

**State of Ohio**

**Drinking Water Assistance Fund**

**Program Management**  
and  
**Intended Use Plan**

**Program Year 2008**

**Effective July 1, 2007**  
through  
**June 30, 2008**

**FINAL 2008**  
**June 22, 2007**

## TABLE OF CONTENTS

	<u>Page</u>
<b>PART I</b>	
<b>Introduction .....</b>	<b>1</b>
-Public Review and Comment Procedures.....	1
-Summary of Changes to the Drinking Water Assistance Fund .....	1
-Foreword.....	2
<b>PART II</b>	
<b>The Intended Use Plan .....</b>	<b>2</b>
-Drinking Water Assistance Fund in Ohio.....	2
-Drinking Water Assistance Fund Long-Term Goals.....	3
-Drinking Water Assistance Fund Short-Term Goals .....	4
-Structure of the Fund.....	4
-Sources and Amount of Funds .....	5
-Drinking Water Assistance Administrative Account .....	6
-Wellhead Protection Account.....	7
-Small Systems Technical Assistance Account .....	7
-Water Supply Revolving Loan Account .....	8
-Advantages of WSRLA.....	8
-Currently Available Funds for WSRLA Projects.....	8
-WSRLA Project Priority System.....	9
-Sustainable Infrastructure Initiatives.....	10
-2007 WSRLA Projects.....	10
-2008 WSRLA Projects.....	10
-Annual Fifteen Percent Minimum Required Loan Assistance to Small Systems .....	12
-WSRLA Project Funding Procedure .....	13
-Emergency Projects Procedure .....	14
-Project Bypass Procedure .....	14
-WSRLA Interest Rate Structure.....	15
-Disadvantaged Community Program.....	16
<b>PART III</b>	
<b>The DWAF Administration System .....</b>	<b>22</b>
-Drinking Water Assistance Fund Management Practices .....	22
-Management Practices .....	22
-Project Responsibilities of DWAF Applicants and Recipients .....	24
-DWAF Administrative Conditions .....	24
-WSRLA General Plan/Detailed Design Consistency .....	25
-Essential Water Supply System Components.....	25
-WSRLA Eligible Costs.....	25

**PART IV Definitions.....26**

Appendix A Public Notice of Draft Intended Use and Management Plan .....29

Appendix B Public Notice of Final Intended Use and Management Plan .....30

Appendix C WSRLA Ineligible Costs .....31

Appendix D WSRLA Planning and Design Loans.....33

Appendix E WSRLA Interest Rate Criteria .....35

Appendix F WSRLA Project Priority Ranking System .....37

Appendix G WSRLA Project Priority List.....45

Appendix H WSRLA Intended Use List.....50

Appendix I Wellhead Protection Program .....54

Appendix J Small Systems Technical Assistance Work Plan .....60

Appendix K Capacity Assurance Program.....66

**Ohio Drinking Water Assistance Fund  
Program Management Plan  
for Program Year 2008**

**PART I. INTRODUCTION**

The Drinking Water Assistance Fund Program Management and Intended Use Plan for Program Year (PY) 2008 has been developed for implementation of the State's Drinking Water Assistance Fund (DWAF) efforts which are authorized by Ohio Revised Code (ORC) Section 6109.22 and Section 1452 of the Safe Drinking Water Act (SDWA). This program management and intended use plan describes how the Ohio EPA intends to distribute funds and administer the DWAF through June 30, 2008.

**Public Review and Comment Procedures**

On June 6, 2007, two public meetings were held to allow interested parties to present their comments and suggestions on Ohio's DRAFT PY 2008 Program Management and Intended Use Plan. A public notice was published on May 4, 2007 to advertise the availability of the DRAFT Management and Intended Use Plan and announce the public meetings. A copy of the public notice was sent to all public water systems on the project priority list. The draft plan and public notice appeared on the Ohio EPA Division of Drinking and Ground Waters website. Additionally, a news release regarding the changes to the draft plan was issued during May 2007. No comments were received at the public meetings. One comment letter was received during the public comment period by Stuart Smith of Ground Water Science regarding the use of the wellhead protection set-aside. Mr. Smith felt we should give a portion of the wellhead protection set-aside to public water systems so they can have a contractor complete their source water assessment plans and wellhead protection plans instead of being completed by Ohio EPA staff. Ohio EPA is always open to new approaches to ensure public health protection utilizing the multi-barrier approach. We appreciate Mr. Smith's comments and will review the wellhead protection program this year to determine what future changes may be necessary. A full response to Mr. Smith's comments can be found on our website at <http://www.epa.state.oh.us/ddagw/dwaf.html>

**Summary of Changes to the Drinking Water Assistance Fund**

The amendments noted below are changes for PY 2008.

1. During PY 2008, Ohio EPA will begin development of sustainable infrastructure and planning initiatives for public water systems receiving a loan from the Water Supply Revolving Loan Account (WSRLA). A short term goal has been added on page 4 of

the plan to reflect this intention. Further information of the final initiatives will be included in the PY 2009 Intended Use and Management Plan.

2. Starting with PY 2008, projects added to the project priority list and intended projects list during the mid-year update will be ranked below all other current projects on the list starting with PY 2008. Further information can be found on page 9 of the plan.
3. For the first quarter of PY 2008, PY 2007 projects making timely progress toward loan award that have bid schedule requirements that must extend past June 2007, will be carried forward and considered fundable. Further information regarding the carryover projects can be found on page 10 of this plan and on the draft PPL in Appendix G.
4. Ohio EPA is announcing a change to the disadvantaged community program that will begin with PY 2009. If a community qualifies for disadvantaged community assistance in the form of principal forgiveness due to a portion of the overall service area, then a financial benefit equal to the amount of principal forgiveness received must benefit the portion of the service area that qualified the project for disadvantaged community designation. Further information is included on page 19 of this plan.
5. The proportionate share definition was changed on page 24 of this plan. Each system serving a population of greater than 10,000 people can take up to 10% of the available funds designated for projects this year. Therefore since \$120 million is being made available for loans during PY 2008, systems serving a population of greater than 10,000 people may receive up to \$12 million. The proportionate share does not apply to systems serving 10,000 or less population.
6. In Appendix F, "WSRLA Project Priority Ranking System", points were modified for a few of the categories. Acute contaminant points for nitrate were decreased slightly, some chronic contaminant points were increased and additional categories and points were added for effective management. These changes occur starting on page 35 of this plan and will be utilized beginning in PY 2009.

## **Foreword**

The Management Plan is divided into two main parts: the Intended Use Plan (IUP) describes the goals of the DWAF and its programs, the allocation of available monies, and the intended uses of that assistance, including a list of potential recipients which have been identified. The Administration System describes the terms, conditions, and criteria governing the award of assistance, including the method of prioritizing projects.

## **PART II. THE 2008 INTENDED USE PLAN**

### **Drinking Water Assistance Fund (DWAF) in Ohio**

Through grants from the United States Environmental Protection Agency, and matching funds provided by the Ohio EPA, the State of Ohio is establishing financial and technical assistance programs under the DWAF to help Ohioans improve their drinking water systems. The Drinking Water Assistance Fund follows the provisions of Section 1452 of the SDWA, and ORC 6109.22.

The main purpose of the DWAF is to provide financial assistance to eligible public water systems to attain and maintain their systems in compliance with the requirements of the SDWA and Ohio statutes and regulations.

In addition, the Agency intends to use the set asides provided for in the 1996 Amendments to the SDWA only when necessary to supplement existing state programs and funds, and not as substitutes for existing funding. This will allow the maximum amount of funds to be provided for infrastructure improvements.

### **Drinking Water Assistance Fund Long-Term Goals**

The long-term DWAF program goals are to:

1. Maximize below-market rate loans to eligible public water systems to fund improvements to eliminate public health threats and ensure compliance with federal and state drinking water laws and regulations;
2. Target technical assistance to public water systems serving less than 10,000 in population with a technical assistance program as provided for with the funds to be utilized from the technical assistance set-aside account;
3. Provide financial assistance for completing source water assessments and wellhead protection plans (delineation, inventory, susceptibility analysis and distribution of assessment information) with funds from the wellhead protection set-aside account to promote locally developed source water protection plans;
4. Improve the types and quantity of small and disadvantaged community assistance to reduce the financial impact of capital improvements projects on smaller systems and systems serving less affluent populations;
5. Promote the development of the technical, managerial and financial capability of public water systems to maintain compliance with the state and federal SDWA requirements, and Ohio's Capacity Assurance Program;
6. Fund the construction of extensions of public water systems, or if extensions are not economically feasible, the construction of new public water systems to address areas of contaminated private water systems; and,

7. Encourage the consolidation and/or regionalization of small public water systems so as to allow them to take advantage of economies of scale available to larger water systems.

### **Drinking Water Assistance Fund Short-Term Goals**

The short-term DWAF program goals are to:

1. Continue implementation of the DWAF as an ongoing environmental assistance program. Continue development and implementation of assistance for disadvantaged community program.
2. Provide opportunities for meaningful public involvement in DWAF. Continue implementation by public notification of the Intended Use Plan/Management Plan, Project Priority List, and hosting two public meetings per program year. Expand opportunities for public interaction by further developing and implementing the marketing and outreach strategy documented in the DWAF Strategic Business Plan.
3. Promote the fund as an effective means to provide financial assistance to systems developing capital improvements projects to address new regulations and are listed by Ohio EPA as a "priority" system.
4. Develop sustainable infrastructure and planning initiatives for public water systems during the 2008 program year.

### **Structure Of The Fund**

For PY 2008, the DWAF is composed of four accounts which will be used to provide assistance to accomplish its goals:

1. The Drinking Water Assistance Administrative Account will hold fees collected by the Ohio EPA from applicants as well as the four percent set aside from the federal Capitalization Grants provided for in Section 1452 (g) (2) of the SDWA. This account will be used to ensure the long term administration of the program.
2. The Wellhead Protection Account will provide for implementation of Ohio's approved Source Water Assessment and Protection Program as required by Section 1453 of the SDWA and WHP Program as required under Section 1428 of the SDWA.
3. The Small Systems Technical Assistance Account will fund technical and managerial assistance for public water systems serving 10,000 or fewer in population. Assistance from this fund will also be provided to WSRLA applicants for completing the documentation necessary to obtain financial assistance, and

documents necessary for the Capacity Assurance Program. This assistance will be provided through a combination of outsourcing to qualified organizations and Agency staff support.

4. The Water Supply Revolving Loan Account (WSRLA) will provide financial assistance for the planning, design, and construction of improvements to community water systems, and nonprofit non-community public water systems.

Each of these four accounts and their operation are described in the following sections.

### **Sources and Amount of Funds for the 2008 DWAF**

The primary sources of funds available during PY 2008 for the DWAF will be from capitalization grants and the remainder of notes issued during PY 2007. The Ohio EPA will leverage the principal and/or interest repayments from loans made to the WSRLA as necessary to redeem the notes issued during PY 2007.

Sufficient funds were generated by the 2004 DWAF State Match Revenue Bond issue to provide match for the 2007 capitalization grant, and match for several future capitalization grants.

The Ohio EPA will be submitting the FFY 2007 capitalization grant application to U.S. EPA in May 2007, with an anticipated award date in September 2007. The Ohio EPA will make those funds available during the remainder of the 2008 program year. The FFY 2008 capitalization grant application will be submitted to U.S. EPA during Spring 2008.

The Ohio EPA is limiting the funds to be used for the 2008 fundable projects to \$65.0 million plus other carryover funds from 2006 and 2007. Therefore, the total fundable project amount is \$120.0 million. All funds not used during the 2008 program year may be carried over for use in subsequent program years.

Table 1 on the following page shows the distribution of funds for the DWAF including the FFYs 2007 and estimated 2008 capitalization grants and estimated proceeds from notes and leveraged bonds.

# Drinking Water Assistance Fund

## Distribution of Funds

### Summary of Funds Available\*

Table 1

FFY 2007 & 2008 Appropriation Capitalization Grants \$24,671,000 \$24,671,000

Set-Asides Accounts (as of March 30, 2007)	Prior Year Balances	2007 Grant Amounts*	2008 Grant Amounts**	Totals for Each Account
Administrative	\$3,649,192	\$986,840	\$986,840	\$5,622,872
Wellhead Protection Program	\$3,532,635	\$1,233,550	\$1,233,550	\$5,999,735
Small Community Tech Asst	\$1,875,671	\$493,420	\$493,420	\$2,862,511

Revolving Loan Accounts (as of June 21, 2007)				
WSRLA CAP Grant	\$17,022,043	\$21,957,190	\$21,957,190	\$60,916,423
State Match for New Grants	N/A	\$4,934,200	\$4,934,200	\$9,868,400
State Match Account - Overmatch	(\$23,658,374)	(\$4,934,200)	(\$4,934,200)	(\$13,789,974)
State Match Account - After New Grants	\$2,160,214	\$0	\$0	\$2,160,214
Subtotal WSRLA CAP grant (w/State Match)	\$19,162,257	\$21,957,190	\$21,957,190	\$63,076,637
Bond Anticipation Note (BAN)/Bond balance	\$51,401,928	\$0	\$0	\$51,401,928
Other Projects Fund (repayments)	\$22,946,013	\$0	\$0	\$22,946,013
Total estimated WSRLA Funds	\$93,510,198	\$21,957,190	\$21,957,190	\$137,424,578
Amount of funds being made available PY 2008				\$120,000,000
Proportionate Share (10% of PY 08 funds available)				\$12,000,000

\* Application for the FFY 2007 Capitalization Grant is being prepared for submittal to U.S. EPA by : 6/30/07

\*\* FFY 2008 Allotment is anticipated to be the same as FFY 2007

### Drinking Water Assistance Administrative Account

Ohio EPA will set-aside four percent (4.0%) of the FFY 2008 federal capitalization grant to provide for administration of the DWAF. These funds will pay for personnel costs within Ohio EPA including management of the drinking water assistance fund and district office compliance coordinators. This account will also contain the administrative fees collected by Ohio EPA from WSRLA funding recipients. Ohio EPA will require a loan origination fee of one percent (1.0%) of the principal of each loan originated from the WSRLA. Loans that are a part of the Disadvantaged Community Loan Program will not be assessed a one percent (1.0%) loan origination fee for the portion of the loan that falls under the disadvantaged community program.

The administrative fee collected by Ohio EPA will be deposited into the Drinking Water Assistance Fund Administrative Account (DWAFAA) as it is part of the WSRLA program. OWDA will require its standard fee of point thirty five of one percent (0.35%) of the principal of the loan amount. The fee collected by OWDA will be deposited into the DWAFAA to be

utilized by the OWDA for administrative costs related to the program. Fees deposited into the DWAFAA will be used solely to defray the costs of administering the program. These fees are due at the time of the loan award and are an eligible project cost. There is no minimum fee for either the Ohio EPA or the OWDA per WSRLA loan amount. Administrative funds that remain in the account at the conclusion of the program year will remain in the account to address program administrative costs in subsequent program years.

### **Wellhead Protection Account**

Ohio EPA will set-aside five percent (5.0%) of the FFY 2008 federal capitalization grant under Section 1452(k)(1)(D) of the SDWA. This Section authorizes states to set-aside up to ten percent of each year's federal capitalization grant to make expenditures for the establishment and implementation of wellhead protection (WHP) programs. Appendix I contains an intended use plan outlining how Ohio EPA will use those funds to complete wellhead protection work at public water systems consistent with Ohio's approved WHP and SWAP Programs.

### **Small Systems Technical Assistance Account**

The Ohio EPA will set-aside two percent (2.0%) of the FFY 2008 federal capitalization grant to provide technical assistance to public water systems serving 10,000 or fewer in population. Appendix J contains the work plan for the Small Systems Technical Assistance Program. These funds will be used to:

- a. Support a technical assistance team or a qualified organization(s) to provide on-site technical assistance to help bring selected systems into compliance with applicable requirements of the Safe Drinking Water Act and regulations promulgated under the Act; and/or,
- b. Support a technical assistance team or qualified organization(s) to assist eligible public water systems to prepare loan applications, develop supporting documentation for loans, develop capacity assurance documents and provide capability training.

The combination of these activities will be identified through an analysis of the needs of systems serving 10,000 or fewer in population. Small Systems Technical Assistance Account funds that are not expended at the conclusion of the program year may remain in the account to address this type of assistance in subsequent program years.

