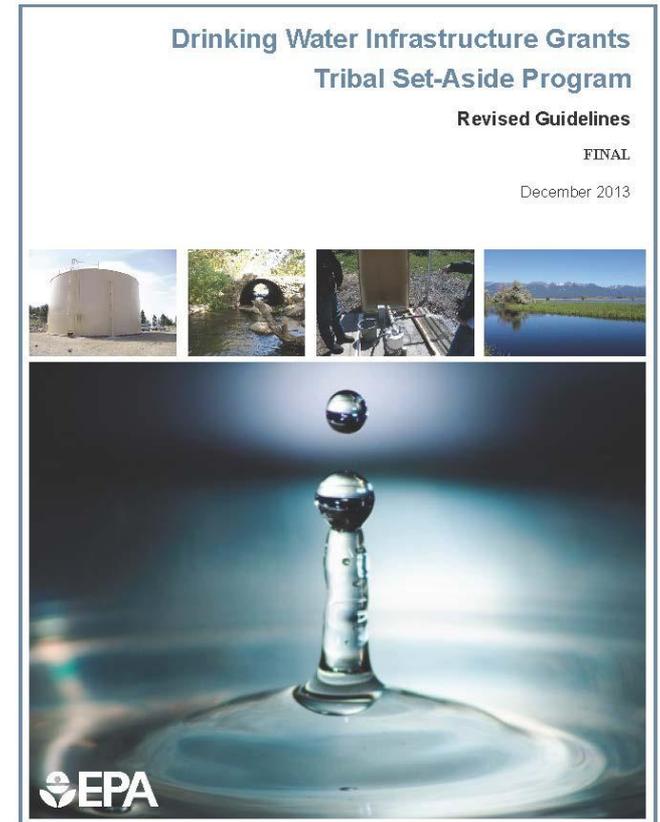
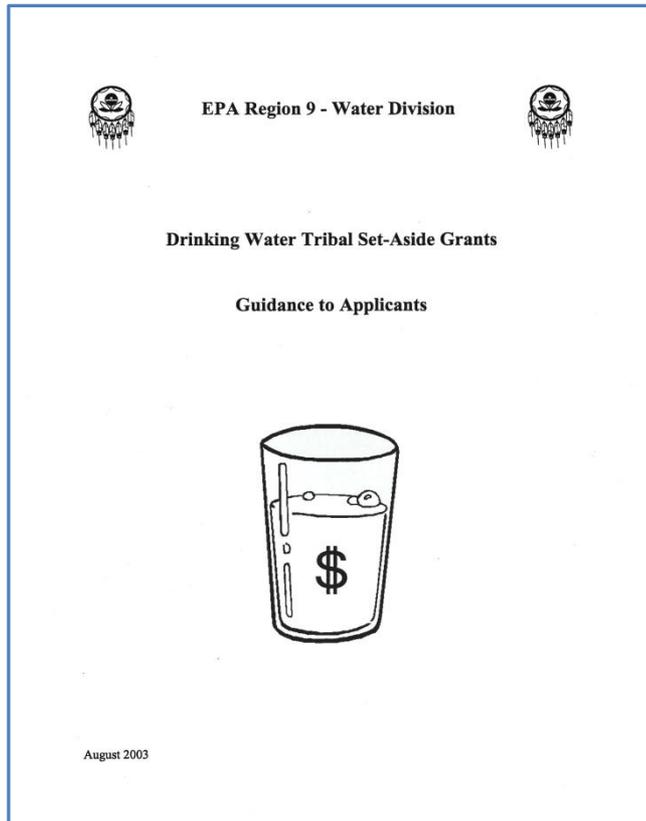


