

Part 6, Chapter 8: Mississippi Commission on Environmental Quality, Fiscal Year 2018
Intended Use Plan (IUP) for the Water Pollution Control Revolving Loan Fund Program

WATER POLLUTION CONTROL REVOLVING LOAN FUND (WPCRLF) PROGRAM

- DRAFT -

FY-2018 INTENDED USE PLAN

Presented to the Commission on July 26, 2018



MISSISSIPPI DEPARTMENT OF
ENVIRONMENTAL QUALITY

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MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY
WATER POLLUTION CONTROL REVOLVING LOAN FUND PROGRAM
FY- 2018 INTENDED USE PLAN

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PART 1 – Standard Program Details/Requirements

I. Goals of the Water Pollution Control (Clean Water) Revolving Loan Fund Program

The Commission on Environmental Quality has established certain goals for the Water Pollution Control Revolving Loan Fund (WPCRLF) Program. Short term goals include:

1) Periodically consulting with financial advisors to develop revised operating policies and procedures for the WPCRLF (Fund), with the goal of maximizing investment in project loans and reducing idle cash, while maintaining proper stability and management of all aspects of the Fund. 2) Implementing the additional federal requirements (as detailed in Part 2 of this IUP) which now apply to the WPCRLF Program due to the passage of the Water Resources Reform and Development Act (WRRDA), 2014, and due to the exhaustion of the banked equivalency/cross-cutter compliance [which was applied from implementation of the “post equivalency” WPCRLF Loan Program in FY-2001 until FY-2014], 3) Continuing to establish priorities and procedures which will meet the long term environmental improvement goals of the Commission, while keeping in focus the need to attract communities to the program and insure the maximum wise use of all available funds, 5) Continuing to implement the Green Project Reserve requirements during FY-18, 6) Continuing to implement the additional subsidy requirement and to make any additional subsidy funds available to projects in small/low income communities that otherwise might not be able to afford a project, and 7) To the extent reasonably practical, continue to structure this program to coordinate with other available funding programs within the State, particularly the CDBG, ARC, and RUS programs, in order to make available the opportunity for joint funding of projects should communities desire such an arrangement. The coordination procedures for WPCRLF projects funded jointly with the CDBG, ARC, and/or RUS program are found in Section III.

Long term goals include: 1) maintaining a financially sound SRF in perpetuity; 2) meeting a substantial portion of the wastewater needs in the State within a reasonable period of time, while continuing to maintain a program that is attractive to the communities in the State; and 3) funding fiscally sound projects in order of environmental importance as established by the Commission. Essential to achieving these goals is the determination of an interest rate and loan repayment term which will generate sufficient fund income to meet the State's needs within a reasonable period of time, but which is more attractive than private sector funding, so as to bring communities into the program and insure use of all available funds. Toward this end, the Commission intends to implement the program as further described in Section II. The long term priorities for funding are described in the Priority System in Section IV, which places first priority on projects that will bring existing wastewater facilities into compliance with their final discharge limitations, as required by the federal Clean Water Act. Other project categories will be funded in order of environmental importance as established within the Priority System, and as available funds allow. All projects must be demonstrated to be fiscally and environmentally sound through completion of a facilities plan, and its subsequent approval by the Department of Environmental Quality.

The framework under which the WPCRLF loan program operates is established by two documents. The first document is the State Revolving Fund Loan Program Operating Agreement (Operating Agreement) between the Mississippi Department of Environmental Quality and the Environmental Protection Agency, Region IV. This Operating Agreement was agreed to by both parties and approved on May 25, 1995. The Operating Agreement

establishes the provisions of the WPCRLF that are not expected to change from year to year. The second document is this annual Intended Use Plan (IUP) which includes a list of projects proposed for assistance, information on WPCRLF activities to be supported, criteria and methods for disbursing WPCRLF funds, and assurances. Copies of these documents are available upon request.

II. Information on WPCRLF Activities to be supported by the FY- 2018 IUP

The Commission has determined that the following will apply to the WPCRLF loan program, subject to compliance with the WPCRLF loan program regulations:

- a. Eligible/allowable project costs will include costs as described and limited in Appendix A of the Water Pollution Control Revolving Loan Fund Program Regulations.
- b. The types of assistance to be provided under the WPCRLF loan program will be loans to public entities which are authorized under State law to own, operate and maintain the funded facilities, to enter into a WPCRLF loan agreement, and to repay the WPCRLF loan; for the construction of eligible wastewater treatment and transportation facilities, non-point source and storm water pollution control programs, and estuary conservation and management programs. Wastewater, as defined by EPA, also includes sludge discharges into surface waters from publicly owned drinking water treatment facilities. The Department will continue to offer additional subsidy to eligible loan recipients during FY 2018. Detailed guidance on additional subsidy can be found in Section VI.D of this IUP. Subsidy funding authorized by WRRDA and/or made available through the FY 2015 and subsequent Appropriations Acts will be offered as 75% principal forgiveness to small/low income communities, and will be subject to the affordability criteria outlined in Part 2, Section III.O. of this IUP.
- c. New loans will be available: 1) at a 1.75% annual interest rate, compounded monthly, at terms not to exceed 20 years after project completion, or 2) at a 2.75% annual interest rate, compounded monthly, at terms of 30 years after project completion, provided the projected useful life of the funded project is at least 30 years.

The 30-year loan term and associated interest rate will also be available to existing loans which are not yet closed (final loan agreement not yet executed), regardless of the fiscal year of the initial loan award, provided the projected useful life of the funded project is at least 30 years.
- d. WPCRLF loan participation can be funded at up to 100% of eligible project costs, less any funding made available from other agencies for these same eligible project costs.
- e. Where funding of a project has been segmented, loan repayment requirements will apply after the final construction inspection of the segment of the project that results in an operable project, as further described in the WPCRLF regulations. However,

interest will accrue on each segment independent of other segments as required by the WPCRLF program regulations.

- f. Project costs incurred prior to loan award will be WPCRLF loan allowable provided:
- The debt is for planning, design, or construction phase professional services related to, or for work performed under, an eligible construction contract for which the notice to proceed was issued on or after October 1, 2017, and the WPCRLF loan is awarded by September 30, 2018.
 - The project is in compliance with all applicable WPCRLF program regulations and obtains Department approval of all applicable documents prior to award of the WPCRLF loan.
 - The prospective loan recipient agrees that by incurring costs prior to loan award, it proceeds at its own risk and relieves the Commission, the Department, and the Department staff of all responsibility and liability should such costs later be determined unallowable for any reason or should such funding not become available for any reason.
 - The prospective loan recipient agrees that by incurring costs prior to loan award, no future commitment of funding a project is provided.
- g. Revenue to pay for WPCRLF program administration will be received by setting aside up to 4% of the cumulative federal capitalization grants to the State under Title VI of the Clean Water Act, and as may be further amended. In addition, an administration fee of 5% of the final loan principal will be collected from the interest portion of loan repayments on all FY-2018 loans.
- h. Project detail information for the FY-2018 WPCRLF projects is shown in Section V.
- i. The Department has the authority to amend any existing loan agreement (regardless of the fiscal year of the initial loan award) in order to: transfer project scope and funds from one loan agreement to another loan agreement for the same loan recipient; to close out loans with completed project scopes and either delete the remaining project scopes that are delayed in violation of the loan schedules, or award a new loan for the delayed project scopes; and to award multiple loans for individual portions of a project shown on the Priority List.
- j. The Department has the authority to amend any existing loan agreement (regardless of the fiscal year of the initial loan award) which was closed (final loan agreement executed) on or after July 1, 2015, in order to extend the loan term to a total of thirty (30) years after project completion, and to adjust the interest rate accordingly, provided the projected useful life of the funded project is at least thirty (30) years.
- k. The Department has the authority to amend any existing loan agreement (regardless of the fiscal year of the initial loan award or the date of final loan agreement execution) in order to extend the loan term to a total of thirty (30) years after project

completion, provided the projected useful life of the funded project is at least thirty (30) years, and provided the Department determines that, due to force majeure or other unforeseen circumstances beyond the loan recipient's control, loan term extension is necessary to ensure complete and timely repayment of the loan. The Department may require that supporting documentation (including, but not limited to, audit reports, financial capability summaries, user charge systems and ordinances, etc.) be submitted for review, prior to making such a determination.

- l. The FY-2018 Priority List expires on September 30, 2018, except for the authority provided in Section II.i above which shall have no expiration date. Projects included on the FY-2018 Priority List that do not receive funding by this date will not be funded under the FY-2018 funding cycle, and will be subject to the requirements of the FY-2019 or subsequent Intended Use Plans and Priority Lists.
- m. State bonds which were provided by the State Legislature to provide state match for the federal CWSRF cap grants will be retired with the interest earnings on the fund deposits. The estimated amounts of interest earnings to be used for this purpose are shown in Appendix A – Assumed Available Funds.

III. Coordination Schedules with Other Funding Sources on Jointly Funded Wastewater Projects.

[Note: Due to unavoidable delays in preparation of the FY-2018 IUP, the following schedules reflect the typical “standard” schedule, rather than being tailored to fit the actual FY-2018 WPCRLF funding schedule.]

The MDEQ will not award a WPCRLF loan to a jointly funded project until the other funding source(s) (i.e., CDBG, ARC, RUS, SPAP, etc.) has provided their award, or until the Department receives assurances from the other funding source(s) that their award will be made within a timeframe compatible with the WPCRLF loan agreement schedule. If the WPCRLF loan is awarded prior to the other funding source award(s), MDEQ may condition the WPCRLF award to delay payments until the other award(s) are made.

A. Coordination of Water Pollution Control Revolving Loan Fund Program (WPCRLF) and Community Development Block Grant Program (CDBG) on Jointly Funded

FY- 2018 WPCRLF and CDBG Coordination Project Schedule*

| | |
|-------------|---|
| 9/01/2017** | Loan applicants submit the complete WPCRLF facilities plan, prepared in accordance with the WPCRLF loan program regulations, to MDEQ. The plan must indicate anticipated CDBG funding and must indicate if the loan applicant intends to proceed with the project; 1) only if CDBG funds are received, or 2) regardless of whether CDBG funds are received. |
| 01/2018 | MDEQ sends out Draft WPCRLF FY-2018 Intended Use Plan requesting public comments. |
| 01/2018 | MDEQ notifies MDA of projects included on Draft FY-2018 Priority List that anticipates receiving FY-2018 CDBG funds. |
| 02/2018 | Commission on Environmental Quality adopts FY-2018 WPCRLF Intended Use Plan accounting for anticipated CDBG award amounts if identified in facilities plan. |
| 03/04/2018 | CDBG program holds application workshops. |
| 4/01/2018** | Deadline for loan applicants to submit a completed WPCRLF loan application to MDEQ for the total WPCRLF eligible costs, less amount of anticipated CDBG award to be applied to WPCRLF costs. |

If the loan recipient is pursuing a CDBG grant to cover part of the cost of construction, the loan recipient has the option to include the anticipated CDBG grant amount in the detailed cost breakdown in the application; or may request 100% WPCRLF funding with the possibility of amending the loan application later if the loan recipient

is awarded a CDBG grant prior to receipt of bids for construction. However, the WPCRLF loan application must be consistent with the WPCRLF facilities plan for the project.

| | |
|------------------|---|
| 05/2018 | MDEQ provides notification to MDA that complete WPCRLF loan applications have been received. |
| 03-09/2018 | Loan applicants receive WPCRLF loan award from MDEQ. The amount of the loan will be the total WPCRLF eligible cost less the CDBG amount to be applied to WPCRLF eligible work. |
| 05/12-16/2018 | CDBG public facilities applications, along with one copy of the WPCRLF loan application with maps and appropriate attachments will be accepted from May 12, 2018 until 4:00 pm on May 16, 2018. |
| 06/03/2018 | MDA provides notification to MDEQ that complete CDBG applications have been received. |
| 07/07/2018 | Deadline for CDBG applicants to secure final commitment and/or approval of matching funds. If by that time final commitment and/or approval are not in place MDA will remove the application from funding consideration. |
| 08/15/2018 | MDA provides conformation to MDEQ of which projects fall within the funding range for CDBG grants for construction contingent upon matching funds being in place. MDEQ will not award a WPCRLF loan until this notification from MDA is provided. |
| Upon Loan Award | MDEQ copies MDA on the award letter. |
| Upon Grant Award | MDA provides notification to MDEQ that CDBG awards have been made. |

***Subject to change due to the timing of federal appropriations or program changes.**

****Included in WPCRLF FY-2018 Priority System deadlines. Other deadlines not shown above also are contained in the WPCRLF FY-2018 Priority System.**

B. Coordination of Water Pollution Control Revolving Loan Fund Program (WPCRLF) and Appalachian Regional Commission (ARC) Grant Program on Jointly Funded Wastewater Projects

FY-2018 WPCRLF and ARC Coordination Schedule*

| | |
|----------|--|
| Date TBD | Mississippi Appalachian Regional Office (MARO) notifies potential applicants & local Planning & Development Districts of the deadline for submitting complete applications for ARC grants. |
|----------|--|

| | |
|--------------|--|
| Date TBD | All FY-2018 ARC project applications are due at ARO in Washington by 5:00 p.m. Any proposals received after this date will only be considered for funding in FY 2019. |
| 9/01/2017** | Loan applicants submit a complete WPCRLF facilities plan to MDEQ. The plan must indicate anticipated ARC funding and must indicate if the loan applicant intends to proceed with the project; 1) only if ARC funds are received, or 2) regardless of whether ARC funds are received. |
| Date TBD | MARO notifies MS Department of Environmental Quality (MDEQ) of grant applicants who submitted pre-applications for ARC grants which indicate anticipated FY-2018 SRF funding. |
| Dates TBD | MARO completes review of FY-2018 projects and briefs Governor about projects identified to be submitted to ARC – Washington for funding purposes. |
| Dates TBD | MARO notifies local Planning & Development Districts of projects that have been selected for the P1 (fundable priority list). MARO will copy MDEQ on these notification letters if grantee has indicated that it is pursuing WPCRLF loan funds for this project. MDEQ will not award a WPCRLF loan until this notification from MARO is provided. |
| Date TBD | Deadline for all FY-2018 Priority 1 documentation and forms to be submitted to MARO. |
| 1/2018 | MDEQ sends out Draft WPCRLF FY-2018 Intended Use Plan requesting public comments. |
| Date TBD | MARO sends project applications to ARC Washington to start final funding approval process. |
| 02/2018 | Commission on Environmental Quality adopts FY-2018 WPCRLF Intended Use Plan accounting for anticipated ARC award amounts if identified in facilities plan. |
| 03/2018 | MDEQ notifies MARO of projects included on Final FY-2018 Priority List that anticipate receiving FY-2018 ARC funds. |
| Dates TBD | ARC-Washington starts the final funding approval process and awards ARC grants during the spring or summer of 2018. |
| 04/01/2018** | Deadline for loan applicants to submit a completed WPCRLF loan application to MDEQ for the total WPCRLF eligible costs, less the amount of anticipated ARC award to be applied to WPCRLF costs. |

| | |
|-------------------|---|
| 05/2018 | MDEQ provides notification to MARO that complete WPCRLF loan applications have been received. |
| 03/2018 - 09/2018 | Loan applicants receive WPCRLF loan awards from MDEQ. The amount of the loan will be the total WPCRLF eligible cost less the ARC award amount to be applied to WPCRLF eligible costs. |
| Upon Grant Award | MARO provides notification to MDEQ that ARC awards have been made. |
| Upon Loan Award | MDEQ copies MARO on the award letter. |

*** Subject to change due to the timing of federal appropriations or program changes.**

**** Included in WPCRLF FY-2018 Priority System deadlines. Other deadlines not shown above also are contained in the WPCRLF FY-2018 Priority System.**

C. Coordination of Water Pollution Control Revolving Loan Fund Program (WPCRLF) and Rural Utilities Service (RUS) Grant and Loan Program on Jointly Funded Wastewater Projects

General Guidance regarding WPCRLF/RUS coordination: The RUS is an agency of the United States Department of Agriculture which provides loans and grants for water and wastewater projects. Eligible applicants must be public bodies, nonprofit organizations, or Indian tribes that serve communities with populations under 10,000. RUS funds may be used in conjunction with other Federal, State, or local funds.

