



ALABAMA
CLEAN WATER STATE REVOLVING FUND
PROGRAM



FISCAL YEAR 2011 ANNUAL REPORT

PREPARED BY THE
ALABAMA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

FOR EPA REGION IV

AS OF SEPTEMBER 30, 2011



ALABAMA



CLEAN WATER STATE REVOLVING FUND
FISCAL YEAR 2011 ANNUAL REPORT

AS OF SEPTEMBER 30, 2011

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 Clean Water SRF Annual Report – FY 2011

Table of Contents

- I. **Introduction**

- II. **Executive Summary**

- III. **Goals and Accomplishments**
 - A. Short Term Goals and Accomplishments
 - B. Long Term Goals and Accomplishments

- IV. **Details of Accomplishments**
 - A. Fund Financial Status
 - B. Assistance Activity
 - C. Provisions of the Operating Agreement/Grant Conditions

- V. **Program Changes**
 - A. Comparison with the Intended Use Plan
 - B. Modifications of Goals and Objectives

- VI. **Proposed Improvements**
 - A. Modification of the Program

Exhibits:

- Exhibit 1: Binding Commitments
- Exhibit 2: CWSRF Loan Summary
- Exhibit 3: CWSRF Sources and Uses of Leveraged Funds
- Exhibit 4: CWSRF Flow of Funds Chart
- Exhibit 5: CWSRF Construction Payments
- Exhibit 6: Cash Draws from CWSRF Capitalization Grants
- Exhibit 7: Assistance by EPA Need Category
- Exhibit 8: CWSRF Administrative Fees Information
- Exhibit 9: Long Term Cash Flow Projections
- Exhibit 10: Projected Disbursements
- Exhibit 11: MBE/WBE Goals/Contract Summary
- Exhibit 12: Loan Repayments
- Exhibit 13: CWSRF Intended Use Plan

I. Introduction:

The State of Alabama herewith submits its Clean Water State Revolving Fund (CWSRF) Annual Report for fiscal year 2011 (October 1, 2010 through September 30, 2011). This Report describes accomplishments of the State of Alabama as related to the goals and objectives of its Clean Water State Revolving loan program for fiscal year 2011 as identified in the final Intended Use Plan (IUP).

II. Executive Summary:

Fiscal year 2011 was the twenty third year of operation of the Alabama Water Pollution Control Authority and the Clean Water State Revolving Fund (CWSRF) Loan Program. The FY 1989-FY 2010 programs were detailed in previous Annual Reports.

Alabama received its FY 2011 EPA Title VI Capitalization Grant on December 13, 2011 in the amount of \$16,511,000. No state match funds were appropriated (cash match) for this years grant. The state match requirement (\$3,302,200) was satisfied by carryover match from prior years' programs. ADEM will utilize 4% of the capitalization grant, \$660,440 for administrative costs and the remaining net to fund direct loans.

As of the close of the FY 2011 annual reporting period, none of the FY 2011 EPA capitalization grant funds had been drawn. All construction grant funds will be committed exclusively to make direct loans to members of the FY 2011 IUP priority list.

Limitations imposed by the State Constitution on the use of General Funds required that the State match appropriation not be used as either collateral or subsidy for the Authority bonds. The State match cash was, therefore, used exclusively to directly fund expenditures for the construction of eligible wastewater treatment works.

Loan Agreements

During FY 2011 loan agreements (binding commitments) with five (5) borrowers totaling \$24,067,170 were finalized. All of these were from the FY 2010 Intended Use Plan. These loans are enumerated in Exhibit 1. Execution of the binding commitments with borrowers is scheduled to ensure that CWSRF funds are available as needed for construction.

Dispersements

CWSRF loan assistance totaling \$48,908,355.44 was dispersed to CWSRF recipients during the fiscal year. Exhibit 5 details these dispersals.

<u>SRF Cap Grant</u>	<u>ARRA Cap Grant</u>
\$21,022,951.41	\$27,885,404.03

Grant Draws

A total of \$36,994,616.89 was drawn from EPA capitalization grants for construction during the fiscal year. Exhibit 6 details these dispersals.

<u>SRF Cap Grant Draws</u>	<u>ARRA Cap Grant Draws</u>
\$20,709,649.50	\$16,284,967.39

As in previous programs, the FY 2011 program considered dividing projects into separate funding groups according to credit quality. Typically, the most cost-effective strategy is to have two financing pools; one funded from bond proceeds and the other funded as direct loans from a combination of an EPA capitalization grant, assets in the Master State Revolving Fund and the State Match Cash, interest earnings and loan repayments. This year, however, sufficient grant funds and interest earnings were available to fund the entire priority list. Therefore, no new bonds will be issued for these projects. The match for the FY 2011 capitalization grant will come from excess state match bonds issued in previous years.

During the fiscal year, the Authority and ADEM continued fulfillment of the "first use" requirements of Title VI of the Clean Water Act. All Alabama projects on the National Municipal Policy List have initiated construction of improvements designed to ensure that water quality standards are met or are under an enforceable schedule to do so.

By the close of FY 2011, all NMP related projects in Alabama had initiated (and completed) construction. Accordingly, all NMP commitments have been fulfilled.

All projects receiving financial assistance from the FY 2011 Alabama CWSRF program meet the definition of eligible treatment works under Section 212 of the Clean Water Act.

III. Goals and Accomplishments:

A. Short Term Goals and Accomplishments

In its Intended Use Plan, the State of Alabama described short term goals to be implemented during the fiscal year. The State has made significant progress toward the successful completion of these goals:

1. To provide CWSRF loans with additional subsidization in the form of principal forgiveness of a minimum amount of \$1,530,007 up to a maximum amount of \$5,100,022 from the 2011 Capitalization Grant for the construction of wastewater treatment and collection facilities.

The Department will meet this goal by offering principal forgiveness exclusively to projects that addressed green infrastructure, water or energy efficiency improvements or other environmentally innovative activities. It is anticipated the final amount of principal forgiveness will be \$3,302,200 once the final loans from the FY 2011 list are closed and should meet this goal.

2. To provide CWSRF loans to the extent there are sufficient eligible project applications, not less than 20% of the CWSRF Capitalization Grant for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities (the State statute and ADEM regulations limit the use of the CWSRF to traditional POTW projects).

The Department actively solicited for green infrastructure projects for 2011. 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 that meet this criteria and anticipate funding green projects for approximately 35% of the Capitalization Grant.

3. To implement the State's CWSRF in compliance with Title VI of the Clean Water Act and to ensure conformance with Federal crosscutting issues as required by the 1987 Clean Water Act amendments.

All Alabama CWSRF projects are required to either be included in the EPA FNSI review process or complete the State Environmental Review Process (SERP) prior to the disbursement of CWSRF funds. All CWSRF funded projects have either successfully completed the required environmental reviews or are currently under review.

4. To ensure compliance with the "first use" requirements which require that CWSRF assistance be available to projects which are members of the National Municipal Policy (NMP) universe; projects which have legally enforceable compliance schedules.

During the fiscal year, the Authority and ADEM continued fulfillment of the "first use" requirements of Title VI of the Clean Water Act. All Alabama projects on the National Municipal Policy List have completed construction of improvements designed to ensure that water quality standards are met.

5. To achieve statewide compliance with Federal and State water quality standards, particularly with the NMP as rapidly as possible.

Using the same method established to prioritize projects for the EPA Construction Grants program, projects which are noncompliant with NPDES effluent limits are given funding preference and are encouraged by both the availability of financial assistance and the possibility of administrative orders and sanctions to achieve compliance as rapidly as possible.

6. To protect the public health and the environment and promote the completion of cost effective wastewater treatment facilities.¹

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

B. Long Term Goals and Accomplishments

In its Intended Use Plan, the State of Alabama described seven long-term goals to be implemented during FY 2011. The State continues to make progress toward the successful completion of these goals:

1. To maintain the SRF program and the fiscal integrity of the fund.

In its administration of the CWSRF program, the State of Alabama has considered the long-term fiscal health of the CWSRF. The State has appropriated matching funds totaling \$19,903,356 through FY 2010. Due to revenue shortfalls in the General Fund, the FY 2011 no State Match was appropriated and was underfunded by \$3,302,200; the cumulative shortfall through FY 2011 in State appropriations totals \$47,552,496. In order to meet the requirements of the EPA Capitalization Grant Agreement, the Authority has sold bonds ("leveraged") for the balance of the required matching funds. EPA staff reviews and approves application of this process to assure compliance with the Title VI regulations. Demonstration of compliance with the Act 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 Authority continues to set a loan interest rate approximately 1.5% less than the most advantageous rate commonly available to municipalities: 2.9% for the FY 2011 project priority list. The Department's experience with the program indicates that this is a sufficient incentive to seek CWSRF financing for eligible treatment and transport works.

2. To provide a self-perpetuating source of low interest loans for the construction of public wastewater treatment and transport facilities needed to meet water quality standards and provide capacity for future growth.

Alabama's CWSRF is designed to be a perpetual source of low cost financial assistance for the construction of public wastewater treatment and transport facilities needed to meet water quality standards and provide capacity for future growth. Once ultimate capitalization has been achieved, the program may utilize the direct loan repayments, undedicated interest from the bond debt service reserve funds in addition to construction funds and assets of the Master State Revolving Account as the source funds to support bond issues and/or to fund direct loans. Exhibit 9 details the latest projections of the CWSRF's future cash flows. As of September 30, 2011, the Master State Revolving Fund (MSRF) had a balance of approximately \$93,109,927.

In recent years the State has accelerated use of the MSRF assets to meet the EPA's requirement that CWSRF funds be used in a timely and expeditious manner. As a result, the pace of direct loan issuance has been accelerated. Using CWSRF assets in this manner decreases the issuance of debt (bonds), provides for increased loan repayments that may be recycled into future loans, and reduces the balance of the Master SRF account.

3. To ascertain the needs and funding mechanism(s) for projects related to Section 319 (non-point source pollution), Section 320 (estuary conservation and management) and Section 402(municipal stormwater discharges) of the Clean Water Act.

Two (2) Section 319 (Non-Point Source Pollution Control Management) project have been identified for funding with FY 2011 funds. Recent modifications to the CWSRF program has allowed the state to accept these projects. No 320 (estuary conservation and management) needs have been identified. The impact of Section 402 (Stormwater Management) on the demand for CWSRF funds has not yet been determined. Future issuance of stormwater permits to major metropolitan areas should help clarify the extent of the need for funding stormwater-related infrastructure. As such needs arise, State law and ADEM Administrative Code Sections 6-4 and 6-14 could be amended to provide a mechanism for providing SRF funding for these works. The State is aware of the "extended" uses of CWSRF funds which are allowed by Title VI and intends to continue to evaluate the viability of these extended uses under the CWSRF loan program as the first use requirements are fulfilled.

4. To assure that all Municipal NMP facilities achieve compliance as soon as possible.

All of Alabama's NMP facilities are either in compliance or are on an enforceable compliance schedule with construction underway.

5. To assure that all Municipal facilities achieve compliance with final effluent limits as soon as possible.

During FY 2011 the Alabama CWSRF funded one (1) applicant the City of Dothan which is on a compliance schedule specified by enforcement actions to make improvements to the treatment/collection systems. Two (2) projects will be funded for the City of Millbrook and Mobile Water & Sewer Board that are voluntary efforts mitigate future non-compliance and enforcement action.

6. To assist in the maintenance of water quality standards wherever such standards are adversely affected by municipal wastewater point sources.

All projects include wastewater treatment facilities intended to achieve and maintain water quality standards in the receiving waters. Improvements in water quality are expected from both upgrades in the treatment level of wastewater treatment facilities and the elimination of sewer bypasses related to inadequate hydraulic capacity in treatment and transport systems.

7. To meet public health and environmental needs of those communities with malfunctioning on-site treatment systems that are either identified as a health hazard by the State Health Department or adversely affect water quality.

Both the method used in drafting the project priority list and the state review of CWSRF 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 this year's projects address deficiencies in wastewater treatment and transport facilities, inadequate collection, or failing on-site treatment systems.

IV. Details of Accomplishments

A. Fund Financial Status

1. Binding Commitments

Since the inception of the Alabama Clean Water State Revolving Fund in 1989, 210 binding agreements had been executed for a total amount of at the close of FY 2011. These loans total \$991,967,670.00. Of this amount, \$200 million was provided to 50 projects that met the Equivalency requirements of Title VI. Exhibit 1 details the binding commitment dates and amounts for each loan closed this fiscal year.

2. Sources of Funds

The sources of funds used to provide loans during FY 2011 were: (1) the federal capitalization grant and (2) interest earnings.

Exhibit 2 provides a loan summary including the funding source and funding breakdown for loans executed during the year.

CWSRF loan repayments of \$58,788,449.22 were received in the fiscal year. A total of \$728,034,980.23 of loan repayments has been received since the inception of loan repayments in February, 1990. Exhibit 12 provides detailed information on loan repayments to the Alabama CWSRF.

The FY 2011 EPA Title VI capitalization grant awarded to the Alabama Department of Environmental Management amounted to \$16,511,000. No state match funds were appropriated (cash match) for this years grant. The State of Alabama will utilize previously issued state match revenue bonds in order to provide a minimum of \$3,302,200 to fund the 20 percent match requirement.

As outlined in the FY 2011 Intended Use Plan, funds for transfer from the DWSRF to the CWSRF program were reserved. The transferable funds consist solely of interest earnings and repayments. However, there was no shortage of funds in FY 2011 for the CWSRF Program, therefore, the transfer of funds was not necessary.

3. Disbursements and Guarantees

Exhibit 5 shows total disbursements in FY 2011 of \$48,908,355.44. Over the life of the program a total of \$900,232,472.03 has been disbursed. As detailed by Exhibit 6, construction draws from the EPA capitalization grants associated with the FY 2011 CWSRF program total \$36,994,616.89

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

CWSRF Administrative Costs: 4% Set-Aside

	CWSRF Grant	ARRA Grant
Salaries	\$28,793.46	\$568,344.48
Fringe	\$13,311.20	\$179,017.05
Travel	\$5,430.18	\$6,338.02
Profesional Services	\$6,384.67	\$0.00
Supplies	\$4,093.40	\$316.00
Equipment	\$5,412.00	\$855.00
Total Direct Costs	\$63,424.91	\$754,870.55
Indirect Costs	\$12,647.02	\$223,194.95
Total	\$76,071.93	\$978,065.50

The FY 2011 administrative fee collected from loan recipients on the basis of 0.75% of the outstanding loan principal was \$3,384,273.91. This administrative fee is used first to pay the trustee expenses associated with administering the CWSRF; the remainder supports water quality based activities such as NPDES permitting/enforcement and water quality studies. See Exhibit 8 for an accounting of the administrative fee charged of recipients during FY 2011.

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 CWSRF. The State of Alabama earmarks certain loans in an amount equal to the capitalization grant for this purpose.

The table below shows the expenses charged to the fee account during FY 2011.

FY 2011 CWSRF Administrative Expenses: from 0.75% Loan Fee	
Salaries:	\$1,492,613.08
Fringes:	\$586,390.91
Travel:	\$23,491.33
Repair & Maintenance:	\$1,084.18
Professional Services:	\$82,569.01
Rentals & Leases:	\$0.00
Supplies, Misc.:	\$35,745.48
Equipment:	\$8,067.00
Total Direct Costs:	\$2,229,960.99
Indirect Costs	\$1,093,626.19
Total	\$3,323,587.18

4. Financial Statements

The most recent audit of Alabama's CWSRF (through FY 2010) revealed no material weaknesses in the program. A copy of this audit was submitted to EPA. EPA will receive a copy of the FY 2011 audit when it is available.

5. Credit Risk of the SRF

Alabama utilizes the issuance of revenue bonds ("leveraging") to generate the funds necessary to fulfill a large portion of the wastewater treatment works needs of its project list. Therefore, the financial status and credit quality of the loan recipients are reviewed both internally and by the CWSRF Financial Advisor. 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:

- reviewing 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

The FY 2011 project list is comprised of direct loans only.

A financial capability analysis 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.

Exhibit 2 indicates that the FY 2011 IUP projects proposed to be funded will incur a debt to the Authority of approximately \$23,175,469 million.

In order to maintain the fiscal integrity of the CWSRF, the Authority cannot loan funds to municipalities that do not have the means to repay their loan.

B. Assistance Activity

During FY 2011, loan agreements (binding commitments) with five (5) borrowers totaling \$24,067,170 were finalized. These loans are enumerated in Exhibit 1. The loans were originated from sources such as interest earnings, loan repayments, State Match and capitalization grant funds.

Since the CWSRF's inception in FY 1989, approximately \$992 million loans have been made to 210 loan recipients. The loan agreements will be executed on a schedule designed to ensure that CWSRF funds are available as needed for construction.

No loans were made in FY 1989-2011 for the Non-Point Source Management Program or National Estuary projects. Two (2) Section 319 (Non-Point Source Pollution Control Management) project have been identified for funding with FY 2011 funds.

Included in Exhibit 1 is a summary for FY 2011 which details each project, project number, assistance amount, binding commitment date, the type of assistance being provided and Title II status.

The interest rate associated with the FY 2011 IUP projects will be 2.9%. The interest rate reflects the condition of the market for tax-exempt bonds at the time that Authority Bonds were last sold.

Exhibit 2 is a breakout of the FY 2011 CWSRF projects. The project fund, capitalized interest, finance expenses, local cost of loan closing and loan discount are shown for each project.

Exhibit 3 details the sources and uses of bond proceeds for the FY 2011 leveraged loan program.

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

Exhibit 5 details the disbursements from the CWSRF at the project level and by fiscal year for each year's program.

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

Exhibit 7 shows the assistance amount provided to each Section 212 project by EPA Needs Survey cost category.

Exhibit 8 presents information on the 0.75% administrative fee.

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

Exhibit 10 details the actual and projected disbursements from the Alabama CWSRF for project construction.

