STATE OF MISSISSIPPI
DRINKING WATER SYSTEMS IMPROVEMENTS
REVOLVING LOAN FUND PROGRAM

DRAFT

FY-2010 INTENDED USE PLAN

Presented to the Board for Review and Public Notice
On December 18, 2009

MISSISSIPPI STATE DEPARTMENT OF HEALTH

LOCAL GOVERNMENTS AND RURAL WATER SYSTEMS

IMPROVEMENTS BOARD

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STATE OF MISSISSIPPI
LOCAL GOVERNMENTS AND RURAL WATER SYSTEMS IMPROVEMENTS BOARD

DRINKING WATER SYSTEMS IMPROVEMENTS REVOLVING LOAN FUND

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I. Introduction

A. State of Mississippi's Drinking Water State Revolving Loan Fund

The Safe Drinking Water Act Amendments of 1996 (SDWA) established the national Drinking Water State Revolving Fund (DWSRF) Program. That program allows the Environmental Protection Agency (EPA) to make capitalization grants to states to, in turn, provide low cost loans to public water systems to help achieve or maintain compliance with SDWA requirements. Accordingly, the State Legislature (through Section 41-3-16, MS Code of 1972 Annotated) created what is now called the Drinking Water Systems Improvements Revolving Loan Fund (DWSIRLF) Program, to receive the federal DWSRF capitalization grants from EPA, and to provide low cost loans to the state's public water systems to finance needed infrastructure improvements. This legislation also allows the DWSIRLF, subject to the authority of State Law, to make loans that may utilize additional subsidization beyond standard DWSIRLF loans as well as setting appropriate criteria to determine eligible recipients.

That same legislation created the "Local Governments and Rural Water Systems Improvements Board (Board)," to oversee the administration of the DWSIRLF Program. The Mississippi State Department of Health (Department), as the state's drinking water primacy agency, supplies the staff and facilities necessary to administer the program. The Board is composed of the following nine (9) members: the State Health Officer, who shall serve as chairman of the Board; the Executive Director of the Mississippi Development Authority; the Executive Director of the Department of Environmental Quality; the Executive Director of the Department of Finance and Administration; the Executive Director of the Mississippi Association of Supervisors; the Executive Director of the Mississippi Municipal League; the Executive Director of the American Council of Engineering Companies; the State Director of the United States Department of Agriculture, Rural Development; and a manager of a rural water system. Each agency director may appoint a designee to serve in his or her place on the Board. The rural water system manager is appointed by the Governor. In the creation of the program it was the intent of the Legislature that the Board endeavor to ensure that the costs of administering the DWSIRLF Program are as low as possible, in order to provide the water consumers of Mississippi with safe drinking water at affordable prices.

As a condition of receiving the DWSRF capitalization grants, the SDWA requires that each state annually prepare an Intended Use Plan (IUP). The IUP is designed to outline how a state will utilize DWSRF funds to assist in protecting public health. The DWSIRLF Fund consists of both state and federal funds. Federal funds are provided to the states in the form of awarded capitalization grants. Each state's allotment of those grants is based on EPA's Needs Survey that is performed every four years. State matching funds totaling 20% of the federal grant amount are required to be deposited into the Fund and have historically been provided through the issuance of bonds. The purpose of this IUP is to convey the State of Mississippi's (State) DWSRF plan for FY-2010 to EPA, other state agencies, the state's public water supplies, and the general public. As stated previously, this IUP not only outlines how the state will spend standard DWSIRLF

funds, but it also gives details as to how the state will spend proposed Jobs Bill funds that may be provide during the 2010 Congressional Session. Additionally, it should be noted that the requirement of the State Attorney General's opinion in regards to the DWSIRLF has been waived for ARRA funds.

B. Program Overview

The basic framework under which the DWSIRLF Program operates is established by two documents. The first document is the Drinking Water State Revolving Fund Loan Program Operating Agreement (Operating Agreement) between the Mississippi State Department of Health and the Environmental Protection Agency, Region IV. This Operating Agreement was agreed to by both parties and approved on February 3, 2009. The Operating Agreement establishes the basic framework of the DWSIRLF that is not expected to change from year-to-year. The second document is this IUP, which describes how the State of Mississippi will obligate the FY-2010 DWSRF allotment initially estimated to be $14,125,000 from October, 2010, through September, 2014, as shown in the capitalization grant application. At the time of this public notice, it is understood that Congress is proposing a new Jobs Bill which could give an additional $10,000,000 to the DWSIRLF. This IUP will take this into account when projecting potential loan awards. This IUP will show in detail the following: the goals (basic, long-term and short-term), the structure, and the financial status of the loan program; the role of the set-aside activities within the state; and most importantly, the distribution of funds towards public water system improvements projects and the criteria used to determine their ranking within the priority system. Those desiring to receive a copy of either of these documents should contact Ulysses Conley, Program Support Specialist, at (601) 576-7518 to request copies.

C. Public Input, Review, and Comment Procedures

To ensure that the public has an ample opportunity to review and comment upon the IUP, the Department and the Board follow the "Mississippi Administrative Procedures Law" prior to final submission to EPA. A public notice period of at least twenty-five (25) days allows for review and comment before a public hearing. A second filing with the Secretary of State's Office occurs with the IUP becoming law 30 days later.

Public notice will be given in *The Clarion Ledger*, a newspaper of statewide circulation, to receive any written and oral comments on this IUP. A public hearing will be held at 9:00 a.m. on Friday, January 22, 2010. A transcript of the public hearing, recording the comments and recommended solutions, will be submitted to EPA along with the Final IUP. Those desiring to receive a copy of the public hearing transcript should contact Ulysses Conley, Program Support Specialist, at (601) 576-7518 to request copies. A copy of the "Mississippi Administrative Procedures Law" may be obtained from the Mississippi Secretary of State's Office, and can also be found on the Mississippi State Department of Health's website at www.msdh.state.ms.us/dwsrf.

II. Goals of Mississippi's Drinking Water Systems Improvements Revolving Loan Fund (DWSIRLF) Program

The Board has established certain goals for the DWSIRLF Program with the objective of improving the program on an ongoing basis. The goals have been classified into three categories that include basic, long-term, and short-term. These goals were developed to address the necessary requirements of federal and state regulations, as well as the State's need and desire to maintain and enhance the program. Congress and the State of Mississippi have placed particular emphasis on assisting smaller drinking water systems under the DWSIRLF to ensure that these systems have adequate technical, managerial, and financial resources to achieve or maintain compliance and provide safe drinking water.

A. Basic Goals

a. Maintain a financially sound DWSIRLF in perpetuity; meet a portion of the drinking water needs in the state within a reasonable period of time; and fund projects in order of public health importance. Attaining these basic goals will help ensure that Mississippi's drinking water supplies remain safe and affordable, and that those public water systems that receive funding will be properly operated and maintained.

b. Determine the DWSIRLF's yearly interest rate, taking into consideration that it must be competitive with the private sector, as well as with other available funding sources within the state. This will ensure the timely use of available funds, as well as ensure sufficient income is generated to provide for the perpetuity of the Fund. Further details of loan terms and priority ranking are outlined in Sections IV and VI of this IUP.

B. Long-Term DWSIRLF Goals

1. Enhance and/or improve loan application and repayment procedures. MSDH intends to periodically evaluate the existing program requirements and procedures to determine ways to streamline the DWSIRLF Program's application and repayment procedures, making it more user-friendly, attractive and beneficial to loan recipients, while ensuring continued compliance with all federal and state regulations and requirements.

2. In addition to streamlining program requirements and procedures, Program staff members are exploring the feasibility of creating a universal web-based ranking form for all lending agencies within the state. The proposed form would ask a few simple questions, recommend a lending program based on the responses, and submit the ranking form to the appropriate agency. This could help potential loan recipients find the program that is right for their water utility, quickly and easily.

3. Use Set-Asides to fund Planning Grants. DWSIRLF staff is exploring the possibility of using a portion of the Local Assistance and Other State Programs set-aside to fund planning grants for water systems serving populations with fewer than 5,000 residents. The completed plans could then be used as facilities plans required for the DWSIRLF Program. Potential restrictions to this set-aside's use will require the grantee to commit to the DWSIRLF Program for project funding within a specified period of time and/or possibly require grantee to match a portion of the planning grant, dollar-for-dollar.

4. Develop a tracking system to manage program documents and disbursements. A tracking system will provide DWSIRLF loan recipients and their representatives with an opportunity to view the status and/or location of documents mailed to the DWSIRLF program for review and/or processing. This tracking system will also assist DWSIRLF staff in tracking/monitoring program documentation reviews as well as disbursements.

C. Short-Term DWSIRLF Goals

1. Enhance and/or improve the DWSIRLF Loan Program by making it more attractive to public water systems. The evaluation of this goal will be based on input received from "one-on-one" visits with staff at engineering firms, town conferences, and general feedback obtained from loan recipients and engineers during the loan process. These meetings will be conducted with firms currently participating in the DWSIRLF program to collect data regarding the effectiveness of the loan application process currently being implemented by the Department.

2. Explore the possibility of developing web-based checklists and forms to electronically store and process project management information.

3. Continue the development of a web-based system for tracking both DWSIRLF and Bureau of Public Water Supply project documentation which will allow access by consulting engineers, contractors, and loan recipients to check approval/comment status of their project paperwork and disbursements.

4. Assist applicants in addressing capacity assessment deficiencies found during annual inspections by using technical solutions afforded by the use of the technical assistance set-asides contractors. New or forthcoming regulations may make this a key goal in the future.

5. Train new staff members using available training sessions offered and provided by EPA.

6. Meet special funding goals: Funds for both the FY-2010 capitalization grant and the proposed Jobs Bill have very specific goals that must be met. These specific goals are outlined here:

a. 20% of both federal appropriation grants are to fund projects designated as "Green Infrastructure".
b. 30% of the capitalization grant funds must be disbursed with additional subsidization beyond a below market interest rate. 50% of the Jobs Bill grant funds must be disbursed with additional subsidization beyond a below market interest rate. The DWSIRLF will be utilizing principal forgiveness as the form of additional subsidization.
c. Appropriately disburse funds from the federal appropriations in a manner consistent with federal law and EPA supplied guidelines. The Jobs Bill includes the previously discussed requirements and additionally requires that projects funded through the appropriation be ready to start construction no later than 12 months after the proposed Jobs Bill is signed.
d. The State's goals for the use of these funds via funding projects are to create jobs, promote economic recovery, and generate long-term benefits from the infrastructure investment.

III. Structure of the Mississippi DWSIRLF

The Mississippi DWSIRLF is structured around three separate funds that sustain the program and help it achieve the basic, short-term, and long-term goals. The funds break down further to specific accounts for specific functions:

A. DWSIRLF Loan/Operations Fund

Monies in the Fund support a majority of the functions of the Loan Program. These functions include: administration of the program, set-aside operations, and most importantly, providing loans to public water systems for eligible projects. The Loan Program is a reimbursement program, meaning that after the loan is awarded, costs associated with planning and design, as well as project construction, are reimbursed to the recipient. Capitalization Grants from EPA, loan repayments, and interest earnings are deposited into this Fund.

1. Types of Eligible Projects:
   Many types of projects are eligible for funding under the loan program. For a more detailed explanation of eligible costs for projects, please reference Appendix A of the DWSIRLF Regulations.

2. Set-aside Accounts:
   The set-aside accounts reside under the umbrella of the Fund. Separate accounts are maintained for each set-aside. A listing of the set-asides taken by Mississippi includes the following:
   a. Administrative Set-aside: Used to administer the loan program and other non-project-related activities.
   b. Small System Technical Assistance Set-aside: Used to provide technical assistance to small water systems through the contractual services of the *Community Resources Group* (CRG), Mississippi State University –

Extension Service (MSU-ES) and the Mississippi Rural Water Association (MsRWA)

c. State Program Management Set-aside: Used to provide additional financial support to MSDH – Bureau of Public Water Supply for Public Water System Supervision program support.

B. DWSIRLF State Match Funds

As required by the SDWA, the State of Mississippi must match the capitalization grant with state funds equaling 20% of the federal allotment. Mississippi historically has received the required 20% state match from the sale of General Obligation Bonds authorized by the State Legislature and sold by the Mississippi State Bond Commission. While state match monies provided through the bond sales are maintained separately from the Fund for accounting purposes, they are still considered to be under the "umbrella" protection of the DWSRF Fund. Funds supplied through the proposed Jobs Bill do not require additional state match.

C. Drinking Water Systems Emergency Loan Fund (DWSELF)

This fund contains state monies that are to be utilized only for public water supply loans which meet the definition of emergency. For further information see Appendix J.

IV. Financial Status of the DWSIRLF

This section outlines all sources of funding available to the DWSIRLF program and indicates intended uses. This section also describes the financial assistance terms available through the program.

A. Source and Use of Funds

Funding amounts and their use are outlined in Appendix A. For FY-2010 the federal allotment (anticipated to be $14,125,000) and required state match $2,825,000 ($1,364,935 of which was disbursed during FY-2008) will provide an anticipated total of $15,585,065 to be used for loans and set-aside activities. An estimated $13,890,065 will be used for loans to Mississippi public water supplies, with an estimated $1, 977,500 being utilized for set-aside activities. An additional $10,000,000 from the ARRA federal allotment will be used for additional loans. Unobligated funds from the previous year, anticipated loan repayments, and interest earnings are additional sources of funding, which are not classified as state match. Set-aside use for the standard capitalization grant is outlined in Section V. of this IUP. Necessary workplans showing utilization of these funds are found at the end of this IUP.

1. Federal Allotment
   The capitalization grant is estimated to be $14,125,000 based on the FY-2010 legislative appropriation. Additionally, the FY-2010 grant requires that not less than 20 percent of the funds appropriated herein for the Revolving Funds shall be designated for green infrastructure, water efficiency improvements, energy efficiency improvements, or other environmentally innovative projects. Furthermore, 30% of the total grant funds used to make loans must have additional subsidization beyond normal interest rates.

2. State Match Requirements
   The State receives its 20% state match from the sale of General Obligation Bonds authorized by the State Legislature. The Legislature passed House Bill No. 209 to establish a Local Governments and Rural Water Systems Improvements Revolving Loan Program and authorized the sale of $15,000,000 in General Obligation Bonds which were deposited into the Loan Fund. As stated in the law, one of the purposes for these funds is that, "All or any portion of the monies in the fund may be used to match any federal funds that are available for the same or related purposes for which funds are used and expended under this act." Initially, $10,000,000 of these General Obligation bonds were sold in May of 1997 and the proceeds were deposited into the Fund on May 29, 1997. Later, the remaining $5,000,000 of the original bonding authority was sold and deposited into the DWSIRLF fund on October 5, 2000.
   - $3,294,840 was used as state match for the FY-97 Cap grant,
   - $1,654,340 was used as match for the FY-98 Cap grant,
   - $1,733,900 was used as match for the FY-99 Cap grant,
   - $1,802,020 was used as match for the FY-2000 Cap grant,
   - $1,809,480 was used as match for the FY-2001 cap grant,
   - $1,610,500 was used as match for the FY-2002 cap grant,
   - $1,600,820 was used as match for the FY-2003 cap grant,
   - $1,494,100 was used as match for $7,470,500 of the FY-2004 cap grant.

   During the Spring 2003 Legislative Session, the Legislature provided the Board with an additional $130,000 in bonding authority. Additionally, during the Spring 2004 Legislative Session, the Legislature authorized $1,613,000 in general obligation bonds. A total of $1,740,000 was deposited in the DWSIRL Fund during the 1st Quarter of FY-2005.
   - $129,776 was used as match for $648,880 of the FY-2004 cap grant.
   - $36,744 was used as match for $183,720 which was the remaining FY-2004 cap grant.
   - $1,573,480 was used as match for $7,867,400 of the FY-2005 cap grant.

   During the 2006 Regular Legislative Session, the Legislature authorized general obligation bonds in the amount of $4,003,000, which were sold and deposited in the SRF Fund during the 1st Quarter of FY-2007. After paying the issuance cost of $2,128.26:
   - $83,620 was used to match the remaining $418,100 of the FY-2005 cap grant.
   - $1,645,860 was used to match the FY-2006 cap grant ($8,229,300).

