



**Idaho Department of Environmental Quality  
Drinking Water Loan  
Letter of Interest**

**FY 2014**

**Section 1. Project Information**

Please provide complete and accurate answers to receive the highest possible rating for your project. DEQ recommends that you work closely with your engineering consultant to complete this form.

**A. Project/System Identification**

Public Water System No. \_\_\_\_\_

Project/System DUNS No. (required prior to loan signing) \_\_\_\_\_

Project/System Name \_\_\_\_\_

Project/System Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

System Phone \_\_\_\_\_ System Fax \_\_\_\_\_

Population Served \_\_\_\_\_ System Ownership (**check one**):  For Profit  Not For Profit

Owner's Name (print) \_\_\_\_\_ Owner's Phone \_\_\_\_\_

Name/Title of System Contact (if different from owner) \_\_\_\_\_

Contact's Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Contact's Phone \_\_\_\_\_ Contact Fax \_\_\_\_\_ E-mail Address \_\_\_\_\_

**B. Project/System Problems**

1. On a separate sheet, describe the problem(s) identified in your existing DEQ-approved drinking water facility plan. Label the description as section 1, part B.
2. On a separate sheet, describe the alternative selected to correct the identified problem(s). Use the selected alternative in the facility plan. Label the description as section 1, part B.

**C. Project Readiness**

Decide if your community is interested in pursuing a DEQ Drinking Water loan by answering the following questions.

1. Do you need to make improvements or upgrade your public drinking water system?  YES  NO

**If you answered YES**, your drinking water system may be eligible to be rated and placed on the new fiscal year's loan priority list. Proceed to question 2.

**If you answered NO**, you will not be placed on the new fiscal year's priority list. DEQ will notify you next year when the grant and loan process begins again. **If you answered NO, do not complete or submit this form to DEQ.**

2. Has your community completed a DEQ-approved drinking water facility plan or engineering report (with a final environmental determination) in the last 5 years or is one in progress now?  YES (we are interested in a construction loan)  NO (we are interested in a planning grant)

**If you answered YES**, are you ready to design and construct your project? If so, and you want your project rated and placed on the drinking water loan priority list, proceed to questions 3–7 and then complete sections 2–8.

If you answered NO, you need to do some planning work. If you are interested in receiving a drinking water planning grant, fill out the Drinking Water Planning Grant Letter of Interest (LOI) form.

**Check all that apply:**

3. When will your project be ready to begin construction? Date \_\_\_\_\_
4. Planning document:  
Has the planning document (facility plan/engineering report) been completed?  YES  NO  
Has the planning document (facility plan/engineering report) been approved?  YES  NO

If you answered YES, provide the title of the planning document and, if applicable, the DEQ approval date.

Title \_\_\_\_\_ Approval Date \_\_\_\_\_

5. Environmental document:  
Has an environmental document been prepared and submitted to DEQ?  YES  NO  
Has a final environmental determination been issued?  YES  NO

If you answered YES, provide the title of the environmental document (if separate from planning document), date submitted to DEQ and, if applicable, DEQ environmental determination date. Submittal Date \_\_\_\_\_  
Determination Date \_\_\_\_\_

On a separate sheet of paper, describe the proposed project to correct the problem(s) identified in the facility plan/engineering report. Label the description as section 1, part C.

6. Project costs:  
Project funding requested from DEQ's State Revolving Fund (SRF) loan \$ \_\_\_\_\_  
Project funding from other sources \$ \_\_\_\_\_  
Estimated total cost to correct the problems identified in the planning document \$ \_\_\_\_\_

On a separate sheet of paper, describe or attach indicators or actions that reflect the community's interest or readiness to proceed on this project (e.g., minutes from public hearings). Label the description as section 1, part C.

7. Is financial documentation in place or does the system have legal authority to incur the debt associated with the proposed project?

