

**FINAL
INTENDED USE PLAN**
Including
PROJECT PRIORITY LIST

**FOR THE
CLEAN WATER
STATE REVOLVING FUND**

**For
State Fiscal Year 2009**

COMMONWEALTH OF KENTUCKY



July 28, 2008

***PREPARED BY THE
ENERGY AND ENVIRONMENT CABINET
&
KENTUCKY INFRASTRUCTURE AUTHORITY***

TABLE OF CONTENTS

Introduction.....1

Clean Water State Revolving Fund Goals3

Criteria for Project Selection5

Fund Administration and Operation..... 6

Assurances and Specific Certifications10

Funds Available To Be Committed And Disbursed For SFY200911

Public Participation.....12

Appendix A – Comprehensive Project Priority List.....13

Appendix B – Call for Projects letter.....20

Appendix C – Public Notices and Summary of Comments22

Appendix D – Integrated Project Priority Ranking System (IPPRS)26

LIST OF TABLES

Table A: Kentucky CWSRF Sources and Uses of Funds For SFY200911

INTRODUCTION

Kentucky's Intended Use Plan (IUP) for the Clean Water State Revolving Fund (CWSRF) is prepared in accordance with the provisions of the Clean Water Act (CWA). The purpose of this IUP is to communicate Kentucky's CWSRF plan for state fiscal year 2009 to potential borrowers of the fund, the public, EPA and other state agencies. This IUP also includes the project selection and ranking system.

An annual Intended Use Plan is required by Title VI of the CWA, which identifies how the funds available to Kentucky's CWSRF will be used during each state fiscal year (SFY) to support the goals of the CWSRF. This 2009 IUP includes:

1. A description of the short and long term goals of the fund;
2. The criteria and methods established for selecting projects;
3. Administration and operation policies of the fund;
4. Assurances and specific certifications for meeting certain requirements of the Capitalization Grant Agreement;
5. The public participation process;
6. The sources of available funds and the uses of those funds; and
7. The project priority list---a list of eligible projects and activities whose sponsors expressed interest in low interest rate loans from the CWSRF.

What is the Clean Water State Revolving Fund?

Title VI of the CWA authorized the Environmental Protection Agency (EPA) to make capitalization grants to each state to establish a water pollution control revolving fund to provide financial assistance for constructing publicly owned treatment works, implementing watershed management plans under section 319 of the CWA, and developing and implementing a conservation and management plan under section 320 of the CWA. A state match is required to be deposited into the CWSRF in an amount equal to at least 20 percent of the total federal capitalization grant. The general intent of Title VI of the CWA is to ensure that each state's fund is designed and operated to continue providing financial assistance for water pollution control activities in perpetuity.

The Kentucky General Assembly enacted House Bill 217 during the 1988 legislative session, which established a Clean Water State Revolving Fund, the "Federally Assisted Wastewater Revolving Fund," as an enduring and viable fund. This fund is intended to allow Kentucky to qualify for the federal CWSRF capitalization grants. The fund is administered by the Kentucky Infrastructure Authority (KIA) while Division of Water (DOW) staff performs the environmental and technical reviews on projects seeking assistance from the CWSRF.

Kentucky's CWSRF financing program provides low interest loans for infrastructure projects that promote the goals of the CWA. Projects identified to receive funding are selected from the ranked group of questionnaires received during the annual Call for Projects. Since its inception in 1988, Kentucky's CWSRF has committed funds to over 170 clean water infrastructure projects, totaling more than \$700 million.

Structure of the CWSRF Program in Kentucky

The Kentucky Infrastructure Authority (KIA) and the Kentucky Energy and Environment Cabinet (EEC) through the Division of Water (DOW) jointly administer the program via a Memorandum of Agreement in accordance with Kentucky Revised Statute (KRS) 224A.111 and Kentucky Administrative Regulation (KAR) 200 KAR 17:050¹.

The following contacts can assist you with your CWSRF inquiries:

| Contact | Agency | Subject |
|---|--------|---|
| Sandy Williams (502)573-0260 Sandy.williams@ky.gov | KIA | Loan Application, Financial Terms, Rates |
| Corrine Mulberry (502)564-3410 Corrine.mulberry@ky.gov | DOW | Project Questionnaire, Priority List, Environmental Review, Regional Facility Plans |
| Lola Lyle (502)564-3410 Lola.lyle@ky.gov | DOW | Loan Application, Procurement, Bidding Requirements |
| Greg Goode, P.E. (502)564-3410 Greg.goode@ky.gov | DOW | Plans and Specifications |
| Shafiq Amawi, Branch Mgr. (502)564-3410 Shafiq.amawi@ky.gov | DOW | General Information |

¹ KRS Ch 224A.111 and 200 KAR 17:050 may be found on the Internet from the Kentucky Legislature Home Page address: <http://lrc.ky.gov/home.htm>.

CLEAN WATER STATE REVOLVING FUND GOALS

The Sustainable Infrastructure Initiative

The combination of aging water and wastewater infrastructure, growing population, and declining research and development investments in the area of water pollution abatement is forcing EPA, states and local governments to explore innovative methods for funding future water and wastewater capital projects. Based on the 2004 Clean Water Needs Survey, the United States needs more than \$202 billion to meet its wastewater needs over the next 20 years; Kentucky's documented share is about \$2.8 billion.

EPA collaborated with external stakeholders and developed the Sustainable Infrastructure (SI) Initiative with a goal to reduce the funding gap between projected investment needs and current spending levels at the federal and local levels so the public can continue to enjoy safe drinking water and adequate sanitary service.

Another goal for the SI Initiative is to help change the way people view, value, manage, and invest in water and wastewater infrastructure. EPA is in the process of training state personnel to promote sustainable infrastructure through a four focused area approach:

- Better Management of Water and Wastewater Utilities
- Rate Structures that reflect the Actual Cost of Service
- Efficient Water Use
- Watershed Approach to Planning and Permitting

For more information, see EPA's Sustainable Infrastructure for Water and Wastewater website <http://www.epa.gov/waterinfrastructure/index.html>.

Short-Term Goals

1. Promote the principles of EPA's Sustainable Infrastructure Initiative to loan recipients so CWSRF borrowers will consider SI Initiatives in their planning, design, and construction activities.
2. Implement an Integrated Project Priority Ranking System to prioritize water pollution control projects and activities according to specific criteria aimed at correcting the state's highest priority water quality problems.
3. Improve the pace at which available funds are loaned. The best way to ensure the perpetuity of the fund is to revolve the available funds more quickly. KIA and DOW staff will promote the fund to potential loan candidates.
4. Expand the use of the fund by soliciting nonpoint source projects to address some of the state's high-priority water quality problems, such as nutrient impairments caused by agricultural runoff.
5. Provide the environmental benefits of CWSRF-funded projects by updating the online CWSRF Benefits Reporting System.

Long-Term Goals

1. Maintain a self-sustaining revolving loan program that will contribute to improving and protecting water quality and public health.
2. Assist publicly owned treatment works in maintaining compliance with their discharge permit limits.
3. Continue to assess the project selection and ranking criteria to determine whether revisions are needed to address the state's current high-priority water quality problems.
4. Ensure technical compliance of each project through adequate and effective planning, design and construction management.
5. Ensure that accounting procedures conform to generally accepted governmental accounting standards.

CRITERIA FOR PROJECT SELECTION

The CWSRF was established to fund projects and activities whose primary goal is the protection of water quality. In 1996, EPA issued the funding framework, which encouraged all states that fund both point and nonpoint source projects to integrate their planning and priority ranking systems, so that CWSRF funds can most effectively target the nation's highest water quality problems. Following the EPA's recommendation, Kentucky developed the Kentucky Integrated Project Priority Ranking System (IPPRS) in Appendix C, designed to equally evaluate publicly owned treatment works, storm water, and nonpoint source projects according to water-quality-based criteria developed by the Kentucky Division of Water.

In October 2007, KIA and DOW invited all eligible borrowers to submit their CWSRF project questionnaires through an open Call for Projects that was distributed to all sewer utilities, area development districts, mayors, county judges executive, and the engineering community. The Call for Projects letter is attached in Appendix B. Only questionnaires submitted through the Call for Projects process were considered for funding and placement on the Project Priority List. Projects were evaluated and assigned a score based upon the IPPRS priority formula. Projects that received a conditional commitment of funding from KIA during a prior funding cycle but have not completed the requirements necessary to enter into an Assistance Agreement have been re-ranked. In the event they do not complete the requirements by the funding commitment expiration, they may be invited to re-apply if funding is available.

The 2009 Project Priority List in Appendix A is self explanatory; however, a brief description of the following fields might prove helpful:

Rank: Rank of project on the comprehensive Project Priority List.

Community: Name of applicant identified on the Project Questionnaire Form or the community the project is associated with.

Project Name: Name of project listed on the Project Questionnaire Form.

Project #: Priority list tracking number for project. Include this number on correspondence about the project before a loan number is assigned by DOW or KIA.

WRIS No.: The Water Resource Information System (WRIS) number is assigned by an Area Water Management Council after a project has received endorsement by a regional planning group. Information housed in the WRIS database includes a geographic information system (GIS), and information on water resources, drinking and wastewater facilities. It is used by different entities, and provides much of the information needed for all aspects of water resource planning.

Loan Amount: Amount of desired SRF loan identified on the Project Questionnaire Form

Score: Total number of points the project received using the IPPRS criteria in Appendix C.

Project Description: Short description of project activities.

The 2010 IUP process will begin in October 2008. The annual Call for Projects will be open during October, November and December 2008, at which time project questionnaires will be accepted for the SFY 2010 funding cycle. The following schedule will apply:

| | |
|--|---|
| 2010 Call for Projects | October 1, 2008- December 12, 2008 |
| Creation of Project Priority List | December 12, 2008- March 31, 2009 |
| Public Notice Period for IUP | May 1, 2009- June 1, 2009 |
| Finalize 2010 IUP and send to EPA | Prior to June 30, 2009 |

FUND ADMINISTRATION AND OPERATION

A. Actual Project Funding

Although developing and maintaining a priority list is required by the CWA, the states are not required to select the highest ranked projects in any given year for funding. However, due to limited funding availability, Kentucky will fund projects based on priority ranking and readiness to proceed.

