

The Drinking Water State Revolving Fund

How to Obtain SRF Funding
for
Your Drinking Water Project

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Utah DEQ/Division of Drinking Water
Construction Assistance Section



**UTAH DEPARTMENT OF
ENVIRONMENTAL QUALITY**

SRF Programs

DDW manages two separate
State Revolving Fund Loan Programs

- State SRF Program
 - Funded through a portion of the sales tax
 - DDW receives $\frac{1}{4}$ of 1/16% of total annual sales tax revenue from the State of Utah
- Federal SRF Program
 - Funded through federal tax dollars
 - Congressional appropriations through USEPA
 - State match of 20% of annual appropriation

SRF Programs

State SRF Program - R309-700

- Limited to “Political Subdivisions/Entities”
 - Municipalities
 - Water Districts
 - Special Service Districts
- Requirements include (among others):
 - Show public support
 - SHPO (Cultural/Historical/Archeological Review)
 - Others too numerous to mention!

SRF Programs

Federal SRF Program - R309-705

- Publicly Owned Systems, Privately Owned Systems, or Non-profit, Non-community Systems
 - Municipalities, Improvement Districts, etc.
 - HOA's, "Mom & Pop" systems, etc.
 - Church Camps, Scout Camps, etc.
- System must be "Approved"
 - Unless funded project will resolve all issues
- System must have adequate "capacity"
 - Technical, Managerial, and Financial capabilities

SRF Programs

Federal SRF Program - R309-705

- Environmental Assessment
 - “Cross-Cutting” Authorities
- Davis-Bacon Wage Requirements
- DBE Requirements

- Call for all the exciting details!

SRF Programs

Eligible Projects

- Drinking Water System related:
 - Planning
 - Sources (wells, springs, etc.)
 - Storage Tanks
 - Treatment Facilities
 - Transmission/Distribution Pipelines
 - Water Meters

SRF Programs

Ineligible Projects

- Those used to attract growth
 - Anticipated growth over project life should be accounted for
- Dams
 - Construction
 - Rehabilitation
- Water Rights
 - Unless those rights are owned by a system being purchased as part of regionalization or consolidation

SRF Programs

Ineligible Projects

- Reservoirs
 - Except finished water reservoirs
 - Except water treatment system reservoirs
- Laboratory fees
- O&M costs
- Mainly to provide fire protection

SRF - Types of Funding

- Low interest loans
 - ✓ Base rate is the RBBI, 5.32% (August 1, 2011)
- Principle Forgiveness (Federal SRF)
 - ✓ Local MAGI \leq 80% of State-MAGI (Median Adjusted Gross Income)
 - ✓ 2009 State MAGI \$36,655
 - ✓ After Project Water Bill $>1.75\%$ of local MAGI
- Hardship Grant (State SRF)
 - ✓ After Project Water Bill $>1.75\%$ of local MAGI



UTAH DRINKING WATER BOARD
FINANCIAL ASSISTANCE
Electronic Application Form (Microsoft Excel Version)

This form applies to both the "State SRF" and the "Federal SRF" financial assistance programs. Detailed information on these programs is available on-line at:

drinkingwater.utah.gov/board_program_intro.htm

If you have any questions or difficulties using this electronic form please contact either Rich Peterson or Karin L. Tatum at 801-536-4200. You may also contact them via e-mail:

richpeterson@utah.gov

ktatum@utah.gov

If you wish to add anything while completing this form, please go to Tab 8 - Signature. On this tab you will find a box which you can use to add additional comments or information.

When completed, save this file for yourself. Then send a copy of this file, and required attachments, to:

ktatum@utah.gov

You may print a copy of this entire workbook by selecting FILE>PRINT>ENTIRE WORKBOOK>OK

1. ALL IN ALL BOXES HIGHLIGHTED IN YELLOW. If you enter a "choice" box (e.g. "Yes" or "No") and the choices are unresponsive, click DIRECTLY on the words "Click HERE to Activate Choices". (This will "select" the spreadsheet cell and allow data entry.) Wh

1 Enter today's date: mm/dd/yy

2 What type of project are you seeking funds for ?

[CLICK HERE to Activate Choices](#)

- Planning (e.g. Engineering Studies, Master Plans, etc)
- Construction of Facilities

Note: You MUST make a selection before completing the rest of this application form. The choice you make above will determine which information you are required to provide in the remainder of this workbook.

3 If you have a preference, enter the date of the upcoming Board meeting at which you want to make your initial appearance:

mm/dd/yy

Important, please note: The completed application and all required attachments must be received by the Division of Drinking Water at least 45 days before the Board meeting at which the application will be considered. The Board's meeting schedule can be

drinkingwater.utah.gov/board_schedule

4 What is your Utah Division of Drinking Water water system number?
(Example: 98765. Leave blank if you don't know your number.)

