STATE OF INDIANA

Clean Water
State Revolving Fund
Loan Program

Intended Use Plan

State Fiscal Year 2016
July 1, 2015

Clean Water State Revolving Fund Loan Program
Intended Use Plan SFY 2016

Table of Contents

			Page:
I.	Introduction		1
II.	Project Priority List		1
	A.	Project Scoring and Ranking System	2
	B.	Fundable Range	2
	C.	Bypass Process	2
III.	2016 CWSRF Loan Program Goals and Objectives		3
	A.	Short-Term Goals and Objectives	4
	B.	Long-Term Goals and Objectives	5
IV.	Financial Status of the CWSRF Fund		6
	A.	Sources and Uses of Funds	6
	B.	Available Funds	6
	C.	Allocation of Available Funds	6
	D.	Cash Draw Ratio	7
	E.	Other Types of Assistance Provided	7
	F.	Additional Subsidization	7
	G.	Affordability Criteria	8
	H.	Transfers between the CWSRF and DWSRF	8
	I.	Interest Rates	8
	J.	Terms	9
	K.	Cross-collateralization of the CWSRF with the DWSRF	9
	L.	Fees Assessed on Recipients	9
	M.	CWSRF Financial Planning and Long-Term Financial Health	10
	N.	Assurances, Specific Proposals	10
	O.	Administrative Expenses	10
V.	Public Participation		11

EXHIBITS:

Exhibit A: CWSRF Loan Program Definitions
Exhibit B: Indiana's Project Priority Lists (PPLs)
A: Small Systems List
B: Large Systems List
Exhibit C: Green Project Reserve Sustainability Incentive
Exhibit D: WWSRF Loan Program Project Scoring and Ranking Worksheet
Exhibit E: Equivalency Projects
Exhibit F: Intended Uses of Funds
Exhibit G: Cash Draw Ratio Calculation
Exhibit H: Intended Cash Draw of Funds

State of Indiana
Clean Water State Revolving Fund Loan Program
Intended Use Plan
SFY 2016

I. Introduction

Pursuant to Sections 603(g), 606(c) and 216 of the Clean Water Act as previously amended and as further amended by the Water Resources Reform and Development Act, (collectively, the "Clean Water Act" or "CWA") and P.L. 114-113 Consolidated Appropriations Act, 2016, the State of Indiana (State), acting through its Indiana Finance Authority (Authority), hereby submits to the United States Environmental Protection Agency (EPA) and the public this Intended Use Plan (IUP) for State Fiscal Year (SFY) 2016, for its Clean Water State Revolving Fund (CWSRF). An IUP is prepared each fiscal year to identify the uses of all monies available to the CWSRF Loan Program during that fiscal year. Acronyms and terms used herein are defined in Exhibit A, Definitions.

This IUP supports all funds appropriated to the CWSRF Loan Program during SFY 2016. Collectively, all funding from EPA to the CWSRF Loan Program are referred to herein as Capitalization Grants.

The mission of the CWSRF Loan Program is to provide Participants in Indiana with low-cost financial assistance in order to construct necessary and environmentally sound treatment works; facilitate statewide compliance with State and Federal water quality standards; establish a fiscally self-sufficient program as a continuing source of funding for improvement and protection of water quality and public health; and conduct any other activity permitted by the CWA.

The CWSRF Loan Program is administered by the Authority. The Authority is responsible for setting priorities for loan assistance from the CWSRF Loan Program, which is evidenced by the CWSRF Loan Program Project Priority Lists (PPLs) for SFY 2016 which is attached as Exhibit B.

II. Project Priority List (PPL)

The SFY 2016 PPLs include all applications and projects. Projects for which a PER has been submitted have been ranked and scored. All other projects for which the Authority received applications but for which PERs have not been submitted, are listed alphabetically un-scored and un-ranked. The CWSRF Loan Program has two PPLs, one for populations less than 10,000 and one for populations of 10,000 or greater.

In addition to the PPL, Exhibit C shows the percentage of SRF funds that are currently estimated to be used toward the Green Project Reserve Sustainability Incentive Program.

Nonpoint Source (NPS) projects are integrated in the PPL and are included with their score and rank noted.

The State expects to use the CWSRF Loan Program to finance the planning, design and construction of the following project need categories under Section 212, 319 and 320 of the Clean Water Act:

PROJECT CATEGORIES

I.	Secondary Treatment	IVB.	New Interceptors
II.	Advanced Treatment	V.	Combined Sewer Overflow Correction
IIIA.	Infiltration/Inflow Correction	VI.	Stormwater Infrastructure
IIIB.	Major Sewer System Rehabilitation and Correction	VII.	Non-point Source Water Pollution Abatement
IVA.	New Collection Systems		

A. Project Scoring and Ranking System

The Indiana SRF Loan Program Scoring and Ranking System can be found in Exhibit D. Scoring reflects the State's water quality goals and accounts for population differences. Priorities include:

1. Project need categories;
2. Water quality points;
3. Brownfield reuse;
4. Financial Capability;
5. Bonus points will be available for projects that include Green Project Reserve (GPR) Sustainability Incentive Program components, climate resiliency elements and participation in the Clean Watershed Needs Survey.

This IUP, including the PPLs and Project Ranking System (See Exhibit D), has been subject to public review and comment in accordance with the CWA as described in Section VI below.

In addition to being ranked and scored and in the Fundable Range, "Project readiness criteria" will be applied to assure that projects are ready for CWSRF Loan Program financing. Steps towards "project readiness" can be demonstrated by: (1) Submitting a PER, (2) Obtaining PER Approval, a construction permit, and bidding the project pursuant to the CWSRF Loan Program established timeframes, and (3) Initiating the steps required by State statute and the CWSRF Loan Program to proceed with a financial closing with the CWSRF Loan Program. This involves completing the steps required to issue valid bonds, retaining a nationally recognized bond counsel to issue its unqualified, approving opinion on the validity of the bonds at closing and demonstrating the ability to repay the CWSRF Loan Program loan.

B. Fundable Range

To inform the public of current estimates regarding the CWSRF Loan Program's financial capacity and to efficiently direct CWSRF Loan Program assistance to the highest priorities where possible, the State calculated a Fundable Range for those projects that are on the PPLs.

The CWSRF Loan Program uses the Fundable Range to plan and prioritize its responsibilities and resources. On July 1, 2015 the Authority estimated that funds available were insufficient to fund all Projects on the PPLs, therefore, those Projects within the Fundable Range are afforded priority of resources; most notably, preference in closing a loan as soon as the necessary programmatic and financial steps are completed.

Projects that are outside of the Fundable Range may receive funding in advance of those projects identified in the Fundable Range by following the Bypass Procedure outlined below. In addition, at the discretion of the CWSRF Loan Program, projects that have Green Project Reserve components or projects that are eligible for Additional Subsidization or projects that have bid architectural and engineering services pursuant to the CWA ("A & E") and are selected as an equivalency project may be funded in advance of projects in the Fundable Range to meet additional federal requirements. Also, projects that are viable only because of non-SRF financial assistance may be funded in advance of projects in the Fundable Range. In addition to the PPLs, Exhibit C shows the percentage of SRF funds that are currently estimated to be used toward Green Project Reserve activities.

Projects were included in the Fundable Range based on a project's rank and score.

C. Bypass Process

The Authority has determined that funds on-hand are insufficient to fund projects in addition to those within the Fundable Range, therefore, the State will use the following bypass procedures to allow other projects on

the PPL to receive financial assistance from the CWSRF Loan Program during SFY 2016. The Bypass Process enables projects originally identified outside the Fundable Range to be funded when higher-priority projects have not yet progressed to a stage allowing for loan closing. However, if a bypassed project becomes ready to proceed, it will have funding priority over other projects below it on the PPL. The following Bypass Process will be used in SFY 2016:

1. The CWSRF Loan Program will note the Fundable Range on each SFY 2016 PPL and notify all Participants with projects on the PPL of their status. Participants will be advised that being in the Fundable Range does not mean that a loan commitment is made or that funding is guaranteed or reserved; rather, it means funding priority will be given to those projects.

2. All Participants that are eligible for subsidized financing must bid the entire SRF financed project in advance of a CWSRF loan closing.

3. Up to December 31, 2015, only projects in the Fundable Range will be permitted to close a CWSRF subsidized loan. However, to meet the additional requirements of the Clean Water Act the CWSRF Loan Program will give projects that are eligible to receive Additional Subsidization (in the form of principal forgiveness) or projects that have Green Project Reserve components or projects that have bid A & E services pursuant to the CWA and are selected as an equivalency project priority and may permit those projects to be funded in advance of projects in the Fundable Range. In addition, the CWSRF Loan Program will give priority to projects that are viable only because of non-SRF financial assistance and permit those projects to be funded in advance of the projects in the Fundable Range.

4. After December 31, 2015, the CWSRF Loan Program will permit a bypassing of projects within the Fundable Range that have not closed or scheduled to close their loan. The CWSRF Loan Program will extend the Fundable Range by the amount of such bypassed projects. This is intended to afford Participants nearly within the original Fundable Range to gain priority in working quickly to close their loans.

5. After December 31, 2015, any project ready to close a CWSRF Loan Program loan under applicable CWSRF Loan Program lending requirements will be permitted to do so. If the CWSRF Loan Program determines there is insufficient lending capacity, then the highest-scored projects at a readiness-to-proceed stage may close.

6. Notwithstanding the foregoing, after December 31, 2015, the CWSRF Loan Program may institute additional or alternative conditions and limits other than as expressed in this IUP to tentatively select Participants for closing eligibility and to bypass any such tentatively selected Participant. Without limitation, these may include (i) bypassing Participants that fail to close within a 30-day (or shorter) period of being notified of timing and eligibility to close, (ii) limiting loan closing amounts to lesser amounts than requested, (iii) requiring evidence of full Project funding if all funding needs are not provided through the CWSRF Loan Program at a loan closing, (iv) conditionally reserving funding for any Participant commitments, (v) bidding project prior to loan closing, etc.

7. All unfunded projects are eligible to remain on subsequent SFY's PPLs if they inform the CWSRF Loan Program of their desire to do so.

III. 2016 CWSRF Loan Program Goals and Objectives

The goal of the CWSRF Loan Program is to facilitate statewide compliance with State and Federal water quality standards by prioritizing funding of projects that provide enhancement or protection of water quality and public health, as well as to provide Participants in Indiana with low-cost financial assistance in order to construct necessary and environmentally sound treatment works while long-term goals and objectives are

those the State expects to achieve over a longer course of time. Each year these goals are reviewed and updated from the previous IUP. For purposes of this IUP, short-term goals and objectives are those the State expects to achieve in SFY 2016.

A. Short-Term Goals and Objectives

During SFY 2016, the CWSRF Loan Program expects to achieve the following short-term goals and objectives:

ST1 Goal: Seek the immediate award of the Federal Fiscal Year (FFY) 2016 Capitalization Grant. Continue to disburse loan proceeds such that the 2016 Capitalization Grant can promptly be deposited and, as expenditures are incurred or paid, be converted to cash.

> ST 1a Goal: Ensure that a range between 0% and 30% of the 2016 Capitalization Grant is used to provide Additional Subsidization in the form of principal forgiveness, negative interest loans or grants.
>
> ST 1b Goal: Ensure that not less than 10% of the 2016 Capitalization Grant is allocated to fund Green Project Reserve Projects. Work diligently to identify and fund projects that address or have components of Green Project Reserve infrastructure, water or energy efficiency improvements or include other environmentally innovative activities. Exhibit C shows the percentage of SRF funds that may be used toward Green Project Reserve activities.
>
> ST 1c Goal: Ensure that Davis Bacon wage rules apply to all assistance agreements made with funds appropriated under the 2016 Capitalization Grant.
>
> ST 1d Goal: Ensure that all American Iron and Steel requirements (AIS) as set forth in the current Capitalization Grant are met.
>
> ST 1e Goal: If practical, equivalency projects will be identified in Exhibit E. List equivalency projects in the Annual Report. The requirements of Section 602(b)(14) A & E procurement shall be satisfied by compliance with 40 USC Chapter 11.
>
> ST 1f Goal: Develop criteria for the contents of the Fiscal Sustainability Plans (FSP) that meet the minimum requirements set forth in Section 603 9(d)(1)(E) of the Clean Water Act. Ensure that Participants are developing and implementing a FSP.

ST 2 Goal: Document the environmental benefits derived from the CWSRF Loan Program projects using the Clean Water Benefits Reporting system sanctioned by the EPA. Goals identified are:

- Abatement of combined sewer overflow (CSO) discharges along stream segments, ultimately reducing pollution to the Ohio River;
- Elimination of septic systems in communities, eliminating failing systems that discharge to waters of the state;
- SRF funds targeted to abate pathogen or nutrient loadings to impaired water bodies (303(d) listed streams); and
- Increased compliance with NPDES permits.

ST 3 Goal: Conduct a total of 30 technical inspections between the CWSRF and DWSRF Loan Programs during the construction phase and the post-construction phase to document the construction progress, as well as the appropriate use of SRF funds. Inspections may be on site and /or virtual.

ST 4 Goal: Work diligently with Participants and effectively manage projects to assist Participants in closing loans and constructing their projects in a timely, efficient manner.

B. Long-Term Goals and Objectives

During SFY 2016, the State will continue to work to achieve the following long-term goals:

LT1 Goal: Provide financial assistance to current and future Participants, by providing low-cost financing commensurate with prudent fiscal and credit standards.

LT2 Goal: Maintain the long-term financial integrity of the CWSRF Loan Program by judiciously managing its assets in order to realize a rate of return that will sustain the CWSRF Loan Program in perpetuity.

LT3 Goal: Monitor all outstanding loans and the financial capability of Participants through the use of an in-house monitoring system and, in conjunction with the Bank of New York Mellon Trust Company, ensure the CWSRF Loan Program continues to avoid loan defaults. In particular, review the financial statements for Participants receiving a State Board of Accounts audit in the current calendar year. Require new Participants to utilize paying agent agreements and offer all prior Participants the opportunity to enter into a paying agent agreement. Conduct financial on-site visits as warranted.

LT4 Goal: Leverage EPA Capitalization Grants to generate loans that exceed two-times the awarded grant amounts.

LT5 Goal: Monitor Participant's draw of funds to assure loans are being drawn within two years. Assure that un-drawn funds are returned to the loan pool and made available to other Participants.

LT6 Goal: Submit required reports to EPA in a well-prepared and timely manner.

LT7 Goal: Ensure that EPA funds are accessed within one month of being made available to the State.

LT8 Goal: Periodically publish an SRF Loan Program newsletter.

LT9 Goal: Develop a software database for staff to reference financial information related to each SRF financing.

LT10 Goal: Coordinate the co-funding of an Indiana Brownfield's Program and CWSRF Loan Program project.

LT11 Goal: Report all uses of CWSRF Loan Program funds in the Clean Water Benefits Reporting (CBR) database and the Clean Water SRF National Information Management System ("NIMS") as required by the EPA and the Federal Funding Accountability and Transparency Act (FFATA).

