

Intended Use Plan

State Revolving Fund (SRF) Clean Water and Drinking Water - State Fiscal Year 2025

DRAFT FOR PUBLIC COMMENT 4/26/2024.



State of Idaho
Department of Environmental Quality

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Cover photo of North Lake Recreational Sewer District by Garrett Deegear

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1 Executive Summary - Fundable Lists

The State of Idaho, Department of Environmental Quality (DEQ) provides construction funding through Clean Water State Revolving Funds (CWSRF) and Drinking Water State Revolving Fund (DWSRF) loans to qualified applicants through a competitive ranking process. CWSRF and DWSRF funding is available to the highest-ranking, shovel ready applicants as shown in below state fiscal year (SFY) 2025 fundable lists:

[*Attachment I CWSRF Fundable List*](#)

[*Attachment II CWSRF Emerging Contaminant Fundable List*](#)

[*Attachment III DWSRF Fundable List*](#)

[*Attachment IV DWSRF Emerging Contaminant Fundable List*](#)

[*Attachment V DWSRF Lead Service Line Replacement Fundable List*](#)

2 Introduction

DEQ has developed this Intended Use Plan (IUP) for both CWSRF and DWSRF SFY 2025 (7/1/2024, through 6/30/2025). The purpose of this IUP is to provide detailed information of the proposed use of the funds available in Idaho's CWSRF and DWSRF programs and simultaneously satisfy the requirements of the Clean Water Act (CWA), Section 606c and the Safe Drinking Water Act (SDWA) Section 1452(b). This IUP also contains information of SRF funding provided through the Bipartisan Infrastructure Law (BIL).

Projects on the IUP Priority Lists and Fundable Lists go through a review by the public in accordance with Idaho's Administrative Procedures Act ([*Idaho Code 67-52*](#)) and are then reviewed for adoption by the Board of Environmental Quality.

In carrying out the requirements of the CWA and SDWA, DEQ will use accounting, audit, and fiscal procedures conforming to generally accepted governmental accounting and auditing standards. The sources of federal funding identified in this IUP include the following:

- Federal fiscal year (FFY) 2024 CWSRF and DWSRF capitalization grants,
- FFY 2024 Bipartisan Infrastructure Law (BIL) General Supplemental grants,
- FFY 2023 and 2024 CWSRF and DWSRF BIL Emerging Contaminants grants,
- FFY 2023 and 2024 DWSRF BIL Lead Service Line Replacement grants.

2.1 CWSRF Base and BIL Supplemental Resources

Estimates of CWSRF net resources for SFY 2025 can be seen below in Table 1 and Table 2. Key assumptions used to develop estimated CWSRF resources include:

- Projects take on average 30 months to construct and close from the date of assistance agreement signing.
- DEQ will use the total resources amount for the next 27 months to facilitate a conservative cash flow analysis.
- New assistance agreement obligations cannot exceed net resources available to provide assistance.
- Projections are made quarterly. The next projection is scheduled for July 1, 2024. The July 1, 2024, projection may be preempted if a future assistance agreement materially alters the amount available for assistance.

Table 1. CWSRF Resources

Source of Funds:	Fund Amount:	Totals:
Cash and Investment Holdings	\$49,816,398	
EPA Capitalization Grant FFY 2024 (actual)	4,008,000	
State Match (20%)	801,600	
EPA Bipartisan Infrastructure Law Supplemental Grant FFY 2024 (actual)	11,164,000	
State Match	2,232,800	
EPA Bipartisan Infrastructure Law Supplemental Grant FFY 2025 (estimate)	12,191,000	
State Match	\$2,438,200	
Loan Receivable (estimate):		
SFY 2024 Mar–June	6,011,844	
SFY 2025	18,140,274	
SFY 2026	18,101,685	
Income on Cash and Investments (estimate):		
SFY 2024 Mar–June	653,333	
SFY 2025	1,605,000	
SFY 2026	1,605,000	
Total Resources:		\$128,796,134
Current Remaining Assistance Agreement Obligations: (Assistance agreements in design/construction less disbursements and deobligations that have already occurred)	(\$106,307,627)	

Source of Funds:	Fund Amount:	Totals:
Reserve for multi-phase projects	(\$30,000,000)	
Transfer from DWSRF	\$10,000,000	
Add back: 5% project shrinkage (Some projects will de-obligate, or self-finance and reduce disbursement requests from the CWSRF)	5,315,381	
Net Remaining Assistance Agreements Obligations:		(\$90,992,246)
Net Resources Available to Provide Assistance:		\$7,776,888

Table 2. CWSRF Emerging Contaminants Resources

Source of Funds:	Fund Amount:	Total:
EPA BIL Emerging Contaminants FFY 2023 and 2024	\$2,086,000	
State Match	0	
4% Administration	(83,440)	
Net Resources Available to Provide Assistance:		\$2,002,560

2.2 DWSRF Base and BIL Supplemental Resources

Estimation of DWSRF net resources for SFY 2025 can be seen below in Table 3, Table 4 and Table 5. Key assumptions used to develop estimated DWSRF resources include:

- Projects take an average of 28 months to construct and close from the date of loan signing.
- New loan obligations cannot exceed net resources available to provide assistance.
- The next projection will be made on March 1, 2025.

Table 3. DWSRF Resources

Source of Funds:	Fund Amount:	Totals:
Cash and Investment Holdings	\$38,698,192	
EPA Capitalization Grant FFY 2023 (actual)	4,938,000	
State Match	987,600	
EPA Bipartisan Infrastructure Law Supplemental Grant FFY 2023 (actual)	21,055,000	
State Match	4,211,000	

EPA Capitalization Grant FFY 2024 (actual)	4,661,000
State Match	932,200
EPA Bipartisan Infrastructure Law Supplemental Grant FFY 2024 (actual)	22,985,000
State Match	4,597,000
EPA Capitalization Grant FFY 2025 (estimate)	4,661,000
State Match	932,200
Loan Receivable (estimate):	
SFY 2024 Mar–June	2,347,069
SFY 2025	7,772,765
SFY 2026	7,763,383
Income on Cash and Investments (estimate):	
SFY 2024 Mar–June	66,667
SFY 2025	200,000
SFY 2026	200,000
Income on Long-term Investments	
SFY 2024 Mar–June	346,667
SFY 2025-26	1,200,000
SFY 2027	1,200,000
Total Resources:	129,754,743
Current Remaining Assistance Agreement Obligations:	(94,210,391)
(Assistance agreements in design/construction less disbursements and deobligations that have already occurred)	
Reserve for multi-phase projects	(\$0)
Transfer to CWSRF	(\$10,000,000)
Add back: 6% project shrinkage	5,652,623
(Some projects will de-obligate, or self-finance and reduce disbursement requests from the DWSRF)	
Net Remaining Assistance Agreements Obligations:	(\$98,557,768)
Net Resources Available to Provide Assistance:	\$31,196,976

Table 4. DWSRF Emerging Contaminants Resources

Source of Funds:	Fund Amount:	Total:
EPA BIL Emerging Contaminants FFY 2023	\$7,640,000	
EPA BIL Emerging Contaminants FFY 2024	7,640,000	
State Match	0	
4% Administration	(611,200)	
Net Resources Available to Provide Assistance:		\$14,668,800

Table 5. DWSRF Lead Service Line Replacement Resources

Source of Funds:	Fund Amount:	Total:
EPA BIL LSL Replacement FFY 2022 (remaining)	\$12,014,220	
EPA BIL LSL Replacement FFY 2023 (estimate)	28,350,000	
EPA BIL LSL Replacement FFY 2024 (estimate)	28,350,000	
State Match	0	
17% Set Aside	(9,639,000)	
4% Administration	(2,268,000)	
Net Resources Available to Provide Assistance:		\$56,807,220

3 Program Goals

DEQ's long-term, basic goals for both CWSRF and DWSRF (unless otherwise noted) are as follows:

1. Protect public health and the waters of the state by offering financial assistance for the construction of wastewater and drinking water treatment facilities or other projects providing direct water quality benefits. Financial assistance consists of below-market-rate interest on assistance agreements (e.g., 20-year repayments) and may include principal forgiveness for disadvantaged communities.
2. Assist local communities as they strive to achieve and maintain statewide compliance with federal and state standards.
3. Monitor the disparity and evaluate the impact of transferring money between the CWSRF and DWSRF and use transfers between the two funds to balance funding with relative need. [Section 5.4.](#) and [Attachment XII](#) more fully discuss transfers.
4. Administer Idaho's SRF account to ensure its financial integrity, viability, and revolving nature in perpetuity. DEQ will continue to strive to ensure the viability of the fund by: (1) generally applying a minimum interest rate above 0%; (2) applying a 0.25% higher

interest rate for assistance agreements that are repaid in 30 years; and (3) conscientiously underwriting all loans.

5. Comply with all Environmental Protection Agency (EPA) grant conditions (e.g., Davis Bacon, Green Project Reserve, American Iron and Steel, and Build America Buy America).
6. **DWSRF Specific:** Implement a capacity development strategy. The capacity development program is to assist public drinking water systems improve or optimize their technical, managerial, and financial framework so they can sustainably provide safe drinking water to their customers in a cost-effective manner.
7. **DWSRF Specific:** Implement a source water assessment and protection strategy. The goal is supported through assessing public drinking water sources, source water protection planning, and providing tools, education, technical assistance and subawards to support the implementation of protection strategies.

DEQ's short-term, basic goals for both CWSRF and DWSRF (unless otherwise noted) are as follows:

1. Ensure that current capitalization funding is disbursed to projects in a timely manner. This will be accomplished by using initial capitalization dollars prior to repayment funds, whenever practical.
2. Ensure that the floor of the capitalization grant (20% of CWSRF and 26% of DWSRF) and 49% of the BIL grant are provided as loan subsidy. See [Section 4.2](#) for subsidy information. Ensure transparent tracking of fee revenues and expenditures while developing clear rules, policies, and procedures related to a maturing fee structure. Financial statement disclosure has continued to change to meet State Legislative Service Office and EPA concerns over disclosure adequacy. In the absence of generally accepted accounting principles for nonprimary government units, DEQ has chosen a limited, core financial statement disclosure approach.
3. Fully utilize a cradle-to-grave assistance agreement checklist, implemented through the new Loan and Grant Tracking System comprehensive SRF software program. The software is expected to achieve reporting efficiencies, better serve DEQ project managers in their day-to-day administration of assistance agreement projects, allow State Office staff to better manage the SRF fund with long-term forecasting, and reduce duplicate data entry. The software was purchased with a mix of DWSRF and CWSRF assistance fees.
4. Continue efforts to explore and implement framework for the SRF to leverage through the Idaho State Bond Bank.
5. Implement BIL's Emerging Contaminants grant program.
6. Monitor and take necessary actions to ensure the annual capitalization grant and set-asides are spent within two years in accordance with EPA's policy. Set-aside funds may be transferred into the loan fund, if it appears that the set-aside funds will not be disbursed within two years.
7. Continue to implement funding for emergencies.

8. **DWSRF Specific:** Use a competitive process to provide a portion of the source water set-aside funding to local governments and nonprofit organizations for the implementation of source water protection activities.

4 Information on the Activities to be Supported

4.1 Allocation of Funds/Assistance Terms

The primary type of assistance to be provided by the CWSRF and DWSRF is expected to be low-interest assistance agreements for up to 100% of project costs. The effective rate of interest will vary from a ceiling of 2.75% and a floor of 1.75%, for all but the Lead Service Line Replacement loans. The revised interest rate policy effective beginning July 1, 2025, is stated in a DEQ Policy Memorandum PS24-02. The Lead Service Line Replacement funding interest rate as approved in this IUP will range from 1.00% to 1.25%. An interest rate floor is established to help offset the effects of inflation, support EPA expectation that SRF program revolve into perpetuity, and to encourage communities to complete their projects in a timely manner. This rate is tied to the loans issued from the SFY2025 IUP. All loans will be paid back over a period not to exceed 20 years unless it is a disadvantaged loan where a 30-year period is allowed. Principal and interest repayments will begin no later than one year after the date the constructed facility initiates operations or the project is complete.

4.2 Principal Forgiveness

Communities that meet disadvantaged criteria, as established in IDAPA 58.01.12.021, can qualify for a disadvantaged loan which may include principal forgiveness. The details of disadvantage criteria are further described in [Attachment XI](#). The proposed funding terms in the Fundable Lists will reflect principal forgiveness subsidy amounts shown in Table 6 and Table 7. The subsidy amounts reflect how DEQ's plans to meet the minimum and maximum requirements of the SRF and BIL grants.