Applications for RUS funds will be accepted at any time during the year, and involve an environmental review that includes public notifications and comment periods.

RUS projects are funded at any time during the year as long as funds are available. RUS funds are allocated by Congress in October of each year, and are usually spent as complete applications are received. Therefore, it is generally to the applicant's advantage to file applications earlier in the fiscal year.

FY-2018 WPCRLF and RUS Coordination Project Schedule*

| | |
|-------------|--|
| 9/01/2017** | Loan applicants submit complete WPCRLF facilities plan to MDEQ. The plan must indicate anticipated RUS funding and must indicate if the loan applicant intends to proceed with the project; 1) only if RUS funds are received, or 2) regardless of whether RUS funds are received. |
| 01/2018 | MDEQ sends out Draft WPCRLF FY-2018 Intended Use Plan requesting public comments. |

| | |
|-------------------|--|
| 02/2018 | Commission on Environmental Quality adopts FY-2018 WPCRLF Intended Use Plan accounting for anticipated RUS award amounts if identified in facilities plan. |
| 03/2018 | MDEQ notifies RUS of projects included on final FY-2018 Priority List that anticipates receiving FY-2018 RUS funds. |
| 04/01/2018** | Deadline for loan applicants to submit complete WPCRLF loan applications to MDEQ for the total WPCRLF eligible costs, less amount of anticipated RUS award to be applied to WPCRLF costs. If the loan recipient is pursuing a RUS grant/loan to cover part of the cost of construction, the loan recipient has the option to include the anticipated RUS grant /loan amount in the detailed cost breakdown in the application, or may request 100% WPCRLF funding with the possibility of amending the loan application later if the loan recipient is awarded a RUS grant/loan prior to receipt of bids for construction. However, the WPCRLF loan application must be consistent with the WPCRLF facilities plan for the project. |
| 05/2018 | MDEQ provides notification to RUS that complete WPCRLF loan applications have been received. |
| 03/2018 - 09/2018 | Loan applicants receive WPCRLF loan awards from MDEQ. The amount of the loan will be the total WPCRLF eligible cost less the RUS award amount to be applied to WPCRLF eligible costs. |
| Upon Loan Award | MDEQ copies RUS on the award letter. |
| Upon RUS Award | RUS provides notification that RUS awards have been made. |

*** Subject to change due to the timing of federal appropriations or program changes.**

**** Included in WPCRLF Priority System deadlines. Other deadlines not shown above also are contained in the WPCRLF FY-2018 Priority System.**

FY- 2018 MISSISSIPPI STATE REVOLVING FUND LOAN PROGRAM

IV.A

“REGULAR” PRIORITY LIST

Category 4: Existing Facilities Upgrade (Not Meeting Final Limits)

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Population</u> | <u>2017 Median Household Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|-----------------------------------|---|----------------------------|-------------------|---|--|--|
| Town of Leakesville/ MS0020664 | Upgrades at WWTP and existing lagoon, build new no-discharge system and PS/FM | * | 854 | \$34,291 | \$2.1M | \$2.1M |
| City of Jackson/ MS0024295 | Savanna Street WWTP Improvements Phase 1 - Short Term Improvements | * | 170,925 | \$33,730 | \$31.0M | \$33.1 |

* Calculations of Priority Points are incomplete at the present time.

Category 6: New Collection – Existing Buildings

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Unsewered Residences Served</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|--|--|----------------------------|--|--|--|
| Jackson County Utility Authority/MS0045446 | Jordon Road Regional Pump Station Force Main Phase II; installation of new sewage pump station and force main for transmission to Phase I pump station | 835.2 | 2,084 | \$5.2M | \$38.3M |
| Harrison County Utility Authority/ MS0036854 | Sewer collection from one unsewered area (SP-07) | 33.1 | 115 | \$0.4M | \$38.7M |
| Harrison County Utility Authority/ MS0040169 | Sewer collection from two unsewered areas (SP-09) | 23.5 | 84 | \$0.3M | \$39.0M |

Category 7: Wastewater Overflow/Bypass Elimination Projects

| Project/ Permit Number | Project Description | Stream Class. | 2017 Median House- Hold Income | Loan Amount Requested | Statewide Cum. Loan \$ (Millions) |
|------------------------------|--|------------------|--------------------------------------|--------------------------|--|
| City of Greenville/MS0020184 | Sanitary Sewer Improvements/ Rehabilitation throughout the City of Greenville and at the wastewater treatment plant | F&W | \$28,781 | \$23.4M | \$62.4M |

Category 8: Existing Facilities Upgrade (Meeting Final Limits)

| Project/ Permit Number | Project Description | Stream Class. | 2017 Median House- Hold Income | Loan Amount Requested | Statewide Cum. Loan \$ (Millions) |
|---|---|------------------------------------|--------------------------------------|--------------------------|--|
| Harrison County Utility Authority/ MS0043141 | Forcemain replacement and pump station rehabilitation (SP-13) | Shellfish Harvesting/Recreation | \$46,243 | \$4.0M | \$66.4M |
| Harrison County Utility Authority/MS0022373 | Pump stations rehabilitation and forcemain construction (SP-12) | Shellfish Harvesting/Recreation | \$46,243 | \$4.0M | \$70.4M |
| Tunica County Utility District/ MS0048691 | Upgrades/Improvements to treatment facilities and associated collection and transport system(s) | F&W | \$29,091 | \$2.1M | \$72.5M |
| City of Ocean Springs/MS0045446 | Wastewater System Improvements | F&W | \$61,572 | \$5.1M | \$77.6M |

FY- 2018 MISSISSIPPI STATE REVOLVING FUND LOAN PROGRAM

IV.B

“SMALL/LOW INCOME” PRIORITY LIST

Category 8: Existing Facilities Upgrade (Meeting Final Limits)

| Project/ Permit Number | Project Description | Stream Class. | Population | 2017 Median House- Hold Income | Loan Amount Requested | Eligible Small/Low Income Subsidy Amount | Statewide Cum. Loan \$ (Millions) |
|---------------------------------|--|------------------|------------|---|-----------------------------|--|---|
| Town of New Houlka/MS0025216 | Upgrade existing lagoon to meet new permit limits | F&W | 670 | \$20,710 | \$2.1M | \$1.6M | \$79.7M |

IV.C

“GREEN PROJECT RESERVE” PRIORITY LIST

(No Green Project Reserve—Eligible Projects Met the Deadline to be Ranked This FY)

FISCAL YEAR –2019 AND AFTER PLANNING LIST

Category 4: Existing Facilities Upgrade (Not Meeting Final Limits)

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Possible Funding FY</u> | <u>Population</u> | <u>2017 Median Household Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|-----------------------------------|---|----------------------------|------------------------------------|-------------------|---|--|---|--|--|--|
| City of Magnolia/ MS0061077 | Pump Station & Force Main to Eliminate POTW | * | 2019 | 2,399 | \$27,342 | \$ 2.5 M | \$1.0 M | N/A | N/A | \$ 2.5M |
| City of Starkville/ MS003145 | Sewer System Rehab | * | 2019 | 24,912 | \$26,739 | \$3.0 M | N/A | N/A | N/A | \$ 5.5M |
| Town of Coldwater/ MS0024678 | Phase 1 - New WWTP and New Pump Station/Force Main from North Lagoon | * | 2019 | 1,761 | \$26,332 | \$ 3.1 M | N/A | N/A | N/A | \$ 8.6M |
| Town of Coldwater/ MS0026934 | Phase 2 - Sewer Rehab | * | 2019 | 1,761 | \$26,332 | \$ 1.6 M | N/A | N/A | N/A | \$ 10.2M |
| Town of Coldwater/ MS0026934 | Phase 3 - Sewer Rehab | * | 2019 | 1,761 | \$26,332 | \$ 1.3 M | N/A | N/A | N/A | \$ 11.5M |
| Town of Tutwiler/ MS0025054 | Upgrade WWTF & Rehab Lift Stations 1 & 4 | * | 2019 | 3,450 | \$27,875 | \$ 4.9 M | N/A | N/A | N/A | \$ 16.4M |

* Calculations of Priority Points are incomplete at the present time.

FISCAL YEAR –2019 AND AFTER PLANNING LIST - Continued

Category 4: Existing Facilities Upgrade (Not Meeting Final Limits) - Continued

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Possible Funding FY</u> | <u>Population</u> | <u>2017 Median Household Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|-----------------------------------|---|----------------------------|------------------------------------|-------------------|---|--|---|--|--|--|
| City of Hazlehurst/ | Upgrades at WWTP and pump stations; new collection in areas adjacent to the city limits | * | 2019 | 3,990 | \$30,842 | \$3.1 M | N/A | N/A | N/A | \$19.5M |
| Town of Utica/ MS0020613 | Wastewater Treatment Plant upgrade to meet Phase II Limits | * | 2019 | 802 | \$31,090 | \$ 1.7 M | N/A | N/A | N/A | \$21.2M |
| Town of Bolton/ MS0021032 | Upgrade Lagoon to Meet Phase II Limits | * | 2019 | 538 | \$34,252 | \$ 0.5 M | N/A | N/A | N/A | \$21.7M |
| City of Jackson/ MS0024295 | Savanna WWTP Improvements Phase 2 (Long Term) | * | 2019 | 170,925 | \$33,730 | \$324.0 M | N/A | N/A | N/A | \$345.7M |
| City of Ripley/ MS0020958 | Sewer System Rehabilitation | * | 2019 | 5,436 | \$36,651 | \$ 2.1 M | N/A | N/A | N/A | \$347.8M |
| City of Ripley/ MS0020958 | Wastewater Treatment Plant Improvements | * | 2019 | 5,436 | \$35,651 | \$3.1 M | N/A | N/A | N/A | \$350.9M |

* Calculations of Priority Points are incomplete at the present time.

FISCAL YEAR –2019 AND AFTER PLANNING LIST - Continued

Category 4: Existing Facilities Upgrade (Not Meeting Final Limits) – Continued

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Possible Funding FY</u> | <u>Population</u> | <u>2017 Median Household Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|--|----------------------------|------------------------------------|-------------------|---|--|---|--|--|--|
| City of Oxford/ MS0029017 | Sewer System Rehabilitation | * | 2019 | 21,909 | \$36,470 | \$14.0 M | N/A | N/A | N/A | \$364.9M |
| City of Guntown/ MS0023655 | Sewer System Rehabilitation | * | 2019 | 2,216 | \$46,740 | \$ 1.0 M | N/A | N/A | N/A | \$365.9M |
| City of Raymond/ MS0025052 | Take East Lagoon Offline; Transport to Clinton South-side | * | 2019 | 2,006 | \$50,416 | \$1.6 M | N/A | N/A | N/A | \$367.5M |
| Town of Caledonia/ MS0024805 | WWTP Upgrade | * | 2019 | 1,113 | \$52,278 | \$ 1.4 M | N/A | N/A | N/A | \$368.9M |
| Harrison County Utility Authority/MS0034436 | Decommission of Eagle Point Lagoon (SLT-05) | * | 2019 | 205,027 | \$46,243 | \$1.0M | N/A | N/A | N/A | \$369.9M |
| DCRUA/MS0028479 | Metro WWTF Upgrades | * | 2019 | 178,009 | \$60,892 | \$6.1M | N/A | N/A | N/A | \$376.0M |
| Lake Lorman Utility District/ MS0043401 | WWTP Upgrades to meet Phase II Limits | * | 2019 | N/A | N/A | \$ 1.0 M | N/A | N/A | N/A | \$377.0M |
| Hattiesburg Laurel Regional Airport Authority/MS0031542 | Installation of new 50,000 GPD packaged WWTP | * | 2019 | N/A | N/A | \$0.5 M | N/A | N/A | N/A | \$377.5M |
| City of Fayette | Rehab of WWTF and repairs to existing sewer | * | 2018 | 1,586 | \$22,559 | \$1.6M | N/A | N/A | N/A | \$379.1M |

* Calculations of Priority Points are incomplete at the present time.

