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By

Alaska Department of Environmental Conservation
Division of Water
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AMENDED ACTION
The 2017 Alaska Clean Water Fund (ACWF) Intended Use Plan (IUP) was amended due to interest by borrowers who have ready to go projects in need of funding.

PROGRAM OVERVIEW
The purpose of ACWF is to make low interest loans available to Alaskan municipalities and other qualified entities for financing wastewater and water quality related projects.

Loans can finance up to 100 percent of a project’s eligible costs for planning, design and construction of publicly owned facilities. In addition, loans can serve as local match for the Alaska Department of Environmental Conservation (ADEC) Municipal Water, Sewer and Solid Waste Matching Grants Program or most other federal or state funding sources.

A range of projects and associated costs are eligible for funding under the ADEC loan programs, as described in Title 18, Chapter 76 of the Alaska Administrative Code.

- Wastewater Treatment Facilities
- Nonpoint Source Prevention and Restoration Projects
- Sewer Interceptor and Collection Systems
- Enhancement Projects
- Storm Water Collection and Treatment

The ADEC Municipal Grants and Loans Section (MG&L), within the Division of Water, is responsible for administering this loan program. The loan program is regulated by the code mentioned above and is audited under the State of Alaska’s Single Audit Act. An independent audit of the program is also conducted each year.

The purpose of this IUP is to describe how ADEC plans to spend the monies of the ACWF and how the expenditures meet the goals of the overall program.
PROGRAM UPDATES
The State Fiscal Year 2017 (SFY17) IUP incorporates program changes in response to Federal Water Pollution Control Act (FWPCA) amendments which include, but are not limited to, the following areas: increased eligibilities, longer loan terms, fiscal sustainability, procurement, and reporting requirements. More discussion on these changes can be found on pages 15 and 16.

Additionally, in SFY17, ADEC continues to make additional funds available to borrowers based on estimated repayment schedules of future years. This calculation is based on the demand for loan disbursement of funds that has historically been spread over at least four years after loan execution. Future calculations of funds available may be adjusted up or down as conditions warrant. In SFY17, ADEC will also continue to fully supplement the 4 percent administrative set aside to pay for activities under the operator assistance program. ADEC charges an annual loan fee in the amount of 0.5 percent of the unpaid loan balance. ADEC will continue to run the program completely with the loan fee account this year and in future years.

PROGRAM GOALS
The ADEC administers the ACWF, guided by the following long and short term goals:

Long Term
1. Protect public health and the waters of the State by offering financial assistance for the planning, design and construction of eligible projects.
2. Assist local communities as they strive to achieve and maintain statewide compliance with federal and state water quality standards.
3. Facilitate the construction of projects by providing a long term source of financing to assist communities in attaining and maintaining compliance with the Clean Water Act as amended by the Water Quality Act Amendments of 1987, PL 100-4.
4. Promote coordinated efforts by the State and eligible entities to expedite funding of eligible projects.
5. Increase the pace at which available funds are loaned by marketing to existing and potential new eligible entities by expanding the overall funds usage. Continue to improve program guidelines and policies to encourage funding of those projects which offer earlier construction starts, earlier loan disbursements, and earlier project close outs and start of repayment.
6. Potential new entities may include lending to non-profit organizations for water quality enhancement or non-treatment works types of projects, helping homeowners fund on-site septic system improvements through a link-deposit or pass-through loan program, and providing micro-loans to Alaska native villages.
7. Continue to use a more aggressive lending policy based on the needs of the communities. Key factors include but are not limited to implementation of a required quarterly financial reporting system starting in the first quarter of SFY17, and offering “ready to proceed projects” incentives which should result in a faster turnaround time in the disbursements and repayment process. These changes are anticipated to result in better cash flow management of the program.
8. Continue to make additional funds available to borrowers. Commitment of additional funds made available to borrowers is based on estimated repayment schedules of future years. This estimate is calculated based on the inclusion of two and a half years’ of future loan repayments which better
matches the supply of funds needed to meet demand. Future calculations of funds available may be adjusted up or down as conditions warrant.

9. ADEC will continue to fully supplement the administrative expenses for program operations with the annual loan fee account, and continue to bank any unused portion of the 4 percent administrate set-aside. ADEC charges an annual loan fee in the amount of 0.5 percent of the unpaid loan balance.

Short Term

1. Under this amended IUP, provide low interest loans of $16.0 million to communities for eligible wastewater treatment or nonpoint source pollution projects.
2. Provide up to 4% ($319,080) of the anticipated capitalization grant amount awarded to the State and to the extent there are sufficient eligible expenses, for funding the following activities: operator training; certification exam services and proctors; review of system classifications and operator certification applications; and operator certification database development and maintenance.
3. Provide not less than 10% ($797,700) of the anticipated capitalization grant amount awarded to the State and to the extent there are sufficient eligible project applications, funds for projects to be used for green infrastructure, water or energy efficiency improvements, and environmental innovative activities.
4. A funding subsidy of at least 10% ($797,700) of the anticipated capitalization grant amount will be offered as principle forgiveness to eligible disadvantaged communities.
5. Complete the anticipated capitalization grant Agreement with the U.S. Environmental Protection Agency (EPA) for Alaska’s FFY16 Title VI allocation.
6. For SFY17, ADEC will continue incorporating changes to the ACWF program as a result of the 2014 FWPCA amendments to the Clean Water State Revolving Fund (CWSRF) program. Primary changes include increased eligibilities, longer loan terms, fiscal sustainability, procurement, and reporting requirements. ADEC is currently working on making necessary regulatory updates to incorporate these changes. However, it is anticipated that some of these updates will not be completed until after issuance of the final IUP; when they are complete, an amended IUP will be issued to incorporate the changes.
7. When interim requests are received from eligible borrowers to add new projects to the IUP, ADEC will, as needed, amend the IUP to accommodate borrowers’ needs.
8. To show commitment to promoting sustainability of wastewater facilities, ADEC, in accordance with direction provided under EPA’s Sustainability Policy, has added sustainable criteria to project scoring and ranking.
9. Effective July 1, 2016, ADEC requires the usage of the online payment request system for borrowers to submit loan payment requests. ADEC will also continue the process of upgrading the Loan and Grants Tracking System (LGTS) data system from an Access based to a web based system to meet information technology state standards.

LOAN FUND PROCESS

Annually, ADEC identifies funding sources, selects projects and distributes the funds to projects according to approved criteria and federal and state regulations.
PROGRAM FUNDING – Funds Available
ADEC has several sources of funds available to support the proposed project financing and program administrative costs for this IUP. A total of $16.0 million will be available upon issuance of this amended IUP. The $16.0 million will be used to fund projects listed on the ACWF Funding Priority List for Point Source projects (Appendix Ia) and NonPoint Source projects (Appendix Ib).

ADEC draws administrative and subsidy (as principal forgiveness if offered) funding at 83.33% federal. Draws for loan funding are split between state match and federal funding following the grant-specific proportionality rate method. The loan funding ratio is currently 83.33% federal and 16.67% state match.

The following table summarizes the monies contributed and the commitments and expenditures made since the inception of the program. The difference between the available funding sources and program commitments is the amount of funds available to use during this funding cycle. The following describes more fully each item in the table:

As of November 15, 2016

**Funding Sources:**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Grants</td>
<td>$241,271,962</td>
</tr>
<tr>
<td>FFY 16 Federal Allocation Capitalization Grant</td>
<td>7,977,000</td>
</tr>
<tr>
<td>FFY 16 State Match Appropriation</td>
<td>1,595,400</td>
</tr>
<tr>
<td>Bond Proceeds</td>
<td>1,747,599</td>
</tr>
<tr>
<td>State Match, prior years</td>
<td></td>
</tr>
<tr>
<td>General Funds</td>
<td>$19,807,300</td>
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<tr>
<td>Bond Proceeds</td>
<td>25,420,185</td>
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<tr>
<td>Total State Match</td>
<td>45,227,485</td>
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<tr>
<td>Investment Income</td>
<td>46,741,482</td>
</tr>
<tr>
<td>Repayments</td>
<td></td>
</tr>
<tr>
<td>Loan Principal</td>
<td>$173,986,325</td>
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<tr>
<td>Loan Interest</td>
<td>31,040,037</td>
</tr>
<tr>
<td>Total Repayments</td>
<td>205,026,362</td>
</tr>
<tr>
<td>Projected Repayments SFY17 (7/1/16 - 6/30/17)</td>
<td>11,359,691</td>
</tr>
<tr>
<td>Projected Repayments SFY18</td>
<td>11,253,215</td>
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<tr>
<td><strong>Total Funding</strong></td>
<td><strong>$572,200,196</strong></td>
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**Program Commitments:**

<table>
<thead>
<tr>
<th>Commitment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Commitments</td>
<td></td>
</tr>
<tr>
<td>Standard Loans Executed</td>
<td>484,451,727</td>
</tr>
<tr>
<td>Standard Loans Pending</td>
<td>7,235,600</td>
</tr>
<tr>
<td>Total Loan Commitments</td>
<td><strong>$491,687,327</strong></td>
</tr>
<tr>
<td>Transfer from ACWF to ADWF</td>
<td>29,000,000</td>
</tr>
<tr>
<td>Administrative Set-Aside</td>
<td>9,969,958</td>
</tr>
<tr>
<td>Previous Bonding and Transaction Costs</td>
<td>23,746,184</td>
</tr>
<tr>
<td>Bonding and Transaction Costs to Be Paid</td>
<td>1,750,099</td>
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<tr>
<td><strong>Total Commitments</strong></td>
<td><strong>$556,153,568</strong></td>
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</tbody>
</table>

**Net Amount Available for Loans**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$16,046,629</td>
</tr>
</tbody>
</table>
The following describes more fully each item in the previous table:

**Funding Sources:**
- “Federal Grants” is the total amount of federal EPA capitalization grants awarded to Alaska up to FFY16.
- “FFY16 Federal Allocation” is the amount of federal funding awarded to the Department.
- “FFY16 State Match Appropriations” includes state funds provided as match for the grant which includes both general funds and bond proceeds.
- “State Match, prior years” includes all the state match funding provided in years prior to FFY15. It includes both general funds and bond proceeds.
- “Investment Income” includes interest received on funds invested in the ACWF. These funds are listed in the amount available at the end of SFY16.
- “Repayments” is the total amount of interest payments and principal repayments made by communities who have borrowed monies from the ACWF.
- “Projected Repayments” is the amount of interest payments and principal repayments anticipated to be received in SFY17, and SFY18.
- “Transfer from ACWF to ADWF” is the amount of funds transferred from the ACWF to the Alaska Drinking Water Fund (ADWF).