Exhibit 11 provides data relative to achievement of EEO/MBE/WBE goals in the award of construction contracts funded by the Alabama CWSRF.

Exhibit 12 details the repayments of CWSRF 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 Operating Agreement and Grant Agreement. Eleven conditions have been met and are more fully described below. The following nine conditions have been met as described in the operating and grant agreements and need no further description:

- Agreement to Accept Payments
- State Laws and Procedures
- State Accounting and Audit Procedures
- Use of the Federal Capitalization Grant funds
- Repayments
- Annual Audit
- Annual Report
- Annual Review

The following conditions have been met and are described more fully in detail below:

1. Provide a State Match

A total of \$3,302,200 in State Match funding is required to meet the 20% state match requirement associated with the FY 2011 capitalization grant. The Alabama Legislature did not appropriate funds for CWSRF State Match from the General Fund. The state match requirement will be satisfied by previously by the issued state revenue bonds. These funds will be expended for eligible project costs submitted by members of the FY 2011 project list.

Due to revenue shortfalls in the General Fund, the FY 1991-2011 State Match appropriations have been underfunded by a cumulative total of \$47,552,496. In order to meet the requirements of the EPA Capitalization Grant Agreements, the Authority has sold revenue bonds to obtain the required matching funds.

2. Binding Commitments Within One Year

The State of Alabama entered into binding commitments to provide assistance from the CWSRF in amounts equal to or greater than 120 percent of each quarterly grant payment.

3. Expeditious and Timely Expenditure

As detailed by Exhibit 5, the Alabama CWSRF disbursed \$48,908,355.44 in payments to loan recipients through the end of the fiscal year. CWSRF projects have progressed in an expeditious and timely manner to start construction. The Alabama Department of Environmental Management is also monitoring the projects to ensure timely initiation of operations in accordance with the established schedules. ADEM and the Trustee are disbursing loan funds in a timely manner when presented with valid pay requests.

In order to ensure that the loan repayment stream necessary to meet the financial obligations of the bond issue is met, the Special Conditions Loan Agreement, the legal document which commits CWSRF funds to a particular 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 require that 95% of such proceeds be disbursed no later than 3 years

after the issuance of the bond. For these reasons the State has a vital interest in providing for the timely expenditure of CWSRF funds.

4. First Use of Funds for Enforceable Requirements

The State of Alabama has met the first use requirement by providing funding to all NMP projects which applied for CWSRF assistance. All NMP projects that did not receive SRF assistance were funded by other means (EPA, CDBG, FmHA/RDA, EDA grants or local funds).

5. Eligible Activities of the SRF

Amendments to the IUP list of projects to be funded are included in Section V.

6. Compliance with Title II Requirements

Exhibit 1 notes all projects that meet the Title II equivalency requirements. There have been a total of 50 projects totaling \$200M funded under the Title II requirements since inception of the program.

The total cumulative Equivalency funding amount to date is \$200M while the terms of the FY89-FY94 capitalization grant agreements specify a total Equivalency requirement of \$101M. The balance in excess of the required minimum, \$99M, is banked toward meeting future years' requirements should they arise.

7. MBE/WBE Requirements

All CWSRF 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 borrower must implement the six affirmative steps to attain "fair share" goals and ensure that its prime contractors also comply. The negotiated overall MBE/WBE participation goal for FY 2011 remained at 23.0% (5.0% MBE & 17.0% WBE) for CWSRF loans.

The State of Alabama has submitted Standard Form 5700-20A to EPA Region IV for their review on a quarterly basis to document efforts toward achieving MBE/WBE objectives and will continue to do so.

MBE contracts awarded through the end of FY 2011 totaled \$221,600 (0.7%), while WBE participation totaled \$56,600 (0.3%). The combined overall MBE/WBE participation for FY 2011 was 1.0%. MBE/WBE percentages fell short of the stated program goals. This can be greatly attributed to the small number of contracts (12) awarded during the year. The Department continues to ensure the loan applicants and contractors and suppliers make and document a good faith effort to meet the goals

8. Other Federal Authorities

The State of Alabama and all recipients of CWSRF funds made directly available by the capitalization grant have complied with applicable federal authorities (federal crosscutters). Recipients of CWSRF assistance agreed to do this in the loan agreement between the recipient and the Authority. Additionally, projects required to complete the State Environmental Review Process (SERP) have done so in a manner consistent with the crosscutting requirements.

9. State Environmental Review Process

The Department conducts environmental reviews on all funded Section 212 projects in accordance with the State Environmental Review Process (SERP). Environmental Assessments (EA) have been prepared and a Finding of No Significant Impact (FNSI) or Categorical Exclusion (CE) issued for each project not already covered by a Title II Finding of No Significant Impact (FNSI).

10. Cash Draw Procedures

The State has drawn cash from the Federal Capitalization Grants in a manner consistent with the Capitalization Grant Agreements. Exhibit 6 details the date and amount of these draws.

11. Disbursement Schedule/Commitment

Exhibit 10 details the actual and projected disbursements from the SRF for funded projects and cash draws from the federal capitalization grants. Also included are the actual and projected disbursements for the FY 1989-2011 project lists.

The rate of cash draws from the FY 2011 Federal Capitalization Grant will be based on the dollar-for-dollar draws of direct loan projects. Consistent with EPA policy, draws from the federal grant for these direct loan projects are required to be proportional to the disbursement of state match funds to borrowers for eligible project costs. The state intends to manage its disbursements to borrowers to insure that state funds are spent first in order to ensure that the proportionality requirement is met expeditiously. This technique is necessary to ensure that direct loan borrowers funded from the federal capitalization grant are able to receive requisitioned funds in a timely manner.

Fully liquidating the FY 2011 Federal Capitalization Grant is projected to take six quarters: 2012Q1 through 2013Q2. If projects progress faster (or slower) than expected, the rate of cash draws from the Federal Capitalization Grant will also change.

Fully liquidating the ARRA FY 2009 Federal Capitalization Grant is projected to be completed in 2012Q2.

V. Program Changes:**A. Comparison with the Intended Use Plan**

The FY 2011 Intended Use Plan included a Fundable Project Priority List totaling \$49,441,720 in potential funding needs for thirteen (13) projects. Two (2) Applicants opted out of the program for various reasons including less than anticipated principal forgiveness. All loans consisted of EPA capitalization grants and repayments from previous year's direct loans.

Because Alabama utilizes a leveraged loan program and now has substantial assets available in the Master SRF Fund, the program anticipates being capable of funding all 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 CWSRF 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.

VI. Proposed Improvements:**A. Modification of the Program**

FY 2011 was the twenty third year of operation of Alabama's CWSRF loan program. Modifications to the program were made in FY 2011. Modifications were made to the CWSRF Pre-Application and includes revisions to the priority ranking criteria for projects and project eligibility including ranking green infrastructure projects. A much needed additional staff accountant was hired to assist with the financial aspects of the CWSRF Program. Any modifications proposed will be discussed in future Intended Use Plans.

Exhibits

Exhibit 1 - Binding Commitments

Project Name	Project #	Bind Date	Completion Date	Loan Amount	Repay Date	Cat. I Needs	Cat. II Needs	Cat. IIIA Needs	Cat. IIIB Needs	Cat. IVA Needs	Interest Rate	Funds Source	IUP FY
Daphne Wastewater Infrastructure Improvements	CS010231-05	3/1/2011	10/1/2011	\$5,580,169.00	2/15/2012	Yes	No	Yes	Yes	No	3.10%	DL:EPA	2010
Sheffield WWTP and Sewer Rehabilitation	CS010828-02	3/1/2011	10/1/2013	\$12,410,654.00	8/15/2013	Yes	No	Yes	No	No	3.10%	DL:EPA	2010
Fort Payne Wastewater Pumping and Transmission Facilities	CS010396-05	1/1/2011	8/1/2011	\$935,000.00	8/15/2011	No	No	No	Yes	No	3.10%	DL:EPA	2010
Dothan Sanitary Sewer Enhancement Program	CS010292-30	2/1/2011	6/30/2012	\$3,621,347.00	8/15/2012	No	No	Yes	Yes	Yes	3.10%	DL:EPA	2010
Montevallo Wastewater System Improvements (Supplemental)	CS010834-01	2/1/2011	8/1/2011	\$1,520,000.00	8/15/2011	No	Yes	Yes	No	No	3.10%	DL:EPA	2010
5 Loans		Total Loan Amount:		\$24,067,170.00									

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
 None of the loans shown are considered "Title II Equivalency" projects.

Alabama CWSRF Flow of Funds

The attached flowchart and narrative are intended to illustrate the relationship between various accounts of the CWSRF 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 CWSRF program; the Authority Bond Indentures exactly define accounts of and related to the CWSRF. The accounts "inside the CWSRF" 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 derived from the loan recipient assessments are outside the CWSRF.

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 bond principal and interest payments to the CWSRF bond holders and thus serves as security for the CWSRF bondholders.

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

In the CWSRF program EPA has not allowed collateral required for the State Match bonds to be derived from the Federal Capitalization grant. State Match bonds are collateralized from sources other than the federal capitalization grant; namely, by bond proceeds. This procedure will serve as a model for future instances where borrowing for shortfalls in the State Match appropriation are required, subject to concurrence by EPA.

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

3: **Bond Pool Project Fund:** This account holds 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 consist of bond proceeds and/or State matching funds (both appropriated and leveraged) and/or funds from the Master Revolving Fund.

Disbursements to Loan Recipients of the Bond Pool Project Fund for eligible incurred costs may justify draws from the Federal Capitalization Grant, if grant funds are pledged to the Additional Reserve Account. In this situation, draws from the ACH are calculated on the basis of a "Leveraging Ratio." The Leveraging Ratio is calculated 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 normally used to make direct loans. Direct loans made from interest earnings on the Bond Pool Project Fund are typically 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 may then be recycled into direct loans, or used 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 by an independent accountant on this (and other) bond accounts 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. It 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):** This account may be funded by Federal Capitalization Grant funds or the Master SRF and is used to make up the difference between the payments that are required to amortize the Authority's bonds and the repayments from bond pool loan recipients. This account is yield restricted to the bond arbitrage rate. Non-rebatable interest earnings not required for deposits 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 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. 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 that are required to amortize the Bonds issued by the Authority. Funds flowing into this account are normally derived from a combination of deposits from the Capitalized Interest Fund, the Additional Reserve Account and from borrowers' loan repayments. Because loan repayments may be deposited prior to the date that the Authority bond holders are scheduled to pay Bond Principal and Interest payments to bondholders, and interest is earned on this account, excess funding may occur, and these excess funds, after passing through the Rebate Fund, ultimately flow to the Master SRF Fund. Additionally, (direct) loan repayments from borrowers funded by interest earnings related to a particular bond issue flow into this fund, and if not required to meet payments to bondholders, flow to the Master SRF.

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: **Master SRF Fund:** The Master State Revolving Fund (MSRF) is an account whose primary purpose is to fund Direct Loans and Additional Reserve Accounts (loan subsidy). It is held by the State Treasurer and earns 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. 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.

No Bonds were issued during FY 2011
(October 1, 2010 – September 30, 2011).

Alabama CWSRF Flow of Funds

The attached flowchart and narrative are intended to illustrate the relationship between various accounts of the CWSRF 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 CWSRF program; the Authority Bond Indentures exactly define accounts of and related to the CWSRF. The accounts "inside the CWSRF" 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 derived from the loan recipient assessments are outside the CWSRF.

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 bond principal and interest payments to the CWSRF bond holders and thus serves as security for the CWSRF bondholders.

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

In the CWSRF program EPA has not allowed collateral required for the State Match bonds to be derived from the Federal Capitalization grant. State Match bonds are collateralized from sources other than the federal capitalization grant; namely, by bond proceeds. This procedure will serve as a model for future instances where borrowing for shortfalls in the State Match appropriation are required, subject to concurrence by EPA.

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

3: **Bond Pool Project Fund**: This account holds 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 consist of bond proceeds and/or State matching funds (both appropriated and leveraged) and/or funds from the Master Revolving Fund.

Disbursements to Loan Recipients of the Bond Pool Project Fund for eligible incurred costs may justify draws from the Federal Capitalization Grant, if grant funds are pledged to the Additional Reserve Account. In this situation, draws from the ACH are calculated on the basis of a "Leveraging Ratio." The Leveraging Ratio is calculated 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 normally used to make direct loans. Direct loans made from interest earnings on the Bond Pool Project Fund are typically 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 may then be recycled into direct loans, or used 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 by an independent accountant on this (and other) bond accounts 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. It 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)**: This account may be funded by Federal Capitalization Grant funds or the Master SRF and is used to make up the difference between the payments that are required to amortize the Authority's bonds and the repayments from bond pool loan recipients. This account is yield restricted to the bond arbitrage rate. Non-rebatable interest earnings not required for deposits 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 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. 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 that are required to amortize the Bonds issued by the Authority. Funds flowing into this account are normally derived from a combination of deposits from the Capitalized Interest Fund, the Additional Reserve Account and from borrowers' loan repayments. Because loan repayments may be deposited prior to the date that the Authority bond holders are scheduled to pay Bond Principal and Interest payments to bondholders, and interest is earned on this account, excess funding may occur, and these excess funds, after passing through the Rebate Fund, ultimately flow to the Master SRF Fund. Additionally, (direct) loan repayments from borrowers funded by interest earnings related to a particular bond issue flow into this fund, and if not required to meet payments to bondholders, flow to the Master SRF.

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: **Master SRF Fund**: The Master State Revolving Fund (MSRF) is an account whose primary purpose is to fund Direct Loans and Additional Reserve Accounts (loan subsidy). It is held by the State Treasurer and earns 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. 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.

Exhibit 5 - CWSRF Construction Disbursements

Project Name	IUP FY	Funds Source	Pmt Date	Pmt Amt	Grant Draw
Atmore WWTP and Collection System Improvements	2007	DL:EPA	10-01-2010	\$49,045.00	
Slocomb Sanitary Sewer Improvements	2007	DL:EPA	10-01-2010	\$21,718.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	10-04-2010	\$1,028,082.00	\$1,028,082.00
South Alabama Utilities Decentralized Sewer Project	2008	DL:EPA	10-04-2010	\$117,375.00	
Jasper Town Creek Wastewater Treatment Plant Improvements	2008	DL:EPA	10-05-2010	\$250,535.00	
Cullman WWTP Improvements and North Interceptor Repairs	2007	DL:EPA	10-08-2010	\$50,000.00	
(Supplemental)	2009	DL:ARRA	10-14-2010	\$1,751,451.00	\$1,751,451.00
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	10-15-2010	\$1,675,327.00	\$1,675,327.00
Montevallo Wastewater System Improvements	2009	DL:ARRA	10-20-2010	\$1,756,455.00	\$1,756,455.00
South Alabama Utilities Decentralized Sewer Project	2008	DL:EPA	10-22-2010	\$195,411.00	
Troy Outfall Sewer Improvements	2009	DL:ARRA	10-26-2010	\$151,365.00	\$151,365.00
Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	2009	DL:ARRA	11-02-2010	\$177,777.00	\$177,777.00
Childersburg Sewer System Improvements	2009	DL:ARRA	11-04-2010	\$374,334.00	\$374,334.00
Decatur Wastewater System Improvements	2009	DL:ARRA	11-10-2010	\$901,064.00	\$901,064.00
Cullman WWTP Improvements and North Interceptor Repairs	2007	DL:EPA	11-18-2010	\$50,000.00	\$50,000.00
Jasper Town Creek Wastewater Treatment Plant Improvements	2008	DL:EPA	11-18-2010	\$181,668.00	
Troy Outfall Sewer Improvements	2009	DL:ARRA	11-18-2010	\$123,983.00	\$123,983.00
Montevallo Wastewater System Improvements	2009	DL:ARRA	11-18-2010	\$619,857.00	\$619,857.00
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	11-19-2010	\$1,077,803.00	\$1,077,803.00
South Alabama Utilities Decentralized Sewer Project	2008	DL:EPA	11-23-2010	\$601,799.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	12-03-2010	\$1,441,989.00	\$1,441,989.00
Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	2009	DL:ARRA	12-08-2010	\$109,468.00	\$109,468.00
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	12-15-2010	\$0.00	-\$191,164.00
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	12-15-2010	\$480,930.00	\$480,930.00
Childersburg Sewer System Improvements	2009	DL:ARRA	12-15-2010	\$267,298.00	\$267,298.00
Jasper Town Creek Wastewater Treatment Plant Improvements	2008	DL:EPA	12-20-2010	\$63,690.00	
Athens Wastewater Treatment Plant Improvements	2008	D:EPA	12-21-2010	\$612,447.00	\$612,447.00
Montevallo Wastewater System Improvements	2009	DL:ARRA	12-21-2010	\$571,910.00	
Moulton Crow Branch Interceptor Sewer Replacement & Rehab	2007	DL:EPA	12-23-2010	\$3,011.00	\$3,011.00
Slocomb Sanitary Sewer Improvements	2007	DL:EPA	01-05-2011	\$50,895.00	\$50,895.00
Decatur Wastewater System Improvements	2009	DL:ARRA	01-06-2011	\$1,129,679.00	\$1,129,679.00
South Alabama Utilities Decentralized Sewer Project	2008	DL:EPA	01-07-2011	\$226,948.00	
Troy Outfall Sewer Improvements	2009	DL:ARRA	01-14-2011	\$88,373.00	\$88,373.00
Childersburg Sewer System Improvements	2009	DL:ARRA	01-19-2011	\$29,651.00	\$29,651.00
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	01-19-2011	\$414,971.00	
Daphne Sanitary Sewer System Infrastructure Improvements	2006	DL:EPA/MSRF	01-19-2011	\$415,176.09	
(Supplemental)	2009	DL:ARRA	01-21-2011	\$723,040.28	\$132,857.00
(Supplemental)	2009	DL:ARRA	01-21-2011	\$660,237.00	\$660,237.00
Montevallo Wastewater System Improvements	2009	DL:ARRA	01-21-2011	\$466,317.00	
Cullman WWTP Improvements and North Interceptor Repairs	2007	DL:EPA	02-01-2011	\$393,941.00	\$393,941.00
Troy Outfall Sewer Improvements	2009	DL:ARRA	02-01-2011	\$32,932.00	\$32,932.00
Decatur Wastewater System Improvements	2009	DL:ARRA	02-04-2011	\$1,444,399.00	\$709,480.39
Childersburg Sewer System Improvements	2009	DL:ARRA	02-11-2011	\$426,046.00	\$426,046.00
Troy Outfall Sewer Improvements	2009	DL:ARRA	02-17-2011	\$49,783.00	\$49,783.00
Montevallo Wastewater System Improvements	2009	DL:ARRA	02-23-2011	\$359,108.00	
Jasper Town Creek Wastewater Treatment Plant Improvements	2008	DL:EPA	02-23-2011	\$71,291.00	\$71,291.00
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	02-24-2011	\$291,885.00	
Atmore WWTP and Collection System Improvements	2007	DL:EPA	03-03-2011	\$59,090.00	\$59,090.00
Decatur Wastewater System Improvements	2009	DL:ARRA	03-04-2011	\$1,324,188.00	\$1,324,188.00
Childersburg Sewer System Improvements	2009	DL:ARRA	03-14-2011	\$290,720.00	
Montevallo Wastewater System Improvements	2009	DL:ARRA	03-22-2011	\$398,175.00	
Troy Outfall Sewer Improvements	2009	DL:ARRA	03-22-2011	\$14,884.00	
Attalla Sewer Rehab (Ph I) - Camp Silbert Outfall	1998	PA/PF Interest	03-22-2011	\$11,023.32	\$11,023.32
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	03-29-2011	\$257,861.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	04-01-2011	\$893,672.00	\$893,672.00
Atmore WWTP and Collection System Improvements	2007	DL:EPA	04-13-2011	\$12,030.00	\$12,030.00
Childersburg Sewer System Improvements	2009	DL:ARRA	04-14-2011	\$592,239.00	\$376,687.00
Troy Outfall Sewer Improvements	2009	DL:ARRA	04-14-2011	\$80,526.00	
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	04-21-2011	\$356,212.00	
Cullman WWTP Improvements and North Interceptor Repairs	2007	DL:EPA	04-29-2011	\$80,497.00	