- $1,645,800 was used to match the FY-2007 cap grant ($8,229,000).
- $625,591 was used to match a portion ($3,127,955) of the FY-2008 cap grant.

During the 2008 Regular Legislative Session, the State Legislature authorized an additional $4,000,000 in general obligation bonds which were sold and deposited into the Fund during the 1st Quarter of FY-2009. After paying issuance costs of $2,256.05

- $1,003,609 was used to match the remaining FY-2008 cap grant.
- $1,629,200 was used to match the FY-2009 cap grant ($8,146,000).
- $1,364,935 will be used to match a portion of the FY-2010 cap grant ($14,125,000).
- The remaining $1,690,665 is expected to be provided through the sale of general obligation bonds during the FY-2010 Regular Legislative Session. When authorized they will be sold and deposited in the SRF Fund during the 4th Quarter of FY-2010.

While the match has been obligated to the FY-2009 and FY-2010 grants as shown above, it was spent during FY-2008 for needed loans. Those spent match funds are "credit" for the necessary match requirement for FY-2009 and a portion of FY-2010. Appendices A and B have been designed to reflect that the match has been spent. The new match to be appropriated during the FY-2010 Legislature will be included as a part of any disbursements made during FY-2010. Funds available through the Jobs Bill will not require any additional state match to obtain those funds.

3. Loan Increase Reserve

   Beginning in FY-03 the Board began to make loan awards after approval of the facilities plans and loan application rather than after completion of design. This change in the loan award sequence increased the likelihood that bid overruns on some projects may be greater than the construction contingency included in the loan agreement. In order to provide needed loan increases to existing loans, the Board intends to set-aside the amounts indicated in Appendix A for such loan increases to be awarded on a first-come, first-served basis. Any funds not obligated for these purposes by the end of the fiscal year may be made available for new loan awards to the highest ranking project(s) that is ready for loan award at the time funds become available.

4. FY-2010 Proposed Jobs Bill

   To combat the current troubled economic climate facing the country today as it relates to job creation, Congress has proposed legislation that would authorize additional funding to the DWSIRLF program. The $10.0 Million Jobs Bill funding to the loan program will require no additional state match. Standard set-asides, with the exception of the 15% Local Assistance and Other State Programs, are allowed. The 10% State Program Management one-to-one match requirement is still necessary with this recovery package. Funds given to the state through the proposed Jobs Bill will be applied for in a manner similar to the yearly capitalization grant. Appendices A and B have been revised to reflect this

potential funding source. Similarly to the Capitalization Grant, the Jobs Bill requires that not less than 20 percent of those federal funds appropriated herein for the Revolving Funds shall be designated for green infrastructure, water efficiency improvements or other environmentally innovative projects. Furthermore, 50% of the total Jobs Bill funds used to make loans must have additional subsidization beyond normal interest rates.

B. Financial Planning Process

In accordance with the Board's desire to maintain a financially sound DWSIRLF loan fund in perpetuity, while at the same time meeting a substantial portion of the drinking water needs in the state within a reasonable period of time, the following financial decisions were made regarding the Fund:

1. Efficient Bond Management
   The Board intends that the Mississippi State Department of Health apply for the entire State allotment under the federal DWSRF, including the set-asides described in Section V. below. The Board has decided that any bond proceeds be deposited into the DWSIRLF fund to be "banked" as State Match for federal DWSRF capitalization grants, and has made this entire amount immediately available for DWSIRLF loans.

2. Interest Rate Determination
   As mentioned previously in the Goals Section of the IUP, it is the Board's intention to adjust interest rates such that the demand will eventually equal the funds available. In order to ensure that this interest rate will be at or below the prevailing market rates at the time a loan is made, this rate will be compared to the twenty-year (20) triple-A rated, tax-exempt insured revenue bond yield published by The Bond Market Association/ Bloomberg (Bloomberg Online, http://www.bloomberg.com/markets/rates/index.html).

3. Investment
   Investment Procedures for Excess Cash - According to the State Treasurer, the excess cash in the DWSIRLF is invested by the State Treasurer in securities prescribed in Section 27-105-33, et. Seq., of the Mississippi Code of 1972 Annotated, as amended. The securities in which State funds may be invested include certificates of deposit with qualified State depositories, repurchase agreements (fully secured by direct United States Treasury obligations, United States Government agency obligations, United States Government instrumentalities or United States Government sponsored enterprise obligations), direct United States Treasury obligations, United States Government agency obligations, United States Government instrumentalities or United States Government sponsored enterprise obligations, and any other open-ended or closed-ended management type investment company or investment trust registered under the provisions of 15 U.S.C. Section 80(a)-1 et. Seq, provided that the portfolio is limited to direct obligations issued by the United States of

America, United States Government agency obligations, United States Government instrumentalities or United States Government sponsored enterprise obligations and to repurchase agreements fully collateralized by the securities listed above for repurchase agreements.

C. Financial Terms of Loans

The following terms will be used for the purpose of making loans to the public water systems within the State of Mississippi.

1. Funding Limit
   Under state law, the Board has the discretion to set the maximum amount for DWSIRLF loans. For FY-2010 the Board has set the maximum loan amount of $5,000,000 per borrower. Furthermore, During FY-2010, no more than one loan per borrower will be allowed. These funding limits will be implemented due to the reduced amount of available funds. By the end of the fiscal year, in the event that additional funds are available, system previously receiving an award during FY-2010 may obtain an additional award(s) if no other eligible systems are evident.

2. Interest Rate
   All loan terms will be at 1.95% annual interest rate, compounded monthly, with a maximum 20-year repayment period. The interest will not accrue during construction, but will commence at the date of completion of the original construction period.

3. Administration Fee
   Revenues to pay for DWSIRLF program administrative costs will be collected through an administration fee of 5% of the initial loan principal. This fee will be collected from the interest portion of loan repayments on all FY-2010 loans. There is approximately $1,900,000 in this program administration fund at this time. The Department expects to receive approximately $1.6M over the course of approximately two years after FY-2010 loans have been closed out and have begun repayments. This amount is pending the receipt of the full amount of the requested EPA FY-2010 Cap Grant.

4. FY-2010 Appropriation Special Provisions
   Funds from the FY-2010 federal appropriation have additional federal requirements. Twenty percent of projects funded through the FY-2010 Cap Grant must be “Green Infrastructure” in nature. Additionally, 30% of projects funded with FY-2010 monies must have additional subsidization beyond low interest rates. That additional subsidization could take the form of principal forgiveness, negative interest rates, or a combination of the two. Regardless of the amount of principal forgiveness to the potential loans, remaining funding amounts will be assigned the standard interest rate, repayment terms, and be amortized as a full standard loan. Furthermore, all loans made with all or part FY-2010 federal

appropriation funds will have the added loan conditions associated with the Davis-Bacon Act and related acts. Systems funded all or in part with Jobs Bill funds will be required to adhere to the following additional requirements: Use of American iron, steel, and manufactured goods and appropriate reporting requirements as indicated by the bill. Appropriate language will be added to all FY-2010 loan agreements identifying the additional responsibilities for loan recipients.

5. Other Related Issues
   a. *Type of Assistance Provided:* The assistance to be provided under the DWSIRLF loan program will be loans to public, tax-exempt entities which are authorized under State law to collect, treat, store and distribute piped water for human consumption; to enter into a DWSIRLF loan agreement; and, which have the ability to repay the DWSIRLF loan. With the funds afforded through the FY-2010 appropriation and the proposed Jobs Bill, the DWSIRLF will be able to make loans that will have an amount of principal forgiveness. Once FY-2010 appropriation subsidy funds of both the standard capitalization grant and the Jobs Bill have been depleted, loans will return to standard terms without principal forgiveness. In all cases, these loans will be for the construction of eligible drinking water production, treatment and distribution facilities.

   b. *Project Costs Eligibility:* Eligible/allowable project costs will include those costs that are eligible, reasonable, necessary, and allocable to the project, within the established project scope and budget, in conformance with the DWSIRLF regulations and approved by MSDH.

   c. *Loan Participation:* DWSIRLF loan participation will be at 100% of eligible project costs, less any funding made available from other agencies for these same eligible project costs.

   d. *Pre-Award Costs:* Project costs incurred prior to loan award will be DWSIRLF loan eligible provided:
      i. The debt is for work under a construction contract for which the notice to proceed was issued on or after October 1, 2009, and the DWSIRLF loan is awarded by September 30, 2010.
      ii. The project is in compliance with all applicable DWSIRLF program regulations and obtains MSDH approval of all applicable documents prior to award of the DWSIRLF loan.
      iii. The prospective loan recipient agrees that by incurring costs prior to loan award, it proceeds at its own risk and relieves the Board, the Department, and the Department's 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.
      iv. The prospective loan recipient agrees that by incurring costs prior to loan award, no future commitment of funding a refinanced project is provided.

e. *Priority List:* The FY-2010 Priority List expires on September 30, 2010. Projects listed in the FY-2010 Priority List that do not receive funding by this date will not be funded under the FY-2010 funding cycle, and will be subject to the requirements of the FY-2011 or subsequent Intended Use Plans and Priority Lists. Detailed information for the FY-2010 DWSIRLF projects is shown in Section VIII of this IUP. To facilitate the use of FY-2010 federally appropriated funds, the priority list may be adjusted in order for funds to be disbursed according to the federal requirements.

V. Set-Aside Activities

The SDWA allows each state to set-aside up to 31 percent of its federal capitalization grant to support non-project-related drinking water programs including: administration of the loan program, technical assistance to public water systems, state program management, and other special activities. The State plans to use an estimated $1,977,500 of the federal grant to support these activities along with an additional estimated $1,412,500 of state money needed for state program management match. These non-project-related programs will be operated by the MSDH within the agency itself or through contracts with other agencies or organizations. Contracts between the MSDH and other agencies or organizations will be approved by the Board. Workplans, detailing how funds will be expended for the taken set-asides, are included as appendices within this IUP. Additionally, progress reports will be included in the Annual Report for those set-asides taken. As of this public notice, the state has elected not to take any additional set-asides from the Jobs Bill appropriation, but reserves the right to make revisions to utilize those set-asides.

A. Administration

Standard Capitalization Grant

The State will take 2% of the total 4% or $282,500 from the FY-2010 Capitalization Grant for this set-aside; however, the State wishes to reserve the remaining 2% of the allowed 4% to be taken at a later time from future capitalization grants. Additionally, the State wishes to exercise its right to continue to reserve the FY-03, FY-04, and FY-09 administrative set-aside funds from future capitalization grants to be taken when needed. As of FY-2009, in an effort to make the program more desirable for potential loan recipients, the Board implemented a new fee collection method in conjunction with the FY-2009 IUP and after. Previously, the administrative fee was collected in the first payment request submitted by the loan recipient. The current method collects the fees during the initial months of the 20-year repayment period. Continuing to reserve the funds from FY-03, FY-04, and FY-09 is necessary to ensure that administrative funds will be available during the lengthy transition to the new administrative fee collection method that could be as long as two year. With the increased staff that was needed to properly manage the program, administrative funds will be depleted rapidly and the additional reserved administrative set-aside funds will be required for continued program operation. These reserved funds will also

assist in the funding of positions after the American Recovery and Reinvestment Act funds expire.

B. Small System Technical Assistance

Standard Capitalization Grant
The State intends to set-aside two (2%) percent or $282,500 of its FY-2010 Capitalization Grant to provide technical assistance to public water systems serving under 10,000 population. With approval by the Board, the State intends to use this set-aside to fund contracts for the following activities: Special Assistance to Referred Systems; Board Management Training for Water System Officials; On-Site Technical Assistance; and Hands-on Operator Training. Each of these activities is described in detail in the State of Mississippi Small Systems Technical Assistance Set-Aside Work Plan included as Appendix F to this IUP.

C. State Program Management

Standard Capitalization Grant
The State intends to set-aside the full ten percent (10%) or $1,412,500 of its anticipated FY-2010 Capitalization Grant, as authorized by Section 1452(g)(2) of the Safe Drinking Water Act of 1996, for State Program Management to be used for Public Water System Supervision (PWSS) activities conducted under Section 1443(a) of the Act. These activities are described in more detail in the State of Mississippi State Program Management Set-aside Annual Work Plan included as Appendix G to this IUP. The State must provide a dollar-for-dollar match (100% match) for Capitalization Grant funds used for these activities. This match is separate and in addition to the twenty (20%) percent state match required for the Capitalization Grant. The State is allowed to offset the 100% match requirement by claiming credit for State FY-2010 PWSS expenditures that exceed the State's FY-2010 PWSS match requirement. The State is further allowed to use State FY-93 PWSS expenditures to offset the 100% match requirement as long as this amount does not exceed the amount that can be claimed from FY-2010 expenditures. While this is allowed, the MSDH Bureau of Public Water Supply sees this as providing no additional monetary benefit to the State Program Management Program and has elected to decline the "coupon". A tabulation showing amount and source of funds to satisfy match requirements for the FY-2010 State Program Management set-aside is furnished as Appendix H to this IUP.

D. Local Assistance and Other State Programs

No new funds will be taken from the FY-2010 Capitalization Grant for this set-aside.

VI. Priority System

The SDWA provides the state with the flexibility to determine how to best utilize the capitalization grant. Bearing this in mind, Mississippi has particular issues facing its

public water systems which are unique to the state; however, the SDWA requirements give priority to those projects which:

- address the most serious risk to human health
- are necessary to ensure compliance with the SDWA requirements
- assist systems most in need, on a per household basis.

A. Funding and Ranking Rationale

Projects will be placed on the fundable portion of the Priority List according to both priority ranking and readiness to proceed. The term "ready to proceed" 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's priority list, but rather will be placed on the planning list. It is the Board's judgment as to whether the project can be ready to proceed. Loans will be awarded (within the available funds) in the following order: projects above funding line (the current year's priority list) that have met all Priority System deadlines will be funded when they are ready to proceed.

1. Funding Lists and Bypass Procedure
   Should any projects on the FY-2010 Priority List shown above the funding line fail to comply with the deadlines in Section D, the project shall be bypassed and the funds reserved for said project will be released. These released funds will first be made available to ensure that all projects above the funding line meeting priority system deadlines are funded, with any remainder, made available to the highest ranking project(s) shown below the funding line that is ready for loan award at the time funds become available. If no projects above the funding line are ready for loan award at the time funds become available, projects shown below the funding line will be funded on a first-come, first-served basis as they become ready for loan award and until the released funds are awarded. This same process will continue as each deadline passes and released funds become available.

2. FY-2010 Green Infrastructure Requirement
   The FY-2010 federal appropriation has the stipulation that not less than 20 percent of the funds appropriated for the Revolving Funds shall be designated for green infrastructure, water efficiency improvements, energy efficiency improvements or other environmentally innovative projects. The proposed Jobs Bill will also have a 20 percent green infrastructure requirement. Projects with higher rankings may be bypassed in order for the State to achieve this non-negotiable federal requirement made in both appropriations. Where it is not clear that a project or component qualifies to be included as counting towards the 20% requirement, the files for such project will contain documentation of the case on which the project was judged to qualify based on the guidance supplied by the EPA. In the event that additional projects are needed to fulfill the 20% requirement of the federal appropriation, the State will take the appropriate steps

to make solicitations for those projects. Systems vying for "Green Infrastructure" classification will be required to present a "business case" establishing justification for the classification request.

3. Loan Decreases
   Any funds recovered from loan decreases during the year will be used: a) first to fund bid overruns, if funds from the loan increase reserve are not sufficient to cover the bid overruns; b) then to ensure that all projects above the funding line meeting the priority system deadlines are funded (for at least the amount shown on the priority list) and c) then to fund other loans and/or increases on a first-come, first-served basis. Any funds not obligated for these purposes by the end of the fiscal year may be made available for new loan awards ready to proceed on a first-come, first-served basis.

4. Match for Special Appropriations Project (SPAP) Grants
   On October 10, 2001, EPA issued policy memorandum DWSRF 02-01 to notify regions and states of a change in policy regarding the use of DWSRF monies for providing local match for SPAP grants. This change in EPA policy will allow the State to use non-federal, non-state match DWSIRLF funds to provide loans that can be used as local match for SPAP grants awarded for drinking water projects.

