

# Appendix 5: Clean Water State Revolving Fund Priority Points Criteria

## General Information

The CWSRF Priority Points Criteria are established to evaluate proposed CWSRF projects for FFY 2027. The Priority Points Criteria forms the basis for project ranking and funding allocation.

The department annually prepares a CWSRF IUP that includes projects expected to qualify for financing within the fiscal year addressed by the plan. Projects are listed so that those addressing the most serious problems are given the highest priority. Each project's priority score is generated from assignment of points based on the Priority Points Criteria from information provided at application, unless otherwise noted. Projects are then ranked in priority order in each funding category. Only those proposed projects identified within the plan's project lists are eligible to receive financial assistance.

The department will seek public comments annually on the proposed Priority Point Criteria. The Priority Point Criteria will then be approved by the Missouri Clean Water Commission at least 60 days before the annual application deadline.

## Assignment of Priority Points

The department ranks eligible projects for funding based on the protection of water quality and human health. Proposed projects receive points based on how they address pollution abatement, treatment, regionalization or consolidation, nonpoint source pollution reduction, and more.

Projects are ranked by the total number of points received. In the event of a tie, the projects receiving the highest number of points under Disadvantaged Community (section I.3.A.) will receive the higher ranking. If the projects are still tied, the applicant with the lowest Median Household Income according to the current decennial census will receive the higher ranking.

Priority point assignment and listing in the IUP does not guarantee all SRF financial and project eligibility requirements have been met.

### I. Priority Points

The department will calculate cumulative priority points for each potential project based on the following seven sections. Proposed nonpoint source projects must be consistent with the current *Missouri Nonpoint Source Management Plan* available at <https://dnr.mo.gov/document-search/missouri-nonpoint-source-management-plan-update-2020-2025>.

- 1. Water Quality.** Points will be assigned if the proposed project will maintain, improve, protect, or enhance the overall water quality within the watershed. For the purpose of assigning points under factors A and B below, the receiving water is considered the immediate water course into which the discharge flows. However, in those cases where the immediate receiving water is not classified in Water Quality Standards, 10 CSR 20-7.031, a downstream classified water body will be considered to be the receiving water if the publicly-owned treatment works (POTW) discharge or nonpoint source area is within two miles of the classified water found in the Missouri Use Designation Dataset, including Presumed Use Lakes and Presumed Use Streams.

- A. Designated Uses.** Designated uses, identified in rule 10 CSR 20-7.031, of the water body receiving discharge from existing POTWs or nonpoint source areas that will be improved or

eliminated by the proposed project. The department calculates designated use points by adding the total value from each designated use under this part. If the project affects multiple permitted facilities that discharge to different water bodies, the highest designated use point total from one of the multiple water bodies will be used. If the project is for regionalization, the facility to be eliminated will be one used to calculate these points, unless the accepting WWTF is also being upgraded.

1. Fifteen points for whole body contact recreation (Category A or B),
2. Fifteen points for drinking water supply,
3. Ten points for secondary contact recreation,
4. Ten points for cold water habitat,
5. Eight points for cool water habitat, and
6. Five points for each designated use not identified in numbers 1-5 above:  
(Warm Water Habitat, Human Health Protection, Industrial Water Supply, Irrigation, Livestock and Wildlife Watering, etc.).

**B. Sensitive Waters.** Proposed projects that will improve or eliminate existing POTWs or nonpoint source areas that directly discharge to or discharge within two miles upstream of certain sensitive waters identified in rule will be assigned additional priority points.

1. Fifteen points for a losing stream as designated by the Missouri Geological Survey, see 10 CSR 20-7.031(1)O,
2. Fifteen points for Outstanding National or State Resource Waters, see 10 CSR 20-7.031 (Table D & E), and
3. Ten points for lakes or reservoirs, see 10 CSR 20-7.031 (Table G) or for metropolitan no-discharge streams, see 10 CSR 20-7.031 (Table F).

**C. Targeted Water Bodies.** A targeted water body is one in which a Total Maximum Daily Load (TMDL) has been promulgated or the water body is listed as a Category 4 and 5 impaired water on the most recent Missouri Integrated Water Quality Report (also known as §305(b) Report). The value is limited to a maximum of 15 points total.