Project Name	IUP FY	Funds Source	Pmt Date	Pmt Amt	Grant Draw
Montevallo Wastewater System Improvements	2009	DL:ARRA	04-29-2011	\$199,103.00	
Slocomb Sanitary Sewer Improvements	2007	DL:EPA	05-06-2011	\$3,700.00	
Athens Wastewater Treatment Plant Improvements	2008	D:EPA	05-10-2011	\$44,581.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	05-10-2011	\$494,532.00	
Jasper Town Creek Wastewater Treatment Plant Improvements	2008	DL:EPA	05-10-2011	\$32,644.00	
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	05-16-2011	\$408,248.00	\$408,248.00
Sheffield WWTP and Sewer Rehabilitation	2010	DL:EPA	05-17-2011	\$616,692.00	
Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	2009	DL:ARRA	05-18-2011	\$67,124.00	
Troy Outfall Sewer Improvements	2009	DL:ARRA	05-24-2011	\$65,576.00	\$65,576.00
Daphne Wastewater Infrastructure Improvements	2010	DL:EPA	05-26-2011	\$3,808,833.00	\$3,808,833.00
Athens Wastewater Treatment Plant Improvements	2008	D:EPA	05-27-2011	\$48,292.00	
Florence Wastewater System Improvements/SSO Correction Program	2006	DL:EPA/MSRF	06-01-2011	\$129,258.00	
Dothan Little Choctawhatchee WWTF Upgrade and Interceptors	2008	DL:EPA	06-01-2011	\$1,114,541.00	\$1,114,541.00
Dothan Little Choctawhatchee WWTF Upgrade and Interceptors	2008	DL:EPA	06-01-2011	\$1,002,245.00	\$1,002,245.00
Montevallo Wastewater System Improvements	2009	DL:ARRA	06-01-2011	\$324,875.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	06-08-2011	\$339,298.00	\$339,298.00
Sheffield WWTP and Sewer Rehabilitation	2010	DL:EPA	06-13-2011	\$70,914.00	
Florence Wastewater System Improvements/SSO Correction Program	2006	DL:EPA/MSRF	06-14-2011	\$76,618.00	
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	06-16-2011	\$159,620.00	\$91,752.00
Troy Outfall Sewer Improvements	2009	DL:ARRA	06-22-2011	\$43,927.00	\$43,927.00
Cullman WWTP Improvements and North Interceptor Repairs	2007	DL:EPA	06-23-2011	\$103,463.00	\$103,463.00
Slocomb Sanitary Sewer Improvements	2007	DL:EPA	06-24-2011	\$12,952.00	
Montevallo Wastewater System Improvements	2009	DL:ARRA	06-28-2011	\$193,252.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	07-06-2011	\$150,351.00	
Sheffield WWTP and Sewer Rehabilitation	2010	DL:EPA	07-20-2011	\$58,044.00	
Troy Outfall Sewer Improvements	2009	DL:ARRA	07-20-2011	\$111,639.00	\$90,026.00
Montevallo Wastewater System Improvements	2009	DL:ARRA	07-20-2011	\$73,394.75	
Daphne Wastewater Infrastructure Improvements	2010	DL:EPA	07-20-2011	\$617,527.00	
Montevallo Wastewater System Improvements (Supplemental)	2010	DL:EPA	07-20-2011	\$267,421.00	
Florence Wastewater System Improvements/SSO Correction Program	2006	DL:EPA/MSRF	07-21-2011	\$37,256.00	
Childersburg Sewer System Improvements	2009	DL:ARRA	07-28-2011	\$254,683.00	
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	08-03-2011	\$565,614.00	
Atmore WWTP and Collection System Improvements	2007	DL:EPA	08-08-2011	\$80,750.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	08-08-2011	\$173,548.00	
Sheffield WWTP and Sewer Rehabilitation	2010	DL:EPA	08-11-2011	\$88,685.00	
Huntsville I&I Rehabilitation and Sanitary Sewer Improvements	2007	DL:EPA	08-17-2011	\$5,000,000.00	
Montevallo Wastewater System Improvements (Supplemental)	2010	DL:EPA	08-23-2011	\$181,451.00	
Troy Outfall Sewer Improvements	2009	DL:ARRA	08-24-2011	\$98,873.00	
Childersburg Sewer System Improvements	2009	DL:ARRA	08-24-2011	\$11,041.00	
Florence Wastewater System Improvements/SSO Correction Program	2006	DL:EPA/MSRF	08-25-2011	\$88,860.00	
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	08-25-2011	\$521,391.00	
Dothan Little Choctawhatchee WWTF Upgrade and Interceptors	2008	DL:EPA	08-29-2011	\$1,156,692.00	
Cullman WWTP Improvements and North Interceptor Repairs	2007	DL:EPA	08-31-2011	\$61,723.00	
Jasper Town Creek Wastewater Treatment Plant Improvements	2008	DL:EPA	09-07-2011	\$81,852.00	
Decatur Wastewater System Improvements	2009	DL:ARRA	09-08-2011	\$255,822.00	
Childersburg Sewer System Improvements	2009	DL:ARRA	09-12-2011	\$329,258.00	
Sheffield WWTP and Sewer Rehabilitation	2010	DL:EPA	09-13-2011	\$105,856.00	
Montevallo Wastewater System Improvements (Supplemental)	2010	DL:EPA	09-19-2011	\$130,673.00	
Jasper Town Creek Wastewater Treatment Plant Improvements	2008	DL:EPA	09-19-2011	\$64,182.00	
Cullman WWTP Improvements and North Interceptor Repairs	2007	DL:EPA	09-19-2011	\$183,559.00	
Florence Wastewater System Improvements/SSO Correction Program	2006	DL:EPA/MSRF	09-20-2011	\$122,583.00	
Dothan Little Choctawhatchee WWTF Upgrade and Interceptors	2008	DL:EPA	09-22-2011	\$1,782,449.00	\$1,782,449.00
Fort Payne Wastewater Pumping and Transmission Facilities	2010	DL:EPA	09-27-2011	\$136,000.00	
Slocomb Sanitary Sewer Improvements	2007	DL:EPA	09-28-2011	\$145,211.00	
Pell City Sanitary Sewer System Upgrade and Rehabilitation	2009	DL:ARRA	09-29-2011	\$210,243.00	
Daphne Wastewater Infrastructure Improvements	2010	DL:EPA	09-29-2011	\$49,854.00	
Totals				\$48,908,355.44	\$27,713,690.71
CWSRF Base Grant Total				\$21,022,951.41	\$9,075,259.32
CWSRF ARRA Grant Total				\$27,885,404.03	\$18,638,431.39

Exhibit 6 - CWSRF Captilization Grant Draws for Construction

Draw #	Project Name	Draw Date	Draw Amount
* 11	Troy Outfall Sewer Improvements	10-20-2010	\$176,715.00
* 11	Troy Outfall Sewer Improvements	10-20-2010	\$234,832.00
* 11	Decatur Wastewater System Improvements	10-20-2010	\$1,028,082.00
* 11	Dothan Little Choctahatchee WWTF Upgrade and Interceptors (Supplemental)	10-20-2010	\$1,751,451.00
* 11	Pell City Sanitary Sewer System Upgrade and Rehabilitation	10-20-2010	\$1,675,327.00
* 12	Decatur Wastewater System Improvements	11-05-2010	\$901,064.00
* 12	Troy Outfall Sewer Improvements	11-10-2010	\$151,365.00
* 12	Childersburg Sewer System Improvements	11-10-2010	\$374,334.00
* 12	Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	11-10-2010	\$177,777.00
* 12	Montevallo Wastewater System Improvements	11-10-2010	\$1,756,455.00
* 12	Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	11-10-2010	\$59,445.00
* 13	Pell City Sanitary Sewer System Upgrade and Rehabilitation	12-15-2010	\$480,930.00
* 13	Montevallo Wastewater System Improvements	12-15-2010	\$619,857.00
* 13	Pell City Sanitary Sewer System Upgrade and Rehabilitation	12-15-2010	(\$191,164.00)
* 13	Troy Outfall Sewer Improvements	12-15-2010	\$123,983.00
* 13	Pell City Sanitary Sewer System Upgrade and Rehabilitation	12-15-2010	\$1,077,803.00
* 13	Decatur Wastewater System Improvements	12-15-2010	\$1,441,989.00
* 13	Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	12-15-2010	\$109,468.00
* 14	Troy Outfall Sewer Improvements	01-14-2011	\$88,373.00
* 14	Decatur Wastewater System Improvements	01-14-2011	\$1,129,679.00
* 15	Dothan Little Choctahatchee WWTF Upgrade and Interceptors (Supplemental)	03-04-2011	\$132,857.00
* 15	Dothan Little Choctahatchee WWTF Upgrade and Interceptors (Supplemental)	03-04-2011	\$660,237.00
* 15	Childersburg Sewer System Improvements	03-04-2011	\$29,651.00
* 15	Decatur Wastewater System Improvements	03-04-2011	\$709,480.39
* 15	Childersburg Sewer System Improvements	03-04-2011	\$426,046.00
* 15	Troy Outfall Sewer Improvements	03-04-2011	\$49,783.00
* 15	Troy Outfall Sewer Improvements	03-04-2011	\$32,932.00
521	Moulton Crow Branch Interceptor Sewer Replacement & Rehab	03-24-2011	\$15,664.00
521	Atmore WWTP and Collection System Improvements	03-24-2011	\$205,005.00
521	Moulton Crow Branch Interceptor Sewer Replacement & Rehab	03-24-2011	\$50,768.00
521	Athens Wastewater Treatment Plant Improvements	03-24-2011	\$335,355.00
521	Jasper Town Creek Wastewater Treatment Plant Improvements	03-24-2011	\$100,497.00
521	Athens Wastewater Treatment Plant Improvements	03-24-2011	\$521,715.00
521	Grand Bay Decentralized Wastewater Treatment Plants	03-24-2011	\$18,949.44
521	Daphne Sanitary Sewer System Infrastructure Improvements	03-24-2011	\$255,230.00
521	Moulton Crow Branch Interceptor Sewer Replacement & Rehab	03-24-2011	\$3,011.00
521	Jasper Town Creek Wastewater Treatment Plant Improvements	03-24-2011	\$71,291.00
521	Cullman WWTP Improvements and North Interceptor Repairs	03-24-2011	\$120,000.00
521	Atmore WWTP and Collection System Improvements	03-25-2011	\$39,412.00
* 17	Childersburg Sewer System Improvements	04-22-2011	\$376,687.00
522	Atmore WWTP and Collection System Improvements	04-26-2011	\$12,030.00
522	Florence Wastewater System Improvements/SSO Correction Program	04-26-2011	\$599.74
522	Florence Wastewater System Improvements/SSO Correction Program	04-26-2011	\$9,799.00
522	Decatur Wastewater System Improvements	04-26-2011	\$893,672.00
522	Cullman WWTP Improvements and North Interceptor Repairs	04-26-2011	\$50,000.00
522	Attalla Sewer Rehab (Ph I) - Camp Silbert Outfall	04-26-2011	\$11,023.32
522	Atmore WWTP and Collection System Improvements	04-26-2011	\$59,090.00
522	Slocomb Sanitary Sewer Improvements	04-26-2011	\$50,895.00

Draw #	Project Name	Draw Date	Draw Amount
523	Decatur Wastewater System Improvements	04-27-2011	\$1,324,188.00
523	Athens Wastewater Treatment Plant Improvements	04-27-2011	\$1,973,735.00
523	Cullman WWTP Improvements and North Interceptor Repairs	04-27-2011	\$393,941.00
523	Athens Wastewater Treatment Plant Improvements	04-27-2011	\$1,010,763.00
523	Athens Wastewater Treatment Plant Improvements	04-27-2011	\$1,159,830.00
523	Athens Wastewater Treatment Plant Improvements	04-27-2011	\$1,130,810.00
523	Huntsville I&I Rehabilitation and Sanitary Sewer Improvements	04-27-2011	\$2,544,866.00
523	Athens Wastewater Treatment Plant Improvements	04-27-2011	\$2,740,981.00
523	Daphne Sanitary Sewer System Infrastructure Improvements	04-27-2011	\$1,458,398.00
* 18	Pell City Sanitary Sewer System Upgrade and Rehabilitation	06-29-2011	\$91,752.00
* 18	Pell City Sanitary Sewer System Upgrade and Rehabilitation	06-29-2011	\$408,248.00
* 19	Troy Outfall Sewer Improvements	08-04-2011	\$90,026.00
* 19	Troy Outfall Sewer Improvements	08-04-2011	\$43,927.00
* 19	Troy Outfall Sewer Improvements	08-04-2011	\$65,576.00
524	Decatur Wastewater System Improvements	08-04-2011	\$339,298.00
524	Daphne Wastewater Infrastructure Improvements	08-04-2011	\$3,808,833.00

\$36,994,616.89

*** ARRA Draws**

DWSRF Base Grant Total \$20,709,649.50
*** DWSRF ARRA Grant Total \$16,284,967.39**

Exhibit 7 - Assistance by EPA Needs Category (Only Closed Loans)

FY	I	II	III-A	III-B	IV-A	IV-B
1989	\$6,014,070	\$6,440,355	\$0	\$6,775,000	\$1,449,260	\$10,051,315
1990	\$7,480,710	\$12,153,095	\$729,990	\$0	\$6,498,050	\$4,568,155
1991	\$1,343,864	\$43,611,751	\$146,850	\$371,055	\$4,323,871	\$16,339,638
1992	\$190,000	\$34,315,765	\$210,045	\$1,515,000	\$5,528,825	\$36,589,964
1993	\$16,864,675	\$21,125,000	\$0	\$5,850,750	\$5,817,060	\$7,651,665
1994	\$12,428,745	\$10,173,800	\$0	\$7,872,825	\$0	\$10,414,630
1995	\$7,810,620	\$6,194,220	\$0	\$8,378,300	\$0	\$18,341,860
1996	\$5,766,780	\$10,905,000	\$0	\$2,811,710	\$944,870	\$17,496,640
1997	\$23,599,344	\$11,716,840	\$0	\$16,758,165	\$3,016,255	\$12,169,395
1998	\$37,118,800	\$23,861,385	\$1,391,075	\$1,045,000	\$0	\$12,108,740
1999	\$14,705,095	\$30,206,700	\$0	\$7,084,790	\$1,980,000	\$29,393,415
2000	\$437,750	\$28,209,180	\$0	\$11,153,315	\$9,035,065	\$6,217,735
2001	\$11,295,000	\$6,622,000	\$1,958,000	\$0	\$5,940,000	\$5,755,000
2002	\$2,532,500	\$2,584,800	\$4,603,750	\$8,791,250	\$9,155,950	\$7,946,750
2003	\$4,164,250	\$5,294,400	\$4,587,400	\$1,219,550	\$5,045,200	\$1,059,200
2004	\$205,500	\$4,660,000	\$2,466,000	\$10,202,000	\$1,541,000	\$515,500
2005	\$11,640,500	\$3,922,800	\$11,869,700	\$6,895,100	\$693,150	\$1,233,750
2006	\$2,590,750	\$0	\$3,468,200	\$13,703,600	\$4,800,000	\$4,482,450
2007	\$24,100,100	\$1,101,000	\$3,628,250	\$2,809,550	\$1,250,000	\$1,461,100
2008	\$23,473,450	\$1,677,600	\$4,519,350	\$0	\$0	\$4,079,600
2009	\$9,737,967	\$7,392,047	\$13,849,087	\$16,880,993	\$2,501,230	\$9,419,475
2010	\$13,648,944	\$1,216,000	\$5,174,266	\$5,032,623	\$181,067	\$724,269
2011	\$0	\$4,010,000	\$0	\$0	\$0	\$0

FY	I	II	III-A	III-B	IV-A	IV-B
Totals	\$237,149,415	\$277,393,737	\$58,601,963	\$135,150,576	\$69,700,853	\$218,020,246

Secondary Treatment (Category I):

The minimum level of treatment which must be maintained by all treatment facilities, except those facilities granted waivers under Section 301(h) of the Clean Water Act. Treatment levels are specified in terms of the concentration of conventional pollutants in the wastewater being discharged from a facility. Secondary treatment requires an 85 percent reduction in conventional pollutant concentration in the wastewater treated by a facility. Needs reported in this category are necessary to attain secondary treatment. Needs to attain incremental reductions in conventional pollutant concentrations beyond secondary treatment requirements are included in Category II.