LT12 Goal: Ensure that the CWSRF Loan Program and its participants comply as required with Disadvantaged Business Enterprise, Federal environmental cross cutters and the Single Audit Act.

LT13 Goal: Provide interest rate breaks to communities which adopt Nonpoint Source Projects. The CWSRF Loan Program will meet quarterly with the Indiana Department of Environmental Management (IDEM) Nonpoint Source Section to identify Projects on the CWSRF Loan Program PPL which may benefit from SRF funding.

LT14 Goal: Work with the IDEM Total Maximum Daily Load (TMDL) section to develop a system to assist communities in the implementation of TMDLs and offer interest rate breaks to communities which implement TMDL projects which are CWSRF Loan Program eligible.

LT15 Goal: Utilize the Clean Watershed Need Survey information database when a new application is received and use this information to confirm the need of the Project as well as providing input to the scoring of the Project.

IV. Financial Status of the CWSRF Fund

A. Sources and Uses of Funds

Capitalization Grants, Guarantee Revenue Bond proceeds and State Match Revenue Bond proceeds are used to capitalize the CWSRF Loan Program. The majority of the bond proceeds are, in turn, loaned to Participants for eligible projects. The CWSRF Loan Program utilizes its Capitalization Grants to serve as security for Guarantee Revenue Bonds issued by the State, the proceeds of which are loaned to Participants. Earnings on the Capitalization Grants serve as a source of payment for Guarantee Revenue Bonds and State Match Revenue Bonds issued by the State.

As required by 40 CFR 35.3135 (c), Exhibit F, Intended Uses of the Funds, identifies the intended uses of the funds held in CWSRF Loan Program accounts, and how those uses support the goals of the CWSRF Loan Program. Exhibit F also demonstrates how the Authority meets the requirements of 40 CFR 35.3135(d) by using all of the funds in the CWSRF Loan Program in an expeditious and timely manner.

B. Available Funds

During SFY 2016, the State intends to provide funds to continue meeting existing loan commitments and to make additional loans for new projects by causing additional Guarantee Revenue Bonds and State Match Bonds to be issued. The issuance of these bonds will occur as, when and in amounts that are necessary for the State to meet the cash flow borrowing needs of existing and new loans. Binding Commitments are only made from the CWSRF Loan Program if and when a financial assistance agreement is entered into with a Participant.

The State expects to seek and be awarded a 2016 Capitalization Grant. The State will apply for the 2016 Capitalization Grant when it is made available by EPA. The Authority anticipates a grant in the amount of $32,200,000. When added to the funds currently available to the State, the State estimates that it could, in aggregate, generate additional funds for lending in an amount sufficient to fund the majority of projects that have been scored and ranked on the SFY 2016 CWSRF Loan Program PPLs.

The maximum amount of funding available for loans depends on:

- Demand for the CWSRF Loan Program as evidenced by projects;
- Participant's readiness-to-proceed as evidenced by completion of a PER and other steps necessary to secure a CWSRF Loan Program loan within SFY 2016; and
- The capacity of the CWSRF Loan Program to issue additional Guarantee Revenue Bonds and State Match Revenue Bonds to generate additional loanable funds, which requires sufficient cash flows to repay them.

The State's CWSRF Loan Program is an established and highly-rated borrower in the national bond market and has issued Revenue Bonds to finance the CWSRF Loan Program. These bond issues have also provided the needed State Match funding and provided funds for loans. The balance of the bond proceeds, not available for loans, are used for reserve funds, administrative expenses, costs of issuance, etc.

C. Allocation of Available Funds

Projects will be financed subject to the availability of funds, readiness to proceed, and the ability of the Participant to comply with the conditions set forth in the State's Binding Commitment with the Participant and CWSRF Loan Program requirements.

In addition to being ranked and scored and in the Fundable Range, "Project readiness criteria" will be applied to assure that projects that are ready for CWSRF Loan Program financing will be given priority.

Disbursements of CWSRF Loan Program funds will be made on a cost-incurred basis in accordance with the CWA and state law.

D. Cash Draw Ratio

The State's Cash Draw Ratio as of July 1, 2015 is presented in Exhibit G, Cash Draw Ratio Calculation. The State's process and intended timing for its draw of funds is presented in Exhibit H.

E. Other Types of Assistance Provided

The CWSRF Pooled Program supplements the CWSRF Loan Program. The CWSRF Pooled Program provides communities with an interest rate equivalent to a AAA-rated loan if and when the traditional CWSRF Loan Program becomes unable to satisfy all the needs of the applicants on the PPLs. The Authority will determine the number of projects and available loan amount. Based on that information, the Authority will secure funds for those projects ready to proceed and close an SRF loan. The State will have the right to blend a large project with assistance from both the CWSRF Pooled Program and the traditional CWSRF Loan Program. The State may require non-construction loans ("planning and design") to be funded by the CWSRF Pooled Program. Furthermore, the State may require loans that are requests for additional funding to be funded by the CWSRF Pooled Program.

The State will consider refinancing, commensurate with federal and state law, where (i) a Participant is proposing a new wastewater project that will result in a significant improvement in water quality and (ii) as a result of state law or other restrictions on the Participant (including existing bond ordinance, trust indenture or credit agreement provisions), a refinancing of the existing debt is necessary or convenient as a matter of law or prudent fiscal or credit policy.

F. Additional Subsidization

The 2016 Capitalization Grant allows CWSRF Loan Program to provide a certain percentage of its total capitalization grant award as Additional Subsidization to eligible recipients in the form of forgiveness of principal, negative interest loans or grants or any combination of these. There is no minimum additional subsidy requirement. The maximum amount of additional subsidy may vary year to year but will not exceed 30% of the capitalization grant. The CWSRF Loan Program has the authority to offer loans and other financial assistance (i.e. additional subsidization) to or for the benefit of participants under Indiana Code 13-18-13-2(a). The CWSRF Loan Program intends to provide a range between 0% and 30% of the 2016 Capitalization Grant funds as Additional Subsidization in the form of principal forgiveness. The CWSRF Loan Program may provide Additional Subsidization to eligible recipients for the following: a) to benefit a municipality that meets the CWSRF Loan Program affordability criteria; b) to benefit a municipality that does not meet the CWSRF Loan Program affordability criteria but seeks additional subsidization to benefit individual ratepayers in the residential user rate class; c) to implement a process, material technique, or technology that addresses water or energy efficiency goals; mitigates stormwater runoff, or encourages sustainable project planning, design and construction; or d) as permitted under the CWA. The affordability criteria are set forth below. The CWSRF Loan Program will prioritize providing Additional Subsidization to those communities that have a lower median household income, high post-project user rates, and will consider the community's unemployment data and population trends. This will allow the CWSRF Loan Program to assist, as much as possible, communities that could not otherwise afford an SRF loan to receive the Additional Subsidization. In addition, Additional Subsidization may also be provided to communities implementing EPA's Sustainability Policy practices. The CWSRF Loan Program has not set a cap on the amount of principal forgiveness that a community may receive. The CWSRF Loan Program shall identify those communities who will receive Additional Subsidization and the amount of the Additional Subsidization prior to executing a financial assistance agreement. All CWSRF Loan Program requirements must be complied with. In cases where a project cost exceeds principal forgiveness, base SRF loan funds will make up a portion or all of the difference.

G. Affordability Criteria

The CWSRF Loan Program will use the below affordability criteria to assist in identifying applicants that would have difficulty financing projects without additional subsidization.

a) **Median Household Income (MHI)** – applicants with a lower MHI may receive additional subsidization in advance of applicants with a high MHI
b) **User rates** – applicants that have high post-project user rates may receive additional subsidization in advance of applicants with lower-post project user rates
c) **Unemployment data*** – unemployment data will be considered
d) **Population trends*** – population trends will be considered
e) **Other factors/data** deemed relevant by the CWSRF Loan Program may be considered, including but not limited to, projects that have a regional solution.

* Unemployment data and Population trends will be considered and used as a "tie breaker" if communities are similarly situated.

H. Transfers between CWSRF and DWSRF

The State has retained the flexibility to permit transfers between the DWSRF Loan Program and the CWSRF Loan Program of Capitalization Grants and other funds held in or allocable to such funds to the extent permitted by the CWA and the Safe Drinking Water Act (SDWA). Exhibit F, Intended Uses of the Funds, identifies transfer balances.

Any transfer would only be made between accounts established for like purposes and subject to like restrictions in the SRF Loan Programs and would be accounted for on a cumulative net basis. Consistent with prior transfers, the State expects that transfers would be from funds held in its Grant Equity account or other funds held in the SRF Loan Program and that such funds would be used to generate additional lending capacity under the leverage loan structure of the DWSRF Loan Program. The State would not expect such transfers to have a material impact on the capacity of the CWSRF Loan Program to finance projects during SFY 2016. Notwithstanding the foregoing but subject to the Safe Drinking Water Act, the State retains the flexibility to transfer un-drawn CWSRF Loan Program grants and/or to fund direct DWSRF Loan Program loans with transfers. The State would expect to only make transfers in a manner consistent with agreements related to outstanding Guarantee Revenue Bonds and State Match Revenue Bonds.

I. Interest Rates

The CWSRF Loan Program recognizes the continued need to balance the level of subsidy with the inherent limited capacity of the CWSRF Loan Program to meet demand for loans and participant affordability constraints. This balancing is reflected in the Authority's present interest rate policy.

Indiana's CWSRF Loan Program uses a Base Interest Rate, which is re-set on the first business day of each January, April, July and October. The Base Rate is calculated by using 90 percent of the daily average 20-year AAA-rated, general obligation bond Municipal Market Data (MMD) composite index for the most recent calendar month. The Base Rate is then discounted further on the basis of the Participant's Median Household Income (MHI) from the 2009-2013 American Community Five Year Survey and projected user rates.

The Participant's financial information is reviewed by the CWSRF Loan Program to finalize a CWSRF Loan Program interest rate. The Participant's rate consultant completes a rate study before a rate ordinance is adopted by the Participant's governing body.

Participants that delay the repayment of new debt around existing debt service may be charged 25 additional basis points to help offset the additional subsidy they are afforded. The CWSRF Loan Program has the

discretion to waive the extra charge for Participants. Any Participant proposing to use a "wrap structure" will be required to justify it by showing a substantial, positive effect on User Rates.

J. Terms

Consistent with applicable law, all CWSRF Loan Program loans will be structured so that there are at least annual principal repayments commencing one year after expected completion of the project, and a final principal payment no later than 20 years or the useful life of the project, whichever is shorter after expected completion of the project. The CWSRF Loan Program may offer Participant's 30 year loan terms at its discretion provided the useful life of the project is equal to or greater than 30 years. Additionally, the State expects level debt service payments except in limited circumstances, such as where CWSRF Loan Program debt service is wrapped around existing debt on the basis of user rate affordability. Executing a CWSRF Loan Program loan on any basis other than level, aggregate annual debt service is subject to additional State review and approval.

K. Cross-collateralization of the CWSRF with the DWSRF

To the extent permitted by the CWA and the SDWA, and their incumbent regulations, the State has cross-collateralized the CWSRF and the DWSRF Loan Programs to optimize capitalization requirements and to better manage the specific funding needs of projects.

This cross-collateralization arrangement maximizes the security for bonds issued by the State to capitalize the SRF Loan Programs. Accordingly, this could relate to and affect all types of funds held in them. The State would expect that any such transfers would occur at any time necessary to prevent a default on any such bonds and would be made between accounts established for like purposes and subject to like restrictions. To date, no transfers of this nature have been made.

The State would expect to retain the flexibility to reimburse, on a cumulative net basis, any transfers made under a cross-collateralization arrangement. Because such a cross-collateralization arrangement is a contingent security concept and transfers are not expected or planned to occur, the State would not expect this to negatively affect the funding capacity of the SRF Loan Programs. However, if such transfers occur and are not reimbursed, it may affect the burdened fund's ability to make some volume of additional loans it otherwise might have been able to make.

L. Fees Assessed on Recipients

The State assesses all Participants a Loan Closing Fee of $1,000 to off-set loan processing costs incurred by the CWSRF Loan Program. The CWSRF Loan Program may also assess a Non-Use Fee on funds not used for Project costs two years following the loan closing in order to encourage prompt use of funds. Participants must use non-SRF monies to fund payment of these fees. The total dollar amount in the CWSRF Administrative Fee Account as of July 1, 2015 was $96,088.94.

As permitted by 40 CFR Part 35 and the EPA Fee Policy dated October 20, 2005, effective November 13, 2015, the Authority implemented an SRF Fee for both the DWSRF Loan Program and the CWSRF Loan Program. The SRF Fees collected will be deposited in the Wastewater Program Fund, a segregated account that is not designated as part of the accounts comprising the SRF Fund.

The SRF Fees accumulated may be used by the Authority on projects, needs, costs, or expenses (which may include the provision of state match for the SRF Fund) that support or further goals, purposes, or objectives of the Clean Water SRF Loan Program and for various water quality activities. Such uses of accumulated SRF Fees may also include the purposes of the Supplemental Fund authorized pursuant to IC 13-18-21-21 through 29.

The SRF Fee charged by the Authority will be separately stated from interest charges imposed in respect of financial assistance structured in the form of a loan; provided however, as set out in its standard forms of financial assistance agreement, the Authority may adjust the interest rate on the bonds evidencing any SRF loan to be lowered, with the difference between the amount payable as the original rate on such bonds and the lower rate being deemed an SRF Fee in connection with the Clean Water SRF Program. Any such recharacterization of the otherwise stated interest charges as fees will be accomplished by notice given by the Authority to the Participant prior to the date of any scheduled interest payment is due and prior to deposit of any interest payment in the SRF Fund.

The total amount in the Clean Water SRF Fee Account as of January 4, 2016 was $10,000,000.

M. CWSRF Financial Planning and Long-term Financial Health

The State employs financial advisor, Public Financial Management, Inc., to periodically evaluate the financial status and health of the CWSRF Loan Program and make recommendations that support sustainability.

N. Assurances, Specific Proposals

The State provides the necessary assurances and certifications under its present Operating Agreement with the EPA; however, as required by 40 CFR 35.3150(b) (4), the State further certifies that it will:

a) Perform environmental reviews in accordance with federal law and state law.

b) Enter into Binding Commitments with Participants for wastewater treatment projects in amounts equal to at least 120 percent of each quarterly federal Capitalization Grant payment within one year of the receipt of each such payment in accordance with Section 602(b)(3) of the CWA. As of June 30, 2015, Binding Commitments exceeded 120 percent of all grants awarded to date (that is, FFY 1994 through 2015), significantly in advance of the foregoing Binding Commitment deadlines. Further, such Binding Commitments would exceed 200 percent of Capitalization Grants (inclusive of the FFY 2016 Capitalization Grant). Such amounts are banked toward meeting future Binding Commitment requirements.

c) Expend all CWSRF Loan Program funds in a timely and expeditious manner in accordance with Section 602(b) (4) of the CWA. As demonstrated by Exhibit F, the State has used all CWSRF funds in a timely and expeditious manner and will continue to do so.

d) Use first the Capitalization Grants, the State Matches, and whatever loan repayments are required to be so used to assure maintenance of progress toward compliance with enforceable deadlines, goals and requirements of Section 602(b) (5) of the CWA and to this end, the State asserts that all national municipal policy projects in Indiana have been funded and are in compliance or have an enforceable schedule, an enforcement action filed or a funding commitment.

