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Robert Moser, MD, Secretary | Department of Health & Environment | Sam Brownback, Governor

MEMORANDUM

DATE: October 30, 2013

TO: Hesston 2.1 File
2012 Funding EPA CWSRF
KWPCRF Project No.: C20 1960 01

FROM: Rod Geisler, PE, Chief,
Municipal Programs Section.

SUBJECT: Hesston, Kansas
Project to Rehab/Upgrade Mech. Plant including Effluent Irrigation
EPA Green Project Reserve

Similar to the ARRA funding effort, the Federal Clean Water SRF funding provided in FFY 2012 requires a 20% "Green Project Reserve" (GPR) for use of the federal funds. EPA wrote new guidance to define qualifying uses for the Green Project Reserve requirements for the FFY 2012 funding, dated March 02, 2012, (copy of excerpts attached). As previously stated by EPA the goals of the GPR and the "intent" is "to guide funding toward projects that...enhance water and energy conservation...". The project at Hesston, Kansas, achieves this goal by reconstructing an effluent pumping station and force main to deliver treatment plant effluent to irrigate the municipal golf course. This system had fallen into dis-repair and had not been in use for several years.

The project being funded will completely rehabilitate the mechanical wwtp and upgrade processes and controls to provide nutrient removal, which includes disinfection, effluent pumping station, and force main to the golf course. A review of the FFY 2012 GPR guidance as presented below indicates portions of this project meet the requirements to qualify as a Green Project Reserve project design in accordance with these Federal guidelines.

0.1 All GPR projects must otherwise be eligible for CWSRF funding.

- The project at Hesston is eligible.

0.2 All Section 212 projects must be consistent with the definition of "treatment works" as set forth in Section 212 of the Clean Water Act (CWA).

- The project at Hesston is a "Section 212" project, the wastewater treatment plant is publicly owned, and the project will have a direct water quality benefit by reducing the discharge to the receiving stream, and reusing the effluent for irrigation of a golf course.

0.3 Eligible non-point source projects...

- NA. This is not a non-point source project.

0.4 Eligible projects under Section 320...

- NA. This is not a Section 320 project.

0.5 GPR projects must meet the definition of one of the four GPR categories.

- See below

0.6 GPR project must further the goals of the Clean Water Act.
CWSRF Technical Guidance

1.0 Green infrastructure

- NA

2.0 Water Efficiency

2.1 Definition

- EPA's WaterSense program defines water efficiency as the use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation and reuse efforts, as well as water loss reduction and prevention, to protect water resources for the future.

2.2 Categorical Projects

- 2.2-6 – Recycling and water use projects that replace potable water sources with non-potable sources
- 2.2-6a - Gray water, condensate, and wastewater effluent reuse systems

3.0 Energy Efficiency

- NA

4.0 Environmentally Innovative

- NA

Therefore, the project at Hesston meets the EPA definition of being "categorically" green. The loan agreement does not provide principal forgiveness for any project costs. Based on information presently available based on the low bid price of the Bid Items 17 and 18 from the Bid Summary (copy attached) for the apparent low bidder, certain costs qualify as "green design components" and therefore $36,000 (Item 17) and $55,000 (item 18), a total of $91,000, qualifies for EPA GPR reporting.

The total cost of the project after opening bids is $2,695,529. The $91,000 cost is considered a "green design" for effluent water reuse.

Attached
Bid Form
Excerpts from FFY 2012 EPA GPR Guidance

Pc: Frank Weinhold
Rod Geisler

Project Description:
Wastewater Treatment Plant and Pump Station Improvements

Bid Date: 10-23-13

City of Hesston
SMH File: 1208MN3003

PROJECT A - KING PUMP STATION REPLACEMENT

		Engineer's Estimate				APAC-Ka	
No.	Item	Quantity	Unit	Unit Price	Total Price	Quantity	Unit
1	Mobilization	1	LS	$7,500.00	$7,500.00	1	LS
2	King Pump Station	1	LS	$130,000.00	$130,000.00	1	LS
3	Force Main 6" PVC	66	LF	$20.00	$1,320.00	66	LF
4	Piping - 12" PVC	117.5	LF	$40.00	$4,700.00	117.5	LF
5	Manhole, Precast Concrete	3	Each	$4,000.00	$12,000.00	3	Each
6	Remove & Replace Concrete Sidewalk	10.3	SY	$30.00	$309.00	10.3	SY
7	New Concrete Sidewalk	7.5	SY	$30.00	$225.00	7.5	SY
8	Standby Generator	1	LS	$42,200.00	$42,200.00	1	LS
9	Seeding	1	LS	$2,000.00	$2,000.00	1	LS
	TOTAL CONSTRUCTION COST ESTIMATE				$200,254.00		

PROJECT B - ROTH PUMP STATION REPLACEMENT

		Engineer's Estimate				APAC-Ka	
No.	Item	Quantity	Unit	Unit Price	Total Price	Quantity	Unit
1	Mobilization	1	LS	$7,500.00	$7,500.00	1	LS
2	Roth Pump Station	1	LS	$170,000.00	$170,000.00	1	LS
3	Force Main 8" PVC	29	LF	$25.00	$725.00	29	LF
4	Piping						
	12" PVC	32.7	LF	$40.00	$1,308.00	32.7	LF
	15" PVC	74.7	LF	$48.00	$3,585.60	74.7	LF
5	Manhole, Precast Concrete	3	Each	$4,000.00	$12,000.00	3	Each
6	Gravel Surfacing	170	SY	$10.00	$1,700.00	170	SY
7	Remove & Replace Concrete Pavement	8.9	SY	$40.00	$356.00	8.9	SY
8	Standby Generator	1	LS	$42,200.00	$42,200.00	1	LS
9	Seeding	1	LS	$500.00	$500.00	1	LS
	TOTAL CONSTRUCTION COST ESTIMATE				$239,874.60		