**Check one:**

- System does not yet have legal authority to incur this debt.  
 Bond council or financial consultant retained.  
 Bond election scheduled. Indicate date (if applicable). Date \_\_\_\_\_  
 Legal instrument(s) in place (e.g., bond election, judicial confirmation).  
 What is the amount of debt that can be legally incurred? \$ \_\_\_\_\_

**Section 2. Public Health Emergency or Hazard**

*IDAPA 58.01.20.020.02.a. Public Health Hazard. Any condition which creates, or may create, a danger to the consumer's health, which may include any one or more of the following: i. Documented unresolved violations of the primary drinking water standards including maximum contaminant levels, action levels, and treatment techniques (to include maximum contaminant levels for acute and chronic contaminants); ii. Documented unresolved violations of pressure requirements; iii. Documented reduction in source capacity that impact's the system's ability to reliably serve water; or iv. Documented significant deficiencies (e.g., documented in a sanitary survey) in the physical system that is causing the system to not reliably serve safe drinking water—up to 100 points.*

1. Does an officially declared or designated public health hazard or emergency exist, as certified/documented by the DEQ Board, DEQ, or District Health Department's Board of Health?  YES (Provide a copy of Board documentation or certification with LOI.)  
 NO

**Check all that apply:**

2. Documented unresolved violations of primary drinking water standards:
- a. Microbiological violations in the last 12 months
    - E. coli* violation  YES  NO
    - If YES, how many? \_\_\_\_\_
    - Total coliform confirmed present violation  YES  NO
    - If YES, how many? \_\_\_\_\_
  - b. Chemical violations in the past 12 months
    - Chronic chemical or radiological maximum contaminant level (MCL) exceeded or lead action level exceeded  YES  NO
    - Copper action level exceeded  YES  NO
  - c. Surface water treatment technique violations (including ground water under direct influence)  YES  NO
3. In the last 12 months, has your system documented frequent unresolved incidents of pressure below 20 psi? Provide copies of public notices that are required by the "Idaho Rules for Public Drinking Water Systems" and any related documentation.  YES  NO
4. Does your system currently have a documented reduction in source capacity (well or surface water intake) that impacts the system's ability to reliably serve water? Provide documentation.  YES  NO
5. Does your system currently have other significant problems in the physical system (not otherwise listed in items 2-4) that have been identified as a public health hazard? Provide documentation.  YES  NO
6. On a separate sheet, describe each item marked YES, and attach documentation such as public notices. Label each description/documentation as section 2, part number(s).

**Section 3. General Conditions of Existing Facilities**

*IDAPA 58.01.20.020.02.b. General Conditions of Existing Facilities. Points shall be given based on deficiencies with facilities (which would not constitute a public health hazard) for pumping, treating, and delivering drinking water—up to 60 points.*

**Select all that are true but do not rise to the level of a public health hazard as in section 2 and will be remedied by the proposed project. Provide documentation such as the engineer's evaluation from the facility plan.**

**Systems will be considered inadequate to meet current hydraulic demand if pressures are consistently below 40 psi, or there are occasional depressurization events below 20 psi. Treatment systems will be considered inadequate if they cannot meet primary MCLs at that hydraulic demand.**

**Check all that apply:**

1. Treatment deficiencies:
- a. Water treatment facilities do not meet requirements of the "Idaho Rules for Public Drinking Water Systems," but problems do not constitute a public health hazard as above.  YES  NO

- b. Treatment facilities have inadequate capacity and cannot reliably meet *current* demand without extraordinary operational procedures.  YES  NO
- 2. Inadequate or lack of treatment results in exceedance of secondary MCLs.  YES  NO
- 3. Source deficiencies:
  - a. Sources have been determined to be vulnerable to contamination (e.g., damaged casing, inadequate setbacks, proximity to contamination) and the vulnerabilities will be corrected as part of this project.  YES  NO
  - b. Source's or combined sources' capacity is inadequate to meet *current* demand, even if they are or could be equipped with adequately sized pumps. Provide a description and documentation, such as pressure readings or complaints received by operator.  YES  NO
  - c. Sources have adequate water, but well pumps or intake pumps are inadequate to meet *current* hydraulic demand. Provide a description and documentation, such as pressure readings or complaints received by operator.  YES  NO
- 4. Distribution system deficiencies (do not include well pumps):
  - a. Storage, pumping, or distribution facilities have inadequate capacity and cannot meet current demand.  YES  NO
  - b. Existing storage tanks, pumping, or distribution facilities are leaking excessively or are structurally flawed or deteriorated (with documentation).  YES  NO
- 5. Will the project address redundancy and standby power?  YES  NO
- 6. On a separate sheet, describe each item marked YES and attach documentation. Label each description/documentation as section 3, part number(s).

