DRINKING WATER
STATE REVOLVING FUND

INTENDED USE PLAN
FOR USE IN STATE FISCAL YEAR 2019
CAPITALIZATION GRANT

Submitted to the

U.S. Environmental Protection Agency

Region IV

by the

Florida Department of Environmental Protection

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I. INTRODUCTION

A. State of Florida's Drinking Water Revolving Loan Fund

In 1996, Congress passed federal amendments to the Safe Drinking Water Act (SDWA) establishing the Drinking Water State Revolving Fund (DWSRF) program. The program is administered by the Florida Department of Environmental Protection (FDEP) and uses federal capitalization grant funds from the U.S. Environmental Protection Agency (EPA) and matching funds provided by the State Legislature. For Federal fiscal year (FFY) 2018, it is expected that Florida's capitalization grant will be approximately $43.7 million.

Florida's DWSRF program was established on July 1, 1997, under Chapter 97-236 of the Laws of Florida (codified as section 403.8532, Florida Statutes). The program complies with the provisions of the SDWA section 1452 as implemented through Chapter 62-552, Florida Administrative Code.

The SDWA requires that each state annually prepare an Intended Use Plan (IUP) to describe how it plans to use the DWSRF to meet the Act's objectives. The IUP must describe the use of a state's capitalization grant, state match funds, and principal and interest from loan repayments. The plan must also describe the use of other interest earnings of the DWSRF, bond proceeds, funds designated for set-aside activities, any funds that are to be transferred from the Clean Water State Revolving Fund (CWSRF) Program and any other monies deposited into the DWSRF.

This IUP is the central component of our DWSRF grant application and communicates our plans to stakeholders who include public water systems, the public, EPA, and other state departments. This IUP provides specific details on key aspects of the program including our state's short- and long-term goals, the prioritization process we use to rank projects and the list of projects eligible to receive funding from available DWSRF funding.

The IUP provides a description of the intended uses of the Additional Subsidization, and a description of what steps will be taken to ensure the funding recipients are in compliance with the Davis-Bacon requirements.

B. Program Overview

This IUP provides details on our plans to effectively utilize the FFY 2018 funds. Program funding is based on receiving a $43.7 million capitalization grant award from EPA. This IUP also addresses a state appropriation of $8.7 million, $18.9 million in deobligated funds and $6.42 million in recaptured funds, $42 million in repayments scheduled to be received during SFY 2019, and $4.5 million in interest earnings. Total available funds equal $124.3 million.

Through a comprehensive planning process that included participation of the public, we have established the following primary objectives for the DWSRF program:

1. Prioritize technical and financial assistance to eligible public water systems so that systems that face the most serious drinking water public health risks are assisted first.

2. Ensure that the assistance provided will help systems come into or maintain compliance with the SDWA.
3. Provide assistance to the public water systems that can least afford to build, maintain, and operate needed facilities.
4. Operate the DWSRF program as a permanent funding program to provide low cost assistance to eligible systems in perpetuity.

Pursuant to the federal requirements for the FFY 2018 appropriation, the following objectives have also been established:

1. Between 20 and 30 percent of the funds made available to each State for Drinking Water State Revolving Fund capitalization grants shall be used by the State to provide additional subsidy to eligible recipients. To further ensure sustainability of projects receiving additional subsidies (i.e., principal forgiveness), these subsidies will be directed to:

    a. repair, replacement, and upgrade of infrastructure in existing communities;

    b. investigations, studies, or plans that improve the technical, financial and managerial capacity of the assistance recipient to operate, maintain, and replace financed infrastructure; and/or

    c. preliminary planning, alternatives assessment and eligible capital projects that reflect the full life cycle costs of infrastructure assets, conservation of natural resources, and alternative approaches to integrate natural or "green" systems into the built environment.

2. Make funds available from the FFY 2018 capitalization grant for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

3. To ensure the applicable DWSRF projects are in compliance with the Federal Davis-Bacon Act and American Iron and Steel requirements.

To meet these objectives, we will offer low interest loans and principal forgiveness to public water systems for the construction of facilities that will provide affordable, safe drinking water to the public. We also intend to use part of the federal capitalization grant as "set-aside" funding, to address other non-infrastructure activities which have public health benefits and assist in compliance with the SDWA. The major facets of the DWSRF program are summarized below.

The State will make a timely and concerted solicitation for projects that address green infrastructure, water or energy efficiency improvements or other environmentally innovative activities.

To ensure that the funding recipients are meeting the Davis-Bacon wage rate requirements, all appropriate funding agreements will include language concerning the requirements and procedures to verify compliance with the requirements.

Low Interest Loans

We will provide low interest loans to public water systems in the order of priority determined by the DWSRF priority ranking system. The total funding available for standard loans is $121.7 million. Fifteen percent of the total funds available for standard loans, or $18.25 million, will be reserved for systems smaller than 10,000 in population. The interest rate for each loan will be percentage of the weekly average yield reported in the Bond Buyer 20-Bond GO Index for the quarter preceding the execution of the loan agreement. The percentage will be calculated from a linear equation that includes Median Household Income (MHI) of the project service area as the variable. Standard loan terms are limited to a maximum of 20 years.

Financially Disadvantaged Community Assistance

Florida also reserves funds for financially disadvantaged public water systems serving communities with weak financial and socioeconomic conditions. The lesser of 15% of the funds allocated each year by the Department or 30% of the amount determined by adding the federal grant and state matching funds and subtracting the set-asides authorized by the Act will be used to fund projects for financially disadvantaged communities.

Qualifying financially disadvantaged community water systems will compete for available grant funds based on priority score. The grant percentage received by projects will be determined using a linear equation that includes MHI and population of the service area as the variables. Projects with service area populations of less than 10,000 will get preference for the grant funds. That is, if there are grant funds available after the projects with small service areas have all been funded, the projects with large service areas will compete for the remaining grant funds based on priority score. Financially disadvantaged water systems are also eligible to receive a longer-term loan of up to 30 years.

The FDEP plans to use approximately $11 million in grants for financially disadvantaged community water systems (i.e., principal forgiveness).

Set-Asides

The SDWA allows states to use part of the federal capitalization grant to support various drinking water programs commonly known as set-asides. The FDEP proposes to use about $2.65 million, or about 6 percent of the FFY 2018 capitalization grant.

Set-aside funded activities will include the following:

- Technical assistance to small systems
- Public Water System Supervision
- Source Water Protection Program

C. Public Input, Review and Comment Procedures

Public Rule Making Workshop

The rule governing Florida's Drinking Water SRF was revised effective July 17, 2017. Prior to changing the rule, a public workshop was held in Tallahassee and via webinar on August 6, 2015 to discuss the proposed changes and to receive comments. The State is committed to involving public stakeholders in the development and ongoing operation of the DWSRF program.

Public Meetings and Comment Activities

To ensure that the public has an opportunity to review our proposed plans for the DWSRF, the draft IUP will be made available at least two weeks before the workshop scheduled to be held on August 9, 2018. To ensure that interested parties were made aware of the public meeting dates, FDEP published an announcement in the Florida Administrative Weekly. See appendix A for details.

We will welcome input on all aspects of the IUP at the public meeting. The meeting provides a forum for discussing the overall purpose, format, and content of the IUP including the types of assistance being provided through the DWSRF project account and set-aside account, the long- and short-term goals of the program, the priority system used to rank individual projects, and the proposed list of projects to receive funding from FFY 2018 funds.

II. DWSRF LONG-TERM AND SHORT-TERM GOALS

In establishing the national DWSRF program, Congress gave the states the flexibility to design a program that can be tailored to meet the needs of local public water systems. The long and short-term goals developed for Florida's DWSRF program are presented below. They provide a framework that will guide the decisions Florida makes in the DWSRF program.

A. Long-Term DWSRF Goals

1. It is a priority of the State to ensure a safe and adequate water supply for the small communities in Florida. Therefore, the DWSRF program has the goal of maximizing the small community participation in the DWSRF program.

2. Provide assistance for projects, which will facilitate compliance with national primary drinking water regulations under section 1412 of the SDWA or otherwise significantly further the health protection objectives of the Act (section 1452(a)(2)).

3. Encourage systems to achieve compliance with the SDWA. The program also encourages projects that provide the greatest protection to public health, and projects which assist systems most in need on a per household basis.

4. Administer the program so that its revolving nature is assured in perpetuity. The long-term financial integrity of the DWSRF program will be maintained through the judicious use and management of its assets and by realizing an adequate rate of return. Also, the fiscal, technical and managerial integrity of the DWSRF program will be assured by preventing fraud, waste and abuse.

5. Use the DWSRF set-aside funds strategically and in coordination with the program loans to maximize the DWSRF loan account's impact on achieving affordable compliance and public health protection.

6. Facilitate allocation of program resources to address the most significant public health and compliance problems by actively working with these systems and the drinking water regulatory staff.

7. Promote the development of the technical, managerial, and financial capability of all public water systems to maintain or come into compliance with state drinking water and federal SDWA requirements.

8. Encourage the consolidation and/or regionalization of public water systems that lack the capability to operate and maintain systems in a cost-effective manner, thus allowing them to take advantage of the economics of scale available to larger water systems.

9. Provide drinking water assistance in an orderly and environmentally sound manner.

10. Assure that all new water systems funded by the program demonstrate technical, managerial, and financial capability with respect to each national primary drinking water regulation in effect.

B. Short-Term DWSRF Goals

1. Coordinate completion of set-aside work plans for each set-aside activity. (Target Completion: Annually)

2. Support the continuation of source water protection programs.

3. Coordinate implementation of capacity development strategy with PWSS staff. (Continuing)

4. Continue the outreach activities to ensure that systems are aware of and understand DWSRF assistance options and the application process by presenting an annual statewide workshop to publicize the DWSRF program. (Target Completion: Annually)

5. Maintain and improve a database that integrates drinking water project data with

program management data. The database will eventually generate the DWSRF Priority List automatically. This function is already available for the CWSRF.

6. Assure that all funds in the fund are expended in an expeditious and timely manner, by executing binding agreements in an amount equal to not less than 120 percent of the amount of each capitalization grant payment within 1 year after the receipt of such capitalization grant payment.

7. Assure the fiscal, technical, and managerial integrity of the SRF program by preventing waste, fraud, and abuse.

8. Use the Federal DWSRF Project Benefits Reporting (PBR) system to track drinking water projects and report quarterly to EPA.

9. Complete the implementation of a rule change for the State's DWSRF program and update the Operating Agreement and the IUP to reflect the changes in the rule.

III. STRUCTURE OF THE DWSRF

The DWSRF consists of three accounts that are used to provide assistance to accomplish its goals.

A. DWSRF Loan Account

This account provides assistance for the planning, design, and construction of improvements to publicly and privately-owned community water systems (CWS). Federally owned facilities are not eligible for funding. This account consists of all federal funds used for infrastructure assistance, all state match funds, loan repayments, and interest earnings of the Fund. The types of projects that can be funded under the loan account include the following:

- Construction or upgrade of treatment facilities
- Replacement of contaminated sources with new ground water sources
- Installation or upgrade of disinfection facilities
- Consolidation. Eligible projects are those needed to consolidate water supplies where, for example, a supply has become contaminated or a system is unable to maintain compliance for technical, financial, or managerial reasons.
- Planning and engineering associated with projects meeting specific eligibility criteria
- Replacement of aging infrastructure
- Transmission lines and finished water storage
- Distribution system replacement/rehabilitation
- Acquisition of land if needed for the purposes of locating eligible project components
- Other projects necessary to address compliance and enforcement issues

Limitations of the DWSRF Loan Account

The SDWA allows states to buy or refinance debt obligations for publicly owned DWSRF projects if the long-term debt was incurred after July 1, 1993. We will only consider these applications if the sponsor was authorized to incur the debt before construction was initiated. Funds in the loan account will be invested in interest bearing accounts; however, funds will not remain in the account primarily to earn interest.

