

**State of Idaho**  
**Water Pollution Control State Revolving Fund**  
**Intended Use Plan**

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IDAHO REVOLVING FUND

INTENDED USE PLAN

June 19, 2003 BOARD APPROVED

I. Introduction

The State of Idaho, Department of Environmental Quality (DEQ) proposes to adopt the following Intended Use Plan (IUP) for state fiscal year 2004 (July 1 through June 30) as required under Section 606c of the Clean Water Act.

The primary purpose of the IUP is to identify the proposed annual intended use of the funds available in Idaho's Water Pollution Control Loan Account. Projects on the priority list, from which this IUP was derived, have been reviewed by the public in accordance with Idaho's Administrative Procedures Act (Idaho Code 67-5201 et. seq.) and approved by the State Board of Environmental Quality.

The IUP includes the following:

- lists of prospective loan projects including payment schedules for those most likely to qualify for a loan
- long-term and short-term goals
- assurances and specific proposals
- criteria and methods for distribution of funds
- attachments relevant to the above

Capitalization of **\$39,146,457** will come from five sources:

1. Idaho's allotment of the FFY2003 appropriation to Title VI programs of **\$6,467,800**.
2. A state match of **\$1,293,560** is being reserved in the Water Pollution Control Account and will be transferred to the Water Pollution Control Loan Account.
3. **\$23,098,299** will come from the SRF Fund. While the fund has a total cash balance of \$65,220,655, \$42,122,356 of that amount must be reserved for disbursement to projects that received loans in prior years but are not completed.
4. Loan repayments and earnings of **\$5,786,798**. \$1,031,472 will accrue during April, May and June of 2003. Another \$4,755,326 will accrue during FY 2004.
5. Interest earnings on the fund balance of **\$2,500,000**.

\$500,000 is for the period of April through June of 2003 and \$2,000,000 is for fiscal year 2004.

The available funding is summarized in the following table.

Sources of SRF Funds	Amount
Federal Fiscal Year 2003 Capitalization Grant	\$ 6,467,800
20% State Match	1,293,560
Net cash In The SRF Account as of 3/2003	23,098,299
Loan Repayments 4/01 - 6/01 and 7/01 - 6/2004	5,786,798
Interest Earnings 4/01 - 6/01 and 7/01 - 6/2004	2,500,000
<b>SUBTOTAL:</b>	\$39,146,457
Less: Funds Reserved For Administrative Expenses	258,712
<b>Funds Available For New Loans</b>	\$38,887,745

## II. List of Projects

Attachment I, List of Fundable Projects, contains the projects expected to be funded that were selected from the FY2004 SRF Project Priority List which is Attachment II. Projects are arranged on the list in priority order. Both project lists were presented in a public hearing on May 15, 2003.

The first use requirement of the Act [Section 602(b)(5)], relating to National Municipal Policy (NMP) does not apply in Idaho since all NMP needs have been met with separate funds in the form of state and federal grants and separate state loans in FFY89.

## III. Long-and Short-Term Goals

DEQ's long-term goals are to:

1. Protect public health and the waters of the state by offering financial assistance for the construction of wastewater treatment facilities.
2. Assist local communities as they strive to achieve and maintain statewide compliance with federal and state water quality standards.
3. Administer Idaho's Water Pollution Control Loan Account to ensure its financial integrity, viability and revolving nature in perpetuity.

DEQ's short-term goals are to:

1. Perform all necessary tasks to assure that all loan assistance requested from FFY2003 funding is provided for projects on the list in a timely manner.
2. Provide funding for the non-point source projects when they are identified in Attachment I.
3. Address long-term funding for SRF administrative costs when capitalization grants are no longer provided. This goal is carried over from the previous fiscal year. While some possible alternatives have been explored, a permanent solution has not been determined.

- Determine a source of funding administrative costs
- Submit legislation to establish authorization

IV. **Information on the Activities to be Supported**

A. Allocation of funds.

The primary type of assistance to be provided by the SRF is expected to be low interest loans for up to 100% of project costs. The rate of interest in State FY2004 will be 3.50% for loans awarded directly by DEQ. Loans to the Idaho Soil Conservation Commission will be at 2%. All loans will be paid back over a period not to exceed 20 years. Principal and interest repayments must begin no later than one year after the initiation of operation date.

B. Administrative Costs of the SRF.

DEQ plans to reserve not more than four percent of the capitalization grant for administrative expenses.

C. Loan Eligible Activities.

SRF loans will provide for planning, design and construction of secondary, advanced secondary, interceptors and appurtenances for infiltration/inflow correction, collector sewers and rehabilitation. SRF loan assistance will be provided to local communities, counties, sewer districts, and non-profit sewer associations for the construction of publicly owned wastewater treatment facilities. Loans may also be provided to sponsors of non-point source projects to implement water pollution control projects. Such projects must be consistent with the State Water Quality Management Plan and demonstrate a nexus or benefit to a municipality.

V. Assurances and Specific Proposals

A. Environmental Reviews - 602(a)

DEQ certifies that it will conduct environmental reviews of each wastewater treatment project receiving assistance from the SRF. DEQ will follow EPA approved NEPA-like procedures in conjunction with environmental reviews.

