

# **Appendix 5: Drinking Water State Revolving Fund Priority Points Criteria**

## **General Information**

This document sets forth the priority points criteria and procedures used to evaluate proposed DWSRF projects for FFY 2027. The priority points criteria forms the basis for project ranking and funding allocation.

The department annually prepares a DWSRF 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. Consistent with the federal Safe Drinking Water Act, priorities are based primarily on protection of public health, compliance with the Act, and household affordability. Each project's priority score is generated from an assignment of points based on the Priority Points Criteria, and 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 SDWC at least 60 days before the annual application deadline.

## **Assignment of Priority Points**

Priority points shall be assigned only for the criteria below when the proposed project is intended to correct the violations, deficiencies, or problems associated with the points. For example, if a public water system has had persistent violations of a Treatment Technique, Maximum Contaminant Level (MCL), or secondary MCL, but the proposed project does not address the persistent violations, deficiencies, or problems, the department will not assign points associated with those violations.

The sections on Distribution System Reliability (section III.B.) and Design Considerations (section III.F.) are limited to a maximum of 20 points each. This is done to ensure projects addressing MCL violations are not overwhelmed by projects addressing only design considerations or distribution system problems. The 25 points available for violations of acute risk contaminant MCLs are used as the baseline in developing the priority point criteria.

The project-specific funds available through the IJA will be ranked on specific sections of the Priority Points. The Emerging Contaminant Project Priority List priority points will be a combination of Sections VI and VII below.

The department will rank projects by the total number of points received. In the event of a tie, the projects receiving the highest number of points under Distribution System Reliability and Design Considerations (sections III.B. and III.F.) with the 20-point maximum limits lifted will receive the higher ranking. The second tie-breaking criteria will be the number of affordability points. The applicant with the highest affordability points will receive the higher ranking. The third tie-breaking criteria will be the number of people served. The system serving the larger number of people will receive the higher ranking.

In the event of a tie for Emerging Contaminants projects, the project receiving the highest number of affordability points will receive the higher ranking. The second tie-breaker shall be the total number of points from the other pots of funding. The applicant with the highest number of total points will receive the higher ranking. The third tie-breaking criteria will be the number of people served. The system serving the larger number of people will receive the higher ranking.

For projects that involve the refinancing of existing debt (excluding the planning and design loan program), the department will assign priority points for affordability only.

The department will not assign priority points to a project intended to correct deficiencies resulting solely from inadequate operation and maintenance of the public water system.

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

## **Priority Points**

### **I. Safe Drinking Water Act Compliance**

For this category, priority points apply solely to projects for existing public water systems as defined in 40 CFR 35.3520.

- A. Acute Risk Contaminants (such as *E coli*, turbidity, or nitrates)** 25 points will be assigned for persistent violations of MCLs or treatment performance criteria for acute risk contaminants within the past 36 calendar months.
- B. Treatment Technique Requirements** 20 points will be assigned for persistent violations of treatment technique requirements (for example, the Surface Water Treatment Rule, lead and copper, etc.).
- C. Non-Acute Risk Contaminants**
  - 1. 20 points will be assigned for persistent violations of any non-acute risk primary MCL within the past 36 calendar months.
  - 2. 15 points will be assigned for persistent violations of any secondary MCL within the past 36 calendar months.
- D. Anticipated Federal Regulations** 15 points will be assigned for proposed projects to enable the public water system to comply with anticipated federal regulations identified on the attached list, Safe Drinking Water Act Compliance Priority Points: Existing and Anticipated Regulations.
- E. Compliance** 25 points will be assigned for a project to enable an eligible public water system to comply with an administrative order, a bilateral compliance agreement, or other enforceable document issued by the department.

### **II. Public Health**

- A. Waterborne Disease Outbreak** 25 points will be assigned if a waterborne disease outbreak declared by the Missouri Department of Health and Senior Services is attributable to an existing public water system and the proposed project addresses the problem(s) causing the waterborne disease outbreak.

## **B. Inadequate Water Supply**

1. 10 points will be assigned if an existing public water system can document its inability to consistently maintain at least 35 pounds per square inch (psi) as a normal working pressure in the distribution system.
2. 15 points will be assigned if an existing public water system can document its inability to consistently maintain pressures of at least 20 psi at all service connections, including fire flow.
3. 20 points will be assigned if the private or non-community wells or sources in the proposed project service area are unable to consistently provide adequate potable water for general household purposes and the proposed project addresses this need. Private or non-community wells or sources contaminated by commercial, industrial or mining wastes will be considered in this category.