Those applicants ranking high on the Project Priority List will be notified of their status on the list and be invited to submit a complete loan application package, including all supporting documentation required for consideration for financial assistance from the CWSRF. Applicants will be given 45 days from the date of the request to meet the application deadline. Those applicants that do not submit a loan application, complete with Kentucky e-Clearinghouse comments, by the 45-day deadline will be bypassed and the next eligible project will be invited with 45 days to submit a loan application.

Upon submittal of a complete loan application, the documents will be reviewed and a credit analysis performed. For those qualifying applicants, a loan request will be taken before the KIA Board for financial review and conditional approval. Upon board approval, a conditional binding commitment letter will assure that funding will be dedicated to that project for a period of 12 months provided all of the conditions of the loan are met, including but not limited to:

- i. Submission of project environmental information that conforms to DOW's environmental review process, such as an Environmental Information Document (EID) or Project Narrative for Categorical Exclusion (CE) and the Federal cross-cutting agency scoping letters and responses. An environmental review must be conducted by the Division of Water for all construction projects receiving CWSRF funds, within the term of the commitment and prior to project bid.
- ii. Submission of technical plans and specifications and a complete CWSRF specifications checklist to the Division of Water. DOW must approve plans and specifications and will provide authorization to advertise the project to bid.
- iii. Obtain and submit to DOW clear site certificates for the project.
- iv. Conduct bid opening and tentative award.
- v. Submit the Authority to Award Package documentation to DOW and receive DOW approval.

All CWSRF program requirements must be met by the term outlined in the conditional binding commitment letter. A one-time extension of up to six months for approved applicants that experience extenuating circumstances may be granted. Those applicants not approved for an extension are no longer eligible for funding out of the present funding cycle and must re-apply during the next call for projects.

Kentucky's CWSRF does not have a limit on the amount of funds that will be available to any one borrower from a specific capitalization grant. However, limits may be imposed on borrowers that have outstanding loan balances or loan commitments that increase the concentration risk for the total loan portfolio.

Actual project funding amounts may vary from those shown on the Project Priority List due to updated cost estimates and funding received from other sources. Increases to existing loans must be approved prior to the date of initiation of operation.

B. Bypass Process

A high-priority project that is not ready to proceed within the given timeframe will be bypassed. A bypassed project will become ineligible for CWSRF funding in the current funding year and will have to reapply through the annual call for projects process to be re-ranked for future funding cycles.

C. Addition of New Projects

The Project Priority List may be amended during the year to add eligible projects. Major revisions to the IUP require public notice.

D. Emergency Projects

These are projects that do not appear on the Project Priority List and result from unanticipated failures of wastewater infrastructure (treatment and/or collection and conveyance systems) that have a direct adverse effect on public health and the quality of surface and groundwater. The CWSRF may provide financial assistance to emergency projects, subject to projects' eligibility and availability of funds.

E. Refinancing

KIA is generally opposed to refinancing existing CWSRF loans due to the lowered return to the revolving fund over time. However, certain hardship cases may be considered when the following criteria are met:

1. The borrower can prove that the existing rates are causing a financial hardship on users in the system;
2. The burden on the users by virtue of such rates is placing the repayment of the original loan in question;
3. The governmental agency can show significant savings as a result of the refinancing;
4. The governmental agency can identify an environmental problem within its jurisdiction that it is willing to immediately address with the savings achieved through the refinancing; and
5. Projects must meet all the applicable program requirements.

KIA is also willing to accept governmental agency requests that the refinancing of projects be on the priority list provided that such refinancing from CWSRF monies will be assigned low priority and only recommended to the board when no other higher ranking projects are ready for consideration. Refinancing projects will be considered by KIA only when all the following criteria are met:

1. There are sufficient funds available in the CWSRF to meet all other identified project needs for the program year;
2. The applicant can show significant savings as a result of the refinancing;
3. The applicant can identify an environmental problem within their jurisdiction that they are willing to immediately address with the savings achieved through the refinancing; and
4. Projects must meet all the applicable program requirements.

F. Rates and Terms of Loans

1. Interest Rates

The KIA Board must establish interest rates at least annually. Staff intends to present rates for Board consideration at the beginning of the state fiscal year. The rates are based on the prevailing market conditions, availability of funds and funding demand. Staff intends to recommend a standard rate of 3 percent with two non-standard rates at 2 percent and 1 percent to start off the 2009 fiscal year.

The standard rate will apply to all borrowers at or above the 2000 Census State Median Household Income (MHI) of \$33,672. To qualify for the non-standard rate of 2%, the project must assist the system to achieve compliance with an order or judgment addressing environmental noncompliance, or the borrower must have a MHI between \$33,672 and \$26,937 (80% of the State MHI) or be considered regional. To qualify for the non-standard rate of 1%, a borrower must have a MHI less than \$26,937. Qualifications for rates are subject to 200 KAR 17:050.

Planning and design loans will be made at the standard rate during the planning and design phase of the project. Should the planning and design loan be rolled into a construction loan, the rate on the planning and design loan amount will revert to the rate approved for the construction loan.

2. Repayment Terms

Terms for planning, design and sanitary sewer evaluation study (SSES) loans will not exceed five years. Planning and design loans may be consolidated into a 20-year construction loan, if the construction of the project is funded by the CWSRF. Should the planning and design loan be rolled into a construction loan, the term for the planning and design loan amount will revert to the term approved for the construction loan. Construction loans will have a 20-year repayment term.

Principal and interest payments on each loan will commence no later than one year after initiation of operation of the project for which the loan was made. The recipient of each loan must establish a dedicated source of revenue for the repayment of the loan.

3. Loan Servicing Fees

A loan servicing fee of 0.2 percent on the annual outstanding loan balance will be charged as a part of each semi-annual loan payment in accordance with 200 KAR 17:050, Section 12. The fee is assessed to recover administrative expenses incurred over the life of the loan. These fees are accounted for outside of the program fund and will be used for necessary CWSRF program expenses.

4. Financial Options of the Fund

The CWA provides guidelines under which the CWSRF program is to be operated. However, the specific implementation of those guidelines affects the long-term financial viability of the fund. The following are allowable options within the CWSRF and Kentucky's treatment of each.

- a. Borrower Repayment – The borrower's ability to repay has a direct effect on the amount of funds available. A thorough credit analysis is performed for each borrower. Loan monitoring is performed throughout the life of the loan.
- b. Leveraging –KIA will consider leveraging the fund to increase the dollars available for financial assistance.

F. Fund Transfers Between the CWSRF and the DWSRF

Transfers between the SRF programs are allowed up to a maximum of 33 percent of the total Drinking Water State Revolving Fund (DWSRF) capitalization grants received. KIA reserves the right to transfer the maximum allowable 33 percent of uncommitted repayment funds from the CWSRF to the DWSRF repayment fund as loan demand arises. This decision will be evaluated annually by DOW and KIA. These funds will be distributed using the same criteria and method as described in the governing IUP. Funds not transferred within one fiscal year of receipt of a capitalization grant award shall be reserved for transfer in future years.

While KIA reserves the right to transfer available funds, a transfer is not expected during the 2009 fiscal year.

ASSURANCES AND SPECIFIC CERTIFICATIONS

The state shall provide the assurances and certifications required by EPA as part of the Operating Agreement. This agreement is the official document between Kentucky and the U.S. EPA setting forth legal responsibilities of each. Pursuant to Section 606(c)(4) of the CWA, the State certifies that:

1. The state will enter into binding commitments equal to at least 120 percent of each quarterly grant payment within one year after receipt of the payment;
2. The state will expend all funds in the CWSRF in an expeditious and timely manner;
3. Funds will first be used to assure maintenance of progress toward compliance with enforceable deadlines, goals and requirements of the CWA, including the municipal compliance deadline; and
4. The state will conduct environmental reviews on projects that receive CWSRF assistance.

FUNDS AVAILABLE TO BE COMMITTED AND DISBURSED FOR SFY2009

Kentucky's CWSRF is capitalized by appropriations from the U.S. Congress and the Kentucky General Assembly. The fund provides, in perpetuity, financial assistance to Kentucky's eligible CWSRF projects. During 2009, Kentucky will rely on funding as outlined in Table A to provide financial assistance and to support operations in KIA and DOW.

Table A
Kentucky CWSRF Sources and Uses of Funds for 2009
 July 1, 2008 through June 30, 2009

| Funding Sources | Federal Contribution | State Contribution | Other | Total |
|---|---------------------------------|-------------------------------|--------------------|--------------------|
| Uncommitted Prior Year Loan Funds* | | | - | - |
| Loan Repayments** | | | - | - |
| Leverage Bond Proceeds | | | 100,000,000 | 100,000,000 |
| Banked Prior Year Administration Funds | | | 2,332,087 | 2,332,087 |
| 2009 Capitalization Grant (Estimated) | 8,648,100 | 1,729,620 | | 10,377,720 |
| Transfer to Drinking Water SRF Repayments | | | - | - |
| Total Funding Sources | 8,648,100 | 1,729,620 | 102,332,087 | 112,709,807 |
| Funding Uses | | | | |
| Financial Assistance | 8,302,176 | 1,729,620 | 100,000,000 | 110,031,796 |
| Banked Prior Year Administration Funds | | | 2,332,087 | 2,332,087 |
| 2009 Administration (4%) | 345,924 | | | 345,924 |
| Total Funding Uses | 8,648,100 | 1,729,620 | 102,332,087 | 112,709,807 |

* As of April 14, 2008.

** Expected loan repayments for FY 2009 were committed to projects during SFY 2008.

In SFY 2009, KIA will have \$110,031,796 available to fund eligible CWSRF projects. This is comprised of the estimated 2009 capitalization grant of \$8,302,176 (after administrative fees) *plus* state funds of \$1,729,620 and up to \$100,000,000 from leverage bond proceeds. From the capitalization grants, KIA and DOW will have an additional \$345,924 for administration. KIA and DOW will have \$2,332,087 in banked administrative funds from prior capitalization grants for administration of the program. Five percent of funds available for project assistance (\$5,501,590) will be designated for loans approved in FY 2008 that experience cost overruns or other extenuating circumstances that necessitate additional loan funds to allow the project to proceed.

The \$1,729,620 state match will consist of proceeds from the sale of tax-exempt revenue bonds with debt service provided by the commonwealth. KIA will coordinate with the Finance and Administration Cabinet regarding the anticipated sale date of the bonds. The anticipated submission date for the 2009 capitalization grant applications is February 1, 2009. Grant awards are typically made within 90 days.