1. Fifteen points where a TMDL has been promulgated for the receiving water body and the proposed project addresses the impairment, or
2. Ten points if the receiving water body is listed as impaired on the most recent Missouri Integrated Water Quality Report and the proposed project addresses the impairment.

**D. Targeted Watersheds.** A targeted watershed contains at least one point source with the reasonable potential to cause or contribute to an excursion of the Lake Numeric Nutrient Criteria, and at least one point source with nutrient effluent limits or subject to an EPA approved TMDL. The value is limited to a maximum of 15 points total.

1. Fifteen points if the watershed drains to a lake or reservoir where numeric nutrient criteria or nutrient effluent limits are applicable and the proposed project results in nutrient reduction, or
2. Ten points where a TMDL has been approved for the watershed and the proposed project is expected to contribute to the pollutant reduction goals specified in the TMDL.

**E. Regionalization or Consolidation.** Projects that involve several independent entities forming a partnership to share the responsibilities of providing wastewater treatment may be referred to as regionalization or consolidation projects. If a project will eliminate one facility only to construct another (net zero change in number of dischargers regardless of which water being discharged to), then no points will be given.

1. Twenty-five points if the continuing authority of the facility being eliminated would be deemed grant eligible by the methodology prescribed by the CWSRF Affordability Grant Eligibility Evaluation (<https://dnr.mo.gov/media/file/clean-water-state-revolving-fund-grant-eligibility-evaluation-form-mo-780-2854>) and is not the same continuing authority receiving the waste.
2. Fifteen points if the proposed project serves more than two continuing authorities (e.g., more than the facility receiving the waste and the entity decommissioning their facility).
3. Ten points for each permitted or should be permitted wastewater treatment facility being eliminated that is under department or EPA enforcement, regardless of the same continuing authority.
4. Five points for each permitted or should be permitted wastewater treatment facility that is not under department or EPA enforcement and will be eliminated by the proposed project, regardless of the same continuing authority.

**F. Emerging Contaminants.** Refers to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. These can include compounds such as personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics. Projects that address contaminants with §304(a) water quality criteria, except for per- and polyfluoroalkyl substances (PFAS), are not eligible for points.

1. Twenty points if addressing known PFAS with construction of treatment or storage facilities,
2. Fifteen points if addressing other known emerging contaminants as defined in EPA's *Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law*, Attachment 1, Appendix B ([https://www.epa.gov/system/files/documents/2022-03/combined\\_srf-implementation-memo\\_final\\_03.2022.pdf](https://www.epa.gov/system/files/documents/2022-03/combined_srf-implementation-memo_final_03.2022.pdf)) with construction of treatment or storage facilities, or
3. Ten points if conducting monitoring and planning activities to identify scope and magnitude of contamination due to suspected emerging contaminants from known industrial uses or other contamination sources within an applicant's sewershed with the goal of identifying future treatment alternatives.

**2. Publicly-Owned Treatment Works (POTW).** Points will be awarded if the proposed project is a POTW project that will address potential or existing water pollution problem(s).

**A. Combined/Sanitary Sewer Overflows.** Fifteen points will be assigned if the proposed project will eliminate or adequately treat combined or sanitary sewer overflows (CSOs/SSOs). Applicants must provide supporting documentation, which may include

copies of SSO Database records, clean-up records, or other supporting documentation, with the application for the department to award CSOs/SSOs points.

**B. Wastewater Treatment Enhancement.** The value is derived from selecting the most appropriate description and associated value (only one of the following per application).

1. Twenty points for the conversion of a discharging wastewater treatment facility to a no-discharge wastewater treatment facility,
2. Fifteen points for the construction of a new wastewater treatment facility, an increase in capacity, or an increase in the level of treatment at an existing wastewater treatment facility, or
3. Ten points for the rehabilitation or process improvement of an existing wastewater treatment facility.

**C. Failing Onsite Wastewater Treatment System**

1. Ten points for primarily addressing a documented surface water quality, groundwater water quality, or public health problem attributable to onsite wastewater treatment systems that are failing or not properly functioning. Documentation must be provided by any local, county, or state health or environmental professional, or
2. Five points for primarily addressing failing or not properly functioning onsite wastewater treatment systems (no documentation required).

