

**Water Pollution Control Loan Program
(WPCLP)**

2023 Intended Use Plan

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Infrastructure Financial Assistance Section

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I. Introduction

The Illinois Environmental Protection Agency (Illinois EPA or Agency) was created on July 1, 1970, by combining the State Sanitation Board and parts of the Illinois Department of Public Health. Illinois EPA's central office is in Springfield, and seven regional offices and one laboratory manage the Agency's various programs. The Director of Illinois EPA is appointed by the Governor and serves as a Cabinet Member. The 2023 Water Pollution Control Loan Program (WPCLP) Intended Use Plan (2023 IUP) describes how the Illinois EPA proposes to prioritize projects, distribute funds, and administer the WPCLP during State Fiscal Year (FY) 2023, July 1, 2022, through June 30, 2023.

A. Public Participation

The Draft 2023 IUP was released for public review on June 2, 2022, thus beginning the 21-day public comment period. The Draft 2023 IUP notice was placed on Illinois EPA's general notice website <https://www2.illinois.gov/epa/public-notices/Pages/general-notices.aspx> and each of the identified stakeholders of the Clean Water State Revolving Fund (SRF) program were also notified by e-mail. The Agency expanded its outreach for comment on the IUP this year by also e-mailing additional special interest groups, consulting engineers, professional agencies/associations, and other funding agencies that either expressed an interest in, or are familiar with, the SRF loan programs. The notice directed potential commenters to Barb Lieberoff, Office of Community Relations as the Agency contact for receiving comments and questions pertaining to the Draft 2023 IUP.

B. Benefits of the WPCLP

The WPCLP is designed to operate in perpetuity to provide low interest rate loans and other forms of assistance for water resource protection and improvement projects. Using the WPCLP to fund water resource protection and improvement projects has many advantages, including:

- 1) Below-market rates provide significant cost savings.
- 2) Although the WPCLP must follow certain Federal and State requirements, overall it is a State program. As the program is administered by State personnel, application and funding requirements have been streamlined to ensure clarity and efficiency for the applicant.
- 3) The WPCLP, through its various project review and approval procedures, is more than just a funding program. It helps provide applicants greater assurance that their projects will be economically sound, technically appropriate, and environmentally effective.
- 4) The WPCLP must provide additional subsidy to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants. Illinois EPA has historically offered a reduction to the amount of principal that an applicant would otherwise need to repay for its project called "principal forgiveness," per federal statute. Although the name is different, in practical application, principal forgiveness functions much like a grant *i.e.*, the eligible capital costs of the project are reduced by the principal forgiveness amount, thereby eliminating a portion of the

principal (and interest) that the borrower must repay. By providing principal forgiveness instead of a grant the loan recipients avoid duplicative application requirements/processes, preparation and execution of separate funding agreements and additional federal monitoring and reporting requirements both during and after completion of the project.

- 5) The WPCLP can benefit small and economically disadvantaged communities throughout Illinois by not only providing a thorough review of the technical and financial viability of their projects, but also offering principal forgiveness and reduced interest rates where applicable.

II. Goals for the WPCLP

A. Short-Term Goals

- 1) As a result of the federal Infrastructure Investment and Jobs Act, commonly referred to as the Bipartisan Infrastructure Law (BIL), Illinois EPA will be applying for the first of five federal “BIL supplemental CWSRF” capitalization grants. The first BIL supplemental CWSRF grant of \$80,494,000 will be applied for in conjunction with the “base CWSRF” capitalization grant and the funds will be included to increase the capacity of the Water Pollution Control Loan Program in FY2023. Illinois EPA will be required to provide a State match equal to 10% of the BIL supplemental CWSRF grant in addition to 20% of the base CWSRF grant. Forty-nine percent of the BIL supplemental CWSRF grant must be provided as additional subsidy, more commonly referred to as principal forgiveness. Details regarding the source of the state match and principal forgiveness parameters are discussed below within this document.
- 2) As a result of BIL, Illinois EPA anticipates receiving an additional \$42,290,000 in BIL CWSRF emerging contaminant funding over a five-year period to assist eligible applicants with addressing emerging contaminants. More information on the BIL CWSRF emerging contaminant capitalization grant is within the Bipartisan Infrastructure Law (BIL) Funding section below and within Appendix B.
- 3) Provide funding to as many eligible projects as possible, to the extent that the requirements for obtaining funding are satisfied and funds are available.
- 4) Focus financial assistance for projects necessary to achieve or maintain compliance with federal and state laws and regulations.
- 5) Continue to provide support for projects, or project components, focused on “green infrastructure, water or energy efficiency improvements or other environmentally innovative activities”.
- 6) Manage a program that provides applicants with a streamlined approach to financing wastewater treatment works and other eligible projects.
- 7) Provide continuous improvement to both the short and long-term planning efforts to ensure the financial strength and stability of the loan programs are maintained.

- 8) The Illinois EPA continues to work with the Illinois Finance Authority and financial advisors to analyze the leveraging capacity of the SRF loan programs, the potential need for bond proceeds and the future average annual funding levels the WPCLP can provide while maintaining its perpetuity requirements. No issuance of revenue bonds during FY2023 will be necessary.
- 9) Analyze the methodology used for the establishment of loan program interest rates and initiate a rule modification to establish a new basis for determining interest rates to strengthen the long-term viability of the loan program and ensure a stable and perpetual financing source.

B. Long-Term Goals

- 1) Assist a broad range of water quality improvement actions that help fulfill the objective of the Clean Water Act.
- 2) Facilitate the development and implementation of technically appropriate and financially sustainable projects by small communities.
- 3) Target assistance to small and disadvantaged communities to reduce the financial impact of capital improvements projects on the users of smaller systems and systems serving less affluent populations.
- 4) Continue to proactively develop assistance opportunities to encourage implementation of priority water quality improvement projects and Agency priorities.
- 5) Manage the Water Revolving Fund (Fund) to ensure appropriate levels of financing and adequate funds to administer the program are available.
- 6) Continue to assist in the development and implementation of innovative and non-traditional projects that benefit water quality resources.
- 7) Encourage the consolidation and/or regionalization of wastewater collection and treatment systems so these systems may take advantage of economies of scale and the most cost-effective solutions to wastewater collection and treatment.
- 8) To maintain the integrity of the Fund by providing a stable and perpetual financing source for publicly operated treatment works, collection systems and other eligible projects in the State, and to commit all available loan resources to those eligible loan applicants.

C. Base Clean Water State Revolving Fund (CWSRF) Annual Capitalization Grant

- 1) Illinois EPA is applying for their federal 2022 “base” CWSRF capitalization grant in conjunction with the federal 2022 “supplemental” BIL CWSRF capitalization grant and the funds will be included to increase the capacity of the FY2023 Water Pollution Control Loan Program beginning July 1, 2022.

D. Bipartisan Infrastructure Law (BIL) Funding

- 1) The Bipartisan Infrastructure Law (BIL) (P.L. 117-58) was signed by President Biden on November 15, 2021. The law will result in five years of “supplemental” funding for the “base” CWSRF loan program, as well as new funding for CWSRF Emerging Contaminants. Section 606(c) of the Clean Water Act requires states to prepare an Intended Use Plan (IUP) which contains a Project Priority List to apply for any of these federal capitalization grants. Before Illinois EPA can apply for any of these new grants, Illinois EPA must have a fundable list of projects for which the total cost of assistance requested is at least equal to the amount of the grant being applied for. Within this FY2023 Intended Use Plan Illinois EPA is providing information on, and requesting applications for, these new allocations of funding with the expectation that sufficient applications will be received to allow the Agency to apply for these new capitalization grants during FY2023. Illinois EPA is applying for their federal 2022 supplemental BIL CWSRF capitalization grant in conjunction with the federal 2022 base CWSRF capitalization grant and the funds will be included to increase the capacity of the FY2023 Water Pollution Control Loan Program beginning July 1, 2022.
- 2) CWSRF Emerging Contaminants Funding. Funds provided shall be to projects which are otherwise eligible under section 603(c) of the Clean Water Act and the primary purpose is to address emerging contaminants. The breadth of projects that are eligible for this funding is described in Appendix B of this document; Attachment 1 – Appendix B: CWSRF Definition of Emerging Contaminants (from USEPA Implementation Memorandum). Illinois EPA anticipates receiving \$4,229,000 in year one, and then \$9,515,250 annually for years two through five. There is no state match requirement to obtain the federal capitalization grant. States must provide 100% of the capitalization grant to eligible recipients as loans with 100% principal forgiveness. The application process for this funding will be very similar to the existing Water Pollution Control Loan Program and applications are encouraged to be submitted immediately. Prioritization of applications and other parameters related to this new funding are under development and will be announced and disseminated within the Intended Use Plan that must be submitted to USEPA prior to applying for the federal capitalization grant. Provided sufficient applications are received, the Agency will apply for the new BIL CWSRF emerging contaminant capitalization grant during FY2023 and make the funding available at the start of FY2024, July 1, 2023.

III. Sources and Uses of the WPCLP for FY 2023

A. Sources and Amounts of FY 2023 Funds

- 1) Illinois EPA will make up to \$515,000,000 available for WPCLP funding in FY2023, as detailed in the table below. To meet the demand for assistance during FY2023 and beyond, the Illinois EPA intends to borrow against the WPCLP’s loan repayments by issuing revenue bonds in the future as cash is needed. Based on financial analysis provided by the Illinois Finance Authority, combined with information gathered from the Agency’s own cash modeling tools, the Illinois EPA has determined that it needs to return to establishing an annual funding ceiling to maintain the financial health of the Fund. This decision is driven

by the amount of revenue bonds needed to fund the program at current levels as well as the need to limit funding commitments in the future to meet the obligations, both in funding commitments and debt obligations, of the program from prior years.

In FY2023 the WPCLP will impose a funding cap¹, whereby no more than 25% of the available funds (\$128,750,000) will be reserved for any one loan applicant. Should excess funds remain available at the end of FY2023, an applicant may be provided additional funds even if it results in the funding cap being exceeded, provided no other applicants have met the requirements to obtain funding. This step is being taken to maintain the fiscal health of the Fund, while also ensuring distribution of the available funds across the state of Illinois to as many communities as possible.

The capacity of the WPCLP will be established in the future based upon the financial analysis and cash flow modeling done by the Illinois Finance Authority and its financial advisors in conjunction with consultation with Illinois EPA in order for the WPCLP to remain operational in perpetuity as required by USEPA. Annual funding levels will be reviewed and established each year while developing the IUP to continue to maintain the WPCLP in perpetuity.

Availability of Funds	Amount
2022 Federal Base CWSRF Capitalization Grant Funds	\$52,330,000
2022 Federal Base CWSRF Cap Grant State Matching Funds*	\$10,466,000
2022 Federal BIL CWSRF Supplemental Capitalization Grant Funds	\$80,494,000
2022 Federal BIL CWSRF Supplemental Cap Grant State Matching Funds	\$8,049,400
Projected WPCLP Carryover Funds from FY2022 (includes previously deposited Base CWSRF Cap Grant State Matching Funds)	\$177,675,394
Additional Bond Proceeds**	\$0
Loan Repayments, Reimbursements, Accrued Interest***	\$185,985,206
Total Available Funds	\$515,000,000

* State Matching Funds were provided and deposited into the Fund in State FY21 from the anti-pollution bond fund.

