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I. Introduction

This is the Arkansas Department of Agriculture's Natural Resources Division Clean Water State Revolving Loan Fund (CWSRF) Intended Use Plan (IUP) for state fiscal year 2025 (SFY 2025) beginning July 1, 2024, and ending June 30, 2025. The Water Resources Development Section of the Natural Resources Division administers the CWSRF and prepared this IUP. The Arkansas Development Finance Authority (ADFA) currently assists the Natural Resources Division as acting agent, the financial authority anticipates transitioning some or all these responsibilities to the Natural Resources Division.

This IUP identifies the projects and administrative costs that anticipate utilizing records of the funds available to the CWSRF for SFY 2025. The capitalization (cap) grants and the prior state match to fund these activities are from prior fiscal years and the federal fiscal year 2024 (FFY 2024) appropriations, including Bipartisan Infrastructure Law (BIL) Funding

The CWSRF program anticipates disbursing approximately \$200 million in the base programs (which include the FFY 2024 Base Capitalization grant \$5,340,000), \$14,877,000 million in general BIL (G-BIL), and \$1,391,000 million in emerging contaminants BIL (EC-BIL) to projects in SFY 2025. All projects are designed to ensure public health protection and compliance with the Clean Water Act (CWA). Projected sources and uses of funds are displayed in Chart 3.

In accordance with 2 CFR 200.328 and 40 CFR 35.3165 the Water Resources Development Section agrees to provide in its Annual Report information regarding key project characteristics, milestones, and environmental/public health protection results in the following areas:

- 1) Achievement of the outcomes established in the IUP
- 2) The reasons for delays, if any
- 3) Environmental results
- 4) Compliance with Green Project Reserve
- 5) Compliance with Additional Subsidization

The Natural Resources Division will summarize variations from the IUP that occur during SFY 2025 in the Annual Report.

Throughout this document, the Natural Resources Division references loans. However, the Natural Resources Division purchases a bond from its borrowers; therefore, all loan references are private bond purchases.

A. Water Resources Reform and Development Act (WRRDA) Amendments

The Water Resources Reform and Development Act of 2014 (WRRDA) was signed into law on June 10, 2014. Among its provisions are amendments to Titles I, II, V, and VI of the Federal Water Pollution Control Act (FWPCA). Throughout this IUP, the WRRDA amendments have been incorporated.

In accordance with the amendments in the WRRDA to Titles I, II, V, and VI of the FWPCA, the Natural Resources Division can now offer maximum lending terms of 30 years or the life of the project, whichever is less.

B. Bipartisan Infrastructure Law, Infrastructure Investment and Jobs Act

President Biden signed the Bipartisan Infrastructure Law, Infrastructure Investment and Jobs Act (BIL) on November 15, 2021. These funds will be used to strengthen the nation's clean water. CWSRF funds will have two separate funding categories under BIL: general supplemental and emerging contaminants. The key priority for BIL is to ensure that disadvantaged communities benefit from this investment in water infrastructure.

II. Clean Water State Revolving Loan Fund Goals

The Natural Resources Division is committed to supporting the two major objectives found in Title VI and has established its short and long-term goals accordingly. Those objectives and goals are set forth below.

Objectives are to provide funding for eligible wastewater treatment and nonpoint source projects to meet requirements of the Clean Water Act (CWA):

- Emphasize nonpoint source pollution (NPS) control and the protection of estuaries.
- Facilitate the establishment of permanent institutions in each state that would provide continuing sources of financing needed to maintain water quality.

A. Short-Term Goals:

1. The Natural Resources Division agrees to comply with all requests for data related to the use of the funds as the Environmental Protection Agency (EPA) specifies for the State Revolving Fund (SRF) Data System and the Federal Funding Accountability and Transparency Act (FFATA) Requirement.
2. The Natural Resources Division will submit the IUP to apply for the federal cap grant within the first year that funds are appropriated. This is contingent on the project priority list supporting the application amount.
3. The Natural Resources Division anticipates closing 65 assistance agreements for loan closing totaling approximately \$420 million. These projects are identified in [Chart 1](#).
4. The Natural Resources Division anticipates 12 projects that will meet the additional subsidization (principal forgiveness) requirements. These projects are identified in [Chart 2](#).
5. The Natural Resources Division anticipates at least 26 projects that include components that meet green project reserve requirements. These projects are also identified in [Chart 2](#).
6. The Natural Resources Division plans to increase public knowledge of the CWSRF through press releases featuring approved funding and potential use of social media to highlight program success stories. The Natural Resources Division also plans to promote the CWSRF by seeking opportunities and providing incentives to promote the CWSRF, along with participation in up to four public conferences.
7. Plan to contract out 2% technical set aside to provide training in disadvantage communities and assist with applying for funds.

B. Long-Term Goals:

1. Achieve statewide compliance with federal and state water quality standards by providing both traditional, low-interest rate loans and innovative assistance to make affordable

wastewater treatment projects and other eligible environmental improvements available to the Natural Resources Division communities and other qualified recipients.

2. Progress toward achievement of our long-term water quality compliance goal by achieving initiation of operation on projects in a timely manner.
3. Maintain the purchasing power of the CWSRF in perpetuity through sound and effective administration and fiscal management.
4. The Natural Resources Division plans to reach the disadvantage communities to provide subsidy in form of principal forgiveness that aligns with the Natural Resources Division affordability criteria definition.
5. Mainstream funding process and make more user friendly.

III. Priority List and System

The available funds will be allocated in accordance with the current priority system by priority ranking, ability of the community to enter a binding commitment, and ability of the community to proceed. The Project Priority List (PPL) is in [Appendix B](#). Note that the Natural Resources Division may fund any projects on the Priority List.

The purpose of this ranking system is to direct available funding to priority water quality-related needs in the state of Arkansas. The priority ranking system will form the basis for forecasting the allocation of funds to projects, which is an essential function of this IUP. Based on the information available at the time of IUP development, the Natural Resources Division will evaluate each project that submitted a Priority Score Sheet to be included in the PPL. The project will be assigned priority points based on the priority ranking scoring system.

All anticipated projects related to the provision of sewer services, including combined sewer overflow projects, requested by public utilities, have been scored and assigned a funding score and appear on the PPL, as detailed in [Appendix A](#).

The PPL contains projects that are interested in utilizing funding from the CWSRF program. Each project is evaluated to determine its relative priority as compared to the rest of the projects seeking funding through the CWSRF program. The Natural Resources Division prepares the Priority System used to rank projects (included as [Appendix A](#)), provides the PPL form, determines the priority points for the projects that return questionnaires, and develops the PPL. The Natural Resources Division then takes the PPL and establishes a Fundable List. The Fundable List ([Chart 2](#)) is not a separate list but is instead composed of projects from the PPL that expect to close an assistance agreement and expend funds in this fiscal year. All projects approved for funding with the Natural Resources Division CWSRF have been reviewed for consistency with appropriate plans developed and approved under Sections 205(j), 208, 303(c), 319 and 320 of CWA, as amended. Evidence of this review and finding of consistency is documented in each CWSRF project file prior to closing an assistance agreement.

The status of the National Municipal Policy (NMP) projects in this IUP will not be affected by the work contemplated. All Section 212 projects listed on the NMP List have been:

- (a) Previously funded
- (b) In compliance
- (c) On an enforcement schedule
- (d) Have an enforcement action filed

IV. Fundable List of Projects

A list of projects submitted to the Natural Resources Division for funding from the CWSRF program is available in [Chart 2](#). The list will be updated from time to time as provided in Title XVI of the Natural Resources Division. Projects will be removed from the list when they receive funding commitment(s) for their project from any source(s) and the project is complete, after five years without a funding application, or when they request their project be removed. Funding commitment for the CWSRF program will mean an executed Bond Purchase Agreement, or a signed assistance agreement if a bond is not required. Effective January 1, 2023, all funded projects have twelve (12) months to open bids and execute the loan (Bond).

V. Bypass Procedures

If a project's readiness to proceed changes status after it was placed on the Fundable List, the state reserves the right to put the project on hold and take another project from the PPL that is ready to proceed in its place. Previous examples of readiness changes include court cases filed, other funding withdrawn, or change in administration of the entity proposing the project. If a project is not ready to proceed, the Natural Resources Division will substitute the next project on the PPL that is ready to proceed and has submitted a funding application. If this situation develops, an explanation will be included in the Annual Report.