# New Guidance for the Drinking Water Tribal Set-Aside Program

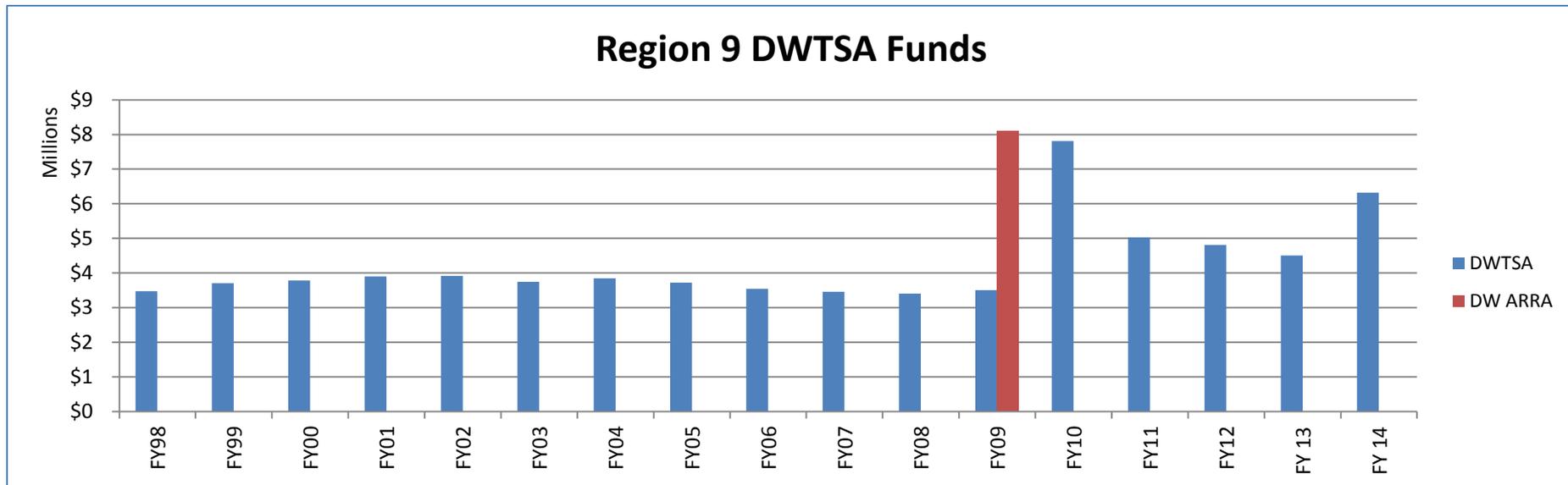
## RTOC Breakout Session

1/29/14



# Drinking Water Tribal Set-Aside

- \$6.3M FY14 Region 9 estimated allocation - \$1.5M increase
- 35% of FY14 funds will go to Region 9 due to new Needs Survey
- Second highest (non-ARRA) funding level
- \$83M R9 funds since 1998



# 2011 EPA HQ Program Evaluation

- HQ Program Evaluation - how well is the program meeting its goals?
- Recommendations include:
  - Reassess DWTSA allocation to Regions
  - Clarify program goals and priorities
  - Clarify project selection expectations to be more in line with program priorities
  - Continue focus on infrastructure sustainability and O&M capacity
  - Revise National Guidance



United States  
Environmental  
Protection Agency

Office of Policy  
(1807T)