5 What is your Federal EIN (i.e. Tax ID Number)?
[More info on Federal EIN](#)

SRF - How to Apply

The Application

2 - Contacts

Fill In All Boxes Highlighted in YELLOW

1 APPLICANT INFORMATION

System Name:

This is a:

[CLICK HERE to Activate Choices](#)

Political Subdivision (e.g. County, City, Town, Improvement District, Metropolitan Water District, Water Conservancy District, Special Service District, etc.)

Private Water System

Address:
City:
State:
Zip Code:
Phone:
Fax:
Email:

2 PRESIDING OFFICIAL OR CONTACT PERSON

First Name:
Last Name:
Title:
Address:
City:
State:
Zip Code:
Phone:
Fax:
Email:

3 TREASURER/RECORDER

First Name:
Last Name:
Phone:
Fax:
Email:

4 CONSULTING ENGINEER

First Name:
Last Name:
Company:
Address:
City:
State:
Zip Code:

SRF - How to Apply Capacity Assessment

The Technical Portion of your System

Please mark () the appropriate box: Yes, No, or Unknown for each section. Please try to determine the answer to every question. *If a section or question does not apply to your system, please write NA for not applicable.*

Water Supply and Existing Demands

Do you know how much water you pump on an average day? Yes No Unknown

Amount

Do you know how much water you pump on a peak day? Yes No Unknown

Amount

Have you been able to provide adequate volumes of water during drought cycles? Yes No Unknown

Do you have an Emergency Response Plan that will allow you to meet system demand during a drought or shortage, such as the loss of the largest source? Yes No Unknown
If Yes, please attach.

Do you have a contract to purchase water? Yes No Unknown

If yes, with who?

Do you know the terms affecting your supply during drought conditions? Yes No Unknown

System Maintenance

Are locations, size, and type of mains and service lines detailed on records? Yes No Unknown

Unaccounted-for Water

Is unaccounted-for water in the water system monitored and analyzed? Yes No Unknown

Is unaccounted-for water less than 15 percent of the total water delivered to the mains? Yes No Unknown

List percentage of unaccounted-for water:

Do you have a routine leak detection and repair program? Yes No Unknown

Are all sources of supply and customers metered? Yes No Unknown

Are the meters calibrated and tested to ensure their accuracy and reliability? Yes No Unknown

Water Quality in Distribution System

Is an annual inspection for cross-connections performed? Yes No Unknown

Is there a program for installing and testing backflow prevention devices where potential contamination is present? Yes No Unknown

Distribution System Problems

Can you maintain adequate pressure in the distribution system under all conditions of flow? Yes No Unknown

The Management Portion of your System

Please mark () the appropriate box: Yes, No, or Unknown for each section. Please try to determine the answer to every question. *If a section or question does not apply to your system, please write NA for not applicable.*

Operations Staff

Does the person operating your system have current water treatment plant and water distribution operator certification credentials from DEQ/DDW? Yes No Unknown

If Yes, list classification:

Does your operator receive additional training on an ongoing basis to keep current on new developments in the field? Yes No Unknown

Future Operational Demands

Does your water system obtain any regular or occasional technical assistance from outside sources, such as DDW, your engineer, other utilities or organizations specifically dedicated to providing technical assistance? Yes No Unknown

If yes, who:

Management & Administration

Is there a clear plan of organization and control among the people responsible for management and operation of the system? Yes No Unknown

Are the limits of the operators authority clearly known? Yes No Unknown

Are all the specific functional areas of operations and management assigned? Yes No Unknown

Does everyone involved in operations know who is responsible for each area? Yes No Unknown

Is someone responsible for scheduling work? Yes No Unknown

Rules and Standards

Do you have explicit rules and standards for system modifications? Yes No Unknown

Do you have rules governing hook-ups? Yes No Unknown

Do you have a water main extension policy? Yes No Unknown

Do you have standard construction specifications to be followed? Yes No Unknown

Do you have measures to assure cross-connection control and backflow prevention? Yes No Unknown

Do you have policies or rules describing customer rights and responsibilities? Yes No Unknown

Regulatory Compliance Program

Do you fully understand monitoring requirements and have a scheduling mechanism to assure compliance? Yes No Unknown

Do you have a mechanism to obtain the most recent information on regulatory requirements? Yes No Unknown

Do you know how to obtain clarification or explanation of requirements? Yes No Unknown

Do you know what to do in the event of a violation? Yes No Unknown

SRF - Timeline

➤ Submit Application to DDW

- ✓ Application deadline is 60 days prior to next scheduled Drinking Water Board meeting

