

Clean Water SRF Regionalization Incentive Grant Update.

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Benefits of Regionalization/Consolidation

- Easier to meet and sustain regulatory standards
- Spreads capital and operational costs among more users

**User Rates for
a Large
Number of
Users**



**User Rates
for a Small
Number of
Users**

Clean Water SRF Regionalization Incentive Grant

- Regionalization Incentive Grant:
Grant for municipalities*
connecting small public or
private systems that are
permitted or should be
permitted
- Intended to incentivize
interconnection where it would
otherwise not be likely
- Covers 100% of costs



*A municipality as defined by 40 CFR 35.2005(27) is a “city, town, borough, county, parish, district, association, or other public body (including an intermunicipal agency of two or more of the foregoing entities) created under State law, or an Indian tribe or an authorized Indian tribal organization, having jurisdiction over disposal of sewage, industrial wastes, or other waste, or a designated and approved management agency under section 208 of the Act.”

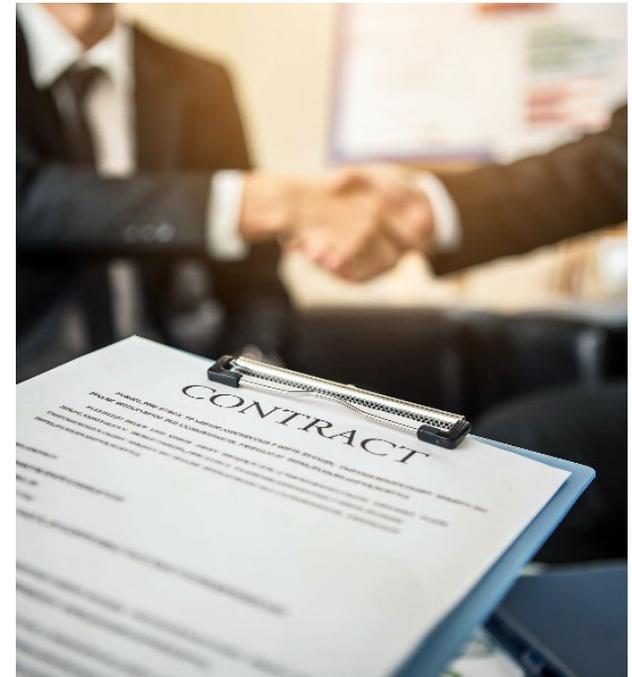
Wastewater Regionalization Incentive Grant

- Eligible costs - legal, planning, designing, and constructing the sewer connection, associated land acquisition or easements, and closure cost of the decommissioned system(s) if it is a public system. Clean Water SRF cannot fund work on private property or private systems.
- Projects will not be eligible for funding if the total cost associated with connecting the smaller system is greater than 110% of the cost to repair, replace, or upgrade the wastewater treatment facility.



Wastewater Regionalization Incentive Grant Service Agreement Requirements

- Agreement duration must be at least 20 years
- User rates and fees (Wholesale or Per Connection)
 - Negotiated and agreed upon user rates
 - Negotiated and agreed upon fees (if applicable)
 - Clause for renegotiating rates and fees
- Collection system operation and maintenance responsibilities
- Right to access



Regionalization Incentive Grant First Solicitation

- October 31, 2019 to December 31, 2019
- 16 applications

East Prairie	Boone Co. RSD x4
Holt Summit	Eldon
Linn	Jefferson Co. PSD
Moberly	Milan
Potosi	Purdy
Van Buren	Salem
Winfield	



