DRINKING WATER STATE REVOLVING FUND

State Fiscal Year 2026 Draft Intended Use Plan

Base Program
Supplemental Base Program
Lead Service Line Replacement
Emerging Contaminants

COMMONWEALTH OF KENTUCKY

Prepared by the

KENTUCKY INFRASTRUCTURE AUTHORITY
&
ENERGY AND ENVIRONMENT CABINET

TABLE OF CONTENTS

INTRODUCTION

The 2026 Intended Use Plan (IUP) for the Drinking Water State Revolving Fund Program (DWSRF) is used to communicate Kentucky's DWSRF plan for State Fiscal Year (SFY) 2026 to potential borrowers from the DWSRF, the public water systems (PWSs), the public, the U.S. Environmental Protection Agency (USEPA), and other interested parties. The IUP is prepared in accordance with the provisions of the Safe Drinking Water Act (SDWA), the America's Water Infrastructure Act of 2018, and the Further Consolidated Appropriations Act, 2020 (Pub. L. 116-94, December 20, 2019).

The DWSRF plan for SFY 2026 will include the Base Program as well as additional funding provided through the Infrastructure Investment and Jobs Act as Supplemental Base funding, Emerging Contaminants funding, and Lead Service Line Replacement funding. Projects to be considered for funding through the DWSRF are submitted during the initial call for projects. Projects are reviewed for eligibility and ranked for funding priorities. 245 projects were considered for funding from the DWSRF. The total amount requested is approximately $971.8 million. The total project need from all funding sources is approximately $1.18 billion. The requests are primarily to fund construction but include planning and design. The IUP identifies how the funds will be used to support the goals of the DWSRF and documents the list of projects anticipated for funding as shown on the Comprehensive Project Priority List. This Project Priority List (PPL) is provided in Appendix A. For SFY 2026, the Fund has $89.7 million available with $30 million available in Base funding, $26.9 million available in Supplemental Base funding, $6.4 million available in Emerging Contaminants funding, and $26.6 million available in Lead Service Line Replacement funding.

An annual IUP is required by Section 1452 of the SDWA and is an integral part of the process to request these funds. Each year, the US Congress authorizes funding for the DWSRF through the USEPA. The USEPA then prepares allocations for states to receive the funds by way of a Capitalization Grant. The current IUP is for the 2025 capitalization grant, which is the 2025 Federal Fiscal Year (FFY) of October 1, 2024 through September 30, 2025. This IUP identifies how the funds available to Kentucky's DWSRF will be used during the 2026 SFY of July 1, 2025 through June 30, 2026.

The IUP will identify how the funds available to Kentucky's DWSRF will be used during each SFY to support the goals of the DWSRF. The 2026 IUP includes:

1. A description of the short and long term goals of the DWSRF;
2. The criteria and methods established for selecting projects;
3. Administration and operation policies of the DWSRF, including set-aside activities, established by the KIA for compliance with requirements of the US Congress authorization as administered by the USEPA;
4. The public participation process;
5. The sources and uses of available funds; and,

6. The Project Priority List - a list of eligible projects whose sponsors expressed interest in low interest rate loans from the DWSRF.

What is the Drinking Water State Revolving Fund?

The DWSRF is a national program by which the USEPA provides grants to states to further the goals of the SDWA. The national DWSRF originated in 1996, as recognition of SDWA compliance costs led to support for a DWSRF program. The USEPA implements the national DWSRF program in such a manner that preserves for states a high degree of flexibility to operate their programs in accordance with each state's unique needs and circumstances.

Kentucky's DWSRF financing program provides low interest loans for infrastructure projects that are considered a priority based on public health criteria outlined in the SDWA. Projects identified to receive funding are selected from the ranked group of Project Profiles submitted during an annual Call for Projects. The DWSRF is administered by the Kentucky Infrastructure Authority (KIA). By Memorandum of Agreement, the Kentucky Energy and Environment Cabinet (EEC), through the Division of Water (DOW), perform environmental and technical reviews on projects that seek assistance from the DWSRF. Since its inception in 1997, Kentucky's DWSRF has committed funds to 260 drinking water infrastructure projects, totaling more than $713.4 million (through February 28, 2025).

Eligibility

Only projects listed in the IUP are eligible for funding. Examples of eligible projects include:

- Planning, design, and construction of drinking water intake, treatment, or distribution systems
- Purchase of water systems by other public water systems
- Storage tanks and clearwells
- Drilled wells and wellhead areas
- Security related activities
- Emergency measures for the protection of public health
- Refinancing or buying eligible debt obligations of a public water system
- Any other structure or facility that the DOW considers necessary for efficient and sanitary operations

An eligible borrower or borrowing entity means any agency of the state or its political subdivisions, any city, or any special district created under the laws of the state acting individually or jointly under interagency or interlocal cooperative agreements to enter into assistance agreements with the authority as defined in KRS 224A.011(6). Some examples include:

- Municipal corporations
- Cities
- Agencies
- Commissions
- Authorities
- Associations
- Districts

An eligible borrower must demonstrate the technical, financial and managerial capability to ensure compliance with the requirements of the SDWA, unless the completion of the project receiving financial assistance will ensure compliance and the owners or operators of the systems agree to undertake feasible and appropriate changes in operations to ensure compliance over the long term. Contact the KIA if you need assistance determining your utility's eligibility status.

Ineligible Projects

DWSRF funds shall not be used for:

- Projects not listed on the PPL except for emergency projects
- Dams or rehabilitation of dams unless subject to the Class Exception
- Purchase of water rights unless subject to the Class Exception
- Reservoirs, except for finished water reservoirs and those reservoirs that are part of a treatment process and are located on the property where the treatment facility is located
- Laboratory fees and other monitoring expenses
- Operation and maintenance expenses
- Projects needed mainly for fire protection
- Projects for systems that lack adequate capacity, unless financial assistance will assure capacity and compliance
- Land acquisition where eminent domain is necessary
- Projects primarily intended to finance the expansion of any public water system in anticipation of future population growth
- Projects not favorably considered by the area water management council unless the KIA Board finds circumstance that justify overriding the council's recommendation

Significant Federal Components and Requirements

Infrastructure Investment and Jobs Act Funding Highlights:

On November 15, 2021, the $1.2 trillion Infrastructure Investment and Jobs Act (IIJA) of 2021 (H.R. 3694) was signed into law. IIJA provides supplemental funding for the DWSRF which is in addition

to the annual SRF capitalization grants. The additional funding is federally appropriated and will be available over five federal fiscal years (2022–2026). The additional funding will expand SRF program capacity for loans and loan forgiveness while adhering to existing SRF project eligibilities.

Meeting IIJA Priorities

The USEPA established several key priorities of IIJA that KIA has consistently worked to meet. One of the main goals of IIJA is to ensure that communities who may have not traditionally qualified for a loan may also benefit from the historic investment in water infrastructure. In the past three state fiscal years, KIA has committed over $106 million in DWSRF funding to these communities and areas in the state. During this period, the KIA and DOW have continuously made an effort to market the IIJA funding through outreach while also trying to simplify the application process.

One of the other main goals of IIJA is to make progress on lead service line replacement. KIA has spent a good portion of this calendar year assisting communities in applying for lead service line replacement program funding to help finance their inventory and replacement projects. DOW also setup a program to complete lead service line inventories for small systems using their technical assistance set-asides.

American Iron and Steel Utilization

BIL makes the American Iron and Steel (AIS) procurement requirement permanent for all DWSRF construction projects going forward. Additional USEPA guidance can be found at the link below:

https://www.epa.gov/cwsrf/state-revolving-fund-american-iron-and-steel-ais-requirement#guidance

Davis-Bacon Prevailing Wage Labor Laws Compliance

Federal labor laws regarding prevailing wages, hours of work, and rates of pay are collectively known as the Davis-Bacon laws. All projects funded in whole or in part with assistance from DWSRF will be required to comply with Davis-Bacon laws and incorporate their provisions into any project work that has been or will be contracted. For more information on Davis Bacon laws, please visit: http://www.dol.gov/whd/regs/compliance/whdfs66.pdf.

Build America, Buy America Act

IIJA also expands domestic sourcing requirements with the inclusion of the Build America, Buy America Act (BABA). As of **May 14, 2022**, all steel, iron, manufactured products, non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, and drywall used in infrastructure projects for federal financial assistance programs must be produced in the United States. Final implementation guidance was published on August 14, 2023 and is available at the website:

https://www.whitehouse.gov/wp-content/uploads/2023/08/REV_2-CFR-Guidance-Pre-publication-version-8.13.pdf. A number of generally applicable waivers have been published by the EPA and borrowers may apply for project specific waivers under certain circumstances.

Equivalency

Projects totaling an amount equivalent to the capitalization grants will be required to comply with all federal funding requirements applicable to that capitalization grant. KIA intends to select projects for equivalency that will impose the least amount of administrative or financial burden on a borrower. Many of the following factors are evaluated when making project selections for equivalency:

- Project type
- Project cost
- Project timeline
- Timing of loan execution
- Loan structure
- Federal co-funding
- Population of borrower
- Disadvantaged status of borrower
- Single audits

KIA will coordinate with borrowers during project planning to identify and assign projects for equivalency. Loans selected each year will be identified in the annual report.

Additional Subsidization

To be eligible for additional subsidization, a community must be a disadvantaged community. Disadvantaged Communities are those that meet at least one of the three criteria below:

1. A system wide MHI less than the state's MHI ($62,417) as calculated by the Water Resource Information System (WRIS), or
2. A project area MHI less than the state's MHI ($62,417) as calculated by the WRIS or by using census tract information, or
3. An affordability index ratio of 1.0 or greater calculated as the annual 4,000 gallon water rate divided by the system MHI rounded to the nearest tenth.

KIA will use the same definition for disadvantaged community across all available funding sources (base, supplemental, emerging contaminants., and lead service line replacement) for the state fiscal year 2026 funding cycle.

The total amount of principal forgiveness available for Base and Supplemental borrowers will be distributed such that each qualifying borrower will receive the same percentage of principal forgiveness. This funding cycle, the percentage is approximately 36. To arrive at the same

percentage, the Base borrowers may also receive principal forgiveness from the Supplemental program.

1. Base Program

The authorization of the base federal capitalization grant requires that beyond the subsidization provided through the low interest financing, additional subsidization is to be provided to utilities in disadvantaged communities. The amount of the capitalization grant received from the federal government that is available for additional subsidization varies each year based on the allowable range authorized by the federal grant, and the amount decided upon by the Commonwealth of Kentucky. IIJA raised the minimum Safe Drinking Water Act requirement for additional subsidy to disadvantaged communities from 6% to 12%, establishing an additional subsidy range of 12% to 35% for the annual base DWSRF capitalization grants. An additional Congressional subsidization amount of 14% is required to be provided as authorized by the 2025 appropriation. Total additional subsidization for FFY 2025 that must be awarded ranges between 26%, or $3,452,000, and 49%, or $6,505,730.

This additional subsidization is provided through forgiveness of a portion of the principal loan amount. The KIA Board sets the amount of additional subsidization to be provided, and determines the maximum amount to any single borrower as well as the criteria for determining the projects that will be offered additional subsidization. For SFY 2026 the total amount of base program additional subsidization that will be awarded is approximately 30%, or $4,000,000. The table below consists of the projects being invited to submit a loan application that includes base program additional subsidization. All borrowers receiving additional subsidization have a system area MHI below the State's MHI.

Loan Number	WRIS #	Applicant	Requested Loan Amount	Invited Loan Amount	System Service Area MHI	Principal Forgiveness Amount	Cumulative Principal Forgiveness
F26-002	WX21097034	Cynthiana, City of	$14,305,000	$7,500,000	$50,154	$2,693,342	$2,693,342
F26-003	WX21019074	Ashland, City of	$7,500,000	$5,895,578	$54,913	$1,306,658	$4,000,000

Principal forgiveness will be reallocated in subsequent invitations as available. If a loan is eligible for principal forgiveness, it will be allocated only once. This includes projects receiving financing over multiple funding cycles, not individual increments. Principal forgiveness will not be provided on loan increase requests.

2. Supplemental Base Program

IIJA mandates that 49%, or $14,852,390, of funds provided through the DWSRF General Supplemental Funding must be provided as additional subsidization to disadvantaged communities. The table below consists of projects being invited to submit a loan application that

includes supplemental base program additional subsidization. All borrowers have a system area MHI below the State's MHI. A portion of the principal forgiveness will be awarded to borrowers receiving a loan invitation from the base program.

Loan Number	WRIS #	Applicant	Requested Loan Amount	Invited Loan Amount	System Service Area MHI	Principal Forgiveness Amount	Cumulative Principal Forgiveness
F26-017	WX21085049	Grayson County WD	$7,500,000	$7,500,000	$48,257	$2,693,342	$2,693,342
F26-023	WX21107044	White Plains, City of	$158,625	$158,625	$41,952	$56,964	$2,750,306
F26-024	WX21237023	Campton, City of	$5,639,000	$5,639,000	$29,000	$2,025,034	$4,775,340
F26-025	WX21089134	Flatwoods, City of	$250,000	$250,000	$61,277	$89,778	$4,865,118
F26-026	WX21057029	Cumberland County WD	$2,285,000	$2,285,000	$39,777	$820,572	$5,685,690
F26-027	WX21151079	Harrodsburg, City of	$17,661,000	$7,500,000	$47,928	$2,693,342	$8,379,032
F26-028	WX21143031	Eddyville, City of	$1,238,000	$1,238,000	$60,745	$444,581	$8,823,613
F26-003	WX21019074	Ashland, City of			$54,913	$810,516	$9,634,129
F26-012	WX21055023	Crittenden-Livingston County WD			$54,218	$2,693,342	$12,327,471
F26-013	WX21183052	Ohio County WD			$56,146	$2,225,060	$14,552,531
F26-014	WX21063018	Sandy Hook WD			$39,553	$299,859	$14,852,390

3. Lead Service Line Replacement Program

IIJA mandates that 49% of funds provided through the DWSRF Lead Service Line Replacement (LSLR) Funding must be provided as additional subsidization. A table of borrowers who are receiving additional subsidization for LSLR projects will be provided below once the allotments are official.

4. Emerging Contaminants Program

IIJA mandates that 100%, or $6,417,690, of available funds provided through the DWSRF Emerging Contaminants Funding must be provided as additional subsidization. A minimum of 25 percent of funds must go towards disadvantaged communities or public water systems serving fewer than 25,000 people. Emerging Contaminants funding and additional subsidization will be awarded to the projects in the table below, whose system service area MHI is below the State's MHI.

Loan Number	WRIS #	Applicant	Requested Loan Amount	Invited Loan Amount	System Service Area MHI	Principal Forgiveness Amount	Cumulative Principal Forgiveness
F26-002	WX21097034	Cynthiana, City of	$14,305,000	$4,813,268	$50,154	$4,813,268	$4,813,268
F26-003	WX21019074	Ashland, City of	$7,500,000	$1,604,423	$54,913	$1,604,423	$6,417,690

Single Audit Requirement

If more than $1,000,000 of federal funds are disbursed during any borrower's fiscal year, the borrower is required to have a single or program-specific audit conducted for that year in accordance with 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. This a the federal requirement, however, KIA requires all borrowers to complete an annual audit for the life of the loan.

Federal Compliance

1. The Commonwealth of Kentucky entered into the operating agreement and will enter into the FFY25 grant agreement with the USEPA. All specific conditions of the agreements will be addressed in FFY25.
2. KIA will update USEPA's SRF Data System at least quarterly to report financial information about the program and projects, loan information, and project activities and benefits.
3. KIA agrees that all loan repayments will begin within 1 year of initiation of operations. Project closeout is monitored by the KIA and the DOW. The repayment dollars for loans in repayment will be considered as available loan funds for the funding cycle.
4. The available funds include the capitalization grant, the state match, the anticipated repayment funds from all loans currently in repayment and estimated interest earnings for the year.
5. Leverage bond debt service payments are paid from principal and interest repayments from borrowers directly financed with bond proceeds (leverage loans). Any additional interest debt service payments is repaid solely from interest earnings generated from non-leverage loans. Calculations showing that the fund is maintained in perpetuity were provided to USEPA prior to issuance of the bonds.
6. KIA anticipates that 100% of the capitalization grant will be drawn in the first quarter of the FFY.

DRINKING WATER STATE REVOLVING FUND GOALS

The following are goals for implementation of the DWSRF. Some goals address improvements and enhancements to the process of administering the DWSRF by KIA, while other goals address the overall priorities of meeting drinking water goals for the citizens of the Commonwealth of Kentucky.

The Sustainable Infrastructure Initiative

The primary goal of the DWSRF program is to assist PWSs in providing safe drinking water at an affordable cost to their customers. The loan program offers low cost financing to PWSs for eligible drinking water infrastructure construction projects, planning and design costs relating to eligible projects, and eligible security projects. Through set-aside funds, the DWSRF is also used to improve environmental programs that support the goals of the SDWA. Examples include capacity development, operator certification, source water and wellhead protection. Effective and efficient administration of the DWSRF program, combined with below-market interest rates and long-term financing, will assist PWSs in providing sufficient quality and quantity of affordable potable water throughout Kentucky. Progress is reported for each SFY in the Annual Report to the USEPA.

Kentucky is working to provide knowledge and tools to ensure that the investments made in our water infrastructure move us toward a more sustainable footing. The goal can be achieved through strong infrastructure planning and management practices. Some of the key areas for action are:

- Asset Management - A management framework that ensures the right investments are made at the right time.
- Water & Energy Efficiency - Ensuring that water sector systems adopt sustainable practices and technologies for improving their efficiency, reducing costs, and addressing future needs.
- Infrastructure Financing & the Price of Water Services - Options to pay for water infrastructure needs.
- Alternative Technologies & Assessment - Using the best, newest, and most innovative solutions when investing in water infrastructure.

Short-Term Goals

Goal #1: Promote the principles of EPA's Sustainable Infrastructure (SI) Initiative to loan recipients through education and outreach so that SI practices are considered in planning, design, and construction activities.

Goal #2: Provide additional SRF training to borrowers, project administrators, Area Development Districts (ADD's), and the engineering community.

Goal #3: Provide additional guidance for compliance with BABA Act where applicable.

Goal #4: Identify distressed borrowers through ongoing compliance monitoring and provide targeted financial and managerial guidance.

Goal #5: Refine the marketing strategy in conjunction with EEC to target systems with compliance and energy efficiency needs.

Goal #6: Increase inspection pace and achieve at least two inspections per project; one at 50% completion and the other at 100% completion.

Goal #7: Improve the pace of the program by identifying tasks to commit more available funds in the current fiscal year.

Long-Term Goals

Goal #1: Work with the EEC to explore solutions to increase energy efficiency for drinking water utilities and future non-compliance issues under the SDWA.

Goal #2: Streamline loan processes and improve communication and the sharing of data between KIA and DOW.

Goal #3: Establish a relationship with other funding agencies to coordinate project funding with multiple resources.

Goal #4: Identify priority watershed outreach to the municipalities for project development and funding assistance.

Goal #5: Identify systems with emerging contaminants and provide assistance and funding to those systems to develop feasible ways to eliminate those contaminants.

PROJECT PRIORITY LIST

Following the USEPA's recommendation, Kentucky developed the Priority System Guidance Document (Appendix C) designed to determine the order in which projects are evaluated for funding based on the following criteria:

1. Most serious risk to human health;
2. Compliance with the requirements of the SDWA; and
3. Systems most in need on a per-household basis according to state affordability criteria.

Each year, the KIA issues a Call for Projects where potential borrowers are invited to submit DWSRF project information via the WRIS. The 2026 Call for Projects occurred September 19, 2024 through December 13, 2024. To communicate this Call for Projects, a press release through the Governor's Office was issued. Additionally, an email distribution was sent to all water utilities, ADDs, mayors, county judge executives, and the engineering community.

Properly submitted projects were considered for funding and eligible projects placed on the PPL. Projects were evaluated and assigned a score based upon the ranking criteria in the Priority System Guidance Document (Appendix C). In the event of a tie, the following factors were used to priority rank each project:

1. The size of service of a small system as defined by population;
2. Projects with existing enforcement actions (i.e. Agreed Orders, Consent Decrees);
3. Water quality impacts of the project; and
4. Financial need as evidenced by the median household income of the applicant.

The 2026 PPL (Appendix A) shows that Kentucky has sufficient eligible projects to meet the binding commitment requirements of the FFY 2025 capitalization grants. A brief description of the following fields will be helpful in reviewing the list:

Rank: Rank of project on the comprehensive PPL.
Score: Total number of points the project received using the ranking criteria in Appendix C.
Loan Number: Priority list tracking number for project. This is the assigned loan number for the project throughout the process and should be referred to on all correspondence regarding the project.
WRIS #: The WRIS number is the identification number assigned to each project profile by an Area Water Management Council after a project has received endorsement. Information stored in the WRIS database includes geographic information system (GIS) data, information on water resources, and drinking and wastewater facilities. It is used by different entities and provides much of the information needed for all aspects of water resource planning.
Applicant: Name of applicant identified on the Project Profile Form or the community in which the project is associated.

Project Title: Short description of project components.
Requested Loan Amount: Amount of desired SRF loan identified on the Project Profile Form.
Invited Loan Amount: The amount of DWSRF funds that KIA has allocated to the proposed project. If this field lists a dollar amount greater than zero, then the project is invited for funding.
Principal Forgiveness Amount: Estimated amount of principal forgiveness that a project is eligible to receive. Eligibility does not guarantee that a project will be offered principal forgiveness due to the amount of funds available. (Noted in a separate table under Additional Subsidization above).

The 2027 IUP process will begin September 15, 2025 with the annual Call for Projects and will conclude on December 12, 2025 for projects to be considered in the SFY 2027 funding cycle. The following schedule is tentative:

2027 Call for Projects	September 15, 2025 – December 12, 2025
Creation of Project Priority List	January 1, 2026 - March 31, 2026
Public Notice Period for IUP	June 1, 2026 - June 30, 2026
Finalize 2027 IUP and send to EPA	Prior to July 1, 2026

Email notifications will be sent in September 2025 to all water utilities, ADDs, mayors, county judge executives, economic development directors, the engineering community and other stakeholders announcing the Call for Projects.