These procedures are outlined in Section 01.12041 of the state Rules for Administration of Water Pollution Control Loans. More detailed procedures are embodied in the Wastewater Facilities Loan Account Handbook of Procedures (Chapter 5).

B. Binding Commitments - 602(b)(3)

DEQ will enter into binding commitments for 120% of each quarterly payment within one year of receipt of that payment. Binding commitment dates are listed in Section VI of this plan.

C. Expeditious and Timely Expenditures - 602(b)(4)

DEQ will expend all funds in the SRF in a timely and expeditious manner.

D. First Use Enforceable Requirements - 602(b)(5)

DEQ certifies that all major and minor WWTF's that the state has previously identified as part of the National Municipal Policy Universe are:

- (a) in compliance, or
- (b) on an enforceable schedule, or
- (c) have an enforcement action filed, or
- (d) have a funding commitment during or prior to the first year covered by an IUP.

E. Compliance with Title II Requirements - 602(b)(6)

DEQ believes it has met the specific statutory requirements for publicly-owned wastewater treatment projects constructed in whole or in part before FY 1995 with funds directly made available by federal capitalization grants. Therefore, DEQ no longer plans to use its federal capitalization grant and state match on "equivalency projects". These projects meet the sixteen specific statutory requirements provided by Section 602(b)(6) of the Clean Water Act as amended by the Water Quality Act of 1987, Public Law 100-4 and are eligible under 201(b), 201(g)(1) and (2), 201(N) and 211.

However, DEQ agrees to comply with and to require recipients of loans from Idaho's Water Pollution Control Loan Account to comply with applicable federal cross-cutting requirements. DEQ will notify EPA when consultation or coordination by EPA is necessary to resolve issues regarding these requirements.

F. State Matching Funds - 602(b)(2)

DEQ agrees to deposit into the SRF from state monies an amount equal to twenty percent of the capitalization grant on or before the date on which the state receives each cash draw from EPA. These funds will be transferred from Idaho's Water Pollution Control Account.

G. State Laws and Procedures - 602(b)(7)

DEQ agrees to expend each quarterly grant payment in accordance with state laws and procedures.

H. Consistency with Planning

DEQ agrees that it will not provide assistance to any wastewater treatment project unless that project is consistent with plans developed under Section 205(j), 208, 303(e), 319, or 320.

I. National Reporting Needs

DEQ agrees to provide data or information to EPA as may be required for national reports, public inquiries, or Congressional inquiries.

VI. Criteria and Method for Distribution Of Funds

The following principles and procedures will be the basis for the administration, funding, allocation and distribution of the SRF monies. They are designed to provide maximum flexibility for assistance and assure long-term viability of the revolving program.

A. Program Administration

Four percent of the capitalization grant provided by EPA will be set aside to be used for program administration.

B. SRF Priority List

Letters of Interest were sent to all cities, counties and water and sewer districts in the state. Returned Letters of Interest and priority list rating forms were sent to Project Engineers in DEQ regional offices to complete a rating of projects in each region. The result of the

rating and ranking was the preliminary priority list that was presented at the public hearing. Separate Letters of Interest were sent to potential non-point source applicants.

Projects are rated using the following criteria:

1. 150 points - Public health emergency certified by the DEQ Board or a Health District Board
2. 0 to 100 points - Watershed restoration
3. 0 to 100 points - Watershed protection
4. 0 to 100 points - Preventing impacts to uses
5. 0 to 50 points - Secondary incentive ranking points

Attachment III contains the guidance document which fully explains how DEQ staff applied the above criteria when rating individual projects.

C. Fundable Projects

The highest rated projects on the adopted Priority List that are ready to proceed are selected for funding and are listed on the IUP. These fundable projects are listed on Attachment I. DEQ staff starts at the top of the Priority List and works as far down the list as needed to select enough projects that are ready to proceed to use all of the funds that are available. In cases where a lower ranked project is selected it is because higher ranked projects have not indicated a readiness to proceed.

In some cases the project amount on Attachment I may be less than the project amount on the Priority List. The Priority List amount is the estimate of the total project cost, while the costs on Attachment I are the amount that project applicants expect to borrow from the SRF. In each case the difference will be provided from some other source such as cash on hand or a grant from the Community Development Block Grant program administered by the Idaho Department of Commerce.

D. Disbursements

The estimated timing and amount of disbursements for the projects on the new IUP are added to the latest cash disbursement request projections for prior year funded and projected projects. The projections are normally

provided to EPA in July each year. The projections are based upon estimated disbursement schedules submitted by loan recipients and projected timing of loan agreements, adjusted for corrections by regional project engineers and state office staff. These disbursements are tracked on an on-going basis to project needed cash from all capitalization grants and state match. All funds will be expended in an expeditious and timely manner.

E. Federal Payments

Idaho's proposed payment schedule for each capitalization grant is based upon the projected timing of signed loan agreements with projects listed on the current and prior IUPs. This allows for adjustment of prior IUP projects to be reflected in the federal payment schedule.

