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| Logo  Description automatically generated | **North Carolina Department of Environmental Quality** |  |
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| **Proposed (Draft) Priority Rating System Guidance and Form for Division of Water Infrastructure Project Solicitation for Lead Service Line Replacement Projects** |
|  | (Last updated: February 27, 2023) |

**Note: This Guidance is a DRAFT document. Guidance will not be finalized until after the 2023 Priority Rating System for Lead Service Line Replacement Projects Eligible for Bipartisan Infrastructure Law Drinking Water State Revolving Fund – Lead Service Line Replacement funds is approved for use after public review, and the funds are available for awards.**

This guidance aids potential applicants in understanding and implementing the Draft Priority Rating System for potential Lead Service Line Replacement (LSLR) projects eligible for funding through the Bipartisan Infrastructure Funds for Lead Service Line Replacement.

The Division of Water Infrastructure (Division) is requests project information from drinking water systems with projects potentially eligible for Drinking Water State Revolving Fund Lead Service Line Replacement (DWSRF-LSLR) funding made available through the Bipartisan Infrastructure Law (BIL) DWSRF-LSLR funds. A **Project Solicitation form** is available on the Division’s website and must be used by drinking water systems to submit their project information.

This solicitation for project information is not an application for funding, but signifies to the Division of the drinking water system’s intent to be considered for BIL DWSRF-LSLR funds once available. Information provided in this solicitation will be used to support North Carolina’s application for federal funding and allow for a streamlined process of awarding funds when the BIL DWSRF-LSLR funds are available. This project solicitation form is consistent with Draft 2022 Intended Use Plan (IUP) scheduled to go to public review in March 2023. The Draft 2022 IUP includes a proposed Priority Rating System (PRS) to be used in prioritizing project applications that will allow for a transparent prioritization and funding process through the State Water Infrastructure Authority. US Environmental Protection Agency approval of the IUP and BIL DWSRF-LSLR funding application is necessary before funds can be made available to future applicants.

The Division will use the project information provided in this form to create a project list to be included in the BIL DWSRF-LSLR Intended Use Plan. Projects included in this list will be in the best position to be considered for funds when the Division has an approved IUP and Priority Rating System. Projects not included in the IUP will need to be included in amended or future IUPs to be eligible for BIL DWSRF-LSLR funding.

Eligible projects include removal of known lead service lines and lead connectors (LSLs), projects to find and replace lead service lines and lead connectors in areas where LSLs are suspected to exist, and projects to inventory lead service lines. A “lead service line” is defined as follows:

*A water service line made of lead, which connects the water main to the building inlet. A lead service line may be owned by the water system, owned by the property owner, or both. A galvanized service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material. USEPA has expanded the eligible uses beyond the definition above to also include the replacement of lead goosenecks, pigtails, and connectors as eligible expenses, whether stand-alone or connected to a lead service line.*

For brevity, lead goosenecks, pigtails and connectors are included in the definition of “lead service lines (LSL)” in this guidance.

**DRAFT Priority Rating System Guidance for Lead Service Line Replacement Project Solicitation**

**Submittal Requirements**

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| * **Request all the priority points you want to receive; the Division does not award unrequested priority points.**
* **Submit with the funding solicitation/application all supporting documentation required to earn priority points. The Division will not request additional information or documentation; the Division will award priority points based solely on the information submitted.**
* **The Division reviews each solicitation/application (even multiple solicitations/applications from the same applicant) as a stand-alone solicitation/application. The Division will not search other solicitation/applications from the same applicant for missing information. Provide all relevant information in each solicitation/application, even if it is already submitted in a different solicitation/application.**
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1. **A completed Priority Rating System score sheet form must be submitted with the funding solicitation/application**. A Priority Rating System score sheet is included at the end of this document. To claim points for a particular line item, mark “X” on the score sheet. For each point category, provide the subtotal of points claimed on the score sheet.
2. **A Priority Rating System narrative, along with supporting documentation as required by this guidance, must also be submitted with the funding application.** The narrative is part of the application. Follow the outline below; the Categories correspond to the Categories in the Priority Rating System score sheet. Address every applicable line item.