Table 6. SFY 2025 CWSRF Principal Forgiveness

Funding Source	Total Funding	Subsidy %	Subsidy Amount
CWSRF Base Grant	4,008,000	20.00%	\$801,600
BIL Supplemental	\$11,164,000	49.00%	\$5,470,360
BIL Emerging Contaminants	\$2,002,560	100.00%	\$2,002,560
Sub Total			\$8,274,520
Emergencies			(\$200,000)
Septic Tank Replacement			(\$150,000)
Net Available Subsidy			\$7,924,520

Table 7. SFY 2025 DWSRF Principal Forgiveness

Funding Source	Total Funding	Subsidy %	Subsidy Amount
DWSRF Base Grant	\$4,661,000	26%	\$1,211,860
BIL Supplemental	\$22,985,000	49%	\$11,262,650
BIL Emerging Contaminants	\$14,668,800	100%	\$14,668,800
BIL Lead Service Line Replacement	\$56,700,000	49%	\$27,783,000
Sub Total			\$54,926,310
Emergencies			500,000
Lead			500,000
Net Available Subsidy			\$53,926,310

4.3 Green Project Reserve Goals

DEQ expects to meet the required 10% Green Project Reserve (GPR) goal in SFY 2025 for CWSRF. DEQ will draw upon previous experience in identifying and documenting GPR project costs. DEQ will also evaluate GPR for the DWSRF projects in SFY 2025. Additional details regarding GPR process can be found in Section 3 of DEQ's [Customer Handbook](#).

4.4 Assistance Agreement Fees

To support administrative costs associated with operating the CWSRF and DWSRF programs or to otherwise facilitate the operation of the SRF effort, a fee program has been instituted. The fee will be 1% of the unpaid balance of the assistance agreement (unless the grand total of the interest rate and fee is less than 1%, in which case the fee will be reduced), payable when the regular repayments are made. Herein the term *effective interest* will be the sum of the fee and the true interest. The interest rate will be reduced by the corresponding percentage of the fee, so there is no net effect on borrowers.

For SFY 2025, the CWSRF fee revenues were \$ 994,756.04 as of March 2024, and for SFY 2025, the expected fee revenue should be approximately \$1,055,788. The CWSRF fee cash account balance, at the end March 2024, was \$7,533,788. In SFY 2024, none of the CWSRF fee revenues were used to fund CWSRF administrative and technical support costs incurred beyond the federal capitalization grant support level, wastewater planning grant support, and operator training classes. For SFY 2025, DEQ expects to expend approximately \$450,000 of fee revenues. Approximately \$350,000 will be charged to support municipal wastewater planning grant efforts and \$100,000 will be used for administrative and technical support costs.

For SFY 2025, the DWSRF fee revenues were \$406,223 as of March 2024. The DWSRF fee cash account balance, at the end March 2024, was \$2,304,440. In SFY 2024, \$74,014 was spent on

administrative and technical support costs. For SFY 2025, DEQ expects to expend \$100,000 for administrative and technical support costs.

Support for wastewater and drinking water planning grants and SRF projects will include direct support to municipalities for their planning and engineering efforts for and the DEQ staff time. The DEQ personnel costs will be drawn from each regional office and the state office. In each regional office, the personnel charging against the fee account will be engineering staff to support wastewater and drinking water projects. In the state office, the personnel time will consist of financial and environmental review staff. Support for SRF administration will include capitalization grant match, when necessary, software development, and contractual costs to support existing and ongoing free technical support to Idaho's communities to ensure they can access funding through the SRF program.

Surplus fee revenues will be transferred into the assistance agreement repayment account, to increase available resources for assistance agreements. Surplus fees will earn the same interest as regular repayment idle monies and will be periodically transferred to the fund corpus. Should a cash flow deficiency arise in the fund corpus, surplus fees would be transferred ad hoc.

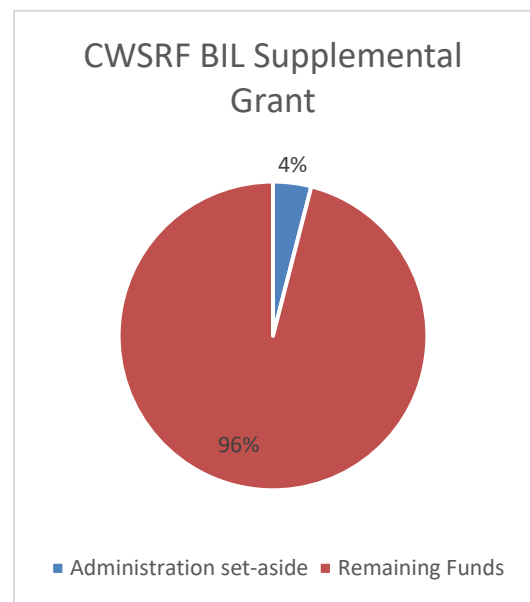
4.5 Administrative Costs and Technical Assistance Allowances

4.5.1 Use of CWSRF Base and BIL Supplemental Set-Asides

The following set-asides are based on CWSRF federal grant awards for the capitalization grant and the general supplement grant for a total of \$15,172,000.

4% Administration set-aside

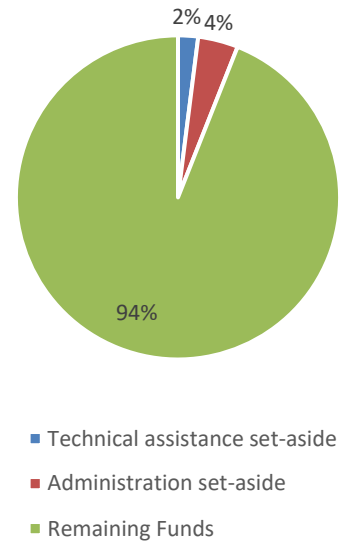
DEQ plans to reserve four percent of the regular CWSRF capitalization grant and the BIL CWSRF General Supplemental grant for administrative expenses plus the amount of any fees collected for such a purpose. The amount that will be reserved for administrative expenses is \$160,320 from the base capitalization grant and \$446,560 from the BIL General Supplemental grant. The total amount for administrative expenses is \$606,880. DEQ also plans to reserve 4% percent of the BIL CWSRF Emerging Contaminants grant for administrative expenses. The amount that will be reserved is \$83,440 for administrative expenses from FFY23 and FFY24 BIL CWSRF Emerging Contaminants grants. A workplan is not required for the 4% set-aside. DEQ will use this funding for activities that support utilization of this grant such as application reviews, environmental reviews, tracking and reporting, engineering reviews, etc.



2% Technical assistance set-aside

The amount that will be reserved for CWSRF technical assistance is \$80,160 from the base capitalization grant. DEQ plans to utilize 2% of the FFY 2024 base capitalization grant for recycled water technical assistance. The set aside will fund the development of two technical white papers. The white papers will identify core technical and operational guidance for recycled water reuse applications at forested sites, and rapid infiltration systems in the Pacific Northwest. These white papers will provide municipal wastewater treatment systems a resource for beneficial use of recycled water on forested sites, or rapid infiltration systems in a manner protective of human health and the environment through risk-based strategies and fit-for-purpose treatment considerations. Typically, these are small rural municipal systems with limited resources. The resulting guidance will enhance municipalities' ability to explore opportunities for new reuse sites, provide improved resources for operators at existing sites, and improve the capacity of DEQ staff to provide recycled water compliance assistance.

CWSRF Base Grant



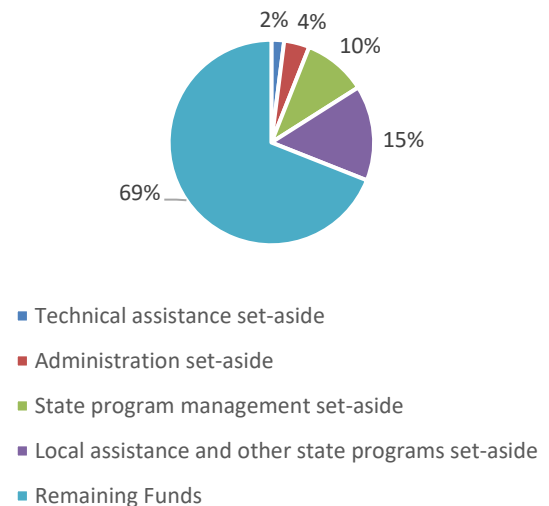
4.5.2 Use of DWSRF Base and BIL Supplemental Set-Asides

The following set-asides are based on federal grant awards for the DWSRF capitalization grant and the general supplement grant for a total estimated amount of \$27,646,000. Set-aside use requirements are outlined in the Code of Federal Regulations, 40 CFR 35.3535.

4% Administration set-aside.

DEQ plans to utilize 4% or \$1,105,840 of the FFY 2024 capitalization grant (\$186,440) and BIL General Supplemental grant (\$919,400) for administrative expenses of the DWSRF. The 4% administrative set-aside does not require a work plan unless the funds are used for technical assistance. Activities for the administrative set-aside include but are not limited to preparation of project lists; reviews of applications, project monitoring, review of environmental documents, disbursement of loan funds, tracking and reporting, receipting of loan repayments; and general administration of activities funded from the DWSRF set-asides.

DWSRF Base and BIL Supplement Grants



2% Technical assistance set-aside.

DEQ plans to utilize 2% or \$552,920 of the FFY 2024 capitalization grant (\$93,220) and BIL General Supplemental grant (\$459,700) to provide technical assistance to small public water systems serving fewer than 10,000 people. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

10% State program management set-aside.

DEQ plans to utilize 10% or \$2,764,600 of the FFY 2024 capitalization grant (\$466,100) and BIL General Supplemental grant (\$2,298,500) to supplement the administration of the Drinking Water Bureau. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

15% Local assistance and other state programs set-aside.

DEQ plans to utilize 10% or \$2,764,600 of the FFY 2024 capitalization grant (\$466,100) and BIL General Supplemental grant (\$2,298,500) for source water protection. These funds will be used to assess public drinking water sources to characterize the water source and determine its susceptibility to contamination; assist with developing and implementing source water protection plans; implement source water protection projects and develop tools and resources to facilitate source water protection implementation efforts; and provide source water protection education, outreach, training, and technical assistance to owners and operators of public water systems, staff at local governments, schools, businesses, and the public. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

DEQ plans to reserve 5% or \$1,382,300 of the FFY 2024 capitalization grant (\$233,050) and BIL General Supplemental grant (\$1,149,250) for the implementation of the capacity development strategy. These monies will fund several capacity development tasks as detailed in the approved work plan. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used. DEQ will utilize \$350,000 from this grant to pay for drinking water planning grants.

If the amount of funds reserved for the set-asides are not projected to be used by the end of the second year, or as agreed upon between EPA Region 10 and DEQ, the excess funds will be transferred into the loan corpus. When 2%, 4%, or 10% set-asides are transferred to the loan corpus, the amounts transferred may be considered as "banked" and if additional set-aside funds are needed in the future, the programs needing set-aside funds may draw upon these "banked" funds. However, the 15% set-asides (used for Source Water Protection and for Capacity Development) cannot be "banked."

4.5.3 Use of DWSRF Lead Service Lines Supplemental Set-Asides

The following set-asides are based on two federal grant awards for the lead grant for a total estimated amount of \$56,700,000. If the grant is less or more, the set-aside amounts will be proportionately reduced or increased. Set-aside use requirements are outlined in the Code of Federal Regulations, 40 CFR 35.3535.

4% Administration set-aside.

DEQ plans to reserve 4% or \$2,268,000 of the FFY 2023 and 2024 capitalization grant for administrative expenses of the DWSRF BIL LSL. Such activities include, but are not limited to preparation of project lists; project application, review, and monitoring; review of environmental documents; disbursement of loan funds; receipting of loan repayments; and administering activities funded from the DWSRF set-asides.

2% Technical assistance set-aside.

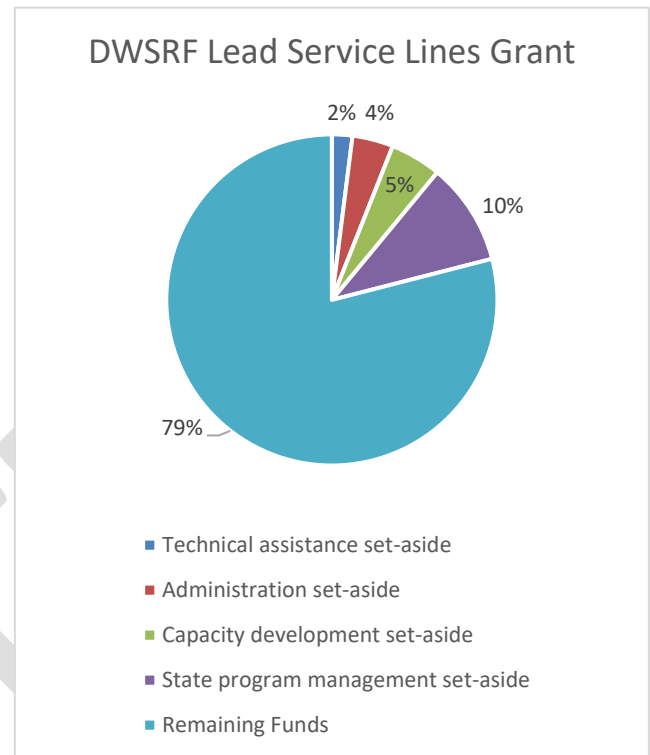
DEQ plans to reserve 2% or \$1,134,000 of the FFY 2023 and 2024 lead grant to provide technical assistance to small and or disadvantaged public water systems serving fewer than 10,000 people for lead service line inventories and associated work, development of updated lead and copper sample site plans based on the system's lead service line inventory, and lead service line replacement plans based on the system's lead service line inventory. Technical assistance will be provided by third-party contractors. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

10% State program management set-aside.

