



DELAWARE HEALTH AND SOCIAL SERVICES

Division of Public Health

Office of Drinking Water

DRINKING WATER STATE REVOLVING FUND

LOAN APPLICATION 2009

Delaware Health and Social Services
Division of Public Health
Office of Drinking Water
655 Bay Road, Suite 203
Dover, DE 19901
Phone (302) 741-8585 · Fax (302) 741-8631

Enclosed are instructions and forms for a loan application to the State of Delaware's Drinking Water State Revolving Fund (DWSRF). Please answer all questions completely and accurately. Attach additional pages if needed.

Submit the original plus 2 Copies of each application no later than **January 4, 2010** to:

Heather Warren
Office of Drinking Water
Blue Hen Corporate Center
655 Bay Road, Suite 203
Dover, Delaware 19901

The following items must be included with each copy of your application:

- **Loan application**
- **Conceptual plans—layouts (include alignments, right of ways, and footprints)**
- **Organizational chart**
- **Proposal from private utility (municipals only)**
- **Current and proposed user rate schedule**
- **Current budget**
- **Audited financial statements of the last 3 fiscal years**
- **Annual reports of the last 3 fiscal years**
- **Latest Bond Rating (if available)**
- **Last Bond Official Statement (if applicable)**
- **Town charter (municipals only)**
- **Charter Restrictions on the Issuance of Debt (if applicable)**
- **Inter-municipal Service Agreement (if applicable)**
- **Articles of Incorporation (private companies only)**
- **Proof of line of credit, available funds or some other means of interim financing**

Please remember that the DWSRF program's intent is to improve existing infrastructure. Please refrain from applying for funds that are associated with: "proposed developments, annexation, anticipated growth, future population, etc".

Questions?

Contact Heather Warren at the Office of Drinking Water (302) 741-8585 or heather.warren@state.de.us.

Section I: General Information

Public Drinking Water System:

Project Title:

Applicant's Name and Address: (P.O. Box or Street, City & Zip Code)

Name: _____

Address: _____

Phone: _____ Fax: _____

Email: _____

Primary Contact (Authorized Official):

Name: _____

Address: _____

Phone: _____ Fax: _____

Email: _____

Project Contact (Consulting Engineer):

Name: _____

Address: _____

Phone: _____ Fax: _____

Email: _____

Legal Owner of System:

Name: _____

Address: _____

Phone: _____ Fax: _____

Email: _____

Ownership Information:

Does the entity applying for this DWSRF Loan own the water system?

_____ Yes _____ No

If "NO," please list owner of the water system:

Does the entity applying for this DWSRF Loan hold the CPCN for the area in which the water system is located?

_____ Yes _____ No

If "NO," please list who holds the CPCN for this area:

Type of public water system:

_____ Municipally-owned community

_____ Community

_____ Non-transient non-community

_____ Transient non-community

Location of public water system:

_____ New Castle County

_____ Kent County

_____ Sussex County

Type of ownership:

_____ Public

_____ Private for Profit

_____ Private Non-profit

Section I. Public Health Risks:

Please describe the project and how it will impact public health risks, and include the following details:

Identify contaminants of concern

Describe current drinking water system facilities

Note problem(s) that is/are being addressed/corrected/avoided

Describe compliance and enforcement actions and include dates of violations

Drinking Water Source

Note source water protection issues:

Summarize the status of source water and wellhead protection efforts:

Expected Project Benefits (check all that apply)

- Meet national drinking water standards
- Eliminate taste/odor problems
- Provide more reliable water quantity/pressure
- Enhance system technical, financial, or managerial capacity
- Improve facility security
- Improve fire safety
- Other public health benefits (describe below)

Project Demographics-Municipalities Only

Describe any important demographic characteristics of the area (examples would be: % of population over 65 years old, % of population under 5 old)

Section II. Project Information

Project description:

Check only *existing* problems to be remediated by this project.