**Program Commitments:**
- “Loan Commitments, Standard Loans Executed” represents the actual loan agreements that have been executed.
- “Standard Loans Pending” represents loan agreements which are currently pending execution.
- “Loan Commitments, Disadvantaged Assistance Loans/Grants Executed” represents grants that were made to certain economically disadvantaged communities early in the life of the program, and current loans with subsidies in the form of principal forgiveness.
- “Administrative Set-Aside” is the amount of funding that has been set aside for program administrative purposes up to the end of SFY17.
- “Bonding and Transaction Costs to be Paid” are anticipated administrative, bond sale and interest costs that will result from the sale of bonds in SFY17.

**SELECTION OF PROJECTS**

1. **Identification of Priority Projects**
On December 30, 2015, a letter was sent to eligible borrowers, inviting them to complete and submit a project questionnaire online. Information and details on Green Project Reserve and funding subsidies under the program were included in this initial notification.

A second notification by email was sent on October 17, 2016, informing all interested recipients that questionnaires were available to submit for the amended IUP through November 1, 2016. Eligible recipients were again invited to complete and submit their questionnaires electronically.
Using information from the questionnaires, several groups within ADEC worked together to evaluate the projects. Appendix IIa and IIb document the criteria used to assess the projects. Those criteria addressed these topics:

- Public Health
- Water Quality
- Receiving Water Usage
- Project Continuity
- Readiness to Proceed
- Ability to Repay
- Sustainability

- Prevention
- Restoration
- Stewardship
- Project Continuity
- Funding Coordination

These assessments integrate the various water quality demands and needs of the State, assigning the highest priority to those projects that addressed the greatest public health and/or water quality threats.

After all projects were evaluated, they were ranked according to their scores. Using the project scores from the list, priority lists were prepared which included those projects with the highest rank, limited by the amount of funding expected to be available.

Under this amended IUP, approximately $3,209,325 is earmarked for projects that address nonpoint source water pollution. During this year’s amended IUP solicitation, no proposals were received for nonpoint source projects and all excess available funds will be made available to any underfunded point source Priority listed project. Since there are no nonpoint source projects, a total of $16,046,629 will be available to fund point source projects. Funding projects on the Point Source priority list down to the Anchorage - GWWTF Upgrade Phase II project will require $30,494,917, which exceeds the available amount by $14,448,288. We will fund this project to the level that there are funds available.

2. Project Incentives
To encourage projects that are able to be under construction shortly after finalizing the IUP, the following incentives are offered:

- If agency plan and specification approval is documented in the project questionnaire by no later than the end of project questionnaire submission period (February 15, 2016), an extra 50 points will be added to the project’s overall questionnaire score.
- Any Funding Priority Planning List project which can demonstrate having an agency plan and specification approval in place at the time of issuance of the final IUP will be allowed to submit a loan application for funding any time after issuance of the final IUP.

3. Public Review and Comments
The IUP was public noticed April 11 through May 10, 2016. Notification of the opportunity to comment was made available to all eligible recipients and other interested parties, and was also placed on the ADEC Division of Water website. The notice was published in a newspaper of statewide circulation for a 30 day
public comment period. The notice announced the availability of the ACWF priority list, criteria system and priority list funding procedures. Appendix III is reserved for those comments and responses.

A 10-day public notice was issued in the Alaska Dispatch News on December 1, 2016 for the Amended IUP. The draft Amended IUP was also published on the ADEC website. No comments were received during the comment period.

**DISTRIBUTION OF FUNDING**

1. Projects to be Funded
   When all public comments are received, ADEC will evaluate project ranking and prepare a list of projects. The funding portion of the list (Appendix Ia and Ib) represents those projects, ranked by score, for which funding is expected to be available. The planning portion of the list (Appendix Ib) represents those projects whose rank falls below the funding portion of the list, and for which funding is not expected to be available.

   When necessary, ADEC will contact borrowers if project loan requests are determined to be excessive and could limit other project funding. ADEC may encourage such borrowers to phase the project or seek other funding sources and negotiate a reduced ACWF funding amount.

   If a project listed on the Point Source Funding Priority List has demonstrated that it is “ready to go” and received an additional 50 ranking points (as described under “Project Incentives” section on page 7), a project application may be submitted at completion of the IUP public notice period. The application does not need to be complete, but sufficient information should be provided to help initiate a financial assessment for incurring the debt, and begin the environmental review process.

2. Project Information
   Appendices Ia and Ib contain estimated dates for binding loan commitments and construction start, loan terms, disadvantage assistance, Green Project Reserve, subsidies, sustainability type, and project descriptions.

3. Disbursements
   The estimated disbursement schedule for Point Source loan projects is presented in Appendix IVa. The estimated disbursement schedule for NonPoint Source loan projects is presented in Appendix IVb. These schedules are based upon target dates contained in Appendices Ia and Ib.

4. Federal Payments
   Alaska’s proposed payment schedule for the FFY16 grant allotment is shown below. This schedule was developed based on projected needs for project construction and execution of loan agreements.
5. Bypass of Projects
If a borrower with a project on the fundable portion of the list has not turned in a completed loan application package or has not completed the state environmental review process in a timely manner, the project may be bypassed for another project on the priority list that is ready to proceed, down to and including projects on the planning list. This includes projects with listed subsidized amounts. Specific rules on project by-passing are as follows:

A. If a loan application is not submitted for a project on the fundable portion of the list within two (2) months after being placed on the priority list, the project will, without further justification, be automatically bypassed by a lower scoring project that is ready to proceed. This action includes any project ready to proceed regardless of whether it is on either the Point Source or NonPoint Source funding list, as long as funding is available.

B. Federal funding of the ACWF includes a requirement to meet minimal funding needs for soliciting projects with Green eligible components and identify projects that meet equivalency. To meet these mandated minimal funding needs, ADEC will, if necessary, bypass a priority listed project with the next highest scored eligible project on the planning list which meets these requirements. This bypassing will be done until funding requirements are minimally met.

C. If any projects are equal in scoring, the following sequence will be used to differentiate between them:

1. If a project is already under construction or is out to bid, the environmental review has been completed, and the application has been completed, that project will be moved ahead.
2. If a project requires an earlier construction date, as a result of a compliance agreement or other legal order from EPA or ADEC, that project will be placed ahead of the others.
3. If the project has been identified as having Green project components, or identified to meet equivalency, it will be move ahead.
4. A project with an earlier anticipated date for submitting a completed application will be moved forward.
5. If the projects are from the same borrower, the borrower may request that one be placed ahead of the other.
6. The individual scores from each criteria category will be compared until a difference is found. The project with the highest score in the individual category will be placed first.
6. Fund Transfer
Federal regulations allow a transfer of up to 33% of the Drinking Water Capitalization Grants to the ACWF. ADEC reserves the authority to transfer funds between the ACWF and ADWF, as appropriate, at some time in the future.

ADDITIONAL LOAN FUND POLICIES - ASSURANCES

1. Binding Commitments
ADEC will enter into loan agreements for 120 percent of the anticipated federal capitalization grant within one year of receipt of each payment from the federal government, as required by federal law.

2. Expeditious and Timely Expenditure
All funds will be expended or obligated in a timely and expeditious manner. First priority for all loans will be to assure compliance with the Clean Water Act as amended by the Water Quality Act of 1987. EPA’s Memorandum #SRF 99-05 requires the CWSRF program to execute binding commitments at least equal to the amount of funds available in the program, within one year of that fund availability. This schedule calculates the amount of funds available as of November 15, 2016, and compares that amount to the binding commitments executed as of November 15, 2016.

Funds Available as of November 15, 2016

<table>
<thead>
<tr>
<th>Total Federal Cap Grants Awarded</th>
<th>Total State Match</th>
<th>Total Principal Repayments</th>
<th>Total Interest Repayments</th>
<th>Total Investment Income</th>
<th>Total Transfers</th>
<th>Total Administrative Set-Aside</th>
<th>Total Bonding Costs</th>
<th>TOTAL FUNDS AVAILABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>249,248,962</td>
<td>46,822,885</td>
<td>173,986,325</td>
<td>31,040,037</td>
<td>46,741,482</td>
<td>(29,000,000)</td>
<td>(9,969,958)</td>
<td>(25,496,283)</td>
<td>483,373,450</td>
</tr>
</tbody>
</table>

Total Binding Commitments as of November 15, 2016: 491,687,327

Binding Commitments as a Percentage of Funds Available: 101.72%

Additionally, to assure expeditious and timely expenditure of funds, ADEC continues to require that the first disbursement request for a loan be made within two years after signing of the loan agreement. If no disbursement is made within the two year period, the ADEC may take action to recall the loan; however, an extension may be granted upon a borrower’s request, if there is reasonable justification.

3. First Use Requirement
Alaskan communities do not appear on the National Municipality Policy Non-Compliance List. Therefore, the “first-use” requirement of 40 CFR 35.3135(e) has been satisfied.

4. Title II Equivalency Compliance
The Clean Water Act and subsequent EPA regulations instituted the CWSRF loan program with numerous federal laws and authorities (Appendix V). ADEC requires compliance with these federal laws and authorities on selected ACWF loan projects. Projects that are chosen to be an equivalent project are noted only on the Point Source Priority and Planning Lists. A project is considered equivalent if it comes from a non-disadvantage community and is over 10,000 in population.
The number of equivalent projects selected will be based on the cumulative funding amount of these projects and be shown that the amount equals or exceeds the annual federal anticipated capitalization grant amount.

5. Environmental Review
All projects receiving ACWF financial assistance will be subject to the EPA approved Environmental Review Procedures of the ACWF.