DEQ plans to reserve 10% or \$5,670,000 of the FFY 2023 and 2024 lead grant to provide technical assistance to small and or disadvantaged public water systems serving fewer than 10,000 people for lead service line inventories and associated work, development of updated lead and copper sample site plans based on the system's lead service line inventory, and lead service line replacement plans based on the system's lead service line inventory. Technical assistance will be provided by third-party contractors. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

5% Capacity development set-aside.

DEQ plans to reserve 5% or \$2,835,000 of the FFY 2023 and 2024 lead grant to provide technical assistance to small and or disadvantaged public water systems serving fewer than 10,000 people for lead service line inventories and associated work, development of updated lead and copper sample site plans based on the system's lead service line inventory, and lead



service line replacement plans based on the system's lead service line inventory. Technical assistance will be provided by third-party contractors. None of these funds will be spent until EPA has approved a work plan that identifies tasks for which the funds will be used.

4.6 Eligible Activities

CWSRF - assistance agreements will provide for the planning, design, and construction of secondary and advanced wastewater treatment units, interceptors and appurtenances for infiltration/inflow correction, collector sewers and appurtenances, new interceptor sewers and appurtenances, combined sewer overflow correction, stormwater management programs, water conservation, nonpoint source (NPS) best management practices, and recycled water distribution. CWSRF assistance will be provided to local communities, counties, sewer districts, and nonprofit sewer associations with authority to collect, treat, or dispose of wastewater or otherwise provide direct water quality benefits. NPS projects must be consistent with the State Water Quality Management Plan.

DWSRF - loans will provide for the planning, design, and construction of water supply, treatment, storage, and distribution facilities. DWSRF loan assistance will be provided to local communities, counties, water districts, and nonprofit community water systems. If growth or fire flow is funded, they cannot constitute the primary purpose for the loan. DEQ may award any combination of planning, design, and construction loans from the DWSRF.

4.7 Emergencies

For FY2025 DEQ's SRF program will have available funding for emergencies. The total amount available statewide for the year is \$200,000 for all wastewater system emergencies and \$500,000 for all drinking water systems emergencies. Wastewater systems and public drinking water systems seeking emergency funding should call the Grant and Loan Bureau Chief in the DEQ State Office at (208) 373-0122 to discuss their needs and application process.

Principal forgiveness monies that were not utilized by disadvantaged communities, use of these funds will be considered on a case-by-case basis for emergency funding. If a community's emergency costs exceed the amount allotted to them or available, and principal forgiveness has been fully utilized, DEQ may enter into loan terms for the remainder of the project if sufficient funding is available and the community has adequate debt authority.

Criteria for emergency funding:

- The situation must be a serious and unexpected requiring immediate action;
- An emergency must be declared by a local, state, or national governmental entity;
- Public health must be at imminent risk;
- Will not be used for addressing deferred maintenance issues;
- Intended for like-kind replacement, unless the damaged infrastructure would not meet current standards or unavailable. Infrastructure repairs or replacements will only be made to fix the proximate cause of the emergency;

- Replacement work should all be done in the existing footprint of damaged infrastructure unless such an approach would not allow the facility to meet current standards;
- Costs incurred for replacement prior to an assistance agreement being signed will be considered for inclusion in the assistance agreement;
- Legal debt authority must be obtained if DEQ is unable to entirely meet replacement needs with principal forgiveness;
- Receipts will have to be submitted to justify all costs. "All" costs include any cash advances or costs incurred prior to the funding assistance agreement having been signed;
- Any overpayments by DEQ (most likely happening in the context of an advance) will require timely reimbursement by the funding recipient;
- Rules for SRF loans will be followed to determine cost/expense eligibility.
- Volunteers will not be compensated for their time;
- All personnel time, in order to be eligible, must be supported by the existence of W-2s or contracts.

4.8 DWSRF Reduction of Lead and Copper Exposure

In addition to the funding identified for BIL Lead Service Line Replacement, public drinking water systems (including public schools (K-12)) will have available funding through the DWSRF subsidy. The total amount available statewide for the year is \$500,000 for all projects that:

- Address corrosion control treatment requirements for lead; or,
- Address lead service line replacement requirements; or,
- Address lead bearing materials such as water mainline lead gaskets and,
- The system has triggered the requirement to implement a lead service line replacement program or other approved lead mitigation practices under the currently adopted lead and copper rule (i.e., Corrosion Control Treatment, Lead Service Line Replacement, provision of point of use for lead, or replacement of all lead-bearing materials).

At the end of the year, unused project subsidy funds will not be rolled forward into the next year.

Note: This funding is not the BIL Lead Service Line funding.

4.9 CWSRF Septic Tank Replacement and Repair

DEQ's SRF program will provide up to \$150,000 of subsidy for a system septic system replacement program in collaboration with the Rural Community Assistance Corp (RCAC). With these funds, RCAC will provide grant and loan funding to refurbish or replace individual septic systems.

Criteria for this funding includes:

- Residence must be in a rural area, town or community in the state of Idaho with a population not exceeding 50,000.
- Applicants must own and occupy the home served by the septic system to be renovated or replaced.
- New home construction and systems serving other than the homeowner occupied dwelling are not eligible.
- Households with annual income not exceeding \$63,377 are income eligible for loan assistance.
- Households with annual income not exceeding \$31,689 are income eligible for grant assistance.
- System renovation or replacement must require a permit and the work must be performed by a licensed contractor.
- The homeowner's property will be encumbered by a Deed of Trust for loans and a Grant Lien Agreement for grants.
- Maximum amount of assistance - \$15,000
- Associated loan costs estimated not to exceed \$600, e.g., credit report, recording and RCAC loan fee are applicant expenses and can normally be included in the loan or grant.

To apply, please visit <https://www.rcac.org/lending-2/idaho-srf-household-septic-system-program/> or call 1-855-979-7322.

4.10 Nonpoint Source CWSRF Sponsorship Agreements

Some of the traditional CWSRF assistance agreements may be leveraged to provide Nonpoint Source (NPS) project funding with \$250,000 project sponsorships. It is possible that sponsorship projects will be entered into and detailed in the SFY 2025 CWSRF Annual Report. The effective interest rate charged on wastewater treatment/collection facility assistance agreements may be adjusted to accommodate NPS projects that have a nexus with the CWSRF assistance recipient community; however, even with a nexus, the NPS projects cannot be required by the sponsor's National Pollutant Discharge Elimination System (NPDES) permit or Idaho Pollutant Discharge Elimination System (IPDES) permit. The NPS projects will be administered jointly by the Clean Water Act, Section 319 grant staff within DEQ, and the CWSRF staff. The NPS project will have the same administrative conditions as any Section 319 grant; however, CWSRF cost eligibility criteria will apply. Additionally, sponsorship projects will be strongly encouraged to complete their projects within the same timeframe as their point source counterparts. Since NPS sponsorship projects are not using point source solutions (i.e., Clean Water Act, Section 212), they will not need environmental reviews. See DEQ's website for details

<https://www.deq.idaho.gov/water-quality/grants-and-loans/other-funding-opportunities/>

When a sponsorship agreement is signed, the signatories will be the point source assistance agreement recipient, the DEQ Director, and the community's NPS project manager. The amount of the point source assistance agreement will increase, but the interest rate will be reduced so that the point source assistance agreement recipients' rates will not be impacted by the NPS project.

Should any NPS project help to meet a municipality's NPDES or IPDES permit requirements, the NPS project will be treated as if it were an integral part of the point source project, with the reporting requirements that go along with a point source project.

Unless the NPS project uses point source solutions (i.e., Clean Water Act, Section 212) it will not need environmental reviews. DEQ will also not apply Federal crosscutters to the NPS sponsorship projects. NPS projects, in order to be selected, will have a completed, technically correct 319 grant application (and are therefore in compliance with 40 CFR 35.3115 et seq.), be located in the same (6-digit HUC) basin as their sponsor, and have their sponsor's support in the NPS effort.

5 Assurances and Specific Proposals

5.1 Environmental Reviews

DEQ certifies that it will conduct environmental reviews of each project receiving CWSRF¹ and DWSRF. DEQ will follow its EPA-approved State Environmental Review Process (SERP) for conducting environmental reviews. These procedures are outlined in the "Rules for Administration of the Wastewater and Drinking Water Loan Funds" ([IDAPA 58.01.12.042](#)). A more detailed procedural description is found in the Section 3 of the DEQ [Customer Handbook](#).

5.2 Timely and Expeditious Expenditures

DEQ will expend all funds in the CWSRF and DWSRF in a timely and expeditious manner. Should additional funds be made available to the SRF during the course of the SFY, the DEQ will use the existing Priority List to allocate and commit those additional funds.

5.3 State Laws and Procedures

DEQ agrees to expend all EPA capitalization grant payments in accordance with state laws and procedures.

5.4 Transfers Between State Revolving Funds

Should transfers become needed, DEQ reserves the right to transfer surplus funds originating back to FFY 1997 capitalization grant awards. See [Attachment XII](#) for listings of capitalization grants and related narratives. Per 40 CFR 35.3550, a state may reserve the authority to transfer funds in future years. Funds may be transferred on a net basis, provided that the 33% transfer allowance associated with the DWSRF program capitalization grants received is not exceeded. Only repayments will be used for transfers. Through March 31, 2024, \$55 million in transfers have been made from the DWSRF to the CWSRF. In SFY 2025 it is expected that \$10 million will be transferred from DWSRF to the CWSRF.

¹ As defined by Clean Water Act Section 212 project

5.5 National Reporting Requirements

DEQ agrees to provide data or information to EPA as may be required for national reports, public inquiries, audits, or congressional inquiries. Capitalization grant-funded recipients will be monitored for Single Audit Act compliance, and annual reports will be sent to assistance agreement recipients telling them the amount of federal monies they received during the past year.

American Iron and Steel, and Davis Bacon wage provisions compliance apply to all funds (not just the capitalization grant and BIL funds) and carry reporting and compliance requirements. If any SRF funds are used for projects, these requirements apply. For all equivalency projects, Build America Buy America (inclusive of American Iron and Steel), and Davis Bacon wage provisions apply.

CWSRF - DEQ will comply with reporting requirements of the EPA Order on Environmental Benefits, National Information Management System and the Federal Funding Accountability and Transparency Act. Project information will be updated at least quarterly in the Clean Water Benefits Reporting System. An environmental benefits summary report for all funded projects will also be completed.

DEQ agrees to comply with and require recipients of assistance agreements from the CWSRF to comply with applicable federal cross-cutting requirements. The basic rules for complying with cross-cutting federal authorities are set out in 40 CFR §35.3145. DEQ will notify EPA when consultation or coordination by EPA is necessary to resolve issues regarding these requirements.

DWSRF - DEQ agrees to comply with and require recipients of assistance agreements from the DWSRF to comply with applicable federal cross-cutting requirements. The basic rules for complying with cross-cutting federal authorities are set out in 40 CFR §35.3575. DEQ will notify EPA when consultation or coordination by EPA is necessary to resolve issues regarding these requirements. These requirements include Disadvantaged Business Enterprise (DBE) compliance and Federal Funding Accountability and Transparency Act (FFATA) reporting. In order to minimize administrative complexity and the burden on borrowers, the DWSRF program will select projects with a dollar value equaling the most recent federal capitalization grant award that is reserved for loans, to comply with the FFATA requirements. Additionally, FFATA reporting will be conducted for set-aside single transactions that equal or exceed \$30,000.

5.6 State Matching Funds and Federal Payments

Idaho's match for all capitalization grants is provided from funds that are drawn from the state Water Pollution Control Account, and from the fee account. The Water Pollution Control Account derives its funding from a set amount from the state sales tax or added as otherwise appropriated by the legislature and is perpetually appropriated to DEQ under [Idaho Code Title 63 Chapter 36](#).

CWSRF - DEQ agrees to deposit into the CWSRF from state monies an amount equal to 20% of the capitalization grant on or before the date on which the state receives each grant payment from EPA. For the BIL match requirement, DEQ agrees to deposit into CWSRF from state monies an amount equal to 20% of the General Supplemental grant on or before the date on which the state receives each grant payment from EPA. No match is required for the BIL Emerging Contaminants funding. Matching funds will be transferred from Idaho's Water Pollution Control Account and/or the fee account. Any additional match beyond the required amount can be used to match future capitalization grants.

Table 8. EPA Payment Schedule

Quarter Ending	Payments	Total	Source
09/30/2024	\$6,958,000	\$6,958,000	FFY23 Cap Grant
12/31/2024	\$6,958,000	\$13,916,000	FFY23 Cap Grant

Payments are defined as increases to the amount of funds available from the Automated Standard Application for Payments (ASAP). The payment schedule assumes that the FFY 2024 award will occur after July 1, 2024. Capitalization grant money for the “base” CWSRF grant and for the Bipartisan Infrastructure Law (BIL) will be disbursed using the “expend the State Match First method.” After the State Match has been expended to projects, then the Federal grant funds will be disbursed at 100% Federal funds.

The Idaho CWSRF has cumulative binding commitments in excess of the amount required for the current capitalization grant. This allows for the entire Federal payment to be made in a timely manner.

DWSRF - DEQ agrees to deposit state monies into the DWSRF in an amount equal to 20% of the federal capitalization grant and the BIL stimulus grant on or before the date by which the State of Idaho receives the cash draw from EPA. These funds will be transferred from a combination of the state's Water Pollution Control Account and from the loan fee account. The FFY2024 BIL supplemental grant only requires a 10% match, but DEQ will be matching 20% to meet Idaho Code. Any additional match beyond the required amount can be used to match future capitalization grants. There are no match requirements for the BIL Emerging Contaminants grant or the BIL LSL grant.

