



ALABAMA



DRINKING WATER STATE REVOLVING
FUND

FISCAL YEAR 2018 ANNUAL REPORT

AS OF SEPTEMBER 30, 2018

PLEASE NOTE that this report does not constitute nor is it suitable for use as an official financial statement. This report is not prepared by an independent auditor or accountant, and is provided for informational purposes only.

ALABAMA DRINKING WATER SRF ANNUAL REPORT

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I. INTRODUCTION:

The State of Alabama herewith submits its Drinking Water State Revolving Fund (DWSRF) Annual Report for fiscal year 2018 (October 1, 2015 – September 30, 2018). This report describes how the State of Alabama has met the goals and objectives of its Drinking Water State Revolving loan program as identified in the Intended Use Plans (IUP).

II. EXECUTIVE SUMMARY:

Fiscal year 2018 was the Nineteenth year of operation of the Alabama Drinking Water Finance Authority and the Drinking Water State Revolving Fund (DWSRF) Loan Program.

EPA awarded the FY 2018 DWSRF Capitalization Grant for \$23,944,000 to the Department on September 19, 2018.

No State Match funds have been appropriated (cash match) for the DWSRF program since its inception. The state match requirement of \$4,788,800 will be satisfied by carryover funds by the issuance of revenue bonds by the Alabama Drinking Water Finance Authority. The Authority will issue new state match bonds to satisfy future match.

At the close of the FY 2018 reporting period, none of the capitalization grant funds had been drawn. The FY 2018 grant funds will be committed to make direct loans, fund the bond pool subsidy account, and to fund set-aside activities.

Loan Agreements

Loan agreements (binding commitments) with seventeen borrowers totaling \$41,378,000 were executed during the fiscal year FY 2015, FY2016, and FY2017 Intended Use Plans. These binding commitments are enumerated in Exhibit 1. These loans were originated from EPA DWSRF Capitalization Grant funds, interest earnings, repayments, and bond proceeds. A detailed breakdown of the components of each of loan is provided in Exhibit 2. The remaining FY 2018 Intended Use Plan project loans are expected to be executed in the first two quarters of FY 2018.

Disbursements

DWSRF loan assistance totaling \$22,006,961.19 was disbursed to DWSRF loan recipients during the fiscal year. Exhibit 5 details these dispersals.

Grant Draws

DWSRF construction grant draws totaling \$11,369,064.21 were made during the fiscal year. Exhibit 6 provides the details of each draw.

III. GOALS AND ACCOMPLISHMENTS:

A. Short Term Goals and Accomplishments

The FY 2018 DWSRF Intended Use Plan describes the short-term goals of the program. The goals included:

1. To provide financial assistance for the construction of public water supply facilities on the DWSRF Priority List.

Alabama's leveraging of state and federal capitalization funds provides municipalities with DWSRF loans with an interest rate approximately 1.0%-1.5% less than the most advantageous rates commonly available to local governments: 2.20% for FY 2018 borrowers. As initially described in the FY 2018 Intended Use Plan, and later modified according to the needs of the borrowers, 25 loans totaling \$51.108 M are to be funded. Funding will be provided by the FY 2018 EPA DWSRF capitalization grant, previous uncommitted EPA grant funds, interest earnings and direct loan repayments.

2. To provide DWSRF financial assistance to include additional subsidization in the form of principal forgiveness for not less than the required minimum of \$4,788,800 for the construction of water treatment and distribution facilities.

The Department met this goal by offering principal forgiveness exclusively to projects in communities determined to be disadvantaged. Communities with the highest ratio of annual average water bill to median household income will receive up to 50% of project costs in principal forgiveness equaling 20% of the Capitalization Grant

3. To provide DWSRF loans for a goal of 10% of the Capitalization Grant to projects which address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

The Department actively solicited for green infrastructure projects for 2018. This solicitation included a notice posted on the ADEM website as well as notices sent to approximately 1,200 addresses on the departments e-mail and direct mail list. The Department identified projects in the 2018 IUP totaling \$12.47 M or approximately 52% of the 2018 DWSRF Capitalization Grant.

4. To provide technical assistance to small water systems (population less than 10,000) in the State of Alabama. Technical assistance will be funded by the 2% set-aside fund.

The Department has met this goal by contracting with the Alabama Rural Water Association to provide a minimum of six drinking water operator group training sessions across the state and ten system specific onsite asset management training sessions.

5. To implement the State's DWSRF in compliance with the goals of the Safe Drinking Water Act and to ensure conformance with Federal crosscutting issues.

All projects are reviewed to ensure compliance with the Safe Drinking Water Act and conformance with federal crosscutting issues. Comments regarding the environmental impact of proposed projects are solicited via a Finding of No Significant Impact (FNSI) or Categorical Exclusion (CE). Those entities solicited for comments include, but are not limited to, the EPA, the Corps of Engineers, the Fish and Wildlife Service of the U.S. Interior Department, the State Department of Public Health, the State Department of Conservation and Natural Resources, the Alabama Department of Economic and Community Affairs and the State Historical Commission.

6. To protect the public health and the environment and promote the completion of cost-effective water treatment, storage, and distribution facilities.

The method used in drafting the project priority list and the state review of planning documents submitted with DWSRF loan applications and pre-applications promote the protection of public health and the environment with the funding of cost-effective systems.

7. To provide funding for the State of Alabama Public Water System Supervision (PWSS) program using the 10% State Program Management set-aside.

The Department has met this goal by allocating \$1,650,000 of the 10% State Program Management set-aside to the state's PWSS program. This funding is to be used for administration of the program.

8. To provide assistance to water systems considering public water system consolidation through the 15% Local Assistance and Other State Programs Activities set-aside.

The Department is in the process of fully meeting this goal. \$100,000 has been allocated from the 15% Local Assistance and Other State Programs Activities set-aside to be used for aide in Capacity Development of a system or systems in Alabama. Recently approximately 1000 public bodies were solicited and notified of the intent of this opportunity.

9. To provide assistance to communities for educational events promoting objectives consistent with the Safe Drinking Water Act through the 15% Local Assistance and Other State Programs Activities set-aside.

The Department is in the process of fully meeting this goal. \$30,000 has been allocated from the 15% Local Assistance and Other State Programs Activities set-aside to be used for direct assistance agreements to communities across the state. Applications are being received weekly and we anticipate full expenditure of the \$30,000 by the end of FY 2018.

B. Long Term Goals and Accomplishments

In its Intended Use Plan for FY 2018, the State of Alabama described long-term goals for the DWSRF program.

These long-term goals included:

1. To maintain the DWSRF program and the long-term fiscal integrity of the fund.
2. To provide a self-perpetuating source of low interest loans for the construction of public water treatment and distribution facilities needed to meet the public health goals of the Safe Drinking Water Act.
3. To fund projects which will have a positive impact on public health and ensure compliance with the Safe Drinking Water Act.
4. To assist systems in ensuring affordable water supply.

During the reporting period, Alabama has made progress in implementing the long-term goals of the DWSRF Loan Program as follows:

1. In its administration of the DWSRF program, the State of Alabama has considered the long-term fiscal health of the DWSRF. No State Match funds have been appropriated (cash match) for the DWSRF program since its inception. The state match requirement will be satisfied by carryover funds by the issuance of revenue bonds by the Alabama Drinking Water Finance Authority. EPA staff reviews and approves application of this process to assure compliance with regulations. Demonstration of compliance with EPA regulations relative to the use of State Match Bonds is achieved by provision of calculations that show that the loan interest repayments are sufficient to amortize the principal and interest payments for the State Match Bonds.

The DWSRF working group includes, as integral members, persons who have extensive experience in the issuance of tax-free bonds, are knowledgeable of the cash flow requirements of such issues, have technical expertise related to the planning and design reviews required by the State and EPA prior to DWSRF funding and are capable of providing assistance in the disbursements of DWSRF funds to the loan recipients. The

Intended Use Plan disclosed the Authority's intention to use leveraging much in the same manner as previous years.

The Authority continues to set a loan interest rate approximately 1.0-1.5% less than the most advantageous rate commonly available to municipalities: 2.20% for the FY 2018 project list. The Department's experience with the program indicates that this is a sufficient incentive to seek DWSRF financing for eligible projects. The net bond proceeds are committed to loan applicants.

2. Alabama's DWSRF is designed to be a perpetual source of low cost financial assistance for the construction of public water supply facilities needed to meet compliance standards and public health requirements. Once ultimate capitalization has been achieved, the program may utilize the direct loan repayments, undedicated interest from the bond debt service reserve funds and construction funds and assets of the Master State Revolving Account as the source funds to support bond issues and/or to fund direct loans. As of September 30, 2018, the Master State Revolving Fund (MSRF) had a balance of approximately \$127,920,225.16.

The State is using its grant funds and bond proceeds in a manner that ensures the timely and expeditious use of DWSRF funds. The use of grant funds to make direct loans is emphasized. Using DWSRF assets in this manner decreases the issuance of debt (bonds), increases the credit quality of the Authority Bonds and provides for increased volumes of direct loan repayments that may be recycled into future loans.

3. Both the method used in drafting the project priority list and the state review of DWSRF loan applications promote protection of the public health and the environment by first providing financial assistance to projects that address the most critical needs. All of the FY 2018 IUP projects address deficiencies in water treatment and distribution facilities or inadequate raw water sources.
4. The nature of the DWSRF program (subsidized interest rates) ensures that applicants are receiving a cost-effective method of financing. In addition, technical staff of the Drinking Water Branch of ADEM reviews each project to determine cost-effectiveness and the general need for the project. Various set-aside activities, as detailed elsewhere in this report, support this goal as well.

IV. DETAILS OF ACCOMPLISHMENTS

A. Fund Financial Status

1. Binding Commitments

During the fiscal year, loan agreements (binding commitments) with fourteen borrowers totaling \$41,378,000 were executed. All of these loans were from the FY 2015, FY 2016, and FY 2017 Intended Use Plans. These loans were originated from EPA DWSRF Capitalization Grant funds, interest earnings and direct loan repayments.

Exhibit 2 provides a detailed breakdown of the components of each of loan.

Execution of binding commitments (loan agreements) with FY 2018 borrowers will be performed on a schedule designed to ensure that DWSRF funds are available as needed for construction. The FY 2018 DWSRF program will assist a total of 25 communities for approximately \$51.108M in low-interest loan funding. Sixteen loans will include a portion of principal forgiveness as required by the 2018 Capitalization Grant. Final loan component breakdowns will be included in the future FY 2018 Annual Report.

2. Sources of Funds

The source of funds used to provide loans during the reporting period included federal capitalization grants, bond proceeds, interest earnings, and repayments. No State Match funds have been appropriated (cash match) for the DWSRF program since its inception. All state matching funds have been obtained by the issuance of revenue bonds by the Alabama Drinking Water Finance Authority. The total amount of deficit in State Match appropriations (cash) is \$46,279,220 for the FY 1997 – FY 2018 DWSRF capitalization grants. The net proceeds of the State Match Bonds have been used for project loan funding.

DWSRF loan repayments of \$22,422,001.48 were received during the reporting period. Exhibit 11 provides detailed information on loan repayments to the Alabama DWSRF.

3. Disbursements and Guarantees

DWSRF loan assistance totaling \$19,334,353.30 was disbursed to DWSRF loan recipients during the period. Exhibit 5 details these disbursements.

The table below details ADEM's DWSRF Administrative costs that were obligated from the 4% administrative set-aside from the federal capitalization grants.

DWSRF Administrative Costs: 4% Set-Aside

	DWSRF Grant
Salaries	\$320,291.36
Fringe	\$117,518.33
Travel	\$7,856.30
Professional Services	\$11,778.19
Supplies	\$6,979.26
Equipment	\$12,522.75
Total Direct Costs	\$476,946.19
Indirect Costs	\$144,710.00
Total	\$621,656.19

The following table details ADEM's costs that were obligated from the 0.75% loan administration fee assessed to DWSRF loan recipients.

DWSRF Costs: from 0.75% Loan Administration Fee

Salaries:	\$666,207.83
Fringes:	\$253,651.05
Professional Services	\$8,770.00
Travel:	\$0.00
Supplies	\$7,348.00
Other	\$119,594.35
Equipment:	\$8,066.25
Total Direct Costs:	\$1,063,637.48
Indirect Costs:	\$295,836.95
Total	\$1,359,474.43

The 0.75% loan administration fee assessed to DWSRF loan recipients and received during the reporting period was \$1,247,587.48.

This fee is received by ADEM when semi-annual loan payments become due (February 15 and August 15). All fees collected as a result of open grants are held separately and used only for the administration of the DWSRF. The State of Alabama earmarks certain loans in an amount equal to the capitalization grant for this purpose.

During FY 2018, a total of \$219,161.46 in fees collected from the recipients listed above were deposited and held in a special account. As of the close of FY 2018, none of the fees from this account have been expended.

4. Financial Statements

The most recent audit of Alabama's DWSRF (through FY 2017) revealed no material weaknesses in the program. A copy of this audit was submitted to EPA. The audit contract for FY 2018 is pending. EPA will receive a copy of the audit when it is available.

5. Credit Risk of the SRF

The financial status and credit quality of the loan recipients are reviewed internally and evaluated by both Authority personnel and members of the investment banking community. The credit risk assessment and rating process is crucial in determining the financial capability of the potential borrowers and the most cost-effective method of marketing the Authority bonds.

The basic procedures involved in the determination of the credit quality of the loan recipients are:

- review of the applicant's existing bond rating
- determination of outstanding debt
- verification of the presence and sufficiency of a dedicated source of revenue for repayment of the loan
- demographics of the recipients' service area

Applicants are required to submit the most recent 3 years of audited financial statements, as well as other information, during the application process in order to document the ability to repay the proposed loan. The financial review is performed on all communities in order to determine whether or not they represent a significant risk of default. Assistance is provided only to communities that pass this analysis and, if necessary, agree to additional credit security pledges, including the full faith and credit of the community or specific revenue pledges. In order to maintain the fiscal integrity of the DWSRF, the Authority cannot loan funds to municipalities that do not have the means to repay their loan.

B. Assistance Activity

During FY 2018, loan agreements (binding commitments) with fourteen borrowers totaling \$41,378,000 were executed. These binding commitments are enumerated in Exhibit 1. These loans were originated from EPA DWSRF Capitalization Grant funds, repayments, and interest earnings. A detailed breakdown of each of the loans is included in Exhibit 2.

The interest rate associated with the loan agreements completed during FY2018 was 2.20%. The interest rates reflect the condition of the market for tax-exempt bonds and the relative credit quality of the borrowers at the time that the Authority Bonds were sold.

Exhibit 2 is a breakout of the components of DWSRF project loans. The project fund, capitalized interest cost, principal forgiveness, finance expenses and GPR amount are shown for each project.

Exhibit 3 details the FY 2018 loans associated with the 2018 Capitalization Grant that are expected to close in early FY 2018

Exhibit 4 is the DWSRF Flow of Funds Chart that details the movement of funds in the DWSRF.

Exhibit 5 details the disbursements from the DWSRF at the project level.

Exhibit 6 relates to cash draws from the Federal Capitalization Grants.

Exhibit 7 details draws from the Capitalization Grant for Set-aside Activities.

Exhibit 8 breaks down DWSRF assistance by population, as proof of the program meeting EPA's requirement that 15% of all assistance be directed to small communities. Combined funding of \$7.568M (18.3%) was provided during the FY for small communities

Included in Exhibit 9 are the long-term cash flow projections for the Alabama DWSRF. These cash flows incorporate the loans already made by the Authority and those projected to be offered and show how the DWSRF Master Fund revolves perpetually.

Exhibit 10 provides data relative to achievement of EEO/MBE/WBE goals in the award of construction contracts funded by the Alabama DWSRF.

Exhibit 11 details the repayments of DWSRF loans by borrowers through the close of the fiscal year.

C. Provisions of the Operating Agreement and Grant Conditions

The State of Alabama agreed to a number of conditions in the DWSRF Operating Agreement and Grant Agreement. The following major conditions have been met as described in the operating and grant agreements:

- Biennial Report
- Binding Commitments
- Timely and Expeditious Use of Funds
- Annual Audit
- Annual Review
- National Reporting Needs
- Records and Data Management
- Attainment of MBE/WBE Goals
- Federal Crosscutting Authorities
- State Environmental Review Process
- Cash Draw Procedures

These conditions have been met as described in detail below:

1. Biennial Report: In lieu of a biennial report ADEM has elected to provide annual reports for each fiscal year.

2. **Binding Commitments:** The State has entered into 241 binding commitments totaling \$509,633,200 over the life of the program. The total amount of capitalization grants awarded for FY 1997 thru FY 2018 is \$273,278,700. The Alabama DWSRF meets the "Binding Commitments" requirement.
3. **Timely and Expeditious Use of Funds:** DWSRF loan assistance totaling \$22,006,961.19 was disbursed to DWSRF loan recipients during the reporting period. The pace of expenditure of funds is expected to increase significantly as the State proceeds with implementation of the DWSRF program. A total of 149 payment requests have been processed by ADEM. The Department is monitoring the projects to ensure timely initiation of operations in accordance with the established schedules.

In order to ensure that the loan repayment stream necessary to meet the financial obligations of the Authority's Bonds is met, the Special Conditions Loan Agreement (the legal document which commits DWSRF funds to a project) explicitly specifies the date on which loan repayments are to commence, regardless of the status of construction completion. Additionally, federal tax laws that govern the use of proceeds from the sale of tax-free bond issues encourages that 95% of such proceeds be disbursed no later than 3 years after the issuance of the bond.