## **III. Public Water System Infrastructure Improvement** (priority points are applied in this category only to existing eligible public water system projects)

### **A. System source reliability**

1. 10 points will be assigned to a project that addresses a need for a new backup well or a backup interconnection with another public water system.
2. 10 points will be assigned if the system has one or more improperly constructed wells.

### **B. Distribution system reliability** (maximum 20 points).

1. 10 points will be assigned if the system has water loss that exceeds 10 percent of the drinking water produced by the system.
2. 10 points will be assigned if the distribution system is anticipated to exceed design capacity or useful facility life within the next 5 years.
3. 10 points will be assigned if the distribution system has faulty waterlines or substandard waterline materials.
4. 5 points will be assigned if the public water system requires additional system isolation and flushing measures.
5. 5 points will be assigned if the public water system requires looping of waterlines.

### **C. Disinfection** 15 points will be assigned if a public water system is unable to maintain a disinfectant residual at all points in its distribution system.

### **D. Storage Facilities** 10 points if a system has storage facilities in poor condition.

### **E. Reliability of service**

1. 10 points will be assigned if a system has water storage capacity that is less than 1 day's average use.
2. 5 points will be assigned if a system lacks adequate standby power.

### **F. Design considerations** (maximum 20 points).

1. 20 points will be assigned if the source or treatment facility is anticipated to exceed its useful life or if the demand is expected to exceed its design capacity within the next 5 years.
2. 20 points will be assigned if a system has suffered significant degradation of the quality of the raw water supply.

3. 20 points will be assigned if a system has suffered significant degradation of the quality of finished water in storage.
4. 10 points will be assigned if a system currently does not meet existing state requirements for the treatment or storage of waste residues generated by the water treatment plant.

**G. Useful Life of Disinfection or Turbidity** 20 points will be assigned if the treatment facility(ies) for required disinfection or turbidity removal are severely deteriorated and beyond the facility's useful life.

**H. Vulnerability**

1. 10 points will be assigned to a water system whose source is vulnerable to natural disasters (such as flood or drought) or contamination.
2. 10 points will be assigned to a water system whose treatment plant is vulnerable to natural disasters (such as flood, earthquake, etc.) or contamination.
3. 10 points will be assigned if the proposed project cost is for repair or replacement of an existing public water system damaged or destroyed by a natural disaster. In order to be assigned these points, the project must be located in an area declared a federal or state natural disaster area, and a description of the public water system damaged or destroyed by the natural disaster must be submitted along with a statement that other state or federal disaster relief is not sufficient to meet the costs of the project.

**IV. Regionalization, Interconnection, and Security**

**A. Interconnection**

1. 20 points will be assigned for systems affected by drought for projects that will result in interconnections with other systems or for upgrades to existing systems to address drought-related problems.
2. 20 points will be assigned to address systems prone to flooding that will result in interconnections with other systems or for upgrades to existing systems to address flood-related problems.
3. 20 points will be assigned if the proposed project provides an interconnection from a primary water system that allows it to provide service to a system with compliance issues.

**B. Consolidation**

1. 20 points will be assigned if the proposed project provides necessary infrastructure upgrades to a primary water system, allowing it to continue or expand service as a regional water supplier.
2. 20 points will be assigned for consolidation of public water systems, where at least one of the systems has demonstrated technical, managerial, and financial capacity with respect to the national primary drinking water regulations. This would include newly formed regional water suppliers (generally water districts), which will allow small water systems within their boundaries to consolidate.
3. 20 points will be assigned if the proposed project will result in a new water distribution system or existing distribution system upgrade to meet the standards of a regional water supplier for the purpose of consolidation.
4. 10 points will be assigned for consolidation of public water systems where the proposed project will result in a regional management system responsible for the day-to-day operation

of the water system, where the management system has the required technical, managerial, and financial capacity to meet the national primary drinking water regulations. If the project meets the criteria for the points under item IV.B.3., points under these criteria will not be awarded.

- C. Security** 10 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).