F. State Match

Idaho's match for all capitalization grants is provided from funds that are drawn from the state Water Pollution Control Account. The Water Pollution Control Account derives its funding from a set amount of \$4.8 million from the state sales tax and is perpetually appropriated to DEQ under Idaho Code Title 63, Chapter 36.

VII. Additional Information Requirements

A. Public Review and Comment

Projects on the FY2004 SRF List of Fundable Projects and Project Priority List were approved by the DEQ Board at the 6/19/2003 meeting. Copies of the list were made available in the regional and state offices thirty days in advance of the hearing date. Also, notices of the priority list review process were printed in major Idaho newspapers at least 21 days prior to the hearing date. At the Boise hearing, DEQ delivered a thorough discussion of its intent to develop a priority list and IUP for the low-interest revolving loan program. This message was also included in public notices sent to Idaho newspapers and to a large list of private interested parties such as consulting engineers, local governments, and local government advocacy groups.

In addition to the above, the draft Intended Use Plan including the Fundable List and Project Priority List was posted on the DEQ website during the comment period.

B. Bypass Procedures

A project that does not or will not meet the project

target date or a DEQ schedule that allows for timely utilization of loan funds may be bypassed, substituting in its place the next highest ranking project(s) that is ready to proceed (Rules IDAPA 16.01.12020,06). DEQ intends to utilize priority list ranking as much as possible when preparing the Intended Use Plan. However the lack of adequate funding, changes in project scopes, failure to pass a bond election, or other unforeseen circumstances may require that a project on the Intended Use Plan be removed. If a project is removed, DEQ will offer loan funds to the highest ranked, ready to proceed project from the most current approved Priority List.

LIST OF FUNDABLE PROJECTS

<u>PROJECT</u>	Priority List <u>Number</u>	<u>LOAN AMOUNT</u>	BINDING COMMITMENT <u>DATE</u>
Administration		\$258,712	9/03
Dietrich, City of	1	100,000	9/03
Shelley, City of	2	1,300,000	7/03
Moscow, City of	4	3,500,000	3/04
Mountain Home, City of	5	4,005,000	3/04
Star Water & Sewer Dist.	6	3,600,000	12/03
Eagle Sewer District	7	280,000	9/03
Eagle Sewer District	8	1,200,000	3/04
Burley, City of#	9	18,000,000	7/03
Southside W&S Dist.	10	400,000	4/03
Hagerman, City of*	11	900,000	12/03
North Lake Sewer Dist.	22	1,300,000	9/03
Granite-Reeder S.D.*	24	2,000,000	9/03
Jerome, City of*	13	<u>2,302,745</u>	4/04
TOTAL		\$39,146,457	

\*Projects carried forward from Prior Year

#Loan applications have been received

Descriptions of the projects listed above are provided on the following pages.

**LIST OF FUNDABLE PROJECTS - PROJECT DESCRIPTIONS**

- City of Dietrich (Lincoln County, Twin Falls Regional Office) \$100,000**  
*Sec.212.*The city will use loan funds to install a land application system. The lagoons were constructed several years ago and the collection system has recently been completed. Serious public health concerns accompany this project.
- City of Shelley (Bingham County, Pocatello Regional Office) \$1,300,000**  
*Sec.212.*The city will use the loan funds for construction of a regional wastewater treatment facility.
- City of Moscow (Latah County, Lewiston Regional Office) \$3,500,000**  
*Sec.212.* Moscow's wastewater treatment facility that was placed on line in October 2001 but will likely not meet the effluent limits for phosphorus in 2004. This loan will allow the city to design and construct phosphorus removal.
- City of Mountain Home (Elmore County, Boise Regional Office) \$4,005,000**  
*Sec.212.*The City of Mt. Home will install a new 21-inch interceptor line to alleviate the two main interceptor lines and replace much of the old 12-inch line that is undersized and deteriorating. They will upgrade or abandon Cell #6 that is leaking excessively. Additionally they will upgrade the 40-year old headworks which has required the use of portable pumps to avoid the overflow of sewage. This potential public health risk will be eliminated.
- Star Water and Sewer District(Ada County, Boise Regional Office) \$3,600,000**  
*Sec.212.*The District needs to upgrade their existing wastewater treatment system to meet the demands of rapid local growth and to meet requirements set down in Lower Boise TMDL. They will add a parallel package treatment plant along side the existing facilities to provide the quantity and quality of treatment they will need in the future. The community has just recently learned that the existing infiltration sand beds, a critical part of final wastewater treatment at their plant, are leaking more than is allowed by state standards. The project will consist of a new plant, pump station, and headworks.
- Eagle Sewer District (Ada County, Boise Regional Office) \$280,000**  
*Sec.212.*The District will provide central sewer service to Evans Acres Subdivision. This area is currently served by septic tanks.
- Eagle Sewer District (Ada County, Boise Regional Office) \$1,200,000**  
*Sec.212.* The District will provide central sewer service to Eagle Island. This area is currently served by septic tanks.
- City of Burley (Cassia County, Twin Falls Regional Office) \$18,000,000**  
*Sec.212.*Existing wastewater lagoons at Burley are undersized and inefficient. They will be replaced with mechanical treatment, probably oxidation ditches. This will be a major overhaul. The new facilities will eliminate current problems with excess ammonia and suspended solids, and pH imbalance. It will also provide some badly needed reserve treatment capacity.
- Southside Water and Sewer District (Bonner County, Coeur d'Alene Regional Office) \$400,000**  
*Sec.212.*The District is completing a planning study to identify alternatives for upgrading their existing wastewater treatment facility to comply with the schedule in their Land Application Permit and to serve their 20-year design population.
- City of Hagerman (Gooding County, Twin Falls Regional Office) \$900,000**  
*Sec.212.*Design and construction of interceptor sewer lines and a lift station. The existing facility is approaching hydraulic, organic and nutrient loading capacity. Installation of surface aerators in the existing treatment lagoons will help Hagerman meet Total Maximum Daily Load (TMDL) requirements for the middle Snake River.