DWSRF ADMINISTRATION AND OPERATION

As required by the SDWA, to the maximum extent practicable, highest priority projects are funded first, as ranked in the PPL. Projects are vetted and many variables are considered prior to distribution of loan invitations.

Administrative Considerations

Funding Limits

This year, Kentucky's DWSRF funding limit will be $7.5 million per borrower for Base and Supplemental program funds. Funding limits may also be imposed on borrowers that have outstanding loan balances or loan commitments that increase the concentration risk for the total KIA loan portfolio.

Amendments to the Project Priority List

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

When states do not have the program demand to meet their funding allotments, those funds can be turned back into the USEPA and redistributed to other states. At times in the past, Kentucky has applied for these additional funds to allocate towards projects on the PPL. If Kentucky does apply for these reallocated funds during SFY26, the IUP will not be amended.

Emergency Projects

The PPL may be amended during the year for declarations of emergencies designated by the Governor or the Secretary of EEC. An emergency project might involve an unanticipated failure requiring immediate attention to protect public health. The emergency project must meet all eligibility and loan requirements, but the additional public review and comment requirement may be waived. The USEPA must approve these deviations.

Refinancing

Governmental agencies may request to refinance non-KIA loans through the DWSRF. Refinancing projects will be considered by KIA only when all the following criteria are met:

- There are sufficient funds available in the DWSRF to meet all other identified project needs for the program year;
- The applicant can show significant savings as a result of the refinancing;
- The applicant can identify an environmental problem within their jurisdiction that they are willing to immediately address with the savings achieved through the refinancing; and

- Projects, as constructed, met all the applicable program requirements.

Small Systems

To the extent possible, a minimum of 15 percent of all funds credited to the project fund will be used to assist systems serving fewer than 10,000 persons.

Financial Terms of Loans

Interest Rates

The KIA Board sets the interest rates provided through the DWSRF. The KIA Board must review and approve the interest rates at least annually. Rates are based on prevailing market conditions with the Bond Buyer 20 Bond General Obligation Index as a reference rate. Kentucky has one standard interest rate and two non-standard interest rates for the DWSRF program dependent upon the community's MHI. Information is provided in the next section for Kentucky's methodology for MHI determination.

1. The standard rate is applied when the MHI is equal to or above the Kentucky MHI of $62,417.

2. The first non-standard rate is applied for the following reasons:
    a. When the MHI is greater than 80% but less than the Kentucky MHI;
    b. Projects that meet the definition for regionalization; or
    c. Projects necessary for compliance with an Agreed Order or Consent Decree.

3. The second non-standard rate is applied when the MHI is equal to or below 80% of the Kentucky MHI. This rate is also known as the disadvantaged community rate DCR.
    a. Projects that qualify for the disadvantaged community rate are eligible for principal forgiveness consideration and may request a loan amortization up to 30 years but not beyond the expected design life of the project.

The interest rates listed below were approved by the KIA Board on June 6, 2024 for the SFY25 funding cycle. Interest rates for the SFY26 funding cycle will be voted on at the July 2025 KIA Board meeting and will be included in the final version of the IUP.

Interest rate	MHI Threshold	Loan Type
2.25 (Standard)	> or = $62,417	Construction
1.25 (Non-standard)	$49,934 to $62,416	Construction
0.50 (Non-standard-DCR)	< or = $49,933	Construction
2.25	NA	Planning and Design

MHI Determination

Each project's MHI threshold is calculated automatically in the WRIS Portal. The calculation uses a Default Weighted Proximity Analysis (DWPA). This analysis uses the water distribution/sewer collection lines in the project profile mapping to perform a spatial analysis that estimates the serviceable population of the project area. This is done by applying 2020 census blocks and a weighted MHI value using the applicable 5-Year American Community Survey Estimates. The MHI values generated using the DWPA method are in the WRIS Project Profiles.

If the applicant or representative has concerns with the default method, two alternative options are available: Modified Weighted Proximity Analysis (MWPA) or MHI Income Survey. Borrowers should not proceed with either alternative MHI methodology without first contacting KIA Staff. The MWPA is a GIS based assessment that uses customer meters or address points to calculate an estimated MHI for the project or service area. The second option is to complete an MHI Income Survey for the project service area which will need to be discussed with the KIA.

Repayment Terms

Planning and design (P&D) loans will be amortized over five years. If the P&D loan is rolled into a KIA funded construction loan, the term for the P&D amount will convert to the term approved for the construction loan. Construction loans will have a standard 20 year repayment term. No repayment term can exceed the expected design life of the project. At the KIA Board's discretion, the repayment term for a construction loan may be extended to 30 years for any DWSRF-eligible project. Principal and interest payments on each loan will commence no later than the date specified in the Assistance Agreement.

Loan Servicing Fees

A loan servicing fee of 0.30 percent on the annual outstanding loan balance will be charged as a part of each semi-annual loan payment in accordance with 200 KAR 17:070, Section 12. The fee is assessed to recover salaries and other administrative expenses incurred over the life of the loan. These fees are accounted for outside of the program fund and will be used for necessary DWSRF program expenses.

Large Project Financing

Due to statewide demand and increased project costs, KIA may not have the capacity to offer the full amount of the construction loan for large projects during a single funding cycle. As such, large project funding may be restricted in the amount of funding provided each year. These amounts will be negotiated at the time of the loan approval and each year's availability will be detailed in the Assistance Agreement.

Planning and Design (P&D) Loans

KIA recognizes that larger or particularly complex projects may require a lengthy P&D process and thus may not be ready for construction within the allotted twelve months after the conditional commitment letter is issued or perhaps even with a six month extension period. P&D loans provide an opportunity for utilities to determine their exact needs without the time constraints in the project funding process.

P&D loans can cover initial engineering assessments of the facilities, regionalization studies, alternative analyses, water supply evaluations, and rate studies for affordability. Additionally, P&D loans can be utilized to move forward into project design. This is specifically helpful for projects that may involve significant renovations at existing facilities or phased projects. P&D loans can also include easement acquisition and legal costs. Borrowers may draw funds throughout the planning process, however, only 50% of design costs may be drawn until plans and specifications have been approved by the DOW.

The standard interest rate will apply during the five-year term of the loan. However, if the applicant initiates construction within a prescribed timeframe (generally one year) after approval of plans and specifications for the project, the P&D loan may be added to a construction loan with the applicable interest rate for which the applicant would otherwise qualify and the term established in the conditional commitment letter. Projects with an existing P&D loan through the DWSRF or any other KIA loan fund no longer receive a priority funding position to apply for a construction loan in a subsequent year's IUP and must go through the ranking process for the construction portion of their loan. Construction loans will be subject to interest rates and principal forgiveness amounts for the funding cycle in which the construction loan is reviewed by the KIA board.

Loan Invitations

Bypass Process

Once the projects are ranked in the PPL, KIA issues loan invitations to apply for funding. A high-priority project that does not demonstrate readiness to proceed within the given timeframe will be bypassed. This bypass may occur at the request of the utility or as a decision from the KIA staff.

A bypassed project becomes ineligible for DWSRF funding in the current SFY. Bypassed project profiles will remain in the WRIS portal, but the utility must reapply through the annual Call for Projects process to be re-ranked for future funding cycles. Some examples that justify a bypass include, but are not limited to the following:

- Project is fully funded;
- Incomplete or unavailable audits (2022, 2023, and 2024);
- Borrower does not demonstrate readiness to proceed based upon project schedule;

- Non-compliance or delinquent payment on an existing KIA loan;
- Incomplete loan application;
- Applicant unresponsiveness;
- Applicant cannot establish a dedicated source of revenue for the repayment of the loan;
- Applicant has multiple projects under construction; or
- Applicant voluntarily postpones accepting invitation.

Invitation Process

An invitation letter is emailed to potential borrowers with specific instructions. Applicants that do not meet the deadline requirements may also be bypassed and subsequent eligible project(s) receive second round invitations. This process will continue until all estimated available funds have been allocated. If, upon receipt of the loan application, the project scope differs significantly from information originally scored in the ranked project profile, KIA reserves the right to have the project reassessed by DOW. Changes in project scope can potentially impact funding priority.

Upon receipt of a complete loan application, KIA staff will review the information and prepare a credit analysis. KIA staff will present financial analysis and any conditional requirements for each loan to the KIA Board. Upon KIA Board approval, a conditional commitment letter will assure that funding will remain committed to the project for a period established in the letter, provided all of the conditions are met. All DWSRF program requirements must be met by the term outlined in the conditional commitment letter. An extension of up to six months for approved applicants that experience extenuating circumstances may be granted.

Actual project funding amounts may vary from amounts presented in the PPL due to updated cost estimates and funding received from other sources. Increases to existing loans must be approved prior to the date of initiation of operation. The application invitation process is designed to commit available funds as soon as possible with limited invitation iterations.

Invitation List

The table in Appendix A indicates the projects that will receive a first round invitation to participate in the DWSRF for SFY 2026.

Structure of the DWSRF Program in Kentucky

KIA administers the DWSRF under a Memorandum of Agreement with DOW, pursuant to Kentucky Revised Statute (KRS) 224A.1115 and Kentucky Administrative Regulation (KAR) 200 KAR 17:070[1]. The following contacts can assist with DWSRF inquiries:

[1] KRS Ch. 224A.1115 and 200 KAR 17:070 may be found on the Internet at https://kia.ky.gov/Information/Pages/Legislation-and-Regulations.aspx.

Contact	Agency	
Sandy Williams Executive Director (502) 892-3088 Sandy.Williams@ky.gov	KIA	General Information
John Brady Financial Analyst (502) 892-3177 John.Brady@ky.gov	KIA	Intended Use Plan, Loan Application, Financial Terms, Interest Rates
Don Schierer WRIS Resource Management Analyst (502) 892-3486 Donald.Schierer@ky.gov	KIA	Project Profile Submittal
Hollie Delaney Water Infrastructure Branch Manager (502) 782-6595 Hollie.Delaney@ky.gov	DOW	Request for Proposals (RFPs), Asset Management, Package Treatment Plants
Jason Lambert Environmental Control Supervisor (502) 782-7011 Jason.Lambert2@ky.gov	DOW	Environmental Review, Regional Facility Plans

Borrower Loan Compliance and Financial Monitoring

The borrower's ability to repay its loans has a direct effect on the financial condition of the DWSRF. Additionally, maintaining a positive operating cash flow and capital asset reserve funding program will protect both the utility and its customers financially against unforeseen capital replacements in the future. Upon acceptance of a loan, each borrower agrees to a number of post-closing conditions, some of which are noted below, to remain in compliance with the terms of the loan.

a) The borrower must provide audited financial statements to KIA within six months of the entity's fiscal year end date. KIA will review each borrower's financial performance and, if necessary, will work with them to identify ways to remedy any non-compliance issues.

b) Borrowers are required to fund a repair and replacement reserve account equal to 5 percent of the KIA loan amount over 20 years and maintained for the life of the loan. This requirement may be waived if a documented replacement program is in place and being actively funded at a level that is acceptable to KIA.

KIA has two staff that will be responsible to monitor borrower loan compliance as well as process specific loan documents such as the loan assistance agreements, draw requests, closeout documents, and required audit information. The compliance coordinators have been assigned borrowers geographically by ADDs. Their contact information is as follows:

Regional Compliance Coordinator
Debbie Landrum (502) 892-3454 Debbie.Landrum@ky.gov
Julie Bickers (502) 892-3455 Julie.Bickers@ky.gov
Bobby Aldridge RobertV.Aldridge@ky.gov 502-892-3170

Fund Transfers between the CWSRF and the DWSRF

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

SET-ASIDE ACTIVITIES

Under the 1996 Amendments to the SDWA, Congress allowed states to set-aside a portion of their DWSRF capitalization grants to support water systems with non-infrastructure needs. Section 1452 of the SDWA, as amended, contains the provisions governing the DWSRF Program. Federal regulations allow states to set aside up to 31 percent of each capitalization grant for various programs, aside from project loans, and can use these funds to hire state staff or to contract with third party technical experts.

Kentucky will set aside 31 percent of the 2025 capitalization grants. Any set-aside funds that are not taken in one year or are transferred into the construction account will be reserved for use in a future year. Required set-aside work plans are included as Appendix D.

The four types of set-asides:

Set-Aside Description	Maximum Allotment
Administration and Technical Assistance	4.0%
State Program Management	10.0%
Small Systems Technical Assistance	2.0%
Local Assistance and Other State Programs	15.0%
Total	31.0%

DWSRF set-asides are not allowed to be used for water system infrastructure projects, except for planning and design activities. The set-aside activities are to support activities to ensure safe and affordable drinking water by:

- Providing states with flexible tools to assist water systems with training, technical assistance and pre-construction activities, and

- Extending and enhancing the impact of DWSRF funding by ensuring that water systems have the technical, managerial, and financial capacity to obtain a loan and to effectively maintain their resources.

Administration and Technical Assistance – 4% maximum

The Administration and Technical Assistance set-aside allows states to use up to 4 percent of the capitalization grant , or 1/5th percent of the current valuation of the fund (whichever is greater), for costs associated with administering and implementing the state's DWSRF Program and providing technical assistance to systems of all sizes. Most states reserve this set-aside to cover a portion of the loan program administration costs that can include direct technical assistance to water systems in completing DWSRF loan applications. While this set-aside has been typically used

only for state program administration, there is an opportunity to support technical assistance to water systems serving more than 10,000 persons. The maximum four percent is set-aside to be divided with one percent to the KIA and three percent or to EEC for administration activities of the DWSRF Programs (base, supplemental, lead service line replacement, and emerging contaminants).

Small System Technical Assistance – 2% maximum

This set-aside is for small water systems serving 10,000 or fewer persons. These systems typically face greater challenges than larger systems due to limited economies of scale. This set-aside allows states to use up to 2 percent of the capitalization grant to provide technical assistance and training to help small systems build the capacity they need to provide safe drinking water. States provide technical assistance to small water systems, including assistance in planning new infrastructure projects, payments to third-party technical assistance providers and specialized small system training. Kentucky will set-aside the maximum two percent to EEC as noted in the workplan located in Appendix D.

State Program Management – 10% maximum

The State Program Management set-aside allows states to use up to 10 percent of their annual allotment to develop and implement water system Capacity Development and Operator Certification Programs, administer Source Water Protection Programs or support other state drinking water program activities. There is a broad range of eligible activities for administering and implementing the state PWSS Program. Kentucky will set-aside the maximum ten percent or to EEC as noted in the workplan located in Appendix D.

Local Assistance and Other State Programs - 15%

The Local Assistance and Other State Programs set-aside allows states to use up to 15 percent of their annual capitalization grant to assist in the development and implementation of local drinking water initiatives and other state programs, (e.g., capacity development and source water protection). This set-aside can also be used for direct financial assistance to water systems. A maximum of 10 percent out of the 15 percent set-aside funds can be spent on any single effort. An advantage of this set-aside is that source water and wellhead protection activities are more broadly defined compared to the State Program Management set-aside requirements. Examples of activities include: developing and implementing asset management plans for communities, providing grants to systems considering regionalization or consolidation and providing loans for the implementation of source water quality protection efforts. Kentucky will set-aside the maximum fifteen percent to EEC as noted in the workplan located in Appendix D for the following programs:

- Capacity Development – TMF and Operator Certification
- Source Water Assessment
- Wellhead Protection

FUNDS AVAILABLE TO BE COMMITTED AND DISBURSED

Kentucky's DWSRF is capitalized by appropriations from the U.S. Congress and the Kentucky General Assembly. The fund provides, in perpetuity, financial assistance to Kentucky's eligible DWSRF projects. As of June 30, 2024 the DWSRF had a total net position of $367,989,000 and 220 active loans. During SFY 2026, Kentucky will rely on funding as outlined in Tables A through D to provide financial assistance and to support the operations of KIA and DOW.

Table A

Kentucky DWSRF Sources and Uses of Funds for SFY 2026

Base Program

July 1, 2025 through June 30, 2026

Funding Sources	Federal Contribution	State Contribution	DWSRF Fund	Total
FFY 2025 Base Capitalization Grant	13,277,000	2,655,400		15,932,400
Loan Repayments (P&I)			16,355,200	16,355,200
Investment Interest Earnings			6,968,000	6,968,000
Banked Prior Year Administration Funds (Base)	2,447,000			2,447,000
Total Funding Sources	15,724,000	2,655,400	23,323,200	41,702,600
Funding Uses				
Financial Assistance - Base	9,161,130	2,655,400	17,901,900	29,718,430
Leverage Bond Debt Service			5,421,300	5,421,300
Banked Prior Year Administration Funds - Base	2,447,000			2,447,000
FFY 2025 Administration - Base (4%)	531,080			531,080
FFY 2025 State Program Management - Base (10%)	1,327,700			1,327,700
FFY 2025 Technical Assistance - Base (2%)	265,540			265,540
FFY 2025 Local and Other Assistance - Base (15%)	1,991,550			1,991,550
Total Funding Uses	15,724,000	2,655,400	23,323,200	41,702,600

During the 2026 IUP funding cycle, KIA will have an estimated $29,718,430 available to fund eligible 2026 DWSRF projects. This is comprised of the 2025 capitalization grant of $13,277,000, state match funds of $2,655,400, estimated loan repayments of $16,355,200 and $6,968,000 interest earnings on existing cash balances. Funding is reduced by leverage bond debt service of $5,421,300, administrative costs of $531,080 and other set-aside costs totaling $3,584,790. Leverage bond debt service is paid out of loan repayments. Any set-aside funds that are not taken in one year or are transferred into the construction account will be reserved for use in a future year. KIA and DOW will have $2,447,000 in banked set-aside funds from prior capitalization grants for administration of the program.

The $2,655,400 state match will consist of proceeds from the sale of tax-exempt revenue bonds with debt service provided by the Commonwealth. If additional capitalization grant funding is made available, the required 20 percent state match will be provided to the full extent of the available capitalization grant.

Table B
Kentucky DWSRF Sources and Uses of Funds for SFY 2026
Base Supplemental Program
July 1, 2025 through June 30, 2026

Funding Sources	Federal Contribution	State Contribution	Total
FFY 2025 Supplemental Base Capitalization Grant	30,311,000	6,062,200	36,373,200
Total Funding Sources	30,311,000	6,062,200	36,373,200
Funding Uses			
Financial Assistance - Base Supplemental	20,914,590	6,062,200	26,976,790
FFY 2025 Administration - Supplemental Base (4%)	1,212,440		1,212,440
FFY 2025 State Program Management - Supplemental Base (10%)	3,031,100		3,031,100
FFY 2025 Technical Assistance - Supplemental Base (2%)	606,220		606,220
FFY 2025 Local and Other Assistance - Supplemental Base (15%)	4,546,650		4,546,650
Total Funding Uses	30,311,000	6,062,200	36,373,200

During the 2026 IUP funding cycle, KIA will have an estimated $26,976,790 in the Base Supplemental Program available to fund eligible 2026 DWSRF projects.

Funding is provided from the FFY 2025 capitalization grant of $30,311,000 and state match funds of $6,062,200. Funding is reduced by administrative costs of $1,212,440 and other set-aside costs totaling $8,183,970. Any set-aside funds that are not taken in one year or are transferred into the construction account will be reserved for use in a future year.

The $6,062,200 state match is provided from bond proceeds from the sale of tax-exempt revenue bonds with debt service provided by the Commonwealth. If additional capitalization grant funding is made available, the required 20 percent state match will be provided to the full extent of the available capitalization grant.

Table C
Kentucky DWSRF Sources and Uses of Funds for SFY 2026
Lead Service Line Replacement Program
July 1, 2025 through June 30, 2026

Funding Sources	Federal Contribution	Total
FFY 2025 Lead Service Line Replacement Capitalization Grant	38,490,100	38,490,100
Banked Prior Year Administration Funds (LSLR)	2,918,600	2,918,600
Total Funding Sources	41,408,700	41,408,700
Funding Uses		
Financial Assistance - Lead Service Line Replacement	26,558,169	26,558,169
Banked Prior Year Administration Funds - LSLR	2,918,600	2,918,600
FFY 2025 Administration - LSLR (4%)	1,539,604	1,539,604
FFY 2025 State Program Management - LSLR (10%)	3,849,010	3,849,010
FFY 2025 Technical Assistance - LSLR (2%)	769,802	769,802
FFY 2025 Local and Other Assistance - LSLR (15%)	5,773,515	5,773,515
Total Funding Uses	41,408,700	41,408,700

During the 2026 IUP funding cycle, KIA will have an estimated $26,558,169 in the Lead Service Line Replacement Program available to fund eligible 2026 DWSRF projects.

Funding is provided from the estimated FFY 2025 capitalization grant of $38,490,100. Funding is reduced by administrative costs of $1,539,604 and other set-aside costs totaling $10,392,327. Any set-aside funds that are not taken in one year or are transferred into the construction account will be reserved for use in a future year.

No state match is required for this capitalization grant.

Table D
Kentucky DWSRF Sources and Uses of Funds for SFY 2026
Emerging Contaminants Program
July 1, 2025 through June 30, 2026

Funding Sources	Federal Contribution	Total
FFY 2025 Emerging Contaminants Capitalization Grant	9,301,000	9,301,000
Banked Prior Year Administration Funds (Emerging Contaminants)	933,900	933,900
Total Funding Sources	10,234,900	10,234,900
Funding Uses		
Financial Assistance - Emerging Contaminants	6,417,690	6,417,690
Banked Prior Year Administration Funds (Emerging Contaminants)	933,900	933,900
FFY 2025 Administration - Emerging Contaminants (4%)	372,040	372,040
FFY 2025 State Program Management - Emerging Contaminants (10%)	930,100	930,100
FFY 2025 Technical Assistance - Emerging Contaminants (2%)	186,020	186,020
FFY 2025 Local and Other Assistance - Emerging Contaminants (15%)	1,395,150	1,395,150
Total Funding Uses	10,234,900	10,234,900

During the 2026 IUP funding cycle, KIA will have an estimated $6,417,690 in the Emerging Contaminants Program available to fund eligible 2026 DWSRF projects.

