



Drinking Water State Revolving Fund (DWSRF)
List of Substantive Changes included in the
Draft 2016 Intended Use Plan (IUP)
November 3, 2015

The following information reflects substantive changes in the Draft 2016 DWSRF IUP from the previous IUP. Other minor changes have been made that are not included in this document. A complete version of the Draft 2016 DWSRF IUP can be found at <http://www.medwp.com>.

1. All appropriate sections have been updated to reflect the estimated 2016 Capitalization Grant which is **expected to be the same amount as the 2015 allocation or \$8,787,000**. This amount is equal to last year's allocation and will be adjusted to reflect the final approved Capitalization Grant amount.
2. Funding Available for all **Construction Projects is estimated at \$20 Million**. This amount includes funds from the 2016 Federal Capitalization Grant, 2016 State Match, and loan repayments from prior year DWSRF loans.
3. For each Capitalization Grant the State must provide documentation, at the time of the Capitalization Grant Application, that at least 20 percent of the total amount of that year's Grant is available as State Match. The **required match for 2016 is estimated at \$1,757,400**. The DWSRF State Match is expected to be available by June 30, 2016 **from the Wholesale Liquor Contract**.
4. The 2016 DWSRF appropriation is expected to include a proposal that requires a minimum 20% and a maximum 30% of the 2016 Capitalization Grant to be available for eligible recipient's, including Disadvantaged Community System's. Assistance subsidies in the form of principal forgiveness available to eligible Disadvantaged Communities will continue at levels of 20, 40 and 60 percent based on community Medium Household Income and Residential Water User Rates as detailed in Section 8E. The 2016 DRSRF Draft Primary List includes 25 projects with only **6 projects meeting the Disadvantaged Community criteria with a total subsidy amount of \$538,020**, or 6% of the Capitalization Grant. Therefore additional principal forgiveness will be provided to all projects (including Disadvantaged Communities) as follows:
 - a. All Water Treatment projects will receive minimum of 10% Principal Assistance
 - b. All other projects will receive a minimum of 5% Principal Forgiveness

This additional Principal Forgiveness is expected to total \$1,822,660, or 22% of the Capitalization Grant.

5. The 2008-2011 American Community Survey 5-Year Estimates prepared by the U.S. Census Bureau has been replaced with the **2009-2013 American Community Survey 5-Year Estimates prepared by the U.S. Census Bureau**. The State-wide Median Household Income (MHI) value was been updated from the value of \$48,119 to \$48,453 to reflect the 2009-2013 data.
6. No change is expected from prior year **DWSRF funding requirements**. All construction project funding must adhere to various federal requirements including Davis-Bacon Wage Rates, MBE/WBE Reporting, and American Iron & Steel (AIS) Materials Requirements.
7. As with the 2015 DWSRF IUP, with the goal of increasing Sustainability of all Public Water System in the State of Maine, all Projects on the Primary List will be required to have a professionally prepared Comprehensive System Facilities Plan/ Master Plan that is less than ten years old. Grant and loan funds will be available to all PWS with a 2015 DWSRF approved project to achieve this requirement. **Two Public Water Systems on the Primary List will need to prepare a Comprehensive System Facilities Plan.**
8. The **Interest Rate for Interim Loans** for all borrowers has been reduced from 3% to 1% with a term of 12 months for all applicants. Fees will not be charged for interim loans and there will be no closing costs associated with these loans. However, the borrower will be responsible for their own legal costs associated with the closing of interim loans.
9. A modification to the **Scoring of Standard Construction Projects** has been proposed. The section providing up to 5 points for a project with a completed “Pre-Design Report” has been eliminated. This has been replaced with a new section based on the “Project Completion and Drawdown Dates” as provided by the applicant.
 - ✓ Projects with an expected Completion and Drawdown Date Prior to August 31, 2016 will receive 5 points.
 - ✓ Projects with an expected Completion and Drawdown Date Prior to September 30, 2016 will receive 4 points.
 - ✓ Projects with an expected Completion and Drawdown Date Prior to October 31, 2016 will receive 3 points.
 - ✓ Projects with an expected Completion and Drawdown Date Prior to November 30, 2016 will receive 2 points.
 - ✓ Projects with an expected Completion and Drawdown Date Prior to December 31, 2016 will receive 1 point.
10. The 2015 Intended Use Plan included funding for public water systems to complete a Water Loss Audit. The 2016 Intended Use Plan expands on the Water Loss Audit Program and proposes establishing a **Water Loss/ Leak Detection Grant Program**.