

Drinking Water State Revolving Fund (DWSRF)

DWSRF Priority List Application FFY 2023

Due Wed. March 1, 2023. See submission instructions at the end of the application.

This is the annual Priority List Application for having a project ranked for the next cycle of DWSRF funding via the [Intended Use Plan](#) (IUP). It is required for construction loans (Step 3 loans). Construction projects ranked in the fundable range on the FFY 2023 IUP priority list must then complete a full [Loan Application](#) by June 30, 2024. This Priority List Application is optional in most cases for planning and design loans (Step 1 & 2), but submitting the application will help us allocate funds. You may submit a planning or design [Loan Application](#) under the FFY 2022 IUP instead.

There is no fee for this application and no penalty against future funding if the project does not proceed. See Vermont DWSRF Guidance Document 2 for more information on the priority list ranking process. An update incorporating the addition of Source Protection Loans scoring and changes to points since the last [guidance document](#) version will be posted in January 2023.

See the federal [DWSRF eligibility handbook](#) and [Vermont DWSRF Guidance Document 8](#) for information on eligible borrowers, projects, and costs. An eligible borrower is an existing community system, municipal or private; or an existing non-profit non-community system. If this proposal is for a new water system, contact Drinking Water and Groundwater Protection Division (DWGPD) [Capacity staff](#) prior to submitting an application. New water systems are only eligible for DWSRF funding to address public health concerns such as widespread contamination.

Water System and Consulting Engineer Information

Water System Name: _____

Water System ID (3-5 digit # used in compliance documents; don't need VT000 prefix): _____

Borrower (often the same as the water system): _____

Water system contact name and title: _____

Water system contact email: _____

Consulting engineering firm name: _____

Consulting engineer contact name: _____

Consulting engineer email address: _____

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Preliminary Construction Loan Rate and Subsidy Determination

DWSRF staff use the answers you provide below and in later sections, in combination with local income data, to determine preliminary construction loan terms (repayment years, administrative fee, and loan forgiveness) based on [Guidance Document 10](#) (update should be posted January 2023). Availability of subsidy varies depending on annual federal funding. Preliminary loan terms and subsidy for fundable projects will be shown on the priority list for planning purposes for the program and for water systems, and as part of our grant application to EPA for DWSRF funds. Final loan terms and subsidy determination are made based on the Loan Application and its supporting documentation.

Annual water system operations & maintenance budget (post-project): \$ _____

Annual water system debt payment. Do not include estimates for this loan or debt that will be paid off within 5 years. If you expect to co-fund this project with other long-term loans, you may include debt estimates for those loans; explain those other loans in the total cost narrative later in this application.

\$ _____

Annual dedicated reserve contribution
(budget line item, not just leftover funds carried forward):

\$ _____

Number of service connections

DWSRF staff will review these points based on SDWIS regulatory data and answers below.

Points	Service Connections
20	< 100
15	101 to 330
10	331 to 1100
5	1101 to 3300
0	> 3300 connections

Residential service connections: _____

Convert annual non-residential water use (industrial, commercial, wholesale) to equivalent residential units. Divide by 76,650 gallons/yr or 10,250 ft³/yr or 290.15 m³/yr):

Annual water use & volume units _____ → ERU: _____

Sum of residential and non-residential equivalent connections (residential + ERU): _____

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Affordability and Service Area

Points based on a comparison of state community median household income (SCMI, the median of community median household incomes within the state), to the median household income (MHI) of the water system or the town(s) in which the system exists. For water systems that encompass more than one town, the MHI is based on the weighted number of household connections in each town. Community water system MHI is divided by the SCMI, expressed as a percentage, and assigned points based on percentage brackets shown below. MHI data is obtained using the currently available data from the 5-year American Communities Survey (ACS).

Points	% of SCMI
35	≤ 60
25	$60 < X \leq 70$
15	$70 < X \leq 80$
10	$80 < X \leq 90$
5	$90 < X \leq 100$
2	$100 < X \leq 120$
0	> 120

DWSRF staff will assign points based on available census MHI [data](#) by town, village, or Census Designated Place (CDP) that most closely matches the distribution system map of the water system.

Optional: You may provide information about the water system service area. If you charge different user rates in different portions of the service area, explain.

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Project Summary

Project title. Be as specific as possible, “Replace Main St & Elm St mains” not “Water main project”; “Treatment plant upgrades” not “Water system improvements 2”.

Project description. Include scope, location, and enough detail for us to evaluate eligibility and score the project. Several sentences to a couple of paragraphs; if you are attaching a short separate document indicate below.

Choose the most appropriate project type. Projects are ranked on several lists; see the FY2022 IUP for examples. DWSRF will determine final categories based on EPA guidance.