VI. Type of Communities Served and Financial Assistance Needed

In accordance with the applicable cap grant and P.L. 111-88, the Natural Resources Division provides additional subsidization in the form of principal forgiveness.

Due to the abundance of loan repayments and the Natural Resources Division's access to the municipal bond market, financing is available for both large and small communities.

The Natural Resources Division anticipates closing \$3,574,136.25 in four loans for projects to communities with populations of less than 10,000 during SFY 2025 ([Chart 2](#)).

VII. Type and Terms of Assistance

Prior to FFY 2010, the Natural Resources Division made the decision to provide loans as the only type of assistance, due to feasibility. Loans provide the most flexible use of the funds. By providing assistance in the form of loans, the Natural Resources Division can vary the terms of the loans to help disadvantaged communities, refinance existing debt to improve the finances of entities, or pledge the loans to leverage issues to increase the funds available for the program. Beginning with the 2009 American Recovery and Reinvestment Act and the FFY 2010 cap grant, the Natural Resources Division offers additional subsidization in the form of principal forgiveness, negative interest rate loans, or grants.

Assistance will be provided in the form of loans for up to 100 percent of the eligible cost of projects. Loans at below market interest rates provide affordable financing and incentives for loan applicants to meet the program requirements. The program provides for flexibility and the perpetuity of the CWSRF.

A. Lending Rate

The lending rate is composed of two parts: the interest rate and the servicing fee. The lending rate will be determined at the time the borrower is developing the Bond Purchase Agreement and the Bond Ordinance.

The service fees are deposited into the fees and administrative account which is outside of the CWSRF and not subject to the 4% administration cap applicable to the CWSRF.

1. Standard Lending Rates (effective July 1, 2023)

- 3.5% for a 10-year repayment period (2.5% interest, 1% fee)
- 4.0% for a 20-year repayment period (3.0% interest, 1% fee)
- 4.5% for a 30-year repayment period (3.50% interest, 1% fee)

Principal Forgiveness (PF) loans will be zero percent interest with zero percent fee (0% interest, 0% Fee)

The Natural Resources Division varies the standard lending rate in this manner to encourage entities to repay loans as quickly as possible. The quicker that entities repay, the sooner the CWSRF program will be able to use these funds on future projects.

2. Special Lending Rates

- a. Illinois River Basin: 2.5% (a 1.50% interest reduction, 1% fee) for Illinois River Basin projects addressing water quality concerns related to the Illinois River for a lending rate of 2.5% off for a maximum of 360 months or the life of the project, whichever is less.

The Illinois River is a multijurisdictional tributary of the Arkansas River, approximately 100 miles long, between the states of Arkansas and Oklahoma. The Illinois River begins in the Ozark Mountains in the northwest corner of Arkansas (Washington County) and flows west into northeast Oklahoma. Once the Illinois River enters Oklahoma, it then flows southwest and south through the mountains of eastern Oklahoma into Tenkiller Ferry Lake. Phosphorus levels in the Illinois River exceed Oklahoma's water quality criteria and can be influenced by various types of city and industrial discharges as well as nonpoint source run-off. In November of 2018, the Natural Resources Division and Oklahoma state agencies announced the completion of a new Memorandum of Agreement committing the states to future collaboration in addressing water quality concerns related to the Illinois River. As a result, special lending rates and additional subsidization (where applicable) have been incorporated for Illinois River Basin Projects that are specifically designed to reduce phosphorus concentrations in the Illinois River.

- b. Buffalo River Watershed: 2.5% (a 1.50% interest reduction, 1% fee) for Buffalo River Watershed projects addressing water quality concerns related to the Buffalo River for a lending rate of 2.5% for a maximum of 360 months or the life of the project, whichever is less.

On September 13, 2019, Governor Hutchinson created the Buffalo River Conservation Committee (BRCC) to develop an Arkansas-led approach to identify and address potential concerns in the Buffalo River Watershed. The Buffalo National River is an irreplaceable resource, both for Arkansas and the nation. Protecting its quality and enhancing its value is a commitment the State of Arkansas has prioritized. As a result, special lending rates and additional subsidization (where applicable) have been incorporated for Buffalo River Watershed Projects that are specifically designed to improve water quality in the Buffalo River Watershed.

- c. **Regionalization:** 1.50% (.50 interest, 1% fee) for regionalization projects addressing water quality concerns for a lending rate of 1.5% interest rate for a maximum of 360 months years or the life of the project, whichever is less.

Regionalization is the physical interconnection and consolidation of two or more systems including the transfer of all assets to a single system. At least one of the systems must be a small public water/sewer system servicing 10,000 or fewer customers. In cases where a regional solution is clearly feasible but is not pursued, those systems should not expect to receive priority for government-subsidized funding. Small systems may maintain their independence, but their users must be willing to pay for it. Conversely, when a system is pursuing a regional alternative that has large capital costs but will provide a better long-term solution, that project will be given priority for funding incentives. As a result, special lending rates and additional subsidization (where applicable) have been incorporated for regionalization projects that are specifically designed to regionalize one or more small systems.

- d. **Cybersecurity:** Reduction of lending rate (up to 0.50%) for eligible cybersecurity component(s) of a publicly owned, centralized wastewater treatment project, savings not to exceed the cost of the cybersecurity component(s).

Cybersecurity is defined as the cybersecurity component(s) of a centralized wastewater treatment project at publicly owned treatment works (POTWs). Eligible cybersecurity components are defined in the EPA fact sheet [Supporting Cybersecurity Measures with the Clean Water State Revolving Fund](#). Examples include development of effective cybersecurity practices and measures at POTWs and equipment and technology upgrades such as upgrading outdated computers and software, creating secure network backups, enhancing the security of information technology and operational technology systems, installing or updating supervisory control and data acquisition (SCADA) systems, providing on-site back up power generation, installing admin detection and monitoring systems, and constructing physical barriers and access control systems to protect information technology (IT) systems from unauthorized physical access. These may include locking doors/cabinets, cabinet intrusion alarms, or conduit to protect network cables. These are all eligible components that can be included in POTW centralized wastewater treatment improvement projects.

- e. **Emerging contaminants (BIL-EC):** (with 0% interest and 0% fee) Projects eligible under BIL-EC project funding at 100% additional subsidy.
- f. **Equivalency Projects:** Borrowers/Recipients selected by the Natural Resources Division to meet all federal requirements for their project, reduce the standard interest rate by up to 1%, standard fee rate remains the same.
- g. **Sponsorship Projects:** - Reduction of lending rate (refer to EPA website for more information) for publicly owned treatment works, to pair with nontraditional ones, usually a non-point source project.

Eligible sponsorship projects are defined as a project to protect, conserve, or restore natural resources, including the acquisition of easements and land for the purposes of providing water quality benefits. The following project types are categorically considered eligible for CWSRF nonpoint source funding:

- Wetland restoration projects
- Floodplain/stream restoration
- River corridor easements
- Woody buffer plantings
- Dam Removal, where there is a water quality benefit

- Water Resource Protection through land acquisition or easements for the purposes of providing significant water quality benefits
- Gully Stabilization where there is a downstream water quality benefit
- Forestland Conservation

The Natural Resources Division will confirm that proposed sponsorship projects are eligible and provide a demonstrated significant water quality benefit. As projects are proposed to be funded through CWSRF, Natural Resources Division staff will coordinate within applicable natural resources programs to ensure the projects not only meet these definitions but do not present an unintended environmental impact.

Section 603(c) of the Clean Water Act (CWA) states that the CWSRF can provide assistance to these project types under the Habitat Protection and Restoration and Surface Water Protection and Restoration eligibility as described in the [EPA's 2016 Overview of CWSRF Eligibilities document](#). As it pertains to sponsorship, this is further described in [EPA's Sponsorship Lending and the CWSRF](#). These projects are not considered treatment works projects and, therefore, are not required to comply with the National Environmental Policy Act (NEPA). However, these projects may undergo environmental review as part of the permitting review process, as applicable, by other funding sources. The Natural Resources Division reserves the right to require additional review on a case-by-case basis.