## **Water Supply Revolving Loan Account**

### **Advantages of the WSRLA**

The WSRLA program has several advantages, including:

- Loans at an interest rate below market rate provide significant cost savings. The difference between a market rate loan and a below market rate loan can result in the equivalent of receiving a partial grant for the financing of the project. In addition, there are no bond issuance costs for the applicant.
- Ohio EPA staff have extensive experience providing advice and assistance to communities in identifying sound technical and financial solutions. The types of assistance that Ohio EPA can provide include planning, reviewing projects for potential cost saving measures, providing technological, administrative and/or performance information, helping to develop cost recovery systems, and coordinating with other funding programs.
- The WSRLA program can fund a wide variety of water supply capital improvements to improve and maintain the quality of Ohio's drinking water systems.
- Although Ohio EPA and communities must meet certain federal requirements in the loan program, it is essentially a state program. Procedures and program requirements are streamlined since the program is administered completely by the state.

### **Currently Available Funds for WSRLA Projects**

The "Drinking Water Assistance Fund Distribution of Funds Table" illustrates the total funds for the program year. The available funds to fund capital improvements to community and nonprofit non-community public water systems through loans and other types of assistance for qualifying projects is limited to \$120 million for program year 2008 which includes a portion of other available funds that have been carried over and designated as fundable on the 2008 Project Priority List.

The award of this assistance may be offered to projects which qualify under the terms set forth in ORC 6109.22 and other state requirements, applicable federal requirements, and which are fundable according to the funding criteria and the WSRLA Project Priority Ranking System (see Appendices C and F ). Each public water system will qualify for a maximum amount annually based on the proportionate share.

The proportionate share amount for program year 2008 applies to systems serving a population of 10,000 individuals or greater. They are eligible to receive up to 10% of the

available funds. The proportionate share does not apply to systems serving a population of less than 10,000.

### **Water Supply Revolving Loan Account Project Priority System**

The WSRLA Project Priority System (Appendix F) ranks submitted projects primarily according to three factors:

- Human health risk
- Compliance with federal and state SDWA requirements
- Systems in need on a per household basis

Other factors included in the priority ranking system are:

- Bonus points for effective management
- Population of the area served
- Regionalization / consolidation

The WSRLA Project Priority System, provides the structure and methodology for rating and ranking systems submitted to be considered for WSRLA assistance. The list of projects ranked according to this system is shown in Appendix G and H. Appendix G is the Project Priority List (PPL) and reflects all systems eligible for WSRLA financing that have been submitted by the appropriate authorized representatives. Appendix H is the Intended Projects List (IPL) and reflects systems ranked on the PPL that are candidates for funding based upon their priority ranking, the amount of WSRLA funds expected to be available and their intention to proceed during the current program year.

Proposed projects (planning, design, or construction) will be reviewed by Ohio EPA and placed on the PPL according to the evaluation of the applicable appropriate funding category. The actual fundability of a specific project will be determined by its funding category, its readiness to proceed, and the availability of WSRLA funds. Some systems have submitted more than one project for inclusion in the PPL. Therefore one system may have two or more projects on the PPL due to differing timing of implementation of each project. In many cases, the points assigned to each project from one system will be the same. This is due to the fact that it is the performance of the drinking water system with respect to all criteria evaluated through the ranking system upon which points are awarded. Some projects may receive more or less points based on the specific issue they plan to address. Only projects which represent a comprehensive solution to compliance issues and/or rectify a current health threat which exists in the system are eligible for funding through the program.

The PPL and IPL identifies proposed projects submitted through March 15, 2007. Emergency projects may be submitted at any time during the program year, and included on the PPL and IPL based upon the applicant's successful demonstration of an emergency situation existing in the service area which requires emergency measures be taken. It is not

the intention of the Ohio EPA to jeopardize the fundability of projects on the PPL or IPL, and therefore no projects will be displaced from funding due to the addition of emergency projects to the list.

Projects that do not qualify for funding in the current program year will be eligible to reapply for funding consideration in subsequent program years. Ohio EPA will solicit and add eligible projects to the PPL and IPL mid-year. Those projects can then be added to the PPL and IPL below all of the previously listed projects for funding consideration during the remainder of the program year. The deadline for inclusion in the mid-year updated list is October 15<sup>th</sup>. The mid-year updated list will not effect the fundability of systems on the 2008 PPL and IPL published in this Management Plan unless they are bypassed according to the Project Bypass Procedure.

These mid-year additions may result in minor changes to the content of the PPL and IPL, therefore, meaningful public comment and review will be solicited. Upon completion of that review and incorporation and consideration of public comments received, the PPL and IPL will be revised and submitted to USEPA for approval.

Projects listed on the PPL and IPL that are not making timely progress towards receiving a loan award may be bypassed for funding according to the Project Bypass Procedure. Projects which continue to be bypassed for failure to demonstrate reasonable progress in a timely manner may be deleted from the PPL and IPL.

### **Sustainable Infrastructure Initiatives**

US EPA has identified the four pillars of sustainable infrastructure as; full cost pricing, efficiency, better management and watershed approach. During PY 2008, Ohio EPA will begin development of an initiative to encourage sustainable infrastructure and regional planning for Ohio's public water systems. This may be done by giving systems an interest rate reduction to complete sustainable infrastructure and planning initiatives.

### **2007 WSRLA Projects**

Projects making timely progress toward loan award with bid schedule requirements extending past June 2007 will be carried forward and considered fundable during the first quarter of the new program year. These projects are denoted on the PPL with the code "F-07" in the "Funding Category." If loan award is not received during the first quarter of PY 2008, the project will not be fundable unless project bypasses occur and move the fundable line on the PPL.

### **2008 WSRLA Projects**

All projects on the PPL have been ranked using the ranking system described in Appendix F. Projects from the PPL are also on the IPL based upon their priority ranking, the amount

of WSRLA funds expected to be available (Table 1) and their intention to proceed during the current program year.

Appendices G and H contain the lists of all projects identified for inclusion on the WSRLA PPL and IPL for Program Year 2008. The PPL consists of two main parts, the fundable projects are identified on the comprehensive list. The fundable section includes all projects in priority order which ranked high enough to receive funding during the program year, and funds will likely be available during the program year. The comprehensive list contains all projects in priority order which have the potential to receive WSRLA funding either during the program year, or in subsequent years. The IPL consists of the same two parts as the PPL, except only projects intending to receive a loan during the current program year are represented. In short, the IPL is a subset of the PPL. The purpose of the IPL is to further prioritize systems interested in moving forward in the loan program for the specific program year.

The PPL and IPL shown in Appendix G and H, respectively, contain information specific to each project. This information includes:

- Project Rank or Position Number
- Name of Public Water System
- Brief Description of the Proposed Project
- Public Water System Identification Number
- Population or System Service Area
- Total Project Priority Points
- Potential Terms of Financial Assistance\*
- Funding Category
- Expected Funding Schedule of Project (anticipated date of the financial arrangements)

*\*Potential terms of financial assistance are based on the best information available at the time of the development of this IUP. Terms listed in this table may not reflect the actual terms of financial assistance to be offered to the public water system at the time the financial arrangements are finalized.*

Definitions of fundable, contingency, and bypass categories are included later in this section.

Based on the projects ranked on the PY 2008 IPL, Ohio anticipates the following outputs and outcomes for PY 2008. There are seventy-three projects on the 2008 IPL. On average, approximately twenty-two loans are made each year, so the actual number of project loan agreements will be much lower than the potential cited below.

1. **Output:** Ohio anticipates funding up to sixteen planning and design loans in PY 2008 for a total of approximately \$8,630,500.

**Outcome:** Funding these projects will result in proper planning and design of upcoming construction projects to sustain Ohio's infrastructure.

2. **Output:** Ohio anticipates funding up to four regionalization loans in PY 2008 for a total of approximately \$3,989,000.

**Outcome:** Funding these projects will result in four less small public water systems in Ohio. Regionalization allows small public water systems to take advantage of economies of scale available to larger water systems.

3. **Output:** Ohio anticipates funding up to twenty-three transmission/distribution loans in PY 2008 to construct, rehabilitate, or upgrade drinking water transmission systems for a total of approximately \$30,950,710.

**Outcome:** Funding these projects will result in more Ohioans receiving safe drinking water from new and existing treatment systems statewide.

4. **Output:** Ohio anticipates funding up to twenty-six drinking water treatment loans in PY 2008 to construct and/or rehabilitate drinking water treatment facilities for a total of approximately \$91,358,440.

**Outcome:** Funding these projects will result in better drinking water for thousands of people across Ohio and facilities that meet all applicable permits and Safe Drinking Water Act requirements.

5. **Output:** Ohio anticipates funding up to two drinking water storage loans in PY 2008 to construct and/or rehabilitate drinking water storage facilities for a total of approximately \$3,413,500.

**Outcome:** Funding these projects will result in better drinking water for thousands of people across Ohio and storage facilities that meet all applicable permits and Safe Drinking Water Act requirements.

6. **Output:** Ohio anticipates funding up to two drinking water source loans in PY 2008 to construct and/or rehabilitate drinking water sources for a total of approximately \$2,025,000.

### **Annual Fifteen Percent Minimum Required Loan Assistance to Small Systems**

A minimum of fifteen percent (15%) of all funds credited to the DWAF in any program year will be made available to provide loan assistance to fundable small systems with a population of less than ten-thousand customers to the extent that there is a sufficient number of eligible projects which are fundable. Ohio EPA will target a portion of its assistance to small communities by earmarking at least fifteen percent of this program

year's available WSRLA funds for fundable water systems serving fewer than 10,000 in population, and by focusing special administrative attention toward meeting the needs of small community applicants. Fundable small system loans in excess of the fifteen percent during the program year may be credited toward future program years. If the designated level of assistance cannot be awarded within the program year, steps will be taken in the IUP for the next program year to ensure that a sufficient number of projects are funded to meet this requirement in future years.

### **WSRLA Project Funding Procedure**

The funding categories described below were developed for descriptive purposes only to show the character and types of projects which may appear on the PPL and IPL. No additional project points are given to a project due to the category (ies) which it may be classified within. However, emergency projects are expected to proceed on an expedited schedule due to the health related factors of the emergency situation.

The PPL consists of four funding categories:

- A. *Fundable* - Those projects that are anticipated to be ready to proceed with either planning, design, or construction during the program year in priority order as listed on the PPL and IPL. Fundable projects on the list are estimated assuming:
  - 1) priority order and ability to initiate either planning, design, or construction during the program year;
  - 2) the bypassing procedure occurs as described;
  - 3) there are no significant cost changes to any fundable projects;
  - 4. no listed projects are already partially or fully funded except as otherwise reported on the pre-application; and,
  - 5) funding is awarded at the current levels allotted.
  
- B. *Contingency* - Those projects ready to proceed with either planning, design or construction during the program year not included in the fundable classification described in A above, in priority order as listed on the PPL and IPL, and which may receive funding through the use of the bypass procedure or through additional funds becoming available. Projects added to the PPL and IPL during the mid-year list update will be added to the bottom of the contingency projects in priority point order from highest to lowest.

These projects may also be added to the fundable category after determining that sufficient funds are available during the program year to award assistance to the

projects currently on the list that are in the fundable category. This may occur when fundable projects are bypassed due using the Project Bypass Procedure.

To be eligible for inclusion in the Contingency category, the applicant must be ready to proceed with their project during the program year.

- C. *Emergency* - An Emergency project is a project which is necessary to avoid or correct an imminent threat to public health. (See Part IV, Definitions)
- D. *Planning* - Those projects that are not ready to proceed with construction during the program year and are not included in the categories listed above.

To remain under consideration for funding all applicants must show timely progress toward receipt of assistance from the WSRLA during the program year.

### **Emergency Projects Procedure**

Projects which meet the definition of emergency projects (see Part IV, Definitions) may be added to the PPL or IPL at any time, and if all applicable requirements have been met, they may be funded at any time. Ohio EPA will make financing available from WSRLA funds so that qualifying emergency projects may receive immediate assistance without displacing fundable projects. Emergency projects will be funded prior to any contingency projects which have not yet received a WSRLA loan commitment. Emergency projects shall be scored using the procedures outlined in Appendix F. If the director has issued an order reciting the existence of the emergency, or the director has issued a finding giving notice of danger of contamination or inadequacy, or the director has issued an order to make corrections and changes to prevent the contamination of the water supply or source as provided for in ORC Sections 6109.05, 6109.14, and 6109.15, additional points shall be awarded to the project for emergency scoring purposes. Emergency scoring points shall be sufficient to place the emergency project as the first project to be funded at the time of the occurrence of the emergency, when added to the points which the project received as scored through the procedures outlined in Appendix F.

### **Project Bypass Procedure**

The Ohio EPA may bypass, any otherwise fundable project due to (1) withdrawal of the project by the applicant, or (2) lack of readiness to proceed. Lack of readiness to proceed will be determined using the agreed upon project schedule between Ohio EPA and the system, and detail plan approval for the project. Project applicants will complete a project schedule which they are expected to follow to avoid being bypassed. If a plant construction project (including upgrade, replacement, new construction or expansion of water treatment facilities) does not have detail plan approval by November 1<sup>st</sup> of a program year, then the project may be bypassed until the next program year. If a distribution related project (including mains, pump stations, finished water storage) does not have detail plan approval or planning document acceptance (including like kind replacement, meters) by

February 15<sup>th</sup> of a program year, then the project may be bypassed until the next program year.

A project may also be bypassed due to: applicant's inability to meet the WSRLA requirements, failure to develop an approvable, implementable project, or for other reasons appropriate under state or federal law. This may occur when the project's general plan or detailed design approval, or advertisement for bids, or the award of the loan, or award of construction contracts, cannot be reasonably projected or met by the dates established in the project's schedule. A project may be bypassed if the loan award is projected to be delayed beyond the end of the program year. Projects which are otherwise not in compliance with the provisions of the DWAF management plan or program requirements are also subject to this bypass procedure.

Funds made available through bypassing may be awarded to eligible projects in keeping with the loan award procedures previously described, or may remain in the fund for the next program year. Projects bypassed during the program year may reapply and be considered for funding during the next program year in which they are anticipated to be ready to proceed. Those project's relative ranking on the PPL and IPL will be in accordance with the Project Priority Ranking System in effect at that time.

### **WSRLA Interest Rate Structure**

The WSRLA will offer six different interest rates in the program year:

- a standard long-term rate (for loans longer than five years but not more than twenty)
- a small system long-term rate (for loans longer than five years but not more than twenty)
- a small system rate for systems that receive affordability points through the PPL Ranking System (for loans longer than five years but not longer than twenty)
- a short-term rate for loans including planning/design (five years or less)
- a linked deposit rate
- a supplemental loan interest rate (for loans longer than five years but not more than twenty years)

These rates and the procedures for establishing them are described in Appendix E. One additional program is offered with different interest rates through the disadvantaged community program. Please see the information in the following section for the interest rates and terms available to systems designated under the disadvantaged community program.

## **Disadvantaged Community Program**

Disadvantaged Community determination and the subsequent decision to consider award of the rates, terms, and financial mechanisms that Disadvantaged Community designation is permitted, will be determined in accordance with Ohio Administrative Code rules 3745-88-01 and 3745-88-02, and the following procedures. Evaluation will only be made to those systems who have submitted a pre-application for inclusion in the WSRLA Program, and have submitted a complete application package for designation as a Disadvantaged Community including all required attachments by March 15 prior to each program year that begins July 1.

### **General Criteria**

All eligible applicants to the Disadvantaged Community Program will be evaluated using these criteria:

#### **Health Related Factors (mandatory score of 1 or greater points)**

When a drinking water system applies to the WSRLA Program, a priority ranking score is developed to enable the system to be ranked on the Project Priority List (PPL). The PPL point evaluation factors include an evaluation of Public Health Issues. The evaluation is performed to satisfy the purpose of the priority ranking system which is to establish the list of eligible water systems such that the most serious risks to public health are given the highest priority. Appendix F contains a detailed description of indicators that are evaluated which may represent serious health risks and indicate the regulatory compliance status of the drinking water system and its operations. Including both chronic and acute contaminants, those indicators are:

- Bacteriological Contamination
- Nitrate / Nitrite
- Surface Water Treatment Rule
- Inorganic Chemicals (IOCs)
- Volatile Organic Chemicals (VOCs)
- Radionuclides
- Total Trihalomethanes (TTHMs)
- Lead and Copper
- Boil Order Status
- Disinfectant Residual in the Distribution System
- Contaminated Private Wells
- Secondary Standards (Iron and Manganese)

For the PPL, assessment points are assigned to each indicator based on various levels of contamination thresholds for each of the Public Health Issues. For the Health Related Factors criterion in the Disadvantaged Community program, possible scores are two (2), one (1), or zero (0) points.