Advanced Treatment (Category II):

A level of treatment more stringent than secondary treatment. Advanced treatment requires greater than 85 percent reduction in conventional pollutants, or a significant reduction in non-conventional pollutants present in the wastewater treated by a facility. Needs reported in this category are necessary to attain incremental reductions in pollutant concentrations beyond basic secondary treatment.

Infiltration/Inflow Correction (Category IIIA):

The penetration into a sewer system of water other than wastewater from the ground through such means as defective pipes or manholes (infiltration) or from sources such as drains, storm sewers, and other improper entries into the system (inflow). Included in this category are costs for correction of sewer system infiltration/inflow problems. Costs also are reported for preliminary sewer system analysis and for detailed sewer system evaluation surveys.

Replacement/Rehabilitation of Sewers (Major Rehab) (Category IIIB):

Reinforcement or reconstruction of structurally deteriorating sewers. This category includes cost estimates for rehabilitation of existing sewer systems beyond those for normal maintenance. Costs are reported if the corrective actions are necessary to maintain the structural integrity of the system.

Collector Sewers (Category IVA):

Pipes used to collect and carry wastewater from an individual source to an interceptor sewer that will convey the wastewater to a treatment facility. This category includes the costs of constructing new collector sewer systems and appurtenances.

Interceptor Sewers (Category IVB):

Major sewer lines receiving wastewater flows from collector sewers. The interceptor sewer carries wastewater directly to the treatment plant or to another interceptor. This category includes costs for constructing new interceptor sewers and pumping stations necessary for conveying wastewater from collector sewer systems to treatment facilities or to another interceptor.

Exhibit 8 - 0.75% Administrative Fee Collected on 2/15/11

Project	Total Admin
Abbeville South WWTP Upgrade	\$600.00
Abbeville South WWTP Upgrade (Supplemental)	\$131.25
Albertville East & West WWTP Upgrade	\$6,618.75
Albertville Sanitary Sewer Improvements	\$6,150.00
Alex City WWTPs Upgrade	\$17,025.00
Alex City WWTPs Upgrade (Supplemental)	\$2,100.00
Aliceville West Lagoon Expansion	\$3,150.00
Andalusia Interceptor Project	\$487.50
Andalusia Sewer System Expansion	\$4,425.00
Anniston Snow Creek Interceptor	\$581.25
Anniston Snow Creek Interceptor (Supplemental)	\$93.75
Arab Gilliam Cr. Collectors	\$2,083.50
Ashford Lift Station and WWTP Rehabilitation	\$5,306.25
Athens Wastewater Treatment Plant Improvements	\$50,447.08
Athens Wastewater Treatment Plant Improvements	\$38,362.50
Atmore Sanitary Sewer Improvements	\$6,562.50
Atmore WWTP and Collection System Improvements	\$39,843.75
Attalla Sewer Rehab (Ph I) - Camp Silbert Outfall	\$2,100.00
Bayou La Batre Sewer System Improvements	\$768.75
Berry Wastewater Treatment Plant	\$1,818.75
Boaz Slab Creek Wastewater Treatment Plant Improvements	\$14,062.50
Boaz Slab Creek WWTP Improvements (Supplemental)	\$11,887.50
Bridgeport WWTP, Interceptors & Sewer Rehab	\$375.00
Carbon Hill WWTP, Sewer Rehab & Collectors	\$1,837.50
Chickasaw Lagoon Upgrade and Interceptors	\$825.00
Coosada Sanitary Sewer Improvements for the Gibson Town Road Area	\$975.00
Cullman Highway 157 Sewer Extension	\$12,431.25
Cullman Mann Road Pump Station and Sewer Improvements	\$11,831.25
Cullman Wastewater System Upgrades and Rehabilitation	\$13,668.75
Cullman WWTP Improvements and North Interceptor Repairs	\$13,481.25
Cullman WWTP Upgrade & NW Collectors	\$1,331.25
Cullman WWTP Upgrade (Phase I)	\$18,056.25
Cullman WWTP Upgrade (Supplemental)	\$4,293.75
Cullman WWTP Upgrade Supplemental	\$27,318.75
Daphne Lake Forest WWTP Upgrade	\$5,625.00
Daphne Sanitary Sewer System Infrastructure Improvements	\$12,693.75
Decatur Dry Creek WWTP Ph II Upgr, Rehab & Inter.	\$34,781.25
Decatur Dry Creek WWTP Upgrade	\$12,206.25
Decatur Dry Creek WWTP Upgrade (Supplemental)	\$4,725.00
Demopolis Pump Station Rehab & I/I Program	\$1,912.50
Demopolis Sewer Improvements	\$15,431.25
Demopolis Sewer Improvements (Supplemental)	\$1,125.00

Project	Total Admin
Demopolis WWTP Upgrade	\$768.75
Dothan Cypress Cr. WWTP, Inter & Collectors	\$28,500.00
Dothan Cypress Cr. WWTP, Inter & Collectors (Supplemental)	\$16,687.50
Dothan Golf Cr. Interceptor	\$6,787.50
Dothan Little Choctahatchee WWTF Upgrade and Interceptors (Suppleme	\$9,464.17
Eclectic Sprayfield & Collection System	\$1,575.00
Eutaw PS Upgrade	\$506.25
Eutaw PS Upgrade (Supplemental)	\$112.50
Evergreen Sanitary Sewer Extensions	\$1,987.50
Flomaton Lagoon Upgrade	\$1,050.00
Florence Wastewater System Improvements/SSO Correction Program	\$30,731.25
Florence WWTP Upgrade & Inter. (Supplemental A)	\$46,725.00
Florence WWTP Upgrade & Inter. (Supplemental B)	\$11,718.75
Florence WWTP Upgrade & Inter. (Supplemental)	\$13,425.00
Florence WWTP Upgrade & Interceptor	\$48,450.00
Florence WWTP Upgrade & River Interceptor (Supp C)	\$28,668.75
Fort Payne WWTP Upgrade	\$19,331.25
Fort Payne WWTP Upgrade (Supplemental)	\$5,681.25
Goodwater Sewer Rehabilitation (CDBG)	\$206.25
Grand Bay - South Mobile County Elementary School WWTP	\$1,481.25
Grand Bay Decentralized Wastewater Treatment Plants	\$1,687.50
Guntersville East Lake WWTP Improvements	\$17,831.25
Guntersville Sanitary Sewer Extension	\$5,625.00
Guntersville WWTP & PS Upgrade	\$1,143.75
Hartselle Infiltration and Inflow Mitigation/Rehabilitation	\$4,068.75
Hartselle Inflow/Infiltration Mitigation Project	\$4,500.00
Hartselle Interceptors & Collectors	\$562.50
Headland Sewer Rehabilitation	\$731.25
Hollywood WWTP, Interceptors & Collectors	\$881.26
Hoover Inverness WWTP Improvements & I/I Rehab	\$18,712.50
Hoover Inverness WWTP Supplemental (Phase II)	\$23,081.25
Huntsville 5-Year Capital Improvement Program	\$33,712.50
Huntsville I&I Rehabilitation and Sanitary Sewer Improvements	\$17,418.75
Huntsville I&I Rehabilitation and Sanitary Sewer Improvements	\$50,906.25
Huntsville Rehab & Interceptors	\$36,581.25
Huntsville Spring Br./Chase WWTP Upg,Rehab & Inter	\$36,525.00
Huntsville WWTP & Outfall	\$36,862.50
Huntsville WWTP Upgrade,Rehab & Interceptor	\$38,737.50
Jackson Sewer Lagoon Upgrades	\$1,735.94
Jasper Town Cr. WWTP Upgrade	\$6,056.25
Jefferson Co. WWTP's, Interceptors & Sewer Rehab	\$70,237.50
Lafayette WWTP Upgrade	\$543.75
LaFayette WWTP Upgrade (Supplemental)	\$281.25
Leighton Outfall	\$225.00
Level Plains Collectors	\$131.25
Louisville Lagoon, PS & Inter	\$1,125.00

Project	Total Admin
Madison Collectors	\$2,362.50
Madison Interceptors	\$5,306.25
Madison Sanitary Sewer Improvements	\$15,787.50
Madison Wastewater Treatment Plant & Interceptors	\$49,931.25
Millbrook WWTP Upgrade	\$2,531.25
Mobile Collectors and Interceptors	\$15,431.25
Mobile Interceptors	\$16,162.50
Mobile Perch Creek Force Main and I/I Correction	\$29,437.50
Mobile Sanitary Sewer Improvements	\$35,043.75
Mobile Sewer Rehabilitation	\$73,968.75
Montgomery E. Interceptors & Collectors	\$33,337.50
Moulton Crow Branch Interceptor Sewer Replacement & Rehab	\$5,325.00
Moundville Sanitary Sewerage System Improvements	\$1,837.50
Moundville Sewer Collection System Rehabilitation	\$731.25
Muscle Shoals WWTP Upgrade	\$4,275.00
Northport Carroll's Creek and Smith Creek Sanitary Sewers	\$10,631.25
Northport Carroll's Creek Sanitary Sewers (Supplemental)	\$1,293.75
Northport Snow Cr. Interceptor Replacement	\$5,587.50
Northport Snow Cr. Sewer Rehab (Supplemental)	\$562.50
Northport WWTP and Outfall	\$9,525.00
Notasulga WWTP & Collectors	\$656.25
Oneonta Sewer Improvements	\$1,837.50
Opelika Interceptor Contracts #4, #5 & #6	\$1,668.75
Opelika Misc. Interceptors - Contract #3	\$243.75
Opp Pumping Stations and Lagoon Improvements	\$1,143.75
Ozark Sewer Rehabilitation	\$731.25
Ozark Sewer Rehabilitation (Supplemental)	\$600.00
Pelham WWTP Upgrade	\$18,450.00
Pelham WWTP Upgrade (Supplemental) & Hunters Glen Interceptors	\$26,418.75
Pell City Dye Creek WWTP Improvements Phase I	\$20,437.50
Phenix City Holland Cr. PS	\$1,181.25
Prattville Pine Creek Interceptor Sewer Extension	\$6,300.00
Prattville Sludge Digesters & Pine Cr WWTP Upgrade	\$5,006.25
Priceville Lagoon, Collectors & Outfall	\$2,287.50
Priceville West Collectors	\$581.25
Rainbow City Sanitary Sewer Rehabilitation	\$2,118.75
Rainsville WWTP Upgr & Rehab	\$2,231.25
Rainsville WWTP Upgr & Rehab (Supplemental)	\$225.00
Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	\$1,650.00
Russellville WWTP Upgrade	\$3,375.00
Russellville WWTP Upgrade (Supplemental)	\$2,025.00
Slocomb Sanitary Sewer Improvements	\$3,750.00
South Alabama Utilities Decentralized Sewer Project	\$5,737.50
South Alabama Utilities Decentralized Sewer Project	\$6,825.00
South Alabama Utilities Sewer Improvements	\$8,850.00
South Dallas Sanitary Sewer Improvements	\$1,162.50

Project	Total Admin
Sumiton Sewerage System Improvements	\$2,306.25
Sylacauga Sewer Improvements	\$20,981.25
Sylacauga Sewer Improvements (Supplemental)	\$3,300.00
Talladega Inter B & Supplemental	\$206.25
Tallassee Sludge Treatment	\$506.25
Tuscaloosa Interceptor Replacement	\$19,068.75
Tuscaloosa Interceptors	\$3,562.50
Tuscaloosa Sewer Improvements	\$94,406.25
Tuscaloosa WWTP Upgrade, Outfall & Collectors	\$51,337.50
Union Springs WWTP Upgrade (Supplemental)	\$0.00
Wadley Lagoon Upgrade	\$112.50
West Morgan - East Lawrence Sanitary Sewer Improvements	\$1,462.50
Wetumpka Wilako WWTP Improvements	\$5,043.75
Wetumpka Wilako WWTP Improvements (Supplemental)	\$2,812.50
Wetumpka WWTP, Outfall, Diffuser & Interceptors	\$6,750.00
Woodville WWTP & Collectors	\$56.25
	<hr/>
	\$1,749,768.20

Exhibit 8 - 0.75% Administrative Fee Collected on 8/15/11

Project	Total Admin
Abbeville South WWTP Upgrade	\$600.00
Abbeville South WWTP Upgrade (Supplemental)	\$131.25
Albertville East & West WWTP Upgrade	\$6,618.75
Albertville Sanitary Sewer Improvements	\$6,150.00
Alex City WWTPs Upgrade	\$17,025.00
Alex City WWTPs Upgrade (Supplemental)	\$2,100.00
Aliceville West Lagoon Expansion	\$3,150.00
Andalusia Interceptor Project	\$487.50
Andalusia Sewer System Expansion	\$4,425.00
Anniston Snow Creek Interceptor	\$581.25
Anniston Snow Creek Interceptor (Supplemental)	\$93.75
Arab Gilliam Cr. Collectors	\$1,593.38
Ashford Lift Station and WWTP Rehabilitation	\$5,306.25
Athens Wastewater Treatment Plant Improvements	\$55,368.75
Athens Wastewater Treatment Plant Improvements	\$38,362.50
Atmore Sanitary Sewer Improvements	\$6,206.25
Atmore WWTP and Collection System Improvements	\$39,843.75
Attalla Sewer Rehab (Ph I) - Camp Silbert Outfall	\$2,100.00
Bayou La Batre Sewer System Improvements	\$731.25
Berry Wastewater Treatment Plant	\$1,818.75
Boaz Slab Creek Wastewater Treatment Plant Improvements	\$14,062.50
Boaz Slab Creek WWTP Improvements (Supplemental)	\$11,887.50
Bridgeport WWTP, Interceptors & Sewer Rehab	\$375.00
Carbon Hill WWTP, Sewer Rehab & Collectors	\$1,406.25
Chickasaw Lagoon Upgrade and Interceptors	\$825.00
Coosada Sanitary Sewer Improvements for the Gibson Town Road Area	\$975.00
Cullman Highway 157 Sewer Extension	\$11,812.50
Cullman Mann Road Pump Station and Sewer Improvements	\$11,831.25
Cullman Wastewater System Upgrades and Rehabilitation	\$13,050.00
Cullman WWTP Improvements and North Interceptor Repairs	\$13,012.50
Cullman WWTP Upgrade & NW Collectors	\$1,331.25
Cullman WWTP Upgrade (Phase I)	\$16,687.50
Cullman WWTP Upgrade (Supplemental)	\$4,293.75
Cullman WWTP Upgrade Supplemental	\$27,318.75
Daphne Lake Forest WWTP Upgrade	\$5,625.00
Daphne Sanitary Sewer System Infrastructure Improvements	\$12,693.75
Decatur Dry Creek WWTP Ph II Upgr, Rehab & Inter.	\$34,781.25
Decatur Dry Creek WWTP Upgrade	\$12,206.25
Decatur Dry Creek WWTP Upgrade (Supplemental)	\$4,725.00
Demopolis Pump Station Rehab & I/I Program	\$1,912.50
Demopolis Sewer Improvements	\$14,550.00
Demopolis Sewer Improvements (Supplemental)	\$1,125.00

Project	Total Admin
Demopolis WWTP Upgrade	\$768.75
Dothan Cypress Cr. WWTP, Inter & Collectors	\$28,500.00
Dothan Cypress Cr. WWTP, Inter & Collectors (Supplemental)	\$16,687.50
Dothan Golf Cr. Interceptor	\$6,787.50
Dothan Little Choctahatchee WWTF Upgrade and Interceptors (Suppleme	\$10,387.50
Dothan Little Choctawhatchee WWTF Upgrade and Interceptors	\$22,717.50
Eclectic Sprayfield & Collection System	\$1,575.00
Eutaw PS Upgrade	\$506.25
Eutaw PS Upgrade (Supplemental)	\$112.50
Evergreen Sanitary Sewer Extensions	\$1,987.50
Flomaton Lagoon Upgrade	\$1,050.00
Florence Wastewater System Improvements/SSO Correction Program	\$30,731.25
Florence WWTP Upgrade & Inter. (Supplemental A)	\$46,725.00
Florence WWTP Upgrade & Inter. (Supplemental B)	\$11,718.75
Florence WWTP Upgrade & Inter. (Supplemental)	\$12,825.00
Florence WWTP Upgrade & Interceptor	\$48,450.00
Florence WWTP Upgrade & River Interceptor (Supp C)	\$28,668.75
Fort Payne Wastewater Pumping and Transmission Facilities	\$272.71
Fort Payne WWTP Upgrade	\$19,331.25
Fort Payne WWTP Upgrade (Supplemental)	\$5,681.25
Goodwater Sewer Rehabilitation (CDBG)	\$187.50
Grand Bay - South Mobile County Elementary School WWTP	\$1,387.50
Grand Bay Decentralized Wastewater Treatment Plants	\$1,687.50
Guntersville East Lake WWTP Improvements	\$17,831.25
Guntersville Sanitary Sewer Extension	\$5,625.00
Guntersville WWTP & PS Upgrade	\$1,143.75
Hartselle Infiltration and Inflow Mitigation/Rehabilitation	\$3,862.50
Hartselle Inflow/Infiltration Mitigation Project	\$4,500.00
Hartselle Interceptors & Collectors	\$562.50
Headland Sewer Rehabilitation	\$731.25
Hollywood WWTP, Interceptors & Collectors	\$673.88
Hoover Inverness WWTP Improvements & I/I Rehab	\$17,118.75
Hoover Inverness WWTP Supplemental (Phase II)	\$21,356.25
Huntsville 5-Year Capital Improvement Program	\$33,712.50
Huntsville I&I Rehabilitation and Sanitary Sewer Improvements	\$50,906.25
Huntsville I&I Rehabilitation and Sanitary Sewer Improvements	\$16,706.25
Huntsville Rehab & Interceptors	\$36,581.25
Huntsville Spring Br./Chase WWTP Upg,Rehab & Inter	\$36,525.00
Huntsville WWTP & Outfall	\$36,862.50
Huntsville WWTP Upgrade,Rehab & Interceptor	\$38,737.50
Jackson Sewer Lagoon Upgrades	\$1,893.75
Jasper Town Cr. WWTP Upgrade	\$6,056.25
Jasper Town Creek Wastewater Treatment Plant Improvements	\$5,104.69
Jefferson Co. WWTP's, Interceptors & Sewer Rehab	\$57,300.00
Lafayette WWTP Upgrade	\$543.75
LaFayette WWTP Upgrade (Supplemental)	\$281.25