** Funds will be acquired as necessary to meet demand.

*** Balance available to WPCLP after meeting all debt service obligations.

¹ In accordance with the Loan Rules; *Section 365.260 - The Agency may establish the annual limitations on the amount of loan assistance given to each loan recipient by considering the status of the Fund, capitalization grant amounts, economic conditions and requirements established by USEPA. The annual limitations on the amount of loan assistance established by the Agency must be included as part of the Agency's Intended Use Plan.*

Historical and projected WPCLP annual funding levels:

2019	\$443.0M
2020	\$255.5M
2021	\$475.0M
2022	\$393.0M
2023	\$515.0M
2024	\$475.0M
2025	\$475.0M

2) Cash Draw Ratios, Obligation of Federal/State Funds (Binding Commitments) and State Match

Cash Draw Ratios - The WPCLP will maintain the required ratios of cash draws and obligations between Federal funds and State funds to reduce accumulated unliquidated obligations. The priority of disbursements is State Match, Capitalization Grant funds, leveraged bond funds followed by repayments.

Binding Commitments: In managing the WPCLP funds, the State must enter into loan agreements that provide financial assistance in an amount equal to 120% of the amount of each Capitalization Grant payment received, within one year after receiving its grant payment. Illinois EPA will provide loan commitments within one year that exceed 120% of the Capitalization Grant.

State Match - The Illinois EPA received appropriation authority from the anti-pollution bond fund in fiscal year 2021 which provided funds necessary to match the 2021 and 2022 Capitalization Grants. These state match proceeds will be 100% disbursed prior to the Agency drawing any federal funds from the 2022 grant award. The Agency will then draw the 2022 Capitalization Grant Federal funds at a 100% ratio until all grant funds are exhausted.

3) Leveraging

The Illinois EPA continues to work with the Illinois Finance Authority and financial advisors to analyze the leveraging capacity of the SRF loan programs, the potential need for bond proceeds and the future average annual funding levels the WPCLP can provide while maintaining its perpetuity requirements. No issuance of revenue bonds during FY2023 will be necessary.

4) Transfer of Funds

Illinois EPA took advantage of the Water Infrastructure Fund Transfer Act which temporarily expands the Clean Water to Drinking SRF transfer authority specifically to address lead-related threats to public health. This transfer resulted in \$107,892,848 being transferred to the Public Water Supply Loan Program (PWSLP) to provide funding in the form of principal forgiveness for complete lead service line replacement activity.

Illinois EPA is reserving the right to transfer an amount up to 33% of the cumulative Drinking Water State Revolving Fund (DWSRF) Capitalization Grants from the WPCLP to the PWSLP, or an equivalent amount from the PWSLP to the WPCLP. In State FY 2019, the WPCLP transferred \$39,000,000 of Fund equity to the PWSLP to assist with the PWSLP's current cash flow needs and to allow the PWSLP to leverage less bond funds in order to assist in sustaining

the future capacity of the PWSLP.

5) Proportionality

Illinois EPA will spend 100% of all state match funds prior to drawing federal funds and can then draw federal funds at a rate of 100% until the matched grant is exhausted.

6) Financial Planning

The financial planning process is aimed at maximizing 100% of program resources available as efficiently and responsibly as possible while minimizing long-term financial risk in the program. Illinois EPA has engaged financial advisors to independently determine the optimum amount of loan disbursements that is sustainable over the next 20 years while maintaining the USEPA's perpetuity requirements. Illinois EPA is enhancing its current methods of determining the timing of cash inflows and the effect on available resources to meet current and future obligations. Illinois EPA monitors on an ongoing basis cash balances available for disbursement to loan borrowers and needs of the program. Leveraged bond sales will occur as the cash needs of the program dictate.

7) Grant Payment Schedule

In each wastewater Capitalization Grant Application (Form 424), and in the cover letter to U.S. EPA, Illinois EPA requests the Capitalization Grant be immediately placed in the "Automated Standard Application for Payment" system for drawing for projects.

B. Project Priority List

The IEPA has developed a Project Priority List (PPL) (Appendix D) that identifies applicants eligible for assistance and is comprised of all projects which submitted a Funding Nomination Form prior to March 31, 2022. There are \$2,368,567,543 worth of projects on the FY2023 WPCLP PPL List, far exceeding the amount of funding available.

Projects on the PPL are in various stages of the funding application process but only those projects identified on the **Intended Funding List** have funds reserved for them during the first six months of FY2023. *Projects which are not on the Intended Funding List should not proceed towards bidding their project until sufficient progress has been made towards obtaining funding and the Illinois EPA has notified the applicant in a Letter of Commitment that funds are available for the project.*

Projects which achieved Project Plan approval by March 31, 2022, and are scheduled to initiate construction prior to March 31, 2023, have been ranked and scored in accordance with Section 365.345 of the Loan Rules and are eligible for the Intended Funding List per 35 Ill. Adm. Code 365.340. Applicants with a higher priority score will be ranked higher than applicants with a lower priority score. The total costs of projects on the Intended Funding List shall not exceed the total amount of funds available.

The Intended Funding List (IFL) is a subset of the PPL. In accordance with the Loan Rules, loan funds will be reserved for projects on the IFL through December 31, 2022. After January 1, 2023, projects on the IFL may be “bypassed” as detailed below. A project that is bypassed does not lose its eligibility for funding; however, funds for a bypassed project are no longer held in reserve and may thereafter, during the bypass funding period (January 1, 2023 through June 30, 2023), be awarded to any other project on the PPL that meets the criteria for loan award per Section 365.350 of the Loan Rules. Projects will be funded in the order in which the requirements of Section 365.410 of the loan Rules are completed.

Project Bypass Procedure

Per the Loan Rules, after January 1 of each year, the Agency may bypass projects on the Intended Funding List that have not submitted a loan application, obtained all necessary construction permits and demonstrate they will be unable to establish a bid opening date prior to March 31, 2023. The Agency will evaluate projects on the PPL, based upon readiness to proceed as demonstrated by meeting the criteria for loan award per Section 365.350 of the Loan Rules, and offer loan commitments to projects on the PPL to the extent funds are available in the order in which all requirements of Section 365.410 of the Loan Rules are completed. If a project on the Intended Funding List indicates to the Agency between July 1, 2022 and December 31, 2022 that they do not intend to move forward with construction prior to June 30, 2023, the Agency will issue a “bypass letter” to said project making those funds reserved available for other projects.

Another subset of the PPL are those projects which have achieved Project Plan approval but have an anticipated construction start date after March 31, 2023. In accordance with the Loan Rules, funding may not be reserved for these projects due to their anticipated construction start date. Funding may be provided to these projects during the bypass period, or earlier, should available funds exceed the funding requested by projects on the Intended Funding List.

All other projects which submitted a Funding Nomination Form prior to March 31, 2022, but for which Project Plan approval has not been achieved are listed on the PPL in alphabetical order and thereby ranked equally. Projects for which a Project Plan has not yet been submitted have their project number (L17#) listed as “to be determined” (TBD).

Non-Point Source Projects

The following Non-Point Source Project appears on the Intended Funding List and is anticipated to be funded during FY2023:

Belleville (L175445) – New Relief Storm Sewer and Detention Pond – Anticipated Funding - \$10,400,000

The following Non-Point Source Project is not on the Intended Funding List but may obtain funding if sufficient funds become available during the bypass period in FY2023:

Peoria (L175911) – Combined Sewer Overflow Mitigation – Construct 7 acres of green infrastructure, including permeable pavement and bioswales, and modify existing combined sewers for in-system storage = Antieipated Funding - \$8,445,000

C. Program Administrative Costs and Fees

For State FY2023, the PWSLP will be composed of two accounts used to provide assistance to accomplish its goals:

Administrative Costs: The Water Resource and Redevelopment Act allows state Clean Water Programs to establish their annual administrative expenditure levels based on the following criteria:

An amount not to exceed 4.0% of the total of all grants awarded to capitalize the WPCLP, \$400,000 per year, or 1/5% per year of the current valuation of the fund, whichever amount is greatest, is reserved and may be utilized as determined necessary for the reasonable costs of administering the fund and to conduct activities required under Title VI of the CWA.

The total of all grants awarded to capitalize the WPCLP, including the anticipated FY 2022 grant, is \$2,224,420,341 (4% of this total is \$88,976,814). In State FY2023, the program anticipates spending \$5,608,766 on administrative expenses from Fund equity and will not draw any administrative costs from the Capitalization Grant. The program estimates total administrative expenditures since the beginning of the loan program will total \$72,616,996 at the end of June 30, 2023.

Banked Administrative Set-Aside	Amount
4% of all Capitalization Grants	\$88,976,814
Historical Administrative Outlays	(\$72,616,996)
Projected June 30, 2022 Administrative Banked Balance	\$16,359,818

In addition, Illinois EPA will set-aside 4% of the BIL CWSRF supplemental 2022 capitalization grant, an amount totaling \$3,219,760, to be used for loan program administration as provided for under the Bipartisan Infrastructure Law (P.L. 117-58).

Loan Support Program: The Illinois EPA has operated and maintained a Loan Support Program (LSP) outside the Federal SRF since 1996. The LSP is maintained as a single entity in Illinois statute, but the Illinois EPA accounts separately for funds attributable to WPCLP and PWSLP loans. The LSP is financed by the loan support portions of the fixed loan rate, with that portion currently established at 50% of the fixed loan rate in the WPCLP and the PWSLP. To date, the LSP has been used primarily to finance the reasonable costs incurred by the Illinois EPA for functions that support the management of the Water Revolving Fund, which is the financial mechanism used in administering Illinois' SRF programs.

Estimated WPCLP operational outlays for the Illinois EPA's Division of Water Pollution Control are projected to total \$11,943,812 and be dedicated primarily to activities in support of the SRF programs, including compliance, permitting and field operations activities. These costs are separate and distinct from the administrative fees of the WPCLP. The program plans to use \$1,500,000 of support fees to match the annual 319 (h) grant.

WPCLP Loan Support – Balance/Receipts/Outlays	WPCLP Loan Support
Balance July 1, 2022	\$ 46,426,069
Estimated FY2023 Receipts	\$ 26,493,840
Operational Outlays	\$ (11,943,812)
Transfer to Loan Program to Provide State Match	\$ (0)
Match for 319(h) Grants	\$ (1,500,000)
Estimated WPCLP Loan Support Balance June 30, 2023	\$ 59,476,097

The Illinois EPA will be working with its accounting firm to establish any necessary new accounts to track the BIL funds as necessary.

IV. Program Management

One of the purposes of the IUP is to facilitate the planning and administration of the WPCLP. The following highlights some program aspects most notable to applicants as well as the Agency.

A. Principal Forgiveness, Interest Rate and Loan Term Determinations

Loan Program staff routinely discuss principal forgiveness, interest rates and loan terms with loan applicants. Staff complete an internal checklist using the loan applicant’s information to determine if an applicant qualifies for principal forgiveness, which interest rate an applicant qualifies for and the maximum term for the loan agreement. The principal forgiveness, interest rate and loan term are finalized at the time of loan agreement execution, following bidding of the contract and prior to the commencement of construction activity.

1) Principal Forgiveness

The WPCLP can offer a reduction to the amount of principal that an applicant would otherwise need to repay for its project. This reduction is called “principal forgiveness,” per federal statute. Although the name is different, in practical application, principal forgiveness functions much like a grant *i.e.*, the eligible capital costs of the project are reduced by the principal forgiveness amount, thereby eliminating a portion of the principal (and interest) that the borrower must repay.