FISCAL YEAR –2019 AND AFTER PLANNING LIST – Continued

Category 6: New Collection – Existing Buildings

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Unsewered Residences Served</u> | <u>Requested Funding FY</u> | <u>Population</u> | <u>2017 Median Household Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|---|----------------------------|--|-------------------------------------|-------------------|---|--|---|--|--|--|
| Harrison County Utility Authority/ MS0049298 | Sewer collection from one unsewered area (SP-03) | 300.5 | 625 | 2019 | 205,027 | \$46,243 | \$1.3M | N/A | N/A | N/A | \$380.4M |
| Harrison County Utility Authority/ MS0027537 | New Collection from one area (SP-05) | 99.1 | 359 | 2019 | 205,027 | \$46,243 | \$1.3M | N/A | N/A | N/A | \$381.7M |
| City of Wiggins/ | New Collection (Phase 2) | 7.1 | 125 | 2019 | 4,343 | \$37,020 | \$2.2M | N/A | N/A | N/A | \$383.9M |
| City of Hernando/ MS0062227 | New Collection | 5.3 | 105 | 2019 | 15,907 | \$70,617 | \$2.1 M | N/A | N/A | N/A | \$386.0M |
| Harrison County Utility Authority/ | New collection from one area (SP-02) | 4.5 | 30 | 2019 | 205,027 | \$46,243 | \$0.2M | N/A | N/A | N/A | \$386.2M |
| City of Baldwyn/ MS0020087 | New Collection | 3.0 | 112 | 2019 | 3,236 | \$25,127 | \$ 4.2 M | N/A | N/A | N/A | \$390.4M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST – Continued

Category 6: New Collection – Existing Buildings- Continued

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Unsewered Residences Served</u> | <u>Requested Funding FY</u> | <u>Population</u> | <u>2017 Median Household Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|--|----------------------------|--|-------------------------------------|-------------------|---|--|---|--|--|--|
| Harrison County Utility Authority/ MS0042200 | New collection from two areas (SP-04) | 1.8 | 30 | 2019 | 205,027 | \$46,243 | \$0.5M | N/A | N/A | N/A | \$390.9M |
| Harrison County Utility Authority/ MS0051845 | New collection from three areas (SP- 01) | 1.1 | 30 | 2019 | 205,027 | \$46,243 | \$0.8M | N/A | N/A | N/A | \$391.7M |
| Jackson Co. Utility Authority/ MS0045446 | New Collection - Woodlake Ln (E of Old Ft Bayou) | 0.3 | 20 | 2019 | 144,768 | \$49,953 | \$1.5 M | N/A | N/A | N/A | \$393.2M |
| Town of Coldwater/ MS0024678 | Phase 4 – Sewer Extension | 0.2 | 12 | 2019 | 1,761 | \$26,332 | \$ 0.7 M | N/A | N/A | N/A | \$393.9M |
| Harrison County Utility Authority/ | New collection from two areas (SP-11) | 0.1 | 6 | 2019 | 205,027 | \$46,243 | \$0.3M | N/A | N/A | N/A | \$394.2M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST – Continued

Category 6: New Collection – Existing Buildings- Continued

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Priority Points</u> | <u>Unsewered Residences Served</u> | <u>Requested Funding FY</u> | <u>Population</u> | <u>2017 Median Household Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|---|----------------------------|--|-------------------------------------|-------------------|---|--|---|--|--|--|
| Harrison County Utility Authority/ MS0030911 | Sewer collection from Harrison Central High School (SP- 05) | .001 | 1 | 2019 | 205,027 | \$46,243 | \$1.0M | N/A | N/A | N/A | \$395.2M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST - Continued

Category 7: Wastewater Overflow/Bypass Elimination Projects

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Stream Class.</u> | <u>Population</u> | <u>Requested Funding FY</u> | <u>2017 Median House- Hold Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---------------------------------------|--|--------------------------|-------------------|-------------------------------------|---|--|---|--|--|--|
| City of Greenville/ MS0020184 | Sarullo Sanitary Sewer Improvements | F&W | 32,542 | 2019 | \$28,781 | \$ 0.6 M | N/A | N/A | N/A | \$395.8M |
| City of Greenville/ MS0020184 | North Theobald Sanitary Sewer Improvements | F&W | 32,542 | 2019 | \$28,781 | \$ 0.3 M | N/A | N/A | N/A | \$396.1M |
| City of Vicksburg | Sanitary Sewer Rehabilitation | F&W | 23,578 | 2019 | \$29,278 | \$28M | N/A | N/A | N/A | \$424.1M |
| Town of Mt Olive/ MS0020699 | Repair/replacement of collapsed sewer line to eliminate bypasses/ overflows, and rehabilitation to eliminate I & I | F&W | 975 | 2019 | \$30,275 | \$ 0.5 M | \$ 0.35 M | N/A | N/A | \$424.6M |
| Jackson County Utility Authority | Old Fort Bayou Road Regional Pump Station | F&W | 144,768 | 2019 | \$49,953 | \$3.6M | N/A | N/A | N/A | \$428.2M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST – Continued

Category 8: Existing Facilities Upgrade (Meeting Final Limits)

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Stream Class.</u> | <u>Population</u> | <u>2017 Median House- Hold Income</u> | <u>Requested Funding FY</u> | <u>Loan Amount Requested</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|--|--------------------------|-------------------|---|-------------------------------------|--------------------------------------|---|--|--|--|
| Town of Shubuta/ MS00330155 | Sewer Replacements – Phase II | Rec | 370 | \$26,745 | 2019 | \$ 0.3 M | \$ 0.225 M | N/A | N/A | \$428.5M |
| Town of Verona/ MS0042048 | Sewer Rehab | F&W | 2,975 | \$25,799 | 2019 | \$ 2.0 M | N/A | N/A | N/A | \$430.5M |
| City of Vicksburg/ MS0022381 | Stouts Bayou Interceptor, Riverside Interceptor & Dorsey Street Force Main Rehab | F&W | 23,578 | \$29,278 | 2019 | \$ 8.0 M | N/A | N/A | N/A | \$438.5M |
| City of Laurel/ MS0024163 MS0020176 | Rehabilitation of existing sewer lines | F&W | 18,355 | \$29,833 | 2019 | \$3.3 M | N/A | N/A | N/A | \$441.8M |
| Louisville Utilities/ MS0025640 | East Lagoon Pump Station Rehab | F&W | 6,199 | \$30,268 | 2019 | \$1.8 M | N/A | N/A | N/A | \$443.6M |
| City of Corinth/ MS0061328 | Sewer Rehab | F&W | 14,956 | \$32,272 | 2019 | \$3.0 M | N/A | N/A | N/A | \$446.6M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST – Continued

Category 8: Existing Facilities Upgrade (Meeting Final Limits)-Continued

| Project/ Permit <u>Number</u> | Project <u>Description</u> | Stream <u>Class.</u> | <u>Population</u> | 2017 Median House- Hold <u>Income</u> | Requested Funding <u>FY</u> | Loan Amount <u>Requested</u> | Eligible Small/Low Income Subsidy Amount \$ <u>(Millions)</u> | Estimated Green Project Reserve Eligibility \$ <u>(Millions)</u> | Green Project Reserve Category/ <u>Documentation</u> | Statewide Cum. Loan \$ <u>(Millions)</u> |
|----------------------------------|---|-------------------------|-------------------|---|-----------------------------------|------------------------------------|--|--|---|---|
| City of Jackson/ MS0044059 | Upgrade Trahon-Big Creek POTW to be able to meet Phase II Limits | F&W | 170,925 | \$33,730 | 2019 | \$10.0 M | N/A | N/A | N/A | \$456.6M |
| City of Jackson/ MS0024295 | West Bank Interceptor Rehab (multiple areas) | F&W | 170,925 | \$33,730 | 2019 | \$14.0 M | N/A | N/A | N/A | \$470.6M |
| City of Cleveland/ MS0026567 | WWTP Construction Upgrade to Meet New Limits – Phase II | F&W | 12,238 | \$34,283 | 2019 | \$21.7 M | N/A | N/A | N/A | \$492.3M |
| City of Flora/ MS005579 | New effluent pump station & force main | F&W | 2,142 | \$46,655 | 2019 | \$ 2.0 M | N/A | N/A | N/A | \$494.3M |
| Town of Terry/ MS0025224 | Wastewater Treatment Plant Upgrade | F&W | 1,099 | \$47,314 | 2019 | \$ 1.1 M | N/A | N/A | N/A | \$495.4M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST – Continued

Category 8: Existing Facilities Upgrade (Meeting Final Limits)-Continued

| Project/ Permit <u>Number</u> | Project <u>Description</u> | Stream <u>Class.</u> | <u>Population</u> | 2017 Median House- Hold <u>Income</u> | Requested Funding <u>FY</u> | Loan Amount <u>Requested</u> | Eligible Small/Low Income Subsidy Amount \$ <u>(Millions)</u> | Estimated Green Project Reserve Eligibility \$ <u>(Millions)</u> | Green Project Reserve Category/ <u>Documentation</u> | Statewide Cum. Loan \$ <u>(Millions)</u> |
|--|--|-------------------------|-------------------|---|-----------------------------------|------------------------------------|--|--|---|---|
| Jackson County Utility Authority/ MSU085050 | West Jackson County Artificial Wetlands WWTF Rehab | F&W | 144,768 | \$49,953 | 2019 | \$ 2.4 M | N/A | N/A | N/A | \$497.8M |
| DCRUA/ MS0029513 | Nolehoe pipeline upgrades | F&W | 178,009 | \$60,892 | 2019 | \$2.4M | N/A | N/A | N/A | \$500.2M |
| DCRUA/ MS0053155 | Camp Creek Interceptor | F&W | 178,009 | \$60,892 | 2019 | \$11.6M | N/A | N/A | N/A | \$511.8M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST - Continued

Category 9: New Facilities (Developmental) Projects

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Stream Class.</u> | <u>Population</u> | <u>Requested Funding FY</u> | <u>2017 Median House- Hold Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|--|--------------------------|-------------------|-------------------------------------|---|--|---|--|--|--|
| Harrison County Utility Authority/ MS0023159 | Repairs and improvements at East Biloxi WWTP (SP- 14) | Recreation | 205,027 | 2019 | \$46,243 | \$2.4M | N/A | N/A | N/A | \$514.2M |
| Harrison County Utility Authority/ MS0061221 | Improvements at North D'Iberville WWTP (SP- 17) | Recreation | 205,027 | 2019 | \$46,243 | \$0.3M | N/A | N/A | N/A | \$514.5M |
| Harrison County Utility Authority/ MS0023159 | Improvements at the East Biloxi WWTP (SLT-03) | Recreation | 205,027 | 2019 | \$46,243 | \$0.3M | N/A | N/A | N/A | \$514.8M |
| Harrison County Utility Authority/ | Provide sewage collection to anticipated developing areas (SP-10) | F&W | 205,027 | 2019 | \$46,243 | \$0.8M | N/A | N/A | N/A | \$515.6M |
| Harrison County Utility Authority/ MS0061204 | Repairs and improvements at South Woolmarket WWTP (SP- 16) | F&W | 205,027 | 2019 | \$46,243 | \$0.2M | N/A | N/A | N/A | \$515.8M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST - Continued

Category 9: New Facilities (Developmental) Projects-Continued

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Stream Class.</u> | <u>Population</u> | <u>Requested Funding FY</u> | <u>2017 Median House- Hold Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|---|--------------------------|-------------------|-------------------------------------|---|--|---|--|--|--|
| Harrison County Utility Authority/ MS0043141 | Repairs and improvements at Long Beach /Pass Christian WWTP (SP- 20) | F&W | 205,027 | 2019 | \$46,243 | \$1.4M | N/A | N/A | N/A | \$517.2M |
| Harrison County Utility Authority/ MS0051756 | Reduce I&I in the sewer collection system flowing to the North Gulfport WWTF (SLT- 07A) | F&W | 205,027 | 2019 | \$46,243 | \$10.1M | N/A | N/A | N/A | \$527.3M |

FISCAL YEAR –2019 AND AFTER PLANNING LIST - Continued

Category 9: New Facilities (Developmental) Projects-Continued

| <u>Project/ Permit Number</u> | <u>Project Description</u> | <u>Stream Class.</u> | <u>Population</u> | <u>Requested Funding FY</u> | <u>2017 Median House- Hold Income</u> | <u>Loan Amount Requested \$ (Millions)</u> | <u>Eligible Small/Low Income Subsidy Amount \$ (Millions)</u> | <u>Estimated Green Project Reserve Eligibility \$ (Millions)</u> | <u>Green Project Reserve Category/ Documentation</u> | <u>Statewide Cum. Loan \$ (Millions)</u> |
|---|--------------------------------|--------------------------|-------------------|-------------------------------------|---|--|---|--|--|--|
| DeSoto Co. Regional UA/ MS0058483 | Biosolids Handling | F&W | 178,009 | 2019 | \$60,892 | \$9.3 M | N/A | N/A | N/A | \$536.6M |
| DeSoto Co. Regional UA/ MS0058483 | Coldwater River WWTF | F&W | 178,009 | 2019 | \$60,892 | \$17.3 M | N/A | N/A | N/A | \$553.9M |

Abbreviations/Definitions

| | |
|-------------------|--|
| Co. Bd. of Sup. = | County Board of Supervisors |
| Coll = | Wastewater collection sewers which receive wastewater directly from residences and businesses. |
| Cont. = | Contract |
| Drainage Basin = | A region of land where water from rain drains downhill into a body of water, such as a river, lake, dam, estuary, wetland, sea or ocean. |
| HWY = | Highway |
| Int = | Wastewater interceptor sewers, pump stations, and force mains. |
| Rehab = | Sewer system rehabilitation to remove excessive infiltration and inflow and/or to remove overflows and bypasses of wastewater. |
| Replacement = | Replacement of collection and interceptor lines |
| Segment = | Segmented project, a project for which the allowable costs exceed, in a given fiscal year, the amount that the Department can provide. |
| Trt = | Wastewater treatment facilities. |

Priority System for FY-18 Projects

D. Water Pollution Control Revolving Loan Fund Program Ranking and Funding Rationale

1. Projects will be ranked on one of the following three Priority lists.

- Small/Low Income Communities Priority List – To be ranked on this list a project must meet the definition of projects described in one of the WPCRLF Priority System Categories Three (3) through Eight (8) as outlined in Section IV.E, below; and must serve a community/loan applicant which has a population of 3,000 or less and a median household income of \$30,000 or less. Projects on this list will be ranked within their respective categories based on the “affordability criteria” outlined in Part II, Section III.O, below.