Systems that receive a score for the PPL Public Health Issues assessment of sixty (60) points or greater, receive two (2) points for the Health Related Factors in the Disadvantaged Community evaluation. Systems that receive a score for the PPL Public Health Issues assessment of less than sixty (60) points but greater than zero (0) points, will receive one (1) point for the Health Related Factors in the Disadvantaged Community evaluation. Systems that receive a score for the PPL Public Health Issues assessment of zero (0) points will receive zero (0) points for the Health Related Factors in the Disadvantaged Community evaluation. A score of either two (2) or one (1) point(s) is **mandatory** for the Disadvantaged Community Program. Systems that receive zero (0) points for this criterion will not be further considered for Disadvantaged Community designation.

Economic Affordability (*mandatory score of 1 point*)

The PPL point evaluation factors include an evaluation of Economic Affordability which is an indicator of systems in need on a per household basis. This evaluation is performed to satisfy the particular emphasis of the Drinking Water Assistance Fund to assist drinking water systems serving less affluent populations and to provide greater funding flexibility to those identified systems. A detailed description of the Economic Affordability criterion which is part of the PPL point assessment for the WSRLA Program is found in Appendix F.

To evaluate the indication of economic stress present in a community, the Economic Affordability criterion in the Disadvantaged Community Program compares the annual cost per household of drinking water (and cost of wastewater treatment if present) to benchmark values. For the Economic Affordability criterion, possible scores are one (1), or zero (0) points.

For the Disadvantaged Community Program, systems will receive one (1) point for the Economic Affordability criterion based upon an evaluation that demonstrates the annual cost per household exceeds the community specific benchmark value(s). Systems that receive a score of zero (0) points for the Economic Affordability criterion will receive zero (0) points in the Disadvantaged Community evaluation. A score of one (1) point for this criterion is **mandatory** for the Disadvantaged Community Program. Systems that receive zero (0) points for this criterion will not be further considered for Disadvantaged Community designation.

Systems without a user cost, such as schools and some non-profit communities, will receive a default value of one (1) point for this criterion. A default value for these types of drinking water systems was necessary since generally there are no user costs nor standardized median household income values for these drinking water systems to enable the economic affordability analysis to be performed.

Newly created drinking water system, where sewer or wastewater service is not provided to the population or service area, will receive a default value of one (1)

point for this criterion. A default value was necessary since the economic affordability analysis cannot be performed when there is no existing user charge system. Use of the default value will not be necessary under circumstances where the population to be served is provided sewer or wastewater service, enabling benchmark analysis to be performed.

#### Population

This criterion evaluates the existing population served by the drinking water system. This evaluation is performed to satisfy the particular emphasis of the Drinking Water Assistance Fund to assist smaller drinking water systems and to provide greater funding flexibility to those identified systems.

The smaller the population or user base, the less likely it is for such a community to realize economies of scale in financing the costs of constructing, maintaining, and operating a drinking water system. These systems are targeted in the Disadvantaged Community Program through evaluation of this criterion. For the Population criterion, possible scores are one (1), or zero (0) points.

Systems which serve an existing population or are applying on behalf of a service area serving 10,000 or less population will receive one (1) point in this criterion in the Disadvantaged Community evaluation. Systems which serve an existing population or are applying on behalf of a service area serving greater than 10,000 people will receive zero (0) points for this criterion in the Disadvantaged Community evaluation. Population data will be obtained from either the most recently completed (final) released U.S. Census information, or from the most recently completed Sanitary Survey for the drinking water system which was conducted by the Division of Drinking and Ground Waters, Ohio EPA, or from other sources as accepted by the director.

#### Median Household Income

This criterion evaluates the Median Household Income (MHI) of the population of the drinking water system or service area (benefitted users) of a drinking water project. This evaluation is performed to satisfy the particular emphasis of the Drinking Water Assistance Fund to assist drinking water systems serving less affluent populations and to provide greater funding flexibility to those identified systems.

The MHI of the population or service area is an indicator of financial capacity or ability to pay. Median Household Income data will be obtained from the most recently completed (final) and released U.S. Census information, or from other sources accepted by the director. For the MHI criterion, possible scores are one (1), or zero (0) points.

Systems which have an MHI value which is less than the State MHI will receive one (1) point for this criterion in the Disadvantaged Community evaluation.

Systems which have an MHI value which is greater than or equal to the State MHI will receive zero (0) points for this criterion in the Disadvantaged Community evaluation.

Systems that represent a public school and some non-profit communities, will receive the default value of one (1) point for this criterion. A default value for these classifications of drinking water system was necessary since no standardized median household income values can be obtained for these drinking water systems to enable the evaluation to be performed.

#### Poverty Rate

This criteria evaluates the poverty rate of the population or service area of a drinking water system. The poverty rate or level, of a population served by a drinking water system, is also an indicator of financial capacity or ability to pay of the composite population. Poverty rates may indicate the percentage of the population which may potentially be dependent on fixed or low income levels, and may have increased probability to be disproportionately impacted by the existing or increased costs of the provided drinking water system. This evaluation is also performed to satisfy the particular emphasis of the Drinking Water Assistance Fund to assist drinking water systems serving less affluent populations and to provide greater funding flexibility to those identified systems. For the Poverty Rate criterion, possible scores are one (1), or zero (0) points. This data will be obtained from the most recently completed (final) and released U.S. Census information, or from other sources accepted by the director.

One (1) point will be given to systems which have a population or service area poverty rate which is greater than the poverty rate of the State for this criterion in the Disadvantaged Community evaluation. Systems which have a poverty rate which is equal to or less than the poverty rate of the State will receive zero (0) points for this criterion in the Disadvantaged Community evaluation.

For this criterion, systems that represent a public school and some non-profit communities, will receive the default value of one (1) point. A default value for these classifications of drinking water systems was necessary since generally no system or service area specific poverty rates can be obtained to enable the evaluation to be performed.

#### Disadvantaged Community Determination

A drinking water system that is eligible to receive funding through the WSRLA Program and desires to be evaluated to determine if the system is eligible for consideration as a Disadvantaged Community must complete the Application for Disadvantaged Community Program and attach all required documentation. Required documentation includes the application, currently enabled water and sewer rate ordinance/bylaw, documentation of pursuit of other funding sources, and a general plan or preliminary engineering report.

Adequate and complete information must be submitted to the Ohio EPA by March 15 of each year. Only systems which make application specifically requesting evaluation to determine if the system meets the definition of Disadvantaged Community will be reviewed.

Systems eligible to apply to the Disadvantaged Community Program are all systems which are eligible to the WSRLA Program with the exception of some privately owned systems. A privately owned system must either be non-profit, regulated by PUCO, or considered a political subdivision as defined by Ohio Revised Code 6119.011.

If a drinking water system is designated as a Disadvantaged Community, the determination is valid only for the specific program year for which that determination was made. Should the system not accept funding from the WSRLA Program during the program year, its designation as a Disadvantaged Community will expire with the end of the program year. All subsequent program years will require annual application by the system to be evaluated to determine if the system meets the Disadvantaged Community designation. All complete applications with required attachments must be submitted by March 15 of each year.

No additional information for any application will be accepted after March 15 of each year. Should the application be incomplete and additional information is necessary to enable evaluation of the system, all additional required information must be submitted by March 15. This is necessary such that all final eligibility determinations can be made prior to the May 15 notification date.

### Award

Each criterion has a possible one (1) or zero (0) points score, with the exception of Health Related Factors. For Health Related Factors, possible scores are two (2), one (1), or zero (0) point(s). Points are summed per each system and the total point score must be four (4) or greater to attain Disadvantaged Community designation. Financial assistance packages will be determined primarily by the total point score of each drinking water system and secondarily by the points received on the project priority list.

To be eligible, all drinking water systems determined to have a total point score of four (4) or greater MUST have received:

- at least one (1) point in the Health Related Factors criterion; AND,
- one (1) point in the Economic Affordability criterion.

These criteria are mandatory for eligibility to meet the definition of Disadvantaged Community.

Eligible drinking water systems which are designated as a Disadvantaged Community will be eligible for consideration of the following WSRLA financial assistance:

<u>Total Score/Tier Level</u>	<u>Loan Terms</u>
6 Points/Tier I	Up to 50% of project awarded in principal forgiveness, or \$250,000 forgiveness maximum, whichever is less, per system per program year; Up to \$500,000 loan with a 0% or 2% interest rate for a 30 year term; and Remaining loan amount funded using normal qualifying terms
5 Points/Tier II	Up to \$500,000 loan with a 0% interest rate for up to 30 year term, unless all funds are expended on systems receiving 6 points; and Remaining loan amount funded using normal qualifying terms
4 Points/Tier III	Up to \$500,000 loan with a 2% interest rate for up to a 30 year term, unless all funds are expended on systems receiving 5 or 6 points; and Remaining loan amount funded using normal qualifying terms

The funding mechanisms available to drinking water systems which receive 6 points are capped at an annual total funds available of \$2,500,000 per program year for this category. If drinking water systems eligible for principal forgiveness remain after the available cap of \$2,500,000 is reached during the program year, the remaining systems will be offered project funding at 0% interest rate for up to 30 years until up to an additional \$2,500,000 is allotted. Lastly, up to approximately \$2,500,000 (amount to be determined based on actual capitalization grant amount) will be offered at 2% interest rate for up to 30 years until all funds are allotted.

Starting with PY 2009, systems that receive 6 points and the project is to benefit portion of a larger service area, a financial benefit equal to the amount of principal forgiveness received must benefit the portion of the service area that qualified the project for disadvantaged community designation. Examples of this benefit include waiving or reduction of tap or tie-in fees equal to the amount of subsidy received for the project.

The limit of funding available for any one program year for the Disadvantaged Community Program will not exceed 30% of the capitalization grant awarded during the fiscal year, in accordance with Ohio Administrative Code rule 3745-88-02. If the Disadvantaged Community Program meets the 30% limitation during any one program year, the systems which remain qualified as a Disadvantaged Communities during the program year will be offered project funding as defined by terms of Appendix E, "WSRLA Interest Rate Criteria."

Qualifying systems will receive Disadvantaged Community Program funding based on the procedures as indicated above, and then in order using the current project priority list. All other WSRLA program requirements must be met in order to receive Disadvantaged Community funding. Projects may still be bypassed in accordance with the project bypass procedure.

Any remaining funds in the Disadvantaged Community Program at the end of the program year will remain in the Water Supply Revolving Loan Account for use by non-disadvantaged systems in the loan program.

### **PART III. THE 2008 DWAF ADMINISTRATION SYSTEM**

#### **Drinking Water Assistance Fund Management Practices**

The purpose of the Ohio DWAF Management Practices section is to provide information regarding the means and methods the State will follow in the administration of the DWAF program. The following is a description of the method by which available funds are managed to ensure their effective and timely commitment to DWAF activities.

#### **Management Practices**

To manage available DWAF funds and carry out the purposes of ORC 6109.22 and Section 1452 of the SDWA, the Ohio EPA may, without limitation:

- a. Add eligible systems to the WSRLA PPL and IPL in accordance with the management practices described in the Emergency Project Procedure sections of the IUP.
- b. Solicit and add projects to and delete projects from the current program year WSRLA PPL and IPL and change the relative priority of a project in future years in accordance with the Management Plan in effect at that time.
3. Determine projects eligible for disadvantaged community program assistance.
- d. Bypass any WSRLA project in accordance with the Project Bypass Procedure described previously in this document.
- e. Limit the amount of funds available to any WSRLA applicant based on the eligibility of project elements, or upon the applicant's project consuming more than the proportionate annual share of available funds. Applicant will be notified in writing should Ohio EPA limit funds available due to the project's cost exceeding the proportionate share of the total funds available.

- f. Segment and fund a portion of a WSRLA project if the loan recipient agrees to complete subsequent segments according to an acceptable schedule regardless of additional financial assistance, if at least one of the following applies:
  - I. The construction of the project would require more than the proportionate share of the funds identified in the annual IUP that includes the project as a fundable project; or,
  - II. The project will take three or more years to complete.

A segmented project also must meet all program requirements.

Additionally, the recipient must demonstrate it is financially capable of constructing, according to the approved schedule, subsequent segments without WSRLA funding assistance.

Ohio EPA reserves the authority to negotiate the scope of the segmentation based on available WSRLA funds as well as engineering, financial, capacity assurance, and environmental considerations.

- g. Deposit at any time funds available in other DWAF accounts or any portion thereof, into the WSRLA with public notice.
- h. Establish in accordance with ORC 6109.22 definitions, terms, and conditions for WSRLA assistance to disadvantaged communities.
- i. Establish definitions, terms, and conditions, for assistance from the Small Systems Technical Assistance Account, including but not limited to those related to agreements with third parties for the provision of that assistance.
- j. Establish submission deadlines for DWAF application materials, WSRLA application materials, revisions to general plans, revisions to detailed plans and specifications, or portions thereof, either individually or collectively, or for the satisfaction of DWAF Management Plan criteria. Generally, individual project submission deadlines will be based on SDWA compliance schedules, federal or state court-ordered compliance schedules, or state review schedules. Failure to meet a submission deadline may result in bypassing a project in accordance with the Project Bypass Procedure established in this plan.
- k. Establish interest rates for WSRLA loans in accordance with the procedures outlined in Appendix E.

- I. Make available at least fifteen percent (15%) percent of the WSRLA funds outlined in each IUP to projects identified in that IUP as small systems serving less than 10,000 in population that are ranked on the PPL.
- m. Award WSRLA assistance for preparing project planning documents, detailed plans, and specifications. Ohio EPA may also set a limit on the amount of funds that are available for planning and design loans without additional public notice. The terms, conditions and rates are outlined in Appendices D and E.
- n. Establish, increase, or decrease the available funds for the DWAF, the WSRLA, and set-aside uses.

This information will also be posted on the agency website [www.epa.state.oh.us](http://www.epa.state.oh.us).

- o. Develop and implement with public notice and involvement a multi-year plan for the financial and programmatic administration of the DWAF and the long-term financial health of the fund.
- p. Establish bypass, amendment and emergency funding procedures for the WSRLA.

### **Project Responsibilities of DWAF Applicants and Recipients**

It is essential the recipient be aware of its responsibilities, commitments, and obligations. The Ohio EPA is responsible for managing the DWAF program; the responsibility for meeting WSRLA program requirements, managing a project and complying with the terms of the loan agreement rests with the recipient.

### **DWAF Administrative Conditions**

Ohio EPA has formulated the following conditions to assist both this Agency and the recipient to effectively manage their respective tasks. These conditions highlight areas of particular concern to Ohio EPA. The recipient is responsible for negotiations of necessary and reasonable costs, effective management of funds and adequate project monitoring.

Each potential recipient is encouraged to maintain close contact with Ohio EPA throughout general planning and design to ensure that maximum priority value for its final project is identified and reflected in the PPL. This contact will also help prevent costly delays or possible deferral of the project at the time of funding.

Additional administrative conditions pertaining to the DWAF may be developed and added in the future. These additional conditions may modify, supplement or supersede the administrative conditions in this section after appropriate public notice as required.

#### A. WSRLA General Plan/Detailed Design Consistency

A WSRLA applicant for a complex or capacity-related project must submit the general plan for the project and receive Ohio EPA approval of the general plan prior to undertaking any detail design work.

Applicants will be ultimately responsible for consistency between approved general plans and detailed design at the time of application and construction in accordance with the approved detailed plans. Construction must be in accordance with all terms of the WSRLA assistance agreement.

The general plans submitted must ensure consistency with all Safe Drinking Water Act requirements. The public water system improvements of which the proposed project is a part, will address all deficiencies noted in the prioritization of the project. It should also minimize total life cycle costs through the use of appropriate technology and the selection and implementation of the most cost-effective alternative, and meet capacity assurance requirements.

#### B. Essential Water Supply System Components

WSRLA funding is limited, so its resources must be directed toward essential drinking water improvements. Ohio EPA will accept as allowable project costs, only costs for facilities and components which are necessary to the proper function, and/or capital costs which will directly result in improved operation and maintenance of the water system. This determination will be made during the review of general and detailed plans and specifications.

The costs associated with the general operation and maintenance activities of any public water system are not considered allowable project costs.