Funding is provided from the FFY 2025 capitalization grant of $9,301,000. Funding is reduced by administrative costs of $372,040 and other set-aside costs totaling $2,511,270. Any set-aside funds that are not taken in one year or are transferred into the construction account will be reserved for use in a future year.

No state match is required for this capitalization grant.

PUBLIC PARTICIPATION

The draft 2026 DWSRF IUP will be available for public review and comment on the KIA website at www.kia.ky.gov from June 17, 2025 through July 16, 2025. A public meeting will be held Wednesday July 2, 2025, at 11:00 a.m. EST as a virtual Zoom meeting, which will be accessible at the KIA website at kia.ky.gov. Written comments may be submitted to Sandy Williams, Executive Director, by email to KIA.executivedirectors@ky.gov.

APPENDIX A

COMPREHENSIVE PROJECT PRIORITY LIST

2026 DWSRF Project Priority List for Base, Supplemental, Emerging Contaminants, and LSLR

KIA Loan Number	Applicant	Project Name	Total Project Cost	Requested Loan Amount	Invited Loan Amount - Base	Cumulative Loan Amount - Base	Invited Loan Amount - Supplemental	Cumulative Loan Amount - Supplemental	Invited Loan Amount - EC	Cumulative Loan Amount - EC	Invited Loan Amount - LSLR	Cumulative Loan Amount - LSLR	Principal Forgiveness Amount	System Service Area MHI	Project Area MHI	Population
F26-001	Larue County Water District #1	LCWD- New Treatment Plant	$38,396,940	$36,704,440	$0	$0							$0	$69,332		10,692
F26-002	Cynthiana, City of	Cynthiana Water Treatment Plant - PFAS Improvements	$14,305,000	$14,305,000	$7,500,000	$7,500,000			$4,813,268	$4,813,268			$7,506,610	$50,154		6,518
F26-003	Ashland, City of	Ashland: PFAS Project - Phase B Water Treatment Plant GAC Filtra	$10,125,000	$7,500,000	$5,895,578	$13,395,578			$1,604,423	$6,417,690			$3,721,597	$54,913		34,891
F26-004	Hardinsburg, City of	Hardinsburg Water Treatment Plant Expansion Phase I & Distribution System Improvements	$15,548,000	$15,548,000	$0								$0	$57,124		12,307
F26-005	Peaks Mill Water District	Peaks Mill WD - Service Line Inventory	$65,000	$65,000	$0						$65,000	$65,000	$0	$79,192		2,846
F26-006	North Marshall Water District	PFAS Mitigation at Carter Brien Water Treatment Plant	$2,405,000	$2,405,000	$2,405,000	$15,800,578						$65,000	$0	$70,338		10,857
F26-007	Mayfield Electric & Water Systems	Lead and Copper Rule effect on MEWS	$1,200,000	$1,200,000	$0						$1,200,000	$1,265,000	$0	$42,445		10,647
F26-008	Northern Kentucky Water District	Latonia Phase 2 Water Main and Full Lead Service Line Replacement	$8,500,000	$8,500,000	$0						$3,000,000	$4,265,000	$0	$79,887	$58,814	252,858
F26-009	Northern Kentucky Water District	Covington & Dayton Water Main and Full Lead Service Line Replace	$9,600,000	$8,620,000	$0						$3,120,000	$7,385,000	$0	$79,887	$61,055	252,858
F26-010	Northern Kentucky Water District	Covington Eastside Water Main and Full Lead Service Line Replace	$7,100,000	$7,100,000	$0						$3,140,000	$10,525,000	$0	$79,887	$58,814	252,858
F26-011	Central City Municipal Water & Sewer System	Central City - GAC Filter Addition Project	$7,650,000	$7,650,000	$0							$10,525,000	$0	$48,916		5,674
F26-012	Crittenden-Livingston County Water District	CLWD - Water Treatment Plant Expansion-Phase III	$15,110,000	$15,110,000	$7,500,000	$23,300,578						$10,525,000	$2,693,342	$54,218		8,347
F26-013	Ohio County Water District	IPE- North Water Main Project	$6,196,000	$6,196,000	$6,196,000	$29,496,578						$10,525,000	$2,225,060	$56,146		14,967
F26-014	Sandy Hook Water District	Sandy Hook New Well & Distribution Improvements	$835,000	$835,000	$835,000	$30,331,578						$10,525,000	$299,859	$39,553		3,967
F26-015	Logan-Todd Regional Water Commission	LTRWC - Additional Sedimentation Train/General Plant Expansion	$19,475,000	$8,502,254	$0							$10,525,000	$0			
F26-016	Nebo Water District	Nebo KY630 Water Line Upgrade	$2,238,000	$2,238,000			$2,238,000	$2,238,000				$10,525,000	$0	$74,440		3,785
F26-017	Grayson County Water District	East-West Interconnect Phase III	$18,589,800	$7,500,000			$7,500,000	$9,738,000				$10,525,000	$2,693,342	$48,257		16,598
F26-018	Northern Kentucky Water District	NKWD F26 Lead Service Line Replacement Project	$64,000,000	$64,000,000							$12,958,689	$23,483,689	$0	$79,887		252,858
F26-019	Sturgis, City of	Groundwater Treatment Plant	$8,035,000	$8,035,000			$0					$23,483,689	$0	$46,012		2,278
F26-020	Greensburg, City of	Greensburg Interlocal Transmission Line	$13,996,200	$13,996,200			$0					$23,483,689	$0	$37,319		2,317
F26-021	Ledbetter Water District	Ledbetter WTP Expansion and New Well Source	$2,337,860	$2,337,860			$0					$23,483,689	$0	$72,205		2,631
F26-022	Monticello, City of	Monticello WTP & Water Distribution Upgrades	$37,930,000	$37,930,000			$0					$23,483,689	$0	$42,247		16,443
F26-023	White Plains, City of	White Plains - Red Hill Road Ph. III Christian County Interconnect	$158,625	$158,625			$158,625	$9,896,625				$23,483,689	$56,964	$41,952		1,491
F26-024	Campton, City of	Transmission Main from Wellington to Maytown & 1196	$5,639,000	$5,639,000			$5,639,000	$15,535,625				$23,483,689	$2,025,034	$29,000		5,910
F26-025	Flatwoods, City of	Flatwoods Clay Street Waterline Replacement and KY 207 Interconnect	$250,000	$250,000			$250,000	$15,785,625				$23,483,689	$89,778	$61,277		7,944
F26-026	Cumberland County Water District	CUMBERLAND / ADAIR CONNECTOR - KENTUCKY HIGHWAY 61	$2,285,000	$2,285,000			$2,285,000	$18,070,625				$23,483,689	$820,572	$39,777		3,953
F26-027	Harrodsburg, City of	Water Treatment Plant & High Service Transmission Main Improveme	$17,661,000	$17,661,000			$7,500,000	$25,570,625				$23,483,689	$2,693,342	$47,928		8,684
F26-028	Eddyville, City of	Eddyville - Water Transmission & System Interconnect Project	$1,238,000	$1,238,000			$1,238,000	$26,808,625				$23,483,689	$444,581	$60,745		2,964
F26-029	Kuttawa, City of	Kuttawa - KY 295 Water System Interconnect	$750,500	$750,500								$23,483,689	$0	$65,491		680
F26-030	Hazard, City of	Backwoods Waterline Replacement (Known Lead) Economically Disadvantaged Area	$3,074,480	$3,074,480							$3,074,480	$26,558,169	$0	$50,461		23,514
F26-031	Adair County Water District	Phase 25 - Water Treatment Plant and System Improvements	$7,227,000	$7,227,000									$0	$48,609		16,841
F26-032	Monticello, City of	AC Water Line Replacement	$11,725,000	$11,725,000									$0	$42,247		16,443
F26-033	South Hopkins Water District	SHWD - Water System Improvements and New Administration Office	$29,020,300	$29,020,300									$0	$53,424		6,675
F26-034	Martin County Water District	Water System Controls and Raw Water Modifications Phase III	$2,563,852	$2,563,852									$0	$47,090		11,203
F26-035	Olive Hill, City of	Olive Hill Leak Detection and Repair	$2,150,000	$2,150,000									$0	$58,714		4,910
F26-036	Paintsville Utilities Commission	Connection to 24" Transmission Main at US 460 and KY 40W	$4,726,000	$4,726,000									$0	$42,021		21,295
F26-037	Ohio County Water District	OCWD A/C Line Replacements Area 2	$1,102,500	$1,102,500									$0	$56,146		14,967
F26-038	Albany, City of	Albany Water Treatment Plant (A & B) Expansion	$34,449,100	$34,449,100									$0	$44,832		9,042
F26-039	Maysville, City of	Mayslick Water Service Upgrade Project	$4,323,010	$4,323,010									$0	$45,169		11,097
F26-040	Taylorsville, City of	Mt. Washington Road (S.R. 44) Project	$1,580,000	$1,580,000									$0	$95,998		20,829
F26-041	Cumberland County Water District	Marrowbone Area Water System Replacement	$2,500,000	$2,242,715									$0	$39,777		3,953
F26-042	Hopkinsville Water Environment Authority	HWEA - AMR/AMI Water Meter Replacement	$3,000,000	$3,000,000									$0	$47,837		34,958
F26-043	Scottsville, City of	Lead Water Main and Service Line Replacement	$4,600,000	$4,600,000									$0	$38,532		5,012
F26-044	Marion, City of	Marion - WTP Upgrades and Waterline Replacement Project	$1,500,000	$300,000									$0	$40,726		2,940
F26-045	White Plains, City of	White Plains - Water Line and Service Replacement Project	$4,950,000	$4,950,000									$0	$41,952		1,491
F26-046	Perry County Fiscal Court	Vicco Waterline Replacement Phase 1	$1,591,000	$1,591,000									$0	$48,701		2,881
F26-047	South Eastern Water Association Inc	Elihu Rush Area System Improvements	$640,400	$640,400									$0	$58,032		15,217
F26-048	Whitley County Water District	WCWD 2021 System Improvements New Project	$4,070,000	$4,070,000									$0	$42,800		11,293
F26-049	Mountain Water District	MWD - Marrowbone to Ashcamp Connector / Marrowbone Service Line	$3,050,000	$3,050,000									$0	$42,202		35,094
F26-050	Albany, City of	Albany WTP A & B Repairs and Rehab	$1,520,776	$1,520,776									$0	$44,832		9,042
F26-051	Lebanon, City of	Water System Improvements Phase 2	$2,929,050	$2,929,050									$0	$39,990		6,424

F26-052	Dawson Springs City Water and Sewer	Dawson Springs - Tank Rehabilitation and Line Replacements	$3,497,000	$3,497,000									$0	$31,768		2,331
F26-053	Ohio County Water District	Echols Booster Pump Station Elimination	$863,001	$863,001									$0	$56,146		14,967
F26-054	Scottsville, City of	City of Scottsville- WTP Rehabilitation	$3,594,000	$3,594,000									$0	$38,532		5,012
F26-055	Jamestown, City of	Jamestown Water Meter Replacement	$910,000	$910,000									$0	$39,631		7,256
F26-056	Princeton Water & Wastewater Commission	Princeton - Water Line Improvements	$3,143,000	$3,143,000									$0	$52,175		6,904
F26-057	South Eastern Water Association Inc	KY 39 Waterline Replacement	$2,162,000	$2,162,000									$0	$58,032		15,217
F26-058	Western Pulaski County Water District	WTLO RD WL REPLACEMENT, KY 80 TRANSMISSION MAIN, & OLD COLUMBIA TANK REPLACEMENT	$5,000,000	$5,000,000									$0	$56,160		17,481
F26-059	Bowling Green Municipal Utilities	WTP High Service Pump Station No. 3	$11,490,000	$11,490,000									$0	$48,523		50,033
F26-060	Christian County Water District	Christian County Water District-Princeton Rd Tank & System Upgrade	$1,750,000	$1,750,000									$0	$68,528		15,941
F26-061	Campton, City of	Campton Water Improvement Projects	$1,265,000	$1,265,000									$0	$29,000		5,910
F26-062	Magoffin County Water District	MCWD - AMR Water Meters	$1,800,000	$1,118,000									$0	$34,977		9,428
F26-063	Fordsville, City of	Fordsville Water Loss Project	$246,550	$246,550									$0	$44,963		846
F26-064	Sturgis, City of	Sturgis Water Meter Upgrade Project	$596,008	$596,008									$0	$46,012		2,278
F26-065	Mountain Water District	Mountain Water District - Water Treatment Plant Improvements	$2,454,000	$2,454,000									$0	$42,202		35,094
F26-066	Christian County Water District	Christian County Water District - Waterline Replacement & Extension	$3,818,000	$3,818,000									$0	$68,528		15,941
F26-067	Augusta, City of	Augusta Water Treatment Plant Improvements	$3,250,000	$3,250,000									$0	$43,929		1,034
F26-068	Springfield Water and Sewer Commission	SWSC AMR and Smart Meter Water Meter Replacement	$2,174,000	$2,174,000									$0	$56,551		10,757
F26-069	Nortonville, City of	Nortonville Waterline Replacement Project	$944,150	$644,150									$0	$49,236		1,927
F26-070	Grand Rivers, City of	Grand Rivers - Waterline Replacement & AMR System	$667,500	$667,500									$0	$54,981		1,914
F26-071	Russell Springs, City of	Cast Iron/Asbestos Cement Waterline Replacement	$2,130,000	$2,130,000									$0	$50,398		9,809
F26-072	Mount Washington, City of	City of Mt. Washington AC Line Replacement	$5,679,300	$5,679,300									$0	$95,195		21,182
F26-073	West Shelby Water District	U.S. 60 Meter Reconnects & AC Waterline Replacement	$306,000	$306,000									$0	$95,976		5,823
F26-074	Edmonson County Water District	WTP Water System Improvements Project	$84,000,000	$3,660,000									$0	$52,165		17,847
F26-075	Grayson Utilities Commission	Grayson General Water System Improvements	$4,000,000	$4,000,000									$0	$41,314		10,995
F26-076	Jamestown, City of	Water Treatment Plant Chemical Feed Improvements	$1,519,000	$1,519,000									$0	$39,631		7,256
F26-077	South Eastern Water Association Inc	Sandy Gap Area Improvements - Phase 4	$1,167,000	$1,167,000									$0	$58,032		15,217
F26-078	Taylorsville, City of	Taylorsville Asbestos Cement & Cast-Iron Waterline Replacement Project	$1,450,000	$1,450,000									$0	$95,998		20,829
F26-079	Jamestown, City of	Jamestown – Creelsboro Area	$406,100	$406,100									$0	$39,631		7,256
F26-080	Harrodsburg, City of	Water Main & Hydrant Replacement Phase 2	$2,415,000	$2,415,000									$0	$47,928		8,684
F26-081	Princeton, City of	Princeton - Cellular Meter Upgrades	$1,279,665	$1,279,665									$0	$52,175		6,904
F26-082	Burkesville, City of	Burkesville Drinking Water Distribution Upgrade	$1,646,875	$1,646,875									$0	$33,413		1,769
F26-083	Somerset, City of	One Million Gallon Valley Oak Industrial Park Prestressed Concrete Water Storage Tank and 16-Inch Transmission Main	$6,914,000	$6,914,000									$0	$40,245		18,283
F26-084	Martin County Water District	Inez Waterline Replacement	$5,000,000	$5,000,000									$0	$47,090		11,203
F26-085	South Shore, City of	South Downtown Water Line Replacement	$893,000	$893,000									$0	$42,678		4,164
F26-086	Cadiz, City of	Cadiz - Line Rehabilitation - Will Jackson Road Hwy 778	$962,500	$962,500									$0	$45,483		3,873
F26-087	Lebanon Junction, City of	2025/26 Water System Improvements - Water Main & Leadite Jointed Pipe Replacement Project	$2,000,000	$2,000,000									$0	$53,987		2,139
F26-088	Crittenden-Livingston County Water District	CLWD - Water Treatment Plant Expansion-Phase II	$33,826,575	$33,826,575									$0	$54,218		8,347
F26-089	Todd County Water District	Todd County Water District - Master Meter Additions Project	$245,000	$245,000									$0	$58,249		8,695
F26-090	Todd County Water District	TCWD - Water Meter Enhancement Project-Cellular Endpoints	$750,000	$389,000									$0	$58,249		8,695
F26-091	Grayson Utilities Commission	WTP Lagoons and Sludge Handling	$2,140,000	$2,140,000									$0	$41,314		10,995
F26-092	Bowling Green Municipal Utilities	WTP Filter Gallery Pipe Replacement	$11,750,000	$11,750,000									$0	$48,523		50,033
F26-093	Trenton, City of	Trenton - Water System Improvements	$2,512,000	$2,512,000									$0	$89,555		553
F26-094	Henderson Water Utility	North Water Treatment Plant Expansion	$30,340,000	$30,340,000									$0	$47,911		29,237
F26-095	Big Sandy Water District	Silver Run Road & Arthur Branch Waterline Replacement	$904,000	$904,000									$0	$57,788		13,499
F26-096	Albany, City of	Albany - Water Treatment Plant (A & B) Raw Water Pumps	$1,112,000	$1,112,000									$0	$44,832		9,042
F26-097	Jamestown, City of	Story Lane Waterline Extension	$401,000	$401,000									$0	$39,631		7,256
F26-098	Centertown, City of	Main St. Water Main Replacement	$384,552	$384,552									$0	$51,998		1,080
F26-099	Sharpsburg Water District	Reynoldsville Tank and Whetstone Tank Rehab Project	$1,407,000	$1,407,000									$0	$47,421		3,538
F26-100	Hawesville, City of	Regionalization Water System Improvements - Phase 1	$2,080,360	$2,080,360									$0	$59,717		2,949
F26-101	Bath County Water District	Bath County Water District Naylor Creek and Generators Project	$333,500	$333,500									$0	$60,666		10,083
F26-102	Jamestown, City of	Swan Pond Waterline Extension	$540,000	$540,000									$0	$39,631		7,256
F26-103	Trimble County Water District #1	TCWD #1 Asbestos Cement & Copper Pipe Replacement Project	$2,509,000	$2,509,000									$0	$60,857		3,236
F26-104	Hopkinsville Water Environment Authority	HWEA SRF Phase V-A - Hopkinsville DWTP - 20MGD Expansion & PFAS Mitigation	$2,275,000	$2,275,000									$0	$47,837		34,958
F26-105	Princeton, City of	Princeton - Water Treatment Plant Improvements	$2,100,000	$2,100,000									$0	$52,175		6,904
F26-106	Southern Water & Sewer District	Brush Creek Tank Replacement	$843,500	$843,500									$0	$40,139		16,773
F26-107	Henderson Water Utility	Raw Water Intake & Pipeline Project	$8,000,000	$8,000,000									$0	$47,911		29,237
F26-108	Clay, City of	Clay Water Line Replacement Phase II	$849,700	$849,700									$0	$44,745		1,143
F26-109	Clay, City of	Lisman St./ Blackburn Rebuild	$274,000	$274,000									$0	$44,745		1,143