In accordance with Section 606(b) of the Clean Water Act, the Authority, hereby affirms that it retains an independent auditor to review and audit the use of funds deposited in the CWSRF in accordance with the auditing procedures of the federal General Accounting Office and the requirements of the federal Single Audit Act and the federal Office of Management and the Uniform Administrative Requirements, Cost Principals and Audit Requirements for Federal Awards (formerly A-133).

O. Administrative Expenses

Pursuant to Section 603(d)(7) of the CWA, the CWSRF Loan Program may cover the reasonable costs of

administering the fund one of the following, whichever is greatest, plus any fees collected by the CWSRF Loan Program.

- An amount equal to 4 percent of all grant awards received less any amounts used in previous years
- $400,000 per year
- 1/5% of the current valuation of the fund

The CWSRF Loan Program intends to take an amount equal to 4% of all grant awards received less any amounts used in previous years to offset CWSRF Loan Program costs, including administrative, legal and financial fees and expenses, to operate the CWSRF Loan Program in perpetuity.

V. Public Participation

Public notice is made through the SRF Loan Program website, www.srf.in.gov. The CWSRF Loan Program has public noticed the IUP on the SRF website. The public notice period is from March 2, 2016 through March 16, 2016. Copies of this proposed IUP and PPLs are also available to the public upon request. The PPLs are also posted on the SRF Loan Program website.

The CWSRF Loan Program will respond to any major SFY 2016 IUP comment and a response will be determined by the nature of the comment or concern.

This IUP, including the PPLs, may be amended during SFY 2016 in accordance with federal and state Law. As described under Part III, Exhibit B Criteria for Project List (PPL) Ranking, the State intends to amend the PPL quarterly during SFY 2016. The IUP may also be amended from time-to-time to reflect any minor changes which constitute data revision or clarification.

Exhibit A
CWSRF Loan Program Definitions

Terms used in this document have the following meanings:

Additional Subsidization means to provide assistance in the form of principal forgiveness, negative interest rate loans, or grants in accordance with the Clean Water Act (CWA) Section 603(i) as amended by the Water Resources Reform and Development Act of 2014 (WRRDA). Priority for additional subsidies should be given to communities that could not otherwise afford such projects and as set forth in this IUP.

American Iron and Steel (AIS) means Section 608 of the CWA , which codifies the "American Iron and Steel (AIS)" requirement previously set forth in EPA's SRF appropriations that requires Clean Water State Revolving Loan Fund (CWSRF) assistance recipients, absent a waiver, to use iron and steel products that are produced in the United States for projects for the construction, alteration, maintenance, or repair of a public water system or treatment works if the project is funded through an assistance agreement.

ARRA means the "American Recovery and Reinvestment Act of 2009" enacted on February 17, 2009.

Binding Commitment means a closed CWSRF loan.

Bypass Process means the procedure which allows the State to bypass projects identified in a Fundable Range if the Authority determines that there may be insufficient resources to fund all loans on the PPL during the SFY. It allows other projects originally identified outside the fundable range to be funded when higher-priority projects have not yet progressed to a stage allowing for loan closing.

Capitalization Grant means a federal grant, as evidenced by an agreement with the United States Environmental Protection Agency that provides funds to capitalize the CWSRF.

Clean Water Act (CWA) means the Federal Water Pollution Control Act (FWPCA), 33 U.S.C. 1251 et seq., in effect on January 1, 1989, amended December 16, 1996, and further amended by the WRRDA, in effect on June 10, 2014.

Clean Water State Revolving Fund (CWSRF) Loan Program means the State's revolving fund loan program for wastewater infrastructure established under and pursuant to I.C. 13-18-13 and the programs afforded thereby.

Cost and Effectiveness means an evaluation of the processes, materials, techniques, and technologies for carrying out the proposed project or activity for which assistance is sought under this program and documentation that the selected alternative maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account the cost of constructing the project or activity; the cost of operating and maintaining the

project or activity over the life of the project or activity; and the cost of replacing the project or activity.

Drinking Water SRF (DWSRF) means the State's Drinking Water State Revolving Fund created in accordance with the SDWA and state Law.

Environmental Protection Agency (EPA) means the federal agency responsible for promulgating regulations to implement environmental statutes including the Clean Water Act and from which the CWSRF receives capitalization grants.

Equivalency Project means a project or projects in an amount equal to the current capitalization grant. Equivalency Projects must comply with all of the following; a) FFATA reporting requirements, b) Single Audit Act, c) Federal Cross Cutters, d) Disadvantaged Business Enterprise, and e) 40 U.S.C. Chapter 11 Procurement for Architectural and Engineering Services.

Federal Fiscal Year (FFY) means the fiscal beginning October 1st and ending September 30th.

Fiscal Sustainability Plan means an inventory of critical assets that are a part of the treatment works; an evaluation of the condition and performance of inventoried assets or asset groups; a certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and a plan for maintaining, reporting, and as necessary, replacing the treatment works and a plan for funding such activities.

Fiscal Year (FY) means the fiscal year for the year indicated.

Fundable Range means an estimated current loan capacity which is determined by various assumptions. Defined at the commencement of the SFY, it determines which projects on the PPL are expected to receive assistance from the available funds subject to the CWSRF's Bypass Process.

Green Project Reserve (GPR) Sustainability Incentive Program means assistance in the form of interest rate discounts to address green infrastructure, water or energy efficiency improvements, other environmentally innovative activities, or climate resiliency planning.

Guarantee Revenue Bonds means one or more series of revenue bonds issued from time-to-time by the State to fund the CWSRF Loan Program. Federal capitalization grants provide security for, and the CWSRF is the source of revenue for, the payment of Guarantee Revenue Bonds. Guarantee Revenue Bond net proceeds are loaned to Participants to finance projects.

Indiana Department of Environmental Management (IDEM) means the State environmental regulatory agency.

Indiana Finance Authority (Authority) means the State entity that administers the Indiana SRF Loan Programs pursuant to Indiana Code 4-4-11.

Intended Use Plan (IUP) means a plan prepared by the Authority identifying the intended uses of the amount of funding available to the Clean Water SRF. The IUP shall include all requirements set forth in the CWA.

Median Household Income (MHI) means the average annual income for a given region as determined by the federal census data.

Municipal Market Data (MMD) means the composite index used in pricing municipal bonds.

Nonpoint Source (NPS) means water pollution from diffuse, rather than discrete sources. It is caused by precipitation moving over or through the ground.

Participant means a political subdivision, Municipal Corporation, special taxing district, sanitary/conservancy district, regional water, sewer, or waste district, or any other separate local governmental entity. "Political Subdivision" is more specifically described in Indiana Code 13-11-2-164, and, any other owner of a Treatment Works that is authorized by the CWA to borrow from the CWSRF.

Preliminary Engineering Report (PER) means the document(s) submitted by the Participant that provides the information necessary for the CWSRF Loan Program to determine the technical, economic and environmental adequacy of a project.

Pre-Planning Meeting means an initial meeting held with a Participant to gain an understanding of the Participant's needs and to explain CWSRF Loan Program requirements.

Project Priority List (PPL) ranks, in descending priority of need, projects for which Participants have requested financial assistance from the CWSRF for eligible expenses. It includes projects that are preliminarily scored and unranked as well as those that are scored and ranked on the basis of needs, prepared pursuant to Section 216 of the Clean Water Act. The PPL is created by the Program, updated quarterly, and may be amended as necessary.

Project means the wastewater infrastructure project and NPS project proposed by Participants for CWSRF financing, which will be reviewed for qualification and ranking under Section 212 of the Clean Water Act.

Readiness to Proceed means projects that are ready for CWSRF Loan Program financing. Steps towards "project readiness" can be demonstrated by: (1) Submitting a PER, (2) Obtaining PER Approval, a construction permit, and bidding the project pursuant to the CWSRF Loan Program established timeframes, and (3) Initiating the steps required by State statute and the CWSRF Loan Program to proceed with a financial closing with the CWSRF Loan Program. This involves completing the steps required to issue valid bonds, retaining a nationally recognized bond counsel to issue its unqualified, approving opinion on the validity of the bonds at closing and demonstrating the ability to repay the CWSRF Loan Program loan.

Scoring and Ranking System means the priority ranking system; a system by which the CWSRF Loan Program staff evaluates and ranks projects for listing on the CWSRF Loan Program PPL.

State means the state of Indiana.

State Fiscal Year (SFY) means the period of time beginning July 1st and ending June 30th.

State Match means the State's commitment to provide matching funds equal to 20 percent of each federal capitalization grant for the CWSRF.

State Match Revenue Bonds means one or more series of revenue bonds issued by the Indiana Finance Authority as needed to fund its State Match.

State Revolving Fund (SRF) Loan Programs or SRF Loan Programs means both the CWSRF and DWSRF Loan Programs.

Treatment Works means any devices and systems used in the storage, treatment, recycling, and reclamation of municipal sewage or industrial wastes of a liquid nature to implement section 201 of the CWA or necessary to recycle or reuse water at the most economical cost over the estimated life of the works, including intercepting sewers, outfall sewers, sewage collection systems, pumping power, and other equipment, and their appurtenances; extensions, improvements, remodeling additions and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units, and clear well facilities; and acquisition of the land that will be integral part of the treatment process (including land use for the storage of treated wastewater in land treatment systems prior to land application) or will be used for ultimate disposal of residues resulting from such treatment and acquisition of other land, and interests in land, that are necessary for construction.

INDIANA WASTEWATER STATE REVOLVING FUND (WWSRF) LOAN PROGRAM
2016 Project Priority List, October 1, 2015, 2nd Quarter
Projects Applying for Financial Assistance (20 year loan) in State Fiscal Year 2016 (July 1, 2015 - June 30, 2016)
List A: Small Systems: Population less than 10,000

Preliminary Engineering Reports

PPL Rank [1]	PPL Score	Participant	MHI [2]	Population	NPDES #	SRF Project No.	Project Description	Needs Category [3]	Sustainability Policy Category [4]	Estimated Green Project Reserve Cost	Green Project Reserve Category [5]	Estimated Post-Project User Rate [2]	Estimated Total Project Cost	Cumulative Total	
1	51	Monticello	$ 35,537	5,723	IN0020176	WW140491 01	CSO LTCP project. WWTP and collection system upgrades.	V	1, 2	TBD	TBD	$57	$11,602,000	$11,602,000	2016 Fundable Range: $100 Million
2	42	Oxford	$ 39,375	1,162	IN0021342	WW131904 02	Overflow from CSO points. Addition of wetland treatment for overflow.	I, V	1, 2, 3	$0	NA	$61	$3,000,000	$14,602,000	
3	42	Kempton	$ 40,625	380	IN0021474	WW142280 01	Failing septic or no septic system. Connection to municipal utility.	I, IV-A	1,2	$0	NA	$125	$3,315,472	$17,917,472	
4	40	Cayuga	$ 31,053	1,162	IN0060461	WW140983 02	WWTP is at 90% capacity. WWTP Expansion.	I, II	1,2	TBD	TBD	TBD	$2,669,000	$20,586,472	
5	40	Farmland	$ 36,250	1333	IN0021512	WW141368 02	Excessive flows in the collection system. I/I and sewer rehabilitation.	IIIB	1,2,3	TBD	TBD	$52	$1,600,000	$22,186,472	
6	40	Cromwell	$ 35,313	512	IN0021814	WW151457 01	The system age requires upgrades to the WWTP and collection system.	I, III-A, III-B	1,2,3	TBD	TBD	$52	$1,903,700	$24,090,172	
7	39	Brooklyn	$ 42,880	1,598	IN0039772	WW140655 02	Excessive I/I in the collection system. Sewer rehabilitation.	IIIA	1,2,3	TBD	TBD	$50	$1,500,000	$25,590,172	
8	39	Bluffton/ Wells County	$ 39,245	9,897	IN0022411	WW151390 03	Failing Septic tanks. Projects involves connection to the Bluffton WWTP.	IV-A	1, 2	TBD	TBD	TBD	$1,773,000	$27,363,172	
9	39	Tipton	$ 39,592	8,304	IN0063215	WW160380 04	Community connection to Tipton requires a forcemeain to connect.	IV-B	2	TBD	TBD	$75	$3,380,000	$30,743,172	
10	38	Romney RSD	$ 50,938	377	TBD	WW102079 01	Failing septic systems. Install new WWTP and Sewers.	I, IV-A	2	TBD	TBD	$177	$3,832,605	$34,575,777	
11	38	Edgewood	$ 43,050	1988	IN0032476	WW140748 01	Excessive I/I in the collection system. Sewer rehabilitation.	IIIA, VI	1,2	$1,306,712	EE	$55	$1,650,000	$36,225,777	
12	38	Bluffton	$ 39,245	9,897	IN0022411	WW151290 02	I/I enters the collection system and SSOs in areas require sewer rehabilitation.	III-A,	1, 2, 3	TBD	TBD	TBD	$2,400,000	$38,625,777	
13	36	Schneider	$ 46,147	276	IN0040592	WW130945 01	Deterioration due to age of system. WWTP and Sewer improvements.	I, III-B	1, 2	TBD	TBD	$41	$791,800	$39,417,577	
14	35	Huntertown	$ 52,250	7,879	TBD	WW142402 01	Inadequate capacity with existing connection. New WWTP and effluent line.	I, II, IV-A	1	TBD	TBD	$61	$14,200,000	$53,617,577	
15	35	Odon	$ 34,667	1,376	IN0020214	WW141914 01	WWTP and lift station are at capacity. WWTP and lift station expansion.	I, IIIB	1,2,3	TBD	TBD	$53	$3,271,400	$56,888,977	
16	34	Chandler	$ 36,047	2,887	IN0020435	WW141187 03	Failing septic systems. Install new sewers for connection to existing system.	IV-A	1, 2	TBD	TBD	TBD	$1,370,000	$58,258,977	

INDIANA WASTEWATER STATE REVOLVING FUND (WWSRF) LOAN PROGRAM
2016 Project Priority List, October 1, 2015, 2nd Quarter
Projects Applying for Financial Assistance (20 year loan) in State Fiscal Year 2016 (July 1, 2015 - June 30, 2016)
List A: Small Systems: Population less than 10,000