**North Lake Rec. Sewer & Water District (Valley County, Boise Regional Office) \$1,300,000**

*Sec.212.* This loan will provide funding for Phase II of the Tamarack Falls project. An application for the Phase I loan has already been submitted and is under consideration.

**Granite-Reeder Sewer District (Bonner County, Coeur d'Alene Reg. Office) \$2,000,000**

*Sec.212.*The GRSD consists of some high-density neighborhoods that have individual subsurface wastewater disposal systems. Many of these systems are substandard and groundwater monitoring has indicated that nutrients from these systems are entering Priest Lake. The "Priest Lake Management Plan" contains a condition that the District work towards the construction of a centralized wastewater treatment and disposal system. Loan funds would be used to construct this system.

**City of Jerome (Jerome County, Twin Falls Regional Office) \$2,302,745**

*Sec.212.*The city will add new aeration to existing treatment facilities and will add new aeration basins to handle an increasing load of wastewater to the facility. Jerome will also develop new biosolids handling facilities. The project will help the city meet TMDL requirements for the middle Snake River.

## FY 2004 STATE WATER POLLUTION CONTROL LOAN PRIORITY LIST

FINAL APPROVED

WW LOAN

Rank	Project	FY 2004 Rating	Reg. Off.	DEQ Est. Loan Amt.	Needs Cat.	Project Description	Step	Discharge Permit #	BOD	SS
1	City of Dietrich	150	TFRO	100,000	I, IVA, IVB	Complete the Dietrich STEP projects.	4	No Discharge		
2	City of Shelley	131	PRO	1,300,000	I, IVA, IVB	Construct regional wastewater treatment facility.	4	ID0020133	45	70
3	Burke Canyon	129	CDA	500,000	I, IV A-B	New secondary treatment facility and new collectors and interceptors.	4	No Discharge		
4	City of Moscow	126	LRO	3,500,000	I, II	Upgrade treatment to meet TMDL phosphorous removal requirement.	4	ID0021491	30	30
5	City of Mountain Home	122	BRO	4,005,000	I, VA -B	Install a new 21-inch interceptor, upgrade or abandon existing lagoon cell #6, and upgrade headworks.	4	No discharge		
6	Star Water and Sewer District	122	BRO	3,600,000	I, IV A-B	Install a new pump station and headworks at the existing treatment facility and construct a new parallel mechanical treatment facility.	4	ID002359-1	45	70
7	Eagle Sewer District - Evans Acres	111	BRO	280,000	I, VA -B	Provide centralized sewer service to Evans Acres.	4	No Discharge		
8	Eagle Sewer District - Eagle Island	111	BRO	1,200,000	I, VA -B	Provide centralized sewer service to the Eagle Island area.	4	No Discharge		
9	City of Burley	110	TFRO	18,000,000	I, II	Construct new 4mgd mechanical WWTP.	4	ID0020095	30	70
10	Southside W&S District	106	CDA	400,000	I	Upgrade of WWTP to serve 20-year design population and meet compliance schedule in wastewater land application permit (WLAP).	4	No Discharge		

Rank	Project	FY 2004 Rating	Reg. Off.	DEQ Est. Loan Amt.	Needs Cat.	Project Description	Step	Discharge Permit #	BOD	SS
11	City of Hagerman	104	TFRO	900,000	I, IVA	Install surface aerators on lagoons and construct new sewer main and lift station.	4	ID002594-1	30	70
12	Fish Haven Recreation & Sewer District	103	PRO	600,000	I	Construct New Lagoon, rehabilitate land application area, and upgrade main transmission line.	4	No Discharge		
13	City of Jerome	101	TFRO	6,000,000	I	Expand existing wastewater treatment facility.	4	ID0020168	30	30
14	City of Rupert	100	TFRO	12,200,000	I,II	New mechanical treatment plant.	4	No Discharge		
15	City of Ucon	100	IFRO	300,000	IVA-B	Re-route existing pressure line to make way for highway project.	4	No discharge		
16	City of Twin Falls	99	TFRO	7,250,000	II	Construct equipment to remove phosphate (PO4).	4	ID0021270	30	30
17	City of Ashton	99	IFRO	1,500,000	I,IV A-B	Design and construct wastewater treatment improvements and upgrade the collection system.	4	ID0023710	30	30
18	City of Pierce	96	LRO	98,300	IIIA	Correct infiltration/inflow (I/I) problems.	4	ID002020-6	45	45
19	North Lake Recreational Sewer and Water District Royal Scot Collection System and Service to three campgrounds	93	BRO	1,362,000	I,IV A-B	Install gravity collection sewers and a major lift station at Royal Scot Subdivision and Poison Creek, West Mountain, and Buttercup Campgrounds.	4	No discharge		
20	North Lake Recreational Sewer and Water District - Smiling Julie Subdivision	93	BRO	400,000	I,IV A-B	Install gravity collection sewers and a major lift station.	4	No discharge		
21	North Lake Recreational Sewer and Water District	93	BRO	2,806,000	I,IV A-B	Install dual pressure lines from the Poison Creek area to Edwards Area P2 and provide	4	No discharge		