4. **Annual Audit:** The most recent audit of Alabama's DWSRF (through FY 2017) revealed no weaknesses in the program. EPA will receive a copy of the audit when it is available.
5. **National Reporting Needs:** The Department annually provides EPA with project-level data in its Priority List and the Intended Use Plan. Additionally, information is provided to EPA quarterly and as requested.
6. **Records and Data Management:** ADEM receives and reviews project documents from loan applicants. These documents, together with the Department's review memos, summary checklists and the loan agreement documentation, are included in the official project files maintained by the State. These files are made available to EPA and the public upon request. Computer databases are maintained for all projects and are backed up regularly by both DWSRF staff and the Department's local area network administrators.
7. **MBE/WBE Requirements:** All DWSRF borrowers are required to comply with the Civil Rights Act of 1964 and 1990, Executive Order 11246 (Equal Employment Opportunity), and Executive Orders 11625 and 12138 (MBE/WBE). Each loan recipient must implement the six affirmative steps to attain "fair share" goals and ensure that its prime contractors also comply.. The DWSRF capitalization grant specifies that the State require loan recipients to make a good faith effort to achieve 2.5% MBE and 3.0% WBE participation for construction contracts.

MBE contracts awarded during FY 2018 were **\$140,272.00 (0.9%)** while WBE participation was **\$0.00 (0%)**. The total DBE participation rate for the reporting period was **0.9%**. The Department continues to ensure the loan applicants and contractors and suppliers make and document a good faith effort to meet the goals

The State of Alabama submits Standard Form 5700-20A to EPA Region IV for their review on a quarterly basis to document efforts toward achieving MBE/WBE objectives.

8. **Federal Crosscutting Authorities:** The State of Alabama and all recipients of DWSRF funds have complied with applicable federal authorities (federal crosscutters). Recipients of DWSRF assistance agreed to do this in the loan application as well as the loan agreement between the recipient and the Authority. Projects are required to complete the State Environmental Review Process (SERP) in a manner consistent with the crosscutting requirements.

9. State Environmental Review Process: The Department conducts environmental reviews on all funded projects in accordance with the State Environmental Review Process (SERP). Categorical Exclusions (CEs) or Findings of No Significant Impact (FONSIs) are issued for each project.
10. Cash Draw Procedures: The State has drawn cash from the Federal Capitalization Grants in a manner consistent with the Capitalization Grant Agreements and the DWSRF ACH Guidance. Exhibit 6 details the amount and date of the draws related to project funding and program administration.

The rate of cash draws from the Federal Capitalization Grants is based on the dollar-for-dollar draws of direct loan projects and a “leveraging ratio” applied to the disbursement of bond proceeds to Bond Pool projects. A “leveraging ratio” is applied to each payment of bond proceeds to loan recipients to calculate the proportional federal share drawn from the ACH and deposited to the ARA.

Consistent with EPA policy, draws from the federal grant for the direct loan projects are required to be proportional to the disbursement of state match funds to borrowers for eligible project costs. Accordingly, the proceeds of the State Match Bonds are the first funds disbursed to members of the Bond Pool. In this manner, the State manages its disbursements to borrowers to ensure that state funds are spent first; thereby meeting the proportionality requirement.

V. Program Changes:

A. Comparison with the Intended Use Plan

The FY 2018 Intended Use Plan had a fundable list for 21 projects totaling approximately \$33.26. Two (2) communities have opted out of the program for various reasons including less than anticipated principal forgiveness. Final loan amounts will be included in future annual reports.

Use of a leveraged loan program maximizes the DWSRF's ability to fund projects that apply for funds and are able to demonstrate the ability to meet the financial, technical and environmental review requirements of the program.

B. Modification of Goals and Objectives

The basic goals and objectives of the Alabama DWSRF are not expected to vary from those stated previously. The Department will seek to execute the procedures necessary to meet the program goals in an expeditious manner in subsequent programs.

C. Transfer from CWSRF to DWSRF

As outlined in the FY 2018 Intended Use Plan no funds were reserved for transfer from the CWSRF to the DWSRF program. No transfer was utilized.

VI. Proposed Improvements:

A. Modification of the Program

FY 2018 was the 19th year of operation of Alabama's DWSRF loan program. Additional staff has been put in place and ongoing training is being provided locally and through the assistance of EPA and the CIFA organization to further the management and operation of the DWSRF program.

Exhibits

Exhibit 1 - Binding Commitments

Project Name	Project #	Bind Date	Estimated Completion Date	Loan Amount	Repayment Date	Interest Rate	Funds Source	IUP FY
Cullman Duck River Raw Water Pump Station, Transmission Main &	FS010189-01	10/1/2017	12/1/2018	\$24,190,000.00	3/1/2018	2.20%	DL:EPA	2015
Webb Water System Improvements	FS010156-02	10/15/2017	4/1/2018	\$615,000.00	8/15/2018	2.20%	DL:EPA	2016
Cherokee Water System Improvements	FS010225-01	12/15/2017	4/1/2019	\$1,395,000.00	8/15/2019	2.20%	DL:EPA	2016
Hayneville Water System Improvements	FS010127-04	2/15/2018	9/1/2018	\$835,000.00	2/15/2019	2.20%	DL:EPA	2015
Covington County Water System Improvements	FS010024-03	3/1/2018	4/1/2019	\$1,550,000.00	8/15/2019	2.20%	DL:EPA	2016
Mosses Water Storage Tank Rehab	FS010210-02	3/1/2018	7/1/2018	\$375,000.00	8/15/2018	2.20%	DL:EPA	2017
New Site Water System Improvements	FS010230-01	3/1/2018	7/1/2019	\$595,000.00	8/15/2019	2.20%	DL:EPA	2017
Lowndes County Tank Rehab and Maintenance Project	FS010228-01	6/1/2018	2/1/2019	\$545,000.00	2/15/2019	2.20%	DL:EPA	2017
V.A.W. Battleground Tank and Pump Station	FS010025-03	6/1/2018	9/1/2019	\$3,208,000.00	2/15/2020	2.20%	DL:EPA	2017
Piedmont Water System Improvements (Supp)	FS010151-03	6/1/2018	3/30/2019	\$570,000.00	8/15/2019	2.20%	DL:EPA	2017
Jackson Raw Water Intake Structure Rehabilitation	FS010072-02	7/1/2018	8/1/2019	\$1,530,000.00	8/15/2019	2.20%	DL:EPA	2017
South Alabama Utilities 2017 Water System Capital Improvements	FS010089-05	7/1/2018	2/28/2019	\$4,410,000.00		2.20%	DL:EPA	2017
Dadeville Rice Avenue, Hillcrest, and Fulton Street Tank Rehabs	FS010235-01	9/1/2018	12/1/2019	\$780,000.00	2/15/2020	2.20%	DL:EPA	2017
Sheffield Water Meter Replacement	FS010160-02	9/15/2018	9/1/2019	\$780,000.00	2/15/2020	2.20%	DL:EPA	2017
14 Loans				Total: \$41,378,000.00				

Note: "Funds Source" designates the source of loan funding, e.g.:

DL:EPA = Direct Loan funded by the Master State Revolving Fund and/or the EPA Grant

Exhibit 2 - DWSRF Loan Summary

Project Name	IUP FY	Project Amount	GPR Amount	Principal Forgiveness	Cap Interest	Finance Expense	Loan Amount
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	\$24,180,000.00	\$0	\$0	\$0.00	\$10,000	\$24,190,000
Hayneville Water System Improvements	2015	\$822,552.72	\$0	\$525,000	\$2,447.28	\$10,000	\$835,000
Covington County Water System Improvements	2016	\$1,515,652.08	\$0	\$0	\$24,347.92	\$10,000	\$1,550,000
Webb Water System Improvements	2016	\$602,827.01	\$0	\$290,000	\$2,172.99	\$10,000	\$615,000
Cherokee Water System Improvements	2016	\$1,371,673.69	\$900,000	\$685,000	\$13,326.31	\$10,000	\$1,395,000
Jackson Raw Water Intake Structure Rehabilitation	2017	\$1,502,575.83	\$0	\$500,000	\$17,424.17	\$10,000	\$1,530,000
Lowndes County Tank Rehab and Maintenance Project	2017	\$532,451.22	\$0	\$265,000	\$2,548.78	\$10,000	\$545,000
Mosses Water Storage Tank Rehab	2017	\$364,057.50	\$0	\$180,000	\$942.50	\$10,000	\$375,000
New Site Water System Improvements	2017	\$579,006.67	\$245,000	\$285,000	\$5,993.33	\$10,000	\$595,000
Sheffield Water Meter Replacement	2017	\$764,425.56	\$780,000	\$380,000	\$5,574.44	\$10,000	\$780,000
South Alabama Utilities 2017 Water System Capital Improvements	2017	\$4,304,082.50	\$0	\$0	\$95,917.50	\$10,000	\$4,410,000
V.A.W. Battleground Tank and Pump Station	2017	\$3,147,068.75	\$0	\$398,000	\$50,931.25	\$10,000	\$3,208,000
Dadeville Rice Avenue, Hillcrest, and Fulton Street Tank Rehabs	2017	\$762,659.37	\$0	\$375,000	\$7,340.63	\$10,000	\$780,000
Piedmont Water System Improvements (Supp)	2017	\$553,135.46	\$570,000	\$0	\$6,864.54	\$10,000	\$570,000
14 Loans		\$41,002,168.36	\$2,495,000.00	\$3,883,000.00	\$235,831.64	\$140,000.00	\$41,378,000.00

Note: "Funds Source" designates the source of loan funding, e.g.:

DL:EPA = Direct Loan funded by the Master State Revolving Fund and the EPA Grant

GPR Amount: Water and Energy Efficiency, Green Infrastructure and Environmentally Inovative Projects

Exhibit 3 FY 2018 Loans Without Binding Commitment as of 9/30/2018

IUPFY	Project Name	Project Amount	GPR	Principal Forgiveness
2018	Midway Elev ated Storage Tank Rehabilitation	\$295,000	\$0	\$0
2018	Fort Payne Downt own Waterline Replacement	\$834,440	\$46,000	\$409,000
2018	West Morgan East Lawrence Water and Sewer Authority Water Meter Replacement	\$2,500,000	\$2,500,000	\$0
2018	Dale County Water System Improvements	\$3,290,000	\$0	\$0
2018	Cowikee Creek Radio Read Water Meter Project	\$265,000	\$265,000	\$130,000
2018	Anniston Southeast Area Water Tank & Transmission Main	\$6,964,022	\$30,000	\$0
2018	Gilbertown Systemwide Water Production, Storage, & Distribution Improvements	\$1,869,628	\$15,000	\$500,000
2018	Jacks ons' Gap Capital Improvements	\$265,000	\$20,000	\$130,000
2018	Marion Meter Replacement and Source Rehabilitation	\$562,000	\$490,000	\$280,000
2018	Midway Elev ated Storage Tank Rehabilitation	\$295,000	\$0	\$147,000
2018	Mount Andrew Water Authority Water Meter Replacement	\$281,000	\$164,000	\$140,000
2018	Mulga Water System AMR Project	\$681,433	\$680,000	\$335,000
2018	Notas ulga Water System Improvements	\$1,275,000	\$0	\$500,000
2018	Pine Hill Water Meter Replacement	\$463,000	\$463,000	\$230,000
2018	Rogersv ille 2018 Water System Improvements	\$742,021	\$742,000	\$187,000
2018	Thorsby 2018 Water System Improvements	\$853,150	\$365,000	\$0
2018	White Hall Water Sy stem Improv ements	\$823,600	\$154,000	\$410,000
2018	Wirf ield Automatic Meter Read Project	\$779,260	\$778,000	\$0
2018	Tus caloosa 2018 DWSRF Projects	\$17,500,000	\$0	\$0
2018	Freemanville Water Meter Replacements	\$465,000	\$465,000	\$230,000
		\$41,003,554		

Summary for FY 2018 (20 Loans)

Alabama Drinking Water State Revolving Fund (DWSRF)

Roles and Responsibilities

Municipality

- Requests placement on SRF Priority List to improve DW system.
- Retains engineer to prepare SRF Application, perform environmental review, Plans and Specifications
- Demonstrates financial capability in order to qualify for SRF loan.
- Requests SRF funds for eligible construction and engineering .

ADEM

- Prepares SRF Priority List
- Applies for EPA grant on basis of Priority List; IUP - needs justify SRF funds from EPA
- Acts as agent to Authority in administration of SRF program
- Performs technical and environmental review of projects
- Reviews pay requests and instructs Trustee Bank to disburse funds to city

Alabama Drinking Water Finance Authority

[Composed of Governor, Lt.-Governor, Speaker-of-House, State Finance Director, Director of ADEM]

- Executes issuance of bonds, supported by SRF grant and SRF loan applications approved by ADEM, to fund DW needs of SRF loan applicants. By issuing bonds SRF grant is “leveraged” to produce 3X funds normally available and to mitigate shortage/absence of State Match.
- State Finance Director selects bond attorneys, financial advisors, trustee bank etc. related to bond issuance.
- Debt of borrowers is in the form of a bond warrant with the Authority.

Legislature

- Created the Alabama Drinking Water Finance Authority in 1997
- Appropriates State Matching funds; required as a condition of EPA SRF grant.

EPA

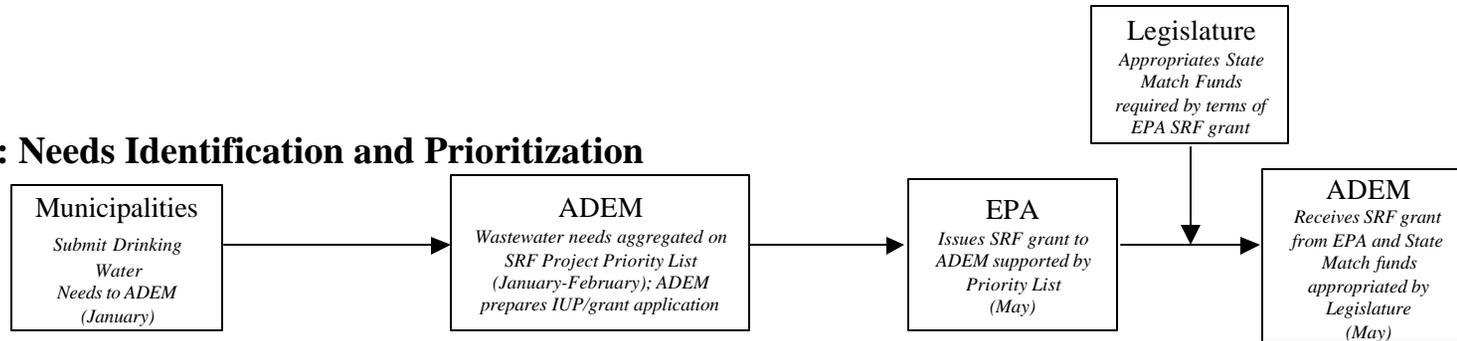
- Reviews state SRF grant application for EPA funds
- Issues SRF Capitalization Grant to ADEM
- Overviews Alabama’s SRF program and receives annual audit of SRF program by CPA.
- Provides assistance upon request.

Trustee Bank

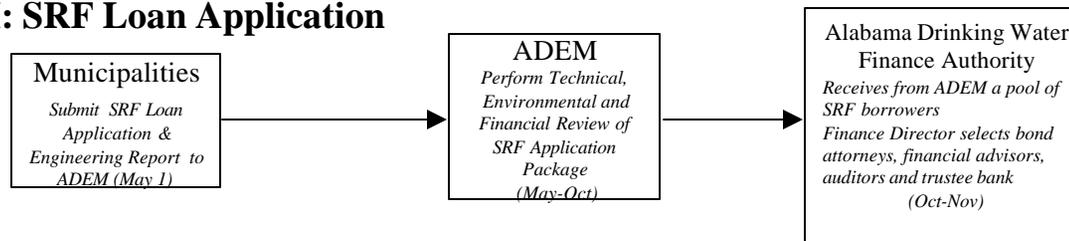
- Selected by State Finance Director
- Manages bond proceeds and loan funds under the direction of Authority and ADEM

Alabama Drinking Water State Revolving Fund (DWSRF)

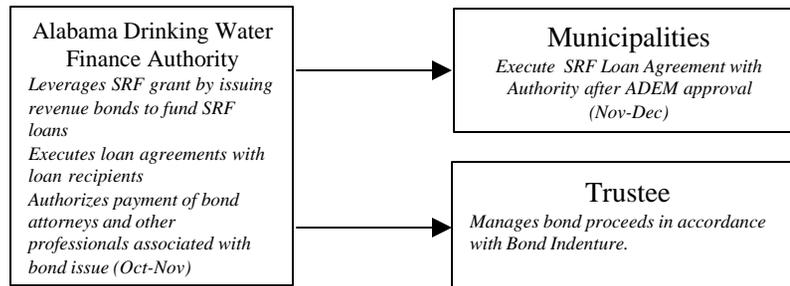
I: Needs Identification and Prioritization



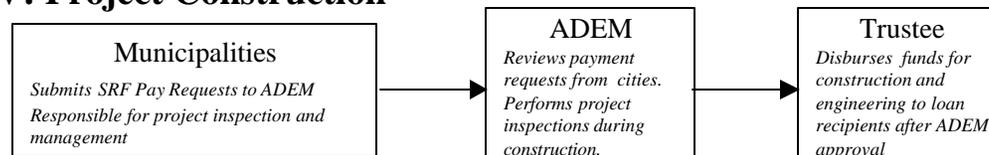
II: SRF Loan Application



III: Bond Issuance



IV: Project Construction



Alabama DWSRF Flow of Funds

The attached flowchart and following narrative is intended to illustrate the relationship between various accounts of the DWSRF and the Federal and State capitalization funds. Please note that the attached flowchart attempts to describe the functions and interrelationships between general types of accounts within and related to the State's program; the Authority Bond Indentures exactly define accounts of and related to the DWSRF. The accounts "inside the DWSRF" are within the large rectangular box on the flowchart. Other associated accounts, such as the Trustee Bank's and the State's Administrative Fee Fund accounts are derived from the loan recipient assessments are outside the DWSRF.

