

Synopsis of Drinking Water Loan Handbook Changes – November 2012

Handbook Form Number	Reference Numbers of Changes Made on Form	Narrative Explanation of Changes Made on Form
1-A	Addition of 8.f. – 8.w.	Expanded pre-application form to provide earlier communication of new requirements and common problems.
2-A	Misc.	Made technical improvements to form functionality.
3-A	III.B.	Added language relating to debarred/suspended contractors.
3-A	III.E.	Added language relating to disadvantaged business enterprises.
3-A	III.F.	Amended language relating to acquisition of land, easements, etc.
3-A	III.N. and O.	Added new sections on the Single Audit Act and that the invalidity of one loan condition will not invalidate the whole.
3-A	IV.E.	Updated language on the need for a reserve account.
3-A	IV.O.	Added language relating to the Davis Bacon Act.
3-A	V.	Expanded Special Conditions narrative.
3-A	VII.F. and G.	Updated narrative to better explain triggers to withholding disbursements at the end of the project.
3-A	VIII.C.	Added language relating to loan fees.
5-A	A.1.c.ii./iii.	Removed two items from checklist. The first item (on previous record of project completion) could lend itself to a high degree of subjectivity and the second item (on having certain procedures) would quickly lead into legal determinations outside of DEQ expertise.
5-A	B.	Amended opening sentence to refer to a “broad brush” environmental explanation, in keeping with other references to a “broad brush” approach.
5-A	B.3.	Replaced current language of what constitutes a description of the drinking water system with revised language, suggested (and agreed upon) by DEQ regional engineers.
5-A	B.4.	Removed “unreasonable risks to health.”
5-A	B.5.	Made technical changes to wording and removed references to specific water system pressure (as suggested and agreed upon by DEQ regional engineers).
5-A	C.2.	Expanded discussion of “forecast of demand” to better clarify needed information to assess future conditions (changes suggested and agreed upon by DEQ regional engineers).
5-A	C.6.	Expanded discussion of “hydraulic analysis” to better clarify needed information to assess future conditions (changes suggested and agreed upon by DEQ regional engineers).
5-A	D.2.e.	Qualified that the discussion be general in nature. Removed the need to include consultation letters at that stage in the process.
5-A	D.4.	Removed parenthetical to allow for all potential sources.
5-A	D.10.	Corrected “staged distribution” to read “pressure zones.”
5-A	E.2.	Removed suggestion for the in-depth analysis of selected alternative, since we are still speaking about the analyses of the initial alternatives. This deletion requires a renumbering of the follow-on sections under “E.2.”

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5-A	E.4.	Clarified guidance on what is expected in the general comparison of alternatives by adding “broad brush.” Also suggested the use of a chart to differentiate the various impacts of the alternatives.
5-A	E.5.	Clarified in first paragraph when public participation is completed and where to find requirements for public input.
5-A	E.5.b./c./d./e./f./g.	Clarified nuances of public comment/input/review (i.e. consultations are not needed during this process, hearings are not required, length of comment period and technical wording changes to clarify meanings).
5-A	E.6.	Removed checklist item for discussion of “cost effectiveness.” This was relevant to construction grants.
5-A	F.Intro/1./2./3./4.	Clarified section title to make clear that the alternatives are recommendations
5-A	F.5./6.	Made technical wording changes to clarify sentences.
5-A	G.	Added section to differentiate development of in-depth environmental document from the preceding discussion on the development of alternatives. Made technical wording changes to clarify sentences.
5-A	H.2.	Removed reference to the review of the user charge ordinance.
5-A	I.1.	Removed section that suggested adding items from Form 5-B (language is too indistinct).
5-A	I.3.	Clarified final section to focus on user charge system and related ordinance as being approved as part of the loan process.
5-B	Misc.	Made technical improvements to form functionality.
5-B	Tier II	Split out Tier II environmental assessment requirements into a separate form.
5-B	D.6.d.1.	Restated question regarding community income.
5-B	D.6.f.1.	Restated question regarding building in a floodplain.
5-B	D.6.l.2.	Added reference regarding consultation with the National Resource Conservation Service.
5-B	D.6.m.1.	Added link to non-attainment web site.
5-C	A. and B.	Reformatted policy and protocol opening statements.
5-C	C.3.	Added definition of “Area of Potential Effects.”
5-C	C.10.	Corrected cross-reference in last sentence of definition of “Environmental Information Document” (from Section F. to Section G.).
5-C	C.11.	Corrected cross-reference in last sentence of definition of “Environmental Impact Statement” (from Section F. to Section G.).
5-C	C.25.	Added definition of a “Planning Document.”
5-C	C.30.	Added definition of a “Screening Level Environmental Analysis.”
5-C	D. and E.	Expanded upon “Applicability” narrative and added “Legal Foundation” narrative.
5-C	G.	Added narrative on borrower’s responsibilities.
5-C	H. Step 4	Added narrative about contacting agencies.
5-C	H. Step 5	Expanded narrative to better explain DEQ actions upon assessment of environmental impacts.
5-C	H. Step 6	Added narrative to explain with whom DEQ shares documents.

