

RESOLUTION 25-57

**A RESOLUTION AUTHORIZING THE CITY OF SPRING HILL TO APPLY
FOR STATE REVOLVING FUND LOAN PROGRAM FOR DRINKING
WATER AND CLEAN WATER PROJECTS**

WHEREAS, The Tennessee Department of Environment and Conservation (TDEC) has announced the opening of the 2025 solicitation for applications for the State Revolving Loan Fund; and

WHEREAS, the funds are to be distributed through a Priority Ranking List program to be administered by TDEC, and it is organized into two separate focus areas of Clean Water and Drinking Water; and

WHEREAS, the City of Spring Hill recognizes the need to plan, design, and construct infrastructure to serve a growing community, and staff recommends applying for these funds to address these needs; and

NOW, THEREFORE, BE IT RESOLVED, that the City of Spring Hill, Board of Mayor and Aldermen approve the following:

1. That the City of Spring Hill staff are hereby authorized to prepare and submit applications for the following Clean Water Projects:
 - a. Facility Plan Update for Wastewater Treatment Plant and Advanced Purification Facility.
 - b. Grassy Branch 30 inch Sewer
 - c. Kedron 12 inch Sewer Upsize (west of Kedron Square)
 - d. Stormwater Master Plan & Floodplain Mapping
2. That the City of Spring Hill staff are hereby authorized to submit applications for the following Drinking Water Projects:
 - a. Facility Plan Update for Water Treatment Plant and Raw Water Intake
 - b. Water Treatment Plant Carbon Vessel Testing and PILOT for Emerging Contaminant Treatment
 - c. Upsize 8 inch to 12 inch water line along Highway 31 to Kedron Road
3. That the City of Spring Hill prepare the upcoming budget to include the potential amount of co-funding required to be paid from the water and sewer fund.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 13th day of February 18th, 2025.



Jim Hagaman, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

SRF Requirements (Clean Water 2025)

Timeline

Every year the SRF Loan Program solicits project requests for inclusion on the Clean Water State Revolving Fund (CWSRF) Priority Ranking List (PRL).

- The official fiscal year solicitation for projects will be in February with a 30-day deadline.
- The Ability to Pay Index will be updated between April – May for the upcoming PRL.
- SRF will score projects submitted between April - May.
- The Draft Priority Ranking List will be available and included in the Intended Use Plan between June-July.
- If your project made the Priority Ranking List, SRF will send you a PRL notification letter by September with SRF funding instructions.
- You may also submit a request to include projects on the current PRL throughout the year; your projects will be scored and added to the bottom of the current PRL.

Eligibility

The EPA awards a Clean Water Capitalization Grant annually to the State; in turn, the State obligates federal funds, along with a 20% state match, to provide financing to cities, counties, and utility systems for planning, design, and construction projects that include (but are not limited to): plant replacement and upgrade; collection system installation, repair, and upgrade; treatment; storage; water reuse; stormwater, green infrastructure; energy optimization; and resilience.

The EPA awards a Clean Water Capitalization Grant annually to the State; in turn, the State obligates federal funds, along with a 20% state match, to provide financing to cities, counties, and utility systems for planning, design, and construction projects that include (but are not limited to): plant replacement and upgrade; collection system installation, repair, and upgrade; treatment; storage; water reuse; stormwater, green infrastructure; energy optimization; and resilience.

Applicants can visit the [EPA's Overview of Clean Water SRF Fund Eligibilities](#) to review the list of projects eligible for funding.

For projects which address green infrastructure, stormwater, resilience, water or energy efficiency improvements, or other environmentally innovative activities must meet EPA criteria and eligibility requirements for Green Project Reserve (GPR) projects. Examples of projects that may qualify as a green project could include one of the following criteria:

1. Increase water efficiency
2. Increase energy efficiency
3. Reduce stormwater runoff
4. Recycle/reuse water
5. Production/use of clean energy
6. Establish or restore wetlands
7. Reduce, prevent, or remove non-point source pollution
8. Build system resiliency from an identified hazard while addressing one or more criteria above.

A detailed list of GPR project eligibilities and examples of common practices can be found in the [Green Project Reserve](#) guidance document.