KIA requested budgetary authorization to issue agency leverage bonds during the 2008-2010 biennium in an amount not to exceed \$200 million. Bond proceeds would be deposited into the fund and would be used to make eligible CWSRF loans. This authorization was granted in the 2008-2010 biennial budget. For this authorization to become effective, KIA must obtain approval from EPA Region 4 to operate a leverage bond SRF program. Next, KIA must acquire approval from the Kentucky Infrastructure Authority Board, the Office of the State Budget Director and the Office of Financial Management in the Finance and Administration Cabinet as to the timing and amount of the leverage bond issuance. KIA anticipates that approximately one-half of the authorization will be used in each state fiscal year.

Additionally, KIA reserves the right to defer the issuance of bonds based on conditions in the financial markets. Unstable market conditions could negatively impact the amount of funds available for loans. It is KIA's intention to maximize the amount of funding available for eligible projects.

PUBLIC PARTICIPATION

The draft 2009 CWSRF IUP including the project priority list was available for public review and comment from May 21, 2008 through June 20, 2008. A public notice was posted on the Kentucky Infrastructure Authority website at www.kia.ky.gov on May 21, 2008 and on the Division of Water website at www.water.ky.gov on May 29, 2008 to announce the availability of the IUP and to advertise that a public meeting to discuss the plan contents will be held on June 20, 2008, at 1:30 p.m. at the offices of the Kentucky Infrastructure Authority located at 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky. In addition, KIA sent a press release to the Kentucky Newsroom on May 18, 2008 to announce the availability of the IUP and to advertise the time and place of the public meeting. Copies of the public notice and the press release appear in Appendix C.

The public meeting was held at 1:00 p.m. Friday, June 20, 2008, in the board room of KIA. John Covington, Executive Director of KIA, stated the purpose of the meeting and explained to the audience the process for making oral and written comments. Shafiq Amawi, manager of the Facilities Construction Branch, gave an overview of the draft 2009 CWSRF IUP and the Integrated Project Priority Ranking System. A summary of verbal and written comments received appear in Appendix C.

APPENDIX A
COMPREHENSIVE PROJECT PRIORITY LIST

2009 CWSRF Project Priority List

| Rank | Community | Project Name | Project # | WRIS # | Loan Amount | Score | Project Description |
|------|--|---|-----------|------------|--------------|-------|-------------------------------|
| 1 | Winchester | Lower Howards Creek Backbone Interceptor/Pump Station/Force Main | 2009-002 | SX21049023 | \$25,000,000 | 293 | SSO Elimination |
| 2 | Stanton | Regional WWTP, Collection & Conveyance System in Powell Co. | 2008-023 | n/a | \$2,000,000 | 250 | WWTP Expansion |
| 3 | Louisville MSD | CSO 206 Sewer Separation and Downspout Disconnection | 2007-104 | n/a | \$4,158,750 | 220 | CSO Sewer System Improvements |
| 4 | Louisville MSD | River Road Interceptor Sanitary Sewer Project | 2007-099 | n/a | \$4,800,000 | 207 | Wastewater Collection |
| 5 | Lexington | Blue Sky WWTP Acquisition/Process Upgrade- Supplemental | 2009-046 | SX21067007 | \$1,930,000 | 206 | WWTP elimination |
| 6 | Louisville MSD | Bass Avenue/River Road Sanitary Sewer Assessment Project | 2007-097 | n/a | \$2,650,000 | 204 | Wastewater Collection |
| 7 | Louisville MSD | Harrods Creek Interceptor Sanitary Sewer Project, Phase 2 | 2007-098 | n/a | \$3,000,000 | 200 | Wastewater Collection |
| 8 | Louisville MSD | Harrods Creek Sanitary Sewer Pump Station and Force Main | 2007-100 | n/a | \$6,000,000 | 200 | Wastewater Collection |
| 9 | Louisville MSD | Harrods Creek Interceptor Sanitary Sewer Project, Phase 1 | 2007-101 | n/a | \$3,400,000 | 200 | Wastewater Collection |
| 10 | Paducah/McCracken JSA | Paducah Wastewater Treatment Plant Expansion, Phase 1 | 2007-053* | SX21145079 | \$1,075,000 | 195 | WWTP Expansion |
| 11 | South 641 Water District | Hazel - Wastewater System Rehab | 2008-024 | SX21035008 | \$459,400 | 195 | Sewer System Improvements |
| 12 | Lexington | LFUCG Wolf Run Pump Station Relocation and Expansion | 2009-053 | SX21067014 | \$10,500,000 | 190 | SSO elimination |
| 13 | Whitesburg | Whitesburg Wastewater Improvement Project | 2007-036* | SX21133007 | \$500,000 | 188 | Wastewater Treatment Plant |
| 14 | Northern Kentucky Sanitation District #1 | Dry Creek WWTP- Final Clarifier Rehabilitation | 2009-030 | n/a | \$4,260,000 | 187 | WWTP rehabilitation |
| 15 | Perry County Sanitation District #1 | Pump Station Rehabilitation | 2007-084 | n/a | \$770,000 | 185 | Sewer System Improvements |
| 16 | Lexington | LFUCG East Hickman Pump Station Expansion and Rehabilitation | 2009-047 | SX21067015 | \$15,000,000 | 180 | SSO elimination |
| 17 | Paducah/McCracken JSA | Paducah Wastewater Treatment Plant Grit Removal and Headwork Improvements, Phase II | 2007-052* | SX21145028 | \$529,500 | 178 | Sewer System Improvements |
| 18 | Prestonsburg | West Prestonsburg Sewer Replacement | 2009-042 | SX21071222 | \$177,000 | 178 | Sewer replacement |
| 19 | Prestonsburg | Westminister/Court Street sewer replacement | 2009-041 | SX21071221 | \$254,000 | 171 | Sewer replacement |
| 20 | Nicholasville | City of Nicholasville Wastewater System Improvements | 2007-066* | SX21113007 | \$9,521,000 | 170 | Sewer System Improvements |
| 21 | Lexington | South Elkhorn Pump Station and Force Main | 2009-051 | SX21067004 | \$18,354,333 | 170 | SSO elimination |
| 22 | Greenup County Environmental Commission | Agreed Order WWTP Improvements for Greenup County Environmental Commission | 2008-028 | n/a | \$900,000 | 165 | WWTP Improvements |
| 23 | Owensboro | Goetz Ditch Phases 3 & 4 | 2007-057* | SX21059020 | \$3,000,000 | 160 | Stormwater Improvements |
| 24 | Owensboro | Harsh Ditch Phase 1 | 2007-058* | SX21059021 | \$2,480,000 | 160 | Stormwater Improvements |
| 25 | Owensboro | Harsh Ditch Phase 2 | 2007-059* | SX21059022 | \$8,438,801 | 160 | Stormwater Improvements |
| 26 | Owensboro | Scherm Ditch Phases 1 & 3 | 2007-060* | SX21059023 | \$7,971,000 | 160 | Stormwater Improvements |
| 27 | Owensboro | Devins Ditch Ph 1 | 2007-061* | SX21059024 | \$1,056,000 | 160 | Stormwater Improvements |
| 28 | Lexington | Expansion Area Three Sanitary Sewer Infrastructure | 2009-050 | SX21067002 | \$5,800,000 | 160 | Sewer line extensions |

| Rank | Community | Project Name | Project # | WRIS # | Loan Amount | Score | Project Description |
|------|--|---|-----------|---|--------------|-------|--------------------------------|
| 29 | N. Madison Co. Sanitation District | Madison Village Wastewater Collection System Rehabilitation | 2007-067* | n/a | \$2,300,000 | 158 | Sewer System Improvements |
| 30 | Regional Water Resource Agency | Glenview Sewer Installation Project | 2007-044* | SX21059004 | \$350,000 | 157 | Wastewater Collection |
| 31 | Paducah/McCracken JSA | Massac Creek Pump Station and Force Main | 2009-027 | SX21145172 | \$10,000,000 | 157 | Collection system improvements |
| 32 | Clay | City of Clay Wastewater System Improvements | 2007-001 | SX21233002 | \$2,200,000 | 155 | Sewer System Improvements |
| 33 | Stanford | Equalization Basin for the Stanford STP | 2007-054 | n/a | \$2,460,000 | 155 | Sewer System Improvements |
| 34 | Beaver Dam | Sanitary Sewer Rehabilitation, Beaver Dam, Kentucky | 2007-108* | SX21183033 | \$650,000 | 155 | Sewer System Improvements |
| 35 | Morganfield | Sewer, Water, and Storm Drains Construction | 2009-022 | SX21225007 | \$2,375,000 | 155 | CSO separation |
| 36 | Northern Kentucky Sanitation District #1 | Turkeyfoot/Industrial Road Force Main Western Regional Collection System | 2007-074 | n/a | \$2,470,000 | 152 | Wastewater Collection |
| 37 | Northern Kentucky Sanitation District #1 | Richwood Sewer Force Main Western Regional Collection System | 2007-077 | n/a | \$4,620,000 | 152 | Wastewater Collection |
| 38 | Northern Kentucky Sanitation District #1 | Narrows Road Diversion Pump Station Western Regional Collection System | 2007-079 | n/a | \$9,900,000 | 152 | Wastewater Collection |
| 39 | Northern Kentucky Sanitation District #1 | South Fork Gunpowder Interceptor sewer Western Regional Collection System | 2007-080 | n/a | \$15,230,000 | 152 | Wastewater Collection |
| 40 | Northern Kentucky Sanitation District #1 | Frogtown Interceptor Western Regional Collection System | 2007-081 | n/a | \$5,768,000 | 152 | Wastewater Collection |
| 41 | Northern Kentucky Sanitation District #1 | Sunnybrook Sewer Western Regional Collection System | 2007-082 | n/a | \$6,502,000 | 152 | Wastewater Collection |
| 42 | Regional Water Resource Agency | Frederica Street Tunnel Sewer Relining (20th Street to 22nd Street) | 2007-042* | SX21059019 | \$600,000 | 150 | Sewer System Improvements |
| 43 | Regional Water Resource Agency | Broadacre Subdivision Sewer Extension | 2007-045 | SX21059006 | \$400,000 | 150 | Wastewater Collection |
| 44 | Louisville MSD | Real Time Controls at CSO 108 | 2007-103 | n/a | \$668,000 | 150 | CSO Real Time Control |
| 45 | Louisville MSD | Real Time Control at Main Diversion Structure | 2007-105 | n/a | \$871,000 | 150 | CSO Real Time Control |
| 46 | Louisville MSD | Real Time control at Southwestern Outfall Phase II | 2007-106 | n/a | \$5,300,000 | 150 | CSO Real Time Control |
| 47 | Mount Washington | Mt. Washington WWTP Expansion | 2009-024 | n/a | \$12,000,000 | 150 | WWTP expansion |
| 48 | Lexington | Expansion Area 2A Class A Pump Station and Trunk Sewer | 2009-049 | SX21067006 | \$11,700,000 | 150 | Sewer line extensions |
| 49 | Lexington | LFUCG West Hickman 7 Trunk Sewer Rehabilitation | 2009-052 | n/a | \$12,000,000 | 150 | SSO elimination |
| 50 | Richmond | Otter Creek WWTP & Trunk Sewers | 2007-046* | SX21151004, SX21151005, SX21151006, SX21151007, SX21151008, SX21151009 | \$56,000,000 | 149 | Wastewater Treatment Plant |
| 51 | Falmouth | Falmouth Regional Wastewater Treatment Plant | 2007-109* | SX21191100 | \$2,411,830 | 148 | Wastewater Treatment Plant |
| 52 | Northern Kentucky Sanitation District #1 | Western Regional Treatment Plant | 2007-070* | n/a | \$70,412,554 | 147 | Wastewater Treatment Plant |
| 53 | Northern Kentucky Sanitation District #1 | Dry Creek WWTP- Solids Handling/ Capacity Modifications | 2009-031 | n/a | \$38,400,000 | 147 | WWTP improvements |
| 54 | Pineville | Kentucky Avenue Utility Replacement | 2009-028 | SX21013149 | \$1,703,000 | 146 | CSO separation |
| 55 | Regional Water Resource Agency | Masonville Sewer Installation Project | 2007-043 | SX21059014 | \$780,000 | 145 | Wastewater Collection |