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5-C	I. Step 2.2.b.	Added narrative regarding point of use devices.
5-C	I. Step 2.5.	Added explanations of what constitutes “extraordinary circumstances.”
5-C	I. Step 3.f.	Expanded narrative on “analysis of alternatives.”
5-C	I. Step 3.g.	Expanded narrative on “evaluation environmental consequences of proposed action.”
5-C	J.	Removed section on “Partitioning the Environmental Review Process” (the process was never used). Added in its place narrative on “Potentially Affected Agencies.”
6-A	B.2.	Added links for suspension and debarment checks.
6-A	B.3.-6.	Moved to Section F of same form.
6-A	G.10.	Replaced OSHA insert requirement with Contractor’s Compliance Statement (Form 6-I)
6-A	J.2.	Revised wording for sole source materials to require compliance with state statute (rather than getting approval from DEQ).
6-A	N.	Revised requirement for Green Project Reserve to include a technical memorandum by the Borrower.
6-C	Sections 12 and 13, Compliance Verification	Added text to explain that employee interviews (for Davis Bacon compliance) are only required when the Borrower conducts a risk assessment and concludes that noncompliance is likely.
6-C	K.	Added new Section to succinctly state important Davis Bacon requirements.
6-F	Section II.	Updated submittal/form requirements, requirement for a bidder’s list, and contract administration provisions.
6-K	Title	Changed title of form.
6-W	Sections E., G., H.	Added new information for Davis Bacon, establishment of a DUNS number and debarment/suspension.
7-A	4.	Better defined what is expected of a user charge system.
7-A	6.a. and 6.b. become questions #7. and #8.	Removed questions about intermunicipal agreements, and created separate questions on new form.
7-A	9.	Provided examples of a “basis” for a rate system.
7-A	Removed old questions #8. and #9.	Eliminated questions covering highly unlikely eventualities.
7-A	10.	Expanded question on ordinances and rate systems to provide more clarity on DEQ expectations.
7-A	13.	Provided more explanation on cross-connection control compliance.
8-A	2.	Added question to remind stakeholders to proactively address the prequalification of major equipment.
8-A	4. (old question #3.)	Expanded narrative on bid advertising to provide better guidance to stakeholders.
8-A	5. (old question #4.)	Expanded narrative on bid advertising to provide better guidance to stakeholders.
8-A	Removed old question #7.	This requirement must be fulfilled prior to the award, rather than prior to the bid.

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8-A	Added questions 6. – 13.	Improved transparency of current expectations for the bidding process. Moved and edited old questions 9 – 22 by incorporating them into questions 2 – 13.
8-A	Removed old questions 15., 18., 20. and 21.	Eliminated questions that were either very hypothetical (i.e. improbable) or touched on issues outside of the bid review realm.
8-A	Replaced old question #8 with questions 16 – 32.	Better identified when specification inserts and other Federal cross cutting requirements are due for completion. Provided better guidance on whom, exactly the various submissions need to be made to.
8-B	Bid Authorization Letter	Updated letter to reflect changes on form 8-A.
9-B	N.	Removed OSHA reference, as the OSHA requirements are too involved for DEQ to exercise significant oversight.
9-B	N.	Added instruction to mitigation measures sentence that changes to project scope may trigger the need to update the environmental document.
11-A	B.6.	Added language to verify that employee interviews were being documented and kept by the Borrower.
11-A	Old question F.4.	Removed question that asked DEQ regional engineers to evaluate the relationship amongst the Borrowers support /contract staff.
11-A	Old question G.1.	Removed question that asked DEQ regional engineers to count number of different trades and number of construction staff on-site at time of visit.
11-A	Old question H.12.	Removed question that asked DEQ regional engineers to count pieces of construction equipment on-site and evaluate the equipment's condition.
11-A	Old question I.3.	Removed question that asked DEQ regional engineers to report on the submission of DBE forms (this is a State Office function).
11-A	Old question I.4.a.	Removed question that asked DEQ regional engineers to opine on the effectiveness of operator training efforts.
11-A	I.5.	Edited discussion of job interviews to clarify that the interviews are only required if a risk assessment brings into doubt contractor compliance with Davis Bacon requirements.
11-A	Old question J.5. and J.6.	Removed question that asked DEQ regional engineers to opine on the effectiveness of inflow/infiltration corrective efforts.
11-A	New Section M.	Added listing of signage that should be posted on the construction site.
11-E	15., 16. and 17.	Added questions to address final Davis Bacon, environmental mitigation and Green Project Reserve.
12-A	Old form	Removed old form, which provided guidance on filing of hard-copy documents (we have since gone to electronic documents).