6. Reporting

a) Federal Funding Accountability Transparency Act (FFATA)
ADEC is committed to transparency and accountability under FFATA (reporting requirements may be obtained at their website [https://fsrs.gov/](https://fsrs.gov/)). Program information, Intended Use Plans, Annual Reports, and other program materials are either posted on the ADEC/MGL website: [http://www.dec.state.ak.us/water/MuniGrantsLoans/index.htm](http://www.dec.state.ak.us/water/MuniGrantsLoans/index.htm), or may obtain through the program office at 410 Willoughby Street, Juneau, AK 999801. ADEC has chosen to use the equivalency method to meet FFATA reporting requirement. The project below was selected:

**Juneau – Biosolids Treatment Project Phase I** $7,977,000*

*FFATA is reported on an equivalency basis meaning up to and no more than the amount of the Capitalization Grant.

b) Clean Water Benefits Reporting (CBR) & National Information Management System (NIMS)
Program information and project milestones are reported through EPA’s CBR and NIMS databases. ADEC commits to entering benefits information on all projects into CBR by the end of the quarter in which the assistance agreement is signed. ADEC commits to entering all program information into NIMS on an annual basis as EPA requests.

c) Quarterly Project Status Reporting
Quarterly project status reports from all borrowers are required to be filed with ADEC once a funding agreement is in place. After an agreement is fully signed, a report must be submitted at the end of every State fiscal quarter thereafter and continue until final disbursement is made. ADEC will provide necessary forms for this reporting and the report will be used to provide a project status update and current financial utilization information on the loan.

d) Quarterly Financial Reporting
This year’s quarterly status reporting will include the recently implemented quarterly financial report. The financial report is essentially a disbursement request for the loan which will report quarterly financial information on the project. If the financial report documents expenditures, supporting documentation must demonstrate expenses are eligible. Borrowers may request reimbursement up to once per month, but no less frequently than once per quarter. If no costs are incurred for the reporting quarter, acknowledgement of this fact within the online report will suffice.
e) **Miscellaneous Reporting**

ADEC will provide information to EPA as needed for national reports, public inquiries, or Congressional inquiries. ADEC will continue to meet the federal Environmental Results Initiative reporting requirements by submitting environmental summaries on ACWF projects, referred to as “one-pagers,” on an on-going basis and not less than quarterly. A summary will be presented in the ACWF annual report.

7. **Additional Subsidization – Disadvantage Community Assistance**

Under the FFY16 anticipated federal capitalization grant, at least 10% of the applicable portion of the grant must be offered in the form of additional subsidies. ADEC has chosen to offer a total amount of $797,700 as additional subsidization, with $638,160 (80%) for Point Source and $159,540 (20%) for Non-Point Source as principal forgiveness. However, since no NonPoint project questionnaires were submitted under the solicitation of the IUP, all subsidy funding will go to Point Source projects.

For disadvantage communities, a subsidy of 20% of the total project costs, up to a maximum amount of $500,000 (cumulative per community), will be made with funds available if a project meets the following criteria.

1. **Project Questionnaire Solicitation**

   At the end of project questionnaire solicitation, 65% plans and specifications must be provided or verification that submission for ADEC regulatory review been done. Failure to provide demonstrating documentation will disallow award of a funding subsidy.

2. **Project Application**

   At the time a project application is submitted, 90% plans and specifications must be completed and submitted for agency review. Failure to provide demonstrating documentation may disallow award of a funding subsidy.

3. **Other Subsidy Funding Requirements**

   - The project must be listed on the project priority list; highest ranked projects will be considered first.
   - The project must be ready to start construction no later than one year after issuance of the final IUP.
   - The borrower must submit a loan application within two months following issuance of the final IUP.
   - The borrower must agree to, within one year of the date of the signed loan agreement, submit total payment request at least equal to 20% of the total loan amount.

Disadvantaged communities are provided a subsidy as part of their project assistance to help alleviate economic hardships for constructing a capital project. A community is considered disadvantaged if it meets one or more of the following criteria:
• Median Household Income (MHI) is less than the state average MHI that is currently published by the Alaska Department of Labor and Workforce Development, Research and Analysis.
• Rate of unemployment is above the state average unemployment rate that is currently published by the Alaska Department of Labor and Workforce Development, Research and Analysis.
• The five year population trend for the community is either more or less than equal to 5% of the state five year population trend. Data is provided from the Alaska Department of Labor and Workforce Development, Research and Analysis Section.
• The activity is to be carried out in an economically distressed area, as described in section 301 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161).

For Boroughs of the state, the above criteria can be used for a specific community within the Borough if the project is solely benefitting just that community.

If, after one year of IUP publication, any uncommitted subsidies exist, those funds will be distributed to projects with existing subsidies, or to those projects which are the furthest along in completion of construction.

8. Green Project Reserve (GPR)
Under the total FFY16 capitalization grant amount awarded to the State, and to the extent there are sufficient eligible project applications, not less than 10% ($797,700) of funding provided for projects must be used for following category types: green infrastructure; water or energy efficiency improvements; or environmental innovative activities. GPR projects are listed under Appendix Ia and Ib by indication of green project category type and whether project justification is either categorical, or requires a business case demonstration.

Under this IUP, two projects listed on the Project Priority lists have been identified as GPR projects based on current EPA guidance. The cumulative amount of these projects is $3,601,100, which exceeds the 10% minimal required amount by $2,804,100. ADEC will make its best effort to assure adequate participation is made for meeting the minimal reserve amount of $797,700.

Due to issues in meeting minimal GPR requirements in past years, ADEC will not issue a loan commitment on a project with designated GPR until adequate GPR documentation requirements are provided. This documentation must meet federal rules for providing an initial “business case” intent for all eligible GPR project components. At minimum, the borrower is required to provide to ADEC a Green Project Assessment form with applicable backup documentation, which will be posted no later than the next reporting quarter at the following website:

http://www.dec.state.ak.us/water/MuniGrantsLoans/greenproj.htm

When a project is designed/bid ready, a complete Business Case will be required and posted on the basis that all equipment/material, performance specifications, and associated costs will be available. Also, once
a project is complete, and prior to completion of the project performance period, the borrower will be
required to submit a follow up report demonstrating the effectiveness of the GPR project. This report will
also be put on the program’s GPR posting web site.

As necessary, ADEC will seek out other potential GPR eligible projects not initially listed in the IUP,
which meets GPR project eligibility and can be used to make up any shortfall in meeting the current year’s
GPR requirements. Additionally, as necessary, ADEC will use a stair step approach on any IUP with a
GPR requirement to fulfill any shortfall of a prior year’s IUP GPR requirement. This approach would be
done fully, or in part, with a project with excess GPR to help meet the prior year’s IUP GPR deficit.

9. Sustainability Policy
ADEC is committed to promoting sustainable design and management of wastewater utilities and clean
water resources. Projects that meet ADEC’s sustainability criteria are eligible for up to 50 bonus points in
the priority ranking system.

10. Davis-Bacon
Language in EPA’s appropriations bill requires the application of Davis-Bacon prevailing wage rates to all
treatment works projects funded in whole or in part by the CWSRF. Davis-Bacon applies to construction
contracts over $2,000 and their subcontractors, regardless of the subcontract amount.

To ensure compliance with these requirements, ADEC will confirm that the correct wage determinations
are being included in the bid specifications and/or construction contracts. ADEC will also provide
assistance to recipients with the specific EPA Davis-Bacon contract language that is to be included in bid
specifications and/or contracts. In addition, ADEC will collect Certifications of Davis-Bacon compliance
from online project quarterly report statements.

11. American Iron and Steel (AIS)
None of the funds made available to the borrower shall be used for a project including the construction,
alteration, maintenance, or repair of a public water system unless all of the iron and steel products used in
the project are produced in the United States. This requirement applies to the entire project receiving a loan
agreement that is fully signed on or after the effective date of January 17, 2014.

If approved engineering plans and specifications by a State agency are completed prior to June 10, 2014,
this requirement will not apply. Consideration for exclusions to this requirement are as follows: being
inconsistent with the public interest; iron and steel products that are not produced in the United States in
sufficient and reasonably available quantities and of a satisfactory quality; or inclusion of iron and steel
products produced in the United States will increase the cost of the overall project by more than 25 percent.

For these exclusions to apply, a request for a waiver must be submitted to the EPA for consideration and
approval. Borrowers have the option of sending a waiver request directly to EPA with a copy to ADEC, or
they may submit the waiver to ADEC who will then forward it on to the EPA. EPA will make available to
the public, on an informal basis (EPA’s public internet web site), a copy of the request and information
available to the Administrator concerning the request, and shall allow for informal public input on the
request for at least 15 days prior to making a finding based on the request.
For the most up to date information on AIS guidance and waivers, please visit the following EPA web site: http://water.epa.gov/grants_funding/aisrequirement.cfm

12. Signage
ADEC will comply with the SRF Signage Guidance in order to enhance public awareness of EPA’s assistance agreement to the State. Current signage may be referenced at the following ADEC web site: http://dec.alaska.gov/water/MuniGrantsLoans/SRFAwareness.htm

ADMINISTRATIVE USES
In SFY17, ADEC intends to administer the fund by using up to $1,108,000 from the ACWF Fee Account. Activities include evaluating loan applications, reviewing and processing payments, project loan administration, and performing project audits. This level of expenditure is expected to remain reasonably stable for several more years.

Additionally, ADEC is allowed to use up to 4% of the federal grant amount for administrative purposes (40 CFR 35.3120(g)). In SFY17, ADEC is requesting $319,080 (4%) of the FFY16 capitalization grant of $7,977,000 to provide the following activities: operator training; certification exam services and proctors; review of system classifications and operator certification applications; and Operator Certification database development and maintenance.