Rank	Project	FY 2004 Rating	Reg. Off.	DEQ Est. Loan Amt.	Needs Cat.	Project Description	Step	Discharge Permit #	BOD	SS
	Conveyance Pipeline and upgrade of Donnelly Wastewater Treatment Facility (Aeration)					aeration for the Donnelly Treatment Facility. <b>Phase 1</b>				
22	North Lake Recreational Sewer and Water District  Conveyance Pipeline and upgrade of Donnelly Wastewater Treatment Facility (Aeration)	91	BRO	1,300,000	I,IV A-B	Install dual pressure lines from the Poison Creek area to Edwards Area P2 and provide aeration for the Donnelly Treatment Facility. <b>Phase 2</b>	4	No discharge		
23	North Lake Recreational Sewer and Water District Wagon Wheel East (6,7,8)	91	BRO	460,000	IVA-B	Install collection and interceptor sewers and needed lift stations.	4	No discharge		
24	Granite-Reeder Sewer District	89	CDA	2,000,000	I, IVA-B	Install new secondary treatment system and new collectors and interceptors.	4	No Discharge		
25	North Lake Recreational Sewer and Water District SISCRA	86	BRO	350,000	I,IV A-B	Install collection and interceptor lines and lift station.	4	No Discharge		
26	City of Filer	85	TFRO	500,000	II, IIIB	Treatment plant upgrade, sewer rehabilitation.	4	ID0020061	30	70
27	City of Payette	82	BRO	350,000	I	Replace chlorine disinfection system with ultra violet treatment.	4	ID0020672	30	30
28	City of Craigmont	76	LRO	1,400,000	IVA-B	Replace old sections of collector and interceptor lines that have high infiltration and inflow (I/I).	4	ID0021288	45	70
29	City of American Falls	71	PRO	500,000	I	Upgrade wastewater treatment facility.	4	ID0020753	30	30
30	City of Donnelly	55	BRO	55,000	I	Increase chlorination level;	4	No		

Rank	Project	FY 2004 Rating	Reg. Off.	DEQ Est. Loan Amt.	Needs Cat.	Project Description	Step	Discharge Permit #	BOD	SS
						drill a well for wash water and purchase equipment for aerator maintenance.		discharge		
31	City of Viola	48	LRO	350,000	IIIA	Correct infiltration/inflow (I/I) problems.	4	No discharge		

**\*Needs Category**

I - Secondary Treatment    III -Infiltration/Inflow Correction    IVA - New Collector Sewers    V -Combined Sewer Overflows  
 II -Advanced Treatment    IIIB -Replacement/Rehabilitation    IVB -New Interceptor Sewers    VI -Storm Sewer

WARNING: USE OF THIS LIST AS A MAILING LIST OR AS A TELEPHONE NUMBER LIST IS PROHIBITED BY IDAHO CODE SECTION 9-348 AND IS PUNISHABLE BY A CIVIL PENALTY OF UP TO \$1,000.

FINAL SCORE \_\_\_\_\_

PRIORITY YEAR \_\_\_\_\_

**GUIDANCE FOR INTEGRATED PRIORITY SYSTEM:**  
**WATER QUALITY PROJECT RANKING**  
**DEQ Water Pollution Control Loan Program**

PROJECT NAME \_\_\_\_\_  
 PROJECT ADDRESS (*Street? P.O. Box*) \_\_\_\_\_  
 City \_\_\_\_\_  
 Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_  
 Contact Person \_\_\_\_\_  
 Date of Rating \_\_\_\_\_  
 Project Rater \_\_\_\_\_ Regional Office \_\_\_\_\_

**SECTION I - INTEGRATED PRIORITY SYSTEM**

An integrated priority system will be used by the Department to annually allot available funds to water quality projects determined eligible for funding assistance under the water pollution control loan program in accordance with the Rules for Administration (16.01.12). Each water quality project will be ranked by the integrated priority system in accordance with this guidance.

Following in **Section I** are four major rating categories, **A, B, C and D**. Answer “**Yes**” to the rating category that best fits your project then answer the questions related to that category in the appropriate **subsection (A, B, C or D) in Section II**. If the subject project does not fit any of the rating categories (i.e., you answer “**NO**” to all four questions) then the project is not eligible for further funding considerations by the DEQ Loans Program.