1: **Debt Service Reserve:** This account is funded from bond proceeds. It is used to ensure that defaults by borrowers (loan recipients) do not cause a default in the bond principal and interest payments that amortize the Authority Bonds and thus serves as security for the DWSRF bondholders.

The capitalization requirement of the collateral account is determined by an analysis of the aggregate credit quality of loan recipients funded by bond proceeds. The credit analysis of the borrowers and the determination of the level of collateralization required is performed by the Authority's Financial Advisor in conjunction with bond rating services (AMBAC, Moody's, S&P) prior to the issuance and sale of bonds.

EPA does not allow collateral required for the State Match bonds to be derived from the Federal Capitalization grant. State Match bonds may only be collateralized from interest earnings.

2: **Capitalized Interest Fund:** Holders of CWSRF bonds must begin receiving payments from the DWSRF within 6 months after the sale of the Authority's bonds. Prior to the time that repayments of the CWSRF loans typically begin, funds are required to meet this obligation. The Capitalized Interest Fund is used for this purpose and uses bond proceeds as its source.

3: **Bond Pool Project Fund:** This account contains funds derived from the sale of bonds that are disbursed to the Bond Pool SRF loan recipients for eligible project costs. The funds in the Bond Pool Project Fund may consist of bond proceeds and/or State matching funds (both appropriated and leveraged) and/or funds from the Master Revolving Fund. In the DWSRF program to-date, since no State Match has been appropriated, bond proceeds alone have capitalized this account.

Since capitalization grant funds may be pledged to the Additional Reserve Account (ARA), disbursements to Loan Recipients from the Bond Pool Project Fund can trigger draws from the Federal Capitalization Grant. In that case, draws of federal grant funds from the ACH are calculated on the basis of a "Leveraging Ratio." The Leveraging Ratio is determined by dividing the amount that will be disbursed to the Bond Pool Loan Recipients by the portion of the ACH required for security in the Additional Reserve Account. The total amount of the ACH draws incurred on behalf of the Bond Pool Loan Recipients is limited by the Federal Share of the security required for the issuance of the Bonds.

The ACH draws are proportional to the disbursements to the Loan Recipients for incurred eligible costs and the Federal Share of the security for the Bonds.

Interest earned on the Project Fund is not typically pledged to specific projects at the time that the bonds are sold; the Project Fund is not "net funded." Interest earnings on the Bond Pool Project Fund are typically used to make direct loans. Direct loans made from interest earnings on the Bond Pool Project Fund are usually pledged to the Bond Repayment Fund. In the event of non-default, the direct loans originated from these interest earnings flow to the Master State Revolving Fund where they are subsequently used to make direct loans, or to fund the ARA of a future bond issue.

In order to comply with Federal tax law relative to tax-free bond issues, the Authority is required to restrict the yield (investment rate) that is earned on the Bond Pool Project Fund to the rate that is paid to the bond holders (the arbitrage rate). A (tax) rebate calculation is performed annually on this account in order to verify how much, if any, earned interest is in excess of that allowed by federal tax law (the arbitrage limit) and any excess is rebated to the IRS via the Rebate Fund. Interest that is not "excess" may be used either to redeem bonds or to make additional direct loans.

4: **Direct Loan Project Fund**: This is the account from which direct loan projects are funded. This account may be capitalized from a variety of sources such as the Master SRF Account, the State Match Cash, interest earnings and other sources that are not pledged as security to bond indentures. Cash from the Federal Capitalization Grant flows through this account prior to disbursement to Direct Loan Recipients, as these recipients present payment requests to the Department for incurred eligible expenses.

5: **Additional Reserve Account (ARA)**: The funds in the ARA are used to buy down the borrower's loan interest rate. It is a "loan subsidy" account.

The ARA account is yield restricted to the bond arbitrage rate. Funds in the ARA (typically non-rebatable interest earnings) that are not required for deposit to the Loan Repayment fund flow to the Master SRF Fund and may be used in subsequent years as a source of capital for making direct loans and/or Additional Reserve Account (ARA) funding.

6: **ADEM Administrative Fee and Setasides from Federal Capitalization Grant**: States are allowed to retain a maximum of 4% of the Federal Capitalization Grant for administration of the State's SRF program. There is also an allowance for certain setasides. As costs for these activities are incurred, draws will be made from the Federal Capitalization Grant. This account is outside the SRF.

7: **Bond Repayment Fund**: This fund is a holding account for the payments required to amortize the DWSRF Bonds. Funds flowing into this account are normally derived from a combination of deposits from the Capitalized Interest Fund, the Additional Reserve Account and from loan repayments. Because loan repayments may be deposited prior to the date that the Authority bond holders are scheduled to pay Authority Bond Principal and Interest payments to bondholders, and interest is earned on this account, excess funding may occur. After passing through the Rebate Fund, these excess funds ultimately flow to the DWMSRF Fund. Additionally, loan repayments from borrowers funded by interest earnings flow into this fund, and if not required to meet payments to bondholders, flow to the DWMSRF.

8: **Rebate Fund**: This account is required by Federal tax laws which restrict the earnings of funds associated with tax-exempt bonds. An independent accountant examines the accounts of the SRF annually and determines whether or not excess interest has been

earned and, if so, the amount of the excess interest earnings that must be rebated to the Federal Treasury. Non-excessive interest earnings flow to the Master SRF Fund for use in funding future years' projects.

9: **Drinking Water Master SRF Fund (DWMSRF)**: The DWMSRF is an account whose primary purpose is to fund Direct Loans and Additional Reserve Accounts. It is held by the State Treasurer and accrues interest. Sources for revenue for this fund include repayments of direct loans and interest earnings.

10: **Administrative Fee Funds (Trustee & ADEM)**: Borrowers of SRF funds are charged a fee based on a percentage of the outstanding principal balance at the time a payment is due and payable by the borrower. This percentage is currently set at 0.75%. The Trustee Bank and State Treasurer process these administrative fees outside the SRF. This administrative fee fund will be "dedicated to the administrative purposes associated with the SRF program" and is not subject to the 4% cap (of the capitalization grant) for administrative fees "inside the SRF." These funds are also used to compensate a Trustee Bank for its management of SRF accounts, including the payment of bondholders, the investment of SRF funds and the disbursement of payments to loan recipients. It may also be used to pay legal fees incurred in the process of executing binding commitments as well as auditing and tax rebate calculation expenses (accounting).

Exhibit 5 - DWSRF Construction Disbursements

Project Name	IUP FY	FUNDS SOURCE	Pmt Date	Pmt Amt	Grant Draw
Beauregard Water System Improvements	2015	DL:EPA	10-03-2017	\$109,759.40	\$109,759.40
Russellville Water System Automated Water Meter Project	2016		10-04-2017	\$30,194.25	
New London Radio-Read Meter Project	2015	DL:EPA	10-04-2017	\$55,279.80	
Mosses Radio-Read Meter Project	2015	DL:EPA	10-17-2017	\$9,929.75	
Tuscaloosa Water System Improvements	2016	DL:EPA	10-17-2017	\$7,486.90	\$7,486.90
Dale County Water System Rehabilitation	2013	DL:EPA	10-17-2017	\$154,335.29	\$154,335.29
West Escambia Utilities Water Meter Replacement	2015	DL:EPA	10-18-2017	\$1,750.00	
South Bullock County Road 22 Water Main Replacement	2016	DL:EPA	10-19-2017	\$12,315.02	
South Bullock County Road 22 Water Main Replacement	2016	DL:EPA	10-24-2017	\$0.00	
Sellers Station Radio Read Meter Project	2016	DL:EPA	10-25-2017	\$171,294.21	\$171,294.21
Harpersville Water System Upgrade	2016	DL:EPA	10-25-2017	\$43,950.00	\$43,950.00
Warrior River Phase 1 Improvements (Supplemental)	2016	DL:EPA	10-26-2017	\$89,309.19	\$89,309.19
Wall Street Water System Improvements	2016	DL:EPA	10-26-2017	\$3,530.00	
Cottonwood Water System Improvements	2014	DL:EPA	10-27-2017	\$38,570.70	
Russellville Water System Automated Water Meter Project	2016		11-03-2017	\$355,304.50	\$355,304.50
Tuscaloosa Water System Improvements	2016	DL:EPA	11-14-2017	\$509,479.68	\$509,479.68
Scottsboro North Sauty WTP Electrical Upgrades	2015	DL:EPA	11-15-2017	\$41,644.00	
Piedmont Water System Improvements	2015	DL:EPA	11-15-2017	\$15,956.00	
Beauregard Water System Improvements	2015	DL:EPA	11-16-2017	\$55,038.95	
Beauregard Water System Improvements	2015	DL:EPA	11-16-2017	\$40,058.81	
Nauvoo Water System Improvements	2015	DL:EPA	11-20-2017	\$32,520.25	
Graysville Water System Improvements	2015	DL:EPA	11-20-2017	\$93,738.26	
New Brockton Radio Read Meter Project	2016	DL:EPA	11-20-2017	\$268,773.95	\$268,773.95
Jemison Tank Rehabilitation Project	2016		11-28-2017	\$19,000.00	\$19,000.00
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	12-04-2017	\$160,312.50	\$160,312.50
Russellville Water System Automated Water Meter Project	2016		12-11-2017	\$21,116.00	
Sellers Station Radio Read Meter Project	2016	DL:EPA	12-11-2017	\$14,470.18	\$14,470.18
Wall Street Water System Improvements	2016	DL:EPA	12-11-2017	\$5,250.00	
West Lauderdale Water & FPA Water System Improvements	2015	DL:EPA	12-11-2017	\$81,159.59	\$81,151.50
Warrior River Phase 1 Improvements (Supplemental)	2016	DL:EPA	12-12-2017	\$223,361.14	\$223,361.14
Russellville Water System Automated Water Meter Project	2016		12-18-2017	\$61,485.50	
Hodges Water Supply Upgrades & Infrastructure Improvements	2013	DL:EPA	12-20-2017	\$25,650.00	
West Escambia Utilities Water Meter Replacement	2015	DL:EPA	01-05-2018	\$6,839.80	
Notasulga Radio Read Meters Project	2016	DL:EPA	01-08-2018	\$13,132.55	
West Blocton Water System Improvements	2015	DL:EPA	01-08-2018	\$11,915.65	\$11,915.65
New Brockton Radio Read Meter Project	2016	DL:EPA	01-08-2018	\$111,558.41	\$111,558.41
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	01-08-2018	\$1,374,399.48	\$1,374,399.48
Ashville Water System Improvements	2015	DL:EPA	01-08-2018	\$23,006.25	
West Escambia Utilities Water Meter Replacement	2015	DL:EPA	01-11-2018	\$1,161.00	\$360.05
Russellville Water System Automated Water Meter Project	2016		01-25-2018	\$17,041.50	
Wall Street Water System Improvements	2016	DL:EPA	01-25-2018	\$1,750.00	
Sellers Station Radio Read Meter Project	2016	DL:EPA	01-25-2018	\$4,832.01	
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	01-26-2018	\$183,400.00	\$183,400.00
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	01-26-2018	\$1,088,485.36	\$1,088,485.36
Notasulga Radio Read Meters Project	2016	DL:EPA	02-01-2018	\$8,461.06	\$8,366.35
Hodges Water Supply Upgrades & Infrastructure Improvements	2013	DL:EPA	02-01-2018	\$52,323.75	
Piedmont Water System Improvements	2015	DL:EPA	02-01-2018	\$30,514.00	\$30,514.00
West Blocton Water System Improvements	2015	DL:EPA	02-08-2018	\$5,768.25	
Birmingham Water Line Improvements and SolarBee Installation	2012	DL:EPA	02-08-2018	\$955,620.45	\$955,620.45
Tuscaloosa Water System Improvements	2016	DL:EPA	02-08-2018	\$299,492.45	
Warrior River Phase 1 Improvements (Supplemental)	2016	DL:EPA	02-08-2018	\$152,549.81	

Project Name	IUP FY	FUNDS SOURCE	Pmt Date	Pmt Amt	Grant Draw
West Lauderdale Water & FPA Water System Improvements	2015	DL:EPA	02-08-2018	\$25,244.00	\$23,811.66
Russellville Water System Automated Water Meter Project	2016		02-13-2018	\$16,079.00	
New Brockton Radio Read Meter Project	2016	DL:EPA	02-21-2018	\$15,070.78	
Freemanville Water System Elevated Tank Renovation	2014	DL:EPA	02-22-2018	\$24,581.95	
West Escambia Utilities Water Meter Replacement	2015	DL:EPA	02-23-2018	\$4,626.26	
Tuscaloosa Water System Improvements	2016	DL:EPA	02-23-2018	\$124,381.66	\$124,381.66
Hodges Water Supply Upgrades & Infrastructure Improvements	2013	DL:EPA	02-27-2018	\$23,501.89	
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	02-28-2018	\$513,418.54	\$513,418.54
Tuscaloosa Water System Improvements	2016	DL:EPA	03-02-2018	\$682,249.25	\$682,249.25
Beatrice Water System Improvements	2015	DL:EPA	03-07-2018	\$11,837.17	
Piedmont Water System Improvements	2015	DL:EPA	03-07-2018	\$390,719.23	\$390,719.23
Ashville Water System Improvements	2015	DL:EPA	03-13-2018	\$18,991.46	\$18,991.46
Russellville Water System Automated Water Meter Project	2016		03-30-2018	\$12,503.00	
West Blocton Water System Improvements	2015	DL:EPA	03-30-2018	\$20,404.08	
Jemison Tank Rehabilitation Project	2016		03-30-2018	\$99,925.00	\$99,925.00
Nauvoo Water System Improvements	2015	DL:EPA	04-05-2018	\$15,157.24	
Cullman Duck River Raw Water Pump Station, Transmission & WTP Improvements	2015	DL:EPA	04-06-2018	\$803,635.84	\$803,635.84
Tuscaloosa Water System Improvements	2016	DL:EPA	04-09-2018	\$716,019.19	\$716,019.19
Piedmont Water System Improvements	2015	DL:EPA	04-10-2018	\$310,629.70	\$310,629.70
New Site Water System Improvements	2017	DL:EPA	04-10-2018	\$42,750.00	\$42,750.00
Tuscaloosa Water System Improvements	2016	DL:EPA	04-10-2018	\$421,540.52	\$421,540.52
Douglas Water Line and Solar Panel Installation	2016	DL:EPA	04-10-2018	\$202,879.50	\$202,879.50
Ashville Water System Improvements	2015	DL:EPA	04-11-2018	\$6,293.91	\$6,293.91
Warrior River Phase 1 Improvements (Supplemental)	2016	DL:EPA	04-11-2018	\$6,424.94	
Scottsboro North Sauty WTP Electrical Upgrades	2015	DL:EPA	04-13-2018	\$37,672.66	
New Brockton Radio Read Meter Project	2016	DL:EPA	04-13-2018	\$14,069.50	
Wall Street Water System Improvements	2016	DL:EPA	04-13-2018	\$3,600.00	
Russellville Water System Automated Water Meter Project	2016		04-17-2018	\$11,838.25	
Ashville Water System Improvements	2015	DL:EPA	04-25-2018	\$3,431.18	
West Blocton Water System Improvements	2015	DL:EPA	04-25-2018	\$3,890.62	
Hayneville Water System Improvements	2015	DL:EPA	05-02-2018	\$92,763.18	\$92,763.18
Cherokee Water System Improvements	2016	DL:EPA	05-04-2018	\$112,865.50	\$112,865.50
Beauregard Water System Improvements	2015	DL:EPA	05-08-2018	\$63,777.44	
Jemison Tank Rehabilitation Project	2016		05-08-2018	\$41,387.50	
Harpersville Water System Upgrade	2016	DL:EPA	05-08-2018	\$210,783.99	
Covington County Water System Improvements	2016	DL:EPA	05-09-2018	\$76,500.00	\$76,500.00
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	05-09-2018	\$688,672.24	\$688,672.24
Piedmont Water System Improvements	2015	DL:EPA	05-10-2018	\$115,155.60	\$115,155.60
Harpersville Water System Upgrade	2016	DL:EPA	05-16-2018	\$102,198.02	
West Lauderdale Water & FPA Water System Improvements	2015	DL:EPA	05-16-2018	\$54,043.74	
West Blocton Water System Improvements	2015	DL:EPA	05-16-2018	\$5,008.24	
West Escambia Utilities Water Meter Replacement	2015	DL:EPA	05-17-2018	\$24,854.00	
Wall Street Water System Improvements	2016	DL:EPA	05-21-2018	\$406,423.00	\$406,423.00
Mosses Water Storage Tank Rehab	2017		05-29-2018	\$32,567.75	\$32,303.10
Millers Ferry Water Authority DWSRF Radio Read Meter Project	2016	DL:EPA	05-29-2018	\$18,000.00	
Ashville Water System Improvements	2015	DL:EPA	05-29-2018	\$2,048.50	
Piedmont Water System Improvements	2015	DL:EPA	06-06-2018	\$179,965.85	\$179,965.85
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	06-08-2018	\$808,339.77	\$808,339.77
Russellville Water System Automated Water Meter Project	2016		06-14-2018	\$22,326.00	
Tuscaloosa Water System Improvements	2016	DL:EPA	06-15-2018	\$17,328.00	
Ashville Water System Improvements	2015	DL:EPA	06-15-2018	\$5,238.39	
Wall Street Water System Improvements	2016	DL:EPA	06-18-2018	\$214,165.01	\$214,165.01
Freemanville Water System Elevated Tank Renovation	2014	DL:EPA	06-21-2018	\$45,669.88	