   These non-federal, non-state match DWSIRLF loan funds may be made available to eligible SPAP grant recipients that are on the priority list for use as local match funds for their SPAP grants, provided the grant is for 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. Subsidization from FY-2010 Federal Appropriations

   MSDH, at the behest of the Local Governments and Rural Water Systems Improvements Board, has established the process and criteria for determining the amount of additional subsidy on a project-specific basis. The following is the process and criteria that MSDH and the Board will use:

   As required by law, 30% of standard federal appropriation and 50% of the Jobs Bill Grant amount must provide additional subsidization. This will be provided to eligible recipients through principal forgiveness within the existing loan framework. The amount of principal forgiveness will be determined by the following: The median household income of the potential loan recipient (LR) versus the median household income of the State of Mississippi ($36,322) as a percentage. A range of MHI income and a percentage of subsidy are as follows:

LR MHI > 100%	- 15% Principal Forgiveness
90% < LR MHI < 100%	- 25% Principal Forgiveness
80% < LR MHI < 90%	- 35% Principal Forgiveness
70% < LR MHI < 80%	- 45% Principal Forgiveness

LR MHI < 70% - 55% Principal Forgiveness

This principal forgiveness will extend to projects until all FY-2010 funds are obligated to projects. The amount of principal forgiveness (PF) given will be assigned at loan award and will not change after the project goes to the bid phase. Once subsidy funds are depleted, only standard loans will be made with DWSIRLF funds. Median household incomes to be used in the calculations will be those displayed in the publication "The Sourcebook of Zip Code Demographics", Twenty-second Edition or from the publisher's website at http://www.esribis.com/reports/ziplookup.html. Where the affected community is included in more than one zip code area, an average will be used for the community's median household income.

Avoidance of Reallotment / Relationship to Base Program

In order to meet the requirements and deadlines of the proposed Jobs Bill for the expeditious and timely commitment and expenditure of funds, the DWSIRLF Program will regularly report (DWSRF Project Tracking System) and review the data given to EPA on the progress of assistance recipients under the statutory deadlines specified in this IUP in order to identify any issues with the timeliness of this progress. If such issues are identified, the DWSIRLF Program intends to work with EPA to resolve such issues as may place the State at risk of a potential re-allotment, if not timely resolved. The State will include conditions in its loan agreements to ensure that assistance recipients make timely progress with respect to entering into contracts and/or construction. If a recipient fails to maintain progress with these conditions, they will receive funding from other DWSIRLF monies, if available, so that Jobs Bill funding can be provided for a project that is ready to proceed.

The State understands that the EPA may deobligate grant funds from states that fail to meet requirements on use of funds. The DWSIRLF Program intends to avoid deobligation of funds. If the State is eligible for additional funds made available from other states that fail to meet deadlines, the State will provide EPA with a list of projects from its priority list that are ready to proceed to construction, and will also provide a certification through an amendment to this IUP that all funds received for these projects will be under contract for construction within 120 days of re-allotment.

B. Priority System Categories

Project categories are defined below. Projects in Category I will be funded each year to the extent the Board makes funds available. Projects in Categories II through XI are ranked in priority order; that is, all Category II projects are ranked higher than Category III projects, etc. Ranking is established in like manner through all remaining categories. Adjustments will be made as necessary to comply with small community set-aside provisions of the Federal SDWA and as established by the Board [Section 1542(a)(2) of SDWA]. As stated previously, the order of Categories II - XI is intended to give highest priority to those projects that address the most

serious risks to human health. Projects within each category will be ranked as described in Section C.

1. *Category I - Previous Year Certified Projects*
   Priority for this category will be given to the previous year's Category II projects to the maximum extent practicable. This category will also be extended to projects that are considered segmented in nature. This means that 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. This category of projects includes projects that: (1) were listed immediately below the funding line on the previous year's Priority List within an amount of approximately 25% of that year's total available funds; (2) met all Priority System deadlines in the previous fiscal year; (3) were not funded due to lack of DWSIRLF funds or did not receive an assurance of CDBG, ARC, RUS, or other match funding in the previous fiscal year; and (4) are a part of a previously funding project that relies on the segment in order for the entire project to be functional. Within this category, projects will be ranked according to the current Priority Ranking Criteria.

2. *Category II - Primary Drinking Water Standards*
   This category includes projects to facilitate compliance with Primary Drinking Water Standards. To qualify for this category, projects must correct deficiencies resulting in non-compliance with the primary drinking water standards. Depending on the nature of the project, additional treatment requirements may be necessary as part of the proposed project.

3. *Category III - One Well*
   This category includes projects which provide additional water supply to systems that have neither a backup well nor an MSDH-approved emergency tie-in to another system to ensure safe drinking water; thereby protecting the health of the existing population. Depending on the nature of the project, additional treatment requirements may be necessary as part of the proposed project.

4. *Category IV - Pressure Deficiencies*
   This category includes projects to correct documented deficiencies that result in existing systems routinely failing to maintain minimum acceptable dynamic pressure. Experience has shown that failure of water systems to maintain minimum acceptable dynamic pressure is the major cause of system contamination in Mississippi. System contamination that results from inadequate water system pressure is considered by the MSDH to be one of the most serious drinking water-related threats to public health in Mississippi.

5. *Category V – Source Water Protection Projects*
   This category includes projects to manage potential sources of contaminants/pollutants and/or prevent contaminants/pollutants from reaching sources of drinking water. To be eligible for loan participation potential

contaminants/pollutants and source water protection areas must have been identified in the public water systems Source Water Assessment Plan Report (SWAPR) prepared by the Mississippi Department of Environmental Quality's Groundwater Planning Branch (GPB). If the public water system has not received its SWAPR from the GPB yet, or has documentation that may change its SWAPR, it shall provide in the facilities plan suitable documentation of potential sources of contaminants/pollutants that is acceptable to the GPB before the project will be deemed eligible.

The projects will be ranked: first in order of the highest source water classification that would be negatively impacted by source water contaminants; secondly, within each classification in order of the public water systems susceptibility assessment ranking as determined by the GPB; and thirdly, within each susceptibility assessment ranking in order of the highest number of connections served by the public water system. Source water classifications will be ranked in the following order: surface water sources; shallow (generally ≤ 300' in depth) unconfined water wells; shallow (generally ≤ 300' in depth) confined water wells; and deep confined water wells.

6. *Category VI - System Capacity Expansion To Serve Existing Unserved Residences/Businesses*
   This category includes projects to either expand existing system capacity or construct a new drinking water system to ensure safe drinking water (source, treatment and/or distribution) to serve existing residences/businesses in currently unserved areas.

7. *Category VII - Back-up Water Supply Sources Projects*
   This category includes projects to provide additional supply to systems with insufficient back-up water supply sources to ensure safe drinking water, and thereby protect the health of the existing population. As a minimum, a system using ground water should be able to lose any one of the wells supplying the system and still maintain minimum acceptable dynamic pressure throughout the entire system. Depending on the nature of the project, additional treatment requirements may be necessary as part of the proposed project.

8. *Category VIII - Existing Facilities Upgrades (Meeting Primary Standards)*
   This category includes projects to rehabilitate, replace, protect or upgrade deteriorated, worn, aged or obsolete equipment, facilities, etc., to assure continued, dependable operation of water systems where such systems are already meeting Primary Drinking Water Standards. Depending on the nature of the project, additional treatment requirements may be necessary as part of the proposed project.

9. *Category IX – Fluoride Addition*

This category is for projects that either rehabilitate existing fluoride treatment facilities at well or treatment plant sites, or add new facilities to existing well or treatment plants.

10. *Category X - Secondary Drinking Water Standards Projects*
This category includes projects to provide treatment that brings systems into compliance with Secondary Drinking Water Regulations. Depending on the nature of the project, additional treatment requirements may be necessary as part of the proposed project.

11. *Category XI - Consolidation Projects*
This category includes projects to consolidate separate systems into a single system for purposes other than those related to Categories II through IX. Consolidation will also be considered in establishing priority ranking within all categories, as described in the Priority Ranking Criteria in Section C.

12. *Category XII – Other*
This category includes projects that do not meet the criteria of any other listed category, and have been determined loan eligible in accordance with the DWSIRLF loan program regulations.

C. Priority Ranking Criteria

The criteria for ranking projects within each category is intended to give priority to projects that: (1) benefit the most people per dollar expended; (2) assist systems most in need on a per household affordability basis as required by the SDWA (3) use consolidation with other systems to correct existing deficiencies and improve management; (4) take into consideration the system's current capacity; (5) encourages participation in short-term and long-term technical assistance programs; and (6) encourages participation in the Drinking Water Needs Survey. These considerations are addressed by the Priority Ranking Criteria in the following manner:

1. *Benefit/Cost*
Benefit/Cost points assigned to each project will be determined using the following formula:

$$\textit{Benefit/Cost Points} = \frac{\textit{Number of benefiting connections}}{\textit{Total eligible cost of improvements (in \$1.0 millions)}}$$

The number of benefiting connections must be included in the facilities plan submitted by the applicant; be defined as the sum of individual connections **currently experiencing deficiencies that will be corrected by the improvement;** and includes only existing residences, businesses, and public buildings. Applicants must furnish information (including hydraulic analysis, if necessary) to support their estimate of the number of benefiting connections. The total eligible cost is in millions of dollars (i.e., $800,000 = $0.8 M).

2. *Affordability Factor*
   An affordability factor will be assigned to each project to reflect the relative needs of applicants on a per household basis. The Benefit/Cost points calculated in Section C.1. will be adjusted using the affordability factor in the following formula:

   Adjusted Benefit/Cost Points = (Affordability Factor) x (Benefit/Cost Points)

   The affordability factor used in the calculation is defined as the ratio of the 2008 median household income for the State of Mississippi ($36,322) to the 2008 median household income for the affected community and will be no less than 1.0 and no greater than 1.5. Median household incomes to be used in the calculations will be those displayed in the publication "The Sourcebook of Zip Code Demographics", Twentieth Edition or from the publisher's website at http://www.esribis.com/reports/ziplookup.html. Where the affected community is included in more than one zip code area, an average will be used for the community's median household income.

3. *Consolidation*
   Any project that includes consolidation (ownership and management) of separate existing systems into a single system will receive consolidation points equal to 0.5 times the Adjusted Benefit/Cost points assigned to the project. The purpose of assigning consolidation points is to promote reliability, efficiency and economy of scale that can be achieved with larger water systems while discouraging the proliferation of numerous separate small systems with their inherent inefficiencies and limitations. Projects, in any priority category, that do not include consolidation will receive zero consolidation points in the final calculation of total priority points.

   Consolidation Points = 0.5 x (Adjusted Benefit/Cost Points)

4. *System Capacity*
   Any project that includes scope of work to address critical design capacity issues (systems that are currently overloaded or within two (2) years of reaching their current design capacity, as determined by MSDH) will receive additional priority points equal to 25% of the Adjusted Benefit/Cost points assigned to the project. Documentation of the system capacity analysis and recommendations to address the design capacity issues must be addressed in the facilities plan to be eligible for these additional priority points.

   System Capacity Points = 0.25 x (Adjusted Benefit/Cost Points)

5. *Participation in Short-Term & Long-Term Assistance Programs*
   The MSDH, with the Board's approval, has contracted with Community Resources Group (CRG) to provide both short-term and long-term assistance to

designated water systems in the state based on their scores on the latest Capacity Assessment Form (CAF). This assistance is provided at no cost to the water systems.

Participation by the water systems in these assistance programs is voluntary. However, any water system that has participated in either of these assistance programs within the past two years will be eligible to receive additional priority points. Water systems participating in one of these assistance programs will receive additional priority points equal to 5% of their Adjusted Benefit/Cost Points. Water systems that have implemented all of the recommendations made by CRG will receive additional priority points equal to 5% of their Adjusted Benefit/Cost Points for a total of 10%. Documentation of participation in either of these assistance programs and implementation of the recommendations made by CRG must be included in the facilities plan before additional priority points will be granted.

*Assistance Points = __*_ x (Adjusted Benefit/Cost Points)*

* *5% if the water system participates in the assistance, or 10% if the water system participates in the assistance and implements all recommendations*

6. *Participation in the EPA or MSDH Drinking Water Needs Survey*
   Any water system that participated in the most recent MSDH Public Water Supply Improvements Needs Survey or the EPA Drinking Water Needs Survey by satisfactorily completing and returning this form to MSDH will be eligible to receive additional priority points equal to 10% of their Adjusted Benefit/Cost Points.

   Needs Survey Points = 0.10 x (Adjusted Benefit/Cost Points)

7. *Ranking Within Each Category*
   Within each category, projects will be ranked in order based on the total points assigned the project using the following formula:

   Total Priority Points = Adjusted Benefit/Cost Points + Consolidation Points + System Capacity Points + Assistance Program Points + Needs Survey Points

   Projects receiving the most priority points will be given the highest ranking on the Priority List. In cases of ties in the number of priority points, projects with the lowest median household income will receive the highest ranking.

8. *Small Community Set-Aside*
   Following completion of the ranking process, the Priority List will be reviewed to determine if at least 15% of funding for projects above the funding line is for public water systems which regularly serve fewer than 5,000 people, which the

Board has defined as a small community for the purposes of this set-aside. If this is not the case, the Priority List will be adjusted by exchanging the lowest ranking projects above the funding line that serve 5,000 or more with the highest ranking projects below the funding line that serve fewer than 5,000, until the 15% requirement is satisfied.

It is anticipated that approximately 28.3% of all available DWSIRLF funds will be awarded to small communities with populations of 5,000 or less in FY-2009. No small communities that met the September 30, 2009, deadline for submitting a facilities plan were left off the fundable portion of the FY-10 Priority List.

Results to Date: Through the first thirteen (13) years of the DWSIRLF program (FY-97 through FY-09) the program has averaged 24.03% of the total available funds being awarded to small communities (population less than 10,000 as defined in the SDWA). During this same thirteen (13) year period, 40.02% of all funds awarded went to small communities less than 10,000 population. In FY-09 45.2% of all available DWSIRLF funds were awarded to small communities with populations less than 10,000.

9. *Green Infrastructure Requirements*
   Funds from the FY-2010 Standard Capitalization Grant and the Proposed Jobs Bill have the stipulation that not less than 20 percent of the funds appropriated for the Revolving Funds shall be designated for green infrastructure, water efficiency improvements or other environmentally innovative projects. To achieve this requirement, projects with higher rankings may be bypassed in order for the State to achieve this non-negotiable federal requirement.

10. *Jobs Bill Construction Requirements*
    Provisions in the Proposed Jobs Bill allow the State to give special consideration to projects that could be under contract or in construction as soon as possible but no later than 12 months from the signing of the proposed bill. Additionally, the State may be required to certify to the EPA that all Jobs Bill funds have been obligated and under contract or in construction within 12 months from the signing of said Bill.

D. Priority System Deadlines

1. By October 1, 2009, a complete DWSIRLF facilities plan, prepared in accordance with the DWSIRLF loan program regulations, must be submitted to the MSDH.*
   A complete DWSIRLF facilities plan includes: all IGR agency comments; proof of publication of advertisement for public hearing; a transcript of the public hearing comments; 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 (RUS), if the loan applicant has existing debt with RUS, 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) after this date will be considered a first submittal of the facilities plan. The loan applicant will then be considered to be in violation of the Priority System deadline and the project will be placed on the planning portion of the priority list. If the change is made after adoption of the IUP, funds reserved for this project may be released and made available to other projects. This deadline also applies to all projects competing for released funds during FY-2010 and to be able to qualify for the Previous Year Certified Projects Category in the FY-2011 IUP.

2. By May 1, 2010, a completed DWSIRLF loan application and all associated documents as described in the DWSIRLF regulations must be submitted to the Department. Prior to preparing these documents, the potential applicant and/or its registered engineer must request and receive a DWSIRLF application and guidance. *It* is recommended that they request a pre-application conference with Department staff as early in the application process as practical. This deadline also applies to all projects competing for released funds during FY-2010 and to be able to qualify for the Previous Year Certified Projects Category in the FY-2011 IUP.

3. By August 1, 2010, all approvable documents and responses to comments necessary for loan award must be submitted to the Department for its review and approval. This deadline also applies to all projects competing for released funds during FY-2010 and to be able to qualify for the Previous Year Certified Projects Category in the FY-2011 IUP.