5.7 Binding Commitments

CWSRF - DEQ will enter into binding commitments for 120% of each quarterly payment within 1 year of receipt of that payment.

DWSRF - DEQ will enter into binding commitments in an amount equal to the most recent grant awards and proportional state match within one year of receipt of those funds.

6 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 CWSRF and DWSRF funding. The principles and procedures are designed to provide maximum flexibility for assistance and ensure the long-term viability of the revolving program.

6.1 Priority Rating System

Notifications of the availability of annual letters of interest are sent to all cities, counties, and water and sewer districts in the state. Completed letters of interest are reviewed and ranked by Bureau staff in collaboration with DEQ regional office staff. CWSRF projects are rated and ranked using the criteria shown in [Attachment XIII](#) and DWSRF projects are rated and ranked using the criteria shown in [Attachment XIV](#). The results of the rating and ranking are used to develop the Priority Lists that are provided for public review and comment. The Priority Lists for FY2025 are included in this IUP:

- [Attachment VI - SFY 2025 CWSRF Priority List](#)
- [Attachment VII SFY 2025 CWSRF Emerging Contaminants Priority List](#)
- [Attachment VIII SFY 2025 DWSRF Priority List](#)
- [Attachment IV SFY 2025 DWSRF Emerging Contaminants Priority List](#)
- [Attachment VI SFY 2025 DWSRF Lead Service Line Replacement Priority List](#)

Separate letters of interest are sent to potential CWSRF NPS applicants.

6.2 Fundable Projects

The highest-rated projects on Priority Lists that are ready to proceed are selected for funding to develop the Fundable Lists. DEQ staff starts at the top of the Priority Lists and continues to select projects ready to proceed until all the available funds are obligated. The criteria used in this process is described in [Attachment XVI](#).

The following Fundable Lists are included in this IUP:

- [Attachment I - SFY 2025 CWSRF Fundable List and Priority List](#)
- [Attachment II SFY 2025 CWSRF Emerging Contaminants Fundable List and Priority List](#)
- [Attachment III SFY 2025 DWSRF Fundable List and Priority List](#)
- [Attachment IV SFY 2025 DWSRF Emerging Contaminants Fundable List and Priority List](#)
- [Attachment V SFY 2025 DWSRF Lead Service Line Replacement Fundable List and Priority List](#)

In some cases, the project amount on the Fundable List 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 the Fundable List 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 partner funding agency.

6.3 Public Review and Comment

Public review and comment procedures are described in [Attachment XV](#).

6.4 Bypass Procedures

A project may be bypassed in accordance with [IDAPA 58.01.12 Section 020.05.b](#) and is described in [Attachment XVI](#).

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

6.6 Consistency with Planning

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

6.7 Qualifications Based Standards for Selection of Professional Service Providers

CWSRF - DEQ is in compliance with the Clean Water Act's (Section 602(b)(14)) Federal procurement standard by its adherence to [Idaho Code 67-2320](#).

Attachment I. Fundable List of Clean Water Loan Projects

State of Idaho State Revolving Fund

for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	Ancillary Requirements	Est. Cost of Green Infrastructure	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Estimated Assistance Commitment Date and Est. Funding Terms	Estimated Project Cost	Project Description
1	Payette Lakes Recreational Water and Sewer District	265	BRO	Davis Bacon Wage Provisions and American Iron and Steel	\$10,000	I	M-236-01	July 2024 \$3,691,682 for 20 years at 2.75%	\$5,495,000 total cost, \$3,691,682 requested	The proposed project will remove the leaking reuse storage pond liner and replace it with a new, double-layered liner while minimizing treated water discharge to the river.
2*	City of Wilder	255	BRO	Davis Bacon Wage Provisions and American Iron and Steel	\$7,840,000	II, X	ID0020265	July 2024 \$3,735,206 for 30 years at 2.00% \$2,960,980 PF	\$12,980,000 total cost, \$9,140,000 requested	Address treatment deficiencies through the installation of a reuse water system.
54	Rural Community Assistance Corp.	TBD	TBD	Davis Bacon Wage Provisions and American Iron and Steel	\$0	XII	None	Date TBD \$150,000 of principal forgiveness	\$150,000	Replacement of failing septic system
55	Emergencies	TBD	TBD	Davis Bacon Wage Provisions and American Iron and Steel	\$0	TBD	TBD	Date TBD \$200,000 of principal forgiveness	\$200,000	See Section 4.7 of the Intended Use Plan
Totals:					\$7,850,000			\$7,776,888 Loan \$6,271,960 PF	\$18,825,000	

NOTES:

*: Terms are based on full project funding of \$9,140,000 with \$5,921,960 of PF. DEQ to provide a loan increase of \$5,404,794 with \$2,960,980 PF in FY2026 to fully fund the project.

+: DEQ plans to increase Nampa WW1903 by \$30,000,000 in FY2025, and it will serve the following Ancillary Requirements for both the capitalization grant and the BIL supplemental grant: Davis Bacon Wage Provisions, Cross-cutting Requirements, American Iron and Steel, Build American, Buy America, FFATA Reporting, Single Audit Act and Disadvantaged Business Enterprise Compliance Reporting

Attachment II. Fundable List of BIL Clean Water Emerging Contaminants Projects

State of Idaho Revolving Fund

for the Period of July 1, 2024, through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
1	Hayden Lake Watershed Improvement District	35	CRO	Public	None	1,600	\$372,250	\$356,500	This project aims to develop alternatives reduce or remove cyanotoxins from Hayden Lake's North Arm to protect and improve water quality.
2	City of Nampa	30	BRO	Public	IDS028126	110,932	\$4,500,000	\$1,000,000	An early task in design of constructed wetlands included developing concepts and comparative costs to support decision making. Intended to address organic pollutants, pharmaceuticals, and endocrine-disrupting chemicals.
3	Idaho Water Trust, Inc. - Mason Creek Activated Wetlands Complex	30	BRO	Private	ID0030031	N/A	\$14,000,000	\$500,000	Constructed wetlands pilot project to address organic pollutants, pharmaceuticals, and endocrine-disrupting chemicals.
Totals:							\$18,872,250	\$1,856,500	

NOTES:

The remaining \$140,060 availability will be used for increase request

Attachment III. Fundable List of Drinking Water Loan Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Proposed Funding Terms	Loan Amt. & Est. Loan Date	Project Description
2	Murray Water Association	134	CRO	Private	ID1400039	100	30 years at 2.00% with \$610,000 PF	\$610,000 July 2024	Address redundancy through the addition of a storage tank, booster station, and well transmission lines.
3	City of McCall	121	BRO	Public	ID4430033	3,844	20 years at 2.75%	\$16,500,000 November 2024	Address storage capacity needs through the construction of a water storage tank, filters, upgrades to electrical and control systems and expansion of the clear well.
4	City of Malad	114	PRO	Public	ID636006	2,303	20 years at 2.75%	\$3,920,000 November 2024	Address redundancy, capacity issues and fire flow needs through waterline leak detection, well upgrades, and construction of a new booster pump station.
6^	City of Island Park	110	IFRO	Public	N/A	416	30 years at 2.00% with \$5,400,000 PF	\$5,400,000 November 2024	Consolidation of the Mack's Inn planning area with Big 12 Water Association, and Yellowstone RV Park with the addition of a new well, and utilization of a deeper aquifer for source water needs.
7	City of Butte City	106	IFRO	Public	ID6120002	80	30 years at 2.00% with \$500,000 PF	\$500,000 November 2024	Address aging infrastructure and fire safety needs through replacement of variable frequency drives, installation of a SCADA system and emergency systems.
8	Curley Creek Water Association	104	CRO	Private	ID1110008	36	30 years at 2.00% with \$500,000 PF	\$500,000 November 2024	Address contamination and limited flow capacity through construction of a new reservoir, booster pumps, automated treatment system, and a secondary well.
9#	City of Murtaugh	94	TFRO	Public	ID5420042	114	30 years at 2.00% with \$4,464,510 PF	\$9,028,000 total \$2,766,796 in FY2025 November 2024	Address capacity needs through the acquisition of water rights, construction of a new storage tank and booster station, and distribution system improvements.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Proposed Funding Terms	Loan Amt. & Est. Loan Date	Project Description
58	Systems w/Corrosive Water or Lead Fixtures Presenting a Public Health Hazard	Unk	All	All	All	Unk	\$500,000 of principal forgiveness	\$500,000	Fund planning, design and construction to remediate corrosive/aggressive water situations that present a clear threat to public health
59	Emergencies	Unk	All	All	All	Unk	\$500,000 of principal forgiveness	\$500,000	See Section 4.7 of the Intended Use Plan
Totals:							\$12,474,510	\$31,196,976	

NOTES:

Projects #1 and #5 were bypassed because they either received SRF funding for this project in previous fiscal years or will be receiving 100% Leading Idaho fund.

^ #6 Island Park loan amount was reduced to \$5,400,000 because they received funding of \$5,100,000 in FY2024

McCall and Murtaugh will meet the BIL Supplemental equivalency requirements. Island Park will meet the cap grant equivalency requirements.

Terms are based on full project funding of \$9,028,000 with \$4,464,510 of PF. In SFY, the loan amount will be \$2,766,796 with \$2,232,255 PF. DEQ to provide a loan increase of \$6,261,204 with \$2,232,255 PF in FY2026 to fully fund the project.

Attachment IV. Fundable List of BIL Drinking Water Emerging Contaminants Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
1	Hampton Homes Homeowners Association	50	BRO	Private	4010071	80	\$2,225,000	\$2,225,000	Design and construction to abandon PFAS contaminated well and consolidation with nearby public water system. Includes abandonment of existing contaminated well and distribution system.
2	Capitol Water Corporation	45	BRO	Private	4010022	9,000	\$185,000	\$150,000	Developing a plan to address the PFAS contaminated drinking water source and alternatives to address contamination.
3	YMCA Camp at Horsethief Reservoir	40	BRO	Private	ID4430110	Unknown	\$1,570,000	\$1,570,000	The proposed project will address cyanobacteria and cyanotoxins present in water supply drawn from Horsethief Reservoir.
4	King Hill Domestic Water Sewer	35	BRO	Public	ID4200026	87	\$730,000	\$730,000	Planning, design, and construction to address manganese.
5	City of Idaho Falls	25	IFRO	Public	ID7100039	67,700	\$230,000	\$230,000	Project will involve drilling two test wells to ensure quality source water at future well sites does not contain PFAS chemicals prior to drilling of two new production wells.
6	City of Harrison	25	IFRO	Public	ID1280083	411	\$2,880,000	\$2,880,000	Planning, design, and construction to address Manganese.
7	City of St. Maries	25	CRO	Public	1050024	2,410	\$2,362,000	\$2,362,000	Planning, design, and construction to address manganese.
8	Evergreen Terrace Water Association	25	CRO	Private	ID1050010	70	\$325,000	\$325,000	Planning, design, and construction to address manganese.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
9*	City of Roberts	25	IFRO	Public	ID7260035	461	\$5,900,000	\$4,196,800	Planning, design, and construction to address manganese.
Totals:							\$16,407,000	\$14,668,800	

NOTES:

City of Roberts requested \$5,400,000, but we do not have enough grant funds to cover full project.

Systems with equal ranking were prioritized based on their focus on addressing PFAS over addressing other emerging contaminants. Systems addressing Manganese were prioritized based on highest Manganese sample results .