Project Name	IUP FY	FUNDS SOURCE	Pmt Date	Pmt Amt	Grant Draw
Russellville Water System Automated Water Meter Project	2016	DL:EPA	06-22-2018	\$5,024.15	
Jemison Tank Rehabilitation Project	2016	DL:EPA	06-22-2018	\$78,791.97	\$78,791.97
Scottsboro North Sauty WTP Electrical Upgrades	2015	DL:EPA	06-29-2018	\$0.00	
Tuscaloosa Water System Improvements	2016	DL:EPA	07-11-2018	\$224,843.24	\$224,843.24
Harpersville Water System Upgrade	2016	DL:EPA	07-11-2018	\$53,115.89	
Douglas Water Line and Solar Panel Installation	2016	DL:EPA	07-12-2018	\$108,951.68	\$108,951.68
West Blocton Water System Improvements	2015	DL:EPA	07-18-2018	\$16,160.75	
West Blocton Water System Improvements	2015	DL:EPA	07-18-2018	\$22,771.50	
Sellers Station Radio Read Meter Project	2016	DL:EPA	07-19-2018	\$14,549.43	
Millers Ferry Water Authority DWSRF Radio Read Meter Project	2016	DL:EPA	07-20-2018	\$128,432.62	\$128,432.62
Harpersville Water System Upgrade	2016	DL:EPA	07-20-2018	\$42,975.90	
Piedmont Water System Improvements	2015	DL:EPA	07-20-2018	\$280,602.00	\$280,602.00
Covington County Water System Improvements	2016	DL:EPA	07-25-2018	\$394,268.42	\$394,268.42
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	07-25-2018	\$1,397,819.41	\$1,397,819.41
Hayneville Water System Improvements	2015	DL:EPA	07-30-2018	\$329,891.67	\$329,891.67
Webb Water System Improvements	2016	DL:EPA	07-30-2018	\$20,534.48	
Jemison Tank Rehabilitation Project	2016	DL:EPA	07-31-2018	\$174,845.56	\$174,845.56
New Site Water System Improvements	2017	DL:EPA	07-31-2018	\$2,250.00	
Piedmont Water System Improvements	2015	DL:EPA	08-08-2018	\$112,966.62	\$112,966.62
West Blocton Water System Improvements	2015	DL:EPA	08-10-2018	\$294,233.72	\$294,233.72
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	08-10-2018	\$604,354.02	\$604,354.02
Jackson Raw Water Intake Structure Rehabilitation	2017	DL:EPA	08-10-2018	\$119,360.00	\$119,360.00
Tuscaloosa Water System Improvements	2016	DL:EPA	08-10-2018	\$73,258.02	
Ashville Water System Improvements	2015	DL:EPA	08-14-2018	\$15,589.16	
West Blocton Water System Improvements	2015	DL:EPA	08-16-2018	\$36,321.06	
Hayneville Water System Improvements	2015	DL:EPA	08-16-2018	\$234,254.05	\$234,254.05
Moulton (AMR) Program & WTP High Service Pump Station Imps.	2015	DL:EPA	08-17-2018	\$488,185.84	\$488,185.84
Mosses Water Storage Tank Rehab	2017	DL:EPA	08-17-2018	\$3,351.40	
Douglas Water Line and Solar Panel Installation	2016	DL:EPA	08-27-2018	\$34,377.04	
Covington County Water System Improvements	2016	DL:EPA	08-27-2018	\$65,197.36	
Tuscaloosa Water System Improvements	2016	DL:EPA	08-27-2018	\$23,594.00	
South Alabama Utilities 2017 Water System Capital Improvements	2017	DL:EPA	08-30-2018	\$204,764.50	\$204,764.50
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	DL:EPA	08-31-2018	\$608,176.22	\$608,176.22
Cherokee Water System Improvements	2016	DL:EPA	08-31-2018	\$17,088.96	
Millers Ferry Water Authority DWSRF Radio Read Meter Project	2016	DL:EPA	08-31-2018	\$3,958.46	
Beauregard Water System Improvements	2015	DL:EPA	09-05-2018	\$43,700.89	
Piedmont Water System Improvements	2015	DL:EPA	09-06-2018	\$0.00	
Piedmont Water System Improvements (Supp)	2017	DL:EPA	09-06-2018	\$220,771.38	\$220,771.38
Millers Ferry Water Authority DWSRF Radio Read Meter Project	2016	DL:EPA	09-11-2018	\$52,764.69	
West Blocton Water System Improvements	2015	DL:EPA	09-11-2018	\$18,967.03	
Ashville Water System Improvements	2015	DL:EPA	09-12-2018	\$271,833.48	\$271,833.48
Douglas Water Line and Solar Panel Installation	2016	DL:EPA	09-12-2018	\$29,234.01	
Harpersville Water System Upgrade	2016	DL:EPA	09-14-2018	\$62,687.17	
Covington County Water System Improvements	2016	DL:EPA	09-19-2018	\$51,919.92	
New Site Water System Improvements	2017	DL:EPA	09-19-2018	\$2,500.00	
				\$22,006,961.19	\$19,334,353.30

Exhibit 6 - DWSRF Captilization Grant Draws for Construction

Draw #	Project Name	Draw Date	Draw Amount
426	West Lauderdale Water & FPA Water System Improvements	01-12-2018	\$90,754.31
426	Sellers Station Radio Read Meter Project	01-12-2018	\$14,470.18
426	Warrior River Phase 1 Improvements (Supplemental)	01-12-2018	\$681,748.87
426	Jemison Tank Rehabilitation Project	01-12-2018	\$19,000.00
426	Tuscaloosa Water System Improvements	01-12-2018	\$509,479.68
426	Russellville Water System Automated Water Meter Project	01-12-2018	\$355,304.50
426	Warrior River Phase 1 Improvements (Supplemental)	01-12-2018	\$89,309.19
426	Harpersville Water System Upgrade	01-12-2018	\$43,950.00
426	Sellers Station Radio Read Meter Project	01-12-2018	\$171,294.21
426	Tuscaloosa Water System Improvements	01-12-2018	\$7,486.90
426	West Blocton Water System Improvements	01-12-2018	\$25,697.75
426	West Lauderdale Water & FPA Water System Improvements	01-28-2018	\$206,176.44
426	West Lauderdale Water & FPA Water System Improvements	01-12-2018	\$81,151.50
426	Ashville Water System Improvements	01-12-2018	\$109,805.43
426	Tuscaloosa Water System Improvements	01-12-2018	\$5,226.00
426	Warrior River Phase 1 Improvements (Supplemental)	01-12-2018	\$36,422.56
426	Warrior River Phase 1 Improvements (Supplemental)	01-12-2018	\$163,845.34
426	Notasulga Radio Read Meters Project	01-12-2018	\$18,750.00
426	Warrior River Phase 1 Improvements (Supplemental)	01-12-2018	\$149,080.65
426	Tuscaloosa Water System Improvements	01-12-2018	\$11,885.85
426	Tuscaloosa Water System Improvements	01-12-2018	\$383,693.39
426	New Brockton Radio Read Meter Project	01-12-2018	\$26,250.00
426	Beauregard Water System Improvements	01-12-2018	\$109,759.40
426	Warrior River Phase 1 Improvements (Supplemental)	01-12-2018	\$223,361.14
426	Improvements	01-12-2018	\$1,374,399.48
426	West Blocton Water System Improvements	01-12-2018	\$21,544.41
426	West Blocton Water System Improvements	01-12-2018	\$11,915.65
426	New Brockton Radio Read Meter Project	01-12-2018	\$268,773.95
426	Improvements	01-12-2018	\$160,312.50
427	West Escambia Utilities Water Meter Replacement	03-27-2018	\$360.05
428	Ashville Water System Improvements	04-27-2018	\$18,991.46
428	Piedmont Water System Improvements	04-27-2018	\$310,629.70
428	Ashville Water System Improvements	04-27-2018	\$6,293.91
428	Tuscaloosa Water System Improvements	04-27-2018	\$716,019.19
428	Tuscaloosa Water System Improvements	04-27-2018	\$421,540.52
428	New Site Water System Improvements	04-27-2018	\$42,750.00
428	Jemison Tank Rehabilitation Project	04-27-2018	\$99,925.00
428	Tuscaloosa Water System Improvements	04-28-2018	\$682,249.25
428	Improvements	04-27-2018	\$513,418.54
428	Tuscaloosa Water System Improvements	04-27-2018	\$124,381.66
428	Birmingham Water Line Improvements and SolarBee Installation	04-27-2018	\$955,620.45
428	Piedmont Water System Improvements	04-27-2018	\$30,514.00
428	Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Imp	04-27-2018	\$1,088,485.36
428	Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Imp	04-27-2018	\$183,400.00
428	Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Imp	04-27-2018	\$803,635.84
		Total	\$11,369,064.21

Exhibit 7 – Set Asides

FY2018 Annual Report Reflecting Activities Funded Through Drinking Water State Revolving Fund Set Aside Funds

The Drinking Water State Revolving Fund Grant allows a portion of the grant funds to be used for activities other than loans by setting aside some of these grant funds. These funds and activities are identified as follows:

- **2% Funds** – Fund 246 has been established to track expenditures of grant funds available from EPA for small system technical assistance. There were no expenditures during FY2018 from this fund.

There were no funds reserved from the FY2018 Grant.

- **4% Funds** – Fund 245 has been established to track activities and expenditures to support the reasonable cost of administering the Drinking Water SRF Program and providing technical assistance to public water systems in understanding and applying for the SRF Program. There were no expenditures during FY2017 from this fund.

Details of this set aside are covered in Part IV., A., 3.

- **10% Funds** – Fund 247 has been established to assist with program management of the Drinking Water Supervision Program in states. This fund allows a state to cover costs for administering the PWSS Program. There were no expenditures during FY2018 from this fund.

There were no funds reserved from the FY2018 Grant.

- **15% Funds** – Fund 248 has been established to provide local assistance to water systems for promoting Wellhead Protection Program activities, establishing a capacity development strategy and implementation of capacity development, and encouraging systems to comply with Source Water Assessment Program (SWAP). There were no expenditures during FY2017 from this fund.

There were no funds reserved from the FY2018 Grant.

Exhibit 8: DWSRF Assistance to Small Systems

Small System Funding < 3,300 Population

Project Name	IUP FY	Bind Date	Loan Amount	Population
New Site Water System Improvements	2017	3/1/18	\$595,000.00	773
Hayneville Water System Improvements	2015	2/15/18	\$835,000.00	1,000
Mosses Water Storage Tank Rehab	2017	3/1/18	\$375,000.00	1,029
Cherokee Water System Improvements	2016	12/15/17	\$1,395,000.00	1,050
Lowndes County Tank Rehab and Maintenance Project	2017	6/1/18	\$545,000.00	1,100
Webb Water System Improvements	2016	10/15/17	\$615,000.00	1,430
V.A.W. Battleground Tank and Pump Station	2017	6/1/18	\$3,208,000.00	3,000
10 Total		7	\$7,568,000.00	9,382

System Funding > 3,300 Population

Project Name	IUP FY	Bind Date	Loan Amount	Population
Dadeville Rice Avenue, Hillcrest, and Fulton Street Tank Rehabs	2017	9/1/18	\$780,000.00	4,395
Piedmont Water System Improvements (Supp)	2017	6/1/18	\$570,000.00	4,878
Jackson Raw Water Intake Structure Rehabilitation	2017	7/1/18	\$1,530,000.00	14,460
Sheffield Water Meter Replacement	2017	9/15/18	\$780,000.00	15,000
Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	2015	10/1/17	\$24,190,000.00	34,650
Covington County Water System Improvements	2016	3/1/18	\$1,550,000.00	37,765
South Alabama Utilities 2017 Water System Capital Improvements	2017	7/1/18	\$4,410,000.00	70,000
8 Total			\$33,810,000.00	181,148

Total Project Funding: \$41,378,000.00

System Funding > 3,300 Population \$33,810,000.00 = 81.7%

Small System Funding < 3,300 Population \$7,568,000.00 = 18.3%

Exhibit 9 – Long Term Cash Flows

Subpart L, Drinking Water State Revolving Funds, implements Section 1452 of the Safe Drinking Water Act, as amended, 42 USC 300j-12. Section 1452(c) Fund Management, states the “State loan fund shall be established, maintained, and credited with repayments and interest. The fund corpus shall be available in perpetuity for providing financial assistance under this section.” The EPA's program regulation, 40 CFR Section 35.3500(a) implements the SDWA directive and states the DWSRF is to operate in perpetuity.

To measure perpetuity, an attempt has been made to identify the true present worth of the program, compared to the original sum of contributed capital (corpus):

DWSRF Perpetuity of the Fund Measure

Contributed Capital		*ARRA			
FY	Total Grant	Net Grant (minus set asides)	20% Match	Transfer from CWSRF	Total Contributed Capital
1998	\$8,465,600	\$8,126,976	\$1,693,120	\$2,793,648	\$12,613,744
1999	\$8,872,800	\$7,810,450	\$1,774,560	\$2,928,024	\$12,513,034
2000	\$9,221,400	\$8,249,969	\$1,844,280	\$3,043,062	\$13,137,311
2001	\$9,259,500	\$7,855,865	\$1,851,900	\$3,055,635	\$12,763,400
2002	\$8,052,500	\$6,685,924	\$1,610,500	\$2,657,325	\$10,953,749
2003	\$8,004,100	\$7,523,854	\$1,600,820	\$2,641,353	\$11,766,027
2004	\$8,303,100	\$7,970,976	\$1,660,620	\$2,740,023	\$12,371,619
2005	\$8,997,600	\$8,666,180	\$1,799,520	\$2,969,208	\$13,434,908
2006	\$8,229,300	\$7,900,144	\$1,645,860	\$0	\$9,546,004
2007	\$8,229,000	\$7,899,840	\$1,645,800	\$0	\$9,545,640
2008	\$8,146,000	\$7,820,160	\$1,629,200	\$0	\$9,449,360
2009	\$8,146,000	\$7,820,160	\$1,629,200	\$0	\$9,449,360
*2009	\$19,500,000	\$18,720,000	\$0	\$0	\$18,720,000
2010	\$16,823,000	\$16,150,080	\$3,364,600	\$0	\$19,514,680
2011	\$11,674,000	\$11,207,040	\$2,334,800	\$0	\$13,541,840
2012	\$11,125,000	\$10,680,000	\$2,225,000	\$0	\$13,350,000
2013	\$10,438,000	\$10,020,480	\$2,087,600	\$0	\$12,525,600
2014	\$16,892,000	\$16,216,320	\$3,378,400	\$0	\$19,594,720
2015	\$16,781,000	\$16,109,760	\$3,356,200	\$0	\$19,465,960
2016	\$15,876,000	\$15,240,960	\$3,175,200	\$0	\$18,416,160
2017	\$15,740,000	\$15,110,740	\$3,148,000	\$0	\$18,258,740
2018	\$23,944,000	\$22,986,240	\$4,788,000	\$0	\$28,732,800
					\$301,246,712

Net Assets of Program (as of 9/30/16)

Direct Loan Principal Outstanding:	\$168,010,000
Available Cash and Investments:	\$127,920,225
Amount Due to Borrowers:	(\$41,244,337)
<u>Federal Letter of Credit Outstanding:</u>	<u>\$21,116,240</u>
Total Net Assets:	\$275,802,128

42 USC 300j-12c requires that "[t]he fund corpus shall be available in perpetuity for providing financial assistance"

The difference between contributed capital and current net assets can be attributed to the establishment of multiple sinking funds used to retire bonds. Alabama utilizes a leveraging model that utilizes these sinking funds to make up the difference between the state-level bond debt service and the net loan repayments from bond pool borrowers.