   * **Due to the current funds availability and demand for FY-2010, all projects submitting a complete or draft facilities plan to date have been included on the fundable portion of the Priority List.**

VII. FY-2009 Priority List

DRAFT

Fiscal Year - 2010Program Priority List
Mississippi Drinking Water Systems Improvements Revolving Loan Fund

Category I: Previous Year Certified Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Corinth Uty Commission	Raw Water Intake Structure	38835	617	14054	$1,250,000		$5,000,000	$5,000,000

Category II: Primary Drinking Water Standards Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Northeast Copiah Water Association,	New Well/Rehab Existing Facilities	39059	1186	3600	$225,000		$900,000	$5,900,000
Beaver Meadow Waterworks Assoc.	New Well and Service Lines	39477	1019	2400	$340,065		$755,700	$6,655,700
Goss Water Association	Rehab Existing Tank/Install New Distribution Lines	39429	956	900	$140,625		$312,500	$6,968,200
McHenry Utility Association	New Well and Elevated Storage Tank	39561	756	2500	$198,330		$1,322,200	$8,290,400
Foxworth Water & Sewerage	New Well, Rehab Existing Facilities	39483	574	1100	$337,500		$750,000	$9,040,400

Category III: One Well Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Clayton Village Water Association,	New Generator/Upgrade Existing System	39759	4212	5000	$176,850		$393,000	$9,433,400
Hancock County Water & Sewer	Back-up Water Well	39556	1480	3000	$231,761		$662,175	$10,095,575
Broadmoor Utilities	Well and Generator	39120	992	1400	$268,403		$596,450	$10,692,025
Hiwannee Water Association	New Well	39367	651	6400	$284,625		$632,500	$11,324,525
Seminary, Town of	350 GPM Well	39479	454	360	$93,625		$374,500	$11,699,025

Category VI: System Capacity Expansion to Serve Existing Unserved Residences/Businesses

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Carthage, City of	Upgrade and Replace Water Mains, Booster Station	39051	7686	4637	$67,500		$270,000	$11,969,025
South Newton Rural Water	Install Water Lines/Paint 175,000 Gal. Standpipe	39345	4002	3369	$102,093		$291,693	$12,260,718
Culkin Water District	Installation of 12 Inch Transmission Line	39183	197	10438	$558,600		$3,724,000	$15,984,718

Jeff Davis Water Association	Construct Pumping Station	38965	177	1200	$38,000		$152,000	$16,136,718

Category VI: System Capacity Expansion to Serve Existing Unserved Residences/Businesses

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Mendenhall, City of	Installation of 8" PVC	39114	5714	2555	$55,375		$221,500	$16,358,218
Biloxi, City of	Install 7,300 Linear Feet of 16" Water Main	39530	1680	56425	$165,225		$1,101,500	$17,459,718
Hernando, City of	Distribution, Hydrants, and Elevated Tank	38632	1421	15000	$407,138		$2,585,000	$20,044,718

Category VII: Back-up Water Supply Sources Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Winona, City of	New Water Well	38967	6531	5800	$140,875		$402,500	$20,447,218
Hilldale Water Association, Inc	300,000 Gal. Elevated Tank	39180	1520	5400	$177,674		$1,184,490	$21,631,708
***Funding Line 1 Full FY-2010 Federal Appropriation – Available Funds $22,107,231**								
Mendenhall, City of	New 500 GPM Well/250,000 Gal Elevated Tank	39114	1505	2555	$231,250		$925,000	$22,556,708
Flowood, City of	1,500 GPM Well/1,500,000 Gallon Elevated Tank	39232	1210	21744	$390,000		$2,600,000	$25,156,708
Hilldale Water Association, Inc	New Well and Treatment Plant	39180	861	5400	$313,650		$2,091,000	$27,247,708
Conehoma Water Association	New 100,000 Gal Elevated Tank/2 Generators	39090	834	2700	$340,900		$974,000	$28,221,708

Category VIII: Existing Facilities Upgrade (Meeting Primary Standards)

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Carthage, City of	Backup Generator	39051	19215	4637	$25,000		$100,000	$28,321,708
Carthage, City of	Install Generator/Upgrade Existing Facilities	39051	12810	4637	$37,500		$150,000	$28,471,708
Belzoni, City of	Distribution Rehab and Generator	39038	6236	5319	$379,030		$689,146	$29,160,854
Lexie Water Association	Rehab/Upgrade Existing System	39667	4728	5000	$185,288		$411,750	$29,572,604
Grenada, City of	2 500 GPM Wells/500,000 Gallon Elevated Tank	38901	4399	22951	$770,945		$2,202,700	$31,775,304
****Funding Line 2 Full FY-2010 Federal Appropriation plus Proposed Jobs Bill -Available Funds $32,107,231**								
Hilldale Water Association, Inc	Pressure Filters Replacement	39180	3863	5400	$69,900		$466,000	$32,241,304
Winona, City of	Upgrade Water Treatment Plant	38967	3531	5800	$260,594		$744,553	$32,985,857
Marks, City of	Rehab Wells/Existing Treatment Facil/Water Mains	38646	2430	2073	$486,977		$885,413	$33,871,270
Cedar Grove-Harmony W/A	Tank Rehab, Distribution Improvements	39429	2175	1500	$140,625		$312,500	$34,183,770

Little Creek Water Association	10,000 Gal Tank/Upgrade Existing Facilities	39456	957	500	$92,019		$262,910	$34,446,680
West Marion Water Association	Elev.Tank/Install New Water Mains and Meters	39483	801	2500	$112,500		$750,000	$35,196,680
Coldwater, Town of	New Well, Distribution Main	38618	624	1805	$169,154		$1,127,690	$36,324,370
Webb, Town of	New Well/Rehab Existing Wells and Distrub.	38966	150	587	$777,503		$2,221,437	$38,545,807
Jackson, City of	Capitol Street Rehab/Replacement	39201	58	177977	$519,179		$3,461,193	$42,007,000

Category XII: Other

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Meridian, City of	SCADA System	39525	20668	45000	$236,250		$945,000	$42,952,000
Meridian, City of	Sludge Removal System	39525	11725	45000	$315,000		$1,260,000	$44,212,000
East Lowndes Water Association	Installation of Radio Read Meters	39705	3000	22500	$450,000		$3,000,000	$47,212,000
Corinth Uty Commission	Raw Water Transmission Line	38835	617	14054	$1,546,875		$6,187,500	$53,399,500

* Funding Line 1 indicates available funds based on the full FY-10 Federal Appropriation supplied by the EPA, equaling $22,107,231.

** Funding Line 2 indicates available funds based on the full amount of FY-2010 capitalization grant ($22,107,231) and the Proposed Jobs Bill in Congress indicating an additional $10,000,000 in federal funding.

Funding Sources

JOB – Jobs Bill of 2010
PF – Principle Forgiveness – Method of Subsidization the state has elected to use.
CPF – Cumulative Principal Forgiveness; CGI – Cumulative Green Infrastructure
DW – Drinking Water System Improvement Revolving Loan Fund – includes repayments, interest and 2010 Capitalization Grant.
Funding for projects will come solely from Jobs Bill funds or from a combination of Jobs Bill funds and standard DWSIRLF.

Green Infrastructure Project Codes

E – Energy Efficiency, W – Water Efficiency, G – Green Infrastructure, EI – Environmentally Innovative
Green projects are projects that provide benefits in the form of increased energy efficiency, increased water efficiency, added green infrastructure, and/or are environmentally innovative. Projects currently listed as Green Infrastructure are based on information supplied in submitted facility plans. This determination of Green Infrastructure will be based on guidelines supplied by the Environmental Protection Agency. Additionally, projects with higher rankings maybe by-passed by lower ranked projects in order to meet the 20% goal for “Green Infrastructure” from both federal appropriations.

DRAFT

Fiscal Year - 2010 and After Planning List
Mississippi Drinking Water Systems Improvements Revolving Loan Fund

(Projects included on the Planning List did not meet the September 30, 2008, deadline for submission of a complete facilities plan, or had multiple requests and asked to be placed on the Planning List. These projects have been ranked on the Planning List based on information provided on the Request for Ranking Form. A determination of project eligibility can not be completed until the facilities plan has been submitted and reviewed.)

Category II: Primary Drinking Water Standards Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Hazelhurst, City of	Replace Water Lines	39083	3088	4400	$296,625		$847,500	$847,500
Wayside Water Association, Inc.	Installation of Treatment Facilities	38756	1659	2200	$274,500		$610,000	$1,457,500
Black Bayou Water Association, Inc.	Installation of Treatment Facilities	38756	689	5000	$274,500		$610,000	$2,067,500
Swiftwater Development	Installation of Treatment Facilities	38756	588	9000	$213,500		$610,000	$2,677,500
Bude, Town of	New Well/Water System Improvements	39630	400	1016	$903,650		$1,643,000	$4,320,500

Category III: One Well Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Hattiesburg, City of	New 1,200 GPM Well	39403	29517	50000	$199,238		$442,750	$4,763,250
Diamondhead Water & Sewer District	Water Well	39525	5397	7500	$94,500		$630,000	$5,393,250
NTS Utility Assoc.	Radio Read Meters	39307	4390	5700	$64,927		$432,845	$5,826,095
Duffee Water Assoc.	Backup Well	39337	1440	2000	$137,348		$549,393	$6,375,488
Central Rankin Water Association	New Well and Appurtenances	39176	1380	3400	$106,500		$710,000	$7,085,488
North Hinds Water Association	Well, Elevated Tank, & Distribution Improvements	39071	1084	9000	$276,750		$1,845,000	$8,930,488
Rose Hill Water Association	Well and Distribution	39356	876	1500	$351,000		$780,000	$9,710,488
Diamondhead Water & Sewer District	New Water Well	39525	714	7500	$94,500		$630,000	$10,340,488
Punkin W/A	New Well and Treatment Plant	38655	592	2100	$361,900		$1,034,000	$11,374,488
Enterprise, Town of	New 1,000 GPM Well	39330	327	1002	$558,250		$1,595,000	$12,969,488
Double Ponds Water Association	Wells, Treatment Plant Rehab, Tank Rahab, Dist.	39474	300	3300	$1,583,400		$4,524,000	$17,493,488
Wautubbee Water Association	New Well	39330	212	545	$359,450		$1,027,000	$18,520,488

Category IV: Pressure Deficiencies Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
McComb, City of	Replacement of Fire Hydrants	39648	28639	13560	$146,025		$324,500	$18,844,988
McComb, City of	Installation of New Water Lines	39648	8448	13560	$495,009		$1,100,019	$19,945,007
McComb, City of	Dist. System Improvements(Install Fire Loops)	39648	6346	13560	$658,981		$1,464,403	$21,409,410
Natchez, City of	New 500,000 Ga. Tank/Distribution Lines	39120	6056	18340	$754,110		$1,675,800	$23,085,210
Diamondhead Water & Sewer District	Water Distribution Main	39525	4424	7500	$115,290		$768,600	$23,853,810
Forest, City of	Rehab Existing Storage Tank	39074	2573	5968	$397,250		$1,135,000	$24,988,810
Aberdeen, City of	400 GPM Well/100,000 Gal. Elev.Tank/Rehab Lines	39730	2323	6415	$518,682		$1,481,949	$26,470,759
Forest, City of	New 900 GPM Well	39074	1798	5968	$560,000		$1,600,000	$28,070,759
Evergreen Water Association, Inc.	Upgrade Existing Facilities	39043	1650	3200	$75,000		$500,000	$28,570,759
Long Beach, City of	Distribution System Upgrades	39560	1570	16128	$513,704		$3,424,692	$31,995,451
Pontotoc, City of	Install New Water Mains/Radio Read Meters	38863	1227	5700	$425,822		$1,703,288	$33,698,739
Diamondhead Water & Sewer District	Water Distribution	39525	1152	7500	$58,590		$390,600	$34,089,339
Oak Hill W/A	Elevated Tank & Distribution	38863	1013	4000	$338,750		$1,355,000	$35,444,339
Hattiesburg, City of	Replace Sm. Water Lines at Classic Dr/J. Ed Turner	39403	604	50000	$256,163		$569,250	$36,013,589
Ridgeland, City of	New 1,600 GPM Well/500,000 Gallon Tank	39158	491	24000	$515,161		$3,434,404	$39,447,993
Ridgeland, City of	Two 1,600 GPM Ser. Pumps/Rehab Current System	39158	348	24000	$726,000		$4,840,000	$44,287,993
Hattiesburg, City of	Replace Insufficient Service Lines	39403	309	50000	$501,188		$1,113,750	$45,401,743
Olive Branch, City of	installation of Water Lines	39654	162	35000	$224,025		$1,493,500	$46,895,243
Glendora, Village of	100,000 Gal Storage Tank Upgrade Current System	32928	154	500	$429,000		$780,000	$47,675,243
Olive Branch, City of	Replace Water Lines	39654	93	35000	$363,750		$2,425,000	$50,100,243
Sumrall, Town of	Installation of 12 inch Water Mains	39482	91	1148	$252,000		$1,008,000	$51,108,243

Category VI: System Capacity Expansion to Serve Existing Unserved Residences/Businesses

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Batesville, City of	Installation of Water lines	38606	31327	7600	$43,750		$125,000	$51,233,243
McComb, City of	Upgrade Distribution System	39648	26645	13560	$156,952		$348,783	$51,582,026
Batesville, City of	Installation of Water Lines	38606	26106	7600	$52,500		$150,000	$51,732,026
Batesville, City of	Rehab/Replacement of Existing Facilities	38606	14239	7600	$96,250		$275,000	$52,007,026

Batesville, City of	Rehab Existing Facilities	38606	11188	7600	$122,500		$350,000	$52,357,026
Batesville, City of	Rehab Existing Facilities	38606	9551	7600	$143,500		$410,000	$52,767,026
Gautier, City of	Well and Elevated Tank	39553	6631	18850	$213,195		$1,421,300	$54,188,326
Batesville, City of	500,000 Gallon Elevated Tank	38606	5221	7600	$262,500		$750,000	$54,938,326
Brookhaven, City of	Install Water Main/Rehab Existing Facilities	39602	1229	13300	$1,373,796		$3,925,130	$58,863,456
Enterprise, Town of	250,000 Elevated Storage Tank	39330	447	1002	$407,750		$1,165,000	$60,028,456
Gulfport, City of	Install Distribution System	39507	86	600000	$277,605		$1,850,700	$61,879,156
Gulfport, City of	New Well and Distribution System	39507	85	600000	$423,972		$2,826,480	$64,705,636
Macon, City of	New Well, Elevated Tank and Treatment Facility	39341	74	550	$1,842,863		$4,095,250	$68,800,886
Poplarville, City of	Replace Water Lines/Mains	39470	71	2600	$262,696		$1,050,785	$69,851,671

Category VII: Back-up Water Supply Sources Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Hattiesburg, City of	New 1,500 GPM Well	39403	25827	50000	$227,700		$506,000	$70,357,671
McComb, City of	New Well and Replace of Older Well	39648	10587	13560	$395,010		$877,800	$71,235,471
Brandon, City of	1,000 GPM Well	39042	9241	22140	$138,000		$920,000	$72,155,471
Batesville, City of	Rehab Existing Infrastructure	38606	7832	7600	$175,000		$500,000	$72,655,471
Batesville, City of	New 750 GPM Well	38606	7832	7600	$175,000		$500,000	$73,155,471
Clinton, City of	New Well & Distribution Lines	39060	4673	26000	$272,836		$1,818,909	$74,974,380
Ridgeland, City of	1,600 GPM Potable Water Well	39158	3663	24000	$328,395		$2,189,300	$77,163,680
Woodville, Town of	Upgrade Water Treatment Facility	39669	3647	3681	$277,530		$504,600	$77,668,280
Ninah Waiya Water Association	Installation of Drive by Meters	39339	3035	1350	$48,125		$137,500	$77,805,780
Diamondhead Water & Sewer District	Elevated Tank & Booster Station	39525	2453	7500	$207,900		$1,386,000	$79,191,780
Marion, Town of	New 800 GPM Well/New Generator	39342	1222	2000	$454,490		$826,345	$80,018,125
Richton, Town of	New 500 GPM Well	39476	1020	1038	$192,031		$768,125	$80,786,250
Ocean Springs, City of	Replacement of Water Lines	39564	876	17225	$342,570		$2,283,800	$83,070,050
Bay Springs, Town of	New 1,000 GPM Well/300,000 Gal. Tank	39422	730	2000	$612,018		$1,360,040	$84,430,090
Taylorsville Water Association	New 200,000 Gal. Elevated Tank/Distribution Lines	39208	703	667	$142,222		$948,144	$85,378,234
Horn Lake, City of	New Well and Tank/Upgrade Existing Facilities	38637	485	1500	$371,190		$2,474,600	$87,852,834
West Jackson County Utility District	Installation of Water Lines and Mains	39566	412	20000	$371,190		$4,860,000	$92,712,834