**D. Collection System Enhancement**

1. Fifteen points for collection system rehabilitation to reduce or eliminate inflow or infiltration, and
2. Ten points for a new collection system, or the expansion of or an upgrade to an existing collection system, including the construction of an interceptor line or sewer extension.

**3. Sustainability.** Points will be awarded if the proposed project addresses fiscal and maintenance sustainability utilizing the factors below.

**A. Disadvantaged Community.** The department will assign 15 points if the applicant meets all three criteria below:

1. A population of 3,300 or less based on the most recent decennial census,
2. A median household income (MHI) at or below 75 percent of the state MHI using the most recent decennial data as conducted by the U.S. Census Bureau or by an income survey overseen by a state or federal agency, and
3. The average wastewater bill, also known as the user charge, for 5,000 gallons is at least two percent of the MHI of the applicant.

**B. Median Household Income (MHI).** The department will use the following criteria to determine an applicant's MHI based on the most recent decennial data from the U.S. Census Bureau or an income survey provided by the applicant and overseen by a state or federal agency. The survey must be four years or less in age as of the March 1 application deadline. The applicant's current (at the time of application) user rate ordinance must be included with the application.

For cities, towns, and villages with a single treatment and collection system for their jurisdiction or those considered non-entitlement communities<sup>5</sup>, the department will use the MHI of the entire incorporated municipality based on the political boundary.

For cities, towns, and villages with multiple treatment and collection systems within their jurisdiction and considered metropolitan/entitlement communities<sup>6</sup>, the department will use MHI values from one or multiple census tracts to calculate the MHI as an arithmetic mean (average). That arithmetic mean will be the value used to establish the priority points outlined below. The geographic area of each treatment facility's collection system, also known as its sewershed, or similar project area where construction is to occur as well as the area benefiting from the proposed project will dictate which census tracts to use.

For public water or sewer districts and counties, the department will use one or multiple census tract data in a similar way as the municipalities with multiple treatment and collection systems outlined directly above.

Utilizing census tract data in this manner allows the department to assign priority points accurately for systems serving areas that have disparate MHI data across a large service area. A detailed map and/or geographic data (e.g., ArcGIS or Google Earth file) must be provided to the department with the application for census tract evaluation. If no map or data is provided or the applicant notes they do not want census tracts evaluated, the department will use the entire incorporated political boundary (e.g., city, county) as appropriate.

1. Twenty points if the applicant's current wastewater user charge for five thousand (5,000) gallons is at least two percent of its MHI (rounded to the hundredth digit); or
2. Ten points if the applicant's current wastewater user charge for five thousand (5,000) gallons is at least 1.50 percent and less than two percent of its MHI (rounded to the hundredth digit).
3. Ten points if the applicant's MHI is at or below 75 percent of the state MHI.

**C. Inflow and Infiltration Reduction Program.** Ten points will be assigned if the applicant has maintained an inflow and infiltration reduction program for the past five years.

**D. Master Plan.** Five points will be assigned if the applicant's project is specifically identified in a capital improvement plan or an integrated management plan.

**E. Security.** Ten points will be assigned for eligible security measures, including vulnerability assessments, emergency response plans, fencing, security cameras, and lights, motion detectors, secure chemical and fuel storage, security hatches and access panels, cross-connection control, and supervisory control and data acquisition (SCADA).

**4. Green Project Reserve.** Thirty points will be assigned if the proposed project is for one or more of the following eligible green project reserve components:

**A. Green Infrastructure.** Practices that manage wet weather and maintains and restores natural hydrology by infiltrating, evapotranspiring and harvesting, and using stormwater.

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<sup>5</sup> Non-entitlement units of local government, defined in section 603(g)(5) of the Social Security Act, are local governments typically serving populations of less than 50,000.

<sup>6</sup> Missouri's metropolitan/entitlement communities are Blue Springs, Cape Girardeau city, Columbia, Florissant, Independence, Jefferson City, Joplin, Kansas City, Lee's Summit, O'Fallon, Springfield, St. Joseph, St. Louis, St. Charles city, and St. Peters city.