Attachment V. Fundable List of BIL Lead Service Line Replacement Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Proposed Funding Terms	Loan Amt. & Est. Loan Date	Project Type
1	City of Shelley	75	PRO	Public	ID6060071	5,120	30 years at 1.00% with \$7,987,000 PF	\$16,300,000 December 2024	Inventory and Replacement
2	Evans Water Company and Homeowners Association	55	BRO	Private	ID4010055	137	30 years at 1.00% with \$98,000 PF	\$200,000 December 2024	Replacement
3	City of Arco	45	IFRO	Public	6120001	749	30 years at 1.00% with \$340,673 PF	\$695,250 December 2024	Inventory and Replacement
4	City of Culdesac	45	LRO	Public	ID2350003	407	30 years at 1.00% with \$441,000 PF	\$900,000 December 2024	Inventory and Replacement
5	City of Harrison	45	CRO	Public	ID1280083	411	30 years at 1.00% with \$490,000 PF	\$1,000,000 December 2024	Inventory and Replacement
6	City of St. Maries	45	CRO	Public	ID1050024	2,410	30 years at 1.00% with \$1,470,000 PF	\$3,000,000 December 2024	Inventory and Replacement
7	City of Tensed	45	CRO	Public	ID1050026	123	30 years at 1.00% with \$24,500 PF	\$50,000 December 2024	Inventory
8	Elk City Water and Sewer Association	45	LRO	Public	ID2250017	170	30 years at 1.00% with \$799,175 PF	\$1,630,970 December 2024	Inventory and Replacement
9	Bailey Creek Homeowners Association	35	PRO	Private	ID6150001	256	30 years at 1.00% with \$392,000 PF	\$800,000 December 2024	Inventory
10	Big Twelve Water Association	35	IFRO	Private	ID7720013	51	30 years at 1.00% with \$686,000 PF	\$1,400,000 December 2024	Inventory

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Proposed Funding Terms	Loan Amt. & Est. Loan Date	Project Type
11	City of Chubbuck	35	PRO	Public	ID6030008	15,570	30 years at 1.00% with \$5,943,700 PF	\$12,130,000 May 2025	Inventory and Replacement
12	City of Declo	35	TFRO	Public	ID5160012	369	30 years at 1.00% with \$9,800 PF	\$20,000 December 2024	Inventory
13	City of Plummer	35	CRO	Public	ID1050021	1,158	30 years at 1.00% with \$490,000 PF	\$1,000,000 December 2024	Inventory and Replacement
14	City of Preston	25	PRO	Public	ID6210014	5,545	30 years at 1.00% with \$3,091,900 PF	\$6,310,000 September 2024	Inventory and Replacement
15	City of Firth	10	PRO	Public	ID6060016	548	30 years at 1.00% with \$5,133,240 PF	\$10,476,000 December 2024	Replacement
16	City of Soda Springs	10	PRO	Public	ID6150017	3,133	30 years at 1.00% with \$245,000 PF	\$500,000 December 2024	Inventory and Replacement
17*	OK Water Association	10	BRO	Private	3140085	140	30 years at 1.00% with \$193,185 PF	\$395,000 December 2024	Replacement
Totals:							\$27,835,173 PF	\$56,807,220	

*Terms are based on funding amount of \$287,780

Attachment VI. Priority List of Clean Water Loan Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024, through June 30, 2025

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
1	Payette Lakes Recreational Water and Sewer District	265	BRO	\$5,495,000	I	M-236-01	\$10,000	The proposed project will remove the leaking reuse storage pond liner and replace it with a new, double-layered liner while minimizing treated water discharge to the river.
2	City of Wilder	255	BRO	\$12,980,000	II, X	ID0020265	\$7,840,000	Address treatment deficiencies through the installation of a reuse water system.
3	City of Driggs - Teton Valley Regional Reclamation Facility	250	IFRO	\$25,502,000	II	ID0020141	\$6,450,000	Address high ammonia and biosolid loads through a transition to an activated sludge facility. This facility will include an equalization basin, UV disinfection, and a biosolids handling facility.
4	Eastern Idaho Regional Sewer District	250	PRO	\$35,000,000	II	ID0020133	\$1,400,000	Address redundancy and reliability of the current system through lift station and pumping upgrades.
5	City of Kendrick	240	LRO	\$13,363,000	II	ID0024554	\$200,000	Address ammonia and temperature requirements through lift station improvements, an extended aeration package plant, SCADA improvements and headworks.
6	City of Craigmont	225	LRO	\$8,700,000	I,II	ID0021288	\$1,000,000	Upgrade wastewater treatment plant through the installation of flow measuring, mechanical screening, lagoons, and disinfection systems.

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
7	City of Smelterville	225	CRO	\$20,000,000	I,II	ID0020117	\$20,000,000	Address redundancy, aging infrastructure, and system deficiencies through aeration system improvements, additional pump stations and storage ponds, and electrical improvements.
8	City of Bellevue	215	TFRO	\$12,500,000	II, IV-A	M-112-03	\$3,300,000	Address rehabilitation, replacement, and treatment plant failure by either reconstructing current plant or utilizing a different treatment method.
9	Groveland Water and Sewer District	200	PRO	\$19,000,000	XII	N/A	\$1,300,000	Construction of new wastewater treatment facility west of Snake River, lift station upgrades, and collection system improvements. Includes disconnection from City of Blackfoot and abandonment of associated infrastructure.
10	City of Cambridge	195	BRO	\$5,536,000	II, III-A	ID0021806	\$450,000	Address ammonia limits through the installation of an aerated lagoon, sewer line replacement, and conversion of current lagoons to storage ponds.
11	City of Blackfoot	180	PRO	\$21,000,000	II	ID0020044	\$10,000,000	Address future growth and system deficiencies related to biological treatment, anaerobic digestion, dewatering and phosphorous removal.
12	South Fork Coeur d'Alene River Sewer District	170	CRO	\$15,700,000	I	ID0021300	\$850,000	Address aging infrastructure through lining existing lagoons and installing upgrades including: surface mixers, return control structures, grit classifiers, and biosolid disposal.
13	City of Challis	160	IFRO	\$11,500,000	II, III=A	N/A	\$2,500,000	Address infiltration and inflow deficiencies through the rehabilitation of lagoons, sewer line improvements and inspection, and construction of a lift station.

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
14	City of Kooskia	160	LRO	\$9,535,000	II	ID0021814	\$1,000,000	Assist with the replacement of a temporary liner and embankment stabilization.
15	Moose Draw Association, Inc.	155	LRO	\$2,750,000	XII	N/A	\$0	Achieve facility compliance by adding a large soil absorption system and installation of individual septic systems to all residents.
16	City of Coeur d'Alene	150	CRO	\$25,200,000	II	ID0022853	\$505,000	Address capacity deficiencies through outfall and diffuser repair and improvements, disinfection upgrades, and secondary treatment expansion and rehabilitation.
17	City of Middleton	150	BRO	\$79,685,000	II, IV-B	ID0021831	\$2,247,300	Increase hydraulic capacity and effluent quality through installation of a continuous flow system and additional storage tank and aeration equipment.
18	North Toomer Butte Water and Sewer District	150	LRO	\$600,000	III-B	N/A	\$120,000	Address aging infrastructure, CCTV inspection of the collection system and replacement of the influent sewage pump station.
19	City of Menan	140	IFRO	\$4,200,000	II, III-B, X	M-066-04	\$1,650,000	Expansion of reuse storage, construction of UV disinfection, pipeline and land application site improvements and repair and replacement of portions of the current collection system.
20	Mud Lake and Terretton Water and Sewer District	140	IFRO	\$2,000,000	I	N/A	\$2,000,000	Rehabilitation of lift stations, collection piping repair, installation of a SCADA system, and lining of lagoon cells.
21	City of Preston	130	PRO	\$500,000	VI-C	ID0020214	\$15,000	Construction of a stormwater retention at wastewater treatment facility to eliminate comingling of stormwater and treated effluent.

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
22	City of Pierce	125	LRO	\$2,500,000	I,II	ID0020206	\$330,000	Replacement of existing lift station, construction of a new holding tank, and installation of steel panels to the chlorine basin and inlet diffuser in the detention tank.
23	City of Winchester	125	LRO	\$6,820,000	II	ID0020184	\$1,025,000	Address aging infrastructure and redundancy through the addition of a UV disinfection system, a second aerobic digester, and replacement of pump station and plant controls.
24	Coolin Sewer District	125	CRO	\$31,130,000	II, IV-A	M-013-06	\$19,000,000	Address aging infrastructure through installation of a new aeration system with collection system, lift station and lagoon upgrades.
25	City of Arco	120	IFRO	\$13,000,000	II, X	M-029-03	\$384,800	Address capacity deficiencies through the repair and replacement of the lift station and treatment lagoons as well as construction of a mechanical wastewater treatment plant.
26	Freemont County - Mack's Inn Collection System	120	IFRO	\$14,580,000	III-A, III-B	M-057-04	\$831,000	Address aging infrastructure and infiltration and inflow deficiencies through gravity line replacement, rehabilitation of lift stations and CCTV camera inspection of sewer lines.
27	City of Rexburg	110	IFRO	\$11,480,000	II, III-B	ID0023817	\$8,163,000	Address capacity and corrosion issues through rehabilitation and headworks expansion.
28	City of Bancroft	100	PRO	\$8,760,000	I	N/A	\$500,000	Address aging infrastructure by relining and replacing the current lagoon system, headworks, and lift station.
29	City of Elk River	95	LRO	\$7,600,000	I,II	ID0020362	\$775,000	Reconstruction of lagoon cells, and aeration improvements to the existing system.

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
30	City of Lewiston - East Orchards Sewer Project	85	LRO	\$7,440,000	II, III-A	ID0022055	\$350,000	Address redundancy and aging infrastructure through the construction of collection piping for the sewer system.
31	City of Ririe	85	IFRO	\$2,500,000	III-A, III-B	ID0026174	\$1,530,000	Address infiltration and inflow deficiencies by rerouting pumps, replacement of aging service lines, and manhole and lift station improvements.
32	Yellowstone Acres at Henrys Lake	85	IFRO	\$2,800,000	I, XII	97-01-22	\$35,000	Address aging infrastructure and capacity deficiencies by upgrading the current package plant system and transition to individual septic tank systems.
33	City of American Falls	80	PRO	\$4,000,000	II, III-A	ID0020753	\$240,000	Address infiltration and inflow and emergency deficiencies through the installation of additional membrane cassettes, electrical and control improvements, and SCADA improvements.
34	City of Bloomington	80	PRO	\$8,000,000	I, III-A	ID6040007	\$3,250,000	Infiltration and inflow review and replacement of the collection system piping, construction of a new lagoon and lining of the existing lagoons.
35	City of McCammon	80	PRO	\$4,547,505	II, III-B	N/A	\$92,000	Address aging infrastructure through the acquisition of land and the repair and replacement of sewer lines, and installation of a generator and SCADA system.
36	City of Soda Springs	70	PRO	\$5,585,000	III-B	ID0020818	\$0	Undergo sewer collection line replacement, installation of a SCADA system and utility line replacement.
37	City of Lewisville	65	IFRO	\$22,400,000	I, II	N/A	\$2,506,000	Creation of a centralized sewer collection system with the city of Menan's wastewater treatment and disposal system.

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
38	City of Sugar City - Shared Rexburg Improvements	65	IFRO	\$3,300,000	III-B	N/A	\$135,000	Replacement and enlargement of existing interceptor pipeline and construction of a new wastewater pumping station.
39	Freemont County - Last Chance/ Pond's Lodge	65	IFRO	\$3,544,000	III-A, III-B	M-0258-04	\$266,800	Address aging infrastructure and infiltration and inflow deficiencies through gravity line replacement, rehabilitation of lift stations and CCTV camera inspection of sewer lines.
40	City of Paul	60	TFRO	\$6,992,000	I	M-009-04	\$85,000	Address resiliency and redundancy through the replacement of lagoon liners, addition of treatment aeration, and purchase of a generator.
41	Southside Water & Sewer District	60	CRO	\$550,000	I	M-053-05	\$0	Acquire land to assist with addition of a second lagoon system.
42	Benewah County	55	CRO	\$4,288,500	II	N/A	\$2,020,000	Address aging infrastructure through lift station replacement and refurbishment.
43	City of Malad	55	PRO	\$2,000,000	II, X	M-159-02	\$550,000	Address aging infrastructure through land acquisition and construction of a new lift station, aerated and polishing lagoons, and a reuse pump station.
44	City of Rupert	55	TFRO	\$27,056,300	II	M-001-04	\$33,056,300	Address aging infrastructure to the repair and replacement of the membrane bioreactor, clarifier filtration and screening, and the UV disinfection process.
45	City of Albion	50	TFRO	\$300,000	I, III-A	M-077-04	\$5,000	Address infiltration and inflow deficiencies by relining of the current lagoon with bentonite clay.

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
46	Freemont County - Mack's Inn WWTP	50	IFRO	\$19,491,000	I, II	M-057-04	\$552,300	Address treatment capacity needs through the installation of a mechanical wastewater treatment plant with an integrated film activated sludge process and lagoon system replacement.
47	City of Basalt	45	PRO	\$1,200,000	I	N/A	\$40,000	Address capacity deficiencies through the design and construction of an additional total containment lagoon.
48	City of Dubois	45	IFRO	\$4,682,636	I	M-166-04	\$0	Address aging infrastructure through rehabilitation of lagoons in addition to an addition of mesh screens to inlet pipes to prevent intrusion of amphibians into the lagoon system.
49	City of Sugar City	45	IFRO	\$1,150,000	III-B	N/A	\$5,000	Rehabilitation of existing interceptor pipeline and manholes of the city's portion of the line.
50	City of Roberts	40	IFRO	\$3,486,000	II	ID0026913	\$120,000	Installation of a SCADA system and variable frequency drives in addition to collection system replacement.
51	City of Teton	30	IFRO	\$12,314,500	II, IV-A	ID023817	\$0	Address aging infrastructure through replacement of transmission lines and the lift station and construction of a new wastewater treatment facility.
52	City of Fruitland	20	BRO	\$1,400,000	II, III-A	ID0021199	\$50,000	Installation of a pumping station, clarifiers, and increased pump sizes to due inflow capacity needs.
53	City of Mountain Home	10	BRO	\$8,300,000	I	M-03704	\$5,000	Construction of a new wastewater lagoon to increase storage capacity for the wastewater treatment facilities.
54	Rural Community Assistance Corp.	TBD	TBD	\$150,000	XII	None	\$0	Replacement of failing septic system

Rank	Project	Rating Points	Regional Office	Estimated Project Cost	Needs Category (for EPA use)	NPDES, Reuse or Land Application Permit #	Est. Cost of Green Infrastructure	Project Description
55	Emergencies	TBD	TBD	\$200,000	TBD	TBD	\$0	See Section 4.7 of the Intended Use Plan
Totals:				\$584,293,441			\$138,739,500	