Submission

Applicants seeking funding must complete a CWSRF Questionnaire. Projects eligible for CW SRF funding are described in the [EPA Eligibility Handbook](#). All proposed projects will be assigned Project Criteria Points based on the project criteria established in Rule 0400-46-01-.02(2). Project Criteria Points will be assigned to individual wastewater facilities projects based on the following:

SRF Requirements (Clean Water 2025)

- Wastewater treatment plant (WWTP) discharges to a water-quality impaired stream segment will receive 100 Project Criteria Points in addition to any other applicable Project Criteria Points. WWTP projects with a compliance schedule in the NPDES permit requiring construction will receive 50 Project Criteria Points in addition to any other applicable Project Criteria Points;
- Wastewater collection system projects with a compliance schedule in the NPDES permit requiring construction will receive 50 Project Criteria Points in addition to any other applicable Project Criteria Points;
- Nonpoint Source (NPS) pollution projects affecting a water-quality impaired stream segment will receive 100 Project Criteria Points. Other NPS pollution projects will receive 25 Project Criteria Points. NPS pollution projects may be directed toward protection or improvement of the quality of groundwater, surface water, or wetlands. NPS pollution projects must be consistent with Tennessee's approved Nonpoint Source Management Program requirements and be included in the State's current EPA approved Nonpoint Source Management Plan;
- Effluent-trading projects will receive 50 Project Criteria Points in addition to any other applicable Project Criteria Points;
- Combined Sewer Overflow (CSO) projects will receive 25 Project Criteria Points;
- Infiltration/Inflow (I/I) correction projects and major sewer rehabilitation projects will receive 25 Project Criteria Points. Construction of projects that will transport and treat I/I at the WWTP will receive 10 Project Criteria Points;
- Stormwater management projects affecting a water-quality impaired stream segment will receive 100 Project Criteria Points. Stormwater management projects with a compliance schedule in the NPDES permit requiring construction will receive 50 Project Criteria Points. All other stormwater management projects will receive 25 Project Criteria Points;
- Collection lines to be constructed to address an existing public health problem caused by failed septic systems will receive a minimum of 40 Project Criteria Points up to a maximum of 100 Project Criteria Points;
- Any wastewater project proposed for development or growth potential, i.e., projects that were not planned to address a water quality problem or a public health problem, will receive 5 Project Criteria Points. WWTPs that are required to serve new collectors as part of the approved facilities plan will receive the same Project Criteria Points as the collectors;
- Interceptors and pump stations will receive varying Project Criteria Points. Interceptors or pump stations that eliminate a WWTP discharge point that was included in an approved facilities plan will receive the same Project Criteria Points as the WWTP. Interceptors or pump stations proposed as part of an I/I elimination project will receive the same Project Criteria Points as the I/I elimination project. Interceptors or pump stations proposed as part of a collection system project will receive the same Project Criteria Points as the collection system project;
- Planning/Design projects will receive Project Criteria Points based upon the proposed project type;
- CWA Section 212 projects that are also associated with the construction of nonpoint source projects shall have an additional 20 Project Criteria Points;
- CWA Section 212 projects with zoning that demonstrates preservation of greenspace shall have an additional 15 Project Criteria Points;
- CWA Section 212 projects with zoning that demonstrates riparian buffer zones of at least 150 feet shall have an additional 10 Project Criteria Points;
- CWA Section 212 projects demonstrating an enforced buffer zone ordinance shall have an additional 5 Project Criteria Points;
- Refinancing projects will receive 1 Project Criteria Point; and
- In accordance with Tenn. Code Ann. § 6-58-109(b), all SRF projects within counties that have an approved growth plan will receive 5 Project Criteria Points in addition to any other applicable Project Criteria Points.

SRF Requirements (Clean Water 2025)

List of Projects

TDEC's CW SRF Loan Program uses a priority ranking system to develop the Priority Ranking List (PRL). The State's CW SRF Priority Ranking System rules, Tenn. Comp. R. & Regs. ("Rule") Chapter 0400-46-01, provides a clear, objective order of ranking wastewater infrastructure projects. The PRL focuses on projects aiming to achieve optimum water quality management consistent with the goals and requirements of the CWA and the Tennessee Water Quality Control Act.

Projects on the PRL are prioritized by those that address reducing risks to human health or those working to maintain or improve water quality. The assigned Project Criteria Points are calculated to determine the Priority Point Value and are applicable only to WWTP projects. The Project Criteria Points are summed to establish a proposed project's Priority Rank. Projects will be placed on the PRL in descending order by total priority points. Projects with the same priority points will be ranked in ascending order based on the community's Ability to Pay Index (ATPI) and population in order to assist smaller and less affluent communities. Projects requesting funds for ineligible activities will not be assigned priority points or included on the PRL.

Additionally, any project that may be considered as an eligible green project must appear on the PRL, meet the GPR projects definition, and include construction. These projects should fall within at least one of the following categories:

- Water and Energy Efficiency
- Green Infrastructure
- Stormwater BMPs
- Resiliency
- Sustainable
- Environmentally Innovative.

