

ATTACHMENT VII

RESPONSE TO COMMENTS ON THE
DRAFT INTENDED USE PLAN

Response to Comments on the Draft Intended Use Plan

The following response to comments was prepared to address the public's comments on the Drinking Water State Revolving Fund's draft Intended Use Plan that was issued on July 9, 2008. The public comment period began on July 9, 2008 and ended on August 22, 2008. The public was also invited to comment on the draft IUP at a hearing held in Albany, New York on August 12, 2008. In addition to the comments addressed herein, a number of project specific comments were received and addressed on an individual basis. Specific changes made to the project priority lists included in the draft IUP are provided in Appendix 1.

Comment:

The Hardship Program should be reinstated and the bonus points should be eliminated.

Response:

Four years ago, New York's federal capitalization grant was reduced by 40%. This significant reduction resulted in the steady increase of the funding line on the Project Readiness List. In this IUP, no new projects will be reached for financing and, therefore, no new projects can apply for hardship. The DOH and the EFC have determined that it is in the best interest of the DWSRF program to preserve as much DWSRF capitalization as possible by not exercising the Hardship Provision for this IUP period. The Hardship Provision will be revisited for FFY 2010 and annually thereafter.

Bonus points are awarded to projects with prior funding agreements. These bonus points help to ensure the availability of DWSRF financing needed for completion of on-going projects.

Comment:

How is a small system defined? Small systems should not be treated the same as larger systems.

Response:

A small system is defined as serving less than 10,000 people (see Section 10.2 of the IUP). The IUP contains a separate list, called the Category A List, that is devoted to small systems. A minimum of 15% of the DWSRF resources are required to go to small systems. In New York, approximately 35% of the DWSRF resources have gone to fund infrastructure projects at small systems. New York's project scoring criteria, as required by the EPA and the SDWA, is based upon protection of public health. System size does not factor into the scoring criteria, although financial need does.

Comment:

The CPE program appears inadequate and underfunded.

Response:

The CPE program is an excellent program and one in which we take great pride. In New York we provide as many resources as possible to the program, recognizing that the CPE program is not a federally mandated program. Therefore, New York will continue to provide as much resources to the program as is possible, given the other federal mandates and requirements.

Comment:

A waiver of the State Environmental Review Process (SERP) for Adirondack Park communities should be obtained.

Response:

All projects seeking financial assistance from the DWSRF program are required to complete the SERP prior to receiving DWSRF financing. Without exception, this requirement applies to all communities within the State.