Attachment VII. Priority List of BIL Clean Water Emerging Contaminants Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
1	Hayden Lake Watershed Improvement District	35	CRO	Public	None	1,600	\$372,250	\$356,500	This project aims to develop alternatives reduce or remove cyanotoxins from Hayden Lake's North Arm to protect and improve water quality.
2	City of Nampa	30	BRO	Public	IDS028126	110,932	\$4,500,000	\$1,000,000	An early task in design of constructed wetlands included developing concepts and comparative costs to support decision making. Intended to address organic pollutants, pharmaceuticals, and endocrine-disrupting chemicals.
3	Idaho Water Trust, Inc. - Mason Creek Activated Wetlands Complex	30	BRO	Private	ID0030031	N/A	\$14,000,000	\$500,000	Constructed wetlands pilot project to address organic pollutants, pharmaceuticals, and endocrine-disrupting chemicals.
4	City of Lewiston	10	LRO	Public	ID0022055	32,811	\$7,440,000	\$4,440,000	Septic conversion by construction of sewer trunk lines into areas currently unserved by central sewer.
5	City of Idaho Falls	0	IFRO	Public	ID0021261	73,420	\$50,000	\$50,000	Planning project to provide research sampling data necessary for future planning. (Project is ineligible)
Totals:							\$26,362,250	\$6,346,500	

Attachment VIII. Priority List of Drinking Water Loan Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Description
1	Big Twelve Water Association	144	IFRO	Private	ID7720013	51	\$800,000	Address contamination needs by drilling a new well and replacing the distribution system. The system is also considering combining water systems with the city of Island Park.
2	Murray Water Association	134	CRO	Private	ID1400039	100	\$610,000	Address redundancy through the addition of a storage tank, booster station, and well transmission lines.
3	City of McCall	121	BRO	Public	ID4430033	3,844	\$16,500,000	Address storage capacity needs through the construction of a water storage tank, filters, upgrades to electrical and control systems and expansion of the clear well.
4	City of Malad	114	PRO	Public	ID636006	2,303	\$4,170,000	Address redundancy, capacity issues and fire flow needs through waterline leak detection, well upgrades, and construction of a new booster pump station.
5	Cave Bay Community Services	113	CRO	Private	ID1280041	450	\$8,320,000	Address storage capacity needs and redundancy through the installation of a wellhouse, standpipe and mixers, and upsizing of water mains, fire flow, and service meters.
6	City of Island Park	110	IFRO	Public	N/A	416	\$10,500,000	Consolidation of the Mack's Inn planning area with Big 12 Water Association, and Yellowstone RV Park with the addition of a new well, and utilization of a deeper aquifer for source water needs.
7	City of Butte City	106	IFRO	Public	ID6120002	80	\$500,000	Address aging infrastructure and fire safety needs through replacement of variable frequency drives, installation of a SCADA system and emergency systems.
8	Curley Creek Water Association	104	CRO	Private	1110008	36	\$500,000	Address contamination and limited flow capacity through construction of a new reservoir, booster pumps, automated treatment system, and a secondary well.
9	City of Murtaugh	94	TFRO	Public	ID5420042	114	\$9,028,000	Address capacity needs through the acquisition of water rights, construction of a new storage tank and booster station, and distribution system improvements.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Description
10	City of Worley	93	CRO	Public	ID1280206	550	\$4,050,000	Address compliance issues, redundancy, and aging infrastructure through the installation of a new groundwater well, service meter replacement and well facility improvements.
11	City of McCammon	91	PRO	Public	ID6030038	1,017	\$10,874,677	Construction of tank storage, replacement of undersized lines and hydrants, and installation of a new well with repairs to existing wells.
12	City of Aberdeen	90	PRO	Public	ID6060001	2,611	\$10,000,000	Address aging infrastructure through construction of a new well, tank, and booster system as well as the installation of a separate irrigation system and purchase of water rights.
13	Twenty Mile Creek Water Association	88	CRO	Private	ID1110030	225	\$6,000,000	Address deficiencies associated with aging infrastructure through pipe and water meter replacement, security improvements, and increased resiliency.
14	City of Midvale	86	BRO	Public	3440007	197	\$2,716,550	Address source water supply through the construction of a new water storage tank, and booster pump station.
15	City of Wendell	85	TFRO	Public	ID5240028	2,917	\$10,182,000	Address water supply and capacity deficiencies through the construction of a new well, storage tank, and booster pump station.
16	Bailey Creek Homeowners Association	84	PRO	Private	ID6150001	256	\$3,200,000	Construction of a booster pump station and controls, addition of a backup generator, water meter and SCADA installation to the current system.
17	Birch Creek Culinary Water Company	84	PRO	Private	ID6210009	100	\$869,000	Project includes rehabilitation of existing spring box, replacement of leaking transmission line, installation of SCADA, and installation of water meters on service connections.
18	Lakeview Estates Subdivision Homeowners Association	84	LRO	Private	ID2180020	40	\$885,000	The project consists of developing a new surface water intake on Dworshak Reservoir and treatment to replace existing groundwater wells that are running dry.
19	Comore Loma Water Corporation	81	IFRO	Private	ID7100020	N/A	\$6,900,000	Address transmission and booster station deficiencies through the installation of water meters, variable frequency drive pumps, high-efficiency lighting, and a SCADA system.
20	City of Fruitland	80	BRO	Public	3380005	7,213	\$4,700,000	Address future capacity issues through pump installation and replacement and expansion of the main treatment facility for an addition membrane skid.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Description
21	City of American Falls	78	PRO	Public	ID6390001	4,322	\$34,000,000	Address aging infrastructure and capital improvement needs through water meter installation, distribution improvements, well construction, and SCADA improvements.
22	City of Soda Springs	78	PRO	Public	ID6150017	3,100	\$7,000,000	Repair of water storage tank, upgrade PRV stations, and utility and water line replacement.
23	City of St. Maries	76	CRO	Public	1050024	2,410	\$850,000	Address reliability and resiliency through the addition of filter media to the existing slow sand filter.
24	City of Pierce	74	LRO	Public	ID2180027	508	\$6,200,000	Address deficiencies through distribution replacement and improvements, replace pre-treatment facilities, and update surface water intake pump station and treatment components.
25	City of Cascade	71	BRO	Public	ID4430012	1,071	\$5,530,000	Address aging infrastructure by upgrading and replacing existing water meters, and leak detection equipment. System will also install variable frequency drive pumps, lighting controls, and a SCADA system.
26	City of Chubbuck	68	PRO	Public	ID6030008	15,570	\$8,500,000	Address redundancy, source capacity, water storage capacity, and transmission supply capacity.
27	City of Shelley	68	PRO	Public	ID6060071	5,120	\$8,100,000	Address aging infrastructure and rehabilitation needs through the replacement of tank valves and water pumps. System will also complete a lead service line inventory, upgrade their SCADA system, and install well generators.
28	City of Cambridge	66	BRO	Public	ID3440002	326	\$1,448,000	Address fire suppression and emergency water supply needs through electrical and structural improvements to the current well as well as distribution system improvements through lead service, water main, and water meter replacements.
29	City of Preston	63	PRO	Public	ID6210014	5,545	\$8,000,000	Address storage capacity and fire flow needs through distribution system improvements, and old source rehabilitation for emergency backup needs.
30	City of Payette	61	BRO	Public	3380009	8,415	\$3,593,000	Replacement of a reservoir in addition to construction of a new reservoir to address redundancy and failed infrastructure.
31	City of St. Anthony	61	IFRO	Public	ID7220067	3,730	\$4,600,000	Address fire flow, redundancy, and source capacity through construction of a new well and fire hydrant installation.
32	Elk City Water and Sewer Association	59	LRO	Public	ID2250017	170	\$788,390	Address aging infrastructure through main line replacement and hydraulic efficiency improvements.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Description
33	City of Lewiston	58	LRO	Public	ID2350014	15,001	\$17,400,000	Address redundancy and aging infrastructure by replacing water mains and rerouting to a new corridor.
34	City of Wilder	58	BRO	Public	ID3140138	1,672	\$2,056,315	Address aging infrastructure, and fire flow needs through an addition of standby power, booster station and distribution system improvements.
35	North Kootenai Water District - Rimrock Service Area	58	CRO	Public	1280009	3,240	\$5,700,000	Improve source, booster, and storage capacity by installation of a new well, water main upsizing, and new storage tank installation.
36	North Kootenai Water District - Twin Lakes Service Area	58	CRO	Public	1280099	2,243	\$5,600,000	Address deficiencies through replacement of the Twin Lakes main distribution system.
37	Caribou Acres Water Company	57	PRO	Private	ID6030005	120	\$2,520,000	Utilize capital improvement plan through pipeline replacement, well improvements, storage tank replacement, booster system upgrades, and sanitary survey improvements.
38	Star Sewer and Water District	56	BRO	Public	4010220	18,000	\$4,000,000	Address redundancy through construction of an additional water storage tank and booster station.
39	Cottonwood Point Water and Sewer Association	54	LRO	Private	1050008	150	\$520,000	Address redundancy through the installation of additional precast storage tanks.
40	Wayside Estates Association	54	TFRO	Private	ID5430022	105	\$1,550,000	Address redundancy and water source capacity through water main extensions, installation of backup generators, SCADA system installation, and fire hydrant installation.
41	City of Firth	53	PRO	Public	ID6060016	548	\$12,280,000	Address capacity and distribution needs through the construction of a new well, storage tank, booster station and replacement of undersized water lines and meters.
42	City of Grace	53	PRO	Public	ID6150010	920	\$9,500,000	Address aging infrastructure and capacity needs through replacement of transmission lines, and redevelopment of spring complexes.
43	City of Lava Hot Springs	53	PRO	Public	ID6030030	253	\$2,800,000	Address redundancy, aging infrastructure, and source capacity needs through the addition and rehab of a well and distribution pipeline replacement.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Description
44	Hayden Lake Irrigation District	53	CRO	Public	1280087	9,375	\$6,200,000	Address storage needs, pipeline improvements, and improve system looping.
45	City of Rigby	51	IFRO	Public	ID7260032	5,038	\$10,900,000	Improve storage, pumping capacity, dead-end waterlines, undersized and inaccessible waterlines.
46	Bear Lake West Homeowners Association	46	PRO	Private	ID6040005	1,400	\$6,000,000	Utilize capital improvement plan and address redundancy to undergo leak detection testing, pipeline replacement, and installation of a new water line.
47	Blackhawk Estates - Iron Rim Ranch	43	IFRO	Private	ID7100207	96	\$3,170,000	Address capacity needs through the acquisition of adequate water rights and construction of an additional well for redundancy.
48	City of Priest River	43	CRO	Public	ID1090107	2,103	\$2,800,000	Address aging infrastructure through an upgrade to the upper booster station, replacement of water lines, and distribution size pressure and flow increases.
49	City of Cottonwood	41	LRO	Public	2250013	962	\$3,395,000	Address redundancy and aging infrastructure through the replacement of existing water lines and addition of a parallel water line downstream of the existing tanks.
50	City of Moyie Springs	38	CRO	Public	ID1110021	721	\$800,000	Address redundancy through the refurbishment of the booster pump station including replacement of pumps, piping, controls, and adjacent water mains.
51	Evergreen Terrace Water Association	36	CRO	Public	ID1050010	70	\$265,000	Construction of a new well, storage facility repairs, disinfection treatment enhancement, and an addition of distribution flushing capabilities.
52	City of Culdesac	34	LRO	Public	ID2350003	407	\$4,850,000	Replacement of transmission and distribution components and undergo leak detection and repair.
53	Colburn Water Association	34	CRO	Private	ID1090021	290	\$5,252,000	Address aging infrastructure, sanitary survey needs, and growth potential by replacement of transmission mains, slow sand filter improvements, and distribution line replacement.
54	West Bonner Water and Sewer District	34	CRO	Private	ID190151	249	\$2,739,200	Address aging and failing infrastructure through storage tank upgrades and replacement.
55	City of Georgetown	33	PRO	Public	6040013	503	\$1,400,000	Address aging infrastructure through replacement of the existing water transmission line.
56	City of East Hope	31	CRO	Public	1090038	217	\$3,000,000	Addressed aging infrastructure through pipe replacement, pressure valve installation, and improved water supply main looping.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Estimated Project Cost	Project Description
57*	City of Challis	0	IFRO	Public	ID7190013	1,020	\$8,800,000	Assist with cost overruns to the existing construction project involving an addition of a new well, and existing well improvements.
58	Systems w/Corrosive Water or Lead Fixtures Presenting a Public Health Hazard	Unk	All	All	All	Unk	\$500,000	Fund Planning, Design and Construction to remediate corrosive/aggressive water situations that present a clear threat to public health.
59	Emergency	Unk	All	All	All	Unk	\$500,000	See Section 4.7 of the Intended Use Plan
Total:							\$324,412,132	

NOTES:

* Not rated because funds already received for the project.