## **V. Technical, Managerial, and Financial Capacity Demonstration**

- A. Wellhead and Source Water Protection** 10 points will be assigned to applicants who have a department-approved wellhead or source water protection plan.
- B. Board Member or City Council Member Training** 10 points will be assigned if 50 percent of the governing body has received training related to the operation and management of the water utility.
- C. Operation and Maintenance Plan** 10 points will be assigned if the system has a complete operation and maintenance plan.
- D. Asset Management** 10 points will be assigned if the system has completed an asset inventory, including the condition and age of assets, for all critical assets in their system and has incorporated replacement schedules into annual and capital improvement budgets.

## **VI. Emerging Contaminates**

- A.** 25 points will be assigned if any perfluoroalkyl or polyfluoroalkyl substances have been detected in the source water.
- B.** 20 points will be assigned for any contaminant detected from any of EPA's Contaminant Candidate Lists for which EPA has not promulgated a National Primary Drinking Water Regulation for.

## **VII. Affordability** (priority points are applied in this category only to the projects of publicly owned water systems).

- A. Determining Annual Median Household Income** The state's annual median household income level must be determined from the latest decennial census of the United States. The system's annual median household income level must be determined from the county, city, village, town's income data from the latest decennial census of the United States, or from an income survey overseen by a state or federal agency.
  - 1. A community water system will use the annual decennial median household income for the appropriate political subdivision or subdivisions encompassing its service area.
  - 2. A non-municipal community water system will use the annual decennial median household income for the smallest political subdivision encompassing the nonmunicipal community water system.
- B. Assignment of Affordability Points** (maximum 35 points).
  - 1. 20 points will be assigned to a project if the median household income of the applicant is less than or equal to 75 percent of the state median household income as reported in the most recent decennial census.

2. 1 to 25 points will be assigned based on the ratio of the current monthly water bill for 5,000 gallons of water to the monthly median household income for the project area to be served (expressed in percent times 10 and rounded to the nearest whole number).

For example: Monthly water bill = \$20 Annual median household income = \$24,000

Monthly median household income =  $\$24,000 / 12 = \$2,000$   $(\$20 / \$2,000) \times 100\% = 1\%$

$1 \times 10 = 10$  points.

## **SDWA Compliance Priority Points: Existing and Anticipated Regulations**

### **Maximum Contaminant Levels (MCL) and Treatment Technique Requirements. Acute Risk Contaminants**

*E. coli* MCL as specified in 10 CSR 60-4.022(10) Revised Total Coliform Rule, in effect at the time of application

Turbidity Maximum Turbidity Levels as specified in 10 CSR 60-4.050(2)(A) Maximum Turbidity Levels and Monitoring Requirements and Filter Backwash Recycling

Nitrate/Nitrite MCL as specified in 10 CSR 60-4.030 (1)(A) 13-15 Maximum Inorganic Chemical Contaminant Levels, Action Levels, and Monitoring Requirements

Chlorine Dioxide MRDL as specified in 10 CSR 60-4.055(5) Disinfection Requirements

Lead and Copper Action Level as specified in 10 CSR 60-15.010(3) General Requirements (lead and copper)

### **Treatment Technique Requirements and MCLs for Non-Acute Risk Primary Contaminants**

10 CSR 4.022(9) Revised Total Coliform Rule

10 CSR 60-4.025(4) Ground Water Rule

10 CSR 60-4.050(2)(A) 1. Maximum Turbidity Contaminant Levels and Monitoring Requirements

10 CSR 60-4.052(1) & (2) Source Water Monitoring and Enhanced Treatment Requirements

10 CSR 60-4.055 Disinfection Requirements

10 CSR 60-4.094 Disinfectant Residuals, Disinfection Byproduct Precursors and the Stage 2 Disinfectants/Disinfection Byproducts Rule

10 CSR 60-15.010(4-6) General Requirements (lead and copper)

10 CSR 60-4.030(1) Maximum Inorganic Chemical Contaminant Levels, Action Levels, and Monitoring Requirements

10 CSR 60-4.040(1) Maximum Synthetic Organic Chemical Contaminant Levels and Monitoring Requirements

10 CSR 60-4.060(1)(A-D) Maximum Radionuclide Contaminant Levels and Monitoring Requirements, subsections

10 CSR 60-4.100(2) Maximum Volatile Organic Chemical Contaminant Levels and Monitoring Requirements

### **Secondary MCL**

10 CSR 60-4.070(1) Secondary Contaminant Levels and Monitoring Requirements

## **New and Anticipated Federal Regulations**

Proposed Lead and Copper Rule Improvements

Proposed PFAS National Primary Drinking Water Regulation