For the purposes of this section, a “community” is generally defined as the entire area within the applicant’s political boundaries (incorporated area, certified area, etc.); however, if a county is the applicant, a clearly defined area within the county which is to be served by the proposed project, and which is not within the political boundaries of any other entity within the county, may be considered the community if determined appropriate and reasonable by the Department.

The median household income used in this determination shall be that defined in the ESRI Business Analyst 2017 Demographics and Income Profile (the same source which previously published the Community Sourcebook of Zip Code Demographics, historically used for such determinations in the WPCRLF Program).

Projects ranked on this Priority List will be eligible to receive loan subsidy in the form of principal forgiveness equal to 75% of the total loan amount. After bids are received the subsidy amount will be adjusted, to reflect 75% of the amount resulting from subtraction of any included construction contingency from the total as-bid loan amount, provided adequate subsidy remains available for any needed loan increases. Notwithstanding the above-described subsidy percentage, the cumulative subsidy provided to any single recipient for projects ranked on this Small/Low Income priority list shall not exceed \$2,000,000.

To insure that the “small/low income communities” have a dedicated source of loan funds and will not have to compete with larger/higher income communities for funding, the Department is setting aside \$2.1 million in available funds for qualifying projects in small/low income communities. However, subsidy fund availability for these projects will be limited as described in Section IV.D.6. Any funds not obligated for small/ low income communities by September 15, 2018 may be released and made available to any eligible loan recipient on the regular or green “project” reserve priority list, or to any project on the FY-19 and After Planning List which is ready for loan award.

“Green Project Reserve” Priority List – To be ranked on this list a project must meet the definition of projects described in any of the WPCRLF Priority System Categories as outlined in Section IV.E, below; and, at least 25% of the scope of

work must qualify as “green,” as determined by EPA’s 2012 CWSRF 10% Green Project Reserve: Guidance for Determining Project Eligibility.

To ensure that “green projects” have a dedicated source of loan funds and will not have to compete with “regular” projects for funding, the Department is setting aside \$6.7 million in available funds for “green” projects. Any funds not obligated for “green project reserve” projects by September 15, 2018 may be released and made available to any eligible loan recipient on the regular or small/low income priority list, or to any project on the FY-19 and After Planning List which is ready for loan award.

During its solicitation of projects for FY-18 funding the Department did not receive sufficient eligible applications for green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities to be able to obligate ten percent (10%) of the FY-18 allotment to “green projects.” Therefore, in an effort to meet the “Green Project Reserve” objective, the Department intends to continue pursuing “green” projects, and carry these FY-18 funds over into FY-19 to be obligated in the FY-19 Intended Use Plan.

- Regular WPCRLF Priority List – All other ranked projects that do not qualify for the Small/Low Income Communities Priority List or the “Green Project Reserve” Priority List will be placed on the Regular WPCRLF Priority List.
2. Projects will be placed on the applicable priority list according to priority ranking and will be awarded loans based upon each project’s readiness to award.
- The order of project categories in this Priority System reflect the Department’s mission statement, “... to safeguard the health, safety and welfare of present and future generations of Mississippians by conserving and improving our environment and fostering wise economic growth through focused research and responsible regulation.” The Department’s intent in developing this priority system is to fund projects in the order of greatest benefit to the public health and the environment, and within certain categories to assist those communities that are least able to afford the needed environmental facilities without a low interest loan available through this program.
 - The term "ready to award" means that all loan application requirements established in the program regulations are met, and all documents necessary for loan award are approved. If a project cannot reasonably be expected to meet the Priority System deadlines, then the project will not be placed on the current year priority list, but rather will be placed on the planning list. Loans will be awarded for projects within the available funds in the following order:
 - a. Projects on the current year priority lists that meet all Priority System deadlines will be funded when they are ready to award.
 - b. Should any project on the current year priority lists fail to comply with any of the deadlines in this Priority System, the funds reserved for said project will

be released and made available to projects on the current year priority list that are ready to award, on a first-come first-served basis.

- c. If it becomes apparent that the projects on the current year's priority lists will not utilize all assumed available funds by the end of the current fiscal year, projects on the planning list that are ready to award will be funded from these remaining funds on a first-come, first-served basis.
- d. Should less than the assumed funds become available, projects shown for funding in the current fiscal year that are ready to award will be funded as described above within the available funds.
- e. Should more than the assumed funds become available from loan decreases, early loan payoffs, or other sources, these funds may be used for loan increases, to increase project amounts shown for funding in the current fiscal year, and/or to fund projects on the planning list that are ready to award, as determined appropriate by the Department.
- f. Subsidy funds will be awarded as described in Section IV.D.6.

3. Coordination With Mississippi Basin Management Approach

Recognizing that the health and welfare of Mississippians, wildlife, fish and other aquatic life are directly affected by the quality of Mississippi's waters, the Department began implementing the Basin Management Approach (BMA) in 1998. The BMA is a collaborative, interagency initiative designed to improve and maintain the quality of our water resources through comprehensive long-range water quality planning and management strategies. The BMA includes planning, data gathering, data assessment, Total Maximum Daily Load (TMDL) development, development of watershed management plans, and watershed project implementation.

In order to support the worthwhile goals of the BMA, higher ranking will be given to projects identified by the Basin Management Branch that implement watershed management plans to address water body impairments. These high priority BMA projects will be ranked at the beginning of each Priority Category beginning with the Raw Discharge Category through the Existing Facilities Upgrade (Meeting Final Limits) Category. If a Priority Category is divided into various subcategories, these projects will be ranked at the beginning of each subcategory.

If more than one high priority BMA project is ranked in a priority category, these projects will be moved to the beginning of that category and or subcategory and will be ranked in accordance with the Priority System.

4. WPCRLF Loans to Match EPA Special Appropriations Projects (SPAPs)

On August 16, 2001 EPA issued a class deviation from the provisions of 40 CFR 35.3125(b)(1). This class deviation will allow the non-federal, non-state match WPCRLF funds to be used to provide loans that can be used as local match for SPAP grants awarded to construct water pollution control projects.

These non-federal, non-state match WPCRLF loan funds will be made available to eligible SPAP grant recipients that are on the current year priority list for use as local match funds for their SPAP grants, provided the SPAP grant is for WPCRLF loan eligible work. Such projects will be funded in accordance with the Priority System, and until all non-federal, non-state match monies have been obligated or demand for such funds has been met.

5. Loan Increase Reserve

Beginning in FY-2001 the Department began making loan awards after approval of the facilities plan and loan application rather than after completion of design. This change in the loan award sequence increases the likelihood that bid overruns may be greater than the construction contingency included in the loan agreement, and that additional loan funds may be needed to ensure that these projects are completed. In order to provide needed loan increases to existing loans, the Commission intends to set aside the amounts identified in Appendix A for such loan increases to be awarded on a first-come, first-served basis. Any funds not obligated for this purpose by the end of the fiscal year may be made available for new loans ready for award on a first-come, first-served basis from either the Priority List or the Planning List.

If these loan increase reserve funds are exhausted during the year, and additional funds are needed for loan increases to cover bid overruns or other project cost increases to ensure that on-going projects are completed, the Department may use funds recovered from loan decreases or other sources during the year to fund such needed loan increases.

E. Priority System Categories

1. The first category of projects on the Priority List will be the Segmented Projects. These projects include any remaining segments of projects that previously received funding for an integral portion of that project, and are necessary for the entire project to be functional. Projects will be funded under this category in order of their regular priority ranking provided they meet the deadlines established in Section F.

In order to maintain continuity, the Commission intends to make some amount of funds available for each ongoing-segmented project. Preference in the amount of funds to be provided will be given to the projects that received the earliest loan award

for their initial segment.

2. The second category of projects will be the Previous Year Standby Projects. This category of projects includes projects that 1) were listed on the previous year's Planning List within an amount of approximately 25% of that year's total available funds, 2) met all applicable Priority System deadlines in the previous fiscal year, and 3) were not funded because of a lack of WPCRLF funds or did not receive an assurance of CDBG, ARC, RUS, CIAP or other match funding in the previous fiscal year. Within this category, these projects will be ranked according to the current Priority System.
3. The third category of projects will be the Raw Discharge Correction Projects for communities with sewage collection systems but no treatment facilities. This is necessary to ensure that the water quality problems associated with continuous discharges of untreated sewage from these systems are addressed as required by the federal Clean Water Act. Projects within this category will be ranked in order of the highest estimated discharge flow rate.

If a project in this category is identified as a high priority BMA project, that project will be ranked at the beginning of the list within this category.

4. The fourth category of projects will be the Existing Facilities Upgrade (Not Meeting Final Limits) Projects. The scope of these projects may include only the upgrade, expansion, replacement, rehabilitation, and repair (including infiltration/inflow removal) of existing wastewater transportation and treatment facilities, or drinking water sludge discharge treatment facilities, necessary to bring the existing treatment facility into compliance with final effluent limitations, or to eliminate existing facilities not meeting final limits. Projects will be funded under this category in order of priority points, provided they meet the deadlines established in the Priority System. The priority points will be determined as established in Section G of this Priority System. These projects will not be considered for funding if a Commission Order schedule requires construction of these projects substantially prior to the Priority System deadlines

If a project in this category is identified as a high priority BMA project, that project will be ranked at the beginning of the list within this category.

5. The fifth category will be Non-Point Source and Storm Water Pollution Correction Projects which may include program costs, conservation easements, sedimentation basins, levees, canals and other structures for the purpose of correcting non-point and storm water sources of pollution.

These projects must be consistent with any applicable Section 319 Management Programs approved by the Department of Environmental Quality. The projects within this category will be ranked in order of the highest receiving stream classification that is being negatively impacted by these sources of pollution.

Receiving stream classifications will be ranked in the following order: Public Water Supply; Shellfish Harvesting; Recreation; Fish & Wildlife; and Ephemeral. Within

each stream classification, projects will be ranked by the highest acreage of runoff that is contributing to the non-point and/or storm water sewer pollution problem, and that will be addressed by the project.

If a project in this category is identified as a high priority BMA project, that project will be ranked at the beginning of the list within the subcategory where the project is currently ranked.

6. The sixth category will be the New Collection – Existing Buildings Projects that are necessary to construct eligible sewers and treatment facilities for existing (at the time of facilities plan submittal) residences, businesses and public buildings. Projects in this category may not include the construction of wastewater treatment or transportation facilities to serve areas that are not developed at the time of facilities plan submittal.

The system for ranking collection systems is designed to give highest ranking to those projects serving an individual drainage basin within the loan recipient's political boundaries that: 1) will correct the most potential health problems (this is described below by the term "Residences Served") and 2) are most cost effective (this is described below by the term "Residences Served/Total Eligible Cost for Entire Project"). Priority points will then be calculated as follows:

$$\text{Priority Pts.} = \frac{(\text{Residences Served}) \times (\text{Residences Served}) \times 1000}{(\text{Total Eligible Cost for Entire Project})}$$

If ties occur in priority points those projects will be ranked according to the highest number of residences served. The term "residences served" includes businesses and public buildings.

The term "Total Eligible Cost for Entire Project" means the total eligible cost to construct the collection and interceptor system for an individual drainage basin within the loan recipient's political boundaries and to cause the wastewater treatment facility to meet final effluent limits at the time the collection project is predicted for funding.

Except as allowed in Section IV.E.11, collection sewers will not be funded prior to funding of the treatment portion of a project necessary to cause the wastewater treatment facility to meet final effluent limits.

If a project in this category is identified as a high priority BMA project, that project will be ranked at the beginning of the list within this category.

7. The seventh category of projects will be the Wastewater Overflow/Bypass Elimination Projects. The scope of these projects may include only the replacement, rehabilitation, and/or repair of existing transportation facilities that are necessary to eliminate documented bypasses and/or overflows of raw sewage from these transportation facilities for a 2 year, 24-hour rainfall event, as documented in the facilities plan for the project and approved by the Department.

To be eligible for this category the bypasses and/or overflows documented in the

facilities plan must have been reported, by the deadline for submission of the facilities plan, to the Department in accordance with the requirements of the loan applicant's NPDES permit.

These projects will be ranked in order of the highest receiving stream classification that will be negatively impacted by the bypass and/or overflow. Receiving stream classifications will be ranked in the following order:

Public Water Supply, Shellfish Harvesting, Recreation, Fish & Wildlife, and Ephemeral. Within each stream classification above, projects will be ranked from the lowest to the highest 2017 median household income as displayed in the publication "ESRI Business Analyst Demographic and Income Profile Report".

If a project in this category is identified as a high priority BMA project, that project will be ranked at the beginning of the list within the subcategory the project is currently ranked.

8. The eighth category of projects will be the Existing Facilities Upgrade (Meeting Final Limits) Projects. Included within the scope of these projects may be the upgrade, expansion, replacement, rehabilitation, and repair of existing wastewater treatment and transportation facilities, including the removal of infiltration/inflow. The scope of these projects may not include the construction of new wastewater treatment or transportation facilities if none now exists.

These projects will be ranked first in order of the highest receiving stream classification that would be negatively impacted by wastewater should the facilities to be upgraded fail. Receiving stream classifications will be ranked in the following order:

Public Water Supply, Shellfish Harvesting, Recreation, Fish & Wildlife, and Ephemeral. Within each stream classification above, projects will be ranked from the lowest to the highest 2017 median household income as displayed in the publication "ESRI Business Analyst Demographic and Income Profile Report".

If a project in this category is identified as a high priority BMA project, that project will be ranked at the beginning of the list within the subcategory the project is currently ranked.

9. The ninth category will be New Facilities (Developmental) Projects. These projects may include the expansion or upgrade of existing wastewater treatment and transportation facilities and the construction of new wastewater treatment and transportation facilities to accommodate future growth within the design flow for the planning area to be served. Transportation facilities may include interceptors, pump stations, force mains, and collector lines. The projects within this category will be ranked from the lowest to the highest 2017 median household income for the community, as displayed in the publication "ERSI Business Analyst Demographic and Income Profile Report".