PROJECT C - WASTEWATER TREATMENT PLANT IMPROVEMENTS

		Engineer's Estimate				APAC-Ka	
No.	Item	Quantity	Unit	Unit Price	Total Price	Quantity	Unit
1	Mobilization	1	LS	$200,000.00	$200,000.00	1	LS
2	Manholes, Precast Concrete	7	Each	$3,200.00	$22,400.00	7	Each
3	Yard Piping						
	4" PVC	28	LF	$16.00	$448.00	28	LF
	6" PVC	103	LF	$20.00	$2,060.00	103	LF
	15" PVC	60	LF	$36.00	$2,160.00	60	LF
	21" PVC	224	LF	$41.00	$9,184.00	224	LF
4	Headworks Bldg, Complete (Contractor Furnished)	1	LS	$224,000.00	$224,000.00	1	LS
5	Pre-Negotiated Equipment (Headworks Bldg)						
	Aqua Guard Screen & Appurtenances	1	LS	$141,870.00	$141,870.00	1	LS
	Grit Removal System	1	LS	$196,000.00	$196,000.00	1	LS
6	Concrete Pavement	72.6	SY	$40.00	$2,904.00	72.6	SY
7	Remove & Replace Concrete Pavement	193.4	SY	$40.00	$7,736.00	193.4	SY
8	Clarifier Rehabilitation	2	Each	$102,500.00	$205,000.00	2	Each
9	Clarifier Covers, Installed	2	Each	$52,500.00	$105,000.00	2	Each
10	Aeration Basin Improvements (Contractor Furnished)	1	LS	$100,000.00	$100,000.00	1	LS
11	Pre-Negotiated Equipment (Aeration Basin) -						
	Siemens Supplied Equipment	1	LS	$557,650.00	$557,650.00	1	LS
12	Site Electrical	1	LS	$333,900.00	$333,900.00	1	LS
13	Replace Treatment Plant Generator	1	LS	$102,100.00	$102,100.00	1	LS
14	Remove & Replace Sludge Pump	2	Each	$22,000.00	$44,000.00	2	Each
15	Remove & Replace Scum Pump	1	Each	$19,000.00	$19,000.00	1	Each
16	New Scum Line, Complete	1	LS	$8,500.00	$8,500.00	1	LS
17	Effluent Water Reuse System	1	LS	$35,000.00	$35,000.00	1	LS
18	Golf Course Effluent Pump Addition	1	LS	$130,000.00	$130,000.00	1	LS
19	New Concrete Sidewalk	34.9	SY	$30.00	$1,047.00	34.9	SY
20	Remove & Replace Concrete Sidewalk	8.7	SY	$30.00	$261.00	8.7	SY
21	Seeding	1	LS	$4,000.00	$4,000.00	1	LS
22	Contingency	1	LS	$75,000.00	$75,000.00	1	LS
	TOTAL CONSTRUCTION COST ESTIMATE				$2,529,220.00		

TOTAL BASE BID (Projects A, B, and C)		$2,969,348.60	

insas, Shears Division		Utility Contractors Inc.				Wildcat Construction				
Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity
$15,000.00	$15,000.00	1	LS	$20,000.00	$20,000.00	1	LS	$5,000.00	$5,000.00	1
$122,074.00	$122,074.00	1	LS	$200,000.00	$200,000.00	1	LS	$125,000.00	$125,000.00	1
$80.00	$5,280.00	66	LF	$75.00	$4,950.00	66	LF	$65.00	$4,290.00	66
$125.00	$14,687.50	117.5	LF	$95.00	$11,162.50	117.5	LF	$75.00	$8,812.50	117.5
$8,000.00	$24,000.00	3	Each	$5,800.00	$17,400.00	3	Each	$6,000.00	$18,000.00	3
$80.00	$824.00	10.3	SY	$25.00	$257.50	10.3	SY	$75.00	$772.50	10.3
$51.00	$382.50	7.5	SY	$20.00	$150.00	7.5	SY	$70.00	$525.00	7.5
$34,000.00	$34,000.00	1	LS	$32,000.00	$32,000.00	1	LS	$48,000.00	$48,000.00	1
$4,000.00	$4,000.00	1	LS	$1,500.00	$1,500.00	1	LS	$3,000.00	$3,000.00	1
	$220,248.00				$287,420.00				$213,400.00	

insas, Shears Division		Utility Contractors Inc.				Wildcat Construction				
Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity
$15,000.00	$15,000.00	1	LS	$20,000.00	$20,000.00	1	LS	$5,000.00	$5,000.00	1
$125,000.70	$125,000.70	1	LS	$215,000.00	$215,000.00	1	LS	$125,000.00	$125,000.00	1
$120.00	$3,480.00	29	LF	$95.00	$2,755.00	29	LF	$70.00	$2,030.00	29
$160.00	$5,232.00	32.7	LF	$92.00	$3,008.40	32.7	LF	$85.00	$2,779.50	32.7
$170.00	$12,699.00	74.7	LF	$110.00	$8,217.00	74.7	LF	$95.00	$7,096.50	74.7
$8,000.00	$24,000.00	3	Each	$5,800.00	$17,400.00	3	Each	$5,500.00	$16,500.00	3
$6.00	$1,020.00	170	SY	$18.00	$3,060.00	170	SY	$10.00	$1,700.00	170
$107.00	$952.30	8.9	SY	$110.00	$979.00	8.9	SY	$110.00	$979.00	8.9
$34,000.00	$34,000.00	1	LS	$32,000.00	$32,000.00	1	LS	$48,000.00	$48,000.00	1
$2,500.00	$2,500.00	1	LS	$1,500.00	$1,500.00	1	LS	$2,000.00	$2,000.00	1
	$223,884.00				$303,919.40				$211,085.00	