- A) **Public Health Emergency or Public Health Hazard:** Will the proposed project eliminate an officially declared or designated water-borne public health hazard or public health emergency?  
       \_\_\_ Yes \_\_\_ No     If YES, go to page 2
- B) **Watershed Restoration:** Will the proposed project address watershed restoration as identified in the *Unified Watershed Assessment and Restoration Priorities for Idaho*?  
       \_\_\_ Yes \_\_\_ No     If YES, go to page 2
- C) **Watershed Protection from Impacts:** Will the proposed project address watershed protection as identified in the *State Water Quality Standards* or the *Idaho Ground Water Quality Rule*?  
       \_\_\_ Yes \_\_\_ No     If YES, go to page 5
- D) **Preventing Impacts to Uses:** Will the proposed project addresses preventing watershed

degradation?

\_\_\_ Yes \_\_\_ No    If YES, go to page 6

**If you have answered Yes to a category in this Section (Section I), please advance to Sections II and III and answer questions in the appropriate subsections.**

**SECTION II WATER QUALITY PROJECT RANKING**

Only statewide initiatives or regional on-the-ground implementation project proposals that have answered “Yes” to a subsection in **Section I** may continue for ranking consideration under **Section II**.

**A. Public Health Emergency or Public Health Hazard (Bypasses Section III)**

Emergency\*                    150  
No Emergency                    0

**\*Note: An emergency is an Officially declared or designated public health hazard or emergency that is a documented health threat certified by a Health District Board or Environmental Quality Board.**

**Section II. A Points \_\_\_\_\_  
(0 or 150 pts)**

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**B. Watershed Restoration**

The project implements best management practices or initiates construction or wastewater collection and treatment facilities as part of an approved TMDL, protects threatened waters identified through the States Nonpoint Source Management Program plan, or is part of a special water quality effort (i.e., Governors Bull Trout Conservation Plan, etc.). **Score the subject project under numbers 1 and 2 of Watershed Restoration.**

1.     Status - Points can be assigned based upon the status in the TMDL schedule, priority of the listed 303(d) water, implications to threatened or endangered species, impacts to a sole source aquifer, impacts to an outstanding resource water or impacts to sensitive, or special resource ground water, or compliance with an NPDES permit. **Select a subpart (a., b, c or d) and complete a rating for the subject project.**

**No Status.**

a.     -Not included on a current 303 (d) list, not on a TMDL schedule, not out of compliance with a NPDES permit, not part of a known special surface or groundwater category or listing, or does not effect listed threatened or endangered species. 0 Pts

**b. Low Status**

Project is Located on a low priority 303(d) water body on the 8-year TMDL schedule (2005 or further out on the 8-year schedule) \_\_\_\_\_ 8pts

- Status of the TMDL in project subbasin:

- TMDL completed but not approved No 0 pts /Yes 5 pts \_\_\_\_\_
- TMDL Approved by EPA No 0 pts/Yes 5 pts \_\_\_\_\_
- TMDL Implementation Plan approved by DEQ No 0 pts/Yes 5 pts \_\_\_\_\_

- Expected benefits to a sole-source aquifer and other ground water resources (based on available maps showing boundaries of sole source aquifers on Rathdrum Prairie, Eastern Snake River Plain, and Lewiston Basin).

Outside \_\_\_\_\_ 1  
 Borderline \_\_\_\_\_ 3  
 Within boundary \_\_\_\_\_ 5

- Expected reduction in impacts to threatened and endangered Species.

Low \_\_\_\_\_ 1  
 Medium \_\_\_\_\_ 3  
 High \_\_\_\_\_ 5

- Current level of compliance with NPDES and land application permit.

Low \_\_\_\_\_ 5  
 Medium \_\_\_\_\_ 3  
 High \_\_\_\_\_ 1

**Subtotal** \_\_\_\_\_

**c. Medium Status**

Project is Located on a medium priority 303(d) water body on the 8-year TMDL Schedule (2003 or 2004 on the 8-year schedule) \_\_\_\_\_ 12pts

- Status of the TMDL in project subbasin:

- TMDL completed but not approved No 0 pts / Yes 5 pts \_\_\_\_\_
- TMDL Approved by EPA No 0 pts / Yes 5 pts \_\_\_\_\_
- TMDL Implementation Plan approved by DEQ No 0 pts / Yes 5 pts \_\_\_\_\_

- Expected benefits to a sole-source aquifer and other ground water resources

Low \_\_\_\_\_ 1  
 Medium \_\_\_\_\_ 3  
 High \_\_\_\_\_ 5

- Expected reduction in impacts to threatened and endangered Species.