The federal DWSRF Guidelines (EPA 816-R-97-005) specifically lists the following as projects that cannot be funded through the DWSRF:

- Projects primarily intended to serve future growth
- Projects needed primarily for fire protection
- Laboratory fees for monitoring
- Operation and maintenance expenses
- Projects for systems that lack adequate technical, financial, and managerial capability, unless assistance will ensure compliance
- Projects for systems in significant noncompliance, unless funding will ensure compliance
- Dams, or rehabilitation of dams
- Water rights, except if the water rights are owned by a system that is being purchased through consolidation as a part of a capacity development strategy
- Reservoirs, except finished water reservoirs and those reservoirs that are part of the treatment process and are on the property where the treatment facility is located

B. DWSRF Set-Aside Account

This account provides assistance for set-aside activities funded through the DWSRF. The activities to be funded by the DWSRF set-aside account include technical assistance to small systems, source water protection programs, and the development and implementation of our capacity development strategy. A complete description of set-aside activities is provided in Section V.

Each set-aside activity will have a separate sub-account that will be tracked separately in the state accounting and financial reporting system. Sub-account reports will provide budget levels and expenditures to date for tracking purposes and will be a source of reporting for the DWSRF biennial report required by the SDWA. Sub-accounts have been established for the following set-asides:

- Small system technical assistance - for assistance to small systems through the Florida Rural Water Association (FRWA)
- State program management - for source water protection program administration, PWSS program support, and capacity development strategy development and implementation
- Local assistance and other state programs - for delineation and assessment of all state public drinking water supplies

C. DWSRF Administrative Account

The service fees of two-percent collected by the FDEP from applicants are held in the Administrative Account which is used to support the state operation and management of the DWSRF program. This account helps to ensure the long-term operation and administration of the DWSRF program.

IV. FINANCIAL STATUS OF THE DWSRF

This section reports on all sources of funding available to the DWSRF program and indicates their intended uses. A description of the terms of the financial assistance available through the DWSRF program is also included in this section.

A. Sources and Uses of Funds

Program funding is based on receiving the FFY 2018 capitalization grant, expected to be approximately $43,725,000, from EPA. The 20 percent state match of $8,745,000 required to obtain these funds will be covered by funds appropriated by the Florida legislature in the 2018 session and in 2019, if necessary.

In addition, deobligated funds from SFY 2017 of $18,965,799, recaptured funds from SFY 2018 of $6,418,208, investment earnings of $4,500,000 from SFY 2018, and repayments of $42,000,000 expected from SFY 2019 are expected to be available for use in the upcoming year. The total funding available is expected to be $124,354,007. The DWSRF program will provide approximately $121,698,793 in assistance to public water systems and $2,655,214 for set-aside program activities.

Service fees charged to offset administrative costs are paid as part of the first two semi-annual repayments. Income generated from service fees in SFY 2017 totaled $951,059 including interest earned in the service fee account. This service fee is currently 2 percent of the total loan amount. The use of these funds shall be limited to administrative costs.

The state program management set-aside match requirement is met annually by an overmatch in the Public Water System Supervision (PWSS) program.

The total funds available in the DWSRF for SFY 2019 and the intended allocation to each activity are presented in Attachment 1.

B. Financial Terms of Loans

The SDWA allows states to charge interest rates ranging from 0 percent to the market rate for DWSRF loans. We have determined that the interest rate on a DWSRF loan should reflect current market conditions. Therefore, the interest rate for standard DWSRF loan is a percentage of the weekly average yield reported in The Bond Buyer 20-Bond GO Index for the preceding quarter. The percentage will be calculated from a linear equation that includes Median

Household Income (MHI) of the project service area as the variable. Terms are 10 years for project planning and design assistance, 20 years for standard construction loans, and up to 30 years for sponsors qualifying as a financially disadvantaged community. Terms are further limited to the useful life of the project components. Fees in the loan agreement include a service fee of 2 percent of the loan that is assessed as part of the first two repayments.

Florida also reserves funds for financially disadvantaged public water systems. Up to fifteen percent of the funds allocated each year by the Department (less the amount of any bonds issued or to be issued by the Florida Water Pollution Control Financing Corporation) or up to the maximum percentage allowable of the Federal Capitalization Grants for Drinking Water SRF in any fiscal year, whichever is less, shall be reserved to fund projects that will serve financially disadvantaged communities.

The grant percentage received by projects will be determined using a linear equation that includes MHI and population of the service area as the variables.

V. SET-ASIDE ACTIVITIES

The SDWA allows each state to set-aside funds from its federal capitalization grant to support various drinking water programs including administration, technical assistance, state program management, and special activities. The DWSRF program plans to use $2,655,214 million in federal funding (about 6 percent of the FFY 2018 funding). We will report on the progress of set-aside activities to EPA in the DWSRF Annual Reports.

A. DWSRF Administration

(SDWA reference 1452 (g)(2), Max Allowed: 4%, Taken from FFY 2018 Grant: 0% for the current year)

The DWSRF is administered by the SRF Program with assistance from SRF Program Management group within the Division of Water Restoration Assistance. The administration set-aside is used to pay salaries and associated expenses of new and existing program personnel devoting time to the administration of the DWSRF account. Administration set-aside funds are used to procure all equipment and training necessary for the adequate performance of the staff. Because the administration funding from past years, together with the loan service fees discussed in Section IV. A. above, are adequate to cover the costs for SFY 2019, the four percent set-aside for FFY 2018 will be banked for use in subsequent years and utilized for projects this year.

B. Small Systems Technical Assistance

(SDWA reference 1452 (g)(2)), Max Allowed: 2%, Taken from Federal Fiscal Year (FFY) 2018 Grant: ($874,500)

These funds will be used to provide technical assistance to small public water supply systems serving fewer than 10,000 people. The grantee providing the assistance to small systems will file monthly reports to the DEP. These reports will specify the number of visits (contacts), the type

of assistance provided, which of the requirements of the 1996 amendments of the SDWA were addressed, and SRF program/application assistance provided.

DEP's proposed contract with the Florida Rural Water Association (FRWA) for Federal Fiscal Year (FFY) 2017 will fund a total of six Drinking Water Circuit Rider FTEs, two Engineers, and one Trainer from this SRF set-aside as detailed in Attachment B. Training/technical seminars for PWSs are included. Some grant funds are also earmarked for Special Projects. Special Projects are field studies of water quality and compliance problems commonly affecting multiple systems.

Either DWSRF program management funds or the Department's EPA Public Water Supply Supervision (PWSS) grant funds may be utilized to fund this contract. A banking plan that uses prior year's unspent grant funds was established to maintain a consistent multi-year assistance program.

The DWSRF assistance to be provided by the Circuit Riders includes:

- Assisting with planning in preparation for a DWSRF loan;
- Helping small systems comply with federal value engineering requirements and other state requirements;
- Providing technical assistance to small system operators to improve operation and compliance;
- Helping small systems to find and obtain funding in addition to the DWSRF;
- Training small system operators; and
- Assisting with special projects to evaluate compliance problems.

The DWSRF assistance to be provided by the Engineering positions includes:

- Providing design capacity assessments to small water systems and devising corrective action plans for improving technical, financial, and managerial capacity, and assistance to small systems with the development of a business plan. Design and permit projects for small water systems to correct capacity development and compliance problems. Priority will be given to projects correcting public health risks.
- Preparation of facilities plans to meet the requirements of Florida's DWSRF. This activity will provide an avenue for systems to obtain assistance when funds are not available to prepare the planning documents necessary to receive DWSRF funds or other forms of assistance.
- Review of plans and specifications submitted to the DWSRF Program for cost effectiveness and efficiency. This function is intended to maximize the efficiency of the limited funds available for financially disadvantaged community systems and to comply with federal value engineering requirements.
- Assist small systems to prepare corrective action plans that address capacity development issues and to help prioritize drinking water system projects within the community,
- Assist small water systems in attaining compliance with the Disinfectants/ Disinfection By-products Rule by evaluating their disinfection process and sampling plan requirements, and
- Helping small systems comply with federal value engineering requirements.

The Trainer position will be fully funded through FRWA's Technical Assistance contract with DEP. This position will arrange for and provide technical assistance, training and mentoring primarily for small water system owners and operators. This position will also assist with or conduct Special Projects as assigned by DEP. Success will be measured by an evaluation of monthly reports and improved compliance from systems receiving training.

C. State Program Management

(SDWA reference 1452 (g)(2), Max Allowed: 10%, Taken from Federal Fiscal Year (FFY) 2018 Grant: $(1,780,714)

These funds will be used to address additional program requirements of the PWSS program outlined by the SDWA and to administer or provide technical assistance through source water protection programs.

(1) Source Water Protection Program (Federal Fiscal Year (FFY) 2018 Grant: $(550,621)

These funds will be used to address additional program requirements of the PWSS program outlined by the SDWA and to administer or provide technical assistance through source water protection programs.

A total of seven (7) OPS positions will be funded through the use of the Source Water Protection Program Enhancement funds. Below is a description of additional activities for use of these funds.

A. Aquifer Storage and Recovery, Drinking Water, Source Water Compliance and Enforcement Activities ($239,621)

Seven (7) OPS positions will assist with program enhancements and other activities associated with continuing the Source Water Protection Program. Program enhancements also includes source and drinking water compliance. Also, Aquifer Storage and Recovery (ASR) data entry by a Florida Department of Environmental Protection, Florida Geological Survey OPS position. The ASR monitoring data consists of chemical and physical data for all phases of the ASR project for both the ASR wells and monitor wells. This ASR monitoring data is used by the Aquifer Protection Program's Underground Injection Control section, the Water Management Districts, the permittees, and consulting firms to determine if an ASR system is working properly and not adversely affecting an underground source of drinking water.

B. Background Water Quality of the Deep Floridan Aquifer ($93,000)

Natural groundwaters within the Floridan Aquifer System's (FAS) deep transmissive horizons are poorly understood. As a result, robust assessment of potential effects of underground injection and potential upward migration are limited. Geochemical interaction between mixing waters (i.e., native and injected waters) and between water (injected or mixed) and rock occur, resulting in potential water quality changes as well as changes in hydrogeologic parameters. For example, water-rock interactions in carbonates

can lead to a reduction in permeability due to precipitation, or enhanced permeability due to dissolution. The relationship of deep Floridan waters to lithostratigraphic units is even more poorly understood.

This program will look at analyzing groundwater samples prior to the operation of an Underground Injection Control (UIC) well. The groundwater data would then be compared to the lithologic characteristics of the borehole cores. This program will allow the Florida Geological Survey to process and analyze the groundwater samples for 45 cation and anion parameters. This will provide a unique opportunity to characterize deep transmissive zones of the Florida Aquifer System and establish a baseline with which to compare monitoring data and assessing long term trends within these zones. The data will be entered into the Aquifer Storage and Recovery database.

This project involves a phased approach that starts with developing an overall workflow, refining our chain of custody process for geologic and water samples, and identifying the skillset required to complete the project. Deliverable would be quarterly reports with a presentation upon project completion. Major in-kind tasks under this project include management, training, supervision, commercial lab contract negotiation, report review and editing. OPS staff responsibilities would include geologic sample inventory, processing, archiving, lithologic descriptions and formation picks; inspection of geophysical logs; conduct OCULUS queries for existing geoscience data (water quality, well construction, logs, etc.); prepare and ship water samples including blanks and duplicates, to a NELAP-certified lab; data entry, QA/QC, and management; statistical summaries where appropriate, and reporting.

Purpose/scope: Funds to support lab contract, data entry/management, QA/QC.
Resources: OPS funds to support data management and Contracted Services funds for laboratory analyses from commercial lab.

C. Source Water Protection Tool ($78,000)

Using LiDAR-based tools, this program will look to identify natural and anthropogenic point groundwater recharge to drinking water sources. These point sources exist across the state in the form of drainage wells and stream-to-sink (swallet) features. The locations of the latter are relatively unknown, except within a few springsheds. Current locations were identified using 1:24,000 style maps. This program will use existing high definition LiDAR-based elevation models to identify potential point sources to ground water. A pilot study (to develop and refine methodology), followed by a statewide study would use all available QL2 or better LiDAR to identify stream-to-sink features, followed by field validation. These features, along with all known drainage wells would then be mapped in context of surface water basins (HUCs). New LiDAR and resulting digital elevation models will allow refinement of the HUC boundaries. Geospatial analysis would be conducted to identify vulnerability between the revised surface water basins and groundwater recharge locations and to develop a pollution risk map for use during emergency response and development of refined aquifer protection measures. GPS would be used to locate drains within each swallet.