Exhibit - MBE/WBE Goals/Contract Summary

Project Name	IUP FY	Loan No.	Prime Contractor	Contract Amt.	Approval Date	Cap Grant No.	DBE Contractors	MBE \$	WBE \$
City of Troy	FY14	FS010124-02	HD Supply Waterworks, Ltd.	\$407,979.00	12/8/2017	FS984472-14	Good Faith Solicitation - No DBE Participation		
WW, Sewer & Gas Bd of the City of Scottsboro- -Contract #1	FY15	FS010198-01	Marrow Water Technologies	\$50,652.00	10/3/2017	FS984472-15	Good Faith Solicitation - No DBE Participation		
City of Moulton	FY15	FS010193-01	BH Craig Construction	\$595,000.00	11/29/2017	FS984472-15	Good Faith Solicitation - No DBE Participation		
Cullman Utilities Board	FY15	FS010189-01	Mark Johnson Construction Inc.	\$8,177,000.00	12/14/2017	FS984472-15	James Paving Company LLC	\$134,372.00	
Ashville - Contract #1	FY15	FS010200-01	Morrow Water Technologies Inc.	\$80,796.00	2/27/2018	FS984472-15	Good Faith Solicitation - No DBE Participation		
West Blacton - #1 & #2	FY15	FS010192-01	Empire Pipe and Supply Company	\$363,510.20	3/29/2018	FS984472-15	Good Faith Solicitation - No DBE Participation		
West Blocton, Contract 3	FY15	FS010192-01	Robinson & Sons Construction Services	\$269,500.00	9/21/2018	FS984472-15	Good Faith Solicitation - No DBE Participation		
City of Fort Payne	FY16	FS010396-06	BH Craig Constructicon	\$665,000.00	12/1/2017	FS984472-16	Good Faith Solicitation - No DBE Participation		
Tuscaloosa - Contract #7	FY16	FS010085-02	Utility Service Co., Inc.	\$568,000.00	12/19/2017	FS984472-16	Good Faith Solicitation - No DBE Participation		
Jeminson -- Contract #1	FY16	FS010226-01	Tank Pro Inc.	\$444,022.00	1/29/2018	FS984472-16	Good Faith Solicitation - No DBE Participation		
Harpersville - Well Upgrade	FY16	FS010205-02	Centerline Contracting, Inc.	\$190,963.30	1/30/2018	FS984472-16	Good Faith Solicitation - No DBE Participation		
Harpersville -- SCADA System	FY16	FS010205-02	Dexter Fortson Associates, Inc.	\$44,579.00	1/30/2018	FS984472-16	Good Faith Solicitation - No DBE Participation		
Harpersville -- Billing System	FY16	FS010205-02	Empire Pipe and Supply	\$29,500.00	1/30/2018	FS984472-16	Good Faith Solicitation - No DBE Participation		
Harpersville - Water Meter Replacement	FY16	FS010205-02	Empire Pipe and Supply	\$219,804.75	1/30/2018	FS984472-16	Good Faith Solicitation - No DBE Participation		
Millers Ferry Water Authority	FY16	FS010218-01	Avritt Contracting	\$201,043.68	5/25/2018	FS984472-16	Good Faith Solicitation - No DBE Participation		
Cherokee, Town of - Contract 2	FY16	FS010225-01	Centerline Contracting Inc.	\$27,093.54	8/30/2018	FS984472-16	Good Faith Solicitation - No DBE Participation		
Mosses Water, Sewer - Contract 2	FY17	FS010210-02	Robinson & Sons Construction Services	\$273,000.00	9/28/2018	FS984472-17	Good Faith Solicitation - No DBE Participation		
City of Ashville --Contract #3	FY15	FS010200-01	Empire Pipe & Supply Company	\$323,392.50	5/25/2018	FS987244-15	Good Faith Solicitation - No DBE Participation		
City of Ashville -- Contract #2	FY15	FS010200-01	Baird Contracting Company	\$197,817.00	5/25/2018	FS987244-15	Good Faith Solicitation - No DBE Participation		
Wall Street Water Authority #1	FY16	FS010014-02	Phoenix Fabrication and Erectors, LLC	\$514,786.00	4/11/2018	FS987244-16	Aegis Fence	\$5,900.00	

Exhibit - MBE/WBE Goals/Contract Summary

Project Name	IUP FY	Loan No.	Prime Contractor	Contract Amt.	Approval Date	Cap Grant No.	DBE Contractors	MBE \$	WBE \$
Wall Street Water Authority #2	FY16	FS010014-02	Strain Construction Company	\$195,812.00	4/11/2018	FS987244-16	Good Faith Solicitation - No DBE Participation		
Wall Street Water Authority #3	FY16	FS010014-02	Central Plant Technology, Inc.	\$87,332.00	4/11/2018	FS987244-16	Good Faith Solicitation - No DBE Participation		
Number of Contracts:		24	Total Contracts Amount:	\$15,245,213.47	Percentage %			\$140,272.00	\$0.00
			MBE Participation:	\$140,272.00	0.9%				
			WBE Participation:	\$0.00	0.0%				
			Total DBE:	\$140,272.00	0.9%				

Exhibit 11 - Loan Repayments

Date	Project	Principal	Interest	Total Payment
10/1/2017	Brundidge Water System Improvements	\$40,000.00	\$11,412.50	\$51,412.50
11/15/2017	Dauphin Island Reverse Osmosis WT Facility & 1 MG Tank	\$120,000.00	\$36,837.50	\$156,837.50
1/1/2018	Butler County Water Authority Tank and Line Improvements	\$0.00	\$10,903.75	\$10,903.75
1/1/2018	Hodges Water Supply Upgrades & Infrastructure Improvements	\$20,000.00	\$5,512.50	\$25,512.50
2/15/2018	Albertville Treatment & Distribution Improvements (Supp)	\$0.00	\$25,730.00	\$25,730.00
2/15/2018	Albertville Water Treatment Plant Improvements	\$0.00	\$20,937.50	\$20,937.50
2/15/2018	Andalusia Elevated Storage Tank Project	\$0.00	\$6,825.00	\$6,825.00
2/15/2018	Asbury Water System Improvements	\$30,000.00	\$3,675.00	\$33,675.00
2/15/2018	Ashville Water System Improvements	\$20,000.00	\$446.96	\$20,446.96
2/15/2018	Athens WTP Improvements	\$165,000.00	\$45,100.00	\$210,100.00
2/15/2018	Atmore Water System Improvements	\$50,000.00	\$6,633.75	\$56,633.75
2/15/2018	Bayou La Batre Water System Improvements	\$20,000.00	\$2,440.00	\$22,440.00
2/15/2018	Beatrice Water System Improvements	\$5,000.00	\$1,045.00	\$6,045.00
2/15/2018	Beauregard Water System Improvements	\$105,000.00	\$28,655.00	\$133,655.00
2/15/2018	Belforest Line Extensions and Storage Tank	\$60,000.00	\$3,752.50	\$63,752.50
2/15/2018	Birmingham Carson Filter Plant Generator	\$90,000.00	\$24,102.50	\$114,102.50
2/15/2018	Birmingham Water Line Improvements and SolarBee Installation	\$245,000.00	\$66,893.75	\$311,893.75
2/15/2018	Birmingham Water System Improvements	\$60,000.00	\$15,877.50	\$75,877.50
2/15/2018	Birmingham West End & Ensley Community Project	\$0.00	\$6,921.25	\$6,921.25
2/15/2018	Blountsville Water System Improvements	\$0.00	\$3,117.50	\$3,117.50
2/15/2018	Brantley Water Meter Replacements	\$0.00	\$1,375.00	\$1,375.00
2/15/2018	Camden Water System Improvements	\$20,000.00	\$3,050.00	\$23,050.00
2/15/2018	Centreville Water & Sewer Water System Improvements	\$45,000.00	\$10,912.50	\$55,912.50
2/15/2018	Chattahoochee Valley Water Sytem Improvements	\$100,000.00	\$26,272.50	\$126,272.50
2/15/2018	Cherokee County Water System Improvements	\$15,000.00	\$4,331.25	\$19,331.25
2/15/2018	Chilton Water System Improvements	\$0.00	\$6,812.50	\$6,812.50
2/15/2018	Clay County Water Treatment Plant Improvements	\$0.00	\$7,262.50	\$7,262.50
2/15/2018	Clayton Water System Improvements	\$15,000.00	\$4,712.50	\$19,712.50
2/15/2018	Coker South Well	\$0.00	\$15,297.50	\$15,297.50
2/15/2018	Coker South Well Supplemental	\$10,000.00	\$2,200.00	\$12,200.00
2/15/2018	Cottonwood Water System Improvements	\$20,000.00	\$4,725.00	\$24,725.00
2/15/2018	Cullman Center Hill Waterline Phase II and III	\$0.00	\$10,750.00	\$10,750.00
2/15/2018	Dale Co. 1998 Water System Improvements	\$0.00	\$3,687.50	\$3,687.50
2/15/2018	Dale County Water System Rehabilitation	\$0.00	\$16,598.75	\$16,598.75
2/15/2018	Decatur Water System Improvements	\$0.00	\$43,312.50	\$43,312.50
2/15/2018	Decatur WTP Improvements	\$0.00	\$5,637.50	\$5,637.50
2/15/2018	Demopolis Water System Improvements	\$130,000.00	\$34,365.00	\$164,365.00
2/15/2018	Dothan West Side Tank and Connecting Main	\$0.00	\$26,862.50	\$26,862.50
2/15/2018	Douglas Water and FPA Water Meter Replacement	\$70,000.00	\$20,281.25	\$90,281.25
2/15/2018	Douglas Water Filter Plant Upgrade (Supplemental)	\$0.00	\$4,900.00	\$4,900.00
2/15/2018	East Central Baldwin County Water System Improvements	\$0.00	\$2,640.00	\$2,640.00
2/15/2018	Englewood-Hulls Mains, Pump Station, and Storage Tank	\$30,000.00	\$2,887.50	\$32,887.50
2/15/2018	Englewood-Hulls Water System, Inc. Water Supply Improvements	\$45,000.00	\$11,550.00	\$56,550.00
2/15/2018	Fayette County Water Coordinating & FPA Water System Improv	\$10,000.00	\$2,585.00	\$12,585.00
2/15/2018	Five Star Water Works Improvements	\$0.00	\$25,217.50	\$25,217.50
2/15/2018	Florence AMR & Wilson Lake Intake Improvements	\$0.00	\$68,538.75	\$68,538.75
2/15/2018	Fort Payne / Lookout Mountain Water Line Extension	\$0.00	\$1,000.00	\$1,000.00
2/15/2018	Fort Payne Water Improvements	\$0.00	\$2,975.00	\$2,975.00
2/15/2018	Freemanville Water System Elevated Tank Renovation	\$15,000.00	\$3,825.00	\$18,825.00
2/15/2018	Grand Bay Water Plant No. 4 Upgrades and Additions	\$20,000.00	\$5,880.00	\$25,880.00

Date	Project	Principal	Interest	Total Payment
2/15/2018	Grand Bay Elevated Storage Tank and Distribution Lines	\$0.00	\$13,650.00	\$13,650.00
2/15/2018	Grant / North Marshall WTP Upgrade	\$20,000.00	\$1,382.50	\$21,382.50
2/15/2018	Graysville Water System Improvements	\$35,000.00	\$2,371.00	\$37,371.00
2/15/2018	Green Pond Water System Improvements	\$0.00	\$27,985.00	\$27,985.00
2/15/2018	Greenhill Water System Improvements	\$20,000.00	\$5,735.00	\$25,735.00
2/15/2018	Hale County Water Improvements	\$90,000.00	\$10,412.50	\$100,412.50
2/15/2018	Hanceville Water Distrib. Lines and Storage Tank	\$0.00	\$6,930.00	\$6,930.00
2/15/2018	Harpersville Water System Upgrade	\$15,000.00	\$278.05	\$15,278.05
2/15/2018	Hartselle East Loop Water Main - Phase II	\$0.00	\$14,000.00	\$14,000.00
2/15/2018	Harvest-Monrovia Water Improvements	\$0.00	\$44,437.50	\$44,437.50
2/15/2018	Harvest-Monrovia Water Improvements (Supplemental)	\$0.00	\$37,687.50	\$37,687.50
2/15/2018	Hayneville Well No. 3	\$15,000.00	\$4,950.00	\$19,950.00
2/15/2018	Huntsville Utilities Pump Smart Installation	\$10,000.00	\$2,200.00	\$12,200.00
2/15/2018	Hurtsboro Water System Improvements	\$5,000.00	\$1,210.00	\$6,210.00
2/15/2018	Jackson 2001 Water System Improvements	\$0.00	\$34,062.50	\$34,062.50
2/15/2018	Jackson Co. / Hollywood-Fackler Water Project	\$15,000.00	\$1,086.25	\$16,086.25
2/15/2018	Kinston Water System Improvements	\$0.00	\$3,712.50	\$3,712.50
2/15/2018	Kushla Water System Improvements	\$75,000.00	\$11,513.75	\$86,513.75
2/15/2018	Kushla Water System Improvements (Supplemental)	\$0.00	\$4,793.75	\$4,793.75
2/15/2018	Limestone South Treatment Facility	\$0.00	\$16,187.50	\$16,187.50
2/15/2018	Lowndesboro Water System Improvements	\$0.00	\$4,631.25	\$4,631.25
2/15/2018	Macon County Water Authority System Improvements	\$0.00	\$1,595.00	\$1,595.00
2/15/2018	Madison 2015 Water Treatment Plant Improvements	\$650,000.00	\$177,210.00	\$827,210.00
2/15/2018	Madison Co. WTP and Storage Tanks	\$0.00	\$21,625.00	\$21,625.00
2/15/2018	Madison Water System Improvements	\$0.00	\$38,520.00	\$38,520.00
2/15/2018	Marbury 1998 Water System Improvements	\$0.00	\$8,937.50	\$8,937.50
2/15/2018	Marion Co. PWA AL Hwy 19 & CR-25 Water Project	\$40,000.00	\$2,567.50	\$42,567.50
2/15/2018	McIntosh Well No. 3 and Tank No. 2	\$0.00	\$4,042.50	\$4,042.50
2/15/2018	Millers Ferry Water Authority DWSRF Radio Read Meter Project	\$5,000.00	\$141.17	\$5,141.17
2/15/2018	Mosses Radio-Read Meter Project	\$5,000.00	\$1,320.00	\$6,320.00
2/15/2018	Moulton (AMR) Program & WTP High Service Pump Station Imps.	\$0.00	\$3,630.00	\$3,630.00
2/15/2018	Munford Water Authority New Drinking Water Well	\$25,000.00	\$6,562.50	\$31,562.50
2/15/2018	Munford Wells and Line Upgrades	\$45,000.00	\$2,666.25	\$47,666.25
2/15/2018	Nauvoo Water System Improvements	\$20,000.00	\$5,720.00	\$25,720.00
2/15/2018	NE AL / Waterloo Springs Water Treatment Plant	\$0.00	\$8,492.50	\$8,492.50
2/15/2018	Nectar Water Plant Improvements	\$25,000.00	\$6,710.00	\$31,710.00
2/15/2018	Nectar Water Plant Improvements (Supplemental)	\$10,000.00	\$3,176.25	\$13,176.25
2/15/2018	Nectar Water System Improvements	\$0.00	\$468.75	\$468.75
2/15/2018	New Brockton Radio Read Meter Project	\$20,000.00	\$5,060.00	\$25,060.00
2/15/2018	New Brockton Water System Improvements	\$45,000.00	\$3,653.75	\$48,653.75
2/15/2018	New London Radio-Read Meter Project	\$50,000.00	\$13,035.00	\$63,035.00
2/15/2018	North Baldwin Utilities Water System SCADA Integration Project	\$0.00	\$16,431.25	\$16,431.25
2/15/2018	Northeast Etowah Co. Storage Tank	\$0.00	\$750.00	\$750.00
2/15/2018	Northeast Etowah Water System Improvements	\$0.00	\$3,697.50	\$3,697.50
2/15/2018	Northport Water System Improvements	\$0.00	\$24,943.75	\$24,943.75
2/15/2018	Northport WTP Expansion	\$0.00	\$4,500.00	\$4,500.00
2/15/2018	Northport WTP Expansion (Supplemental)	\$0.00	\$2,000.00	\$2,000.00
2/15/2018	Notasulga Radio Read Meters Project	\$5,000.00	\$1,361.25	\$6,361.25
2/15/2018	Ohatchee Water System Improvements	\$10,000.00	\$592.50	\$10,592.50
2/15/2018	Oneonta Straight Mountain Water Improvements	\$0.00	\$5,875.00	\$5,875.00
2/15/2018	Owens Crossroads Gravity Filtration Upgrade	\$55,000.00	\$3,357.50	\$58,357.50
2/15/2018	Peterson Water System Storage Tank and Main	\$40,000.00	\$2,567.50	\$42,567.50