***Priority Rating System Narrative***

***[Funding Applicant]***

***[Project Name]***

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| Category 1 | Project Purpose |
| Category 2 | Project Benefits |
| Category 3 | System Management – N/A (Reserved for future use) |
| Category 4 | Affordability |

* The narrative must be consistent with information provided in the Division of Water Infrastructure Project Solicitation for LSLR Projects, the Water/Sewer Financial Information Form, and other supporting information.
* The narrative must be complete to provide for accurate rating, and concise enough that critical information is not lost in unnecessary text. Text should only provide information related to this Priority Rating System (i.e., do not describe other benefits that are not included in the Priority Rating System).
* If there are no applicable points in any given Category, state in the narrative that there are no applicable points under that Category heading.
1. Maps are very useful in earning priority points. Maps should include sufficient labels of geographical references and be at a readable scale. Individual line items may require specific maps as listed below.

**Each project solicitation/application earns priority points for only one Project Purpose**. See discussion under Category 1 - Project Purpose.

**Priority Rating System Narrative Guidance**

**Category 1 – Project Purpose**

A solicitation/application can earn points in Category 1 based on the Project Purpose as documented in this section. To earn priority points for Project Purpose, all parts of the project must be related to replacement of LSLs. LSL replacement eligible projects include:

* Full lead service line replacement: Replacement of a lead service line (as well as galvanized service line requiring replacement) must result in the entire length of the service line being replaced, regardless of service line ownership, with a new service line of material meeting the Safe Drinking Water Act (SDWA) Section 1417 definition of lead-free applicable at the time of the replacement. See 40 CFR §141.2 for the full regulatory definition.
* Galvanized requiring replacement: A galvanized service line that is or was at any time downstream of a lead service line or is currently downstream of a service line of lead status unknown. If the Applicant is unable to demonstrate that the galvanized service line was never downstream of a lead service line, it must presume there was an upstream lead service line (40 CFR §141.84(a)(4)(ii)).
* Gooseneck, pigtail, or connector: A lead gooseneck, pigtail, or connector is defined as a short section of piping, typically not exceeding two feet, that can be bent and used for connections between rigid service piping. Galvanized pipe that is downstream of a lead gooseneck, pigtail, or connector is eligible for replacement under this program.

The project narrative must fully describe the proposed project and how each element serves the Project Purpose claimed on the Priority Rating System form (the score sheet). A detailed map should also be included. The claimed Project Purpose must be consistent with all information provided (e.g., on the Division Solicitation/Application form in the Project Description section).

Points will be awarded for only one Project Purpose (Line Item 1.A **or** Line Item 1.B **or** Line Item 1.C). Applicants may submit separate applications for different project types.

**Line Item 1.A – Project eliminates lead service lines (100% of project is to replace known lead service lines):**

*25 points*

A solicitation/application earns these points if the project will replace LSLs with no upsizing of the water service to the building except as required to meet minimum design criteria. The application must provide the following:

* Project Map showing the project area and approximate location of known lead service lines.
* Table listing physical addresses of lots with known lead service lines to be replaced.
* A detailed narrative that includes at a minimum:
	+ The project description with number, sizes, and length of known LSLs to be replaced.
	+ Method used to identify the known LSLs. For a list of accepted methods of lead determination, please refer to the Lead and Copper Rule Revision, summary of EPA Guidance, and NC PWSS website. Links to LSL-related information are available at <https://deq.nc.gov/about/divisions/water-resources/drinking-water/lead-service-line-inventory>

**Line Item 1.B – Project establishes and implements a program to find and replace lead service lines in areas suspected to have lead lines:**  *15 points*

A solicitation/application earns these points if the project will identify LSLs and replace them with no upsizing of the water service to the building except as required to meet minimum design criteria. The application must provide the following:

* Project Map with the area(s) suspected to have lead lines clearly delineated.
* A detailed narrative that includes at a minimum:
	+ A description of the methodology used to determine that the project area is suspected to have lead lines.
	+ An estimate of the number of LSLs potentially existing in the project area that is the basis for the project scope and a description of how the Applicant arrived at that estimate.
	+ The method(s) to be used to identify LSLs in the field. For a list of accepted methods of lead determination, please refer to the Lead and Copper Rule revision, summary of EPA Guidance, and NC PWSS website. Links to LSL-related information are available at <https://deq.nc.gov/about/divisions/water-resources/drinking-water/lead-service-line-inventory>

**Line Item 1.C – Project inventories of lead service lines:**  *10 points*

A solicitation/application earns these points if the project is limited to inventorying service line materials and identifying areas of known LSLs or suspected of having LSLs. The solicitation/application must provide the following:

* A map with the areas to be studied clearly identified must be included with the application. If the entire service area is the area to be studied, provide a map that clearly delineates the entire service area. The Narrative must include a detailed description of the methodology/methodologies that will be used to inventory LSLs. For a list of accepted methods of lead determination, please refer to the Lead and Copper Rule revision, summary of EPA Guidance, and NC PWSS website. Links to LSL-related information are available at <https://deq.nc.gov/about/divisions/water-resources/drinking-water/lead-service-line-inventory>

**Category 2 – Project Benefits**

A solicitation/application earns Project Benefits points only when a Lead Action Level (LAL) exceedance is identified and properly documented.