Within the pilot study area, selected HUCs will be compared to internally drained basins identified by ESRI's Arc Hydro tool. The process will include selection of an area that reflects geomorphic diversity and has full QL2 LiDAR coverage; identify GIS targets (potential swallets based on shape/slope analysis), field validation will include property permissions, which can be time consuming, and GPS data collection; mapping/analysis. Criteria for refined high-risk spill areas will then be identified and a GIS coverage generated for technical review prior to statewide scale up.

Major in-kind tasks under this project include management, training, supervision, field work, vehicle fuel, map and process review.

D. Delineated Areas ($140,000)

Maintenance of Delineated Areas may be costing taxpayers vast sums. Many of these areas were identified in the late 1980's or early 1990's. Since that time, depending on the nature of the contamination source and hydrogeologic conditions, the areas may have reduced in size, expanded, or migrated along preferential or potentiometric-driven flow paths. Some of these areas of concern offer the challenge of identifying whether the contamination is anthropogenic, natural or both, which influences designation of a delineated area. Groundwater contamination, whether a regulated constituent such as nitrate, arsenic, an organic compound, or an unregulated constituent, such as molybdenum are all cause for human health concern. Moreover, EPA Health Advisories for emerging contaminants, such as perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA) have been developed. Future Delineated Areas need to address these latter scenarios of emerging contaminants and unregulated constituents of concern. A challenge facing regulatory entities is that some constituents, (e.g., radium) are rarely analyzed and if they were, perhaps there would exist Delineated Areas based on these constituents as well.

A Technical Advisory Committee (TAC) will be assembled to begin addressing these issues and launch a pilot study to test refined procedures for identifying, validating and maintaining Delineated Areas. The TAC should have representatives from DEP-DRWM, DEP-FGS, DEP-DEAR, DEP-OWP as well as from the corresponding water management district and the county health department for the pilot area. FGS would dedicate two full-time equivalent OPS (or two grant-funded FTEs) to begin the pilot study. Knowledge, skills and abilities of these two staff include GIS and surface interpolation, statistics, hydrogeochemistry, QA/QC of water quality data and field measurements, and analysis of spatial and temporal trends. The role of a liaison with DOH will be critical to this project and would require sufficient bandwidth to support numerous data requests.

(2) PWSS Program (Federal Fiscal Year (FFY) 2018 Grant: $1,230,093)

Because PWSS funding from past years is combined with the Federal PWSS grant, this funding will be adequate to cover the costs for State Fiscal Year (SFY) 2018. Eight percent of the cap grant eligible for set-asides for FFY 2017 will be banked for use in subsequent years and utilized for projects this year.

A. Florida Rural Water Association ($400,000)

An Emergency Funding Program will provide for emergency repairs or treatment installation at small water systems to help ensure safe drinking water in the event of unexpected damage to infrastructure/deteriorating water quality. The emergency funding for any one sponsor is limited to **$60,000** and all funds must be used directly to correct the damage/water quality issue.

Two Asset Management Planning Staff will provide assistance to water systems serving fewer than 10,000 people. Asset management plans (AMPs) help ensure long-term sustainability/reliability of public water systems; however, some systems cannot afford an AMP. This project will assist systems in developing and implementing an AMP. To incentivize their use, the DWSRF Program offers a 0.1 percent loan interest rate reduction to water systems which implement an AMP. **($240,000)**

Through historical experience in developing and implementing AMPs, both DEP and FRWA have identified the need for a simpler, more efficient, and effective method of preparation. FRWA will explore and identify existing software applications as an alternative to the current voluminous and cumbersome paper process. **($100,000)**

B. EPA Multi-State AWOP Workshop ($36,215 = $21,215 for PAI, Inc and $15,000 for regulatory offices)

Florida DEP will host a 3-day workshop with representatives from EPA Region 4 (Southeast Region) States. The focus will be an understanding of best management practices developed by the nine states for Area Wide Optimization. The event will be conducted by EPA and PAI, Inc using a systematic approach to review the management, operation, maintenance and administrative approaches to optimization of drinking water systems. One member from each of the 6 DEP and 8 ACHD offices, plus three from Tallahassee Division will attend.

Task	Labor	Travel	Total	Description
Facilitate AWOP Meeting	$19,310	$1,905	$21,215	Facilitate Region 4 AWOP meeting in FL; develop 3-day training workshop, support selection of host utility; 1 PAI engineers on site.

C. EPA Groundwater & Distribution System Optimization Training EPA Workshop ($49,878 = $34,878 for PAI, Inc and $15,000 for regulatory offices)

This will be a 3-day training conducted by EPA and PAI, Inc with a detailed overview and focus on Water Treatment Distribution System Optimization. This training will focus on data integrity, process efficiency, sampling procedures and concerns, quality assurance, and trending information on disinfection optimization within drinking water systems. Disinfection types (chlorine, chlorine dioxide and chloramines) will be covered as well as approaches for the reduction of disinfection byproducts. Two staff from each of the 6 DEP and 8 ACHD offices, plus three staff from Tallahassee Division will attend.

Task	Labor	Travel	Total	Description
GW/DS Optimization Training	$31,408	$3,470	$34,878	Develop materials for Groundwater/Distribution System 3-day optimization training; conduct training at FL DEP & host water utility locations; 2 PAI engineers. on site.

D. Drinking Water Emergency Sampling ($25,000)

An emergency fund that would allow DEP/DOH drinking water inspectors to collect drinking water samples on an as-needed/emergency basis. Inspectors occasionally have the need to obtain immediate water quality results in response to a potential public health threat. Inspectors will send requests through the Drinking Water Administrator in Tallahassee who would authorize the DOH Bureau of Laboratories to analyze the sample.

E. Sanitary Survey School Inspector Training ($44,000)

EPA will conduct two Sanitary Survey Inspector trainings. The ongoing training of inspectors is required by rule due to the new regulations, processes and technology necessary for inspections. This training will also serve as a refresher and update for more experienced inspectors. These trainings will be given by EPA Region 4 and Region 6 trainers as well as presenters from Tallahassee to this 4-day course. This year we will be giving inspectors an opportunity to learn the unique issues present within the different regions and aquifers of Florida. Two trainings will be conducted, one in North Florida and the other in Central/South Florida, to accommodate training consistent with systems found in those areas of the State. Conducting sanitary surveys on a routine basis is a crucial element in helping to prevent contamination of drinking water supplies. Under 40 CFR 142.10(b)(2), as a condition of state primacy, states are required to have "a systematic program for conducting sanitary surveys of public water systems in the State, with priority given to sanitary surveys of public water systems not in compliance with State primary drinking water regulations."

F. FlaWARN ($75,000)

FlaWARN is a critical component of the Department's Water Facility Emergency Response and Recovery Network. The primary mission of FlaWARN is to assist critical public water facilities with preparation, response, recovery and mitigation activities which serve to protect public health and expedite return to service during times of need per the State's Comprehensive Emergency Management Plan and DEP Directive 971. Previously this has been funded through the PWSPT grant which will expire September 2018. The funding will provide uninterrupted administration and operation of the FlaWARN program for the 2018-19 Hurricane season.

G. StormTracker IT Project ($100,000)

The primary goal of this project is to enhance and consolidate the existing emergency response tracking tool for the drinking water systems throughout Florida. Enhancements will include the FlaWARN element, interface modifications, GIS mapping, and smart device applications. Work will also be done to interface the application with the DOH database. Another goal is to implement business rules to improve data quality, support data evaluation, and provide robust reporting capabilities for the division’s database applications.

H. PWS Labs IT Project ($500,000)

Public water systems are required to complete water quality testing and provide results to DEP at specific intervals. On average, 300k-500k samples are submitted each year. Currently the laboratories complete the analysis reports in the required format and submit to DEP via FTP, e-mail or mail. DEP staff complete a quality review of the data. Data is accepted when all data quality issues are resolved. If issues arise, DEP Staff contact the Lab for additional information. Upon successful review, DEP Staff manually enter the accepted data into PWS.

The outcome of the PWS Labs Reporting Project will be new functionality that will allow labs to enter Drinking Water Lab Results data directly into the application, provide DEP the ability to approve or reject the results and, interface with the existing Potable Water System (PWS) application and Oculus. These enhancements will focus on the following three reports:

1. 62-550.730: Drinking water chemical analysis results except for lead and copper tap samples and water quality parameter samples.
2. 62-550.730: Drinking water bacteriological analysis results.
3. 62-550.730(4)(a): Drinking water lead and copper tap samples taken from the interior taps of private residences.

I. Best-Practices of Asset Management Planning for Medium Sized Systems

Mid-sized utilities need to gather reliable asset data for funding and capital improvement planning. This project will produce a best-practices plan for a wastewater system assets or water system assets to enable the ease of data collection and asset review, the application of technology to manage assets, and the integration of additional data systems. This plan will help mid-size utilities approach this task with a framework and implementation guideline to enable the collection, retention, and analysis of system maintenance information for individual assets. A final report on best practices for the collection of information on current assets and their conditions, review of existing maintenance management software, and the implementation of a CMMS system will enable the dissemination of this procedure to other mid-sized utilities across the state. The cost of this project is estimated at $103,000.

VI. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

A. Distribution of Funds

The SDWA provides each state with flexibility to determine how much of their capitalization grant should be used for infrastructure loans, assistance to financially disadvantaged communities, and set-aside activities. However, with this flexibility comes responsibility to determine how to best direct funds to address the problems in the state. We believe it is critical to evaluate and understand the impact of our decisions in order to ensure that financial assistance will be available in the future.

B. Disadvantaged Community Funds

FDEP plans to allocate about $50 million to provide loans and grants for projects that qualify as financially disadvantaged communities. The State anticipates that this allocation should cover the needs of all eligible projects, up to the segment cap, during this IUP period based on a statewide financial needs evaluation. We are committed to operating the DWSRF program at funding levels that ensure all communities with high priority projects will receive assistance. The funds reserved for financially disadvantaged communities will be used to provide assistance to communities that have the greatest need and do not have the financial resources to fund essential projects. The specific requirements for these funds are provided in Attachment 2.

About $11 million of the funds allocated to financially disadvantaged sponsors will be available as principle forgiveness. Additional information is included in Section VII A. below.

C. Capacity Assessment 1452(a)(3)(A)

The SDWA requires that a public water system applying for a DWSRF loan must show that it has the technical, financial, and managerial capacity to ensure compliance. If a system does not have adequate capacity, assistance may only be provided if it will help the system to achieve capacity. The goal of this requirement is to ensure that DWSRF assistance is not used to create or support non-viable systems. A Business Plan is required as part of the DWSRF loan

application process. No construction funds are provided to systems that lacked capacity or to systems that were in significant noncompliance.

In addition, the SDWA requires new systems to document capacity prior to the permitting of each system. It also requires states to develop a strategy to ensure capacity at existing systems.

Technical Capacity

To demonstrate technical capacity, DWSRF loan applicants must show that drinking water sources are adequate, that the system's source, treatment, distribution and storage infrastructure are adequate and that personnel have the technical knowledge to efficiently operate and maintain the system. As part of reviewing a loan applicant's facilities plan, FDEP will review the system's records to assure that the system is being properly operated and maintained. The water system must not have outstanding water compliance problems unless the DWSRF project is intended to correct those problems.
Technical capacity is also ensured through the interaction with the recently approved Operator Certification Program OCP and the PWSS program. The knowledge, skills, and abilities are assured through the licensing of operators. Licensing includes both experience and examination requirements. Once an individual becomes licensed and begins operating a drinking water facility, the PWSS Program ensures that the operator is competent and complying with all drinking water requirements through periodic inspections and sanitary surveys. If a permitee or an operator is found to be in violation of the requirements, or is negligent in any way, enforcement action is undertaken. Enforcement may include warning letters, administrative fines, probation, and suspension of the license for a period of time, or revocation of the license.

The engineering reports, plans, and specifications for the proposed DWSRF-funded project will all be evaluated prior to the application process.