Date	Project	Principal	Interest	Total Payment
2/15/2018	Piedmont Water System Improvements	\$0.00	\$16,280.00	\$16,280.00
2/15/2018	Pike County Elevated Storage Tank Rehabilitation	\$20,000.00	\$5,637.50	\$25,637.50
2/15/2018	Quint-Mar Water Authority System Improvements	\$35,000.00	\$8,470.00	\$43,470.00
2/15/2018	Quint-Mar Water System Improvements	\$0.00	\$750.00	\$750.00
2/15/2018	Red Bay Water System AMR Project	\$0.00	\$3,410.00	\$3,410.00
2/15/2018	Red Level Water Meter Replacements	\$0.00	\$1,100.00	\$1,100.00
2/15/2018	Remlap AMR Water Meter Installation	\$5,000.00	\$2,090.00	\$7,090.00
2/15/2018	Riverside Water System Improvements	\$50,000.00	\$13,230.00	\$63,230.00
2/15/2018	Russellville Lake Elliot Raw Water Pump Station	\$0.00	\$9,556.25	\$9,556.25
2/15/2018	Saint Elmo-Irvington Well/Water Treatment Facility #1 Upgrade	\$0.00	\$9,262.50	\$9,262.50
2/15/2018	Saint Elmo-Irvington Well/Water Treatment Facility #1 (Supp)	\$15,000.00	\$3,412.50	\$18,412.50
2/15/2018	Scottsboro North Sauty WTP Electrical Upgrades	\$0.00	\$8,745.00	\$8,745.00
2/15/2018	Sellers Station Radio Read Meter Project	\$5,000.00	\$1,375.00	\$6,375.00
2/15/2018	Selma Water Meter Replacement & 0.5 MG Tank Painting Project	\$0.00	\$15,400.00	\$15,400.00
2/15/2018	Sheffield Water Treatment Plant Improvements	\$0.00	\$1,375.00	\$1,375.00
2/15/2018	Shelby County South Water Treatment Plant	\$0.00	\$149,955.00	\$149,955.00
2/15/2018	Shelby County South Water Treatment Plant (Supplemental)		\$36,075.00	\$36,075.00
2/15/2018	Slocomb Water System Improvements	\$20,000.00	\$6,325.00	\$26,325.00
2/15/2018	Slocomb Water System Improvements	\$5,000.00	\$1,760.00	\$6,760.00
2/15/2018	South Alabama Utilities Water System Improvements	\$215,000.00	\$33,397.50	\$248,397.50
2/15/2018	South Alabama Utilities Water System Improvements	\$0.00	\$48,571.25	\$48,571.25
2/15/2018	South Alabama Utilities Water System - AMR System	\$0.00	\$68,775.00	\$68,775.00
2/15/2018	South Bullock County Road 22 Water Main Replacement	\$5,000.00	\$1,650.00	\$6,650.00
2/15/2018	South Bullock County Water Authority Peachburg Tank Rehab	\$5,000.00	\$1,320.00	\$6,320.00
2/15/2018	South Bullock County Water Authority Radio Read Meters	\$20,000.00	\$4,777.50	\$24,777.50
2/15/2018	South Bullock Deep Well Water Supply Improvements	\$35,000.00	\$8,487.50	\$43,487.50
2/15/2018	South Bullock Deep Well Water Supply Improvements (Supp)	\$20,000.00	\$5,343.75	\$25,343.75
2/15/2018	South Dallas County Water System Improvements	\$20,000.00	\$5,267.50	\$25,267.50
2/15/2018	Sterrett-Vandiver Telemetry Installation	\$10,000.00	\$171.11	\$10,171.11
2/15/2018	Swearengin Water System Improvements	\$50,000.00	\$3,160.00	\$53,160.00
2/15/2018	Thorsby 2000 Water System Expansion Project	\$0.00	\$2,887.50	\$2,887.50
2/15/2018	Thorsby Well No. 7 Project	\$55,000.00	\$4,987.50	\$59,987.50
2/15/2018	Troy Utility Complex Elevated Storage Tank Painting	\$0.00	\$2,537.50	\$2,537.50
2/15/2018	Troy Water System Improvements	\$150,000.00	\$37,068.75	\$187,068.75
2/15/2018	Turnerville Water System Improvements	\$55,000.00	\$8,463.75	\$63,463.75
2/15/2018	Tuscaloosa Water System Improvements	\$0.00	\$32,400.00	\$32,400.00
2/15/2018	Tuskegee Water System Improvements	\$135,000.00	\$11,257.50	\$146,257.50
2/15/2018	Tuskegee Water Treatment Plant Improvements	\$140,000.00	\$36,487.50	\$176,487.50
2/15/2018	Tuskegee Water Treatment Plant Improvements (Supplemental)	\$0.00	\$18,135.00	\$18,135.00
2/15/2018	VAW Water System Improvements	\$0.00	\$17,873.75	\$17,873.75
2/15/2018	Wall Street Water System Improvements	\$40,000.00	\$4,680.51	\$44,680.51
2/15/2018	Walnut Hill Water Authority Radio Read Meters and Electrical	\$30,000.00	\$6,975.00	\$36,975.00
2/15/2018	Walter Water Authority Water Line Upgrade	\$0.00	\$3,500.00	\$3,500.00
2/15/2018	Warrior River Phase 1 Improvements	\$665,000.00	\$209,947.50	\$874,947.50
2/15/2018	Warrior River Phase 1 Improvements (Supplemental)	\$0.00	\$9,755.77	\$9,755.77
2/15/2018	Wattsville Water System Improvements	\$0.00	\$2,156.25	\$2,156.25
2/15/2018	Weaver Well and Storage Tank	\$0.00	\$10,150.00	\$10,150.00
2/15/2018	Webb Water System Improvements	\$5,000.00	\$1,650.00	\$6,650.00
2/15/2018	West Blocton Water System Improvements	\$50,000.00	\$3,509.09	\$53,509.09
2/15/2018	West Escambia Utilities Water Meter Replacement	\$0.00	\$14,905.00	\$14,905.00
2/15/2018	West Lauderdale Water & FPA Water System Improvements	\$0.00	\$5,885.00	\$5,885.00
2/15/2018	West Lawrence Water Cooperative	\$15,000.00	\$4,162.50	\$19,162.50

Date	Project	Principal	Interest	Total Payment
2/15/2018	White House Water System Improvements	\$0.00	\$3,946.25	\$3,946.25
3/1/2018	Cullman Duck River Raw Water Pump Station, Mains & WTP	\$0.00	\$221,741.67	\$221,741.67
4/1/2018	Brundidge Water System Improvements	\$0.00	\$10,862.50	\$10,862.50
5/15/2018	Dauphin Island Reverse Osmosis WT Facility & 1 MG Tank	\$0.00	\$34,737.50	\$34,737.50
6/27/2018	South Bullock Deep Well Water Supply Improvements	\$450,000.00	\$5,775.00	\$455,775.00
7/1/2018	Butler County Water Authority Tank and Line Improvements	\$95,000.00	\$10,903.75	\$105,903.75
7/1/2018	Hodges Water Supply Upgrades & Infrastructure Improvements	\$0.00	\$5,267.50	\$5,267.50
8/15/2018	Albertville Treatment & Distribution Improvements (Supp)	\$95,000.00	\$25,730.00	\$120,730.00
8/15/2018	Albertville Water Treatment Plant Improvements	\$310,000.00	\$20,937.50	\$330,937.50
8/15/2018	Andalusia Elevated Storage Tank Project	\$70,000.00	\$6,825.00	\$76,825.00
8/15/2018	Asbury Water System Improvements	\$0.00	\$3,150.00	\$3,150.00
8/15/2018	Ashville Water System Improvements	\$0.00	\$5,390.00	\$5,390.00
8/15/2018	Athens WTP Improvements	\$0.00	\$42,831.25	\$42,831.25
8/15/2018	Atmore Water System Improvements	\$0.00	\$5,871.25	\$5,871.25
8/15/2018	Bayou La Batre Water System Improvements	\$0.00	\$2,135.00	\$2,135.00
8/15/2018	Beatrice Water System Improvements	\$0.00	\$990.00	\$990.00
8/15/2018	Beauregard Water System Improvements	\$0.00	\$27,500.00	\$27,500.00
8/15/2018	Belforest Line Extensions and Storage Tank	\$0.00	\$2,567.50	\$2,567.50
8/15/2018	Birmingham Carson Filter Plant Generator	\$0.00	\$22,707.50	\$22,707.50
8/15/2018	Birmingham Water Line Improvements and SolarBee Installation	\$0.00	\$63,525.00	\$63,525.00
8/15/2018	Birmingham Water System Improvements	\$0.00	\$15,007.50	\$15,007.50
8/15/2018	Birmingham West End & Ensley Community Project	\$25,000.00	\$6,921.25	\$31,921.25
8/15/2018	Blountsville Water System Improvements	\$10,000.00	\$3,117.50	\$13,117.50
8/15/2018	Brantley Water Meter Replacements	\$5,000.00	\$1,375.00	\$6,375.00
8/15/2018	Camden Water System Improvements	\$0.00	\$2,745.00	\$2,745.00
8/15/2018	Centreville Water & Sewer Water System Improvements	\$0.00	\$10,406.25	\$10,406.25
8/15/2018	Chattahoochee Valley Water Sytem Improvements	\$0.00	\$24,722.50	\$24,722.50
8/15/2018	Cherokee County Water System Improvements	\$0.00	\$4,162.50	\$4,162.50
8/15/2018	Chilton Water System Improvements	\$175,000.00	\$6,812.50	\$181,812.50
8/15/2018	Clay County Water Treatment Plant Improvements	\$80,000.00	\$7,262.50	\$87,262.50
8/15/2018	Clayton Water System Improvements	\$0.00	\$4,495.00	\$4,495.00
8/15/2018	Coker South Well	\$55,000.00	\$15,297.50	\$70,297.50
8/15/2018	Coker South Well Supplemental	\$0.00	\$2,062.50	\$2,062.50
8/15/2018	Cottonwood Water System Improvements	\$0.00	\$4,500.00	\$4,500.00
8/15/2018	Cullman Center Hill Waterline Phase II and III	\$160,000.00	\$10,750.00	\$170,750.00
8/15/2018	Dale Co. 1998 Water System Improvements	\$145,000.00	\$3,687.50	\$148,687.50
8/15/2018	Dale County Water System Rehabilitation	\$70,000.00	\$16,598.75	\$86,598.75
8/15/2018	Decatur Water System Improvements	\$140,000.00	\$43,312.50	\$183,312.50
8/15/2018	Decatur WTP Improvements	\$20,000.00	\$5,637.50	\$25,637.50
8/15/2018	Demopolis Water System Improvements	\$0.00	\$32,480.00	\$32,480.00
8/15/2018	Dothan West Side Tank and Connecting Main	\$95,000.00	\$26,862.50	\$121,862.50
8/15/2018	Douglas Water and FPA Water Meter Replacement	\$0.00	\$19,318.75	\$19,318.75
8/15/2018	Douglas Water Filter Plant Upgrade (Supplemental)	\$20,000.00	\$4,900.00	\$24,900.00
8/15/2018	Douglas Water Line and Solar Panel Installation	\$0.00	\$2,566.67	\$2,566.67
8/15/2018	East Central Baldwin County Water System Improvements	\$10,000.00	\$2,640.00	\$12,640.00
8/15/2018	Englewood-Hulls Mains, Pump Station, and Storage Tank	\$0.00	\$2,362.50	\$2,362.50
8/15/2018	Englewood-Hulls Water System, Inc. Water Supply Improvements	\$0.00	\$11,055.00	\$11,055.00
8/15/2018	Fayette County Water Coordinating & FPA Water System Improv	\$0.00	\$2,475.00	\$2,475.00
8/15/2018	Five Star Water Works Improvements	\$420,000.00	\$25,217.50	\$445,217.50
8/15/2018	Florence AMR & Wilson Lake Intake Improvements	\$235,000.00	\$68,538.75	\$303,538.75
8/15/2018	Fort Payne / Lookout Mountain Water Line Extension	\$80,000.00	\$1,000.00	\$81,000.00
8/15/2018	Fort Payne Water Improvements	\$30,000.00	\$2,975.00	\$32,975.00

Date	Project	Principal	Interest	Total Payment
8/15/2018	Freemanville Water System Elevated Tank Renovation	\$0.00	\$3,656.25	\$3,656.25
8/15/2018	Grand Bay Water Plant No. 4 Upgrades and Additions	\$0.00	\$5,635.00	\$5,635.00
8/15/2018	Grand Bay Elevated Storage Tank and Distribution Lines	\$100,000.00	\$13,650.00	\$113,650.00
8/15/2018	Grant / North Marshall WTP Upgrade	\$0.00	\$987.50	\$987.50
8/15/2018	Graysville Water System Improvements	\$0.00	\$9,240.00	\$9,240.00
8/15/2018	Green Pond Water System Improvements	\$105,000.00	\$27,985.00	\$132,985.00
8/15/2018	Greenhill Water System Improvements	\$0.00	\$5,425.00	\$5,425.00
8/15/2018	Hale County Water Improvements	\$0.00	\$8,837.50	\$8,837.50
8/15/2018	Hanceville Water Distrib. Lines and Storage Tank	\$85,000.00	\$6,930.00	\$91,930.00
8/15/2018	Harpersville Water System Upgrade	\$0.00	\$3,410.00	\$3,410.00
8/15/2018	Hartselle East Loop Water Main - Phase II	\$210,000.00	\$14,000.00	\$224,000.00
8/15/2018	Harvest-Monrovia Water Improvements	\$655,000.00	\$44,437.50	\$699,437.50
8/15/2018	Harvest-Monrovia Water Improvements (Supplemental)	\$560,000.00	\$37,687.50	\$597,687.50
8/15/2018	Hayneville Well No. 3	\$0.00	\$4,743.75	\$4,743.75
8/15/2018	Huntsville Utilities Pump Smart Installation	\$0.00	\$2,062.50	\$2,062.50
8/15/2018	Hurtsboro Water System Improvements	\$0.00	\$1,155.00	\$1,155.00
8/15/2018	Jackson 2001 Water System Improvements	\$415,000.00	\$34,062.50	\$449,062.50
8/15/2018	Jackson Co. / Hollywood-Fackler Water Project	\$0.00	\$790.00	\$790.00
8/15/2018	Jemison Tank Rehabilitation Project	\$0.00	\$2,186.25	\$2,186.25
8/15/2018	Kinston Water System Improvements	\$15,000.00	\$3,712.50	\$18,712.50
8/15/2018	Kushla Water System Improvements	\$0.00	\$10,370.00	\$10,370.00
8/15/2018	Kushla Water System Improvements (Supplemental)	\$25,000.00	\$4,793.75	\$29,793.75
8/15/2018	Limestone South Treatment Facility	\$305,000.00	\$16,187.50	\$321,187.50
8/15/2018	Lowndesboro Water System Improvements	\$25,000.00	\$4,631.25	\$29,631.25
8/15/2018	Macon County Water Authority System Improvements	\$5,000.00	\$1,595.00	\$6,595.00
8/15/2018	Madison 2015 Water Treatment Plant Improvements	\$0.00	\$170,060.00	\$170,060.00
8/15/2018	Madison Co. WTP and Storage Tanks	\$850,000.00	\$21,625.00	\$871,625.00
8/15/2018	Madison Water System Improvements	\$625,000.00	\$38,520.00	\$663,520.00
8/15/2018	Marbury 1998 Water System Improvements	\$170,000.00	\$8,937.50	\$178,937.50
8/15/2018	Marion Co. PWA AL Hwy 19 & CR-25 Water Project	\$0.00	\$1,777.50	\$1,777.50
8/15/2018	McIntosh Well No. 3 and Tank No. 2	\$50,000.00	\$4,042.50	\$54,042.50
8/15/2018	Millers Ferry Water Authority DWSRF Radio Read Meter Project	\$0.00	\$1,760.00	\$1,760.00
8/15/2018	Mosses Radio-Read Meter Project	\$0.00	\$1,265.00	\$1,265.00
8/15/2018	Mosses Water Storage Tank Rehab	\$0.00	\$524.33	\$524.33
8/15/2018	Moulton (AMR) Program & WTP High Service Pump Station Imps.	\$15,000.00	\$3,630.00	\$18,630.00
8/15/2018	Munford Water Authority New Drinking Water Well	\$0.00	\$6,125.00	\$6,125.00
8/15/2018	Munford Wells and Line Upgrades	\$0.00	\$1,777.50	\$1,777.50
8/15/2018	Nauvoo Water System Improvements	\$0.00	\$5,500.00	\$5,500.00
8/15/2018	NE AL / Waterloo Springs Water Treatment Plant	\$135,000.00	\$8,492.50	\$143,492.50
8/15/2018	Nectar Water Plant Improvements	\$0.00	\$6,435.00	\$6,435.00
8/15/2018	Nectar Water Plant Improvements (Supplemental)	\$0.00	\$3,355.00	\$3,355.00
8/15/2018	Nectar Water System Improvements	\$25,000.00	\$468.75	\$25,468.75
8/15/2018	New Brockton Radio Read Meter Project	\$0.00	\$4,840.00	\$4,840.00
8/15/2018	New Brockton Water System Improvements	\$0.00	\$2,765.00	\$2,765.00
8/15/2018	New London Radio-Read Meter Project	\$0.00	\$12,485.00	\$12,485.00
8/15/2018	North Baldwin Utilities Water System SCADA Integration Project	\$60,000.00	\$16,431.25	\$76,431.25
8/15/2018	Northeast Etowah Co. Storage Tank	\$40,000.00	\$750.00	\$40,750.00
8/15/2018	Northeast Etowah Water System Improvements	\$15,000.00	\$3,697.50	\$18,697.50
8/15/2018	Northport Water System Improvements	\$150,000.00	\$24,943.75	\$174,943.75
8/15/2018	Northport WTP Expansion	\$175,000.00	\$4,500.00	\$179,500.00
8/15/2018	Northport WTP Expansion (Supplemental)	\$80,000.00	\$2,000.00	\$82,000.00
8/15/2018	Notasulga Radio Read Meters Project	\$0.00	\$1,760.00	\$1,760.00