F26-110	Princeton Water & Wastewater Commission	Princeton - WTP Filter Media Replacement	$90,000	$90,000									$0	$52,175		6,904
F26-111	West Shelby Water District	Scott Station Road AC Waterline Replacement	$814,000	$814,000									$0	$95,976		5,823
F26-112	Hazard, City of	Hazard Downtown Water Replacement Project Ph 1 (Known Lead) Economically Disadvantaged Area	$1,654,490	$1,654,490									$0	$50,461		23,514
F26-113	Madisonville Municipal Utilities	Madisonville - Peewee Lake Raw Water Intake Rehabilitation	$3,320,000	$2,690,397									$0	$56,265		21,456
F26-114	South Eastern Water Association Inc	Nelson Valley Area System Improvements	$249,000	$249,000									$0	$58,032		15,217
F26-115	Greenup, City of	City of Greenup new Water Treatment Plant	$46,599,000	$7,500,000									$0	$54,985		9,719
F26-116	Madisonville Municipal Utilities	Madisonville - WTP Clear Well Rehabilitation Project	$367,500	$367,500									$0	$56,265		21,456
F26-117	Madisonville Municipal Utilities	Madisonville - Peewee Lake Regional Source Water System Replacement	$14,905,000	$14,905,000									$0	$56,265		21,456
F26-118	Flemingsburg, City of	Highland Drive, Highland Avenue & Crest Avenue Water Main Replacement	$448,855	$448,855									$0	$33,839		3,047
F26-119	Elkton, City of	Elkton - Waterline Replacements Project	$423,500	$423,500									$0	$45,567		2,025
F26-120	Barkley Lake Water District	Barkley Lake Water District - Sludge Storage Lagoon Improvements	$349,901	$349,901									$0	$58,728		9,929
F26-121	Jamestown, City of	Water Treatment Plant Intake Replacement	$3,119,000	$3,119,000									$0	$39,631		7,256
F26-122	Jamestown, City of	County Waterline Extensions	$996,000	$996,000									$0	$39,631		7,256
F26-123	Caldwell County Water District	Caldwell County WD - Leak Detection Meter Installation Project	$400,000	$400,000									$0	$67,982		4,923
F26-124	Bardstown, City of	New 16" Water Main under Beechfork River	$1,460,700	$1,460,700									$0	$60,298		27,016
F26-125	Clay, City of	Russell St. Dead End Water Line Replacement	$32,000	$32,000									$0	$44,745		1,143
F26-126	Big Sandy Water District	Old U.S. 23 Water Transmission Line Replacement	$1,440,000	$1,440,000									$0	$57,788		13,499
F26-127	Henderson County Water District	HCWD Water Loss Project	$1,125,000	$1,125,000									$0	$69,965		15,526
F26-128	Magoffin County Water District	System Improvements - Pump Station Replacements	$3,264,000	$3,264,000									$0	$34,977		9,428
F26-129	West Liberty, City of	West Liberty Raw Water Intake Pump Replacement Project	$700,000	$700,000									$0	$49,096		8,762
F26-130	Eddyville, City of	Eddyville - Sewer Plant Rd Water Main Replacement	$2,348,000	$2,348,000									$0	$60,745		2,964
F26-131	Caldwell County Water District	Caldwell County Water District - Customer Meter Upgrade - Phase 2	$815,000	$815,000									$0	$67,982		4,923
F26-132	West Shelby Water District	Ardmore Lane AC Waterline Replacement	$697,000	$697,000									$0	$95,976		5,823
F26-133	Lynch, City of	City of Lynch New Water Plant	$7,500,000	$7,500,000									$0	$29,679		746
F26-134	Elliott County Fiscal Court	Elliott County Line Extensions	$1,365,100	$1,365,100									$0	$53,426		9,926
F26-135	West Shelby Water District	Arlington & Hill 'N' Dale Drive AC Waterline Replacement	$642,000	$642,000									$0	$95,976		5,823
F26-136	Prestonsburg City's Utilities Commission	Prestonsburg City's Utilities Commission Water System Improvements	$3,430,000	$3,430,000									$0	$41,947		17,230
F26-137	Mountain Water District	Left Fork of Three Mile Waterline Extension	$200,000	$200,000									$0	$42,202		35,094
F26-138	Centertown, City of	Centertown City Center Waterline Replacement	$342,000	$342,000									$0	$51,998		1,080
F26-139	Logan-Todd Regional Water Commission	KY848 Waterline Extension	$900,000	$900,000									$0			
F26-140	Ashland, City of	Oakview Area Line Upgrade	$3,800,000	$3,800,000									$0	$54,913		34,891
F26-141	South Eastern Water Association Inc	Dry Branch Road Waterline Replacement	$343,000	$343,000									$0	$58,032		15,217
F26-142	North Marshall Water District	Dyke Road Water Line Replacement	$2,575,000	$2,575,000									$0	$70,338		10,857
F26-143	Dawson Springs, City of	Dawson Springs - Emergency Standby Generators	$438,099	$438,099									$0	$31,768		2,331
F26-144	Cadiz, City of	Cadiz - IGA Water Tank Rehabilitation	$350,000	$350,000									$0	$45,483		3,873
F26-145	Kuttawa, City of	City of Kuttawa - Automated Meter Reading System	$150,000	$150,000									$0	$65,491		680
F26-146	Western Lewis-Rectorville Water & Gas District	WLRWD - Office Tank	$2,148,850	$1,074,425									$0	$51,264		4,626
F26-147	Scottsville, City of	Holland Road New Pump Station Project	$2,083,500	$2,083,500									$0	$38,532		5,012
F26-148	Marion, City of	Marion - Emergency Standby Generators	$500,000	$500,000									$0	$40,726		2,940
F26-149	Green-Taylor Water District	2024 Extensions & Improvements Project	$2,090,000	$2,090,000									$0	$53,052		11,330
F26-150	Cadiz, City of	Cadiz - Water Emergency Standby Generators	$500,000	$500,000									$0	$45,483		3,873
F26-151	Hawesville, City of	Donna Lou/Faith Ann Line Upsizing project	$498,100	$490,600									$0	$59,717		2,949
F26-152	Burkesville, City of	Baker Street Water Tank Replacement	$1,843,000	$1,843,000									$0	$33,413		1,769
F26-153	South Shore, City of	Morton Hill Tank Replacement	$1,100,000	$1,100,000									$0	$42,678		4,164
F26-154	London Utility Commission	Laurel River Lake Raw Water Intake Improvements	$2,550,000	$2,550,000									$0	$51,165		8,855
F26-155	Owensboro Municipal Utilities	E 19th & E 21st St Small Main Replacements	$410,000	$410,000									$0	$54,163		60,473
F26-156	Hartford, City of	Mulberry Ct Line Replacement	$205,000	$205,000									$0	$61,019		2,600
F26-157	Uniontown, City of	Uniontown New Booster Pump Station Project	$349,350	$349,350									$0	$51,367		1,071
F26-158	Todd County Water District	TCWD - 2021 System Extension Project (Phase A)	$2,550,000	$2,550,000									$0	$58,249		8,695
F26-159	Barkley Lake Water District	Barkley Lake Water District - Emergency Standby Generators	$643,500	$643,500									$0	$58,728		9,929
F26-160	Kuttawa, City of	Kutawa - WTP Electrical Control System Improvements	$717,000	$717,000									$0	$65,491		680
F26-161	Russell, City of	City of Russell - New Treatment Plant	$33,200,000	$7,500,000									$0	$80,480		5,236
F26-162	Western Pulaski County Water District	FAUBUSH/NANCY AREA WATER TRANSMISSION MAIN - PHASE 2	$4,000,000	$4,000,000									$0	$56,160		17,481
F26-163	Russell Springs, City of	Damron Creek Road Waterline Extension	$276,500	$276,500									$0	$50,398		9,809
F26-164	Uniontown, City of	Highway 130 Water Main Replacement Project	$284,896	$284,896									$0	$51,367		1,071
F26-165	Rattlesnake Ridge Water District	Miscellaneous Water Main Extensions	$2,384,000	$2,384,000									$0	$53,426		9,926
F26-166	Barkley Lake Water District	Barkley Lake Water District - Water Line Extension	$3,850,000	$3,850,000									$0	$58,728		9,929
F26-167	Gallatin County Water District	US-42 Water Main Extension	$302,275	$302,275									$0	$63,889		5,513
F26-168	Cave Run Water Commission	Regional Water Treatment Plant Rehab and Expansion	$36,335,000	$36,335,000									$0			
F26-169	Madisonville, City of	Madisonville Noel Ave Line Replacement	$587,600	$587,600									$0	$56,265		21,456
F26-170	Greenup, City of	Greenup: New Water Intake Structure	$16,000,000	$7,500,000									$0	$54,985		9,719
F26-171	Raceland, City of	Raceland: Phase 9 System Loop Along US23 From Pond Run to Caroline Road	$1,000,000	$1,000,000									$0	$60,441		3,067

F26-172	Danville, City of	Danville Fourth St. Connector Main Extension	$768,600	$768,600									$0	$55,162		24,951
F26-173	Crittenden-Livingston County Water District	CLWD - Water Tank Rehabilitation Project	$153,475	$153,475									$0	$54,218		8,347
F26-174	Williamstown, City of	Raw Water Intake Screen, Pump Refurb., and Waterline Extension	$622,850	$622,850									$0	$72,485		4,653
F26-175	White Plains, City of	White Plains - Concord Tank & Pump Station	$770,000	$770,000									$0	$41,952		1,491
F26-176	Russell Springs, City of	Russell Springs Booster Pump Station Improvements	$549,000	$549,000									$0	$50,398		9,809
F26-177	Russell Springs, City of	City of Russell Springs Water Tank Rehabilitation	$486,000	$486,000									$0	$50,398		9,809
F26-178	Princeton Water & Wastewater Commission	Princeton - Water Loss Detection and Recovery	$402,600	$402,600									$0	$52,175		6,904
F26-179	Dry Ridge, City of	Dry Ridge Booster Pump Station Project	$550,000	$135,563									$0	$54,702		1,963
F26-180	McLean County Fiscal Court	Beech Grove Water System Storage Tank Addition	$2,729,300	$1,427,460									$0	$66,520		1,225
F26-181	Nebo Water District	Nebo - Pump Station Replacement, SCADA and AMR Project	$1,555,500	$1,095,500									$0	$74,440		3,785
F26-182	Calhoun, City of	Calhoun Water Tank Interior Inspection and Cleaning	$110,000	$110,000									$0	$54,394		904
F26-183	Calhoun, City of	Calhoun KY 138 West Automatic Water Salesman Installation	$42,000	$42,000									$0	$54,394		904
F26-184	Smithland, City of	Smithland - Tank Mixing System	$30,000	$30,000									$0	$58,015		431
F26-185	Guthrie, City of	Guthrie - Tiny Town Water System Enhancements	$575,000	$575,000									$0	$35,369		1,360
F26-186	South Hopkins Water District	South Hopkins Water District - Emergency Standby Generators	$566,989	$566,989									$0	$53,424		6,675
F26-187	South Eastern Water Association Inc	Sandy Gap Area Improvements - Phase 3	$1,955,000	$1,955,000									$0	$58,032		15,217
F26-188	Gallatin County Water District	Gallatin County Regional Airport Water Main Extension	$882,800	$882,800									$0	$63,889		5,513
F26-189	Warren County Water District	WCWD - Porter Pike Area Improvements, Phase 1	$327,000	$327,000									$0	$73,260		76,854
F26-190	Greenville, City of	H.C. Mathis to Highland Waterline Replacement Project	$387,109	$387,109									$0	$70,719		4,694
F26-191	South 641 Water District	S. 12th St. Pump Station rehab	$130,000	$130,000									$0	$50,362		657
F26-192	Mount Washington, City of	Ramblin Road Water Main Extension	$567,076	$567,076									$0	$95,195		21,182
F26-193	Bullock Pen Water District	Bullock Pen Water Treatment Plant Replacement - Design and Const	$16,297,000	$15,992,536									$0	$74,179		20,030
F26-194	Slaughters, City of	Meter Box and Setter Unit Replacement	$100,000	$100,000									$0	$65,767		513
F26-195	North McLean County Water District	815 Waterline Extension	$1,100,000	$1,100,000									$0	$67,952		2,814
F26-196	Larue County Water District #1	LCWD- Main Trunk Line	$11,110,000	$11,110,000									$0	$69,332		10,692
F26-197	Logan-Todd Regional Water Commission	LTRWC - Second Raw Water Storage Basin Addition	$4,400,000	$4,400,000									$0			
F26-198	Warren County Water District	WCWD - TWN Transmission Replacement	$200,000	$200,000									$0	$73,260		76,854
F26-199	Greenville, City of	Outer York Street Water Main Extension Project	$168,259	$168,259									$0	$70,719		4,694
F26-200	North Marshall Water District	New Tatumsville Water Treatment Plant	$14,725,000	$14,725,000									$0	$70,338		10,857
F26-201	Corinth Water District	Stringtown & Keefer Tank Restoration	$345,570	$148,600									$0	$69,484		2,873
F26-202	Corinth Water District	Corinth - Phase VI Water System Extensions	$606,372	$606,372									$0	$69,484		2,873
F26-203	Lyon County Water District	LCWD - Hwy 295 Interconnect Project	$685,000	$500,000									$0	$65,983		4,114
F26-204	Fredonia, City of	Fredonia - Tank Rehabilitation	$200,000	$200,000									$0	$67,464		619
F26-205	Larue County Water District #1	LCWD- New Elevated Tank	$13,200,000	$13,200,000									$0	$69,332		10,692
F26-206	Kuttawa, City of	City of Kuttawa - I-24 Water Storage Tank	$700,000	$700,000									$0	$65,491		680
F26-207	Lyon County Water District	Lyon County Water District - Emergency Standby Generators	$100,000	$100,000									$0	$65,983		4,114
F26-208	Ledbetter Water District	Ledbetter - US 60 Water Tank Painting	$150,000	$150,000									$0	$72,205		2,631
F26-209	Hanson, City of	Hanson - Carhart Tank Bypass and Altitude Valve Project	$130,676	$130,676									$0	$86,055		1,115
F26-210	Big Sandy Water District	Whites Creek Pump Station Relocation	$1,180,000	$1,180,000									$0	$57,788		13,499
F26-211	Larue County Water District #1	LCWD - I65 Crossing Phase II - Water Tank	$3,129,500	$3,129,500									$0	$69,332		10,692
F26-212	Henderson Water Utility	Tyson Tank Painting and Repair	$1,260,000	$1,260,000									$0	$47,911		29,237
F26-213	Bloomfield, City of	City of Bloomfield Water Standpipe Replacement Project	$1,720,000	$1,720,000									$0	$65,245		5,002
F26-214	Russell, City of	City of Russell Lead Service Line Replacement	$480,000	$480,000									$0	$80,480		5,236
F26-215	Lebanon, City of	Water Storage Tank - Northside	$3,533,210	$2,783,210									$0	$39,990		6,424
F26-216	Lebanon, City of	Lebanon Water Works 2024 Improvements - Meters	$2,500,000	$2,500,000									$0	$39,990		6,424
F26-217	Marion, City of	Marion - Sludge Basin Rehabilitation	$375,000	$375,000									$0	$40,726		2,940
F26-218	Marion, City of	Marion - Clarifier Rehabilitation Project	$400,000	$400,000									$0	$40,726		2,940
F26-219	Marion, City of	City of Marion - Lake George Dam Rehabilitation Project	$12,035,000	$11,522,951									$0	$40,726		2,940
F26-220	South Shore, City of	Kings Addition Waterline Extension	$415,900	$415,900									$0	$42,678		4,164
F26-221	Oak Grove, City of	Water Line Extension - Carter Road to Stableford Lane	$785,000	$785,000									$0	$48,135		8,480
F26-222	Oak Grove, City of	Hwy 115 North and Carneal Lane Water Line Extension and Tank	$7,000,000	$7,000,000									$0	$48,135		8,480
F26-223	South Hopkins Water District	Grapevine Tank Replacement and Line Upgrades	$1,531,641	$1,531,641									$0	$53,424		6,675
F26-224	Rattlesnake Ridge Water District	Tank Upgrade for Carter County Schools	$2,991,850	$2,991,850									$0	$53,426		9,926
F26-225	Wurtland, City of	Wurtland: Industrial Parkway Waterline Extension	$269,105	$269,105									$0	$54,952		1,475
F26-226	Grand Rivers, City of	Grand Rivers - Newbern Road Water Line Extension	$411,600	$411,600									$0	$54,981		1,914
F26-227	Greenup, City of	City of Greenup Lead Service Line Replacement	$500,000	$500,000									$0	$54,985		9,719
F26-228	Kuttawa, City of	Kuttawa - New Water Treatment Plant Project	$550,000	$550,000									$0	$65,491		680
F26-229	Caldwell County Water District	Caldwell County Water District - Equipment Upgrades	$350,000	$350,000									$0	$67,982		4,923
F26-230	Greenville, City of	Greenville City Lake Dam Modification	$279,061	$279,061									$0	$70,719		4,694
F26-231	Greenville, City of	Greenville - Country Club Lake Dredging	$501,000	$501,000									$0	$70,719		4,694
F26-232	East Pendleton Water District	Pendleton County Regional Water Treatment Plant	$21,602,000	$1,156,000									$0	$74,472		5,051
F26-233	Paintsville Utilities Commission	Blanton Branch Road Water Line Extension	$280,000	$280,000									$0	$42,021		21,295
F26-234	Hopkinsville Water Environment Authority	HWEA SRF Phase VI Water System Improvements	$19,000,000	$19,000,000									$0	$47,837		34,958

F26-235	Hopkinsville Water Environment Authority	Commerce Park II - 20" Water Main Extension & Elevated Storage Tank	$21,000,000	$21,000,000									$0	$47,837		34,958
F26-236	Henderson Water Utility	Lead Service Line Replacement	$8,040,000	$8,040,000									$0	$47,911		29,237
F26-237	Adair County Water District	Phase 26 - New Storage Tank and WTP Upgrades	$10,255,000	$10,255,000									$0	$48,609		16,841
F26-238	Owensboro Municipal Utilities	Emerging Contaminants and Capacity Well Improvements	$960,000	$960,000									$0	$54,163		60,473
F26-239	Danville, City of	Danville 2168 Bypass Water Main Extension	$1,575,000	$615,362									$0	$55,162		24,951
F26-240	Springfield Water and Sewer Commission	Water Main Assessment, Replacement Planning & Design - WTP & Priority Area 3	$4,522,000	$4,522,000									$0	$56,551		10,757
F26-241	Springfield Water and Sewer Commission	Water Main Assessment, Replacement Planning & Design - WTP & Priority Area 4	$5,215,000	$5,215,000									$0	$56,551		10,757
F26-242	Springfield Water and Sewer Commission	Industry Park Waterline Improvements	$1,500,000	$1,500,000									$0	$56,551		10,757
F26-243	Hardin County Water District #1	Hwy 361 New 16-inch Transmission Water Main.	$1,500,000	$1,500,000									$0	$64,647		35,959
F26-244	Warren County Water District	WCWD - Three Springs Transmission Improvements	$729,000	$729,000									$0	$73,260		76,854

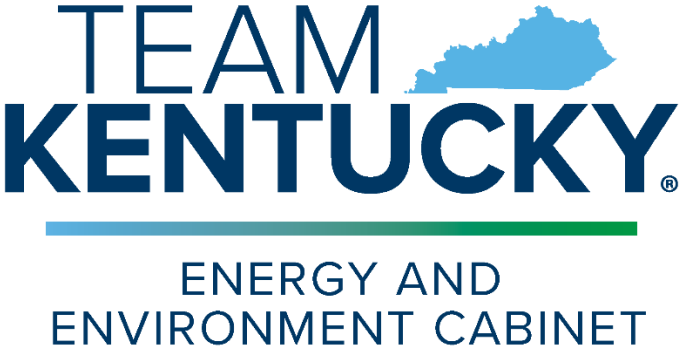
APPENDIX B

PRIORITY SYSTEM GUIDANCE DOCUMENT

Priority System Guidance Document

For Eligible Infrastructure Projects
To Be Funded By The

KENTUCKY DRINKING WATER STATE REVOLVING FUND
2026 Funding Cycle



Department for Environmental Protection
Division of Water

300 Sower Boulevard
Frankfort, KY 40601
Phone: 502-564-3410
water.ky.gov

Table of Contents

INTRODUCTION

PURPOSE

The priority system is designed to prioritize eligible projects for funding through the Drinking Water State Revolving Fund (DWSRF). The DWSRF is intended to facilitate public water systems (PWS) in achieving and maintaining technical, managerial, and financial (TMF) capacity, enabling PWS to consistently maintain compliance with the Safe Drinking Water Act (SDWA). This includes compliance with existing and future national drinking water standards, as well as other activities that significantly further the health protection objectives of the SDWA.

Additions to the priority system include service line (SL) inventory, lead service line (LSL) and galvanized requiring replacement (GRR) service line replacement, and projects that primarily address perfluoroalkyl and polyfluoroalkyl (PFAS) substances and other emerging contaminants. Projects utilizing the DWSRF for LSL or GRR replacement must replace the entire LSL/GRR, not just a portion. The EPA has expanded the eligible uses of the DWSRF for replacing SL beyond the regulatory definition of a LSL/GRR in the Lead and Copper Rule Revisions of the SDWA. Eligible projects also include the replacement of lead goosenecks, pigtails, and connectors as eligible expenses, whether standalone or connected to a LSL/GRR.

METHODOLOGY

The structure of the priority system incorporates the rules and initiatives promulgated since the 1996 amendments to the SDWA, including America's Water Infrastructure Act of 2018, and the Bipartisan Infrastructure Law of 2021. The amendments encompass financial, managerial, and technical capacity; Surface Water Treatment Rule; Total Coliform Rule and Revised Total Coliform Rule; Lead and Copper Rule Revision and Improvements (as proposed); Asbestos Standard; Enhanced Surface Water Treatment Rule; Disinfectants and Disinfection Byproducts Rule; Groundwater Rule; PFAS Rule; and best available and affordable technology. A proactive approach has been developed to determine priority based on infrastructure needs to address the goals of the SDWA. Projects are prioritized based on scores derived from a comprehensive review of each project using the DWSRF ranking criteria described in this document.

APPLYING THE PRIORITY SYSTEM TO PROJECTS

The Division of Water (DOW) assigns points in the following categories: Regionalization; Public Health Criteria – Water Supply; Public Health Criteria – Treatment; Public Health Criteria – Distribution; Lead Service Line Inventory; Lead Service Line and Lead Components Replacement; Security; Compliance and Enforcement; Lead Compliance; Disadvantaged Community Financial Need; Planning; Sustainable Infrastructure; Project Readiness; and, Project Readiness – Lead Service Line and Lead Components Replacement (see Table 1, DWSRF Ranking Criteria). Points are based on information provided by PWS and/or their consultants. During the annual call for projects, project profiles are submitted for review by the local area development districts through the Water Resources Information System (WRIS). No additional projects may be submitted after the call for projects deadline. Project profiles must be complete with all pertinent information. Once the project review process begins, project profiles will be locked and cannot be modified. The total score for a project is the sum of all points received for each of the fourteen categories.

Proposed PFAS, lead service line inventory, and lead service line replacement projects must be submitted as independent projects. Projects combining these components with other components will be bypassed unless corrected by the water system and Area Development District.

PROJECT PROFILES

The project profile must have sufficient detail to ensure the proposed project receives the maximum amount of points and is scored properly. The Project Description within the Narrative tab should provide a clear and detailed explanation of the proposed project. The Need for Project must describe how the proposed project promotes public health or achieves/maintains compliance with the SDWA. Any major changes to system capacity (i.e., storage volume, line replacements due to size, water treatment plant design capacity, etc.) must include a detailed justification. The Narrative must encompass the entire scope of the project

and be supported by the information contained in the Components, Impacts, Sustainable Infrastructure, and Mapping Tabs in WRIS. All checked boxes must be properly supported within those Tabs. Project Profiles containing inconsistent or absent information may not receive credit for those items and could be automatically bypassed for funding consideration.

TIE BREAKER

It is possible the ranking process could result in two or more projects having the same total score. A tie breaker method has been developed for this situation considering the following factors: maintaining priorities to be funded in the order as set forth by the priority formula, expending DWSRF dollars to maximize the benefit toward compliance with the SDWA, and providing funding of projects that are affordable to the households that benefit from the project.

Those PWSs serving a population of 10,000 people or less are prioritized over those serving populations over 10,000. Consideration is then given to those projects with existing enforcement actions (i.e., Agreed Orders). Lastly, the financial need of the applicant, as evidenced by the median household income (MHI) according to the current American Community Survey 5-Year Estimates, is taken into consideration.

I. REGIONALIZATION

This category allows affordable alternatives for a PWS to achieve and maintain technical, managerial, and financial capacity to comply with the SDWA through mergers, interconnections, and emergency planning.

A. Elimination of a PWS through a merger or acquisition (elimination of a PWSID)

Under this category, points will be provided to projects promoting regionalization. This is not the same as an interconnection where two or more water systems provide potable water supplies to one another but retain their own individual identities and PWSIDs. The merger must result in the dissolution of the PWSID.