Financial Capacity

To demonstrate financial capacity, the applicant must show that the system has sufficient revenues to cover necessary costs and demonstrate credit worthiness and adequate fiscal controls. The FDEP ensures financial capacity through a detailed review of the financial information required in the financial portion of the business plan and the loan application process. In addition, for loans, security measures are incorporated into the loan agreements.

Managerial Capacity

To demonstrate managerial capacity, the water system must have personnel with expertise to manage the entire water system operation. The FDEP ensures managerial capacity through a detailed review of the business plan and by the PWSS Program through their inspections and sanitary surveys. Plant records are reviewed to ensure that supervision at the plant is adequately documented and that management is involved in the day to day supervision of the water system, is responsive to all required regulations, is available to respond to emergencies, and is capable of identifying and addressing all

necessary capital improvements and assuring financial viability. The water system must have a qualified water operator in accordance with Chapter 62-699, F.A.C.

Long-Term Capacity

Florida will assess whether each water system has a long-term plan to undertake feasible and appropriate changes in operations necessary to develop adequate capacity. In making these assessments, FDEP will consult with the district offices and local health departments, review Comprehensive Plans, and revisit the Drinking Water Needs Survey data in an effort to improve the overall capacity of systems requesting assistance. In the case of small communities, technical and managerial assistance will be provided by the Florida Rural Water Association through ongoing training programs.

FDEP will also actively encourage consolidation efforts when two or more systems can benefit. The priority-ranking criterion provides additional points to encourage this objective.

D. Establishing Project Priority

Both federal and state law require that we develop a project priority ranking system to determine the priority order of projects to be funded through the DWSRF program. As called for by section 1452(b) of the SDWA, our priority ranking system is designed so that the greatest priority is given to projects that:

1. Address the most serious risks to human health
2. Ensure compliance with federal and state drinking water regulations
3. Assist systems most in need on a per household basis (affordability)

Our original priority system was developed under the guidance of a Technical Advisory Committee (TAC). The TAC reviewed the major compliance issues affecting drinking water systems in our state to determine the most critical needs. The results indicated that an important compliance issue for water systems in the state was related to violations of drinking water quality health standards for microbiological contaminants, some of which could have an adverse impact on human health. It was also noticed that the sources for many systems were determined to be under the direct influence of surface water, and as such, were out of compliance with the surface water treatment rules. In addition, private wells with chemical and microbiological contamination were found to be a serious health risk and this issue was also addressed in the priority system.

The priority system FDEP developed in partnership with the TAC places a focus on projects to address these important public health and compliance problems. FDEP developed six baseline categories and three bonus categories for use in the ranking of projects. The complete priority system can be found in Appendix D and is summarized below:

Baseline Categories

Acute Public Health Risks. The highest number of baseline points is given to projects that address an acute public health risk problem. The problem may be microbiological contamination that directly affects public health, nitrate/nitrite, lead or copper contamination, or non-compliance with the surface water treatment rule.

Potential Acute Public Health Risks. The second highest number of points is given to systems that exceed 50 percent of the MCL for nitrate, nitrite, or total nitrogen. This priority is also given to projects that address disinfection violations, total coliform violations, and to those systems that do not meet the requirements of the Enhanced Surface Water Treatment Rule.

Chronic Public Health Risks. The next highest priority is given to projects that address a primary contaminant violation and to systems that exceed the standards for Radionuclides.

Potential Chronic Public Health Risks. Systems with primary contaminant levels that are within 50% of the MCL or trihalomethane levels within 80% of the MCL are given the next highest priority.

Compliance Issues (Compliance-1 and 2). Violations of the secondary contaminant standards and compliance issues such as not having the minimum number of wells required or not meeting the treatment, storage, power, or distribution requirements receive the next highest number of points. In addition, projects that address well setback and well construction requirements or cross-connection/backflow control requirements receive this score.

Other. All projects not meeting one of the above categories receive the minimum baseline score.

Bonus Categories

Affordability. Up to 75 bonus points are available to systems in financially disadvantaged areas. The actual number of points received is inversely proportional to the median household income.

Population served. Up to 50 bonus points are available to small systems based on the population served. The number of points received is inversely proportional to the population served.

Projects are identified by systems through a Request for Inclusion (RFI) submittal process. Once an RFI form is received, the sponsor's project is placed on a comprehensive list of projects. FDEP project engineers review the form and assign points to projects based on the information provided by the project sponsor. All project sponsors submitting an RFI are contacted and the program requirements are discussed. Sponsors that complete all readiness requirements are then

eligible to compete for funding. Unreserved funds are assigned to projects in priority score order, within the segment cap, until the funds are exhausted. Projects for which funding is not available and projects that are incompletely funded are placed on the waiting list for consideration in future years. The fundable list for the SFY 2019 funds is included as Attachment 4.

E. Small System Funding

Following completion of the ranking process for unreserved funds, the funds reserved for small communities (15 percent of the available funds) are allocated. These funds are assigned to projects sponsored by small systems that do not make the fundable list based on the unreserved funds. This procedure assures that at least 15 percent of the projected funding amount will be available for public water systems that regularly serve fewer than 10,000 people, as required by the SDWA. If there are reserved funds remaining after assigning funds to eligible small system projects then the reserved funds shall be released for use by other unfunded projects. Based on the expected fundable list, $30 million of the $121.7 million available for projects, or about 24.6 percent of SFY 2019 project funds will be used by small water systems.

F. Tie Breaking Procedure

When two or more projects score equally under the project priority system a tie breaking procedure will be used. The project that completed the requirements for funding first will receive priority.

G. Bypass Procedure/Readiness to Proceed

A project must be ready-to-proceed prior to being placed on the fundable portion of the list. If a sponsor fails to execute an assistance agreement in a timely manner it is subject to bypassing at a subsequent priority list hearing.

H. Refinancing Existing Loans

Refinancing is not permitted for projects that were not approved prior to construction. The approval is in the form of a letter authorizing the sponsor to incur costs.

I. Automated Clearing House Payment Schedule

Attachment 5 provides the “Automated Clearing House” payment schedule for SFY 2019 funding and identifies the timing of the cash outlays by the Federal government.

VII. REQUIREMENTS FROM THE FFY 2018 APPROPRIATION BILL

A. Additional Subsidization

The 2018 Appropriation Bill requires that not less than 20% of the funds made available to each State for Drinking Water State Revolving Fund capitalization grants shall be used by the State to provide additional subsidy to eligible recipients. In accordance with the State’s DWSRF Rule, sponsors who are financially disadvantaged and have projects that have a public health risk are

eligible to receive a principal forgiveness loan. For FFY 2018, 20% of the $43,725,000 capitalization grant is $8,745,000, which is the minimum amount of funds that will be obligated as principal forgiveness. These funds will be obligated to small financially disadvantaged sponsors on the Fundable List in the order of priority score until funds are exhausted. Then large sponsors can compete for grant funds based on priority score.

B. Green Infrastructure

The State agrees that the funds provided by the capitalization grant may, at the discretion of the State, be used for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

C. Wage Rate Requirements (Davis-Bacon Act)

All appropriate DWSRF agreements and all appropriate procurement contracts for any construction project carried out in whole or in part with such assistance made available by a drinking water treatment revolving loan fund as authorized by section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12), will include a term and condition requiring compliance with the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C.300j-9(e)). The State will also require that loan recipients, procurement contractors and sub-grantees include such a term and condition in subcontracts and other lower tiered transactions.

D. Reporting Requirements

Florida's DWSRF will report quarterly in the DWSRF Project Benefits Reporting (PBR) systems on the use of all SRF funds. This information will include the data elements listed in EPA's April 21, 2010 guidance document, *Procedures for Implementing Certain Provisions of EPA's Fiscal Year 2010 Appropriation Affecting the Clean Water and Drinking Water State Revolving Fund Programs*. This information will also be included in the annual report.

E. American Iron and Steel (AIS)

All DWSRF projects will comply with the American Iron and Steel (AIS) requirements.

VIII. CWSRF-DWSRF FUND TRANSFERS - We have no plans to transfer any funds

ATTACHMENT 1

SOURCE AND USE OF FUNDS

SFY 2019 APPROPRIATIONS

SOURCE OF FUNDS		Amount
FEDERAL FUNDS		
	FFY 2018 Capitalization Grant	$43,725,000
STATE FUNDS		
	SFY 2019 Matching Funds Appropriated by the Florida Legislature	$8,745,000
	SFY 2019 Loan Repayments	$42,000,000
	Interest on Idle SRF Funds	$4,500,000
	Subtotal	$55,245,000
PRIOR YEARS' BALANCE CARRIED FORWARD		
	Deobligated Construction Loan Funds	$18,965,799
	Recaptured funds	$6,418,208
	Subtotal	$25,384,007
TOTAL AVAILABLE FUNDS		**$124,354,007**

USE OF FUNDS		
TOTAL FEDERAL CAP GRANT		
	Set Asides	
	Administration 4%	$0
	Small Systems Technical Assistance (2% of Cap. Grant)	$874,500
	State Programs	
	Capacity Development (1452(g)(2))	$1,230,093
	Source Water Protection (1452(g)(2))	$550,621
	Set-Aside Subtotal	$2,655,214
PROJECTS		
	Disadvantaged Community Assistance	$50,000,000
	[Includes Additional Subsidization (min of 20% of cap grant)]	
	Small Systems (min of 15% of available funds)	$30,000,000
	Unreserved Construction Loan Funds	$41,698,793
	Total for Projects (available funds minus total federal set-asides)	$121,698,793
TOTAL AVAILABLE FUNDS		**$124,354,007**

ATTACHMENT 2

FUNDABLE, WAITING, AND PLANNING LIST
FFY 2018

SRF - State Revolving Fund

Report: Priority List Report(Attachment 1) DWSRF

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
DRINKING WATER SRF PRIORITY LIST FY 2018 ADOPTED:05/09/2018 MEETING

FUNDABLE PORTION TIER 1

TIER	PRIORITY SCORE	APPLICANT/ PROJECT NBR	PROJECT TYPE	PROJECT DESCRIPTION	ADOPTION DATE	APPLICATION DEADLINE	AGREEMENT DEADLINE	AUTHORIZED LOAN AMT	PRINCIPAL FORGIVENESS AMT	AMOUNT TO BE REPAID	UNADOPTED FUNDS
Tier1	712	Orange City 64200	DW/Con	Distribution (Pipe Replacement)	02/14/2018	06/14/2018	AWARDED 04/16/2018	$1,270,292	$1,092,619	$177,673	$0
Tier1	364.6	Alligator Park, Inc.* 08040	DW/Con	Transmission (Interconnection to Punta Gorda Water Sys)	11/08/2017	03/08/2018	AWARDED 01/09/2018	$200,000	$0	$200,000	$0
Tier1	348	Alligator Park, Inc.* 08040	DW/Con	Transmission (Interconnection to Punta Gorda Water Sys)	05/09/2018	09/06/2018	12/05/2018	$200,000	$0	$200,000	$0
Tier1	322	Wildwood* 60023	DW/Con	Treatment (Wildwood Oxford Water Treatment Plant)	05/09/2018	09/06/2018	12/05/2018	$1,373,166	$0	$1,373,166	$0
Tier1	318	Cape Coral 36013	DW/Con	Reclaimed Water (North 2 Transmission & Distribution)	08/09/2017	12/07/2017	AWARDED 09/06/2017	$20,000,000	$0	$20,000,000	$0
Tier1	304	Dunedin 52026	DW/Plan/Des	Treatment (Water Treatment Plant Refurbishment)	02/14/2018	06/14/2018	AWARDED 04/05/2018	$2,933,295	$0	$2,933,295	$0
Tier1	153	Davenport* 53070	DW/Plan/Des	Distribution (Water Main Replacement)	02/14/2018	06/14/2018	09/12/2018	$800,000	$400,000	$400,000	$0
Tier1	136.5	Mount Dora 35145	DW/Con	Transmission (Water Main)	05/09/2018	09/06/2018	12/05/2018	$108,365	$0	$108,365	$0
TOTAL AWARDED SEGMENTS:								$24,403,587	$1,092,619	$23,310,968	$0
TOTAL UNAWARDED SEGMENTS:								$2,481,531	$400,000	$2,081,531	$0
TOTALS:								$26,885,118	$1,492,619	$25,392,499	$0