Date	Project	Principal	Interest	Total Payment
8/15/2018	Ohatchee Water System Improvements	\$0.00	\$395.00	\$395.00
8/15/2018	Oneonta Straight Mountain Water Improvements	\$110,000.00	\$5,875.00	\$115,875.00
8/15/2018	Owens Crossroads Gravity Filtration Upgrade	\$0.00	\$2,271.25	\$2,271.25
8/15/2018	Peterson Water System Storage Tank and Main	\$0.00	\$1,777.50	\$1,777.50
8/15/2018	Piedmont Water System Improvements	\$65,000.00	\$16,280.00	\$81,280.00
8/15/2018	Pike County Elevated Storage Tank Rehabilitation	\$0.00	\$5,362.50	\$5,362.50
8/15/2018	Quint-Mar Water Authority System Improvements	\$0.00	\$8,085.00	\$8,085.00
8/15/2018	Quint-Mar Water System Improvements	\$40,000.00	\$750.00	\$40,750.00
8/15/2018	Red Bay Water System AMR Project	\$15,000.00	\$3,410.00	\$18,410.00
8/15/2018	Red Level Water Meter Replacements	\$5,000.00	\$1,100.00	\$6,100.00
8/15/2018	Remlap AMR Water Meter Installation	\$0.00	\$2,035.00	\$2,035.00
8/15/2018	Riverside Water System Improvements	\$0.00	\$12,617.50	\$12,617.50
8/15/2018	Russellville Lake Elliot Raw Water Pump Station	\$35,000.00	\$9,556.25	\$44,556.25
8/15/2018	Russellville Water System Automated Water Meter Project	\$25,000.00	\$5,527.51	\$30,527.51
8/15/2018	Saint Elmo-Irvington Well/Water Treatment Facility #1 Upgrade	\$45,000.00	\$9,262.50	\$54,262.50
8/15/2018	Saint Elmo-Irvington Well/Water Treatment Facility #1 (Supp)	\$0.00	\$3,150.00	\$3,150.00
8/15/2018	Scottsboro North Sauty WTP Electrical Upgrades	\$35,000.00	\$8,745.00	\$43,745.00
8/15/2018	Sellers Station Radio Read Meter Project	\$0.00	\$1,320.00	\$1,320.00
8/15/2018	Selma Water Meter Replacement & 0.5 MG Tank Painting Project	\$55,000.00	\$15,400.00	\$70,400.00
8/15/2018	Sheffield Water Treatment Plant Improvements	\$5,000.00	\$1,375.00	\$6,375.00
8/15/2018	Shelby County South Water Treatment Plant	\$1,395,000.00	\$149,955.00	\$1,544,955.00
8/15/2018	Shelby County South Water Treatment Plant (Supplemental)	\$330,000.00	\$36,075.00	\$366,075.00
8/15/2018	Slocomb Water System Improvements	\$0.00	\$1,705.00	\$1,705.00
8/15/2018	Slocomb Water System Improvements	\$0.00	\$6,050.00	\$6,050.00
8/15/2018	South Alabama Utilities Water System Improvements	\$355,000.00	\$48,571.25	\$403,571.25
8/15/2018	South Alabama Utilities Water System Improvements	\$0.00	\$30,118.75	\$30,118.75
8/15/2018	South Alabama Utilities Water System - AMR System	\$300,000.00	\$68,775.00	\$368,775.00
8/15/2018	South Bullock County Road 22 Water Main Replacement	\$0.00	\$1,595.00	\$1,595.00
8/15/2018	South Bullock County Water Authority Peachburg Tank Rehab	\$0.00	\$1,265.00	\$1,265.00
8/15/2018	South Bullock County Water Authority Radio Read Meters	\$0.00	\$4,532.50	\$4,532.50
8/15/2018	South Bullock Deep Well Water Supply Improvements (Supp)	\$0.00	\$5,118.75	\$5,118.75
8/15/2018	South Dallas County Water System Improvements	\$0.00	\$5,022.50	\$5,022.50
8/15/2018	Sterrett-Vandiver Telemetry Installation	\$0.00	\$2,090.00	\$2,090.00
8/15/2018	Swearengin Water System Improvements	\$0.00	\$2,172.50	\$2,172.50
8/15/2018	Thorsby 2000 Water System Expansion Project	\$35,000.00	\$2,887.50	\$37,887.50
8/15/2018	Thorsby Well No. 7 Project	\$0.00	\$4,025.00	\$4,025.00
8/15/2018	Troy Utility Complex Elevated Storage Tank Painting	\$10,000.00	\$2,537.50	\$12,537.50
8/15/2018	Troy Water System Improvements	\$0.00	\$35,381.25	\$35,381.25
8/15/2018	Turnerville Water System Improvements	\$0.00	\$7,625.00	\$7,625.00
8/15/2018	Tuscaloosa Water System Improvements	\$395,000.00	\$32,400.00	\$427,400.00
8/15/2018	Tuskegee Water System Improvements	\$0.00	\$8,591.25	\$8,591.25
8/15/2018	Tuskegee Water Treatment Plant Improvements	\$0.00	\$34,037.50	\$34,037.50
8/15/2018	Tuskegee Water Treatment Plant Improvements (Supplemental)	\$75,000.00	\$18,135.00	\$93,135.00
8/15/2018	VAW Water System Improvements	\$290,000.00	\$17,873.75	\$307,873.75
8/15/2018	Wall Street Water System Improvements	\$0.00	\$10,945.00	\$10,945.00
8/15/2018	Walnut Hill Water Authority Radio Read Meters and Electrical	\$0.00	\$6,637.50	\$6,637.50
8/15/2018	Walter Water Authority Water Line Upgrade	\$15,000.00	\$3,500.00	\$18,500.00
8/15/2018	Warrior River Phase 1 Improvements	\$0.00	\$199,640.00	\$199,640.00
8/15/2018	Warrior River Phase 1 Improvements (Supplemental)	\$60,000.00	\$16,885.00	\$76,885.00
8/15/2018	Wattsville Water System Improvements	\$55,000.00	\$2,156.25	\$57,156.25
8/15/2018	Weaver Well and Storage Tank	\$35,000.00	\$10,150.00	\$45,150.00
8/15/2018	Webb Water System Improvements	\$15,000.00	\$2,661.39	\$17,661.39
8/15/2018	Webb Water System Improvements	\$0.00	\$1,581.25	\$1,581.25

Date	Project	Principal	Interest	Total Payment
8/15/2018	West Blocton Water System Improvements	\$0.00	\$13,695.00	\$13,695.00
8/15/2018	West Escambia Utilities Water Meter Replacement	\$60,000.00	\$14,905.00	\$74,905.00
8/15/2018	West Lauderdale Water & FPA Water System Improvements	\$25,000.00	\$5,885.00	\$30,885.00
8/15/2018	West Lawrence Water Cooperative	\$0.00	\$3,993.75	\$3,993.75
8/15/2018	White House Water System Improvements	\$65,000.00	\$3,946.25	\$68,946.25
9/1/2018	Cullman Duck River Raw Water Pump Station, Mains & WTP	\$975,000.00	\$266,090.00	\$1,241,090.00
		\$17,415,000.00	\$5,007,001.48	\$22,422,001.48

Exhibit 12 - Loans Closed Project Categories

IUP FY	Project Name	Bind Date	Loan Amount	Treatment	Distribution	Source	Storage
2015	Cullman Duck River Raw Water Pump Station, Transmission Main & WTP Improvements	10/1/17	\$24,190,000	\$0	\$0	\$24,190,000	\$0
2016	Webb Water System Improvements	10/15/17	\$615,000	\$0	\$615,000	\$0	\$0
2016	Cherokee Water System Improvements	12/15/17	\$1,395,000	\$864,900	\$251,100	\$279,000	\$0
2015	Hayneville Water System Improvements	2/15/18	\$835,000	\$0	\$835,000	\$0	\$0
2016	Covington County Water System Improvements	3/1/18	\$1,550,000	\$0	\$201,500	\$713,000	\$635,500
2017	Mosses Water Storage Tank Rehab	3/1/18	\$375,000	\$0	\$0	\$0	\$375,000
2017	New Site Water System Improvements	3/1/18	\$595,000	\$0	\$505,750	\$89,250	\$0
2017	Lowndes County Tank Rehab and Maintenance Project	6/1/18	\$545,000	\$0	\$0	\$0	\$545,000
2017	V.A.W. Battleground Tank and Pump Station	6/1/18	\$3,208,000	\$0	\$962,400	\$0	\$2,245,600
2017	Piedmont Water System Improvements (Supp)	6/1/18	\$570,000	\$421,800	\$5,700	\$142,500	\$0
2017	Jackson Raw Water Intake Structure Rehabilitation	7/1/18	\$1,530,000	\$0	\$0	\$1,530,000	\$0
2017	South Alabama Utilities 2017 Water System Capital Improvements	7/1/18	\$4,410,000	\$1,543,500	\$0	\$0	\$2,866,500
2017	Dadeville Rice Avenue, Hillcrest, and Fulton Street Tank Rehabs	9/1/18	\$780,000	\$0	\$0	\$0	\$780,000
2017	Sheffield Water Meter Replacement	9/15/18	\$780,000	\$0	\$780,000	\$0	\$0
14 Loans			\$41,378,000	\$2,830,200	\$4,156,450	\$26,943,750	\$7,447,600

State of Alabama
Alabama Department of Environmental Management
Drinking Water State Revolving Fund (DWSRF) Loan Program



SRF Section
Permits and Services Division
Alabama Department of Environmental Management
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DWSRF Intended Use Plan



Fiscal Year 2018

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I. Introduction

The Safe Drinking Water Act (SDWA) Amendments of 1996 authorized a Drinking Water State Revolving Fund (DWSRF) for the purpose of assisting public water systems to finance the cost of potable water infrastructure. The U.S. Environmental Protection Agency (EPA) is authorized to award capitalization grants to the States, which in turn administer the DWSRF program. This Intended Use Plan (IUP) describes how the State intends to use available DWSRF program funds for the year to meet the objectives of the SDWA and further the goal of protecting public health.

The State of Alabama is applying for \$ 23,944,000 in EPA grant funding that will be used to provide low interest financial assistance from the DWSRF program. The 20% state match requirement for the projected grant is \$4,788,800 will be fulfilled by overmatch of State Match Bonds issued in previous years' and a contribution from ADEM State Enforcement Action (see Projected Sources).

Alabama's DWSRF is designed to be a perpetual source of low cost financial assistance for the construction of public water supply facilities needed to meet compliance standards and public health requirements. Once ultimate capitalization has been achieved, the program may utilize the direct loan repayments, undedicated interest from the bond debt service reserve funds and construction funds and assets of the Master State Revolving Account as the source funds to fund direct loans.

II. Program Goals

A. Short-term goals

1. To provide financial assistance for the construction of public water supply facilities on the DWSRF Priority List.
2. To provide DWSRF financial assistance to include additional subsidization in the form of principal forgiveness for not less than the required minimum of \$4,788,800 for the construction of water treatment and distribution facilities.
3. To provide DWSRF loans for a goal of 10% of the Capitalization Grant to projects which address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These four categories of projects are the components of the Green Project Reserve.
4. To provide technical assistance to small water systems (population less than 10,000) in the State of Alabama. Technical assistance will be funded using the 2% set-aside fund.
5. To implement the State's DWSRF in compliance with the goals of the Safe Drinking Water Act and to ensure conformance with Federal crosscutting issues.
6. To protect the public health and the environment and promote the completion of cost-effective water treatment, storage, and distribution facilities.
7. To provide funding for the State of Alabama Public Water System Supervision (PWSS) program using the 10% State Program Management set-aside.
8. To provide assistance to water systems considering public water system consolidation through the 15% Local Assistance and Other State Programs Activities set-aside.

9. To provide assistance to communities for educational events promoting objectives consistent with the Safe Drinking Water Act through the 15% Local Assistance and Other State Programs Activities set-aside.

B. Long term goals

1. To maintain the DWSRF program and the long-term fiscal integrity of the fund.
2. To provide a self-perpetuating source of financial assistance for the construction of public water treatment and distribution facilities needed to meet the public health goals of the Safe Drinking Water Act.
3. To fund projects which will have a positive impact on public health and ensure compliance with the Safe Drinking Water Act.
4. To assist systems in ensuring affordable water supply.

The Department shall comply with all of the requirements of the Operating Agreement made with EPA dated August 8, 1998, including the assurances contained therein. The Operating Agreement is incorporated by reference.

The Department is in compliance with the operator certification and capacity development regulations along with the associated reporting requirements.

III. Sources and Uses of Funds:

The Department is expected to fund FY 2018 projects using a combination of interest earnings on the Fund, repayments from direct loans and the 2018 EPA Capitalization Grant. Match for the EPA Grant will be fulfilled by overmatch of State Match Bonds issued in previous years' and a contribution from ADEM State Enforcement Action. The estimated sources and uses of funds in the FY 2018 DWSRF program are as follows:

Projected Sources:

2018 EPA DWSRF Cap Grant:	\$23,944,000
Direct Loan Repayments, Interest Earnings and Unobligated Funds:	\$30,016,137
State Match:	\$4,788,800
	Total: \$58,748,937

Projected Uses:

Project Assistance:	\$55,896,800
2% Small System Technical Assistance:	\$114,377
10% State Program Management:	\$1,650,000
15% Local Assistance:	\$130,000
Funds Reserved for Administrative Cost (4%):	\$957,760
	\$58,748,937

A. Leveraging

The Department does not intend to issue DWSRF revenue bonds for new projects during FY 2018.

B. Eligible projects to be funded

Eligible projects include the planning, design, and construction of improvements to:

- Rehabilitate or develop water sources to replace contaminated sources;
- Install or upgrade treatment facilities if the project would improve the quality of drinking water to comply with primary or secondary standards;
- Install or upgrade water storage tanks to prevent microbiological contaminants from entering the water system;
- Install or replace distribution pipes to prevent contamination caused by leaks or breaks in the pipe.
- Consolidate water supplies when customers have an inadequate quantity of water, the water supply is contaminated, or the system is unable to maintain compliance for financial or managerial reasons; and
- Other projects meeting the priority objectives of the program.

C. Financial terms of loans

The Fund may offer loans for up to 100 percent of allowable project costs for the construction of water treatment and distribution facilities and may offer a range of options regarding the term, interest rate and level of loan funding. Such loans must be made at or below market interest rates as determined by the Department. Loan interest rates will usually be set approximately 1% - 1.5% less than the AAA rated tax exempt municipal bonds.

The total term financing shall not exceed 20 years. Repayments shall commence after completion of construction or within 3 years for which such financial assistance was made. Financial assistance repayments shall be made in accordance with the repayment schedule indicated in the recipients financial agreement. Principal and accrued interest with respect to a particular financial agreement may be prepaid in accordance with the provisions of the financial agreement. Interest shall accrue from the estimated date of the execution of the DWSRF financial agreement.

Project fund disbursements to recipients at intervals as work progresses and expenses are incurred and approved.

The specific terms and conditions of the funds shall be incorporated in the financial agreement to be executed by the recipient and the Department.

IV. Project Selection and Method for Distribution of Funds

A. Priority List

In order to be considered for DWSRF assistance, projects must be on or added to the Priority List and have a proposed project schedule that coincides with the availability of DWSRF funds. The DWSRF priority list was developed by identifying the priority point rating for each proposed project. The funding of such projects is also subject to the availability of funds. The City of Tuscaloosa (\$17,500,000) and

the City of Mobile (\$7,500,000) loans will be used as equivalency projects for the 2018 Capitalization Grant.

The State reserves the right to fund projects not on the priority list, on an emergency basis, if funds are available. Emergency projects would include those where some type of failure was unanticipated and requires immediate attention to protect public health. Additionally, supplemental loans may be made to previous recipients as needed to complete segmented projects or to cover cost overruns.

B. Additional Subsidization:

The 2018 EPA Capitalization Grant includes a requirement for a minimum \$4,788,800 be provided as assistance with additional subsidy. The Department will meet this requirement by offering selected borrowers additional subsidization in the form of principal forgiveness. The Department expects to allocate principal forgiveness exclusively to projects in communities determined to be disadvantaged with the highest ratio of annual average water bill to median household income. Up to 50% of project loan costs not to exceed \$500,000 will be provided as principal forgiveness to the highest rated communities until the requirement is met. Any subsequent revision to this project list will likewise demonstrate principal forgiveness will be provided to meet the required percentage of the Capitalization Grant.

The Department has authority to provide additional subsidization to meet the requirements by the Code of Alabama Section 22-23B-3.

C. Green Project Reserve:

Projects that address green infrastructure, water or energy efficiency or other environmentally innovative activities are the components of the Green Project Reserve (GPR) as provided by guidance from EPA. Although EPA is not requiring a minimum GPR component, ADEM will identify these projects and expects no less than 10% of Grant funds be provided for these projects.

The accompanying priority list and project descriptions identify projects which include components of the GPR and indicate which type of GPR project it is, whether it is a categorical GPR project, and how much of the project's cost is applicable to GPR. The Department does not intend to provide principal forgiveness solely to GPR projects on the project list.

Final project component costs applicable to green infrastructure may be revised based on final project submittal, final bid amounts or change in green infrastructure determination.

D. Prevailing Wages

Davis-Bacon wage requirements apply for fiscal year 2018 and each fiscal year thereafter and the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) shall apply to any construction project carried out in whole or in part with assistance made available by the DWSRF as authorized by section 1452 of that Act (42 U.S.C. 300j-12). The Department will include in all loan agreements and procurement contracts terms and conditions requiring compliance with this requirement.

E. Distribution of Funds to Set-Aside Accounts

EPA provisions allow funds to be set aside from the State Revolving Fund Capitalization Grant for activities such as administration of the SRF Program, operator training and technical assistance,

special drinking water projects, and source water assessment. These activities are discussed in “Set-Aside Activities” below.

F. Selection of Systems to Receive Assistance

To the maximum extent possible, the DWSRF gives priority for the use of funds to projects that address the most serious risk to human health and are necessary to ensure compliance with the Safe Drinking Water Act.

The criteria for ranking projects give priority to projects that:

1. Provide the highest nature of benefit;
2. Benefit the most people per dollar expended;
3. Assist systems most in need on a per household affordability basis as required by the Safe Drinking Water Act.
4. Use consolidation with other systems to correct existing deficiencies and improve management.

These considerations are addressed by the Priority Ranking Criteria found in ADEM Administrative Code R. 335-7-13-.10.

Following completion of the ranking process, the priority list will be reviewed to determine if at least 15% of amount projected to be funded is for public water systems which regularly serve fewer than 10,000 people, as required by the SDWA. If this is not the case, the priority list will be adjusted by exchanging the lowest ranking projects above the funding line that serve 10,000 or more with the highest ranking projects below the funding line that serve fewer than 10,000, until the 15% requirement is satisfied.

When two or more projects score equally under the Project Priority System a tie breaking procedure will be utilized. The project with the smallest number of existing customers served will receive the higher ranking.

A project on the fundable portion of the list may be bypassed and the next eligible project funded if it is determined that the project will not be ready to proceed during the funding year. The Department will give the applicant whose project is to be bypassed written notice. Projects that have been bypassed may be funded at a later date when the project is ready to proceed. Should a system on the funded list decline the loan, the next ranked project shall be offered access to all or a portion of these funds.

G. Project Bypass/Reallotment:

The Department may bypass any project on the DWSRF Priority List that is not, in the Department's opinion, making satisfactory progress in satisfying requirements for DWSRF assistance. Bypassed projects will be removed from the priority list. In determining whether or not a project is making satisfactory progress in satisfying the requirements for DWSRF assistance, the Department shall use the criteria contained in subparagraphs 1- 6 of this paragraph. Funds released through project bypass will be considered as uncommitted and available for redistribution in accordance with this section.

1. Any project on the DWSRF Priority List may be bypassed if the applicant fails to submit a complete DWSRF application.
2. The Department may use individual project schedules developed by the Department to determine whether or not the project is making satisfactory progress during the fiscal year.