Note: Proposed PFAS, lead service line inventory, and lead service line replacement projects must be submitted as independent projects. Projects combining these components with other components will be bypassed unless corrected by the water system and Area Development District. An analysis of a new water source to address PFAS must be conducted by a certified drinking water laboratory and submitted to the Division of Water prior to the Call for Projects in order to receive points in this category.

i) PFAS detected at plant tap

PFOS or PFOA (ppt or ng/L)	Points
> 0 - 2	125
2.01 - 4	150
> 4	200

PFNA, PFHxS, or HFPO-DA (ppt or ng/L)	Points
> 0 - 5	125
5 - 10	150
> 10	200

Hazard Index PFNA, PFHxS, PFBS, HFPO-DA	Points
> 0 – 0.5	125
0.5 - 1	150
> 1	200

ii) No PFAS detected at plant tap
Points Received: 100

B. Elimination of a water treatment plant as a result of an interconnection

i) PFAS detected at plant tap

PFOS or PFOA (ppt or ng/L)	Points
> 0 - 2	125
2.01 - 4	150
> 4	200

PFNA, PFHxS, or HFPO-DA (ppt or ng/L)	Points
> 0 - 5	125
5 - 10	150
> 10	200

Hazard Index PFNA, PFHxS, PFBS, HFPO-DA	Points
> 0 – 0.5	125
0.5 - 1	150
> 1	200

ii) No PFAS detected
Points Received: 100

II. PUBLIC HEALTH CRITERIA – WATER SUPPLY

A. Connection to a new raw water source

i) PFAS detected

PFOS or PFOA (ppt or ng/L)	Points
> 0 - 2	125
2.01 - 4	150
> 4	200

PFNA, PFHxS, or HFPO-DA (ppt or ng/L)	Points
> 0 - 5	125
5 - 10	150
> 10	200

Hazard Index PFNA, PFHxS, PFBS, HFPO-DA	Points
> 0 – 0.5	125
0.5 - 1	150
> 1	200

ii) No PFAS detected
Points Received: 100

An analysis of a new water source to address PFAS must be conducted by a certified drinking water laboratory and submitted to the Division of Water prior to the Call for Projects in order to receive points in this category.

B. Connection to a new potable water supply for purchase or sell

i) PFAS detected

PFOS or PFOA (ppt or ng/L)	Points
> 0 - 2	125
2.01 - 4	150
> 4	200

PFNA, PFHxS, or HFPO-DA (ppt or ng/L)	Points
> 0 - 5	125
5 - 10	150
> 10	200

Hazard Index PFNA, PFHxS, PFBS, HFPO-DA	Points
> 0 – 0.5	125
0.5 - 1	150
> 1	200

ii) No PFAS detected
Points Received: 100

An analysis of a new water source to address PFAS must be conducted by a certified drinking water laboratory and submitted to the Division of Water prior to the Call for Projects in order to receive points in this category.

C. Rehabilitation of a dam or reservoir

The dam or reservoir's primary purpose must be for drinking water supply and must be owned by the public water system. Some examples of dam/reservoir rehabilitation projects could include, but is not limited to, spillway reconstruction or repair, dam resurfacing or repair, repair or replacement of drainage systems, and sedimentation dredging.
Points Received: 10

III. PUBLIC HEALTH CRITERIA – TREATMENT

This category provides points to treatment projects that will provide improved compliance with the National Drinking Water Standards of the SDWA.

A. Treatment Facilities

i) Construction of a new water treatment plant (where one does not presently exist)
Construction of a new water treatment facility to address present contamination by PFAS is given greater priority than construction of a new treatment facility to preventatively address

PFAS or other emerging contaminants. The DOW will determine evidence of current contamination by PFAS or other emerging contaminants based upon best available data.

Note: Proposed PFAS, lead service line inventory, and lead service line replacement projects must be submitted as independent projects. Projects combining these components with other components will be bypassed unless corrected by the water system and Area Development District. An analysis of a new water source to address PFAS must be conducted by a certified drinking water laboratory and submitted to the Division of Water prior to the Call for Projects in order to receive points in this category.

PFAS detected

PFOS or PFOA (ppt or ng/L)	Points
> 0 - 2	20
2.01 - 4	30
> 4	40

PFNA, PFHxS, or HFPO-DA (ppt or ng/L)	Points
> 0 - 5	20
5 - 10	30
> 10	40

Hazard Index PFNA, PFHxS, PFBS, HFPO-DA	Points
> 0 – 0.5	20
0.5 - 1	30
> 1	40

No PFAS detected
Points Received: 10

ii) Rehabilitation of the water treatment plant
Water treatment plant rehabilitation projects are limited to 30 points unless the proposed project is needed to acquire or maintain compliance with the National Drinking Water Standards of the SDWA. In such cases, additional points may be applied under Section B below.

Examples may include, but are not limited to, the functional replacement of treatment processes due to age/condition, the upgrade of any treatment process to meet drinking water standards with no increase in treatment capacity, etc.
Points Received: 25

iii) Redundant processes/emergency power generators
Installation of redundant processes and/or emergency power generators at the treatment facilities.
Points received: 5

iv) Replacement of raw waterline
Points Received: 5

v) Replacement or rehabilitation of a raw water intake (cannot be combined with rehabilitation of a dam or reservoir)
Point Received: 10

B. Treatment – Upgrades/Modifications

i) Infrastructure options to meet Cryptosporidium removal/inactivation requirements
Examples of treatment projects include, but are not limited to, installation of membrane technology, additional filtration, improvements to sedimentation basins such as softening or construction of a pre-sedimentation basin, ozone, UV, chlorine dioxide, etc.
Points Received: 5

ii) Modifications to meet CT inactivation requirement
Disinfection techniques need to comply with CT inactivation requirements of the Surface Water Treatment Rule or the Groundwater Rule. Examples of treatment projects include, but are not limited to, alternate disinfection feed points, baffling of clearwells, etc.
Points Received: 5

iii) Modifications to address disinfection byproducts requirements
Examples of treatment projects include, but are not limited to, changing disinfectants, modification of disinfection feed points, Granular Activated Carbon (GAC), coagulation, etc.
Points Received: 5

iv) Modifications to address VOC, IOC, SOC, radionuclide requirements
Examples of treatment projects include, but are not limited to, aeration, improved coagulation, non-conventional treatments, air stripping, new chemical feed, etc.
Points Received: 5

v) Modifications to address secondary contaminants
Examples of treatment projects to address Secondary Contaminants include, but are not limited to, water softening, sedimentation basin covers, corrosion control systems, green sand filters, new chemical feed system for manganese removal, etc.
Points Received: 5

vi) Modifications to address emerging contaminants
Water treatment plant rehabilitation to address contamination by PFAS is given greater priority. The DOW will determine evidence of current contamination by PFAS or other emerging contaminants based upon best available data.

PFOS or PFOA (ppt or ng/L)	Points
> 0 - 2	125
2.01 - 4	150
> 4	200

PFNA, PFHxS, or HFPO-DA (ppt or ng/L)	Points
> 0 - 5	125
5 - 10	150
> 10	200

Hazard Index PFNA, PFHxS, PFBS, HFPO-DA	Points
> 0 – 0.5	125
0.5 - 1	150
> 1	200

RESTRICTIONS: Points will be assigned to project components under Section B only where a need for the project can be adequately demonstrated. A history of non-compliance may be required for certain treatment applications in order to receive points. In some cases, specific monitoring must warrant the need for the project in order to receive points.

IV. PUBLIC HEALTH CRITERIA – DISTRIBUTION

This category provides points to distribution projects that will provide improved compliance with the National Drinking Water Standards of the SDWA.

A. Hydraulics/Storage

Examples of projects under this category include waterline replacements, new water storage tanks or pump stations, and rehabilitation of existing storage tanks or pump stations. The applicant must be prepared to demonstrate the need for the project. For waterline replacement projects, scores are applied based upon the total linear feet of line to be replaced. Additional points may be applied for projects addressing excessive water loss and for projects replacing lead service lines.

i) Replacement, cured-in-place, or in situ water line repair of inadequately sized water lines, lines with leaks, breaks, or restrictive flows due to age, or asbestos-cement pipe
Points Received: 10 points for up to the first 1,000 linear feet plus 2 points for each additional 1,000 linear feet (rounded to the nearest 1,000). Maximum of 50 points allowed.

ii) Water loss
Additional points may be applied for projects replacing lines to address excessive water loss due to line leaks/breaks and unaccounted-for water loss. (Twelve months of water loss calculations using an industry standard format must be provided to receive points for water loss):

- **16-30% water loss: 1 points**
- **31-45% water loss: 2 points**
- **>45% water loss: 5 points**

iii) Rehabilitation of a water storage tank
Points Received: 5 (1 point for each additional tank after the 1st with a maximum of 10 points)

iv) New water storage tank
Significant increases of system storage capacity must include a detailed justification.
Points Received: 2
Points Received: 5 (consolidation of multiple tanks)

v) New or rehabilitated pump station (not associated with a new tank)
Points Received: 5 (1 point for each additional tank after the 1st with a maximum of 10 points)

vi) Locating, exercising, installing, and/or replacing various distribution system appurtenances, such as meters, valves, backflow prevention devices, etc.
Points available for upgraded appurtenances not associated with waterline replacement..
Points Received: 5 applied once

B. Finished Water Quality

i) Infrastructure to address inadequate turnover and disinfection byproducts (DBPs)
Examples include the installation of a water storage tank mixing system to address a DBP issue or looping of waterlines to improve service. If unable to comply with the DBP Rule, then information should be provided in the project profile to support the need.

a) DBP violations within the last state fiscal year
Points Received: 8

b) No DBP violations within the last state fiscal year
Points Received: 4

ii) Redundant equipment/emergency power generators
Provide redundancy or emergency power within the distribution system.
Points Received: 5

C. Extension of Service

This section applies points to waterline extension projects.
Points Received: 10

RESTRICTIONS: The DWSRF cannot fund waterline extension projects to primarily serve future population growth, nor can it fund projects needed primarily for fire protection.

V. SERVICE LINE INVENTORY

A. Inventory Development

Points can be applied in this category for improving or continuing work on service line inventories. Priority will be for systems that have already developed a list of service lines, including the geospatial location for each service line. The list must be in a digital/electronic format that includes all the fields required by the Lead and Copper Rule Revisions for a service line inventory (see below).

Service line ID (SLID)
Street address
City
ZIP code
Latitude (decimal format)
Longitude (decimal format)
System-owned Service line material
System-owned SL material verification method (Final)
Customer-owned Service line material
Customer-owned SL material verification method
LCR Sampling point ID (aka Location Code)
Field verification date
Entire Service Line Material Classification (refers to both sections of SL)

Points Received: 200

B. Incorporating GIS to record inventory

Water systems using GIS procedures or methods to record the service line inventory:
Points Received: 10

C. Integrating service line inventory replacement into asset management planning
Points can be applied in this category for water systems that supply documentation detailing how the service line inventory has been incorporated into its asset management plan, or how an asset management plan is being developed as a result of the service line inventory process.
Points Received: 10

VI. REPLACEMENT OF LEAD SERVICE LINE AND LEAD COMPONENTS

A. Lead Service Line and/or Lead Components

Projects that are primarily lead/galvanized service line replacement projects should not include main line replacements or replacement of any other components than service lines or lead connectors/goosenecks. If a water system plans to replace main lines at the same time as lead/galvanized service lines, the main line components should be submitted as a separate project profile.

Points can be applied in this category for the complete removal of LSL (public and privately-owned portions) and service lines made of galvanized iron or galvanized steel that are currently, or were previously, downstream of lead components*, or where the original upstream service line is of unknown material (this is considered "galvanized requiring replacement," or "GRR"). A "lead service line" is defined in the Lead and Copper Rule Revisions as a service line made of lead which connects the water main to the building inlet.

For the purposes of the DWSRF, the federal definition of "lead service line" is expanded to include the replacement of lead goosenecks, pigtails, and connectors as eligible expenses, whether they are connected to a "lead service line" or stand-alone. Points can be applied in this category for the removal of lead or galvanized goosenecks, pigtails, and connectors. Water systems are encouraged to develop any necessary mechanisms (legal, programmatic, etc.) to fund the replacement of customer-owned service lines as well as the utility-owned section.

- **GRR service line replacement – community MHI at or above Kentucky MHI. Points received: 50**
- **GRR service line replacement – community MHI is 80%-99% of Kentucky MHI. Points received: 65**
- **GRR service line replacement – community MHI less than 80% of Kentucky MHI. Points received: 80**
- **LSL and lead component replacement – community at or above Kentucky MHI. Points received: 100**
- **LSL and lead component replacement – community MHI between 80%-99% of Kentucky MHI. Points received: 125**
- **LSL and lead component replacement – community MHI less than 80% of Kentucky MHI. Points received: 150**

B. Plan in place for water system to fund replacement of customer-owned sections of LSLs or GRR SLs: Points received: 20

VII. LEAD COMPLIANCE

High Lead Levels

Primary system has lead concentrations that exceed 10 ppb in more than 10% of customer taps sampled within the last compliance period.
Points Received: 5

VIII. SECURITY

A. Measures taken at the water treatment plant facilities or within the distribution system

This category allows points to be applied to a project for measures taken at the physical location of water treatment plant facilities or within the distribution system to prevent, deter, and/or readily respond to theft, trespassing, vandalism, or terroristic acts. Examples include, but are not limited to, the installation of fencing, video surveillance of treatment and/or storage facilities, alarms, signs, lock gates, radio intercom systems, and cyber security to protect against the unauthorized use of systems, networks, programs, and devices.
Points Received: 5

RESTRICTIONS: Salaries for security personnel are not eligible for funding through the DWSRF.

IX. COMPLIANCE AND ENFORCEMENT

A. Entities with executed Orders

Project must achieve full or partial compliance with an active Order (i.e., Court Order, Agreed Order or PSC Order) or other enforcement action by addressing terms of the Order.
Points Received: 5

B. Primary system has not received any SWDA Notices of Violation within the previous state fiscal year (July through June)
Points Received: 2

X. DISADVANTAGED COMMUNITY FINANCIAL NEED

System-wide census data or project-based census data may be used to determine financial need.

A. Median Household Income (MHI) below 80 percent of the Commonwealth's MHI.
(Determined by the current American Community Survey (ACS) 5-Year Estimate.)
Points Received: 25

B. MHI between 80 and 100 percent of the Commonwealth's MHI.
(Determined by the current American Community Survey (ACS) 5-Year Estimate.)
Points Received: 15

XI. PLANNING

Points can be applied in this category if the water system has a documented asset management plan, which includes an asset inventory, strategic plan, and capital improvement plan. Points can be applied for each component of an asset management plan. Supporting documentation must be uploaded into the WRIS or submitted independently to the Division of Water for verification.

The DOW must verify documentation of an asset management plan implemented by the public water system in order to receive points in this category. The asset management plan or a

letter verifying implementation of an asset management plan are both acceptable and may be uploaded into the WRIS or sent to the DOW.

A. Asset Management Plan

- **Asset Inventory**: a list of above and belowground assets, which, includes as available the date constructed/installed, identifying information, location, remaining useful life, condition, estimated cost to replace, and priority rating, based on criticality. Extra points awarded if the system's asset inventory is mapped into a GIS program.
  Points Received: 5
  With GIS based asset inventory Points Received :10

- **Strategic Plan**: at a minimum, must include a mission statement, level of service goals for the system that are SMART (Specific, Measurable, Attainable, Realistic, and Time-bound), and preventive maintenance program.
  Points Received: 2

- **Capital Improvement Plan**: a list of capital projects for the next five (5) or more years which includes project title, anticipated year of construction, cost estimate, and sources of potential funding).
  Points Received: 5

B. Monthly bill, based on 4,000 gallons, as a percentage of system-wide or project-based Median Household Income is:

- Greater than or equal to 2% **Points Received: 5**
- Between 1 and 1.99% **Points Received: 2**
- Below 1% **Points Received: 0**

C. System has specifically allocated funds for the rehabilitation and replacement of aging and deteriorating infrastructure

To obtain points under this category, supporting documents such as official budget or relevant pages of financial audits, with pertinent information highlighted, must be uploaded into the WRIS. To qualify for points under this category, the funds *cannot* be a requirement of a current loan.
Points Received: 5

D. System financial audits

System has a completed financial audit for each of the last three years proposed projects not meeting this requirement may be ineligible for the DWSRF. System must submit verification that audits have been conducted.
Points Received: 1

XII. SUSTAINABLE INFRASTRUCTURE

A. Green Infrastructure

Green stormwater infrastructure includes a wide array of practices at multiple scales managing wet weather and maintaining and restoring natural hydrology by infiltration, evapotranspiration, and harvesting and reuse. On a regional scale, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains, and wetlands, coupled with policies such as infill and redevelopment that reduce overall imperviousness in a watershed. On the local scale, green infrastructure consists of site- and neighborhood-specific practices, such as bioretention, trees, green roofs, permeable pavement, and cisterns.
Points Received: 1 each with a maximum of 5

Examples:

- *Pervious or porous pavement*
- *Bioretention*
- *Green roofs*
- *Rainwater harvesting/cisterns*
- *Gray water use*
- *Xeriscape*
- *Landscape conversion programs*
- *Retrofitting or replacing existing irrigation systems with moisture and rain sensing equipment*

B. Water Efficiency

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

Points Received: 1 each with a maximum of 5

Examples:

- *Installing or retrofitting water efficient devices such as plumbing fixtures and appliances, for example: showerheads, toilets, urinals, and other plumbing devices.*
- *Implementation of incentive programs to conserve water such as rebates.*
- *Installing WaterSense labeled products (https://www.epa.gov/watersense)*
- *Installing any type of water meter in previously unmetered areas if rate structures are based on metered use or includes backflow prevention devices if installed in conjunction with water meter.*
- *Replacing existing broken/malfunctioning water meters with Automatic Meter Reading systems (AMR), meters with built in leak detection, or backflow prevention devices if installed in conjunction with water meter replacement.*
- *Retrofitting/adding AMR capabilities or leak equipment to existing meters (not replacing the meter itself).*
- *Conducting water utility audits, leak detection studies, and water use efficiency baseline studies, which are reasonably expected to result in a capital project or in a reduction in demand to alleviate the need for additional capital investment.*
- *Developing conservation plans/programs reasonably expected to result in a water conserving capital project or in a reduction in demand to alleviate the need for additional capital investment.*
- *Recycling and water reuse projects that replace potable sources with non-potable sources such as gray water, condensate, and wastewater effluent reuse systems (where local codes allow the practice) and extra treatment costs and distribution pipes associated with water reuse.*
- *Retrofit or replacement of existing landscape irrigation systems to more efficient landscape irrigation systems, including moisture and rain sensing controllers.*
- *Projects that result from a water efficiency related assessments (such as water audits, leak detection studies, conservation plans, etc.) as long as the assessments adhered to the standard industry practices referenced above.*
- *Distribution system leak detection equipment (portable or permanent).*
- *Automatic flushing systems (portable or permanent).*
- *Pressure reducing valves (PRVs).*
- *Internal plant water reuse (such as backwash water recycling).*
- *Water meter replacement with traditional water meters**
- *Distribution pipe replacement or rehabilitation to reduce water loss and prevent water main breaks**
- *Storage tank replacement/rehabilitation to reduce water loss**
- *New water efficient landscape irrigation system (where there currently is not one).**

Projects That Do Not Meet the Definition of Water Efficiency:

- Covering open, finished water reservoirs

**Business case may be required – see EPA's DWSRF Green Project Reserve Example Business Cases*

C. Energy Efficiency

Energy efficiency is the use of improved technologies and practices to reduce the energy consumption of water projects, use energy in a more efficient way, and/or produce/utilize renewable energy.
Points Received: 1 each with a maximum 5

Examples:

- *Renewable energy projects, which are part of a public health project, such as wind, solar, geothermal, and micro-hydroelectric that provide power to a utility (http://www.epa.gov/cleanenergy). Micro-hydroelectric projects involve capturing the energy from pipe flow.*
- *Utility-owned renewable energy projects can be located on-site or off-site, includes the portion of a publicly owned renewable energy project that serves the utility's energy needs, and must feed into the grid that the utility draws from and/or there is a direct connection.*
- *Utility energy management planning, including energy assessments, energy audits, optimization studies, and sub-metering of individual processes to determine high energy use areas, which are reasonably expected to result in energy efficiency capital projects or in a reduction in demand to alleviate the need for additional capital investment.*
- *Energy efficient retrofits, upgrades, or new pumping systems and treatment processes (including variable frequency drives (VFDs)).**
- *Pump refurbishment to optimize pump efficiency (such as replacing or trimming impellers if pumps have too much capacity, replacing damaged or worn wearing rings/seals/bearings, etc.).**
- *Projects that result from an energy efficiency related assessments (such as energy audits, energy assessment studies, etc).**
- *Projects that cost effectively eliminate pumps or pumping stations. **
- *Projects that achieve the remaining increments of energy efficiency in a system that is already very efficient.**
- *Upgrade of lighting to energy efficient sources (such as metal halide pulse start technologies, compact fluorescent, light emitting diode, etc).**
- *Automated and remote control systems (SCADA) that achieve substantial energy savings (see AWWA M2 Instrumentation and Control).**

Projects That Do Not Meet the Definition of Energy Efficiency:

- Simply replacing a pump, or other piece of equipment, because it is at the end of its useful life, with something of average efficiency. (Note: replacing it with higher efficiency equipment requires a business case)
- Hydroelectric facilities, except micro-hydroelectric projects. Micro-hydroelectric projects involve capturing the energy from pipe flow.

