



Idaho Department of Environmental Quality

Clean Water Loan

Letter of Interest and Rating Form

Fiscal Year 2025

Section I. Project Information

Provide complete and accurate answers to receive the highest possible rating for your project. When possible, DEQ recommends working closely with your engineering consultant to complete this form. If you would like help completing this form, please contact DEQ at grants.loans@deq.idaho.gov to discuss technical assistance opportunities.

A. System Identification

System Name:		
System Address:		
City:	State:	Zip:
Is the system located wholly within incorporated city limits?		Yes No
What City?	County:	
System Phone:	System Email:	
Population Served:	Owner's Name:	
Owner's Phone:	System Ownership:	For Profit Not-for-Profit
Name/Title of System contact (if different from owner):		
Contact's Address:		
City:	State:	Zip:
Contact's Phone:	Contact's Email:	
Do you have a predesignated, licensed, designated responsible charge operator for your system as described in the "Wastewater Rules" (IDAPA 58.01.16.203.)? Yes No		
Name: _____ License Number: _____		
Note: <i>If the facility has a National Pollutant Discharge Elimination System (NPDES) permit, Idaho Pollutant Discharge Elimination System (IPDES) permit, wastewater (WW) reuse permit, or a subsurface discharge permit, the permit number(s) must be provided.</i>		
NPDES/IPDES Permit	WW Reuse Permit	Subsurface Permit
_____	_____	_____

B. Project Readiness	
Determine your community's readiness for Clean Water State Revolving Fund (SRF) funding by answering the following questions:	
1.	Is your system current with all payments of fines, state revolving fund loans, penalties, or fee assessments due to DEQ? Yes No
2.	Has your community completed a DEQ-approved wastewater facility plan (with a final environmental determination) in the last five years? Yes No Date of approval: OR Is your community in the process of developing a new planning document and environmental determination that will be completed and submitted to DEQ for approval by December 31, 2024? Yes No OR Are you proposing this loan to finance a planning document and environmental determination? Yes No
3.	For nonpoint source (NPS) applicants, is your project designed to address an NPS water pollution problem? Yes No
If NO to questions 1, and either 2 or 3, <u>do not complete or submit this form to DEQ.</u> If you are interested in receiving a wastewater planning grant, fill out the Wastewater Planning Grant Letter of Interest (LOI) form.	
If YES to questions 1 and either 2 or 3, Complete all applicable sections of this form.	
4.	Is this LOI request to address a budget shortfall or construction cost overrun for an existing project? Yes No
5.	When will your project be ready to begin design?
6.	When will your project be ready to begin construction? Provide a brief project timeline:
7.	Was the planning document funded by the system or by an agency other than DEQ? Yes No
	IF YES, the planning document may need modifications to meet SRF Program requirements. See Outline and Checklist for Planning Document found in DEQ's Customer Handbook (www.deq.idaho.gov/SRF).

8.	Has a final environmental determination been issued? Yes No	
	IF YES , provide the environmental document title (if separate from the planning document), date submitted to DEQ, and DEQ environmental determination date:	
	Title:	
	Submittal Date:	Determination Date:
C. Project Description		
1.	Describe the known or anticipated problems identified in your existing DEQ-approved wastewater facility plan for your wastewater system:	
2.	Describe the alternative selected to correct the identified problem(s). Use the selected alternative in the facility plan for your wastewater system:	
3.	Do you intend to address emerging contaminants (e.g., PFAS, pharmaceuticals, etc.) in part or in whole with this project? Yes No	
	If you answered YES to Question 3 , contact DEQ's Grants and Loans Bureau at grants.loans@deq.idaho.gov to discuss additional funding opportunities prior to submitting this LOI.	
D. Project Costs		
1.	Project Funding Requested from DEQ's SRF:	\$ _____
	Project Funding from Other Sources:	\$ _____
	Estimated Total Project Cost:	\$ _____
2.	Briefly describe or attach indicators or actions reflecting the community's interest or readiness to proceed on this project (e.g., minutes from public hearings):	