10. The tenth and final category will be Industrial Projects. The facilities to be built or

upgraded under this category must be owned and constructed by a WPCRLF loan eligible public entity and may include industrial wastewater treatment and transportation facilities. The projects within this category will be ranked from the lowest to the highest 2017 median household income for the community, or nearest community, as displayed in the publication "ERSI Business Analyst Demographic and Income Profile Report".

11. New collection sewer projects will be funded only under the New Collection – Existing Buildings category or the New Facilities (Developmental Projects) category.
12. The complete treatment portion of a project, as necessary to cause the wastewater treatment facility to meet final limits, must be funded prior to or along with any other project portion, except in the case of a recently acquired facility that has or will be given interim limits with a schedule to meet the final limits. In such case other project portions may be funded first provided the facility complies with the schedule to meet final limits.

F. Priority System Deadlines

1. By October 15, 2017*, the loan applicant must submit to MDEQ the complete WPCRLF facilities plan, prepared in accordance with the WPCRLF loan program regulations and the "Guidance For Water Pollution Control Revolving Loan Fund Projects Funded Beginning Federal FY 2016 (October 1, 2015 and After)." A complete WPCRLF facilities plan includes all IGR agency comments; a copy of the public notice for the proposed project; copies of any comments received from the public; and, a summary of how each comment was addressed. The loan applicant should also submit one copy of the facilities plan to the Rural Utilities Service (formerly Farmers Home Administration) if the loan applicant has existing debt with Rural Utilities Service, along with a request for their approval to incur this additional debt.

Any significant changes made to the facilities plan (i.e., changes in the chosen alternative, location of the facility, cost increases that substantially affect the financial capability of the loan recipient, etc.) after this date will be considered as a first submittal of the facilities plan. The loan applicant will then be considered to be in violation of this Priority System deadline and the project will be placed on the planning portion of the Priority List, or if the change is made after adoption of the Intended Use Plan, funds reserved for this project may be released and made available to other projects.

2. By March 1, 2018*, a completed WPCRLF loan application and all associated documents required by the WPCRLF regulations and the "Guidance For Water Pollution Control Revolving Loan Fund Projects Funded Beginning Federal FY 2016 (October 1, 2015 and After)" must be submitted to MDEQ. Prior to preparing these documents the loan recipient and/or consulting engineer should request and attend a pre-application conference. This deadline must be met to be able to qualify for the Previous Year Standby Category in the FY-19 IUP.

3. By August 1, 2018 all approvable documents and responses to Department comments necessary for loan award must be submitted to the Department for review and approval. This deadline must be met to be able to qualify for the Previous Year Standby Category in the FY-19 IUP. Projects on the Planning List or projects on the current year list that had their funds released should also meet this deadline in order to allow for Department reviews/approvals necessary for loan award prior to the end of the fiscal year.
4. By September 15, 2018 any “Small/Low Income” or “Green Project Reserve” funds that have not been awarded to a project may be released and made available to any project that is ready for loan award on a first-come, first-served basis.

(*Note: Due to unavoidable delays in preparation of the FY-2018 IUP, and adequate funds availability, all projects currently pursuing FY-18 funding, but for which this deadline was not met, have also been included on the FY-18 Priority List, provided that their inclusion did not adversely impact funding for any projects which met the deadline.)

G. Priority Point Formula for Existing Facilities (Not Meeting Final Limits) Category Projects.

1. Priority points for these projects will be calculated using the following formula for each stream classification impacted:

$$\begin{aligned} \text{Priority Points} = & \quad (\text{Stream Classification Factor}) \\ & \quad \quad \quad \times \\ & \quad (\text{Existing Water Quality Problem Factor}) \\ & \quad \quad \quad \times \\ & \quad (\text{Achievement of Stream Use Factor}) \end{aligned}$$

Calculation of Factors:

- a. Stream Classification Factor - Factors will be assigned as follows based on the type of stream that the present wastewater discharge impacts:

| <u>Stream Classification</u> | <u>Factor</u> |
|------------------------------------|---------------|
| Ephemeral | 1 |
| Fish & Wildlife ($Q_{10/7} > 0$) | 5 |
| Recreation | 15 |
| Shellfish Harvesting | 25 |
| Public Water Supply | 30 |

Stream classifications for all bodies of water within the State have been established and adopted by the Commission on Environmental Quality as part of the State Water Quality Standards.

Recreational waters are those which have been classified as such by the Commission.

- b. Existing Water Quality Problem Factor - Factors will be assigned based on the extent of the water quality problem presently caused by the existing wastewater discharge. The Dissolved Oxygen Problem Factor, the Public Health/ Bacteria Problem Factor, the Ammonia Toxicity Problem Factor, and the Chlorine Toxicity Problem Factor will be added to arrive at the total Existing Water Quality Problem Factor.

Water Quality Problem Factor = D. O. Problem Factor + Public Health/Bacteria Problem Factor + Ammonia Toxicity Problem Factor + Chlorine Toxicity Problem Factor + 1 (if a minimum of secondary treatment is not presently provided).

- i. Dissolved Oxygen Problem Factor - This factor will be determined by use of the BOD, and flow values specified in the present limitations of the NPDES permit, unless significantly different from present effluent characteristics. These limitations will be entered into the standard wasteload allocation formula and a minimum dissolved oxygen concentration in the stream will be predicted for the existing wastewater discharge. The dissolved oxygen deficit is the difference between the dissolved oxygen standard, which is normally 5.0 mg/l, and the predicted minimum dissolved oxygen in the stream.

This dissolved oxygen deficit is then multiplied by the stream miles (or equivalent stream miles) which presently have a dissolved oxygen concentration below the designated standard to obtain the Dissolved Oxygen Problem Factor as shown below:

Dissolved Oxygen Problem Factor = (D.O. deficit) x (Stream or Equivalent Stream miles below standard)

In order to rank all projects (on both inland and estuary waters) together, it is necessary to develop a relationship between stream miles impacted and estuary waters impacted. The term "equivalent stream miles" has been developed for estuaries based on the premise that the surface area of a body of water most directly represents the value of the water body in terms of a fisheries resource, recreational use, etc. In calculation of "equivalent stream miles" it is assumed that a typical stream width is 50 feet. The area (in square feet) of the estuary impacted, as determined by the math model, is then divided by {50 feet x 5,280 feet/mile} to give the "equivalent stream miles". Equivalent stream miles will only be calculated for bay-like estuary segments. All other estuary segments will be measured in actual miles like freshwater streams.

For streams impacted by more than one discharge, the D.O. problem factor will be determined by using the difference between the D.O. factor with all discharges and the D.O. factor considering the discharge in question removed. If there is more than one discharge

from the same project on the same stream, miles impacted will only be counted once.

- ii. Public Health/Bacteria Problem Factor - This factor will be determined based on whether or not the existing discharge has a bacterial impact on Recreational, Water Supply, Shellfish Harvesting or Fish & Wildlife waters. Discharges into Ephemeral waters are considered to have no bacterial impact, unless a public health problem can be documented in the receiving stream.

A discharge into Recreational, Water Supply, or Fish & Wildlife waters is considered to have a bacterial impact on such waters if the discharge is not disinfected, or if present disinfection facilities are inadequate. A discharge is considered to have a bacterial impact on Shellfish harvesting waters if the National Shellfish Sanitation Program Criteria are not met in the waters impacted by the discharge or if present disinfection facilities are inadequate.

Factors will be assigned for the bacteria problem as follows:

No Impact - 0
Bacteria Impact - 20

- iii. Ammonia Toxicity Problem Factor - This factor will be determined by use of the NH_3 , and flow values specified in the present limitations of the NPDES permit, unless significantly different from the present effluent characteristics. If an NH_3 limit is not present in the permit, an NH_3 concentration typical of the effluent from the current facility will be selected. As with the Dissolved Oxygen Problem Factor, these limitations will be entered into the standard wasteload allocation formula and an in-stream NH_3 concentration will be predicted for the existing wastewater discharge. The NH_3 exceedance is the difference between the predicted maximum NH_3 in the stream and the acceptable concentration (EPA Gold Book) protective of aquatic life.

This ammonia exceedance is then multiplied by the stream miles (or equivalent stream miles) which presently have an NH_3 concentration above the acceptable level to obtain the Ammonia Toxicity Problem Factor as shown below:

Ammonia Toxicity Problem Factor = (NH_3 exceedance) X (stream or equivalent Stream miles above acceptable concentration)

- iv. Chlorine Toxicity Problem Factor - This factor will be determined by the difference in the previously allowed chlorine concentration in the NPDES permit (usually 1.0 mg/l) and the new maximum chlorine concentration allowed in the NPDES permit which will be multiplied by a factor of 20.

Chlorine Toxicity Problem Factor = (1.0 mg/l - the new maximum chlorine concentration allowed in the NPDES permit in mg/l) X (20)

- c. Achievement of Stream Use Factor - If the proposed project, along with other proposed projects in the planning area, will cause achievement of all water quality criteria then a factor of 2 will be assigned; except that if a stream exception has been granted a factor of 1 will be assigned. Also, a factor of 1 will be assigned when all water quality criteria will not be met.
2. The projects in this category which eliminate existing discharges will receive the sum of the priority points assigned to the discharges to be eliminated.
3. All portions of these projects (such as pump stations, force mains, sewer rehabilitation, and interceptors) that are necessary to cause the environmental problem to be eliminated will receive the same number of priority points as that calculated for the existing discharge(s), to which the project portion is connected.
4. Project ties in priority points, which are calculated in accordance with Section B., will be broken by ranking in order of the following ratio:

$$\frac{\text{lbs. BOD Removed by Project}}{\text{Total Eligible Cost for Project}}$$

5. Projects in this category that are not meeting final limits, but for which zero priority points are calculated (i.e., suspended solids violations, percent removal, BOD violations, etc.), will receive a minimum of 1.0 priority point, and will then be ranked in order of the stream classification of the receiving stream.

FY- 2018 Water Pollution Control (Clean Water) Revolving Loan Fund Project Detail Information

| Projects/ Permit Number | Project No. | Communities Served | Project Schedule* | | | Project Assistance | | | | | Technical Information | | | |
|---|----------------|-----------------------|-------------------|------------|------------|----------------------------|------------------------------------|--------------------------|-------------------------|------------------------------------|---------------------------|--|-----------------------------|---------------------------|
| | | | <u>BCD</u> | <u>CSD</u> | <u>CCD</u> | <u>Type Assistance</u> | <u>Loam Amount¹</u> | <u>Interest Rate</u> | <u>Repay Period</u> | <u>Initial Repay. Date</u> | <u>Type Project**</u> | <u>Needs Category ⁺</u> | <u>Priority Ranking</u> | <u>Discharge Req.</u> |
| Town of Leakesville/ MS0020664 | 2018-1 | Leakesville | 08/01/18 | 11/01/18 | 08/28/19 | Regular Loan | \$2.1 M | 1.75 % | 20 Yrs | 12/28/19 | 212 | II | 1 | N/A |
| City of Jackson/ MS0024295 | 2018-2 | Jackson | 09/30/18 | 04/01/19 | 04/01/21 | Regular Loan | \$31.0M | 1.75% | 20 Yrs. | 08/01/24 | 212 | IIIB | 2 | N/A |
| Jackson County Utility Authority/ MS0045446 | 2018-3 | Jackson County | 08/15/18 | 01/15/19 | 09/12/19 | Regular Loan | \$5.2 M | 1.75 % | 20 Yrs | 01/12/20 | 212 | IVA | 5 | N/A |
| Harrison County Utility Authority/ MS0036854 | 2018-4 | Harrison County | 09/30/18 | 03/31/19 | 03/31/20 | Regular Loan | \$0.4 M | 1.75 % | 20 Yrs | 07/31/20 | 212 | IVA | 3 | N/A |
| Harrison County Utility Authority/ MS0040169 | 2018-5 | Harrison County | 09/30/18 | 03/31/19 | 03/31/20 | Regular Loan | \$0.3 M | 1.75 % | 20 Yrs | 07/31/20 | 212 | IVA | 4 | N/A |
| City of Greenville/ MS0020184 | 2018-6 | Greenville | 09/30/18 | 07/01/19 | 05/22/21 | Regular Loan | \$23.4 M | 1.75 % | 20 Yrs | 09/22/21 | 212 | IIIB | 6 | N/A |
| Harrison County Utility Authority/ MS0043141 | 2018-7 | Harrison County | 09/30/18 | 03/31/19 | 03/31/20 | Regular Loan | \$4.0 M | 1.75% | 20 Yrs. | 07/31/20 | 212 | IVA | 7 | N/A |
| Harrison County Utility Authority/ MS0022373 | 2018-8 | Harrison County | 09/30/18 | 03/31/19 | 03/31/20 | Regular Loan | \$4.0 M | 1.75 % | 20 Yrs | 07/31/20 | 212 | IVA | 8 | N/A |
| Tunica County Utility District/ MS0048691 | 2018-9 | Tunica County | 09/1/18 | 12/1/18 | 12/01/20 | Regular Loan | \$2.1 M | 1.75 % | 20 Yrs | 04/01/21 | 212 | IIIB | 9 | N/A |
| City of Ocean Springs/ MS0045446 | 2018-10 | Ocean Springs | 09/30/18 | 01/01/19 | 01/01/20 | Regular Loan | \$5.1 M | 1.75 % | 20 Yrs | 05/01/20 | 212 | IIIA | 10 | N/A |
| Town of New Houlka/ MS0025216 | 2018-11 | New Houlka | 09/30/18 | 01/01/19 | 01/01/20 | Subsidy Loan | \$2.1 M | 1.75 % | 20 Yrs | 05/01/20 | 212 | II | 11 | N/A |
| | | | | | | | | | | | | | | |
| Totals | | | | | | | \$79.7 M | | | | | | | |

Notes: - All of the loan projects will require an environmental review in accordance with the State SRF regulations and the supplemental “Guidance For Water Pollution Control Revolving Loan Fund Projects Funded Beginning Federal FY 2016 (October 1, 2015 and After).”

+ = Needs categories are defined in Federal regulations 40 CFR 35.2015.