Points will be awarded for **either** Line Item 2.A **or** Line Item 2.B, but not both.

**Line Item 2.A – Project addresses/resolves a Lead Action Level exceedance**: 5 *points*

* The solicitation/application must include documentation of the Lead Action Level exceedance(s) from the Public Water Supply Section of the Division of Water Resources. The documented exceedance(s) must be no older than five years from the date of the solicitation/application.
* The Narrative must describe how the proposed project will address or resolve the exceedance(s) of the Lead Action Level (LAL).
* A map of the project area with the location and date of the exceedance(s) clearly shown must be included with the application.

**Line Item 2.B – Project area has Lead Action Level exceedance:** *2 points*

* The solicitation/application must include documentation of the Lead Action Level exceedance(s) from the Public Water Supply Section of the Division of Water Resources. The documented exceedance(s) must be no older than five years from the date of the solicitation/application. .
* A map of the project area with the location and date of the exceedance(s) clearly shown must be included with the solicitation/application.

**Category 3 – System Management**

**(reserved for future use)**

**Category 4 –Affordability**

Category 4 provides points related to affordability. Additionally, the affordability criteria are required to determine grant eligibility and, if eligible, the percentage of loan/principal forgiveness mix.

**Line Item 4.A – Residential Connections***: 2-8 points*

An Applicant may qualify for **only one** of the following sub-categories (Line Items 4.A.1 – 4.A.3) based on the number of residential connections reported on the Solicitation/Application for Funding. *Count only drinking water connections.*

* + Line Item 4.A.1 – Less than 10,000 residential connections (2 Point); OR
	+ Line Item 4.A.2 – Less than 5,000 residential connections (4 Points); OR
	+ Line Item 4.A.3 – Less than 1,000 residential connections (8 Points).

To determine residential connections, list on the Solicitation/Application for Funding the number of residential connections *in the System’s entire service area*.

Some systems serve additional customers, yet record flow through a bulk connection. If this is the case, then all residential connections served by the bulk connection must be considered. Please see the supplemental guidance available at <https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources>.

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| **Notes:** 1. **Use these residential connections in Line Item 4.A of the Priority Rating System for water and wastewater projects.**2. If the entire service area has greater than 20,000 *residential* connections, then the System is only eligible for a 100% loan. |

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| **Example for Line Item 4.A**The Bixby-Hadley Water and Sewer Authority serves two towns, the Town of Bixby and the Town of Hadley. Bixby has 12,500 residential water connections while the Town of Hadley has 8,000 residential water connections. They wish to complete a system-wide LSL replacement project. Due to the number of residential connections within the service area of the Bixby-Hadley Water and Sewer Authority (20,500), they are eligible only for a 100% loan~~.~~ |

**Line Item 4.B – Current Monthly Utility Bill at 5,000 Gallons:**  *4-10 Points*

An Applicant may qualify for **only one** of the following sub-categories (Line Items 4.B.1 – 4.B.4) based on the current monthly combined water and sewer utility rate at 5,000 gallons as shown on the water and sewer rate sheet submitted with the solicitation/application.

* Line Item 4.B.1 – Greater than $79 (4 Points) **OR**
* Line Item 4.B.2 – Greater than $90 (6 Points) **OR**
* Line Item 4.B.3 – Greater than $107 (8 Points) **OR**
* Line Item 4.B.4 – Greater than $129 (10 Points).

Use the lowest in-town or inside rate. Provide official water and sewer rate sheets and show all calculations. If rate sheets are not provided, the application cannot earn 4.B points.

* For single-utility water providers: Estimate the combined utility bill by dividing the water rate for 5,000 gallons by 0.4.
* For single-utility sewer providers: Estimate the combined utility bill by dividing the sewer rate for 5,000 gallons by 0.6.

To document this line item, provide the following:

* A copy of the most recent official water and sewer rate sheets in effect at the time of the solicitation/application as part of the supporting documentation in Section 4 of the priority points narrative.
* A clear calculation or description of how the bill for monthly use of 5,000 gallons is calculated.