insas, Shears Division		Utility Contractors Inc.				Wildcat Construction				
Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity
$80,000.00	$80,000.00	1	LS	$45,000.00	$45,000.00	1	LS	$5,000.00	$5,000.00	1
$8,000.00	$56,000.00	7	Each	$4,800.00	$33,600.00	7	Each	$4,100.00	$28,700.00	7
$85.00	$2,380.00	28	LF	$70.00	$1,960.00	28	LF	$75.00	$2,100.00	28
$60.00	$6,180.00	103	LF	$80.00	$8,240.00	103	LF	$75.00	$7,725.00	103
$85.00	$5,100.00	60	LF	$90.00	$5,400.00	60	LF	$95.00	$5,700.00	60
$100.00	$22,400.00	224	LF	$100.00	$22,400.00	224	LF	$100.00	$22,400.00	224
$587,566.00	$587,566.00	1	LS	$455,000.00	$455,000.00	1	LS	$514,000.00	$514,000.00	1
$141,870.00	$141,870.00	1	LS	$141,870.00	$141,870.00	1	LS	$141,870.00	$141,870.00	1
$196,000.00	$196,000.00	1	LS	$196,000.00	$196,000.00	1	LS	$196,000.00	$196,000.00	1
$119.00	$8,639.40	72.6	SY	$90.00	$6,534.00	72.6	SY	$110.00	$7,986.00	72.6
$126.00	$24,368.40	193.4	SY	$110.00	$21,274.00	193.4	SY	$125.00	$24,175.00	193.4
$65,774.00	$131,548.00	2	Each	$125,000.00	$250,000.00	2	Each	$110,000.00	$220,000.00	2
$40,444.00	$80,888.00	2	Each	$80,000.00	$160,000.00	2	Each	$55,000.00	$110,000.00	2
$67,360.10	$67,360.10	1	LS	$100,000.00	$100,000.00	1	LS	$168,000.00	$168,000.00	1
$557,650.00	$557,650.00	1	LS	$557,650.00	$557,650.00	1	LS	$557,650.00	$557,650.00	1
$74,575.00	$74,575.00	1	LS	$60,000.00	$60,000.00	1	LS	$91,000.00	$91,000.00	1
$103,658.00	$103,658.00	1	LS	$60,000.00	$60,000.00	1	LS	$127,000.00	$127,000.00	1
$15,000.00	$30,000.00	2	Each	$20,000.00	$40,000.00	2	Each	$29,500.00	$59,000.00	2
$12,500.00	$12,500.00	1	Each	$20,000.00	$20,000.00	1	Each	$28,500.00	$28,500.00	1
$10,000.00	$10,000.00	1	LS	$15,000.00	$15,000.00	1	LS	$11,500.00	$11,500.00	1
$53,663.00	$53,663.00	1	LS	$45,000.00	$45,000.00	1	LS	$5,000.00	$5,000.00	1
$40,000.00	$40,000.00	1	LS	$30,000.00	$30,000.00	1	LS	$57,500.00	$57,500.00	1
$117.00	$4,083.30	34.9	SY	$65.00	$2,268.50	34.9	SY	$70.00	$2,443.00	34.9
$144.00	$1,252.80	8.7	SY	$75.00	$652.50	8.7	SY	$75.00	$652.50	8.7
$7,541.00	$7,541.00	1	LS	$2,000.00	$2,000.00	1	LS	$8,000.00	$8,000.00	1
$75,000.00	$75,000.00	1	LS	$75,000.00	$75,000.00	1	LS	$75,000.00	$75,000.00	1
	$2,380,223.00				$2,354,849.00				$2,476,901.50	

	$2,824,355.00		$2,946,188.40		$2,901,386.50	

SMH CONSULTANTS

Walters-Morgan Construction			Smoky Hill, LLC				BRB Contractors, Inc.			
Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price
LS	$5,000.00	$5,000.00	1	LS	$9,000.00	$9,000.00	1	LS	$50,008.00	$50,008.00
LS	$105,000.00	$105,000.00	1	LS	$152,000.00	$152,000.00	1	LS	$400,000.00	$400,000.00
LF	$43.00	$2,838.00	66	LF	$68.00	$4,488.00	66	LF	$30.00	$1,980.00
LF	$38.00	$4,465.00	117.5	LF	$140.00	$16,450.00	117.5	LF	$50.00	$5,875.00
Each	$5,400.00	$16,200.00	3	Each	$6,900.00	$20,700.00	3	Each	$5,000.00	$15,000.00
SY	$99.00	$1,019.70	10.3	SY	$100.00	$1,030.00	10.3	SY	$40.00	$412.00
SY	$79.00	$592.50	7.5	SY	$75.00	$562.50	7.5	SY	$30.00	$225.00
LS	$32,000.00	$32,000.00	1	LS	$45,000.00	$45,000.00	1	LS	$35,000.00	$35,000.00
LS	$275.00	$275.00	1	LS	$1,800.00	$1,800.00	1	LS	$500.00	$500.00
		$167,390.20				$251,030.50				$509,000.00

Walters-Morgan Construction			Smoky Hill, LLC				BRB Contractors, Inc.			
Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price
LS	$8,000.00	$8,000.00	1	LS	$9,000.00	$9,000.00	1	LS	$35,021.00	$35,021.00
LS	$154,000.00	$154,000.00	1	LS	$159,000.00	$159,000.00	1	LS	$300,000.00	$300,000.00
LF	$103.00	$2,987.00	29	LF	$140.00	$4,060.00	29	LF	$40.00	$1,160.00
LF	$40.00	$1,308.00	32.7	LF	$185.00	$6,049.50	32.7	LF	$50.00	$1,635.00
LF	$44.00	$3,286.80	74.7	LF	$147.00	$10,980.90	74.7	LF	$70.00	$5,229.00
Each	$3,700.00	$11,100.00	3	Each	$5,800.00	$17,400.00	3	Each	$5,000.00	$15,000.00
SY	$14.00	$2,380.00	170	SY	$9.00	$1,530.00	170	SY	$13.00	$2,210.00
SY	$99.00	$881.10	8.9	SY	$140.00	$1,246.00	8.9	SY	$50.00	$445.00
LS	$33,000.00	$33,000.00	1	LS	$46,000.00	$46,000.00	1	LS	$35,000.00	$35,000.00
LS	$135.00	$135.00	1	LS	$1,800.00	$1,800.00	1	LS	$500.00	$500.00
		$217,077.90				$257,066.40				$396,200.00