Proposed project will eliminate a water *quality* deficiency:

Acute:

- E. coli*
- Nitrate
- Nitrite

Non-Acute:

- Total Coliform Bacteria
- Volatile Organic Chemicals (VOCs), including MTBE
- Total Trihalomethanes (TTHMs)
- Synthetic Organic Chemicals (SOCs)
- Trace Metals
- Unregulated VOCs
- Unregulated SOCs
- Turbidity

- Radiologicals
- Lead/Copper

Secondary Standards:

- Iron
- Trace Metals (such as manganese, silver, copper)
- pH
- Chloride
- Total Dissolved Solids
- Sulfate
- Taste
- Odor
- Color

Proposed project will eliminate a water *quantity* deficiency:

Acute:

- System water pressure less than 25 psi
- Water shortages – lack of adequate supply

Chronic:

- Water shortages – lack of adequate storage
- Water shortages – during peak demand
- System water pressure greater than 100 psi

Proposed project will eliminate treatment and/or design deficiency:
(Please list all deficiencies to be remediated by this project)

Proposed project will eliminate a *security* deficiency:

- Treatment Plant
- Storage Site
- Distribution System
- Source
- Electronic

Proposed project will allow for returning to compliance with the following Safe Drinking Water Act (SDWA) Regulation(s):

- Lead/Copper Rule
- Surface Water Treatment Rule
- Stage 1 Disinfectants/Disinfection Byproducts
- Phase I, II, or V
- Total Coliform Rule
- Interim Enhanced Surface Water Treatment Rule
- Radionuclides
- Long-Term I Enhanced Surface Water Treatment Rule
- Filter Backwash Rule

- MTBE Primary Standard
- Arsenic

Proposed project will eliminate a compliance or enforcement status with the Office of Drinking Water:

- Significant Non-Compliance
- Active Bilateral Compliance Agreement
- Alternate Contaminant Level
- Active Administrative Compliance Order

Proposed project will allow for compliance with the following future SDWA Regulation(s):

- Groundwater Rule
- Radon
- Sulfate
- Long-Term II Enhanced Surface Water Treatment Rule
- Stage II Disinfectants/Disinfection Byproducts Rule

Proposed project will result in regionalization:

- Consolidation of multiple non-complying water systems
- Consolidation with one non-complying water system
- Consolidation of complying water systems
- Service to areas of existing private wells with water quality deficiencies
- Service to areas with existing private wells
- Emergency interconnection with another public water system

List all consolidated systems and/or areas with private wells to be included with this project:

Do all sources have master meters? Yes No

If system charges for water usage, does the rate structure promote conservation?

N/A Yes No

If "YES", please briefly describe:

Does the water system have an unaccounted water loss of less than 10%?

Yes No

If "YES," please briefly describe process to account for all water:

Identify the water system's licensed drinking water operator and provide license number.

Name: _____ License # _____

If there are several operators, please list the Direct Responsible Charge, as specified in Delaware Regulations.

Does the operator possess all applicable treatment endorsements?
_____ Yes _____ No

Does the water system have a documented maintenance schedule?
_____ Yes _____ No
If "YES," please provide documentation.

Does the water system implement a Cross Connection Control Program?
_____ Yes _____ No
If "YES," please provide documentation.

Describe where the project is in each process, including timelines.

A. Status of Preliminary Engineering:

B. Status of Environmental Information Document:

C. Status of Final Plans and Specifications:

D. Additional Comments:

Proposed Schedule	Month/Year
A. Submit Final Plans	_____
B. Advertise for Bids	_____
C. Award Contracts	_____
D. Begin Construction	_____
E. Complete Construction	_____
F. Begin Operations	_____

The proposed schedule should be achievable and realistic. Projects should be ready to proceed at the time of loan closing. Financial penalties may be imposed if projects do not progress in a timely fashion.