Project	Total Admin
----------------	--------------------

Leighton Outfall	\$225.00
Level Plains Collectors	\$131.25
Louisville Lagoon, PS & Inter	\$993.75
Madison Collectors	\$2,362.50
Madison Interceptors	\$5,306.25
Madison Sanitary Sewer Improvements	\$14,943.75
Madison Wastewater Treatment Plant & Interceptors	\$49,931.25
Millbrook WWTP Upgrade	\$2,531.25
Mobile Collectors and Interceptors	\$15,431.25
Mobile Interceptors	\$16,162.50
Mobile Perch Creek Force Main and I/I Correction	\$29,437.50
Mobile Sanitary Sewer Improvements	\$35,043.75
Mobile Sewer Rehabilitation	\$73,968.75
Montevallo Wastewater System Improvements	\$14,698.13
Montevallo Wastewater System Improvements (Supplemental)	\$443.33
Montgomery E. Interceptors & Collectors	\$33,337.50
Moulton Crow Branch Interceptor Sewer Replacement & Rehab	\$5,325.00
Moundville Sanitary Sewerage System Improvements	\$1,725.00
Moundville Sewer Collection System Rehabilitation	\$731.25
Muscle Shoals WWTP Upgrade	\$3,918.75
Northport Carroll's Creek and Smith Creek Sanitary Sewers	\$10,631.25
Northport Carroll's Creek Sanitary Sewers (Supplemental)	\$1,237.50
Northport Snow Cr. Interceptor Replacement	\$5,587.50
Northport Snow Cr. Sewer Rehab (Supplemental)	\$525.00
Northport WWTP and Outfall	\$9,525.00
Notasulga WWTP & Collectors	\$656.25
Oneonta Sewer Improvements	\$1,837.50
Oneonta WWTP Upgrade & Sewer Rehab	\$2,512.50
Opelika Interceptor Contracts #4, #5 & #6	\$1,668.75
Opelika Misc. Interceptors - Contract #3	\$243.75
Opp Pumping Stations and Lagoon Improvements	\$1,143.75
Ozark Sewer Rehabilitation	\$731.25
Ozark Sewer Rehabilitation (Supplemental)	\$600.00
Pelham WWTP Upgrade	\$18,450.00
Pelham WWTP Upgrade (Supplemental) & Hunters Glen Interceptors	\$26,418.75
Pell City Dye Creek WWTP Improvements Phase I	\$20,437.50
Phenix City Holland Cr. PS	\$1,181.25
Prattville Pine Creek Interceptor Sewer Extension	\$5,962.50
Prattville Sludge Digesters & Pine Cr WWTP Upgrade	\$5,006.25
Priceville Lagoon, Collectors & Outfall	\$2,287.50
Priceville West Collectors	\$581.25
Rainbow City Sanitary Sewer Rehabilitation	\$2,025.00
Rainsville WWTP Upgr & Rehab	\$2,025.00
Rainsville WWTP Upgr & Rehab (Supplemental)	\$206.25
Red Bay Wastewater Treatment Lagoon and Lift Station Improvements	\$1,650.00
Russellville WWTP Upgrade	\$3,056.25

Project	Total Admin
Russellville WWTP Upgrade (Supplemental)	\$2,025.00
Slocomb Sanitary Sewer Improvements	\$3,600.00
South Alabama Utilities Decentralized Sewer Project	\$6,525.00
South Alabama Utilities Decentralized Sewer Project	\$5,531.25
South Alabama Utilities Sewer Improvements	\$8,325.00
South Dallas Sanitary Sewer Improvements	\$1,087.50
Sumiton Sewerage System Improvements	\$2,175.00
Sylacauga Sewer Improvements	\$20,981.25
Sylacauga Sewer Improvements (Supplemental)	\$3,112.50
Talladega Inter B & Supplemental	\$0.00
Tallassee Sludge Treatment	\$506.25
Troy Outfall Sewer Improvements	\$1,485.00
Tuscaloosa Interceptor Replacement	\$19,068.75
Tuscaloosa Interceptors	\$3,562.50
Tuscaloosa Sewer Improvements	\$94,406.25
Tuscaloosa WWTP Upgrade, Outfall & Collectors	\$51,337.50
Union Springs WWTP Upgrade (Supplemental)	\$0.00
Wadley Lagoon Upgrade	\$112.50
West Morgan - East Lawrence Sanitary Sewer Improvements	\$1,387.50
Wetumpka Wilako WWTP Improvements	\$4,706.25
Wetumpka Wilako WWTP Improvements (Supplemental)	\$2,643.75
Wetumpka WWTP, Outfall, Diffuser & Interceptors	\$6,750.00
Woodville WWTP & Collectors	\$56.25
	\$1,774,763.62

Exhibit 8 - 0.75% Administrative Fees Collected by FY

FY	Total Admin
1990	\$14,564.80
1991	\$113,085.03
1992	\$296,352.92
1993	\$814,683.13
1994	\$1,023,001.12
1995	\$1,696,692.10
1996	\$1,881,490.12
1997	\$2,001,247.81
1998	\$2,427,172.37
1999	\$2,422,296.00
2000	\$2,589,013.64
2001	\$3,388,967.60
2002	\$3,736,306.51
2003	\$3,965,812.44
2004	\$3,763,598.33
2005	\$3,669,844.09
2006	\$3,799,386.38
2007	\$3,955,581.66
2008	\$3,834,878.64
2009	\$3,668,231.80
2010	\$3,553,546.13
2011	\$3,524,531.82
	\$56,140,284.44

Exhibit 9 – Long Term Cash Flow Projections

The Clean Water State Revolving Fund (CWSRF) was established by the Clean Water Act as Amended by the Water Quality Act Of 1987, Public Law 100-4, March 1988. Title VI of the Clean Water Act as amended (CWA) established the CWSRF. Section 603 of the CWA discusses the Water Pollution Control Revolving Loan Funds or CWSRF. Section 603 (c), Projects Eligible for Assistance, states the types of eligible projects and the essential character of the CWSRF: "The fund shall be established, maintained, and credited with repayments and the fund balance shall be available in perpetuity for providing such financial assistance."

The EPA implemented the CWA as amended with program regulations stated in Subpart K - State Water Pollution Control Revolving Funds. The first section, 40 CFR Section 35.3100(a), Policy and Purpose states it is the intent of the CWA as amended to ensure each State's program is designed and operated to continue providing assistance for water pollution control activities 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):

CWSRF Perpetuity of the Fund Measure

Contributed Capital					Total
FY	Total Grant	Net Grant (96%)	20% Match	Transfer to DWSRF	Contributed Capital
1989	\$10,546,965	\$10,125,086	\$2,109,393		\$12,234,479
1990	\$10,909,503	\$10,473,123	\$2,181,901		\$12,655,024
1991	\$22,948,299	\$22,030,367	\$4,589,660		\$26,620,027
1992	\$21,726,342	\$20,857,288	\$4,345,268		\$25,202,557
1993	\$21,492,207	\$20,632,519	\$4,298,441		\$24,930,960
1994	\$13,335,597	\$12,802,173	\$2,667,119		\$15,469,293
1995	\$13,772,781	\$13,221,870	\$2,754,556		\$15,976,426
1996	\$22,560,417	\$21,658,000	\$4,512,083		\$26,170,084
1997	\$7,070,048	\$6,787,246	\$1,414,010	(\$4,144,404)	\$4,056,852
1998	\$15,076,774	\$14,473,703	\$3,015,355	(\$2,793,648)	\$14,695,410
1999	\$15,149,120	\$14,543,155	\$3,029,824	(\$2,928,024)	\$14,644,955
2000	\$15,007,311	\$14,407,019	\$3,001,462	(\$3,043,062)	\$14,365,419
2001	\$14,873,958	\$14,279,000	\$2,974,792	(\$3,055,635)	\$14,198,156
2002	\$14,907,024	\$14,310,743	\$2,981,405	(\$2,657,325)	\$14,634,823
2003	\$14,810,202	\$14,217,794	\$2,962,040	(\$2,641,353)	\$14,538,481
2004	\$14,819,112	\$14,226,348	\$2,963,822	(\$2,740,023)	\$14,450,147
2005	\$12,049,290	\$11,567,318	\$2,409,858	(\$2,969,208)	\$11,007,968
2006	\$9,790,700	\$9,399,072	\$1,958,140	\$0	\$11,357,212

2007	\$11,967,813	\$11,450,964	\$2,393,563	\$0	\$13,844,527
2008	\$7,585,900	\$7,282,464	\$1,517,180	\$0	\$8,799,444
2009	\$7,585,900	\$7,282,464	\$1,517,180	\$0	\$8,799,444
*2009	\$43,821,600	\$42,068,736	\$0	\$0	\$42,068,736
2010	\$22,783,000	\$21,871,680	\$4,556,600		\$26,428,280
2011	\$16,511,000	\$15,850,560	\$3,302,200	\$0	\$19,152,760
<hr/>					
* ARRA					\$406,301,664

Net Assets of Program (as of 9/30/11)

Direct Loan Principal Outstanding:	\$252,164,600
Available Cash and Investments:	\$93,109,927
Amount Due to Borrowers:	(\$36,378,316)
<u>Federal Letter of Credit Outstanding:</u>	<u>\$3,324,217</u>
Total Net Assets:	\$312,220,428

Retained earnings must be greater than or equal to zero (EPA Fund Management Handbook, April 2001).

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 10 - Projected Disbursements

Outlay Date	Outlay Amount
10/1/2011	\$1,486,100.00
11/1/2011	\$1,410,112.89
12/1/2011	\$1,013,001.12
1/1/2012	\$779,271.08
2/1/2012	\$543,120.11
3/1/2012	\$500,000.00
4/1/2012	\$500,000.00
5/1/2012	\$500,000.00
6/1/2012	\$491,894.87
7/1/2012	\$400,000.00
8/1/2012	\$400,000.00
9/1/2012	\$400,000.00
Grand Total	\$8,423,500.07

Exhibit - MBE/WBE Goals/Contract Summary

Project Name	IUP FY	Loan No.	Prime Contractor	Contract Amt.	Approval Date	Cap Grant No.	DBE Sub-Contractors	MBE \$	WBE \$
Cullman - Contract 3: Austin Ave Gravity Sewer Repairs	FY07	CS010260-09	MidSouth Trenchless, Inc	\$ 1,116,000.00	12/8/2010	CS010001-07	DayStar Enterprises, LLC		\$ 30,000.00
Cullman - Contract 4: North Outfall Pump Station Repairs	FY07	CS010260-09	Mark Johnson Construction, LLC	\$ 823,500.00	3/30/2011	CS010001-07	No DBE Participation		
Cullman - Contract 3: Austin Avenue Gravity Sewer Repairs	FY07	CS010260-09	Ronny D. Jones Enterprises, Inc.	\$ 872,636.00	5/26/2011	CS010001-07	No DBE Participation		
Dothan - Contract 5: Emergency Bypass Pump	FY08	CS010292-29	Hydra Service Inc.	\$ 57,572.00	9/1/2011	CS010001-08	No Subcontractors Used		
Jasper - Contract 4: Sewer Cleaning & Inspection	FY08	CS010300-10	Southeast Pipe Survey Inc.	\$ 533,231.00	5/26/2011	CS010001-08	No Subcontractors Used		
Jasper - Contract 5: Sewer System Rehabilitation CIP Lining Phase II	FY08	CS010300-10	Insituform Technologies, Inc.	\$ 447,310.00	5/26/2011	CS010001-08	Underground Eyes, Inc.		\$ 26,600.00
Florence - Contract 12: Water Street & Wilson Creek Interceptor Sewer	FY06	CS010412-05	DRM Utilities L. L. C.	\$ 425,458.00	1/7/2011	CS010001-06	No Subcontractors Used		
Florence - Contract 14: WWTP Influent Pump Station Improvements	FY06	CS010412-05	B. H. Craig, Inc.	\$ 2,397,000.00	5/10/2011	CS010001-06	No DBE Participation		
Athens - Contract 2: Influent Pumps Materials Only	FY08	CS010816-02	Hydra Service, Inc.	\$ 115,552.00	7/27/2011	CS010001-08	No Subcontractors Used		
Slocomb - Contract 5: Sanitary Sewer Rehabilitation Phase II	FY07	CS010822-01	Nordan Contracting Company, Inc.	\$ 155,143.00	7/12/2011	CS010001-07	No Subcontractors Used		
Sheffield - Contract 1: WWTP Upgrade Improvements	FY10	CS010828-02	P. F. Moon and Company, Inc.	\$ 13,857,000.00	9/9/2011	CS01000110	Llamas Coating, Inc.	\$135,000.00	
Tuskegee - Contract 1: UBT Lift Station Improvements	FY10	CS10273-08	Faulk Constructors, Inc.	\$ 1,393,000.00	4/20/2011	CS010001-10	Tuskegee Ready-Mix, Inc.	\$30,000.00	
Number of Contracts: 12				Total Contracts Amount:	\$ 22,193,402.00	Percentage %		\$ 165,000.00	\$ 56,600.00
				MBE Participation:	\$ 165,000.00	0.7%			
				WBE Participation:	\$ 56,600.00	0.3%			
				Total DBE:	\$ 221,600.00	1.0%			

Exhibit 12 - Loan Repayments 2/15/11

Project	Principal	Interest	Total Payment
Abbeville South WWTP Upgrade	\$0.00	\$2,920.00	\$2,920.00
Abbeville South WWTP Upgrade (Supplemental)	\$0.00	\$700.00	\$700.00
Albertville East & West WWTP Upgrade	\$0.00	\$48,537.50	\$48,537.50
Albertville Sanitary Sewer Improvements	\$0.00	\$28,700.00	\$28,700.00
Alex City WWTPs Upgrade	\$0.00	\$64,695.00	\$64,695.00
Alex City WWTPs Upgrade (Supplemental)	\$0.00	\$7,980.00	\$7,980.00
Aliceville West Lagoon Expansion	\$0.00	\$16,170.00	\$16,170.00
Andalusia Interceptor Project	\$0.00	\$2,275.00	\$2,275.00
Andalusia Sewer System Expansion	\$0.00	\$22,715.00	\$22,715.00
Anniston Snow Creek Interceptor	\$0.00	\$3,875.00	\$3,875.00
Anniston Snow Creek Interceptor (Supplemental)	\$0.00	\$625.00	\$625.00
Arab Gilliam Cr. Collectors	\$130,700.00	\$11,112.00	\$141,812.00
Ashford Lift Station and WWTP Rehabilitation	\$0.00	\$24,762.50	\$24,762.50
Athens Wastewater Treatment Plant Improvements	\$0.00	\$179,025.00	\$179,025.00
Athens Wastewater Treatment Plant Improvements	\$0.00	\$235,419.72	\$235,419.72
Atmore Sanitary Sewer Improvements	\$95,000.00	\$26,687.50	\$121,687.50
Atmore WWTP and Collection System Improvements	\$0.00	\$185,937.50	\$185,937.50
Attalla Sewer Rehab (Ph I) - Camp Silbert Outfall	\$0.00	\$9,800.00	\$9,800.00
Bayou La Batre Sewer System Improvements	\$10,000.00	\$3,126.25	\$13,126.25
Berry Wastewater Treatment Plant	\$0.00	\$8,487.50	\$8,487.50
Boaz Slab Creek Wastewater Treatment Plant Improve	\$0.00	\$57,187.50	\$57,187.50
Boaz Slab Creek WWTP Improvements (Supplemental)	\$0.00	\$48,342.50	\$48,342.50
Bridgeport WWTP, Interceptors & Sewer Rehab	\$0.00	\$2,500.00	\$2,500.00
Carbon Hill WWTP, Sewer Rehab & Collectors	\$115,000.00	\$9,800.00	\$124,800.00
Chickasaw Lagoon Upgrade and Interceptors	\$0.00	\$3,135.00	\$3,135.00
Coosada Sanitary Sewer Improvements for the Gibson	\$0.00	\$4,550.00	\$4,550.00
Cullman Highway 157 Sewer Extension	\$165,000.00	\$50,553.75	\$215,553.75
Cullman Mann Road Pump Station and Sewer Improve	\$0.00	\$55,212.50	\$55,212.50
Cullman Wastewater System Upgrades and Rehabilitati	\$165,000.00	\$55,586.25	\$220,586.25
Cullman WWTP Improvements and North Interceptor R	\$125,000.00	\$62,912.50	\$187,912.50
Cullman WWTP Upgrade & NW Collectors	\$0.00	\$5,058.75	\$5,058.75
Cullman WWTP Upgrade (Phase I)	\$365,000.00	\$84,262.50	\$449,262.50
Cullman WWTP Upgrade (Supplemental)	\$0.00	\$20,037.50	\$20,037.50
Cullman WWTP Upgrade Supplemental	\$0.00	\$140,236.25	\$140,236.25
Daphne Lake Forest WWTP Upgrade	\$0.00	\$21,375.00	\$21,375.00