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| **Calculation Notes:**In the narrative and calculations, use the same values entered in the Solicitation/Application for Funding for System Parameters (Section 2). * **Include the official rate sheet.**
* Using the lowest residential rate available (typically, the “inside rate”) calculate the residential monthly utility bill for 5,000 gallons for water and sewer service. Show all calculations.
* Report the results as “Monthly Rate for 5,000 Gallons” on the Solicitation/Application for Funding for System Parameters (Section 2).
* $\frac{DW Single Provider Rate per 5000 gallons}{0.4}=Combined Utility Rate for Affordabilty Calculator$
* $\frac{\begin{array}{c}\\WW Single Provider Rate per 5000 gallons\end{array}}{0.6}=Combined Utility Rate for Affordabilty Calculator$
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**Line Item 4.C – Local Government Unit (LGU) Indicators**: *3-7 Points*

An Applicant may qualify for **only one** of the following sub-categories (Line Items 4.C.1 – 4.C.3) based on the LGU economic indicators reported on the Solicitation/Application for Funding:

* Line Item 4.C.1 – 3 out of 5 LGU indicators worse than state benchmark (3 points) **OR**
* Line Item 4.C.2 – 4 out of 5 LGU indicators worse than state benchmark (5 points) **OR**
* Line Item 4.C.3 – 5 out of 5 LGU indicators worse than state benchmark (7 points).

These indicators show whether or not an Applicant is faring better or worse in terms of these indicators than the state median. The indicators that the Division utilizes for this determination are as follows:

* Percent population change
* Poverty rate
* Median household income
* Unemployment
* Property valuation per capita

To assist in determining whether LGU economic indicators are better or worse than the state benchmarks, the Division has developed two tables (one for places and one for counties, both available on the [Division application webpage](https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources#additional-resources)) that are available for use in completing the information for affordability criteria. These tables must be used in completing information for population change, poverty rate, median household income, and unemployment.

For municipalities that cross multiple counties, use the average of the unemployment rates.

Additionally, this information may also be found in the Affordability Calculator that is available on the Division website at <https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources#additional-resources>.

List each LGU indicator in Section 2 on the Solicitation/Application for Funding.

Some situations may occur in which alternate data may be utilized. These are listed below.

*Percent Population Change*

1. Some situations may exist where the Applicant determines that the American Community Survey (ACS) data are not accurate. If this is the case, data from the Office of State Budget and Management (OSBM) may be used in lieu of the ACS data[[1]](#footnote-2). When OSBM data are used, provide as supporting documentation the reason for using the OSBM data and the data page with the Applicant highlighted.
2. Some cases may exist where a resident institution such as a prison, juvenile hall, or nursing home facility may open and impact the population during the five-year period under consideration for percent population change. If such a situation exists in an LGU, then the institutional population may be deducted from the most recent population before the calculation for percent change in population is made. Provide supporting documentation that shows the facility name, the number of the institutionalized population, and the year the facility opened.

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| **Example for Line Item 4.C (Population Change)**In 2020, the Town of Klondike opened a juvenile detention facility that houses 400 residents. According to the ACS data, the Town in 2017 had a population of 16,500 residents and now in 2021 had a population of 17,400 residents, resulting in a percent population change of 5.45% change in population, which would put them at better than the state benchmark. However, removing the resident population of the detention center resulted in a population change of 500 people (3.03%), which would put them at worse than the state benchmark. To receive credit, the Town included supporting documentation that showed the number of juvenile residents when the facility opened and the fact that the facility opened in 2020. |

*Property Valuation per Capita*

In many cases, utilize the total taxable property value reported in the most current audit for the LGU. Use the total taxable property value and divide it by the population of the LGU found on the Division’s data sheets referenced above to calculate property valuation per capita.

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| **Note:** If the Applicant does not have an audit that is current and on file with the Local Government Commission (LGC), then the Applicant does not get credit for the property valuation per capita indicator. In its analysis, Division staff will count that particular parameter as better than the state benchmark. |

If the service area is outside of a municipality, then three options exist.