*BCD = Binding Commitment Date

*CSD = Construction Start Date

*CCD = Construction Completion Date

**212 = Treatment works are defined in Section 212 of the Federal Clean Water Act.

**319 = Best Management Practices are defined in Section 319 of the Federal Clean Water Act.

1

Loan amounts have been rounded up to the next \$100,000.

VI. FY-2018 Assumed Available Funds

A. Federal Funds

In developing this Intended Use Plan the Department has used the actual FY-18 Title VI Clean Water SRF appropriations of \$1,655,202,000, based on EPA's FY-18 allotment notification.

Per Section B.5 of the Operating Agreement between the Mississippi Department of Environmental Quality and the Environmental Protection Agency, Region IV the cash draw ratio is 83.3% federal funds and 16.7% state funds.

B. State Match Funds

The State normally receives its 20% state match from direct appropriation or state general obligation bonds appropriated by the state legislature, and from interest earnings on state match deposits. During the Spring 2018 regular legislative session, the Legislature provided bond authorization in the amount of \$5,000,000 to be used for state match funds. This will match remainder of the FY-15 capitalization grant, as well as, the entire FY-16 capitalization grant and a portion of the FY-17 capitalization grant. It is expected that the bond proceeds will be deposited into the WPCRLF in the fourth quarter of FFY-2018. The remainder of the FY-17 capitalization grant, as well as, the entire FY-18 and FY-19 capitalization grants will be matched with anticipated match funds to be requested of the State Legislature during the Spring 2018 regular legislative session. If the Legislature provides bond authority for that match, it is expected that the related bond proceeds will be deposited into the WPCRLF in the fourth quarter of FFY-2019.

It is anticipated that the Legislature will require that these state bonds be retired with the interest portion of loan repayments and interest earnings on the fund deposits. The Department will set aside a portion of the interest earnings from loan repayments and interest earnings on fund deposits and will use these funds to make semi-annual payments to the Mississippi State Treasurer's Office. These semi-annual payments will be used to retire the bonds and pay interest on the outstanding bonds. The amounts of interest repayments and earnings set aside for this purpose will be shown on Appendix A – Assumed Available Funds in the FY-2019 IUP.

C. WPCRLF Loan Repayments

In FY-18 the Department plans to obligate projected WPCRLF loan repayments (from existing closed loans) through September, 2018.

VII. Proposed Payment (Federal Letter of Credit {LOC}) Schedule for FY-2018. Clean Water SRF Cap. Grant, based upon Appendix A:

| <u>Payment (LOC) Number</u> | <u>Payment (LOC) Date</u> | <u>Payment (LOC) Amount</u> | <u>Cumulative (LOC) Amount</u> |
|-------------------------------------|-----------------------------------|-------------------------------------|--|
| FY-2015 No. 2 of 2 | 4Q FY-2017 | \$ 11,754,785 | \$ 11,754,785 |
| FY-2016 No. 1 of 1 | 4Q FY-2018 | \$ 12,037,000 | \$ 23,791,785 |
| FY-2017 No. 1 of 2 | 4Q FY-2018 | \$ 1,208,215 | \$ 25,000,000 |
| FY-2017 No. 2 of 2 | 4Q FY-2019 | \$ 10,736,785 | \$ 35,736,785 |
| FY-2018 No. 1 of 1 | 4Q FY-2020 | \$ 14,461,000 | \$ 50,197,785 |

VIII. Projected Schedule of Drawdowns Against Federal Letter of Credit, based upon Appendix A:

For FY 2015 SRF Cap Grant: (See Appendix B).

| <u>Outlay Quarter</u> | <u>Federal Outlay Amount</u> | <u>Cumulative Outlay Amount</u> |
|---------------------------|----------------------------------|-------------------------------------|
| 1Q FY-19 | \$ 4,287,498 | \$ 4,287,498 |
| 2Q FY-19 | \$ 7,467,287 | \$11,754,785 |

For FY 2016 SRF Cap Grant: (See Appendix B).

| <u>Outlay Quarter</u> | <u>Federal Outlay Amount</u> | <u>Cumulative Outlay Amount</u> |
|---------------------------|----------------------------------|-------------------------------------|
| 2Q FY-19 | \$ 546,251 | \$ 546,251 |
| 3Q FY-19 | \$ 8,030,205 | \$ 8,576,456 |
| 4Q FY-19 | \$ 3,460,544 | \$12,037,000 |

For FY 2017 SRF Cap Grant: (See Appendix B).

| <u>Outlay Quarter</u> | <u>Federal Outlay Amount</u> | <u>Cumulative Outlay Amount</u> |
|---------------------------|----------------------------------|-------------------------------------|
| 4Q FY-19 | \$ 4,552,995 | \$ 4,552,995 |

| | | |
|----------|--------------|--------------|
| 1Q FY-20 | \$ 7,005,206 | \$11,558,201 |
| 2Q FY-20 | \$ 386,799 | \$11,945,000 |

For FY 2018 SRF Cap Grant: (See Appendix B).

| <u>Outlay Quarter</u> | <u>Federal Outlay Amount</u> | <u>Cumulative Outlay Amount</u> |
|---------------------------|----------------------------------|-------------------------------------|
| 4Q FY-20 | \$ 4,276,873 | \$ 4,276,873 |
| 1Q FY-21 | \$ 4,276,873 | \$ 8,553,746 |
| 2Q FY-21 | \$ 4,167,498 | \$12,721,244 |
| 3Q FY-21 | \$ 1,739,756 | \$14,461,000 |

IX. Certifications

1. The State certifies that all treatment works for funding under this Intended Use Plan are or will be in compliance with Section 205(j), 319 and/or 320 planning and that all non-point source control and estuarine projects are or will be consistent with planning under Sections 319 and/or 320.
2. The State certifies that it will make an annual report to the Regional Administrator on the actual use of funds and how the State has met the goals and objectives for the previous fiscal year as identified in the IUP; and to annually have conducted an independent audit of the fund to be conducted in accordance with generally accepted government accounting standards.
3. The State certifies that this Intended Use Plan has been subjected to public review and comment prior to final submission to EPA.
4. The State certifies that all wastewater facility projects in this Intended Use Plan are on the project Priority List developed pursuant to the requirements of Section 216, CWA.
5. The State certifies that it will enter into binding commitments for 120% of the amount of each payment (LOC) under the capitalization grant within one year after receipt of each payment (LOC).
6. The State certifies that it will expend all funds in the WPCRLF in an expeditious and timely manner.
7. The State certifies that all wastewater facilities in the State are in compliance with enforceable requirements or are making progress toward meeting those requirements.
8. The State certifies that it will conduct environmental reviews on treatment works projects in accordance with the State environmental review process.
9. The State certifies that all POTWs listed on the national Municipal Policy List are either in compliance with their final limits, have an enforcement action filed against

them, or have a funding commitment during or prior to the first year covered by this IUP.

X. Expected Environmental Outcomes and Performance Measures

The objective of this program is to disperse all loan funds available in a timely manner in order to achieve the intended cost-effective environmental protection benefits, and to ensure compliance with loan agreements, as required by state and federal laws and regulations.

The State agrees to complete a one-page worksheet for all binding commitments (final loan agreement). The State will also include copies of the completed worksheets in its annual report in order to demonstrate compliance with the EPA Order 5700.7.

PART 2 – Additional Federal Requirements for Fiscal Year 2016 and After

I. Introduction

The *Water Resources Reform and Development Act, 2014* (WRRDA), which was passed by Congress and signed into law by the President on June 10, 2014, included amendments to the Clean Water State Revolving Fund (CWSRF) program authorized by Title VI of the Federal Clean Water Act. Those amendments, along with the exhaustion of “banked equivalency/cross-cutter compliance,” utilized by the Water Pollution Control Revolving Loan Fund (WPCRLF) Program since FY-2001, required significant changes to the WPCRLF Program for loans awarded October 1, 2014, and after. Some of those changes were implemented in FY-2015 as required, and the remaining requirements were implemented in FY-2016. Additional optional WRRDA-related changes will be considered for implementation in future fiscal years.

II. Supplemental Guidance

To assist in complying with the new requirements, MDEQ has prepared a supplemental guidance document to be used in conjunction with the previously existing WPCRLF Regulations and checklist/guidance. The document is entitled, “GUIDANCE FOR WATER POLLUTION CONTROL REVOLVING LOAN FUND PROJECTS FUNDED BEGINNING FEDERAL FY 2016 (OCTOBER 1, 2015 AND AFTER),” is dated December 11, 2015, and is available for viewing/downloading on MDEQ’s WPCRLF Program webpage by going to www.mdeq.ms.gov, then under “For Government,” follow the links for “Grants, Loans, Trust Funds” then “Water Pollution Control (Clean Water) Revolving Fund Loan Program.”

III. Additional Requirements

- A. Endangered Species Act, Fish and Wildlife Coordination Act, Migratory Bird Treaty Act, and (Only for projects located in Jackson, Harrison, and Hancock Counties) Coastal Barrier Resources Act (Cross-Cutters):

The Loan Recipient/Consultant must submit a map and description of the proposed project to the U.S. Fish & Wildlife Service (USFWS) Mississippi Ecological Services Field Office. The USFWS comments must be included in the facilities plan; and, if the USFWS requires further action (e.g. a vegetative/wildlife survey), such action must be taken, and the final USFWS clearance letter must be submitted to MDEQ with the loan application package.

- B. Sole Source Aquifer (Only for projects located in the Southern Hills Regional Aquifer System which is the area between the Mississippi and Pearl Rivers from and including Warren and Hinds Counties, south to the Louisiana State Line.) (Cross-Cutter):

The Loan Recipient/Consultant must submit a map and description of the proposed project to the USEPA Region IV, Grants and Drinking Water Protection Branch, and include any resulting EPA comments in the facilities plan.

- C. Farmland Protection Policy Act (FPPA) (Cross-Cutter):

All WPCRLF projects must now undergo Farmland Protection Policy Act review. The

MDEQ Project Manager will complete this review in accordance with the FY 2015 Operating Procedure for FPPA. Once complete, copies of the compliance documentation will be provided to the Loan Recipient/Consultant for their planning files.

D. Environmental Review {WRRDA Section 5002(1)}:

All WPCRLF projects must now comply with 40CFR35.3140(b) {Tier 1 “NEPA-like” review}. Therefore, in addition to (or in lieu of) the requirements of Appendix B of the WPCRLF Regulations and Sections VI.C, VIII.B, and VIII.C, of the Facilities Plan Checklist, the following will be required:

1. The comparative evaluation of alternatives in the facilities plan must also include any sensitive environmental issues that are identified during management of the project or through public participation.
2. A public hearing must be held for ALL projects. Topics to be discussed at the hearing include the facilities to be built, why they are needed, where they will be built, how much they will cost, the average monthly user charge, and the environmental impact. The facilities plan must include proof that notice of the hearing was published in a newspaper of general circulation in the project area at least 30 days prior to the hearing date. The plan must also include minutes from the hearing, including any public comments.

When the facilities plan is approvable, the MDEQ Project Manager will prepare the appropriate environmental document (Categorical Exclusion, Finding of No Significant Impact/Environmental Assessment, Environmental Impact Statement, etc.) for the project in accordance with MDEQ’s “FY 2015 Operating Procedure for Environmental Review.” Note that this is a deviation from Appendix B of the existing WPCRLF Regulations, and any necessary variances will be provided through each loan agreement in accordance with the variance procedures in the Regulations.

E. Fiscal Sustainability Plan {WRRDA Section 5003(2)}:

All WPCRLF loan recipients must now certify that they have developed and implemented a Fiscal Sustainability Plan (FSP) that includes:

1. An inventory of critical assets that are a part of the treatment works;
2. An evaluation of the condition and performance of inventoried assets or asset groupings;
3. A certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and
4. A plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities.

A Fiscal Sustainability Plan (FSP) Certification must be submitted with the loan application package indicating that the Loan Recipient has either 1) already developed and implemented an FSP or 2) will do so by the date established in the loan agreement which represents 90% of construction completion. If the latter, a corresponding follow-up FSP Certification will be required by that same 90% construction completion date.

F. Generally Accepted Accounting Principles (GAAP)/Governmental Accounting Standards Board (GASB) {WRRDA Section 5002}:

All WPCRLF loan recipients are now required to maintain project accounts according to Generally Accepted Accounting Principles (GAAP) as issued by the Governmental Accounting Standards Board (GASB), including standards relating to the reporting of infrastructure assets. A corresponding GAAP Certification must be submitted with the loan application.

The most recent applicable standard is GASB Statement No. 34 (GASB 34), issued in June 1999, which details governmental reporting requirements including standards for reporting of infrastructure assets. Further details on the requirements, as well as the full text of GASB 34, can be obtained through the GASB.

G. Loan Term/Useful Life {WRRDA Section 5003(2)}:

The maximum CWSRF loan term allowed by federal law was changed from twenty years to the lesser of thirty years and the “projected useful life of the project.” The current WPCRLF loan terms and interest rates available as a result of implementation of this new provision are outlined in Part 1, Section II.c., j., and k. of this Intended Use Plan.

Regarding the “useful life” limitation, the Department has confirmed with EPA that, in view of the WPCRLF loan award history, the following approach is acceptable. For treatment works projects funded with WPCRLF loans with repayment terms of 20 years or less, the useful life will be considered to be at least 20 years, with no additional documentation or project-specific determination required. For treatment works projects to be funded with WPCRLF loans with repayment terms greater than 20 years, and for any non-treatment works projects, additional documentation supporting the project useful life may be required, and a project-specific useful life determination will be made and included in the project files. Each applicable project’s Loan Application File will be documented with a copy of a corresponding useful life determination memo, which confirms this approach.

H. Uniform Relocation Assistance and Real Property Acquisition Policies Act (Cross-Cutter):

All WPCRLF loan recipients are now required to comply with the federal “Uniform Act.” The implementing regulations can be found at 49CFR24.101 through 24.105. To confirm compliance, the Loan Recipient and Title Counsel must submit the “Limited Site Certificates for Projects Funded Beginning FY 2015” and “Clear Site Certificates for Projects Funded Beginning FY 2015” by the date(s) specified in the loan agreement.