Many other federal crosscutters are not required for these projects, including American Iron and Steel (AIS), and Fiscal Sustainability Plans (FSP), as they are not treatment works projects. Davis Bacon will still apply to projects more than \$2,000, regardless of whether the project is treatment works or not. Additionally, the program intends to use repayment funds (Tier II) to fund all-sponsorship projects. Due to the use of repayment funds, Signage, and Single Audit Act do not apply. Other traditional CWSRF programmatic requirements such as standard contract documents and CWSRF construction oversight do not apply to these projects and will not be overseen by CWSRF construction engineers. The relevant regulatory or natural resource program section (dam safety, non-point source, water resources development, etc.) will oversee these projects and will assist with develop deliverable requirements. Grant conditions required by the capitalization grant will be incorporated into the loan agreement language.

1. Repayment Period

The standard repayment period is set at 20 years. Upon request the repayment period may be adjusted to 10 years or extended to 30 years. In addition, the repayment period may be adjusted to provide disadvantaged communities with an incentive to use the CWSRF program. An approved applicant's maximum loan term is typically 20 years. However, if an entity qualifies as a disadvantaged community the option to extend the term (repayment period) based on the life of the project is available. In no case will the loan term exceeds the estimated life of the project.

VIII. Agriculture Water Quality Loans

The Natural Resources Division has \$20 million in a linked deposit program in financial institutions throughout the state. The interest rate for the Agriculture Water Quality Loan Program is 3% with a maximum term of 20 years or the life of the project, whichever is less.

IX. Septic Tank Remediation Program

The Natural Resources Division will make up to \$1 million in additional funding for the pilot project to

improve and protect water quality in three targeted watersheds while assisting residents in remediating their failing onsite septic systems. The Natural Resources Division do not plan to request for more fund this state fiscal year (SFY 2025).

The Natural Resources Division selected managing organizations for the pilot programs of Beaver Reservoir Watershed, the Illinois River Watershed, and the Buffalo River Watershed to administer the projects of each watershed. Organizations interested in offering management assistance applied for two types of assistance: one for personnel and promotional expenses and one to finance the program. Personnel expenses may be awarded at the start of the three-year project term from a state program. Funds for implementation will be provided with monthly draws from the CWSRF to reimburse for eligible septic tank remediation projects. One managing organization will be selected per priority watershed for the initial three-year period.

By participating and meeting all necessary requirements in this program and depending on household income, residents in the targeted watersheds will be eligible to receive some financial assistance, not to exceed \$30,000, in the form of a loan and a loan with subsidy as reimbursement for repair or replacement of a failing septic system (if funding is available).

Targeted Watersheds:

Beaver Reservoir Watershed	HUC 11010001	H2Ozarks
Illinois River Watershed	HUC 11110103	Illinois River Watershed Partnership
Buffalo River Watershed	HUC 11010005	H2Ozarks

Each of these watersheds are a priority for the Natural Resources Division and have been chosen for this pilot projects. After three years (end of SFY 2025), the effectiveness of the pilot programs will be evaluated and, if proven effective, may be expanded to additional priority watersheds and additional funding.

X. Green Project Reserve

To date, the Natural Resources Division has allocated just over \$246.6 million to projects or components of projects that meet green requirements, meeting or exceeding required green amounts for the 2021 through the 2024 cap grants. The green project(s) expected to be allocated to the 2024 cap grant are estimated to exceed the requirement, see [Chart 2](#).

The applicant must be a POTW, and the project must demonstrate that it will facilitate compliance with the Clean Water Act. Projects eligible for Green Project Reserve will be in one of the following categories:

- Energy Efficiency – Projects that use improved technologies and practices to reduce the energy consumption of water quality projects, use energy in a more efficient way, and/or produce/utilize renewable energy.
- Water Efficiency – Projects that use improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation and reuse efforts, as well as water loss reduction and prevention, to protect water resources for the future.
- Green Infrastructure – Projects that include a wide array of practices at multiple scales that manage wet weather and that maintain and restore natural hydrology by infiltrating,

evapotranspiring, harvesting, and using stormwater. On a regional scale, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains, and wetlands, coupled with policies such as infill and redevelopment that reduce overall imperviousness in a watershed. On the local scale, green infrastructure consists of site- and neighborhood-specific practices, such as bioretention, trees, green roofs, permeable pavements, and cisterns.

- Environmentally Innovative – Projects that demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way.

XI. Affordability Criteria/Additional Subsidization

The FWPCA section 603(i)(2) requires states to develop affordability criteria that will assist them in identifying applicants that would have difficulty financing projects without additional subsidization. The Natural Resources Division provides additional subsidization in the form of principal forgiveness for a new funding application for a project that does not currently have Natural Resources Division funding approved.

The Natural Resources Division has developed the following affordability criteria to determine if a new funding application for a project is eligible for additional subsidization funds for the CWSRF:

- The current utility rates or proposed utility rates for 4,000 gallons of water on an annual basis is at least 1.5 percent of the Median Household Income (MHI) for the project area*; or
- If 51 percent of the customers who benefit from a project are either low or moderate income as defined by the U.S. Department of Housing and Urban Developments' Community Block Grant (CDBG) Program; and have 1.25 percent of MHI.

**Project area MHI is the average of the most recent three years of available data on the ACS five-year estimates provided by the University of Arkansas at Little Rock (UALR)*

Arkansas's MHI is the average of the most recent three years of available data on the ACS five-year estimates provided by UALR (2019 – 2022). Arkansas's MHI for SFY 2025 is \$56,335.

Once a project has been determined to be eligible for additional subsidization from the CWSRF, additional priority will be given to projects that meet the regionalization or green standards set by the Natural Resources Division and additional principal forgiveness may be provided.

The Natural Resources Division estimates the additional subsidization (FFY 24 cap grant), for principal forgiveness, is \$534,000. This will be pending the approval of the FFY 24 base grant.

A. Congressional Additional Subsidy Authority

Under this authority, states may provide this subsidy to any CWSRF-eligible recipient. States must use 10 percent of the funds made available in the base 2024 CWSRF capitalization grant to provide additional subsidization to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these) to be used where such funds are provided as initial financing for an eligible recipient, or to buy, refinance, or restructure the debt obligations of eligible recipients only

where such debt was incurred after March 15, 2024.

FFY 2024 Grants	Congressional Additional Subsidization	
Grant Types	Min Subsidization	Max Subsidization
Base	\$534,000	\$534,000
General	\$7,289,730	Must do 49%
Emerging Contaminates	\$1,391,000	Must do 100%

B. Clean Water Act Statutory Additional Subsidization Authority

As amended by the Bipartisan Infrastructure Law (BIL) (Pub. L. 117-58), the CWA mandates that states use at least 10 percent but no more than 30 percent of the base capitalization grant amount and 49 percent for the BIL supplemental grant to provide additional subsidy to the following:

- Any municipalities that meet the state’s affordability criteria
- Municipalities that do not meet the state’s affordability criteria but seek additional
- Subsidization to benefit individual ratepayers in the residential user rate class
- Entities that implement a process, material, technique, or technology that addresses water or energy efficiency goals; mitigates stormwater runoff; or encourages sustainable project
- Planning, design, and construction

FFY 2024 Grants	CWA Additional Subsidization Authority	
Grant Types	Min Subsidization 10%	Max Subsidization 30%
Base	\$534,000	\$1,602,000

The Natural Resources Division has elected to allocate the maximum for the FFY 2021, 2022, 2023 and 2024 cap grants, leaving approximately \$9 million available for projects or project components eligible for additional subsidization in SFY 2024. See [Chart 2](#) for the additional subsidization estimates for projects expected to close in SFY 2024.

Open Grants:

Cap Grant	Type	Min or Max	Allocated	Available to Allocate
2021	Base	Max	\$4,157,600	\$0
2022	Base	Max	\$3,028,000	\$0
2022	BIL – G	Max	\$5,704,580	\$0
2023	Base	Max	\$1,472,100	\$0
2023	BIL – G	Max	\$6,681,150	\$0
2023	BIL – EC	Max	\$0	0
2024	Base	Max	\$0	* 2,136,000
2024	Bil-G	Max	\$0	**\$7,289,730
2024	BIL-EC	Max	\$0	***\$1,391,000
Total			\$21,043,430	\$10,816,730

*Estimate; includes the max 10% congressional additional subsidy and the max 30 percent CWA Additional Subsidy.

BIL is mandatory 49 percent subsidy. *BIL-EC is 100 percent Subsidy.