**Business case may be required – see EPA's DWSRF Green Project Reserve Example Business Cases*

D. Environmentally Innovative

Environmentally innovative projects include those that demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way. Item 2 and Item 13 are mutually exclusive. Checking one requires that documentation regarding the Asset Management program is uploaded to the project profile.
Points Received: 1 each with a maximum of 5

Examples:

- *Total/integrated water resources management planning, or other planning framework where project life cycle costs (including infrastructure, energy consumption, and other operational costs) are minimized, which enables communities to adopt more efficient and cost-effective infrastructure solutions.*
- *Eligible source water protection planning, including periodic, updated, or more detailed source water delineation or assessment as part of a more comprehensive source water protection program; or source water monitoring (not compliance monitoring) and modeling as part of a more comprehensive source water protection program.*
- *Planning activities by a utility to prepare for adaptation to the long-term effects of climate change and/or extreme weather.*
- *Utility Sustainability Plan consistent with EPA's SRF sustainability policy.*
- *Greenhouse gas (GHG) inventory or mitigation plan and submission of a GHG inventory to a registry (such as Climate Leaders or Climate Registry), as long as it is being done for a facility which is eligible for DWSRF assistance.*
- *Source Water Protection Implementation Projects such as voluntary, incentive based source water protection measures, where the state primacy agency has determined that the use of such measures will reduce or preclude the need for treatment.*
- *Construction of US Building Council LEED certified buildings, or renovation of an existing building, owned by the utility, which is part of an eligible DWSRF project. All building costs are eligible, not just storm water, water efficiency and energy efficiency related costs. Costs are not limited to the incremental additional costs associated with LEED certified buildings. Any level of certification (Platinum, Gold, Silver, Certified) is eligible.*
- *Source Water Protection Implementation projects such as voluntary, incentive based source water protection measures, that are specifically detailed in a DOW approved source water or wellhead protection plan.*
- *Projects, or components of projects, that result from total/integrated water resources management planning (including climate change) that are DWSRF eligible.**
- *Projects that significantly reduce or eliminate the use of chemicals in water treatment.**
- *Treatment technologies or approaches that significantly reduce the volume of residuals, minimize the generation of residuals, or lower the amount of chemicals in the residuals.**
- *Trenchless or low impact construction technology.**
- *Using recycled materials or re-using materials on-site.**
- *Educational activities and demonstration projects for water or energy efficiency (such as rain gardens).**

**Business case may be required – see EPA's DWSRF Green Project Reserve Example Business Cases*

XIII. PROJECT READINESS

To be considered "project ready", the borrower must have completed a majority of the planning phase and be ready to bid the project. All three of the criteria under this category must be met in order to receive the full 30 points.

1. Borrower has submitted complete technical plans to the Division of Water; and,

2. Borrower has conducted a full environmental review for all components of the project or has completed the cross-cutter scoping process (including eClearinghouse, US Fish and Wildlife Service, National Resources Conservation Service, U. S. Fish and Wildlife, and U. S. Army Corps of Engineers); and,

3. Borrower has received funding commitments from other funding sources; or the DWSRF is the sole source of funding.

Points Received: 10 per section

Note: A full environmental review does not have to be finalized, however, the cross-cutter scoping process must be complete. Plans do not have to be approved by the Division of Water, but they must have been submitted for review. Potential borrowers may be asked to provide proof to substantiate claims.

XIV. PROJECT READINESS – LEAD INVENTORY AND LEAD SERVICE LINE REPLACEMENT

Points can be applied if the following elements of a LSL inventory or replacement plan are submitted to the DOW or uploaded into the WRIS. Documents must be submitted to the Division of Water in order to receive points in this category.

A. Service Line Inventory

1. Demonstrate compliance with the Initial Service Line Inventory requirements of LCRR.

Points Received: 10

B. Lead Service Line Replacement

The following documents must be submitted to the DOW for proposed lead service line replacement projects:

1. A strategy for informing customers before a LSLR and a template for an agreement with the private property owner to replace the LSL; and,

2. A process for documenting all property owners declining replacement of privately owned portion of LSL; and,

3. A procedure for customers to flush service lines and premise plumbing of particulate lead; and
4. A proposed plan for conducting LSL/GRR replacement utilizing all requested funding;

5. A funding strategy for conducting LSLRs utilizing all requested funding; and
6. A strategy for reviewing new LSL/GRR replacement requirements of the Lead and Copper Rule Improvements (LCRI) and revising plan as needed (final LCRI expected in October 2024).

Points Received: 10

Note: **Projects will *not be accepted* after the call for projects is closed.**

DWSRF Ranking Criteria

I	Regionalization	General DWSRF Points	PFAS Points
A	Elimination of a public water system (PWS) through a merger or acquisition (*Elimination of a PWSID)*	100	125-200
B	Elimination of a water treatment plant through an interconnection	100	125-200

II	Public Health Criteria – Water Supply	General DWSRF Points	PFAS Points
A	Connection to a new raw water supply	100	125 - 200
B	Connection to a new potable water supply	100	125 - 200
C	Rehabilitation of a dam or reservoir	10	NA

III	Public Health Criteria – Treatment	General DWSRF Points	PFAS Points
A	Treatment Facilities (i) Construction of a new water treatment plant (ii) Rehabilitation of the water treatment plant ▪ Infrastructure options to meet Cryptosporidium removal/ inactivation requirements ▪ Modifications to meet CT inactivation requirement ▪ Modifications to address disinfection byproducts requirements ▪ Modifications to address VOC, IOC, SOC, radionuclide requirements ▪ Modifications to address secondary contaminants (iii) Redundant processes/emergency power generators (iv) Replacement of raw waterline (v) Replacement or rehabilitation of a raw water intake	 10 25 5 5 10	20 - 40
B	Treatment Upgrades/Modifications (i) Infrastructure options to meet Cryptosporidium removal/inactivation requirements (ii) Modifications to meet CT inactivation requirement (iii) Modifications to address disinfection byproducts requirements (iv) Modifications to address VOC, IOC, SOC, radionuclide requirements (v) Modifications to address secondary contaminants	 5 5 5 5 	 125-200

IV	Public Health Criteria – Distribution	General DWSRF Points
A	Hydraulics/Storage (i) Replacement, cured-in-place, or in situ repair of inadequately sized waterlines, lines with leaks, breaks, or restrictive flows due to age, or lead or asbestos-cement pipe (ii) Water loss 16-30% 31-45% >45% (iii) Rehabilitation of a water storage tank (iv) New water storage tank (v) New or rehabilitated pump station (not associated with a new tank) (vi) Locating, exercising, installing, and/or replacing various distribution system appurtenances	 10-50 1 2 5 5-10 2-5 5-10 5
B	Finished Water Quality (i) Infrastructure to address inadequate turnover and disinfection byproducts (ii) Redundant equipment/emergency power generators	 4 or 8 5
C	Extension of Service Waterline extensions to serve existing households with inadequate domestic water supplies such as contaminated wells or cisterns	 10

V	Service Line Inventory	Lead Points
A	Inventory Development	200
B	Incorporation GIS to record inventory	10
C	Integrating service line inventory into asset management planning	10

VI	Replacement of Lead Service Line and Lead Components	Lead Points
A	Galvanized Requiring Replacement (GRR) Service Lines 1. Community MHI at or above KY MHI 2. Community MHI 80%-99% of KY MHI 3. Community MHI < 80% of KY MHI Lead Service Lines and/or Lead Components 1. Community MHI at or above KY MHI 2. Community MHI 80%-99% of KY MHI 3. Community MHI < 80% of KY MHI	 50 65 80 100 125 150
B	Plan in place to fund replacement of customer-owned sections of LSLs or GRR SLs	20

VII	Lead Compliance	Lead Points
A	High Lead Levels	5

VIII	Security	General DWSRF, PFAS Points
A	Measures taken at the water treatment plant facilities or within the distribution system	5

IX	Compliance and Enforcement	General DWSRF, PFAS Points
A	Entities with executed Orders (*Project must address the terms of the Order*)	5
B	System has not received any Notices of Violation within the previous state fiscal year (July – June)	2

X	Disadvantaged Community Financial Need	General DWSRF, Lead, PFAS Points
A	Borrowers with a median household income (MHI) below 80 percent of the Commonwealth's MHI as determined by the current American Community Survey (ACS) 5-Year Estimate	5
B	Borrowers with a MHI between 80 and 100 percent of the Commonwealth's MHI as determined by the current ACS 5-Year Estimate	2

XI	Planning	General DWSRF, Lead, PFAS Points
A	Asset Inventory With GIS based asset inventory	5 10
	Strategic Plan	2
	Capital Improvement Plan	5
B	System's monthly wastewater bill, based on 4,000 gallons, as a percentage of Median Household Income is:	
	Greater than or equal to 2.0%	5
	Between 1 and 1.99%	2
	Below 1%	0

C	System has specifically allocated funds for the rehabilitation and replacement of aging and deteriorating infrastructure	5
D	System financial audits	1

XII	Sustainable Infrastructure	General, DWSRF, Lead, PFAS Points
A	Green Infrastructure: Green stormwater infrastructure includes a wide array of practices at multiple scales that manage wet weather and that maintains and restores natural hydrology by infiltrating, evapotranspiring and harvesting and using stormwater. On a regional scale, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains, and wetlands, coupled with policies such as infill and redevelopment that reduce overall imperviousness in a watershed. On the local scale, green infrastructure consists of site- and neighborhood-specific practices, such as: • Pervious or porous pavement • Bioretention • Green roofs • Rainwater harvesting/cisterns • Gray water use • Xeriscape • Landscape conversion programs • Retrofitting or replacing existing irrigation systems with moisture and rain sensing equipment	1 each (5max)
B	Water Efficiency: The use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation and reuse efforts, as well as water loss reduction and prevention, to protect water resources for the future. Examples include: • Installing or retrofitting water efficient devices such as plumbing fixtures and appliances (toilets, showerheads, urinals) • Implementation of incentive programs to conserve water such as rebates. • Installing WaterSense labeled products (http://www.epa..gov/watersense) • Installing any type of water meter in previously unmetered areas if rate structures are based on metered use or includes backflow prevention devices if installed in conjunction with water meter. • Replacing existing broken/malfunctioning water meters with AMR meters, meters with leak detection, backflow prevention • Retrofitting/adding AMR capabilities or leak equipment to existing meters • Conducting water utility audits, leak detection studies, and water use efficiency baseline studies, which are reasonably expected to result in a capital project or in a reduction in demand to alleviate the need for additional capital investment • Developing conservation plans/programs reasonably expected to result in a water conserving capital project or in a reduction in demand to alleviate the need for capital investment • Recycling and water reuse projects that replace potable sources with non-potable sources (Gray water, condensate, and wastewater effluent reuse systems, extra treatment or distribution costs associated with water reuse) • Retrofit or replacement of existing landscape irrigation systems to more efficient landscape irrigation systems • Projects that result from water efficiency related assessments (water audits, leak detection studies, conservation plans, etc.) for assessments that adhered to the standard industry practices referenced above • Distribution system leak detection equipment (portable or permanent) • Automatic flushing systems (portable or permanent) • Pressure reducing valves (PRVs). • Internal plant water reuse (such as backwash water recycling). • Water meter replacement with traditional water meters * • Distribution pipe replacement or rehabilitation to reduce water loss and prevent water main breaks* • Storage tank replacement/rehabilitation to reduce water loss* • New water efficient landscape irrigation system, where there currently is not one*	1 each (5 max)

C	Energy Efficiency: Energy efficiency is the use of improved technologies and practices to reduce the energy consumption of water projects, use energy in a more efficient way, and/or produce/utilize renewable energy. Examples include: • Renewable energy projects, which are part of a public health project, such as wind, solar, geothermal, and micro-hydroelectric that provides power to a utility • Utility-owned or publicly-owned renewable energy projects • Utility energy management planning, including energy assessments, energy audits, optimization studies, and sub-metering of individual processes to determine high energy use areas • Energy efficient retrofits, upgrades, or new pumping systems and treatment processes (including variable frequency drives (VFDs)* • Pump refurbishment to optimize pump efficiency* • Projects that result from an energy efficient related assessment* • Projects that cost effectively eliminate pumps or pumping stations* • Projects that achieve the remaining increments of energy efficiency in a system that is already very efficient* • Upgrade of lighting to energy efficient sources* • Automated and remote control systems (SCADA) that achieve substantial energy savings*	1 each (5 max)
D	Environmentally Innovative: Environmentally innovative projects include those that demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way. Examples include: • Total integrated water resources management planning, or other planning framework where project life cycle costs are minimized, which enables communities to adopt more efficient and cost-effective infrastructure solutions • Eligible source water protection planning, including periodic, updated, or more detailed source water delineations or assessment as part of more comprehensive source water protection program • Planning activities by utility to prepare for adaptation to long-term effects of climate change and/or extreme weather • Utility Sustainability Plan consistent with EPA's SRF sustainability policy • Greenhouse gas inventory or mitigation plan and submission of a GHG inventory to a registry as long as it is being done for an SRF eligible facility • Source Water Protection Implementation Projects • Construction of US Building Council LEED certified buildings, or renovation of an existing building • Projects, or components of projects, which result from total/integrated water resources management planning (including climate change) that are DWSRF eligible • Projects that significantly reduce or eliminate the use of chemicals in water treatment* • Treatment technologies or approaches that significantly reduce the volume of residuals, minimize the generation of residuals, or lower the amount of chemicals in the residuals* • Trenchless or low impact construction technology* • Using recycled materials or re-using materials on-site* • Educational activities and demonstration projects for water or energy efficiency (such as rain gardens)* • Projects that achieve the goals/objectives of utility asset management plans*	1 each (5 max)

**Business case may be required – see EPA's DWSRF Green Project Reserve Example Business Cases*

XIII	Project Readiness	General DWSRF, PFAS Points
	A. Borrower has submitted complete technical plans and specifications to the Division of Water; and B. Borrower has conducted a full environmental review for all components of the project or has completed the cross-cutter scoping process (including eClearinghouse, USFWS, NRCS, and USACE); and C. Borrower has received funding commitments from other funding sources, or the DWSRF is the sole source of funding.	10-30

XIV	Lead Project Readiness	Lead Points
A	Lead Service Line Inventory 1. A description of goals to be achieved and products to be created (e.g., electronic or GIS database; customer communication tools) when creating a lead service line inventory procedure, including a proposed timeline for achieving each goal.	10

B	Lead Service Line Replacement 1. A strategy for informing customers before a LSLR and a template for an agreement with the private property owner to replace the LSL; and, 2. A process for documenting all property owners declining replacement of privately owned portion of LSL; and, 3. A procedure for customers to flush service lines and premise plumbing of particulate lead; and, 4. A proposed plan for conducting LSL replacement utilizing all requested funding; and, 5. A funding strategy for conducting LSLRs utilizing all requested funding.	10

APPENDIX C

SET-ASIDE WORK PLANS

KENTUCKY DIVISION OF WATER

FY2025 BASE WORKPLANS

	%	FFY 2025
Grant Amount $:		$ 13,277,000
DWSRF Program Admin(4% max available)		$ 531,080
DOW (max 3%)	3	$ 398,310
KIA (1%)	1	$ 132,770
Subtotal Amount:		$ 531,080
State Program Mgt. (10% max available)		$ 1,327,700
Supplement PWSS Program	10	$ 1,327,700
DOW Personnel		$ 1,327,700
Subtotal Amount:		$ 1,327,700
Small Systems Tech. Assist (2% max)		$ 265,540
DOW Personnel	2	$ 265,540
Subtotal Amount:		$ 265,540
State/Local Assist (up to 15%-10% max):		$ 1,991,550
Capacity Development - TMF Assistance	10	$ 1,327,700
DOW Personnel		$ 1,030,700
Dev/Implement Operator Cert Program		$ 297,000
Source Water Assessment Program	3	$ 398,310
DOW Personnel		$ 398,310
Wellhead Protection Program	2	$ 265,540
DOW Personnel		$ 265,540
Subtotal Amount:		$ 1,991,550
Total Grant Set-Asides:	31	$ 4,115,870
Total DOW Set Aside Amount:	30	$ 3,983,100
Total KIA Set Aside Amount	1	$ 132,770

The tasks identified in this workplan address the following goal(s) and objective(s):

Goal 5: Ensure Clean and Safe Water for All Communities and
Objective 1: Ensure Safe Drinking Water and Reliable Water Infrastructure
Objective 2 Protect and Restore Waterbodies and Watersheds

Supplement to the Public Water System Supervision Program
State Program Management

Introduction

Kentucky's Public Water System Supervision Program (PWSS) conducts compliance determination and evaluation of public water systems, review of plans and specifications for public water system treatment and distribution facilities, and technical assistance.

The major activities projected for the PWSS program include the compliance activities associated with all current Safe Drinking Water Act (SDWA) regulations. The implementation of the SDWA, along with special primacy requirements, continues to impact Kentucky's staffing resources.

The Division of Water (DOW) will use the PWSS Supplement funds to provide additional resources for:

- Primacy package and state regulation development;
- Compliance determination and evaluation of public water systems;
- Sanitary surveys and inspections;
- Safe Drinking Water Information System (SDWIS) impacts;
- Drinking water data management issues;
- Drinking water laboratory certification;
- Review of plans and specifications for public water system treatment and distribution facilities, including water availability;
- Technical, managerial, and financial assistance to all public water systems as needed;
- Training for the drinking water industry upon request; and
- Planning and coordination of various DOW programs related to the SDWA.

Compliance Activities

The SDWA regulations require continued monitoring, evaluation, and reporting by both the public water systems and the primacy agency. Kentucky public water systems have the option of

electronic submittal via an “eForm” on the Kentucky Online Gateway. All compliance documentation can be submitted in this manner and paper mail has been reduced by approximately 90% with the May 2020 implementation of the eForm. Approximately 85% of laboratory data is submitted in an electronic file, the remaining 15% is hand entered. Monthly Operating Reports (MOR) require 100% of data to be hand entered. The Energy and Environment Cabinet (EEC) maintains “data entry screens” which create files to interface with SDWIS for upload rather than direct data entry into SDWIS. These screens are currently in the process of an update, the new system is called the Data Entry SDWIS Interface (DESI). Concurrently, EEC is in the process of implementing an Exchange Network grant in order to collect and store MOR data electronically. The cabinet maintains a separate application (TEMPO), efforts are currently being made to ensure the continuity of data between the two applications. Additionally, the Division of Water continues to improve data quality through review and update of existing data in SDWIS.

The Division expends resources to participate as a stakeholder in the EPA led SDWIS Modernization efforts and this effort is expected to continue for the next few years. Additionally, SDWIS updates are expected with the implementation of the Lead and Copper Rule Revisions and associated new data submittal requirements. Data management is a significant portion of the primacy agency’s responsibilities.

The Division continues to implement the USEPA Enforcement Referral Policy (ERP). Systems identified by the Enforcement Tracking Tool (ETT) are referred through the Cabinet’s Division of Compliance Assistance and Enforcement and the Division reports quarterly. The DOW is also responsible for the Drinking Water Laboratory Certification program, conducting chemistry, microbiology, and Cryptosporidium audits, and program coordination.

State Program Management funds will be used to continue refinement of the sanitary survey process and further development of such initiatives as water audits and drinking water sanctions, in coordination with the Drinking Water Branch, Field Operations Branch, Drinking Water Capacity Development Program.

Plans, Specifications and Water Quantity Review Activities

The DOW reviews plans and specifications for drinking water treatment and distribution facilities for compliance with federal and state drinking water standards. The technical review process is one of continuous improvement and is modified and enhanced as necessary to implement new strategies and initiatives. Activities to be conducted include:

- Review and approval of drinking water plans and specifications to maintain/obtain compliance with the SDWA,
- Water availability assessments in conjunction with the Watershed Management program,
- On-site construction inspections of infrastructure projects funded by the Drinking Water State Revolving Funds, and

- Development of standard operating procedures for the program.

Technical Assistance Program Activities

Technical Assistance staff approve all chemical changes, source water changes, alternate staffing plans, Optimal Corrosion Control Treatment assistance, and LT2 toolbox assistance including ultra-violet treatment processes for public water systems, participate in sanitary surveys and limited emergency response.

The Drinking Water program participates in the Area-Wide Optimization Program (AWOP) with the USEPA. The program strives to optimize the treatment, maintenance, administration, and design of drinking water treatment plants. The initiative includes:

- Developing evaluation processes to ensure the best possible water quality is provided to all customers by each water system;
- Providing technical assistance to surface water systems to enable them to meet, not only the regulatory turbidity and Disinfection Byproduct levels, but also the more stringent goals of the AWOP; and
- Preparing to implement Membrane treatment goals in the AWOP Program.

In addition, the Technical Assistance program continues to train DOW's staff in the goals, objectives, and technical aspects of water treatment plant and distribution system optimization. Based upon the same performance criteria, all surface water treatment systems are evaluated by a self-evaluation program, by DOW's personnel on-site.

Planning and Coordination Activities

The development of partnerships among various state programs is necessary to efficiently and effectively implement the SDWA. Kentucky's diverse programs for drinking water, groundwater, water quantity, water quality, enforcement, watershed, operator certification, and various other programs are required to coordinate their activities and products to support and enhance each other with the common goal of sufficient quantity and quality of potable water for all the citizens of the Commonwealth of Kentucky. Interagency coordination occurs with other state agencies including the Kentucky Infrastructure Authority, Public Service Commission, Division of Plumbing, and Division of Public Health and Safety as well as technical assistance providers and professional organizations.