Section 603(i) of the Clean Water Act requires states to provide a minimum of 10% and a maximum of 30% (\$15,699,000) of its annual available Capitalization Grant funds to provide subsidization, in the form of principal forgiveness, for loan recipients which meet the affordability criteria established by the State. In addition to the “base CWSRF” capitalization grant the Agency will be receiving a “supplemental CWSRF” capitalization grant in the amount of \$80,494,000 and 49% of this grant, or \$39,442,060, must be provided as subsidization, in the form of principal forgiveness. The WPCLP can provide a maximum of \$55,141,060 in principal forgiveness in FY 2023 for loan recipients which meet the affordability criteria established by the State. This “affordability criteria” principal forgiveness provided via assistance awards will follow the terms outlined in Appendix C, but in accordance with Section 365.250(c) of the Loan Rules, a cap of \$5,000,000 in principal forgiveness per loan recipient will be put in place. The

cap is being put in place due to the unprecedented program capacity level and the corresponding number of projects that qualified for the Intended Funding List as well as for principal forgiveness. Projects which were limited by the cap have the option of phasing their construction activity over multiple fiscal years to try and maximize the amount of principal forgiveness that can be obtained. The Agency anticipates a cap on the amount of principal forgiveness that one loan recipient can obtain in future years will remain in place.

As projects on the Intended Funding List that qualified for principal forgiveness are bypassed, those funds will be made available, with priority given to the project with the higher loan priority score, to the next applicant which qualifies for a Letter of Commitment in accordance with Section 365.355 of the Loan Rules, excluding Section 365.355(a)(2).

In addition to the subsidization required to be provided by the Clean Water Act, the federal Capitalization Grant as a result of the annual appropriations act requires that 10% (\$5,233,000) of the available funds may be used to provide additional subsidization for eligible loan recipients in the form of principal forgiveness (“appropriation” principal forgiveness). Use of these funds and eligibility is determined by each state. The Illinois EPA will divide a portion of the “appropriation” principal forgiveness into three segments, making \$2,000,000 available for Wastewater Treatment Facility Consolidation Compliance Assistance principal forgiveness, \$2,000,000 available for Wastewater Treatment Facility Consolidation principal forgiveness, and \$1,200,000 available for Wastewater Treatment Facility Compliance Solution principal forgiveness as described below. Any of the unused “appropriation” principal forgiveness will be provided as Disadvantaged Community principal forgiveness.

Wastewater Treatment Facility Consolidation Compliance Assistance Principal Forgiveness – Illinois EPA will make \$2,000,000 in principal forgiveness available for public loan applicants who own and operate a wastewater treatment facility whose project would result in the consolidation of two or more wastewater treatment facilities. The funded project must result in the elimination of one or more NPDES Permit(s) for a wastewater treatment facility meeting the following requirements:

- 1) The Agency has issued a Violation Notice against the wastewater treatment facility being eliminated under Section 31 of the Illinois Environmental Protection Act.
- 2) The wastewater treatment facility being eliminated is chronically in significant non-compliance, as defined by the Technical Review Criteria (TRC) in Appendix A of 40 CFR Part 123.45, with its NPDES Permit effluent limits.
- 3) The wastewater treatment facility being eliminated has an NPDES Permit Design Average Flow of less than one-million gallons per day.

Illinois EPA will make \$2,000,000 in principal forgiveness available for these projects in FY2023. Applicants will be scored and ranked for priority in accordance with 35 Ill. Adm. Code 662.345. No applicant can receive more than \$1,000,000 in wastewater treatment facility compliance assistance principal forgiveness in FY2023.

If wastewater treatment facility consolidation compliance assistance principal forgiveness funding is not expended, it may be used to provide disadvantaged community principal forgiveness. Loan recipients may receive both disadvantaged community principal forgiveness and wastewater treatment facility consolidation compliance assistance principal

forgiveness. When applicable, Illinois EPA will first apply the disadvantaged community principal forgiveness to a project, up to the maximum amount allowed, and then apply the wastewater treatment facility consolidation compliance assistance principal forgiveness, up to the maximum amount.

Wastewater Treatment Facility Consolidation Principal Forgiveness – Illinois EPA will make \$2,000,000 in principal forgiveness available for public loan applicants who own and operate a wastewater treatment facility whose project would result in the consolidation of two or more wastewater treatment facilities that are compliant with their NPDES Permit conditions. The funded project must result in the elimination of one or more NPDES Permit(s) for a wastewater treatment facility meeting the following requirements:

- 1) The wastewater treatment facility being eliminated has an NPDES Permit Design Average Flow of less than one-million gallons per day.

Illinois EPA will make \$2,000,000 in principal forgiveness available for these projects in FY2023. Applicants will be scored and ranked for priority in accordance with 35 Ill. Adm. Code 662.345. No applicant can receive more than \$1,000,000 in wastewater treatment facility non-compliance principal forgiveness in FY2023.

If wastewater treatment facility consolidation principal forgiveness funding is not expended, it may be used to provide disadvantaged community principal forgiveness. Loan recipients may receive both disadvantaged community principal forgiveness and wastewater treatment facility consolidation principal forgiveness. When applicable, Illinois EPA will first apply the disadvantaged community principal forgiveness to a project, up to the maximum amount allowed, and then apply the wastewater treatment facility consolidation principal forgiveness, up to the maximum amount.

Wastewater Treatment Facility Compliance Solution Principal Forgiveness – Illinois EPA will make \$1,200,000 in principal forgiveness available for public loan applicants who own and operate a wastewater treatment facility whose project would result in the treatment facility coming into compliance with their NPDES Permit conditions. The funded project must occur at a wastewater treatment facility meeting the following requirements:

- 1) The Agency has issued a Violation Notice against the wastewater treatment facility under Section 31 of the Illinois Environmental Protection Act.
- 2) The wastewater treatment facility is chronically in significant non-compliance, as defined by the Technical Review Criteria (TRC) in Appendix A of 40 CFR Part 123.45, with its NPDES Permit effluent limits.
- 3) The wastewater treatment facility has an NPDES Permit Design Average Flow of less than one-million gallons per day.

Illinois EPA will make \$1,200,000 in principal forgiveness available for these projects in FY2023. Applicants will be scored and ranked for priority in accordance with 35 Ill. Adm. Code 662.345. No applicant can receive more than \$600,000 in wastewater treatment compliance solution principal forgiveness in FY2023.

If wastewater treatment facility compliance solution principal forgiveness funding is not expended, it may be used to provide disadvantaged community principal forgiveness. Loan recipients may receive both disadvantaged community principal forgiveness and wastewater treatment facility compliance solution principal forgiveness. When applicable, Illinois EPA will first apply the disadvantaged community principal forgiveness to a project, up to the maximum amount allowed, and then apply the wastewater treatment facility compliance solution principal forgiveness, up to the maximum amount.

2) Interest Rate and Loan Term Determinations

The Loan Rules provide for a fixed loan rate that shall be established annually at one-half the market interest rate. Specifically, the fixed loan rate is defined by rule as one-half the mean interest rate of the 20 General Obligation Bond Buyer Index from July 1 to June 30, in the preceding State FY, rounded to the nearest .01%. Current Loan Rules establish a new interest rate each July 1 for the following State FY. Based on bond rates through June 30, 2022, the fixed loan rate for loans executed by Illinois EPA from July 1, 2022 through June 30, 2023 will be 1.24%.

The Loan Rules allow for reduced interest rates, based upon certain criteria, as well as the possibility for a maximum term of up to 30 years from the initiation of operation, with initial repayments of principal to commence within one year of the initiation of operation. The fixed loan rate is a simple, annual rate. The applicable sections of the Loan Rules governing interest rates and repayment period are below:

Section 365.210 Fixed Loan Rate

The interest rate of the loan agreement shall be a fixed loan rate and shall be established as follows:

- a) Base 20 Year Rate – Loan agreements with a repayment period not to exceed 20 years shall have a fixed loan rate equal to 50% of the market interest rate (mean interest rate of the 20 General Obligation Bond Buyer Index, from July 1 through June 30 of the preceding State fiscal year rounded to the nearest 0.01%).
- b) Small Community Rate – Public loan applicants with a service population less than 25,000 that also meet any one of the following three criteria qualify for a fixed loan rate equal to 75% of the Base 20 Year Rate:
 - 1) The median household income of the public loan applicant’s service population is less than the statewide average.
 - 2) The unemployment rate of the public loan applicant’s service population is greater than the statewide average.
 - 3) The public loan applicant’s annual user charge, based upon the average monthly bill of the public loan applicant’s residential customers, is greater than 1.0% of the median household income of the public loan applicant’s service population.

- c) **Hardship Rate** – Public loan applicants with a service population less than 10,000 that also meet any one of the following three criteria qualify for a fixed loan rate of 1.0%:
 - 1) The median household income of the public loan applicant’s service population is below 70% of the statewide average.
 - 2) The unemployment rate of the public loan applicant’s service population is at least 3.0% greater than the statewide average.
 - 3) The public loan applicant’s annual user charge, based upon the average monthly bill of the public loan applicant’s residential customers, is greater than 1.5% of the median household income of the public loan applicant’s service population.

- d) **Environmental Impact Discount** – When at least 50% of the eligible project costs fund any of the following components, the loan applicant shall receive a 0.2% discount from the rates established in subsection (a), (b), or (c):
 - 1) new projects for the collection or treatment of unsewered communities;
 - 2) projects involving nutrient removal or nutrient loss reduction;
 - 3) green infrastructure projects;
 - 4) projects lowering water demand; or
 - 5) projects reducing energy demands at a wastewater treatment facility.

Section 365.220 Loan Repayment Period

- a) Except as provided in subsections (b) and (c), the loan repayment period cannot exceed the lesser of 20 years beyond the initiation of operation date, 20 years beyond the initiation of the loan repayment period, or the projected useful life of the project to be financed with proceeds of the loan.

- b) For public loan applicants that qualify for the Small Community Rate or Hardship Rate as defined in Section 365.210, the loan repayment period cannot exceed the lesser of 30 years beyond the initiation of operation date, 30 years beyond the initiation of the loan repayment period, or the projected useful life of the project to be financed with proceeds of the loan.

- c) The Agency may require a loan repayment period term of less than the maximum. In evaluating the appropriateness of alternative loan terms, the Agency shall consider such factors as the scope of the proposed project, the impacts of alternative loan terms on user fees, and the overall cost of the project.

V. Federal Assurances

Illinois EPA provides the following assurances and certifications to the U.S. EPA as a part of the IUP. Illinois EPA agrees to the following as required by the Clean Water Act (CWA), the WPCLP Operating Agreement with the U.S. EPA, and as conditions of the grants to capitalize the WPCLP.

A. 602(a) - Environmental Reviews

The Illinois EPA will conduct environmental reviews for all projects as specified in its Operating Agreement with the U.S. EPA and specified in Part 365 of the Procedures for Issuing Loans from the Water Pollution Control Loan Program. The procedures establish a methodology to assure that loan funded projects are environmentally acceptable.

B. 602(b) (4) - Expeditious and Timely Expenditures

Illinois EPA will expend all funds in the WPCLP in a timely and expeditious manner.

C. 602(b) (5) - First Use for Enforceable Requirements

The first use requirement has been met in Illinois.

D. 603(f) - Consistency with Planning Requirements

Projects constructed in whole or in part with funds directly made available by Federal Capitalization Grants will be required to comply with the following Sections of the CWA, as applicable: 205(j), 208, 303(e), and 319.

E. 603(d)(1)(E) – Fiscal Sustainability Plan (FSP) Requirements

All loan recipients will certify that a Fiscal Sustainability Plan has been developed and implemented in accordance with the Water Resources Reform and Development Act of 2014.