1. The county property valuation per capita figure may be used.
2. If the service area is in a defined area such as a Census-designated Place (CDP), then the Applicant may utilize tax maps to determine the total taxable property value within the defined area. That result would then be divided by the population in the CDP. As supporting documentation, provide a map that shows the boundaries of the CDP and service area. Additionally, provide a copy of the spreadsheet used to calculate the CDP’s total taxable property value and property valuation per capita. This may be supplied either in hard or electronic copy.
3. For a service area such as a subdivision that is not in a defined CDP, the Applicant may utilize tax maps to determine the total taxable property value of the area. Estimate the population of the area by determining the total number of houses and using the persons-per-household figure for the county. This information may be found in the [ACS data available online](https://www.census.gov/quickfacts/fact/table/US/HCN010217). Look at the table under the topic of Family and Living Arrangements. Persons per Household is listed on the second row under that topic.
4. Supply as part of the Section 4 documentation a map showing the total number of houses in the service area, a spreadsheet of the total taxable property value calculation, the persons per household for the county from the ACS, and the calculation of the service area population as well as property valuation per capita.

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| **Example for Line Item 4.C (Property Valuation per Capita)**Landry County has a LSL replacement project that will include the Newcomb subdivision, a large subdivision of 500 homes. The property valuation per capita of Landry County is $105,000, which is over the state benchmark. Based on local knowledge, county staff know that the subdivision is more impoverished than the rest of the county. Using a GIS, they determined the total taxable property within the subdivision to be $114,475,000. To estimate the population within the subdivision, they utilized the ACS persons per household estimate for the county (2.41 persons per household) and derived an estimated population of 1,205 people. Dividing a total taxable property value by the estimated population yields a property valuation per capita of $95,000. This is worse than the state benchmark. The county submitted supporting documentation for the calculation and received credit for the LGU economic indicator. |

*Weighted Averaging*

There may be situations that arise where a system such as a water and sewer authority or a water system covers multiple LGUs. Figure 1 shows a graphical example of a system’s service area that crosses multiple jurisdictions. If this occurs, then use a weighted average based on % of users to determine each of the economic indicators.



**Figure 1. Graphical Example of Multiple Service Areas**

The Affordability calculator contains four columns that can be used to calculate using weighted averages. If more than four columns are needed, please complete the calculations by hand and show your work.

If calculating economic parameters across multiple jurisdictions, for each indicator, show the calculations that led to the data entered into the affordability portion of the application. Note that the calculator allows up to four different areas to be entered and will calculate the LGU parameters.

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| **Note:** Outside-rate customers are not to be considered when conducting weighted averaging. |

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| **Example for Line Item 4.C (Weighted Averaging)**The Town of Central is a regionalized system that serves the entire town (60% of the service area) as well as the Town of Bixby (30% of the service area) and part of the county (10% of the service area). The Town determined population changes for each of the areas as follows:* Central: 5.5%
* Bixby: 5.0%
* County: 8.5%

Using the following calculation, they determined the percent population growth for their service area to be 5.65%% by using the following equation:PopGrowthTotal= (0.6\*5.5%) + (0.3\*5.0%) + (0.1\*8.5%) = 5.65%That would place the Town at better than the state benchmark. |

**Line Item 4.D. Benefit to Disadvantaged Areas**: *5 points*

These priority points are intended to provide additional priority to projects providing direct benefits to residences in disadvantaged areas. Disadvantaged areas may be subsections or pockets of a service area; for instance, disadvantaged areas may be census block groups that meet qualifying characteristics.

Projects for which at least 50% of the construction costs are to provide direct benefits to disadvantaged areas are eligible to receive these points. Projects must provide a direct benefit to residences and properties identified in disadvantaged areas.

The targeted project area will be determined a “disadvantaged area” based on factors that shall include:

* Affordability of water and sewer service rates relative to the income levels of residents in the targeted project area, median household income, poverty rates, per capita appraised values of property, and/or unemployment rates of the targeted project area,
* Additional factors such as but not limited to demographic, historical, cultural, linguistic, socio-economic stressors, cost-of-living stressors, or existing contamination.

The documentation to receive these priority points must include:

* Project map clearly identifying disadvantaged areas and properties within the project area.
* A narrative in the application to justify the targeted project area as disadvantaged using the factors above. When available, targeted project area data (e.g. median household income in the targeted project area’s census block group) should be compared to state benchmark values established in Category 4 – Affordability.  Supporting documentation may include maps or other existing sources.