A calculation of total administrative reserve costs is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal grants prior to FFY16</td>
<td>$241,271,962</td>
</tr>
<tr>
<td>FFY16 Capitalization Grant</td>
<td>7,977,000</td>
</tr>
<tr>
<td><strong>Total federal grant requested</strong></td>
<td><strong>$249,248,962</strong></td>
</tr>
<tr>
<td>Allowable administrative funds (4% of 249,248,962)</td>
<td><strong>$9,969,958</strong></td>
</tr>
<tr>
<td>Administrative funds requested and reserve funds utilized*</td>
<td>$9,429,904</td>
</tr>
<tr>
<td>SFY16 administrative amount requested</td>
<td><strong>319,080</strong></td>
</tr>
<tr>
<td><strong>Total administrative funds utilized</strong></td>
<td><strong>$9,748,984</strong></td>
</tr>
<tr>
<td>Allowable administrative funds</td>
<td>$9,969,958</td>
</tr>
<tr>
<td>- Total Administrative funds utilized</td>
<td>9,748,984</td>
</tr>
<tr>
<td><strong>Amount to be reserved</strong></td>
<td><strong>$220,974</strong></td>
</tr>
</tbody>
</table>

*as February 29, 2016
Under EPA guidance, the fees collected can only be used for other administrative purposes required to manage the program as allowed under the FWPCA amendments. Effective December 29, 2000, the program collects loan administration fees equal to one-half percent (0.5%) of the principal loan balance on scheduled repayments. As of June 30, 2016, the program has collected $7,665,558. For SFY17, the program anticipates collecting $586,154 in program fees.

**LOAN TERMS**

Effective April 28, 2005, loans with a contract term of five to 20 years can be assessed an effective finance charge rate of one and one-half percent (1.5%) or 18.75% of the current bond rate as defined by the Municipal Bond Index (MBI). Loans with a contract term of one to five years can be assessed an effective interest rate of one percent (1%) or 12.5% of the current bond rate as defined by the MBI. Any loan term less than one year is assessed a one-half percent (0.5%) finance charge. Also, with the exception of loans that are paid off in less than one year, all other loan terms include a one-half percent (0.5%) administrative fee as part of the overall finance charge.

ADEC is in the process of making a regulation change to allow up to 30 year financing for eligible entities. When the new regulations become effective, an amended IUP will be issued with updated loan rates.

**CAPITALIZATION REQUIREMENTS**

In accordance with Title VI, Section 602(b) of the Clean Water Act as amended by the Water Quality Act of 1987, PL 100-4, and Alaska will accept capitalization grants in accordance with a schedule jointly agreed upon by ADEC and EPA.

A required state match equaling 20% of the federal anticipated capitalization grant ($1,595,400) will be deposited into the fund. Each loan payment made from the fund will follow the EPA rules of proportionality.

ADEC will provide the required state match from short term bonding in SFY17. By using a short term bonding technique, ADEC uses the interest income of the Fund as collateral to acquire bond receipts and avoids use of any general funds from the State budget. This process effectively substitutes bond receipts for interest income. ADEC is required to document that sufficient interest income exists in an amount equal to or greater than the proposed bonding amount and that this process will still allow the Fund to grow in perpetuity. ADEC’s program audits have documented the availability of the required amount of interest.

**CLEAN WATER ACT AMENDMENT PROPOSED UPDATES**

On June 10, 2014, the president signed into law the Water Resources Reform and Development Act of 2014 (WRRDA). Among its provisions are amendments to Titles I, II, V, and VI of the Federal Water Pollution Control Act, which includes updated rules to the CWSRF program. To meet this federal CWSRF rule change, the following changes are planned to be fully implemented into the ACWF program in SFY17:
1. **Section 602(b)(13):** Cost and Effectiveness Analysis - assistance recipients must certify that they have conducted studies and/or evaluations for meeting this analysis requirement. The new rule requires that a cost and effectiveness analysis involve at a minimum:

- the study and evaluation of the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed project or activity for which assistance is sought under this title; and

- the selection, to the maximum extent practicable, of a project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account—
  - the cost of constructing the project or activity;
  - the cost of operating and maintaining the project or activity over the life of the project or activity; and
  - the cost of replacing the project or activity.

2. **Section 602(b)(14):** Architectural and Engineering (A/E) Services procurements that includes: Feasibility Studies, Preliminary Engineering, Design, Engineering, Mapping, Surveying, and Construction Management must meet USC 40 Ch. 11 procurement requirements, or a state equivalent process if the A/E contracts are associated with projects in an amount equal to the capitalization grant (equivalency projects). The requirement is effective for projects on the IUP associated with the FFY15 capitalization grant and with A/E contracts that have been signed on or after October 1, 2014. However, only CWSRF funded contracts for A/E services associated with equivalency projects must comply with this requirement.

   Under this section, ADEC will require equivalent A/E contracts to meet USC 40 Ch. 11 procurement requirements.

3. **Section 603(c)(1-11):** Project Eligibilities, as applicable the following updates will be made.
   a. **Land:** Additional eligibility on costs associated with land purchases. These changes include: leasing or fee-simple purchase of land; surface and subsurface easements; store equipment and materials during construction; locate eligible treatment or distribution/collection projects; and, effluent application or recharge basins.

   b. **Decentralized Systems:** New construction may now be funded for either individual or cluster on-site systems, which they can be publicly or privately owned, and, they may serve either public or private purposes.

   c. **Stormwater Projects:** Are now eligible as an independent authority (does not have to be an eligible component of a 319 plan), and privately owned permitted stormwater projects can now be now funded, which includes stormwater projects in MS4 permitted areas.
d. **Other Minor Eligibility Changes:** Water Conservation; Efficiency, & Reuse, Watershed Projects; Energy Initiatives; Recycled Water & Water Reuse; Security Initiatives; and, Funding for Nonprofits. Note: some parts of these may not be fully implemented into the ACWF program.

4. **Section 603(d)(1)(A&B):** Loan terms may be up to 30 years or the useful life of the project, whichever is shorter, and should not exceed the useful life of the project as determined by the state. Additionally, existing loans can be restructured with a longer maturity if the useful life allows – e.g., 20 year loan with 10 years remaining can be restructured to add 20 years (30 years total) if the useful life is 30 years or more.

5. **Under Section 603(d)(1)(E):** Fiscal Sustainability Plans (FSP) - Applies to all loans (funded off the SFY16 (FFY15 cap grant) IUP) to publicly owned treatment works (POTWs) eligible under 603(c)(1) that involve repair, replacement, or expansion of a treatment works. The statute requires that FSPs include, at a minimum:
   
   a. An inventory of critical assets that are part of the treatment works;
   
   b. An evaluation of the condition and performance of those assets;
   
   c. A certification that the assistance recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and,
   
   d. A plan for maintaining, repairing, and replacing the treatment works and a plan for funding such activities. New treatment works do not have to complete an FSP unless they are physically replacing (demolition and replacement) or adding to the capacity of an existing system. Upgrades that do not involve repair, replacement or expansion (such as adding advanced treatment) do not require a FSP.
CONTENT OF APPENDICES

Appendix Ia. Point Source Planning Priority & Planning Lists
Ib. Non-Point Source Funding Priority & Planning Lists

Appendix IIA. Point Source Priority Criteria
IIB. Non-Point Source Priority Criteria

Appendix III. Public Comments

Appendix IV. Estimated Disbursement Schedule for Point Source and Non-Point Source Projects

Appendix V. Federal “Cross-Cutter” Authorities
APPENDIX Ia

ALASKA CLEAN WATER FUND

Point Source Funding Priority & Planning Lists
## ALASKA CLEAN WATER FUND
### Point Source Funding Priority List - Amended
#### Fiscal Year 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>Score</th>
<th>APDES Permit Number</th>
<th>Category</th>
<th>Community</th>
<th>Project Title</th>
<th>Project Description</th>
<th>Requested Assistance Amount</th>
<th>Finance Charge Rate</th>
<th>Term (Yrs)</th>
<th>Subsidy</th>
<th>Green Project Amount</th>
<th>Estimated Binding Commitment</th>
<th>Estimated Construction Start</th>
<th>Sustainability Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>645</td>
<td>AK-0021393</td>
<td>I</td>
<td>North Pole</td>
<td>Wastewater Effluent Discharge Phase I</td>
<td>The City’s existing sewer outfall needs an extension to resolve a Notice of Violation for loss of the outfall’s mixing zone caused by the periodic loss of river flow at current outfall location.</td>
<td>$2,000,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td>$400,000</td>
<td>11/1/2016</td>
<td>5/1/2018</td>
<td>Improve TFM</td>
</tr>
<tr>
<td>2</td>
<td>605</td>
<td>AK-0021440</td>
<td>III(b)</td>
<td>Ketchikan</td>
<td>Schoenbar Road Sewer Mains Replacement</td>
<td>Install 2,200 Linear feet of 8” to 12” C900 PVC sewer mains, and 12 sewer manholes, in approximately 1,400 feet of roadway.</td>
<td>$3,485,817</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td>$397,700</td>
<td>7/1/2016</td>
<td>9/30/2016</td>
<td>Fix it First</td>
</tr>
<tr>
<td>3</td>
<td>570</td>
<td>AK-0022551</td>
<td>III(b)</td>
<td>Anchorage - AWWU</td>
<td>PS 30/31 Force Main and Facility Upgrades</td>
<td>Installation of two energy efficient pumps at PS 31 will replace four (4) existing pumps (between PS 30 and 31).</td>
<td>$1,760,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td>$352,000</td>
<td>7/15/2016</td>
<td>10/1/2016</td>
<td>Fix it First</td>
</tr>
<tr>
<td>4</td>
<td>540</td>
<td>2007-DB0003</td>
<td>III(b)</td>
<td>Nome - NJ US</td>
<td>Sclaircore Replacement, Phase III</td>
<td>Replacement of aging sewer distribution piping which is experiencing a high rate of failure and leakage due to thawing of underlying permafrost pockets.</td>
<td>$3,249,100</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td>$3,249,100</td>
<td>6/15/2016</td>
<td>6/1/2016</td>
<td>Fix it First</td>
</tr>
<tr>
<td>5</td>
<td>575</td>
<td>AK-0047856</td>
<td>I</td>
<td>Anchorage - AWWU</td>
<td>GWWT Upgrade Phase II</td>
<td>Work will include various upgrades and expansion of the Girdwood Wastewater Treatment Facility to meet existing and future flows from the Girdwood area.</td>
<td>$20,000,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td></td>
<td>7/15/2016</td>
<td>10/18/2017</td>
<td>Fix it First</td>
</tr>
</tbody>
</table>

**Total Requested Amount:** $30,494,917

**Total Subsidized Amount:** $797,700

**Total Equivalency Amount:** $7,245,817

**Total Green Amount:** $3,601,100

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1 Subsidy funding for the Ketchikan - Schoenbar Road Sewer Mains Replacement project is limited to available subsidy funds.