Milestones

Surface water systems evaluated for optimization annually	Ongoing
Meet conditions of the USEPA Region 4 work plans allowing Kentucky to retain primacy for SDWA regulatory authority	Ongoing
Administer the Laboratory Certification Program	Ongoing

Develop and implement a plan to modernize drinking water data management. Evaluate the impact and utility of implementing SDWIS modernization updates	Ongoing
Incorporate the Enforcement Referral Policy/Targeting Tool into capacity development and technical assistance activities	Ongoing
Evaluate/modify the Capacity Development Program to improve effectiveness and efficiency in the provision of TMF assistance	Ongoing

Deliverables

Compliance monitoring, evaluation, and reporting for SDWA standards with inclusion in State regulations	Ongoing
Plans and specifications review, and approval based on SDWA, Ten States Standards, approved technologies, and standard operational procedures	Ongoing
Water availability assessments	Ongoing
Maintain latest version of the SDWIS database while evaluating SDWIS Modernization efforts.	Ongoing
Surface and groundwater treatment plant evaluations for optimizing treatment processes	Ongoing
Updating Standard Operating Procedures for the planning and coordination of Division of Water programs to effectively and efficiently implement the SDWA requirements	Ongoing
Training to all interested drinking water industry stakeholders regarding new rules, implementation issues, and other miscellaneous professional updates	Ongoing
Coordination with state agencies and external partners to resolve drinking water issues of common concerns	Ongoing
Oversee the Laboratory Certification Program	Ongoing

Budget

Category:	**Amount:**
Personnel	$1,327,700
Total Charges	**$1,327,700**

Small System Technical Assistance Funds

Introduction

The Safe Drinking Water Act (SDWA) regulations continue to affect small systems serving less than 10,000 in population. New SDWA regulations including the Lead and Copper Revised Rule (LCRR) implementation, require inventory and lead service line replacement planning, new sample site plan requirements, sampling requirements, and increased reporting requirements. Previously, the Surface Water Treatment Rules and Disinfection Byproduct Rules lowered the Maximum Contaminant Levels (MCL) for total trihalomethanes, added new MCLs for haloacetic acids, chlorite and bromate, added Maximum Residual Disinfectant Limits (MRDL) for free chlorine, total chlorine and chlorine dioxide, lowered the Treatment Technique (TT) limits for turbidity and added individual filter effluent monitoring requirements. The Groundwater Rule had an impact on Kentucky's small drinking water systems as the majority of the very small systems with treatment plants use groundwater sources. The Revised Total Coliform Rule (RTCR) also affects small systems as a result of the tiered assessment process.

All water systems in Kentucky are impacted by the LCRR and will be impacted by upcoming LCRI and PFAS regulations. DOW drinking water technical assistance (TA) staff are tasked with ensuring Optimal Corrosion Control Treatment (OCCT) to all small public water systems. TA staff will also review OCCT as an additional part of the sanitary survey process as well as providing small system training for sampling techniques and compliance with all three regulations.

Historically, Kentucky has approximately 306 Public Water Systems impacted by the Surface Water Treatment rules. There are 143 providers (two of which are ground water under direct influence of surface water), and 163 purchasers. There are also 129 groundwater systems (108 providers and 21 purchasers) that must comply with the Groundwater Rule. This has resulted in a total of 184 purchasing systems that must comply with the Disinfection Byproduct regulations, sanitary survey requirements, with limited options for resolving distribution issues. In addition, the Revised Total Coliform Rule also applies to all small water systems. The set-aside funding under this category will be used to provide compliance/based assistance by DOW staff to small systems throughout the state.

Milestones

Utilize the Enforcement Targeting Tool (ETT) to prioritize technical assistance activities.	Ongoing
Provide training and guidance on disinfection by-products (DBP), turbidity, and the RTCR through one-on-one utility and group presentations.	Ongoing
Conduct on-site water plant and distribution evaluations for DBP, turbidity, and RTCR compliance and optimization.	Ongoing
Involve small water systems in the Area-Wide Optimization Program (AWOP) efforts toward turbidity optimization through Comprehensive Performance Evaluations (CPE).	Ongoing
Involve small water systems in the AWOP efforts toward turbidity optimization through Performance Based Training (PBT).	Ongoing
Involve small systems in the AWOP efforts towards disinfection by-product optimization.	Ongoing

Provide training to the DOW staff on treatment, regulations, and inspections.	Ongoing

Deliverables

Training and guidance for disinfection by-products (DBP) and turbidity	Ongoing
On-site water plant evaluations for DBPs and turbidity	Ongoing
Conduct 1 microbial/turbidity CPE per year if necessary	Ongoing
Performance Based Training (PBT) through the Area-Wide Optimization Program (AWOP) for microbial/turbidity	Ongoing
Performance Based Training (PBT) through the Area-Wide Optimization Program (AWOP) for DBPs	Ongoing
Conduct 1 DBP/CPE evaluation for small water system if necessary	Ongoing
Attend AWOP training and/or workshops	When Available

Budget

Category:	**Amount:**
Personnel	$ 265,540
Total Charges	**$ 265,540**

Capacity Development Program

Introduction

The Capacity Development Program is an initiative of the 1996 Amendments to the Safe Drinking Water Act (SDWA) that encompasses the technical, managerial, and financial (TMF) aspects of public water system (PWS) operation. The U.S. Congress recognized treatment and distribution of water for human consumption is an increasingly complex and expensive undertaking. Many PWSs do not have adequate TMF resources to continue to comply with requirements of the SDWA. Kentucky's Capacity Development Strategy is designed as a planning tool to identify PWSs with TMF related problems, address deficiencies, and determine how the drinking water needs of those systems' customers can best be met.

Review of Capacity Development Strategy

Kentucky's Capacity Development Strategy was approved by USEPA in 2022. The major objectives addressed by the strategy are:

- Prioritize systems most in need of improving capacity;
- Identify the factors that encourage or impair the capacity of water systems;
- Use the authority and resources of the SDWA to enhance technical, managerial, and financial capacity;
- Establish a baseline and measure the capacity improvements of systems in the state;
- Involve stakeholders in Kentucky's efforts to improve drinking water system capacity; and
- Evaluate PWS asset management planning and encourage development of asset management plans through technical assistance and training appropriate personnel.

Milestones and Deliverables

Submit annual Capacity Development Report to USEPA Region 4	Annually
Continue to conduct TMF evaluation of PWSs through the Sanitary Survey process	Ongoing
Develop guidance documents and tools to assist small public water systems in maintaining TMF capacity	Ongoing
Continue the review of the Sanitary Survey process; revise as necessary to improve effectiveness and efficiency	Ongoing
Review and revise the DOW Capacity Development Strategy with submittal to USEPA EPA Region 4	Completed
Update and develop the Sanitary Survey form with the capability for data extraction	Ongoing

Capacity Development Program Activities

The drinking water sanitary survey and assistance activities continue to be a prime focus of the Capacity Development Program. Division personnel have developed a variety of guidance materials to assist PWSs in efforts to improve capacity.

Capacity Development and GIS and Data Analysis (GDA) personnel in the Division have completed transferring the managerial and financial assessment document of the drinking water sanitary survey from a Microsoft Word document to a Survey 123 application and completed initial testing of the program. The app enhances the Division's ability to collect, extract, and analyze data from the sanitary survey more efficiently, improves internal process controls, and strengthens our ability to provide targeted assistance to water systems. The application will be stored on the new kygisportal, keeping the data in-house, instead of in the cloud. Further developments include: Integrating the Survey 123 app with the Collector app which will allow pre-population of identifying information. A database will be developed on the new kygisportal server to more efficiently store and extract data for reports and analysis.

Kentucky's Drinking Water Capacity Developed Strategy has been approved by EPA Region 4 and is being implemented to assistance public water systems to evaluate and improve their technical, managerial, and financial capability to consistently produce safe, reliable, and affordable drinking water. Integration of the sanitary survey with the Survey 123 application will help the Division to more efficiently target assistance to water systems.

Budget

Category:	**Amount:**
Personnel	$1,030,700
Total Charges	**$1,030,700**

Operator Certification Program

Introduction

The Operator Certification Program was developed and implemented in accordance with KRS223.160 through 223.220. KRS 224.10-110 directs the Cabinet to enforce administrative regulations adopted by the Secretary for the regulation and control of the purification of water for public and semipublic use and for the certification of water plant operators. The USEPA approved the state's program in February of 2001.

There are 429 public water systems in Kentucky. The public water systems are classified into a primary series of I, II, III, and IV according to design capacity of the treatment plant and into a secondary series of A and B based on the type of filtration used in the treatment process. A primary series of I, II, III, and IV is also used for classification of the distribution portion of the system and is based on the number of people served. All public water systems must be operated with a minimal number of state certified operators in direct responsible charge. Such individuals must possess a current drinking water treatment, distribution, and/or bottled water certification for the classification level of the system under their charge or possess one of a higher level in the appropriate series. Operators acquire these certifications by demonstrating fulfillment of specific minimum education and experience requirements and by passing a state administered examination. Once acquired, certifications must be renewed every two years. In order to renew these certificates, a specified number of continuing education hours must be completed by the certified operator.

The Division of Enforcement (DENF) will use these funds to fund a portion of the costs to administer the drinking water operator certification program in the DENF. These moneys will fund administrative and technical staff within DENF, who will provide drinking water certification related services to operators of these public water systems.

Operator Certification Program Activities

The Operator Certification Program staff processes all applications and other forms related to registration of drinking water operators for certification exams and for renewal of previously earned certifications. They develop exams for each classification, administer the exams around the state, score the exams, and issue the certificates and/or letters with the results of the test. Classroom instruction is provided around the state to aid operators in preparation for exams and to help them acquire continued education credits necessary for certification renewal. Records are maintained on each operator. Certification efforts are designed to help protect public safety and health.

Deliverables

Review and process operator applications for certification testing.	On-going
Develop new questions for the exam question banks	On-going
Track operator training hours for continuing education credit toward certificate renewal	On-going
Update operator information in the department's database.	On-going
Produce and distribute operator certificates and wallet cards.	On-going
Provide certification training and administer certification exams.	On-going

Develop training materials and/or update existing materials.	On-going
Provide administrative support to the Kentucky Board of Certification of Water Treatment and Distribution System Operators	Monthly
Update existing certification exams as needed.	Annually
Develop new certification exams as needed.	Annually
Develop a testing and training schedule for operators.	Semi-Annual

Budget

Category:	**Amount:**
Personnel	$ 297,000
Total Charges	**$ 297,000**

Source Water Assessment Program

Introduction

Kentucky has approximately 431 public water systems with 135 served by groundwater sources and 296 by surface water sources. Wellhead assessments are developed using a community-based planning team attached to the public water system. Surface water source water assessments are developed by regional planning agencies with oversight by planning councils that include county, city, and water system representatives.

Source Water Assessment Activities

Integral to source water protection is the knowledge of stream flow. Knowledge of flow, both current and historical, provides the necessary information for permitted withdrawals and projecting future availability. The network also provides flow data that can be used for water withdrawals, TMDLs, waste load allocations, drought and flood mitigation and other source water protection activities. The United States Geological Survey (USGS) maintains flow gages on the major rivers and lakes in Kentucky but the DOW is better positioned to identify and support in needed locations.

Milestones

- Physical site location and construction of gaging platform;
- Installation of equipment;
- Development of gage rating curves; and
- Full on-line service.

Deliverables

Implementation of routine stream gage operations and maintenance (such as rating curve calibrations and equipment and satellite uplink)	Ongoing
Stream flow data and associated products available on the USGS website.	Ongoing

Budget

Category:	**Amount:**
Personnel	$ 398,310
Total Charges	**$ 398,310**

Wellhead Protection Program

Introduction

The Division of Water (DOW) implemented the Wellhead Protection (WHP) program in 1993 after its approval by the U.S. Environmental Protection Agency (USEPA). This program is administered through Kentucky's water supply planning regulations (401 KAR 4:220). The Kentucky WHP program provides protection and planning assistance to communities reliant on groundwater sources for their drinking water. The Division's Watershed Management Branch is responsible for providing technical assistance for WHP development and implementation, education and outreach, public meeting facilitation, and reviewing and approving plans throughout the state.

There are currently 114 groundwater source-based Public Water Systems (PWSs) in Kentucky that are required to have a WHP plan. These WHP plans are required to be completed by PWSs in addition to community public notification and meetings, with assistance from the Division, local and regional planning agencies (e.g. Area Development Districts), and the Kentucky Rural Water Association (KRWA).

The DOW will provide technical assistance, programmatic guidance, standardized templates, and data and information management assistance to communities developing WHP plans. The DOW will assist in development and review of each WHP plan for the submittal and approval process.

Wellhead Protection Program Activities

The Kentucky WHP program will complete Phase I & II WHP plans for all new PWSs using groundwater, and to complete WHP plan updates for all PWSs scheduled on a 5-year basis. The Kentucky WHP program will assist PWSs in completing required 5-year updates to the WHP plans, with an emphasis on developing and implementing management and protection strategies, and education and outreach within the WHP areas.

The Division provides technical and programmatic assistance to communities, PWSs, planning agencies, watershed groups, or other agencies involved in developing WHP plans. This assistance includes: providing guidance, coordination, and consultation to communities, PWSs, and local and regional planners; delineating WHP areas; conducting limited monitoring of groundwater sources; sponsoring technical workshops for wellhead protection; and providing maps and brochures, technical documents, education and outreach materials, and data to be included in WHP plans. The Division reviews compliance schedules on a continual basis and WHP plans submitted for approval.

The Division provides technical assistance and programmatic guidance to PWSs conducting WHP planning and protection, including updating the plan to incorporate changes in delineations, updating contaminant source inventories, and updating the susceptibility analysis. The Division will focus on the development and implementation of management and protection strategies in the 5-year updates.

Delineations of WHP areas and Contaminant Source Inventories for all WHP areas in Kentucky are developed and maintained in GIS format to be available for internal and external users.

Public meetings and public notifications are a required element of each WHP plan. Technical and programmatic assistance will be provided by the DOW at public meetings as requested by local communities, PWSs, and planning agencies etc. Programmatic focus will be on the completion of all 5-year updates that will be due in 2025.

Activities

- Develop, maintain, and coordinate compliance schedules for WHP deadlines and processing in the Department's CGI TEMPO system, and

- Develop or update WHP plans with new or existing groundwater based PWSs per the compliance schedule
- Work with communities to develop and implement management strategies for the WHP area
- Work with KRWA, Source Water Protection Specialist to coordinate WHP activities and align these activities with the programmatic goals
- Coordinate and review wellhead plans submitted by KRWA
- Coordinate, assist, and review sampling, fieldwork, modeling, or analyses to assist PWSs with problems and issues related to groundwater quality and quantity
- Develop and maintain GIS delineated WHP areas
- Develop and maintain Contaminant Source Inventories (CSI) for WHP areas in a GIS format to be used in education and planning processes
- Work with the Groundwater Protection Plan (GPP) program to prioritize or verify facilities or locations with the WHP that may be required to have a GPP

- Work with the Water Withdrawal Program to ensure all permits authorize active source locations and rates
- Work with the DOW's Water Infrastructure Branch to ensure authorizations for PWSs infrastructure requirements
- Assist with sampling and analyses required for the Kentucky Groundwater Monitoring Network
- Assist with compliance reviews of Consumer Confidence Reports (CCRs)
- Report to USEPA on WHP activities
- Conduct public education and outreach, and training activities regarding groundwater protection and WHP through digital, virtual, print, and face-to-face platforms
- Participate in local, regional, and national trainings, webinars, and conferences regarding wellhead protection and source water protection

Deliverables

- All groundwater based PWSs will have an approved or required WHP plan.
- The DOW will provide technical assistance, programmatic guidance and standardized templates, and data and information management assistance to communities developing WHP plans.
- The DOW will assist in development and review of each WHP plan for the submittal and approval process.
- Delineations of WHP areas and Contaminant Source Inventories for all WHP areas in Kentucky are developed and maintained in GIS format to be available for internal and external use on digital and print platforms.

Budget

Category:	**Amount:**
Personnel	$ 265,540
Total Charges	**$ 265,540**

KENTUCKY DIVISION OF WATER

2025 SUPPLEMENTAL WORKPLANS

DWSRF Supplemental

Budget

	%	FFY 2025
Grant Amount $:		$ 30,311,000
DWSRF Program Admin(4% max available)		$ 1,212,440
DOW (max 3%)	3	$ 909,330
KIA (1%)	1	$ 303,110
Subtotal Amount:		$ 909,330
State Program Mgt. (10% max available)		$ 3,031,100
Supplement PWSS Program	10	$ 3,031,100
DOW Personnel		$ 2,986,100
Contractual		$ 45,000
Subtotal Amount:		$ 2,563,300
Small Systems Tech. Assist (2% max)		$ 606,220
DOW Personnel	2	$ 606,220
Subtotal Amount:		$ 606,220
State/Local Assist (up to 15%-10% max):		$ 4,546,650
Capacity Development - TMF Assistance	8	$ 2,424,880
DOW Personnel		$ 2,025,380
Travel		$ 92,500
Other		$ 10,000
Dev/Implement Operator Cert Program		$ 297,000
Source Water Assessment Program	4	$ 1,212,440
DOW Personnel		$ 852,440
Other		$ 360,000

Wellhead Protection Program	**3**	**$ 909,330**
DOW Personnel		**$ 729,330**
Other		**$ 180,000**
Subtotal Amount:		**$ 4,546,650**
Total Grant Set-Asides:	**31**	**$ 9,396,410**
Total DOW Set Aside Amount:	30	$ 9,093,300
Total KIA Set Aside Amount	1	$ 303,110

The tasks identified in this workplan address the following Environmental Protection Agency goal(s) and objective(s):

Goal 5: Ensure Clean and Safe Water for All Communities and

Objective 1: Ensure Safe Drinking Water and Reliable Water Infrastructure

Objective 2 Protect and Restore Waterbodies and Watersheds

Introduction

The inclusion of supplemental funding in the Bipartisan Infrastructure Law (BIL) provides additional opportunities for states to address a wide variety of local water quality and public health challenges and allows states a great deal of flexibility in program administration. The BIL includes provisions to ensure that disadvantaged communities fully benefit from these historic investments in the water sector. The Division of Water will work to assist disadvantaged communities by building tools and providing technical assistance across the Commonwealth. Supplemental funding allows DOW to assist disadvantaged communities to build needed technical, managerial, and financial capacity as they develop projects, apply for funding, design and implement projects, and create training and career pathways.

Often, small and disadvantaged communities across the Commonwealth lack the capacity to leverage DWSRF resources into their systems because they have not completed a financial audit, which provides a barrier to participation in the SRF program. DOW will utilize these supplemental funds to provide assistance to public water systems to assess and perform financial audits for participation in the SRF program.

The Kentucky Water Resource Information System (WRIS) is the result of cooperative efforts from water and wastewater treatment systems and local, regional, and state agencies. The WRIS provides much of the information needed for all aspects of water resource planning – from watershed protection to infrastructure development – and is used for SRF project submission and ranking in Kentucky. The WRIS includes a geographic information system (GIS) component that communicates information on water resources, drinking water systems, wastewater treatment systems, project development, emergency response, regulations, and planning.

The WRIS is comprised of strategic plans, water resource maps and publications, systems management information, reporting and regulatory requirements, guidance and training documents, procedural guidance and forms for project implementation and funding, and internet links to support services. Interactive maps in the system support planning and regionalization efforts. The interactive maps also facilitate drought monitoring and response, and rapid response to contamination emergencies. The GIS data includes water and wastewater treatment facilities, main water lines, water sources, storage facilities, sewer lines, and a database of non-spatial systems information. These are the fundamental data needed for planning and emergency response activities and can be utilized in computer models to allow for cost-effective engineering alternatives analyses, and they facilitate the implementation Kentucky's infrastructure development.

The DOW will utilize DWSRF supplemental funds to collaborate with partners to enhance the WRIS to meet current needs of public water systems, with a specific emphasis on small,

disadvantaged communities and systems. These tools will provide additional benefit to disadvantaged communities by allowing improved public access to planning and technical information – helping to break down institutional barriers that may otherwise preclude these communities from equal access to CWA programs. Funds will also be used to assist local utilities in protection of Source Water through the Source Water Protection Assistance Program.

Activities

- Administer all SDWA programs within the Commonwealth
- Increase capacity of programs to facilitate the implementation of primacy for new rules.
- Provide technical and compliance assistance
- Provide assistance to small, disadvantaged systems on Financial Audits
- Finalize and implement agency Capacity Development Strategy
- Refine and improve electronic tools, including the WRIS and other GIS, with a focus on usability by disadvantaged communities
- Assist systems (focusing on disadvantaged) with development of sustainable fiscal management systems so they are capable of maintaining the technical, managerial, and financial capacity to consistently provide safe drinking water to the public.
- Administer a program to offer financial assistance with Source Water Protection within the Commonwealth

Deliverables

- Improvements in administration of all SDWA programs within Commonwealth
- Internal and external coordination of diverse programs for drinking water, groundwater, water quantity, water quality, enforcement, watershed, operator certification, and related program activities and products to support and enhance each other with the common goal of sufficient quantity, quality, and access to potable water for all the citizens of the Commonwealth
- Continued training for DOW staff in goals, objectives, and technical aspects of water treatment plant and distribution system optimization. DOW staff approve all chemical changes, source water changes, alternate staffing plans, and ultra-violet treatment processes for public water systems; and complete sanitary surveys and limited emergency response.
- Refine and improve the WRIS, electronic sanitary survey process, financial audits, and increased ability of small and disadvantaged systems to use electronic systems and GIS for managing activities such as capacity development
- Finalize and implement agency Capacity Development Strategy
- Assist systems (focusing on disadvantaged) with development of sustainable fiscal management systems to ensure adequate capacity is maintained so they are capable of maintaining the technical, managerial, and financial capacity to consistently support technical, managerial, and financial activities that support safe drinking water to the public.
- Implement the Source Water Protection Assistance Program to address source water needs throughout the Commonwealth

BIL Supplemental

Supplement to the Public Water System Supervision Program

State Program Management

Activities

- Administer all SDWA programs within the Commonwealth
- Primacy package and state regulation development;
- Compliance determination and evaluation of public water systems;
- Sanitary surveys and inspections;
- Safe Drinking Water Information System (SDWIS) impacts;
- Drinking water data management issues;
- Drinking water laboratory certification;
- Review of plans and specifications for public water system treatment and distribution facilities, including water availability;
- Training for the drinking water industry upon request; and
- Planning and coordination of various DOW programs related to the SDWA.

Budget

The following funds were set-aside in the 2025 DWSRF Capitalization Grants to supplement the Public Water System Supervision Program under State Program Management.

Category:	**Amount:**
Personnel	$2,986,100
Contractual	$ 45,000
Total Charges	**$3,031,100**

Contractual:

$45,000: Provides funding for the state microbiology primacy lab, Kentucky Department for Public Health, for emergency analysis.