Marion, Town of	600 GPM Tr. Facil/600 GPM Well/Generator	39342	367	2000	$1,511,840		$2,748,800	$95,461,634
Union Water Association	New Well and Pipe Installation	39151	346	770	$95,250		$635,000	$96,096,634
Gulfport, City of	Install 12" Connection	39507	126	600000	$92,737		$618,247	$96,714,881
Gulfport, City of	Install Larger Water Lines and Mains	39507	95	600000	$158,667		$1,057,777	$97,772,658
Gulfport, City of	1,000 GPM Well	39507	21	600000	$105,417		$702,780	$98,475,438
Gulfport, City of	Install 12" Transmission Main	39507	21	600000	$174,827		$1,165,515	$99,640,953

Category VIII: Existing Facilities Upgrade (Meeting Primary Standards)

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Ridgeland, City of	Water Line Relocation	39158	10108	24000	$119,010		$793,400	$100,434,353
Collins, Town of	Water Line Replacement	39428	10092	4000	$62,568		$139,040	$100,573,393
Collins, Town of	Water Line Replacement	39428	8881	4000	$71,100		$158,000	$100,731,393
Collins, Town of	Water Line Replacement	39428	8881	4000	$71,100		$158,000	$100,889,393
Lincoln Rural Water Association	Water System/Plant Upgrade	39602	7879	17000	$156,250		$625,000	$101,514,393
West Point, City of	Upgrade SCADA/Chlorine Analyzer/Paint 5 Tanks	39773	7096	16500	$304,500		$870,000	$102,384,393
DeKalb, Town of	Rehabilitation of Elevated Tank	39328	4451	972	$81,000		$180,000	$102,564,393
McComb, City of	Install New Storage/pumping/Aeration/SCADA	39648	3460	13560	$1,208,592		$2,685,760	$105,250,153
Olive Branch, City of	installation of Water Lines	39654	2511	35000	$58,950		$393,000	$105,643,153
Mount Olive, Town of	Replacement of Water Lines	39119	2379	1000	$104,094		$231,320	$105,874,473
Brandon, City of	Raise Existing Elevated Tanks	39042	1864	24000	$270,000		$1,800,000	$107,674,473
Kokomo-Shiloh Water Association	New 400GPM Well/Rehab/Upgrade of Existing	39643	1203	2500	$393,750		$875,000	$108,549,473
Alcorn Co. Water Association	300,000 Gal Storage Tank/upgrade Facilities	38834	1192	6500	$318,275		$1,273,101	$109,822,574
Alcorn Co. Water Association	Renovate Elevated tanks/Replace Water Lines	38834	1159	6500	$218,230		$872,920	$110,695,494
Bolton, Town of	Rehab 60,000 GPM Tank/Existing Facilities	39041	1133	660	$42,781		$285,204	$110,980,698
Prentiss-Alcorn Water Association	A New Well Treatment Facil./Renov Ex.Treat. Facil	38865	715	2500	$188,933		$1,259,550	$112,240,248
L.F. Water Association	New Well/Elevated Tank	39098	691	2150	$350,000		$1,000,000	$113,240,248
Edwards, Town of	Construction of Ozone Treatment Facility	39066	442	1980	$392,500		$1,570,000	$114,810,248
Gulfport, City of	installation of Larger Water Lines	39507	192	600000	$172,312		$1,148,745	$115,958,993
Pelahatchie, Town of	Rehab Existing Facilities	39145	159	1484	$365,400		$2,436,000	$118,394,993
Gulfport, City of	Larger Water Lines and Mains	39507	100	600000	$376,352		$2,509,015	$120,904,008

Gulfport, City of	Install larger Water Lines and Mains	39507	92	600000	$375,146		$2,500,972	$123,404,980
Olive Branch, City of	Replace Water Lines	39654	70	35000	$85,500		$570,000	$123,974,980
Lumberton, City of	Replace/Upgrade Water Mains	39455	1	2228	$387,765		$1,107,900	$125,082,880

Category IX: Secondary Drinking Water Standards Projects

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Hattiesburg, City of	Installation of Iron Treatment Facility	39403	5328	50000	$1,103,850		$2,453,000	$127,535,880

Category XII: Other

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF	Green Project	Loan Amount Requested	Statewide Cum. $
Magee, City of	Install New Treatment Equipment	39111	4928	4500	$138,250		$395,000	$127,930,880
NTS Utility Assoc.	Replacement Well	39307	2782	5700	$102,451		$683,004	$128,613,884
McComb, City of	Install Automatic Water Meter Reading System	39648	1920	13560	$2,178,000		$4,840,000	$133,453,884

Funding Sources

JOB – Jobs Bill of 2010
PF – Principle Forgiveness – Method of Subsidization the state has elected to use.
CPF – Cumulative Principal Forgiveness; CGI – Cumulative Green Infrastructure
DW – Drinking Water System Improvement Revolving Loan Fund – includes repayments, interest and 2010 Capitalization Grant.
Funding for projects will come solely from Jobs Bill funds or from a combination of Jobs Bill funds and standard DWSIRLF.

Green Infrastructure Project Codes

E – Energy Efficiency, W – Water Efficiency, G – Green Infrastructure, EI – Environmentally Innovative
Green projects are projects that provide benefits in the form of increased energy efficiency, increased water efficiency, added green infrastructure, and/or are environmentally innovative. Projects currently listed as Green Infrastructure are based on information supplied in submitted facility plans. This determination of Green Infrastructure will be based on guidelines supplied by the Environmental Protection Agency. Additionally, projects with higher rankings maybe by-passed by lower ranked projects in order to meet the 20% goal for "Green Infrastructure".

* Depending on availability, systems may receive principal forgiveness through funds from both the Standard Capitalization Grant and the proposed Jobs Bill. Once principal forgiveness funds are depleted, funding for projects will rely on only DWSIRLF funds.

** Projects considered green infrastructure may receive principal forgiveness if available. These projects would give credit to State in achieving the Green Project Reserve. If Jobs Bill funds are depleted, funding will resume through standard DWSIRLF funding.

FY-2009 Detailed Project List with Additional Information

Project Schedule			Project Assistance				Technical Information						
Project Listing	No.	Population of Service Area	BCD*	CSD*	CCD*	Assist. Type	Assistance Amount	Interest Rate	Repay Period	Initial Repay Date	Project Category +#	Priority Ranking	Cross-Cutter Equivalency Project
Corinth Uty Commission	FY-2010-1	14054	9/30/2010	4/1/2011	10/2/2012	Loan	$5,000,000	1.95	20	1/2/2013	1	617	Yes
Northeast Copiah Water	FY-2010-2	3600	4/1/2010	6/1/2010	6/1/2011	Loan	$900,000	1.95	20	9/1/2011	2	1186	Yes
Beaver Meadow Waterworks Assoc.	FY-2010-3	2400	6/1/2010	8/1/2010	4/8/2011	Loan	$755,700	1.95	20	7/8/2011	2	1019	Yes
Goss Water Association	FY-2010-4	900	6/1/2010	7/1/2010	12/28/2010	Loan	$312,500	1.95	20	3/28/2011	2	956	Yes
McHenry Utility Association	FY-2010-5	2500	5/1/2010	8/8/2010	2/4/2011	Loan	$1,322,200	1.95	20	5/4/2011	2	756	Yes
Foxworth Water & Sewerage	FY-2010-6	1100	6/1/2010	7/1/2010	12/28/2010	Loan	$750,000	1.95	20	3/28/2011	2	574	Yes
Clayton Village Water Association,	FY-2010-7	5000	9/30/2010	11/1/2010	4/30/2011	Loan	$393,000	1.95	20	7/30/2011	3	4212	Yes
Hancock County Water & Sewer	FY-2010-8	3000	1/30/2010	2/28/2010	4/29/2010	Loan	$662,175	1.95	20	7/29/2010	3	1480	Yes
Broadmoor Utilities	FY-2010-9	1400	9/30/2010	1/1/2011	6/30/2011	Loan	$596,450	1.95	20	10/31/201	3	992	Yes
Hiwannee Water Association	FY-2010-10	6400	6/1/2010	8/1/2010	4/8/2011	Loan	$632,500	1.95	20	7/8/2011	3	651	Yes
Seminary, Town of	FY-2010-11	360	6/1/2010	9/1/2010	3/30/2011	Loan	$374,500	1.95	20	6/30/2011	3	454	Yes
Carthage, City of	FY-2010-12	4637	5/1/2010	7/1/2010	9/29/2010	Loan	$270,000	1.95	20	12/29/201	4	7686	Yes
South Newton Rural Water	FY-2010-13	3369	9/30/2010	11/1/2010	3/31/2011	Loan	$291,693	1.95	20	6/30/2011	4	4002	Yes
Culkin Water District	FY-2010-14	10438	9/30/2010	11/1/2010	9/27/2011	Loan	$3,724,000	1.95	20	12/27/201	4	197	Yes
Jeff Davis Water Association	FY-2010-15	1200	1/1/2010	6/1/2010	9/29/2010	Loan	$152,000	1.95	20	12/29/201	4	177	Yes
Mendenhall, City of	FY-2010-16	2555	8/31/2010	10/1/2010	3/30/2011	Loan	$221,500	1.95	20	6/30/2011	6	5714	Yes
Biloxi, City of	FY-2010-17	56425	3/1/2010	4/19/2010	9/16/2010	Loan	$1,101,500	1.95	20	12/16/201	6	1680	Yes
Hernando, City of	FY-2010-18	15000	6/1/2010	10/1/2010	1/29/2012	Loan	$2,585,000	1.95	20	4/29/2012	6	1421	Yes
Winona, City of	FY-2010-19	5800	9/1/2010	10/1/2010	2/28/2011	Loan	$402,500	1.95	20	5/28/2011	7	6531	Yes
Hilldale Water Association, Inc	FY-2010-20	5400	9/30/2010	10/30/2010	4/28/2011	Loan	$1,184,490	1.95	20	7/28/2011	7	1520	Yes
***Funding Line 1 Full FY-2010 Federal Appropriation – Available Funds $22,107,231**													
Mendenhall, City of	FY-2010-21	2555	8/31/2010	10/1/2010	10/1/2011	Loan	$925,000	1.95	20	1/1/2012	7	1505	Yes
Flowood, City of	FY-2010-22	21744	6/1/2010	9/1/2010	11/10/2011	Loan	$2,600,000	1.95	20	2/10/2012	7	1210	Yes
Hilldale Water Association, Inc	FY-2010-23	5400	9/30/2010	10/30/2010	4/28/2011	Loan	$2,091,000	1.95	20	7/28/2011	7	861	Yes
Conehoma Water Association	FY-2010-24	2700	1/1/2010	7/1/2010	10/29/2010	Loan	$974,000	1.95	20	1/29/2011	7	834	Yes
Carthage, City of	FY-2010-25	4637	5/1/2010	7/1/2010	7/31/2010	Loan	$100,000	1.95	20	10/31/201	8	19215	Yes
Carthage, City of	FY-2010-26	4637	5/1/2010	7/1/2010	8/30/2010	Loan	$150,000	1.95	20	11/30/201	8	12810	Yes
Belzoni, City of	FY-2010-27	5319	9/30/2010	10/30/2010	6/27/2011	Loan	$689,146	1.95	20	9/27/2011	8	6236	Yes
Lexie Water Association	FY-2010-28	5000	7/1/2010	8/1/2010	12/29/2010	Loan	$411,750	1.95	20	3/29/2011	8	4728	Yes
Grenada, City of	FY-2010-29	22951	4/30/2010	6/15/2010	2/10/2011	Loan	$2,202,700	1.95	20	5/10/2011	8	4399	Yes
****Funding Line 2 Full FY-2010 Federal Appropriation plus Proposed Jobs Bill -Available Funds $32,107,231**													

Hilldale Water Association, Inc	FY-2010-30	5400	9/30/2010	10/1/2010	3/1/2011	Loan	$466,000	1.95	20	6/29/2011	8	3863	Yes
Winona, City of	FY-2010-31	5800	9/1/2010	10/1/2010	2/28/2011	Loan	$744,553	1.95	20	5/28/2011	8	3531	Yes
Marks, City of	FY-2010-32	2073	5/30/2010	9/30/2010	9/30/2012	Loan	$885,413	1.95	20	12/30/201	8	2430	Yes
Cedar Grove-Harmony W/A	FY-2010-33	1500	5/31/2010	10/31/2010	4/29/2011	Loan	$312,500	1.95	20	7/29/2011	8	2175	Yes
Little Creek Water Association	FY-2010-34	500	4/1/2010	5/1/2010	7/30/2010	Loan	$262,910	1.95	20	10/30/201	8	957	Yes
West Marion Water Association	FY-2010-35	2500	8/1/2010	10/1/2010	3/30/2011	Loan	$750,000	1.95	20	6/30/2011	8	801	Yes
Coldwater, Town of	FY-2010-36	1805	9/30/2010	11/1/2010	11/1/2011	Loan	$1,127,690	1.95	20	2/1/2012	8	624	Yes
Webb, Town of	FY-2010-37	587	4/1/2010	7/1/2010	5/27/2011	Loan	$2,221,437	1.95	20	8/27/2011	8	150	Yes
Jackson, City of	FY-2010-38	17797	8/20/2010	10/13/2010	1/26/2012	Loan	$3,461,193	1.95	20	4/26/2012	8	58	Yes
Meridian, City of	FY-2010-39	45000	1/15/2010	3/15/2010	7/13/2010	Loan	$945,000	1.95	20	10/13/201	12	20668	Yes
Meridian, City of	FY-2010-40	45000	1/15/2010	5/15/2010	5/15/2011	Loan	$1,260,000	1.95	20	8/15/2011	12	11725	Yes
East Lowndes Water Association	FY-2010-41	22500	1/1/2010	5/1/2010	5/1/2011	Loan	$3,000,000	1.95	20	8/1/2011	12	3000	Yes
Corinth Uty Commission	FY-2010-42	14054	9/30/2010	4/1/2011	10/2/2012	Loan	$6,187,500	1.95	20	1/2/2013	12	617	Yes
Administrative Program	FY-2010-43	N/A	10/1/2010	10/1/2010	9/30/2011	Grant	$282,500	N/A	20	N/A	13	N/A	N/A
Small Sys. Tech Assist.	FY-2010-44	N/A	10/1/2010	10/1/2010	9/30/2011	Grant	$282,500	N/A	20	N/A	13	N/A	N/A
State Program Mgmt	FY-2010-45	N/A	10/1/2010	10/1/2010	9/30/2011	Grant	$1,412,500	N/A	20	N/A	13	N/A	N/A
						Grand Total	$55,377,000						

- All of the above loan projects will require an environmental review in accordance with the State DWSIRLF regulation.

+ Project categories are defined in the Priority System on page 12 of this IUP. Category 13 is just for set-aside purposes and is not considered a –project category

* BCD = Binding Commitment Date CSD = Construction Start Date CCD = Construction Completion Date

** Funding Line 1 indicates available funds based on receiving the full amount of FY-2010 capitalization grant ($14,125,000).

*** Funding Line 2 indicates available funds based on receiving full FY-2010 Cap grant and proceeds from the Jobs Bill of 2010.

VIII. Expected Public Health Outcomes & Performance Measures

The objective of this program is to disperse all available loans and grant funds in a timely manner in order to achieve the public health protection benefits resulting from the projects identified in the FY-2010 IUP, and to ensure compliance with loan agreements, as required by state and federal laws and regulations.