2 Full funding of the Anchorage - GWWT Upgrade Phase II project for $20,000,000, will be dependent upon available remaining loan funds. The Department will negotiate with Anchorage to provide additional funds as they become available later in the year. Additionally, the Anchorage - PS 30/31 Force Main and Facility Upgrades and the Nome - Sclaircore Replacement, Phase III projects were bypassed to the Funding Priority list to satisfy minimal Green Project Reserve requirements under the FFY’16 cap grant.

3 Total available loan and subsidy (as principle forgiveness) funding amounts under this amended IUP is $16,046,629 and $797,700, respectively, and are split on a ratio of 80/20 between Point Source Priority List ($12,837,303 & $638,160 of subsidy) and Non-Point Source Priority List ($3,209,326 & $159,540 of subsidy) projects. Note, since no project questionnaires were received for Non-Point Source projects this year, all funding and subsidy will go to Point Source projects.

4 Criteria for being eligible for a loan subsidy may be referenced on page 11 under the narrative section of the IUP.

5 Total available loan and subsidy (as principle forgiveness) funding amounts under this amended IUP is $16,046,629 and $797,700, respectively, and are split on a ratio of 80/20 between Point Source Priority List ($12,837,303 & $638,160 of subsidy) and Non-Point Source Priority List ($3,209,326 & $159,540 of subsidy) projects. Note, since no project questionnaires were received for Non-Point Source projects this year, all funding and subsidy will go to Point Source projects.

6 Sustainability Policy - *Fix it First* - fix existing critical infrastructure; *Improve TFM* - improve technical, financial and managerial capacity of the system; and, *Planning* - planning and development of alternative projects that reflect the full life cycle cost of infrastructure.
## AKasaki Clean Water Fund
### Point Source Funding Priority Planning List - Amended
#### Fiscal Year 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>Score</th>
<th>APDES Permit Number</th>
<th>Category</th>
<th>Community</th>
<th>Project Title</th>
<th>Project Description</th>
<th>Requested Assistance Amount</th>
<th>Finance Charge Rate</th>
<th>Term (Yrs)</th>
<th>Green Project Amount¹</th>
<th>Green Project Type²</th>
<th>Estimated Binding Commitment</th>
<th>Estimated Construction Start</th>
<th>Sustainability Policy²</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>555</td>
<td>AK-0021458</td>
<td>III(b)</td>
<td>Petersburg</td>
<td>Pump Station 4 Force Main Replacement</td>
<td>Replace a ductile iron force main that has been under influence of tidal waters since its installation in the mid 1970's.</td>
<td>$360,000</td>
<td>1.50%</td>
<td>20</td>
<td>$42,613</td>
<td>10/3/2016</td>
<td>Fix it First</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>485</td>
<td>AK-0022551</td>
<td>III(b)</td>
<td>Anchorage - AWWU</td>
<td>D-2-4 Trunk Improvement</td>
<td>Realign and correctly size D-2-4 sewer trunk main to reduce SSO issues, allow for easier access, and reduce the need for emergency maintenance in the future.</td>
<td>$750,000</td>
<td>1.50%</td>
<td>20</td>
<td>$112,161</td>
<td>8/15/2017</td>
<td>Improve TFM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>480</td>
<td>AK-0021440</td>
<td>III(b)</td>
<td>Ketchikan</td>
<td>Chatham Avenue Sewer Main Replacement</td>
<td>Install 488-lineal feet of 8” CI000 PVC sewer mains, (2) sewer manholes, and (16) services installed to the edge of the right-of-way, in approximately 540 feet of roadway.</td>
<td>$1,225,368</td>
<td>1.50%</td>
<td>20</td>
<td>$78,364</td>
<td>9/20/2016</td>
<td>Fix it First</td>
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<tr>
<td>9</td>
<td>410</td>
<td>AK-0021458</td>
<td>III(b)</td>
<td>Petersburg</td>
<td>Kiseno Street Sewer Replacement</td>
<td>Replace failing asbestos cement and PVC pipe on Kiseno Street.</td>
<td>$160,000</td>
<td>1.50%</td>
<td>20</td>
<td>$15,600</td>
<td>9/20/2016</td>
<td>Fix it First</td>
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<td></td>
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<tr>
<td>10</td>
<td>400</td>
<td>AK-0021245</td>
<td>III(b)</td>
<td>Homer</td>
<td>Kachemak Drive Sewer Main (Phase III)</td>
<td>Install 4500 LF of low pressure force main along Kachemak Drive to serve the existing homes on-site wastewater disposal systems fail due to a high groundwater table.</td>
<td>$801,800</td>
<td>1.50%</td>
<td>20</td>
<td>$131,800</td>
<td>7/15/2016</td>
<td>Improve TFM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>400</td>
<td>AK-0021440</td>
<td>III(b)</td>
<td>Ketchikan</td>
<td>Front, Mill, Stedman Water and Sewer Replacement</td>
<td>Upgrade of approximately 3,300-lf of sewer main along the South Tongass Highway from Grant Street intersection to Deerman Street intersection.</td>
<td>$5,178,783</td>
<td>1.50%</td>
<td>20</td>
<td>$53,783</td>
<td>9/30/2016</td>
<td>Fix it First</td>
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<tr>
<td>12</td>
<td>390</td>
<td>AK-0022551</td>
<td>III(b)</td>
<td>Anchorage - AWWU</td>
<td>3rd-4th Ave-Ingra-Eagle St Sewer Rehabilitation</td>
<td>Rehabilitate sections of 1951 vintage concrete sewer pipe that has failed due to root intrusion and root caused fractures, and is located in the alley between 3rd and 4th Avenue and Eagle and Ingra Street.</td>
<td>$245,600</td>
<td>1.50%</td>
<td>20</td>
<td>$15,600</td>
<td>7/15/2016</td>
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<td></td>
</tr>
<tr>
<td>13</td>
<td>390</td>
<td>AK-0022551</td>
<td>III(b)</td>
<td>Anchorage - AWWU</td>
<td>Blueberry Sewer Rehabilitation</td>
<td>Rehabilitate deteriorated 8-inch asbestos concrete sewer pipe along back lot lines between Arctic Blvd &amp; Blueberry Rd and W. 27th Ave &amp; W. Northern Lights Blvd.</td>
<td>$1,176,000</td>
<td>1.50%</td>
<td>20</td>
<td>$117,600</td>
<td>7/15/2016</td>
<td>Fix it First</td>
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<td></td>
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<tr>
<td>14</td>
<td>390</td>
<td>AK-0022551</td>
<td>III(b)</td>
<td>Anchorage - AWWU</td>
<td>2nd Ave Post Rd Sewer Rehabilitation</td>
<td>Replace and/or rehabilitate 1965 vintage asbestos cement sewer pipe with multiple structural defects in the vicinity of 2nd Ave and Post Rd.</td>
<td>$469,600</td>
<td>1.50%</td>
<td>20</td>
<td>$93,900</td>
<td>9/16/2016</td>
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<tr>
<td>15</td>
<td>365</td>
<td>AK-0022551</td>
<td>III(b)</td>
<td>Anchorage - AWWU</td>
<td>Mills Drive Sewer Upgrade</td>
<td>Replace/rehabilitate AC sewer main, and rehabilitate and realign at least one manhole. Both are failing and improvements will reduce SSO's and groundwater i&amp;i issues.</td>
<td>$2,182,000</td>
<td>1.50%</td>
<td>20</td>
<td>$218,200</td>
<td>7/15/2016</td>
<td>Improve TFM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>335</td>
<td>AK-0021474</td>
<td>III(b)</td>
<td>Sitka</td>
<td>Brady Lift Station Upgrades</td>
<td>Replacement of inefficient pumps, motors and motor controllers with state-of-the-art equipment, including three variable speed drives.</td>
<td>$217,400</td>
<td>1.50%</td>
<td>20</td>
<td>$143,410</td>
<td>10/2/2016</td>
<td>Fix it First</td>
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</tr>
<tr>
<td>17</td>
<td>335</td>
<td>AK-0021474</td>
<td>III(b)</td>
<td>Sitka</td>
<td>Lake and Monastery Sewer Improvements</td>
<td>Replace approximately 2430 LF of sewer main, 11 manholes and 47 sewer services on Lake, Monastery, Kinkead and Hirst Streets.</td>
<td>$2,581,861</td>
<td>1.50%</td>
<td>20</td>
<td>$562,350</td>
<td>10/2/2016</td>
<td>Fix it First</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>325</td>
<td>Mat-Su Borough</td>
<td>Mat-Su Septage &amp; Leachate Treatment Facility</td>
<td>Design and construct a new septage and leachate facility to minimize septage and leachate disposal costs and environmental impacts in the Matanuska-Susitna Valley.</td>
<td>$22,000,000</td>
<td>1.50%</td>
<td>20</td>
<td>$1,083,400</td>
<td>7/9/2016</td>
<td>Improve TFM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>310</td>
<td>AK-0022551</td>
<td>III(b)</td>
<td>Anchorage - AWWU</td>
<td>7th-9th Ave I St - LM Alley Sewer Ugrades</td>
<td>Rehabilitate nearly 2,700 feet of sewer pipe with known structural deficiencies at 7th-9th Ave &amp; I St - LM Alleyway.</td>
<td>$784,000</td>
<td>1.50%</td>
<td>20</td>
<td>$78,400</td>
<td>7/15/2016</td>
<td>Fix it First</td>
<td></td>
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1. Green Project Justification Type: GIF - Green Infrastructure, WTR - Water Efficiency, ENG - Energy Efficiency & EIN - Environmentally Innovative. Green Project Justification Type: BC - Business Case / CAT - Categorical. Funding for Green projects is based on meeting a minimal required amount of $797,700 under the State's capitalization grant for the program. Note, an extra 25 scoring points are awarded to Green projects.