*Small community <=10,000 (based on the 2010 Census for projects Listed after 6/30/2011)

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
DRINKING WATER SRF PRIORITY LIST FY 2018 ADOPTED:05/09/2018 MEETING

FUNDABLE PORTION TIER 2 & 3

TIER	PRIORITY SCORE	APPLICANT/ PROJECT NBR	PROJECT TYPE	PROJECT DESCRIPTION	ADOPTION DATE	APPLICATION DEADLINE	AGREEMENT DEADLINE	AUTHORIZED LOAN AMT	PRINCIPAL FORGIVENESS AMT	AMOUNT TO BE REPAID	UNADOPTED FUNDS
Tier2	677	River Grove Mobile Home Village, Inc.* 05130	DW/Con	Distribution & Consolidation (Const Water Main/ Demo of WTP)	02/14/2018	06/14/2018	09/12/2018	$393,710	$322,211	$71,499	$0
Tier2	656	Moore Creek-Mt. Carmel Utilities, Inc. * 57100	DW/Con	Source (Construction of 2 Wells)	02/14/2018	06/14/2018	09/12/2018	$1,659,205	$1,049,778	$609,427	$0
Tier3	473	Bowling Green* 25025	DW/Con	Treatment & Supply (WPF Facility Improvements)	08/09/2017	12/07/2017	AWARDED 02/12/2018	$2,160,871	$1,778,298	$382,573	$0
Tier3	472.4	Lemon Bluff Water Association* 64020	DW/Con	Treatment (Upgrade Facilities)	08/09/2017	12/07/2017	AWARDED 03/05/2018	$200,000	$145,500	$54,500	$0
Tier3	454	Jennings* 24020	DW/Con	Storage (Storage Tank Rehab)	08/09/2017	12/07/2017	AWARDED 03/14/2018	$156,960	$142,690	$14,270	$0
Tier3	448	Lighthouse Utilities Company, Inc.* 23030	DW/Des	Supply, Treatment, Distrib Improvements	05/09/2018	09/06/2018	12/05/2018	$498,786	$0	$498,786	$0
Tier3	434	Parker* 03072	DW/Plan/Des	Transmission & Distribution (Parker Water Improvements)	02/14/2018	06/14/2018	09/12/2018	$162,075	$81,037	$81,038	$0
Tier3	423	North Miami 13183	DW/Con	Treatment (Winson Treatment Plant Filter Rehab.)	08/09/2017	12/07/2017	AWARDED 03/06/2018	$4,410,680	$818,574	$3,592,106	$0
Tier3	416	Lakeland 53066	DW/Plan/Des	Treatment (Clearwell Replacement)	05/09/2018	09/06/2018	12/05/2018	$1,050,000	$0	$1,050,000	$0
Tier3	412	Polk Regional Water Cooperative 53200	DW/Plan	New WTP, Transmission, Storage (Polk County Southeast Wellfield)	08/09/2017	12/07/2017	03/07/2018	$11,500,000	$0	$11,500,000	$0
Tier3	400	Lynn Haven 03029	DW/Con	Distribution (Lynn Haven Water System Improvements)	02/14/2018	06/14/2018	09/12/2018	$3,572,000	$0	$3,572,000	$0
Tier3	392	Callahan* 45020	DW/Plan/Des	Distribution (Water Main Replacement & Extensions)	02/14/2018	06/14/2018	09/12/2018	$172,000	$86,000	$86,000	$0
Tier3	386	Hawthorne* 01041	DW/Plan/Des	Distribution (Water Main Replacements)	02/14/2018	06/14/2018	09/12/2018	$674,200	$337,100	$337,100	$0
Tier3	380	Big Bend Water Authority* 15052	DW/Plan	Distribution (Replacement of Water Mains and Meters)	08/09/2017	12/07/2017	AWARDED 04/27/2018	$30,000	$15,000	$15,000	$0
Tier3	377	Bonifay* 30014	DW/Plan	Distribution (Water System Improvements)	08/09/2017	12/07/2017	AWARDED 04/13/2018	$50,000	$25,000	$25,000	$0
Tier3	359	Jackson County* 32035	DW/Con	Distribution (Indian Springs Water Service Extension)	08/09/2017	12/07/2017	AWARDED	$1,593,235	$881,288	$711,947	$0
Tier3	347	Perry* 62020	DW/Con	Treatment (Water Treatment Plant Upgrades)	02/14/2018	06/14/2018	09/12/2018	$406,608	$314,639	$91,969	$0
Tier3	340	Sanford 59019	DW/Plan/Des	Treatment (Improvements to WTP)	08/09/2017	12/07/2017	AWARDED 10/17/2017	$584,950	$0	$584,950	$0
Tier3	339	Homosassa Special Water District* 090201	DW/Plan/Des	Distribution (Water Line Replacement)	02/14/2018	06/14/2018	09/12/2018	$130,000	$65,000	$65,000	$0
Tier3	337	Springfield* 03051	DW/Plan	Distribution (Water Distribution System)	08/09/2017	12/07/2017	AWARDED 02/16/2018	$150,000	$75,000	$75,000	$0

Tier3	335	Dade City* 51041	DW/Des	Supply and Transmission (Tank Hill Ground Storage & Pump Station)	08/09/2017	12/07/2017	03/07/2018	$230,000	$115,000	$115,000	$0
Tier3	332	Zephyrhills 51054	DW/Plan	Distribution (Water Line Extension)	02/14/2018	06/14/2018	09/12/2018	$35,000	$0	$35,000	$0
Tier3	329	Mary Esther* 46021	DW/Plan	Distribution (Rehab of Water Distribution System)	02/14/2018	06/14/2018	09/12/2018	$30,000	$0	$30,000	$0
Tier3	328	Lake Worth 50173	DW/Des	Design (Phase 4 Water Distrib Pipe Replacement)	11/08/2017	03/08/2018	AWARDED 03/29/2018	$304,150	$0	$304,150	$0
Tier3	323	Lake Worth 50172	DW/Con	Distribution (Pipe replacement)	08/09/2017	12/07/2017	AWARDED 02/13/2018	$3,359,000	$671,820	$2,687,180	$0
Tier3	323	Tavares 35096	DW/Des	Distribution (Water Facility Improvements)	11/08/2017	03/08/2018	06/06/2018	$77,000	$0	$77,000	$0
Tier3	322	Wildwood* 60023	DW/Con	Treatment Plant (Wildwood Oxford WTP)	02/14/2018	06/14/2018	09/12/2018	$6,213,000	$2,575,000	$3,638,000	$0
Tier3	311	Tavares 35096	DW/Con	Collection & Transmission (Lake Frances Estates Water Main Improv)	05/09/2018	09/06/2018	12/05/2018	$516,580	$0	$516,580	$0
Tier3	307	Casselberry 59033	DW/Plan	Transmission and Distribution (Water Meter Replacement)	02/14/2018	06/14/2018	09/12/2018	$250,000	$0	$250,000	$0
Tier3	304	Dunedin 52026	DW/Plan	Treatment (WTP Improvements)	08/09/2017	12/07/2017	03/07/2018	$1,115,000	$0	$1,115,000	$0
Tier3	187	Ozello Water Association* 09070	DW/Con	Distribution (Transmission Main Replacement)	02/14/2018	06/14/2018	09/12/2018	$2,647,182	$1,292,472	$1,354,710	$0
Tier3	155	Palatka 54022	DW/Con	Distribution (Phase III Water Supply Upgrade)	02/14/2018	06/14/2018	09/12/2018	$7,853,000	$1,210,796	$6,642,204	$0
Tier3	153	Davenport* 53070	DW/Plan/Des	Distribution (Water Main Replacement)	08/09/2017	12/07/2017	03/07/2018	$400,000	$200,000	$200,000	$0
Tier3	152	Belleview* 42075	DW/Con	Distribution (Water Meter Replacement)	02/14/2018	06/14/2018	09/12/2018	$960,000	$634,524	$325,476	$0
Tier3	145	Sebring 28030	DW/Plan/Des	Transmission and Distribution (Water Connections)	11/08/2017	03/08/2018	06/06/2018	$1,287,500	$0	$1,287,500	$0
Tier3	115	Titusville 05033	DW/Plan/Des	Treatment (Mourning Dove WTP Improvements)	02/14/2018	06/14/2018	09/12/2018	$528,000	$0	$528,000	$0
Tier3	113	Charlotte County 0802B	DW/Con	Transmission (New Transmission Lines)	08/09/2017	12/07/2017	AWARDED 04/05/2018	$4,060,062	$0	$4,060,062	$0
Tier3	100	Destin Water Users, Inc. 46012	DW/Con	Storage (New Storage Tanks and Well)	08/09/2017	12/07/2017	03/07/2018	$2,319,000	$0	$2,319,000	$0
TOTAL AWARDED NEW PROJECTS:								$17,059,908	$4,553,170	$12,506,738	$0
TOTAL UNAWARDED NEW PROJECTS:								$44,679,846	$8,283,557	$36,396,289	$0
TOTALS:								$61,739,754	$12,836,727	$48,903,027	$0

*Small community <=10,000 (based on the 2010 Census for projects Listed after 6/30/2011)

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
DRINKING WATER SRF PRIORITY LIST FY 2018 ADOPTED:05/09/2018 MEETING

WAITING PORTION

PRIORITY SCORE	APPLICANT/ PROJECT NBR	PROJECT TYPE	PROJECT DESCRIPTION	ESTIMATED UNFUNDED COST
318	Cape Coral 36013	DW/Con	Reclaimed Water (North 2 Transmission & Distribution)	$62,730,970
UNCOMMITTED WAITING PORTION TOTAL:				$62,730,970

*Small community <=10,000 (based on the 2010 Census for projects Listed after 6/30/2011)

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
DRINKING WATER SRF PRIORITY LIST FY 2018 ADOPTED:05/09/2018 MEETING

PLANNING PORTION

PRIORITY SCORE	APPLICANT/ PROJECT NBR	PROJECT TYPE	PROJECT DESCRIPTION	ESTIMATED PROJECT COST
0	Bradenton 41035	DW/Con	Storage (Aquifer Storage and Recovery)	$3,428,950
0	Bunnell* 18053	DW/Con	Storage & Treatment (Plantation Bay System Upgrades)	$2,395,000
0	Hallandale Beach 06171	DW/Con	Treatment (Disinfection System Improvements)	$750,000
340	Lake Wales 531301	DW/Pre	Supply & Distribution (Storage Tank & Water Line Replacement)	$3,348,120
400	Maitland 48025	DW/DB	Transmission & Distribution (Water Mains)	$10,800,000
0	Miami Beach 13136	DW/Con	Transmission & Collection (Force Main Rehab & Pump Station Upgrade)	$57,571,000
700	Oldsmar 52010	DW/Con	Distribution & Collection (Harbor Palms Infrastructure Improvements)	$3,899,000
300	Pompano Beach 06245	DW/Con	Distribution (Meter Installations)	$567,600
0	St. Petersburg 52061	DW/Con	Storage & Distribution (Ground Storage Tank & Valves)	$8,981,700
340	Trenton* 21010	DW/Pre	Source (New Well Delivery System)	$1,679,500
PLANNING PORTION TOTAL:				$93,420,870

*Small community <=10,000 (based on the 2010 Census for projects Listed after 6/30/2011)

ATTACHMENT 3

AUTOMATED CLEARING HOUSE PAYMENT SCHEDULE

ATTACHMENT 3: ACH PAYMENT SCHEDULE AND CASH DRAWS

FFY 2018 GRANT, AUTOMATED CLEARING HOUSE, PAYMENT SCHEDULE AND CASH DRAWS

	Federal FY 2019 QTR 1 / State FY 2019 QTR 2	Federal FY 2019 QTR 2 / State FY 2019 QTR 3	Federal FY 2019 QTR 3 / State FY 2019 QTR 4	Federal FY 2019 QTR 4 / State FY 2019 QTR 1	TOTAL
ACH PAYMENT SCHEDULE	$ -	$14,575,000	$14,575,000	$14,575,000	**$43,725,000**
	Federal FY 2019 QTR 1 / State FY 2019 QTR 2	Federal FY 2019 QTR 2 / State FY 2019 QTR 3	Federal FY 2019 QTR 3 / State FY 2019 QTR 4	Federal FY 2019 QTR 4 / State FY 2019 QTR 1	TOTAL
CASH DRAW SCHEDULE FOR PROJECT	$ -	$14,575,000	$14,575,000	$14,575,000	**$43,725,000**

Note: State Fiscal Year is July 1 through June 30

APPENDIX A

PUBLIC MEETING ANNOUNCEMENTS

MEETING MINUTES AND SUMMARY OF OUTSTANDING ISSUES

STATE RESPONSES TO OUTSTANDING ISSUES

Notice of Meeting/Workshop Hearing

DEPARTMENT OF ENVIRONMENTAL PROTECTION

The Department of Environmental Protection, State Revolving Fund Program announces a public meeting to which all persons are invited.