By implementing this FY-2010 IUP and funding projects shown on the FY-2010 Priority List (Section IV), the Board will have the means to plan for and fund projects that will address the most serious public health risks facing the public water supply systems in the state. Funding of the system projects will be determined by the amount of funding to be received for FY-2010. If both the full capitalization grant and the Jobs Bill package occur, the public health protection outcomes resulting from the funding of these projects on the priority list will be: 1) one system will receive funding to complete part three of three of a segmented project necessary for the previously funded project to function; 2) five systems will become compliant with primary drinking water standards; 3) five water systems will receive an additional water source; 4) four systems will make improvements to improve pressures; 5) four systems will expand service to serve existing unserved residences; 6) five systems will add additional capacity source and treatment capacity; and 7) six systems with seven projects that are meeting primary standards will receive upgrades. The success of the DWSIRLF Loan Program will be defined by the ability of the MSDH to successfully meet commitments in the FY-10 DWSRF Work Plan.

Additionally, the majority of the projects as proposed should have minimal impact on the environment due to the nature of their design. Thirteen new wells are proposed which will increase the State's use of groundwater by a minimal amount. Two of the proposed projects will include the construction or rehabilitation of new treatment facilities. Twenty of the proposed projects will provide improvements to existing distribution and storage of the water systems. Appropriate environmental reviews will occur, and proper permitting through the Mississippi Department of Environmental Quality will be required to ensure minimal impact on the environment. One system project includes a raw water intake structure for a proposed surface water treatment facility that was designed and is under construction in response to dropping water tables in the extreme northeast corner of the State.

Appendices

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A. FY-2010 Assumed Available Funds Mississippi DWSRF Program

The following breakdown of funds is based on an estimated appropriation of $1,387,000,000 after applying the required national rescissions of 2.1% and a State Allotment formula of 1.04% for the Drinking Water SRF in Federal FY-2010. Additionally, the Proposed Jobs Bill of 2010 has an estimated appropriation of $1,000,000,000. Mississippi will receive 1.04% after a estimated 1.5% national rescission.

FY-2010 National Title I DWSRF Appropriation		$	**1,380,000,000**
Estimated Mississippi Allotment [section 1452(m)]*		$	**14,125,000**
Estimated Jobs Bill of 2010 Mississippi Allotment		$	**10,000,000**
FY-10 State Match Required (20% of Mississippi Allotment) [1]		$	2,825,000
Total			26,950,000
FY-08 Bond Proceeds "banked" for State Match - $1,364,935		+ $	**0**
FY-10 Anticipated receipt of Remaining State Match		+ $	**1,460,065**
FY-10 Federal Funds Captured based on Anticipated Available Match		+ $	14,125,000
Total FY-10 Federal and State Funds Available		$	15,585,065
Set-Asides from FY-2010 Appropriation			
DWSRF Administrative Expenses [section 1452(g)(2) - 4%](onlytaking 2%)		+ $	282,500
State Program Management [section 1452(g)(2)]		+ $	1,412,500
Small Systems Technical Assistance [section 1452(g)(2) - 2%]		+ $	282,500
Total FY-10 Set-Asides		$	1,977,500
Total FY-10 Jobs Bill Funds Available		$	10,000,000
Total FY-10 Federal and State Funds Available		$	15,585,065
Total FY-10 Set-Asides		- $	(1,977,500)
Total FY-10 Federal and State Funds Available for Loan Obligation			**23,607,565**
Total FY-10 Federal and State Funds Available for Loan Obligation		+ $	**23,607,565**
Remaining FY-10 Bond proceeds ($1.7m) Available to Match Future Cap Grants less Bond Issuance Costs ($2,256)		+ $	239,935
Unobligated Funds Carried Over from FY-09 [2]		+ $	427,422
Loan Repayments Deposited	10/01/09 - 11/30/09	+ $	1,341,944
Interest on Fund Deposited	10/01/09 - 11/30/09	+ $	178,175
Anticipated Loan Repayments *	12/01/09 - 08/31/10	+ $	5,686,495
Anticipated Interest on Fund *	12/01/09 - 08/31/10	+ $	1,253,090
FY-2010 Loan Decreases		+ $	477,555
FY-2010 Loan Increases		- $	(387,450)
Remaining FY-10 Loan Increase Reserve ($1.0M) [3]		- $	(1,000,000)
Total FY-10 Funds Available for New Loan Awards			**31,824,731**
Funds Needed for Projects on the FY-10 Priority List		- $	(53,528,750)
Remaining Funds Available Projects on FY-2010 Priority List			**(21,704,019)**

* MSDH intends to apply for the entire FY-2010 Cap Grant during FY-2010.

1. See Section IV.A.ii. – State Match Funds shown on page 6 of this IUP. If anticipated funds are not received as needed, additional funding lines will be drawn. As noted in Section VII, Funding Lines 1 & 2 will be in effect, if no additional match is provided, thus limiting funding toward project(s) meeting planning deadlines.

2. See page 33.

3. See page 7.

4. See page 7.

FY-2009
End of Year Funds Report
Mississippi DWSIRLF Program
October 1, 2009

The following breakdown of funds is based on an actual appropriation of $837,494,900 after applying the 0.476% and a 1% rescission, and that the National Set-Aside Assumptions will remain the same, and a State allotment formula of 1.0%.

FY-2009 National Title I DWSRF Appropriation		$	**829,029,000**
Mississippi Allotment [section 1452(m)]*		$	**8,146,000**
FY-09 State Match Required (20% of Mississippi Allotment)		$	1,629,200
Total		$	9,775,200
FY-08 Bond Proceeds Available for State Match		$	**0**
FY-09 Federal Funds Captured based on Available Match		+ $	**8,146,000**
Total FY-09 Federal and State Funds Available		$	**8,146,000**
FY-2009 American Recovery & Reinvestment Act (ARRA) Grant			
Mississippi Allotment [section 1452(m)]		$	**19,500,000**
Total FY-2009 Federal and State Funds Available		$	**27,646,000**
Regular FY-2009 Set-Asides			
State Program Management [section 1452(g)(2) - 10%]		+ $	814,600
Small Systems Technical Assistance [section 1452(g)(2) - 2%]		+ $	162,920
Total Set-Asides		$	**977,520**
FY-2009 ARRA Set-Asides			
DWSRF Administrative Expenses [section 1452(g)(2) - 4%]		$	300,000
State Program Management [section 1452(g)(2) - 10%]		+ $	1,462,500
Small Systems Technical Assistance [section 1452(g)(2) - 2%]		+ $	390,000
Total Set-Asides		$	**2,152,500**
Total FY-09 Federal and State Funds Available for Loan Obligation			**27,646,000**
Less Regular FY-2009 Set-Asides		$	(977,520)
Less FY-2009 ARRA Setasides		- $	(2,152,500)
Total FY-09 Federal and State Funds Available for Loan Obligation			**24,515,980**
FY09 DWSRF Funds Projections			
Total FY-09 Federal and State Funds Available for Loan Obligation		+ $	**24,515,980**
Remaining FY08 Bond Proceeds ($4.0M) Available to Future Match Cap Grants less Bond Issuance Costs ($2,256)		+ $	0
Unobligated Funds Carried Over from FY-08		+ $	1,144,942
Loan Repayments Deposited	10/1/08 - 9/30/09	+ $	7,667,389
Interest on Fund Deposited	10/1/08 - 9/30/09	+ $	1,561,383
Loan Decreases	10/1/08 - 9/30/09	+ $	5,651,087
Loan Increases	10/1/08 - 9/30/09	- $	(1,766,626)
Remaining FY-09 Loan Increase Reserve (originally $1.0m)		- $	(1,000,000)
Total FY-09 Funds Available for Loan Awards			**37,774,155**
Funds Needed for Projects on the FY-09 Priority List and those on the FY-10 Planning List Receiving FY-09 Funds		- $	(37,346,733)
Excess Funds Available for New Projects in FY-10			**427,422**

- MSDH applied for the entire Cap grant during FY-09.
- See Section IV.A.ii. – State Match Funds on page 7 of this IUP. During the 2008 Legislative session, the necessary bond appropriation bill was passed. Match funds became available during the 1st Quarter FY-2009. Loans awarded during FY-2008 expended all match dollars.

B. Projected Schedule of Outlays

I. Projected Schedule for Projects

Projects	2Q FY-10	3Q FY-10	4Q FY-10	1Q FY-11	2Q FY-11	3Q FY-11	4Q FY-11	1Q FY-12	2Q FY-12	3Q FY-12	4Q FY-12	1Q FY-13	Totals
Corinth Uty Commission	$0	$0	$131,844	$906,877	$775,033	$775,033	$775,033	$775,033	$775,033	$86,114	$0	$0	$5,000,000
Northeast Copiah W/A	$0	$126,563	$207,789	$207,789	$207,789	$138,526	$11,544	$0	$0	$0	$0	$0	$900,000
Beaver Meadow W/A	$0	$29,700	$280,368	$250,668	$194,964	$0	$0	$0	$0	$0	$0	$0	$755,700
Goss Water Association	$0	$12,500	$156,250	$143,750	$0	$0	$0	$0	$0	$0	$0	$0	$312,500
McHenry Utility	$0	$39,600	$453,933	$621,500	$207,167	$0	$0	$0	$0	$0	$0	$0	$1,322,200
Foxworth Water &	$0	$30,000	$375,000	$345,000	$0	$0	$0	$0	$0	$0	$0	$0	$750,000
Clayton Village W/A	$0	$0	$14,000	$135,667	$182,500	$60,833	$0	$0	$0	$0	$0	$0	$393,000
Hancock County Water &	$662,175	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$662,175
Broadmoor Utilities	$0	$0	$21,075	$0	$298,225	$277,150	$0	$0	$0	$0	$0	$0	$596,450
Hiwannee Water Assoc.	$0	$24,750	$164,670	$209,880	$209,880	$23,320	$0	$0	$0	$0	$0	$0	$632,500
Seminary, Town of	$0	$13,000	$62,786	$149,357	$149,357	$0	$0	$0	$0	$0	$0	$0	$374,500
Carthage, City of	$0	$9,750	$240,250	$20,000	$0	$0	$0	$0	$0	$0	$0	$0	$270,000
South Newton Rural W/A	$0	$0	$8,300	$173,356	$110,037	$0	$0	$0	$0	$0	$0	$0	$291,693
Culkin Water District	$0	$0	$144,500	$1,175,000	$1,030,500	$1,030,500	$343,500	$0	$0	$0	$0	$0	$3,724,000
Jeff Davis Water Assoc.	$3,966	$39,983	$108,051	$0	$0	$0	$0	$0	$0	$0	$0	$0	$152,000
Mendenhall, City of	$0	$0	$9,500	$110,750	$101,250	$0	$0	$0	$0	$0	$0	$0	$221,500
Biloxi, City of	$41,000	$448,800	$611,700	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,101,500
Hernando, City of	$0	$31,500	$302,833	$814,000	$814,000	$542,667	$0	$0	$0	$0	$0	$0	$2,505,000
Winona, City of	$0	$0	$13,050	$238,890	$150,560	$0	$0	$0	$0	$0	$0	$0	$402,500
Hilldale Water	$0	$0	$33,705	$592,245	$558,540	$0	$0	$0	$0	$0	$0	$0	$1,184,490
Mendenhall, City of	$0	$0	$101,096	$243,288	$213,288	$213,288	$154,040	$0	$0	$0	$0	$0	$925,000
Flowood, City of	$0	$175,000	$1,343,966	$1,081,034	$0	$0	$0	$0	$0	$0	$0	$0	$2,600,000
Hilldale Water District	$0	$0	$59,500	$716,833	$986,000	$328,667	$0	$0	$0	$0	$0	$0	$2,091,000
Conehoma Water Assoc.	$19,098	$0	$720,951	$233,951	$0	$0	$0	$0	$0	$0	$0	$0	$974,000
Carthage, City of	$0	$3,750	$96,250	$0	$0	$0	$0	$0	$0	$0	$0	$0	$100,000
Carthage, City of	$0	$6,676	$163,324	$0	$0	$0	$0	$0	$0	$0	$0	$0	$170,000
Belzoni, City of	$0	$0	$0	$41,288	$117,109	$227,464	$227,464	$75,821	$0	$0	$0	$0	$689,146
Lexie Water Association	$0	$0	$182,250	$229,500	$0	$0	$0	$0	$0	$0	$0	$0	$411,750
Grenada, City of	$0	$67,000	$842,763	$775,763	$517,174	$0	$0	$0	$0	$0	$0	$0	$2,202,700
Hilldale Water District	$0	$0	$13,000	$233,000	$220,000	$0	$0	$0	$0	$0	$0	$0	$466,000
Winona, City of	$0	$0	$25,599	$441,612	$277,342	$0	$0	$0	$0	$0	$0	$0	$744,553
Marks, City of	$0	$31,523	$0	$132,911	$101,388	$101,388	$101,388	$101,388	$101,388	$101,388	$101,388	$11,263	$885,413

Cedar Grove-Harmony W/A	$0	$12,500	$156,250	$143,750	$0	$0	$0	$0	$0	$0	$0	$0	$312,500
Little Creek W/A	$0	$180,302	$82,608	$0	$0	$0	$0	$0	$0	$0	$0	$0	$262,910
West Marion W/A	$0	$0	$30,000	$375,000	$345,000	$0	$0	$0	$0	$0	$0	$0	$750,000
Coldwater, Town of	$0	$0	$38,976	$297,815	$258,840	$258,840	$258,840	$14,379	$0	$0	$0	$0	$1,127,690
Webb, Town of	$0	$69,772	$637,561	$567,789	$567,789	$378,526	$0	$0	$0	$0	$0	$0	$2,221,437
Jackson, City of	$0	$0	$148,810	$754,601	$605,791	$605,791	$605,791	$605,791	$135,618	$0	$0	$0	$3,462,193
Meridian, City of	$22,500	$697,500	$225,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$945,000
Meridian, City of	$30,000	$128,630	$295,890	$295,890	$295,890	$213,700	$0	$0	$0	$0	$0	$0	$1,260,000
East Lowndes W/A	$49,233	$526,197	$715,447	$715,447	$715,447	$278,229	$0	$0	$0	$0	$0	$0	$3,000,000
Corinth Uty Commission	$0	$0	$163,156	$0	$1,122,259	$959,103	$959,103	$959,103	$959,103	$959,103	$106,570	$0	$6,187,500
Total FY-10 Projects	$827,972	$2,704,996	$9,280,905	$13,130,91	$11,119,83	$6,199,737	$3,282,663	$2,531,515	$1,971,142	$1,146,605	$207,958	$11,263	$52,415,500
FY-11 Projects	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$52,415,500
Total All Projects	$827,972	$2,704,996	$9,280,905	$13,130,91	$11,119,83	$6,199,737	$3,282,663	$2,531,515	$1,971,142	$1,146,605	$207,958	$11,263	$52,415,500
Federal FY-2010 Cap.	$0	$0	$0	$5,864,597	$6,823,373	$919,595	$0	$0	$0	$0	$0	$0	$13,607,565
State Match FY-2010	$0	$0	$0	$1,460,065	$0	$0	$0	$0	$0	$0	$0	$0	$1,460,065
Jobs Bill †	$0	$1,058,572	$6,849,704	$2,091,724	$0	$0	$0	$0	$0	$0	$0	$0	$10,000,000
Other Funding ♠	$726,239	$0	$0	$0	$0	$2,697,853	$1,511,581	$850,854	$1,003,653	$45,667	$0	$0	$6,835,847
Total Funding ♦	$726,239	$1,058,572	$6,849,704	$9,416,386	$6,823,373	$3,617,448	$1,511,581	$850,854	$1,003,653	$45,667	$0	$0	$31,903,477

♠ Other Funds include DWSIRLF Bond proceeds, DWSIRLF Loan Repayments, and money recovered from loan amendments. Please note designated state match was spent on 2008 loans and should be considered as a "banked credit" towards required 20% state match.

† Potential Job Bill funding to the loan program. This would be above and beyond the standard capitalization grant. Funds from Jobs Bill would be expended first before other capitalization grants funds.

* Funding Line 1 indicates available funds based on the full FY-10 Federal Appropriation supplied by the EPA, equaling $22,107,231.

** Funding Line 2 indicates available funds based on the full amount of FY-2010 capitalization grant ($22,107,231) and the Proposed Jobs Bill in Congress indicating an additional $10,000,000 in federal funding.