Walters-Morgan Construction			Smoky Hill, LLC				BRB Contractors, Inc.			
Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price	Quantity	Unit	Unit Price	Total Price
LS	$95,000.00	$95,000.00	1	LS	$72,000.00	$72,000.00	1	LS	$210,317.00	$210,317.00
Each	$2,800.00	$19,600.00	7	Each	$3,880.00	$27,160.00	7	Each	$5,000.00	$35,000.00
LF	$105.00	$2,940.00	28	LF	$358.00	$10,024.00	28	LF	$20.00	$560.00
LF	$42.00	$4,326.00	103	LF	$155.00	$15,965.00	103	LF	$30.00	$3,090.00
LF	$43.00	$2,580.00	60	LF	$120.00	$7,200.00	60	LF	$60.00	$3,600.00
LF	$77.00	$17,248.00	224	LF	$135.00	$30,240.00	224	LF	$80.00	$17,920.00
LS	$411,000.00	$411,000.00	1	LS	$351,000.00	$351,000.00	1	LS	$381,800.00	$381,800.00
LS	$141,870.00	$141,870.00	1	LS	$141,870.00	$141,870.00	1	LS	$141,870.00	$141,870.00
LS	$196,000.00	$196,000.00	1	LS	$196,000.00	$196,000.00	1	LS	$196,000.00	$196,000.00
SY	$48.00	$3,484.80	72.6	SY	$138.00	$10,018.80	72.6	SY	$50.00	$3,630.00
SY	$56.00	$10,830.40	193.4	SY	$162.00	$31,330.80	193.4	SY	$60.00	$11,604.00
Each	$94,000.00	$188,000.00	2	Each	$81,400.00	$162,800.00	2	Each	$50,000.00	$100,000.00
Each	$54,500.00	$109,000.00	2	Each	$78,300.00	$156,600.00	2	Each	$45,000.00	$90,000.00
LS	$98,000.00	$98,000.00	1	LS	$174,700.00	$174,700.00	1	LS	$75,000.00	$75,000.00
LS	$557,650.00	$557,650.00	1	LS	$557,650.00	$557,650.00	1	LS	$557,650.00	$557,650.00
LS	$130,000.00	$130,000.00	1	LS	$278,350.00	$278,350.00	1	LS	$63,000.00	$63,000.00
LS	$105,000.00	$105,000.00	1	LS	$65,400.00	$65,400.00	1	LS	$90,000.00	$90,000.00
Each	$14,000.00	$28,000.00	2	Each	$22,600.00	$45,200.00	2	Each	$10,000.00	$20,000.00
Each	$13,000.00	$13,000.00	1	Each	$23,000.00	$23,000.00	1	Each	$10,000.00	$10,000.00
LS	$7,000.00	$7,000.00	1	LS	$15,400.00	$15,400.00	1	LS	$10,000.00	$10,000.00
LS	$36,000.00	$36,000.00	1	LS	$105,000.00	$105,000.00	1	LS	$30,000.00	$30,000.00
LS	$55,000.00	$55,000.00	1	LS	$35,000.00	$35,000.00	1	LS	$55,000.00	$55,000.00
SY	$82.00	$2,861.80	34.9	SY	$80.00	$2,792.00	34.9	SY	$20.00	$698.00
SY	$77.00	$669.90	8.7	SY	$100.00	$870.00	8.7	SY	$30.00	$261.00
LS	$1,000.00	$1,000.00	1	LS	$4,000.00	$4,000.00	1	LS	$1,000.00	$1,000.00
LS	$75,000.00	$75,000.00	1	LS	$75,000.00	$75,000.00	1	LS	$75,000.00	$75,000.00
		$2,311,060.90				$2,594,570.60				$2,183,000.00

	$2,695,529.00		$3,102,667.50		$3,088,200.00

CWSRF Technical Guidance

The following sections outline the technical aspects for the CWSRF Green Project Reserve. It is organized by the four categories of green projects: green infrastructure, water efficiency, energy efficiency, and environmentally innovative activities. Categorically green projects are listed, as well as projects that are ineligible. Design criteria for business cases and example projects that would require a business case are also provided.

1.0 GREEN INFRASTRUCTURE

1.1 Definition: Green stormwater infrastructure includes a wide array of practices at multiple scales that manage wet weather and that maintain and restore natural hydrology by infiltrating, evapotranspiring and harvesting and using stormwater. On a regional scale, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains and wetlands, coupled with policies such as infill and redevelopment that reduce overall imperviousness in a watershed. On the local scale green infrastructure consists of site- and neighborhood-specific practices, such as bioretention, trees, green roofs, permeable pavements and cisterns.

1.2 Categorical Projects

- 1.2-1 Implementation of green streets (combinations of green infrastructure practices in transportation rights-of-ways), for either new development, redevelopment or retrofits including: permeable pavement[2], bioretention, trees, green roofs, and other practices such as constructed wetlands that can be designed to mimic natural hydrology and reduce effective imperviousness at one or more scales. Vactor trucks and other capital equipment necessary to maintain green infrastructure projects.
- 1.2-2 Wet weather management systems for parking areas including: permeable pavement[2], bioretention, trees, green roofs, and other practices such as constructed wetlands that can be designed to mimic natural hydrology and reduce effective imperviousness at one or more scales. Vactor trucks and other capital equipment necessary to maintain green infrastructure projects.
- 1.2-3 Implementation of comprehensive street tree or urban forestry programs, including expansion of tree boxes to manage additional stormwater and enhance tree health.
- 1.2-4 Stormwater harvesting and reuse projects, such as cisterns and the systems that allow for utilization of harvested stormwater, including pipes to distribute stormwater for reuse.
- 1.2-5 Downspout disconnection to remove stormwater from sanitary, combined sewers and separate storm sewers and manage runoff onsite.
- 1.2-6 Comprehensive retrofit programs designed to keep wet weather discharges out of all types of sewer systems using green infrastructure technologies and approaches such as green roofs, green walls, trees and urban reforestation, permeable

[2] The total capital cost of permeable pavement is eligible, not just the incremental additional cost when compared to impervious pavement.

pavements and bioretention cells, and turf removal and replacement with native vegetation or trees that improve permeability.

1.2-7 Establishment or restoration of permanent riparian buffers, floodplains, wetlands and other natural features, including vegetated buffers or soft bioengineered stream banks. This includes stream day lighting that removes natural streams from artificial pipes and restores a natural stream morphology that is capable of accommodating a range of hydrologic conditions while also providing biological integrity. In highly urbanized watersheds this may not be the original hydrology.

1.2-8 Projects that involve the management of wetlands to improve water quality and/or support green infrastructure efforts (e.g., flood attenuation).[3]

1.2-8a Includes constructed wetlands.

1.2-8b May include natural or restored wetlands if the wetland and its multiple functions are not degraded and all permit requirements are met.

1.2-9 The water quality portion of projects that employ development and redevelopment practices that preserve or restore site hydrologic processes through sustainable landscaping and site design.

1.2-10 Fee simple purchase of land or easements on land that has a direct benefit to water quality, such as riparian and wetland protection or restoration.

1.3 Projects That Do Not Meet the Definition of Green Infrastructure

1.3-1 Stormwater controls that have impervious or semi-impervious liners and provide no compensatory evapotranspirative or harvesting function for stormwater retention.

1.3-2 Stormwater ponds that serve an extended detention function and/or extended filtration. This includes dirt lined detention basins.

1.3-3 In-line and end-of-pipe treatment systems that only filter or detain stormwater.

1.3-4 Underground stormwater control and treatment devices such as swirl concentrators, hydrodynamic separators, baffle systems for grit, trash removal/floatables, oil and grease, inflatable booms and dams for in-line underground storage and diversion of flows.

1.3-5 Stormwater conveyance systems that are not soil/vegetation based (swales) such as pipes and concrete channels. Green infrastructure projects that include pipes to collect stormwater may be justified as innovative environmental projects pursuant to Section 4.4 of this guidance.