On a regional scale, it is the preservation and restoration of natural landscape features, such as forests, floodplains and wetlands, coupled with policies such as infill and redevelopment that reduce overall imperviousness in a watershed. On the local scale, it consists of site-and-neighborhood specific practices, such as bioretention, trees, green roofs, permeable pavements, and cisterns.

- B. Water Efficiency.** The use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation and reuse efforts, as well as water loss reduction and prevention, to protect water resources for the future.
  - C. Energy Efficiency.** The use of improved technologies and practices to reduce the energy consumption of water quality projects, use of energy in a more efficient way, and/or produce or utilize renewable energy.
  - D. Environmentally Innovative.** Projects include those that demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way.
- 5. Untreated/Uncontrolled Runoff.** Stormwater runoff from agricultural, suburban, and urban areas such as farms, homes, buildings, roads, or parking lots resulting in flooding of local streams, erosion of stream banks, or increased pollutant transport.
- A. Stormwater Treatment/Management Facility.** Ten points for a structural device designed to receive stormwater runoff and detain it for a period of time in order to reduce pollutant transport and stream erosion.
  - B. Landfills.** Ten points to address water quality issues at a landfill. A landfill is any site where the disposal of non-hazardous wastes and/or sludge occurs or has occurred by placing them in or on the land, compacting, and covering with a layer of soil. Project components may include a capping system, leachate collection system, side slope seepage prevention and control system, or monitoring wells that are needed to prevent water quality degradation.
  - C. Best Management Practice (BMP).** Five points for BMP conservation measures that protect water quality and make land areas more productive.
- 6. Groundwater Pollution.** Projects that prevent contamination of groundwater resources.
- A. Groundwater Uses.** The designated uses of the groundwater area being impacted.
    - 1. Fifteen points if the groundwater is a drinking water supply source; or
    - 2. Five points if the groundwater is used for industrial purposes, irrigation, and/or livestock/wildlife watering.
  - B. Leaking Petroleum Storage Tank.** Five points if addressing groundwater problems caused by leaking petroleum storage tanks.
  - C. Hazardous Waste Site.** Ten points if addressing groundwater problems caused by a hazardous waste site that is participating in the department's Voluntary Cleanup Program.
  - D. Inadequate Landfill Leachate Collection/Treatment.** Ten points if addressing groundwater problems caused by inadequate landfill leachate collection and treatment.

- 7. Aquatic/Riparian Habitat.** Aquatic/riparian habitat is a vegetated or potentially vegetated ecosystem along a water body through which energy, materials, and water pass thereby providing nutrient recycling and biological diversity. Ten points will be assigned if the primary purpose of the proposed project is to restore aquatic/riparian habitat and/or to prevent aquatic/riparian habitat degradation.

## **II. Special Priority Points**

The Clean Water Commission (Commission) may assign special priority and override the priority points assigned to a project and place that project on the planning, fundable, or contingency priority lists in a position decided by the Commission. In order to award special priority, the Commission must determine that unique or unusual needs exist which do not logically fit into the rating system described above. In addition, the Commission may award special priority for projects impacting enterprise zones as authorized under state law.

## **III. Definitions**

- 1. Increase capacity.** Increasing the treatment capacity for existing treatment plants, biosolids handling facilities, decentralized treatments systems, and nonpoint source project BMPs with respect to flow or pounds.
- 2. Increase level of treatment.** Improving the degree of treatment. This refers to any improvement in unit processes or BMPs that improve the effluent quality or decrease the concentration of most water quality variables from runoff or other nonpoint sources. The addition of nutrient removal is considered an improvement in effluent quality.
- 3. Rehabilitation.** Restoring, replacing, adding, or repairing parts to existing treatment plants, combined or separate sewer systems, biosolids handling facilities, individual onsite wastewater treatment systems, and nonpoint source project BMPs with no increase in capacity or level of treatment.
- 4. Replacement.** An existing facility is considered obsolete and is demolished, and a new facility is constructed on the same site.
- 5. Process improvement.** Any improvement to a facility that does not increase the capacity, increase the level of treatment, expand the service area, or make a similar change to existing treatment plants, biosolids handling facilities, decentralized treatment systems, and nonpoint source project BMPs.