, DEQ is waiving on a case-by-case basis, [IDAPA 58.01.12.21](#) for communities applying for this funding that do not currently meet the disadvantaged criteria due to lead being a known health hazard as well as a significant source of water contamination ([IDAPA 58.01.12.995](#)). DEQ plans to use additional criteria to establish disadvantaged status to maximize the use of the funding. To define disadvantaged communities for Lead Service Line Replacement, the Director may amend the Priority list and grant a waiver from the requirements of these rules listed above for the DWSRF capitalization grant under [IDAPA 58.01.12.995](#) on a case-by-case basis. DEQ has determined that lead is a significant health hazard and source of water contamination. DEQ will provide notification to communities for their review and determination that they are disadvantaged using one of the following three methods.

- The recipient is receiving or has a current DWSRF loan in which they were qualified as a disadvantaged community.
- The community's median household income is below the state's MHI using \$74,942 in September 2024, from idahoatwork.com.

Attachment XV. Listing of Capitalization Grants—Reference for Potential Transfers Between Funds

Since 2012, the demand for CWSRF has exceeded the demand for DWSRF. Typically, CW projects are more expensive than DW projects. To meet demand appropriately, DEQ has looked to transfer funds from DWSRF to CWSRF to help address this discrepancy. The current expectation is that the transferred funds into the CWSRF will reside there for some period of years; however, the transfer may be reversed in the future if the relative needs change. The chart below shows the annual difference in demand between DWSRF and CWSRF funding.



The Drinking Water SRF fund is used to measure how much in transfers may be made. In addition, the amount of the DWSRF fund is evaluated. Table 9 shows the inflow of DWSRF and the evaluation between the demand. The CWSRF has received the lesser of capitalization grants and is therefore the limiting factor.

Only one transfer may be made each year. Per 40 CFR 35.3550 a state may reserve the authority to transfer funds in future years. Funds may be transferred on a net basis, provided that the 33% transfer allowance associated with the DWSRF program capitalization grants received is not exceeded. Only repayments will be used for transfers. The total amount of authority being d is 33% of \$459,766,226 or \$198,939,418.

Table 9. DWSRF Grants VS DWSRF and CWSRF Demand

Federal Fiscal Year	DWSRF Grant Amounts	Demand DWSRF (SFY)	CWSRF Grant Amounts	Demand CWSRF (SFY)
1997 to 2011*	152,175,500		166,710,768	
2012	9,080,824	68,000,000	6,908,000	117,000,000
2013	8,421,000	27,000,000	6,520,000	149,000,000
2014	8,845,000	37,000,000	6,853,000	162,000,000
2015	8,787,000	45,000,000	6,817,000	69,000,000
2016	8,312,000	48,000,000	6,525,000	69,000,000
2017	8,241,000	24,000,000	6,474,000	92,000,000
2018	11,107,000	35,000,000	7,859,000	264,000,000
2019	11,004,000	39,000,000	7,779,000	137,000,000
2020	11,011,000	75,000,000	7,780,000	78,000,000
2021	11,001,000	19,000,000	7,779,000	80,000,000
2022**	24,930,000	47,000,000	14,419,000	394,000,000
2023**	25,993,000	392,000,000	13,916,000	963,000,000
2024**	27,923,000	285,925,028	15,172,000	510,404,101
2025**	27,646,000	324,412,132	15,172,000	584,293,441
Total:	\$354,477,324	\$1,466,337,160	\$296,683,768	\$3,668,697,542

*Includes: ARPA funding 19,500,000

**Includes: BIL funding

With the actual transfers of \$10,000,000 in SFYs 2015, 2016, 2017, 2019, 2024 and \$5,000,000 in SFY 2023 leaving \$52,854,337 available of reserve that could be transferred from the DWSRF to the CWSRF, until the reserve is increased by new Federal grants. Any transfer will be taken from repayments and will not affect set-asides. The potential for long-term diminution of DWSRF fund resources will be known as future relative needs become known. DEQ will continue to monitor and conduct financial assessment/modeling to determine potential long-term impacts to the DWSRF fund.