| Rank | Community | Project Name | Project # | WRIS # | Loan Amount | Score | Project Description |
|------|--|--|-----------|------------|--------------|-------|--------------------------------|
| 56 | Louisville MSD | Northern Ditch Interceptor | 2007-096 | n/a | \$11,250,000 | 145 | Wastewater Collection |
| 57 | Louisville MSD | Real Time Control at Wheeler | 2007-102 | n/a | \$521,000 | 145 | CSO Real Time Control |
| 58 | Barlow | Barlow New Sewer Treatment Facility & Collection | 2008-002* | SX21004011 | \$165,000 | 140 | WWTP Replacement |
| 59 | Prestonsburg | Force main extensions and lift station modifications | 2009-044 | SX21071220 | \$1,160,000 | 140 | Sewer line extensions |
| 60 | Prestonsburg | New WWTP in US 23 South Corridor | 2009-043 | SX21071218 | \$5,500,000 | 136 | New WWTP |
| 61 | Hardinsburg | Wastewater System Improvements | 2008-010 | SX21027001 | \$500,000 | 125 | Sewer System Improvements |
| 62 | Letcher County Sewer District | North Fork/Rockhouse Creek WWTP and Sanitary Sewer Project | 2007-031 | sx21133100 | \$100,000 | 118 | Wastewater Treatment Plant |
| 63 | Nicholasville | Lone Oak Sanitary Sewer Extension Project, Nicholasville | 2009-036 | n/a | \$150,000 | 116 | SSO elimination |
| 64 | Nicholasville | Alta Avenue Parallel Sanitary Sewer Project, Nicholasville | 2009-037 | n/a | \$717,000 | 116 | SSO elimination |
| 65 | Hardinsburg | Breckwood Area Sewers | 2007-014 | SX21027001 | \$476,300 | 115 | Wastewater Collection |
| 66 | Hardinsburg | Blancett Lake - Airport Road Sewers | 2007-015 | SX21027001 | \$710,000 | 115 | Wastewater Collection |
| 67 | Sturgis | Sturgis Sewer Rehab | 2007-110 | SX21225003 | \$1,500,000 | 115 | Sewer System Improvements |
| 68 | Hardinsburg | Gilbert Heights Sewer Line Extension | 2008-011 | SX21027008 | \$315,000 | 115 | Wastewater Collection |
| 69 | Ohio County | Ohio Co Regional WWTP | 2007-009* | SX21183001 | \$6,607,612 | 114 | Wastewater Treatment Plant |
| 70 | Hardin County Water District #2 | East Rhudes Creek Watershed Wastewater Collection & Treatment | 2007-004 | n/a | \$4,879,000 | 113 | Wastewater Collection |
| 71 | Hardin County Water District #2 | Rose Run Watershed Wastewater Collection & Treatment | 2007-007 | n/a | \$3,590,000 | 113 | Wastewater Collection |
| 72 | Hopkinsville WEA | HWEA SRF Phase VI | 2009-017 | SX21047015 | \$7,459,700 | 113 | Sewer system improvements |
| 73 | Louisville MSD | Watterson Woods Sanitary Sewer Project | 2007-094 | n/a | \$780,000 | 110 | Wastewater Collection |
| 74 | Louisville MSD | Zabel Way Pump Station Elimination Project | 2007-095 | n/a | \$525,000 | 110 | Wastewater Collection |
| 75 | Hartford | Wastewater Improvements | 2008-006 | SX21183006 | \$1,150,000 | 110 | Sewer System Improvements |
| 76 | Lexington | LFUCG Bluegrass Airport Pump Station Expansion | 2009-045 | SX21067016 | \$1,880,000 | 110 | Collection system improvements |
| 77 | Northern Kentucky Sanitation District #1 | US 27/AA Sewer Pump Station Forcemain (Old Area 2) Eastern Regional Collection System | 2007-076 | n/a | \$5,811,000 | 103 | Wastewater Collection |
| 78 | Union | Centralized Sanitary Sewer Collector System | 2008-003 | SX21015100 | \$427,300 | 102 | Wastewater Collection |
| 79 | Oldham County Sewer District | Orchard Grass WWTP Elimination | 2007-026 | n/a | \$1,500,000 | 100 | Wastewater Collection |
| 80 | Alexandria | Alexandria--Douglas James Subdivision Sewer Project | 2008-034* | SX21037002 | \$191,441 | 100 | Wastewater Collection |
| 81 | Lexington | Enhanced Solids Process- Town Branch WWTP | 2009-048 | SX21067005 | \$3,600,000 | 100 | WWTP improvements |
| 82 | Oldham County Sewer District | Willow Creek WWTP Elimination | 2007-025 | n/a | \$430,000 | 97 | Wastewater Collection |
| 83 | Taylorsville | WWTP Upgrade | 2008-029 | n/a | \$1,100,000 | 95 | WWTP Expansion |
| 84 | Hardin County Water District #2 | Dorsey Run & Sandy Creek Watershed Collection & Treatment | 2007-003 | n/a | \$7,329,000 | 93 | Wastewater Collection |
| 85 | Hardin County Water District #2 | Upper Otter Creek Watershed and Pawley Creek Watershed Wastewater Collection and Treatment | 2007-068 | n/a | \$11,424,000 | 93 | Wastewater Collection |
| 86 | Ewing | City of Ewing Wastewater Collection System | 2007-083 | n/a | \$3,318,000 | 93 | Wastewater Collection |

| Rank | Community | Project Name | Project # | WRIS # | Loan Amount | Score | Project Description |
|------|--|---|-----------|--------------------------|--------------|-------|---|
| 87 | Hopkinsville WEA | CCFC/HWEA Greenville Road Sewer Extension | 2009-014 | SX21047017 | \$460,070 | 93 | Sewer line extensions |
| 88 | Hopkinsville WEA | HWEA SRF Phase VII | 2009-018 | SX21947020 | \$20,140,000 | 93 | Sewer line extensions |
| 89 | Oldham County Sewer District | Kentucky State Reformatory WWTP Expansion - Phase 1 | 2007-027 | n/a | \$1,000,000 | 92 | WWTP Expansion |
| 90 | Hopkinsville WEA | CCFC/HWEA Butler Road Sewer Extension | 2009-015 | SX21047016 | \$333,718 | 90 | Sewer line extensions |
| 91 | Hopkinsville | Hopkinsville Surface & Stormwater Program Phase I | 2008-026 | n/a | \$12,771,160 | 88 | Stormwater Improvements |
| 92 | Marshall County Sanitation District #2 | Marshall County San District #2 - Sewer Extension | 2008-019 | SX21157023 | \$355,250 | 85 | Wastewater Collection |
| 93 | Somerset | Pitman Creek WWTP Upgrade | 2008-004* | SX21199020 | \$8,497,000 | 83 | WWTP Expansion |
| 94 | Farmdale Sanitation District | Farmdale Area Sewer System | 2008-016 | SX21073001 | \$4,000,000 | 83 | Wastewater Treatment Plant |
| 95 | Murray | Southwest Annexation Sewer | 2007-038* | SX21035015 | \$1,123,237 | 80 | Wastewater Collection |
| 96 | Marshall County Sanitation District #2 | Marshall Sanitation District #2 - Plant Upgrade | 2008-018 | SX21157022 | \$550,000 | 80 | WWTP Expansion |
| 97 | Muldrough | Muldrough Wastewater Collection System Rehab | 2008-001 | n/a | \$2,500,000 | 78 | Sewer System Improvements |
| 98 | Nicholasville | North End Sewer Extensions | 2007-065* | SX21113005 | \$7,467,225 | 76 | Wastewater Collection |
| 99 | Garrison-Quincy Water District | Garrison Sewers Phase 1 | 2008-017 | SX21135001 | \$2,500,000 | 75 | Wastewater Collection |
| 100 | Bath County | Olympia Watershed Improvement Project/Clustered Collection and Treatment System | 2009-033 | SX2101003 | \$387,000 | 75 | Clustered Wastewater Treatment Facility |
| 101 | Hardin County Water District #2 | Mill Creek Branch Watershed Wastewater collection & treatment | 2007-002 | n/a | \$5,481,000 | 70 | Wastewater Collection |
| 102 | Livermore | Livermore I & I Sewer Rehab | 2008-025 | SX21149008 | \$1,300,000 | 68 | Sewer System Improvements |
| 103 | Louisa | Meadowbrook & Berg Sewer Rehab | 2008-005 | SX21127016 | \$1,150,000 | 65 | Sewer System Improvements |
| 104 | Caneyville | Caneyville Wastewater Upgrade & Expansion | 2008-021 | SX21085001 | \$1,600,000 | 65 | WWTP Expansion |
| 105 | Inez | Collection System Replacement Phase 1 | 2009-035 | SX21159012 | \$2,000,000 | 65 | Sewer replacements |
| 106 | Carrollton | Ghent WWTP Elimination & Force Main | 2007-017 | SX21041101 | \$686,000 | 64 | Wastewater Collection |
| 107 | Warsaw | Warsaw Wastewater & Stormwater System Improvements | 2008-008 | n/a | \$3,500,000 | 64 | WWTP Expansion |
| 108 | Mercer County Sanitation District | City of Burgin Wastewater Collection & Conveyance Facilities | 2008-022 | n/a | \$3,000,000 | 61 | Wastewater Collection |
| 109 | Princeton | Sanitary Sewer Improvements Project | 2007-028 | n/a | \$500,000 | 60 | Sewer System Improvements |
| 110 | Prestonsburg | Wastewater Treatment Plant Upgrade | 2007-035 | n/a | \$650,000 | 60 | WWTP Improvements |
| 111 | Bowling Green | Sewer Interceptors & Cleaning Inspection | 2007-088 | SX21227021 | \$225,000 | 60 | Sewer System Improvements |
| 112 | London | Wood Creek Wastewater Treatment Facilities WCWD- Unserved Customers in Lake Watershed | 2009-032 | SX21125151 SX21125322 | \$14,000,000 | 60 | Sewer line extensions |
| 113 | Nicholasville | Brookview Sanitary Sewer Replacement Project, Nicholasville | 2009-034 | n/a | \$430,000 | 56 | Collection system improvements |
| 114 | Louisa | Louisa Comprehensive Sewer System | 2007-012 | SX21127021 | \$1,000,000 | 55 | Wastewater Collection |
| 115 | Carrollton | Eagle Creek Resort Wastewater Improvements | 2007-016 | SX21041300 | \$750,000 | 55 | Wastewater Collection |
| 116 | Bloomfield | Bloomfield Pump Station & Forcemain to Bardstown | 2008-027 | SX21179008 | \$1,900,000 | 55 | Wastewater Collection |

