**Section 365.110 Definitions**

Unless specified otherwise in subsection (b), all terms shall have the meanings set forth in the Environmental Protection Act (Act) [415 ILCS 5] and the regulations adopted under that Act (35 Ill. Adm. Code: Subtitle C) and the federal Clean Water Act (CWA), as amended (33 U.S.C. 1251 et seq.).

For the purposes of this Part, the following definitions apply:

Act – The Environmental Protection Act [415 ILCS 5].

Addenda – Documents issued by the loan applicant after advertisement for bids, which modify or interpret the contract documents, drawings, and specifications, by additions, deletions, clarifications or corrections.

Agency – *Illinois Environmental Protection Agency*. [415 ILCS 5/19.2(a)]

Asset Management Plan – Any system-wide plan that contains the information on asset conditions, service levels, customer needs, and financial resources to ensure the loan applicant can conduct planned maintenance and repair and replace and upgrade capital assets to reliably provide quality service for the foreseeable future.

BABA Act – The portion of the BIL Act at Sections 70901 through 70952 (Public Law 117-58; 41 U.S.C. 8301 note), also known as the Build America Buy America Act.

BIL Act – The Bipartisan Infrastructure Law (Public Law 117-58), also known as the Infrastructure Investment and Jobs Act of 2021 or IIJA.

Binding Commitment – A legal obligation between the Agency and the loan recipient to provide financial assistance from the WPCLP to the loan recipient, specifying the terms and schedules under which assistance is provided. The loan agreement will be considered a binding commitment.

Capitalization Grant – The actual federal funds received by the Agency for deposit into the WPCLP as a result of the capitalization grant agreement with USEPA.

Capitalization Grant Agreement – The agreement entered into each federal fiscal year between the Agency and USEPA for the purpose of providing a grant to capitalize the WPCLP and enable the Agency to provide assistance for WPCLP projects.

Change Order – A written order by the loan recipient to the contractor authorizing an addition, deletion or revision in the work within the general scope of the contract documents, or authorizing an adjustment in the contract price or contract time.

Compliance Project – A project that consists of construction, expansion, or upgrading of a treatment works necessary to meet State and federal requirements as specified in 35 Ill. Adm. Code: Subtitle C and the CWA, respectively.

*Construction* – *Any one or more of the following which is undertaken for a public purpose: preliminary planning to determine the feasibility of the treatment works, engineering, architectural, legal, fiscal or economic investigations, or studies, surveys, designs, plans, working drawings, specifications, procedures or other necessary actions, erection, building, acquisition, alteration, remodeling, improvement or extension of treatment works, or the inspection or supervision of any of the foregoing items.* [415 ILCS 5/19.2]

Contract Documents – The contract, including but not limited to advertisement for bids, information for bidders, bid, bid bond, agreement, payment bond, performance bond, notice of award, notice to proceed, change order, drawings, specifications, and addenda.

CWA – The Clean Water Act, as amended (33 U.S.C. 1251 et seq.).

Dedicated Source of Revenue – The type of security and the basis of legal authorization that are dedicated by legislative enactment or other appropriate authority, along with the applicable revenue source pledged for repayment and recorded in an account for the purpose of loan repayment, which is sufficient to repay the principal and interest on the loan.

Design – All administrative, legal, and engineering tasks, subsequent to Project Plan approval but prior to advertisement for bid proposal, associated with receiving approval of a loan application. This must include the following:

surveys, designs, plans, working drawings, specifications, soil investigations, and any other tests or process determinations required to establish design criteria, and development of user charge systems and sewer use ordinances.

Director – Director of the Illinois Environmental Protection Agency.

Energy Efficiency − The use of improved technologies and practices to reduce the energy consumption of water quality projects, including projects to reduce energy consumption or produce clean energy used by a treatment works.

Environmentally Innovative Projects − Projects that demonstrate new and/or innovative approaches to managing water resources in a more sustainable way, including projects that achieve pollution prevention or pollutant removal with reduced cost and projects that foster adaptation of water protection programs and practices to climate change.