Attachment XVI. CWSRF Priority Rating Criteria

Clean Water Priority Rating Criteria

Criteria	Points
A. Public Health Emergency	<i>Maximum 150</i>
Emergency certified by DEQ Board or a Health District Board	150
B. Regulatory Compliance	<i>Maximum 100</i>
Low-Level Noncompliance	10
Moderate-Level Noncompliance	25
High-Level Noncompliance	50
Negotiating compliance with DEQ	25
Meeting all compliance deadline	25
Draft permit issued causing non-compliance	75
C. Watershed Restoration	<i>Maximum 100</i>
Will reduce impacts to surface water	10
Discharges to impaired water body	10
Project reduces pollutant of concern to impaired water body	10
Exceeding waste load allocation	10
Nonpoint source project reduces pollutant of concern	10
Project reduces pollutant of concern to sole-source aquifer	10
Project reduces nitrate in designated NPA	10
Project reduces nitrate in designated critical groundwater area	10
Willing to sponsor a nonpoint source project	10
NPS reduces overall pollutant loading to the watershed	25
D. Preventing Impacts to Beneficial Uses	<i>Maximum 100</i>
New or refurbishing recycled water system	50
Converting septic to centralized treatment	25
Refurbishing existing lagoon	10
Biosolids removal or seepage testing lagoons	10
Preventing impacts to aquatic life	25
Preventing impacts to recreation	15
Preventing impacts to other beneficial uses	10
State priority water body	10
Wild and scenic designation	10
Other special status water body	10
Removal of stormwater outlets	5
Conversion of combined sewer	5
Other similar state priority projects	5
E. Sustainability Efforts	<i>Maximum 50</i>
Management-based efforts (including CIE analysis and climate variation preparation)	75
Green Efforts	20
Water Conservation Efforts	15
Energy Conservation Efforts	60

<i>F. Affordability</i>	<i>Maximum 10</i>
Project user charge exceeds affordable criteria	10
Total Points Available	510

Supplemental - Clean Water Emerging Contaminants Rating Criteria ²

Criteria	Points
<i>A. Emerging Contaminants Project</i>	<i>Maximum 70</i>
Water quality testing of emerging contaminants	20
Project will reduce or eliminate emerging contaminants	10
Project has completed an engineering alternative analysis to address emerging contaminants.	10
Persistent organic pollutants	5
Pharmaceuticals and personal care products	5
Endocrine-disrupting chemicals	5
Other	5
The project will provide ultimate disposal of persistent organic pollutants by means of destruction or contained long term storage	10
<i>B. Sustainability Efforts</i>	<i>Maximum 50</i>
Management-based efforts (including CIE analysis and climate variation preparation)	55
Green Efforts	20
Water Conservation Efforts	15
Energy Conservation Efforts	60
<i>C. Affordability</i>	<i>Maximum 10</i>
Project user charge exceeds affordable criteria	10
Total Points Available	130

² When Emerging Contaminants LOI is submitted in conjunction with a CWSRF LOI the projects are ranked jointly, and ranking points are additive. When submitted separately, ranking points are not additive and ranked separately.

Attachment XVII. DWSRF Priority Rating Criteria

Drinking Water Priority Rating Criteria

Criteria	Points
A. Public Health Hazard	Maximum 100
Unresolved acute contaminant violations	30
Unresolved chronic contaminant violations	15
Surface water treatment technique	15
Depressurization events	30
Reduction in source capacity	30
Defects that cause a risk to health or safety	20
Unregulated contaminants	15
B. General Conditions of Existing Facility	Maximum 60
Treatment design deficiencies	15
Treatment capacity deficiencies	15
Source deficiencies	10
Distribution deficiencies	10
Redundancy, reliability, and resiliency	10
C. Sustainability Efforts	Maximum 50
Management-based efforts (including CIE analysis and climate variation preparation)	70
Green Efforts	10
Water Conservation Efforts	25
Energy Conservation Efforts	25
D. Consent Order, Compliance Agreement Schedule, or Court Order	Maximum 30
Moderate-Level Noncompliance	10
High-Level Noncompliance	10
Negotiating compliance with DEQ	10
Meeting all compliance deadlines	10
E. Incentives	Maximum 10
Current source water protection plan	2
Cross-connection control program	2
No significant deficiencies in the last sanitary survey	2
Using properly licensed Substitute Responsible Charge Operator	2
No more than one failure to monitor violations in past 5 years	2
Government body continuing education	2
F. Affordability	Maximum 10
Project user charge exceeds affordable criteria	10
Total Points Available	260