- Emerging Contaminants (currently PFAS), or EC and general construction combined.
- EC planning/design loan, not ready for construction by June 2024.

- Lead Replacement construction, or Lead Replacement and general construction combined.
- Lead Replacement planning/design loan, not ready for construction by June 2024.

- Service line inventory. Water systems under 1000 users, see the IUP for technical assistance options. Water systems over 1000 users, see the FFY 2022 [SLI Loan Application](#).

- General construction funding (most DWSRF eligible projects).
- General PER, hydraulic evaluation, or other planning or design document.

- Asset Management Plan. Municipal systems should see the current IUP and contact DWGPD [Capacity staff](#) first – set-aside funding with loan forgiveness may be available.

- Source protection loan – For these loans only, skip to the section on the next to last page.

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Project Costs

Total project cost estimate: \$ _____

Basis of total cost estimate (e.g., PER or other planning loan product; construction permit design documents; similar construction project; portion of project completed to date; consulting engineer estimate):

DWSRF loan request estimate for July 2023 - June 2024 period. If this is a continuing project for which you already have or anticipate having a loan, indicate the additional amount required here and explain the overall funding in the next question. Estimates should be as accurate as possible but actual loan value will be based on the Loan Application and approval of line items : \$ _____

Explain other funding sources that will make up the difference between the total estimate and the DWSRF loan request estimate and allow the project to proceed (prior DWSRF loans for planning or construction, related CWSRF loans, water system reserve funds, USDA loans/grants, EPA loans/grants, local or state ARPA funds, etc.).

If this project will combine Emerging Contaminants or Lead funding with general DWSRF funding (for the portion not eligible for EC or Lead), provide a rough split of the costs.

Facility Deficiencies and Compliance Concerns

Priority points provided for each required improvement project reflect the relative public health risk and compliance concern of the deficiency being corrected. Facility deficiencies must be identified in a survey letter, notice of alleged violation (NOAV), operating permit, or other DWGPD document. Points are awarded for the deficiency corrected by the project that addresses the highest health risk and compliance concern, and represents a significant portion of the total project cost – only one score from the table below per project. The Secretary may phase projects for priority scoring purposes when more than one deficiency is being corrected, the associated costs of correcting each deficiency is significant, and the relative public health risk and compliance concern of the deficiencies are significantly different. Points are awarded for the following deficiencies:

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Points (highest only)	Deficiency / Compliance Concern	Description – Project will...
○ 120	Microbial contamination	Address known microbial contamination by providing adequate treatment or eliminating the sources(s) of contamination.
○ 120	Inadequate treatment of surface water or GWUDISW	Address inadequate treatment systems supplied by surface water sources or sources determined to be groundwater under the direct influence of surface water (GWUDISW).
○ 120	Inadequate water quantity	Address documented inability to meet maximum daily demand (MDD) with existing sources.
○ 120	Chemical contaminant above MCL, AL, or VHA	Address exceedance of a primary drinking water standard (maximum contaminant level (MCL), copper action level exceedance (ALE), federal lead ALE, or Vermont Health Advisory (VHA) established by Vermont Department of Health, an interim standard as directed by the Legislature, or other water quality that requires treatment as directed by the ANR Secretary.
○ 120	Chemical contaminant above VAL	Address exceedance of a Vermont Action Level (VAL) developed by the Health Department (benzene, carbon tetrachloride, dibromochloropropane, 1,2-dichloroethane, 1,2-dichloropropane, hexachlorobenzene, pentachlorophenol, tetrachloroethylene, trichloroethylene, or vinyl chloride).
○ 100	Inadequate disinfection facilities	Provide 4-log inactivation of viruses for a water system that does not currently have this capability, or address documented inadequacies in disinfection treatment performance.
○ 90	Lead control	Address documented lead service lines or connectors (if ALE, choose 100 points AL above).
○ 80	Inadequacy of critical components	Correct a Significant Deficiency or Permit to Operate compliance item identified during a sanitary survey or site assessment(s). If not previously identified, provide documentation of inadequacy.
○ 70	System vulnerable to contamination	Address documented contamination vulnerabilities, e.g., inadequate storage tank roof, inadequate pressure, source vulnerable to a septic leachfield or chemical contaminant, etc.
○ 50	Improve existing system components	Improve or protect existing components, or construct redundant facilities.
○ 40	Inadequate cross-connection control	Correct existing or potential cross-connection problems or make improvements under an established control plan.

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List document(s) relevant for points from the table above, e.g., Significant Deficiency in August 2022 sanitary survey letter; 2021 Permit to Operate compliance schedule.