1.3-6 Hardening, channelizing or straightening streams and/or stream banks.

1.3-7 Street sweepers, sewer cleaners, and vactor trucks unless they support green infrastructure projects.

1.4 Decision Criteria for Business Cases

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[3] Wetlands are those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, vernal pools, and similar areas.

1.4-1 Green infrastructure projects are designed to mimic the natural hydrologic conditions of the site or watershed.

1.4-2 Projects that capture, treat, infiltrate, or evapotranspire water on the parcels where it falls and does not result in interbasin transfers of water.

1.4-3 GPR project is in lieu of or to supplement municipal hard/gray infrastructure.

1.4-4 Projects considering both landscape and site scale will be most successful at protecting water quality.

1.4-5 Design criteria are available at: http://cfpub.epa.gov/npdes/greeninfrastructure/munichandbook.cfm and http://cfpub.epa.gov/npdes/greeninfrastructure/technology.cfm

1.5 Examples of Projects Requiring A Business Case

1.5-1 Fencing to keep livestock out of streams and stream buffers. Fencing must allow buffer vegetation to grow undisturbed and be placed a sufficient distance from the riparian edge for the buffer to function as a filter for sediment, nutrients and other pollutants.

2.0 WATER EFFICIENCY

2.1 Definition: EPA's WaterSense program defines water efficiency as the use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation and reuse efforts, as well as water loss reduction and prevention, to protect water resources for the future.

2.2 Categorical Projects

2.2-1 Installing or retrofitting water efficient devices, such as plumbing fixtures and appliances

- 2.2-1a For example -- shower heads, toilets, urinals and other plumbing devices
- 2.2-1b Where specifications exist, WaterSense labeled products should be the preferred choice (http://www.epa.gov/watersense/index.html).
- 2.2-1c Implementation of incentive programs to conserve water such as rebates.

2.2-2 Installing any type of water meter in previously unmetered areas

- 2.2-2a If rate structures are based on metered use
- 2.2-2b Can include backflow prevention devices if installed in conjunction with water meter

2.2-3 Replacing existing broken/malfunctioning water meters, or upgrading existing meters, with:

- 2.2-3a Automatic meter reading systems (AMR), for example:
  - 2.2-3a(i) Advanced metering infrastructure (AMI)
  - 2.2-3a(ii) Smart meters
- 2.2-3b Meters with built in leak detection
- 2.2-3c Can include backflow prevention devices if installed in conjunction with water meter replacement

2.2-4 Retrofitting/adding AMR capabilities or leak detection equipment to existing meters (not replacing the meter itself).

2.2-5 Water audit and water conservation plans, which are reasonably expected to result in a capital project.

2.2-6 Recycling and water reuse projects that replace potable sources with non-potable sources,

2.2-6a Gray water, condensate and wastewater effluent reuse systems (where local codes allow the practice)

2.2-6b Extra treatment costs and distribution pipes associated with water reuse.

2.2-7 Retrofit or replacement of existing landscape irrigation systems with more efficient landscape irrigation systems, including moisture and rain sensing equipment.

2.2-8 Retrofit or replacement of existing agricultural irrigation systems with more efficient agricultural irrigation systems.

2.3 Projects That Do Not Meet the Definition of Water Efficiency

2.3-1 Agricultural flood irrigation.

2.3-2 Lining of canals to reduce water loss.

2.3-3 Replacing drinking water distribution lines. This activity extends beyond CWSRF eligibility and is more appropriately funded by the DWSRF.

2.3-4 Leak detection equipment for drinking water distribution systems, unless used for reuse distribution pipes.

2.4 Decision Criteria for Business Cases

2.4-1 Water efficiency can be accomplished through water saving elements or reducing water consumption. This will reduce the amount of water taken out of rivers, lakes, streams, groundwater, or from other sources.

2.4-2 Water efficiency projects should deliver equal or better services with less net water use as compared to traditional or standard technologies and practices

2.4-3 Efficient water use often has the added benefit of reducing the amount of energy required by a POTW, since less water would need to be collected and treated; therefore, there are also energy and financial savings.

2.5 Examples of Projects Requiring a Business Case.

2.5-1 Water meter replacement with traditional water meters (see AWWA M6 *Water Meters – Selection Installation, Testing, and Maintenance*).

2.5-2 Projects that result from a water audit or water conservation plan

2.5-3 Storage tank replacement/rehabilitation to reduce loss of reclaimed water.

2.5-4 New water efficient landscape irrigation system (where there currently is not one).

2.5-5 New water efficient agricultural irrigation system (where there currently is not one).

3.0 ENERGY EFFICIENCY

3.1 Definition: Energy efficiency is the use of improved technologies and practices to reduce the energy consumption of water quality projects, use energy in a more efficient way, and/or produce/utilize renewable energy.

3.2 Categorical Projects

3.2-1 Renewable energy projects such as wind, solar, geothermal, micro-hydroelectric, and biogas combined heat and power systems (CHP) that provide power to a POTW. (http:///www.epa.gov/cleanenergy). Micro-hydroelectric projects involve capturing the energy from pipe flow.

3.2-1a POTW owned renewable energy projects can be located onsite or offsite.

3.2-1b Includes the portion of a publicly owned renewable energy project that serves POTW's energy needs.

3.2-1c Must feed into the grid that the utility draws from and/or there is a direct connection.

3.2-2 Projects that achieve a 20% reduction in energy consumption are categorically eligible for GPR[4]. Retrofit projects should compare energy used by the existing system or unit process[5] to the proposed project. The energy used by the existing system should be based on name plate data when the system was first installed, recognizing that the old system is currently operating at a lower overall efficiency than at the time of installation. New POTW projects or capacity expansion projects should be designed to maximize energy efficiency and should select high efficiency premium motors and equipment where cost effective. Estimation of the energy efficiency is necessary for the project to be counted toward GPR. If a project achieves less than a 20% reduction in energy efficiency, then it may be justified using a business case.

3.2-3 Collection system Infiltration/Inflow (I/I) detection equipment

3.2-4 POTW energy management planning, including energy assessments, energy audits, optimization studies, and sub-metering of individual processes to determine high energy use areas, which are reasonably expected to result in a capital project are eligible. Guidance to help POTWs develop energy management programs, including assessments and audits is available at http://www.epa.gov/waterinfrastructure/pdfs/guidebook_si_energymanagement.pdf.

3.3 Projects That Do Not Meet the Definition of Energy Efficiency

3.3-1 Renewable energy generation that is *privately* owned or the portion of a publicly owned renewable energy facility that does not provide power to a POTW, either through a connection to the grid that the utility draws from and/or a direct connection to the POTW.