♦ Total Funding accounts for the total available funds towards the maximum number of projects.

II. Projected Schedule of Outlays for Set-asides
Standard Capitalization Grant

Federal	3Q FY-10	4Q FY-10	1Q FY-11	2Q FY-11	3Q FY-11	4Q FY-11	1Q FY-12	2Q FY-12	Totals
Small Sys. Tech Assist.	$0	$0	$70,625	$70,625	$70,625	$70,625	$0	$0	$282,500
State Program Mgmt	$0	$0	$353,125	$353,125	$353,125	$353,125	$0	$0	$1,412,500
Administrative	$0	$0	$70,625	$70,625	$70,625	$70,625	$0	$0	$282,500
Total Set-Asides	$0	$0	$494,375	$494,375	$494,375	$494,375	$0	$	$1,977,516

C. Projected Payment (Federal Letter of Credit) Schedule
(Schedule of Increases to ACH Ceiling)
Standard Capitalization Grant

Payment (LOC) Number	Payment (LOC) Date	Payment (LOC) Amount	Cumulative (LOC) Amount
FY-2010 No. 1 of 2	3rd Quarter FY-2010	$ 8,000,000	$ 8,000,000
FY-2010 No. 2 of 2	4th Quarter FY-2010	$ 6,125,000	$ 14,125,000

Potential Jobs Bill of 2010

Payment (LOC) Number	Payment (LOC) Date	Payment (LOC) Amount	Cumulative (LOC) Amount
FY-2010JB No. 1 of 1	3rd Quarter FY-2010	$ 10,000,000	$ 10,000,000

D. Projected Schedule of Drawdowns Against Federal Letter of Credit (ACH Draw Schedule)

Standard Capitalization Grant

Outlay Quarter	Federal Outlay Amount	Cumulative Outlay Amount
1Q FY-2011	$ 8,000,000	$ 8,000,000
2Q FY-2010	$ 6,125,000	$ 14,125,000

Potential Jobs Bill of 2010

Outlay Quarter	Federal Outlay Amount	Cumulative Outlay Amount
3Q FY-2010	$ 3,000,000	$ 3,000,000
4Q FY-2010	$ 6,000,000	$ 9,000,000
1Q FY-2011	$ 1,000,000	$ 10,000,000

E. Mississippi Small Systems Technical Assistance Set-Aside Workplan

INTRODUCTION

The Mississippi State Department of Health (MSDH), Bureau of Public Water Supply (Department), proposes to use the Small Systems Technical Assistance Set-aside of the DWSRF in an assistance and training program directed at improving the technical, managerial, and financial capabilities of small community public water systems in the state. The goal of this program is to assure that assistance is provided to all small community public water systems that require such assistance to maintain adequate technical, financial, and managerial capabilities necessary to comply with requirements of the SDWA.

SELECTION PROCESS

A request for proposals (RFP) was published in the legal section of *The Clarion-Ledger* in May, 2009, with a submittal deadline of 5:00 p.m. on June 1, 2009. Those responding to the RFP were mailed an information packet the day the request was received. The proposals received from the potential contractors were evaluated by the Department and then presented to the Board at the regularly scheduled meeting. The Board Management Training Monitoring and Coordination for Water System Officials conducted by Mississippi State University Extension Service is set for a two-year period and will expire June 30, 2010. The contract for Small Systems Technical Assistance (long-term and intermediate technical assistance) had an optional third year that the Board elected to exercise. The contracts due to expire were awarded with work beginning on all contracts July 1, 2009. The Mississippi Rural Water Association was awarded the specialized Hands-On Operator Training.

PROGRAM ACTIVITIES

The technical assistance program consists of four major categories (see below) of activities that will be accomplished through contracts with qualified organizations that are experienced in providing the type of support required by each activity. These categories may be updated and/or revised as a result of work plan reviews that will be conducted annually during the life of the program. Amendments will be submitted whenever activities or budgets change and when required to extend the term of the work plan.

1. **Long-term technical assistance -** This assistance is comprehensive in nature and is provided to an equivalent of eighteen (18) small public water systems annually. At a minimum, the contractor will provide comprehensive assistance to at least nine (9) public water systems per contract year. At the beginning of each contract year, the MSDH – Bureau of Public Water Supply will provide to the contractor a list of systems that are to receive this assistance. Within 30 days of the start date for that contract year, the contractor will identify, with the help of MSDH, which nine (9) systems are to receive comprehensive technical assistance, complete an initial assessment of the needs of each of the nine (9) systems, and develop a work plan for each water system. The contractor shall submit the assessment and work plan for each system to MSDH for approval prior to initiating technical assistance. MSDH shall use its latest report of Capacity Ratings of Public Water Systems, along with the

recommendations of MSDH staff and the contractor, to identify those public water systems that are to receive this assistance.

Activity Objective - provide long-term on-site comprehensive technical assistance to resolve problems identified by contractor. Nine (9) systems will be chosen from a prepared list.

Reporting/Evaluation - written progress reports using a format approved by MSDH will be furnished monthly to MSDH and members of the Board by the contractor. The reports shall identify progress made on the work plan developed for each system. The contractor shall meet with the Board on a quarterly basis to update the Board on accomplishments under this contract and answer any questions the Board might have regarding the implementation of this contract.

2. **Intermediate technical assistance -** This assistance is selective in nature and consists of one or more additional contact or non-contact hours for public water systems previously receiving short-term assistance or systems not requiring comprehensive long-term assistance. Selection of systems will be based on the list supplied by MSDH for the remaining public water systems from the initially prepared list. Intermediate technical assistance projects will be counted toward the minimum eighteen (18) required comprehensive projects at a ratio of 2:1 (two intermediate projects will be the equivalent of one comprehensive project).

Activity Objective - provide intermediate on-site technical assistance to selected systems covering the subject(s) determined by the contractor to be most needed.

Reporting/Evaluation - written progress reports using a format approved by MSDH will be furnished monthly to MSDH and members of the Board by the contractor. The reports shall identify the assistance provided to each system. The contractor shall meet with the Board on a quarterly basis to update the Board on accomplishments under this contract and answer any questions the Board might have regarding the implementation of this contract.

3. **Hands-On Operator Training -** The Contractor will provide practical, applied, "hands-on" training for public water system operators in the State of Mississippi. MSDH defines hands-on operator training for the purposes of this contract as training that provides functional instruction in the necessary skills and knowledge to be able to better fulfill the job requirements of a drinking water system operator. The hands-on training will include a comprehensive approach (lecture plus physical, hands-on sessions with equipment) for all operators attending the training. Trainings are to include equipment/props pertinent to the training topic(s) as a part of the training discussion.

Activity Objectives - Provide a minimum of twelve (12) hands-on operator training sessions within the year.

Reporting/Evaluation - written quarterly reports using a format approved by MSDH on Hands-On Operator Training. The reports shall include but are not limited to: a) details of sessions conducted; b) number of attendees and their comments; c) related problems that occurred during or as a result of a training session and any solution(s); d) an itemized list of the costs incurred by the training organization; and e) other related items. The contractor shall meet with the Board on a quarterly basis to update the Board on accomplishments under this contract and answer any questions the Board might have regarding the implementation of this contract.

4. **Coordination and Monitoring of Board Management Training for Water System Officials** - Section 41-26-101 of the Mississippi Code of 1972, Annotated, states "Each member elected or reelected after June 30, 1998, to serve on a governing board of any community public water system, except systems operated by municipalities with a population greater than ten thousand (10,000), shall attend a minimum of eight (8) hours of management training within two (2) years following the election of that board member. If a board member has undergone training and is reelected to the board, that board member shall not be required to attend training. The management training shall be organized by the MSDH. The management training shall include information on water system management and financing, rate setting and structures, operations and maintenance, applicable laws and regulations, ethics, the duties and responsibilities of the association and other organizations. The Department shall develop and provide all training materials. To avoid board members having to interfere with their jobs or employment, management training sessions may be divided into segments and, to the greatest extent possible, shall be scheduled for evening sessions. The Department shall conduct management training on a regional basis." The contractor shall: serve as the coordinator for MSDH in regards to all activities related to the implementation of the training program in the state; randomly attend training sessions to ensure the established curriculum is being followed and that the curriculum is relevant and effective; manage the Board Member Training Curriculum Review Committee; continue to update the established computerized database to accurately track the most current status of each board member attending the program; and other related duties.

Activity Objective - manage those activities related to the effective training of the members of the governing boards of small community public water systems.

Reporting/Evaluation - Randomly attend at least two sessions/contract year/training organization unannounced and furnish both MSDH and the Board members a written report within 7 days of attendance including the following information: review of presentation by trainer(s); any needed remedial action; attendee comments; attendance roster; and other related items. Written and oral quarterly reports shall be furnished to MSDH and the Board members that include: attendee evaluation of the trainers and training material; contractor evaluation of trainer(s); attendee comments; attendance rosters; needed remedial action; curriculum review committee meetings; itemized costs of training organization(s). Monthly reports containing the above information shall be submitted to MSDH along with the invoices for work performed under the contract. MSDH, affected board members, and affected entities shall be provided with periodic reports listing those board members who have not completed the board member training and the time remaining for completion of the training.

AGENCY RESPONSIBILITIES

The MSDH will conduct Small Systems Technical Assistance Set-aside activities through Board approved contracts with providers who will be selected following procedures of the State of Mississippi Personal Services Contract Procurement Regulations. Contracts of a regulatory nature will be handled solely by MSDH. All providers will report to and be responsible to the MSDH for all contract activities. No additional FTE requirement is anticipated for state agencies to implement the provisions of this set-aside.

F. Mississippi State Program Management Set-aside Annual Workplan
Section 1452(g)(2)
Safe Drinking Water Act Amendments of 1996

PUBLIC WATER SYSTEM MANAGEMENT PROGRAM

BACKGROUND

On December 21, 2009, a legal notice was published to request public comments on the Draft FY-10 Intended Use Plan (IUP) that will set-aside $1,412,500 of the state's FY-10 Drinking Water State Revolving Fund (DWSRF) capitalization grant for State Program Management activities to support the MSDH, FY-2011 Public Water Systems Supervision Program (FY-2011 PWSS Program) as allowed under Section 1452(g)(2) of the SDWA Amendments of 1996. After a public comment period a public hearing was held on January 22, 2010, to receive and consider comments from the public on the draft IUP. After resolution of any comments from the public, the final FY-2010 IUP will be presented to the Board for adoption during the next scheduled Board meeting. The Final IUP will be effective thirty days from the date of the Board's adoption. At this time, the State has not elected to take any set-aside that may be available with the proposed Jobs Bill.

This work plan describes how FY-2010 DWSRF State Program Management set-aside funds will be expended to support the FY-2011 PWSS Program which will operate from October 1, 2010 to September 30, 2011.

FUNDING AMOUNT (Standard Capitalization Grant)

The State reserves $1,412,500 of its FY-2010 DWSRF capitalization grant to be set-aside for State Program Management activities to support the FY-2011 PWSS Program. The reserved amount represents 10% of the state's expected FY-2010 capitalization grant and is specified for expenditure during FY-2011.

Cost Breakdown	
Administrative/Staffing	$674,864
Fringe Benefits	$209,207
Contractual Agreements	$401,615
Indirect Costs	$126,814
Total Funding Amount	**$1,412,500**

NUMBER OF FTE's PROJECTED FOR IMPLEMENTING THIS SET-ASIDE

The State projects forty-four (44) FTEs will be required to implement the FY-2010/11 PWSS Program. A total of 9.0 FTEs will be funded by this set-aside. $674,864 will be reserved from the FY-2010 DWSRF Capitalization Grant for salaries and fringe benefits for State Program Management activities.

This amount will fund salary and fringe benefits for the following positions:

Position	Quantity (FTE)
Environmental Engineer IV	2.0
Environmental Engineer II	2.0
Environmental Engineer-In-Training	4.0
Environmental Engineering Administrator	1.0
Total FTEs	**9.0**

The remaining $737,636 will be used for indirect costs, supplies, and possible contractual services for technical assistance needed to accomplish the requirements of the FY-10 PWSS Program.

GOALS, OBJECTIVES, OUTPUT, AND DELIVERABLES

One of the set-asides authorized under the 1996 SDWA amendments is the management of the state program, which can be funded by up to 10% of the federal allotment. These funds will support public water system supervision program activities as required to maintain state primacy and also to support the activities of the DWSIRLF. MSDH's FY-2010 PWSS Work Plan outlines in detail the aspects of the PWSS that are supported by this set-aside. Items covered by the set-aside include: (1) State Primacy Requirements, (2) Non-Primacy Requirements, and (3) Auxiliary Services.

Primacy Requirements

As required to maintain state primacy, MSDH maintains the PWSS programs on an ongoing or as-needed basis. These programs include: revising current primacy programs by adopting new Federal regulations as needed; coordinating for Mid-Year and End-of-Year review with EPA Regional Office; maintaining a sanitary survey program with discrepancy follow-up; participating in state data verification audits; ensuring public water systems (PWSs) are utilizing approved laboratories and a certification program for those laboratories is in place; participating in the EPA Regional oversight; operating in accordance with requirements of the National Primary Drinking Water Regulations; maintaining an active water system design and construction plan and specification review program; ensuring labs used by PWSs within the state are capable of the workload created by regulations; participating in PWS and PWSS training on rule requirements; informing EPA Region 4 of any special state initiatives under the rules or provisions of the SDWA; maintaining records for all rule/policies, enforcing reporting and record keeping as required; maintaining appropriate administrative penalty authority; implementing the PWS definition; attending state/EPA planning and implementation meetings; ensuring that newly permitted PWSs have design/construction capable of compliance with the present and upcoming SDWA regulations; ensuring analytical methods are being applied to demonstrate compliance with the regulations; notifying (if necessary) EPA of intent not to adopt or implement any portion of the rules; and responding to EPA requests for information or verification of state rules implementation.

Additionally, MSDH will provide annual summaries of the status of: each effective variance and exemption to EPA; community PWSs that are allowed to monitor less frequently than monthly; and non-community PWSs that are allowed to monitor less frequently than quarterly to EPA. MSDH will also oversee and enforce requirements for rules and regulations adopted with approved federal primacy. These regulations include the SDWA and all applicable rules present and future, primacy packages, and extension agreements of the SDWA.

Non-primacy Requirements

In addition to the requirements of the PWSS program, monies from this set-aside provide support to activities that are of a non-primacy nature. Those activities are not required to maintain state primacy. However, to run a highly effective, efficient program and most importantly protect the public health, these activities are vital.

Capacity Development (CD) Program

As required by the SDWA, each state is required to develop and implement a Public Water System Capacity Development Program in order to receive full funding annually under the DWSRF Program. Public water system capacity assessment is a full evaluation of the PWS's technical, managerial, and financial ability to provide safe drinking water to its customers by complying with all state and Federal regulations. In accordance with the Federal requirements, MSDH has developed and implemented a CD program for both new and existing PWSs. The MSDH CD program takes the form of a rating that each community water system (CWS) and non-transient non-community water system (NTNCWS) receives at their annual sanitary survey. The criteria used in the rating system incorporate laws, regulations, and other valuable information to evaluate the areas of technical, managerial, and financial capacity. The program is also designed to evolve from year-to-year through an annual meeting of an advisory committee that will make suggestions as to possible changes and/or additions to the rating criteria. As required by regulation, an annual report is made to the Governor on the efficacy of the strategy and progress towards improving the capacity of PWSs in the state. Additionally, annual documentation of ongoing implementation of the CD strategy is to be provided with DWSRF Capitalization Grant application.

Unregulated Contaminant Monitoring Rule

This particular aspect of the PWSS involves informing systems with populations greater than 10,000 in the state monitoring plan of their responsibilities to monitor for Unregulated Contaminant Monitoring Rule; assisting the EPA in sampling systems in the state monitoring plan as determined by the state and EPA in the UCMR Partnership Agreement; adding vulnerable systems to the plan for monitoring UCMR List 3 contaminants based on guidance; review UCMR data from public water systems to ensure that it meets quality assurance and PWS reporting requirements necessary; informing EPA of potential changes needed in the data and, with mutual agreement of the state and EPA, make changes to the data; and responding as requested by the EPA for information on verification of state UCMR implementation.