F. 603(b)(14) – Architectural and Engineering Services Procurement Requirements

Beginning with loan applications received after October 1, 2014, A/E contracts which are funded by Federal Capitalization Grant funds shall be negotiated in the same manner as a contract for A/E services under Chapter 11 of Title 40 of the United States Code, or an equivalent State qualifications-based requirement (33 U.S.C. Section 1382(b)(14)). Many of Illinois' repeat applicants choose not to borrow money for engineering services. In addition, several municipalities that annually borrow money for ongoing infrastructure projects routinely utilize a quality-based selection process when hiring an architectural or engineering firm. Therefore, Illinois will meet this requirement through equivalency.

G. 602(b)(13) – Cost and Effectiveness Analysis

Beginning in Federal FY2016 (October 1, 2015), SRF recipients must certify that the project chosen is the most sustainable and cost-effective (Section 602(b)(13)). All Illinois WPCLP loan recipients must certify that they have selected, to the maximum extent practicable, the project that maximizes the potential for efficient water use, reuse, recapture, and energy conservation.

H. Program Benefits Reporting

All funded projects will be reported to the U.S. EPA's Office of Water State Revolving Funds reporting database on an ongoing basis, as required by U.S. EPA. In addition, Illinois EPA will meet the reporting requirements set forth by the Federal Funding Accountability and Transparency Act (FFATA) and will report annually into the National Information Management System database.

I. Wage Rates and Standards

In order to meet a Federal Capitalization Grant condition, the Illinois EPA will require WPCLP projects to comply with the Federal wage and employment standards under the Federal Davis-Bacon Act.

J. Green Project Reserve

The Illinois EPA will maintain its commitment to green infrastructure in State FY2022. As in recent years, the Federal FY2022 Capitalization Grant includes a Green Project Reserve (GPR) requirement whereby Illinois EPA must utilize not less than 10% of Capitalization Grant funds to provide continued support for projects or project components focused on "green infrastructure, water or energy efficiency improvements or other environmentally innovative activities".

Likewise, the FY2022 BIL supplemental CWSRF Capitalization Grant includes a GPR a Green Project Reserve (GPR) requirement whereby Illinois EPA must utilize not less than 10% of the BIL supplemental Capitalization Grant funds to provide continued support for projects or project components focused on "green infrastructure, water or energy efficiency improvements or other environmentally innovative activities".

The WPCLP will maintain compliance with this requirement. The projects which contain GPR components, and the amount of funding provided, will be reported to the U.S. EPA's Office of Water State Revolving Funds reporting database. Despite uncertainty regarding the Federal GPR requirement, the Illinois EPA is taking steps to institutionalize certain green infrastructure practices and policies in the Illinois SRF programs and encourage green infrastructure practices.

The Illinois EPA has identified the projects below which contain components qualifying for the Green Project Reserve that are likely to receive funding during FY2023. The Illinois EPA will identify the final list of projects and the amount of GPR components funded in the Annual Report.

Freeport – L174973 - WWTP Upgrades: enhanced biological phosphorus removal and biologically active filters, new chemical feed building, new secondary clarifiers, UV disinfection - \$27,000,000

Pinckneyville – L175257 – New wastewater treatment plant - \$17,700,000

Galesburg Sanitary District – L175846 – Phase 3 Upgrade of 1929 trickling filter plant - \$30,083,000.

Shelbyville – L176007 – Phase 1 improvements to wastewater treatment plant basin #2 and basin #10 - \$5,120,000.

Galesburg Sanitary District – L176163 – Wastewater treatment plant anaerobic digester improvement project - \$2,980,000.

Assumption – L174244 – New sanitary sewer collection to separate existing combined sewers - \$4,770,253.

Marshall – L175886 - Sanitary sewer collection facilities to separate existing combined sewers - \$2,116,713.

Chester – L173545 – Replace existing lift station out of floodplain, wastewater treatment plant improvements and renovate 3 existing lift stations - \$1,700,000.

Macomb – L175757 – Wastewater treatment plant improvements including UV disinfection system - \$4,558,588.

Crest Hill – L172159 – Wastewater treatment plant improvements - \$50,250,000.

Belleville (L175445) – New Relief Storm Sewer and Detention Pond – Anticipated Funding - \$10,400,000

K. Archeological and Historic Preservation Act of 1974, PL 93-291 *et seq.*

U.S. EPA has determined that the provisions of PL 93-291, also known as the National Historic Preservation Act, must be applied to activities of State revolving loan.

L. Guidelines for Enhancing Public Awareness of State Revolving Fund Assistance Agreements

U.S. EPA has produced a document titled “Guidelines for Enhancing Public Awareness of SRF Assistance Agreements” (dated June 3, 2015), which outlines the requirement for increased awareness of Federal funding through the DWSRF and CWSRF. These guidelines include options for project “signage”. Illinois EPA has satisfied this requirement by modifying Standard Condition No. 23 within the Loan Agreement, which states:

The loan recipient shall meet a signage requirement by posting a sign at the project site or making an equivalent public notification such as a newspaper or newsletter publication; utility bill insert; or online posting for the project duration. After the signage requirement is met, documentation must be submitted to the Illinois EPA using the Public Notification/Signage Requirement Certificate of Completion.

All loan recipients must submit the certification form prior to the first disbursement of loan funds. All signage must include language that the project is wholly or partially funded with joint funding using both State and Federal funds. (<https://www2.illinois.gov/epa/Documents/epa-forms/water/financial-assistance/srf/signage-form.pdf>)

M. Equivalency

States can identify a group of loans, the sum of which is equal to the amount of its capitalization grant, to meet crosscutter and single audit requirements. This concept is called “equivalency”. In

addition, with the enactment of the Water Resources Reform Development Act equivalency can be used to meet the “Procurement for Architectural and Engineering Contracts” (A/E) requirement. Illinois considered using equivalency to satisfy the single audit requirements. However, this methodology did not work for the program and the WPCLP continues to require all loan recipients to follow single audit requirements and continues to monitor all loan recipients as required. Illinois has chosen to only use equivalency to satisfy the A/E and FFATA requirement. All other WPCLP projects must satisfy all other crosscutter requirements. IEPA intends to designate a City of Chicago project, L176046 for sewer rehabilitation with an estimated project cost of \$38,411,220 to be an equivalency project. Should this project not close on a loan during the State FY2023, it will be replaced with other projects.

N. American Iron and Steel (AIS) Requirements, and Build America, Buy America

All WPCLP projects must include the use of American Iron and Steel (AIS) Products requirements in accordance with the Water Resources Reform and Development Act of 2014. Standard Condition No. 18 of all loan agreements obligates the applicant to comply with the AIS requirements. Further guidance on AIS requirements is available on IEPA’s website.

<https://www2.illinois.gov/epa/topics/grants-loans/state-revolving-fund/guidance/Pages/american-iron-and-steel-requirements.aspx>

On November 15, 2021, President Biden signed into the Infrastructure Investment and Jobs Act which includes the Build America, Buy America Act (BABA). The Act requires the following:

(1) All iron and steel used in the project are produced in the United States. (2) All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product. (3) All construction materials are manufactured in the United States.

This is a federal requirement that effects SRF programs nationwide. At this time, Illinois EPA is investigating the use of equivalency to meet this new requirement. BABA becomes effective when IEPA begins utilizing funds from the FY2022 capitalization grant.

O. Accounting/Auditing Requirements

Illinois agrees to use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards as these are promulgated by the Governmental Accounting Standards Board. Generally accepted government auditing standards are usually defined as, but not limited to, those contained in the U.S. General Accounting Office (GAO) publication “Government Auditing Standards” (1988 revision). Illinois also requires recipients of SRF assistance to maintain project accounts in accordance with generally accepted government accounting standards as these are promulgated by the Government Accounting Standards Board. These accounts must be maintained as separate accounts.

APPENDIX A: Definitions and Acronyms

As used in this document, the following words and terms mean:

Agency - Illinois Environmental Protection Agency. (415 ILCS 5/19.2(a))

Binding Commitment – A legal obligation between the Agency and a loan recipient to provide financial assistance from the Public Water Supply Loan Program to that loan recipient, specifying the terms and schedules under which assistance is provided. The loan agreement will be considered a binding commitment.

BMP(s) - Best Management Practice(s).

Bypass - An action by Illinois EPA to remove a project from funding consideration in a State FY.

Capitalization Grant - The actual Federal funds received by the Agency for deposit into the WPCLP as a result of the Capitalization Grant agreement with U.S. EPA.

Construction - Means any one or more of the following: preliminary planning to determine the feasibility of treatment works, engineering, architectural, legal, fiscal, or economic investigations or studies, surveys, designs, plans, working drawings, specifications, procedures, field testing of innovative or alternative wastewater treatment processes and techniques meeting guidelines promulgated under Section 304(d)(3) of the Clean Water Act, or other necessary actions, erection, building, acquisition, alteration, remodeling, improvement, or extension of treatment works, or the inspection or supervision of any of the foregoing items.

CWA - The Clean Water Act, as amended (33 USC 1251 *et seq.*).

CWSRF - Clean Water State Revolving Fund

Director - Director of the Illinois Protection Agency

Energy Efficiency - The use of improved technologies and practices to reduce the energy consumption of water quality projects, including projects to reduce energy consumption or produce clean energy used by a treatment works.

EPA - Environmental Protection Agency

Facilities - Equipment or operating systems that are constructed installed or established to serve the particular purpose of mitigating the impacts of sewerage, industrial waste or non-point sources of pollution in a watershed. Facilities may involve stand-alone projects or be involved as component pieces of treatment works. Facilities in the context of the Green Project Reserve will address green infrastructure, water and energy efficiency improvements and other environmentally innovative activities.

FFATA – Federal Funding Accountability and Transparency Act

Fund - The Water Revolving Fund, as authorized by 415 ILCS 5/19.3, consisting of the Water Pollution Control Loan Program, the Public Water Supply Loan Program, and the Loan Support Program.

FY - Fiscal Year

Green Infrastructure - Includes a wide array of practices at multiple scales that manages and treats stormwater, and that maintains and restores natural hydrology by infiltrating, evapotranspiring and capturing and using stormwater.

GPR - Green Project Reserve, which is the portion of funded projects from the Capitalization Grant, that are required to be documented by the Agency in its Intended Use Plan and Annual Report. These projects address green infrastructure, water and energy efficiency improvements and other environmentally innovative activities as directed by Federal law.

Initiation of Operation - The date that the funded treatment works are in full and sustained operation as planned and designed.

IUP - Intended Use Plan - A plan that includes a description of the short- and long-term goals and objectives of the Water Pollution Control Loan Program, project categories, discharge requirements, terms of financial assistance and the loan applicants to be served. (415 ILCS 5/19.2(e))

Interest Rate - The interest rate of the loan agreement shall be a fixed loan rate.

IUP - Intended Use Plan

Loan Agreement - The contractual agreement document between the Agency and the loan recipient that contains the terms and conditions governing the loan issued from the WPCLP.

Market Interest Rate - The mean interest rate of the 20 General Obligation Bond Buyer Index, from July 1 through June 30 of the preceding State FY rounded to the nearest 0.01%.

Median Household Income or MHI - The median household income is the American Community Survey 5-year estimate from the United States Department of Commerce, Bureau of the Census.

Municipality - A municipality as defined in Section 502 of the Federal Clean Water Act. (33 USC 1362(4))

NPS - Nonpoint Source

Operating Agreement - The agreement between the Agency and U.S. EPA that establishes the policies, procedures and activities for the application and receipt of Federal Capitalization Grant funds for capitalization of the WPCLP.

Principal - The total amount of funds distributed to loan recipients for eligible project costs.

Principal Forgiveness - The portion of a loan's principal for which there is no repayment obligation, consistent with the terms of the project's loan agreement.

