**Section 664.220 Agency Responsibilities Under the Federal Safe Drinking Water Act and the American Recovery and Reinvestment Act of 2009**

The Agency will prepare an Intended Use Plan (IUP) and negotiate an Operating Agreement with USEPA that will be the basis for the Capitalization Grant Agreement. These documents establish the procedures, activities and assurances for operation of the PWSLP, including, but not limited to, the following:

a) Grant payments will be accepted in accordance with a payment schedule established jointly by the Agency and the USEPA;

b) A listing and description of projects on the Project Priority List to be provided financial assistance;

c) The loan repayment period cannot exceed 20 years beyond the earlier of the initiation of operation date or the initiation of the loan repayment period;

d) All repayments of loan principal shall be deposited into the PWSLP;

e) Biennial reporting to the USEPA on the Agency's activities under the federal Safe Drinking Water Act;

f) A description of the criteria and methods used for distribution of funds;

g) A description of the financial status of the PWSLP; and

h) The Agency shall act in accordance with the requirements established under the ARRA.