3.	<p>Does the system have the legal authority to incur the debt associated with the proposed project?</p> <p>Check one:</p> <p>System does not yet have the legal authority to incur this debt</p> <p>Bond council or financial consultant retained</p> <p>Bond election scheduled. Indicate the date if applicable:</p> <p>Legal instrument(s) in place (e.g., bond election, judicial confirmation)</p> <p>HOA (debt authority provided through bylaws)</p>					
4.	<p>What is the amount of debt that can be legally incurred? \$ _____</p>					
5.	<p>What length of loan is preferable? 20 Years 30 Years</p>					
6.	<p>If you have already contacted an engineer about your project, indicate the status and provide contact information for the engineer (or firm):</p> <p>Discussed with engineer Obtained quote from engineer Signed contract with engineer</p> <p>Engineer: _____</p> <p>Address: _____</p> <table border="1" data-bbox="212 877 1541 926"> <tr> <td data-bbox="212 877 805 926">City: _____</td> <td data-bbox="805 877 1187 926">State: _____</td> <td data-bbox="1187 877 1541 926">Zip: _____</td> </tr> </table> <table border="1" data-bbox="212 926 1541 974"> <tr> <td data-bbox="212 926 805 974">Phone: _____</td> <td data-bbox="805 926 1541 974">Fax: _____</td> </tr> </table> <p>Email: _____</p>	City: _____	State: _____	Zip: _____	Phone: _____	Fax: _____
City: _____	State: _____	Zip: _____				
Phone: _____	Fax: _____					

Continue to Section II. Integrated Priority Rating System

Section II. Integrated Priority Rating System

“Rules for Administration of Wastewater & Drinking Water Loan Funds” (IDAPA 58.01.12.020.). Projects are identified for placement on priority lists by surveying eligible entities directly on an annual basis. Loan funds are awarded to projects based on priority ratings. Projects are rated by the Department on a standard priority rating form using public health, sustainability, water quality criteria, and condition of the existing system.

Answer the questions below and provide the requested documentation. Applicants or their consultants are encouraged to contact DEQ prior to the submittal deadline for assistance in answering the questions. **Rating will be done on the basis of the answers and documentation provided.**

A. Public Health Emergency or Hazard – All Projects

IDAPA 58.01.12.020.02.a. *Public health emergency or hazard certified by the Idaho Board of Environmental Quality, the Department, a District Health Department, or by a District Board of Health. Up to 150 points.*

Note: *An emergency declaration must come from the DEQ Board or DEQ (i.e., director, water quality administrator, or regional administrators) or health department officials and must explicitly declare an emergency, not incidentally use the word. Emergency declarations dated more than 24 months prior to the LOI may be disqualified.*

- | | | | |
|--|---|-----|----|
| 1. | Does an officially declared (as listed above) or designated public health hazard or emergency exist?
<i>150 points</i> | Yes | No |
| If YES , attach a copy of board documentation or certification. Label the attachment as Section II.A.1. | | | |

B. Regulatory Compliance Issues – Point Source Projects/Conventional Wastewater Projects

IDAPA 58.01.12.020.02.b. *Regulatory compliance issues (e.g., noncompliance and resulting legal actions) relating to infrastructure deficiencies at a wastewater facility. Up to 100 points.*

- | | | | |
|---------------------------|---|-----|--------|
| 1. | Is the system in compliance with all applicable discharge, reuse (wastewater land application), and subsurface discharge permit(s) listed above?
<i>100 points</i> | Yes | No |
| If NO , check one: | | | |
| a. | Low-Level Noncompliance: Includes minor or inconsequential permit violations that will be resolved by the proposed project. <i>10 points</i> | | |
| b. | Moderate-Level Noncompliance: Includes a first state or U.S. Environmental Protection Agency (EPA) warning letter, notice of violation, or equivalent that will be resolved by the proposed project that will be resolved by the proposed project. <i>25 points</i> | | |
| c. | High-Level Noncompliance: Includes a second state or EPA warning letter, compliance agreement schedule, consent order, or equivalent that will be resolved by the proposed project. <i>50 points</i> | | |
| i. | Has the system avoided formal litigation actions, court filings, or civil or federal court orders by negotiating compliance actions described in B.1.c with DEQ and/or a federal agency to address violations that are directly related to the proposed project? <i>25 points</i> | N/A | Yes No |

	ii.	Has the wastewater system satisfied all deadlines, milestones, and submittals to date associated with the compliance actions described in B.1.c? <i>25 points</i>	N/A	Yes	No
2.		Has the system received a draft permit with which compliance will be achieved by the proposed project? <i>75 points</i>	N/A	Yes	No
C. Watershed Restoration – All Projects					
<p><i>“Rules for Administration of Wastewater & Drinking Water Loan Funds” (IDAPA 58.01.22.020.02.c.). Watershed restoration (e.g., implementation of best management practices or initiation of construction at wastewater collection and treatment facilities as part of an approved total maximum daily load plan, implementation of nonpoint source management actions in protection of a threatened water or is part of a special water quality effort). Up to 100 points.</i></p>					
1.		Surface Water: Will your project reduce impacts to surface water? <i>10 points</i> If YES , describe current impacts and how the project will reduce impacts:	Yes	No	
	a.	Existing facility discharges to or is believed to be impacting a §303(d) water body. <i>10 points</i> Water Body Name: _____ Note: 303(d) listed streams can be viewed at: https://mapcase.deq.idaho.gov/wq2020/default.html . Locate the discharging stream for your project and select status to view category. 303(d) listed streams are classified as category 4 or 5 on the map. Contact your regional DEQ office if you are within tribal boundaries to determine impaired status.	Yes	No	
	b.	Project is for a point source and is expected to reduce a pollutant concern in the §303(d)-listed water body. <i>10 points</i> List Pollutant: _____	Yes	No	
	c.	Project is for a point source that is exceeding the waste load allocation (WLA) listed in the approved TMDL. <i>10 points</i> List TMDL Name and WLA: _____	Yes	No	
	d.	Project is for a nonpoint source (NPS) and is expected to reduce a pollutant of concern in the §303(d)-listed water body. <i>10 points</i> List Pollutant: _____	Yes	No	