#### Section 4. Sustainable (Green) Infrastructure Efforts

*IDAPA 58.01.20.020.02.c. Sustainability Efforts (e.g., prospective efforts at energy conservation, water conservation, extending the life of capital assets, green building practices, and other environmentally innovative approaches to infrastructure repair, replacement and improvement—up to 50 points.*

**Answers to the following questions can improve your overall rating and your access to funds that are specifically designated for sustainability efforts. If you earn Priority List points for your responses to this section, your project engineer will need to help DEQ (several hours) develop the needed information for reporting to the United States Environmental Protection Agency (EPA).**

For reference, some green infrastructure related websites include the following:

- <http://www.epa.gov/cupss/>
- [http://en.wikipedia.org/wiki/ISO\\_14001](http://en.wikipedia.org/wiki/ISO_14001)
- <http://www.iso14000-iso14001-environmental-management.com/>
- [http://www.iso.org/iso/iso\\_14000\\_essentials](http://www.iso.org/iso/iso_14000_essentials)
- [http://www.energystar.gov/index.cfm?c=evaluate\\_performance.bus\\_portfoliomanager](http://www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager)
- [http://www.energystar.gov/index.cfm?c=evaluate\\_performance.bus\\_portfoliomanager\\_benchmarking](http://www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager_benchmarking)
- <http://www.epa.gov/region09/waterinfrastructure/benchmark.html>
- <http://www.epa.gov/greenpower/>
- <http://www.nema.org/Policy/Energy/Efficiency/Pages/NEMA-Premium-Motors.aspx>
- <http://www.cee1.org/ind/mot-sys/mtr-ms-main.php3>

- 1. As part of your loan, will you include sustainability efforts?  YES  NO  
**Although only 50 points can be awarded under section 4, DEQ will incorporate all sustainability items checked below into the scope of the loan agreement.**
- 2. How much of your loan budget is being allocated to green infrastructure/sustainability? \$ \_\_\_\_\_

3. As part of your loan, will you include management-based efforts?

YES  NO

**Check all that apply—20 points each:**

- Implemented a capital budget that is funded and supported by a capital improvement plan (submit documentation) **OR** will implement a capital budget and capital improvement plan as part of the proposed project.
- Implemented a consumption-based full-cost pricing for drinking water supported by a capital budget (submit documentation) **OR** will implement consumption-based full-cost pricing as part of the proposed project.
- Implemented a formal asset management system (using a tool such as EPA's Check Up Program for Small Systems [CUPSS]) (submit documentation) **OR** will implement a formal asset management system as part of the proposed project.
- Implemented a formal environmental management system (shown by International Organization for Standardization (ISO) 14001 certification) (submit documentation) **OR** will implement a formal environmental management system as part of the proposed project.
- Implemented an sustainable infrastructure (SI) benchmarking program (submit documentation) **OR** will implement an SI benchmarking program as part of the proposed project.
- Currently an EPA Green Power partner (submit documentation) **OR** will become an EPA Green Power partner during proposed project period.
- Implement *green* building management (based on Leadership in Energy and Environmental Design [LEED] operation and maintenance [O&M] criteria) as part of the proposed project.
- Implement funding the provision of water efficient fixtures for the community as part of the proposed project.
- Consolidate with an existing system as part of the proposed project.
- Implement sustainable design principles, including energy efficiency and design for disassembly as part of the proposed project.
- Implement the recommendations of a professional energy audit.
- Other (contact Grant Program)

On an attached sheet, explain each of the management-based sustainability efforts checked above and include the cost of the effort. Label the documentation as section 4, part number(s).

4. As part of your loan, will you include technology-based efforts?

YES  NO

**Check all that apply—20 points each:**

- Water conservation measures that would result in an estimated water savings of 20% or more, such as:
  - Leak detection equipment (including smart meters)
  - Water meters and a conservation-oriented rate structure (usage-dependent rates)
  - Gray water distribution/collection
  - Fund the provision of water efficient fixtures for the community (e.g., WaterSense)
- Energy conservation measures that would result in a 20% net energy reduction in a unit operation such as:
  - Variable frequency drive (VFD) pumps
  - Turbines/hydrogenerators in pipelines
  - Energy-efficient motors that meet National Electrical Manufacturers Association (NEMA) Premium specification
  - Green roofs
  - On-site energy generation, such as fuel cells, solar, or wind
  - Advanced fluorescent or high-efficiency discharge lighting
  - Lighting controls

- Constructing or renovating buildings to meet LEED criteria.
- Other innovative technologies (e.g., treatment technologies that reduce the volume of chemicals required; treatment technologies that either reduce the volume or toxicity of residuals).