#### C. WSRLA Eligible Costs

Ohio EPA will provide WSRLA funds for the purposes as defined in the ORC Section 6109.22 and the SDWA. Each applicant's project will undergo an eligibility review prior to any commitment of funds from the WSRLA. Ohio EPA attempts to provide assistance with as few eligibility restrictions as possible. However, certain costs are prohibited from WSRLA funding because of federal limitations, while others do not provide safe drinking water benefits. Ineligible WSRLA costs include, but are not necessarily limited to, those listed in Appendix C.

## **PART IV. DEFINITIONS**

As used in this document, the following words and terms mean:

- A. *Proportionate share* - Systems serving a population of greater than 10,000 people are eligible to receive no more than ten percent (10%) of the amount of available annual funds. Systems serving a population of 10,000 or less people are not subject to the proportionate share amount.
- B. *Initiation of operation* - the date the funded facilities are in full and sustained operation as planned and designed.
- C. *Readiness to proceed* - progress toward achieving a WSRLA binding commitment and initiating construction. This is a relative measure of an applicant's success in the expeditious achievement of compliance with all pre-award WSRLA program requirements, compliance with the schedule for initiating facilities construction, and submission and approval of general, detailed or other plans as necessary for Agency approval. (Please see the "Project Bypass Procedure" for further specific information.)
- D. *Construction* - means any one or more of the following: preliminary planning to determine the feasibility of treatment works, engineering, architectural, legal, fiscal, or economic investigations or studies, surveys, designs, plans, working drawings, specifications, procedures, field testing of innovative or alternative water treatment processes and techniques meeting applicable guidelines, or other necessary actions, erection, building, acquisition, alteration, remodeling, improvement, or extension of treatment works, or the inspection or supervision of any of the foregoing items.
- E. *Emergency Project* - a project which is necessary to avoid or correct an imminent threat to public health. Examples include loss of water supply to an Emergency 1 Level as defined in the State of Ohio Drinking Water Supply Emergency Plan, December, 2003, acute Maximum Contaminant Level (MCL) violations requiring ongoing public notice through radio and television, public notice, and other contamination above established ten-day health advisory levels. The project must be ready to proceed within 30 days of the loan commitment and must be completed in a timely manner in accordance with the construction schedule approved as a condition of the loan.
- F. *Market Rate* - for WSRLA loans, market rate is calculated as the average of *The 20 GO Bond Index* rate published on the eight Fridays previous to the date the rate is calculated plus 50 basis points. For the WSRLA Linked Deposit Program, the market interest rate is the U.S. Treasury Notes and Bonds yield for the week prior to a linked deposit loan, as reported in *The 20 GO Bond Index* on the Friday of that prior week, for the U.S. Treasury Notes and Bonds having terms of years closest to the terms of years of the linked deposit loan.

G. *Small System* - For interest rate determination in the WSRLA, a public water system with a specific project to serve a service area, or portion thereof, of 10,000 or fewer persons.

H. *Capability Assurance* - (also known as capacity assurance and capacity development) the process through which a system plans for and implements action to ensure that the system can meet both its immediate and its long term challenges. Capability assurance encompasses a water system's *technical, managerial, and financial* wherewithal to achieve, maintain, and plan for compliance with applicable drinking water standards, given the system's available water resources and the characteristics of its service population.

To be comprehensive, all elements of a water system's capability to effectively deliver safe water must be considered to meet the current needs and the projected future needs of the water system.

*Technical capability* refers to the physical infrastructure of the water system, including but not limited to the adequacy of the source water, infrastructure (source, treatment, storage, and distribution), and the ability of system personnel to implement the requisite technical knowledge.

*Managerial capability* refers to the management structure of the water system, including but not limited to ownership accountability, staffing and organization, and effective linkages to customers and regulatory agencies.

*Financial capability* refers to the financial resources of the water system, including but not limited to revenue sufficiency, credit worthiness, and fiscal controls.

I. *Public Water System*- as defined in Ohio Administrative Code 3745-81-01.

J. *Community System*- means a public water system which serves at least fifteen service connections used by year-round residents or regularly serves at least twenty-five year-round residents.

K. *Non-community System*- means a public water system that is not a community water system.

L. *Disadvantaged Community*- means the service area, or portion thereof, of one of the following entities that applies for and is eligible for loan assistance pursuant to the affordability criteria established by the director:

- (1) A nonprofit public water system that operates or provides water to a community water system;

- (2) A public water system that is regulated by the public utilities commission of Ohio ("PUCO") and that operates or provides water to a community water system;
- (3) A political subdivision, as defined by section 6119.011(B) of the Revised Code, that operates or provides water to a community water system; or
- (4) A nonprofit noncommunity public water system.

**APPENDIX A**

Ohio Environmental Protection Agency  
P U B L I C N O T I C E  
DRAFT Intended Use Plan and Management Plan  
For The Drinking Water Assistance Fund  
For Program Year 2008

Public notice is hereby given that the Ohio Environmental Protection Agency (Ohio EPA) Division of Drinking and Ground Waters (DDAGW) has issued the Program Year (PY) 2008 DRAFT Intended Use Plan and Management Plan for the Drinking Water Assistance Fund, which has been authorized by Ohio Revised Code section 6109.22 and Section 1452 of the Safe Drinking Water Act.

Copies of the PY 2008 DRAFT Intended Use Plan and Management Plan are available from the Division of Drinking and Ground Waters upon request, through the Internet at <http://www.epa.state.oh.us/ddagw/dwaf.html> or by writing to:

Ohio EPA  
Lazarus Government Center  
Attention: Flo Sellu, DDAGW  
P. O. Box 1049  
Columbus, Ohio 43216-1049

Written comments should be submitted to:

Ohio EPA  
Lazarus Government Center  
Attention: Stacy Barna, DDAGW  
P. O. Box 1049  
Columbus, Ohio 43216-1049  
E-mail address: [stacy.barna@epa.state.oh.us](mailto:stacy.barna@epa.state.oh.us)

**Written comments must be received on or before June 6, 2007.**

To allow interested persons to present their comments and suggestions, and for Ohio EPA to provide a response to questions on Ohio's PY 2008 DRAFT Program Management and Intended Use Plan, two public meetings will be held at the following times and location:

**1:00 p.m. and 5:00 p.m., Wednesday, June 6, 2007**

**Ohio EPA  
Lazarus Government Center  
50 West Town Street, Conference Room 5B  
Columbus, Ohio 43215**

**APPENDIX B**

Ohio Environmental Protection Agency  
**PUBLIC NOTICE**  
Final Intended Use Plan and Management Plan  
For the Drinking Water Assistance Fund  
For Program Year 2008

Public notice is hereby given that the Director of the Ohio Environmental Protection Agency issued a final action effective June 22, 2007, adopting the Intended Use Plan and the Management Plan for the Drinking Water Assistance Fund which has been authorized by Ohio Revised Code section 6109.22 and Section 1452 of the Safe Drinking Water Act. This action may be appealed, in writing, within thirty (30) days of this notice, to the Environmental Review Appeals Commission, 309 South Fourth Street, Room 222, Columbus, Ohio 43215. Notice of any appeal shall be filed with the Director within three (3) days. This notice of appeal shall be sent to: Division of Drinking and Ground Waters, Ohio Environmental Protection Agency, P.O. Box 1049, Columbus, Ohio 43216-1049. Consult ORC Chapter 3745 and OAC Chapters 3745-47 and 3746-05 for requirements.

Copies of the Final Intended Use Plan and Management Plan are available from the Division of Drinking and Ground Waters, upon request, and also through the Internet at <http://www.epa.state.oh.us/ddagw/dwaf.html>

## APPENDIX C

### WSRLA Ineligible Costs

Based on limitations set forth by the Safe Drinking Water Act, associated guidance and rules, and by this Management Plan, the following is a general summary of items ineligible for WSRLA funding. In general, due to limited funds available in the WSRLA, costs associated for residuals handling for publicly owned water treatment systems which discharge to sewers or receiving streams should apply for funding from the Water Pollution Control Loan Fund (WPCLF).

1. Dams, or rehabilitation of dams.
2. Water rights, except if either 1) the water rights are owned by a system that is being purchased through consolidation as a part of a capability assurance strategy; or, 2) it is necessary to acquire land or a conservation easement from a willing seller or grantor, if the purpose of the acquisition is to protect the source water of the system from contamination and to ensure compliance with National Primary Drinking Water Regulations (Section 1452(k) of SDWA).
3. Reservoirs, except for finished water reservoirs and those reservoirs which are part of the treatment process and are located on the property where the water treatment facility is located.
4. Laboratory fees for monitoring.
5. Operation and maintenance expenses.
6. Projects needed mainly for fire protection.
7. Projects for systems that lack technical, managerial, and financial capability, unless assistance will ensure compliance (refer to capability assurance plan).
8. Projects for systems in significant noncompliance, where funding will not enable the system to return to compliance and the system will not maintain adequate technical, managerial and financial capability to maintain compliance (refer to capability assurance plan).
9. Projects primarily intended to serve future growth.
10. Equipment, materials, supplies, and spare parts in excess of that shown to be reasonable, necessary, and allocable to the project.

11. Street restoration beyond that necessary for installing facilities directly related to constructing the drinking water system.
12. Ordinary governmental or personal operating expenses of the community or individual requesting the WSRLA assistance (e.g., salaries of elected officials, travel, costs of establishing departments or units of government, fines, and penalties levied by regulatory agencies, etc.).
13. Personal injury compensation or damages.
14. Permit costs, including water discharge permit (NPDES permit) and renewal discharge permit fees, and application fees, (excluding the origination fees associated with the project for which state revolving loan monies are requested) are not eligible.
15. Projects which do not minimize costs by implementing the most cost effective alternative through conducting a cost effective analysis of all viable options.

## APPENDIX D

### WSRLA Planning and Design Loans

In order to provide Ohio's eligible public water systems with a low interest, short term financing program for planning and design activities, Ohio EPA has established a WSRLA loan program that attempts to reflect current short term financing borrowing rates.

The interest rates for planning and design loans are defined as the short term interest rate established in Appendix E. The program offers these loans for up to a five year period. The following are the requirements to receive planning and design loans from the WSRLA.

#### 1. WSRLA Planning Loan

To be eligible for a loan for planning from the WSRLA fund, an applicant must have the proposed project submitted and placed on the current PPL. The proposed project must also have a schedule which initiates construction that is eligible for funding within the next two program years. To be considered for a loan, the applicant must submit a request to Ohio EPA to have a pre-planning meeting. The purpose of the meeting will be to determine the scope of work for the planning effort and a schedule for completion. Following the pre-planning meeting, the applicant may submit a WSRLA planning loan application showing the estimated cost of the planning, a Final Engineering Agreement and if the applicant is a governmental entity, an approved repayment plan showing legislative enactment of a dedicated source of repayment. Ohio EPA will then act upon the application.

#### 2. WSRLA Design Loan

To be eligible for a loan for design from the WSRLA fund, an applicant must have the proposed project submitted and placed on the current PPL. The proposed project must also have a schedule which initiates construction that is fundable within the next two program years. To be considered for a loan, the applicant must have completed a general plan that in Ohio EPA's judgment proposes a cost effective, environmentally sound water supply project.

In addition to the general plan, the applicant must submit a WSRLA design loan application showing the estimated cost of the design effort, a schedule for completing the project design, a basis of design, a construction financing plan and an approved repayment plan which, if the applicant is a governmental entity, shows legislative enactment of a dedicated source of repayment. Applicants that have received a WSRLA planning loan will receive a supplemental loan agreement, rather than resubmit application materials. It is strongly suggested, though not required, that an applicant who has not received a WSRLA planning loan schedule a pre-design meeting with Ohio EPA prior to submitting an application. Ohio EPA will then act upon the application.

### 3. Planning/Design Loan Disbursements

Funds will be disbursed on a weekly basis by the OWDA based on a schedule provided by the Ohio EPA, dependent upon receipt of a WSRLA payment request submittal. As funds are disbursed, capitalized interest will be charged at the contract interest rate from the date of disbursement until six months prior to the initial repayment date established in the application schedule. At the option of the recipient, the accrued capitalized interest may be paid with the first semi-annual repayment, or added to the principal of the loan.

### 4. Repayment of Planning/Design Loans

WSRLA planning and design loan recipients will be required to repay the loan over the appropriate contract period of years on a semi-annual basis starting on a specific date mutually agreed to by the applicant, Ohio EPA, and the OWDA as part of the loan agreement. Applicants should have established a dedicated source of repayment, so they will have sufficient revenues available each semi-annual period to repay the loan. The approved repayment plan will detail the repayment method and schedule.

Should a recipient obtain construction financing for the project, either through the WSRLA or from other sources, the recipient will be required to repay in full the outstanding planning or design loan principal, and any accumulated interest, at the time the construction financing for the project is established or, with Ohio EPA's approval, continue to repay the planning or design loan in accordance with the provisions of that loan agreement.

## APPENDIX E

### WSRLA Interest Rate Criteria

Interest rates will be determined based on the term of the loan, size of the service area and the affordability needs of the water system users. The WSRLA offers six interest rates: standard long term, small system long term, small system long term that receives affordability ranking points, short term, negotiated linked deposit, and supplemental loan. Systems which may qualify for more than one of these interest rates will receive the lowest rate for which the system qualifies. For example, a small community system will receive the Small System Long Term Interest Rate for a short term loan if that rate is lower than the Short Term Interest Rate.

1. Standard Long Term Interest Rate (*Amortization period of greater than five years but not more than twenty years*)

The standard long term interest rate will be established quarterly on January 1, April 1, July 1, and October 1. The standard long term rate is based upon the average of *The Bond Buyer* 20 GO Bond Index rates published on the eight Fridays previous to each date. Once the averaged 20 GO Bond Index is established, the standard long term interest rate is determined by subtracting 125 basis points from that average. In no case, however, can the standard long term rate be less than 3.25 percent.

2. Small System Long Term Interest Rate (*Amortization period of greater than five years but not more than twenty years*)

The small system long term interest rate will be based upon the standard long term interest rate. As the standard long term interest rate is established, the small system long term interest rate is determined by subtracting 50 basis points from that rate. In no case, however, can the small system long term rate be less than 2.75 percent.

For the purposes of this interest rate, a small system is defined as a public water system with a specific project to serve a service area, or portion thereof, of 10,000 or fewer persons.

3. Small Systems that Receive Affordability Points Long Term Interest Rate (*Amortization period of greater than five years but not more than twenty years*)

The Small Systems that receive affordability ranking points rate is fixed at 2.0 percent. For the purposes of this interest rate, only projects that meet the definition of a small system and that receive priority points under the affordability factor in the ranking system qualify for this rate.

4. Short Term Interest Rate (*Amortization period of five years or less*)

The short-term interest rate is fixed at 3.2 percent for loans with amortization periods of five years or less.

Short-term loans also are available for development of general plans and detailed design documents meeting WSRLA program requirements as described in Appendix D of the management plan.

If the applicant for this short-term loan also qualifies for a construction loan at a lower rate, then the associated planning and/or design loans will also be fixed at the lower rate.

5. Linked Deposit Interest Rate

The linked deposit rate will vary, as it is determined by a commercial lender based upon its usual rates to its customers. In no case, however, will the linked deposit rate be less than a rate which will result in a 3.00 percent rate of return to the WSRLA. It is used at the discretion of the Ohio EPA, and may be applied where the applicant is a private entity, or where the applicant's ability to repay or its security varies significantly from the norm of an WSRLA applicant.

Under certain circumstances, the WSRLA can provide interest savings to a recipient by negotiating with a lending institution for a reduced interest rate on WSRLA funds placed on deposit, usually a certificate of deposit. The reduced interest rate paid to the WSRLA is then passed on to the borrower. The loan is actually made by the lending institution.

The interest rate charged by the bank for the loan will be discounted below the bank's normal interest rate by an amount equal to the difference between the U.S. Treasury Note and Bond interest rate\* and the WSRLA linked deposit interest rate. The WSRLA linked deposit interest rate will be at least 300 basis points less than the reported Treasury Notes and Bonds yield.

\* As reported in *The Bond Buyer* on the Friday of the preceding week, for notes and bonds with a term of years closest to the term of the applicant's loan.

6. Supplemental Loan Interest Rate (*Amortization period of greater than five years but not more than twenty*)

Supplemental loans for projects which have not commenced repayments will be at the rate in effect at the time of the original award. Supplemental loans for projects which have commenced repayments will be awarded as new loans at the appropriate interest rate in effect at the time of the loan award.