PPL Rank [1]	PPL Score	Participant	MHI [2]	Population	NPDES #	SRF Project No.	Project Description	Needs Category [3]	Sustainability Policy Category [4]	Estimated Green Project Reserve Cost	Green Project Reserve Category [5]	Estimated Post-Project User Rate [2]	Estimated Total Project Cost	Cumulative Total	
17	34	Western Wayne RSD	$ 34,885	3,677	IN0054402	WW141789 01	Performance issues with undersized and aged WWTP. WWTP upgrades and rehabilitation.	I, II	1, 2, 3	$2,344,000	EE, EI	TBD	$12,875,000	$71,133,977	2016 Fundable Range: $100 Million
18	32	North Vernon	$ 34,764	6,728	IN0020451	WW140140 01	Excessive flow in some areas of town. CSO LTCP correction. CSO Basin and sewer rehabilitation.	IIIA, V	1,2,3	$0	NA	$34	$6,208,727	$77,342,704	
19	32	Palmyra	$ 36,964	930	IN0039403	WW150931 01	Excessive flow entering the system and SSO occurrences. Sewer rehabilitation.	IIIB	1,2,3	$1,215,500	EE	TBD	$1,215,500	$78,558,204	
20	28	Wadesville-Blairsville	$ 51,705	1,250	TBD	WW101665 01	Failing septic systems. Install new WWTP and sewers.	IV-A	2	$0	NA	TBD	$10,549,598	$89,107,802	
21	28	Cannelton	$ 28,737	1,563	IN0021016	WW140562 01	CSO LTCP Requirements. WWTP and collection improvements.	V	1,2	$0	NA	$50	$3,508,500	$92,616,302	
22	27	Northwest Shelby County RSD	$ 49,965	2,015	IN0032867	WW150573 01	Failing septic systems. Install new sewers and connect to a municipal system.	IV-A	2,3	TBD	TBD	TBD	$8,621,000	$101,237,302	
23	27	Rosedale	$ 34,519	725	IN0023305	WW151061 01	Age and ability to treat I/I are causing WWTP violations. Improvements are WWTP upgrades and a new EQ basin.	I	1,2,3	TBD	TBD	$86	$1,766,000	$103,003,302	
24	26	Advance	$ 45,000	562	IN0039705	WW141206 01	Excessive wet weather flow and age of WWTP. EQ Tank and WWTP upgrades.	I	1, 2	$0	NA	$72	$769,000	$103,772,302	
25	24	North Webster	$ 35,608	1,146	IN0040444	WW142643 01	Aging system and WWTP needs improvements. WWTP and sewer rehabilitation are proposed.	I, IIIB	1,2,3	TBD	TBD	TBD	$3,243,500	$107,015,802	
26	22	Linden	$ 36,750	700	IN0040274	WW110854 01	Capacity and operational problems. WWTP upgrade and improvements.	I	1,2,3	$74,500	EE	$42	$1,104,050	$108,119,852	

TOTAL PRELIMINARY ENGINEERING REPORTS SUBMITTED $4,940,712 $108,119,852

INDIANA WASTEWATER STATE REVOLVING FUND (WWSRF) LOAN PROGRAM
2016 Project Priority List, October 1, 2015, 2nd Quarter
Projects Applying for Financial Assistance (20 year loan) in State Fiscal Year 2016 (July 1, 2015 - June 30, 2016)
List A: Small Systems: Population less than 10,000

Applications Only: Not Scored and Unranked

PPL Rank [1]	PPL Score	Participant	MHI [2]	Population	NPDES #	SRF Project No.	Project Description	Needs Category [3]	Sustainability Policy Category [4]	Estimated Green Project Reserve Cost	Green Project Reserve Category [5]	Estimated Post-Project User Rate [2]	Estimated Total Project Cost	Cumulative Total
Application Only	--	Elberfeld	$ 55,000	25	IN0020788	WW131687 04	WWTP at capacity. Sewer experiences I/I. Upgrades to WWTP and Sewer rehabilitation is proposed.	I, III-A	1, 2	TBD	TBD	$62	$3,040,000	$3,040,000
Application Only	--	Jennings Northwest Regional Utiilities	$ 44,128	4,315	IN0056049	WW160140 05	WWTP is not meeting permit limits. WWTP modifications to meet limits.	1	1,2,3	TBD	TBD	$75	$5,820,000	$8,860,000
Application Only	--	Osceola	$ 43,657	1,859	TBD	WW131271 01	Failing Septic tanks. Projects involves new WWTP and collection system.	I, IV-A	1, 2	TBD	TBD	$65	$15,546,000	$24,406,000
Application Only	--	Scottsburg	$ 30,687	6,747	IN0020397	WW131772 01	Excessive I/I in the system. Project will identify and provide corrections in the system.	III-B	1	TBD	NA	$53	$1,000,000	$25,406,000
Application Only	--	Syracuse	$ 40,000	2,854	IN0021172	WW143243 01	Aging WWTP and poor operation. WWTP rehabilitation and upgrade.	I	1, 2	TBD	TBD	$24	$2,760,000	$28,166,000

TOTAL APPLICATIONS ONLY SUBMITTED $28,166,000

TOTAL PRELIMINARY ENGINEERING REPORTS and APPLICATIONS SUBMITTED $4,940,712 $136,285,852

Footnotes:

[1] A community must submit a complete Preliminary Engineering Report to the WWSRF Loan Program in order for the project to be scored and ranked on the PPL.

[2] Additional subsidization may be provided to participants who have a low MHI and/or high post-project user rates as outlined in the Intended Use Plan. The amount of the additional subsidization shall be determined and set forth in the financial assistance agreement.

[3] Needs Categories

I. Secondary Wastewater Treatment
II. Advanced Wastewater Treatment
III-A. Infiltration/Inflow Correction
III-B. Sewer Replacement/Rehabilitation
IV-A. New Collector Sewers and Appurtenances
IV-B. New Interceptors Sewer and Appurtenances
V. Combined Sewer Overflow (CSO) Correction
VI. Stormwater Management Programs
VI-A. Stormwater Conveyance Infrastructure
VI-B. Stormwater Treatment Systems
VI-C. Green Infrastructure
VI-D. General Stormwater Management
VII. Nonpoint Source (NPS) Control
VII-A. NPS Control: Agriculture (Cropland)
VII-B. NPS Control: Agriculture (Animals)
VII-C. NPS Control: Silviculture
VII-E. NPS Control: Ground Water Protection
VII-F. NPS Control: Marinas
VII-G. NPS Control: Resource Extraction
VII-H. NPS Control: Brownfields
VII-I. NPS Control: Storage Tanks
VII-J. NPS Control: Sanitary Landfills
VII-K. NPS Control: Hydromodification
VII-M. NPS Control: Other Estuary Management Activities
X. Recycled Water Distribution
XII. Decentralized Wastewater Treatment Systems

[4] EPA's Clean Water and Drinking Water Infrastructure Sustainability Policy, Category 1: projects that are based on a "fix it first" approach that focuses on system upgrade and replacement in

[5] EE = Energy Efficiency, EI = Environmentally Innovative, GI = Green Infrastructure, WE = Water Efficiency.

INDIANA WASTEWATER STATE REVOLVING FUND (WWSRF) LOAN PROGRAM
2016 Project Priority List, July 1, 2016, 1st Quarter FINAL
Projects Applying for Financial Assistance (20 year loan) in State Fiscal Year 2016 (July 1, 2015 - June 30, 2016)
List B: Large Systems: Population greater than 10,000

Preliminary Engineering Reports

PPL Rank [1]	PPL Score	Participant	County	MHI [2]	Population	NPDES #	SRF Project No.	Project Description	Needs Category [3]	Sustainability Policy Category [4]	Estimated Green Project Reserve Cost	Green Project Reserve Category [5]	Estimated Post-Project User Rate [2]	Estimated Total Project Cost	Cumulative Total
1	51	Allen County	Allen	$50,030	355,329	IN0048119	WW142802 07	Failing septic systems. New sewers.	IV-A	2	$0	NA	TBD	$7,535,000	$7,535,000
2	47	Allen County	Allen	$50,030	355,329	IN0048119	WW142802 06	Failing septic systems. New sewers.	IV-A	2	$0	NA	TBD	$6,952,000	$14,487,000
3	42	Allen County	Allen	$50,030	355,329	IN0048119	WW142702 05	Failing septic systems. New sewers.	IV-A	2	$0	NA	TBD	$1,765,000	$16,252,000
4	38	Chesterton	Porter	$64,183	13,068	IN0022578	WW150164 04	Failing semi-public treatment plant. Connection to municipal WWTP including transportation.	IV-A, IV-B	2	$0	NA	$35	$2,650,000	$18,902,000
5	35	Delaware County RWD (Cowan)	Delaware	$34,659	51,339	IN002563	WW110718 05	Failing septic systems. New WWTP and Sewers.	I, II, IV-A	2	TBD	TBD	$184	$6,240,000	$25,142,000
6	32	Jeffersonville	Clark	$37,234	44,953	IN0023302	WW121213 07	CSO LTCP Improvements. Construct new interceptor sewer.	IV-B, V	TBD	$1,305,000	EE	$54	$34,000,000	$59,142,000
7	31	Madison	Jefferson	$40,796	11,967	IN0025666	WW060287 05	Sewer rehabilitation and sewer replacement due to age and condition of existing	III-A, III-B	1,2,3	TBD	GI	$37	$3,007,753	$62,149,753
TOTAL PRELIMINARY ENGINEERING REPORTS SUBMITTED											$1,305,000			$62,149,753	

2016 Fundable Range: $50 Million

Applications Only: Not Scored and Unranked

PPL Rank [1]	PPL Score	Participant	County	MHI [2]	Population	NPDES #	SRF Project No.	Project Description	Needs Category [3]	Sustainability Policy Category [4]	Estimated Green Project Reserve Cost	Green Project Reserve Category [5]	Estimated Post-Project User Rate [2]	Estimated Total Project Cost	Cumulative Total
Application Only	--	Allen County	Allen	$47,901	355,329	IN0048119	WW142902 07	Failing septic systems. New sewers.	IV-A	2	TBD	TBD	TBD	$7,305,000	$7,305,000
Application Only	--	Evansville	Vanderburgh	$33,039	117,429	IN0032956	WW142182 16	CSO LTCP Compliance at the WWTP and collection system.	V	1, 2, 3	TBD	GI, EE, EI	$46	$57,300,000	$64,605,000
Application Only	---	Hammond SD	Lake	$52,250	150,050	IN0023060	WW150811 10	WWTP is deteriorating, I/I in the system, CSO LTCP included. WWTP upgrades and sewer work.	I,II, III-B, IV-B, V	TBD	TBD	TBD	$19	$67,447,000	$132,052,000
Application Only	---	Logansport	Cass	$33,483	18,396	IN0023604	WW150709 05	LTCP requirement. Interceptor replacement	IV-B	2	TBD	TBD	$14	$5,000,000	$137,052,000
Application Only	---	Newburgh	Warrick	$56,873	37,749	IN0023060	WW150687 06	I/I in the system. This project will replace sewers and lift stations.	III-A	TBD	TBD	TBD	$41	$3,961,850	$141,013,850
TOTAL APPLICATIONS ONLY SUBMITTED														$141,013,850	

TOTAL PRELIMINARY ENGINEERING REPORTS and APPLICATIONS SUBMITTED $1,305,000 $203,163,603

Footnotes:

[1] A community must submit a complete Preliminary Engineering Report to the WWSRF Loan Program in order for the project to be scored and ranked on the PPL.

[2] Additional subsidization may be provided to participants who have a low MHI and/or high post-project user rates as outlined in the Intended Use Plan. The amount of the additional subsidization shall be determined and set forth in the financial assistance agreement.

[3] Needs Categories

I. Secondary Wastewater Treatment
II. Advanced Wastewater Treatment
III-A. Infiltration/Inflow Correction
III-B. Sewer Replacement/Rehabilitation
IV-A. New Collector Sewers and Appurtenances
IV-B. New Interceptors Sewer and Appurtenances
V. Combined Sewer Overflow (CSO) Correction
VI. Stormwater Management Programs
VI-A. Stormwater Conveyance Infrastructure
VI-B. Stormwater Treatment Systems
VI-C. Green Infrastructure
VI-D. General Stormwater Management
VII. Nonpoint Source (NPS) Control
VII-A. NPS Control: Agriculture (Cropland)
VII-B. NPS Control: Agriculture (Animals)
VII-C. NPS Control: Silviculture
VII-E. NPS Control: Ground Water Protection
VII-F. NPS Control: Marinas
VII-G. NPS Control: Resource Extraction
VII-H. NPS Control: Brownfields
VII-I. NPS Control: Storage Tanks
VII-J. NPS Control: Sanitary Landfills
VII-K. NPS Control: Hydromodification
VII-M. NPS Control: Other Estuary Management Activities
X. Recycled Water Distribution
XII. Decentralized Wastewater Treatment Systems

[4] EPA's Clean Water and Drinking Water Infrastructure Sustainability Policy. Category 1: projects that are based on a "fix it first" approach that focuses on system upgrade and replacement in existing communities. Category 2: investigations, studies, or plans that improve the technical, managerial, and financial capacity of the assistance recipient to operate, maintain, and replace financed infrastructure. Category 3: preliminary planning, alternatives assessment, and eligible capital projects that reflect the full life cycle costs of infrastructure assets, conserve natural resources, or use alternative approaches to integrate natural or "green" systems into the built environment.

[5] EE = Energy Efficiency, EI = Environmentally Innovative, GI = Green Infrastructure, WE = Water Efficiency.