XII. Financial Management

A. State Matching

The Natural Resources Division will expense all state match for each cap grant prior to requesting federal funds for construction reimbursement. This is because the Natural Resources Division is prohibited from disbursing state match in any of the forms used for Additional Subsidization Arkansas Code § 15-5-901(b)(12)(B). If federal funds are required to be spent on Additional Subsidization, the Natural Resources Division will need to disburse state match prior to requesting federal cap grant funds for construction.

The Natural Resources Division will fund the required state match by using state appropriations, grants from state funding programs, bond proceeds, or loan servicing fees. State match for the FFY 2024 Grants is estimated in the table below. State match funds will be deposited within 60 days of receipt of grant award.

Grant Year 2024	State Match %	Amount
Base Grant	20%	\$1,068,000
BIL GS Grant	20%	\$2,975,400
BIL EC Grant	0%	0%

The Natural Resources Division will deposit and disbursed all required state match for the FFY 2024 cap grant on or before October 30, 2024.

B. Anticipated Cash Draw Ratio

The Natural Resources Division will disburse 100 percent of the state match for a cap grant first and then draw 100 percent of the Federal funds for that cap grant, less awarded set-asides. The Natural Resources Division is prohibited from disbursing state match in any of the forms used for Additional Subsidization. If federal funds are required to be spent on Additional Subsidization, Arkansas Code § 15-5-901(b)(12)(B), the Natural Resources Division will continue this process for future federal cap grants.

C. Service Fee

The servicing fee is collected as part of the loan repayment. These funds are placed in the CWSRF Administration Account, which is a separate fund, and are used to fund eligible CWSRF program expenses.

D. Administrative Funds

Federal Grant Year 2024	4 Percent WRD Admin		
	Available	Claiming	Reserve
Base	\$213,600	\$0.00	\$213,600
General	\$614,400	\$614,400	\$0.00
Emerging Cont.	\$55,640	\$55,640	\$0.00

CWSRF administration will not exceed the statutory limit (33 USC 1383(d)(7))

E. 2 Percent Technical Assistance Funding

Two percent technical assistance funds are used to enhance or build programs that proactively identify, reach out to, and help rural, small, and tribal publicly owned treatment works particularly in disadvantaged communities.

The programs should be designed to help disadvantaged communities identify needs, develop projects, apply for funding, design, implement projects, build capacity, and create training and career pathways. The 2 percent technical assistance funding will be used to provide training for wastewater and solid waste operators and managers. The Natural Resources Division is contracting with The Environmental Training Academy and will use the \$232,840 that was claimed last year from the FFY23 BIL General Supplemental grant. We will also claim the FFY24 BIL General Supplemental of \$272,700 to continue the contract for two years. The total allocated for SFY 2025 is \$505,540.

Type	Available	Claiming	Reserve
22 Base	\$151,400		\$151,400
22 BIL GS	\$232,840	\$232,840	
23 Base	\$117,768		\$117,768
23 BIL GS	\$272,700	\$272,700	
24 Base	\$106,800		\$106,800
24 BIL GS	\$297,540		\$297,540
Total	\$1,179,048	\$505,540	\$673,508

F. Transfer of Funds

The Natural Resources Division is reserving the authority to transfer funds from the CWSRF 2023 and 2024 Federal cap grant to the Drinking Water State Revolving Loan Fund (DWSRF) 2023 and 2024 grant. These funds will be transferred from Clean Water construction to Drinking Water construction.

The Natural Resources Division is transferring \$3,394,000 from FFY 22-24 cap grant funds from Clean Water BIL Emerging Contaminant to DWSRF during SFY 2025.

G. Sources and Uses

The Natural Resources Division's total funding sources for the CWSRF for SFY 2025 are identified in [Chart 3](#). With the FFY 2022, 2023, and 2024 estimated cap grant balances, the required state match for the 2024 cap grants, bond proceeds, interest earnings, fees collected, and loan repayments, the Natural Resources Division estimates just over \$162 million is available during SFY 2025. The Natural Resources Division EPA payment schedule is based on the state's projection of binding commitments for selected projects included in [Chart 1](#) of this IUP.

The chart below identifies which quarters the Natural Resources Division has requested to receive each grant award. The Natural Resources Division agrees to accept grant funds that will be released by EPA utilizing the ASAP payment method. Access to these funds will be in accordance with the following schedule:

<u>CAP Grant</u>	<u>Year and Quarter</u>	<u>Payment Date</u>	<u>Payment Amount</u>
2024 Base	FFY25 /Quarter 1	10/01/2024	\$5,340,000
2024 BIL-G	FFY25 / Quarter 1	10/01/2024	\$14,877,000
2024 BIL-EC	FFY25 / Quarter 4	07/01/2025	\$1,391,000

H. Financial Management Strategies

The Natural Resources Division leverages periodically to increase the funds available for assistance. The Natural Resources Division anticipates leveraging the program in an amount up to \$60 million to meet the cash flow needs of both the Clean Water and Drinking Water SRF programs in early 2025. EPA Region 6 will be updated regarding plans to leverage.

XIII. Assurances and Specific Proposals

The Natural Resources Division provides the necessary assurances and certifications as part of the Operating Agreement between the Natural Resources Division and the U.S. Environmental Protection Agency. The Natural Resources Division Operating Agreement includes the requirements of section 35.3150 (b) (4), which are explained below.

A. Binding Commitments

The Natural Resources Division will enter binding commitments for 120 percent of each payment within eighteen (18) months of receipt of that payment, see [Chart 1](#). Binding Commitment for the CWSRF program will need an executed Bond Purchase Agreement, or a signed assistance agreement if a Bond is not required. Effective January 1, 2023, all funding approved has one year to open bids and execute the loan (bond). Funding for loans approved by the Natural Resources Division but without an executed BPA or Assistance agreement are considered “approved but not closed” and those with such agreement are considered “approved and closed.”

B. Expeditious and Timely Expenditures (35.3135(d))

The Natural Resources Division will make every effort to expend all funds in the CWSRF in a timely and expeditious manner. Federal EPA payments and the associated state match should be expended within 16 quarters from scheduled payment dates.

C. Environmental Review Requirements (35.3140)

The Natural Resources Division will conduct environmental reviews as specified in the Project Review Procedures of the Operating Agreement. To date, none of the projects that have gone through the CWSRF program have required an Environmental Impact Statement. The projects were either issued a Finding of No Significant Impact or a Categorical Exclusion.

XIV. Federal Requirements

The Natural Resources Division will comply with the following federal requirements:

- American Iron and Steel
- Disadvantaged Business Enterprise compliance (DBE)
- Federal Environmental crosscutters
- Federal Funding Accountability and Transparency ACT (FFATA) reporting
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 200)
- Build America, Buy America (BABA)
- State Cyber Security
- Wage Requirements
- Telecommunications Prohibition

A. Equivalency

Equivalency loans will be listed in the annual report as a project or a group of projects equaled to the capitalization grant amount that will be required to submit an audit that complies with the Single Audit Act requirements, comply with the Federal Funding Accountability and Transparency Act reporting requirements, BABA requirements, and American Iron and Steel (AIS). The Natural Resources Division will determine if such loan will be required to comply with these requirements. Because it is unknown which projects listed on the PPL will execute loan agreements first, it is not possible to list specific loans that will meet these requirements for the anticipated 2023 and 2024 capitalization grants.

B. Architectural and Engineering (A/E) Contracts

Arkansas's governor has certified that Subchapter 8 of Chapter 11 of Title 19 Arkansas Professional Services Procurement Law is equivalent to Chapter 11 of Title 40, United States Code for Selection of Architectural and Engineering Services under the CWSRF.

C. Audits and Reporting

The Natural Resources Division's Intended Use Plans and Annual Reports will be posted on the Department's [website](#).

An independent audit and single audit, as required, will be conducted by an outside Certified Public Accounting firm annually. Project milestones and information are reported through EPA's New Database (replaced the Benefits Reporting System - CBR), the Federal Funding Accountability and Transparency Act (FFATA) Requirement. These databases will be updated no less than quarterly. However, the goal is to update monthly.

D. Cost and Effectiveness Analysis

As part of the technical review and selection of alternatives, projects are reviewed for cost and effectiveness. The cost and effectiveness analysis includes a present worth analysis of the total project cost, associated operations and maintenance cost, and the cost of replacing the project or activity, for all the alternatives considered. The analysis also evaluates the cost and effectiveness of the processes,

materials, techniques, and technologies. Non-cost factors are also considered in the analysis, including to the extent practicable, that the project maximizes the potential for efficient water use, reuse, recapture and conservation, energy conservation, green infrastructure, and sustainable design.