Section III. System Review

System Information

Current number of service connections _____

Number of metered service connections _____

Will the proposed project increase the number of service connections? _____

If "Yes," how many new connections? _____

How many new metered connections? _____

Projected annual growth in customers _____ %

Projected annual growth (# of new connections anticipated each year) _____

Population Demographics

Residential Population:	Current	Projected 1 Year	Projected 5 Years
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Year Round	_____	_____	_____
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Seasonal	_____	_____	_____
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Existing total daily usage _____ gpd

Domestic flow _____%

Industrial/commercial flow _____%

Five (5) largest users of the water system

<i>User</i>	<i>Monthly Average (gallons)</i>
1) _____	_____
2) _____	_____
3) _____	_____
4) _____	_____
5) _____	_____

Enclose a copy of the Town Charter or Company Articles of Incorporation

Section IV. Financial Information

1. General Information

- A. Federal Tax I.D. Number: _____
- B. Type of Water System: () Municipal () County () Private
() Investor-Owned Utility
- C. Does the applicant represent other water systems not directly benefiting from these proposed improvements? () Yes () No
- D. If "Yes," please list all systems: _____

2. Availability of other funds needed to complete project

<i>Source</i>	<i>Amount</i>	<i>Commitment Date</i>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

Total \$ _____

3. Project budget information:

A. *Non-construction (administrative, legal, engineering, etc.)*

- a. Administration expense \$ _____
- b. Land, Right-of-Way \$ _____
- c. Engineering basic fees \$ _____
- d. Other engineering fees \$ _____
- e. Project inspection fees \$ _____
- f. Closing costs \$ _____
- g. Permits \$ _____
- h. Other (Explain) _____ \$ _____

Total non-construction costs \$ _____

B. Construction and Project Improvement

- a. New source \$ _____
- b. Treatment plant \$ _____
- c. Treatment upgrade \$ _____
- d. Storage \$ _____
- e. Distribution \$ _____
- f. Other \$ _____

Total construction costs \$ _____

C. Contingencies \$ _____

D. Total cost of project (A + B + C) \$ _____

4. Annual operation, maintenance, and replacement/estimated cost for proposed facilities

- A. Labor \$ _____
- B. Utilities \$ _____
- C. Materials \$ _____
- D. Outside services \$ _____
- E. Miscellaneous expenses \$ _____
- F. Equipment replacement \$ _____
- G. **Total O, M, & R cost for proposed facility** \$ _____

5. Total estimated annual facilities costs

- A. Net O, M, & R (existing) \$ _____
 - B. Annual Debt Service (existing) \$ _____
 - C. Net O, M, & R (proposed) \$ _____
 - D. Annual Debt Service (proposed) \$ _____
- Total Annual Costs** \$ _____

Comments: _____

6. Sources of revenues as a percentage of total annual water revenues

- A. Residential share _____ %
- B. Industrial/commercial share _____ %
- C. Other (Explain) _____ %

7. Type of security applicant proposes for the loan:

- A. Pledge of Revenue of the water system only ()

- B. Pledge of Revenue of water and sewer system ()
- C. General Obligation ()
- D. Mortgage/Lien on the facility ()
- E. Other: _____ ()

8. Tax Base

Ten (10) principal taxpayers in the service area (municipal systems only)

	<i>Name of Individual/Firm</i>	<i>Type of Business</i>	<i>Number of Employees</i>
1)	_____	_____	_____
2)	_____	_____	_____
3)	_____	_____	_____
4)	_____	_____	_____
5)	_____	_____	_____
6)	_____	_____	_____
7)	_____	_____	_____
8)	_____	_____	_____
9)	_____	_____	_____
10)	_____	_____	_____

9. Tax base for the previous 5 years (municipal systems only)

<i>Year</i>	<i>Assessed Property Value</i>	<i>Appraised Value (if different)</i>	<i>Tax Rate</i>	<i>Total Tax Levy</i>