Project	Principal	Interest	Total Payment
Daphne Sanitary Sewer System Infrastructure Improve	\$0.00	\$55,006.25	\$55,006.25
Decatur Dry Creek WWTP Ph II Upgr, Rehab & Inter.	\$0.00	\$121,038.75	\$121,038.75
Decatur Dry Creek WWTP Upgrade	\$0.00	\$46,383.75	\$46,383.75
Decatur Dry Creek WWTP Upgrade (Supplemental)	\$0.00	\$24,885.00	\$24,885.00
Demopolis Pump Station Rehab & I/I Program	\$0.00	\$9,817.50	\$9,817.50
Demopolis Sewer Improvements	\$235,000.00	\$66,868.75	\$301,868.75
Demopolis Sewer Improvements (Supplemental)	\$0.00	\$4,875.00	\$4,875.00
Demopolis WWTP Upgrade	\$0.00	\$3,054.50	\$3,054.50
Dothan Cypress Cr. WWTP, Inter & Collectors	\$0.00	\$99,180.00	\$99,180.00
Dothan Cypress Cr. WWTP, Inter & Collectors (Supple	\$0.00	\$85,662.50	\$85,662.50
Dothan Golf Cr. Interceptor	\$0.00	\$28,779.00	\$28,779.00
Dothan Little Choctahatchee WWTF Upgrade and Interc	\$0.00	\$44,166.11	\$44,166.11
Eclectic Sprayfield & Collection System	\$0.00	\$8,400.00	\$8,400.00
Eutaw PS Upgrade	\$0.00	\$2,700.00	\$2,700.00
Eutaw PS Upgrade (Supplemental)	\$0.00	\$600.00	\$600.00
Evergreen Sanitary Sewer Extensions	\$0.00	\$9,275.00	\$9,275.00
Flomaton Lagoon Upgrade	\$0.00	\$5,600.00	\$5,600.00
Florence Wastewater System Improvements/SSO Corre	\$0.00	\$143,412.50	\$143,412.50
Florence WWTP Upgrade & Inter. (Supplemental A)	\$0.00	\$160,111.00	\$160,111.00
Florence WWTP Upgrade & Inter. (Supplemental B)	\$0.00	\$40,156.25	\$40,156.25
Florence WWTP Upgrade & Inter. (Supplemental)	\$160,000.00	\$58,175.00	\$218,175.00
Florence WWTP Upgrade & Interceptor	\$0.00	\$166,022.00	\$166,022.00
Florence WWTP Upgrade & River Interceptor (Supp C)	\$0.00	\$99,767.25	\$99,767.25
Fort Payne WWTP Upgrade	\$0.00	\$81,964.50	\$81,964.50
Fort Payne WWTP Upgrade (Supplemental)	\$0.00	\$29,163.75	\$29,163.75
Goodwater Sewer Rehabilitation (CDBG)	\$5,000.00	\$1,058.75	\$6,058.75
Grand Bay - South Mobile County Elementary School W	\$25,000.00	\$6,023.75	\$31,023.75
Grand Bay Decentralized Wastewater Treatment Plants	\$0.00	\$7,875.00	\$7,875.00
Guntersville East Lake WWTP Improvements	\$0.00	\$77,268.75	\$77,268.75
Guntersville Sanitary Sewer Extension	\$0.00	\$26,250.00	\$26,250.00
Guntersville WWTP & PS Upgrade	\$0.00	\$6,100.00	\$6,100.00
Hartselle Infiltration and Inflow Mitigation/Rehabilitation	\$55,000.00	\$16,546.25	\$71,546.25
Hartselle Inflow/Infiltration Mitigation Project	\$0.00	\$21,000.00	\$21,000.00
Hartselle Interceptors & Collectors	\$0.00	\$4,125.00	\$4,125.00
Headland Sewer Rehabilitation	\$0.00	\$3,558.75	\$3,558.75
Hollywood WWTP, Interceptors & Collectors	\$55,300.00	\$4,700.04	\$60,000.04
Hoover Inverness WWTP Improvements & I/I Rehab	\$425,000.00	\$87,325.00	\$512,325.00

Project	Principal	Interest	Total Payment
Hoover Inverness WWTP Supplemental (Phase II)	\$460,000.00	\$118,483.75	\$578,483.75
Huntsville 5-Year Capital Improvement Program	\$0.00	\$173,057.50	\$173,057.50
Huntsville I&I Rehabilitation and Sanitary Sewer Improv	\$0.00	\$220,593.75	\$220,593.75
Huntsville I&I Rehabilitation and Sanitary Sewer Improv	\$190,000.00	\$81,287.50	\$271,287.50
Huntsville Rehab & Interceptors	\$0.00	\$127,302.75	\$127,302.75
Huntsville Spring Br./Chase WWTP Upg,Rehab & Inter	\$0.00	\$154,866.00	\$154,866.00
Huntsville WWTP & Outfall	\$0.00	\$126,315.50	\$126,315.50
Huntsville WWTP Upgrade,Rehab & Interceptor	\$0.00	\$132,740.50	\$132,740.50
Jackson Sewer Lagoon Upgrades	\$0.00	\$8,101.04	\$8,101.04
Jasper Town Cr. WWTP Upgrade	\$0.00	\$25,678.50	\$25,678.50
Jefferson Co. WWTP's, Interceptors & Sewer Rehab	\$3,450,000.00	\$290,315.00	\$3,740,315.00
Lafayette WWTP Upgrade	\$0.00	\$3,987.50	\$3,987.50
LaFayette WWTP Upgrade (Supplemental)	\$0.00	\$1,312.50	\$1,312.50
Leighton Outfall	\$0.00	\$1,050.00	\$1,050.00
Level Plains Collectors	\$0.00	\$612.50	\$612.50
Louisville Lagoon, PS & Inter	\$35,000.00	\$5,625.00	\$40,625.00
Madison Collectors	\$0.00	\$9,387.00	\$9,387.00
Madison Interceptors	\$0.00	\$22,498.50	\$22,498.50
Madison Sanitary Sewer Improvements	\$225,000.00	\$64,202.50	\$289,202.50
Madison Wastewater Treatment Plant & Interceptors	\$0.00	\$256,313.75	\$256,313.75
Millbrook WWTP Upgrade	\$0.00	\$13,500.00	\$13,500.00
Mobile Collectors and Interceptors	\$0.00	\$58,638.75	\$58,638.75
Mobile Interceptors	\$0.00	\$68,529.00	\$68,529.00
Mobile Perch Creek Force Main and I/I Correction	\$0.00	\$119,712.50	\$119,712.50
Mobile Sanitary Sewer Improvements	\$0.00	\$179,891.25	\$179,891.25
Mobile Sewer Rehabilitation	\$0.00	\$320,531.25	\$320,531.25
Montgomery E. Interceptors & Collectors	\$0.00	\$141,351.00	\$141,351.00
Moulton Crow Branch Interceptor Sewer Replacement &	\$0.00	\$24,850.00	\$24,850.00
Moundville Sanitary Sewerage System Improvements	\$30,000.00	\$7,472.50	\$37,472.50
Moundville Sewer Collection System Rehabilitation	\$0.00	\$3,412.50	\$3,412.50
Muscle Shoals WWTP Upgrade	\$95,000.00	\$19,950.00	\$114,950.00
Northport Carroll's Creek and Smith Creek Sanitary Sew	\$0.00	\$49,612.50	\$49,612.50
Northport Carroll's Creek Sanitary Sewers (Supplement	\$15,000.00	\$5,606.25	\$20,606.25
Northport Snow Cr. Interceptor Replacement	\$0.00	\$27,937.50	\$27,937.50
Northport Snow Cr. Sewer Rehab (Supplemental)	\$10,000.00	\$2,887.50	\$12,887.50
Northport WWTP and Outfall	\$0.00	\$37,846.00	\$37,846.00
Notasulga WWTP & Collectors	\$0.00	\$3,281.25	\$3,281.25

Project	Principal	Interest	Total Payment
Oneonta Sewer Improvements	\$0.00	\$9,432.50	\$9,432.50
Opelika Interceptor Contracts #4, #5 & #6	\$0.00	\$11,125.00	\$11,125.00
Opelika Misc. Interceptors - Contract #3	\$0.00	\$1,625.00	\$1,625.00
Opp Pumping Stations and Lagoon Improvements	\$0.00	\$5,871.25	\$5,871.25
Ozark Sewer Rehabilitation	\$0.00	\$3,558.75	\$3,558.75
Ozark Sewer Rehabilitation (Supplemental)	\$0.00	\$3,160.00	\$3,160.00
Pelham WWTP Upgrade	\$0.00	\$63,222.00	\$63,222.00
Pelham WWTP Upgrade (Supplemental) & Hunters Gle	\$0.00	\$90,528.25	\$90,528.25
Pell City Dye Creek WWTP Improvements Phase I	\$0.00	\$95,375.00	\$95,375.00
Phenix City Holland Cr. PS	\$0.00	\$4,693.50	\$4,693.50
Prattville Pine Creek Interceptor Sewer Extension	\$90,000.00	\$25,620.00	\$115,620.00
Prattville Sludge Digesters & Pine Cr WWTP Upgrade	\$0.00	\$21,226.50	\$21,226.50
Priceville Lagoon, Collectors & Outfall	\$0.00	\$10,675.00	\$10,675.00
Priceville West Collectors	\$0.00	\$2,983.75	\$2,983.75
Rainbow City Sanitary Sewer Rehabilitation	\$25,000.00	\$9,887.50	\$34,887.50
Rainsville WWTP Upgr & Rehab	\$55,000.00	\$11,156.25	\$66,156.25
Rainsville WWTP Upgr & Rehab (Supplemental)	\$5,000.00	\$1,155.00	\$6,155.00
Red Bay Wastewater Treatment Lagoon and Lift Station	\$0.00	\$7,700.00	\$7,700.00
Russellville WWTP Upgrade	\$85,000.00	\$18,000.00	\$103,000.00
Russellville WWTP Upgrade (Supplemental)	\$0.00	\$10,800.00	\$10,800.00
Slocomb Sanitary Sewer Improvements	\$40,000.00	\$17,500.00	\$57,500.00
South Alabama Utilities Decentralized Sewer Project	\$55,000.00	\$26,775.00	\$81,775.00
South Alabama Utilities Decentralized Sewer Project	\$80,000.00	\$29,575.00	\$109,575.00
South Alabama Utilities Sewer Improvements	\$140,000.00	\$35,990.00	\$175,990.00
South Dallas Sanitary Sewer Improvements	\$20,000.00	\$5,425.00	\$25,425.00
Sumiton Sewerage System Improvements	\$35,000.00	\$9,993.75	\$44,993.75
Sylacauga Sewer Improvements	\$0.00	\$97,912.50	\$97,912.50
Sylacauga Sewer Improvements (Supplemental)	\$50,000.00	\$13,420.00	\$63,420.00
Talladega Inter B & Supplemental	\$0.00	\$1,512.50	\$1,512.50
Tallassee Sludge Treatment	\$0.00	\$2,362.50	\$2,362.50
Tuscaloosa Interceptor Replacement	\$0.00	\$65,342.25	\$65,342.25
Tuscaloosa Interceptors	\$0.00	\$15,105.00	\$15,105.00
Tuscaloosa Sewer Improvements	\$0.00	\$409,093.75	\$409,093.75
Tuscaloosa WWTP Upgrade, Outfall & Collectors	\$0.00	\$251,896.00	\$251,896.00
Union Springs WWTP Upgrade (Supplemental)	\$0.00	\$0.00	\$0.00
Wadley Lagoon Upgrade	\$0.00	\$637.50	\$637.50
West Morgan - East Lawrence Sanitary Sewer Improve	\$20,000.00	\$5,947.50	\$25,947.50

Project	Principal	Interest	Total Payment
Wetumpka Wilako WWTP Improvements	\$90,000.00	\$23,537.50	\$113,537.50
Wetumpka Wilako WWTP Improvements (Supplementa	\$45,000.00	\$11,437.50	\$56,437.50
Wetumpka WWTP, Outfall, Diffuser & Interceptors	\$0.00	\$25,650.00	\$25,650.00
Woodville WWTP & Collectors	\$0.00	\$375.00	\$375.00
	<hr/>	<hr/>	<hr/>
	\$7,476,000.00	\$7,527,220.41	\$15,003,220.41

Exhibit 12 - Loan Repayments 8/15/11

Project	Principal	Interest	Total Payment
Abbeville South WWTP Upgrade	\$25,000.00	\$2,920.00	\$27,920.00
Abbeville South WWTP Upgrade (Suppl	\$5,000.00	\$700.00	\$5,700.00
Albertville East & West WWTP Upgrade	\$860,000.00	\$48,537.50	\$908,537.50
Albertville Sanitary Sewer Improvement	\$110,000.00	\$28,700.00	\$138,700.00
Alex City WWTPs Upgrade	\$1,075,000.00	\$64,695.00	\$1,139,695.00
Alex City WWTPs Upgrade (Supplemen	\$100,000.00	\$7,980.00	\$107,980.00
Aliceville West Lagoon Expansion	\$70,000.00	\$16,170.00	\$86,170.00
Andalusia Interceptor Project	\$10,000.00	\$2,275.00	\$12,275.00
Andalusia Sewer System Expansion	\$100,000.00	\$22,715.00	\$122,715.00
Anniston Snow Creek Interceptor	\$155,000.00	\$3,875.00	\$158,875.00
Anniston Snow Creek Interceptor (Suppl	\$25,000.00	\$625.00	\$25,625.00
Arab Gilliam Cr. Collectors	\$0.00	\$8,498.00	\$8,498.00
Ashford Lift Station and WWTP Rehabili	\$60,000.00	\$24,762.50	\$84,762.50
Athens Wastewater Treatment Plant Im	\$385,000.00	\$179,025.00	\$564,025.00
Athens Wastewater Treatment Plant Im	\$520,000.00	\$258,387.50	\$778,387.50
Atmore Sanitary Sewer Improvements	\$0.00	\$25,238.75	\$25,238.75
Atmore WWTP and Collection System I	\$400,000.00	\$185,937.50	\$585,937.50
Attalla Sewer Rehab (Ph I) - Camp Silbe	\$55,000.00	\$9,800.00	\$64,800.00
Bayou La Batre Sewer System Improve	\$0.00	\$2,973.75	\$2,973.75
Berry Wastewater Treatment Plant	\$20,000.00	\$8,487.50	\$28,487.50
Boaz Slab Creek Wastewater Treatment	\$200,000.00	\$57,187.50	\$257,187.50
Boaz Slab Creek WWTP Improvements	\$155,000.00	\$48,342.50	\$203,342.50
Bridgeport WWTP, Interceptors & Sewe	\$100,000.00	\$2,500.00	\$102,500.00
Carbon Hill WWTP, Sewer Rehab & Col	\$375,000.00	\$7,500.00	\$7,500.00
Chickasaw Lagoon Upgrade and Interce	\$50,000.00	\$3,135.00	\$53,135.00
Coosada Sanitary Sewer Improvements	\$20,000.00	\$4,550.00	\$24,550.00
Cullman Highway 157 Sewer Extension	\$0.00	\$48,037.50	\$48,037.50
Cullman Mann Road Pump Station and	\$180,000.00	\$55,212.50	\$235,212.50
Cullman Wastewater System Upgrades	\$0.00	\$53,070.00	\$53,070.00
Cullman WWTP Improvements and Nort	\$0.00	\$60,725.00	\$60,725.00
Cullman WWTP Upgrade & NW Collect	\$85,000.00	\$5,058.75	\$90,058.75
Cullman WWTP Upgrade (Phase I)	\$0.00	\$77,875.00	\$77,875.00
Cullman WWTP Upgrade (Supplementa	\$85,000.00	\$20,037.50	\$105,037.50
Cullman WWTP Upgrade Supplemental	\$540,000.00	\$140,236.25	\$680,236.25
Daphne Lake Forest WWTP Upgrade	\$270,000.00	\$21,375.00	\$291,375.00
Daphne Sanitary Sewer System Infrastr	\$150,000.00	\$55,006.25	\$205,006.25
Decatur Dry Creek WWTP Ph II Upgr, R	\$775,000.00	\$121,038.75	\$896,038.75
Decatur Dry Creek WWTP Upgrade	\$1,045,000.00	\$46,383.75	\$1,091,383.75
Decatur Dry Creek WWTP Upgrade (Su	\$160,000.00	\$24,885.00	\$184,885.00
Demopolis Pump Station Rehab & I/I Pr	\$40,000.00	\$9,817.50	\$49,817.50
Demopolis Sewer Improvements	\$0.00	\$63,050.00	\$63,050.00
Demopolis Sewer Improvements (Suppl	\$15,000.00	\$4,875.00	\$19,875.00