2. Sustainability Policy - *"Fix it First"* - fix existing critical infrastructure; *"Improve TFM"* - improve technical, financial and managerial capacity of the system; and, *"Planning"* - planning and development of alternative projects that reflect the full life cycle cost of infrastructure.
## ALASKA CLEAN WATER FUND

### Point Source Funding Priority Planning List (Continued) - Amended

**Fiscal Year 2017**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Score</th>
<th>APDES Permit Number</th>
<th>Category</th>
<th>Community</th>
<th>Project Title</th>
<th>Project Description</th>
<th>Requested Assistance Amount</th>
<th>Finance Charge Rate</th>
<th>Term (Yrs)</th>
<th>Green Project Amount¹</th>
<th>Green Project Type¹</th>
<th>Estimated Construction Start</th>
<th>Estimated Binding Commitment</th>
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<th>Total Requested Amount</th>
<th>Total Green Amount³</th>
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<tr>
<td>20</td>
<td>310</td>
<td>AK-0021474</td>
<td>Ill(b)</td>
<td>Sitka</td>
<td>Lift Station Backup Generator Replacement</td>
<td>Replace the Thomsen Lift Station backup generator along with two other generators determined to be most in need on the sewer collection system.</td>
<td>$311,000</td>
<td>1.50%</td>
<td>20</td>
<td>$311,000</td>
<td>ENG-BC</td>
<td>10/12/2016</td>
<td>5/1/2017</td>
<td>Fix it First</td>
<td>$ 33,083,764</td>
<td>$ 1,131,000</td>
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<td>21</td>
<td>295</td>
<td>AK-0021431</td>
<td>IV(a)</td>
<td>Valdez</td>
<td>Airport Industrial Subdivision Sewer</td>
<td>Extend the municipal sewer mainline by 6,963 feet to service Airport Industrial Subdivision and replace existing on-site septic systems.</td>
<td>$843,364</td>
<td>1.50%</td>
<td>20</td>
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<td>7/15/2016</td>
<td>6/13/2016</td>
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<tr>
<td>22</td>
<td>295</td>
<td>AK-002213</td>
<td>I</td>
<td>Juneau</td>
<td>Long Term Biosolids Treatment &amp; Disposal, Phase II</td>
<td>Construct a biosolids treatment facility in Juneau that will produce Class A biosolids, and upgrade headworks for both the Mendenhall and Juneau-Douglas wastewater treatment plants.</td>
<td>$10,000,000</td>
<td>1.50%</td>
<td>20</td>
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<td>10/2/2015</td>
<td>6/13/2016</td>
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<td>23</td>
<td>290</td>
<td>AK-0047856</td>
<td>Ill(a)</td>
<td>Anchorage - AWWU</td>
<td>Girdwood 1&amp;2, Ph VIII</td>
<td>Remove and replace sewer services that have been identified to have ground water infiltration.</td>
<td>$550,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td></td>
<td>10/1/2016</td>
<td>5/1/2017</td>
<td>Fix it First</td>
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<td>24</td>
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<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>W 72nd Ave Trunk Rehabilitation</td>
<td>Upgrade a failing 15-inch corrugated metal pipe sewer trunk by either using cured-in-place pipe, or by direct pipe replacement.</td>
<td>$838,400</td>
<td>1.50%</td>
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<td>7/15/2016</td>
<td>3/15/2017</td>
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<td>25</td>
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<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>Interceptor C: Force Main Gravity Junction Rehabilitation</td>
<td>Construct a new, or upgrade the existing manhole at the discharge of Pump Station 12 into Interceptor C. Rehabilitate if needed a few hundred feet of 48-inch concrete pipe along Interceptor C.</td>
<td>$600,000</td>
<td>1.50%</td>
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<td>7/15/2016</td>
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<td>Fix it First</td>
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<td>26</td>
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<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>1st Avenue A-F Streets Sewer Rehabilitation</td>
<td>Upgrade approximately 2,000 feet of 1950's vintage failing concrete sewer main.</td>
<td>$538,400</td>
<td>1.50%</td>
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<td>7/15/2016</td>
<td>6/15/2017</td>
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<td>27</td>
<td>290</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>5th-7th Ave Coastal-Ocean Sewer Rehabilitation</td>
<td>Replace several sections of structural deficient concrete sewer pipe located on M Street, Pacific Place, West 6th Avenue, and Ocean Place.</td>
<td>$326,400</td>
<td>1.50%</td>
<td>20</td>
<td></td>
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<td>7/15/2016</td>
<td>6/15/2017</td>
<td>Fix it First</td>
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<td>28</td>
<td>285</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>King Street Septage Receiving Station</td>
<td>Rehabilitate and upgrade the existing King St. Septage Receiving Station to improve the access, reliability and cleanliness of the existing station.</td>
<td>$1,378,400</td>
<td>1.50%</td>
<td>20</td>
<td></td>
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<td>7/15/2016</td>
<td>6/15/2017</td>
<td>Improve TFM</td>
<td></td>
<td></td>
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<tr>
<td>29</td>
<td>285</td>
<td>AK-0022551</td>
<td>IV(a)</td>
<td>Mat-Su Borough</td>
<td>Central Landfill Cell 4 Design and Construction</td>
<td>Design and construct a new lined cell, build and tie into an existing leachate system, and tie into adjacent landfill cells at the Central Landfill.</td>
<td>$7,000,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td></td>
<td>6/22/2016</td>
<td>3/20/2017</td>
<td>Improve TFM</td>
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<tr>
<td>30</td>
<td>285</td>
<td>AK-0022551</td>
<td>IV(a)</td>
<td>Mat-Su Borough</td>
<td>Leachate Pipeline and Storage</td>
<td>Construct a new pipeline, two holding ponds, pumping system, and access road to move leachate from two existing storage tanks to the new holding ponds.</td>
<td>$5,000,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td></td>
<td>6/22/2016</td>
<td>3/20/2017</td>
<td>Improve TFM</td>
<td></td>
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<tr>
<td>31</td>
<td>275</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>PS 52 Improvements</td>
<td>Reconstruct an existing pump station located in the eyebrow of Crested Butte Drive, west of the Davis Street ROW. The station's current capacity is limited and even less as the area expands out.</td>
<td>$1,708,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td></td>
<td>11/21/2016</td>
<td>8/15/2016</td>
<td>Improve TFM</td>
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<tr>
<td>32</td>
<td>110</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>King Street Improvements</td>
<td>Improvements to the Main Building 2nd floor office, Main Building 1st floor office, and Shop Building. Additionally, Main Building exterior upgrades and Main Building mechanical upgrades.</td>
<td>$3,000,000</td>
<td>1.50%</td>
<td>20</td>
<td>$820,000</td>
<td>ENG-BC</td>
<td>7/15/2016</td>
<td>2/15/2017</td>
<td>Improve TFM</td>
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<tr>
<td>33</td>
<td>85</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWWU</td>
<td>King St Back Up Power Upgrade</td>
<td>Installation of backup power to the King Street O&amp;M Main Building Headquarters, and to the existing King Street Warm Storage Building.</td>
<td>$1,040,000</td>
<td>1.50%</td>
<td>20</td>
<td></td>
<td></td>
<td>7/15/2016</td>
<td>10/15/2016</td>
<td>Improve TFM</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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1. Green Project Reserve Category Type: GIF - Green Infrastructure, WTR - Water Efficiency, ENG - Energy Efficiency & EIN - Environmentally Innovative. Green Project Justification Type: BC - Business Case / CAT - Categorical. Funding for Green projects is based on meeting a minimal required amount of $797,700 under the State's capitalization grant for the program. Note, an extra 25 scoring points are awarded to Green projects.

2. Sustainability Policy - "Fix it First" - fix existing critical infrastructure; "Improve TFM" - improve technical, financial and managerial capacity of the system; and, "Planning" - planning and development of alternative projects that reflect the full life cycle cost of infrastructure.