Chemical contaminant present below MCL, AL, VAL, or VHA

- 10 pts** to treat or eliminate a regulated contaminant present at a lower concentration. Do not repeat for a contaminant listed in the section above. To claim these points, describe contaminant(s) below with reference to laboratory results.

Physical Consolidation of Water Systems

Adds points for interconnection or consolidation of regulated public water systems. Physical consolidation of small water systems is encouraged to increase the capability of small systems to protect public health and comply with regulations. See the [federal DWSRF eligibility handbook](#) and [Vermont DWSRF Guidance Document 8](#) for information on eligibility of new or expanded systems to address significant contamination.

Points (highest only)	Description
○ 20	Interconnection of community water supplies (resulting in declassification of a regulated public community water system)
○ 15	Interconnection of community water supplies (remaining separate regulated public community water supplies)
○ 10	Interconnection of non-community system

If claiming points, explain the water systems to be consolidated – names, WSIDs, general flow configuration.

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Project Readiness to Proceed

To be scored for this funding round, construction projects must have an approved **Preliminary Engineering Report (PER)** or DWGPD-approved PER equivalent relevant to the project by the date of IUP adoption. The PER must have been submitted prior to this application.

PER submission date if not yet approved (should be on or before 3/1/23): _____

PER approval date: _____

Describe other relevant work completed or underway (e.g., design, source exploration, source permit):

15 pts for relevant **Permit to Construct** from the DWGPD by end of IUP public comment period:

If received, enter permit # and permit date, e.g., C-1234 1/2/2023: _____

If application submitted and in review, enter date submitted: _____

15 pts for voter authorization to incur debt for construction loan (specific bond vote for municipal system; VEDA authorization for private system); Enter date of vote: _____

Other Project Characteristics

75 pts if the construction project is a high priority project within a DWGPD-approved [Asset Management Plan](#). Date DWGPD approved the AMP: _____

20 pts for a project that directly benefits a non-profit school or non-profit person-care facility. The school or person-care facility does not necessarily need to be a regulated public water system. If claiming points, describe:

10 pts for a project that will improve resilience of existing water system infrastructure documented to be vulnerable to adverse effects from floods. If claiming points, describe:

Meters – provide sufficient detail in the project description above.

- 5 pts** for source production meter(s) added or improved with data acquisition and recording.
- 5 pts** for in-line distribution meter(s) suitable for use in a water audit (e.g. at a pressure reducing vault, pump station, treatment plant, storage tank, etc.) added or improved with data acquisition and recording.
- 5 pts** for metering all service connections or installing system-wide automated meter reading.

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Source Protection Loan – Land Purchase or Conservation Easement

See the current [IUP, Guidance Documents](#) 2 & 10, and the DWGPD [Source Protection](#) website for more information on these loans. The water system must have a current approved Source Protection Plan for the source or have submitted the SPP update to DWGPD prior to loan application.

Source protection plan approval or submission date: _____

Land location points are not additive. Points for the highest applicable improvement are counted.

Points	Land Location – to achieve control of:
<input type="radio"/> 40	200 ft around source (for existing sources)
<input type="radio"/> 25	Lands for future source development
<input type="radio"/> 10	Lands in existing source protection area (outside 200 ft radius)

Addressing deficiency in existing source(s), quality or quantity. Points are not additive.

Points	Quality or Quantity Deficiency addressed
<input type="radio"/> 40	Water quantity issues with existing sources
<input type="radio"/> 40	Water quality issues with existing sources

- 20 pts** for a project that includes actively collaboration with partners, e.g., non-profits, land trusts, conservation districts.
- 40 pts** for a project that includes benefits to other water systems; proposed land acquisition includes other public drinking water sources.
- 10 pts** for a project that will improve resilience of existing water system infrastructure documented to be vulnerable to adverse effects from floods.

Details explaining points claimed above if not already in the project description:

Estimate of purchase price and associated legal/admin costs: \$ _____

Basis of cost estimate (e.g., appraisal): _____

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Signature and Submission Instructions

"As Authorized Representative for the water system, I hereby certify that this information is true and correct to the best of my knowledge."

Authorized Representative Signature:

Authorized Representative Name:

Title / Role (e.g., Board President; Town Manager):

Date:

Send this form as an email attachment to ANR.DWSRFplist@vermont.gov Please include borrower or water system name in the subject line. If you are submitting multiple priority list applications, please submit them as separate documents and emails if possible, or if there is a single scanned file, please mention that it contains multiple applications.

Deadline: 5pm Wednesday 3/1/2023

Submit questions about this priority list application to ANR.DWSRFplist@vermont.gov (preferred) or call 802-585-4904.