3.3-2 Simply replacing a pump, or other piece of equipment, because it is at the end of its useful life, with something of average efficiency.

3.3-3 Facultative lagoons, even if integral to an innovative treatment process.

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[4] The 20% threshold for categorically eligible CWSRF energy efficiency projects was derived from a 2002 Department of Energy study entitled *United States Industrial Electric Motor Systems Market Opportunities Assessment, December 2002* and adopted by the Consortium for Energy Efficiency. Further field studies conducted by Wisconsin Focus on Energy and other State programs support the threshold.

[5] A unit process is a portion of the wastewater system such as the collection system, pumping stations, aeration system, or solids handling, etc.

3.3-4 Hydroelectric facilities, except micro-hydroelectric projects. Micro-hydroelectric projects involve capturing the energy from pipe flow.

3.4 Decision Criteria for Business Cases

3.4-1 Project must be cost effective. An evaluation must identify energy savings and payback on capital and operation and maintenance costs that does not exceed the useful life of the asset. http://www.epa.gov/waterinfrastructure/pdfs/guidebook_si_energymanagement.pdf

3.4-2 The business case must describe how the project maximizes energy saving opportunities for the POTW or unit process.

3.4-3 Using existing tools such as Energy Star's Portfolio Manager (http://www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager) or Check Up Program for Small Systems (CUPSS) (http://www.epa/cupss) to document current energy usage and track anticipated savings.

3.5 Examples of Projects Requiring a Business Case

3.5-1 POTW projects or unit process projects that achieve less than a 20% energy efficiency improvement.

3.5-2 Projects implementing recommendations from an energy audit that are not otherwise designated as categorical.

3.5-3 Projects that cost effectively eliminate pumps or pumping stations.

3.5-4 Infiltration/Inflow (I/I) correction projects that save energy from pumping and reduced treatment costs and are cost effective.

3.5-4a Projects that count toward GPR cannot build new structural capacity. These projects may, however, recover existing capacity by reducing flow from I/I.

3.5-5 I/I correction projects where excessive groundwater infiltration is contaminating the influent requiring otherwise unnecessary treatment processes (i.e. arsenic laden groundwater) and I/I correction is cost effective.

3.5-6 Replacing pre-Energy Policy Act of 1992 motors with National Electric Manufacturers Association (NEMA) premium energy efficiency motors.

3.5-6a NEMA is a standards setting association for the electrical manufacturing industry (http://www.nema.org/gov/energy/efficiency/premium/).

3.5-7 Upgrade of POTW lighting to energy efficient sources such as metal halide pulse start technologies, compact fluorescent, light emitting diode (LED).

3.5-8 SCADA systems can be justified based upon substantial energy savings.

3.5-9 Variable Frequency Drive can be justified based upon substantial energy savings.

4.0 ENVIRONMENTALLY INNOVATIVE

4.1 Definition: Environmentally innovative projects include those that demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way.

4.2 Categorical Projects

4.2-1 Total/integrated water resources management planning likely to result in a capital project.

4.2-2 Utility Sustainability Plan consistent with EPA SRF's sustainability policy.

4.2-3 Greenhouse gas (GHG) inventory or mitigation plan and submission of a GHG inventory to a registry (such as Climate Leaders or Climate Registry)

4.3-3a Note: GHG Inventory and mitigation plan is eligible for CWSRF funding.

4.2-3b EPA Climate Leaders:
http://www.epa.gov/climateleaders/basic/index.html
Climate Registry: http://www.theclimateregistry.org/

4.2-4 Planning activities by a POTW to prepare for adaptation to the long-term effects of climate change and/or extreme weather.

4.2-4a Office of Water – Climate Change and Water website:
http://www.epa.gov/water/climatechange/

4.2.5 Construction of US Building Council LEED certified buildings or renovation of an existing building on POTW facilities.

4.2-5a Any level of certification (Platinum, Gold, Silver, Certified).

4.2-5b All building costs are eligible, not just stormwater, water efficiency and energy efficiency related costs. Costs are not limited to the incremental additional costs associated with LEED certified buildings.

4.2-5c U.S. Green Building Council website:
http://www.usgbc.org/displaypage.aspx?CategoryID=19

4.2-6 Decentralized wastewater treatment solutions to existing deficient or failing onsite wastewater systems.

4.2-6a Decentralized wastewater systems include individual onsite and/or cluster wastewater systems used to collect, treat and disperse relatively small volumes of wastewater. An individual onsite wastewater treatment system is a system relying on natural processes and/or mechanical components, that is used to collect, treat and disperse or reclaim wastewater from a single dwelling or building. A cluster system is a wastewater collection and treatment system under some form of common ownership that collects wastewater from two or more dwellings or buildings and conveys it to a treatment and dispersal system located on a suitable site near the dwellings or buildings. Decentralized projects may include a combination of these systems. EPA recommends that decentralized systems be managed under a central management entity with enforceable program requirements, as stated in the *EPA Voluntary Management Guidelines.*
http://www.epa.gov/owm/septic/pubs/septic_guidelines.pdf

4.2-6b Treatment and Collection Options: A variety of treatment and collection options are available when implementing decentralized wastewater systems. They typically include a septic tank, although many configurations include additional treatment components following or in place of the septic tank, which provide for advanced treatment solutions. Most disperse treated effluent to the soil where further treatment occurs, utilizing either conventional soil absorption fields or alternative soil dispersal methods which provide advanced treatment. Those that

discharge to streams, lakes, tributaries, and other water bodies require federal or state discharge permits (see below). Some systems promote water reuse/recycling, evaporation or wastewater uptake by plants. Some decentralized systems, particularly cluster or community systems, often utilize alternative methods of collection with small diameter pipes which can flow via gravity, pump, or siphon, including pressure sewers, vacuum sewers and small diameter gravity sewers. Alternative collection systems generally utilize piping that is less than 8 inches in diameter, or the minimum diameter allowed by the state if greater than 8 inches, with shallow burial and do not require manholes or lift stations. Septic tanks are typically installed at each building served or another location upstream of the final treatment and dispersal site. Collection systems can transport raw sewage or septic tank effluent. Another popular dispersal option used today is subsurface drip infiltration. Package plants that discharge to the soil are generally considered decentralized, depending on the situation in which they are used. While not entirely inclusive, information on treatment and collection processes is described, in detail, in the "*Onsite Wastewater Treatment Technology Fact Sheets*" section of the EPA Onsite Manual http://www.epa.gov/owm/septic/pubs/septic_2002_osdm_all.pdf and on EPA's septic system website under Technology Fact Sheets. http://cfpub.epa.gov/owm/septic/septic.cfm?page_id=283

4.2-6c For the purposes of the CWSRF, decentralized systems are considered to be section 319 projects and Davis-Bacon does not apply.