Low \_\_\_\_\_ 1  
 Medium \_\_\_\_\_ 3  
 High \_\_\_\_\_ 5

- Current level of compliance with NPDES and Land Application permits

Low \_\_\_\_\_ 5  
 Medium \_\_\_\_\_ 3  
 High \_\_\_\_\_ 1

**Subtotal** \_\_\_\_\_

**d. High Status**

Project is located on a high priority 303(d) water body according to the 8-year TMDL schedule

\_\_\_\_\_20pts

- Status of the TMDL in project subbasin:
    - TMDL completed but not approved No 0 pts / Yes pts \_\_\_\_\_
    - TMDL Approved by EPA No 0 pts / Yes 5 pts \_\_\_\_\_
    - TMDL Implementation Plan Approved by DEQ No 0 pts / Yes 5 pts \_\_\_\_\_
  
  - Impacts to a sole-source aquifer and other ground water resources
    - Low \_\_\_\_\_ 1
    - Medium \_\_\_\_\_ 3
    - High \_\_\_\_\_ 5
  
  - Expected benefits reduction in impacts to threatened and endangered Species.
    - Low \_\_\_\_\_ 1
    - Medium \_\_\_\_\_ 3
    - High \_\_\_\_\_ 5
  
  - Level of compliance with NPDES and Land Application permits
    - Low \_\_\_\_\_ 5
    - Medium \_\_\_\_\_ 3
    - High \_\_\_\_\_ 1
- Subtotal** \_\_\_\_\_

2. Potential for Restoration Points - Points are awarded according to the expected effectiveness of the project and the transferability of the demonstrated technologies to other parts of the State of Idaho. The proposed project will either restore designated or existing beneficial uses, reduce the severity of nonpoint source impacts, or the project will promote statewide nonpoint pollution reduction or remediation. **Select one subpart below.**
- a. No load reduction or effectiveness calculations provided 0 Pts
  
  - b. Improvements are minor (ex. <25% estimated reduction in pollutant load) or statewide project will require substantial capital/manpower commitment: 15 Pts
  
  
  - c. Designated or existing beneficial uses of surface or ground water are partially restored and the impacts are reduced (ex. >25% reduction but <75% reduction in pollutant load) or statewide project will require moderate capital/ manpower commitment: 30 Pts
  
  - d. Designated or existing beneficial uses of surface or ground water are partially restored or the impacts are reduced (ex. >75% reduction but <100% reduction in pollutant load) or statewide project will require minimal capital/manpower commitment: 50 Pts

**Section II. B Points** \_\_\_\_\_  
**(0 to 101 pts)**

### C. Watershed Protection from Impacts

Score the subject project under number 1, 2, and 3 of Watershed Protection from Impacts.

1. Points will be assigned based upon: the number of stream miles impacted; the number of lake/reservoir surface acres impacted; the extent of groundwater impacts to beneficial uses or; ability of a statewide project to promote point- or nonpoint source pollution reduction or mitigation. Proposed project applicants must include a map showing the impact area of the proposed water quality projects to receive more than the minimal score. **Select a Subpart (a, b, c, or d) and complete the rating for the subject project.**

- a. Low Impact - Little evident impact is noted due to point- or nonpoint source contribution or statewide NPS project initiatives (i.e., less than 5 miles or 200 acres effected or minor impacts to ground water): 5 Pts
- b. Moderate Impact - Moderate impact is noted due to point- or nonpoint source contributions or statewide NPS project initiatives (i.e., approximately 5 miles or 200 acres effected or moderate impacts to ground water). 15 Pts
- c. High Impact - Severe impact is noted due to point source (i.e., under administrative, or consent order) or nonpoint source contribution (i.e., more than 5 miles or 200 acres effected or severe impacts to ground water) or statewide NPS project initiatives: 35 Pts

2. Potential for Restoration Points - Points are awarded according to the expected effectiveness of the project and the transferability of the demonstrated technologies to other parts of the State of Idaho. The proposed project will either restore designated or existing beneficial uses, reduce the severity of point- or nonpoint source impacts, or the project will promote statewide nonpoint pollution reduction or remediation.

**(Select one subpart below)**

- a. No load reduction or effectiveness calculations provided: 0 Pts
- b. Improvements are minor (ex. <25% estimated reduction in pollutant load) or statewide project will require substantial capital/manpower commitment: 5 Pts
- c. Designated or existing beneficial uses of surface or ground water are partially restored and the documented impacts are reduced (ex. >25% reduction but <75% reduction in pollutant load) or statewide project will require moderate capital/manpower commitment: 15 Pts
- d. Designated or existing beneficial uses of surface or ground water are partially restored and the documented impacts are reduced (ex. >75% reduction but <100% reduction in pollutant load) or statewide project will require minimal capital/manpower commitment: 35 Pts

3. Nexus/benefit to municipality - Points are awarded based on the commitment of a municipality to directly benefit for implementing or financing a portion of the proposed project. A municipality-driven project is awarded the maximum 30 points.

Community/Agency Support

- a. No support letters. 0 Pts
- b. One to Two support letters. 10 Pts
- c. Three or more support letters OR municipal-driven project. 30 Pts

**Section II. C Points** \_\_\_\_\_  
**(0 to 100 pts)**

**D. Preventing Impacts to Uses**

Score project under numbers 1, 2, and 3 of Preventing Impacts and Uses.