Wastewater Regionalization Incentive Grant

Tiered prioritization

Step 1. A category is assigned



Step 2. Points are assigned

Priority Determination

Categories

- Category One:** The applicant is a municipality. The entity or entities the applicant proposes to connect is a Private, Municipal, or School wastewater treatment system, outside the applicant's service area, that is under enforcement with the Missouri Department of Natural Resources or the U.S. Environmental Protection Agency. Applicants for Category 1 projects may submit an application without a facility plan, and may be awarded an engineering grant for the development of a facility plan.
- Category Two:** The applicant is a municipality. The entity or entities the applicant proposes to connect is Municipal or School wastewater treatment system, outside the applicant's service area, that is not under enforcement and have a Schedule of Compliance in their permit to upgrade for more stringent limits. Applicants for Category 2 projects may submit an application without a facility plan, and may be awarded an engineering grant for the development of a facility plan.
- Category Three:** The applicant is a municipality. The entity or entities the applicant proposes to connect is a Private wastewater treatment system, outside the applicant's service area, that is not under enforcement and have a Schedule of Compliance in their permit to upgrade for more stringent limits. Applicants for Category 3 projects may submit an application without a facility plan, and may be awarded an engineering grant for the development of a facility plan.
- Category Four:** The applicant is a municipality which has been designated as the continuing authority per 10 CSR 20-6.010 (2) that is proposing to connect a private or public system(s) within their political boundary and/or designated service area, and the estimated project cost will increase the wastewater treatment user charge for the municipality to more than 2 percent of MHI. In order to be evaluated, applicants for Category 4 projects must submit a complete facility plan with reasonable estimated project costs and proposed user rates to demonstrate the project's potential impact on user rates.

*A private system is a system owned by a Homeowner's Association, an individual, a mobile home park, etc. It does not include systems owned and operated by any for-profit utility company.

No. of system(s) to be eliminated in each Category: 1 _____ 2 _____ 3 _____ 4 _____

Description (For items 1-3: If the project eliminates multiple permitted WWTFs which discharge to different water bodies, then the highest point total of the multiple water bodies will be used.)

- Beneficial Uses** of the water body receiving discharge from existing Wastewater Treatment Facility(ies) (WWTFs) to be eliminated by the proposed project. WWTFs could be permitted or unpermitted. (The value is calculated by adding the total values expressed under this part.)

	<u>Points</u>
Whole Body Contact Recreation= 15 pts.	_____
Drinking Water Supply = 15 pts.	_____
Cold Water Habitat = 10 pts.	_____
Secondary Contact Recreation = 10 pts.	_____
Cool Water Habitat = 10 pts.	_____
Protection of Warm Water Habitat and Human Health Protection = 10 pts.	_____
Each additional beneficial use not listed above and identified in rule 10 CSR 20-7.031 = 5 pts each.	_____

- Sensitive Waters.** Proposed project will eliminate existing WWTF(s) which directly discharge to certain sensitive waters will be assigned additional priority points.

Losing Streams = 15 pts.	_____
Outstanding National Resource Waters = 15 pts.	_____
Outstanding State Resource Waters = 15 pts.	_____
Lakes or Metropolitan No-discharge Streams = 10 pts.	_____

- Targeted Waterbodies.** A targeted water body is one in which a Total Maximum Daily Load (TMDL) has been promulgated or is listed on the most recent 303(d) list. (No more than fifteen (15) points shall be awarded.)

TMDL has been promulgated for receiving stream and removal of point source project addresses impact = 15 pts.	_____
Receiving stream is listed on the most recent 303(d) list and removal of point source project addresses impact but a TMDL has not been promulgated = 10 pts.	_____

- Need for Regionalization (exclude all Dept. Health and Senior Services permitted systems)**
Each WWTFs eliminated not under Department Enforcement = 5 pts.

Wastewater Regionalization Incentive Grant

Prioritization

Priority Ranking	Category	Points	Grant Purpose	Funding
CATEGORY 1				
1	Moberly	170	Construction	
2	Van Buren	140	Construction	
3	Linn	100	Construction	
4	Winfield	90	Facility Plan	
5	East Prairie	80	Facility Plan	
CATEGORY 2				
6	Holts Summit	55	Construction	
CATEGORY 3				
7	Potosi	105	Construction	
CATEGORY 4				

Future Regionalization Incentive Grant Solicitation

Solicitation Period
October 31, 2020 –
January 31, 2021



MISSOURI
DEPARTMENT OF
NATURAL RESOURCES

Questions