4.3 Projects That Do Not Meet the Definition of Environmentally Innovative

4.3-1 Air scrubbers to prevent nonpoint source deposition.

4.3-2 Facultative lagoons, even if integral to an innovative treatment processes.

4.3-3 Surface discharging decentralized wastewater systems where there are cost effective soil-based alternatives.

4.3-4 Higher sea walls to protect POTW from sea level rise.

4.3-5 Reflective roofs at POTW to combat heat island effect.

4.4 Decision Criteria for Business Cases

4.4-1 State programs are allowed flexibility in determining what projects qualify as innovative in their state based on unique geographical or climatological conditions.

4.4-1a Technology or approach whose performance is expected to address water quality but the actual performance has not been demonstrated in the state;

4.4-1b Technology or approach that is not widely used in the State, but does perform as well or better than conventional technology/approaches at lower cost; or

4.4-1c Conventional technology or approaches that are used in a new application in the State.

4.5 Examples of Projects Requiring a Business Case

4.5-1 Constructed wetlands projects used for municipal wastewater treatment, polishing, and/or effluent disposal.

4.5-1a Natural wetlands, as well as the restoration/enhancement of degraded wetlands, may not be used for wastewater treatment purposes and must comply with all regulatory/permitting requirements.

4.5-1b Projects may not (further) degrade natural wetlands.

4.5-2 Projects or components of projects that result from total/integrated water resource management planning consistent with the decision criteria for environmentally innovative projects and that are Clean Water SRF eligible.

4.5-3 Projects that facilitate adaptation of POTWs to climate change identified by a carbon footprint assessment or climate adaptation study.

4.5-4 POTW upgrades or retrofits that remove phosphorus for beneficial use, such as biofuel production with algae.

4.5-5 Application of innovative treatment technologies or systems that improve environmental conditions and are consistent with the Decision Criteria for environmentally innovative projects such as:

4.5-5a Projects that significantly reduce or eliminate the use of chemicals in wastewater treatment;

4.5-5b Treatment technologies or approaches that significantly reduce the volume of residuals, minimize the generation of residuals, or lower the amount of chemicals in the residuals. (National Biosolids Partnership, 2010; *Advances in Solids Reduction Processes at Wastewater Treatment Facilities Webinar*; http://www.e-wef.org/timssnet/meetings/tnt_meetings.cfm?primary_id=10 CAP2&Action=LONG&subsystem=ORD%3cbr).

4.5-5b(i) Includes composting, class A and other sustainable biosolids management approaches.

4.5-6 Educational activities and demonstration projects for water or energy efficiency.

4.5-7 Projects that achieve the goals/objectives of utility asset management plans (http://www.epa.gov/safewater/smallsystems/pdfs/guide_smallsystems_assetmanagement_bestpractices.pdf; http://www.epa.gov/owm/assetmanage/index.htm).

4.5-8 Sub-surface land application of effluent and other means for ground water recharge, such as spray irrigation and overland flow.

4.5-8a Spray irrigation and overland flow of effluent is not eligible for GPR where there is no other cost effective alternative.

Business Case Development

This guidance is intended to be comprehensive: however, EPA understands our examples projects requiring a business case may not be all inclusive. A business case is a due diligence document. For those projects, or portions of projects, which are not included in the categorical projects lists provided above, a business case will be required to demonstrate that an assistance recipient has thoroughly researched anticipated 'green' benefits of a project. Business cases will be approved by the State (see section IV.A.a. in the *Procedures for Implementing Certain Provisions of EPA's Fiscal Year 2012 Appropriations Affecting the Clean Water and Drinking Water State Revolving Fund Programs*). An

approved business case must be included in the State's project files and contain clear documentation that the project achieves identifiable and substantial benefits. The following sections provide guidelines for business case development.

5.0 Length of a Business Case

- 5.0-1 Business cases must address the decision criteria for the category of project
- 5.0-2 Business cases should be adequate, but not exhaustive.
  - 5.0-2a There are many formats and approaches. EPA does not require any specific one.
  - 5.0-2b Some projects will require detailed analysis and calculations, while others many not require more than one page.
  - 5.0-2c Limit the information contained in the business case to only the pertinent 'green' information needed to justify the project.
- 5.0-3 A business case can simply summarize results from, and then cite, existing documentation – such as engineering reports, water or energy audits, results of water system tests, etc.

5.1 Content of a Business Case

- 5.1-1 Quantifiable water and/or energy savings or water loss reduction for water and energy efficiency projects should be included.
- 5.1-2 The cost and financial benefit of the project should be included, along with the payback time period where applicable. (NOTE: Clean Water SRF requires energy efficiency projects to be cost effective.)

5.2 Items Which Strengthen Business Case, but Are Not Required

- 5.2-1 Showing that the project was designed to enable equipment to operate most efficiently.
- 5.2-2 Demonstrating that equipment will meet or exceed standards set by professional associations.
- 5.2-3 Including operator training or committing to utilizing existing tools such as Energy Star's Portfolio Manager or CUPSS for energy efficiency projects.

5.3 Example Business Cases Are Available at http://www.srfbusinesscases.net/

ATTACHMENT 2

2012 Clean Water State Revolving Fund 10% Green Project Reserve: Guidance for Determining Project Eligibility

I. Introduction: The Fiscal Year (FY) 2012 Appropriation Act (P.L. 112-74) included additional requirements affecting the Clean Water State Revolving Fund (SRF) program. This attachment is included in the *Procedures for Implementing Certain Provisions of EPA's Fiscal Year 2012Appropriation Affecting the Clean Water and Drinking Water State Revolving Fund Programs*. This attachment includes the details for determining green project reserve (GPR) eligibility for the Clean Water SRF program.

Public Law 112-74 states: "*Provided*, That for fiscal year 2012, to the extent there are sufficient eligible project applications, not less than 10 percent of the funds made available under this title to each State for Clean Water State Revolving Fund capitalization grants shall be used by the State for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities." These four categories of projects are the components of the Green Project Reserve (GPR).