E. Davis-Bacon Related Act Provision

The Federal Water Pollution Control Act (FWPCA) section 602(b)(6) permanently applies the prevailing wage (Davis-Bacon) provision of the FWPCA section 513 to any projects for treatment works that are funded by a CWSRF. Consistent with EPA's prior implementation of this provision, application of the Davis-Bacon Act requirements extends not only to assistance agreements funded with cap grants, but to all CWSRF funded projects involving the construction of treatment works regardless of the source of the funding (e.g., prior years' appropriations, state match, bond proceeds, interest earnings, principal repayments, etc.). Any project that is considered a "treatment work" as defined in the FWPCA section 212, now incorporated in FWPCA Section 502(26), must comply with the FWPCA 513, regardless of which eligibility it is funded under (*see section 603(c)*).

F. Fiscal Sustainability Plan (FSP)

The FWPCA section 603(d)(1)(E) requires a recipient of a loan for a project that involves the repair, replacement, or expansion of a publicly owned treatment works to develop and implement a Fiscal Sustainability Plan (FSP). Since the Natural Resources Division does Bond Purchase Agreements, we do not plan for our borrowers to implement an FSP. Once the analysis is completed the project is presented to the Arkansas Natural Resources Commission (Commission). After Commission approval is received, the Natural Resources Division considers this to be a complete application. The Natural Resources Division does not consider the first submittal of an application form to be the application.

G. Signage

The Natural Resources Division agrees to comply with all State Revolving Fund (SRF) Base and BIL Signage Guidance to enhance public awareness of EPA assistance agreements nationwide.

H. Build America, Buy America (BABA) Act Requirements

On November 15, 2021, Infrastructure Investment and Jobs Act (IIJA), Pub. L. No. 117-58, which includes the Build America, Buy America Act (BABA). Pub. L. No. 117-58, §§ 70901-52, was signed into law to strengthen Made in America Laws and bolster America's industrial base, protect national security, and support high-paying jobs. The law requires that no later than May 14, 2022, 180 days after the enactment of the IIJA, the head of each covered Federal agency shall ensure that "none of the funds made available for a Federal financial assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." This expands domestic sourcing requirements to require that all steel, iron, manufactured products, non-ferrous metals, plastic, and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, and drywall used in infrastructure projects for federal financial assistance programs must be produced in the United States.

The Made in America Office at the Office of Management and Budget (OMB) has developed initial overarching implementation [guidance](#).

XV. Intended Use Plan Amendment Procedures

Revisions to this IUP that are determined substantive will require Public Notice and EPA notification and approval. Significant changes to the IUP may be made through an amendment and posted to the Natural Resources Division website. Revisions to this IUP which are deemed to be non-substantive shall be made by the Natural Resources Division with notification to EPA. Non-substantive changes may be made by the Natural Resources Division without public notification.

Any changes in the project funding list shall be in accordance with procedures provided in the CWSRF Priority System and List. Any amended IUP will be posted as “Amended” on the Natural Resources Division’s website.

XVI. Public Review & Comment

To ensure that the public has an opportunity to review the state’s proposed plans for the program, a draft IUP was published on the Natural Resources Division’s [website](#) to accept comments on the IUP. To ensure that interested parties were made aware of the draft IUP and the comment period, the Natural Resources Division also published the public notice advertisement for the Clean Water and Drinking Water Revolving Loan Fund Intended Use Plans in the Arkansas Democrat-Gazette, a statewide paper, on August 11, 2024, and August 18, 2024. The public comment period remained open with a deadline for submittal of written comments of September 18, 2024. Copies of the IUP are also available, upon request, at the Natural Resources Division offices. The IUP will be revised after the comment period to respond to major comments and concerns as stated in (SDWA 1452(b)(1); 40 CFR 35.3555(b); 40 CFR 35.3150(a). There were no public comments for the SFY 2025 IUP.

XVII. APPENDIX A – Project Priority List

A. General Information

Priority points shall be used for ranking proposed clean water projects for eligibility for funding from the Clean Water State Revolving Loan Fund. The Natural Resources Division will update and post the Project Priority List (PPL) as necessary (up to 4 times) in State Fiscal Year 2025 to reflect new projects. An electronic notice will be sent to all interested parties that have requested to be added to the Water Resources Development (WRD) mailing list. To see the current list, visit the Natural Resources Division’s [website](#).

Due Date	Publish Date
June 30, 2024	July 15-31, 2024
September 6, 2024	September 15- 30, 2024
Starting in Calendar Year 2025	
February 15	March 1
May 15	June 1
August 15	September 1
October 15	November 1

The purpose of this ranking system is to direct available funding to address the priority water quality-related needs of the Natural Resources Division. This new priority ranking system will form the basis for forecasting the allocation of funds to projects that form an essential function of this IUP. Based on the information available at the time of IUP development, the Natural Resources Division will evaluate each project that has applied for funding and assign it priority points based on the new priority ranking scoring system.

All anticipated projects related to the provision of sewer services, including combined sewer overflow projects, requested by public utilities, have been scored and assigned a score and appear on the PPL. In addition, as detailed below, the Natural Resources Division is funding stormwater and nonpoint source projects that do not appear on the PPL.

B. Assignment of Priority Points

Each project’s priority score is generated from assignment of points based on the priority points criteria detailed below. These scores form a strategic foundation upon which the Natural Resources Division can prioritize allocation of funding to projects that meet the state’s goals of protecting and improving water quality and human health.

The priority ranking system criteria and methodology are intended to be objectively straight forward, qualitative, and non-technical to ensure that applicants can have some reasonable amount of predictability and transparency into how they can expect their project to be scored by the Natural Resources Division. The CWSRF system relies on readily available information with the expectation that it should be easy for the applicant to complete the PPL scoring sheet and relatively easy for the Natural Resources Division staff to review and assign priority points.

The Natural Resources Division staff rank eligible projects for funding based on information available from a variety of sources, including but not limited to the Natural Resources Division PPL application, the funding application, and other information available to the state. The Natural Resources Division staff may ask an applicant to provide documentation, if necessary, to receive points for a particular criterion. Any ranking criteria that cannot be verified by the Natural Resources Division will be awarded zero points at the discretion of the Natural Resources Division staff.

C. Priority Points Criteria

The measures that establish the priority ranking system are designed to prioritize projects that improve water quality, particularly for utilities struggling with compliance, and for projects that will improve water quality for impaired waters. Additionally, a heavy emphasis is placed on projects that are closer to being ready to construct, ensuring the efficient use of funds and quicker achievement of water quality benefits. Finally, the state awards points for state priorities rooted in best practices to ensure healthy, sustainable utilities, including points for:

- Small communities
- Green projects
- Multi-year funding (to ensure projects already begun can be completed)
- Utilities with asset management plans
- Utilities using the CWSRF to only fund a portion of the project
- Projects that include consolidation or are for utilities that have already undergone consolidation

The specific criteria and points associated with each are detailed in the table below. For more information and guidance on each criterion, please refer to the Natural Resources Division PPL Score Sheet which provides further details and links to more information. Any revisions to the priority points criteria will be documented and posted in a revised IUP. The point total results for each project are included in the attached PPL and will be published to the Natural Resources Division's website up to four times each year.