On an attached sheet, explain each of the technology-based sustainability efforts checked above and include the cost of the effort. Label the documentation as section 4, part number(s).

5. As part of your loan, will you include green construction practices?  YES  NO

**Check all that apply—10 points each:**

- Use of recycled materials for facility construction or design for deconstruction
- Design/build for environmentally friendly decommissioning
- Trenchless or low-impact construction technology
- Other (contact Grant Program)

On an attached sheet, explain each of the construction practice sustainability efforts checked above and include the cost of the effort. Label the documentation as section 4, part number (s).

**Section 5. Consent Order, Compliance Agreement Schedule, or Court Order**

*IDAPA 58.01.20.020.02.d. Consent Order, Compliance Agreement Schedule or Court Order. Points shall be given if the system is operating under and in compliance with a Consent Order, Compliance Agreement Schedule, or Court Order and the proposed construction project will address the Consent Order, Compliance Agreement Schedule, or Court Order—up to 30 points.*

1. Is your planning effort intended to solve the technical and managerial issues of the order or agreement?  YES  NO
2. If YES, on a separate sheet describe the issues and provide supporting documentation that will assist in understanding of the problem(s). Indicate whether you are seeking funding for a phased approach to your system’s needs and if you have discussed the phasing strategy with the DEQ regional engineer. Label the description as section 5.

**Section 6. Bonus Points/Incentives**

*IDAPA 58.01.20.020.02.e. Incentives. Bonus points shall be awarded to systems that promote source water protection, conservation, economy, proper operation maintenance and monitoring—up to 10 points.*

**Check all that apply:**

1. Do you have a current DEQ-approved Drinking Water Protection Plan (less than 5 years old)?  YES  NO
2. Have you established a drinking water system capital replacement fund and contributed to it at least once in the past 3 years? Provide a copy of your capital improvement plan and a financial statement for this fund.  YES  NO
3. Cross-connection:  
 Community Water System—Do you have an active Cross-Connection Control Plan (provide a copy or link to this plan), **OR**  
 Noncommunity Water System—Were potential backflow protection or cross-connection issues identified in the managerial module of your latest sanitary survey (provide date)?  YES  NO  
 Date \_\_\_\_\_
4. Do you have a conservation-oriented rate structure (rates dependent on use)? Provide a copy of your rate schedule.  YES  NO
5. Do you have a predesignated, licensed, “Substitute Responsible Charge Operator License Requirement” for your system as described in IDAPA 58.01.08.554.03?  YES  NO
6. Is your system current on required monitoring?  YES  NO

## Section 7. Affordability

IDAPA 58.01.20.020.02.f. Affordability. Points shall be given when current system user charges exceed state affordability guidelines.

1. How many equivalent dwelling unit (EDU) connections does your system serve? \_\_\_\_\_
2. What is the current average residential user rate? \$ \_\_\_\_\_ /month/household
3. Upon project completion, what is the expected *change* in operation and maintenance cost (not including debt service)? \$ \_\_\_\_\_ /month/household
4. Does the current average user rate include charges to retire the State Revolving Fund (SRF) debt for which you are applying?  YES  NO
5. If YES, how much of the current average user rate is devoted to the debt retirement? \$ \_\_\_\_\_ /month/household

## Section 8. Authorized Signature

Would you be willing to allow us to share your LOI with other federal funding agencies?  YES  NO

**I understand that if awarded funding, costs incurred prior to the award are not eligible for reimbursement, unless written acceptance of the costs are received from DEQ.**

Initials \_\_\_\_\_

I certify that, to the best of my knowledge, all information provided here is valid and correct:

Authorized Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Print Name \_\_\_\_\_

*Return completed form and attached questionnaire by January 4, 2012 to:*  
 Idaho Department of Environmental Quality  
 Attn: MaryAnna Peavey  
 1410 North Hilton  
 Boise, ID 83706  
[maryanna.peavey@deq.idaho.gov](mailto:maryanna.peavey@deq.idaho.gov)  
 Phone (208) 373-0122 Fax (208) 373-0576