Examples of GPR projects eligible for CWSRF funding are described in the [EPA eligibility handbook](#).

For Reference:

[EPA Eligibility Handbook Overview of CWSRF Eligibilities \(epa.gov\)](#)

[Green Project Reserve](#)

[Priority Ranking System \(tnsfiles.com\)](#)

[Clean Water Priority Ranking List \(tn.gov\)](#)

Program Contact:

All applicants can direct their questions (regular mail, express mail, or electronic mail) concerning this application to:

Tennessee Department of Environment and Conservation

Division of Water Resources

State Revolving Fund Loan Program

Davy Crockett Building, 9th Floor

500 James Robertson Parkway, Nashville, TN 37243

or to Ask.SRF@tn.gov

SRF Requirements (Drinking Water 2025)

Timeline

Every year the SRF Loan Program solicits project requests for inclusion on the Drinking Water State Revolving Fund (DWSRF) Priority Ranking List (PRL) twice yearly.

- The official fiscal year solicitation for projects will be in February with a 30-day deadline.
- The Ability to Pay Index will be updated between April – May for the upcoming PRL.
- SRF will score projects submitted between April - May.
- The Draft Priority Ranking List will be available and included in the Intended Use Plan between June-July.
- If your project made the Priority Ranking List, SRF will send you a PRL notification letter by September with SRF funding instructions.
- A second Drinking Water project solicitation will be in September/October.
- SRF will score projects submitted between October/November.
- If your project made the Priority Ranking List, SRF will send you a PRL notification letter by December with SRF funding instructions.

Eligibility

The U.S. Environmental Protection Agency (USEPA) awards Drinking Water Capitalization Grant annually to the State, in turn, the State obligates federal funds, along with a 20% state match, to provide financing to public water systems for planning, design, and construction projects that include (but are not limited to): plant replacement and upgrade; distribution system installation, repair, and upgrade; water loss; treatment; storage; water security, green infrastructure; energy optimization; and resilience. Ineligible project activities include operation and maintenance activities, routine compliance monitoring and sampling, projects needed primarily for fire protection, and projects needed primarily to serve future population growth.

Applicants can visit the [DWSRF EPA Eligibility Handbook](#) to review the list of projects eligible for DWSRF funding.

Funding

Only projects identified on the current DWSRF Priority Ranking List (PRL) are eligible for SRF loans. Funding will be directed to the highest-ranked projects that are ready to proceed with construction. This includes small and disadvantaged communities, green and resilient infrastructure projects, and projects with subsidies. Projects on the PRL, regardless of rank, may be bypassed if communities are not ready to proceed or if they do not respond to the funding notification letter.

Section 1452(3)(A)(i) and (ii) of the Safe Drinking Water Act (SDWA) states the DWSRF Loan Program may not provide assistance to any system that is in significant non-compliance with any national drinking water regulation or variance unless the State conducts a review and determines that the project will enable the system to return to compliance and the system will maintain an adequate level of technical, managerial, and financial capability to maintain compliance.

Submission

Applicants seeking funding must complete a DWSRF Questionnaire. Projects eligible for DWSRF funding are described in the EPA Eligibility Handbook. Projects are prioritized by those that address reducing risks to human health and/or those working to maintain or improve compliance with Safe Drinking Water Act (SDWA). Priority points will be assigned based on the severity of the problem. Projects requesting funds for ineligible activities such as fire protection, operation and maintenance activities, or future growth will not be assigned priority points.

List of Projects

SRF Requirements (Drinking Water 2025)

TDEC's DWSRF Loan Program uses a priority ranking system to develop the Priority Ranking List (PRL). Projects are prioritized by those that address reducing risks to human health or those working to maintain or improve compliance with SDWA. Tennessee has established a priority ranking system, compliant with the SDWA, based on a scale from 0-100 points. Priority points will be assigned based on the type of project and the severity of the problem to be addressed by the proposed project.

- Projects eligible for the maximum of 100 points will be those that address serious, acute risks to human health.
- Other projects will be assigned 20, 40, 60, or 80 points depending on the severity of the problem and whether a compliance problem exists.
- Projects requesting funds for ineligible activities such as operation and maintenance activities, routine compliance monitoring and sampling, projects needed primarily for fire protection, and projects needed primarily to serve future population growth will not be assigned priority points.

Projects demonstrating the greatest risk to human health will receive the highest priority points followed by projects addressing compliance problems and then projects addressing other needs. Projects with the same priority points will be ranked based on consideration of the Ability To Pay Index (ATPI) and population served to assist small and disadvantaged communities.