BIL Supplemental

Small System Technical Assistance Funds

Activities:

- Utilize the Enforcement Targeting Tool (ETT) to prioritize technical assistance activities.
- Provide training and guidance on disinfection by-products (DBP), turbidity, and the RTCR through one-on-one utility and group presentations.
- Conduct on-site water plant and distribution evaluations for DBP, turbidity, and RTCR compliance and optimization.
- Involve small water systems in the Area-Wide Optimization Program (AWOP) efforts toward turbidity optimization through Comprehensive Performance Evaluations (CPE).
- Involve small water systems in the AWOP efforts toward turbidity optimization through Performance Based Training (PBT).
- Involve small systems in the AWOP efforts towards disinfection by-product optimization.
- Provide training to the DOW staff on treatment, regulations, and inspections.
- Collaborate with partners to enhance the WRIS to meet current needs of public water systems, with a specific emphasis on small, disadvantaged communities and systems.

Budget:

The following funds were set aside in the 2025 DWSRF Capitalization Grant in support of the Small System Technical Assistance Program.

Category:	**Amount:**
Personnel	$ 606,220
Total Charges	**$ 606,220**

Capacity Development Program

Activities:

- Finalize and implement agency Capacity Development Strategy
- Assist systems (focusing on disadvantaged) with development of sustainable fiscal management systems so they are capable of maintaining the technical, managerial, and financial capacity to consistently provide safe drinking water to the public.
- Collaborate with partners to enhance the WRIS to meet current needs of public water systems.
- Continue to conduct TMF evaluation of PWSs through the Sanitary Survey process
- Develop guidance documents and tools to assist small public water systems in maintaining TMF capacity
- Continue the review of the Sanitary Survey process; revise as necessary to improve effectiveness and efficiency
- Review and revise the DOW Capacity Development Strategy with submittal to USEPA EPA Region 4
- Update and develop the Sanitary Survey form with the capability for data extraction
- Increase capacity of programs to facilitate the implementation of primacy for new rules.
- Provide assistance to small, disadvantaged systems on Financial Audits as available and appropriate

Budget

The following funds were set aside in the 2025 DWSRF Capitalization Grant in support of Capacity Development efforts.

Category:	**Amount:**
Personnel	$2,025,380
Operator Certification*	$ 297,000
Travel	$ 92,500
Other	$ 10,000
Total Charges	**$2,424,880**

*See Operator Certification workplan for details

Travel:

$92,500: The Division of Water staff will need to remain current with regard to the technical, managerial, and financial aspects of public water systems. Our staff plans to attend:

- Council of Infrastructure Financing Authorities Conference
- USEPA Data Management Conference
- Association of Safe Drinking Water Administrators annual conference

- KY-TN Water Professionals Conference
- USEPA State Water Directors meetings
- USEPA Drinking Water Lab Auditor Training/Refresher Training
- TNI Auditor Training
- NELAC Conference
- USEPA Region 4 State Laboratory Manager/Assessor Meeting
- Area-Wide Optimization Program Meetings
- Area-Wide Optimization Program Annual Meeting
- Kentucky Water & Wastewater Operators' Association Conference and meetings
- Kentucky Water Resources Research Institute
- Out-of-state CPEs/PBTs
- Drinking Water Infrastructure Needs Survey meetings
- USEPA Drinking Water Workshop
- USEPA/ASDWA Data Management Users Conference
- USEPA Region 4 Meetings
- USEPA National Meetings
- Kentucky Area Development District Water Management Coordinators meetings

All travel requests will include lodging, per diem, and transportation costs.

Other:

$10,000: training registration fees

BIL Supplemental

Operator Certification Program

Activities:

- Review and process operator applications for certification testing.
- Develop new questions for the exam question banks
- Track operator training hours for continuing education credit toward certificate renewal
- Update operator information in the department's database.
- Produce and distribute operator certificates and wallet cards.
- Provide certification training and administer certification exams.
- Develop training materials and/or update existing materials.
- Provide administrative support to the Kentucky Board of Certification of Water Treatment and Distribution System Operators
- Update existing certification exams as needed.
- Develop new certification exams as needed.
- Develop a testing and training schedule for operators.

Budget:

The following funds were set aside in the 2025 DWSRF Capitalization Grant in support of Operator Certification efforts.

Category:	**Amount:**
Personnel	$297,000
Total	**$297,000**

BIL Supplemental

Source Water Assessment Program

Activities:

- Physical site location and construction of gaging platform;
- Installation of equipment;
- Development of gage rating curves;
- Full on-line service;
- Implementation of routine stream gage operations and maintenance (such as rating curve calibrations and equipment and satellite uplink).

Budget

The 2025 Source Water Assessment Program funds were set-aside from the State and Local Assistance Program.

Category:	**Amount:**
Personnel	$ 852,440
Other	$ 360,000
Total	**$1,212,440**

Outlay Strategy

Other:

$360,000: The Division of Water will enter into an agreement with the United States Geological Survey (USGS). The USGS will maintain forty-one (41) gauging stations and one (1) water quality stations. These funds will be expended by June 2026.

BIL Supplemental

Wellhead Protection Program

Activities:

- Develop, maintain, and coordinate compliance schedules for WHP deadlines and processing in the Department's CGI TEMPO system
- Develop or update WHP plans with new or existing groundwater based PWSs per the compliance schedule
- Work with communities to develop and implement management strategies for the WHP area
- Work with KRWA, Source Water Protection Specialist to coordinate WHP activities and align these activities with the programmatic goals
- Coordinate and review wellhead plans submitted by KRWA
- Coordinate, assist, and review sampling, fieldwork, modeling, or analyses to assist PWSs with problems and issues related to groundwater quality and quantity
- Develop and maintain GIS delineated WHP areas
- Develop and maintain Contaminant Source Inventories (CSI) coverage for WHP areas in a GIS format to be used in education and planning processes
- Work with the Groundwater Protection Plan (GPP) program to prioritize or verify facilities or locations with the WHP that may be required to have a GPP
- Work with the Water Withdrawal Program to ensure all permits authorize active source locations and rates
- Work with PWSs and the DOW's Drinking Water Branch to determine GUDI status on systems using groundwater, as necessary
- Work with the DOW's Water Infrastructure Branch to ensure authorizations for PWSs infrastructure requirements
- Assist with sampling and analyses required for the Kentucky Groundwater Monitoring Network
- Assist with compliance reviews of Consumer Confidence Reports (CCRs)
- Report to USEPA on WHP activities
- Conduct public education and outreach, and training activities regarding groundwater protection and WHP through digital, virtual, print, and face-to-face platforms
- Participate in local, regional, and national trainings, webinars, and conferences regarding wellhead protection and source water protection

- Administer a program to offer financial assistance within the Commonwealth to public water systems implementing protection activities.

Budget

The following funds are set-aside in the 2025 DWSRF Capitalization Grant in support of the Wellhead Protection Program.

Category:	**Amount:**
Personnel	$729,330
Other	$180,000
Total Charges	**$909,330**

Other:

$180,000: Implement the Source Water Assistance Program to assist public water systems with protection activities, including capping of abandoned wells.

KENTUCKY DIVISION OF WATER

2025 LEAD SERVICE LINE REPLACEMENT WORKPLANS

DWSRF Lead Service Line Replacement

Budget:

	%	FFY 2025
Grant Amount $:		**$ 34,991,000**
DWSRF Program Admin(4% max available)		**$ 1,399,640**
DOW (max 3%)	**3**	**$ 1,049,730**
KIA (1%)	**1**	**$ 349,910**
Subtotal Amount:		**$ 1,049,730**
State Program Mgt. (10% max available)		**$ 3,499,100**
Supplement PWSS Program	**10**	**$ 3,499,100**
DOW Personnel		**$ 3,493,100**
Other		**$ 6,000**
Subtotal Amount:		**$ 3,493,100**
Small Systems Tech. Assist (2% max)		**$ 699,820**
DOW Personnel	**2**	**$ 435,820**
Supplies		**$ 14,000**
Contracts		**$ 250,000**
Subtotal Amount:		**$ 699,820**
State/Local Assist (up to 15%-10% max):		**$ 5,248,650**
Capacity Development - TMF Assistance	**10**	**$ 3,499,100**
DOW Personnel		**$ 979,100**
Travel		**$ 20,000**

Contracts		**$ 2,500,000**
Source Water Assessment Program	**3**	**$ 1,049,730**
DOW Personnel		**$ 1,049,730**
Wellhead Protection Program	**2**	**$ 699,820**
DOW Personnel		**$ 699,820**
Subtotal Amount:		**$ 5,248,650**
Total Grant Set-Asides:	**31**	**$ 10,847,210**
Total DOW Set Aside Amount:	30	$ 10,497,300
Total KIA Set Aside Amount	1	$ 349,910

The tasks identified in this workplan address the following goal(s) and objective(s):

Goal 5: Ensure Clean and Safe Water for All Communities
Objective 1: Ensure Safe Drinking Water and Reliable Water Infrastructure
Objective 2: Protect and Restore Waterbodies and Watersheds

Introduction

BIL Provision: "Provided further, that the funds provided under this paragraph in this Act shall be for lead service line replacement projects and associated activities directly connected to the identification, planning, design, and replacement of lead service lines"

On December 16, 2021, EPA announced next steps to strengthen the regulatory framework on lead in drinking water. Following the agency's review of the Lead and Copper Rule Revisions (LCRR) under Executive Order 13990, EPA has concluded that there are significant opportunities to improve the rule to support the overarching goal of proactively removing lead service lines and more equitably protecting public health.

The EPA has determined that lead service line (LSL) inventories are necessary to achieve 100% removal of LSLs. EPA has required information to be submitted in the initial lead service line inventory by an October 16, 2024 compliance date. Maintaining this compliance deadline ensures water systems will make continued progress to identify LSLs, which is integral to lead reduction efforts.

EPA recommends working closely with local water agencies to complete LSL inventories; as such, the DOW will utilize these funds to expediently advance progress in the Commonwealth. DOW will provide compliance assistance, tools, and collaborative partnerships to help local water systems develop LSL inventories and undertake LSL replacement planning. Preparing the inventory will allow systems to better identify sampling locations, begin planning for LSL mitigation actions, and apply for BIL funds.

Activities

- Increased capacity of drinking water program to facilitate implementation of primacy for the Lead and Copper Rule Revisions and determine compliance
- Identify areas of concern (including disadvantaged)
- Prioritize areas of need (including disadvantaged)
- Develop/improve electronic tools – GIS, WRIS
- Compliance assistance on LSL inventory, sampling plans, and replacement planning

- Develop partnerships with Area Development Districts, water systems, and others

Deliverables

- LSL data standards, assistance with inventory collection, and visualization tools
    - GIS mobile applications
    - GIS/mapping and data management tools
    - WRIS enhancements
    - Data sharing capabilities with water systems

- Enhanced technical and compliance assistance capacity within agency and with partners

Lead Service Line Replacement

Supplement to the Public Water System Supervision Program

State Program Management

Activities:

- Identify areas of concern (including disadvantaged)
- Prioritize areas of need (including disadvantaged)
- Compliance assistance on LSL inventory, sampling plans, and replacement planning
- Develop partnerships with Area Development Districts, water systems, and others

Budget

The following funds were set-aside in the 2025 DWSRF Lead Service Line Replacement Capitalization Grants to supplement the Public Water System Supervision Program under State Program Management.

Category:	**Amount:**
Personnel	$ 3,493,100
Other	$ 6,000
Total	**$ 3,499,100**

Other:

$6,000: printing services for communications materials.

BIL Lead Service Line Replacement

Small System Technical Assistance Funds

Activities:

- Increased capacity of drinking water program to facilitate implementation of primacy for the Lead and Copper Rule Revisions and determine compliance
- Identify areas of concern (including disadvantaged)
- Prioritize areas of need (including disadvantaged)
- Develop/improve electronic tools – GIS, WRIS
- Compliance assistance on LSL inventory, sampling plans, and replacement planning

Budget

The following funds were set aside in the 2025 DWSRF Lead Service Line Replacement Capitalization Grant in support of the Small System Technical Assistance Program.

Category:	**Amount:**
Personnel	$ 435,820
Supplies	$ 14,000
Other (contracts)	$ 250,000
Total Charges	**$ 699,820**

Supplies: The $14,000 budgeted for Supplies will be used for field technical work.

Contracts: DOW will use the $250,000 budgeted to contract with partners to provide collaborative partnerships and tools to help local water systems develop LSL inventories and undertake LSL replacement planning.

BIL Lead Service Line Replacement

Capacity Development Program

Activities:

- Increased capacity of drinking water program to facilitate implementation of primacy for the Lead and Copper Rule Revisions and determine compliance
- Identify areas of concern (including disadvantaged)
- Prioritize areas of need (including disadvantaged)
- Develop/improve electronic tools – GIS, WRIS
- Compliance assistance on LSL inventory, sampling plans, and replacement planning

Budget

The following funds were set aside in the 2025 DWSRF Lead Service Line Replacement Capitalization Grant in support of Capacity Development efforts.

Category:	**Amount:**
Personnel	$ 979,100
Other (contract)	$ 2,500,000
Travel	$ 20,000
Total Direct Charges	**$ 3,499,100**

*See Operator Certification workplan for details

Other (contract): DOW will use the $2,500,000 budgeted to contract with partners to provide collaborative partnerships and tools to help local water systems develop LSL inventories and undertake LSL replacement planning.

Travel:

$20,000: The Division of Water staff will need to remain current with regard to the technical, managerial, and financial aspects of public water systems. Our staff plans to attend:

- Council of Infrastructure Financing Authorities Conference
- USEPA Data Management Conference
- Association of Safe Drinking Water Administrators annual conference
- KY-TN Water Professionals Conference
- USEPA State Water Directors meetings
- USEPA Drinking Water Lab Auditor Training/Refresher Training
- TNI Auditor Training
- NELAC Conference
- USEPA Region 4 State Laboratory Manager/Assessor Meeting

- Area-Wide Optimization Program Meetings
- Area-Wide Optimization Program Annual Meeting
- Kentucky Water & Wastewater Operators' Association Conference and meetings
- Kentucky Water Resources Research Institute
- Out-of-state CPEs/PBTs
- Drinking Water Infrastructure Needs Survey meetings
- USEPA Drinking Water Workshop
- USEPA/ASDWA Data Management Users Conference
- USEPA Region 4 Meetings
- USEPA National Meetings
- Kentucky Area Development District Water Management Coordinators meetings

Lead Service Line Replacement

Source Water Assessment Program

- Identify areas of concern (including disadvantaged)
- Prioritize areas of need (including disadvantaged)
- Develop/improve electronic tools – GIS, WRIS

Budget

The 2025 Lead Service Line Replacement Source Water Assessment Program funds were set-aside from the State and Local Assistance Program.

Category:	**Amount:**
Personnel	$ 1,049,730
Total Direct Charges	**$ 1,049,730**

BIL Lead Service Line Replacement

Wellhead Protection Program

- Identify areas of concern (including disadvantaged)
- Prioritize areas of need (including disadvantaged)
- Develop/improve electronic tools – GIS, WRIS

Budget

The following funds are set-aside in the 2025 DWSRF Lead Service Line Replacement Capitalization Grant in support of the Wellhead Protection Program.

Category:	**Amount:**
Personnel	$ 699,820
Total Direct Charges	**$ 699,820**

KENTUCKY DIVISION OF WATER

2025 EMERGING CONTAMINANTS WORKPLANS

DWSRF Emerging Contaminants

Budget

	%	FFY 2025
Grant Amount $:		$ 9,301,000
DWSRF Program Admin(4% max available)		$ 372,040
DOW (max 3%)	3	$ 279,030
KIA (1%)	1	$ 93,010
Subtotal Amount:		$ 279,030
State Program Mgt. (10% max available)		$ 930,100
Supplement PWSS Program	10	$ 930,100
DOW Personnel		$ 930,100
Subtotal Amount:		$ 930,100
Small Systems Tech. Assist (2% max)		$ 186,020
DOW Personnel	2	$ 186,020
Subtotal Amount:		$ 186,020
State/Local Assist (up to 15%-10% max):		$ 1,395,150
Capacity Development - TMF Assistance	9	$ 837,030
DOW Personnel		$ 540,090
Dev/Implement Operator Cert Program		$ 297,000
Source Water Assessment Program	3	$ 279,030
DOW Personnel		$ 229,030
Other (contract)		$ 50,000
Wellhead Protection Program	3	$ 279,030
DOW Personnel		$ 279,030
Subtotal Amount:		$ 1,395,150

Total Grant Set-Asides:	**31**	**$ 2,883,310**
Total DOW Set Aside Amount:	30	$ 2,790,300
Total KIA Set Aside Amount	1	$ 93,010

The tasks identified in this workplan address the following goal(s) and objective(s):

Goal 5: Ensure Clean and Safe Water for All Communities
Objective 1: Ensure Safe Drinking Water and Reliable Water Infrastructure
Objective 2: Protect and Restore Waterbodies and Watersheds

Introduction

BIL Provision: "Provided further, that funds provided under this paragraph in this Act shall be to address emerging contaminants in drinking water with a focus on perfluoroalkyl and polyfluoroalkyl substances through capitalization grants under section 1452(t) of the Safe Drinking Water Act for the purposes described in section 1452(a)(2)(G) of such Act"

The BIL provides $5 billion through the SRFs to reduce people's exposure to perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other emerging contaminants through their drinking water and to help address discharges through wastewater and, potentially, nonpoint sources. This is a unique opportunity to prioritize investment to local communities that are on the frontlines of PFAS contamination and that have few options to finance solutions through traditional programs.

Since 2019, the Division of Water has conducted several studies across the Commonwealth to determine the occurrence of PFAS chemicals in Kentucky waterbodies. The division will use these funds to continue investigating PFAS as an emerging contaminant and develop best practices and management strategies for drinking water supplies and public water systems.

Activities

- Determine/refine agency priority areas – source water, intakes, domestic supply, fish tissue
- Monitoring
- Analysis
- Mitigation activities, treatment
- Technical and compliance assistance

Deliverables

- Within the DOW, institutionalization of PFAS program elements across agency programs
- Continue to assess surface waters, PWS source water, finished drinking water, and fish tissue for PFAS
    - Continued development of laboratory capacity, methods, and equipment
    - Identification of priority areas of focus based on known or suspected impacts
- As practicable, incorporation of PFAS monitoring and analysis into agency monitoring programs
- Identification of treatment capabilities and mitigation activities for PFAS impacts
- Developed and enhanced technical and compliance assistance capacity within agency

Emerging Contaminants

Supplement to the Public Water System Supervision Program

State Program Management

Activities:

- PFAS monitoring and analysis
- Mitigation activities and treatment
- Institutionalization of PFAS program elements
- Continued development of laboratory capacity, methods, and equipment
- Identification of priority areas of focus based on known or suspected impacts
- As practicable, incorporation of PFAS monitoring and analysis into agency monitoring programs
- Identification of treatment capabilities and mitigation activities for PFAS impacts
- Develop and enhance technical and compliance assistance capacity within agency

Budget

The following funds were set-aside in the 2025 DWSRF Emerging Contaminants Capitalization Grants to supplement the Public Water System Supervision Program under State Program Management.

Category:	**Amount:**
Personnel	$ 930,100
Total	**$ 930,100**

Emerging Contaminants

Small System Technical Assistance Funds

Activities:

- Institutionalization of PFAS program elements
- Mitigation activities and treatment
- Continue to assess finished drinking water for PFAS
- Identification of priority areas of focus based on known or suspected impacts
- Identification of treatment capabilities and mitigation activities for PFAS impacts
- Develop and enhance technical and compliance assistance capacity within agency
- Technical and compliance assistance

Budget

The following funds were set aside in the 2025 DWSRF Emerging Contaminants Capitalization Grant in support of the Small System Technical Assistance Program.

Category:	**Amount:**
Personnel	$ 186,020
Total	**$ 186,020**

Emerging Contaminants

Capacity Development Program

Activities:

- Institutionalization of PFAS program elements
- Mitigation activities and treatment
- Continue to assess finished drinking water for PFAS
- Identification of priority areas of focus based on known or suspected impacts
- Identification of treatment capabilities and mitigation activities for PFAS impacts
- Develop and enhance technical and compliance assistance capacity within agency
- Technical and compliance assistance

Budget

The following funds were set aside in the 2025 DWSRF Emerging Contaminants Capitalization Grant in support of Capacity Development efforts.

Category:	**Amount:**
Personnel	$540,090
Operator Certification Program	$297,000
Total	**$837,090**

*See Operator Certification workplan for details

Emerging Contaminants

Operator Certification Program

Activities:

- Review and process operator applications for certification testing.
- Develop new questions for the exam question banks
- Track operator training hours for continuing education credit toward certificate renewal
- Update operator information in the department's database.
- Produce and distribute operator certificates and wallet cards.
- Provide certification training and administer certification exams.
- Develop training materials and/or update existing materials.
- Provide administrative support to the Kentucky Board of Certification of Water Treatment and Distribution System Operators
- Update existing certification exams as needed.
- Develop new certification exams as needed.
- Develop a testing and training schedule for operators.

Budget

The following funds were set aside in the 2025 DWSRF Emerging Contaminants Capitalization Grant in support of Operator Certification efforts.

Category:	**Amount:**
Personnel	$297,000
Total	**$297,000**

Emerging Contaminants

Source Water Assessment Program

Activities:

- Institutionalization of PFAS program elements
- Mitigation activities and treatment
- Continue to assess PWS source water, and fish tissue for PFAS
- Identification of priority areas of focus based on known or suspected impacts
- Improve communication and public education about PFAS

Budget

The 2025 Source Water Assessment Program funds were set-aside from the State and Local Assistance Program.

Category:	**Amount:**
Personnel	$229,030
Other (contract)	$ 50,000
Total Charges	**$279,030**

Other: contract for Ohio River PFAS monitoring

Emerging Contaminants

Wellhead Protection Program

Activities:

- Institutionalization of PFAS program elements
- Mitigation activities and treatment
- Continue to assess surface waters for PFAS
- Identification of priority areas of focus based on known or suspected impacts
- Assist PWSs with education about PFAS to their communities

Budget

The following funds are set-aside in the 2025 DWSRF Emerging Contaminants Capitalization Grant in support of the Wellhead Protection Program.

Category:	**Amount:**
Personnel	$279,030
Total Direct Charges	**$279,030**

APPENDIX D

PUBLIC COMMENT