## APPENDIX F

### WSRLA Project Priority Ranking System

The purpose of the priority ranking system is to establish a list of eligible water systems and their proposed projects to be funded in a manner such that the most serious risks to public health are given the highest priority. Eligible projects are capital improvement projects which are necessary to ensure compliance with the National Primary Drinking Water Regulations defined in the Safe Drinking Water Act (SDWA), all other applicable regulations of the SDWA, all applicable regulations put forth in the Ohio Revised Code, and all applicable rules of the Ohio Administrative Code.

All eligible water systems that submit proposed projects will be rated with respect to six categories to determine their ranking and selection for funding under the WSRLA. These categories are:

1. Public health issues
2. Continued compliance with federal and state SDWA requirements
3. Bonus points for effective management
4. Consolidation/regionalization
5. Economic Affordability- Systems in need on a per household basis
6. Population

Any water systems' ranking of its proposed project will be the sum of all points received in each category. However, before any final funding is awarded, each project will be carefully evaluated to ensure that the project addresses all issues for which points are scored. For example, if a water system received points for public health issues Maximum Contaminant Level (MCL) violations, but the submitted project proposed enhanced water softening capabilities for the system, the submitted project would need to be revised to adequately address the issue of MCL violations, for which points were awarded.

For projects involving consolidation/regionalization, priority points for the central system and each system being consolidated/regionalized shall be summed for each separate ranking category. The total points for each sub-category shall not exceed the maximum amount listed for that sub-category. For example, a project consolidating three water systems with bacterial MCL violations would receive no more than 100 points for the bacterial contamination sub-category.

Each category is briefly described below.

#### **Public Health Issues**

The greatest emphasis will be placed on addressing public health issues related to the acute contaminants: microbial, nitrate/nitrite and surface water treatment rule .

The period of analysis will be the 12 months prior to inclusion on the priority list. MCL violations caused by failure to monitor or report will not be included in the analysis. The following are the points assigned to the various levels of contamination.

**Acute Contaminants (per previous 12 months)**

**Bacteriological Contamination (Addressable through infrastructure improvements)**

(Actual confirmed, not monitoring and/or reporting violations)

No MCL violations	0 points
1-2 MCL violations	50 points
3 or more violations	100 points

**Nitrate / Nitrite**

Level consistently less than 8.0 mg/L / 0.8 mg/L	0 points
8.0 mg/L $\leq$ x $\leq$ 10 mg/L / 0.8 mg/L $\leq$ x $\leq$ 1.0 mg/L	25 points
Level >10 mg/L / 1.0 mg/L	50 points

**Surface Water Treatment Rule**

No treatment technique violations	0 points
1-2 treatment technique violations	50 points
3 or more treatment technique violations	100 points

**Chronic Contaminant Groups (per previous 12 months):**

Chronic contaminants with MCLs will be addressed as shown below with greater weight being given to exceedances of the Longer-term Health Advisories for a 10-kg Child (CHA), as published by the United States Environmental Protection Agency (USEPA) in the latest issue of "Drinking Water Regulations and Health Advisories." For contaminants with no MCL, Drinking Water Equivalent Levels (DWELs) or 10<sup>-4</sup> Cancer Risk Levels as listed in the same publication will be used to determine ranking points.

**Inorganic Chemicals (IOCs), Volatile Organic Chemicals (VOCs), Radionuclides, Disinfection Byproducts, Arsenic**

No MCL violations	0 points
Level at least 80% of MCL	10 points*
Level $\geq$ MCL but $\leq$ Longer-term Child Health Advisories or DWEL or 10 <sup>-4</sup> Cancer Risk	25 points*
Level above Longer-term Child Health Advisories or DWEL or 10 <sup>-4</sup> Cancer Risk	50 points*

For contaminants without MCLs,

Level above lesser of DWEL or 10 <sup>-4</sup> Cancer Risk or Longer-term Child Health Advisories	10 points*
Level above greater of DWEL or 10 <sup>-4</sup> Cancer Risk or Longer-term Child Health Advisories	20 points*

\*Multiply by the number of contaminants with violations or exceedances (of CHAs, DWELs, or Cancer Risk) averaged over the previous 12 months. TTHMs/HAA5s are a single contaminant.

Lead and Copper

In compliance	0 points
Exceedance of copper action level	10 points
Exceedance of lead action level	10 points

Boil Status (for previous 12 months)

No boil advisories	0 points
Boil advisory length 1-10 weeks	7 points*
Boil advisory length > 10 weeks	15 points*

\* Include all days in length for which a “use advisory” (boil order, limited use, etc.) was in place due to bacteriological, chemical or viral contamination.

Disinfectant Residual in the Distribution System  
(Addressable through infrastructure improvements)

0 violations	0 points
1-5 violations	10 points
6 or more violations	20 points

Contaminated Private Wells (not restricted to previous 12 months)\*

If 51% or more of the wells in the project area are contaminated	60 points
If less than 50% but more than 25%	30 points
If less than 25% but more than 0%	20 points

\*Based on best estimate after consultation with local health department.

Note: The only fundable project is to obtain service from a public water system, preferably by extension of an existing system.

While not directly related to public health, Ohio does enforce the secondary standards for iron and manganese. Therefore, the following point allocation has been included in the priority ranking system.

Secondary Standards (not restricted to previous 12 months)

Any exceedance of iron and/or manganese standard	1 point*
--	----------

\*per standard

## **Compliance with Federal and State Safe Drinking Water Act**

The next category is continued compliance with federal and state Safe Drinking Water Act requirements. The condition of the physical infrastructure has been selected as an indicator or predictor of the system's ability to remain in compliance. The rationale being that without adequate supplies of source water, with inadequate, undersized or deteriorated plants, and with inadequate finished water storage and/or distribution systems, a public water system will be unable to maintain compliance with Safe Drinking Water Act requirements.

Included in this portion of the evaluation are bonus points to reward systems that are taking steps to stay in compliance with state requirements and to reduce water usage. The following are the points assigned to the various elements in this category.

### **Design Deficiencies**

#### Source Quantity

Adequate	0 points
Shortage during peak demand	5 points
Shortage during peak season	10 points
Continual shortage	15 points

#### Source

Ground Water Under the Direct Influence of Surface Water (GWUDI)(final)	
OR	
Improper or deteriorated well construction (requiring replacement)	50 points
Inadequate or deteriorated intake structure	20 points

#### Plant

Inadequate processes	5 points*
Insufficient plant capacity	20 points
Deteriorated plant	20 points

\* Points for each inadequate process. Processes to be considered are: chemical feed, rapid mix, clarification (flocculation/settling), filtration, disinfection control, aeration/stripping, ion-exchange, corrosion control, and pumping. Maximum-45 points.

Inadequate processes and insufficient plant capacity projects will require a sufficiency evaluation to determine if operations are optimized prior to ranking.

## **Storage and Distribution System**

### **Storage**

Greater than or equal to one day based on design production/usage	0 points
Greater than or equal to one day based on average production but less than one day at design production or usage	5 points
Less than one day based on average production or usage	10 points

### **Distribution**

Low pressure (below 20 pounds per square inch)	10 points
Deterioration	20 points
Inadequate size	20 points

### **Bonus Points for Effective Management**

Backflow prevention program	5 points
Contingency plan	5 points
Back up power (average day)	1 point
Bacteriological sample siting plan	1 point
Certified Operator	1 point
Endorsed Protection Plan**	5 points
Asset Management Plan	5 points
Preventative maintenance program	1 point
Water conservation program (unaccounted water loss of 15% or less)	1 point
Metered system	1 point
Completion of Utility Board/Financial Management training for at least half of Council/Board of Public Affairs	5 points

\*\*Points are awarded for Ohio EPA Endorsed Source Water Protection Plan or an endorsed Wellhead Protection Management Plan.

## **Consolidation/Regionalization**

The third category considered is Consolidation/Regionalization. This category is included to support the concept that larger systems are more apt to have managerial, financial and technical capabilities to ensure continued compliance with current and future requirements of both federal and state Safe Drinking Water laws and regulation. Points are given to the applicant of the Consolidation/Regionalization loan only, not to systems for which the points are earned. The following elements are considered.

Projects which provide the potential for consolidation (these are existing public water systems which could connect to the project and the project's system maintains adequate capacity to serve them) 10 points

If the project involves the consolidation/regionalization of more than one community water system or an eligible

non-community water system and there is a signed commitment letter to tie in or an ordinance mandating tie-in 10 points/additional system

If the project involves the consolidation/regionalization of more than one non-community water system (for-profit privately owned PWS) and there is a signed commitment letter to tie in or an ordinance mandating tie-in 10 points/additional system

If the project will increase the quantity or quality of water to customers of other\* existing public water systems 5 points/additional system

\* example: provide water to master metered mobile home park, or satellite systems

**Economic Affordability (systems in need on a per household basis)**

One of the best indicators of economic affordability is the environmental/health utility burden placed on a household (i.e. the cost of water/sewer service). A higher degree of financial burden will be placed on water systems with relatively lower populations because the user base will be smaller over which the cost of the utility service is recovered. Per household analysis is relevant in that household costs of infrastructure improvements are a function of the population size of the community or service area, or portion thereof.

Not all public water systems have sewer systems associated with them and some public water systems have no rate structure on which to base comparisons. Therefore it was necessary to develop a means to evaluate economic affordability in these circumstances, and to set some default limits for public water systems with no economic data. The options are presented below.

If entity is an eligible water system that does not have a rate structure (e.g. Mobile Home Parks, Schools) (By default) 20 points

If Combined Water and Sewer Benchmarks (2000) are <Annual Combined Water and Sewer Rates (2005) 20 points

If the Combined Water and Sewer Benchmarks (2000) are >or=Annual Water and Sewer Rates (2005) 0 points

For systems with only an existing water system

If the Water Benchmark (2000) is< Annual Water Rate (2003) 20 points

If the Water Benchmark (2000) is > or = Annual Water Rate (2005) 0 points

For systems with only an existing sewer system

If the Sewer Benchmark (2000) is < Annual Sewer Rate (2005) 20 points

If the Sewer Benchmark (2000) is > or = Annual Sewer Rate (2005) 0 points

## Sewer and Water Benchmark Values

The economic affordability analysis is performed through an economic screening which measures the financial impact of the rate structure on a residential user or household.

This is accomplished through a comparison of the current annual cost per residential user to a sewer and/or water benchmark value. Benchmarks were developed using data obtained from the Ohio EPA's 2000 Sewer and Water Rate Survey and the 2000 U.S. Census Report of median household income (MHI) for Ohio.

In developing the sewer and water benchmark values, sewer and water rates as a percentage of income were analyzed for: 1) all communities that responded to the 2000 Sewer and Water Rate Survey, and 2) only those communities that responded to the Survey and had either a sewer and/or water rate increase. The benchmarks are based on Ohio communities that had a sewer rate and/or water rate increase, because these rates should best reflect current conditions and costs of wastewater treatment plants and/or water supply systems. It is assumed that communities raised their rates to meet these prevailing costs and conditions.

The income value of \$36,250 represents the median of the 1999 Median Household Income for Ohio cities and villages that responded to the 2000 Sewer and Water Rate Survey.

### Sewer Benchmark

Of the Ohio communities which experienced a sewer rate increase during 1999 through 2000, the following sewer benchmark values were established by an analysis of the 75th and 90th percentiles for this group:

<u>Income</u>	<u>Benchmark</u>
1999 MHI $\leq$ \$36,250	1.2 % of MHI
1999 MHI $>$ \$36,250	1.6 % of MHI

### Water Benchmark

Of the Ohio communities which experienced a water rate increase during 1999 through 2000, the following water benchmark values were established by an analysis of the 75th and 90th percentiles for this group:

<u>Income</u>	<u>Benchmark</u>
1999 MHI $\leq$ \$36,250	1.1 % of MHI
1999 MHI $>$ \$36,250	1.4 % of MHI

Population Distribution Points

The final category is population served by the water system. As it is a goal of the program to give particular emphasis and assistance to smaller systems, more points are awarded to communities which have relatively smaller populations. The lower the population, the smaller the user base, and the less likely it is for such a community to realize economies of scale in the financing of a drinking water system. Recognizing that the smaller the system the more likely it would be to need assistance in financing, the following point weighting was developed.

For consolidation/regionalization projects and service to new areas to address contaminated private wells, the population distribution points shall be based on the population benefitting from the extended service.

<u>Population or Service Area</u>		<u>Points</u>	
0	< 500	24 points	
500	< 750	22 points	
750	< 1,000	20 points	
	1,000 <		2,000 18
		points	
2,000	< 3,000	16 points	
3,000	< 5,000	14 points	
5,000	< 10,000	12 points	
10,000	< 30,000	8 points	
30,000	< Beyond	3 points	

**APPENDIX G**  
**Project Priority List**

	Final Project Priority List	PY08		Final			Final		Final	
P	July 2007									
P	Program Year 2008				Date					
L					Funds		Potential	Funding	Fundable	
#	Entity (service area)	Project	PWS ID#	Project Cost	Needed	Population	Terms	Category	Project Cost	Score
1	Cumberland	Feas/Dsgn Stds Connect to Other Source	3000212	\$300,000	Dec-07	450	Disadv T-I	F	\$300,000	316
2	Mount Vernon	Distribution Line extension	4200812	\$660,000	Jul-07	17,500	Standard	F	\$660,000	288
3	Buckeye Wtr Dist (Salineville)	Provide Supply to Salineville	1502911	\$6,250,000	Sep-07	1,397	Disadv T-I	F	\$6,250,000	261
4	Buckeye Lake	New System (design)	New Syst	\$690,000	Aug-07	3,049	Disadv T-I	F	\$690,000	254
5	Buckeye Lake	New System (construction)	New Syst	\$1,000,000	Sep-08	3,049	Disadv T-I	B	\$0	254
6	McClure	Reservoir	3500711	\$1,200,000	Oct-07	850	Disadv T-III	F	\$1,200,000	245
7	McClure	WTP Improvements	3500711	\$70,000	Oct-07	850	2.00%	F	\$70,000	245
8	Vanlue	New System	New Syst	\$1,785,714	Jan-08	371	Small Syst	F	\$1,785,714	244
9	Aberdeen	Install Meters	0800012	\$1,424,000	Aug-07	1,603	Small Syst	F	\$1,424,000	204
10	Aberdeen	New WTP or Regionalize (design)	0800012	\$250,000	Jun-08	1,603	Small Syst	F	\$250,000	204
11	Aberdeen	New WTP or Regionalize (construct)	0800012	\$3,149,000	Jun-09	1,603	Small Syst	B	\$0	204
12	Beaver Creek Estates	Reg/Quality Improvements	2800012	\$65,000	Aug-07	34	2.00%	F	\$65,000	186
13	Burr Oak	New WTP and Wells	0501311	\$13,125,548	Aug-07	23,106	Standard	F(c)	\$12,000,000	179
14	Fremont	Off Stream Storage (Plans)	7200311	\$400,000	Jan-08	17,375	Standard	F	\$400,000	164
15	Fremont	Off Stream Storage (Design)	7200311	\$1,200,000	Dec-08	17,375	Standard	B	\$0	164
16	Fremont	Off Stream Storage (Construct)	7200311	\$11,900,000	Jul-11	17,375	Standard	B	\$0	164
17	Navarre	New Tank, Filters, Backwash	7604112	\$2,250,000	Dec-07	1,440	Small Syst	F	\$2,250,000	158
18	Cinnamon Lake Util. (Prj 2)	Trmt Upgrd/Rdc TOC, THM, HAA5 (dsgn)	0300411	\$200,000	Aug-07	1,516	Small Syst	F	\$200,000	147
19	Cinnamon Lake Util. (Prj 1)	Dist Upgds/Rdc TOC, THM, HAA5	0300411	\$600,000	Jan-08	1,516	Small Syst	F	\$600,000	147
20	Cinnamon Lake Util. (Prj 3)	Dist. Syst. Upgds (design)	0300411	\$150,000	Apr-09	1,516	Small Syst	B	\$0	147
21	Cinnamon Lake Util. (Prj 4)	Dist. Syst. Upgds (constuct)	0300411	\$515,000	Jan-10	1,516	Small Syst	B	\$0	147
22	Blanchester	WTP Improvements (planning)	1400111	\$70,000	Aug-07	4,200	2.00%	F	\$70,000	146
23	Blanchester	WTP Improvements (design)	1400111	\$400,000	Feb-08	4,200	2.00%	F	\$400,000	146
24	Spruce Tree Village	Reg 2 w/Grn Meads Estates	8503812	\$300,000	Dec-07	170	2.00%	F	\$300,000	142
25	Columbus	Champion Ave Wtr Main (Contr 1058)	2504412	\$2,000,000	Dec-07	965,250	Standard	F	\$2,000,000	139
26	Columbus	Livingston Ave Wtr Main (Contr 1060)	2504412	\$2,000,000	Jan-08	965,250	Standard	F	\$2,000,000	139
27	Columbus	Far East Wtr Line Imprvs. (Contr 1055)	2504412	\$1,500,000	Jan-08	965,250	Standard	F	\$1,500,000	139
28	Rockford	Repl WTP/Instl Mtrs/Rplc Lines (design)	5401112	\$50,000	Aug-07	1,126	Small Syst	F	\$50,000	138
29	Rockford	Repl WTP/Instl Mtrs/Rplc Lines (construct)	5401112	\$1,875,000	May-08	1,126	Small Syst	F	\$1,875,000	138