Indiana WW SRF Loan Program
Exhibit C - 10% Green Reserve

CWSRF Loan Program FFY 2016 Capitialization Grant **$32,200,000**
10% Green Project Reserve Requirement: **$3,220,000**

Community	Project Description	Total Project Cost	Green Project Description	Business Case (BC) or Categorical Exemption (CE)	Category 1: Green Infrastructure	Category 2: Water Efficiency	Category 3: Energy Efficiency	Category 4: Environmentally Innovative	Total Eligible GPR Cost (sum of Categories 1-4)
Brownsburg	Capacity at 90%. Increase WWTP capacity and add advanced treatment.	$24,691,000	WWTP Improvements	BC		TBD			TBD
Cromwell	The system age requires upgrades to the WWTP and collection system.	$1,903,700	I/I Correction	BC			TBD		TBD
Delaware County RWD (Cowan)	Failing septic systems. New WWTP and Sewers.	$6,240,000	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Edgewood	Sewer Rehab and lift station rehab	$1,455,000	CIPP	BC			$831,088		$831,088
Elberfeld	WWTP at capacity. Sewer experiences I/I. Upgrades to WWTP and Sewer rehabilitation is proposed.	$3,040,000	I/I correction, WWTP improvements	BC		TBD	TBD		TBD
Evansville	CSO LTCP Compliance at the WWTP and collection system.	$57,300,000	WWTP Improvements, green stormwater inf.	BC	TBD		TBD	TBD	TBD
Fall Creek Regional Waste District	Sewer rehabilitation due to infiltration and inflow. A new bar screen at the reformatory.	$17,400,000	I/I correction	BC			TBD		TBD
Farmland	Excessive flows in the collection system. I/I and sewer rehabilitation.	$1,600,000	I/I correction	BC			TBD		TBD
Farmland	Excessive flows in the collection system. I/I and sewer rehabilitation.	$1,600,000	I/I correction	BC			TBD		TBD
Fort Wayne	Age of the WWTP and collection system and the CSO LTCP require upgrads throuout the system.	$252,440,000	WWTP Improvements	BC	TBD	TBD	TBD	TBD	TBD
Georgetown	WWTP is at 80% capacity and requires expansion.	$3,400,000	WWTP Improvements	TBD	TBD	TBD	TBD	TBD	TBD

Community	Project Description	Total Project Cost	Green Project Description	Business Case (BC) or Categorical Exemption (CE)	Category 1: Green Infrastructure	Category 2: Water Efficiency	Category 3: Energy Efficiency	Category 4: Environmentally Innovative	Total Eligible GPR Cost (sum of Categories 1-4)
Hammond SD	WWTP is deteriorating, I/I in the system, CSO LTCP included. WWTP upgrades and sewer work.	$67,447,000	I/I correction, WWTP improvements	BC	TBD	TBD	TBD	TBD	TBD
Huntertown	Inadequate capacity with existing connection. New WWTP and effluent line.	$14,200,000	WWTP Improvements	BC			$2,500,000		$2,500,000
Jeffersonville	CSO LTCP Improvements. Construct new interceptor sewer.	$34,000,000	VFDS	TBD			$1,305,000		$1,305,000
Linden	Capacity and operational problems. WWTP upgrade and improvements.	$1,104,050	VFDs, fine bubble diffusers,	TBD			$76,144		$76,144
Logansport	LTCP requirements. Interceptor replacement.	$5,000,000	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Madison	Sewer rehabilitation and sewer replacement due to age and condition of existing sewers.	$2,692,039	Disconnection downspouts	CE	$70,262				$70,262
Monticello	CSO LTCP project. WWTP and collection system upgrades.	$14,717,350	WWTP Improvements	BC			$40,150	$2,405,450	$2,445,600
Newburgh	I/I in the system. This project will replace sewers and lift stations.	$3,961,850	I/I correction				TBD		TBD
North Webster	WWTP improvements and collection system improvements	$3,445,000	WWTP Improvements & new pumps at lift stations	BC			$248,759		$248,759
Odon	WWTP and lift station are at capacity. WWTP and lift station expansion.	$3,271,400	WWTP Improvements				$649,241		$649,241
Osceola	Failing Septic tanks. Projects involves new WWTP and collection system.	$15,546,000	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Palmyra	Excessive flow entering the system and SSO occurrences. Sewer rehabilitation.	$1,215,500	I/I Improvements				$1,215,500		$1,215,500

Community	Project Description	Total Project Cost	Green Project Description	Business Case (BC) or Categorical Exemption (CE)	Category 1: Green Infrastructure	Category 2: Water Efficiency	Category 3: Energy Efficiency	Category 4: Environmentally Innovative	Total Eligible GPR Cost (sum of Categories 1-4)
Syracuse	Aging WWTP and poor operation. WWTP rehabilitation and upgrade.	$2,760,000	WWTP Improvements	TBD	TBD	TBD	TBD	TBD	TBD
Western Wayne RSD	Performance issues with undersized and aged WWTP. WWTP upgrades and rehabilitation.	$12,875,000	WWTP Improvements				TBD	TBD	$2,344,400
TOTAL:		**$553,304,889**							

Total Large and Small System anticipated to close with GPR:	**$11,685,994**
% of Capialization Grant:	**36.3%**

EXHIBIT D

INDIANA FINANCE AUTHORITY

WASTEWATER STATE REVOLVING FUND LOAN PROGRAM

PROJECT SCORING AND RANKING WORKSHEET

Project Name: _____

SRF Project Number: _____

NPDES#: _____

SRF Worksheet Reviewer: _____

Date: _____

PER Submittal Date: _____

Attachments:

A. Project Categories
B. SRF Sustainable Design Incentive Checklist

Attachment A
Project Categories

Category Definitions

The portion of the cost of a wastewater treatment construction project (including an appropriate portion of administrative, legal and architect and engineering, contingency, and the like) that is…..

SECONDARY TREATMENT: Required to provide "best practicable wastewater treatment technology". Identified alternative conveyance systems for small communities are to be included in this category. Also included are individual on-site systems and sludge management.

ADVANCED TREATMENT: Required to achieve treatment levels more stringent than secondary. This requirement generally exists where water quality standards require removal of such pollutants as phosphorus, ammonia, nitrates, organic or other substances. Also included are polishing lagoons which temporarily retain effluents from secondary treatment facilities.

INFILTRATION/INFLOW CORRECTIONS: Required for the correction of sewer system infiltration and inflow (I/I) problems. All costs that are necessary for removing excessive I/I from the sewer system such as replacement or relining sewer selections, flow routing systems, downspout disconnections, elimination of sanitary/storm sewer cross connections etc. and including the treatment plant component costs specifically required to treat I/I flows which cannot be reduced in a cost-effective manner.

MAJOR SEWER SYSTEM REHABILITATION: Required for replacement and/or major rehabilitation of existing sewer system throughout the municipality. Costs are applicable if the corrective actions are necessary for the total integrity of the system. Major rehabilitation is considered to be extensive repair of existing sewers (collector and interceptor) beyond the scope of normal maintenance programs, when sewers are collapsing or structural unsound.

NEW COLLECTORS and APPURTENANCES: Required for construction of new collector sewer systems and appurtenances, designed to correct violations caused by raw discharges, seepage to water from septic tanks, and similar problems, and/or to comply with federal , state or local enforcement actions.

NEW INTERCEPTOR SEWERS: Required for construction of new interceptor sewers and transmission pumping stations necessary for the bulk transport of wastewaters. Costs for force mains and pumping stations should be included in this category.

COMBINED SEWER OVERFLOW CORRECTION: Required for construction of facilities to prevent and control periodic bypassing of untreated wastes from combined sewers in order to achieve water quality objectives. This category does not include treatment and/or control of storm waters.

NONPOINT SOURCE:
Nonpoint sources of water pollution are not regulated as a point source. NPS pollution sources are diffuse. They do not have a single point of origin and/or are not introduced into a receiving stream from a specific outlet. NPS pollutants may be a result of runoff, precipitation, atmospheric deposition, drainage, seepage, or hydrological modification. NPS pollution includes runoff from agriculture, silviculture, urban development, mining, hydromodification, construction, dams and channels, inappropriate land disposal of waste, marinas and saltwater intrusion.

A. NPS Control: Agriculture (Cropland)

This category includes all costs that address NPS pollution control needs associated with agricultural activities such as plowing, pesticide spraying, irrigation, fertilizing, planting and harvesting. Some typical best management practices (BMPs) used to address agriculture (cropland) needs are conservation tillage, nutrient management, irrigation water management, and structural (e.g., terraces, waterways) BMPs.

B. NPS Control: Agriculture (Animals)

This category includes all costs that address NPS pollution control needs associated with agricultural activities related to animal production such as confined animal facilities and grazing. Some typical BMPs used to address agriculture (animal) needs are animal waste storage facilities, animal waste nutrient management, composing facilities, and planned grazing. If the facility has a NPDES permit, these needs are classified as Category VIII, Confined Animal Point Source.

C. NPS Control: Silviculture

This category includes all costs that address NPS pollution control needs associated with forestry activities, such as removal of streamside vegetation, road construction and use, timber harvesting, and mechanical preparation for the planting of trees. Some typical BMPs used to address silviculture needs are pre harvest planning, streamside buffers, road management, revegetation of disturbed areas and structural practices, and equipment (e.g., sediment control structures, timber harvesting equipment).

D. NPS Control: Urban

This category includes all costs that address NPS pollution control needs associated with new or existing development in urban or rural settings, such as erosion, sedimentation and discharge of pollutants (e.g., inadequately treated wastewater, oil, grease, road salts and toxic chemicals) into water resources from construction sites, roads, bridges, parking lots and buildings. Some typical BMPs used to address urban needs are wet ponds, construction site erosion and sediment controls, sand filters and detention basin retrofit. Needs related to Federal or state highways generally reported under this category, because state and Federal highways are state owned. Needs associated with the portions of a road that go through an Municipal Separate Storm Sewer Systems (MS4) reported in Category VI, Storm Water Management Program. Costs associated with managing urban runoff in areas not covered by applicable Phase I or Phase II storm water NPDES permits should be reported in this category.

E. NPS Control: Ground Water Protection (Unknown Source)

This category includes all costs that address ground water protection NPS pollution control needs such as wellhead and recharge area protection activities. Any need that can be attributed to a specific cause of ground water pollution, such as leaking storage tanks, soil contamination in a brownfield, or leachate from a sanitary landfill, is reported in that more specific category.

F. NPS Control: Marinas

This category includes all costs that address NPS pollution control needs associated with boating and marinas, such as poorly flushed waterways, boat maintenance activities, discharge of sewage from boats, and the physical alteration of shoreline, wetlands, and aquatic habitat during the construction and operation of marinas. Some typical BMPs are used to address needs at marinas are bulk heading, pump out systems, and oil containment booms.

G. NPS Control: Resource Extraction

This category includes all costs that address NPS pollution control needs associated with mining and quarrying activities. Some typical BMPs that used to address resource extraction needs are detention berms, adit (mine entrance) closures, and seeding or revegetation. Any costs associated with facilities or measures that address point source discharges from mining and quarrying activities that have an identified owner should be included in Category IX, Mining Point Source.

H. NPS Control: Brownfields

This category includes all costs that address NPS pollution control needs associated with land that was developed for industrial purposes and then abandoned, which might have residual contamination. All costs for work at brownfields should be included in Category VII-H regardless of the activity. Some typical BMPs used to address needs at brownfields are ground water monitoring wells, in situ treatment of contaminated soils and ground water, and capping to prevent storm water infiltration.

I. NPS Control: Storage Tanks

This category includes all costs that address NPS pollution control needs associated with tanks designed to hold gasoline or other petroleum products or chemicals. The tanks may be located above or below ground level. Some typical BMPs used to address storage tank needs are spill containment systems; in situ treatment of contaminated soils and ground water; and upgrade, rehabilitation or removal of petroleum/chemical storage tanks. If these facilities or measures are part of addressing NPS needs at abandoned, idle, or under used industrial sites (brownfields), the costs go in Category VII-H, Brownfields.

J. NPS Control: Sanitary Landfills

This category includes all costs that address NPS pollution control needs associated with sanitary landfills. Some typical BMPs used to address needs at landfills are leachate collection, on-site treatment, gas collection and control, capping and closure.

K. NPS Control: Hydromodification

This category includes costs that address NPS pollution control needs associated with BMPs for any alteration of the hydrological characteristics of coastal and non-coastal waters, which in turn could cause degradation of water resources. Examples of such activities include channelization and channel modification, dams, and stream bank and shoreline erosion. In the case of a stream channel, hydromodification is the process whereby a stream bank is eroded by flowing water, typically resulting in the suspension of sediments in the watercourse. Some typical BMPs used to address hydromodification needs are conservation easements, swales, filter strips, shore erosion control, wetland development or restoration, and bank or channel (grade) stabilization. Any work involving wetland or riparian area protection or restoration is included under this category.

L. NPS Control: Individual / Decentralized Sewage Treatment

This category includes costs associated with the rehabilitation or replacement of individual or community sewage disposal systems and the treatment portion of other decentralized sewage disposal technologies. Costs related to the development and implementation of on-site management districts are included (but not the costs of ongoing operations of such districts). If a publicly owned centralized collection and treatment system is constructed or if sewers are installed to connect the service area to an existing collection system, the costs are separately reported in Categories I and IV-A, respectively. Public ownership is not required for decentralized systems. Costs could include the limited collection systems associated with the decentralized system.

M. Confined Animal Point Source

This category includes costs that address a combination of unit processes or BMPs designed to address water quality or public health problems caused by point source pollution from animal production activities that are subject to the concentrated animal feeding operations (CAFO) regulations.

N. Mining Point Source

This category includes costs that address a combination of unit processes or BMPs designed to address water quality and/or public health problems caused by point source pollution from mining and quarrying activities.

O. Recycled Water Distribution

This category includes costs associated with conveyance of the recycled water (wastewater reused after removal of waste contributed by humans) and any associated rehabilitation/replacement needs. Example are costs for pipes to convey treated water from the wastewater facility to the property of the drinking water facility (either the drinking water distribution system or the drinking water treatment facility) and the purchase of the equipment for effluent application if the land on which it is to be applied is publicly owned. The costs associated with additional process units to increase the level of treatment to the level of potable, or less than potable but greater than that normally associated with surface discharge needs, are reported in Category II.

Attachment B

STATE REVOLVING FUND LOAN PROGRAM

SRF Sustainable Design Incentive Checklist

WASTEWATER CHECKLIST

(50 Possible Total Points)

A. Energy Reduction/Alternative Source Items (13 Subtotal Points)

- ☐ 1. The design reduces the future carbon footprint (**5 points**)
- ☐ 2. Site planning for any new storage, pumping station or treatment plant provides that items such as heat sink shading, building orientation and green roofs are included in the design (**3 points**)
- ☐ 3. The design includes an energy reduction plan (from the Energy Audit) with at least a 20% reduction goal (**3 points**)
- ☐ 4. Project utilizes a SCADA system, which performs data collection and control at the supervisory level that is placed on top of a real-time control system (multiple Programmable Logic Controls (PLC's)) to reduce energy consumption and enhance process control (**1 point**)
- ☐ 5. Clean fuel construction vehicles are used for 50% of the construction work (**1 point**)

B. Wetland, Water Reuse and Reduction Items (15 Subtotal Points)

- ☐ 1. Project creates, restores or expands a wetland (**1-3 points**)
- ☐ 2. Storm water capture/rain harvesting utilization for water reuse on site to be implemented (**2 points** for a treatment plant and/or **3 points** for within collection system)
- ☐ 3. The project includes long-term clear water reduction components (**4 points**)
- ☐ 4. The treatment facility incorporates water conservation and side stream reduction (**3 points**)

C. Site and Material Reuse Items (17 Subtotal Points)

- ☐ 1. Previously disturbed areas are given a high priority for any new storage, pumping station or treatment plant site selection (**2 points**); use of a brownfield site (adds **2 points**)
- ☐ 2. The design takes into account the deconstruction of the new, above-ground facilities (**2 points**)
- ☐ 3. Offsite beneficial reuse of either the treated wastewater or biosolids (**2 points**); new treatment process that significantly reduces residuals disposal (**2 additional points**)
- ☐ 4. The project beneficially utilizes recycled materials in the construction (**2 points**)
- ☐ 5. The specifications include an incentive clause for construction waste reduction, cut/fill earth work balance (**2 points**)
- ☐ 6. Low-impact construction technology is utilized to minimize impacts to the existing surface (**3 points**)

D. Detailed life cycle costs (material, equipment, energy usage etc.) are fully utilized in the alternative selection process (5 points)

- ☐ Project selection is based on detailed life cycle cost analysis
- ☐ A life cycle cost analysis calculates the cost of a project over its entire life span and includes up-front capital costs (planning, design and construction), annual operation and maintenance costs, replacement costs, and salvage value as well as annual project revenues.