10. Water Rates

- A. Current water rate: _____
- B. Are any rate increases being proposed to assist in retiring the new debt service and other costs (OM&R) associated with the proposed project? () Yes () No
- C. If “Yes,” what rates are being considered? _____

11. Sewer Rates

A. Is the service area of the water system on public sewer? () Yes () No

B. If "Yes," what is the sewer rate? _____

12. Incorporated municipalities serviced by the system:

13. Other incorporated municipalities impacted by the project: _____

14. Planning Information

A. Does the assistance require state, local, regional, or other planning approval?
() Yes () No

B. If "Yes," <i>Approving Agency</i>	<i>Date Approved</i>
1) _____	_____
2) _____	_____
3) _____	_____

C. Is the proposed project located in an area covered by an approved comprehensive plan?
() Yes () No

D. If "Yes," does the project conform to the plan?
() Yes () No

E. Identify any current or pending permits/approvals to construct and/or operate the facility including:

- 1) Construction Permit
- 2) Sedimentation and Erosion Control Plan
- 3) Department of Transportation
- 4) Building Permit
- 5) Other (Specify) _____

Section V. Environmental Review

1. Introduction

A. There are three levels of Environmental Review:

- 1) Categorical Exclusion
- 2) Environmental Assessment
- 3) Environmental Impact Statement

2. Categorical Exclusion

- A. The Environmental Information Document must identify the purpose and need for the project as well as providing a brief description of its scope and site location maps.
- B. All applicants must complete the Environmental Screening Checklist on page 16.
- C. If the Categorical Exclusion is concurred with by all parties, then no further Environmental Review is required.
- D. If the Categorical Exclusion is not concurred with, then the next level of Environmental Review (Environmental Assessment) must be completed for the project.
- E. If a Categorical Exclusion is granted, the applicant must publish an advertisement in a local newspaper. The Categorical Exclusion will also be distributed to parties with known interest.

3. Environmental Assessment

- A. The Environmental Information Document must provide sufficient data, information, and analysis to determine whether an Environmental Impact Statement (EIS) is necessary or if a Finding of No Significant Impact (FONSI) can be issued.
- B. The Environmental Information Document must address and consider both the direct and indirect environmental impacts of the selected alternative. Both adverse and beneficial impacts need to be identified and considered, and the rationale for the chosen alternative outlined. Direct impacts are caused by the construction and indirect impacts are caused by the development made as a result of the project. The assessment must also evaluate and discuss the impacts that would result without the project.
- C. When the Environmental Information Document indicates that no significant impact is anticipated or the project is altered to eliminate any significant adverse impacts, a Finding of No Significant Impact (FONSI) may be issued and made available to the public.
- D. The Environmental Assessment will be included as part of the FONSI. The FONSI will list any mitigation measures necessary to make the recommended alternative environmentally sound.
- E. Public Notice of the FONSI must include publication in a local newspaper. The formal comment period (30 days) must be provided for all public notices during which no action on a project will occur.

4. Environmental Impact Statement

If the Environmental Assessment indicates that a significant environmental impact may occur and that the impact cannot be mitigated through changes in the project, then an Environmental Impact Statement (EIS) must be prepared.

Environmental Information Document

Please include the following information with the application:

- I.) **Proposed Project:** A concise description of the proposed system improvements should be provided along with an identification and location of the service area. A map of the project area locating mains and the facility should be attached. In addition, the existing and future population and an estimate on the amount of vacant land to be serviced should be noted.
- II.) **Purpose and Need:** A discussion of the need for improved water treatment works or mains should be provided with an emphasis on the location and severity of existing public hazards (potential or certified) and water quality/quantity problems.
- III.) **Description of the Future Environment Without the Project:** A brief account of the conditions that will exist in the future should a “no action” alternative be selected. This section should develop a picture of the future based on the current problems and the historic growth rate.
- IV.) **Evaluation of Alternatives:** A concise calculation of feasible alternatives should be provided. This comparison of alternatives should address in as much detail as is necessary, the cost-effectiveness of each option. In particular, the capital and O & M costs, significant primary and secondary environmental impacts, ability to implement, public acceptability and the need to comply with regulatory requirements are items which may need to be addressed. Where other reasons for rejecting an alternative exist they should be addressed along with an identification of any significant environmental benefits, which were lost by rejection of the alternative. In addition, where appropriate to the project, the evaluation of the alternatives should address water conservation, backwash waste management options, energy savings, project phasing and multiple use options.
- V.) **Description of the Existing Environment:** This description should include those environmental factors, which were considered during the environmental screening process, and are either unrelated to the alternative considered in this project or the proposed project has an insignificant level of impact, beneficial or adverse, on the environmental factor. A similar paragraph (to the following) should be prepared for this project. All environmental areas listed in the paragraph should be thoroughly investigated and the paragraph modified accordingly.

Sample Paragraph: (will need to be modified for each project)

Through the use of an Environmental Screening Checklist, this office has determined that the following factors/amenities wither do not exist within the service area of this water system or the resulting environmental effects are inconsequential and thus do not warrant further attention to this Environmental Assessment:

- ◆ Air quality
- ◆ Endangered or threatened species
- ◆ Fish and wildlife resources
- ◆ Wetlands/floodplains/coastal areas
- ◆ Surface/groundwater resources—quantity and/or quality related
- ◆ Backwash disposal
- ◆ Loss of prime agricultural land
- ◆ Excessive energy consumption

- ◆ Visual effects/community amenities
- ◆ Socioeconomic consideration
- ◆ Historic/archeological sites
- ◆ Wild and scenic rivers
- ◆ Other environmental sensitive areas

- VI.) ***Environmental Consequences:*** The major impacts of the project, other beneficial and adverse, primary and secondary should be considered. Unavoidable impacts, as well as irreversible or irretrievable resource commitments should be noted. Short-term uses or environmental gains should be considered in a tradeoff against long-term gains (i.e., what does the future bring in the way of available uses of land, water resources, health, etc., as a result of the selection of an option to solve perceived existing problems). A rationale for concluding that there will be no significant impact as a result of the selected alternative should be included.
- VII.) ***Mitigating Measures:*** (Those measures that have already been implemented or are available, either structural or non-structural, and which will minimize adverse impacts should be described.) The description should include existing land use controls, zoning ordinances, erosion and sedimentation control ordinances, water use ordinances, as well as project staging and changes in facility location or design. In addition, any conditions, which will be placed on the project approval or a future grant agreement, should be summarized.

Environmental Screening Checklist

The following questions are each followed by a series of three (3) boxes in which to respond and several blank lines to reference the source used in making the response. A negative response to each in a category will justify the decision of “no significant impact.” The statements are phrased to include both primary and secondary impacts and were based upon criteria for an impact statement (40 CFR Part 6). The Section on “Land Use Planning and Management” should determine secondary impacts due to development.

If a definite negative response cannot be made, then the “possible adverse” box should be checked and the particular category discussed in the environmental assessment. The environmental assessment when written should summarize beneficial impacts and discuss possible adverse impacts and mitigating circumstances.

The phrasing “Does documentation exist...” was used for several questions due to the difficulty in being specific and thus possibly not relating to all situations. The Environmental Screening form itself is worded generally to invoke in the reviewer the responsibility to deeply consider each item rather than routinely check blocks.

Natural Environment

1. Air Quality
 - a. Does documentation exist to indicate a possible violation of ambient air quality standards as a primary impact due to the project?
 - b. Is significant or excessive development planned or expected which could yield a possible violation of ambient air quality standards as a secondary impact of the project?

- c. Does documentation exist to indicate a possible violation of noise standards as a primary or secondary impact due to the project?