30	Urbana	Ph II-Trans Main/Ph III-Fe/Mang Rmv WTP	1101212	\$6,458,600	Aug-07	11,353	Standard	F	\$6,458,600	128
31	Celina	New GW Membr. WTP	5400011	\$4,000,000	Jul-07	11,647	Standard	F	\$4,000,000	124
32	Cleveland	Morgan (Pretreat & Residuals Project)	1800331	\$30,110,000	Mar-08	465,000	Standard	F(c)	\$12,000,000	123
33	Burr Oak (Crooksville Project)	Wtr Line Repl. to Provide Wtr to Crooksville	0501311	\$481,000	Dec-07	2,602	Disadv T-II	F	\$481,000	122
34	Danville	Upg Plt/new wellfield/install new well #7	4200112	\$160,000	Aug-07	1,000	2.00%	F	\$160,000	121
35	Northwest Reg. Water Dist.	Inst. 65,000 cf line in Jefferson Twnshp	7300003	\$260,310	Jul-07	12,496	Standard	F	\$260,310	117
36	Ottawa Co. Reg. Wtr.	Wtr Main Corros Mitig Proj (5-6 yrs.)	6205011	\$2,000,000	Aug-07	14,500	Standard	F	\$2,000,000	113
37	Oberlin	WTP Impr.D/DBPR Cmpl (Construct)	4700911	\$3,633,500	Dec-07	8,267	2.00%	F	\$3,633,500	112
38	Ohio City	New WTP/Wtr Twr/Rplc Distrib Lines	8100412	\$1,125,000	Dec-07	900	Small Syst	F	\$1,125,000	109
39	Milford	Clearwell Repl Proj/Addl Stor Cpcty	1301012	\$869,000	Aug-07	6,400	2.00%	F	\$869,000	108
40	Portsmouth	Pretrt/Design/Build MIEX Syst (THM/HAA)	7300111	\$3,600,000	Jul-07	39,300	Standard	F	\$3,600,000	108
41	LaRue	Wellfield Develop/Drilling (design)	5100312	\$130,000	Sep-07	775	2.00%	F	\$130,000	106
42	Mahoning Valley Sant. Dist.	Plant impr. (distrib valves & mtrs)(design)	7801811	\$600,000	Aug-07	300,000	Standard	F	\$600,000	102
43	Kelleys Island (Project 1)	Rplc. Wtr. Lines	2201111	\$100,000	Oct-07	550	Small Syst	F	\$100,000	102
44	Kelleys Island (Project 2)	Raw Water Intake & Wtr Line Rplc	2201111	\$400,000	Mar-08	550	Small Syst	F	\$400,000	102
45	Mahoning Valley Sant. Dist	Plant improvements (distrib valves & mtrs)	7801811	\$4,000,000	Oct-08	300,000	Standard	B	\$0	102
46	Northbrooke MHP (MHP Hlds)	Connect to Sidney Supply	7501012	\$500,000	Aug-07	135	2.00%	F	\$500,000	99
47	Catalpa Grove MHP	Connect to Montgomery Co./ Replace lines	5700512	\$40,000	Oct-07	74	2.00%	F	\$40,000	98
48	Baltimore	Planning Study	2300112	\$85,500	Jul-07	2,881	Small Syst	F	\$85,500	96
49	Delaware	New or expd of existing WTP(design)	2100311	\$500,000	Aug-07	29,998	Standard	F(c)	\$500,000	94
50	Delaware (Phase I)	New/expd of WTP(construct Ph. I)	2100311	\$15,000,000	Feb-08	29,998	Standard	F(c)	\$11,500,000	94
51	Delaware (Phase II)	New/expd of WTP(construct Ph. II)	2100311	\$15,000,000	Jan-09	29,998	Standard	B	\$0	94
52	Jackson Co. Water	Line to Connect G Syst to JC GW WTP	4001003	\$750,000	Aug-07	569	Disadv T-III	F	\$750,000	91
53	Jefferson County WSD	Waterlines Co. Rd. 17 to 130 Residents	4100803	\$1,150,000	Oct-07	364	Disadv T-II	F	\$1,150,000	89
54	Scioto Co. Reg. Wtr. Dist. #1	Repl Bstr Stat & Install 11 mls waterline	7300212	\$700,000	Jul-07	14,500	Standard	F	\$700,000	88
55	Mahoning Valley Sant. Dist	Plant impr. (basins & rapid mix)(design)	7801811	\$500,000	Aug-07	300,000	Standard	F	\$500,000	82
56	Mahoning Valley Sant. Dist	Design Recarb struct/equip	7801811	\$480,000	Aug-07	300,000	Standard	F	\$480,000	82
57	Mahoning Valley Sant. Dist	Construct Recarb struct/equip	7801811	\$5,500,000	Jun-08	300,000	Standard	F	\$5,500,000	82
58	Mahoning Valley Sant. Dist	Plant improvements (basins & rapid mix)	7801811	\$5,600,000	Oct-08	300,000	Standard	B	\$0	82
59	Spencerville	Replace WTP & add'l wells	0201312	\$3,170,087	Oct-10	2,300	2.00%	B	\$0	81
60	Burr Oak	Bulk wtr sply N Perry Co/Old Straitsville	0501311	\$1,036,800	Mar-08	23,106	Standard	F(c)	\$0	79
61	McCartyville Well Assoc. Inc.	Upgrade WTP for Arsenic (design)	7500812	\$50,000	Aug-07	190	Disadv T-II	F	\$50,000	74
62	Wooster (Prj 3)	Water Tank & Booster Station	8504512	\$1,808,500	Aug-07	24,811	Standard	F	\$1,808,500	74
63	Wooster (Prj 5)	2 Booster Station Improvs. & Line Improvs.	8504512	\$1,486,000	Sep-07	24,811	Standard	F	\$1,486,000	74
64	McCartyville Well Assoc. Inc.	Upgrade WTP for Arsenic (construction)	7500812	\$250,000	Dec-07	190	Disadv T-II	F	\$250,000	74
65	Greene Co. (NW Reg. Syst)	Inc WTP from 5MGD to 10.55MGD	2903512	\$7,000,000	Dec-07	39,726	Standard	F	\$7,000,000	74
66	Wooster (Prj 7)	Portage Rd. Water Line Replacement	8504512	\$450,000	Apr-08	24,811	Standard	F	\$450,000	74
67	Wooster (Prj 8)	Cleveland Rd. Water Line Replacement	8504512	\$330,000	Apr-08	24,811	Standard	F	\$330,000	74

68	Wooster (Prj 4)	Water Tank North Area	8504512	\$1,605,000	Jun-08	24,811	Standard	F	\$1,605,000	74
69	Wooster (Prj 10)	Burbank Rd. Water Line Replacement	8504512	\$975,000	Jun-08	24,811	Standard	F	\$975,000	74
70	Wooster (Prj 6)	Secondary Main Transmission Line	8504512	\$645,000	Jun-08	24,811	Standard	F	\$645,000	74
71	Wooster (Prj 9)	Skylark, Impala, Morgan Lines Rplcmnts	8504512	\$935,000	Jul-08	24,811	Standard	B	\$0	74
72	Wooster (Prj 11)	West Wayne Water Line Replacement	8504512	\$245,000	Mar-09	24,811	Standard	B	\$0	74
73	Wooster (Prj 12)	WTP Clearwell	8504512	\$500,000	May-09	24,811	Standard	B	\$0	74
74	Wooster (Prj 13)	Prairie Lane Water Line	8504512	\$290,000	Jun-09	24,811	Standard	B	\$0	74
75	Wooster (Prj 14)	Palmer Water Line	8504512	\$375,000	Jul-09	24,811	Standard	B	\$0	74
76	Wooster (Prj 15)	New Well South Wellfield	8504512	\$1,500,000	Apr-10	24,811	Standard	B	\$0	74
77	Marysville	New WTP (design)	8000314	\$3,400,000	Mar-08	17,346	Standard	F	\$3,400,000	73
78	Marysville	New WTP (construction)	8000314	\$31,000,000	Sep-08	17,346	Standard	B	\$0	73
79	Russell's Point	WTP Upgrade (design)	4602212	\$125,000	Aug-07	1,680	Disadv T-II	F	\$125,000	69
80	Russell's Point	WTP Upgrade (construct)	4602212	\$625,000	Dec-07	1,680	Disadv T-II	F	\$625,000	69
81	Bowling Green	Raw Water Intake & Pump Station	8700311	\$1,625,000	Feb-08	29,635	Standard	F	\$1,625,000	69
82	Bluffton	16" Waterline from Ottawa supply	0200112	\$5,267,150	Aug-07	3,896	Small Syst	F-07	\$5,267,150	68
83	Ottawa (Village)	Service Line to Bluffton (Ottawa Supply)	6900711	\$1,800,000	Aug-07	3,896	Small Syst	F-07	\$1,800,000	68
84	West Jefferson	Upgrade WTP	4902012	\$2,420,000	Jul-07	4,331	Small Syst	F	\$2,420,000	68
85	Harrison	Proj 2 Planning	3100812	\$230,000	Aug-07	7,487	Small Syst	F	\$230,000	68
86	Harrison	Proj 4 Planning	3100812	\$100,000	Oct-07	7,487	Small Syst	F	\$100,000	68
87	Harrison	Proj 2 Carolina Tr/Storage Tank/Pump Stat.	3100812	\$2,070,000	Jan-08	7,487	Small Syst	F	\$2,070,000	68
88	Harrison	Project 4 Marvin Rd Main Replace.	3100812	\$900,000	Apr-08	7,487	Small Syst	F	\$900,000	68
89	Harrison	Project 3 South Carolina Tr/Pipe Replace.	3100812	\$1,100,000	Jul-08	7,487	Small Syst	B	\$0	68
90	Harrison	Proj 3 Planning	3100812	\$100,000	Jul-08	7,487	Small Syst	B	\$0	68
91	Malvern	Vlvs/Line Repl/Chm Feed Syst(design)	1000112	\$50,000	Sep-07	1,300	Small Syst	F(p)	\$42,876	64 FUNDABLE
92	Malvern	Vlvs/Line Repl/Chm Feed Syst(constuct)	1000112	\$500,000	Oct-07	1,300	Small Syst	C	\$0	64
93	Malvern	Vlvs/Line Repl/Chm Feed Syst(plans)	1000112	\$50,000	Oct-07	1,300	Small Syst	C	\$0	64
94	Cincinnati	Install Mains & 6 MGD Booster Stat (Engr)	3102612	\$400,000	Jul-08	331,285	Standard	B	\$0	61
95	Cincinnati	Install Mains & 6 MGD Booster Stat (Const)	3102612	\$6,200,000	Sep-08	331,285	Standard	B	\$0	61
96	Cincinnati	Inst UV disinf @Miller trmt plant (Des/Eng)	3102612	\$1,000,000	Sep-08	331,285	Standard	B	\$0	61
97	Cincinnati	Inst UV disinf @Miller trmt plant (Constr)	3102612	\$14,300,000	Jul-09	331,285	Standard	B	\$0	61
98	Middlefield	New WTP	2802012	\$5,928,405	Aug-07	2,233	Small Syst	F-07	\$5,928,405	57
99	Muskingum Co.	Replace 7700 ft pipe 12" to 16"	6000412	\$500,000	Aug-07	9,520	2.00%	F-07	\$500,000	57
100	Elida	Replace Elevated Storage Tank (design)	0200503	\$40,000	Jan-08	3,800	Small Syst	C	\$0	57
101	Cortland	New Wellfield and Storage Tank	7800512	\$1,620,000	Apr-08	6,830	Small Syst	C	\$0	57
102	Elida	Replace Elevated Storage Tank (constr)	0200503	\$650,000	May-08	3,800	Small Syst	C	\$0	57
103	Swanton	Replace 200,000 gal elevated tower	2601011	\$800,000	Jun-08	3,455	Small Syst	C	\$0	57
104	Quincy	Green Sand Presr. Filtration (design)	4601912	\$75,000	Apr-08	753	Disadv T-II	C	\$0	53

105	Newark	Elevated Storage Tank/Pressure	4502314	\$3,400,000	Oct-07	47,200	Standard	C	\$0	51
106	Newark	Emergency Power Standby Unit	4502314	\$1,000,000	Feb-08	47,200	Standard	C	\$0	51
107	Bettsville	Replace 30 year old pump	7400112	\$30,555	Jan-08	790	Small Syst	C	\$0	49
108	Holgate	Filter Replacement	3500512	\$180,950	Aug-08	1,194	2.00%	B	\$0	49
109	Canton (Proj I)	Sugar Creek Design/Construction	7608112	\$3,800,000	Oct-07	100,000	Standard	C	\$0	48
110	Canton (Proj II)	Northwest WTP Rehab & Construction	7608112	\$3,800,000	Jul-08	100,000	Standard	B	\$0	48
111	Canton (Proj III)	Northeast WTP Rehab & Construction	7608112	\$8,300,000	Oct-09	100,000	Standard	B	\$0	48
112	Northern Oh Rrl Wtr (NORW)	Dist Lyme/Sherm/Adams/Thompson Twns	3846612	\$4,000,000	Aug-07	25,000	Standard	C	\$0	44
113	Berea (Phase 2)	GAC/UV, 1mgd Tank & Solids Handling	1800111	\$4,500,000	Aug-08	18,970	Standard	C	\$0	43
114	Gallia Co. Rural Wtr Asc. Inc.	Meters Installation	2700012	\$1,875,000	May-08	23,699	Standard	C	\$0	40
115	Dalton	New Booster Station	8500412	\$353,000	Jun-08	1,605	Small Syst	C	\$0	40
116	Akron	Repl All 1.5" & larger com/indust wtr mtrs	7700011	\$6,000,000	Sep-07	217,074	Standard	F-07	\$6,000,000	34
117	Sidney (Project #2)	Locate/develop source (Land Acquis.)	7501214	\$812,823	Mar-08	20,211	Standard	C	\$0	29
118	Sidney (Project #1)	Locate/develop new source (Design)	7501214	\$647,393	May-08	20,211	Standard	C	\$0	29
119	Waynesville	Meters	8302012	\$168,770	Sep-07	3,100	Small Syst	C	\$0	27

F Fundable

F©) Fundable but capped due to population > 10,000, PY08 systems capped at 12,000,000

F-07 Project fundable with PY-07 funds to be funded no later than September 2007

F(p) Fundable partial limited by funds available

B Bypassed

C Contingency Project

C©) Contingency Project & capped due to population > 10,000, for PY08 systems capped at \$12,000,000