Operator Certification

As mandated by the SDWA to maintain full funding for the DWSIRLF, operator certification is an essential part of the PWSS program. Activities required to maintain the operator certification program include: providing documentation and evaluation of ongoing program implementation for all annual program submittals subsequent to the initial submittal; supply as required certification of changes and documentation of those change that are made to the regulations of statutes; perform internal and external program reviews as required by state law.

Source Water Assessment Program

On an annual basis, MSDH reports to EPA on Source Water Assessment Program implementation activities. In FY-1997, a set-aside for DWSIRLF allowed MSDH to subcontract to the Mississippi Department of Environmental Quality to perform the source water assessment. The assessment has been completed and a report has been supplied to all of Mississippi's PWSs.

Auxiliary Services

These services include various aspects related to data management, compliance, and enforcement of the PWSS Program.

Information Management and SDWIS/Fed Reporting

These ongoing activities include: overseeing and enforcing requirements of data management and SDWIS/Fed reporting; reporting the state's PWSS inventory at least annually to SDWIS/Fed; reporting the state's violations and enforcement actions at least quarterly; participating in EPA/state data managers conference calls; identifying the data manager and alternate for the purpose of making secure transmissions of data intended for SDWIS/Fed through EPA's Central Data Exchange; establishing and following quality assurance procedures to ensure that PWS data eventually entered in SDWIS/Fed is of the highest reliability and maximum value to the public.

Inspection Strategy

This activity includes overseeing and enforcing requirements of the regulatory requirements.

Management System for Non-compliant Systems

These activities include: overseeing and enforcing requirements of management systems for non-compliant systems; provide current versions of its enforcement response guide; assurances that the EPA has up-to-date information.

Rule Task Force

This requires participation in the Rule Writing Task Force and Rule Workshops.

Enforcement and Management of Significant Non-compliers (SNC's)

Activities of this auxiliary service include: overseeing and complying with the requirements of management significant non-compliers (SNC's); and reporting the State's response to instances of significant noncompliance at public water systems.

The commitments as stated here and in the PWSS Work plan are adopted as commitments of the State Program Management set-aside.

SCHEDULE FOR COMPLETING ACTIVITIES

The schedule for completing State Program activities under this work plan will be the schedule established by dates entered in the "Date Due" column of the MSDH FY-2011 PWSS Work plan.

AGENCY RESPONSIBILITIES

The MSDH is the agency responsible for implementing required activities under the State Program Management set-aside.

EVALUATION PROCESS TO ASSESS THE SUCCESS OF SET-ASIDE ACTIVITIES

The success of State Program Activities will be defined by the ability of the MSDH to successfully meet commitments in the FY-2011 PWSS Work Plan. Quarterly and annual reports/submittals required by the PWSS program include documentation and evaluation of ongoing program implementation and success in meeting stated commitments.

G. Mississippi State Program Management Set-aside Match Requirements

Mississippi 1:1 Requirement for FY 2010 State Program Management Set-aside

	FY 1993	FY 2010
PWSS Grant	$769,600	$1,216,900
State Required Match for PWSS Grant	$256,533	$401,577
Actual State PWSS Contribution	$256,533	$3,264,627
State PWSS Overmatch	$ 0	$2,863,050
State PWSS Expenditures Eligible for 1:1 SPM Match	$128,266	$2,863,050
State PWSS Expenditures Claimed for 1:1 SPM Match	$128,266	$1,412,500

Mississippi requests $1,412,500 of its FY-2010 DWSRF Capitalization Grant be set-aside for State Program Management (SPM) to support Public Water Supply Supervision (PWSS) activities. To comply with the additional 1:1 match requirement for SPM set-asides, $1,412,500 in additional State funds will be required. The State provided $2,863,050 above the state's PWSS match requirement in FY-2010. This contribution is provided through the collection of Water Quality Analysis Fees by the Bureau of Public Water Supply. In accordance with Section 1452(g)(2) of the SDWA of 1996, the State claims $1,412,500 from its FY-2010 PWSS overmatch as credit to satisfy the $1,412,500 additional state match required to set-aside $1,412,500 of its FY-2010 Capitalization Grant for SPM activities.

H. Coordination Schedules for Jointly Funded Projects

FY-2010 DWSIRLF COORDINATION SCHEDULES FOR JOINTLY FUNDED PROJECTS			
These schedules are designed to help assure coordination between the DWSIRLF Program and the Appalachian Regional Commission (ARC) Grant Program, Community Development Block Grant (CDBG) Program, and Rural Utilities Service (RUS) Grant and Loan Program. These schedules are, however, subject to change due to the timing of federal appropriations or program changes.			
Date(s)	**Schedule Item(s)/Deadline(s)**		
	ARC	**CDBG**	**RUS***
May 1, 2009	Mississippi Appalachian Regional Office (MARO) notifies potential applicants & local Planning & Development Districts of the September 1, 2009, deadline for submitting complete ARC grants applications.	(N/A)	(N/A)
Sept 1, 2009	All FY-10 ARC project applications due at MARO in Tupelo, MS by 5:00 p.m. Proposals received afterward will only be considered as "back-up" projects.	(N/A)	(N/A)
Oct 1, 2009**	Deadline for loan applicant to submit a complete DWSIRLF facilities plan to MS State Department of Health (MSDH). The plan must reflect 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 ARC funding.**	Deadline for loan applicant to submit a complete DWSIRLF facilities plan to MS State Department of Health (MSDH). The plan must reflect 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 CDBG funding.**	Deadline for loan applicant to submit a complete DWSIRLF facilities plan to MS State Department of Health (MSDH). The plan must reflect 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 RUS funding.**
Oct, 2009	MS State Dept of Health (MSDH) notifies MARO of loan applicants who have submitted complete facilities plans which indicate anticipated FY-2010 ARC funding. MARO notifies MSDH of ARC grant applicants who submitted pre-applications which indicate anticipated FY-10 DWSIRLF funding.	MS State Dept of Health (MSDH) notifies Mississippi Development Authority (MDA) of loan applicants who have submitted facilities plans which indicate anticipated FY-2010 CDBG funding.	MS State Dept of Health (MSDH) notifies U. S. Department of Agriculture, Rural Utilities Service (RUS) of loan applicants who have submitted facilities plans which indicate anticipated FY-2010 RUS funding
Nov 15, 2009	MARO completes review of FY-10 projects and briefs Governor on proposed Priority 1 and Priority 2 project list, as well as projects not eligible to be funded.	(N/A)	(N/A)
Nov 15-30, 2009	MARO notifies local Planning & Development Districts of projects that have been selected for the P1 (fundable priority list). MARO will copy MSDH on these notification letters if grantee has indicated that it is pursuing DWSIRLF loan funds for the project. MSDH will not award a DWSIRLF loan until this notification from MARO is provided.	(N/A)	(N/A)

	ARC	CDBG	RUS
Oct 18, 2009	(N/A)	CDBG program application workshops.***	(N/A)
Nov, 2009	MSDH advertises Draft DWSIRLF FY-2010 Intended Use Plan for public comment.	MSDH advertises Draft DWSIRLF FY-2010 Intended Use Plan for public comment.	MSDH advertises Draft DWSIRLF FY-2010 Intended Use Plan for public comment.
Dec 30, 2009	Deadline for all FY-10 Priority 1 documentation and forms to be submitted to MARO.	(N/A)	(N/A)
Dec, 2009	Board adopts FY-2010 DWSIRLF Intended Use Plan accounting for anticipated ARC award amounts if identified in facilities plan.	Board adopts FY-2009 DWSIRLF Intended Use Plan, accounting for anticipated CDBG award amounts if identified in facilities plan. CDBG public facilities applications, along with one copy of the DWSRLF loan application with maps and appropriate attachments will be accepted from 12/7&8/2009	Board adopts FY-2010 DWSIRLF Intended Use Plan, accounting for anticipated RUS award amounts if identified in facilities plan.
Jan 20, 2010	(N/A)	Deadline for a CDBG grant applicant to submit a water viability review form to MDA.	(N/A)
Jan, 2010	MSDH notifies MARO of projects included on final FY-2010 Priority List that anticipate receiving FY-2010 ARC funds.	MSDH notifies MDA of projects included on the Final FY-2009 Priority List that anticipate receiving FY-2010 CDBG funds.	MSDH notifies RUS of projects included on the final FY-2009 Priority List that anticipate receiving FY-2010 RUS funds.
Feb 1, 2010	MARO sends project applications to ARC-Washington to start final funding approval process.	(N/A)	(N/A)
Feb 16, 2010	(N/A)	CDBG public facilities applications, along with one copy of the DWSIRLF loan application with maps and appropriate attachments, will be accepted from 2/16/2010 until 4:00 p.m. on 2/17/10.	(N/A)
Feb- Jun, 2010	ARC-Washington starts the final funding approval process and awards ARC grants during the spring or summer of 2010.	(N/A)	(N/A)
Mar, 2010	(N/A)	MDA provides notification to MSDH that complete CDBG applications have been received.	(N/A)

	ARC	CDBG	RUS
May 1, 2010**	Deadline for loan applicants to submit a completed DWSIRLF loan application to MSDH for the total DWSIRLF eligible costs, less the amount of anticipated ARC award to be applied to DWSIRLF eligible costs.**	Deadline for loan applicants to submit a completed DWSIRLF loan application to MSDH for the total DWSIRLF eligible costs, less amount of anticipated CDBG award to be applied to the DWSIRLF eligible costs.** (NOTE: 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% DWSIRLF 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 DWSIRLF loan application must be consistent with the DWSIRLF facilities plan for the project.)	Deadline for loan applicants to submit complete DWSIRLF loan applications to MSDH for the total DWSIRLF eligible costs, less amount of anticipated RUS award to be applied to DWSIRLF eligible costs.** (NOTE: If the loan recipient is pursuing an 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% DWSIRLF funding with the possibility of amending the loan application later if the loan recipient is awarded an RUS grant/loan prior to receipt of bids for construction. However, the DWSIRLF loan application must be consistent with the DWSIRLF facilities plan for the project)
May, 2010	(N/A)	MDA provides notification to MSDH of which projects fall within the funding range for CDBG grants for construction contingent upon matching funds being in place. (NOTE: MSDH will not award a DWSIRLF loan until this notification from MDA is provided.)	(N/A)
Jun, 2010	MSDH provides notification to MARO that complete DWSIRLF loan applications have been received.	MSDH provides notification to MDA that complete DWSIRLF loan applications have been received. MDA provides conformation to MSDH of which projects fall within the funding range for CDBG grants for construction contingent upon matching funds being in place.	MSDH provides notification to RUS that complete DWSIRLF loan applications have been received.
(Upon Grant Award)	MARO provides notification to MSDH that ARC awards have been made.	MDA provides notification to MSDH that CDBG awards have been made.	RUS provide notification that RUS awards have been made
Aug 1, 2010**	All approvable documents and responses to comments necessary for loan award must be submitted to MDEQ for review and approval.**	All approvable documents and responses to comments necessary for loan award must be submitted to MDEQ for review and approval.**	All approvable documents and responses to comments necessary for loan award must be submitted to MDEQ for review and approval.**
May-Sep, 2010	Loan applicants receive DWSIRLF loan awards from MSDH. The amount of the loan will be the total DWSIRLF eligible cost less the ARC award amount to be applied to DWSIRLF eligible costs.	Loan applicants receive DWSIRLF loan awards from MSDH. The amount of the loan will be the total DWSIRLF eligible cost less the CDBG award amount to be applied to DWSIRLF eligible costs.	Loan applicants receive DWSIRLF loan awards from MSDH. The amount of the loan will be the total DWSIRLF eligible cost less the RUS award amount to be applied to DWSIRLF eligible costs. If loan applicant desires DWSIRLF loan award prior to RUS award, loan applicant must provide MSDH with a copy of letter from RUS which states their project will be funded only contingent upon receipt of DWSIRLF matching funds. MSDH will not award a DWSIRLF loan until that notification from RUS is provided.

	ARC	CDBG	RUS
(Upon Loan Award)	MSDH sends a copy of the award letter to MARO.	MSDH sends a copy of the award letter to MDA.	MSDH sends a copy of the award letter to RUS.

* **General Guidance regarding DWSIRLF/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 entities, 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 year. To receive an application package or other information, contact Rural Utilities Service, 100 West Capitol Street, Suite 831, Jackson, MS 39269; telephone: (601) 965-5460; fax: (601) 965-4566.

** **FY-2010 DWSIRLF Priority System Deadline**

*** **"To Be Announced" (Date has not yet been set.)**

I. Drinking Water Systems Emergency Loan Fund Program

Section 41-3-16, Mississippi Code of 1972, as amended, created the Drinking Water Systems Emergency Loan Fund Program (DWSELF). This program provides loans to counties, municipalities, districts, or other (tax exempt) water organizations for emergency construction, repair, or replacement of drinking water facilities. This entirely state-funded loan program provides a ready funding source for such emergency projects without the federal cross-cutter requirements required in the DWSIRLF Program, thereby saving valuable time and expense. This Program eliminates the need to address emergency loans in the Drinking Water Systems Improvements Revolving Loan Fund Program. The Board encourages eligible water organizations throughout the state to utilize this program whenever emergency drinking water projects are needed.

The basic provisions of this program are: 1) a current interest rate of 2.0%; 2) a maximum single loan amount as determined by the Board; 3) a maximum repayment period of five (5) years; and 4) the project must meet the definition of an emergency as established in the program regulations. It is also important to note that loan recipients do not pay interest during the original construction period (capitalized interest), and that loan repayments do not begin until after project completion.

Allowable costs for the project may not be incurred prior to the budget period established in the loan agreement, which may not begin more than 30 days prior to receipt of the loan application.

Costs for the project will be paid on a reimbursement basis, based upon the actual allowable expenditures of the loan recipient.

J. Certifications

In addition to the ten (10) assurances included below, the State acknowledges that there are six (6) additional assurances that the State has agreed to in either the Operating Agreement between the State and EPA Region IV or the annual capitalization grants. These two documents are hereby incorporated into this IUP by reference.

1. The State certifies that all drinking water facility projects in this IUP identified in Section VII as being subject to the federal cross-cutting requirements are or will be in compliance with all such requirements prior to the State entering into an assistance agreement with the recipient.

2. The State certifies that it will make an annual report to the Regional Administrator on the actual uses of the funds and how the State has met the goals and objectives for the previous two fiscal years as identified in the IUPs; and to annually have conducted an independent audit of the funds to be conducted in accordance with generally accepted government accounting standards.

3. The State certifies that this IUP will be subjected to public review and comment prior to final submission to EPA. The State certifies that it will follow the "Mississippi Administrative Procedures Law" in seeking public review and comments on this IUP. A copy of the "Mississippi Administrative Procedures Law" can be obtained from the Mississippi Secretary of State's Office, and can also be found on the MSDH's website at www.msdh.state.ms.us/dwsrf.

   A public hearing will be held at 9:00 a.m. on Friday, January 22, 2010, to receive written and oral comments on this IUP. A transcript of the public hearing recording the comments and recommended solutions will be submitted to EPA along with the Final IUP. Anyone desiring to receive a copy of the public hearing transcript should contact Ulysses Conley, Program Support Specialist, at (601) 576-7518 to request copies.

4. The State certifies that all drinking water facility projects in this IUP are on the project Priority List developed pursuant to the requirements of Section 1452(b)(3)(B), SDWA.

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 commit and expend all DWSIRLF Program monies as efficiently as possible, and to disburse the funds in a timely and expeditious manner.

7. The State certifies that it will conduct environmental reviews on all DWSIRLF cross-cutter equivalency projects in accordance with the State Environmental Review Process (SERP).

8. The State certifies that prior to adding any new projects to the FY-2011 and After Planning List for the purpose of funding such a project during FY-2010 that the State will follow the "Mississippi Administrative Procedures Law" in amending this IUP in order to allow for public review and comments.

9. The State certifies that it has developed and implemented a CD strategy to assist public water systems in acquiring and maintaining technical, managerial, and financial capacity as required in Section 1420(c) of the 1996 Amendments to the SDWA. This CD program is currently approved by EPA.

10. The State certifies the State's Operator Certification Program is currently approved by EPA.