_____ Yes _____ No _____ Possible Adverse

References: _____

2. Water Quality

- a. A sedimentation and erosion control procedure has not been and will not be submitted and there are no county (or other enforceable) laws on sedimentation and erosion control.

_____ Yes _____ No

- b. Does documentation exist to indicate if existing or future development could affect the quality or quantity of groundwater (e.g. groundwater recharge area)?

_____ Yes _____ No _____ Possible Adverse

References: _____

3. Water Supply–Draw Down

- a. The project will cause a significant increase in the amount of water to be withdrawn from one aquifer.

_____ Yes _____ No _____ Possible Adverse

References: _____

4. Biology

- a. Endangered or threatened species are included in the initial or future service areas.
b. Documentation exists to indicate wildlife and/or their habitat will be affected by the facility location or future development.

_____ Yes _____ No _____ Possible Adverse

References: _____

5. Sensitive Areas

- a. The service area includes or is part of an area designated or considered sensitive by local, state, or federal agency(ies).

_____ Yes _____ No _____ Possible Adverse

References: _____

6. Wetlands

If the project results in a possible adverse impact, a specific wetlands assessment must be included in the environmental assessment.

- a. Wetlands, either fresh or saltwater, are included in the service area.

_____ Yes _____ No _____ Possible Adverse

References: _____

Land Use Planning and Management

A negative response to all questions will indicate minimal secondary impacts due to development.

- 7. The project does not conform to existing land use plans or could cause significant changes to existing land use patterns.

_____ Yes _____ No _____ Possible Adverse

References: _____

8. Reserve Capacity

- a. Two filters in parallel in order to be able to backwash or repair one while still operating facility.
- b. Adequate fire capacity reserve using Delaware State Fire Prevention Regulations.

_____ Yes _____ No _____ Possible Adverse

References: _____

9. Large areas of existing vacant land will be subject to increased development pressure.

_____ Yes _____ No _____ Possible Adverse

References: _____

10. Documentation exists which indicates that the proposed project will induce population changes or migration which could:

- a. Surpass the water facility's capacity.
- b. Affect demand or availability of energy sources.

_____ Yes _____ No _____ Possible Adverse

References: _____

11. Coastal zones would be affected by water line routings or subsequent development.

_____ Yes _____ No _____ Possible Adverse

References: _____

12. Prime agricultural land would be lost for its natural uses due to water line routing or subsequent development.

_____ Yes _____ No _____ Possible Adverse

References: _____

13. Floodplains will be open to development due to water line routing. (Where a possible adverse impact exists, a specific floodplain assessment must be included in the environmental assessment.)

_____ Yes _____ No _____ Possible Adverse

References: _____

14. Backwash disposal will occur in an area with inadequate sanitary landfill(s) or on land unsuitable for land application.

_____ Yes _____ No _____ Possible Adverse

References: _____

For ODW Use Only

Additional Information Needed: Yes / No Date Requested: _____ Date Received: _____

Comments: _____

Recommendation: _____ C.E. _____ FONSI _____ EIS

Rationale: _____

Reviewing Engineer: _____ Date: _____

Section VI. Capacity Development

TECHNICAL CAPACITY

1. What was the date of the most recent Sanitary Survey conducted by the Office of Drinking Water?
List defects and when they were corrected.

2. Provide the current number and type of service connections (residential, commercial, etc).

3. List the type and number of violations the water system has had in the past 5 years.

4. List the contaminant, the MCL, and the level detected for any increased monitoring the water system is required to perform.

5. List the number of lead and copper samples and the monitoring schedule for the water system to maintain compliance.

6. If the water system is out of compliance with the lead and copper rule, provide the plan of action to return to compliance.

7. Provide the last three monthly water works reports as reported to the Office of Drinking Water.
8. Indicate the water pressure through out the system.