Attachment IX. Priority List of BIL Drinking Water Emerging Contaminants Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
1	Hampton Homes Homeowners Association	50	BRO	Private	4010071	80	\$2,225,000	\$2,225,000	Address PFAS by adding point of use reverse osmosis units to each home.
2	Capitol Water Corporation	45	BRO	Private	4010022	9,000	\$185,000	\$150,000	With the presence of PFAS in some of our water sources we need to develop a plan forward to address the PFAS contaminants and how to eliminate.
3	YMCA Camp at Horsethief Reservoir	40	BRO	Private	ID4430110	Unknown	\$1,570,000	\$1,570,000	Our proposed project will address cyanobacteria and cyanotoxins present in our Camp's singular water supply drawn from Horsethief Reservoir.
4	King Hill Domestic Water Sewer	35	BRO	Public	ID4200026	87	\$730,000	\$730,000	Address issues with manganese.
5	City of Idaho Falls	25	CRO	Public	ID-7100039	67,700	\$230,000	\$230,000	Project will involve drilling two test wells to ensure quality of source water at future well sites does not contain PFAS chemicals prior to drilling of two new production wells.
6	City of Harrison	25	IFRO	Public	ID1280083	411	\$2,880,000	\$2,880,000	Planning, design, and construction to address manganese.
7	City of St. Maries	25	CRO	Public	1050024	2,410	\$2,362,000	\$2,362,000	Planning, design, and construction to address manganese.
8	Evergreen Terrace Water Association	25	CRO	Private	ID1050010	70	\$325,000	\$325,000	Planning, design, and construction to address manganese.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
9	City of Roberts	25	IFRO	Public	ID7260035	461	\$5,900,000	\$5,400,000	Planning, design, and construction to address manganese.
10	Gotham Bay Estates Homeowners Association	25	CRO	Private	System Classification Pending	53	\$100,000	\$50,000	Manganese contamination. The community is interested in improving the water system for reliability and safety.
11	Black Hawk Estates	25	IFRO	Private	ID7100207	230	\$4,900,000	\$4,800,000	Planning, design, and construction to address manganese.
12	Helmer Water Association	25	CRO	Private	ID2290016	30	\$160,000	\$160,000	Planning, design, and construction to address manganese.
13	City of Payette	15	BRO	Public	3380009	8,415	\$3,593,000	\$3,521,000	The project includes replacement of old reservoir associated with asbestos with a new 500,000 gallon reservoir.
14	City of Greenleaf	15	BRO	Public	ID3140041	812	\$4,200,000	\$4,200,000	Planning, design, and construction to address manganese.
15	City of Wilder	15	BRO	Public	ID3140138	1,672	\$7,810,200	\$7,810,200	Planning, design, and construction to address manganese.
16	City of McCall	0	BRO	Public	ID4430033	4,000	\$16,500,000	\$10,000,000	The expansion and upgrade of the McCall Water Treatment Plant coupled with the addition of a two-million-gallon storage tank to address Harmful Algae Blooms and cyanotoxins.
17	Greenfield Water and Sewer	0	PRO	Public	ID6060026	240	\$4,550,000	\$4,500,000	Planning, design, and construction to address manganese.
18	City of Aberdeen	0	PRO	Public	ID6060001	2,611	\$1,500,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
19	City of Ashton	0	IFRO	Public	ID7220004	1,129	\$1,000,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
20	City of Blackfoot	0	PRO	Public	ID6060007	12,349	\$1,500,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
21	City of Bloomington	0	PRO	Public	ID6040007	193	\$500,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
22	City of Declo	0	TFRO	Public	ID5160012	498	\$350,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
23	City of Hollister	0	TFRO	Public	ID5420030	376	\$500,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
24	City of Mackay	0	IFRO	Public	ID7190032	587	\$750,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Total Project Cost	Requested DEQ Share	Project Description
25	City of Paris	0	PRO	Public	ID6040022	727	\$2,000,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
26	Lakeview Estates	0	PRO	Private	ID2180020	74	\$1,500,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
27	Meadow Lark Court	0	IFRO	Private	ID7330014	45	\$500,000	Project ineligible	Project is to address high nitrate levels by deepening existing well, constructing new well, or consolidation.
28	Mud Lake & Terreton Sewer & Water District	0	IFRO	Private	ID6030057	468	\$1,000,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
29	Valley View Estates	0	PRO	Private	ID6030057	74	\$150,000	Project ineligible	The project will test for and address per- and poly-fluoroalkyl substances as required to ensure high quality water supplied to our residents.
Totals:							\$69,470,2000	\$50,913,200	

Attachment X. Priority List of BIL Lead Service Line Replacement Projects

State of Idaho State Revolving Fund
for the Period of July 1, 2024 through June 30, 2025

Rank	Project	Rating Points	Regional Office	System Type	System Number	Pop. Served	Supplemental Project Cost	Project Type
1	City of Shelley	75	PRO	Public	ID6060071	5,120	\$16,300,000	Inventory and Replacement
2	Evans Water Company and Homeowners Association	55	BRO	Private	ID4010055	137	\$200,000	Replacement
3	City of Arco	45	IFRO	Public	6120001	749	\$695,250	Inventory and Replacement
4	City of Culdesac	45	LRO	Public	ID2350003	407	\$900,000	Inventory and Replacement
5	City of Harrison	45	CRO	Public	ID1280083	411	\$1,000,000	Inventory and Replacement
6	City of St. Maries	45	CRO	Public	ID1050024	2,410	\$3,000,000	Inventory and Replacement
7	City of Tensed	45	CRO	Public	ID1050026	123	\$50,000	Inventory
8	Elk City Water and Sewer Association	45	LRO	Public	ID2250017	170	\$1,630,970	Inventory and Replacement
9	Bailey Creek Homeowners Association	35	PRO	Private	ID6150001	256	\$800,000	Inventory
10	Big Twelve Water Association	35	IFRO	Private	ID7720013	51	\$1,400,000	Inventory
11	City of Chubbuck	35	PRO	Public	ID6030008	15,570	\$12,130,000	Inventory and Replacement
12	City of Declo	35	TFRO	Public	ID5160012	369	\$20,000	Inventory
13	City of Plummer	35	CRO	Public	ID1050021	1,158	\$1,000,000	Inventory and Replacement
14	City of Preston	25	PRO	Public	ID6210014	5,545	\$6,310,000	Inventory and Replacement
15	City of Firth	10	PRO	Public	ID6060016	548	\$1,047,600	Replacement
16	City of Soda Springs	10	PRO	Public	ID6150017	3,133	\$500,000	Inventory and Replacement
17	OK Water Association	10	BRO	Private	3140085	140	\$395,000	Replacement
Total:							\$47,378,820	

Attachment

XI. Description of Disadvantaged Assistance

Disadvantaged Community Determination

To qualify for a disadvantaged loan, an applicant must meet the DEQ criteria of a disadvantaged community as defined in IDAPA 58.01.12.021. For a disadvantage loan, the applicant will have an annual cost of wastewater or drinking water service for residential customers that exceeds 2.0% of the local median household income (MHI) (as reported by Census Reporter) or annual service costs are between 1.5% and 2.0% with unemployment that exceeds the state average, and a decreasing population. The annual cost includes all operating, maintenance, replacement, and debt service costs, both for the existing system and upgrades being financed with debt. If the applicant's service area is not within the boundaries of a municipality, the applicant may use the Census Reporter data for the county in which it is located or may use a DEQ-approved income survey (which details the community's median household income). DEQ uses the following steps to establish disadvantage communities, their rate and principal forgiveness amount:

1. First, the assistance agreement interest rate will be set at 2.75% at 20 years to establish whether the annual cost exceeds 2.00% of MHI. If it doesn't the rate is set for that community. If it exceeds, DEQ will go on to the next step. If the community is between 1.5% and 2.00% MHI, with unemployment that exceeds the state average and decreasing population, DEQ will go on to the next step.
2. Second, if a 2.75% interest rate and 20-year repayment assistance agreement terms and conditions result in the annual user charge exceeding 2.0% of median household income, then the length of the assistance agreement repayment will be extended in increments of 1 year up to a maximum of 30 years until the annual user charges equals 2.00% MHI or not lower than 1.5% (including unemployment and population). Thirty-year assistance agreements will be charged a 0.25% higher interest rate than otherwise comparable 20-year assistance agreements.
3. Third, if at a 30-year term still results in a rate higher than 2.00% MHI, the interest rate will be reduced to 1.75% at 20 years or 2.0% at 30 years to achieve a rate that is 2.0% of MHI. However, if the rate still exceeds 2.00% of MHI or 1.5% with conditions, DEQ will go onto the next step.
4. Fourth, if at 2.00% interest and a 30-year repayment, the annual user charge still exceeds 1.50% of median household income, the principal may be reduced. The principal reduction will be based on the pool of qualifying disadvantaged communities (projects) receiving a proportionate share of the amount available for principal reduction. Principal forgiveness is provided only to disadvantaged communities and may not be provided to community if resulting in user rates below 1.50% of the median household income. Please see below of principal forgiveness allocation steps.
 - At the end of the state fiscal year any unallocated principal forgiveness (identified in the Fundable Lists – [Attachment I](#), [Attachment II](#), [Attachment III](#), [Attachment IV](#) and

[Attachment V](#)), will be allocated to those disadvantaged entities that signed loans with DEQ during the state fiscal year and still qualify as disadvantaged. If a project's budget increases after the Fundable List is established, any year-end reallocation of unused principal forgiveness will consider the project's new cost.

- If a disadvantaged community accepts principal forgiveness and their project is completed under budget, their remaining principal forgiveness will be allocated to those disadvantaged entities that signed loans with DEQ during the state fiscal year and still qualify as disadvantaged.
- If a project that has a claim to disadvantaged assistance (on the Fundable List) opts out of the loan process and the funding thereby goes to a lower rated project, that lower rated project (if the community is disadvantaged) can lay claim to the disadvantaged assistance (however, the ratio of principal forgiveness to dollars loaned will remain consistent).

If a disadvantaged community's user rates exceed 2.00% of median household income there will be no more qualification requirements for that community to receive principal forgiveness. However, if user rates fall between 1.50% and 2.00% of the MHI, DEQ will verify that:

- The most recent census reports a decline in population for the community during the recent five-year reporting period: <https://worldpopulationreview.com/states/idaho-population>.
- Unemployment exceeds the statewide average as posted on the Idaho Department of Labor's website, March 2024: <http://labor.idaho.gov/dnn>.

Principal Forgiveness Allocation

After a community goes through the Disadvantage Communities screening, those that are determined qualified for principal forgiveness, DEQ proportionally allocates principal forgiveness to each qualified project. To the extent those entities on the Fundable List meet the following conditions, they will qualify for up to one-half of the principal forgiveness for the year, or until their user rates are driven down to \$100 per month. The entities must be:

- Comprised of primary residences (i.e., not communities of vacation or second homes)
- Comprised of houses whose median housing tax assessed value is no greater than 50% above the county median (per Census Bureau available on [City-Data.com](#)); and,
- Projected to have drinking water or wastewater system user rates in excess of \$100 per month.

After the allocation or exhaustion of 50% of the initial principal forgiveness allocation for those communities that are faced with rates above \$100 per month, all disadvantaged systems (with the exception of houses whose median housing tax assessed value is greater than 50% above the county median using Census Bureau data available on [City-Data.com](#)) will share equally, on a user rate pro-rata basis, in the remaining available for principal forgiveness. If no communities are facing rates in excess of \$100 per month, then principal forgiveness will be available for those communities that are disadvantaged and are facing rates of less than \$100 per month.

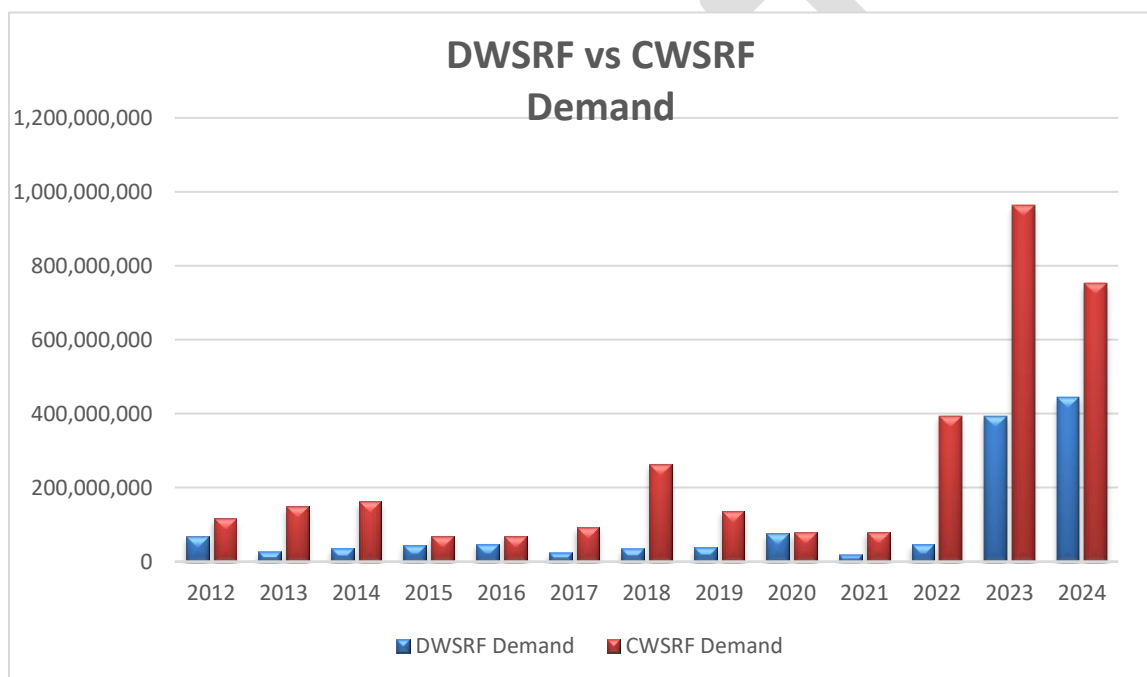
The proposed funding terms first adjust the length of the loan interest and second adjust the loan term to reduce the monthly user rate to 1.50% of the median household income. After these steps are taken, the remaining projects in disadvantaged communities will be provided principal forgiveness based on a percentage of the overall remaining project costs. Principal forgiveness is capped (on an individual loan basis) at the amount necessary to get to 1.50% of the median household income.