| Rank | Community | Project Name | Project # | WRIS # | Loan Amount | Score | Project Description |
|------|------------------------------------|---|-----------|------------|--------------|-------|---------------------------|
| 117 | Hardin County Water District #2 | North Upper Nolin River Watershed Wastewater Collection & Treatment | 2007-005 | n/a | \$20,945,000 | 53 | Wastewater Collection |
| 118 | Hardin County Water District #2 | Brushy Fork Creek Watershed Collection & treatment | 2007-006 | n/a | \$8,112,000 | 53 | Wastewater Collection |
| 119 | Campbellsville | South Campbellsville/KY 70 Area Sewer Extension Project | 2009-008 | SX21217003 | \$820,000 | 53 | Sewer line extensions |
| 120 | Georgetown | Clayton Avenue Storm Sewer Project | 2009-009 | n/a | \$250,000 | 53 | Storm sewer improvements |
| 121 | Irvine | Kelly Pump Station 6-inch Force Main Replacement | 2009-020 | SX21065008 | \$300,000 | 53 | Sewer replacement |
| 122 | Hopkinsville WEA | HWEA Purchase of the Oak Grove wastewater collection system and treatment plant | 2009-039 | SX21047021 | \$7,286,762 | 53 | WWTP elimination |
| 123 | Boyd County Sanitation District #4 | Route 5 Area Sewers | 2007-037 | SX21019013 | \$2,462,000 | 52 | Wastewater Collection |
| 124 | Mercer County Sanitation District | Kentucky Agricultural Heritage Center/McAfee Wastewater Conveyance Project | 2007-030 | n/a | \$988,044 | 50 | Wastewater Collection |
| 125 | Clinton | Clinton Sewer Rehabilitation Project | 2007-032 | SX21105004 | \$1,000,000 | 50 | Sewer System Improvements |
| 126 | Campbellsville | Snow Lane and Steeple Chase Sewer System Extensions | 2009-007 | SX21217009 | \$941,000 | 50 | Sewer line extensions |
| 127 | Hopkinsville WEA | CCFC/HWEA Russellville Road Sewer Extension | 2009-016 | SX21047018 | \$804,974 | 50 | Sewer line extensions |
| 128 | Corbin | Tattersall Subdivision & 5th Street Sanitary Sewer Extension | 2009-040 | SX21235115 | \$1,946,200 | 50 | Sewer line extension |
| 129 | Calvert City | On Site Sewer Treatment Abatement Phase I | 2007-047 | SX21157027 | \$100,000 | 48 | Wastewater Collection |
| 130 | Calvert City | WWTP Expansion | 2007-048 | SX21157017 | \$1,500,000 | 48 | WWTP Expansion |
| 131 | Calvert City | Sewer Rehab Phase III | 2007-050 | SX21157025 | \$750,000 | 48 | Sewer System Improvements |
| 132 | Providence | Olive Street and Leeper Lane Line Extensions | 2009-029 | SX21233012 | \$1,500,000 | 48 | Sewer line extensions |
| 133 | Madisonville | Madisonville South Main Interceptor Phase 1A & 1B | 2009-038 | SX21107008 | \$1,500,000 | 48 | Sewer line extensions |
| 134 | Calvert City | 641 Corridor Sewer Extension, Phase 1 | 2007-051 | SX21157010 | \$2,500,000 | 46 | Wastewater Collection |
| 135 | Irvine | Covey Road Sewer Extension | 2009-019 | SX21065007 | \$200,000 | 46 | Sewer line extension |
| 136 | Grant County | Grant County Sewer Extension, Phase 1 | 2007-055 | SX21081303 | \$1,701,300 | 45 | Wastewater Collection |
| 137 | St. Charles | St. Charles Sanitary Sewer System | 2008-009 | SX21107014 | \$1,100,000 | 45 | Wastewater Collection |
| 138 | Russellville | Johnson Street Project | 2008-015 | SX21141031 | \$300,000 | 45 | Sewer System Improvements |
| 139 | Calvert City | Sewer Rehab Phase II | 2007-049 | SX21157024 | \$250,000 | 43 | Sewer System Improvements |
| 140 | Bowling Green | BGMU WWTP Expansion | 2008-030* | SX21227055 | \$30,000,000 | 43 | WWTP Expansion |
| 141 | Georgetown | Landfill Force Main Phase II | 2009-010 | n/a | \$250,000 | 43 | Sewer line extension |
| 142 | Georgetown | Maddox Street Storm Sewer Project | 2009-011 | n/a | \$55,000 | 43 | Storm sewer improvements |
| 143 | Georgetown | Royal Springs Structural BMP Storm Sewer Project | 2009-012 | n/a | \$100,000 | 43 | Storm sewer improvements |
| 144 | Georgetown | Storm Sewer Stenciling Project | 2009-013 | n/a | \$24,000 | 43 | Storm sewer improvements |
| 145 | Irvine | Wall Street Sewer Extension | 2009-021 | SX21065007 | \$31,000 | 43 | Sewer line extension |
| 146 | Fancy Farm | Fancy Farm | 2007-008 | n/a | \$1,500,000 | 40 | Wastewater Collection |

| Rank | Community | Project Name | Project # | WRIS # | Loan Amount | Score | Project Description |
|------|-------------------------------------|--|-----------|------------|--------------|-------|---------------------------|
| 147 | Prestonsburg | US 23 Corridor Sewer Improvements Project | 2007-024 | n/a | \$1,100,000 | 40 | Sewer System Improvements |
| 148 | Williamstown | Williamstown Regional Wastewater System improvements | 2007-064 | SX21081304 | \$13,700,000 | 40 | Sewer System Improvements |
| 149 | Bowling Green | Emergency Power for WWTP | 2007-091 | SX21227040 | \$700,000 | 40 | Sewer System Improvements |
| 150 | Bowling Green | BGMU WWTP Renovation Design | 2009-003 | SX21227051 | \$3,000,000 | 40 | WWTP expansion |
| 151 | Bowling Green | Emergency Generator for Jennings Creek Lift Station | 2009-004 | SX21227048 | \$130,000 | 40 | Pump station improvements |
| 152 | Mount Vernon | WWTP and Pump Station | 2009-023 | SX21203191 | \$5,500,000 | 30 | WWTP replacement |
| 153 | Elizabethtown | Valley Creek WWTP Expansion | 2007-063* | n/a | \$17,654,000 | 20 | WWTP Expansion |
| 154 | Bowling Green | Relief Sewer to Pioneer Drive | 2007-092 | SX21227041 | \$325,000 | 20 | Wastewater Collection |
| 155 | Carrollton | Markland Dam & Gallatin Steel sewers | 2007-018 | SX21077103 | \$625,000 | 17 | Wastewater Collection |
| 156 | Bowling Green | Cave Mill Road Pump Station & Force Main | 2007-089* | SX21227038 | \$3,700,000 | 17 | Wastewater Collection |
| 157 | Bowling Green | Lovers Lane Sewage System | 2007-090* | SX21227039 | \$2,400,000 | 17 | Wastewater Collection |
| 158 | Bowling Green | Lovers Lane (South End) Sewer Project | 2008-031 | n/a | \$1,600,000 | 13 | Wastewater Collection |
| 159 | Louisville MSD | South Waterson Trail Sewer | 2007-093 | n/a | \$1,639,300 | 10 | Wastewater Collection |
| 160 | Louisa | New Louisa WWTP | 2008-007 | SX21127021 | \$3,000,000 | 10 | WWTP Expansion |
| 161 | Albany | Albany Phase 2 WWTP Expansion and Improvements | 2009-001 | SX21053007 | \$4,000,000 | 10 | WWTP Expansion |
| 162 | Murray | Saratoga Farms Sewer Extension | 2009-026 | SX21035017 | \$300,000 | 10 | Sewer line extension |
| 163 | City of Franklin | Akin Avenue Sewer Lines | 2008-032 | SX21213020 | \$550,000 | 8 | Sewer System Improvements |
| 164 | City of Franklin | Highlands Subdivision Sewer Line | 2008-033 | SX21213019 | \$630,000 | 8 | Sewer System Improvements |
| 165 | Bowling Green | Pascoe Pump Station & Force Main | 2007-085 | SX21227001 | \$630,000 | 3 | Sewer System Improvements |
| 166 | Bowling Green | BGMU WWTP Facility Plan | 2007-087 | SX21227002 | \$150,000 | 3 | Facility Plan Study |
| 167 | Bowling Green | Emergency Generator for Riverwood Lift Station | 2009-005 | SX21227050 | \$120,000 | 3 | Pump station improvements |
| 168 | Murray | 641 North/Hwy 80 Sanitary Sewers | 2007-039 | SX21035009 | \$1,230,000 | 0 | Wastewater Collection |
| 169 | Bowling Green | Hydraulic Sewer Model | 2007-086 | SX21227008 | \$120,000 | 0 | Modeling Software |
| 170 | Lewis County Sanitation District #1 | Tollesboro S.R. 57 Sewer Extension Project | 2008-035 | SX21135008 | \$369,000 | 0 | Wastewater Collection |
| 171 | Murray | Murray-Gatesborough Interceptor Sewer | 2009-025 | SX21035016 | \$1,500,000 | 0 | Sewer expansion |