3. In order to comply with EPA certification restrictions related to equivalency requirements, it may be necessary to bypass projects which have not complied with Title II requirements and other federal authorities.

4. Any project on the DWSRF Priority List may be bypassed if the applicant fails to demonstrate the ability to repay the loan.

5. To maintain the fiscal integrity of a leveraged loan program or provide funds for new construction, the Department may choose to bypass projects which involve refinancing of existing debt.

6. Projects may be removed from the priority list at the request of the applicant or if the Department finds that the project is ineligible for DWSRF assistance.

V. Set-Aside Activities

A. Administrative Set-Aside

SRF Guidelines allow states to set aside 4% of the grant for SRF administrative costs. Administrative funds of \$957,760 will be used to pay costs for personnel, travel and training, equipment, supplies, audit fees, and indirect costs associated with implementing the SRF Program.

B. 2% Small Systems Technical Assistance

The Department will reserve \$100,000 out of the 2% Small Systems Technical Assistance fund. The Department will use this fund to provide technical training for small water systems in the State of Alabama. .

C. 10% State Program Management

The Department will reserve \$1,650,000 to provide funding for the State of Alabama Public Water System Supervision (PWSS) program.

D. 15% Local Assistance and Other State Programs

The Department will reserve \$120,000 to provide assistance to water systems considering public water system consolidation and to provide assistance to communities for educational events promoting objectives consistent with the Safe Drinking Water Act.

VI. Program Income

The Alabama Drinking Water Finance Authority, with ADEM as its agent, assesses a 0.75% fee annually based on outstanding principal. These fees are collected twice a year, when the recipient initiates repayment of the loan. In accordance with EPA regulations, fees collected from loans sourced from outstanding grants will be used for administration of the SRF fund only. All other fees will be used for activities eligible of the DWSRF grant only. The Department expects to receive fees during FY 2018 as follows:

Total Program Income	Program Income Collected During Grant Period	Program Income Collected After Grant Period
\$1,208,946.26	\$275,203.96	\$933,742.30

A. Administrative Set-Aside

SRF Guidelines allow states to set aside 4% of the grant for SRF administrative costs. Administrative funds of \$957,760 will be used to pay costs for personnel, travel and training, equipment, supplies, audit fees, and indirect costs associated with implementing the SRF Program.

VII: Estimated DWSRF Capitalization Grant Schedules

A. Estimated Grant Draw Schedule:

Fiscal Year	Quarter	Draw
2018	1st	10/1/18 - 12/31/18 \$5,986,000
2018	2nd	1/1/19 - 3/31/19 \$5,986,000
2018	3rd	4/1/19 - 6/30/19 \$5,986,000
2018	4th	7/1/19 - 9/30/19 \$5,986,000
		Total \$23,944,000

B. Estimated Grant Disbursal Schedule:

Fiscal Year	Quarter	Payment
2018	1st	10/1/18 - 12/31/18 \$5,986,000
2018	2nd	1/1/19 - 3/31/19 \$5,986,000
2018	3rd	4/1/19 - 6/30/19 \$5,986,000
2018	4th	7/1/19 - 9/30/19 \$5,986,000
		Total \$23,944,000

Payments are defined as increases to the amount of funds available from the federal SRF capitalization grant. This draft payment schedule is based on the State's projection of binding commitments and disbursements from the SRF to the members of the SRF project list. As most of the capitalization grant is expected to be used for direct loans, the disbursement schedule is essentially the same as the grant payment schedule.

The disbursement of funds will be in proportion to the amount of state and federal funds provided by the grant and state match. This will be ensured by disbursing all State Match funds prior to drawing capitalization grant funds for project disbursements.

C. Capitalization Grant Budget Periods:

2018 EPA DWSRF Capitalization Grant

October 1, 2018 through September 30, 2022

VIII. Project Fundable List

County Served	Project Name	Population Served	Priority Point Rank	Assistance Amount	Subsidization Amount (Principal Forgiveness)	* GPR Component Costs	* GPR Type	* GPR Categorical Project	Estimated Construction Start Date	Estimated Project Completion
Winston	Haleyville Water Works and Sewer Board	4,173	170	\$1,300,000	\$500,000	\$793,000	Water/Energy Efficiency	Y	2/15/2019	5/15/2019
Lowndes	White Hall, Town of	1,200	170	\$824,000	\$410,000	\$154,000	Water/Energy Efficiency	Y	11/1/2018	1/1/2020
Perry	Marion, The City of	4,300	155	\$562,000	\$280,000	\$489,000	Water/Energy Efficiency	Y	1/1/2019	8/1/2019
Baldwin	Silverhill, Town of	2,400	135	\$545,000	\$270,000				7/1/2019	11/1/2019
Marion	Winfield, Water Works and Sewer Board of the City of	10,500	130	\$778,000		\$778,000	Water/Energy Efficiency	Y	4/10/2019	3/1/2019
Lauderdale	Rogersville Water Works and Sewer Board	1,631	120	\$742,000	\$187,000	\$742,000	Water/Energy Efficiency	Y	3/1/2019	7/1/2019
Chilton	Thorsby, Town of	1,980	115	\$849,000		\$365,000	Water/Energy Efficiency	Y	12/15/2018	6/15/2019
DeKalb	Fort Payne, Water Works Board of the City of	14,012	110	\$835,000	\$409,000	\$46,000	Water/Energy Efficiency	Y	4/1/2019	5/1/2019
Choctaw	Gilbertown, Utilities Board of the Town of Gilbertown	2,723	100	\$1,866,000	\$500,000	\$15,000	Energy Efficiency	Y	7/15/2018	12/31/2019
Jefferson	Mulga, Town of Water Department	6,300	100	\$678,000	\$335,000	\$678,000	Water/Energy Efficiency	Y	4/10/2019	12/1/2019
Wilcox	Pine Hill, Town of	2,400	95	\$463,000	\$230,000	\$463,000	Water/Energy Efficiency	Y	5/1/2019	8/1/2019
Tuscaloosa	Tuscaloosa, City of	120,000	90	\$17,500,000					3/1/2019	12/1/2020
Cherokee	Centre, Waterworks and Sewer Board of the Town of	3,489	85	\$1,500,000	\$500,000				10/1/2018	12/1/2019
Bullock	Midway, Town of	500	85	\$295,000	\$147,000				3/1/2019	7/1/2019
Calhoun	Piedmont, Waterworks, Gas, & Sewer Board	4,878	75	\$570,000					11/1/2018	2/1/2020
Mobile	Mobile, City of (MAWSS)	259,800	65	\$7,500,000		\$5,000,000	Water/Energy Efficiency	Y	1/1/2018	11/1/2019
Calhoun	Anniston Water Works & Sewer Board	23,106	60	\$6,100,000		\$30,000	Energy Efficiency	Y	2/1/2019	5/1/2020
Barbour	Cowikee Water Authority	1,541	60	\$265,000	\$130,000	\$265,000	Water/Energy Efficiency	Y	12/1/2019	8/1/2019
Marengo	Thomaston, Town of	111	60	\$360,000					12/1/2018	4/1/2019
Macon	Notasulga, Town of	965	50	\$1,275,000	\$500,000				2/1/2019	12/19/2018
Morgan	West Morgan - East Lawrence Water Authority	32,073	50	\$2,000,000		\$2,000,000	Water/Energy Efficiency	Y	6/1/2019	12/1/2020
Barbour	Mount Andrew Water Authority	720	40	\$281,000	\$140,000	\$164,000	Water/Energy Efficiency	Y	1/1/2019	7/1/2019
Tallapoosa	Jackson's Gap Water Authority	6,510	25	\$265,000	\$130,000	\$20,000	Energy Efficiency	Y	2/1/2019	6/1/2019
Escambia	Freemanville Water System	1,120	20	\$465,000	\$230,000	\$465,000	Water/Energy Efficiency	Y	4/1/2019	9/1/2019
Dale	Dale County Water Authority	6,250	N/A	\$3,290,000					1/1/2019	1/1/2020
				\$51,108,000	\$4,898,000	\$12,467,000				

*N/A - Did not submit a preapplication therefore was not evaluated for priority

* Green Project Reserve (GPR) - green infrastructure, water or energy efficiency, or environmentally innovative activities. Actual costs may differ based on Green Infrastructure (see Chapter 4)

IX. Project Descriptions

Mount Andrew Water Authority Meter and Water Main Replacement: The Mount Andrew Water Authority has proposed to replace their existing water meters with radio read meters as well as replace an existing water main in the system. This project will assist in reducing water loss in the system and provide a solution to a failing water main.

Cowikee Water Authority Meter Project: The Cowikee Water Authority has proposed to replace approximately 500 traditional water meters with new automatic read (AMR) meters. Installation of the new meters will alleviate water loss in the system and allow the system to run in a more efficient manner.

Silverhill Water System Upgrades: The Town of Silverhill has proposed to make several improvements to their water system. Improvements include replacement of approximately 2,000 linear feet (LF) of two inch water line with an eight inch PVC water main along CR-55; installation of approximately 5,200 LF of eight inch PVC along Camellia Road; and the installation of approximately 5,100 LF of eight inch PVC along East Boulevard. The proposed improvements will replace an inadequately sized water main along CR-55; create needed hydraulic loops within the system; and provide corrected water volumes and pressures to ensure continued provision of safe drinking water to all service area customers.

Anniston Southeast Area Tank & Transmission Main: The Anniston Water Works & Sewer Board proposes a project to provide increased drinking water transmission efficiency and reliability within its water system. The proposed project will consist of the construction of a 2 million gallon (MG) elevated water storage tank as well as the installation of more than 13,000 LF of water transmission main. Completion of these improvements will significantly improve the reliability of the southeastern portion of the system by eliminating low pressure areas and providing sufficient storage capacity.

Centre WTP Upgrade with GAC Filtration: The Waterworks and Sewer Board of the Town of Centre proposes a project to provide increased treatment efficiency for its service area. The proposed project will consist of the addition of a granulated activated carbon (GAC) filtration system and related appurtenances to the existing water treatment process at the Centre Water Treatment Plant (WTP). Completion of this project provides a proactive, lasting response in treating source water (Coosa River) contaminants; thus, maintaining regulatory compliance and producing safe drinking water for its customers.

Fort Payne Waterline Replacement: The Water Works Board of the City of Fort Payne proposes a project to provide improved distribution efficiency within its water service area. The proposed project will consist of replacement of aged piping and installation of AMR water meters in various locations, particularly in the downtown area of Fort Payne. Completion of this project will eliminate large water losses and associated operational and maintenance costs; thus, providing increased service reliability for the affected customers.

Piedmont Water System Improvements (Supplemental): The Waterworks, Gas, & Sewer Board of the City of Piedmont proposes various upgrades and improvements to the Piedmont Water Treatment Plant. The proposed project includes the installation of a raw water pump station, raw water pumps with variable frequency drive (VFD) controls, finished water pumps, and system-wide remote monitoring equipment. The chemical feed system will be upgraded to include a new chlorination system. In addition, a new well will be constructed to provide an additional

water source for the system. The proposed improvements will ensure more effective water treatment and continued provision of safe and reliable drinking water to the service area customers.

Midway Tank Rehabilitation: The Town of Midway has proposed to fully rehabilitate an existing 300,000 gallon capacity water storage tank. This project will include new coating systems on both the interior and exterior of the tank; and the repair or replacement of any damaged vents, ladders, overflows, level indicators, and caulking.

Winfield Meter Replacement: The Water and Sewer Board of the City of Winfield has proposed to replace approximately 2,500 traditional water meters with AMR meters. Installation of the new meters will alleviate water loss in the system and allow the system to run in a more efficient manner.

Notasulga Water System Improvement: The Town of Notasulga has proposed several water system improvements in order to provide a more reliable and efficient product for their customers. The improvements include: extension of two water mains to create a hydraulic loop; replacement of an undersized water main; and the addition of a new water supply well. These improvements will allow many customers to remain in-service during repair outages in the system. Lastly, the new supply well will allow the Town of Notasulga to become the sole provider of drinking water for its customers.

Mobile Board of Water & Sewer Commissioners (MAWSS) Various Water Infrastructure Improvements: The Mobile Board of Water and Sewer Commissioners proposes various improvements to its existing water infrastructure system. Proposed improvements include installation of a remote control operation system at Big Creek Lake Spillway with automated wire rope hoists at each tainter gate, construction of a supporting Instrumentation and Controls (I&C) building, security lighting, surveillance cameras, and Supervisory Control and Data Acquisition (SCADA) upgrades. Proposed improvements also include installation of approximately 20,000 Advanced Metering Infrastructure (AMI) water meters and two new AMI system towers. Proposed improvements will eliminate hazards associated with manual operation of Big Creek Lake Spillway gates, reduce energy and labor costs associated with monitoring water usage, and insure continued provision of high quality drinking water to all service area customers.

Gilbertown System-wide Water Production, Storage, & Distribution Improvements: The Gilbertown Utilities Board proposes improvements to its existing water production, storage, and distribution system. Improvements will include development of a new 150-300 GPM well, construction of a new 100,000 gallon elevated water storage tank, and the installation of approximately 37,000 LF of new six inch water distribution main and related appurtenances. The proposed improvements will insure the continued provision of quality drinking water to all Gilbertown service area customers.

Tuscaloosa Water System Upgrades: The City of Tuscaloosa has proposed to make repairs and/or upgrades to the Clements Road booster pumping station, Mercedes tank, water lines in the Campus area, Ed Love water treatment plant, water distribution instrumentation, Ed Love Raw Water pumping station, Martin Spur tank, VA tank, Ridgeland tank, and the Lake Tuscaloosa aerator valve and intake cribbing. Alternate projects proposed include installation of backup generators at the Broadview, VA, Clements Road, McFarland, and Taylorville booster pumping

stations; a second upgrade at the Ed Love raw water pumping station; and improvements and painting of the Bowers tank. Completion of these projects will allow the City to provide improved service to their existing customers.

Haleyville Meter Replacement and Tank Rehabilitation: The Haleyville Water Works and Sewer Board has proposed a water meter replacement project that will replace the direct read meters in the system with new radio read meters. Additionally, the project will include rehabilitation of the interior and exterior of the Delmar elevated water storage tank. This tank has a capacity of 750,000 gallons.

Jackson's Gap Capital Improvements: The Jackson's Gap Water Authority (JGWA) has proposed several capital improvements needed in order for the water system to run in the most efficient manner possible. The capital improvements include: a constant pressure booster station to enhance pressure to the highest points in the system, the addition of a single phase generator with an automatic transfer switch to the Rock Springs Booster Station, and a variable frequency drive on the electrical service for the West Lafayette Booster Station. These additions will result in a quality and efficient water supply to the JGWA customers.

Marion Meter Replacement and Source Rehabilitation: The Marion Water System has proposed to replace the existing traditional water meters with AMR capable meters. In addition, the Marion Water System will make efforts to rehabilitate existing water supply wells to improve their efficiency.

Pine Hill Water Meter Replacement: The Town of Pine Hill has proposed to replace their existing water meters with radio read meters. This project will assist in reducing the unaccounted water loss and help the Town of Pine Hill improve leak detection.

Thorsby Water System Improvements: The Town of Thorsby has proposed to make several improvements to their water system. These improvements include; radio read meter installation, rehabilitation of two supply wells, construction of a new electrical room at the treatment building, replacement of motor starters with variable frequency drives, upgraded doors and fans at the treatment building, rehabilitation of high service pumps, and the installation of new chlorine feed equipment and scales. These improvements will allow the Town of Thorsby water system to run more efficient by reducing energy cost, maintaining overall water production, and prolonging the life of the electrical equipment.

Mulga Water System Meter Project: The Mulga Water and Gas Board has proposed to replace 2,010 traditional meters with new drive-by AMR meters. The installation of the new meters will alleviate water loss in the system while providing efficiency to the current billing process.

White Hall Water System Improvements: The White Hall Water System has proposed several improvements in order to increase the overall efficiency of the system. The improvements include; water meter replacement, a system water audit and mapping, construction of a dedicated water department building, installation of SCADA on a supply well and storage tank, replacement of dilapidated water lines, and an emergency generator upgrade. These improvements will alleviate water loss issues, provide an adequate space for the water department to operate, and provide adequate backup power in the case of an emergency.

Thomaston Water Main Improvements: The Town of Thomaston proposes extension of potable water service to approximately thirty households within the Town of Thomaston. Proposed project work will consist of the installation of approximately 7,400 L.F. of 8-inch PVC water main; 22,100 L.F. of 6-inch PVC water main; 3,500 L.F. of 3-inch PVC water main; and of a constant pressure booster pump station with all necessary appurtenances. The purpose of the project is to alleviate public health concerns associated with current individual residential wells.

West Morgan-East Lawrence Water and Sewer Authority Meter Replacement: The West Morgan – East Lawrence Water and Sewer Authority is proposing to replace approximately 10,600 traditional water meters with AMR type water meters. Installation of the new meters will allow the system to run in a more efficient manner.

Dale County Water Authority System Improvements: The proposed project includes constructing an elevated storage tank, a water supply well, and installing water distribution mains. Completion of this project will significantly improve the reliability of the southern portion of the system by eliminating low pressure areas and providing sufficient storage capacity.

Freemanville Water Meter Replacement: The Freemanville Water system has proposed to replace existing traditional water meters with radio-read meters. Completion of this project will alleviate water loss and allow the system to run in a more efficient manner.

Rogersville Water Meter Replacement: The Rogersville Water Works and Sewer Board proposes to replace approximately 1,631 existing meters with meters with Automatic Meter Reading (AMR) capability and to install district meters. Completion of this project will enable the system to reduce unaccounted water loss.