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
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
- Holt Summit
- Linn
- Moberly
- Potosi
- Van Buren
- Winfield
- Boone Co. RSD x4
- Eldon
- Jefferson Co. PSD
- Milan
- Purdy
- Salem
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
### Wastewater Regionalization Incentive Grant

**Prioritization**

<table>
<thead>
<tr>
<th>Priority Ranking</th>
<th>Category</th>
<th>Points</th>
<th>Grant Purpose</th>
<th>Funding</th>
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<tbody>
<tr>
<td>1</td>
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<td>Construction</td>
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<td>2</td>
<td>Van Buren</td>
<td>140</td>
<td>Construction</td>
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<td>3</td>
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<td><strong>CATEGORY 4</strong></td>
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Future Regionalization Incentive Grant Solicitation

Solicitation Period
October 31, 2020 – January 31, 2021
Questions