**APPENDIX H**

**Intended Projects List**

Final Intended Projects List		PY08		Final			Final		
P	July 2007								
P	Program Year 2008				Date				
L					Funds		Potential	Funding	Fundable
#	Entity (service area)	Project	PWS ID#	Project Cost	Needed	Population	Terms	Category	Project Cost
1	Cumberland	Feas/Dsgn Stds Connect to Other Source	3000212	\$300,000	Dec-07	450	Disadv T-I	F	\$300,000
2	Mount Vernon	Distribution Line extension	4200812	\$660,000	Jul-07	17,500	Standard	F	\$660,000
3	Buckeye Wtr Dist (Salineville)	Provide Supply to Salineville	1502911	\$6,250,000	Sep-07	1,397	Disadv T-I	F	\$6,250,000
4	Buckeye Lake	New System (design)	New Syst	\$690,000	Aug-07	3,049	Disadv T-I	F	\$690,000
6	McClure	Reservoir	3500711	\$1,200,000	Oct-07	850	Disadv T-III	F	\$1,200,000
7	McClure	WTP Improvements	3500711	\$70,000	Oct-07	850	2.00%	F	\$70,000
8	Vanlue	New System	New Syst	\$1,785,714	Jan-08	371	Small Syst	F	\$1,785,714
9	Aberdeen	Install Meters	0800012	\$1,424,000	Aug-07	1,603	Small Syst	F	\$1,424,000
10	Aberdeen	New WTP or Regionalize (design)	0800012	\$250,000	Jun-08	1,603	Small Syst	F	\$250,000
12	Beaver Creek Estates	Reg/Quality Improvements	2800012	\$65,000	Aug-07	34	2.00%	F	\$65,000
13	Burr Oak	New WTP and Wells	0501311	\$13,125,548	Aug-07	23,106	Standard	F(c)	\$12,000,000
14	Fremont	Off Stream Storage (Plans)	7200311	\$400,000	Jan-08	17,375	Standard	F	\$400,000
17	Navarre	New Tank, Filters, Backwash	7604112	\$2,250,000	Dec-07	1,440	Small Syst	F	\$2,250,000
18	Cinnamon Lake Util. (Prj 2)	Trmt Upgrd/Rdc TOC, THM, HAA5 (dsgn)	0300411	\$200,000	Aug-07	1,516	Small Syst	F	\$200,000
19	Cinnamon Lake Util. (Prj 1)	Dist Upgds/Rdc TOC, THM, HAA5	0300411	\$600,000	Jan-08	1,516	Small Syst	F	\$600,000
22	Blanchester	WTP Improvements (planning)	1400111	\$70,000	Aug-07	4,200	2.00%	F	\$70,000
23	Blanchester	WTP Improvements (design)	1400111	\$400,000	Feb-08	4,200	2.00%	F	\$400,000
24	Spruce Tree Village	Reg 2 w/Grn Meads Estates	8503812	\$300,000	Dec-07	170	2.00%	F	\$300,000
25	Columbus	Champion Ave Wtr Main (Contr 1058)	2504412	\$2,000,000	Dec-07	965,250	Standard	F	\$2,000,000
26	Columbus	Livingston Ave Wtr Main (Contr 1060)	2504412	\$2,000,000	Jan-08	965,250	Standard	F	\$2,000,000
27	Columbus	Far East Wtr Line Imprvs. (Contr 1055)	2504412	\$1,500,000	Jan-08	965,250	Standard	F	\$1,500,000
28	Rockford	Repl WTP/Instl Mtrs/Rplc Lines (design)	5401112	\$50,000	Aug-07	1,126	Small Syst	F	\$50,000
29	Rockford	Repl WTP/Instl Mtrs/Rplc Lines (construct)	5401112	\$1,875,000	May-08	1,126	Small Syst	F	\$1,875,000
30	Urbana	Ph II-Trans Main/Ph III-Fe/Mang Rmv WTP	1101212	\$6,458,600	Aug-07	11,353	Standard	F	\$6,458,600
31	Celina	New GW Membr. WTP	5400011	\$4,000,000	Jul-07	11,647	Standard	F	\$4,000,000
32	Cleveland	Morgan (Pretreat & Residuals Project)	1800331	\$30,110,000	Mar-08	465,000	Standard	F(c)	\$12,000,000
33	Burr Oak (Crooksville Project)	Wtr Line Repl. to Provide Wtr to Crooksville	0501311	\$481,000	Dec-07	2,602	Disadv T-II	F	\$481,000
34	Danville	Upg Plt/new wellfield/install new well #7	4200112	\$160,000	Aug-07	1,000	2.00%	F	\$160,000
35	Northwest Reg. Water Dist.	Inst. 65,000 cf line in Jefferson Twnshp	7300003	\$260,310	Jul-07	12,496	Standard	F	\$260,310

36	Ottawa Co. Reg. Wtr.	Wtr Main Corros Mitig Proj (5-6 yrs.)	6205011	\$2,000,000	Aug-07	14,500	Standard	F	\$2,000,000
37	Oberlin	WTP Imprsr.D/DBPR Cmpl (Construct)	4700911	\$3,633,500	Dec-07	8,267	2.00%	F	\$3,633,500
38	Ohio City	New WTP/Wtr Twr/Rplc Distrib Lines	8100412	\$1,125,000	Dec-07	900	Small Syst	F	\$1,125,000
39	Milford	Clearwell Repl Proj/Addl Stor Cpcty	1301012	\$869,000	Aug-07	6,400	2.00%	F	\$869,000
40	Portsmouth	Prettr/Design/Build MIEX Syst (THM/HAA)	7300111	\$3,600,000	Jul-07	39,300	Standard	F	\$3,600,000
41	LaRue	Wellfield Develop/Drilling (design)	5100312	\$130,000	Sep-07	775	2.00%	F	\$130,000
42	Mahoning Valley Sant. Dist.	Plant impr. (distrib valves & mtrs)(design)	7801811	\$600,000	Aug-07	300,000	Standard	F	\$600,000
43	Kelleys Island (Project 1)	Rplc. Wtr. Lines	2201111	\$100,000	Oct-07	550	Small Syst	F	\$100,000
44	Kelleys Island (Project 2)	Raw Water Intake & Wtr Line Rplc	2201111	\$400,000	Mar-08	550	Small Syst	F	\$400,000
46	Northbrooke MHP (MHP Hlds)	Connect to Sidney Supply	7501012	\$500,000	Aug-07	135	2.00%	F	\$500,000
47	Catalpa Grove MHP	Connect to Montgomery Co./ Replace lines	5700512	\$40,000	Oct-07	74	2.00%	F	\$40,000
48	Baltimore	Planning Study	2300112	\$85,500	Jul-07	2,881	Small Syst	F	\$85,500
49	Delaware	New or expd of existing WTP(design)	2100311	\$500,000	Aug-07	29,998	Standard	F(c)	\$500,000
50	Delaware (Phase I)	New/expd of WTP(construct Ph. I)	2100311	\$15,000,000	Feb-08	29,998	Standard	F(c)	\$11,500,000
52	Jackson Co. Water	Line to Connect G Syst to JC GW WTP	4001003	\$750,000	Aug-07	569	Disadv T-III	F	\$750,000
53	Jefferson County WSD	Waterlines Co. Rd. 17 to 130 Residents	4100803	\$1,150,000	Oct-07	364	Disadv T-II	F	\$1,150,000
54	Scioto Co. Reg. Wtr. Dist. #1	Repl Bstr Stat & Install 11 mls waterline	7300212	\$700,000	Jul-07	14,500	Standard	F	\$700,000
55	Mahoning Valley Sant. Dist	Plant impr. (basins & rapid mix)(design)	7801811	\$500,000	Aug-07	300,000	Standard	F	\$500,000
56	Mahoning Valley Sant. Dist	Design Recarb struct/equip	7801811	\$480,000	Aug-07	300,000	Standard	F	\$480,000
57	Mahoning Valley Sant. Dist	Construct Recarb struct/equip	7801811	\$5,500,000	Jun-08	300,000	Standard	F	\$5,500,000
60	Burr Oak	Bulk wtr sply N Perry Co/Old Straitsville	0501311	\$1,036,800	Mar-08	23,106	Standard	F(c)	\$0
61	McCartyville Well Assoc. Inc.	Upgrade WTP for Arsenic (design)	7500812	\$50,000	Aug-07	190	Disadv T-II	F	\$50,000
62	Wooster (Prj 3)	Water Tank & Booster Station	8504512	\$1,808,500	Aug-07	24,811	Standard	F	\$1,808,500
63	Wooster (Prj 5)	2 Booster Station Improvs. & Line Improvs.	8504512	\$1,486,000	Sep-07	24,811	Standard	F	\$1,486,000
64	McCartyville Well Assoc. Inc.	Upgrade WTP for Arsenic (construction)	7500812	\$250,000	Dec-07	190	Disadv T-II	F	\$250,000
65	Greene Co. (NW Reg. Syst)	Inc WTP from 5MGD to 10.55MGD	2903512	\$7,000,000	Dec-07	39,726	Standard	F	\$7,000,000
66	Wooster (Prj 7)	Portage Rd. Water Line Replacement	8504512	\$450,000	Apr-08	24,811	Standard	F	\$450,000
67	Wooster (Prj 8)	Cleveland Rd. Water Line Replacement	8504512	\$330,000	Apr-08	24,811	Standard	F	\$330,000
68	Wooster (Prj 4)	Water Tank North Area	8504512	\$1,605,000	Jun-08	24,811	Standard	F	\$1,605,000
69	Wooster (Prj 10)	Burbank Rd. Water Line Replacement	8504512	\$975,000	Jun-08	24,811	Standard	F	\$975,000
70	Wooster (Prj 6)	Secondary Main Transmission Line	8504512	\$645,000	Jun-08	24,811	Standard	F	\$645,000
77	Marysville	New WTP (design)	8000314	\$3,400,000	Mar-08	17,346	Standard	F	\$3,400,000
79	Russell's Point	WTP Upgrade (design)	4602212	\$125,000	Aug-07	1,680	Disadv T-II	F	\$125,000
80	Russell's Point	WTP Upgrade (construct)	4602212	\$625,000	Dec-07	1,680	Disadv T-II	F	\$625,000
81	Bowling Green	Raw Water Intake & Pump Station	8700311	\$1,625,000	Feb-08	29,635	Standard	F	\$1,625,000
82	Bluffton	16" Waterline from Ottawa supply	0200112	\$5,267,150	Aug-07	3,896	Small Syst	F-07	\$5,267,150
83	Ottawa (Village)	Service Line to Bluffton (Ottawa Supply)	6900711	\$1,800,000	Aug-07	3,896	Small Syst	F-07	\$1,800,000
84	West Jefferson	Upgrade WTP	4902012	\$2,420,000	Jul-07	4,331	Small Syst	F	\$2,420,000

85	Harrison	Proj 2 Planning	3100812	\$230,000	Aug-07	7,487	Small Syst	F	\$230,000
86	Harrison	Proj 4 Planning	3100812	\$100,000	Oct-07	7,487	Small Syst	F	\$100,000
87	Harrison	Proj 2 Carolina Tr/Storage Tank/Pump Stat.	3100812	\$2,070,000	Jan-08	7,487	Small Syst	F	\$2,070,000
88	Harrison	Project 4 Marvin Rd Main Replace.	3100812	\$900,000	Apr-08	7,487	Small Syst	F	\$900,000
91	Malvern	Vlvs/Line Repl/Chm Feed Syst(design)	1000112	\$50,000	Sep-07	1,300	Small Syst	F(p)	\$42,876 FUNDABLE
98	Middlefield	New WTP	2802012	\$5,928,405	Aug-07	2,233	Small Syst	F-07	\$5,928,405
99	Muskingum Co.	Replace 7700 ft pipe 12" to 16"	6000412	\$500,000	Aug-07	9,520	2.00%	F-07	\$500,000
116	Akron	Repl All 1.5" & larger com/indust wtr mtrs	7700011	\$6,000,000	Sep-07	217,074	Standard	F-07	\$6,000,000

F Fundable

F©) Fundable but capped due to population > 10,000, for PY08 systems capped at \$12,000,000

F-07 Project fundable with PY-07 funds to be funded no later than September 2007

F(p) Fundable partial limited by funds available

## APPENDIX I

### Wellhead Protection Program SDWA Section 1452(k)(1)(D)

Ohio EPA will set-aside five percent (5%) of the FFY 2007 capitalization grant under Section 1452(k)(1)(D) of the Safe Drinking Water Act (SDWA) to support implementation of Ohio's Wellhead Protection Program/Source Water Assessment and Protection Program for PY 2008. This Section authorizes states to set-aside up to ten percent of each year's federal capitalization grant to make expenditures for the establishment and implementation of wellhead protection programs under Section 1428. The Ohio EPA anticipates taking an additional five percent (5%) of the FFY 2008 capitalization grant, which is approximately \$1,233,550, under Section 1452(k)(1)(D) of the Safe Drinking Water Act (SDWA) to utilize during the next program year.

Ohio EPA will use the wellhead protection set-aside funds to implement Ohio's approved wellhead protection program. Specifically, these funds will be used to: 1) complete source water assessments (wellhead protection areas) for new public water systems; 2) refine delineations in potential karst/shallow fractured bedrock hydrogeologic settings; 3) assess and conduct ground water quality investigations to evaluate potential contaminant sources impacting source water quality for water systems with contaminant concentrations near or exceeding a MCL; 4) encourage and provide direct technical assistance to public water systems in development and implementation of source water protection plans; 5) conduct public outreach and education, and disseminate source water assessments to public water systems and the public, via a secure web site; 6) document local source water protection implementation strategies; 7) collaborate with State environmental programs to develop and implement source water protection strategies; and 8) provide general program support.

Table I-1 provides an estimated budget for the PY 2008 wellhead protection program activities using the set-aside funds. This table addresses:

- the scope of work to be provided;
- the funding amount in dollars and as a percentage of the Drinking Water Assistance Fund allocation;
- the number of FTEs projected for implementing the program; and
- the goals, objectives, and deliverables for the program.

**Table I-1  
Wellhead Protection Program Activities for PY 2008**

<b>Activity</b>	<b>PY 2008 Estimated FTEs</b>	<b>Percent</b>	<b>Outcome/Product</b>
1. Complete source water assessments for new public water systems including: delineating wellhead protection (source water assessment) areas, conducting inventories of potential contaminant sources and making susceptibility determinations for public water systems using ground water.	1.0 FTE	8%	-Source water assessment reports - Re-delineation of source water assessments based on criteria in guidance. - Re-issue source water assessment reports
2. Redelineate protection areas in potential karst/shallow fractured bedrock hydrogeologic settings.	1.0 FTE	8%	- Revised source water assessment areas and reports
3. Assess and conduct ground water quality investigations to evaluate potential contaminant sources impacting source water quality for water systems with contaminant concentrations near or exceeding a MCL.	1.5 FTE	13%	- Statewide evaluation of water quality compliance data to establish priority public water systems - Study Plans - Sample Collection and Analysis - Summary Reports - Identify probable cause of contamination.
4. Encourage and provide direct technical assistance to public water systems in development and implementation of source water protection plans.	5.5 FTEs	46%	-locally developed SWAP/WHP plans and implementation of protective strategies; -up to 10 local/regional source water protection workshops for public water systems -provide direct technical assistance to public water systems in

			developing source water protection plans.
5. Conduct general public outreach and education, disseminate source water assessments to public water systems and the public via a secure web site.	0.75 FTEs	6%	- continue maintenance of secure web page to access reports -document management -respond to technical assistance requests -updates to source water assessment and protection web pages - annual source water report
6. Document local source water implementation strategies	0.25 FTE	2%	- tracking and information management
7. Collaborate with State environmental programs to develop and implement source water protection strategies.	0.5 FTEs	4%	-development of regulations or guidance - implementation of best management practices
8. Provide general program support activities for staff including: time accounting and budgeting, planning, personnel management, computer programming, network support, GIS management and data acquisition, data management, information tracking, staff training, federal reporting, etc	1.5 FTEs	13 %	-federal reporting - maintain GIS coverages for SWAP Program
<b>TOTAL</b>	<b>12.0 FTEs</b>	<b>100 %</b>	

\* FTE costs include staff wages, fringe, supplies, and indirect costs.

The following paragraphs address schedules, responsibilities, and evaluation for the planned program activities.

**Assessments (Activity 1):**

***Schedule.*** Source water assessments are to be completed for all new public water systems using ground water within 90 days of activation or notification from the public water supply program. Public water systems that acquire active status after July 2007 will be assessed in accordance with new internal guidance (currently being finalized) for assessing new systems.

***Responsibility.*** Assessments are the responsibility of Ohio EPA's District staff, with assistance as requested from Central Office staff and direction from District managers and the Central Office Source Water Protection program.

***Evaluation.*** The success of this task is evaluated by the number of assessments completed within deadlines.

**Redelineate Protection Areas in Potential Karst/Shallow Fractured Bedrock (Activity 2)**

***Schedule.*** The source water protection areas in potential karst/shallow fractured bedrock geologic settings for public water system located in Ohio's northwest, southwest and central district offices will be redelineated in accordance with the revised methodology developed during PY 2007. Central Office will provide oversight and direct assistance as needed. Goal: Completed all redelineations by December 31, 2007.