Project	Principal	Interest	Total Payment
Demopolis WWTP Upgrade	\$65,000.00	\$3,054.50	\$68,054.50
Dothan Cypress Cr. WWTP, Inter & Coll	\$510,000.00	\$99,180.00	\$609,180.00
Dothan Cypress Cr. WWTP, Inter & Coll	\$300,000.00	\$55,625.00	\$355,625.00
Dothan Golf Cr. Interceptor	\$230,000.00	\$28,779.00	\$258,779.00
Dothan Little Choctahatchee WWTF Up	\$95,000.00	\$48,475.00	\$143,475.00
Dothan Little Choctawhatchee WWTF U	\$370,000.00	\$106,015.00	\$476,015.00
Eclectic Sprayfield & Collection System	\$55,000.00	\$8,400.00	\$63,400.00
Eutaw PS Upgrade	\$20,000.00	\$2,700.00	\$22,700.00
Eutaw PS Upgrade (Supplemental)	\$5,000.00	\$600.00	\$5,600.00
Evergreen Sanitary Sewer Extensions	\$35,000.00	\$9,275.00	\$44,275.00
Flomaton Lagoon Upgrade	\$35,000.00	\$5,600.00	\$40,600.00
Florence Wastewater System Improvem	\$335,000.00	\$143,412.50	\$478,412.50
Florence WWTP Upgrade & Inter. (Sup	\$1,060,000.00	\$160,111.00	\$1,220,111.00
Florence WWTP Upgrade & Inter. (Sup	\$265,000.00	\$40,156.25	\$305,156.25
Florence WWTP Upgrade & Inter. (Sup	\$0.00	\$55,575.00	\$55,575.00
Florence WWTP Upgrade & Interceptor	\$1,085,000.00	\$166,022.00	\$1,251,022.00
Florence WWTP Upgrade & River Interc	\$640,000.00	\$99,767.25	\$739,767.25
Fort Payne Wastewater Pumping and Tr	\$0.00	\$1,127.20	\$1,127.20
Fort Payne WWTP Upgrade	\$560,000.00	\$81,964.50	\$641,964.50
Fort Payne WWTP Upgrade (Suppleme	\$115,000.00	\$29,163.75	\$144,163.75
Goodwater Sewer Rehabilitation (CDBG	\$0.00	\$962.50	\$962.50
Grand Bay - South Mobile County Elem	\$0.00	\$5,642.50	\$5,642.50
Grand Bay Decentralized Wastewater Tr	\$20,000.00	\$7,875.00	\$27,875.00
Guntersville East Lake WWTP Improve	\$230,000.00	\$77,268.75	\$307,268.75
Guntersville Sanitary Sewer Extension	\$105,000.00	\$26,250.00	\$131,250.00
Guntersville WWTP & PS Upgrade	\$45,000.00	\$6,100.00	\$51,100.00
Hartselle Infiltration and Inflow Mitigation	\$0.00	\$15,707.50	\$15,707.50
Hartselle Inflow/Infiltration Mitigation Pro	\$75,000.00	\$21,000.00	\$96,000.00
Hartselle Interceptors & Collectors	\$150,000.00	\$4,125.00	\$154,125.00
Headland Sewer Rehabilitation	\$30,000.00	\$3,558.75	\$33,558.75
Hollywood WWTP, Interceptors & Colle	\$0.00	\$3,594.03	\$3,594.03
Hoover Inverness WWTP Improvement	\$0.00	\$79,887.50	\$79,887.50
Hoover Inverness WWTP Supplemental	\$0.00	\$109,628.75	\$109,628.75
Huntsville 5-Year Capital Improvement	\$600,000.00	\$112,375.00	\$712,375.00
Huntsville I&I Rehabilitation and Sanitar	\$0.00	\$77,962.50	\$77,962.50
Huntsville I&I Rehabilitation and Sanitar	\$655,000.00	\$220,593.75	\$875,593.75
Huntsville Rehab & Interceptors	\$725,000.00	\$127,302.75	\$852,302.75
Huntsville Spring Br./Chase WWTP Upg	\$1,245,000.00	\$154,866.00	\$1,399,866.00
Huntsville WWTP & Outfall	\$835,000.00	\$126,315.50	\$961,315.50
Huntsville WWTP Upgrade, Rehab & Int	\$870,000.00	\$132,740.50	\$1,002,740.50
Jackson Sewer Lagoon Upgrades	\$20,000.00	\$8,837.50	\$28,837.50
Jasper Town Cr. WWTP Upgrade	\$245,000.00	\$25,678.50	\$270,678.50
Jasper Town Creek Wastewater Treatm	\$190,000.00	\$23,821.88	\$213,821.88
Jefferson Co. WWTP's, Interceptors &	\$0.00	\$236,840.00	\$236,840.00
Lafayette WWTP Upgrade	\$70,000.00	\$3,987.50	\$73,987.50
LaFayette WWTP Upgrade (Supplemen	\$25,000.00	\$1,312.50	\$26,312.50

Project	Principal	Interest	Total Payment
Leighton Outfall	\$20,000.00	\$1,050.00	\$21,050.00
Level Plains Collectors	\$10,000.00	\$612.50	\$10,612.50
Louisville Lagoon, PS & Inter	\$0.00	\$4,968.75	\$4,968.75
Madison Collectors	\$145,000.00	\$9,387.00	\$154,387.00
Madison Interceptors	\$155,000.00	\$22,498.50	\$177,498.50
Madison Sanitary Sewer Improvements	\$0.00	\$60,771.25	\$60,771.25
Madison Wastewater Treatment Plant & Millbrook WWTP Upgrade	\$890,000.00	\$166,437.50	\$1,056,437.50
Mobile Collectors and Interceptors	\$975,000.00	\$58,638.75	\$1,033,638.75
Mobile Interceptors	\$655,000.00	\$68,529.00	\$723,529.00
Mobile Perch Creek Force Main and I/I	\$455,000.00	\$119,712.50	\$574,712.50
Mobile Sanitary Sewer Improvements	\$780,000.00	\$116,812.50	\$896,812.50
Mobile Sewer Rehabilitation	\$160,000.00	\$320,531.25	\$480,531.25
Montevallo Wastewater System Improve	\$185,000.00	\$68,591.26	\$253,591.26
Montevallo Wastewater System Improve	\$0.00	\$1,832.44	\$1,832.44
Montgomery E. Interceptors & Collector	\$765,000.00	\$141,351.00	\$906,351.00
Moulton Crow Branch Interceptor Sewer	\$55,000.00	\$24,850.00	\$79,850.00
Moundville Sanitary Sewerage System I	\$0.00	\$7,015.00	\$7,015.00
Moundville Sewer Collection System Re	\$5,000.00	\$3,412.50	\$8,412.50
Muscle Shoals WWTP Upgrade	\$0.00	\$18,287.50	\$18,287.50
Northport Carroll's Creek and Smith Cre	\$195,000.00	\$49,612.50	\$244,612.50
Northport Carroll's Creek Sanitary Sewe	\$0.00	\$5,362.50	\$5,362.50
Northport Snow Cr. Interceptor Replace	\$140,000.00	\$27,937.50	\$167,937.50
Northport Snow Cr. Sewer Rehab (Supp	\$0.00	\$2,695.00	\$2,695.00
Northport WWTP and Outfall	\$2,540,000.00	\$37,846.00	\$2,577,846.00
Notasulga WWTP & Collectors	\$20,000.00	\$3,281.25	\$23,281.25
Oneonta Sewer Improvements	\$40,000.00	\$9,432.50	\$49,432.50
Opelika Interceptor Contracts #4, #5 & #	\$445,000.00	\$11,125.00	\$456,125.00
Opelika Misc. Interceptors - Contract #3	\$65,000.00	\$1,625.00	\$66,625.00
Opp Pumping Stations and Lagoon Impr	\$25,000.00	\$5,871.25	\$30,871.25
Ozark Sewer Rehabilitation	\$30,000.00	\$3,558.75	\$33,558.75
Ozark Sewer Rehabilitation (Supplemen	\$20,000.00	\$3,160.00	\$23,160.00
Pelham WWTP Upgrade	\$470,000.00	\$63,222.00	\$533,222.00
Pelham WWTP Upgrade (Supplemental	\$680,000.00	\$90,528.25	\$770,528.25
Pell City Dye Creek WWTP Improve	\$335,000.00	\$95,375.00	\$430,375.00
Phenix City Holland Cr. PS	\$100,000.00	\$4,693.50	\$104,693.50
Prattville Pine Creek Interceptor Sewer	\$0.00	\$24,247.50	\$24,247.50
Prattville Sludge Digesters & Pine Cr W	\$170,000.00	\$21,226.50	\$191,226.50
Priceville Lagoon, Collectors & Outfall	\$145,000.00	\$10,675.00	\$155,675.00
Priceville West Collectors	\$20,000.00	\$2,983.75	\$22,983.75
Rainbow City Sanitary Sewer Rehabilitat	\$0.00	\$9,450.00	\$9,450.00
Rainsville WWTP Upgr & Rehab	\$0.00	\$10,125.00	\$10,125.00
Rainsville WWTP Upgr & Rehab (Suppl	\$0.00	\$1,058.75	\$1,058.75
Red Bay Wastewater Treatment Lagoon	\$15,000.00	\$7,700.00	\$22,700.00
Russellville WWTP Upgrade	\$815,000.00	\$16,300.00	\$16,300.00
Russellville WWTP Upgrade (Suppleme	\$540,000.00	\$10,800.00	\$70,800.00

Project	Principal	Interest	Total Payment
Slocomb Sanitary Sewer Improvements	\$0.00	\$16,800.00	\$16,800.00
South Alabama Utilities Decentralized S	\$0.00	\$28,275.00	\$28,275.00
South Alabama Utilities Decentralized S	\$0.00	\$25,812.50	\$25,812.50
South Alabama Utilities Sewer Improve	\$0.00	\$33,855.00	\$33,855.00
South Dallas Sanitary Sewer Improvem	\$0.00	\$5,075.00	\$5,075.00
Sumiton Sewerage System Improvemen	\$0.00	\$9,425.00	\$9,425.00
Sylacauga Sewer Improvements	\$345,000.00	\$97,912.50	\$442,912.50
Sylacauga Sewer Improvements (Suppl	\$0.00	\$12,657.50	\$12,657.50
Talladega Inter B & Supplemental	\$55,000.00	\$0.00	\$0.00
Tallassee Sludge Treatment	\$45,000.00	\$2,362.50	\$47,362.50
Troy Outfall Sewer Improvements	\$55,000.00	\$6,930.00	\$61,930.00
Tuscaloosa Interceptor Replacement	\$485,000.00	\$65,342.25	\$550,342.25
Tuscaloosa Interceptors	\$120,000.00	\$15,105.00	\$135,105.00
Tuscaloosa Sewer Improvements	\$35,000.00	\$409,093.75	\$444,093.75
Tuscaloosa WWTP Upgrade, Outfall &	\$4,335,000.00	\$251,896.00	\$4,586,896.00
Union Springs WWTP Upgrade (Supple	\$0.00	\$0.00	\$0.00
Wadley Lagoon Upgrade	\$15,000.00	\$637.50	\$15,637.50
West Morgan - East Lawrence Sanitary	\$0.00	\$5,642.50	\$5,642.50
Wetumpka Wilako WWTP Improvement	\$0.00	\$21,962.50	\$21,962.50
Wetumpka Wilako WWTP Improvement	\$0.00	\$10,751.25	\$10,751.25
Wetumpka WWTP, Outfall, Diffuser & In	\$325,000.00	\$25,650.00	\$350,650.00
Woodville WWTP & Collectors	\$15,000.00	\$375.00	\$15,375.00
	\$38,105,000.00	\$7,395,681.31	\$43,775,681.31

Exhibit 12 - Loan Repayments by Fiscal Year

FY	Principal	Interest	Total Payment
1990	\$60,000.00	\$97,098.59	\$157,098.59
1991	\$515,000.00	\$769,157.91	\$1,284,157.91
1992	\$1,475,000.00	\$2,027,461.01	\$3,502,461.01
1993	\$2,090,000.00	\$5,000,008.06	\$7,090,008.06
1994	\$5,275,000.00	\$6,230,890.27	\$11,505,890.27
1995	\$7,218,200.00	\$10,307,103.66	\$17,525,303.66
1996	\$9,687,100.00	\$11,159,710.44	\$20,846,810.44
1997	\$11,476,300.00	\$11,934,206.85	\$23,410,506.85
1998	\$13,855,400.00	\$14,168,487.05	\$28,023,887.05
1999	\$16,500,100.00	\$14,058,617.84	\$30,558,717.84
2000	\$16,749,800.00	\$14,787,162.51	\$31,286,962.51
2001	\$21,884,700.00	\$18,615,886.67	\$40,500,586.67
2002	\$25,109,700.00	\$19,658,998.65	\$44,078,698.65
2003	\$59,395,000.00	\$20,360,000.08	\$51,365,000.08
2004	\$28,025,600.00	\$18,337,525.43	\$46,028,125.43
2005	\$29,156,300.00	\$17,816,951.86	\$46,893,251.86
2006	\$30,937,200.00	\$18,218,955.38	\$49,156,155.38
2007	\$33,803,500.00	\$18,762,164.27	\$52,565,664.27
2008	\$35,384,900.00	\$17,974,920.49	\$53,359,820.49
2009	\$37,196,700.00	\$17,013,202.80	\$54,114,902.80
2010	\$39,538,600.00	\$16,453,921.19	\$55,992,521.19
2011	\$45,581,000.00	\$14,932,449.22	\$58,788,449.22
	\$470,915,100.00	\$288,684,880.23	\$728,034,980.23

**State of Alabama
Alabama Department of Environmental Management
Clean Water State Revolving Fund (CWSRF) Loan Program**



SRF Section
Permits and Services Division
Alabama Department of Environmental Management
Post Office Box 301463
Montgomery, Alabama 36130-1463

(334) 271-7796
(334) 271-7950 FAX



CWSRF Intended Use Plan

Fiscal Year 2011

**Issued for public comment
June 16, 2011 through July 17, 2011**

TABLE OF CONTENTS

I. INTRODUCTION..... 3

II. PROGRAM GOALS..... 3

A. Short Term Goals: 3

B. Long Term Goals: 3

III. SOURCES AND USE OF FUNDS..... 4

A. Transfer of Funds from DWSRF to CWSRF: 4

IV. PROJECT SELECTION AND METHODS OF DISTRIBUTION OF FUNDS..... 5

A. Priority List: 5

B. Additional Subsidization: 5

C. Green Infrastrucure: 5

D. Procurement Requirements: 6

E. Inadequate Allocations: 6

F. Unanticipated and Uncommitted Funds: 6

G. Project Bypass/Reallotment: 6

V. CERTIFICATIONS 7

VI. PROGRAM INCOME 7

VII. ESTIMATED CWSRF CAPITALIZATION GRANT SCHEDULES..... 8

A. Estimated Grant Draw Schedule: 8

B. Estimated Grant Dispersal Schedule: 9

C. Grant Budget Periods: 9

VIII. PROJECT LIST 10

IX. PROJECT DESCRIPTIONS 11

I. Introduction:

As required by Title VI of the Clean Water Act, each year the Department must prepare an Intended Use Plan (IUP) identifying the projected uses of funds available in its Clean Water State Revolving Fund (CWSRF). This Intended Use Plan (IUP) serves as a basis for the development of the capitalization grant payment schedule.

The State of Alabama is projected to receive an EPA Capitalization Grant of \$16,511,000 from EPA that will be used to provide low interest loans for the CWSRF program. The 20% State matching fund requirement for the capitalization grant is \$3,302,200 and will be fulfilled by an overmatch from previous years' programs for the balance. The capitalization grant funds for the CWSRF and the 20% State matching funds will be distributed as outlined by this plan.

In accordance with the Clean Water Act (CWA) Amendments of 1987, the Department proposes the following plan for the intended use of the CWSRF funds for FY 2011 as required by Section 606(c) of the CWA.

II. Program Goals:

A. Short Term Goals:

1. To provide CWSRF loans with additional subsidization in the form principal forgiveness for a minimum amount of \$1,530,007 and a maximum amount of \$5,100,022 from the 2011 Capitalization Grant for the construction of wastewater treatment and collection facilities.
2. To provide CWSRF loans to the extent there are sufficient eligible project applications, not less than 20% of the CWSRF Capitalization Grant for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These four categories of projects are the components of the GPR.
3. To implement the State's CWSRF in compliance with Title VI of the Clean Water Act and to ensure conformance with Federal crosscutting issues as required by the 1987 Clean Water Act amendments.
4. To ensure compliance with the "first use" requirements which require that CWSRF assistance be available to projects which are members of the National Municipal Policy (NMP) universe; projects which have legally enforceable compliance schedules.
5. To achieve statewide compliance with Federal and State water quality standards, particularly with the NMP as rapidly as possible.
6. To protect the public health and the environment and promote the completion of cost-effective wastewater treatment facilities.

B. Long Term Goals:

1. To maintain the CWSRF program and the fiscal integrity of the fund.
2. To provide a self-perpetuating source of low interest loans for the construction of public wastewater treatment and transport facilities needed to meet water quality standards and provide capacity for future growth.
3. To assure that all Municipal NMP facilities achieve compliance as soon as possible.
4. To assure that all Municipal facilities achieve compliance with final effluent limits as soon as possible.
5. To assist in the maintenance of water quality standards wherever such standards are adversely affected by municipal wastewater point sources.

6. To meet public health and environmental needs of those communities with malfunctioning on-site treatment systems that are either identified as a health hazard by the State Health Department or that adversely affect water quality.

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

III. Sources and Use of the Funds:

The Department is expected to fund FY 2011 projects using a combination of interest earnings on the Fund, repayments from direct loans and the EPA Capitalization Grant. Match for the EPA cap grant will be provided by excess match pledged in previous years' programs, which totals \$48,191,199, and a cash appropriation from the Legislature. The estimated sources and uses of funds in the FY 2011 CWSRF program are as follows:

Sources:

2011 EPA CWSRF Cap Grant:	\$16,511,000
Direct Loan Repayments, Interest Earnings and Unobligated Funds:	\$33,591,160
State Match Cash Appropriation (projected):	\$0
Total:	\$50,102,160

Uses:

Project Assistance Loans:	\$49,441,720
Green Infrastructure Assistance:	\$6,611,500
Additional Subsidization (Principal Forgiveness):	\$3,302,200
4 % Administrative Costs (projected):	\$660,440
Total:	\$50,102,160

Projects on the CWSRF Project List are ranked by their respective priority point rating and may be funded according to availability of funds. Projects that are not funded from the Project List may be funded in subsequent years.