1. Points will be assigned based upon the documented number of designated beneficial uses impacted by nonpoint source pollutants. **Select a subpart (a, b, c, or d) and complete a rating for the subject project.**

Number of use Impacts:

- a. No Impacts 0 Pts
  - b. One or Two Uses 10 Pts
  - c. Three or Four Uses 25 Pts
  - d. Four or more Uses 40 Pts
2. Nexus/benefit to municipality - Points are awarded based on the commitment of a municipality for implementing or financing a portion of the proposed project. **(Select one subpart below.)**

Community/Agency Support

- a. No support letters. 0 Pts
  - b. One to Two support letters. 20 Pts
  - c. Three or more support letters. 40 Pts
3. State and National Priorities - Points will be assigned based upon recognition of the special status of waters or uses of those waters.

**Instruction: answer statements below: a, b, or c or any combination:**

- a. State Priorities - The project impacts either: a State Park or State Recreational Area, a blue ribbon fishery, water classified as a special or outstanding resource water, or designated as part of a sole source aquifer, an area of high ground water vulnerability, or the project enhances the State's nonpoint source management program. 10 Pts
- b. National Priorities - A nonpoint source or statewide initiative project is intended to positively impact either: a threatened or endangered species, a wilderness area, a Wild and Scenic River or a sole source aquifer. 10 Pts
- c. Not Applicable 0 Pts

**Section II. D Points** \_\_\_\_\_  
**(0 to 100 pts)**

**SECTION II-WATER QUALITY PROJECT RANKING**

SUBTOTAL POINTS = \_\_\_\_\_  
(0 to 100 pts)

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### SECTION III SECONDARY 'INCENTIVE' PROJECT RANKING

All projects are ranked under Section III criteria, which are established for use to further rank Water Quality Project Ranking from Section II of the Guidance. Answer the following set of questions specifically as it relates to the project. Each answer that receives points accordingly should be subtotaled for Section III and added to the score from Section II for "Grand Total Points." **Answer one per question and sum the cumulative in the Subtotal.**

1. Is project ready to proceed (for NPS Project ONLY \_\_\_\_\_ Yes = 11 pts; \_\_\_\_\_ No = 0 pts)

No Facility Plan	_____	0 pts
Consultant hired for Facility Plan Preparation	_____	3 pts
Draft Facility Plan	_____	5 pts
Approved Facility Plan and Environmental Review Completed	_____	7 pts
10% or more (Preliminary) Design Completed	_____	9 pts

2. Resulting monthly user service (charges) rates as an outcome of the project (e.g., hardship, etc.).

up to \$20	_____	3 pts
\$20 to \$30	_____	6 pts
> \$30	_____	9 pts

3. Is financial documentation in place to ensure payback assurance?

No Plan	_____	0 pts
Bond council or financial consultant retained	_____	5 pts
Legal instrument(s) in place (e.g., bond election, bylaws, etc.)	_____	9 pts

4. Project will correct an water quality impact being created by current point or non-point wastewater disposal practices \_\_\_\_\_ 3, 6 or 9 pts

5. Project will correct an existing or potential health hazard (not emergency) being created by current point or non-point wastewater disposal practices. \_\_\_\_\_ 7, 11 or 14 pts

**Section III**      **Points** \_\_\_\_\_  
(0 to 50 Pts)

**GRAND TOTAL POINTS** \_\_\_\_\_  
(0 to 150 Pts)

ATTACHMENT IV

**EPA PAYMENT SCHEDULE**

FFY2003 IUP

<u>Quarter Ending</u>	<u>Payments</u>	<u>Total</u>
9/2003	\$258,712	\$258,712
12/2003	6,209,088	6,467,800

Payments are defined as increases to the amount of funds available from the Automated Clearinghouse(ACH).

PUBLIC NOTIFICATION AND INVOLVEMENT STRATEGY

FOR

FY-2004 WASTEWATER AND DRINKING WATER PRIORITY LISTS

The public was involved in the FY2004 priority list development at several points in the process. Involvement for the drinking water and water pollution control lists was the same -needs were solicited directly from the systems through a survey mailed out by the DEQ early in the priority list process. Information on the completed survey forms was used in part by the State and Regional office staff in preparing draft lists. A copy of the survey form and the cover letter that was sent with it are included as attachments here. We are finding that combining information obtained directly from eligible entities with that provided by our engineering staff results in the most accurate listing of infrastructure needs.

Notification that all four FY2004 priority lists were available for public review was given in Idaho's six major (regional) newspapers for approximately twenty-one days prior to a hearing on the lists in Boise. Notices were published three times in each of the newspapers. Copies of proofs of publication are included as attachments here.

The hearing was held on May 15, 2003.

Notification of availability of the lists was also placed on DEQ's web site starting twenty-one days prior to the hearing. A copy of the web site cover page is included here.

Separate letters of notification of availability of the lists were sent to all entities included on all four lists approximately twenty-one days prior to the hearing. In those letters we explained that the lists would be available for review at our regional and state offices and on the Internet.

Approval packages related to the four lists were sent to the Board of Environmental Quality prior to their meeting on June 19, 2003. Copies of the Issue Analyses for the SRF loan lists and the Board agenda are included as attachments here. DEQ staff made presentations at the Board meeting on June 19 and answered questions about the lists. The Board approved all lists on June 19.