* Project numbers marked by an “*” represent re-ranked projects that received a conditional commitment of funding from KIA during a prior funding cycle but have not completed the requirements necessary to enter into an Assistance Agreement. In the event they do not complete the requirements by the funding commitment expiration, they may be invited to re-apply if funding is available.

APPENDIX B
CALL FOR PROJECTS LETTER

October 19, 2007

Dear Sir or Madam:

Do you have a wastewater, stormwater, or nonpoint source project that will need funding during the 2009 state fiscal year? If so, we want to hear from you. Your project may be eligible for a low interest loan to partially or even fully fund your next eligible project. CWSRF loans can be used to match grants from Community Development Block Grant (CDBG), Appalachian Regional Commission (ARC) and the Environmental Protection Agency (EPA). We also partner on projects that have U.S. Rural Development (RD) funds and state appropriation line items.

To be eligible for a low interest CWSRF loan, your project **MUST** be ranked and listed on the 2009 CWSRF Project Priority List maintained by the Division of Water (DOW). It's easy to get on this list. All you have to do is complete and submit the enclosed *CWSRF Project Questionnaire Form*. The Division of Water (DOW) will use the *Kentucky Integrated Project Priority Ranking System (IPPRS)* to rank all eligible projects that are submitted. Both documents can be viewed and downloaded at www.water.ky.gov/publicassistance/funding/cwsrf/cwsrf_iup.html.

Completed *CWSRF Project Questionnaire Forms* must be received by DOW no later than 4:30 PM eastern time, on December 14, 2007. All hardcopies should be mailed to: CWSRF COORDINATOR, LOLA LYLE, RPPS BRANCH, 14 REILLY ROAD, FRANKFORT KY 40601.

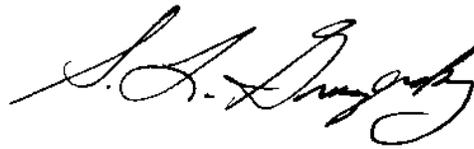
If you have projects on the 2008 CWSRF Project Priority List that have not been funded and wish for these projects to be carried over to the 2009 CWSRF Project Priority List, please send a letter listing the projects to be carried over to the 2009 Project Priority List by December 14th. *CWSRF Project Questionnaire Forms* do not need to be resubmitted for projects already on the 2008 Project Priority List, but forms must be submitted for any new projects.

If you have questions about completing the questionnaire, please contact Lola Lyle of DOW at lola.lyle@ky.gov or at (502) 564-3410, extension 416. For more information on loan requirements, terms or eligibility of the program contact Sandy Williams of KIA at sandy.williams@ky.gov or (502) 573-0260.

Sincerely,



Tim Thomas, Executive Director
Kentucky Infrastructure Authority



Sandra Gruzesky, Assistant Director
Division of Water

APPENDIX C

PUBLIC NOTICES
AND
SUMMARY OF COMMENTS RECEIVED

Division of Water Website Public Notice



EEC Internet
 Division of Water > Public Involvement and Assistance > Funding > Clean Water State Revolving Fund

Last Modified: 5/31/2008



Clean Water State Revolving Fund
 Intended Use Plan



Intended Use Plan

The Intended Use Plan

The Intended Use Plan (IUP) is a document prepared annually by the Division of Water (DOW) and the Kentucky Infrastructure Authority (KIA) that identifies the intended uses of all Clean Water State Revolving Fund (CWSRF) program funds and describes how those uses support the overall goals of the CWSRF program. The comprehensive Project Priority List (PPL) is included in the IUP. The decisions in the IUP undergo public review and comment.

For more information on the Drinking Water State Revolving Fund (DWSRF) program, IUP or PPL, go to [/publicassistance/funding/dwsrf/](#).

2008 Intended Use Plan

Public comments on the draft 2008 IUP and PPL were accepted through Sept. 19, 2007. The draft IUP and PPL were available for viewing on this site, at the DOW on 14 Reilly Road in Frankfort, at DOW field offices and at Area Development District offices.

A public meeting to present Kentucky's draft 2008 CWSRF IUP was held on Sept. 19, 2007, in Frankfort. The public meeting presentation explained the goals of the CWSRF, the project priority ranking system, the rules and laws that govern the fund and the list of proposed projects seeking assistance from the fund.

The final 2008 IUP was released in October 2007 (see table below). The 2008 IUP is in effect from July 1, 2007, through June 30, 2008.

| Document | Word | Adobe PDF |
|--|----------------------|---------------------|
| Final 2008 CWSRF Intended Use Plan and Project Priority List | Word | PDF |

The 2009 Intended Use Plan

The draft 2009 CWSRF IUP including the project priority list will be available for public review and comment from May 21, 2008, through June 20, 2008. A public meeting to discuss the plan contents will be held June 20, 2008, at 1:30 p.m. EST at the offices of the Kentucky Infrastructure Authority located at 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky.

The draft 2009 CWSRF IUP with project priority list is available on this Web site, below, at the Division of Water Regional Offices, at the offices of the Area Development Districts, at the KIA offices, and on the KIA Web site at <http://www.kia.ky.gov/>. Submit comments to [Sandy Williams](#) at KIA in writing or in person at the public meeting.

| Document | Word | Adobe PDF |
|--|----------------------|---------------------|
| Draft 2009 CWSRF Intended Use Plan and Project Priority List | Word | PDF |

The Call For Projects is an annual open period for submission of projects to be included on the CWSRF IUP and PPL for the upcoming state fiscal year. The 2009 Call For Projects period was already held. Below are the forms that were used.

| Document | Word | Adobe PDF |
|---------------------------------------|----------------------|---------------------|
| 2009 Call For Projects Letter | | PDF |
| 2009 Project Questionnaire Form | Word | PDF |
| CWSRF KY IPPRS Fact Sheet | Word | PDF |
| CWSRF KY IPPRS (revised October 2007) | Word | PDF |

The 2010 Intended Use Plan

The Call for Projects is an annual open period for submission of projects, usually October to December, to be included on the CWSRF IUP and PPL for the upcoming state fiscal year. If you have a wastewater, stormwater or nonpoint source project that will need a commitment for funding during the 2010 state fiscal year (July 1, 2009 through June 30, 2010), your project must be ranked and listed on the 2010 CWSRF IUP and PPL. To get on this list, you need to complete and submit the CWSRF Project Questionnaire Form during the Call for Projects. DOW will use the Kentucky Integrated Project Priority Ranking System (IPPRS) to rank all eligible projects that are submitted. Check this Web site for documents needed to submit projects for consideration as well as information about the Call For Projects period and ranking system.

Information about the Call For Projects period may also be found on the KIA Web site at <http://www.kia.ky.gov/>.

State Revolving Fund Projects
 14 Reilly Road
 Frankfort, KY 40601
 Phone: 502-564-3410 ext 562

Press Release from KIA

STEVEN L. BESHEAR
GOVERNOR



JOHN E. COVINGTON III
EXECUTIVE DIRECTOR

**KENTUCKY INFRASTRUCTURE
AUTHORITY**
1024 CAPITAL CENTER DRIVE, SUITE 340
FRANKFORT, KENTUCKY 40601
www.kia.ky.gov

For Immediate Release
May 21, 2008

Contact: Cindy Lanham
502-573-2382

KIA Seeks Public Input for Clean Water Intended Use Plan

- WHO:** The Kentucky Infrastructure Authority (KIA) and the Division of Water of the Environmental and Public Protection Cabinet
- WHAT:** Public meeting to present and solicit comments on the draft 2009 Clean Water State Revolving Fund Intended Use Plan (CWSRF-IUP)
- WHEN:** Friday, June 20, 2008, at 1:30 p.m. Eastern Time
- WHERE:** Kentucky Infrastructure Authority Conference Room
1024 Capital Plaza Drive, Ste 340
Frankfort, KY 40601

Kentucky's draft Intended Use Plan for the 2009 Clean Water State Revolving Fund, including the project priority list, is available for public review and comment from May 21, 2008 through June 20, 2008. The plan and the priority list may be viewed online at www.water.ky.gov or www.kia.ky.gov. Copies of the plan and priority list may also be reviewed at the following locations:

Division of Water
14 Reilly Road
Frankfort, KY 40601

Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601

or at any Division of Water field office or Area Development District office

Comments should be provided in writing to Sandy Williams, Kentucky Infrastructure Authority, by June 20, 2008, at the address given above. For questions, please contact Sandy Williams, Kentucky Infrastructure Authority, at (502) 573-0260.

Summary of Comments Received During the Public Comment Period

Four written comments were received during the public comment period and are summarized below. No verbal comments were received during the public meeting.

Kentucky Municipal Utilities Association (KMUA)

June 16, 2008 – A comment regarding interest rates.