#	Criteria	Points Awarded for a "Yes" Answer
PROJECT BENEFITS		
Basic Eligibility		
1	Is the project (in total or in part) eligible for the CWSRF?	10
System Functionality		
2	Will the project improve, repair, upgrade, enhance, rehab, restore, create, or expand an engineered, constructed, or natural system that improves or protects surface water or ground water quality?	10
Permit Compliance		
3	Is the recipient required to meet a water quality-related permit that will be impacted by the project?	10
4	Will the project help an entity out of compliance with a water quality-related permit achieve compliance?	5
Improves Quality of Impaired Water Bodies		
5	Will the project benefit a water body that is listed as impaired on the State's 303(d) list--Category 4 or Category 5--or 305(b) list?	10
6	Will the project support implementation of a TMDL?	5
7	Will the project reduce phosphorous contamination in the Illinois River Watershed or improve water quality in the Buffalo River Watershed?	5
AFFORDABILITY & NEED		
8	Is the recipient a community with a population under 10,001 people?	5
	Is the recipient a community with a population under 1,001 people?	10
READINESS TO PROCEED		
9	Has a complete funding application been submitted for the project?	4
	Has the Arkansas Natural Resources Commission approved funding?	1000
	Has a complete Benefits Report been submitted for the project?	4
	Has the Environmental Review been completed for the project?	4
	Have the plans and specs been approved for the project?	4
	Has ADEQ completed permit review and/or issuance?	4
OTHER FACTORS		
GPR		
10	Will any aspect or portion of the project count as a Green Project?	5
MULTI-YEAR		
11	Is the project a continuation of an effort that received CWSRF funding in the past 2 years?	10
ASSET MANAGEMENT PLAN		

- 12 Does the borrower either have an asset management plan or will develop an asset management plan as part of this project? 5

CONSOLIDATION & REGIONALIZATION

- 13 Will the project include consolidation and regionalization between utilities, at least one of which has a population under 10,000 people? 30

If no, will the project be for a utility that was formed through consolidation or regionalization between utilities, at least one of which has a population under 10,000 people, that occurred in the past? 5

CO-FUNDING

- 14 Will another funding source (either the community or a different lending source) be contributing to the project? 10

D. Alternative Criteria for Non-Traditional Projects

In addition to the projects listed in the PPL that are scored as detailed above, the Natural Resources Division may also fund up to \$5 million in non-traditional projects in SFY 2025 that meet alternative criteria establishing the contribution they make to improving water quality.

Stormwater projects and NPS projects will be eligible for this pool of funding on a first come, first-served basis. These projects will still be subject to all applicable state and federal rules and requirements, and the terms of the funding package – including the interest rate and loan length – will be established by the Natural Resources Division. In addition, the Natural Resources Division will specify the steps to apply for project funding and determine how it will underwrite these projects.

XVIII.APPENDIX B - Charts

A. Chart 1 Binding Commitments

Project Name / Community Served	Loan Number	Estimated Binding Commitment Date	Estimated State Fiscal Year 2025				Totals
			QTR 1	QTR 2	QTR 3	QTR 4	
Arkansas City	02324-CW-L	08/07/2024	\$94,000.00				\$94,000.00
Arkansas City	02325-CW-F	08/07/2024	\$282,000.00				\$282,000.00
Bentonville	02255-CW-L	0615/2025	\$97,759,381.00				\$97,759,381.00
Bryant- (Lea Circle)	02334-CW-L	03/05/2025			\$1,871,358.00		\$1,871,358.00
Bryant- (Spring Hill)	02404-CW-L	03/05/2025			\$1,500,000.00		\$1,500,000.00
Calico Rock	02358-CW-L	08/07/2024	\$938,825.00				\$938,825.00
Camden	02318-CW-L	08/07/2024	\$3,520,061.00				\$3,520,061.00
CAW - Wrightsville	02331-CW-L	08/07/2024	\$10,893,000.00				\$10,893,000.00
Clinton	02412-CW-L	03/26/2025			\$5,472,225.00		\$5,472,225.00
Corning	02326-CW-L	11/12/2023		\$2,562,796.00			\$2,562,796.00
Crossett	02251-CW-L	07/15/2024		\$3,000,000.00			\$3,000,000.00
Decatur	02338-CW-L	11/12/2023		\$11,500,000.00			\$11,500,000.00
Diamond City	02335-CW-L	11/12/2023		\$2,274,360.00			\$2,274,360.00
Dierks	02280-CW-L	03/26/2025			\$1,181,051.50		\$1,181,051.50
Dierks	02281-CW-F	03/26/2025			\$3,543,154.50		\$3,543,154.50
El Dorado Rural PWA	02319-CW-L	10/16/2023		\$173,680.75			\$173,680.75
El Dorado Rural PWA	02458-CW-L	10/16/2023		\$521,042.25			\$521,042.25
El Dorado Water Utilities	02459-CW-F	10/16/2023		\$63,051,977.00			\$63,051,977.00
Glenwood	02336-CW-L	08/01/2023	\$4,383,515.00				\$4,383,515.00
Holiday Island (L)	2420-CW-L	03/19/2025			\$838,704.00		\$838,704.00
Hope	02232-CW-L	07/15/2024	\$714,000.00				\$714,000.00
Horatio	02282-CW-L	03/05/2025			\$1,259,325.50		\$1,259,325.50
Horatio	02283-CW-F	03/05/2025			\$3,777,976.50		\$3,777,976.50
Huntsville	2414-CW-L	08/07/2024	\$32,600,000.00				\$32,600,000.00
Huttig	02322-CW-F	08/07/2024	\$2,483,413.50				\$2,483,413.50
Huttig	02321-CW-L	08/07/2024	\$2,483,413.50				\$2,483,413.50
Jacksonville	02320-CW-L	06/11/2025				\$5,966,832.00	\$5,966,832.00
Jennette	02328-CW-L	08/14/2024	\$491,616.50				\$491,616.50
Jennette	02329-CW-F	08/14/2024	\$363,034.50				\$363,034.50
Judsonia	2415-CW-L	08/14/2024	\$2,728,210.00				\$2,728,210.00
Keiser	02330-CW-L	09/17/2024	\$262,140.00				\$262,140.00
Keiser	02492-CW-L	09/17/2024	\$4,347,000.00				\$4,347,000.00

Project Name / Community Served	Loan Number	Estimated Binding Commitment Date	Estimated State Fiscal Year 2025				Totals
			QTR 1	QTR 2	QTR 3	QTR 4	
Lake City	02257-CW-L	05/20/2025				\$1,373,910.00	\$1,373,910.00
Lake Village	02337-CW-L	05/20/2025				\$3,828,996.00	\$3,828,996.00
Little Rock #18	02332-CW-L	07/15/2024	\$59,600,000.00				\$59,600,000.00
Little Rock #18	02498-CW-L	06/26/2024				\$5,400,000.00	\$5,400,000.00
Lost Bridge Village Sewer	2421-CW-L	04/08/2025				\$699,231.00	\$699,231.00
Lost Bridge Village Sewer	2422-CW-F	04/08/2025				\$233,077.00	\$233,077.00
Magazine	02278-CW-L	09/17/2024	\$1,007,794.50				\$1,007,794.50
Magazine	02279-CW-L	09/17/2024	\$335,931.50				\$335,931.50
Mayflower	2416-CW-L	08/29/2024	\$12,440,375.00				\$12,440,375.00
McGehee	02351-CW-L	06/26/2024				\$539,115.75	\$539,115.75
McGehee	02352-CW-F	06/26/2024				\$1,617,347.25	\$1,617,347.25
McGehee	02353-CW-L	06/26/2024				\$417,558.00	\$417,558.00
McGehee	02354-CW-F	06/26/2024				\$417,558.00	\$417,558.00
Monticello	02481-CW-L	08/29/2024	\$2,300,880.00				\$2,300,880.00
Mountainburg - Wastewater	01389-CW-L	08/29/2024	\$1,037,000.00				\$1,037,000.00
Mt. Top Sewer	02267-CW-L	04/22/2025				\$128,460.50	\$128,460.50
Mt. Top Sewer	02327-CW-L	04/22/2025				\$385,381.50	\$385,381.50
Perryville	02268-CW-F	07/31/2024	\$1,184,968.00				\$1,184,968.00
Pleasant Plains	02323-CW-L	07/31/2024	\$1,921,939.25				\$1,921,939.25
Pleasant Plains	02315-CW-L	07/31/2024	\$5,765,817.75				\$5,765,817.75
Pollard	02316-CW-F	08/07/2024	\$438,053.25				\$438,053.25
Pollard	02362-CW-L	08/07/2024	\$146,017.75				\$146,017.75
Poyen	02363-CW-F	08/07/2024	\$787,415.00				\$787,415.00
Runyan Acres Sanitary SID #211	02497-CW-L	07/25/2024	\$8,931,412.00				\$8,931,412.00
Springdale (Spring Creek)	02380-CW-L	09/18/2024	\$22,750,000.00				\$22,750,000.00
Stephens	01395-CW-L	0910/2024	\$359,985.85				\$359,985.85
Stephens	2418-CW-L	0910/2024	\$973,358.15				\$973,358.15
Stuttgart	2419-CW-F	0910/2024	\$7,911,332.00				\$7,911,332.00
Stuttgart	02491-CW-L	0910/2024	\$2,347,000.00				\$2,347,000.00
West Fork	02263-CW-L	07/08/2024	\$1,130,000.00				\$1,130,000.00
West Fork	02264-CW-F	07/08/2024	\$840,000.00				\$840,000.00
Westwood Village SFB	02240-CW-L	04/22/2025				\$122,694.75	\$122,694.75
Westwood Village SFB	02241-CW-F	04/22/2025				\$368,084.25	\$368,084.25
<i>Section 212 SFY Total</i>			\$296,552,890	\$83,083,856	\$19,443,795	\$21,498,246	\$420,578,787
Cumulative Section 212 Totals			\$1,656,464,215.00	\$1,739,548,071.00	\$1,758,991,866.00	\$1,780,490,112.00	