PPL - Project Priority List, which is an ordered listing of projects developed in accordance with the priority system described in 35 Ill. Adm. Code 365.345 (Loan Priority Score) that the Agency has determined are eligible to receive financial assistance from the WPCLP.

Public Loan Applicant - A loan applicant that is a municipality, intermunicipal agency, interstate agency, or local government unit that has applied for a loan under the WPCLP.

PWSLP - The Public Water Supply Loan Program as authorized by Section 19.2 of the Environmental Protection Act. (415 ILCS 5/19.2)

Readiness to Proceed - Timely progress toward achieving a binding commitment during the State FY and initiating project activities. This is measured by an applicant's success in meeting all applicable pre-award WPCLP program requirements.

Service Population - The number of people served by the public loan applicant.

SRF - State Revolving Fund

Title VI - Title VI of the Federal Clean Water Act. (33 USC 1251 *et seq.*)

Treatment Works – Treatment works, as defined in section 212 of the federal Water Pollution Control Act (33 USC 1292), including, but not limited to, the following:

any devices and systems owned by a local government unit and used in the storage, treatment, recycling, and reclamation of sewerage or industrial wastes of a liquid nature, including intercepting sewers, outfall sewers, sewage collection systems, pumping power and other equipment, and appurtenances;

extensions, improvements, remodeling, additions, and alterations thereof;

elements essential to provide a reliable recycled supply, such as standby treatment units and clear well facilities;

any works, including site acquisition of the land that will be an integral part of the treatment process for wastewater facilities; and

any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste, including storm water runoff, or industrial waste, including waste in combined storm water and sanitary sewer systems as those terms are defined in the Federal Water Pollution Control Act. [415 ILCS 5/19.2(f)]

Unemployment Rate - The annual average unemployment rate calculated by the Illinois Department of Employment Security's Economic Information and Analysis Division.

Useful Life - The estimated period during which a treatment works is intended to be operable, as certified by the project's consulting licensed professional engineer.

U.S. EPA - United States Environmental Protection Agency.

User Charge - A charge levied on the users of a treatment works to produce adequate revenues for the operation, maintenance and replacement of the treatment works.

WPCLP - Water Pollution Control Loan Program, as authorized by Section 19.2 of the Environmental Protection Act. (415 ILCS 5/19.2)

WRRDA - Water Resources Reform and Development Act of 2014. (P.L. 113-121)

**Appendix B: CWSRF Definition of Emerging Contaminants
(from USEPA Implementation Memorandum)**

**Attachment 1 – Appendix B:
CWSRF Definition of Emerging Contaminants**

Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment.²⁶ These substances, microorganisms or materials can include many different types of natural or manufactured chemicals and substances – such as those in some compounds of personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics.^{27,28}

The main categories of emerging contaminants include but are not limited to:

- **Perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other persistent organic pollutants (POPs)** such as polybrominated diphenyl ethers (PBDEs; used in flame retardants, furniture foam, plastics, etc.) and other persistent organic contaminants such as perfluorinated organic acids, PFAS free foam flame retardants;
- **Biological contaminants and microorganisms**, such as antimicrobial resistant bacteria, biological materials, and pathogens;
- **Some compounds of pharmaceuticals and personal care products (PPCPs)**, including a wide suite of human prescribed drugs (e.g., antidepressants, blood pressure medications, hormones), over-the-counter medications (e.g., ibuprofen), bactericides, fragrances, UV filters (sunscreen agents), detergents, preservatives, and repellents;²⁹
 - Insect Repellents, Cosmetics and UV filters: DEET, Methylparabens, Benzophenone³⁰
 - Fragrances: HHCb and AHTN (7-acetyl-1,1,3,4,4,6-hexamethyl-1,2,3,4-tetrahydronaphthalene; CAS 21145-77-7; Tonalide)³¹
 - Cosmetic and food preservatives: BHA (butylated hydroxyanisole) and BHT (butylated hydroxytoluene)³²
 - Veterinary medicines such as antimicrobials, antibiotics, anti-fungals, growth promoters, investigational new animal drugs, and hormones;
 - Substances that illicit endocrine-disrupting chemicals (EDCs), including synthetic estrogens (e.g., 17 α ethynylestradiol, which also is a PCPP) and androgens (e.g., trenbolone, a veterinary drug), naturally occurring estrogens (e.g., 17 β -estradiol, testosterone), as well as many others (e.g., organochlorine pesticides, alkylphenols)
- **Nanomaterials** such as carbon nanotubes or nano-scale particulate titanium dioxide, of which little is known about either their environmental fate or effects.

²⁶ 2020 White House Office of Science & Technology Policy document which focused on drinking water/human health

²⁷ Contaminants of Emerging Concern under the Clean Water Act 2019, Congressional Research Services

²⁸ White Paper Aquatic Life Criteria for Contaminants of Emerging Concern 2008

²⁹ Peck, A.M. Analytical methods for the determination of persistent ingredients of personal care products in environmental matrices. *Anal Bioanal Chem* 386, 907–939 (2006). <https://doi.org/10.1007/s00216-006-0728-3>

³⁰ Diana Montes-Grajales, Mary Fennix-Agudelo, Wendy Miranda-Castro, .

Occurrence of personal care products as emerging chemicals of concern in water resources: A review,

Science of The Total Environment, Volume 595, 2017, Pages 601-614, ISSN 0048-9697,

<https://doi.org/10.1016/j.scitotenv.2017.03.286>. (<https://www.sciencedirect.com/science/article/pii/S0048969717308161>)

³¹ J Environ Eng (New York). Author manuscript; available in PMC 2010 Feb 1. Published in final edited form as:

J Environ Eng (New York). 2009 Nov 1; 135(11): 1192. doi: 10.1061/(ASCE)EE.1943-7870.0000085

³² Soliman, Mary A., et al. "Human Pharmaceuticals, Antioxidants, and Plasticizers in Wastewater Treatment Plant and Water Reclamation Plant Effluents." *Water Environment Research*, vol. 79, no. 2, 2007, pp. 156–167.,

<https://doi.org/10.2175/106143006x111961>.

• **Microplastics/Nanoplastics:** synthetic solid particle or polymeric matrix, with regular or irregular shape and with size smaller than 5 mm, of either primary or secondary manufacturing origin, or larger plastic materials that degrade into smaller pieces, including from tire wear (such as 6PPD), which are insoluble in water.³³ Primary microplastics include particles produced intentionally of this very small dimension, like pre-production pellets used as intermediate in plastic production, microbeads for abrasive functions or microfibers that form from synthetic textiles.³⁴

Projects that address contaminants with water quality criteria established by EPA under CWA section 304(a), except for PFAS are not eligible for CWSRF Emerging Contaminants funds.

³³ J.P.G.L. Frias, Roisin Nash, Microplastics: Finding a consensus on the definition, *Marine Pollution Bulletin*, Volume 138, 2019, Pages 145-147, ISSN 0025-326X, <https://doi.org/10.1016/j.marpolbul.2018.11.022>. (<https://www.sciencedirect.com/science/article/pii/S0025326X18307999>)

³⁴ Silvia Galafassi, Luca Nizzetto, Pietro Volta, Plastic sources: A survey across scientific and grey literature for their inventory and relative contribution to microplastics pollution in natural environments, with an emphasis on surface water

Appendix C: Principal Forgiveness (Additional Subsidization) Distribution

Section 365.250 Additional Subsidization

- a) The Agency may provide additional subsidization as provided in section 603(i) of the CWA or as otherwise prescribed by USEPA in the annual capitalization grant agreement.
- b) Pursuant to section 603(i)(2) of the CWA, the Agency adopts the following affordability criteria.
 - 1) To be eligible for additional subsidization under section 603(i)(1)(A)(i) of the CWA, a public loan recipient must
 - A) have a service population of 30,000 or less, unless the loan applicant's median household income (MHI) is 70% or less, of the statewide average; and
 - B) score at least 21 points based on the following criteria:
 - i) Median Household Income

Points	MHI as % of Statewide MHI
0	Above 100%
5	95-99.99%
10	90-94.99%
15	85-89.99%
20	80-84.99%
25	75-79.99%
30	70-74.99%
35	65-69.99%
40	60-64.99%
45	55-59.99%
50	50-54.99%

55	45-49.99%
60	0-44.99%

ii) Population

Points	Service Population
0	Above 30,000
5	20,000-30,000
10	15,000-19,999
15	10,000-14,999
20	5,000-9,999
25	2,000-4,999
30	1,000-1,999
35	0-999

iii) Additional Criteria

Points	Additional Criteria
1	Unemployment rate is greater than the statewide average unemployment rate by one percentage point or more
4	Decrease in service population greater than 5.0% in the last 5 years from the date of the loan application

- 2) The amount of additional subsidization provided under section 603(i)(1)(A)(i) of the CWA will be capped for qualifying public loan recipients and applied only to eligible projects costs as follows:

Points	Percent
0-20	0%
21-40	up to 15%
41-60	up to 30%
61-80	up to 45%
81-100	up to 60%

- c) Notwithstanding the additional subsidization caps in subsection (b)(2), the Agency may establish a base cap applicable to each loan recipient within its Intended Use Plan each year. The base cap shall be the same amount for each loan recipient receiving additional subsidization. In determining the base cap, the Agency must consider the following factors:
- 1) the amount of federal appropriation allocated to the Agency for additional subsidization;
 - 2) the number of qualifying loan recipients;
 - 3) the availability of equity in the State Water Revolving Fund while ensuring the fund operates in perpetuity; and
 - 4) requirements established by USEPA.
- d) The Agency shall prioritize public loan applicants who score at least 21 points under the affordability criteria in subsection (b) and shall award additional subsidization to loan applicants in the order that loan applicants have been issued a loan by the Agency pursuant to Section 365.410.

Appendix D: Summary of Public Participation and Public Comments

The Draft 2023 IUP was released for public review on June 2, 2022, thus beginning the 21-day public comment period. The Draft 2023 IUP notice was placed on Illinois EPA's general notice website <https://www2.illinois.gov/epa/public-notices/Pages/general-notices.aspx> and each of the identified stakeholders of the Clean Water State Revolving Fund (SRF) program were also notified by e-mail. The Agency expanded its outreach for comment on the IUP this year by also e-mailing additional special interest groups, consulting engineers, professional agencies/associations, and other funding agencies that either expressed an interest in, or are familiar with, the SRF loan programs. The notice directed potential commenters to Barb Lieberoff, Office of Community Relations as the Agency contact for receiving comments and questions pertaining to the Draft 2023 IUP.

Various comments were received by the Agency regarding the loan priority score of various projects. Upon further review the Agency made the following adjustments:

City of Peoria's project L175911 did not receive the appropriate amount of priority points for correcting a violation that resulted in an administrative order being issued. The project priority score was updated, and the project was placed on the Project Priority List accordingly.

Crest Hill's project L172159 did not receive the appropriate amount of priority points for correcting a combined sewer overflow, reducing both nitrogen and phosphorous, including green infrastructure and having a construction permit prior to March 31, 2022. The project priority score was updated, and the project was placed on the Project Priority List accordingly.

The following projects were re-scored to reflect correct unemployment data and placed on the Project Priority List accordingly:

Crest Hill L172159	Leaf River L175705
St. Joseph L175790, L176100	

Inquiries were made into the scoring for Glendale Heights L176097 and L173455. The Agency determined that the priority scoring for these projects is correct.