KMUA respectfully asked for the retention of the two existing KIA loan rates of 1 and 3 percent, elimination of the newly proposed 2% loan rate and reinstatement of the 1% loan rate for systems under consent decree. KMUA commented that the proposed increase in the interest rate and the elimination of the consent decree low interest loan rates put an undue hardship on municipal utilities that would result in increased fees to customers and a possible reduction in workforce.

Hopkinsville Water Environment Authority (HWEA)

June 17, 2008 – A comment regarding a request to reevaluate a project score

HWEA requested that project information for 2 projects be reevaluated, SX21047021 (Purchase of the Oak Grove wastewater collection system and treatment plant) and SX21047015 (SRF Phase VI).

Lexington-Fayette Urban County Government (LFUCG)

June 19, 2008 - A comment regarding interest rates

LFUCG is requesting that the 1% interest rate be available for any borrower or community under a Federal Consent Decree for clean water violations. LFUCG commented that the lower interest rate would help to offset the cost of consent decree fines and the cost of project construction.

Sanitation District No.1 (SD1)

June 20, 2008 - A comment regarding interest rates

SD1 is requesting that the 1% interest rate be available for any borrower or community under a Federal Consent Decree for clean water violations. SD1 commented that they have a multi-year, multi-million dollar capital projects schedule to implement under a Federal Consent Decree and the lower interest rate would lessen the burden to rate payers.

No other comments regarding the IUP were received. This document is considered final and will be submitted to the US EPA Region IV Office for review and approval.

APPENDIX D

INTEGRATED PROJECT PRIORITY RANKING SYSTEM (IPPRS)

KENTUCKY INTEGRATED PROJECT PRIORITY RANKING SYSTEM

For Wastewater, Stormwater and Nonpoint Source Projects
Eligible To Be Funded By The

KENTUCKY CLEAN WATER STATE REVOLVING FUND

**August 2006
Revised September 2007**



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Table of Contents

| | | |
|------|---|---|
| I. | Introduction | 1 |
| II. | Identifying and Ranking Water Quality Priorities | 2 |
| | A. Compliance with the Clean Water Act and KRS Chapter 224..... | 2 |
| | B. Impact On Existing Drinking Water Supplies | 4 |
| | C. Outstanding Resource Waters..... | 5 |
| | D. Populations To Be Served That Presently Do Not Have Sewers Available | 5 |
| III. | Summary of Points System Used to Establish Project Priority Ranking | 5 |
| IV. | Developing and Updating the Project Priority List and Intended Use Plan | 6 |
| V. | Eligible Project Applicants | 6 |
| VI. | References | 6 |
| VII. | Kentucky Division of Water State Priority Watersheds | 7 |

I. Introduction

The Federal Water Pollution Control Act of 1956 provided a strong role for the federal government in the construction of publicly owned wastewater treatment works. The amendments enacted in 1972, commonly referred to as the Clean Water Act (CWA), expanded the level of federal aid and increased the federal grant share in an effort by Congress to speed up the pace of construction of wastewater treatment facilities and eliminate the backlog of needed facilities. The 1977 Amendments to the Clean Water Act directed the Environmental Protection Agency (EPA) to delegate most of its construction grants management functions to the states. EPA continued to provide funds for grants to local governments to construct wastewater treatment facilities through federal fiscal year (FFY) 1990. The Water Quality Act of 1987, which amended the CWA, authorized EPA to make capitalization grants to each state for the purpose of establishing a water pollution control revolving fund for providing financial assistance for projects that protect and restore water quality, including publicly owned treatment works (POTWs), nonpoint source pollution control and estuary management. EPA made capitalization grants beginning in FFY 1987; however, when federal funding ends, the Clean Water State Revolving Fund (CWSRF) is to be maintained in perpetuity by the state to replace the previous federal participation.

The Kentucky General Assembly enacted House Bill 217 during the 1988 legislative session, which established the CWSRF as an enduring and viable fund. This fund is intended to allow the Commonwealth of Kentucky to qualify for the federal CWSRF capitalization grants. The CWA requires in section 602 a state match to be deposited into the CWSRF of an amount equal to at least 20 percent of the total amount of all capitalization grants which will be made to the State.

The CWSRF may fund projects for construction of publicly owned treatment works as defined in section 212 of the Clean Water Act, including stormwater projects. The CWSRF may also fund nonpoint source pollution control activities which implement the U.S. EPA-approved *Kentucky Nonpoint Source Management Program - 2.0* (Kentucky Division of Water, 2002) required under Section 319 of the Clean Water Act, which lists specific activities for controlling nonpoint source pollution impacts and identifies responsible implementing agencies and potential/available funding sources.

The purpose of this document is to outline the Division of Water's (DOW) project selection and ranking criteria which shall be used to establish project priority ranking in the annual CWSRF Intended Use Plan (IUP). This document, entitled the *Integrated Project Priority Ranking System (IPPRS)*, complies with EPA's *Integrated Planning and Priority Setting in the Clean Water State Revolving Fund* guidance (EPA-832-R-01-002 March 2001), which states, "An integrated planning and priority setting system is effective if it ensures that CWSRF-funded projects address high priority water quality problems. Four actions are key to its success: identifying water quality priorities, assessing the CWSRF role, undertaking outreach efforts, and selecting priority projects."

DOW is committed to reassessing the Integrated Project Priority Ranking Criteria and Points System upon the completion of the initial review and ranking process and development of the 2007 Project Priority List. Modifications may be made to the criteria and points system if it is determined that this process does not meet EPA's guidance for utilizing the CWSRF to address the high priority water quality problems.

II. Identifying and Ranking Water Quality Priorities

According to the March 2001 EPA IPPS guidance:

“Water quality priorities provide a context for the activities of the CWSRF program. CWSRF resources should address these priorities in the most efficient manner possible. State water quality priorities also provide a valuable standard against which a state can measure the success of its water quality programs, i.e., has the state used its resources to address its highest water quality priorities?”

A state’s water quality program should be the CWSRF’s major resource in identifying the state’s water quality priorities. A water quality program has typically developed its understanding of the state’s priorities by considering water quality information from many sources. Familiarity with these sources of water quality information is also useful to the CWSRF during the development of project ranking systems.”

DOW operates several water quality programs that have been used to identify criteria for ranking projects in the context of CWSRF funding priority.

All surface waters in Kentucky are assessed based on a five-year, rotating watershed basin cycle. Assessment data and narrative explanations are compiled into the 305(b) Report to Congress. Section 303(d) of the CWA requires each state to list those waters within its boundaries for which technology based effluent limitations are not stringent enough to protect any water quality standard applicable to such waters. The 303(d) List of Waters identifies all waters assessed as "impaired" for one or more pollutants, and are therefore waters not "meeting the water quality standard." Listed waters are prioritized with respect to designated use classifications and the severity of pollution. The 305(b) report and 303(d) list are now published together in the *2006 Integrated Report to Congress on Water Quality in Kentucky* (Kentucky DOW, June 2007).

Kentucky is required to develop TMDLs for those water bodies that are not meeting water quality standards. The TMDL process establishes the allowable loadings of pollutants or other quantifiable parameters for a waterbody based on the relationship between point and nonpoint pollution sources and in-stream water quality conditions. See the following website for approved TMDLs <http://www.water.ky.gov/sw/tmdl/Approved+TMDLs.htm>.

As required in 200 KAR 17:050, the cabinet shall determine the priority for funding eligible projects to be included on the Project Priority List based on criteria established pursuant to 33 U.S.C. 1296, which states that projects should be designed to achieve optimum water quality management consistent with public health and water quality goals, and the following:

A. Compliance with the CWA and KRS Chapter 224

Criterion #1: Is the project necessary to achieve full or partial compliance with a court order, or a judicial or administrative consent decree?

A project receives 100 points if it is necessary for achieving full or partial compliance with a court order, or a judicial or administrative consent decree. The applicant does not need to be a party to the court order, or a judicial or administrative consent decree.

Criterion #2: Does the project promote compliance with the CWA and KRS Chapter 224 in the following areas?

A project receives 40 points if it answers “Yes” to one of the following questions and an

additional 10 points for each additional positive response:

- Will the project implement an approved Total Maximum Daily Load (TMDL) for impaired waterbodies?
- Is the point source project for treating or eliminating a combined sewer overflow?
- Does the nonpoint source project conform with the goals and objectives outlined in the Kentucky NPS Management Program and include appropriate water quality Best Management Practices (BMP)?
- Will the project assist with complying with stricter discharge limits as a result of revised wasteload allocations?
- Is the project for correcting inflow or infiltration problems that are causing sewer overflows and treatment problems?
- Is the project for rehabilitating or replacing equipment to comply, or ensure continued compliance, with existing permit limits?
- Will the project assist with complying with a National Pollutant Discharge Elimination System Phase I or II stormwater permit?
- Will the project eliminate one or more straight pipes or failing onsite systems in populations to be served that presently do not have sewer systems available?
- Will the project implement any part of an approved Watershed Plan? Contact the DOW Watershed Management Branch at (502) 564-3410 for more information on accepted Watershed Plans.

The next four questions consider whether a project makes reasonable progress towards achieving water quality standards, eliminating impairments of Kentucky's waterbodies and correcting existing public health problems. Go to the following website http://www.watersheds.ky.gov/homepage_repository/What+is+the+condition+of+your+stream+or+lake.htm to learn about the condition of your watershed and get the watershed ID-Hydrologic Unit Code (HUC). (This website is currently being updated to include the 2006 Integrated Report data of impaired streams in Kentucky. Check the website for upcoming updates or contact the Division of Water, Water Quality Branch at (502) 564-3410 to access the 2006 impairment map coverages)

Criterion #3: Will the project make reasonable progress towards eliminating identified pollutant sources for waterbodies that appear on the 2006 Integrated Report to Congress on Water Quality in Kentucky?

This question addresses the state's goal to improve water quality in impaired waterbodies. The 2006 Integrated Report and maps available on DOW's website. <http://www.water.ky.gov/sw/swmonitor/305b/default.htm>. The reports list the impaired waterbodies with the pollutants of concern and probable sources of the pollutants. The project will receive 20 points for each pollutant water-body combination it will address.

Criterion #4: Will the project make reasonable progress towards eliminating identified pollutant sources of water quality impairments within an identified Priority Watershed?