Supplemental – Drinking Water Emerging Contaminants Rating Criteria³

Criteria	Points
A. <i>Emerging Contaminants Project</i>	<i>Maximum 230</i>
Project will include sampling, testing and data collection of the emerging contaminant(s) that is reasonably expected to result in a capital project to address the emerging contaminants	10
Project will purchase testing equipment specifically to identify the emerging contaminant(s)	10
Project will include an engineering alternative analysis (preliminary engineering report) specifically to develop capital improvement alternatives to address the emerging contaminant(s)	10
The selected project alternative in the approved engineering analysis includes consolidation to address emerging contaminants	30
The selected project alternative in the approved engineering analysis includes new source development to address emerging contaminants	20
The selected project alternative in the approved engineering analysis includes centralized treatment to address emerging contaminants	10
The selected project alternative in the approved engineering analysis includes one other capital improvement project with the primary purpose to address emerging contaminants	5
The project has documented sample results of per- and poly-fluoroalkyl substances (PFAS) present in one or more drinking water sources that will be addressed by the project	35
PFAS sample results exceed one or more of the individual maximum contaminant levels or the hazard index	30
PFAS sample results exceed one or more of the maximum contaminant level goals described in EPA's FAQ	15
The project will provide ultimate disposal of PFAS by means of destruction or contained long term storage	10
The system has documented sample results of cyanotoxins in the drinking water source and the project will address the cyanotoxins	20
The project will address a contaminant or contaminants on any of the EPA Contaminant Candidate Lists other than PFAS or cyanotoxins	5
The contaminant listed above is exceeding a published EPA health advisory	10
Your production sources are impacted by emerging contaminants listed above such that the system is unable to meet maximum day demands with the contaminated source(s) offline	10
B. <i>Sustainability Efforts</i>	<i>Maximum 50</i>
Management-based efforts (including CIE analysis and climate variation preparation)	50
Green Efforts	10

³ When Emerging Contaminants LOI is submitted in conjunction with a DWSRF LOI the projects are ranked jointly, and ranking points are additive. When submitted separately, ranking points are not additive and ranked separately.

Water Conservation Efforts	25
Energy Conservation Efforts	25
C. Affordability	<i>Maximum 10</i>
Project user charge exceeds affordable criteria	10
Total Points Available	290

Supplemental - Drinking Water Lead Service Line Replacement ⁴

Criteria	Points
A. LSLR Project Description	<i>Maximum 65</i>
Complete or update a lead service line inventory	10
Conducting field investigations for lead service line inventory	10
Has exceeded the lead action level within the last 5 years	10
Completed corrosion control studies or corrosion control measures	10
The system has completed a lead service line inventory documenting the existence of lead service lines within the distribution system that will be replaced by the project	25
B. Affordability	<i>Maximum 10</i>
Project user charge exceeds affordable criteria	10
Total Points Available	75

⁴ When Lead Service Line Replacement LOI is submitted in conjunction with a CWSRF LOI the projects are ranked jointly, and ranking points are additive. When submitted separately, ranking points are not additive and ranked separately.

Attachment XVIII. Decision-Making Strategy for Fundable Versus Non-Fundable Portions of the Priority List

State Fiscal Year 2026

Clean Water and Drinking Water Priority Lists

To develop the Fundable List, several factors are considered. These include, but are not limited to:

- The project's timeliness in completing the facility plan/engineering report,
- Completing the Environmental Information Document,
- Having the legal authority to incur debt; and,
- Overall readiness to proceed.