---

50 Total Possible Points **Awarded Points** _____

INDIANA FINANCE AUTHORITY WASTEWATER STATE REVOLVING FUND LOAN PROGRAM
PROJECT SCORING AND RANKING WORKSHEET

Project Name:	
SRF Project Number:	NPDES #:
Reviewer:	Date:

Check only one:

List A: Small Community applicant population < 10,000.	
List B: Large community application population is ≥ 10,000.	

	Initial Score	Maximum Allowed Score
Section 1: Project Need		50 points
Section 2: Water Quality Benefits		40 points
Section 3: Brownfield Re-Use		5 points
Section 4: Financial Capability		5 points
Total Score:		**100**

Bonus Points

Sustainable Infrastructure	4 points
Climate Resiliency	1 point
Clean Water Needs Survey Submittal	1 point

Instructions:

Projects are scored using the following criteria to develop the Wastewater State Revolving Fund (WWSRF) Loan Program Project Priority List (PPL). To the extent practical, the WWSRF Loan Program expects to give priority to projects that:

1. Provide a Water Quality Benefit;
2. Improve the condition of the system; and
3. Assist systems most in financial need.

Points are assigned only when the proposed project intends to correct the problem identified under the appropriate section(s) with the associated points. For example, if the treatment system has persistent violations but the proposed project does not address the violations, the points associated with the violations will not be assigned. However, if the applicant has persistent violations and addresses them, the points associated with the violations will be assigned.

The total number of available points is 100. The score is determined by adding the total points associated with the project up to 6 Bonus Points are available for projects which include sustainable infrastructure, climate resiliency and completing the CWNS. **If a tie persists, then the project that serves the smallest population prevails.**

A loan recipient must submit a complete Preliminary Engineering Report (PER) by July 1 to WWSRF in order to be Scored and Ranked on the PPL. A PER submitted after July 1, will be scored and unranked. Projects which submit applications only (and no PER) will appear as unscored and unranked.

Section 1: Project Need

This section scores projects by the type of project proposed for funding. Points are given based on type of project, with additional points given to priority projects mentioned on page 1.

Categories of Need: Projects may fall into several categories. Definitions are provided in the Attachment #1 for each category of need.

Cost	Points	Earned	Max Available
Category I: Secondary Treatment	4		
Category II: Advanced Treatment	4		
Category IIIA: Infiltration/Inflow Correction	3		
Category IIIB: Major Sewer System Rehabilitation	3		
Category IVA: New Collection Sewers	4		
Category IVB: New Interceptors	2		
Category V: Combined Sewer Overflow Correction	5		
Category VI: Storm Water	2		
Category VII: Non-Point Source	3		
	Total Points		**30**

Additional Points will be provided if the following information is provided in the PER:

Wastewater Treatment Plant (WWTP): Age of facility - 50% or more was constructed more than 20 years ago.	Yes	1		
	No	0		
		Total Points		**1**
Septic Tank Factor (STF) = number of existing septic tanks to be eliminated by the project.	Project removes 1-25 homes	1		
	Project removes 26-75 homes	2		
	Project removes 76-125 homes	3		
	126 and over homes	4		
		Total Points		**4**
Combined Sewer Overflows (CSO) = The proposed project eliminates a percentage of EITHER annual average overflow volume OR number of events per year on a system wide basis.	Project removes 1-25%	1		
	Project removes 26-50%	2		
	Project removes 51-75%	3		
	Project removes 76-100%	5		
		Total Points		**5**
Sanitary Sewer Overflows (SSO) = The proposed project eliminates a percentage of EITHER annual average overflow volume OR number of events per year on a system wide basis.	Project removes 1-25%	1		
	Project removes 26-50%	2		
	Project removes 51-75%	3		
	Project removes 76-100%	4		
		Total Points		**4**

Regionalization Factor: Points assigned if the proposed project reduces the number of National Pollution Discharge Elimination System (NPDES) dischargers by regionalization.	Eliminates one NPDES discharger	1		
	Eliminates two NPDES dischargers	2		
	Eliminates three or more NPDES dischargers	4		
		Total Points		**4**

Infiltration/Inflow (I/I): The PER proposes to address an existing collection system that has excessive I/I.	Yes	2		
	No	0		
		Total Points		**2**

Total Points Earned _____ **MAX 50**

Section 2: Water Quality Benefits

This section assigns points to projects providing an environmental benefit to a receiving stream.

Max Available

Dilution Ratio Points (DRP): (7-day Q10 of receiving stream in cfs / (design flow in mgd) x (1.55 cfs/mgd)). This is the calculation of effluent limits outlined in a WWTP NPDES permit.			
0-.99	4		
1.00 – 4.99	3		
5.00 – 9.99	2		
10.0 or greater	1		
	Total Points		**4**

Outstanding Resource Factor: assign a value of 4 points if the project will improve water quality in an Outstanding State Resource (327 IAC 2-1.5-2 (3)), Exceptional Use Stream (327 IAC 2-1-11), Natural, Scenic and Recreational River or Stream (312 IAC 7-2), Outstanding Rivers List for Indiana (Indiana Register 20070530-IR 312070287NRA), or a salmonid stream (327 IAC 2-1.5-5(a)(3)).	**4**		
	Total Points		**4**

http://www.in.gov/legislative/register/20070530-IR-312070287NRA.xml.pdf

Drinking Water Factor: assign a value of 4 points, if the proposed project positively affects a drinking water supply.	4		
	Total Points		**4**

Implementation Factor: **a**ssign a value of 4 points if the proposed project implements an approved Total Maximum Daily Load (TMDL).	4		
	Total Points		**4**

Priority Segments Points: assign a value of 1 point, if project affects segments within drainage basins which have been designated by the State as priority basins. These basins are Lake Michigan - Great Lakes Initiative (GLI), St. Joseph River and Maumee River Basins.	1		
	Points Earned		**1**

Water Quality Score: Points assigned based on benefit or impact the project to maintain or achieve compliance on established water quality standards, or in anticipation of future requirements.			
a. The project is necessary to achieve or maintain compliance with effluent limitations based on water quality standards for conventional pollutants (i.e., CBOD5, TSS).	5		
b. The project is necessary to achieve or maintain compliance with effluent limitations based on water quality standards for toxic substances (i.e. heavy metals and man-made organic compounds).	5		
c. The project is necessary to achieve compliance with effluent limitations based on water quality standards for additional or more stringent limits than existing NPDES permit.	5		
	Total Points		**10**
Pollution Reduction Value: This is only for nonpoint source projects where points will be assigned based on an estimate of the E. *coli* pollutant which will be controlled or reduced by the project. A defined area is needed.			
75% reduction and greater	6		
50% - 74%	5		
25% - 49%	4		
Less than or equal to 24%	3		
	Total Points		**6**
Impaired Water Score: Points are given to projects that reduce or remove pollutants causing the impairment of a 303 (d) listed water body, impairment documented in the IDEM External Data Framework (Tier 2 data or higher), or an outstanding and exceptional resource water.	7		
	Total Points		**7**
	Total Points Earned		**Max 40**

Section 3: Brownfield Reuse

Brownfield Reuse: A value of 5 points will be awarded to a project involving remediation/redevelopment of a Brownfield (IC13-11-2-19.3) in conjunction with the Indiana Brownfields Program.			
SRF Project also has an Indiana Brownfields Program project in-house.	5		**5**
	Total Points Earned		**Max 5**

Section 4: Financial Capability

A. Financial Capability: Post-project annual wastewater bill as a percentage of Median Household Income.			
1. Greater than or equal to 2.0 %	5		
2. 1.5 – 1.9 %	3		
3. 1.0 – 1.4 %	1		
4. Less than or equal to 0.9 %	0		**5**
	Total Points Earned		**Max 5**

		MAX
Total Points on PER		**100**

BONUS POINTS

Sustainable Infrastructure

Sustainable Infrastructure: Project incorporates sustainable infrastructure as identified on the Green Project Reserve Sustainability Incentive Clean Water Checklist. One point is awarded for each category, four points maximum.

Checklist/Points

Category	Points	Earned	Max Available
Green Infrastructure	1 Point		
Water Efficiency	1 Point		
Energy Efficiency	1 Point		
Environmentally Innovative	1 Point		
Total Points Earned			**Max 4**

Climate Resiliency

Climate Resiliency: One (1) point will be awarded when a community proposes a climate resiliency project.

Climate Resiliency	1 Point		
Total Points Earned			**Max 1**

Clean Watershed Needs Survey

Clean Watershed Needs Survey: One (1) point will be awarded when a community completes the Clean Watershed Needs Survey.

Complete CWNS Survey	1 Point		
Total Points Earned			**Max 1**

Total Points on PER Including BONUS Points		**106**

CWSRF Loan Program FFY 2016 Capitialization Grant $32,200,000

Community	Project Description	Total Project Amount	Equivalency Amount	Non-Equivalency Amount	will submit DBE report	complied with federal cross-cutters	procured A/E services per 40 USC Chapter 11 and received	will comply with the Single Audit Act 2 CFR 200 Subpart F	complied with signage requirment	will report to FSRS to meet FFATA requirements
Monticello	WWTP	12,735,000	7,883,060	4,851,940	yes	yes	n/a	yes	yes - Press Release 9/21/2015	yes
Kempton	Collection System	2,205,000	1,688,561	516,439	yes	yes	n/a	yes	yes - Press Release 10/2/2015	yes
Allen County	Collection System	9,980,000	8,348,000	1,632,000	yes	yes	n/a	yes	yes - Press Release 10/22/2015	yes
Madison	Sewer Rehab	2,692,039	2,198,784	493,255	yes	yes	n/a	yes	yes - Press Release 10/28/2015	yes
Tipton	Force Main	3,651,073	3,268,291	382,782	yes	yes	n/a	yes	yes - Press Release 10/30/2015	yes
North Vernon	WWTP and collection system Improvements	6,500,000	5,776,304	723,696	yes	yes	n/a	yes	yes - Press Release 11/17/2015	yes
North Webster	WWTP Update, I/I correction	3,445,000	3,037,000	408,000	yes	yes	n/a	yes	yes - Press Release 12/8/2015	yes
Equivalency Project Cost Total:			**$32,200,000**							

* These are the proposed equivalency projects.
The actual equivalency projects will be outlined
in the 2016 Clean Water SRF Annual Report.

Exhibit F

INTENDED USES OF FUNDS
IN THE INDIANA FINANCE AUTHORITY'S SRF ACCOUNTS

This Exhibit identifies the intended uses of the funds held in various accounts of the CWSRF, and how those uses support the goals of the CWSRF. This Exhibit also demonstrates how the Authority meets the requirements of 40 CFR 35.3135(d) by using all of the funds in the CWSRF in an expeditious and timely manner.

Sources, Uses and Available Balances in SRF Accounts

The following accounts have been created and exist under the Authority's Wastewater Trust Indenture and comprise its CWSRF. Set forth on the attached Schedule F-1 (the "Use Schedule") is detail on what funds are held in the CWSRF and how they were expeditiously and timely used in SFY 2015 and will continue to be in perpetuity.

Wastewater Purchase Account.

Sources of Funds: Funds held in this account[1] come from proceeds of Program Bonds[2] issued by the Authority. The Authority expects to cause additional Program Bonds to be issued at times and in amounts sufficient to meet the funding requirements for loans presently closed as of the end of the SFY 2015 as well as loans anticipated to be closed in SFY 2016 and after.

Uses of Funds: These funds are used to make loans for qualified Proposed Projects as permitted by 40 CFR 35.3120(a). This use directly furthers the primary purpose of the CWSRF Program by financing qualified Proposed Projects and through their construction improves water quality in the State of Indiana.

Available Balance: As of July 1, 2015, the aggregate amount of closed and committed loans exceeded the balance in this account ("Excess Commitments"). As additional loans are closed in SFY 2016, such committed amounts will contribute to additional Excess Commitments. The aggregate amount held in this account as of July 1, 2015 is shown in the Use Schedule. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes except to finance closed and committed loans related to qualified Proposed Projects.

---

[1] Pursuant to SRF Indenture modification, the former State Match Loan Account was consolidated into this Account effective May 30, 2007.

[2] To date, the Authority (or its predecessor issuer) has issued multiple series of bonds including several refunding series (the "Program Bonds"), a portion of which are issued for the CWSRF. An allocated portion of the Program Bonds were deposited in the Purchase Account (with such bonds being referred to as the "Guarantee Revenue Bonds" in this Plan) to make loans from the CWSRF and a further allocated portion of the Program Bonds were deposited in the Purchase Account (or the former State Match Loan Account) as state match (with such bonds being referred to as the "State Match Revenue Bonds" in this Plan) to make loans or for other permitted purposes. The Guarantee Revenue Bonds are revenue bonds within the meaning of 40 CFR 35.3120(d), the net proceeds of which were deposited in the CWSRF. The State Match Revenue Bonds are revenue bonds within the meaning of 40 CFR 35.3135(b)(2), the net proceeds of which were deposited in the CWSRF; their proceeds (together with other match sources) have matched all capitalization grants awarded to date as well as a portion of the not-yet-available FFY 2016 (FFY refers to the Federal Fiscal Year ending September 30 of the year listed) grant by reason of over-match.

Wastewater Participant Loan Principal Account.

Sources of Funds: Funds held in this account come from principal payments on loans made from the Purchase Account and the former State Match Loan Account.

Uses of Funds: These funds are used to make payments on the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) and the Authority's Operating Agreement with EPA. This use indirectly furthers the primary purpose of the SRF by making loan proceeds available to finance qualified Proposed Projects and through their construction improves water quality in the State of Indiana.

Available Balance: Approximately annually, this account is fully depleted to make payments on Program Bonds. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes.

Wastewater Participant Loan Interest Account.

Sources of Funds: Funds held in this account come from interest payments on loans made from the Purchase Account and the former State Match Loan Account.

Uses of Funds: These funds are used to make payments on the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35.3120(d) and 40 CFR 35. 3135(b)(2), respectively. This use indirectly furthers the primary purpose of the SRF by making loan proceeds available to finance qualified Proposed Projects and through their construction improves water quality in the State of Indiana.

Available Balance: Approximately annually, this account is fully depleted to make payments on Program Bonds. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes.

WASTEWATER RESERVE[3] contains the following accounts:

Wastewater Reserve Earnings Account.

Sources of Funds: Funds held in this account come from interest payments on loans made from the Purchase Account and the State Match Loan Account together with other earnings on invested Reserve accounts.

Uses of Funds: These funds are *first* used to make payments on the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 3120(d) & (f) and 40 CFR 35.3135(b)(2), respectively, and *secondly* transferred to the Reserve Deficiency Account, as described below.

Available Balance: Approximately annually, this account is fully depleted to make payments on Program Bonds, with any excess available balances to be transferred to the

[3] Pursuant to SRF Indenture modification, effective May 30, 2007, the following Reserve accounts are pledged to particular series of Program Bonds by means of subaccounts therein. Such pledged accounts serve as the Reserve for only one Series of Program Bonds (a "Series Reserve") and are held at a fixed amount (a "Series Reserve Requirement") subject to annual reductions as principal on such Series of Program Bonds are repaid as required by the SRF indenture. While not labeled under this Reserve group of accounts, amounts held in Equity serve as security for the payment of Program Bonds, and thus, are part of the "reserve" for the purposes of this Plan and the federal Water Quality Act of 1987, as amended.