9. Provide a copy of the water system's maintenance schedule or log book listing when and by whom tank inspections, hydrant flushing and valve exercising are done.
10. Provide a copy of the system's operating plan (list of procedures) in place for all treatment plants.
11. Provide a copy of the system cross-connection control plan. What is the number of employees who have attended cross-connection control training in the past 5 years?

12. Provide a copy of the water system emergency plan.
13. List any security upgrades that have been implemented as a result of the vulnerability assessment or security training.

14. Describe how local law enforcement has been consulted about security issues.

15. Provide a copy of the communication plan to alert consumers of a threat of public health.

Indicate the type(s) of training would be most beneficial to the water operator(s).

How to Prepare for a Sanitary Survey

SDWA Requirements

Cross Connection Control

Disinfection By-Product Rule

Lead and Cooper Rule/Minor Revisions

Sampling

- ___ Valve exercising/system flushing
- ___ Operation and maintenance manuals
- ___ Emergency preparedness and response
- ___ Other (please list)

MANAGERIAL

1. What is the system’s long term plan for growth, expansion, and/or upgrading the water system to address new regulatory requirements?

2. Was the most recent Consumer Confidence Report (CCR) completed correctly and mailed to ODW and to your customers on time?

3. Provide an organizational chart that includes elected officials and water system employees.

4. Explain how policies include background checks on newly hired personnel.

5. Explain exit procedures for personnel that choose or are asked to terminate their employment with the water system.

6. Provide the name, license number and expiration date, and endorsements of the water operator. If there are several operators, please list the Direct Responsible Charge, as specified in Delaware Regulations.

7. Provide the number of hours per week an operator is in attendance at the water system per week.

8. Are water operators consulted on a regular basis about the condition and/or needs of the water system?

9. List any considerations the water system has made based upon the source water assessment provided by DNREC

10. What is the percentage of unaccounted for water, how were these figures arrived at?

11. Has regionalization with a neighboring community been explored?

12. Has the water system considered pooling resources such as personnel or equipment with another community?

13. Has leasing or contracting out water system operations been explored?

14. Provide documentation that privatization has been considered (municipalities only).

15. Provide documentation that elected officials have agreed to move forward with this loan as stated herein. Meeting minutes are acceptable.

Indicate what type(s) of training that would be most beneficial to water system managers, including elected officials.

___ Water System Basics for Elected Officials

___ Time and Project Management

___ SDWA & Compliance Planning

___ Team Building

___ Consumer Confidence Reports

___ Public Notification Requirements

___ Emergency Preparedness and Response

___ Other (please list)

FINANCIAL

1. Explain how the water system is a separately managed fund.

2. Explain how the operating reserve, capital reserve, and emergency reserves are funded.

3. How were the past five capital improvement projects financed?

4. Were bonds ever issued for capital improvement?

5. Explain the basis for determining customer charges?

6. What is the median house hold income for the service area?

7. What is the average quarterly bill for residential customers?

8. How are customers with delinquent bills addressed?

9. Explain how revenues from water billing provide adequate funds to meet the water system's annual operating expenses.

10. When was the water rate structure last reviewed or revised, how often is this done?

Indicate what type(s) of training that would be most beneficial to water system financial personnel.

Asset Management

Capital Improvements Planning

Rate Setting

Budgeting From Scratch

Other (please list)

Section VII. Applicant Certification

This section is required and must be completed in order to be eligible for funding through the DWSRF Program.

Applicant's Certification

I hereby certify that the information provided in this application and on any attachments to this application is true and correct, to the best of my belief and knowledge. It is understood that the state may verify information and that untruthful or misleading information may be cause for rejection of this application. **I recognize that there is a 1% fee based on the total loan amount, due at the time of closing that cannot be incorporated into the loan.** I certify that I am legally authorized to sign, date, and submit this loan application on behalf of the owner(s) of this water system.

The undersigned also agrees to clarify or supplement information pertaining to this application upon request.

Signature: _____

Title: _____

Date: _____

Name: _____

(printed)