---

*Disadvantaged Community (criteria may be referenced on page 11)*

*Equivalency Project (criteria may be referenced on page 10)*

*Extra 50 points for "ready to go projects," approved construction by February 15, 2016*
ALASKA CLEAN WATER FUND
Point Source Funding Priority Planning List (Continued) - Amended
Fiscal Year 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>Score</th>
<th>APDES Permit Number</th>
<th>Category</th>
<th>Community</th>
<th>Project Title</th>
<th>Project Description</th>
<th>Requested Assistance Amount</th>
<th>Finance Charge Rate</th>
<th>Term (Yrs)</th>
<th>Green Project Amount1</th>
<th>Green Project Type1</th>
<th>Estimated Binding Commitment</th>
<th>Estimated Construction Start</th>
<th>Sustainability Policy2</th>
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<tr>
<td>34</td>
<td>80</td>
<td>AK-0022551</td>
<td>I</td>
<td>Anchorage - AWU</td>
<td>Aspuldur Grit Facility Improvement</td>
<td>Improvements to Grit Facility which includes, replacement of isolation gates, blower piping modifications, install grit pump, and replace hydrotreaters.</td>
<td>$560,000</td>
<td>1.50%</td>
<td>20</td>
<td>7/15/2016</td>
<td>7/1/2017</td>
<td>Improve TFM</td>
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<tr>
<td>35</td>
<td>75</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWU</td>
<td>King Street Warm Storage Bldg Upgrades</td>
<td>Development of a new low cost stand alone building to house existing equipment, new equipment including SS trunk cleaning equipment, and future equipment.</td>
<td>$3,288,000</td>
<td>1.50%</td>
<td>20</td>
<td>7/1/2016</td>
<td>2/15/2017</td>
<td>Improve TFM</td>
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<tr>
<td>36</td>
<td>75</td>
<td>AK-0022551</td>
<td>I</td>
<td>Anchorage - AWU</td>
<td>Aspuldur Process Water Supply Rehabilitation</td>
<td>Upgrade existing process water wells with the intent to reduce consumption of domestic water and reduce overall utility expenditures for the treatment plant.</td>
<td>$800,000</td>
<td>1.50%</td>
<td>20</td>
<td>7/15/2016</td>
<td>6/1/2017</td>
<td>Improve TFM</td>
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<tr>
<td>37</td>
<td>55</td>
<td>AK-0022543</td>
<td>I</td>
<td>Anchorage - AWU</td>
<td>ERWWTF Facility Plan</td>
<td>Update and replace the existing facility plan with considerations on current and future use, discharge permit compliance, population projections, and other utility initiatives.</td>
<td>$400,000</td>
<td>1.50%</td>
<td>20</td>
<td>7/15/2016</td>
<td>1/1/2017</td>
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<td>38</td>
<td>265</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWU</td>
<td>Farm Ave Sewer Rehabilitation</td>
<td>Replace undersized gravity sewer pipes downstream of PS 53 to accommodate pump station flow and future development. Currently, these sewer mains are running at 100% design capacity.</td>
<td>$1,256,000</td>
<td>1.50%</td>
<td>20</td>
<td>11/21/2016</td>
<td>8/15/2016</td>
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<tr>
<td>39</td>
<td>255</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWU</td>
<td>SE Brough Glenn Sewer Upgrades</td>
<td>Rehabilitate or replace seven 8” concrete sewer mains totaling 1,900 feet at the end of their useful life. Replacement will avoid emergency repair costs and impacts to the community.</td>
<td>$1,282,000</td>
<td>1.50%</td>
<td>20</td>
<td>11/21/2016</td>
<td>8/15/2016</td>
<td>Improve TFM</td>
<td></td>
<td></td>
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<tr>
<td>40</td>
<td>255</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWU</td>
<td>Seppala Drive SS Main Recon 30th Ave NLB</td>
<td>Realign and replace the wood stave sanitary sewer main flowing north from Tumagain Elementary School to Northern Lights Blvd in conjunction with a school remodel project.</td>
<td>$572,000</td>
<td>1.50%</td>
<td>20</td>
<td>11/21/2016</td>
<td>8/15/2016</td>
<td>Improve TFM</td>
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<tr>
<td>41</td>
<td>255</td>
<td>AK-0022551</td>
<td>Ill(b)</td>
<td>Anchorage - AWU</td>
<td>PS 12 Force Mains</td>
<td>Reconstruct the force main crossing at Campbell Creek, west of the Campbell Lake Dam and east of Pump Station 12. Culverts supporting the force main show signs of potential structural failure.</td>
<td>$1,282,000</td>
<td>1.50%</td>
<td>20</td>
<td>11/21/2016</td>
<td>8/15/2016</td>
<td>Improve TFM</td>
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<tr>
<td>42</td>
<td>215</td>
<td>AK-0021555</td>
<td>I</td>
<td>Kodiak</td>
<td>City of Kodiak Wastewater Centrifuge Installation</td>
<td>Installation of a new centrifuge for dewatering biosolids.</td>
<td>$800,000</td>
<td>1.50%</td>
<td>20</td>
<td>7/22/2016</td>
<td>9/9/2016</td>
<td>Fix it First</td>
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<tr>
<td>43</td>
<td>200</td>
<td>AK-0021245</td>
<td>IV(a)</td>
<td>Homer</td>
<td>Lillian Walli Subdivision/Eric Ln Sewer Extension</td>
<td>Installation of approximately 1240 LF of sanitary sewer main to 18 lots in the Lillian Walli Subdivision who are currently using marginal on-site wastewater disposal systems.</td>
<td>$262,000</td>
<td>1.50%</td>
<td>20</td>
<td>6/15/2016</td>
<td>7/15/2016</td>
<td>Improve TFM</td>
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Total Requested Amount: $ 10,562,000
Total Green Amount: $ -

Extra 50 points for "ready to go projects," approved construction by February 15, 2016

Total Priority & Planning Amount: $111,313,083
Total Priority & Planning Green Amount: $ 3,717,860

1 Green Project Reserve Category Type: GIF- Green Infrastructure, WTR - Water Efficiency, ENG - Energy Efficiency & EIN - Environmentally Innovative. Green Project Justification Type: BC - Business Case / CAT - Categorical. Funding for Green projects is based on meeting a minimal required amount of $797,700 under the State's capitalization grant for the program. Note, an extra 25 scoring points are awarded to Green projects.

2 Sustainability Policy - "Fix it First" - fix existing critical infrastructure; "Improve TFM" - improve technical, financial and managerial capacity of the system; and, "Planning" - planning and development of alternative projects that reflect the full life cycle cost of infrastructure.

Point Source Project Description Revisions
Fiscal Year 2017

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<th>APDES Permit Number</th>
<th>Category</th>
<th>Community</th>
<th>Project Title</th>
<th>Project Description1</th>
<th>Requested Assistance Amount</th>
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<th>Term (Yrs)</th>
<th>Green Project Amount1</th>
<th>Green Project Type1</th>
<th>Estimated Binding Commitment</th>
<th>Estimated Construction Start</th>
<th>Sustainability Policy2</th>
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<tbody>
<tr>
<td>AK-0021474</td>
<td>Ill(b)</td>
<td>Sitka</td>
<td>DeGroff Street Sewer Improvements</td>
<td>Replace failing sanitary/storm sewers on DeGroff St. from Sawmill Creek Rd to Lake St., and on South Lake St. from SMCHPR roundabout to DeGroff St. Also, energy savings with less I&amp;I impact.</td>
<td>$1,463,700</td>
<td>1.50%</td>
<td>20</td>
<td>$156,800</td>
<td>ENG-BC</td>
<td>8/30/2014</td>
<td>5/15/2016</td>
<td>Fix it First</td>
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3 The Sitka "DeGroff Street Sewer Improvements" project was originally listed under the SFY 2015 IUP. Recently, due to scope of work changes the project is being relisted with a revised project description to include additional work items (underlined above). A loan offer was issued on June 29, 2015 and all other conditions in the agreement remain unchanged.

CW PS Priority Planning List-Amended
Appendix Ia
IUP
APPENDIX Ib

ALASKA CLEAN WATER FUND
Non-Point Source Funding Priority & Planning Lists
## ALASKA CLEAN WATER FUND
### Non-Point Source Funding Priority List - Amended
#### Fiscal Year 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>Score</th>
<th>Community</th>
<th>Project Title</th>
<th>Project Description</th>
<th>How this project implements Alaska’s Nonpoint Source Strategy:</th>
<th>Requested Assistance Amount</th>
<th>Finance Charge Rate</th>
<th>Term (Yrs)</th>
<th>Green Project Amount</th>
<th>Green Project Type</th>
<th>Estimated Binding Commitment</th>
</tr>
</thead>
</table>

- Disadvantaged Community (criteria may be referenced on page 10)

Total Requested Amount: $ -

1 Total available loan and subsidy (as principle forgiveness) funding amounts under this amended IUP is $16,046,629 and $797,700, respectively, and are split on a ratio of 80/20 between Point Source Priority List ($12,837,303 & $638,160 of subsidy) and Non-Point Source Priority List ($3,209,326 & $159,540 of subsidy) projects. Note, since no project questionnaires were received for Non-Point Source projects this year, all funding and subsidy will go to Point Source projects.

2 Green Project Reserve Category Type: GIF - Green Infrastructure, WTR - Water Efficiency, ENG - Energy Efficiency & EIN - Environmentally Innovative. Green Project Justification Type: BC - Business Case / CAT - Categorical. Funding for Green projects is based on meeting a minimal required amount of $797,700 under the State's capitalization grant for the program. Note, an extra 25 scoring points are awarded to Green projects.
APPENDIX IIa

ALASKA CLEAN WATER FUND

Point Source Priority Criteria
ALASKA CLEAN WATER FUND
STATE REVOLVING FUND (SRF)
PRIORITY CRITERIA FOR SFY17
POINT SOURCE PROJECTS

Alaska has established the following criteria to prioritize point source wastewater projects seeking funding from the Alaska Clean Water Fund, the Clean Water Act State Revolving Loan Fund. These criteria rank point source projects (CWA Sec.212) by their relative threats to public health and the environment. The results of the most recent 303(d) list priorities will be utilized for identifying important water quality issues.

PUBLIC HEALTH CONSIDERATIONS (only one)

1. A human disease event exists, documented by a recognized public health authority. Construction of this project will correct the problem.  
   Examples include providing public health alert/notice(s) documentation from a recognized public health authority. Also, documentation that either requires construction of the project through a regulatory compliance order or by action from the community issuing an ordinance/resolution for proceeding with the project. 
   Assigned Points 350

2. Current conditions are severe enough that a disease event can occur, but has not been reported. This project will resolve the problem. 
   Examples include providing documentation such as multiple maintenance crew reports or study(s) that demonstrate current conditions are severe enough that a disease event can occur. 
   Assigned Points 300

3. Conditions indicate that there is a high potential that a disease event could occur. This project will minimize potential future public health problems. 
   Examples include providing documentation such as a maintenance crew report(s), study(s), or documented photographs that can demonstrate a need that current conditions indicate that there is a high potential that a disease event could occur. 
   Assigned Points 200

4. Conditions are not probable that a disease event will occur. This project will minimize potential future public health problems. 
   Assigned Points 100

5. This project has no significant health related issues 
   Assigned Points 0

WATER QUALITY CONSIDERATIONS (only one)

1. This project will correct a documented pollution event in a: 
   - Non-303 d listed Water 
   - 303(d) Category 4a Listed Water Body 
   - 303(d) Category 4b Listed Water Body 
   - 303(d) Category 4c Listed Water Body 
   - 303(d) Category 5 Listed Water Body 

   Assigned Points 250

   Assigned Points 240

   Assigned Points 230

   Assigned Points 230

   Assigned Points 220
2. Current conditions are severe enough that a pollution event can occur, but has not been reported yet. This project will correct the problem in a:

   Non-303 d listed Water       230
   303(d) Category 4a Listed Water Body 220
   303(d) Category 4b Listed Water Body 210
   303(d) Category 4c Listed Water Body 210
   303(d) Category 5 Listed Water Body 200

3. This project will minimize the potential for future pollution events 100
4. This project has minimal impact on future pollution events 0

RECEIVING WATER USE (only one)

This project addresses adverse impacts to:

   1. Freshwater/groundwater
      drinking or food processing 10
      propagation of fish, shellfish, etc., as a food source 5
      water contract recreation 2