Reserve Deficiency Account. Accordingly, none of the funds presently on deposit[4] in this account are available for other SRF purposes.

Wastewater Reserve Grant Account.

Sources of Funds: Funds held in this account[5] come from federal capitalization grants drawn when funds are loaned or administrative expenses are incurred, up to the amount therein (and in the Support Account and Equity Grant Account) that equals the perpetuity amount, and any amounts in excess thereof come from State Match.[6]

Uses of Funds: These funds are used (i) as security[7] for outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e) and (ii) as a source of payment for the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35. 3120(d) & (f) and 40 CFR 35.3135(b)(2), respectively. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

Available Balance: The aggregate amount held in this account (as of July 1, 2015 and as anticipated in SFY 2016) is shown in the Use Schedule.[8] In furtherance of these purposes, the funds in this account are invested with certain short-term investments, State and Local Government Series (SLGS) securities, and treasury obligations.

Wastewater Reserve Support Account.

Sources of Funds: Funds held in this account come from federal capitalization grants drawn when funds are loaned or administrative expenses are incurred, up to the amount therein (and in the Reserve Grant Account and Equity Grant Account) that equals the perpetuity amount.

Uses of Funds: These funds are used (i) as security for outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e) and (ii) as a source of payment for the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35. 3120(d) & (f) and 40 CFR

---

[4] And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.

[5] Pursuant to SRF Indenture modification, the former State Match Account was consolidated into this Account effective May 30, 2007.

[6] State Match in this account came from State Match Revenue Bonds, and is either from (a) original proceeds that were held as reserve balances from State Match Revenue Bonds issued in 1993, 1994, 1995 and 1997 or (b) principal on loan repayments funded from such proceeds. As of July 1, 2015, such amounts related to State Match on deposit in this account have not been applied to Guarantee Revenue Bonds but may be so applied to make any regularly scheduled payments on the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) and the Authority's Operating Agreement with EPA.

[7] Pursuant to the financing indentures related to the cross-collateralized outstanding Program Bonds, the Authority is presently required to maintain reserves of at least $216.4 million, which is to be held in the Reserve accounts and is not anticipated to be used to make loans to Participants. A portion of the reserves have been allocated to the CWSRF for purpose of this Intended Use Plan (as shown in the amount set out in the Use Schedule). This is a minimum invested funds requirement. However, the Authority views invested amounts in excess of the foregoing minimum requirement as security and as a source of payment for the outstanding Program Bonds. Further, the Authority expects that the foregoing minimum requirement will increase as additional Program Bonds are issued in SFY 2016 and beyond. Such excess purposes are served by the Equity accounts to the extent that they are not anticipated to be used to make loans to Participants.

[8] And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.

35.3135(b)(2), respectively. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

Available Balance: The aggregate amount held in this account (as of July 1, 2015 and as anticipated in SFY 2016) is shown in the Use Schedule. Support Account balances are anticipated to be applied to as a scheduled source of payment for the outstanding Guarantee Revenue Bonds and when so applied will be replaced by retaining earnings in the Equity Grant Account in an amounts necessary to preserve perpetuity as authorized and required by the Authority's Operating Agreement with EPA.

Wastewater Reserve Deficiency Account.

Sources of Funds: Funds held in this account, if any, will come from other Reserve accounts discussed above when the amounts held in the group of accounts serving as the Reserve any Series of Program Bonds (a "Series Reserve") exceeds its Series Reserve Requirement.

Uses of Funds: These funds are used to fund each Series Reserve by immediately transferring them as necessary (the *first* possible use) to each Series Reserve that is below its Series Reserve Requirement on each February 1 and August 1 and *secondly* (if not required for such *first* use) shall be transferred to an Equity account (the *secondary* use; which is expected to occur). Any such transfer is either made to a Grant Account or Earnings Account depending on the source of the funds transferred to the Reserve Deficiency Account.

Available Balance: No amounts were held in this account as of July 1, 2015 nor are any so anticipated in SFY 2016.

WASTEWATER EQUITY[9] contains the following accounts:

Wastewater Administration Account.

Sources of Funds: Funds held in this account come from the outstanding State Match Revenue Bonds or other available funds in the SRF.

Uses of Funds: These funds are applied to reasonable costs of administering the CWSRF Program as permitted by 40 CFR 35.3120(g). The Authority so applied these funds during the SFY 2015 (and expects to apply them and other funds in the CWSRF[10] to this purpose in the SFY 2016). Any funds not expended in SFY 2016 are banked for management of the CWSRF in perpetuity by the Authority.

[9] While funds held in these Equity accounts are not pledged to the payment of Program Bonds, the SRF Program Representative may, but is not required to, direct that they be used to pay Program Bonds. Further, the Authority would expect such to occur if it was necessary to pay such bonds and, thus, while not labeled under as Reserve in this Plan, the CWSRF treats it as part of the "reserve" for the purposes of this Plan and the federal Water Quality Act of 1987, as amended.

[10] Amounts set aside in this account only represent a portion of the funds the Authority is permitted by 40 CFR 35.3120(g) to apply to costs of administering the CWSRF Program. Additionally the Authority continues to bank for this purpose the remaining amount up to the full 4% limit as measured against total grants (including the not-yet-available FFY 2016 grant expected to be awarded in SFY 2016).

Available Balance: As of July 1, 2015, the aggregate amount held in this account is shown in the Use Schedule. All of these funds are expected to be used solely to pay reasonable costs of administering the CWSRF Program. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes.

Wastewater Equity Grant Account.

Sources of Funds: Funds held in this account come from federal capitalization grants drawn when funds are loaned or administrative expenses are incurred, up to the amount therein (and in the Reserve Grant Account and Support Account) that equals the perpetuity amount, and any amounts in excess thereof come from State Match.

Uses of Funds: These funds are used (i) as security[11] and as a source of payment for the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e), (ii) to fund any transfers to the Authority's DWSRF as permitted by law including Section 302 of the Safe Drinking Water Act, (iii) to provide funds to meet costs of administering the CWSRF in perpetuity, and (iv) to fund that portion of any loans closed but not presently on deposit in the Purchase Account[12] in the event additional leveraged Guarantee Revenue Bonds could not be issued for any reason to meet such commitments. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

Available Balance: The aggregate amount held in this account (as of July 1, 2015 and as anticipated in SFY 2016) is shown in the Use Schedule.[13] In furtherance of these purposes, the funds in this account are invested with certain short-term investments, State and Local Government Series (SLGS) securities, and treasury obligations.

Wastewater Equity Earnings Account.

Sources of Funds: Funds held in this account come from (a) transfers from the Reserve Earnings Account and the Participant Loan Interest Account undertaken approximately annually or at the time of an issuance of additional Program Bonds and (b) earnings on amounts invested in the Equity accounts.

Uses of Funds: These funds are used (i) as security and as a source of payment for the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35. 3120(d) & (f) and 40 CFR 35.3135(b)(2), respectively, like the Equity Grant Account and (ii) to fund that portion of any loans closed but not on deposit in the Purchase Account in the event additional leveraged Guarantee Revenue Bonds could not be issued for any reason to meet

[11] Pursuant to the financing indentures, the Authority may use these funds if the Reserve Grant Account were insufficient to pay outstanding Program Bonds. Further, the Authority expects that the foregoing minimum requirement of Reserve accounts will increase as additional Program Bonds are issued in SFY 2016 and will result in a transfer of any uncommitted amounts in the Equity Grant Account to the Reserve Grant Account inclusive of any Capitalization Grants drawn into the SRF after July 1, 2015.

[12] In addition to meeting any Excess Commitments as of July 1, 2015, additional Excess Commitments will occur before additional Guarantee Revenue Bonds are issued. This will result from closing new loans for qualified Proposed Projects with (a) approved preliminary engineering reports (PERs) as of July 1, 2015, (b) PERs submitted and under review by the CWSRF as of July 1, 2015 and (c) additional PERs to be submitted (including as set in the new PPL in SFY 2016), each as detailed in the Use Schedule.

[13] And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.

such commitments. This use both directly and indirectly furthers the primary purpose of the SRF by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

Available Balance: The aggregate amount held in this account as of July 1, 2015 is shown in the Use Schedule.[14]

Additional Information Concerning Expected Uses of SRF Funds

Use of Available Balances to Meet Closed Loan Commitments. Under its existing practices, the Authority closes CWSRF Program loans with Participants without the necessity of having available balances in its Purchase Account to fully fund those loan commitments on the date a CWSRF Program loan is closed. As of July 1, 2015, there were Excess Commitments. By closing new loans for qualified Proposed Projects with (a) approved PERs as of July 1, 2015, (b) PERs submitted and under review by the CWSRF as of July 1, 2015 and (c) additional PERs to be submitted (including as set in the new PPL in SFY 2016), the aggregate amount of Excess Commitments would become as shown in the Use Schedule.

The Authority expects to cause additional Program Bonds to be issued at times and in amounts sufficient to meet the funding requirements for loans presently closed and those anticipated to be closed in SFY 2016. Additionally, certain amounts held in the Equity Grant Account and Equity Earnings Account are available and would be used to meet a portion of the projected funding requirements for loans presently closed (and those anticipated to be closed in SFY 2016) in the event additional Guarantee Revenue Bonds could not to be issued.

Use of Available Balances as a Reserve and Source of Payment for Guarantee Revenue Bonds. Amounts held in the Support Account, Reserve Deficiency Account, Equity Grant Account, Reserve Grant Account Reserve Earnings Account and Equity Earnings Account secure, and are a source of payment, for Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (f). In addition to this use, a portion of these funds are also held to meet (a) Excess Commitments in SFY 2016 in the event additional Guarantee Revenue Bonds could not to be issued, (b) costs of administering the CWSRF Program in perpetuity, and (c) any transfers to the DWSRF as permitted by law.

Use of Available Balances as a Source of Payment for State Match Revenue Bonds. All SRF earnings including amounts held in the Reserve Earnings Account and Equity Earnings Account secure, and are a source of payment, for State Match Revenue Bonds as permitted by 40 CFR 35.3135(b)(2). In addition to this use, a portion of these funds are held to meet (a) Excess Commitments in SFY 2016 in the event additional Guarantee Revenue Bonds could not to be issued, (b) costs of administering the CWSRF Program in perpetuity, and (c) any transfers to the DWSRF as permitted by law.

Use of Available Balances as a Source of Payment for Administrative Expenses. All SRF amounts[15] are held to meet costs of administering the CWSRF Program in perpetuity if and as permitted by law.

Use of Available Balances to Possibly Transfer Funds to the Drinking Water SRF.
As of July 1, 2015, about $23.6 million has been transferred to DWSRF. As of July 1, 2015, the cumulative transfer amount available for additional transfers from CWSRF to the DWSRF could result in up to approximately $80.2 million of allowable transfers which includes 33 percent of the FFY 2015 grant. The full amount of any such potential transfers is banked.

---

[14] And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.
[15] Additionally the Authority continues to bank for this purpose the remaining amount up to the full 4 percent limit as measured against total grants (including the not-yet-available FFY 2016 grant expected to be awarded in SFY 2016).

Further, transfers can be made from DWSRF to the CWSRF up to the cumulative amount made from CWSRF to the DWSRF to date, together with an amount equal to 33 percent of aggregate Drinking Water Capitalization Grants awarded. The full amount of any such potential transfers is banked.

Since the inception of the DWSRF, the Authority (or its predecessor) has banked transfers up to maximum permitted limit and continues to do so; funds held in the Equity Grant Account might be used for this purpose. Such transfer may be effectuated by a transfer of an invested balance from (a) one or more of the Authority's Investment Agreements or (b) other investments. These invested funds would then be used to support the issuance of Guarantee Revenue Bonds, the proceeds of which would be used to make Program loans. Any such determination would be based on whether the CWSRF or DWSRF program is more in need of funds (when considering their respective priorities) than the other. While a transfer from DWSRF to the CWSRF is not expected, it is also banked to reserve the Authority's discretion.

Exhibit F-Schedule 1

	Account Balances* as of: 30-Jun-2015 (Actual)	Future Deposits in SFY
A. Funds Committed to Projects by CWSRF		
Purchase Account	$ -	$ -
	$ -	$ -
B. Other Funds Held in CWSRF		
Reserve Grant Account	$ 190,800,000	$ -
Reserve Earnings Account	-	-
Reserve Support Account	26,100,000	-
Reserve Deficiency Account	-	-
Equity Grant Account	132,600,000	57,200,000
Equity Earnings Account	224,100,000	
Equity Administrative Account	200,000	
	$ 573,800,000	$ 57,200,000
Total Available Funds (A. and B. above)	$ 573,800,000	$ 57,200,000

Proof of Timely & Expedious Use of Above Funds Held in CWSRF*	
Closed Loan (Undrawn loan amounts covered by on-hand Purchase A/C Funds)	$ -
Closed Loan Excess Commitments (after Application of above Purchase A/C **)	207,500,000
Closed Loan to be funded directly from Equity (undrawn portion of loan)	-
PERs In-house (approved & under-review) Awaiting Loan Closing	170,300,000
Other Projects on new SFY's PPL, Requesting Loan Funding	169,200,000
*1. Use: to cover Loan Demand****	547,000,000
Funds held in existing Administrative Account	200,000
Remainder of 4% banked funds available for Administrative purposes	5,900,000
2. Use: to cover Administrative Costs in Perpetuity	6,100,000
3. Use: to cover Series Reserve Requirement	200,700,000
Possible Uses of Funds (1, 2 & 3 above without considering other secondary purposes for holding them in the CWSRF) # are as follows:	$ 753,800,000
Uses of Funds (1, 2 & 3 above):	$ 753,800,000
Less: Total Available Funds (A. and B. above)	631,000,000
Amount by which "*Possible Uses of Funds*" EXCEED "*Total Available Funds*"	$ 122,800,000

Notes:

* Amounts are approximate & rounded to nearest $100,000

** This amount is a net unfunded amount of closed loans after application of the June 30th on-hand balance.

*** While use will likely be met with future Program Bonds, possible that on-hand funds could be used. When covered by issuance of Program Bonds used to make subsidized loan, a reserve of 40% to 50% is funded from Equity and additional Program Bonds are used to make pooled loan at a market rate. Such Program Bonds would not be sufficient to meet all needs.