The Department will utilize 4% of the federal capitalization grant for administration of the CWSRF program.

The rate of cash draws from the federal capitalization grant will be based on dollar-for-dollar draws of direct loan projects. Consistent with EPA policy, draws from the federal grant for these direct loan projects are required to be proportional to the disbursement of state match funds to borrowers for eligible project costs. The State intends to manage its disbursements to borrowers to insure that State funds are spent first in order to ensure that the proportionality requirement is met expeditiously. This technique is necessary to ensure that direct loan borrowers funded from federal capitalization grants are able to receive requisitioned funds in a timely manner. It should be noted that overmatch from previous years' programs will be used to match the grant in addition to the appropriation provided by the State Legislature.

A. Transfer of Funds from the CWSRF to DWSRF

The State of Alabama reserves the right to transfer from the Clean Water State Revolving Fund (CWSRF) capitalization grant to the DWSRF. The DWSRF has an immediate need for funding FY 2011 projects. The CWSRF will have sufficient funds for all eligible projects on its priority list after the transfer. The maximum amount allowable for transfer is 33 percent of the DWSRF capitalization grant.

The funds used for the transfer are expected to consist of interest earnings and repayments, drawn from the Master CWSRF Account. No Federal funds will be transferred. All funds transferred will be subject to the 15% set-aside for small water systems.

The transfer for the FY2011 funding cycle would take place before September 30, 2011.

IV. Project Selection and Methods of Distribution of Funds

A. Priority List

In order to be considered for CWSRF assistance, projects must be on or added to the Priority List and have a proposed project schedule that coincides with the availability of CWSRF funds. The CWSRF project 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.

B. Additional Subsidization:

The 2011 Capitalization Grant will require that not less than \$1,530,007 and not more than \$5,100,022 of assistance provided as additional subsidy. The attached project list demonstrates that this requirement will be met by providing principal forgiveness to projects that 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 (GPR). Principal forgiveness will be based on a percentage of costs of each project with green infrastructure components in relation to total project assistance. Any subsequent revision to this project list will likewise demonstrate that at least \$1,530,007 of the available funding for projects will be to provide principal forgiveness. The Department has authority to provide additional subsidization by the Code of Alabama Section 22-34-3(a).

C. Green Infrastructure:

The EPA capitalization grant requires that, to the extent there are sufficient eligible project applications, not less than 20% of the funds provided by the 2011 Capitalization Grant for projects must be used for projects that address green infrastructure, water or energy efficiency, or other environmentally innovative activities. These four categories of projects are the components of the Green Project Reserve (GPR). Note, the State statute and ADEM regulations limit the use of the CWSRF to traditional POTW projects. The Department actively solicited for green infrastructure projects for 2011. This solicitation included a notice posted on the ADEM website as well as a notice sent to approximately 1,200 e-mail addresses on the Department's e-mail list. Approximately 100 entities were mailed hard copies. These lists include all incorporated towns and all county governments.

The priority list demonstrates that 20% of the Capitalization Grant funds will be used for the GPR. The accompanying project list and project descriptions 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 intends to provide principal forgiveness solely to GPR projects on the project list. All applicants on the fundable list that have submitted GPR projects that are not categorical will be required by the Department to submit business case models.

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

If it is subsequently determined there are insufficient projects that meet the GPR requirements on the fundable and non-fundable portions of the priority list, the Department will revise this Intended Use Plan after soliciting a new round of applications. The Department will identify additional qualifying projects and amend its IUP; if changes within this list fall below the 20% objective.

D Procurement Requirements

Prevailing Wages

The Department's CWSRF program will require all loan recipients to include in their bidding documents "Supplemental General Conditions for SRF Assisted Drinking Water and Wastewater Facilities Contracts". The Supplemental Conditions include payment of wages consistent with a wage determination as described in the Davis-Bacon Act. This practice fully implements that "all laborers and mechanics employed by contractors and sub contractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to this Act" shall be paid prevailing wages.

E. Inadequate Allocations:

If the actual federal CWSRF allocations are less than anticipated by the Department in the development of the CWSRF priority list, the Department may find it necessary to reduce their commitments to projects on the priority list. The Department may take formal action to reduce the number of commitments in accordance with subparagraph 3) of this paragraph.

- 1). The Department may redistribute the CWSRF funds allocated to each project.
- 2). The Department may redistribute funds from lower priority projects to higher priority projects.
- 3). The Department may bypass projects on the priority list in accordance with Section H, below.

F. Unanticipated and Uncommitted Funds:

If unanticipated or uncommitted funds become available, the Department may take action to distribute them in accordance with subparagraphs 1-2 of this paragraph:

- 1). The Department may use the unanticipated or uncommitted funds to fund the highest priority project(s) from the priority list.
- 2). The Department may use the unanticipated or uncommitted funds to increase the amount of funds allocated to CWSRF fundable projects or to provide increased assistance to projects which have already received CWSRF assistance.

Additionally, supplemental loans may be made to previous recipients as needed to complete segmented projects or to cover unanticipated cost overruns.

G. Project Bypass/Reallotment:

The Department may bypass any project on the CWSRF priority list that is not, in the Department's opinion, making satisfactory progress in satisfying requirements for CWSRF 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 CWSRF 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 CWSRF Priority List may be bypassed if the applicant fails to submit a complete CWSRF 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 CWSRF 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 CWSRF assistance.

V. Certifications:

1. The Department certifies that this IUP will be subject to public review and comment with a public notice period of 30 days.
2. The Department certifies that all wastewater facility projects in this IUP are on the CWSRF Priority List.
3. The Department certifies that it will enter into binding commitments for 120% of each payment under the CWSRF capitalization grant within one (1) year after receipt of each payment.
4. The Department certifies that it will expend all funds in the CWSRF in an expeditious and timely manner.
5. The Department certifies that all wastewater facilities in the state are in compliance with enforceable requirements or are making progress toward meeting those requirements except as specifically noted in the IUP.
6. The Department certifies that all facilities funded by the CWSRF shall complete a NEPA-like environmental review process.
7. The Department certifies that it will comply with all requirements of the 1997 Operating Agreement with EPA.
8. The Department certifies that it will complete a Benefits Assessment worksheet for each loan agreement executed in order to comply with EPA environmental results reporting requirements.

VI. Program Income:

The Alabama Water Pollution Control 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 *Guidance on Fees Charged by States to Recipients of Clean Water State Revolving Fund Program Assistance*, published October 20, 2005, fees collected from loans sourced from outstanding grants will be used for administration of the SRF fund only. All other fees will be used to implement the Department’s water pollution control program. The Department expects to receive fees during FY 2011 as follows:

Date	Total Program Fee Income	Program Income Collected During Grant Period	Program Income Collected After Grant Period
2/15/11	\$1,686,651.51	\$0.00	\$1,686,651.51
8/15/11	\$1,713,460.67	\$1,928.33	\$1,711,532.34
Total	\$3,400,112.18	\$1,928.33	\$3,398,183.85

The fee receipts from this loan will be deposited into a subfund of the fee account for SRF administrative use only.

Program income collected after the grant period will be used to support water quality related programs of the Department's Water and Field Operations Divisions. The Water Division administers the NPDES program for municipal and industrial sources, pursuant to which publicly owned treatment works (POTWs) and private facilities are permitted to discharge wastewater to surface waters. In addition to permit issuance/re-issuance, other responsibilities include performing inspections, providing compliance assistance, and ensuring an appropriate enforcement response. The Field Operations Division supports the Water Division by conducting compliance sampling inspections and compliance bio-monitoring inspections of POTWs to evaluate compliance with permit requirements. In addition, facility self-monitoring whole effluent toxicity testing reports are submitted and reviewed. The Division also conducts ambient water quality monitoring activities in the vicinity of these facilities to determine the impacts of the wastewater discharges upon ambient water quality.

The budget for the program income collected after the grant period is as follows:

Personnel	\$1,822,490.54
Fringe Benefits	\$645,163.17
Travel	\$20,000.00
Equipment	\$10,000.00
Supplies	\$15,000.00
Contractual	\$0.00
Other	\$0.00
Total Direct	\$2,512,653.71
Indirect	\$885,530.14
Total	\$3,398,183.85

VII. Estimated CWSRF Capitalization Grant Schedules:

A. Estimated Grant Draw Schedule:

Fiscal Year	Quarter	Draw	
2012	1st	10/1/11 - 12/31/11	\$3,000,000
2012	2nd	1/1/12 - 3/31/12	\$3,000,000
2012	3rd	4/1/12 - 6/30/12	\$3,000,000
2012	4th	7/1/12 - 9/30/12	\$3,000,000
2013	1st	10/1/12 - 12/31/12	\$2,511,000
2013	2nd	1/1/13 - 3/31/13	\$2,000,000
Total			\$16,511,000

A. Estimated Grant Disbursal Schedule:

Fiscal Year		Quarter	Payment
2012	1st	10/1/11 - 12/31/11	\$3,000,000
2012	2nd	1/1/12 - 3/31/12	\$3,000,000
2012	3rd	4/1/12 - 6/30/12	\$3,000,000
2012	4th	7/1/12 - 9/30/12	\$3,000,000
2013	1st	10/1/12 - 12/31/12	\$2,511,000
2013	2nd	1/1/13 - 3/31/13	\$2,000,000
Total			\$16,511,000

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. The disbursement schedule will essentially coincide with the grant payment schedule as ACH draw requests will be processed only upon submittal of payment requests from loan recipients for actual costs incurred. Funds from the ACH will be disbursed to the recipient immediately.

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:

2011 EPA CWSRF Capitalization Grant

July 1, 2011 through September 30, 2015

VIII. Project Fundable List

Community Served	Project Name	NPDES Permit Number(s)	Needs Categories	Priority Point Rank	Assistance Amount	Subsidization Amount (Principal Forgiveness)	*GPR Component Costs	*GPR Type	GPR Categorical Project	Estimated Construction Start Date	Estimated Project Completion Date	
Montgomery	Montgomery Genetta Ditch Stream Restoration & Constructed Wetlands Park	AL0027863	VIID	205	\$1,616,800	\$815,000	\$1,616,800	Green Infrastructure	Y	6/1/2011	6/1/2011	
Hoover	Hoover Water Quality Projects	AL0025852	VIID	180	\$795,000	\$400,000	\$795,000	Green Infrastructure	Y	6/4/2012	6/4/2012	
Mobile	Mobile Smith WWTF & Regional Force Main, Pump Station & Outfall	AL0023094	II	165	\$20,000,000					7/1/2011	7/1/2011	
Millbrook	Millbrook Sewer Efficiency and Reuse Improvements, Phase I	AL0049921	II, IVA	160	\$1,297,000	\$645,000	\$1,297,000	Water Efficiency	Y	8/1/2011	8/1/2011	
Sheffield	Sheffield River Bluff Sewer Replacement	AL0050121	IIIB	155	\$1,340,920					1/31/2011	1/31/2010	
Tuskegee	Tuskegee Wastewater Treatment System Improvements	AL0048763	IVB	120	\$10,200,000					2/1/2012	10/1/2013	
Dothan	Dothan Wastewater System Improvement Program	AL 00474465	IIIA, IVA	115	\$7,000,000					3/1/2012	3/1/2012	
Huntsville	Huntsville Spring Branch WWTP Improvements	AL 0058394	II	105	\$3,000,000	\$920,000	\$1,850,000	Water/Energy Efficiency	N	6/15/2011	6/15/2011	
Locust Fork	Locust Fork Wastewater Collection System	AL 0054348	IVA	85	\$2,842,000					1/1/2012	1/1/2012	
Morris	Morris Wastewater System Upgrades	AL 0053121	IVA	75	\$400,000	\$52,200	\$102,700	Energy Efficiency	N	12/1/2011	12/1/2011	
Bay Minette	North Baldwin Harry Still Sr. WWTP Blower Upgrade	AL 0072028	II	65	\$950,000	\$470,000	\$950,000	Energy Efficiency	N	1/1/2012	1/1/2012	
13 Projects					\$49,441,720	\$3,302,200	\$6,611,500					

Needs Categories:

- (I) SECONDARY TREATMENT
- (II) ADVANCED TREATMENT
- (IIIA) I/I CORRECTION
- (IIIB) MAJOR REHABILITATION

- (IVA) COLLECTOR SEWERS
- (IVB) INTERCEPTOR SEWERS
- (V) COMBINED SEWER OVERFLOWS
- (VIID) URBAN (excludes decentralized systems)

*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

Montgomery Genetta Ditch Stream Restoration & Constructed Wetlands Park: The City of Montgomery is proposing a comprehensive stream restoration and constructed wetlands park to address stormwater issues in the Catoma Creek watershed. Phase I of the proposed project will consist of the stream restoration of Genetta Ditch and the construction of a wetlands park located in the West Fairview Avenue area. Phase II of the project will consist of the naturalization of the Genetta Ditch open culvert. This urban stormwater project is intended to implement the best management practices relating to stream restoration. Additionally, this project will employ stormwater remediation to incorporate green technologies within the redevelopment area and establish the Genetta Wetlands Park.

Green Project Reserve Category: Green Infrastructure – Categorical Project

GPR Costs \$1,616,800

Hoover Water Quality Projects: The City of Hoover proposes the construction of wetlands and stream restoration to seven areas which consists of retention and constructed wetlands, walking trails, educational signage, and stream buffer restoration. This will also include erosion control, excavation and material waste, access to the site construction, wetland plants, and rip rap.

Green Project Reserve Category: Green Infrastructure – Categorical Project

GPR Costs \$795,000

Mobile Smith WWTF & Regional Force Main, Pump Station & Outfall: The City of Mobile is proposing wastewater treatment infrastructure improvements to the Smith WWTF. Proposed improvements at the WTP will consist of the construction of a new effluent pump station and 2.5 miles of effluent force main and outfall appurtenances to provide a crossing under the Mobile River. Additionally, a diffuser will be constructed at the discharge into the Mobile River. The wastewater system infrastructure improvements are intended to address stringent effluent requirements by eliminating point source discharges from impaired 303d listed streams. The proposed improvements will result in improved water quality in Three Mile Creek as a result of the relocation and elimination of the existing effluent WWTF discharge.

Millbrook Sewer Efficiency and Reuse Improvements, Phase I: The City of Millbrook proposes sewer improvements to the wastewater treatment plant to reduce the sludge accumulation in the facility which will reduce the amount of energy used and fuel costs to remove solids. The project consists of a Tertiary Disc Filter for reuse from the WWTP, Screwpress Dewatering System, Force Main, an Automated Master Control Valve Assembly, and a 2 inch Air Vacuum/Release Valve. The new outfall main for treated effluent will allow the effluent to be used to irrigate the city's municipal golf course facility.

Green Project Reserve Category: Water Efficiency – Categorical Project

GPR Costs \$756,505

Sheffield River Bluff Sewer Replacement: The Sheffield Utilities proposes sanitary sewer infrastructure improvements to replace the River Bluff sewer due to the aging and failing condition of the sewer pipeline. This project will implement a five-phased approach for removing the existing sanitary sewer flows from the suspended bluff sewer. The proposed construction will consist of the installation of decentralized pump stations where required and the re-routing of flows to existing gravity sewer lines for transportation to the treatment facility. This project is intended to eliminate a potential public health hazard in the Sheffield Utilities sanitary sewer collection system.

Tuskegee Wastewater Treatment System Improvements: The City of Tuskegee proposes improvements to the South Wastewater Treatment Plant to achieve compliance with the new effluent limits. In addition, the lift station at the South Plant will be rehabilitated to allow the transfer flow from the South Plant to the North WWTP.

Dothan Wastewater System Improvement Program: The City of Dothan is proposing sewer improvements consisting of: A Capacity, Management, Operation and Maintenance (CMOM) Program Self Assessment to be performed by an outside consultant to identify areas that need to be improved; A Capacity Assurance Program (CAP) to include Surveying and Modeling; A Sanitary Sewer Evaluation Survey (SSES) for the Omussee, Cypress, and Little Choctawhatchee Basins including flow monitoring; and Construction and rehabilitation of the Rock Creek Trunk Line to reduce inflow and infiltration.

Huntsville Spring Branch WWTP Improvements: The City of Huntsville proposes improvements to the Spring Branch Wastewater Treatment Plant to maintain the efficiency of the plant operations. Improvements include upgrades to the sludge handling system including a new septage receiving station. In addition, the natural gas (and/or liquid petroleum gas) boiler and blowers are proposed to be replaced by equipment of higher efficiency. Associated yard piping installation and other related appurtenances will also be performed. These improvements will further the City's efforts to remain at the forefront in responding to federal mandates and monitoring programs.

Green Project Reserve Category: Energy Efficiency

GPR Costs \$1,850,000

Locust Fork Wastewater Collection System: The City of Locust Fork is proposing collection system improvements which will eliminate it's sewer lagoons. The project consists of installation of 8 inch Gravity Sewer, three pumping stations, and interconnection with the Oneonta Utilities Wastewater treatment facility.

Morris Wastewater System Upgrades: The City of Morris proposes improvements to the existing sanitary sewer collection system and wastewater treatment facility by the installation of 8 inch low pressure Gravity Sewer, sewer force mains, a dissolved oxygen control system and a low energy sludge dewatering container. In addition, SCADA controls, Remote Telemetry, and three pumping stations will also be installed. These improvements will eliminate the use of two private wastewater systems.

Green Project Reserve Category: Energy Efficiency

GPR Costs \$102,700

North Baldwin Harry Still Sr. WWTP Blower Upgrade: The City of North Baldwin proposes the installation of new energy efficient blowers. This will include replacing the existing blowers with high speed turbo blowers (HSTB) because of the high efficiency and integral variable frequency drive controller. Replacement of the existing blowers will save energy and reduce the operation costs each month.

Green Project Reserve Category: Energy Efficiency

GPR Costs \$950,000