Project Name / Community Served	Loan Number	Estimated Binding Commitment Date	Estimated State Fiscal Year 2025				Totals
			QTR 1	QTR 2	QTR 3	QTR 4	
Section 319 Projects							
Nonpoint Croplands			\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
				-	-	-	-
<i>Section 319 SFY Totals</i>							
Cumulative Section 319 Totals		\$ 1,380,661	\$ 1,480,661	\$ 1,580,661	\$ 1,680,661	\$ 1,780,661	\$ 5,772,644
Administrative Program							
<i>Administrative Program SFY Totals</i>			\$289,110	\$289,110	\$289,110	\$289,110	\$1,156,440
Cumulative Administration		\$ 1,156,440	\$ 1,445,550	\$ 1,734,660	\$ 2,023,770	\$ 2,312,880	
SUMMARY BINDING COMMITMENTS							
Section 212			\$296,552,890	\$83,083,856	\$19,443,795	\$21,498,246	\$420,578,787
Section 319			\$100,000	\$100,000	\$100,000	\$100,000	
Administrative Program			\$289,110	\$289,110	\$289,110	\$289,110	
<i>Sub Totals</i>			<i>296,942,000</i>	<i>83,472,966</i>	<i>19,832,905</i>	<i>21,887,356</i>	
Cumulative Totals		\$ 1,362,448,426	\$ 1,659,390,426	\$ 1,742,863,392	\$ 1,762,696,297	\$ 1,784,583,653	
Required SFY 2025 - Estimate							
Required Cumulative Binding Commitments		\$ 420,503,946	\$ 420,503,946	\$ 420,503,946	\$ 420,503,946	\$ 420,503,946	
Percentage - Actual/Required		324%	395%	414%	419%	424%	

B. Chart 2 Fundable Project List

PPL #	Project Name	Commission Approval Date	Section	Interest Rate	Term	Est. Binding Commitment Date	Total Assistance	Estimated Loan Closing Date	Green Eligible %	Green Funding	Population (UALR Population Data)	Project Description	Additional Subsidy (PF) & Disadvantage
7	Westwood Village Sewer Facilities Board	6/22/2023	212	2%	20	4/22/2025	122,694.75	4/22/2025	100%	122,694.75	190	Westwood Village Sewer Improvements - regionalize with Hot Springs	
7	Westwood Village Sewer Facilities Board	6/22/2023	212	0%	20	4/22/2025	368,084.25	4/22/2025	100%	368,084.25	190	Westwood Village Sewer Improvements - regionalize with Hot Springs	368,084.25
9	Magazine	6/22/2023	212	2%	20	9/17/2024	1,007,794.50	9/17/2024			792	Wastewater Collection and Treatment Rehabilitation	
9	Magazine	6/22/2023	212	2%	20	9/17/2024	335,931.50	9/17/2024			792	Wastewater Collection and Treatment Rehabilitation	
11	Mt. Top Sewer	6/22/2023	212	2%	20	4/22/2025	128,460.50	4/22/2025			2,000	Sewer Improvements	
11	Mt. Top Sewer	6/22/2023	212	0%	20	4/22/2025	385,381.50	4/22/2025			2,000	Sewer Improvements	385,381.50
14	Lost Bridge Village Sewer	11/15/2023	212	0%	20	4/8/2025	699,231.00	4/8/2025			950	Replace the three main pumps in the wastewater treatment plant.	699,231.00

PPL #	Project Name	Commission Approval Date	Section	Interest Rate	Term	Est. Binding Commitment Date	Total Assistance	Estimated Loan Closing Date	Green Eligible %	Green Funding	Population (UALR Population Data)	Project Description	Additional Subsidy (PF) & Disadvantage
14	Lost Bridge Village Sewer	11/15/2023	212	4%	20	4/8/2025	233,077.00	4/8/2025			950	Replace the three main pumps in the wastewater treatment plant.	
19	Dierks	6/22/2023	212	2%	20	3/26/2025	1,181,051.50	3/26/2025	50%	590,525.75	916	Wastewater Improvements	
19	Dierks	6/22/2023	212	2%	20	3/26/2025	3,543,154.50	3/26/2025	50%	1,771,577.25	916	Wastewater Improvements	
20	Horatio	6/22/2023	212	2%	20	3/5/2025	1,259,325.50	3/5/2025	80%	1,007,460.40	920	Wastewater System Improvements	
20	Horatio	6/22/2023	212	2%	20	3/5/2025	3,777,976.50	3/5/2025	80%	3,022,381.20	920	Wastewater System Improvements	
22	Stephens	11/15/2023	212	4%	20	0910/2024	359,985.85	0910/2024	100%	359,985.85	770	Replace the existing wastewater collection system.	
22	Stephens	11/15/2023	212	0%	20	0910/2024	973,358.15	0910/2024	100%	973,358.15	770	Replace the existing wastewater collection system.	973,358.15
23	Huttig	6/22/2023	212	0%	20	8/7/2024	2,483,413.50	8/7/2024			494	Sewer System Replacement	2,483,413.50
23	Huttig	6/22/2023	212	2%	20	8/7/2024	2,483,413.50	8/7/2024	20%	496,682.70	494	Sewer System Replacement	
24	Bentonville	6/22/2023	212	2%	20	0615/2025	97,759,381.00	0615/2025			54,164	Water Resource Recovery Facility Improv	

PPL #	Project Name	Commission Approval Date	Section	Interest Rate	Term	Est. Binding Commitment Date	Total Assistance	Estimated Loan Closing Date	Green Eligible %	Green Funding	Population (UALR Population Data)	Project Description	Additional Subsidy (PF) & Disadvantage
25	Springdale (Spring Creek)	12/2/2022	212	2%	20	9/18/2024	22,750,000.00	9/18/2024	100%	22,750,000	60,000	Spring Creek Interceptor Improvement.	
26	Holiday Island (L)	11/15/2023	212	4%	20	3/19/2025	838,704.00	3/19/2025			2,398	WWTP improvements.	
27	Pleasant Plains	6/22/2023	212	2%	20	7/31/2024	1,921,939.25	7/31/2024			352	Pleasant Plains Wastewater Collection System	
27	Pleasant Plains	6/22/2023	212	0%	20	7/31/2024	5,765,817.75	7/31/2024			352	Pleasant Plains Wastewater Collection System	5,765,817.75
28	Camden	6/22/2023	212	2%	20	8/7/2024	3,520,061.00	8/7/2024	100%	3,520,061	10,369	WWTP Aeration Improvements & WW Collection Master Plan Phase II	
30	McGehee	6/22/2023	212	2%	20	6/26/2024	539,115.75	6/26/2024	100%	539,116	3,849	WW System Improvements	
30	McGehee	6/22/2023	212	0%	20	6/26/2024	1,617,347.25	6/26/2024	100%	1,617,347.	3,849	WW System Improvements	1,617,347.25
30	McGehee	6/22/2023	212	2%	20	6/26/2024	417,558.00	6/26/2024	100%	417,558	3,849	Replacement of seven lift stations	
30	McGehee	6/22/2023	212	0%	20	6/26/2024	417,558.00	6/26/2024	100%	417,558	3,849	Replacement of seven lift stations	417,558.00
31	Calico Rock	6/22/2023	212	2%	20	8/7/2024	938,825.00	8/7/2024			888	Calico Rock Water System Improvements	
35	West Fork	6/22/2023	212	2%	20	7/8/2024	1,130,000.00	7/8/2024			2,316	WWTP improvements.	