March 2011  
EPA-100-R-11-006

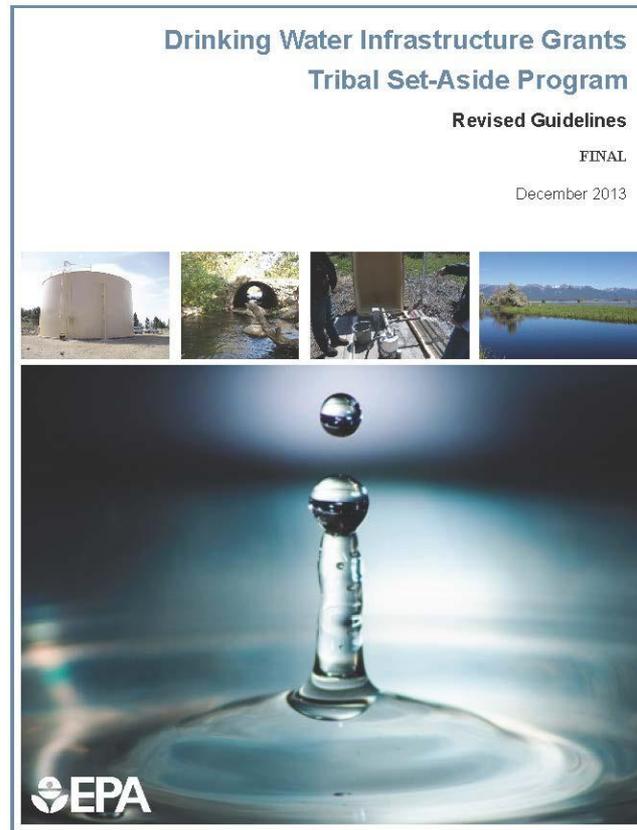


**Evaluation of the Drinking  
Water and Clean Water  
Infrastructure Tribal Set-  
Aside Grant Programs**

**Final Report**

**Promoting Environmental Results  
Through Evaluation**

# New National Guidance



- EPA HQ worked with Regions to develop guidance revisions and conducted tribal consultation
- New Guidance issued December 2013

# Key Changes

1. Revised allocation formula
2. Threshold Eligibility Factors required before award:
  - a) Technical, managerial and financial capacity
  - b) Compliance with the Safe Drinking Water Act
  - c) Project readiness
3. Ranking criteria
  - a) Support cost effective projects (required)
  - b) Assist communities most in need (recommended)

# 1. Revised Allocation Formula

- Each region with tribes receives 2% of DWTSAs, for a total of 18%
- Remaining 82% is allocated:
  - 50% based on regional proportion of the 2011 National Needs Survey
  - 50% based on number of Deficiency Level 3, 4 and 5 homes in the IHS Sanitation Deficiencies System (with a weighting factor x2 for DL 4 and 5 homes)

Regional A Allocation =

$$(2\% \times \text{DWIG TSA Appropriation}) + ((82\% \times \text{DWIG TSA Appropriation}) \times \text{Region A Allotment Factor})$$

Region A Allotment Factor =

$$0.5 \times \left( \frac{((\text{DL 4 homes} + \text{DL 5 homes}) \times 2) + \text{DL 3 homes}}{\text{in Region A}}}{((\text{DL 4 homes} + \text{DL 5 homes}) \times 2) + \text{DL 3 homes}} \right) + 0.5 \times \left( \frac{\text{DWINS AI}^* + \text{ANV Cost Data for Region A}}{\text{DWINS AI} + \text{ANV Total Cost Nationwide}} \right)$$

# Example Regional Funding Allocation

Region	Example Funding Amount	% of Total DWTS Fund	Change from 2013 allocation
1	\$397,000	2.2%	No change
2	\$475,000	2.6%	Down 0.4%
4	\$767,000	4.3%	Down 0.7%
5	\$924,000	5.1%	Down 1.0%
6	\$3,126,000	17.4%	Up 8.0%
7	\$548,000	3.0%	Up 0.3%
8	\$2,488,000	13.8%	Up 4.0%
9	\$5,863,000	32.6%	Up 6.0%
10	\$3,412,000	19.0%	Down 17.0%
Total	\$18,000,000		

## 2. Threshold Eligibility Factors

### Required before award

- Technical, managerial and financial capacity, including:
  - **Operator certified at the appropriate level**
  - **Annual operating budget** showing income, operation and maintenance costs including short-lived asset reserve
  - **Accounting system** that records water system revenue and expenses separate from other activities

## 2. Threshold Eligibility Factors (continued)

### Required before award

- **Compliance with the Safe Drinking Water Act**
  - Funds cannot be provided to water systems with an Enforcement Targeting Tool score of 11 or above, unless the project will directly address existing violations that impact the ETT score
- **Project readiness**
  - Standardize Preliminary Engineering Report (PER) required prior to award, unless purpose of project is to conduct PER

### 3. Ranking Criteria

- **Support cost effective projects** (required)
  - Assign a lower rank to projects exceeding IHS cost caps per home, or
  - Develop different cost efficiency measure
  - EPA Regional Administrator must be notified if project costs \$132,000 or more per tribal home
- **Assist communities most in need** (recommended)
  - Assign a lower rank to projects if the tribe's median household income is equal to or greater than 80% of the statewide nonmetropolitan household income

# Next Steps

January		EPA initiates early tribal consultation
February	}	EPA and tribal participants develop draft guidance
March		
April		
May		
June		EPA conducts tribal consultation on draft guidance
July		EPA reviews tribal consultation feedback
August		EPA issues final guidance with solicitation for proposals