DATE AND TIME: August 8, 2018, 1:00 p.m. – 4:00 p.m.

PLACE: Conference Room 170, Carr Building, 3800 Commonwealth Boulevard, Tallahassee, Florida

GENERAL SUBJECT MATTER TO BE CONSIDERED: A workshop will commence at 1:00 p.m. to present the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Fiscal Year 2019 Intended Use Plans for public review and comment. Then, immediately following and continuing until not later than 4:00 p.m., a public meeting will be held to discuss the issues and recommendations for management of the FY 2018 CWSRF and DWSRF priority lists of projects to be funded with loans under Chapter 62-503, F.A.C. and Chapter 62-552, F.A.C.

A copy of the agenda may be obtained by contacting: Michael Isaacson, State Revolving Fund Program, 3900 Commonwealth Boulevard, Mail Station 3505, Tallahassee, Florida 32399-3000, (850) 245-2928, michael.isaacson@dep.state.fl.us.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

For more information, you may contact: Michael Isaacson, (850)245-2928, michael.isaacson@dep.state.fl.us, State Revolving Fund Program, 3900 Commonwealth Boulevard, Mail Station 3505, Tallahassee, Florida 32399-3000.

APPENDIX B

WORK PLAN FOR SMALL SYSTEM TECHNICAL ASSISTANCE AND PWSS SET-ASIDES WORKPLAN

ATTACHMENT B
WORK PLAN FOR SMALL SYSTEM TECHNICAL ASSISTANCE AND PUBLIC WATER SYSTEM SUPERVISION SET-ASIDE 2018

Division of Water Resource Management
Florida Department of Environmental Protection
June 30, 2018

I. Small System Technical Assistance

Total Funding Amount: A total of $874,500 is allocated to the Florida Rural Water Association (FRWA) which is two percent of the State DWSRF allocation.

A. Circuit Riders

1. **Funding Amount: $580,000**

2. **FTEs to Implement**: No additional FTEs for the Department are specified herein for grant management. They will be provided by Drinking Water Section staff under the Public Water System Supervision (PWSS) Program grant. FRWA, the contractor, will provide six drinking water circuit riders, and one trainer to assist water systems. All costs for the circuit riders are provided by funding from this allocation of the State DWSRF.

3. **Goals**

a) Provide technical assistance and training to small public water systems serving populations of less than 10,000 persons. This includes small mobile home parks, retirement villages, water associations, community water systems, and non-transient non-community water systems.

b) Assist systems in meeting 1996 Safe Drinking Water Act (SDWA) Amendments.

c) Provide technical assistance in the implementation of special studies to evaluate compliance issues that affect a group of water systems to provide broad based guidance. These studies will also provide assistance to Area-Wide Optimization Program (AWOP), DWSRF. and Capacity Development Programs for existing systems.

4. **Objectives**

a) Ensure compliance of small public water systems in the preparation of consumer confidence reports. This is an ongoing yearly activity, and the DEP will refer problem

systems to the FRWA for assistance in preparation of these reports. Training sessions will be held as necessary to guide owners and operators of small community public water systems in the use of the Department's recommended template for the consumer confidence reports required by the 1996 SDWA Amendments.

b) Assist public water systems that have been identified as a part of the State's Capacity Development Strategy as potentially benefiting from assistance relating to their technical, managerial or financial capacity. FRWA will also assist public water systems that have been identified as a part of the State's Capacity Development Strategy through their routine circuit rider and engineer services.

c) Inform public water systems about the State's Revolving Loan Program. The FRWA circuit riders have been trained in the Request for Inclusion process and the SRF rules. They will assist small systems in applying for an SRF loan or grant.

d) FRWA circuit riders will assist water systems in evaluating their vulnerability to contamination from pesticides and other selected contaminants. Systems with low vulnerability will be assisted in applying to the Department for a Monitoring Waiver to reduce their monitoring requirements.

e) Assist systems with source water protection activities. (Informing the correct people about the needed cooperation to carry out a source water protection program is best led by a third party, in this case the FRWA circuit riders.)

f) Assist systems with Disinfection Byproducts Stage 2, Groundwater, and Lead and Copper (LCR) Rules Compliance. FRWA circuit riders will assist systems in developing sampling/monitoring plans, four-log demonstrations, evaluating corrosion control, and other rule related compliance issues.

g) Provide other technical assistance as needed. All current and new FRWA circuit riders are trained in the day-to-day functions of a water plant. Some are certified operators. Technical assistance will be provided for the following specific major reasons:

   i. Water System Compliance,
   ii. Correcting deficiencies noted by the state during a Sanitary Survey or System Upgrade,
   iii. Compliance with Capacity Development Strategy Guidelines

iv. Operations and Maintenance

h) Provide technical assistance to help small disadvantaged systems apply for loans and grants through the DWSRF program.

i) Perform Special Projects to investigate technical or managerial problems that appear to affect a group of systems.

5. Circuit Riders' Output

a) Visits and Tracking. During the coming year FRWA circuit riders will make a minimum of 2,520 technical assistance visits to systems.

b) The monthly circuit rider reports will specify the number of visits (contacts) and the type of assistance provided. Types of assistance provided include, but are not limited to, evaluating cross connection/backflow concerns and Plan Implementation, Consumer Confidence Reports (CCRs), Lead and Copper, Groundwater, Disinfection Byproduct (DBP) Rule implementation, Maximum Contaminant Level (MCL) violations, public notice requirements, rule education, sampling/monitoring, source protection, and sanitary survey preparation/follow-up. These monthly progress reports will also include narratives of significant contacts.

c) DEP will track activities and water system progress toward compliance and monitoring objectives. Meetings will be held with FRWA as needed to guide their efforts to match the Drinking Water Section's needs.

d) Operator Training.

1) The circuit riders will attend and provide training at FRWA monthly seminars. They will also be encouraged to plan and hold Problem Solving Sessions as the need arises. Problem Solving Sessions are scheduled when two (2) or more systems are experiencing the same problem which can potentially be resolved by bringing the systems in and doing specialized training about their common problems, typically well disinfection, rate analysis, leak detection or water sampling technique.

2) The FRWA will conduct six seminars, "Focus on Change", to train operators on new rule requirements and program priorities.

6. Deliverables

a) For the six circuit riders, FRWA and DEP maintain electronic and paper records of FRWA's monthly reports, which include primary reason and secondary reason codes. This allows for tracking of the associated types of technical assistance. Primary reason codes are:

i. Actual Compliance (AC): dealing directly with an issue that brings the system back into compliance.
ii. Potential Compliance (PC): dealing with technical challenges which affect compliance.
iii. Management/Finance (MF): dealing with managerial and/or financial issues.
iv. Conservation (CO): dealing with leak detection, water audits, and other issues related to water conservation.
v. Operations/Maintenance (OM): dealing with the operations and/or maintenance of the distribution system, pumps, tanks, and other parts of the water system.
vi. Treatment (TR): relating to coagulation/flocculation, disinfection, filters/filtration, and other matters relating to treatment.
vii. Outreach (OR): involves contacting public water systems to inform them of the assistance available through this contract.

Each primary reason code has several secondary reason codes which can be chosen to qualify the primary reason code. Reports also include the identity of the water system, the date assisted, and other information.

The reports will allow for the tracking of the assisted system's identity, dates assisted, hours spent, the nature of the assistance and whether SRF program/application assistance was provided.

7. Schedule of Activities to Complete

a) Florida has approximately 5,200 public water systems that serve fewer than 10,000 persons each. It is anticipated that the types of contacts made by FRWA in 2018-19

will be as follows: 700 Actual Compliance; 250 Outreach; 380 Capacity Development; and 1260 Potential Compliance.

b) A minimum of twelve (12) small system training classes and an accumulation of 300 hours or more related to Performance Hours this year.

c) Six "Focus on Change" program seminars will be conducted.

8. Responsibilities of Agencies Involved

a) The state of Florida is under a contract for the provision of technical assistance and training to small public water systems with the FRWA. Six trained circuit riders are targeting their technical assistance efforts toward water systems serving populations of less than 10,000. This includes small mobile home parks, retirement villages, water associations, community water systems, and non-transient non-community water systems.

b) The FRWA circuit riders cover the entire state and respond to calls from the water systems themselves, the Department of Environmental Protection (DEP), the Department of Health Headquarters (DOH), and any of the eight-approved local county Health Department programs. FRWA also reaches systems through outreach efforts initiated by FRWA.

   i) These efforts will be an integral part of the State's Drinking Water Compliance, Capacity Development, Monitoring Reduction and Source Water Protection Programs.

9. Department Evaluation Process Involved

a) Measurement of compliance rate with drinking water regulations.

b) Completion rate and timeliness of completion by water system representatives of training programs conducted by FRWA in: Lead and Copper, Disinfection Byproducts, Groundwater, Total Coliform, Synthetic Organic Carbons, Volatile Organic Carbons, Secondary, and Inorganic monitoring, and other subjects.

c) Accomplishment by FRWA of the technical assistance goals relating to the assistance provided.

B. Water System Trainer

1. **Funding Amount: $122,888**

2. **FTEs to Implement**: No additional FTEs for the Department are specified herein for grant management.

3. **Goals**

a) Provide technical assistance and training to small public water systems and their operators serving populations of less than 10,000 persons and covering the entire state. This includes small mobile home parks, retirement villages, water associations, community water systems, and non-transient non-community water systems. The trainer will target assistance for one-half of his time to small system operators and the remaining time to complex groundwater systems and surface water systems.

b) Provide technical training to Drinking Water Program Staff and groups of water system owners and operators at seminars and water industry meetings.

4. **Objectives**

a) Assist systems in meeting 1996 SDWA Amendments.

b) Provide technical assistance in the implementation of special studies to evaluate compliance and capacity development issues that affect a group of water systems including large systems to provide broad based guidance. These studies will also provide assistance to Area-Wide Optimization Program (AWOP), DWSRF and Capacity Development programs for existing systems.

5. **Outputs**

a) The trainer position will develop training plans, materials and manuals and conduct training sessions for operators.

b) The trainer will also conduct mentoring programs and comprehensive technical assistance for surface water and complex groundwater treatment plant operators.

c) The trainer will also provide training and technical assistance to operators of complex surface water systems and groundwater systems to assist them in achieving compliance with Disinfection Byproduct Maximum Contaminant Levels (MCL) and Total Organic Carbon removal requirements.

6. Deliverables

a) Training will be measured based on a review of Monthly Reports which summarize activities including preparation time, the number of training sessions and operators trained, and participation in Special Studies.

b) Activity reports will be prepared monthly by FRWA and maintained by both FRWA and DEP on paper and electronically.

c) The reports will allow tracking of the assisted system's identity, dates assisted, hours spent, the nature of the assistance and whether a written manual or training plan was provided.

7. Schedule of Activities to Complete

a) The trainer will provide a minimum of 12 monthly reports summarizing activities and training sessions during the grant period.

8. Responsibilities of Agencies Involved

a) The DEP Drinking Water Section is responsible for managing the FRWA contract within which the trainer position is supported and will set program priorities and review deliverables.

C. <u>Engineers</u>

1. Funding Amount: $191,392

2. FTEs to Implement: No additional FTEs for the Department are specified herein for grant management. The Grantee will employ two (2) Engineers to assist eligible small public water and wastewater reuse systems by providing consultation and technical

assistance services.