   2. Marine waters/estuaries
      propagation of fish, shellfish, etc., as a food source 5
      water contract recreation 2

   3. This project will not significantly address any adverse water quality impacts 0

LOCAL INITIATIVE (only one)

   1. This project will complete a project that has already begun construction and has completed an environmental review. 50

   2. This project has DEC approved engineered plans and has a prepared or completed environmental review. 40

   3. At least 65% engineered plans have been prepared. 30

   4. A feasibility study for this project has been prepared. 20

   5. No planning or study document has been completed. 0

FUNDING COORDINATION (only one)

   1. This project will use other state, federal or local funds. 15

   2. Not yet determined. 0
**ABILITY TO REPAY (only one)**

1. A viable repayment source has been identified. 10
2. Not yet determined. 0

**SUSTAINABILITY PROJECTS (only one)**

1. Fix It First Projects 50
2. Effective Utility Management 25
3. Planning 25
4. Not Applicable 0

**OPERATOR CERTIFICATION (Only one)**

1. The system employs or has on contract the correct level of certified or qualified operators 5
2. Not adequately certified/qualified. 0

**AFFORDABILITY CRITERIA (only one)**

<table>
<thead>
<tr>
<th>Loan cost to population benefiting ratio</th>
<th>Assigned Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost/population ratio $0 - 400/person</td>
<td>15</td>
</tr>
<tr>
<td>Cost/population ratio $401 - 4,000/person</td>
<td>10</td>
</tr>
<tr>
<td>Cost/population ratio &gt; $4,000/person</td>
<td>5</td>
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</table>

**GREEN PROJECT (determined by ADEC)**

The applicant has sufficiently demonstrated Green eligible components under the project. Program guidance can be found at the following ADEC web site: http://dec.alaska.gov/water/muniloan/forms.htm
APPENDIX IIb

ALASKA CLEAN WATER FUND
Non-Point Source Priority Criteria
Alaska has established the following criteria to prioritize non-point source projects seeking funding from the Alaska Clean Water Fund, the Clean Water Act State Revolving Loan Fund. These criteria allow traditional and nontraditional non-point water quality projects (CWA Sec. 319) to be considered for funding. These criteria address and rank projects by their relative threats to water quality and local initiative. The results of the most recent 303(d) list priorities will be utilized for identifying water quality issues considered for the non-point source SRF ranking process.

**WATER QUALITY CONSIDERATIONS (only one)**

1) **PROTECTION***

This project's main emphasis is prevention of non-point source pollution in a:

- Non-303 d listed Water: 100
- 303(d) Category 4a Listed Water Body: 90
- 303(d) Category 4b Listed Water Body: 90
- 303(d) Category 4c Listed Water Body: 90
- 303(d) Category 5 Listed Water Body: 90

2) **RESTORATION**

The proposed project's goal is to restore water quality in a water body identified as impaired or polluted in the most recent 303(d) list. This project implements a TMDL or load allocation or otherwise addresses a water quality problem that has resulted in a water body designated as impaired in a:

- 303(d) Category 4a Listed Water Body: 100
- 303(d) Category 4b Listed Water Body: 90
- 303(d) Category 4c Listed Water Body: 90
- 303(d) Category 5 Listed Water Body: 80

3) **STEWARDSHIP**

The proposed project will improve or maintain water quality in a:

- Non-303 d listed Water: 100

---

* **PROTECTION** - This project's main emphasis is prevention of non-point source pollution.

** **RESTORATION** - The proposed project's goal is to restore water quality in a water body identified as impaired or polluted in the most recent 303(d) list. This project implements a TMDL or load allocation or otherwise addresses a water quality problem that has resulted in a water body designated as impaired.

*** **STEWARDSHIP** - The proposed project will improve or maintain water quality
PROJECT INITIATIVE CONSIDERATIONS (only one)

1) Engineering documents have been completed  25
2) Preliminary engineering documents have been completed  20
3) Key planning document(s) (such as a TMDL, Corrective Action plan, Comprehensive Plan) have been completed.  15
4) An environmental review has been performed for the proposed project.  10
5) A feasibility study that demonstrates the need and costs for the project has been completed.  5
6) No action has been taken  0

FUNDING COORDINATION (one only)

1) This project will utilize other federal or state funds.  15
2) Not yet determined  0

ABILITY TO REPAY (one only)

1) A viable repayment source has been identified.  10
2) Not yet determined  0

NPS STRATEGY IDENTIFIED PRIORITIES - COORDINATION
WITH "Alaska Clean Water Five-Year Strategic Plan Goals"
(determined by ADEC - only one)

GOAL 1 - Increase the amount known about Alaska’s waters  10
GOAL 2 – Standardize how DEC evaluates information for the purpose of listing and delisting a waterbody on the impaired waterbody list by developing listing methodologies and policy  20
GOAL 3 – Increase or continue collaboration with other programs, agencies and community-based organizations  10
GOAL 4 - Restore waters that are impaired and keep them healthy once restored  30
GOAL 5 - Conduct outreach on BMPs so that urban and industrial development sustains water quality  20
GOAL 6 – Keep Our Clean Waters Clean: Highlight and protect healthy waters that are at risk  40
GOAL 7 – Keep Our Clean Waters Clean: Educate the public on water quality and smart practices to prevent pollution  10

GREEN PROJECT (determined by ADEC)

The applicant has sufficiently demonstrated Green eligible components under the project. Program guidance can be found at the following ADEC web site: http://dec.alaska.gov/water/muniloan/forms.htm  25
APPENDIX III

ALASKA CLEAN WATER FUND

Public Comments
During the public comment period from December 1 through December 10, 2016, no comments were received.
APPENDIX IV

ALASKA CLEAN WATER FUND

Estimated Disbursement Schedule for Point Source and Non-Point Source Projects
<table>
<thead>
<tr>
<th>Entity</th>
<th>Project/Set-Aside</th>
<th>Estimated Disbursement Schedule - Amended</th>
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<td>ADEC</td>
<td>Administrative Costs</td>
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<td>$110,800</td>
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<tr>
<td>Anchorage - AWWU</td>
<td>PS 30/31 Force Main and Facility Upgrades</td>
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<td>$176,000</td>
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<td>7th-8th Ave I St - LM Alley Sewer Upgrades</td>
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<td>Anchorage - AWWU</td>
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<td>King Street Warm Storage Bldg Upgrade</td>
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<td>King Street Septage Receiving Station</td>
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<td>King Street Improvements</td>
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<td>ERWWTF Facility Plan</td>
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<td>Girdwood I&amp;I Ph VIII</td>
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<td>Blueberry Sewer Rehabilitation</td>
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<td>King St Back Up Power Upgrades</td>
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<td>W 72nd Ave Trunk Rehabilitation</td>
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<td>Anchorage - AWWU</td>
<td>Interceptor C: Force Main Gravity Junction Rehabilitation</td>
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<td>1st Avenue A-F Streets Sewer Rehabilitation</td>
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<td>2nd Ave Post Rd Sewer Rehabilitation</td>
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<td>5th-7th Ave Coastal-Ocean Sewer Rehabilitation</td>
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<td>D-2-4 Trunk Improvements</td>
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<td>Kachemak Drive Sewer Main (Phase III)</td>
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<td>Ketchikan</td>
<td>Schoenbar Road Sewer Mains Replacement</td>
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<td>Chatham Avenue Sewer Main Replacement</td>
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<td>Ketchikan</td>
<td>Front, Mill, Stedman Water and Sewer Replacement</td>
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<tr>
<td>Kodiak</td>
<td>City of Kodiak Wastewater Centrifuge Installation</td>
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<td>Mat-Su Borough</td>
<td>Central Landfill Cell 4 Design and Construction</td>
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<td>Mat-Su Septage &amp; Leachate Treatment Facility</td>
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<td>Nome - NJUS</td>
<td>Sciarcore Replacement-Ph III</td>
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<td>North Pole</td>
<td>Wastewater Effluent Discharge Phase 1</td>
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<td>Petersburg</td>
<td>Kiseno Street Sewer Replacement</td>
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<td>Pump Station 4 Force Main Replacement</td>
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<td>Lift Station Backup Generator Replacement</td>
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<td>Lake and Monastery Sewer Improvements</td>
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<tr>
<td>Valdez</td>
<td>Airport Industrial Subdivision sewer</td>
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APPENDIX V

ALASKA CLEAN WATER FUND

Federal “Cross-Cutter” Authorities
ALASKA CLEAN WATER FUND

List of Federal “Cross-Cutting” Authorities

Archeological and Historic Preservation Act of 1974, PL 93-291
Clean Air Act, 42 U.S.C. 7506(c)
Clean Water Act, PL 92-500, as amended
Coastal Barrier Resource Act, 16 USC. 3501 et seq.
Coastal Zone Management Act, of 1972, PL 92-583, as amended
Endangered Species Act, 16 U.S.C 1531 et seq.
Protection and Enhancement of the Cultural Environment Executive Order 11593
Floodplain Management, Executive Order 11988
Farmland Protection Policy Act, 7 U.S.C 4201 et seq.
Fish and Wildlife Preservation Act, of 1966, PL 890665, as amended
Wild and Scenic Rivers Act, PL 90-542, as amended
Historic Sites Act 1935, 16 U.S.C. 461-467
Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended Executive Order 11738
Age Discrimination Act, PL 94-135
Civil Rights Act of 1964, PL 88-352
Prohibition Against Sex Discrimination Under the Federal Water Pollution Control Act, Section 13 of PL 92-500
Equal Employment Opportunity, Executive Order 11246
Women’s and Minority Business Enterprise, Executive Order 11625
Women’s and Minority Business Enterprise, Executive Order 12138
Women’s and Minority Business Enterprise, Executive Order 12432
Rehabilitation Act of 1973, Executive Order 11914
Rehabilitation Act of 1973, Executive Order 11240
Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646
Department and Suspension, Executive Order 12549
Safe Drinking Water Act, Section 1424(e), PL 92-523, as amended
Wetlands, Executive Order 11990
Environmental Justice, Executive Order 12898
Small Businesses in Rural Areas, PL 100-590
Drug Free Workplace, PL 100-690
Anti-lobbying, PL 101-121