The Agency received lengthy comments from the Environmental Policy Innovation Center in collaboration with the Metropolitan Planning Council, the Alliance for the Great Lakes along with various co-signatories. While neither time, nor space within this document, allows the Agency to provide specific comments on all of the issues discussed within the 18 pages of comments received; the Agency will be taking these comments into consideration as it prepares for future operations of the Water Pollution Control Loan Program; the administration of the additional funds to be received as a result of the Bipartisan Infrastructure Law; potential modifications to loan rules; addressing emerging contaminants; pursuing ways to provide technical assistance to disadvantaged communities; as well as continuing to provide incentives to disadvantaged communities throughout the State of Illinois.

The Agency received comments from The Nature Conservancy. The Agency appreciates the comments received and is working to achieve many of the same goals expressed such as providing additional technical assistance to disadvantaged communities, continue to provide as much funding as possible to lead service line replacements and working to identify emerging contaminant issues in community water supply systems in Illinois. The Agency will be taking these comments into consideration as it prepares for future operations of the Water Pollution Control Loan Program; the administration of the additional funds to be received as a result of the Bipartisan Infrastructure Law; potential modifications to loan rules; addressing emerging contaminants; pursuing ways to provide technical assistance to disadvantaged communities; as well as continuing to provide incentives to disadvantaged communities throughout the State of Illinois.

The Agency received comments from Metropolitan Water Reclamation District of Greater Chicago. The Agency appreciates these comments and will be taking these comments into consideration as it prepares for future operations of the Water Pollution Control Loan Program; the administration of the additional funds to be received as a result of the Bipartisan Infrastructure Law; potential modifications to loan rules; addressing emerging contaminants; pursuing ways to provide technical assistance to disadvantaged communities; as well as continuing to provide incentives to disadvantaged communities throughout the State of Illinois.

Appendix E
2023 Water Pollution Control Loan Program – Project Priority List

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Illinois EPA Water Pollution Control Loan Program (WPCLP) FY2023 Project Priority List

FY2023 WPCLP Intended Funding List (IFL)							
Funds Reserved For Projects on the IFL through December 31, 2022							
Loan Applicant	L17#	Project Description	NPDES Permit No.	Estimated Construction Start	Projected Loan Amount	Estimated Principal Forgiveness	Loan Priority Score
Freeport	4973	WWTP improvements	95297198	2/15/2023	\$ 27,000,000	\$ 5,000,000	865
Freeport	5707	Adams Avenue Sanitary Sewer Replacement	95297198	2/1/2023	\$ 2,400,000	N/E*	735
Danville Sanitary District	6136	improvements including upgrades to aeration basins, construction of Eastgate sanitary sewer, rehab and upgrades to excess flow facility, rehab/replacement of digester covers, design upgrades for automation of effluent to 2 outfalls	IL0020788	3/1/2023	\$ 18,732,332	\$ 5,000,000	645
Pinckneyville	5257	Construction of new wastewater treatment plant, decommissioning of 2 existing wastewater treatment plants and construction of headworks and lift station at the east industrial park	IL0021997, IL0071650	1/2/2023	\$ 17,700,000	\$ 5,000,000	610
Granite City	4114	Installation/Replacement of WWTP process equipment	IL0033481	3/30/2023	\$ 32,200,000	N/E	605
Galesburg Sanitary District	5846	Phase 3 - Upgrade of 1929 trickling filter plant	IL0023141	1/3/2023	\$ 30,083,000	\$ 5,000,000	585
Belleville	5445	Construction of new storm sewer and detention pond to separate an existing 59 acre drainage area in the East Creek watershed. Sewer upgrades and manhole pipe rehabilitation in existing combined system to reduce inflow and infiltration	IL0021873	1/1/2023	\$ 10,400,000	N/E	575
Milledgeville	5758	Lining of sanitary sewer mains	IL0023345	5/1/2022	\$ 891,688	\$ 401,259	555
Peoria	5911	Phase 2 - Addition of green infrastructure and flow monitoring	n/a	3/1/2023	\$ 8,445,000	N/E	545
Stockton	5997	New main building, anaerobic tank, oxidation ditch, clarifier, and UV building	IL0025267	11/1/2022	\$ 16,575,000	\$ 5,000,000	540
Ridge Farm	6026	Improvements to influent pump station, construction of excess flow lagoon and excess clarifier effluent line	IL0020966	5/2/2022	\$ 1,544,000	\$ 694,800	520
Shelbyville	6007	Phase 1 improvements to Basin #2 and Basin #10	IL0021890	11/1/2022	\$ 5,120,000	\$ 1,536,000	515
Tolono	5849	Expansion of WWTP to increase capacity, sanitary sewer extension to service unsewered area and two lift station replacements and improvements	IL0031453	9/1/2022	\$ 12,550,000	\$ 1,882,500	515
West Frankfort	6051	Sewage treatment plan effluent disinfection	IL0031704	2/1/2023	\$ 960,000	\$ 432,000	505
Marion	4128	Rehabilitation of sewer lines and manholes. Replacement of 4,400' of sewer main	IL0029734	12/15/2022	\$ 4,600,000	\$ 1,380,000	495
Crest Hill	2159	WWTP improvements	IL0021121	9/1/2022	\$ 50,250,000	\$ 5,000,000	485
Sandwich	5994	WWTP improvements including phosphorus removal	IL0030970	11/15/2022	\$ 13,250,000	N/E	465
Galesburg Sanitary District	6163	WWTP Anaerobic digester improvement project	IL0023141	8/1/2022	\$ 2,980,000	N/E*	460
Assumption	4244	Construct new sanitary collection system to separate combined sewer system	IL0020907	8/9/2022	\$ 4,770,253	\$ 2,146,614	455
Pingree Grove	5725	WWTP improvements to double flow and improvement of effluent quality	IL0077755	3/1/2023	\$ 36,661,700	\$ 5,000,000	455
Flossmoor	3973	Sewer rehabilitation including lining of sewer, spot repairs, manhole rehabilitation and reinstatement of service connections	n/a	5/9/2022	\$ 1,680,000	\$ 252,000	430
Villa Park	5665	Moterey Avenue Improvement Project	IL0033618	7/1/2022	\$ 3,400,000	N/E	425
Marshall	5886	Separation of combined sewer in two areas. Addition of detention pond and outfall	IL0068365	8/1/2022	\$ 2,116,713	\$ 635,014	420
Vermont S.D.	6023	Replacement of lift station	IL0049654	9/1/2022	\$ 815,000	\$ 244,500	420
Four Rivers Sanitation Authority	6127	Implementation of 10 mgd aerobic granular sludge treatment facilities	IL0027201	2/15/2023	\$ 51,932,900	N/E	410
Washington Park	2692	Rehabilitation of existing sanitary sewer system facilities	n/a	1/2/2023	\$ 2,255,200	\$ 1,353,120	410
Metro East Sanitary District	5518	Reconstruction and sealing of interceptor sewer	n/a	6/6/2022	\$ 16,200,000	\$ 5,000,000	405
Milledgeville	5896	Operational improvements, replacement of components and repair of components of the wastewater treatment plant	IL0023345	3/1/2023	\$ 2,470,000	\$ 1,111,500	400
Clinton Sanitary District	6108	WWTP Improvements including various pump replacement, replace grit dewatering, install oxidation ditches, replace secondary clarifiers, and replace aeration system with aerobic digesters	IL0023612	3/15/2023	\$ 10,000,000	\$ 3,000,000	395
St. Joseph	5790	Expansion of existing WWTP	IL0023086	12/1/2022	\$ 12,000,000	Funding Exhausted	390
Chester	3545	Replace lift station, generator, and relocation of controls out of floodplain. Renovation 3 lift stations. New generators for two lift stations. Seven new blowers and controls for WWTP. Five aeration blowers. 2 grit and grease blowers	IL0072931	9/1/2022	\$ 1,700,000	Funding Exhausted	390

Macomb	5757	WWTP improvements including installation of a new UV disinfection system	IL0029688	8/29/2022	\$ 4,558,588	Funding Exhausted	390
Savanna	3999	Upgrade Wacker and Dakton Lift Stations	IL0020541	11/30/2022	\$ 1,374,000	Funding Exhausted	390
Gilman	5815	Installation of new sewer main and abandonment of existing sewer mains	IL0025062	1/23/2023	\$ 2,480,000	Funding Exhausted	385
Rochelle	4374	WWTP improvements	IL0030741	9/1/2022	\$ 7,038,000	Funding Exhausted	370
Watseka	6002	Separation of the combined sanitary and storm sewer system	IL0022161	11/1/2022	\$ 1,587,000	Funding Exhausted	370
Fairmont City	5595	Rehabilitation of sewer trunk main	n/a	6/30/2022	\$ 1,300,000	Funding Exhausted	365
Glendale Heights	6027	WPCF Phosphorus Removal Upgrades	IL0028967	10/1/2022	\$ 8,500,000	N/E	360
Quincy	5619	CSO LTCP Phase 1 improvements to sewage treatment works to increase wet weather capacity	IL0030503	10/3/2022	\$ 7,500,000	Funding Exhausted	360
Quincy	5621	CSO LTCP Phase 3 construction of CSO floatables control systems and backflow prevention	IL0030503	10/3/2022	\$ 1,500,000	Funding Exhausted	360
Leaf River	5705	WWTP improvements and sewer rehabilitation	IL0029475	3/1/2023	\$ 5,009,000	Funding Exhausted	350
Batavia	6095	Phase 2A WWTF Improvements including critical equipment rehab/replacement, replacement of headworks, primary and clarifier rehab, and replacement of UV system	IL0022543	12/1/2022	\$ 30,000,000	N/E	345
Chicago	6046	Lining 40 miles of mainline sewer	n/a	9/30/2020	\$ 38,411,220	N/E	345
Northern Moraine WRD	6165	Phase 2 - Extend sanitary sewer service to 227 homes in two subdivisions (Requested \$11M - exceeds available funding)	IL0031933	3/1/2023	\$ 4,059,406	N/E	345

Projects on the FY2023 Intended Funding List with Funds Reserved Through December 31, 2022 \$ 515,000,000 \$ 55,069,307
N/E* Loan Applicant has exceeded principal forgiveness cap of \$5,000,000