3. Goals

a) Provide technical assistance and training for water resource development, alternative water supply projects, and water supply issues.

b) Design and permitting of projects for small drinking water systems to correct capacity development/compliance problems, with emphasis on correcting public health risks.

c) Reviewing plans and specifications submitted to the Drinking Water State Revolving Fund (DWSRF) Program for cost effectiveness and efficiency.

d) Assisting utilities in preparing funding applications for loan and grant assistance, including facilities plans for the DWSRF Program and preliminary engineering reports for Rural Development grants and loans.

e) Regulatory permitting and design needs to secure funds from utility financing programs to complete water resource development and water supply projects.

f) Preparing sampling plans for systems to enable them to demonstrate compliance with the Department's monitoring requirements in cases where the preparation is more advanced than the available Circuit Rider's capabilities.

g) Preparing permit modifications, system extension permits, and other related project activities.

h) Aiding the Department with targeted technical assistance and consultation. "Targeted" means addressing the needs of specific programs or special studies, such as drought preparedness, Trihalomethane special study, and lead/copper special study.

i) Planning support for systems experiencing compliance problems due to rapid growth. This support could include system analysis to determine needed improvements, capacity adjustments to meet increasing demands, and funding alternatives to complete needed improvements.

4. Objectives

c) Assist systems in meeting 1996 SDWA Amendments.

d) Provide technical assistance in the implementation of special studies to evaluate

compliance and capacity development issues that affect a group of water systems including large systems to provide broad based guidance. These studies will also provide assistance to Area-Wide Optimization Program (AWOP), DWSRF and Capacity Development programs for existing systems.

5. Outputs

a) The total number of projected requests for engineering assistance to drinking water systems during this Agreement is seventy-two (72). Between the two of them, the engineers will be required to complete or close-out seventy-two (72) engineering projects annually for small public water systems per the description above.

b) Each engineer will complete three (3) or more projects each month. These projects will be tracked to completion or close-out, and the Engineer Monthly Performance Reports will be reviewed.

6. Deliverables

a) Engineering projects will be measured based on a review of Monthly Reports which summarize activities.

b) Activity reports will be prepared monthly by FRWA and maintained by both FRWA and DEP on paper and electronically.

c) The reports will allow tracking of the assisted system's identity, dates assisted, hours spent, the nature of the assistance and whether a written manual or training plan was provided.

7. Schedule of Activities to Complete

b) The engineer will provide a minimum of 12 monthly reports summarizing activities during the grant period.

8. Responsibilities of Agencies Involved

b) The DEP Drinking Water Section is responsible for managing the FRWA contract within which the engineer position is supported and will set program priorities and review deliverables.

II. Program Enhancement

1. Funding Amount: $550,621

Funding amount covers:

i) $239,621 for seven OPS positions in the District Offices
   (1) $149,187 Base
   (2) $74,820 Indirect Costs
   (3) $5,614 Fringe and FICA benefits
ii) $93,000 for Background Water Quality of the Deep Floridan Aquifer
iii) $78,000 for Source Water Protection Tool
iv) $140,000 for Delineated Areas

2. Goals

a) Meet United States Environmental Protection Agency (EPA) and 1996 SDWA Amendment requirements; maintain Primacy on all new EPA-promulgated rules.
b) Assist in Source Water Assessment Program (SWAP).
c) Continue to implement adopted rules (Arsenic, Public Notification, Stage 1 & 2, Disinfection Byproducts Rules, Filter Backwash Recycling Rule, Long Term 1 & 2, Enhanced Surface Water Treatment Rules, Lead and Copper Short Term Revisions, Revised Total Coliform Rule and Radiological Rules).
d) Continue to implement the Revised Total Coliform Rule; State rules governing permitting; Operation & Maintenance.
e) Assist with the schedule, and hold training sessions to train water system owners and operators of program requirements.
   i) Manage grants and contracts utilizing DWSRF Technical Assistance funds.
   ii) Maintain the Information Technology (IT) contract to ensure Public Water System (PWS) Oracle database viability.
   iii) Prepare Statements of Estimated Regulatory Costs for water related rules.
   iv) Oversee the development of remote technology usage for inspections.

3. Objectives

a) Continue to develop compliance scripts for new rules to update the PWS database system, with a portion of the deliverable provided by the IT consultant.
b) Continue to implement existing rules to include Arsenic, Disinfection Byproducts, Lead and Copper, Public Notification, Revised Total Coliform Rule, Radionuclides, and Groundwater.
c) Schedule and hold training events and meetings.
d) Ensure that technical assistance grants and contracts meet objectives and are managed within budget.

4. Outputs

a) Rules will require drafting; rule workshops, public meetings, and rule adoption hearings may be conducted.
b) Revised database compliance scripts, forms, and training.
c) Grants and contracts to provide for technical assistance.
d) Training sessions and meetings.

5. Deliverables

a) Adopt revisions to state rule on Permitting, Operation and Maintenance, and Cross Connection Control.
b) Submit Public Notification Guidelines for EPA review.
c) Oracle database will continue to be modified to track new rules.
d) Oracle reports/scripts will be written and placed into production to assist with compliance determinations.
e) Grants or contracts for technical assistance.
f) Equipment needed to implement program enhancements.

6. Schedule of Activities to Complete

a) Database modifications and compliance script updates will be completed by September 2018.
b) Grants awarded, managed and completed by the end of Federal Fiscal Year (FFY) 2018.

7. Responsibilities of Agencies Involved

a) The DEP Drinking Water Section will be responsible for rule development, form implementation, grant awards and management, tracking expenditures, training staff in the use of new equipment and newsletter preparation.

b) The Office of General Counsel (OGC) provides in general, legal support and guidance to the Drinking Water Program. OGC is asked to provide guidance on interpretation and application of state and federal rules and regulations. This office assists with the drafting and preparation of rulemaking materials and draft rules, as well as some permits and enforcement orders. As part of the administration of the program, OGC coordinates with and assists the program on the drafting and publication of public notices in the Florida Administrative Weekly.

8. Description of Evaluation Process Involved

a) Rules and forms adopted in a timely manner and effective implementation verified through our Annual Program Evaluation process.
b) GPS input and verification of each system's location information during triennial Sanitary Surveys of each community and non-transient non-community system and five-year interval surveys of transient non-community systems.
c) To evaluate the effectiveness of the Oracle system, compliance scripts will be evaluated nightly; EPA error reports reviewed quarterly; and file reviews conducted annually.
d) Grant monthly reports reviewed to monitor progress.

III. Public Water System Supervision (PWSS) Program

1) Funding Amount: $1,230,093

Funding amount covers:

a) FRWA - $400,000
   i) Emergency funding - $60,000
   ii) Asset Management Planning staff - $240,000
   iii) AMP software development - $100,000

b) AWOP - $36,215
c) Groundwater & Distribution System Optimization training - $49,878
d) Drinking Water Emergency Sampling - $25,000
e) Sanitary Survey Training - $44,000
f) FlaWARN - $75,000
g) StormTracker - $100,000
h) PWS Labs - $500,000

2) Goals

a) Will provide assistance to small water systems through emergency funding and asset management to help ensure safe drinking water in the event of unexpected damage to infrastructure/deteriorating water quality.

b) EPA and PAI, Inc will conduct training using a systematic approach to review the management, operation, maintenance and administrative approaches to optimization of drinking water systems. Florida DEP will host the 3-day workshop with representatives from EPA Region 4 States.

c) EPA and PAI, Inc will conduct training with a detailed overview and focus on Water Treatment Distribution System Optimization.

d) Provide emergency funding to allow DEP/DOH drinking water inspectors to collect drinking water samples on an as-needed/emergency basis. Manage grants and contracts utilizing DWSRF Technical Assistance funds.

e) EPA will conduct two Sanitary Survey Inspector trainings. The ongoing training of inspectors is required by rule due to the new regulations, processes and technology necessary for inspections.

f) Continued implementation of FlaWARN which is a program developed to assist critical public water facilities with preparation, response, recovery and mitigation activities which serve to protect public health and expedite return to service during times of need per the State's Comprehensive Emergency Management Plan and DEP Directive 971.

g) Enhance and consolidate the existing emergency response tracking tool for the drinking water systems throughout Florida. Enhancements will include the FlaWARN element, interface modifications, GIS mapping, and smart device applications. Work will also be done to interface the application with the DOH database.

h) Develop PWS Labs Reporting Project that will allow labs to enter Drinking Water Lab

Results data directly into the application, provide DEP the ability to approve or reject the results and, interface with the existing Potable Water System (PWS) application and Oculus. Implement business rules to improve data quality, support data evaluation, and provide robust reporting capabilities for DEP's Division database applications.

3) Objectives

a) Two Asset Management Planning staff will provide assistance to water systems serving fewer than 10,000 people.

b) Two staff will be trained from each of the 14 DEP/DOH offices, plus two staff from Tallahassee Headquarters (HQ), for a total of 30 DEP/DOH drinking water personnel in management, operation, maintenance and administrative approaches for drinking water systems throughout Florida.

c) Two staff will be trained from each of the 14 DEP/DOH offices, plus two staff from Tallahassee Headquarters (HQ), for a total of 30 DEP/DOH drinking water personnel training will focus on data integrity, process efficiency, sampling procedures and concerns, quality assurance, and trending information on disinfection optimization within drinking water systems. Disinfection types (chlorine, chlorine dioxide and chloramines) will be covered as well as approaches for the reduction of disinfection byproducts.

d) Ensure that funding is available for emergency events that require sample collection and analysis.

e) Two staff will be trained from each of the 14 DEP/DOH offices, plus two staff from Tallahassee Headquarters (HQ), for a total of 30 DEP/DOH drinking water personnel on Sanitary Survey components.

f) Continued implementation of FlaWARN to assist critical public water facilities with preparation, response, recovery and mitigation activities.

g) Enhance and consolidate the existing emergency response tracking tool for the drinking water systems throughout Florida.

h) Ability for labs to enter Drinking Water Lab Results data directly into the application, provide DEP the ability to approve or reject the results and, interface with the existing Potable Water System (PWS) application and Oculus.

4) Outputs

a) Staff attending trainings will develop training plans, materials and manuals, and conduct training sessions for additional staff.

b) Databases will be enhanced to consolidate the Division of Water Resource Management's existing emergency event tracking both internal and external

c) Databases will be developed to enhance and consolidate the Division of Water Resource Management's existing compliance and enforcement applications and tools.

5) Deliverables

a) Training will be measured based on activities including preparation time, the number of training sessions and operators trained, and participation in each program.

b) Activity reports will be prepared monthly by FRWA and maintained by both FRWA and DEP on paper and electronically.

c) Trainings will be enhanced to assure optimal participation, retention and availability for staff.

6) Schedule of Activities to Complete

a) Database development for PWS Labs

b) Database enhancement and consolidation for emergency event response.

c) Grants awarded, managed and completed by the end of FFY 2017.

d) Training completed and development of training program for additional staff.

7) Responsibilities of Agencies Involved

a) The DEP Drinking Water section is responsible for managing the FRWA contract and will set program priorities and review deliverables.

b) The state of Florida is under a contract for the provision of technical assistance and training to small public water systems with the FRWA. Six trained circuit riders are targeting their technical assistance efforts toward water systems serving populations of less than 10,000. This includes small mobile home parks, retirement villages, water associations, community water systems, and non-transient non-community water systems.

8) Description of Evaluation Process Involved

a) Measurement of compliance rate with drinking water regulations.

b) Completion rate and timeliness of completion by water system representatives of training programs conducted by FRWA in: Lead and Copper, Disinfection Byproducts, Groundwater, Total Coliform, Synthetic Organic Carbons, Volatile Organic Carbons, Secondary, and Inorganic monitoring, and other subjects.

c) Accomplishment by FRWA of the technical assistance goals relating to the assistance provided.