DWSRF Lead Service Line Replacement: The Lead Service Line Replacement funding will utilize the existing SRF principal forgiveness criteria and additional criteria to fully utilize the funding to address this significant health hazard. To accomplish this, DEQ is waiving on a case-by-case basis, [IDAPA 58.01.12.21](#) for communities applying for this funding that do not currently meet the disadvantaged criteria due to lead being a known health hazard as well as a significant source of water contamination ([IDAPA 58.01.12.995](#)). DEQ plans to use additional criteria to establish disadvantaged status to maximize the use of the funding. To define disadvantaged communities for Lead Service Line Replacement, the Director may amend the Priority list and grant a waiver from the requirements of these rules listed above for the DWSRF capitalization grant under [IDAPA 58.01.12.995](#) on a case-by-case basis. DEQ has determined that lead is a significant health hazard and source of water contamination. DEQ will provide notification to communities for their review and determination that they are disadvantaged using one of the following three methods.

- The recipient is receiving or has a current DWSRF loan in which they were qualified as a disadvantaged community.
- The recipient is considered a disadvantaged or partial disadvantage community using the Justice 40 Initiative (EJ40) climate and economic screening tool as of May 19, 2023. <https://screeningtool.geoplatform.gov/en#3/33.47/-97.5>
- The community's median household income is below the state's MHI using \$72,785 on April 18, 2024, from <https://data.census.gov/table?q=DP03,+Idaho>.

Attachment XII. Listing of Capitalization Grants—Reference for Potential Transfers Between Funds

Since 2012, the demand for CWSRF has exceeded the demand for DWSRF. Typically, CWSRF projects are more expensive than DWSRF projects. To meet demand appropriate, DEQ has historically transferred funds from DWSRF to CWSRF to help address this discrepancy. The current expectation is that the transferred funds into the CWSRF will reside there for some period of years; however, the transfer may be reversed in the future if the relative needs change. The chart below shows the annual difference in demand.



The DWSRF fund is used to measure how much in transfers may be made. Table 9 shows the inflow of DWSRF and the evaluation between the demand. The DWSRF has received the lesser of capitalization grants and is therefore the limiting factor.

Only one transfer may be made each year. Per 40 CFR 35.3550 a state may reserve the authority to transfer funds in future years. Funds may be transferred on a net basis, provided that the 33% transfer allowance associated with the DWSRF program capitalization grants received is not exceeded. Only repayments will be used for transfers. The total amount of authority being reserved is 33% of \$326,831,324 or \$107,854,337.

Table 9. DWSRF Grants VS DWSRF and CWSRF Demand

Federal Fiscal Year	DWSRF Grant Amounts	Demand DWSRF (SFY)	CWSRF Grant Amounts	Demand CWSRF (SFY)
1997 to 2011*	152,175,500		166,710,768	
2012	9,080,824	68,000,000	6,908,000	117,000,000
2013	8,421,000	27,000,000	6,520,000	149,000,000
2014	8,845,000	37,000,000	6,853,000	162,000,000
2015	8,787,000	45,000,000	6,817,000	69,000,000
2016	8,312,000	48,000,000	6,525,000	69,000,000
2017	8,241,000	24,000,000	6,474,000	92,000,000
2018	11,107,000	35,000,000	7,859,000	264,000,000
2019	11,004,000	39,000,000	7,779,000	137,000,000
2020	11,011,000	75,000,000	7,780,000	78,000,000
2021	11,001,000	19,000,000	7,779,000	80,000,000
2022**	24,930,000	47,000,000	14,419,000	394,000,000
2023**	25,993,000	392,000,000	13,916,000	963,000,000
2024**	27,923,000	285,925,028	15,172,000	510,404,101
Total:	\$326,831,324	\$1,141,925,028	\$281,511,768	\$3,084,404,101

*Includes: ARPA funding 19,500,000

**Includes: BIL funding

With the actual transfers of \$10,000,000 in SFYs 2015, 2016, 2017, 2019, 2024 and \$5,000,000 in SFY 2023 leaving \$52,854,337 available of reserve that could be transferred from the DWSRF to the CWSRF, until the reserve is increased by new Federal grants. Any transfer will be taken from repayments and will not affect set-asides. The potential for long-term diminution of DWSRF fund resources will be known as future, relative needs become known. DEQ will continue to monitor and conduct financial assessment/modeling to determine potential long-term impacts to the DWSRF fund.

Attachment XIII. CWSRF Priority Rating Criteria

Clean Water Priority Rating Criteria

Criteria	Points
A. Public Health Emergency	Maximum 150
Emergency certified by DEQ Board or a Health District Board	150
B. Regulatory Compliance	Maximum 100
Low-Level Noncompliance	10
Moderate-Level Noncompliance	25
High-Level Noncompliance	50
Negotiating compliance with DEQ	25
Meeting all compliance deadline	25
Draft permit issued causing non-compliance	75
C. Watershed Restoration	Maximum 100
Will reduce impacts to surface water	10
Discharges to impaired water body	10
Project reduces pollutant of concern to impaired water body	10
Exceeding waste load allocation	10
Nonpoint source project reduces pollutant of concern	10
Project reduces pollutant of concern to sole-source aquifer	10
Project reduces nitrate in designated NPA	10
Project reduces nitrate in designated critical groundwater area	10
Willing to sponsor a nonpoint source project	10
NPS reduces overall pollutant loading to the watershed	25
D. Preventing Impacts to Beneficial Uses	Maximum 100
New or refurbishing recycled water system	50
Converting septic to centralized treatment	25
Refurbishing existing lagoon	10
Biosolids removal or seepage testing lagoons	10
Preventing impacts to aquatic life	25
Preventing impacts to recreation	15
Preventing impacts to other beneficial uses	10
State priority water body	10
Wild and scenic designation	10
Other special status water body	10
Removal of stormwater outlets	5
Conversion of combined sewer	5
Other similar state priority projects	5
E. Sustainability Efforts	Maximum 50
Management-based efforts	55
Green Efforts	20
Water Conservation Efforts	15
Energy Conservation Efforts	60

<i>F. Affordability</i>	<i>Maximum 10</i>
Project user charge exceeds affordable criteria	10
Total Points Available	510

Supplemental - Clean Water Emerging Contaminants Rating Criteria ²

Criteria	Points
<i>A. Emerging Contaminants Project</i>	<i>Maximum 50</i>
Water quality testing of emerging contaminants	20
Project will reduce or eliminate emerging contaminants	10
Persistent organic pollutants	5
Pharmaceuticals and personal care products	5
Endocrine-disrupting chemicals	5
Other (such as nanomaterials)	5
<i>B. Affordability</i>	<i>Maximum 10</i>
Project user charge exceeds affordable criteria	10
Total Points Available	60

² When Emerging Contaminants LOI is submitted in conjunction with a CWSRF LOI the projects are ranked jointly, and ranking points are additive. When submitted separately, ranking points are not additive and ranked separately.

Attachment XIV. DWSRF Priority Rating Criteria

Drinking Water Priority Rating Criteria

Criteria	Points
A. Public Health Hazard	<i>Maximum 100</i>
Unresolved acute contaminant violations	30
Unresolved chronic contaminant violations	15
Surface water treatment technique	15
Depressurization events	30
Reduction in source capacity	30
Defects that cause a risk to health or safety	20
Unregulated contaminants	15
B. General Conditions of Existing Facility	<i>Maximum 60</i>
Treatment design deficiencies	15
Treatment capacity deficiencies	15
Source deficiencies	10
Distribution deficiencies	10
Redundancy, reliability, and resiliency	10
C. Sustainability Efforts	<i>Maximum 50</i>
Management-based efforts	50
Green Efforts	10
Water Conservation Efforts	25
Energy Conservation Efforts	25
D. Consent Order, Compliance Agreement Schedule, or Court Order	<i>Maximum 30</i>
Moderate-Level Noncompliance	10
High-Level Noncompliance	10
Negotiating compliance with DEQ	10
Meeting all compliance deadlines	10
E. Incentives	<i>Maximum 10</i>
Current source water protection plan	2
Cross-connection control program	2
No significant deficiencies in the last sanitary survey	2
Using properly licensed Substitute Responsible Charge Operator	2
No more than one failure to monitor violations in past 5 years	2
Government body continuing education	2
F. Affordability	<i>Maximum 10</i>
Project user charge exceeds affordable criteria	10
Total Points Available	260

Supplemental – Drinking Water Emerging Contaminants Rating Criteria ³

³ When Emerging Contaminants LOI is submitted in conjunction with a DWSRF LOI the projects are ranked jointly, and ranking points are additive. When submitted separately, ranking points are not additive and ranked separately.

Criteria	Points
A. <i>Emerging Contaminants Project</i>	Maximum 65
Project will address per- and poly-fluoroalkyl substances	25
Project will address cyanotoxins	15
Project will address another contaminant	5
Contaminant listed has a published EPA health advisory	10
Production sources are impacted by contaminants	10
B. <i>Affordability</i>	Maximum 10
Project user charge exceeds affordable criteria	10

Total Points Available 75

Supplemental - Drinking Water Lead Service Line Replacement ⁴

Criteria	Points
A. <i>LSLR Project Description</i>	Maximum 65
Complete or update a lead service line inventory	25
Conducting field investigations for lead service line inventory	10
Has exceeded the lead action level within the last 5 years	10
Completed corrosion control studies or corrosion control measures	10
Lead service lines will be replaced by the project	10
B. <i>Affordability</i>	Maximum 10
Project user charge exceeds affordable criteria	10

Total Points Available 75

⁴ When Lead Service Line Replacement LOI is submitted in conjunction with a CWSRF LOI the projects are ranked jointly, and ranking points are additive. When submitted separately, ranking points are not additive and ranked separately.

Attachment XV. Public Notification and Involvement Strategy

Clean Water and Drinking Water Priority Lists

The Department reaches out to the public at several points in the annual process, for comment on the Priority List process. Involvement for the drinking water and clean water lists was solicited directly from the systems through an invitation to submit a letter of interest (LOI) that was mailed out by DEQ early in the Priority List process. Information on the completed LOI forms is used by state and regional office staff in preparing the Priority Lists. The DEQ SRF staff found that combining information obtained directly from eligible entities with information provided by DEQ engineering staff results in the most accurate and equitable listing of infrastructure needs.

Notification of all SFY 2025 Priority Lists were provided through DEQ's website from April 26, 2024, to May 26, 2024, and was published in Idaho's six major (regional) newspapers. Copies of proof of publication will be included as attachments to the final IUP. Public comment was accepted for 30 days. The public comments received and DEQ's responses are posted on the DEQ website with the final lists and IUPs.

Attachment XVI. Decision-Making Strategy for Fundable Versus Non-Fundable Portions of the Priority List

Clean Water and Drinking Water Priority Lists

To develop the Fundable List, several factors are considered. These include, but are not limited to:

- The projects ranking score based on criteria described in Attachment XIII and XIV
- The project's readiness through in completing the facility plan/engineering report,
- Completing the State Environmental Review Process,
- Having the legal authority to incur debt; and,
- Overall readiness to proceed.

The draft terms to be offered are given on the Fundable List; however, at the time of the offer these maybe adjusted. The Idaho Department of Environmental Quality's Policy Memorandum gives the Department's Director the ability to set effective interest rates at or below market rates. A project on the Fundable List maybe bypassed if one or more of the following conditions are present:

- The owner of the project is not ready to proceed;
- The owner of the project voluntarily opts out of the SRF process;
- The project does not meet eligibility requirements;
- The project schedule does not allow for timely use of funds;
- The owner of the project does not enter into an assistance agreement by June 30, of the fiscal year, or;
- The project does not support meeting GPR goals (if so designated on the Fundable List);

In place of the bypassed project, the next highest-ranking project(s) that is ready to proceed will be selected ([IDAPA 58.01.12 Section 020.05.b](#)). DEQ will use Priority List ranking as much as possible when preparing the IUP. However, the lack of adequate funding; changes in project scope; failure to pass a bond election; or other unforeseen circumstances may require that a highly ranked project on the IUP be bypassed. If a project is bypassed, DEQ will offer assistance funds to owners of the next highest ranked, ready-to-proceed project from the most current approved Priority List. Should any projects be bypassed by June 30 (end of SFY), those projects and reasons for being bypassed will be included in the SFY Annual Report. Projects are normally bypassed because the project plans have changed, the owners will delay their project, or the owners are receiving funding from another source.

References

DEQ (Idaho Department of Environmental Quality). July 2023. *Customer Handbook Grant and Loan Program* Boise, ID: DEQ.

Revision Log

The following modifications and additions have been made to this IUP:

[illegible]