Projects Below Were Scored For Priority But Available Funds Exhausted

Loan Applicant	L17#	Project Description	NPDES Permit No.	Estimated Construction Start	Projected Loan Amount	Estimated Principal Forgiveness	Loan Priority Score
Rochelle	4373	Sewer and manhole cleaning and lining	IL0030741	3/1/2022	\$ 13,688,800	Funding Exhausted	330
Sangamon County WRD	5634	Sugar Creek CSO improvements project to increase CSO treatment capacity	IL0021971	10/1/2022	\$ 9,524,000	N/E	325
St. Joseph	6100	Sewer replacement	IL0023086	12/1/2022	\$ 1,560,000	Funding Exhausted	315
Chicago	5801	Sewer rehabilitation and improvements	n/a	1/23/2023	\$ 23,000,000	N/E	315
Kincaid	5878	Sewer system improvements including installation of VFDs at existing pump stations and rehabilitation of sewers in SE part of Village	IL0048607	8/15/2022	\$ 1,097,000	Funding Exhausted	315
Wood River	5839	State St. sewer separation project	IL0031852	10/1/2022	\$ 16,226,343	Funding Exhausted	315
Glendale Heights	6097	UV Disinfection Improvements	IL0028967	3/15/2023	\$ 2,500,000	N/E	310
Monmouth	1724	Addition of disinfection facility at existing WWTP	IL0036218	6/1/2022	\$ 3,000,000	Funding Exhausted	310
Olmsted	6030	Improvements to two lift stations and minor embankment modifications to lagoon sewer treatment plant	ILG580052	9/4/2022	\$ 450,000	Funding Exhausted	310
MWRDGC	3806	Secondary phosphorus removal system at Calumet WRP	IL0028061	9/14/2022	\$ 14,000,000	N/E	305
Dowell	6045	Demolition of lift station wet well and connection of lift station to existing force main	n/a	6/19/2022	\$ 238,500	Funding Exhausted	300
East Cape Girardeau	6029	Improvements to Iroquois street lift station and rehabilitation to the wastewater treatment plant	IL0070319	11/19/2022	\$ 751,500	Funding Exhausted	295
Sesser	5903	Phase IV sanitary sewer rehabilitation	IL0031020	11/1/2022	\$ 850,000	Funding Exhausted	295
Vergennes	6020	Replace WWTP equipment	IL0063860	11/1/2022	\$ 354,100	Funding Exhausted	295
Jacksonville	5940	Phased construction of improvements to the existing wastewater treatment plant focused on meeting new phosphorus treatment standards, safety and resiliency	IL0021661	12/1/2022	\$ 12,700,000	Funding Exhausted	290
MWRDGC	5163	Rehabilitation of Upper DesPlaines intercepting sewer 14B	IL0047741	8/17/2022	\$ 30,000,000	N/E	290
MWRDGC	5574	Rehabilitation of 1000 feet of the A/B service tunnel and 1000 feet of C/D service tunnel	IL0028053	8/3/2022	\$ 25,000,000	N/E	290
Romeoville	3357	Abandonment of Spangler Drive lift station and replacement	IL0048526	9/1/2022	\$ 3,700,000	N/E	290
Romeoville	6025	WWTP expansion to increase treatment capacity, treatment unit redundancy and prevent system overflows	IL0048526	12/1/2022	\$ 10,000,000	N/E	290
St. Clair Township	5777	Upgrading and rehabilitation of waste water treatment units	IL0048232	3/2/2023	\$ 8,868,055	Funding Exhausted	275
Champaign	5889	Construction of 3,000 feet of sanitary interceptor sewer from intersection of White and Randolph to interceptor sewer along Springfield Ave	n/a	3/1/2023	\$ 6,400,000	N/E	270
Lombard	4472	Large diameter, combined sewer rehabilitation	IL0022471	3/20/2023	\$ 17,500,000	N/E	260
Minooka	3888	Equipment replacement at WWTP	IL0055913	1/2/2023	\$ 4,183,000	N/E	255
MWRDGC	3807	Installation of new replacement biolers and associated motor control centers at Stickney WRP	IL0028053	7/27/2022	\$ 15,500,000	N/E	250
MWRDGC	4927	Rehabilitation of Upper DesPlaines Intercepting sewer 11D Extension C	IL0036340	11/30/2022	\$ 5,500,000	N/E	250

MWRDGC	5697	Rehabilitation of utility service tunnels at O'Brien, Kirie, Egan and Hanover Park WRPs	IL0028088, IL0047741, IL0036340, IL0036137	12/14/2022	\$ 4,100,000	N/E	250
MWRDGC	5904	Replace 480V switchgear substations and 480V cables from the new substations to the motor control centers and power distribution panels	IL0028053	2/15/2023	\$ 6,750,000	N/E	250
Northern Moraine WRD	5823	Phase 1B of the Darrell Road collection system	IL0031933	11/1/2022	\$ 4,000,000	N/E	250
Thebes	3564	Improvements to four lift stations, replacement of force main and sewer lagoon improvements	ILG580253	9/1/2022	\$ 562,000	Funding Exhausted	250
Thebes	6142	Phase 2 improvements to four lift stations, replacement of force main and sewer lagoon improvements	ILG580253	3/1/2023	\$ 507,800	Funding Exhausted	250
Bloomington	5684	Phase 4: water mains, new sanitary sewer, storm sewer. Reduce CSO's at Locust Street, setup future sewer separation phases	n/a	3/1/2023	\$ 2,000,000	N/E	245
St. Charles	6093	UV disinfection rehabilitation and replacement	IL0022705	3/15/2023	\$ 4,500,000	N/E	245
MWRDGC	2964	Rehabilitation of 39th Street sewer from lakefront to Racein Ave. pumping station	IL0028053	1/25/2023	\$ 44,500,000	N/E	230
MWRDGC	5610	Rehabilitation of Upper DesPlaines intercepting sewer 11D	IL0047741	2/15/2023	\$ 5,500,000	N/E	230
MWRDGC	5900	North Branch PS, Drop Shaft-91 and Kirie WRP pump station rehabilitation	IL0028088, IL0047741	2/1/2023	\$ 7,150,000	N/E	230
MWRDGC	6040	Install course screens at O'Brien WRP	IL0028088	10/7/2022	\$ 8,000,000	N/E	230
Northern Moraine WRD	2930	Phase 1A of the Darrell Road collection system	IL0031933	11/1/2022	\$ 3,400,000	N/E	220
St. Charles	6012	Replacement of lift station	IL0022705	10/10/2022	\$ 727,530	N/E	220
MWRDGC	2743	Rehabilitate digester tanks 1-10, replace digester gas piping for tanks 1-12, replace digester flares and pumps near the Stickney WRP	IL0028053	3/1/2023	\$ 11,500,000	N/E	210
MWRDGC	2745	Rehabilitation of concrete in and around final settling tanks for battery A at Stickney WRP	IL0028053	11/30/2022	\$ 7,700,000	N/E	210
Glenbard Wastewater Authority	5771	Primary clarifier rehabilitation including collector, drive, and motor for each primary clarifier	IL0021547	1/1/2023	\$ 4,000,000	N/E	195
Glen Carbon	4893	Construction of pump station 2 and force main to Granite City sewer system	n/a	1/2/2023	\$ 6,000,000	N/E	175
MWRDGC	384	Structural rehabilitation on pump and blower house at Calument WRP	IL0028061	3/29/2023	\$ 4,000,000	N/E	80
Northern Moraine WRD	5822	New maintenance building and garage at WWTP	IL0031933	11/1/2022	\$ 750,000	N/E	50
Total Cost of Projects Scored For Priority but Available Funds Exhausted					\$ 352,238,628		

Projects With Planning Approval - Estimated Construction Start After March 31, 2023						
Loan Applicant	L17#	Project Description	NPDES Permit No.	Estimated Construction Start	Projected Loan Amount	
Peoria	5912	Phase 3 - Addition of green infrastructure and flow monitoring	n/a	3/1/2024	\$ 8,445,000	
Quincy	5527	Phase 4 WWTP replacement of sludge thickening and sludge digestion systems	IL0030503	4/3/2023	\$ 7,000,000	
Quincy	5622	CSO LTCP Phase 4 spot repairs to combined sewer intercepts to maximize flow	IL0030503	4/3/2023	\$ 1,300,000	
Quincy	4137	Phase 2 WWTP Rehabilitation	IL0030503	4/4/2023	\$ 3,000,000	
Belleville	5833	Replacement of portion of sanitary sewer on LaSalle Street	IL0021873	5/1/2023	\$ 250,000	
Belleville	5834	Lining sanitary sewers mains, manholes and point repairs	IL0021873	5/1/2023	\$ 2,300,000	
Villa Park	5667	Washington combined sewer Phase 3, Westmore improvement proje	IL0033618	5/1/2023	\$ 5,914,000	
MWRDGC	6033	Rehabilitate Salt Creek 3 intercepting sewer	IL0028053	5/3/2023	\$ 7,250,000	
Kincaid	5980	Sewer rehabilitation to the central part of the village	IL0048607	6/1/2023	\$ 2,207,000	
Sangamon County WRD	5635	CSO improvements at Harvard Park including lining of existing sewers	IL0021971	6/1/2023	\$ 5,860,000	
Shelbyville	6021	Phase 2 improvements to Basin #2 and Basin #10	IL0021890	6/15/2023	\$ 2,888,000	
MWRDGC	6037	Replace TARP Controls and Communication equipment throughout service area	IL0028061, IL0028053, IL0028088, IL0047741	6/28/2023	\$ 25,000,000	
Joliet	6073	Westside WWTP Modifications to improve treatment reliability, effluent quality and capacity	IL0033553	7/10/2023	\$ 25,800,000	
Joliet	1655	Modifications to CSO regulator structures at 7 Locations	IL0022519	7/12/2023	\$ 8,800,000	

New Lenox	1185	New water resource recovery facility (WRRF) and conveyance modifications to convey overflow from existing sewer treatment plant to the new WRRF	IL0046264	8/9/2023	\$ 102,600,000
MWRDGC	4711	Rehabilitation of sewer in Kenilworth, Winnetka, and Wilmette	IL0028088	8/16/2023	\$ 22,750,000
Manhattan	3024	Expand existing STP to increase design flow	IL0020222	8/25/2023	\$ 21,550,000
MWRDGC	5890	Rehabilitation of digester tanks, digester gas collection and electrical components at Calumet WRP	IL0028061	10/4/2023	\$ 15,000,000
DuPage County DPW	4262	Phase 2 - Grit and Screening Improvements	IL0031844	10/11/2023	\$ 20,000,000
Galesburg Sanitary District	5847	Phase 4 - Upgrade of 1929 trickling filter plant	IL0023141	11/2/2023	\$ 49,000,000
New Lenox	6009	Phase 181-Conveyance modifications to convey flow from existing sewer treatment plant to the new water resource recovery facility	IL0020559	2/5/2024	\$ 28,000,000
New Lenox	6010	Phase 182-Conveyance modifications to convey flow from existing sewer treatment plant to the new water resource recovery facility	IL0020559	2/5/2024	\$ 16,400,000
Wilmette	6041	2024 sewer lining program	n/a	3/1/2024	\$ 1,640,000
Glendale Heights	6098	Secondary Clarifiers Rehabilitation	IL0028967	3/15/2024	\$ 3,500,000
Quincy	4138	Phase 3 WWTP Rehabilitation	IL0030503	4/10/2024	\$ 2,000,000
Villa Park	5668	Washington area combined sewer separation project (Phase 3)	IL0033618	5/1/2024	\$ 5,100,000
Kincaid	5981	Sewer rehabilitation to the SW part of the village	IL0048607	7/1/2024	\$ 1,092,000
DuPage County DPW	4263	Phase 3 - Construction of one new aeration basin, one new secondary clarifier, demolition and replacement of the existing clarifier splitter box, three new RAS pumps, replacement of diffusers and other appurtenances at WGV WWTP	IL0031844	7/1/2024	\$ 7,820,000
Glendale Heights	6099	Primary Clarifiers Rehabilitation	IL0028967	3/15/2025	\$ 1,800,000
DuPage County DPW	4265	Phase 5 - Implementation of chemical phosphorus removal at WGV WWTP	IL0031844	7/1/2025	\$ 1,310,000
Wilmette	6042	2026 sewer lining program	n/a	3/1/2026	\$ 1,640,000
Shelbyville	6022	Phase 3 improvements to Basin #3	IL0021890	5/1/2026	\$ 16,500,000
DuPage County DPW	4266	Phase 6 - Digester and solids dewatering rehabilitation at WGV WWTP	IL0031844	7/1/2026	\$ 1,380,000

Projects With Planning Approval - Estimated Construction Start After March 31, 2023 \$ 475,096,000