The draft terms to be offered are given on the Fundable List; however, at the time of the offer these may be adjusted. The Idaho Department of Environmental Quality's Policy Memorandum gives the Department's Director the ability to set effective interest rates for the CWSRF program. A project on the Fundable List may be bypassed if one or more of the following conditions are present:

- The owner of the project is not ready to proceed;
- The owner of the project voluntarily opts out of the SRF process;
- The project does not meet eligibility requirements;
- The project schedule does not allow for timely use of funds;
- The owner of the project does not enter into an assistance agreement by June 30, 2026, or;
- The project does not support meeting GPR goals (if so designated on the Fundable List);

In place of the bypassed project, the next highest-ranking project(s) that is ready to proceed will be used ([IDAPA 58.01.12 Section 020.05.b](#)). DEQ will use Priority List ranking as much as possible when preparing the IUP. However, the lack of adequate funding; changes in project scope; failure to pass a bond election; or other unforeseen circumstances may require that a highly ranked project on the IUP be bypassed. If a project is bypassed, DEQ will offer assistance funds to owners of the next highest ranked, ready-to-proceed project from the most current approved Priority List. Should any projects be bypassed by June 30, 2026 (end of SFY 2026), those projects and reasons for being bypassed will be included in the SFY 2026 Annual Report. Projects are normally bypassed because the project plans have changed, the owners will delay their project, or the owners are receiving funding from another source.

References

DEQ (Idaho Department of Environmental Quality). July 2023. *Customer Handbook Grant and Loan Program* Boise, ID: DEQ.

Attachment XIX. Public Notification and Involvement Strategy

State Fiscal Year 2026

Clean Water and Drinking Water Priority Lists

The Department reached out to the public at several points in the annual process, for comment on the Priority List process. Involvement for the drinking water and clean water lists was solicited directly from the systems through an invitation to submit a letter of interest (LOI) that was mailed out by DEQ early in the Priority List process. Information on the completed LOI forms is used by state and regional office staff in preparing the Priority lists. The DEQ SRF staff found that combining information obtained directly from eligible entities with information provided by DEQ engineering staff results in the most accurate and equitable listing of infrastructure needs.

Notifications of all SFY 2026 Priority Lists were provided through DEQ's website from April 25, 2025, to May 16, 2025, and were published in Idaho's six major (regional) newspapers. Copies of proof of publication are available with a Public Records Request to DEQ. Notifications were also emailed to systems that submitted LOIs and a virtual informational meeting was hosted on May 12, 2025 to discuss the priority lists. Video recording of that meeting was posted on Idaho DEQ Youtube page. DEQ received 30 public comments related to the IUP and DEQ's responses will be posted on the DEQ website with the final lists and IUP.

Approval packages related to the IUP, the Legislative Supplemental Funding and the public comments received were sent to the Board of Environmental Quality prior to their meeting on June 18, 2025. Copies of the issue analyses for the documents were included as attachments for Board action. The Board approved the FY2026 IUP and FY2026 Legislative Supplemental Funding.

Revision Log

The following modifications and additions have been made to this Handbook:

Date	Description of Revisions	Sections Modified
06/23/2025	Change Table 7 and 8 to say FY2026 instead of FY2025. Also added total funding table amounts to Table 8. Corrected PF amount for DWSRF EC funding to match grant amount.	Page 18
06/23/2025	WWG Priority List changes: changed Kalispel Bay Sewer Dist. Grant amount from \$65K to \$60K, because \$60K is a 50% grant amount. Changed funding amount total to \$965,000. Added #18 to the last system on the list.	Attachment XI
06/23/2025	Added Board approval notes.	Attachment XV
06/23/2025	Changed graph on page 15 to say FFY2025 instead of FFY2023	Page 15
06/23/2025	Added Denotes projects that will meet BIL Supplemental equivalency requirements and ^ projects will meet cap grant requirements. Program is currently in discussion with City of Shelley for Lead Remediation funds. If the program funds City of Shelley, their project will meet cap grant equivalency requirements and smaller systems will be removed from the equivalency requirement.	Attachment III
06/23/2025	Added section 3.2 on page 10 for DWSRF Base and BIL Supplement Sources and Uses. This required changes in Section numbering throughout the document.	Page 10