II. GPR Goals: Congress' intent in enacting the GPR is to direct State investment practices in the water sector to guide funding toward projects that utilize green or soft-path practices to complement and augment hard or gray infrastructure, adopt practices that reduce the environmental footprint of water and wastewater treatment, collection, and distribution, help utilities adapt to climate change, enhance water and energy conservation, adopt more sustainable solutions to wet weather flows, and promote innovative approaches to water management problems. Over time, GPR projects could enable utilities to take savings derived from reducing water losses and energy consumption, and use them for public health and environmental enhancement projects. Additionally, EPA expects that green projects will help the water sector improve the quality of water services without putting additional strain on the energy grid, and by reducing the volume of water lost every year.

III. Background: For the FY 2010 GPR Guidance, EPA used an inclusive approach to determine what is and is not a 'green' water project. Wherever possible, this guidance references existing consensus-based industry practices to provide assistance in developing green projects. Input was solicited from State-EPA and EPA-Regional workgroups and the water sector. EPA staff also reviewed approaches promoted by green practice advocacy groups and water associations, and green infrastructure implemented by engineers and managers in the water sector. EPA also assessed existing 'green' policies within EPA and received input from staff in those programs to determine how EPA funds could be used to achieve shared goals.

The FY 2012 SRF GPR Guidance provides States with information needed to determine which projects count toward the GPR requirement. The intent of the GPR Guidance is to describe projects and activities that fit within the four specific categories listed in the FY 2012

Appropriations Act. This guidance defines each category of GPR projects and lists projects that are clearly eligible for GPR, heretofore known as categorically eligible projects. For projects that do not appear on the list of categorically projects, they may be evaluated for their eligibility within one of the four targeted types of GPR eligible projects based upon a business case that provides clear documentation (see the *Business Case Development* sections in Parts A & B below).

GPR may be used for planning, design, and/or building activities. Entire projects, or the appropriate discrete components of projects, may be eligible for GPR. Projects do not have to be part of a larger capital project to be eligible. All projects or project components counted toward the GPR requirement must clearly advance one or more of the objectives articulated in the four categories of GPR discussed below.

The Green Project Reserve sets a new precedent for the SRFs by targeting funding towards projects that States may not have funded in prior years. Water quality benefits from GPR projects rely on proper operation and maintenance to achieve the intended benefits of the projects and to achieve optimal performance of the project. EPA encourages states and funding recipients to thoroughly plan for proper operation and maintenance of the projects funded by the SRFs, including training in proper operation of the project. It is noted, however, that the SRFs cannot provide funding for operation and maintenance costs, including training, in the SRF assistance agreements.

CWSRF Eligibility Principles

State SRF programs are responsible for identifying projects that count toward GPR. The following overarching principles, or decision criteria, apply to all projects that count toward GPR and will help states identify projects.

0.1 All GPR projects must otherwise be eligible for CWSRF funding. The GPR requirement does not create new funding authority beyond that described in Title VI of the CWA. Consequently, a subset of 212, 319 and 320 projects will count towards the GPR. The principles guiding CWSRF funding eligibility include:

0.2 All Sec 212 projects must be consistent with the definition of "treatment works" as set forth in section 212 of the Clean Water Act (CWA).

- 0.2-1 All section 212 projects must be publicly owned, as required by CWA section 603(c)(1).
- 0.2-2 All section 212 projects must serve a public purpose.
- 0.2-3 POTWs as a whole are utilized to protect or restore water quality. Not all portions of the POTW have a direct water quality impact in and of themselves (i.e. security fencing). Consequently, POTW projects are not required to have a direct water quality benefit, though most of them will.

0.3 Eligible nonpoint source projects implement a nonpoint source management program under an approved section 319 plan or the nine element watershed plans required by the 319 program.

- 0.3-1 Projects prevent or remediate nonpoint source pollution.
- 0.3-2 Projects can be either publicly or privately owned and can serve either public or private purposes. For instance, it is acceptable to fund land conservation activities that preserve the water quality of a drinking water source, which represents a public purpose project. It is also acceptable to fund agricultural BMPs that reduce nonpoint source pollution, but also improve the profitability of the agricultural operation. Profitability is an example of a private purpose.
- 0.3-3 Eligible costs are limited to planning, design and building of capital water quality projects. The CWSRF considers planting trees and shrubs, purchasing equipment, environmental cleanups and the development and initial delivery of education programs as capital water quality projects. Daily maintenance and operations, such as expenses and salaries are not considered capital costs.
- 0.3-4 Projects must have a direct water quality benefit. Implementation of a water quality project should, in itself, protect or improve water quality. States should be able to estimate the quantitative and/or qualitative water quality benefit of a nonpoint source project.
- 0.3-5 Only the portions of a project that remediate, mitigate the impacts of, or prevent water pollution or aquatic or riparian habitat degradation should be funded. Where water quantity projects improve water quality (e.g. reduction of flows from impervious surfaces that adversely affect stream health, or the modification of irrigation systems to reduce runoff and leachate from irrigated lands), they would

be considered to have a water quality benefit. In many cases, water quality protection is combined with other elements of an overall project. For instance, brownfield revitalization projects include not only water quality assessment and cleanup elements, but often a redevelopment element as well. Where the water quality portion of a project is clearly distinct from other portions of the project, only the water quality portion can be funded by the CWSRF.

0.3-6 Point source solutions to nonpoint source problems are eligible as CWSRF nonpoint source projects. Section 319 Nonpoint Source Management Plans identify sources of nonpoint source pollution. In some cases, the most environmentally and financially desirable solution has point source characteristics and requires an NPDES discharge permit. For instance, a septage treatment facility may be crucial to the proper maintenance and subsequent functioning of decentralized wastewater systems. Without the septage treatment facility, decentralized systems are less likely to be pumped, resulting in malfunctioning septic tanks.

0.4 Eligible projects under section 320 implement an approved section 320 Comprehensive Conservation Management Plan (CCMP).

0.4-1 Section 320 projects can be either publicly or privately owned.

0.4-2 Eligible costs are limited to capital costs.

0.4-3 Projects must have a direct benefit to the water quality of an estuary. This includes protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on water, and requires the control of point and nonpoint sources of pollution to supplement existing controls of pollution.

0.4-4 Only the portions of a project that remediate, mitigate the impacts of, or prevent water pollution in the estuary watershed should be funded.

0.5 GPR projects must meet the definition of one of the four GPR categories. The Individual GPR categories do not create new eligibility for the CWSRF. The projects that count toward GPR must otherwise be eligible for CWSRF funding.

0.6 GPR projects must further the goals of the Clean Water Act.[1]

[1] Drinking Water Utilities can apply for CWSRF funding