I. Executive Order 12549-Debarment and Suspension (Cross-Cutter):

In order to ensure compliance with this executive order, all WPCRLF-funded construction contracts must include MDEQ’s “Supplementary Information for Bidders” dated December 11, 2015, verbatim.

J. Executive Order 11246-Equal Employment Opportunity (Cross-Cutter):

In order to ensure compliance with this executive order, all WPCRLF-funded construction contracts must include MDEQ's "Supplementary Information for Bidders" dated December 11, 2015, verbatim.

K. Davis Bacon Prevailing Wage Rates (WRRDA Section 5002)

The Davis Bacon (DB) requirements [as referenced in Section 513 of the Federal Water Pollution Control Act (33 U.S.C. 1372)] now apply to all treatment works projects constructed in whole or in part with WPCRLF funds. These are effectively the same requirements applied to FY-2012 through FY-2015 WPCRLF projects based on EPA's interpretation of the FY-2012 CWSRF appropriations language. WRRDA reaffirmed that the DB requirements are applicable for all future WPCRLF projects. Specific details regarding compliance with these requirements are outlined in MDEQ's "Supplemental General Condition" dated August 13, 2013, which must be included in all WPCRLF-funded construction contracts.

L. American Iron and Steel (WRRDA Section 5004):

The American Iron and Steel (AIS) requirement now applies to all contracts associated with projects funded in whole or in part with WPCRLF funds. This is effectively the same requirement applied to FY-2014 WPCRLF projects by the Consolidated Appropriations Act, 2014 (P.L. 113-76). WRRDA made this AIS requirement applicable for all future WPCRLF projects. For details on what "Iron and Steel" products are covered by this requirement, see the AIS guidance memorandum entitled "Implementation of American Iron and Steel provisions of P.L. 113-76, Consolidated Appropriations Act, 2014" issued by EPA Headquarters on March 20, 2014. The information provided therein should be helpful to Loan Recipients and Consultants in crafting bidding documents and ensuring compliance for a given project. Also, specific details regarding compliance with this requirement are provided in MDEQ's "Guidance For Water Pollution Control Revolving Loan Fund Projects Funded Beginning Federal FY 2016 (October 1, 2015 and After)."

M. Federal Procurement for Engineering Services (WRRDA Section 5002):

All WPCRLF-funded contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services must now be negotiated in the same manner as a contract for architectural and engineering services is negotiated under 40 U.S.C. 1101 et seq. A corresponding Procurement Certification must be submitted with the loan application.

N. Cost and Effectiveness (WRRDA Section 5002):

All loan recipients must now certify, that they:

1. have studied and evaluated the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed project or activity for which assistance is sought under this title; and

2. have selected, to the maximum extent practicable, a project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account:
 - (i) the cost of constructing the project or activity;
 - (ii) the cost of operating and maintaining the project or activity over the life of the project or activity; and
 - (iii) the cost of replacing the project or activity

The Cost and Effectiveness Certification must be submitted with the facilities plan in order for the plan to be considered “complete.”

O. Additional Subsidy Funding/Affordability Criteria (WRRDA Section 5003):

Similar to the additional subsidy provision in the FY-2010 through FY-2014 CWSRF appropriations language, WRRDA included a provision allowing the states to provide a limited amount of “additional subsidization” each FY, but with more limitations than were included in prior years’ appropriations language.

This provision also requires the establishment of “affordability criteria” to be used in determining additional subsidy eligibility; and, stipulates that the criteria must be “based on income and unemployment data, population trends, and other data determined relevant by the State, including whether the project or activity is to be carried out in an economically distressed area, as described in section 301 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161).” Therefore, using these stipulations to build on the existing WPCRLF “Small/Low Income Community” subsidy criteria, MDEQ currently will use the following as the affordability criteria for subsidization made available through FY-2015 and subsequent capitalization grants:

- 1) The community must be a “Small/Low Income Community” with a population of 3,000 or less, and Median Household Income (MHI) of \$30,000 or less.
- 2) If the community’s population is confirmed to have been declining for the last three consecutive years, it will receive one “subsidy point.”
- 3) If the community’s unemployment rate is confirmed to have been increasing for the last three consecutive years, it will receive one “subsidy point.”
- 4) If the project is confirmed to be in an economically distressed area (per Section 301 of 42 USC 3161), it will receive one “subsidy point.”
- 5) The qualifying projects will be ranked for subsidization first based on highest to lowest number of “subsidy points,” and then from lowest to highest MHI.

Subsidy funding details and conditions are further described in Section IV.D.1.

P. Signage (Non-statutory EPA Mandate):

EPA has begun requiring (as a condition of receiving future capitalization grants) that WPCRLF-funded projects include signage which details EPA’s involvement in the project. Accordingly, Loan Recipient must now ensure that a project-specific EPA Public Awareness Notification (provided by MDEQ) is displayed on a bulletin board/sign in a prominent location at the project site for the duration of the contract. The Notification

should also be displayed in other prominent locations (Loan Recipient's office, website, court house, library, etc.) accessible to the public. Specific details regarding this requirement are outlined in MDEQ's "Supplementary Information for Bidders" dated December 11, 2015, which must be included in all WPCRLF-funded construction contracts.

Appendix A

State of Mississippi WPCRLF Program FFY 2018 Assumed Available Funds

The following breakdown of funds is based on the actual FY'18 Congressional appropriation for the National Title VI SRF Program.

| | |
|--|---------------------------|
| <u>FFY 2018 National Title VI SRF Appropriation Less the Rescission</u> | <u>\$1,655,202,000.00</u> |
| (+) Mississippi Title VI SRF Allotment | \$14,607,000.00 |
| (-) Title VI SRF 604(b) Reserve (1% of allotment or \$100,000 minimum) | -\$146,000.00 |
| (=) Assumed Total FFY'18 Title VI SRF Capitalization Grant | \$14,461,000.00 |
| (+) Total State Match Required (20% of Total Title VI SRF Cap Grant) | <u>\$2,892,200.00</u> |
| (=) Total FFY'18 Cap Grant & State Match Funds | \$17,353,200.00 |
| (-) FFY'18 SRF Administrative Reserve (4% of Cap Grant) | <u>-\$578,440.00</u> |
| (=) FFY'18 Assumed SRF Funds (Cap Grant+Match-Admin) | \$16,774,760.00 |
| (+) Total FFY'15, 16 & 17 Cap Grant+State Match-Admin Funds ¹ | <u>\$41,924,862.00</u> |
| (=) Total FFY'15, 16, 17 & 18 SRF Cap Grant/Match Funds | \$58,699,622.00 |
| (-) FFY'18 Pmt #1 Cap Grant+State Match-Admin Not Available | -\$16,774,760.00 |
| (-) FFY'17 Pmt #2 Cap Grant+State Match Not Available | <u>-\$12,884,142.00</u> |
| (=) Total Cap Grant/Match Funds Available in FFY'18 | \$29,040,720.00 |
| (+) Balance Brought Forward from FFY'17 | \$25,339,503.81 |
| (-) State Match Bond Debt Service Paid 10/01/17 thru 04/30/18 | -\$554,054.78 |
| (-) Anticipated State Match Bond Debt Service 05/01/18 thru 09/30/18 | -\$0.00 |
| (+) Interest Earned - Received 10/01/17 thru 04/30/18 | \$784,380.16 |
| (+) Anticipated Interest Earnings 05/01/18 thru 09/30/18 | \$0.00 |
| (+) SRF Loan Repayments Received 10/01/17 thru 04/30/18 | \$19,141,673.59 |
| (+) Anticipated SRF Loan Repayments 05/01/18 thru 09/30/18 | \$13,065,434.38 |
| (+) Base Loan Decreases Processed 10/01/17 thru 05/04/18 | \$994,749.00 |
| (+) Subsidy Loan Decreases Processed 10/01/17 thru 05/04/18 | \$516,599.00 |
| (+) Base Loan Decreases Anticipated | \$0.00 |
| (+) Subsidy Loan Decreases Anticipated | \$0.00 |
| (-) Loan Increase Reserve | -\$4,000,000.00 |
| (-) Subsidy Loan Increase Reserve | -\$0.00 |
| (-) Subsidy Loan Increases Processed | -\$0.00 |
| (-) Base Loan Increases Processed 10/01/17 thru 05/04/18 | -\$983,138.00 |
| (-) Subsidy Loan Increases Anticipated | -\$0.00 |
| (-) Base Loan Increases Anticipated (Tupelo 6) | <u>-\$691,396.00</u> |
| (=) Total Funds Available for FFY'18 Loan Awards | \$82,654,471.16 |
| (-) Funds Needed for Priority List Projects | <u>-\$79,700,000.00</u> |
| (=) FFY'18 Funds Remaining | \$2,954,471.16 |

¹. FY'15 Cap Grant Pmt #2 \$11,754,785+Match \$2,350,957=\$14,105,742 plus FY'16 Cap Grant Pmt #1 \$12,037,000+ Match \$2,407,400-Admin \$481,480=\$13,962,920 plus FY'17 Cap Grant Pmts #1 \$11,945,000+ Match \$2,389,000-Admin \$477,800=\$13,856,200= Total of \$41,924,862.

State of Mississippi WPCRLF Program FFY 2017 End of Year Report

The following breakdown of funds is based on the FY'17 Congressional appropriation for the National Title VI SRF Program. The loan repayments of the 2 MS Gulf Coast communities remaining in forbearance due to Hurricane Katrina have not been included in this breakdown of assumed funds.

| | | |
|---|-----|---------------------------|
| <u>FFY 2017 National Title VI SRF Appropriation Less the Rescission</u> | | <u>\$1,369,702,000.00</u> |
| Mississippi Title VI SRF Allotment | | \$12,066,000.00 |
| Title VI SRF 604(b) Reserve (1% of allotment or \$100,000 minimum) | (-) | <u>-\$121,000.00</u> |
| Assumed Total FFY'17 Title VI SRF Capitalization Grant | (=) | \$11,945,000.00 |
| Total State Match Required (20% of Total Title VI SRF Cap Grant) | (+) | <u>\$2,389,000.00</u> |
| Total FY'17 Cap Grant & State Match Funds | (=) | \$14,334,000.00 |
| FFY'17 SRF Administrative Reserve (4% of Cap Grant) | (-) | <u>-\$477,800.00</u> |
| FFY'17 Assumed SRF Funds (Cap Grant+Match-Admin) | (=) | \$13,856,200.00 |
| Total FFY'15 & '16 Cap Grant+State Match-Admin Funds ¹ | (+) | <u>\$28,068,662.00</u> |
| Total FFY'17 SRF Funds | (=) | \$41,924,862.00 |
| FFY'15 Pmt. #2 Cap Grant + State Match Not Available | (-) | -\$14,105,742.00 |
| FFY'16 Pmt. #1 Cap Grant + State Match-Admin Not Available | (-) | -\$13,962,920.00 |
| FFY'17 Pmt #1 Cap Grant+State Match-Admin Not Available | (-) | <u>-\$13,856,200.00</u> |
| Total Cap Grant Funds Available in FFY'17 | (=) | \$0.00 |
| Balance Brought Forward from FFY'16 | (-) | -\$3,033,629.93 |
| HCUA 872-01 Transfer to 872-02 in order to Restructure Repays | (+) | -\$3,614,103.55 |
| HCUA 872-02 Transfer from 872-01 to Restructure Repays | (-) | \$3,614,103.55 |
| HCWSD 760-03 Trans to 760-04 in order to Restructure Repays | (+) | -\$3,057,877.28 |
| HCWSD 760-04 Trans from 760-03 to Restructure Repays | (-) | \$3,057,877.28 |
| State Match Bond Debt Service Paid 10/01/16 thru 09/30/17 | (-) | -\$667,470.06 |
| Anticipated State Match Bond Debt Service 04/01/17 thru 09/30/17 | (-) | \$0.00 |
| Interest Earned - Received 10/01/16 thru 09/30/17 | (+) | \$1,194,181.46 |
| Anticipated Interest Earnings 04/01/17 thru 09/30/17 | (+) | \$0.00 |
| Penalty Interest Rec'd thru 09/30/17 | (+) | \$2,764.46 |
| Error Adjustment Lumberton Penalty Interest | (+) | \$200.00 |
| SRF Loan Repayments Received 10/01/16 thru 09/30/17 | (+) | \$30,507,470.88 |
| Base Loan Decreases Processed | (+) | \$19,883,621.00 |
| Base Loan Increases Processed | (-) | <u>-\$4,486,038.00</u> |
| Total Funds Available for FFY'17 Loan Awards | (=) | \$43,401,099.81 |
| New WPCRLF FFY'17 Loans Awarded | (-) | <u>-\$18,061,596.00</u> |
| FFY'17 Ending Balance | (=) | \$25,339,503.81 |

¹ FY'15 Cap Grant Pmt #2 \$211,754,785 + Match \$2,350,957 = \$14,105,742 plus FY'16 Cap Grant Pmt #1 \$12,037,000 + Match \$2,407,400 - Admin \$481,480 = \$13,962,920 = Total Not Deposited of \$28,068,662.