Facilities − Equipment or operating systems that are constructed, installed, or established to serve the particular purpose of mitigating the impacts of sewerage, industrial waste, or non-point sources of pollution in a watershed. Facilities may involve stand-alone projects or be involved as component pieces of treatment works. Facilities in the context of the Green Project Reserve will address green infrastructure, water and energy efficiency improvements, and other environmentally innovative activities.

Fixed Loan Rate – The simple annual fixed rate on the loan, which includes an interest rate portion and a loan support rate portion. The fixed loan rate shall be determined on an annual basis by the procedures defined in Section 365.210.

Interest Rate – The interest rate is a portion of the Fixed Loan Rate and shall not be less than one-half of the Fixed Loan Rate rounded to the nearest 0.01%. The monies generated by the interest rate portion of the Fixed Loan Rate shall be deposited in the WPCLP receipt account within the Fund.

Loan Support Rate – The loan support rate is a portion of the Fixed Loan Rate and shall not exceed one-half of the Fixed Loan Rate rounded to the nearest 0.01%. The monies generated by the loan support rate portion of the Fixed Loan Rate shall be deposited in the Loan Support Program receipt account within the Fund.

*Fund* – *The Water Revolving Fund* as authorized by Section 19.3 of the Act, *consisting of the Water Pollution Control Loan Program, the Public Water Supply Loan Program, and the Loan Support Program*. [415 ILCS 5/19.2(b)]

Green Infrastructure − Includes a wide array of practices at multiple scales that manage and treat stormwater and that maintain and restore natural hydrology by infiltrating, evapotranspiring, and capturing and using stormwater. On a regional scale, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains and wetlands, coupled with policies that reduce overall imperviousness in a watershed. On a local scale, green infrastructure consists of site- and neighborhood-specific practices, such as bioretention, trees, green roofs, porous pavements, and cisterns.

Green Project Reserve − The portion of funded projects, as required by the Capitalization Grant, identified by the Agency in its Intended Use Plan and annual report that address green infrastructure, water and energy efficiency improvements, and other environmentally innovative activities as directed by federal law.

Infiltration – Water other than wastewater that enters a sewer system (including sewer service connections and foundation drains) from the ground through such means as defective pipes, pipe joints, connection, or manholes.

Inflow – Water other than wastewater that enters a sewer system (including sewer service connections) from sources such as, but not limited to, roof leaders, cellar drains, yard drains, area drains, drains from springs and swampy areas, manhole covers, cross-connections between storm sewers and sanitary sewers, catch basins, cooling towers, storm waters, surface runoff, street wash water, or drainage.

Initiation of Loan Repayment Period – The date in a loan agreement or amendment that establishes the beginning point of the loan repayment period.

Initiation of Operation – The date specified by the loan agreement on which use of the project began operation for the purposes that it was planned, designed, and constructed.

*Intended Use Plan* – *A plan which includes a description of the short and long term goals and objectives of the Water Pollution Control Loan Program, project categories, discharge requirements, terms of financial assistance and the loan applicants to be served*. [415 ILCS 5/19.2(e)]

Interstate Agency – An agency of two or more states established by or pursuant to an agreement or compact approved by the U.S. Congress, or any other agency of two or more states, having substantial powers or duties pertaining to the control of pollution as determined and approved by USEPA.

Iron and Steel Products – The following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

Loan – *A loan made from the Water Pollution Control Loan Program to an eligible applicant as a result of a contractual agreement between the Agency and such* *applicant*. [415 ILCS 5/19.2(c)]

Loan Agreement – The contractual agreement document between the Agency and the loan recipient that contains the terms and conditions governing the loan issued from the WPCLP.

Loan Applicant – The person that has applied for a loan from the WPCLP under this Part.

Loan Procedures – The procedures for issuing loans from the WPCLP as set out in this Part.

Loan Recipient – The person that has been provided a loan from the WPCLP under this Part.

Loan Support Rate – The loan support rate is a portion of the fixed loan rate and shall not exceed one-half of the fixed loan rate rounded to the nearest 0.01%. The monies generated by the loan support rate portion of the fixed loan rate shall be deposited in the Loan Support Program receipt account within the Fund.