Use of NC DEQ’s Community Mapping System and other similar federal or state-generated maps is encouraged. For example:

* + Documentation can include screenshots/printouts of NC DEQ’s Community Mapping System (<https://deq.nc.gov/outreach-education/environmental-justice/deq-north-carolina-community-mapping-system>) and identify on the map the targeted project area overlapping “Potentially Underserved Block Groups 2019” and/or “Tribal Boundaries” that appear on the online map as shaded areas (these are considered disadvantaged, underserved areas).
	+ **Justice 40 Climate and Economic Justice Screening Tool:** [Justice40 Initiative – Environmental Justice – The White House](https://www.whitehouse.gov/environmentaljustice/justice40/) evaluates burden threshold **and** the associated socioeconomic thresholds. Data provided in the tool, may provide additional factors to support a project area is disadvantaged.
	+ A project budget form that includes the following:
	+ Clearly identified budget line items (or the portions of the line items) that are necessary to provide benefit to existing residences in disadvantaged, underserved areas.
	+ Demonstration that at least 50% of the total construction cost in the Division Funding Requested column is necessary to provide a benefit to residences in disadvantaged, underserved areas. Where projects provide benefits to areas that are not disadvantaged, the project costs necessary to provide a benefit to disadvantaged areas should be reduced from the total construction cost based on % of population or number of connections that are disadvantaged compared to the total population benefiting from the project. Other proposed methods must be clearly supported in the narrative to be considered. **Attach calculations as necessary.**

**DRAFT PRIORITY RATING SYSTEM for Lead Service line Replacement Projects**

The following PRS applies to projects where the entire project scope is eligible for LSLR funds.

| **DRAFT 2023 PRIORITY RATING SYSTEM for Lead Service Line Replacement Projects Eligible for BIL DWSRF-LSLR funds** |
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| Instructions: For each line item, mark “X” to claim the points for that line item. Be sure that your narrative includes justification for every line item claimed. At the end of each Category, provide the total points claimed in the subtotal line for that Category. Then add the subtotals from each category and enter the Total of Points for All Categories in the last line. Note that some Categories have a maximum number of points allowed that may be less than the total sum of individual line items. |
| **Line Item #** | **Category 1 – Project Purpose****(Points will be awarded for only one Project Purpose)** | **Claimed****Yes/No** | **Points** |
| **1.A** | Project eliminates lead service lines (100% of project is to replace known lead service lines) **OR** |  | 25 |
| **1.B** | Project establishes and implements a program to find and replace lead service lines in areas suspected to have lead service lines **OR**  |  | 15 |
| **1.C** | Project inventories lead service lines (no replacement) |  | 10 |
| **Maximum points for Category 1 – Project Purpose**  | 25 |
| **Subtotal claimed for Category 1 – Project Purpose**  |  |
| **Line Item #** | **Category 2 – Project Benefits** | **Claimed****Yes/No** | **Points** |
| **2.A** | Project addresses/resolves documented Lead Action Level Exceedance **OR**  |  | 5 |
| **2.B** | Project area has documented Lead Action Level Exceedance |  | 2 |
| **Maximum points for Category 2 – Project Benefits**  | 5 |
| **Subtotal claimed for Category 2 – Project Benefits**  |  |
| **Line Item #** | **Category 3 – System Management** | **Claimed****Yes/No** | **Points** |
|  | (Reserved for future consideration) |  |  |
| **Maximum points for Category 3 – System Management** | 0 |
| **Subtotal claimed for Category 3 – System Management** | N/A |
| **Line Item #** | **Category 4 – Affordability** | **Claimed****Yes/No** | **Points** |
| **4.A** | Residential Connections  |  |  |
| 4.A.1 | Less than 10,000 residential connections **OR** |  | 2 |
| 4.A.2 | Less than 5,000 residential connections **OR** |  | 4 |
| 4.A.3 | Less than 1,000 residential connections |  | 8 |
| **4.B** | Current Monthly Combined Utility Rates at 5,000-gallon Usage |  |  |
| 4.B.1 | Greater than $79 **OR** |  | 4 |
| 4.B.2 | Greater than $90 **OR** |  | 6 |
| 4.B.3 | Greater than $107 **OR** |  | 8 |
| 4.B.4 | Greater than $129 |  | 10 |
| **4.C** | Local Government Unit (LGU) Indicators |  |  |
| 4.C.1 | 3 out of 5 LGU indicators worse than state benchmark **OR** |  | 3 |
| 4.C.2 | 4 out of 5 LGU indicators worse than state benchmark **OR** |  | 5 |
| 4.C.3 | 5 out of 5 LGU indicators worse than state benchmark |  | 7 |
| **4.D** | Project benefits disadvantaged areas |  | 5 |
| **Maximum points for Category 4 – Affordability** | 25 |
| **Subtotal claimed for Category 4 – Affordability**  |  |
| **Total of Points for All Categories** |  |

1. The website for the starting point for accessing OSBM data is <http://www.osbm.nc.gov/facts-figures>. [↑](#footnote-ref-2)