Additionally, any project that may be considered as an eligible green project must appear on the PRL, meet the Green Project Reserve projects definition, and include construction. These projects should fall within at least one of the following categories:

- Water and Energy Efficiency
- Green Infrastructure
- Stormwater BMPs
- Resiliency
- Sustainable
- Environmentally Innovative.

Examples of GPR projects eligible for DWSRF funding are described in the [EPA eligibility handbook](#).

For Reference:

[EPA eligibility handbook](#)

[Drinking Water Priority Ranking List \(tn.gov\)](#)

Program Contact:

All applicants can direct their questions (regular mail, express mail, or electronic mail) concerning this application to:

Tennessee Department of Environment and Conservation

Division of Water Resources

State Revolving Fund Loan Program

Davy Crockett Building, 9th Floor

500 James Robertson Parkway, Nashville, TN 37243

or to Ask.SRF@tn.gov

April Goad

From: State Revolving Fund <Ask.SRF@tn.gov>
Sent: Thursday, February 6, 2025 7:00 AM
To: Eskander, Olivia
Subject: OPEN FEBRUARY 6: SRF Clean Water and Drinking Water Annual Project Solicitation

You don't often get email from ask.srf@tn.gov. [Learn why this is important](#)



Department of
**Environment &
Conservation**

Division of
Water Resources

tn.gov/environment



State Revolving Fund Loan Program Drinking Water and Clean Water Solicitation February 6 – March 10

[CLICK HERE TO APPLY](#)



It's Finally Here!!

SRF is excited to announce the opening of the 2025 Solicitation. Municipalities and drinking water, wastewater and stormwater utilities can fill out an online questionnaire and work with our knowledgeable SRF team to apply for a water infrastructure loan. These loans have below market interest rates, loan forgiveness to qualifying communities, and a wide range of eligible projects.

SRF Questionnaires for Drinking Water and Clean Water have moved to the Tennessee Department of Environment and Conservation's [Grants Management System \(GMS\)](#)! Applicants can register, find funding opportunities, and apply completely online through this system.

All communities seeking infrastructure financing loans for water infrastructure projects through SRF must submit a [questionnaire](#) to be ranked on the Priority Ranking List (PRL) for CW or DW. Applicants seeking funding must login to [GMS](#) and complete the **Drinking Water SRF Questionnaire** or the **Clean Water SRF Questionnaire** in GMS. The questionnaires will open **February 6, 2025, at 8:00 am CST** and close on **March 10, 2025**. The SRF Loan Program will not accept paper or PDF copies of questionnaires submitted to Ask.SRF@tn.gov. They must be submitted in GMS by the deadline.

Please Join Us

SRF will be hosting a Questionnaire Solicitation Workshop on February 25th from 1pm to 2:30pm CST. The workshop will cover the "how-to's" of navigating to and through the GMS portal and questionnaire. [Click here to sign up for this free session!](#)

SRF Wants to Provide Funding For:

- **Drinking Water Infrastructure**
 - Leakage problems, water quality, water storage, pressure issues, etc.
- **Wastewater and Stormwater Infrastructure**
 - Asset management, constructed wetlands, elimination of inflow and infiltration, stormwater BMPs, etc.
- **Adaptive, Resilient, and Sustainable Projects**
 - Communities of any size or ATPI may be eligible for this additional subsidy. Projects may receive up to 20% principal forgiveness of the loan amount, with a maximum limit of \$2,500,000 in principal forgiveness per project if actions qualify as adaptive, resilient, or sustainable.

Loan Forgiveness for Small or Disadvantaged Communities

Rural Tennessee can benefit even more from SRF loans. These communities can receive between 30% and 50% loan forgiveness. To qualify the community must have:

- Population of 20,000 or less OR
- Financially disadvantaged economic status based on the SRF [Ability to Pay Index \(ATPI\)](#) scores of 50 or less

Funding is limited, so apply now. Projects must complete and submit the appropriate Questionnaire in order to be placed on the PRL and be considered for funding. Projects on the PRL should be ready to proceed. There will be a financial sufficiency review prior to loan award. SRF will notify all applicants when their projects are placed on the 2025 Priority Ranking List for Clean Water and/or Drinking Water SRF.

Email your questions to Ask.SRF@tn.gov



[Manage](#) your preferences | [Opt Out](#) using TrueRemove™
Got this as a forward? [Sign up](#) to receive our future emails.
View this email [online](#).

500 James Robertson Parkway Davy Crockett Tower, 9th floor | Nashville, TN 37243 US

This email was sent to eskander.o@tandh.com.
To continue receiving our emails, add us to your address book.

emma