- ✓ Example: Meeting Date: Nov 9, 2011

Application Deadline: Sep 12, 2011

➤ Application Reviewed by Staff

- ✓ Project's "need" evaluated
 - ✓ Project Priority List
- ✓ System's "need" evaluated
- ✓ Staff identifies funding alternatives

Project Priority List

Source Quality/Quantity

Deficiency Description

		Points Available	Points Awarded
Health Risk (select one)			
A	There is evidence that waterborne illnesses have occurred.	25	
B	There are reports of illnesses, which may be waterborne.	20	
C	High potential for waterborne illness exists.	15	
D	Moderate potential for waterborne illness.	8	
E	No evidence of potential health risks.	0	

Compliance with SDWA (select all that apply)

		Points Available	Points Awarded
A	Source has been determined to be under the influence of surface water.	25	
B	System is often out of water due to inadequate source capacity.	20	
	or System capacity does not meet the requirements of UPDWR.	10	
C	Source has a history of three or more confirmed microbiological violations within the last year.	10	
D	Sources are not developed or protected according to UPDWR.	10	
E	Source has confirmed MCL chemistry violations within the last year.	10	
Total		0	

Treatment

Deficiency Description

		Points Available	Points Awarded
Health Risk/Compliance with SDWA (select all that apply)			
A	Treatment system cannot consistently meet log removal requirements and the required disinfection systems are not installed, are inadequate, or fail to provide adequate water quality.	25	
B	Treatment system is subject to impending failure, or has failed.	25	
C	or Treatment system equipment does not meet demands of UPDWR.	15	
	or System equipment is projected to become inadequate without upgrades.	5	
Total		0	

Storage

Deficiency Description

		Points Available	Points Awarded
Health Risk/Compliance with SDWA (select all that apply)			
A	Storage system is subject to impending failure or has failed.	25	
	or System is old, cannot be easily cleaned, or subject to contamination.	15	
B	Storage system is inadequate for existing demands.	20	
	or Storage system demand exceeds 90% of storage capacity.	10	
C	Applicable contact time requirements cannot be met without an upgrade.	15	
D	System suffers from low static pressures.	15	
Total		0	

Distribution

Deficiency Description

		Points Available	Points Awarded
Health Risk/Compliance with SDWA (select all that apply)			
A	Distribution system equipment is deteriorated or inadequate for existing demands.	20	
	or Distribution system is inadequate to meet 5 year projected demand.	10	
B	Applicable disinfectant residual maintenance requirements are not met or high backflow contamination potential exists.	20	
C	Project will replace pipe containing unsafe materials (lead, asbestos, etc.)	15	
D	Minimum dynamic pressure requirements are not met.	10	
E	System experiences a heavy leak rate in the distribution lines.	10	
Total		0	

Emergencies

Upon the Board finding of an emergency as required by R309-705. 100

Total 0

Project Priority List

Table 1 - Priority System (Project Priority List)

System Name: _____
System Number: _____
Date: _____

Project Description: new tank

2009 Local MAGI:		<u>Water Income</u>	
2009 State MAGI:	\$ 36,665.00	Residential:	
Avg System Water Bill:		Commercial/Other:	\$ -
Avg State Water Bill:	\$ 44.58	Total Connections:	

Category Summary	Points Awarded
Source	
Treatment	
Storage	
Distribution	
Emergency	

Total Points: 0

Average Points: #DIV/0!

Rate Factor: 0.000
AGI Factor: #DIV/0!

Priority Rating: #DIV/0!

Priority Rating adjusted using:

- MAGI
- Average Monthly Water Bill

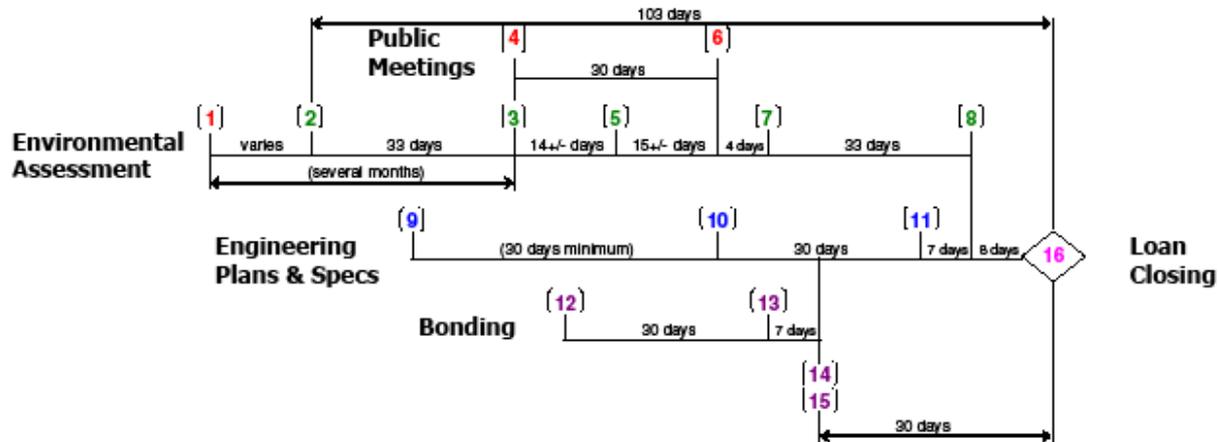
SRF – Timeline

- Project Presented to Financial Assistance Committee (one month prior to Board Mtg)
 - Committee has several options:
 - Move the project to the Drinking Water Board
 - With funding recommendation
 - Without funding recommendation
 - Table the project/Request additional information
- Project Presented to Drinking Water Board
 - DWB has several options
 - Authorize funding
 - Not authorize funding
 - Table the project/Request additional information

SRF – Loan Closing Timeline

Applicant Name
Water System # _____
SRF Loan # _____

Timeline For Federal SRF Projects Prior to Loan Closing Utah Division of Drinking Water

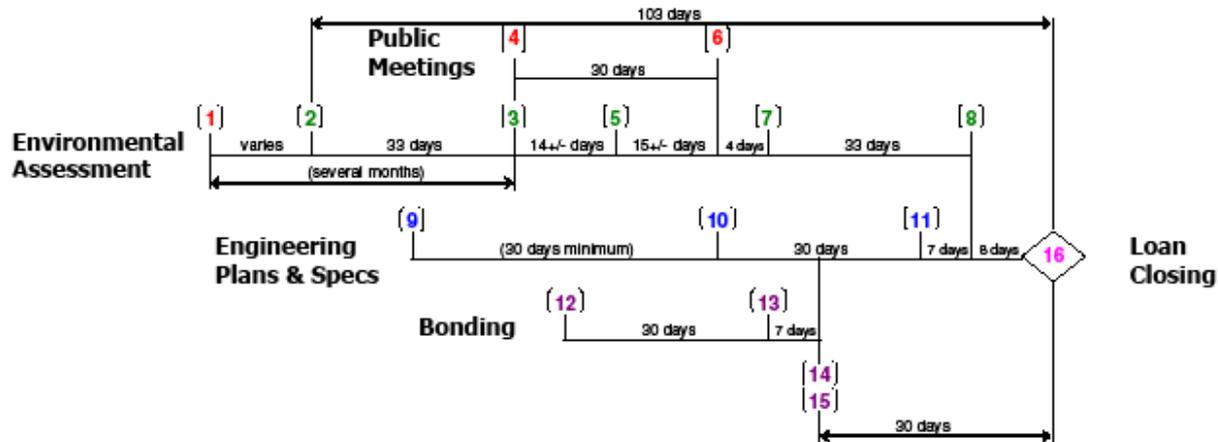


Step	Description	Estimated Date
1	Announce "Public Notice" of meeting & encourage public participation. Hold initial public, council, or other meeting.	
2	Discuss master plan, alternatives, user fees/rates, other impacts, etc. Select alternative. May hold more than one mtg.	
3	DDW sends letters to cross-cutter agencies for comments. Allow 30 days to respond.	
4	Finalize Engineering Facilities Plan for Environmental Assessment (EA). (*This step could take up to several months.)	
5	Advertise date, time, location of public meeting for EA. Must advertise 30 days in advance.	
6	Provide Engineering Facilities Plan and EA draft to Division of Drinking Water (DDW) for comments.	
7	Hold final (or 2nd) public meeting to present EA findings.	
8	Publish finding from EA (e.g. FONSI, if appropriate). Allow 30 days for responses to FONSI.	
9	Evaluate responses to FONSI or other determination.	
10	Submit plans and specs to DDW for review and approval (30 days minimum).	
11	Advertise bid package.	
12	Bid opening. Allow 15 days for DDW to review bidding & MBE/WBE documents, and check federal disbarment list.	
13	Council/Board Mtg. Pass Intent to Bond. Advertise for 30 days.	
14	Council/Board Mtg. – Pass Bond resolution.	
15	Deliver bond resolution and related documents to DDW attorney (30 days fore Loan Closing).	
16	Deliver all required Legal work to DDW attorney (30 days before Loan Closing).	
16	Loan Closing: date & time, location, participants, required documents, etc.	

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Contacts

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