EXHIBIT G: CASH DRAW RATIO CALCULATION

STATE OF INDIANA
STATE REVOLVING FUND
Multiplier Calculation - Wastewater (Series 2015A) 02/11/15

Assumptions Re: Series 2015A Revenue Bonds

	Total Capitalization Grants (thru 02/2015) *(4)* **:**	857,406,957.00
	Existing Loans ***(1)*** **:**	
	Existing Loans Funded by Leverage Revenue Bonds	2,379,017,797.16
	Existing Loans Funded by Transfers to Purchase Account	481,766.99
	Existing Loans Funded by State Match Revenue Bonds	134,113,728.57
	Admin. Funded by State Match Revenue Bonds	12,189,041.08
	Net Proceeds:	2,525,802,333.80
	Calculation of Debt Service Reserve Fund:	
	Capitalization Grants Matched ***(2)***	865,659,852.00
√	Future Capitalization Grants to be Matched or If Negative **(Over-matched)**	(8,252,895.00)
	Guarantee Reserve Funded by SM Bonds (3)	25,607,298.75
	Debt Service Reserve	883,014,255.75
	State Match:	
	20% of Total Capitalization Grants	171,481,391.40
	Less Loans Funded by State Match Revenue Bonds (1)	(134,113,728.57)
	Less Admin. Expenses Funded by State Match Revenue Bonds (1)	(12,189,041.08)
	Less Reserve Funded by State Match Revenue Bonds (3)	(25,607,298.75)
	Less State Match Provided by State Appropriations (General Fund)	(1,221,902.00)
	Future State Match Required **(Over-match Position)**	(1,650,579.00)
	Calculation of Federal Share:	98.03%
	Federal Share = Capitalization Grants / Debt Service Reserve	
√	**Calculated Wastewater SRF Program Multiplier:**	**34.27%**
	Multiplier = Federal Share * (Debt Service Reserve / Net Proceeds)	

EXHIBIT G: CASH DRAW RATIO CALCULATION

STATE OF INDIANA
STATE REVOLVING FUND
Multiplier Calculation - Wastewater (Series 2015A) 02/11/15

Assumptions Re: Series 2015A Revenue Bonds

Details and Assumptions

(1) Loans Funded by Leverage Revenue Bond Proceeds	
Loans Funded by Series 1993 A Leverage Revenue Bond Proceeds:	75,925,043.78
Loans Funded by Series 1994 A Leverage Revenue Bond Proceeds:	42,041,344.09
Loans Funded by Series 1995A Leverage Revenue Bond Proceeds:	64,414,044.62
Loans Funded by Series 1997A Leverage Revenue Bond Proceeds:	68,536,648.16
Loans Funded by Series 1998A Leverage Revenue Bond Proceeds:	65,915,337.84
Loans Funded by Series 2000A Leverage Revenue Bond Proceeds:	94,406,107.48
Loans Funded by Series 2000B Leverage Revenue Bond Proceeds:	59,808,029.00
Loans Funded by Series 2001A Leverage Revenue Bond Proceeds:	320,791,397.00
Loans Funded by Series 2002B Leverage Revenue Bond Proceeds:	55,092,148.96
Loans Funded by Series 2004B Leverage Revenue Bond Proceeds:	169,266,143.68
Loans Funded by Series 2004C Leverage Revenue Bond Proceeds:	205,544,025.78
Loans Funded by Series 2005A Leverage Revenue Bond Proceeds:	-
Loans Funded by Series 2006A Leverage Revenue Bond Proceeds:	211,321,348.00
Loans Funded by Series 2006B Leverage Revenue Bond Proceeds:	113,948,230.00
Loans Funded by Series 2007A Leverage Revenue Bond Proceeds:	61,675,400.00
Loans Funded by Series 2007B Leverage Revenue Bond Proceeds:	64,800,000.00
Loans Funded by Series 2009A Leverage Revenue Bond Proceeds:	115,861,925.33
Loans Funded by Series 2010B Leverage Revenue Bond Proceeds:	77,090,263.82
Loans Funded by Series 2011A Leverage Revenue Bond Proceeds:	144,520,988.14
Loans Funded by Series 2012B Leverage Revenue Bond Proceeds:	133,380,198.73
Loans Funded by Series 2012C Leverage Revenue Bond Proceeds:	122,934,000.00
Loans Funded by Series 2014A Leverage Revenue Bond Proceeds:	-
Loans Funded by Series 2015A Leverage Revenue Bond Proceeds:	111,745,172.75
	2,379,017,797.16
Loans Funded by Transfers to Purchase Account	
Series 1993 A Cost of Issuance Excess Transferred to Purchase Account:	61,122.53
Series 1994 A Cost of Issuance Excess Transferred to Purchase Account:	25,507.03
Series 1997 A Cost of Issuance Excess Transferred to Purchase Account:	117,406.44
Series 2000B Gen. Fund Excess Transferred to Purchase Account:	28,033.09
Series 2001 A Gen. Fund Excess Transferred to Purchase Account:	87,883.34
Series 2002 A Gen. Fund Excess Transferred to Purchase Account:	53,399.66
Series 2002 B Cost of Issuance Excess Transferred to Purchase Account:	7.94
Series 2002 B Gen. Fund Excess Transferred to Purchase Account:	19,904.26
Series 2004 A Cost of Issuance Excess Transferred to Purchase Account:	88,502.70
	481,766.99
Loans Funded by State Match Revenue Bond Proceeds	
Loans Funded by Series 1993A State Match Revenue Bond Proceeds:	3,507,259.32
Loans Funded by Series 1994A State Match Revenue Bond Proceeds:	9,739,467.95
Loans Funded by Series 1995A State Match Revenue Bond Proceeds:	2,034,911.20
Loans Funded by Series 1997A State Match Revenue Bond Proceeds:	5,290,693.30
Loans Funded by Series 1998A State Match Revenue Bond Proceeds:	1,134,501.00
Loans Funded by Series 2000A State Match Revenue Bond Proceeds:	25,101,377.60
Loans Funded by Series 2000B State Match Revenue Bond Proceeds:	7,701,881.00
Loans Funded by Series 2001A State Match Revenue Bond Proceeds:	11,200,000.00
Loans Funded by Series 2002B State Match Revenue Bond Proceeds:	-
Loans Funded by Series 2004B State Match Revenue Bond Proceeds:	10,737,856.20
Loans Funded by Series 2004C State Match Revenue Bond Proceeds:	-
Loans Funded by Series 2005A State Match Revenue Bond Proceeds:	-
Loans Funded by Series 2006A State Match Revenue Bond Proceeds:	2,250,000.00
Loans Funded by Series 2006B State Match Revenue Bond Proceeds:	4,220,770.00
Loans Funded by Series 2007A State Match Revenue Bond Proceeds:	1,100,000.00
Loans Funded by Series 2007B State Match Revenue Bond Proceeds:	5,200,000.00
Loans Funded by Series 2009A State Match Revenue Bond Proceeds:	13,200,000.00
Loans Funded by Series 2010B State Match Revenue Bond Proceeds:	9,800,000.00
Loans Funded by Series 2011A State Match Revenue Bond Proceeds:	2,131,611.00
Loans Funded by Series 2012B State Match Revenue Bond Proceeds:	6,624,400.00
Loans Funded by Series 2012C State Match Revenue Bond Proceeds:	-
Loans Funded by Series 2014A State Match Revenue Bond Proceeds:	13,139,000.00
Loans Funded by Series 2015A State Match Revenue Bond Proceeds:	-
	134,113,728.57
Administrative Expenses Funded by State Match Revenue Bond Proceeds	
Admin. Funded by Series 1993 A State Match Revenue Bond Proceeds:	2,739,041.08
Admin. Funded by Series 1994A State Match Revenue Bond Proceeds:	-
Admin. Funded by Series 1995A State Match Revenue Bond Proceeds:	-
Admin. Funded by Series 1997A State Match Revenue Bond Proceeds:	3,000,000.00
Admin. Funded by Series 1998A State Match Revenue Bond Proceeds:	-
Admin. Funded by Series 2000A State Match Revenue Bond Proceeds:	2,000,000.00
Admin. Funded by Series 2000B State Match Revenue Bond Proceeds:	-
Admin. Funded by Series 2001A State Match Revenue Bond Proceeds:	2,000,000.00
Admin. Funded by Series 2002B State Match Revenue Bond Proceeds:	-
Admin. Funded by Series 2004B State Match Revenue Bond Proceeds:	2,450,000.00
	12,189,041.08

EXHIBIT G: CASH DRAW RATIO CALCULATION

STATE OF INDIANA
STATE REVOLVING FUND
Multiplier Calculation - Wastewater (Series 2015A) 02/11/15

Assumptions Re: Series 2015A Revenue Bonds

	(2) Capitalization Grants Available:	
	Total Capitalization Grants (thru 06/2016) ***(4)*** :	857,406,957.00
	Less Capitalization Grants Used for Wanatah Project:	(2,912,499.00)
	Less Capitalization Grants Used for Administrative Expenses:	(1,208,950.00)
	Capitalization Grants Available for the Leveraged Program:	853,285,508.00
	Less Capitalization Grants Matched by Series 1993A Bonds:	(68,523,764.50)
	Less Capitalization Grants Matched by Series 1994A Bonds:	(68,951,608.50)
	Less Capitalization Grants Matched by Series 1995A Bonds:	(46,321,506.00)
	Less Capitalization Grants Matched by Series 1997A Bonds:	(75,796,479.00)
	Less Capitalization Grants Matched by Series 1998A Bonds:	(5,672,505.00)
	Less Capitalization Grants Matched by Series 2000A Bonds:	(135,506,888.00)
	Less Capitalization Grants Matched by Series 2000B Bonds:	(38,509,405.00)
	Less Capitalization Grants Matched by Series 2001A Bonds:	(66,000,000.00)
	Less Capitalization Grants Matched by Series 2002B Bonds:	-
	Less Capitalization Grants Matched by Series 2004B Bonds:	(65,939,281.00)
	Less Capitalization Grants Matched by Series 2004C Bonds:	-
	Less Capitalization Grants Matched by Series 2005A Bonds:	-
	Less Capitalization Grants Matched by Series 2006A Bonds:	(11,250,000.00)
	Less Capitalization Grants Matched by Series 2006B Bonds:	(21,103,850.00)
	Less Capitalization Grants Matched by Series 2007A Bonds:	(5,500,000.00)
	Less Capitalization Grants Matched by Series 2007B Bonds:	(26,000,000.00)
	Less Capitalization Grants Matched by Series 2009A Bonds:	(66,000,000.00)
	Less Capitalization Grants Matched by Series 2010B Bonds:	(49,000,000.00)
	Less Capitalization Grants Matched by Series 2011A Bonds:	(10,658,055.00)
	Less Capitalization Grants Matched by Series 2012B Bonds:	(33,122,000.00)
	Less Capitalization Grants Matched by Series 2012C Bonds:	-
	Less Capitalization Grants Matched by Series 2014A Bonds:	(65,695,000.00)
	Less Capitalization Grants Matched by Series 2015A Bonds:	-
	Less Capitalization Grants Matched by General Fund:	(6,109,510.00)
	Capitalization Grants Matched:	(865,659,852.00)
√	Assumed Capitalization Grants to be Matched by **Future** SM Bonds **(Over-match)**:	(8,252,895.00)

Details and Assumptions

	(3) Reserve funded by State Match Bonds:	
	Funded by Series 1993A Bonds:	7,458,452.50
	Funded by Series 1994A Bonds:	4,050,853.75
	Funded by Series 1995A Bonds:	7,229,390.00
	Funded by Series 1997A Bonds:	6,868,602.50
	Reserve Funded by SM Bonds:	25,607,298.75
	(4) Wastewater Federal Capitalization Grants	
	FCG Previously Awarded	
	1989 Federal Capitalization Grants	22,731,411
	1990 Federal Capitalization Grants	23,512,995
	1991 Federal Capitalization Grants	49,459,806
	1992 Federal Capitalization Grants	46,826,208
	1993 Federal Capitalization Grants	46,321,506
	1994 Federal Capitalization Grants	28,741,977
	1995 Federal Capitalization Grants	29,684,260
	1996 Federal Capitalization Grants	48,623,553
	1997 Federal Capitalization Grants	15,020,160
	1998 Federal Capitalization Grants	32,452,972
	1999 Federal Capitalization Grants	32,454,299
	2000 Federal Capitalization Grants	35,916,531
	2001 Federal Capitalization Grants	33,645,988
	2002 Federal Capitalization Grants	32,128,866
	2003 Federal Capitalization Grants	31,919,976
	2004 Federal Capitalization Grants	31,939,281
	2005 Federal Capitalization Grants	25,969,581
	2006 Federal Capitalization Grants	21,135,427
	2007 Federal Capitalization Grants	25,793,856
	2008 Federal Capitalization Grants	16,472,652
	2009 Federal Capitalization Grants	16,399,548
	2010 Federal Capitalization Grants	49,104,000
	2010 Additional Subsidization Allocation	(13,377,896)
	2011 Federal Capitalization Grants	35,588,000
	2011 Additional Subsidization Allocation	(10,992,000)
	2012 Federal Capitalization Grants	34,061,000
	2012 Additional Subsidization Allocation	(2,800,000)
	2013 Federal Capitalization Grants	32,176,000
	2013 Additional Subsidization Allocation	(2,200,000)
	2014 Federal Capitalization Grants	33,790,000
	2014 Additional Subsidization Allocation	(2,500,000)
	2015 Federal Capitalization Grants	33,617,000
	2015 Additional Subsidization Allocation	(10,000,000)
		823,616,957
	FCG To be Awarded (Assumed amounts)	
	2016 Federal Capitalization Grants	33,790,000.00
	Total Federal Capitalization Grants	857,406,957

Exhibit H
Intended Cash Draw of Funds

This Exhibit identifies the Authority's process and intended timing for its draw of funds associated with the Clean Water EPA Capitalization Grant by and between the EPA and the Authority, entered into to capitalize the SRF Loan Programs, with a project period of January 1, 2016 to December 31, 2020 ("Grant Agreement").

The following sets forth the Authority's process and timing for drawing funds from the EPA, pursuant to the terms of the Grant Agreement ("Cash Draws"):

1. The Authority has issued leveraged revenue bonds to capitalize its Clean Water SRF Loan Program (and plans to continue to do so). The proceeds of the leveraged bonds are deposited in the Authority's SRF accounts to provide financial assistance for Participants' eligible project expenses. Financial assistance is provided in the form of loans, subject to the terms of a financial assistance agreement by and between an eligible Participant and the Authority.

2. A portion of the Authority's outstanding revenue bonds have been designated as "State Match Bonds" and have been issued in amounts as required by the EPA Capitalization Grants. The Authority intends to continue this process in the future.

3. SRF Participants' draw available loan balances as eligible project costs are incurred ("SRF Loan Draws"). All SRF Loan Draws are tracked and accumulated by the Authority.

4. Proceeds of State Match Bonds shall be used to fund SRF Loan Draws <u>before</u> the Authority will make a Cash Draw.

5. After all available proceeds of State Match Bonds have been allocated to SRF Loan Draws, the Authority shall fund additional SRF Loan Draws with Cash Draws. If Cash Draws are not then available, the State shall fund SRF Loan Draws with other available SRF Loan Program funds until Cash Draws are made available from an EPA Capitalization Grant. The funding of such SRF Loan Draws shall be tracked and banked ("banked amounts") until Cash Draws are made available to reimburse the accounts from which SRF Loan Draws were funded. Cash Draws shall not reimburse any SRF Loan Draws paid from the proceeds of State Match Bonds.

6. The State shall use its program multiplier when making a Cash Draw. The State maintains and uses its program multiplier to assure proportionality by using the all-projects method for a leverage program.