*Local Government Unit − A county, municipality, township, municipal or county sewerage or utility authority, sanitary district, public water district, improvement authority or any other political subdivision whose primary purpose is to construct, operate and maintain wastewater treatment facilities, including storm water treatment systems, or public water supply facilities or both*.[415 ILCS 5/19.2(g)]

Market Interest Rate – The mean interest rate of the 20 General Obligation Bond Buyer Index, from July 1 through June 30 of the preceding year, rounded to the nearest 0.01%.

Median Household Income or MHI – The median household income is the American Community Survey 5-year estimate from the United States Department of Commerce, Bureau of the Census.

Municipality – A city, town, county, village, district, utility authority, sanitary district, public water district, not-for-profit association or other political subdivision whose responsibilities include construction, operation and maintenance of treatment works.

Operating Agreement – The agreement between the Agency and USEPA that establishes the policies, procedures and activities for the application and receipt of federal capitalization grant funds for capitalization of the WPCLP.

*Person* – *Any individual, partnership, co-partnership, firm, company, limited liability company, corporation, association, joint stock company, trust, estate, political subdivision, state agency, or any other legal entity, or their legal representative, agent, or assigns*. [415 ILCS 5/3.315]

Principal – The total amount of funds distributed to loan recipients for eligible project costs.

Project – The activities or tasks the Agency identifies in the loan agreement for which the loan recipient may expend loan funds.

Project Priority List – An ordered listing of projects developed in accordance with the priority system described in 35 Ill. Adm. Code 366 that the Agency has determined are eligible to receive financial assistance from the WPCLP.

Public Loan Applicant – A loan applicant that is a municipality, intermunicipal agency, interstate agency, or local government unit that has applied for a loan under the WPCLP.

Public Loan Recipient – A loan recipient that is a municipality, intermunicipal agency, interstate agency, or local government unit that has been provided a loan under the WPCLP.

Responsible Bid – A bid that demonstrates the apparent ability of the bidder to successfully meet all the requirements specified in the contract documents. Information necessary to demonstrate responsibility may be corrected or submitted after bid opening.

Responsive Bid – A bid that complies with all meaningful or material aspects of the contract documents. The bid must constitute a definite and unqualified offer to meet the material requirements of the contract documents including any terms that affect price, quality, quantity, or time of delivery, or are clearly identified in the contract documents to be complied with at the risk of bid rejection for nonresponsiveness. Bid defects resulting in a nonresponsive bid may not be corrected after the bid opening.

Service Population – The number of people served by the public loan applicant.

Subagreement – A written agreement between the loan recipient and another party, and any tier of agreement under that written agreement, to furnish services, supplies, or equipment necessary to complete the project for which a loan is provided, including construction contracts, contracts for personal and professional services, and purchase orders.

*Treatment Works* – *Treatment works, as defined in section 212 of the federal Water Pollution Control Act* (33 U.S.C. 1292)*, including, but not limited to, the following:*

*any devices and systems owned by a local government unit and used in the storage, treatment, recycling, and reclamation of sewerage or industrial wastes of a liquid nature, including intercepting sewers, outfall sewers, sewage collection systems, pumping power and other equipment, and 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;*

*any works, including site acquisition of the land that will be an integral part of the treatment process for wastewater facilities; and*

*any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste, including storm water runoff, or industrial waste, including waste in combined storm water and sanitary sewer systems as those terms are defined in the Federal Water Pollution Control Act.* [415 ILCS 5/19.2(f)]

Unemployment Rate – The annual average unemployment rate calculated by the Illinois Department of Employment Security, Economic Information and Analysis Division.

Useful Life – The estimated period during which a treatment works is intended to be operable, as certified by the project's consulting licensed professional engineer.

USEPA – The United States Environmental Protection Agency.

User Charge – A charge levied on the users of a treatment works to produce adequate revenues for the operation, maintenance, and replacement of the treatment works.

WPCLP – The Water Pollution Control Loan Program as authorized by Section 19.3 of the Act.

(Source: Amended at 48 Ill. Reg. 3751, effective February 27, 2024)