***Responsibility.*** Assessments are the responsibility of Ohio EPA's District staff, with assistance as requested from Central Office staff and direction from District managers and the Central Office Source Water Protection program.

***Evaluation.*** The success of this task is measured by completion of the redelineations for targeted systems.

**Ground Water Quality Investigations (Activity 3):**

***Schedule.*** Up to five projects will be identified throughout the program year. Each project will have its own schedule for evaluation of existing data, development of sampling plan, sample collection and analysis, and completion of a summary report.

***Responsibility.*** Investigations will be led by a combination of Ohio EPA District Office staff, with direction from District Office managers and support from Central Office Source Water Protection program.

***Evaluation.*** The success of this task is measured by completion of the investigation and documentation of findings in the summary report.

#### **Technical Assistance (Activity 4):**

**Schedule.** Locally developed Protection Plans will be reviewed within 60 days of receipt by Ohio EPA, and technical assistance will be provided promptly upon request. Up to ten local/regional workshops will be held across Ohio, in accordance with District scheduling. No specific deadlines are proposed for these workshops, providing flexibility for partnering with other organizations and for tailoring outreach to specific groups.

**Responsibility.** Reviews of Protection Plans, on-site technical assistance/outreach, and provision of workshops are primarily the responsibility of Ohio EPA District staff, with assistance from Central Office staff and direction from District managers and the Central Office Source Water Protection program.

**Evaluation.** Success of Protection Plan reviews will be measured by timeliness of reviews and the number of systems that are endorsed. Success of the workshops will be evaluated by the number that are completed, number of participants and comments from the workshop participants.

#### **Web Site and Technical Assistance (Activity 5):**

**Schedule.** The secure web site will be maintained and updated on a monthly basis. Technical assistance requests for source water protection information will be completed within five working days of the request. Updates to source water protection Web pages will be made quarterly.

**Responsibility.** Development and maintenance of the secure Web site and the Source Water Protection Web page is the responsibility of Central Office Source Water Protection staff, with assistance from Ohio EPA's Information and Management Systems staff, as needed. Technical assistance currently is also handled by Central Office staff.

**Evaluation.** Success of Web sites will be measured by the public visitation rates, and any comments received. Technical assistance will be measured by the numbers of requests received and processed within deadlines.

#### **Documentation of local source water protection implementation (Activity 6):**

**Schedule.** Baseline information collected and entered into an electronic database during PY2007 will be submitted to QA/QC, statistically analyzed, and used to direct District Office outreach efforts through PY2008. It will also be used to help determine the number of "substantially implementing" systems in Ohio for reporting to U.S. EPA. The analysis will be written up in a summary report that will be included on the web site in the Source Water Protection Program's annual e-newsletter in late 2007. A schedule for routine updates (for example, every three years) will be developed by June 2008.

**Responsibility.** This task will be implemented primarily by Ohio EPA Central Office staff, with direction from the Central Office Source Water Protection supervisor.

**Evaluation.** Success will be measured by the quality of the information, the percentage of targeted public water systems included, and the ability to measure more accurately “substantial implementation” of local source water protection strategies.

**Development of regulations/guidance (Activity 7):**

**Schedule.** Efforts are underway to have source water protection strategies recognized in beneficial use of industrial waste rules. Additional efforts to have source water protection areas recognized in rules will occur during the program year as additional rule packages come up for comment (under the required five-year rule review). Also, the SWAP Program will increase efforts to collaborate with USDA Farm Service Agency and Natural Resources Conservation Service to increase implementation of CRP and related set-aside within source water protection areas.

**Responsibility.** This task will be implemented by Ohio EPA Central Office staff, with direction from the Central Office Source Water Protection supervisor.

**Evaluation.** Success will be measured by our ability to have source water protection areas strategies recognized and implemented by other environmental programs.

**General program support (Activity 8):**

Planning and budgeting is scheduled as a priority activity in February/March 2008, but time accounting, personnel management, computer programming, network support, data management, geographics information systems support and information tracking are ongoing functions. Two semi-annual meetings will be held for training of Source Water Protection staff around the state. Preparation of federal reports is scheduled as a priority activity for August 2007.

**Responsibilities.** Planning and budgeting, time accounting and personnel management are the responsibility of the Central Office Source Water Protection Program supervisor and manager. Computer programming and network support are functions of Ohio EPA’s Information Management Systems staff, and data management and information tracking is a function of Central Office Source Water Protection staff as well as management. Geographic information systems staff within the division provide direct support assistance to the Source Water Protection Staff.

**Evaluation.** Completion of plans, budgets and reports within deadlines; routine update of geographic information data to support the source water assessment and protection program.

## APPENDIX J

### Small Systems Technical Assistance Workplan (SDWA Section 1452 (g)(2))

Ohio EPA will set-aside two percent (2%) of the FFY 2007 capitalization grant to fund a Small System Technical Assistance Program (SSTAP) to aid public water systems serving 10,000 persons or less. The amount set-aside from the FFY 2007 capitalization grant for PY 2008 totals \$493,420. Ohio EPA anticipates taking an additional two percent of the FFY 2008 capitalization grant to fund this program during PY 2009.

This workplan outlines how funds set-aside for the SSTAP will be used to provide technical assistance to small systems. Specifically, this work plan addresses:

- A brief description of organizations selected to provide services under the SSTAP;
- the scope of work to be provided under the SSTAP;
- the funding amount in dollars and as a percentage of the Drinking Water Assistance Fund allocation;
- the number of FTEs projected for implementing the program;
- the goals, objectives, and deliverables for the program;
- a schedule for completing activities during the program year;
- the responsibilities of both the Ohio EPA, the Providers of the assistance; and,
- a description of the evaluation process to assess the success of work funded through this set-aside.

#### **Organizations Providing Services**

The grantee selected to provide services for PY 2008 will be the W.S.O.S. Community Action Commission, Inc./Great Lakes Rural Community Assistance Program (RCAP). This organization has served as a provider to the SSTAP for seven years, working with water systems serving 10,000 or fewer population. They provide managerial assistance to water systems and aid in obtaining financial assistance through a variety of funding sources. Services are handled through both office personnel and field representatives who visit water systems to discuss and remedy problems. They will assist in making application for financing, obtaining engineering expertise, and selection of cost effective alternatives. With a staff of 400 they manage community and economic development services in various parts of Ohio, as well as environmental assistance in a seven state region. They also assist with locating and procuring sources of funding in addition to the DWSRF. Ohio RCAP will coordinate financing packages for systems including: Ohio Department of Development CDBG program, Ohio Water Development Authority, Ohio's Issue 2 Program, Rural Development's grant/loan program, and RCAP's Safe Water Fund loan program for water infrastructure development.

An additional service provided by RCAP occurs only every four years; that being assisting systems serving 10,000 persons or fewer with making a meaningful response to the USEPA Infrastructure Needs Survey. Selected systems evaluate their need for drinking water infrastructure improvements for the next 20 years and report the types of projects and dollar amount involved. Infrastructure having an expected service life expiring within that time period will require replacement. Small systems often underestimate their system's needs and under-report what equipment needs replacement. RCAP will assist these systems in evaluating their system components and completing the Drinking Water Needs Survey Form.

A small portion of the SSTAP set-aside will also be used to train Ohio EPA staff to better identify the needs of and offer assistance to small public water systems.

**Description of the Scope of Work to be Provided**

The services to be provided under the SSTAP are in the areas of financial, managerial, regulatory and operational assistance. These services will be performed by Ohio RCAP and through training of Ohio EPA field staff. Financial and managerial assistance provided to small water systems through the SSTAP include:

- targeting small water supply systems on the PPL as determined by DDAGW;
- provide assistance in preparing WSRL A loan applications and determining ability to repay;
- develop documentation to

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address cross-cutting requirements; conform assistance to DDAG W determined time lines; coordinate loans from the WSRL A with funding from other sources; assist in determining most cost effective alternative; assist in the development of capabi

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- focus on all aspects of financial management of the system in implementing the selected project;
- conduct five training sessions on (101) Utility Management for Local Officials;
- conduct five training sessions on (201) Financial Management for Local Officials;
- conduct five training sessions on (301) Asset Management for Local Officials;
- develop and conduct training session for (401) Rate Setting for Local Officials; and
- work with small systems to complete the 2007 USEPA Needs Survey and conduct follow-up activities with those systems.

Regulatory and operational assistance provided to small water systems through the Small Systems Technical Assistance program will be performed by Ohio EPA staff. The services include:

- primary focus on public water systems serving a population of less than 250, with priority on the public health based issues using the water use advisory list, SNC and GWUI lists as a reference;
- secondary focus on PWS with multiple M/R violations in consecutive quarters using the violation tracking database as a reference;
- provide assistance with sampling and monitoring including water use advisories and Ground Water Under the Influence of Surface Water systems;
- provide assistance with sample siting plans, contingency plans, detail plan process, consumer confidence reports and corrosion control recommendations;
- prepare and conduct training programs for PWS owners and operators as well as local health departments;
- document all site visits and other technical assistance contacts in appropriate files; and
- staff receive training to provide more effective assistance to small public water systems.

### **Funding Amount**

The amount set-aside from the FFY 2007 capitalization grant for PY 2008 for this program totals \$493,420. Ohio EPA expects to set aside an additional two percent of the FFY 2008 capitalization grant.

### **Projected Number of Full Time Equivalent (FTEs)**

Approximately 5.2 FTEs will be used for activities in the SSTAP. Ohio RCAP has submitted a line item budget for the current program year indicating their services will require 4.2 FTEs. Ohio EPA staff will account for up to an additional 1.0 FTE.

### **Goals and Objectives**

The overall program goal is to provide technical assistance to public water systems serving 10,000 persons or less to enable such systems to achieve and maintain compliance with applicable state and national drinking water regulations. The SSTAP will address this type of assistance needed for the small public water systems of Ohio.

The objectives define a program to address the financial, managerial, regulatory and operational needs of the targeted public water systems. Listed below are the specific goals and objectives for the program.

### Financial and Managerial Assistance Goals and Objectives

Goal: Assist small systems in achieving and maintaining compliance with the state and federal drinking water regulations.

Objective: Assess the capability of small systems to remain in compliance with state and federal drinking water regulations and develop plans to increase capability or explore regionalization.

Goal: Market and use the WSRLA loan program to assist small water systems in obtaining adequate funding to maintain and upgrade their infrastructure.

Objective: Assist small systems access to WSRLA loans by addressing readiness to proceed issues, i.e. planning, hiring of consultants, developing and implementing project schedules, completion of funding applications, and development of documentation to complete the capacity assurance requirements.

Objective: Assist small systems with leveraging other funding sources and developing a financial package that will keep projects affordable.

Objective: Increase the management and financial knowledge of management and system personnel.

### Technical and Operational Assistance Goals and Objectives

Goal: Help ensure that an adequate supply of clean, safe drinking water is provided to the users of public water systems in Ohio by providing technical and compliance assistance to small water systems.

Objective: Increase the number of small systems in compliance with applicable state and national drinking water regulations on a long term basis.

Objective: Increase the operational knowledge of system personnel.

Objective: Increase source water protection efforts.

Objective: Increase conservation of Ohio's water resources.

### Deliverables

Highlighted below are the main deliverables which are to be provided.

### Financial and Managerial Assistance Activities

- Provide assistance to small public water system in acquiring financing to build, expand, and upgrade water treatment plants and distribution systems
- Assist in completing applications for financial assistance from the WSRLA and other funding sources
- Reports, recommendations, and action plans for capacity assurance development strategies
- Compliance action plans completed
- Number of small systems assisted (content described further in this document)
- Track activities to document success of the program and identify areas of needed improvements
- Report information about training sessions conducted including attendance list, contact information, and necessary follow-up actions

### Technical and Operational Assistance Activities

- Provide technical assistance to operators, owners and public officials by providing telephone or on-site consultation for maintenance, operational, or management matters
- Provide assistance to help maintain system compliance with state and federal drinking water regulations and capacity assurance
- Track activities to document success of the program and identify areas of needed improvements.
- Provide assistance with sample siting plans, contingency plans, detail plan process, consumer confidence reports and corrosion control recommendations.
- Prepare and conduct training programs for PWS operators and owners as well as local health departments.
- Priority on public health based issues identified on the water use advisory list, significant non-compliance list, and systems represented as ground water under the influence (of surface water).

### Schedule for Completing Activities

Ohio EPA has targeted small public water systems which are on the PPL and IPL for financial and managerial assistance, however, it is not necessary that a system be on the PPL and IPL to receive assistance through this program. A report will be provided quarterly for assistance activities using the following criteria: progress which is made, including status of outputs and deliverables per community, and any changes in projected scheduling and completion of activities. The individual schedules for each small public water system will be

determined based on the type of assistance necessary, any compliance schedules which exist, and the proposed WSRLA schedule.

Specific to on-site technical assistance calls, the schedules for completing that type of assistance will be determined by the severity and nature the problem, and the identified solution. Multiple visits may need to be scheduled before each activity is considered completed. Issues identified through a sanitary survey or site visit will be followed through resolution of the identified issues.

### **Responsibilities of the Ohio EPA and the Providers of the Program**

The Ohio EPA will be responsible for ensuring that all assistance is provided in a timely manner based on the specific issues and type of assistance which is determined to be necessary. The Ohio EPA staff will focus on systems under 250 customers, assisting them with technical and compliance issues, performing operational inspections and infrastructure evaluation.

Providers are responsible for completing assistance tasks as each individualized schedule requires, and completing deliverables and outputs per those schedules. Submission of quarterly reports describing their activities is required. The Providers are responsible for providing assistance as they have described in their workplans as accepted by the Agency, and fulfilling the requirements and responsibilities as defined in their individual program agreements. Providers will also comply with any and all federal requirements which are in effect and applicable to their actions as related to completion of all assistance projects.

### **Description of the Evaluation Process to Assess the Success of Work Funded**

Reporting and evaluation methods will be used to assess success of the Small Systems Technical Assistance Program. Ohio EPA will utilize the reported information to determine the level of success and measure the effects of the assistance. The reported information will be used to determine future program year goals, objectives, and program design to continue to provide effective technical assistance to small systems. The specifics of the evaluation and reporting process per type of assistance provided are described as follows:

#### **Financial and Managerial Assistance Activities Reporting**

Ohio RCAP staff will meet monthly, or as needed, with DDAGW staff to overview technical assistance results and identify additional needs of systems. Reports will contain demographic and performance based information. Specific outcomes per community will be identified in compliance with any developed schedule, and based on the reporting format as defined by DDAGW. Periodically, Ohio RCAP will conduct a customer satisfaction survey of systems which have received technical assistance. The survey will be used to develop improvements to types and specifics of assistance services provided. Ohio RCAP will develop an annual customer satisfaction report as a means to summarize services provided.

This reporting and performance evaluation information will ensure that Ohio RCAP can document the success of their technical assistance.

### Technical and Operational Activities Reporting

The Ohio EPA staff complete monthly reports which track activities and provide documentation of technical assistance activities. These reports will be used to determine and track program performance and evaluate success. This information will also be used to develop any additional methods to provide assistance to small systems. Meetings will be held quarterly, or as needed to discuss program activities, progress, problems and reporting criteria.

## **APPENDIX K**

### **Capability Assurance Program**

The Agency must ensure each public water system (PWS) that receives a WSRLA loan can demonstrate technical, managerial, and financial capacity. WSRLA funds cannot be used to provide any type of assistance to a PWS that lacks the technical, managerial, or financial capability to maintain SDWA compliance, unless the PWS owner agrees to implement feasible and appropriate changes in operation and maintenance practices, and in the financial management of the system. The Definitions section of this Management Plan contains the definitions of capability assurance, as well as technical, managerial, and financial capability. Rules to implement this program became effective October 1, 1999. The Agency has also developed a guidance document to assist systems in the development of an approvable Capability Assurance Plan. This guidance document is in the process of being updated to support upcoming rule changes.

Ohio EPA provides additional assistance to all potential loan recipients with populations of 10,000 or fewer in the completion of a Capacity Assurance Plan. Ohio RCAP, program provider of financial and managerial assistance through the Small Systems Technical Assistance Program, will assist systems in the development of these plans.

Through the enacted rules, developed guidance document, and additional provided assistance to eligible small systems, Ohio EPA will ensure that each WSRLA loan recipient demonstrates capability assurance.