Appendix A (Cont.)
WATER POLLUTION CONTROL (CLEAN WATER) REVOLVING LOAN FUND PROGRAM
ASSUMED AVAILABLE STATE MATCH FUNDS (FY-13 Through FY-18)

[The State Match History From Program Inception (FY-89) Through FY-12 Is Available on the MDEQ Webpage at www.mdeq.ms.gov. Under “For Government,” follow the links for “Grants, Loans, Trust Funds” then “Water Pollution Control (Clean Water) Revolving Fund Loan Program.”]

| SRF Cap. Grant | Cap. Grant Payment Schedule Quarter | Cap. Grant Payment Schedule Amount | Total Required 20% State Match Deposit | Interest Earnings of State Match Fund | Deposit From WPA** Repayments | Deposits From State *** Appropriations |
|----------------------|--|---|--|--|-------------------------------------|--|
| FY-13 | 1Q FY-14 (No. 1 of 3) | ⁽⁸⁷⁾ \$ 3,596,910 | *\$ 719,382 | \$ 0 | N/A | \$ 719,382 |
| FY-13 | 1Q FY-15 (No. 2 of 3) | ⁽⁸⁸⁾ \$ 5,050,305 | *\$ 1,010,061 | \$ 0 | N/A | \$ 1,010,061 |
| FY-13 | 4Q FY-15 (No. 3 of 3) | <u>⁽⁸⁹⁾\$ 3,380,785</u> | <u>*\$ 676,157</u> | <u>\$ 0</u> | <u>N/A</u> | <u>\$ 676,157</u> |
| Total | | \$ 12,028,000 | \$ 2,405,600 | \$ 0 | N/A | \$ 2,405,600 |
| SRF Cap. Grant | Cap. Grant Payment Schedule Quarter | Cap. Grant Payment Schedule Amount | Total Required 20% State Match Deposit | Interest Earnings on State Match Fund | Deposit From WPA** Repayments | Deposits From State *** Appropriations |
| FY-14 | 4Q FY-15 (No. 1 of 3) | ⁽⁹⁰⁾ \$ 827,005 | *\$ 165,401 | \$ 0 | N/A | \$ 165,401 |
| FY-14 | 3Q FY-16 (No. 2 of 3) | ⁽⁹¹⁾ \$ 717,210 | *\$ 143,442 | \$ 0 | N/A | \$ 143,442 |
| FY-14 | 4Q FY-16 (No. 3 of 3) | <u>⁽⁹²⁾\$ 11,087,785</u> | <u>\$ 2,217,557</u> | <u>\$ 0</u> | <u>N/A</u> | <u>\$ 2,217,557</u> |
| Total | | \$12,632,000 | \$ 2,526,400 | \$ 0 | N/A | \$ 2,526,400 |

Appendix A (Cont.)
WATER POLLUTION CONTROL (CLEAN WATER) REVOLVING LOAN FUND PROGRAM
ASSUMED AVAILABLE STATE MATCH FUNDS

| SRF Cap. Grant | Cap. Grant Payment Schedule Quarter | Cap. Grant Payment Schedule Amount | Total Required 20% State Match Deposit | Interest Earnings on State Match Fund | Deposit From WPA** Repayments | Deposits From State *** Appropriations |
|----------------------|--|---|--|--|-------------------------------------|--|
| FY-15 | 4Q FY-16 (No. 1 of 2) | ⁽⁹³⁾ \$ 812,215 | *\$ 162,443 | \$ 0 | N/A | \$ 162,443 |
| FY-15 | 4Q FY-17 (No. 2 of 2) | ⁽⁹⁴⁾ <u>\$ 11,754,785</u> | <u>\$ 2,350,957</u> | <u>\$ 0</u> | <u>N/A</u> | <u>\$ 2,350,957</u> |
| Total | | \$ 12,567,000 | \$ 2,513,400 | \$ 0 | N/A | \$ 2,513,400 |

| SRF Cap. Grant | Cap. Grant Payment Schedule Quarter | Cap. Grant Payment Schedule Amount | Total Required 20% State Match Deposit | Interest Earnings on State Match Fund | Deposit From WPA** Repayments | Deposits From State *** Appropriations |
|----------------------|--|---|--|--|-------------------------------------|--|
| FY-16 | 4Q FY-18 (No. 1 of 1) | ⁽⁹⁵⁾ <u>\$ 12,037,000</u> | <u>\$ 2,407,400</u> | <u>\$ 0</u> | <u>N/A</u> | <u>\$ 2,407,400</u> |
| Total | | \$ 12,307,000 | \$ 2,407,400 | \$ 0 | N/A | \$ 2,407,400 |

| SRF Cap. Grant | Cap. Grant Payment Schedule Quarter | Cap. Grant Payment Schedule Amount | Total Required 20% State Match Deposit | Interest Earnings on State Match Fund | Deposit From WPA** Repayments | Deposits From State *** Appropriations |
|----------------------|--|---|--|--|-------------------------------------|--|
| FY-17 | 4Q FY-18 (No. 1 of 2) | ⁽⁹⁶⁾ \$ 1,208,215 | \$ 241,643 | \$ 0 | N/A | \$ 241,643 |
| FY-17 | 4Q FY-19 (No. 2 of 2) | ⁽⁹⁷⁾ <u>\$ 10,736,785</u> | <u>\$ 2,147,357</u> | <u>\$ 0</u> | <u>N/A</u> | <u>\$ 2,147,357</u> |
| Total | | \$ 11,945,000 | \$ 2,389,000 | \$ 0 | N/A | \$ 2,389,000 |

| SRF Cap. Grant | Cap. Grant Payment Schedule Quarter | Cap. Grant Payment Schedule Amount | Total Required 20% State Match Deposit | Interest Earnings on State Match Fund | Deposit From WPA** Repayments | Deposits From State *** Appropriations |
|----------------------|--|---|--|--|-------------------------------------|--|
| FY-18 | 4Q FY-20 (No. 1 of 1) | ⁽⁹⁸⁾ <u>\$ 14,461,000</u> | <u>\$ 2,892,200</u> | <u>\$ 0</u> | <u>N/A</u> | <u>\$ 2,892,200</u> |
| Total | | \$ 14,461,000 | \$ 2,892,200 | \$ 0 | N/A | \$ 2,892,200 |

* = Deposits of this amount or greater were actually made as of 04/08/16.

** = The Water Pollution Abatement Loan Program, which was entirely state funded. Repayments from this loan program are appropriated by the State Legislature each Legislative Session for use as state matching funds for the WPCRLF program.

***= During the spring 2013 legislative session, the Legislature provided bonding authority for \$1,000,000 in general obligation bonds to be used for state match funds. These bonds were sold on December 3, 2013, and the net bond proceeds of \$1,000,000 were deposited into the WPCRLF in the 1st quarter of FFY-14. These bond proceeds were used to match the remainder of the FY-12 capitalization grant and provide \$719,382 in match money for the FY-13, capitalization grant. During the Spring 2014 legislative session, the Legislature provided a direct appropriation of \$1,000,000 to be used for state match funds. These appropriated funds were used to match an additional \$5,000,000 of the FY-13 capitalization grant. During the Spring 2015 legislative session, the Legislature provided a direct appropriation of \$1,000,000 to be used for state match funds. However, due to a State Capital Expense Fund shortfall, \$80,583 of that amount was rescinded, and another \$77,859 may be rescinded if an upcoming ballot initiative (Initiative 42/MAEP) passes. Therefore, only \$841,558 of the \$1,000,000 appropriation can currently be counted as match. These appropriated funds are being used to match the remaining \$3,380,785 of the FY-13 capitalization grant, and \$827,005 of the FY-14 capitalization grant. The ballot initiative did not pass, and the Legislature restored \$65,583 of the rescission in the 3rd Quarter of FY-16, resulting in an additional \$143,442 available for match. During the Spring 2016 legislative session, the Legislature provided a direct appropriation of \$2,380,000 to be used for state match funds, which were used to match the remainder of the FY-14 capitalization grant, and a portion of the FY-15 capitalization grant. During the Spring 2018 Regular Legislative session, the Legislature provided bonding authority for \$5,000,000 in general obligation bonds to be used for state match funds. These bond proceeds will be used to match the remainder of the FY-15 capitalization grant and the entire FY-16 capitalization grant, and to provide \$241,643 in match money for the FY-17 capitalization grant.

(87) The FY-2013 Federal payment schedule \$ that can be matched with \$719,382 in proceeds from the sale of \$1,000,000 in general obligation bonds authorized by the State Legislature during the Spring 2013 Legislative session.

(88) The FY-2013 Federal payment schedule \$ that can be matched with the remaining \$10,062 in proceeds from the sale of \$1,000,000 in general obligation bonds authorized by the State Legislature during the Spring 2013 Legislative session, and with \$1,000,000 of direct appropriation authorized by the State Legislature during the Spring 2014 Legislative session.

- (89) The remainder of the FY-2013 Federal payment schedule \$ that can be matched with \$676,157 of the \$1,000,000 of direct appropriation authorized by the State Legislature during the Spring 2015 Legislative session.
- (90) The FY-2014 Federal payment schedule \$ that can be matched with the \$165,401 of the \$1,000,000 direct appropriation authorized by the State Legislature during the Spring 2015 Legislative session. (Note, due to a “budget shortfall” in the State Capital Expense Fund, \$80,583 of that appropriation was not received. Also, there is a potential for that appropriation to be reduced by another \$77,859 if an upcoming ballot initiative (Initiative 42/MAEP) passes. Therefore, the resulting total of \$158,442 has been deducted from the 2015 \$1,000,000 appropriation, and only \$841,558 has currently been counted as match.)
- (91) The FY-2014 Federal payment schedule \$ that can be matched with the \$143,442 of the \$1,000,000 direct appropriation authorized by the State Legislature during the Spring 2015 Legislative session. (Note, \$77,859 is related to the ballot initiation described above, which did not pass, and the Legislature restored \$65,583 of the rescission in the 3rd Quarter of FY-16.)
- (92) The remainder of the FY-2014 Federal payment schedule \$ that can be matched with \$2,217,557 of the \$2,380,000 of direct appropriation authorized by the State Legislature during the Spring 2015 Legislative session.
- (93) The FY-2015 Federal payment schedule \$ that can be matched with the remaining \$162,443 of the \$2,380,000 direct appropriation authorized by the State Legislature during the Spring 2015 Legislative session.
- (94) The remainder of the FY-2015 Federal payment schedule \$ that can be matched with \$2,350,957 in proceeds from the sale of general obligation bonds authorized by the State Legislature during the Spring 2018 Legislative session.
- (95) The FY-2016 Federal payment schedule \$ that can be matched with \$2,407,400 in proceeds from the sale of general obligation bonds authorized by the State Legislature during the Spring 2018 Legislative session.
- (96) The FY-2017 Federal payment schedule \$ that can be matched with \$241,643 in proceeds from the sale of general obligation bonds authorized by the State Legislature during the Spring 2018 Legislative session.
- (97) The remainder of the FY-2017 Federal payment schedule \$ that can be matched with \$2,147,357 in proceeds from the sale of general obligation bonds to be requested during the Spring 2019 Legislative session.
- (98) The FY-2018 Federal payment schedule \$ that can be matched with \$2,892,200 in proceeds from the sale of general obligation bonds to be requested during the Spring 2019 Legislative session.

Appendix B

Water Pollution Control (Clean Water) Revolving Loan Fund Program Projected Schedule of Outlays (\$ Millions)

| Projects | 1Q FY-19 | 2Q FY-19 | 3Q FY-19 | 4Q FY-19 | 1Q FY-20 | 2Q FY-20 | 3Q FY-20 | 4Q FY-20 | 1Q FY-21 | 2Q FY-21 | 3Q FY-21 | 4Q FY-21 | Totals |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Town of Leakesville | \$210,000 | \$560,000 | \$560,000 | \$560,000 | \$210,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,100,000 |
| City of Jackson | \$1,550,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$2,790,000 | \$1,550,000 | \$31,000,000 |
| Jackson County Utility Authority | \$520,000 | \$1,380,000 | \$1,400,000 | \$1,380,000 | \$520,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,200,000 |
| Harrison County Utility Authority | \$40,000 | \$64,000 | \$64,000 | \$64,000 | \$64,000 | \$64,000 | \$40,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$400,000 |
| Harrison County Utility Authority | \$30,000 | \$48,000 | \$48,000 | \$48,000 | \$48,000 | \$48,000 | \$30,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$300,000 |
| City of Greenville | \$1,170,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$2,106,000 | \$1,170,000 | \$23,400,000 |
| Harrison County Utility Authority | \$400,000 | \$640,000 | \$640,000 | \$640,000 | \$640,000 | \$640,000 | \$400,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,000,000 |
| Harrison County Utility Authority | \$400,000 | \$640,000 | \$640,000 | \$640,000 | \$640,000 | \$640,000 | \$400,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,000,000 |
| Tunica County Utility District | \$105,000 | \$236,250 | \$236,250 | \$236,250 | \$236,250 | \$236,250 | \$236,250 | \$236,250 | \$236,250 | \$105,000 | \$0 | \$0 | \$2,100,000 |
| City of Ocean Springs | \$510,000 | \$816,000 | \$816,000 | \$816,000 | \$816,000 | \$816,000 | \$510,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,100,000 |
| Town of New Houlka | \$210,000 | \$336,000 | \$336,000 | \$336,000 | \$336,000 | \$336,000 | \$210,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,100,000 |
| Program Admin. | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- |
| Total | \$5,145,000 | \$9,616,250 | \$9,636,250 | \$9,616,250 | \$8,406,250 | \$7,676,250 | \$6,722,250 | \$5,132,250 | \$5,132,250 | \$5,001,000 | \$4,896,000 | \$2,720,000 | \$79,700,000 |

| | | | | | | | | | | | | | |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| FY-15 State Match (2.9%) | \$857,502 | \$1,493,461 | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$2,350,963 |
| Federal FY-15 Cap Grant (14.7%) | \$4,287,498 | \$7,467,287 | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$11,754,785 |
| FY-16 State Match (3.0%) | \$-0- | \$109,251 | \$1,606,045 | \$692,110 | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$2,407,406 |
| Federal FY-16 Cap Grant (15.1%) | \$-0- | \$546,251 | \$8,030,205 | \$3,460,544 | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$12,037,000 |
| FY-17 State Match (3.0%) | \$-0- | \$-0- | \$-0- | \$910,601 | \$1,401,044 | \$77,360 | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$2,389,005 |
| Federal FY-17 Cap Grant (15.0%) | \$-0- | \$-0- | \$-0- | \$4,552,995 | \$7,005,206 | \$386,799 | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$11,945,000 |
| FY-18 State Match (3.7%) | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$855,377 | \$855,377 | \$833,502 | \$347,952 | \$-0- | \$2,892,208 |
| Federal FY-18 Cap Grant (18.2%) | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$4,276,873 | \$4,276,873 | \$4,167,498 | \$1,739,756 | \$-0- | \$14,461,000 |
| \$ Other* (24.4%) | \$-0- | \$-0- | \$-0- | \$-0- | \$-0- | \$7,212,091 | \$6,722,250 | \$-0- | \$-0- | \$-0- | \$2,808,292 | \$2,720,000 | \$19,462,633 |

* Other funds include state match, repayments, interest earnings, and net loan amendments.

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