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35	West Fork	6/22/2023	212	0%	0	7/8/2024	840,000	7/8/2024			2,316	WWTP improvements.	840,000.00
36	El Dorado Water Utilities	6/22/2023	212	2%	30	10/16/2024	63,051,977	10/16/2023	20%	12,610,395	17,390	Wastewater Collection System Rehab and Improvement	
40	Little Rock #18	6/22/2023	212	1%	30	7/15/2024	59,600,000	7/15/2024			2,326	Wastewater System Improvements	
45	Hope	6/22/2023	212	2%	20	7/15/2024	714,000	7/15/2024			8,952	Wastewater Improvements	
49	Corning	6/22/2023	212	2%	20	11/12/2024	2,562,796	11/12/2023	100%	2,562,796	3,227	Wastewater Collection System Rehabilitation	
51	Jacksonville	6/22/2023	212	2%	20	6/11/2025	5,966,832	6/11/2025			29,477	WWTP Improvements	
52	Pollard	6/22/2023	212	2%	20	8/7/2024	438,053	8/7/2024			194	Wastewater System Improvement Project	
52	Pollard	6/22/2023	212	0%	20	8/7/2024	146,018	8/7/2024			194	Wastewater System Improvement Project	146,017.75
53	Perryville	6/22/2023	212	2%	20	7/31/2024	1,184,968	7/31/2024			1,449	Wastewater Treatment Plant Upgrade	
54	Mayflower	11/15/2023	212	2%	30	8/29/2024	12,440,375	8/29/2024			2,234	Wastewater System Improvements	

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55	Judsonia	11/15/2023	212	4%	20	8/14/2024	2,728,210	8/14/2024			2,360	The proposed project will include levee construction.	
56	Arkansas City	6/22/2023	212	2%	20	8/7/2024	94,000	8/7/2024	100%	94,000	369	WWTP Improvements	
56	Arkansas City	6/22/2023	212	0%	20	8/7/2024	282,000	8/7/2024	100%	282,000	369	WWTP Improvements	282,000.00
58	Mountainburg - Wastewater	6/22/2023	212	2%	20	8/29/2024	1,037,000	8/29/2024			528	Mountainburg WWTP Improvements	
64	Jennette	6/22/2023	212	2%	20	8/14/2024	491,617	8/14/2024			115	Wastewater Collection System Improvement.	
64	Jennette	6/22/2023	212	0%	20	8/14/2024	363,034	8/14/2024			115	Wastewater Collection System Improvement.	363,034.50
65	CAW - Wrightsville	6/22/2023	212	2%	20	8/7/2024	10,893,000	8/7/2024			1,496	Feasibility study for the consolidation of the Wrightsville	
65	Glenwood	6/22/2023	212	2%	20	8/1/2024	4,383,515	8/1/2023	100%	4,383,515	1,979	Wastewater Improvements	
67	Stuttgart	6/22/2023	212	2%	20	0910/2024	7,911,332	0910/2024			9,000	Stuttgart Wastewater Facility Improvements	
67	Stuttgart	4/5/2024	212	4%	20	0910/2024	2,347,000	0910/2024			9,000	Stuttgart Wastewater Facility Improvements	

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70	Huntsville	11/15/2023	212	4%	20	8/7/2024	32,600,000	8/7/2024			3,300	Wastewater Collection System Rehab and Improvement	
74	Little Rock #18 - remaining funds	6/22/2023	212	5%	30	6/26/2024	5,400,000	6/26/2024	100%	5,400,000	201,998	Collection and Facility Asset Renewal 2024-2026	
75	Keiser	6/22/2023	212	2%	10	9/17/2024	262,140	9/17/2024	100%	262,140	751	Wastewater Collection System Improvements	
75	Keiser	6/22/2023	212	TBD	20	9/17/2024	4,347,000	9/17/2024	100%	4,347,000	751	Wastewater Collection System Improvements	
81	Lake City	6/22/2023	212	2%	20	5/20/2025	1,373,910	5/20/2025			2,326	Wastewater System Improvements	
86	Bryant (Lea Circle)	6/22/2023	212	2%	20	3/5/2025	1,500,000	3/5/2025	100%	1,500,000	20,663	Lea Circle Parallel Gravity Sewer Relocate	
98	Runyan Acres Sanitary SID #211	6/22/2023	212	2%	20	7/25/2024	8,931,412	7/25/2024			1,420	Village Circle & Anthony Avenue-Water System	
99	Diamond City	6/22/2023	212	2%	20	11/12/2024	2,274,360	11/12/2023			782	Wastewater Collection System Rehab and Improvement	
117	Crossett	6/22/2023	212	2%	30	7/15/2024	3,000,000	7/15/2024	100%	3,000,000	5,507	East Crossett Sewer Improvements	
118	Lake Village	6/22/2023	212	2%	20	5/20/2025	3,828,996	5/20/2025			2,326	Wastewater System Improvements	

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119	Bryant (Spring Hill)	11/15/2023	212	4%	20	3/5/2025	1,871,358	3/5/2025			20,663	Wastewater System Improvements	
124	Decatur	6/22/2023	212	2%	20	11/12/2024	11,500,000	11/12/2023			1,773	Decatur WWTP Headworks Expansion	
125	El Dorado Rural PWA	11/15/2023	212	4%	20	10/16/2024	173,680	10/16/2023			17,390	Wastewater System Improvements	
125	El Dorado Rural PWA	11/15/2023	212	0%	20	10/16/2024	521,042	10/16/2023			17,390	Wastewater System Improvements	
127	Clinton	11/15/2023	212	4%	20	3/26/2025	5,472,225	3/26/2025			2,602	Wastewater Collection System Rehab and Improvement	
130	Monticello	9/28/2022	212	2%	20	8/29/2024	2,300,880	8/29/2024	100%	2,300,880	9,392	sewer collection system relocations project	
132	Poyen	5/15/2024	212	4%	20	8/7/2024	787,415	8/7/2024			361	Centralize WW treatment and upgrades.	
200	AG Loans	n/a	319	3%	up to 20	6/30/2025	400,000	6/30/2025				Agriculture BMP to reduce non-point source pollution that impacts water quality	
Total							420,978,787			74,717,117			14,341,243.65

C. Chart 3 Sources and Uses of Funds

Est. 6/30/2024

Beginning Balance (SFY 2024 Carryover) data as of 04/30/2024		32,217,157.85
Federal Base Grant FFY 2022		1,594,467.27
Federal Grant BIL-G FFY 2022		11,176,320.00
Federal Grant BIL-EC FFY 2022		612,000.00
Federal Base Grant FFY 2023		4,907,000.00
Federal Grant BIL-G FFY 2023		12,856,760.00
Federal Base Grant FFY 2024*		5,340,000.00
Federal Grant BIL-G FFY 2024*		14,877,000.00
State Match* - FFY2024 Base Grant		1,068,000.00
State Match* - FFY2024 BIL General Supplemental Grant		2,975,400.00
SRF Series 2023 Bond Proceeds		48,204,514.33
Principal Repayments *		20,132,581.52
Interest Earnings on Loans & Investments *		7,747,473.93
Sub Total	\$	131,491,517.05
Total Sources of Funds		163,708,674.90

USES OF FUNDS

CWSRF Loan Commitments for SFY 2024

ANRC Approved Loans (not closed as of 4/30/24)		175,561,907.39
ANRC Approved Loans closed, undisbursed funds as of (4/30/24)		438,972,745.50
Sub Total	\$	614,534,652.89

CWSRF Set-Aside Programs for SFY 2024

Base Grant Administration *		-
BIL General Supplemental Administration *		1,100,800.00
Bil EC Grant Administration *		55,640.00

Debt Service Obligations

Leveraged Bond Principal (Jul 23 to Jun 24)		2,555,000.00
Leveraged Bond Interest (Jul 23 to Jun 24)		2,732,206.91
Sub Total	\$	5,287,206.91

Total Uses of Funds \$ **619,821,859.80**

Funds (needed)/available **(456,113,184.90)**

*Estimated amount

Fees are not deposited into the Fund; therefore, based on EPA guidance they are not included in the Sources and Uses for the Fund

Note: Negative available funds are a timing difference that can be taken care of by issuing new bonds.

Totals are based on SFYTD Totals plus a seven-month average of SFYTD totals for the remaining reporting months.