WPCLP Projects which did not have Planning Approval prior to March 31, 2022

Loan Applicant	L17#	Project Description	NPDES Permit No.	Estimated Construction Start	Projected Loan Amount
Alhambra	TBD	Cleaning and Lining of Sanitary Sewers	ILG580004	10/1/2022	\$ 420,000
Barrington	3620	Upgrades to existing WWTP including new preliminary treatment building	IL0021598	4/3/2023	\$ 50,500,000
Bloomington Normal WRD	5521	Phase 1A phosphorus removal conversion and upgrades to southeast WWTP	IL0073504	9/1/2023	\$ 22,000,000
Bloomington Normal WRD	6137	Phase 1 biological nutrient removal conversion and upgrades to the west WWTP	IL0027731	6/1/2025	\$ 52,000,000
Breese	TBD	Wastewater treatment plant improvements to increase capacity	IL0022772	11/1/2023	\$ 7,500,000
Byron	TBD	WWTP improvements including UV treatment, new laboratory, and accommodation for biological phosphorus removal	IL0027804	5/1/2023	\$ 12,000,000
Byron	4253	WWTP improvements to replace existing aged treatment units with new units	IL0027804	6/1/2023	\$ 15,569,000
Canton	4635	Upgrade treatment plant to replace aging facilities including demolition and new installation	IL0027839	8/1/2024	\$ 35,000,000
Carterville	6071	Construct new sewage treatment facility	IL0025178	8/1/2023	\$ 21,816,700
Channahon	TBD	Construct new 0.62 MGD (DAF) wastewater treatment plant and effluent conveyance to the Illinois River	IL0069906	10/30/2024	\$ 10,500,000
Chicago	TBD	Large diameter sewer lining	n/a	4/24/2023	\$ 20,000,000
Chicago	6152	Sewer rehabilitation and improvements	n/a	6/26/2023	\$ 41,000,000
Christian County WRD	5861	WWTP Improvements and CSO Upgrades	IL0031356	3/30/2023	\$ 12,000,000
Cuba	6125	WWTP Improvements including replacement of delapidated equipment and maintenance	IL0570300	5/1/2023	\$ 3,718,605
Dallas City	6083	Replace and relocate 2 lift stations out of the floodplain and rehabilitate 2 lift stations and adjacent gravity sewer mains and manholes to provide additional flood resiliency	IL0028312	11/15/2023	\$ 2,300,000
Dixon	TBD	WWTP improvements including phosphorus removal, screening, grit pumping and washing, heating/ventilation upgrades, equipment replacement, UV disinfection, and miscellaneous other improvements	IL0026450	3/15/2023	\$ 12,000,000
Edwardsville	TBD	Wastewater treatment plant improvements to replace aging equipment and increase capacity	IL0026310	1/1/2024	\$ 8,000,000
Edwardsville	TBD	Replacement of existing sanitary sewer with larger diameter sewer	IL0026310	1/1/2024	\$ 7,250,000
Elmhurst	6145	Phase 5 WWTP improvements	IL0028746	2/3/2023	\$ 26,500,000
Grand Tower	229	Improvements to wastewater collection with sanitary sewer extension	ILG580079	3/1/2023	\$ 96,000
Hopkins Park	TBD	Wastewater treatment plant improvement and modernization	ILG580217	12/1/2022	\$ 5,709,000
Itasca	TBD	Phase 3 north side infrastructure improvements including construction of oversized storm sewer and stormwater detention	n/a	10/20/2023	\$ 5,400,000
Itasca	TBD	Phase 4 north side infrastructure improvements	n/a	10/20/2024	\$ 5,100,000
Jonesboro	6049	Lagoon improvements including new flow meters, bar screen, aerators, access bridge and electrical components. Lagoon bank stabilization	IL0029319	7/20/2022	\$ 1,342,000
Kankakee River Metropolitan Agency	TBD	Expand existing WWTP Capacity	IL0021784	2/7/2025	\$ 76,700,000
Mendota	6118	SCADA improvements and a new headworks building	IL0023221	3/1/2023	\$ 8,300,000
Minooka	3889	Sewer extension under I-80 at International Parkway	IL0055913	4/14/2023	\$ 5,370,950
Moline	TBD	WWTP improvements to meet new phosphorus effluent regulations	IL0029939	11/1/2024	\$ 69,980,000
MWRDGC	TBD	Replace aerated grit traveling bridges with screw conveyors, CWRP	IL0028061	7/18/2023	\$ 4,600,000
MWRDGC	TBD	O'Brian WRP installation of biological phosphorus removal	IL0028088	2/27/2023	\$ 7,500,000
MWRDGC	388	Replacement or rehabilitation of mechanical process components at five facilities	IL0028053, IL0028088, IL0047741, IL0036137	8/8/2022	\$ 11,000,000
MWRDGC	389	6th Street construction and utility tunnel rehabilitation	IL0028061	4/1/2023	\$ 3,100,000
MWRDGC	6031	Rehabilitate hydraulic actuators and wheel gates G3 and G4 at MSFS	IL0047741	5/19/2023	\$ 4,000,000
MWRDGC	6032	Construct facility for phosphorus removal at Kirie WRP	IL0047741	7/26/2023	\$ 6,500,000
MWRDGC	6038	Fermentation and ancillary facilities for biological phosphorus removal	IL0028061	5/1/2023	\$ 31,000,000
Naperville	TBD	Construction of second biosolids holding tank to meet future capacity	IL0034061	2/1/2025	\$ 1,500,000
Naperville	TBD	Upgraded grit and RAS processes to meet current and future capacity	IL0034061	2/1/2024	\$ 7,700,000
Naperville	TBD	Addition of two aeration tanks and two clarifiers and blowers to South Plant	IL0034061	1/1/2025	\$ 23,138,000
Naperville	TBD	WWTP upgrades including aerator replacement and clarifier upgrades	IL0034061	3/1/2029	\$ 26,189,000
Naperville	TBD	Replacement of treatment plant influent pipe	IL0034061	1/1/2023	\$ 3,058,000
Naperville	TBD	Pump station improvements including replacement or rehabilitation of high-capacity submersible pumps	IL0034061	2/1/2023	\$ 4,995,600
North Shore WRD	4494	Rehabilitation of sewer and manholes	IL0035092, IL0030244,	2/1/2023	\$ 1,650,000
North Shore WRD	4495	Replacement of substations and associated cabling at 3 reclamation facilities	IL0030171	3/1/2023	\$ 20,482,000
North Shore WRD	TBD	Upgrades to Pump Station #6	IL0030171	10/3/2022	\$ 9,323,300

Northern Moraine WRD	TBD	Conversion of existing chlorine tank to UV light disinfection units	IL0031933	4/1/2023	\$ 2,100,000
Northern Moraine WRD	TBD	Installation of solar array consisting of 2,000 solar panels at WWTP	IL0031933	4/1/2023	\$ 4,000,000
Onarga	6128	WWTP Improvements including chlorine gas system and grit and FOG removal package plant	IL0076813	11/2/2023	\$ 1,750,000
Pana	6110	Replacement of existing WWTP	IL0022314	1/2/2023	\$ 10,700,000
Peru	TBD	Installation of new trunk sewer from Plank road, across Interstate 80 to lift station	IL0030660, IL0075507	10/1/2023	\$ 6,000,000
Plano	1034	Service extension to unsewered area	IL0020052	9/1/2023	\$ 4,750,000
Princeville	6143	Abandon existing SW treatment plant, install new lift station and force main from the SW treatment plant to NE treatment plan, and new stormwater holding ponds	IL0051276	8/1/2023	\$ 5,150,000
Rantoul	3611	WWTP improvements to dewatering, filtration, headworks, and chlorine system. Upgrades to pumps at three lift stations	IL0022128	10/1/2023	\$ 28,753,000
Ridgway	6121	Renovation of existing wastewater treatment plant aeration system	IL0020079	5/31/2023	\$ 500,000
Salt Creek S.D.	6123	Phase 1 improvements to replace UV disinfection equipment and rebuild sludge dewatering belt filter press	IL0030953	7/5/2023	\$ 1,726,000
Salt Creek S.D.	6124	Phase 2 improvements including new clarifiers, WAS thickening, and headworks. Improvements to aeration basins. Implement chemical phosphorus removal	IL0030953	1/6/2025	\$ 29,778,000
Sangamon County WRD	TBD	Spring Creek WWTP Collection System: Oak Ridge Interceptor Replacement	IL0021989	1/1/2024	\$ 4,620,000
South Palos Township S.D.	TBD	Sewer cured in place lining of approximately 118 service laterals	n/a	10/2/2023	\$ 1,420,000
Springfield	TBD	Rehabilitation of combined sewer with CIPP lining	n/a	8/1/2023	\$ 2,530,000
St. Jacob	4377	Lining of aged sanitary sewers	ILG580212	4/1/2023	\$ 800,000
St. Joseph	TBD	Installation of trunk sewer along Douglas Street	IL0023086	3/1/2024	\$ 5,500,000
Stillman Valley	6133	Phase 1 sanitary sewer system improvements including new sewers and lining of existing sewers	IL0079197	11/1/2023	\$ 1,373,000
Tamms	TBD	WWTP and collection system improvements	ILG058033	11/19/2022	\$ 1,460,000
Thorn Creek Basin SD	TBD	Phased construction projects include phosphorus removal and improvement projects throughout district facilities	IL0027723	5/30/2025	\$ 50,000,000
Troy	TBD	Upgrade equipment/storage capacity for sludge processing	IL0031488	6/30/2027	\$ 500,000
Troy	5506	Upgrade existing facilities for holding stormwater, digester, sludge storage	IL0031488	11/30/2024	\$ 2,500,000
Troy	5507	Upgrade tertiary filters to enhance effluent quality	IL0031488	6/30/2027	\$ 6,500,000
Troy	5508	Expansion of the treatment facility and construction of northern interceptor to eliminate 4 lift stations	IL0031488	9/30/2023	\$ 22,000,000
Urbana and Champaign SD	4393	Improvements at Northeast Treatment Plant, construction of gas pipeline to mass transit district, and replacement of existing gas digester piping at Northeast Treatment Plant	IL0031500	4/28/2025	\$ 19,053,000
Urbana and Champaign SD	TBD	General plant upgrades to aging facilities	IL0031526	7/15/2023	\$ 14,076,000
Ursa	4150	WWTP upgrades including addition of two aerated lagoon cells and aerated rock filter		3/1/2023	\$ 1,204,710
Villa Park	TBD	Park Blvd. sewer rehabilitation project	IL0033618	5/1/2024	\$ 3,036,000
Washington	5813	New sanitary trunk sewer and influent pumping station	IL0024881, IL0042412	7/1/2022	\$ 13,145,050
Wauconda	TBD	Conversion of trickling filter process to all activated sludge process	IL0020109	3/1/2027	\$ 18,000,000
Wheaton S.D.	4722	Secondary clarification rehabilitation project	IL0031739	11/1/2022	\$ 7,000,000
Wheaton S.D.	4723	Sludge dewatering improvements project	IL0031739	2/1/2023	\$ 13,000,000
Wood River	TBD	9th St. detention pond project	IL0031852	4/1/2023	\$ 5,500,000
Woodstock	TBD	Replacement and expansion of components at North and South STP. Improvements to lift stations, SCADA, electrical, lighting and HVAC	IL0031861, IL0034282	3/10/2024	\$ 34,000,000
Total Cost of Projects Without Planning Approval Prior to March 31, 2022					\$ 1,026,232,915

Projects on the FY2023 Intended Funding List with Funds Reserved Through December 31, 2022	\$ 515,000,000
Total Cost of Projects Scored For Priority but Available Funds Exhausted	\$ 352,238,628
Projects With Planning Approval - Estimated Construction Start After March 31, 2023	\$ 475,096,000
Total Cost of Projects Without Planning Approval Prior to March 31, 2022	\$ 1,026,232,915
Total Cost of Projects on FY2023 WPCLP Project Priority List:	\$ 2,368,567,543