APPENDIX C

SOURCE WATER PROTECTION WORKPLAN

Source Water Assessment and Protection Program (SWAPP)
Intended Use Plan for Federal Fiscal Year (FFY) 2018
Anticipated Expenditures from October 2018 through September 2019

Staffing*

- Seven Other Personal Services (OPS) staff assist with activities associated with implementing the Source Water Protection portion of the Source Water Assessment and Protection Program. **($239,621)**

* Total Staffing Cost includes ops salaries, fringe, FICA, and indirect costs

New Project

A. Background Water Quality of the Deep Floridan Aquifer ($93,000)

Natural groundwaters within the Floridan Aquifer System's (FAS) deep transmissive horizons are poorly understood. As a result, robust assessment of potential effects of underground injection and potential upward migration are limited. Geochemical interaction between mixing waters (i.e., native and injected waters) and between water (injected or mixed) and rock occur, resulting in potential water quality changes as well as changes in hydrogeologic parameters. For example, water-rock interactions in carbonates can lead to a reduction in permeability due to precipitation, or enhanced permeability due to dissolution. The relationship of deep Floridan waters to lithostratigraphic units is even more poorly understood.

This program will look at analyzing groundwater samples prior to the operation of an Underground Injection Control (UIC) well. The groundwater data would then be compared to the lithologic characteristics of the borehole cores. This program will allow the Florida Geological Survey to process and analyze the groundwater samples for 45 cation and anion parameters. This will provide a unique opportunity to characterize deep transmissive zones of the Florida Aquifer System and establish a baseline with which to compare monitoring data and assessing long term trends within these zones. The data will be entered into the Aquifer Storage and Recovery database.

This project involves a phased approach that starts with developing an overall workflow, refining our chain of custody process for geologic and water samples, and identifying the skillset required to complete the project. Deliverable would be quarterly reports with a presentation upon project completion. Major in-kind tasks under this project include management, training, supervision, commercial lab contract negotiation, report review and editing. OPS staff responsibilities would include geologic sample inventory, processing, archiving, lithologic descriptions and formation picks; inspection of geophysical logs; conduct OCULUS queries for existing geoscience data (water quality, well construction, logs, etc.); prepare and ship water samples including blanks and duplicates, to a NELAP-certified lab; data entry, QA/QC, and management; statistical summaries where appropriate, and reporting.

Purpose/scope: Funds to support lab contract, data entry/management, QA/QC.

Resources: OPS funds to support data management and Contracted Services funds for laboratory analyses from commercial lab.

B. Source Water Protection Tool ($78,000)

Using LiDAR-based tools, this program will look to identify natural and anthropogenic point groundwater recharge to drinking water sources. These point sources exist across the state in the form of drainage wells and stream-to-sink (swallet) features. The locations of the latter are relatively unknown, except within a few springsheds. Current locations were identified using 1:24,000 style maps. This program will use existing high definition LiDAR-based elevation models to identify potential point sources to ground water. A pilot study (to develop and refine methodology), followed by a statewide study would use all available QL2 or better LiDAR to identify stream-to-sink features, followed by field validation. These features, along with all known drainage wells would then be mapped in context of surface water basins (HUCs). New LiDAR and resulting digital elevation models will allow refinement of the HUC boundaries. Geospatial analysis would be conducted to identify vulnerability between the revised surface water basins and groundwater recharge locations and to develop a pollution risk map for use during emergency response and development of refined aquifer protection measures. GPS would be used to locate drains within each swallet.

Within the pilot study area, selected HUCs will be compared to internally drained basins identified by ESRI's Arc Hydro tool. The process will include selection of an area that reflects geomorphic diversity and has full QL2 LiDAR coverage; identify GIS targets (potential swallets based on shape/slope analysis), field validation will include property permissions, which can be time consuming, and GPS data collection; mapping/analysis. Criteria for refined high-risk spill areas will then be identified and a GIS coverage generated for technical review prior to statewide scale up.

Major in-kind tasks under this project include management, training, supervision, field work, vehicle fuel, map and process review.

C. Delineated Areas ($140,000)

Maintenance of Delineated Areas may be costing taxpayers vast sums. Many of these areas were identified in the late 1980's or early 1990's. Since that time, depending on the nature of the contamination source and hydrogeologic conditions, the areas may have reduced in size, expanded, or migrated along preferential or potentiometric-driven flow paths. Some of these areas of concern offer the challenge of identifying whether the contamination is anthropogenic, natural or both, which influences designation of a delineated area. Groundwater contamination, whether a regulated constituent such as nitrate, arsenic, an organic compound, or an unregulated constituent, such as molybdenum are all cause for human health concern. Moreover, EPA Health Advisories

for emerging contaminants, such as perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA) have been developed. Future Delineated Areas need to address these latter scenarios of emerging contaminants and unregulated constituents of concern. A challenge facing regulatory entities is that some constituents, (e.g., radium) are rarely analyzed and if they were, perhaps there would exist Delineated Areas based on these constituents as well.

A Technical Advisory Committee (TAC) will be assembled to begin addressing these issues and launch a pilot study to test refined procedures for identifying, validating and maintaining Delineated Areas. The TAC should have representatives from DEP-DRWM, DEP-FGS, DEP-DEAR, DEP-OWP as well as from the corresponding water management district and the county health department for the pilot area. FGS would dedicate two full-time equivalent OPS (or two grant-funded FTEs) to begin the pilot study. Knowledge, skills and abilities of these two staff include GIS and surface interpolation, statistics, hydrogeochemistry, QA/QC of water quality data and field measurements, and analysis of spatial and temporal trends. The role of a liaison with DOH will be critical to this project and would require sufficient bandwidth to support numerous data requests.

Total Intended Use Plan SWAPP Anticipated Expenditures: ($550,621)

APPENDIX D

COMPLETE PRIORITY SYSTEM

62-552.300 General Program Information.

. . .

(e) Priority System. Timely submitted projects shall be given priority according to the extent each project is intended to remove, mitigate, or prevent adverse effects on public health and drinking water quality. The final priority score for each project shall be determined as described in subparagraphs 1. through 3. below.

1. Base Priority Score. Each project shall receive a base priority score (BPS) dependent on the weighted average of its components. The BPS shall be determined using the following formula where CPS means the component priority score and CCC means component construction cost or:

$BPS = [CPS_1 \text{ x } CCC_1 + \ldots + CPS_n \text{ x } CCC_n]/\text{Total Construction Cost}$

a. Project components shall be assigned a component priority score (CPS) according to the categories in Table 1 below.

Table 1

Project Component	CPS
Acute Public Health Risk 1a. E-Coli or Fecal Coliform Maximum Contaminant Level (MCL) Exceedance (subsection 62-550.310(5), F.A.C) 1b. Nitrate, Nitrite, or Total Nitrogen MCL Exceedance (subsection 62-550.310(1), F.A.C., Table 1) 1c. Lead or Copper Action Level Exceedance (Rule 62-550.800, F.A.C) 1d. Surface Water Filtration and Disinfection Noncompliance (subsection 62-550.817(2), F.A.C.)	800 points
Potential Acute Public Health Risk 2a. Nitrate, Nitrite, or Total Nitrogen Exceed 50% of MCL (subsection 62-550.310(1), F.A.C., Table 1) 2b. Microbiological MCL Exceedance (subsection 62-550.310(5), F.A.C) 2c. Surface Water Enhanced Filtration and Disinfection Noncompliance (subsection 62-550.817(3), F.A.C.) 2d. State Health Officer Certification of Acute Health Risk for Unregulated Microbiological Contaminants	700 points

2e. Violation of Disinfection Requirements (subsection 62-555.320(12), F.A.C.)	
Chronic Public Health Risk 3a. Inorganic or Organic Contaminant MCL Exceedance (subsection 62-550.310(1) & (4), F.A.C., Tables 1,4,5) 3b. Disinfection Byproducts MCL Exceedance (subsection 62-550.310(3), F.A.C., Table 3) 3c. Radionuclide MCL Exceedance (subsection 62-550.310(6), F.A.C)	600 points
Potential Chronic Public Health Risk 4a. Inorganic or Organic Contaminant Exceed 50% of MCL (subsection 62-550.310(1) & (4), F.A.C., Tables 1,4,5) 4b. Disinfection Byproducts Exceed 80% of MCL (subsection 62-550.310(3), F.A.C., Table 3) 4c. State Health Officer Certification of Chronic Health Risk for Unregulated Chemical Contaminants	500 points
Compliance-1 5a. Infrastructure upgrades to facilities that are undersized, exceed useful life, or have continual equipment failures 5b. Insufficient water supply source, treatment capacity, or storage 5c. Water distribution system pressure less than 20 psi 5d. Eliminate dead ends and provide adequate looping in a distribution system 5e. Replace distribution mains to correct continual leaks, pipe breaks, and water outages 5f. New public water system or extension of existing system to replace contaminated or low yield residential wells 5g. Lack of significant safety measures (e.g. chemical containment) 5h. Secondary Contaminant MCL Exceedance (Rule 62-550.320, F.A.C.) 5i. Drinking water supply project as defined in paragraph 403.8532(9)(a), F.S.	400 points
Compliance-2 6a. Treatment, Storage, Power, and Distribution Requirements (Rule 62-555.320, F.A.C) 6b. Minimum Required Number of Wells (subsection 62-555.315(2), F.A.C) 6c. Well Set-back and Construction Requirements (Rule 62-555.312 and 62-555.315, F.A.C)	300 points

6d. Cross-Connection Control Requirements (Rule 62-555.360, F.A.C) 6e. Physical Security Project Documented in a Vulnerability Analysis 6f. Consolidation or regionalization of public water systems 6g. Water/Energy Conservation Project	
Other Projects	100 points

b. Project component scores that are based on contaminant levels shall be justified by sample analytical data. The date samples were collected must be no older than 24-months from the date of submittal of a Request for Inclusion. The sample results shall show an ongoing and current problem with a drinking water quality standard. The project sponsor shall provide documentation demonstrating contaminant levels (e.g. disinfection byproducts) cannot be reduced by adjusting system operations, if applicable. Samples shall be analyzed by a state certified laboratory as defined in Rule 62-550.550, F.A.C.

c. A project component score of 400 points that is based on compliance-1 categories of Table 1 shall be supported by documentation demonstrating the need for the project; otherwise, a component score of 300 points will be assigned.

d. A project sponsor with a qualifying water conservation project is eligible to receive an additional 100 points added to their priority score if the sponsor provides a water conservation plan in accordance with EPA's Water Conservation Plan Guidelines, document number EPA-832-D-98-001, August 6, 1998, hereby adopted and incorporated by reference. The sponsor must demonstrate that the proposed project meets the objective of the water conservation plan. This document is available from the Department's Drinking Water State Revolving Fund Program, 3900 Commonwealth Blvd, Tallahassee, Florida 32399-3000, or electronic versions are available at https://www3.epa.gov/watersense/pubs/guide.html or http://www.flrules.org/Gateway/reference.asp?No=Ref-08363.

e. If 50% or more of residential wells of a given project meet the contamination levels indicated in Table 1 and connect to a new or existing public water system, then the project would be awarded component priority points according to the appropriate public health risk. Surface water flooding of wells of residents with septic drainfields and wells under the direct influence of surface water are considered an unregulated microbiological potential acute public health risk, and require substantiated documentation of occurrence in lieu of sampling data.

2. Affordability Score. The extent of affordability existing in a small community to be served by the project shall be reflected in the priority score. Points shall be awarded based upon two affordability criteria: namely, median

household income (MHI) and service area population. These points are to be added to the base priority score. Affordability Score = (MHI Score + Population Score).

a. MHI Score. MHI score shall be derived based on the extent a community's MHI falls below the statewide average. MHI data used to determine points shall be determined using the ACS 5-year estimate calculated as provided in Subsection 62-552.200 (12), F.A.C. or from verifiable estimates and shall represent all areas to be served by the project sponsor's public water system.

(I) MHI score shall not exceed a maximum of 75 points, shall not be less than zero points, and shall be rounded to the nearest whole number.

(II) MHI score is calculated as follows:

MHI Score = 100 x (1.00 - MHI fraction), MHI fraction is equal to the MHI of the service area divided by the statewide MHI.

b. Population Score. Projects for small systems are generally less affordable than those for larger systems due to a limited rate base from which to recover costs. Special consideration is given to such projects based on service area population. Population data used to determine the score shall come from verifiable estimates and shall represent all areas to be served by the project sponsor's public water system.

(I) Population score shall not be less than zero points and shall be rounded to the nearest whole number.

(II) The population score is calculated as follows

Population score = 50 - (P/200). P is the population of the service area.

3. Tie-breaking procedure. The sponsor with the larger population will have the higher priority.