The Division of Water has developed a list of state priority watersheds at the HUC11 level. List each watershed on the Questionnaire Form that is located in the project area and indicate if the watershed is on this list. The project will receive 20 points if a priority watershed is located in the project area. **Please refer to the attached list of Kentucky Division of Water State Priority Watersheds.**

Criterion #5: Will the project correct a public health or water quality problem as documented by applicant, for waterbodies that have not been monitored and assessed?

Waterbody segments that have been monitored and assessed are included in the 2006 Integrated Report. However, not all waterbody segments have been monitored and assessed by the state. The water quality in private wells or cisterns used for drinking

water is not regulated by the state or EPA. The project will receive 10 points if the applicant can document a public health or water problem in a non-assessed waterbody segment or in private wells, and demonstrate that the project will help correct the problem. Before it is deemed valid, the quality of the data provided to support the existence of a public health or water quality problem should be verified using the DOW quality assurance and quality control procedures.

Criterion #6: Does the project eliminate existing or potential sources of pollution in sensitive groundwater areas?

This question considers the importance of groundwater as one of Kentucky's vital resources as a source of drinking water, a source for industrial and agricultural use, and the source of sustained base flow in most streams. Groundwater is classified across the state on a scale from 1 (lowest) to 5 (highest) sensitivity. The project will receive 10 points if it eliminates existing or potential sources of groundwater contamination within a high sensitivity groundwater (rating 4 or 5) area. The project will receive 5 points if it eliminates existing or potential sources of groundwater contamination within a moderate sensitivity groundwater (rating 2.5 or 3) area. Groundwater data is available for download at <http://kygeonet.ky.gov/metadataexplorer/>.

B. Impact on Existing Drinking Water Supplies

Each public water supply (PWS) must develop a Source Water Assessment and Protection Plan (SWAPP) which delineates its drinking water source protection area, called SWAPP zones or Wellhead Protection Areas (WHPA), and inventories known and potential sources of contamination within those areas.

Criterion #7: Is the project located within an identified SWAPP zone or WHPA?

The project will receive ten (10) points for each SWAPP or WHPA Zone 1, seven (7) points for each SWAPP or WHPA Zone 2, and three (3) points for each SWAPP or WHPA Zone 3 in which the project is located. Look up your SWAPP and WHPA areas in the Watershed Viewer at <http://eppcmaps.ky.gov/website/watershed/viewer.htm>.

Criterion #8: Will the project address a contaminant source that is causing or may cause a drinking water source to use higher-than-conventional treatment?

A contaminant source that affects a public drinking water supply may cause the PWS to have compliance problems and/or trigger the PWS to use higher-than-conventional treatment. Points may be awarded to a project that will address a pollutant source located within a SWAPP zone or WHPA (whether it is included in the SWAPP inventory or not), or the applicant must demonstrate a connection to a public drinking water supply source for contaminant sources not located within SWAPP zones or WHPAs, using the following criteria:

1. Whether the pollutant is readily treatable by conventional treatment methods, and
2. Whether the pollutant currently contributes to a compliance problem or may contribute to a compliance problem.

Points may be awarded for each pollutant that meets these criteria as follows:

| Level of Treatment | Pollutant is causing compliance problems | Pollutant is NOT causing compliance problems |
|--|--|--|
| Pollutant is treatable by conventional methods | 10 | 5 |
| Pollutant is NOT treatable by conventional methods | 15 | 10 |

C. Outstanding Resource Waters

Criterion #9: Will the project have a positive effect on Special Use Waters?

This question considers the importance of protecting special waters in Kentucky. Special Use Waters are rivers, streams and lakes listed in Kentucky Administrative Regulations as Cold Water Aquatic Habitat (401 KAR 5:031 Section 4), Exceptional Waters (401 KAR 5:030 Section 1), Reference Reach Waters (401 KAR 5:030 Section 1), Outstanding State Resource Waters (401 KAR 5:031 Section 7), Outstanding National Resource Waters (401 KAR 5:030 Section 1), State Wild Rivers (Kentucky Wild Rivers Act of 1972), and Federal Wild and Scenic Rivers (Wild and Scenic Rivers Act, PL 90-542). The project will receive 5 points if the applicant can demonstrate that the project will benefit one or more of these waters. <http://www.water.ky.gov/sw/specialwaters/>

D. Populations to Be Served That Presently Do Not Have Sewers Available

Criterion #2 under section A above addresses this criteria and provides for points to be awarded for projects that will serve a population that presently does not have sewers available.

III. Summary of Points System Used to Establish Project Priority Ranking

| # | Priority Ranking Criteria | Possible Points |
|---|--|--|
| 1 | Is the project necessary to achieve full or partial compliance with a court order, or a judicial or administrative consent decree? | 100 points |
| 2 | Does the project promote compliance with the CWA and KRS Chapter 224? | 40 points plus 10 for each additional priority |
| 3 | Will the project make reasonable progress towards eliminating identified pollutant sources for waterbodies that appear on the <i>2006 Integrated Report to Congress on Water Quality in Kentucky</i> ? | 20 points for each pollutant-waterbody combination |
| 4 | Will the project make reasonable progress towards eliminating identified pollutant sources of water quality impairments within an identified Priority Watershed? | 20 points |
| 5 | Will the project correct a public health or water quality problem as documented by applicant, for waterbodies that have not been monitored and assessed? | 10 points |
| 6 | Does the project eliminate existing or potential sources of pollution in groundwater sensitivity areas? | 10 points for high or highest sensitivity 5 points for moderate sensitivity |
| 7 | Is the project located within an identified SWAPP zone or WHPA? | 10 for each Zone 1 7 for each Zone 2 3 for each Zone 3 |
| 8 | Will the project address a contaminant source that is causing or may cause a drinking water supply to use higher-than-conventional treatment? | 5-15 points for each contaminant source |
| 9 | Will the project have a positive effect on Special Use Waters? | 5 points |

IV. Developing and Updating the Project Priority List and Intended Use Plan

In order for a project to be considered for funding from the CWSRF, it must appear on the Comprehensive Project Priority List for the state fiscal year in which the project will receive a binding commitment. To be included in this list, an eligible project applicant must submit a completed *KY CWSRF Project Questionnaire Form* to DOW during the annual Call for Projects period. A copy of the questionnaire may be found on DOW's CWSRF website. www.water.ky.gov/publicassistance/funding/CWSRF/. Once the questionnaire is received, DOW staff will evaluate the project based on the ranking system discussed above and assign the project a numeric score. Eligible projects will then be added to the next Comprehensive Project Priority List. Those projects with the same numerical score will be ranked based on the date the completed *KY CWSRF Project Questionnaire Form* is received. If the project is only for accommodating future growth and will not address an existing water quality or public health need, and therefore does not receive any points from the above criteria, the project will be still included on the Comprehensive Project Priority List if it is eligible for CWSRF funding.

DOW and the Kentucky Infrastructure Authority (KIA) will prepare an annual Intended Use Plan (IUP) that will describe how the state intends to use the funds in the Kentucky CWSRF for each state fiscal year, and how those uses support the objectives of the CWA. DOW will publish and maintain the IUP and Project Priority List on its CWSRF website. Each IUP will include an updated Comprehensive Project Priority List and a Fundable List of projects that are anticipated to receive funding during that state fiscal year. Applicants are encouraged to complete the Project Schedule information on the Project Questionnaire Form and to contact the DOW or KIA as early in the process as possible to discuss the project and the loan process. Once the IUP has been drafted, notice will be given to the public that the draft IUP is available for review and comment for a period of at least 30 days. After the comment period has ended DOW and KIA will review any comments received and make changes to the IUP as appropriate. Both the draft and final IUPs will be available on DOW's CWSRF website. www.water.ky.gov/publicassistance/funding/CWSRF/

V. Eligible Project Applicants

Any governmental agency shall be eligible to apply for financial assistance for planning, design and construction of eligible projects.

VI. References

Kentucky Division of Water website: www.water.ky.gov

Kentucky Division of Water CWSRF website:
www.water.ky.gov/publicassistance/funding/CWSRF/

Kentucky Infrastructure Authority website: <http://kia.ky.gov/>

VII. Kentucky Division of Water State Priority Watersheds

| | HUC | Watershed |
|----|-------------|------------------------------------|
| 1 | 05110001150 | Bacon Creek |
| 2 | 05100101290 | Banklick |
| 3 | 08010201050 | Bayou de Chien |
| 4 | 05140101250 | Beargrass Creek (St. Matthews) |
| 5 | 05090201130 | Cabin Creek |
| 6 | 06040006040 | Clarks River |
| 7 | 05130205260 | Claylick Creek |
| 8 | 05140205090 | Clear Creek, near Madisonville |
| 9 | 05130101330 | Clear Fork |
| 10 | 05130101055 | Clover Fork |
| 11 | 05130205290 | Cumberland River, below Vicksburg |
| 12 | 05100205190 | Dix River: Clarks Run |
| 13 | 05100205180 | Dix River: Hanging Fork |
| 14 | 05100205170 | Dix River: Herrington Lake |
| 15 | 05100205410 | Eagle Creek |
| 16 | 05130101350 | Elk Fork Creek |
| 17 | 05100101200 | Fleming Creek |
| 18 | 05140102190 | Floyds Fork |
| 19 | 05140102180 | Floyds Fork |
| 20 | 05110001130 | Green River at Munfordville |
| 21 | 05070202020 | Jonican Branch near Fish Trap Lake |
| 22 | 05130101450 | Laurel River |
| 23 | 05070203170 | Levisa Fork near Louisa |
| 24 | 05100101010 | Licking River (headwaters) |
| 25 | 05110005040 | Long Falls |
| 26 | 05130101340 | Mud Creek |
| 27 | 05100205020 | Muddy Creek |
| 28 | 05100201 | North Fork Kentucky River |
| 29 | 05110005110 | Panther Creek, North Fork |
| 30 | 05070203040 | Prater Creek near Banner |
| 31 | 05100204120 | Red River Gorge |
| 32 | 05130206090 | Red River, at Oakville |
| 33 | 05110004040 | Rough River Lake |
| 34 | 05130102090 | Sinking Creek, of Rockcastle |
| 35 | 05140104250 | Sinking Creek at Hardinsburg |
| 36 | 05100205270 | South Elkhorn Creek |
| 37 | 05100102030 | Strodes Creek |
| 38 | 05100102050 | Townsend Creek |
| 39 | 05140205050 | Tradewater, below Dawson Springs |