2.	Groundwater: Project will reduce impacts to groundwater by:	
	a.	Project is expected to reduce pollutant concentrations in a designated sole-source aquifer (i.e., Eastern Snake River Plain, Spokane Valley Rathdrum Prairie, or Lewiston Basin). 10 points https://www.deq.idaho.gov/water-quality/ground-water/aquifers
	b.	Project is expected to reduce nitrate concentrations in a designated Nitrate Priority Area. 10 points https://www.deq.idaho.gov/water-quality/ground-water/ground-water-quality
	c.	Project is expected to reduce nitrate concentrations in a critical groundwater area. 10 points https://www.idwr.idaho.gov/water-rights/critical-groundwater-areas/map/
3.	Point source applicants: Would your system owners be willing and able to sponsor an NPS project? 10 points Note: See https://www.deq.idaho.gov/water-quality/grants-and-loans/nonpoint-source-subgrants-in-idaho or contact the grants and loans program for details. Sponsorships are structured so that there is no rate impact to system users.	
<p>Nonpoint Source Watershed Load Reduction: Points are awarded according to the expected effectiveness of the project and the transferability of the demonstrated technologies to other parts of Idaho. The proposed project will either restore designated or existing beneficial uses, reduce the severity of NPS impacts, or promote statewide nonpoint pollution reduction or remediation. Examples include: Streambank stabilization, surface water restoration, wetland restoration, or agricultural best practices such as no-till. Supporting calculations must be provided.</p>		
	Will the proposed project reduce the NPS impact on overall pollutant loading to the watershed? 25 points	
	List 8-digit hydraulic unit code name and number: _____	
	Provide description and supporting calculations:	
D. Preventing Impacts To Beneficial Uses		
<p><i>“Rules for Administration of Wastewater & Drinking Water Loan Funds” (IDAPA 58.01.12.020.02.d/e).</i> Watershed protection from impacts (e.g., improvement of beneficial use(s) in a given water body, evidence of community support, or recognition of the special status of the affected water body). Preventing impacts to uses (all projects). Up to 100 points.</p>		
1.	Will your project be implementing:	
	a.	A new or refurbishing an existing recycled water system. 50 points

	b.	Converting individual septic systems to centralized treatment? <i>25 points</i>
	c.	Refurbishing an existing lagoon? <i>10 points</i>
	d.	Removing and disposing of biosolids or seepage testing existing lagoon? <i>10 points</i>
2.	Beneficial uses are designated by the "Water Quality Standards" (IDAPA 58.01.02.100) To which of the following beneficial uses listed will the proposed project reduce current or prevent future impacts? A sufficient description would describe each beneficial use designation as listed in 58.01.02.110, 120, 130, 140, 150, and 160 and explain how the proposed project will prevent impacts or improve beneficial uses designations. Failure to provide sufficient description(s) will result in no points awarded.	
	a.	Aquatic life <i>25 points</i> Designation (COLD, SS, SC, WARM, or MOD): _____ Describe impacts prevented or improved:
	b.	Recreation <i>15 points</i> Designation (PCR or SCR): _____ Describe impacts prevented or improved:
	c.	Other <i>10 points</i> Designation (DWS): _____ Describe impacts prevented or improved:
3.	State Priorities: Preference is given to projects based on recognition of the special status of waters or uses of those waters. <i>10 points</i>	
	a.	Project will prevent or improve impacts to water body listed in Chapter 43, Title 67, Idaho Code

	b.	Project will prevent or improve direct impacts to a designated wild and scenic river segment? Idaho (rivers.gov)
	c.	Other: Describe and attach documentation of special status or uses that deem the project a state priority. Failure to provide sufficient documentation will result in no points being awarded. Description:
4.	Project will implement one or more of the following:	
	a.	Removal of stormwater outlets. <i>5 points</i>
	b.	Conversion of a combined sewer to separate stormwater system. <i>5 points</i>
	c.	Or similar projects (contact DEQ first). Indicate type of project(s): <i>5 points</i> _____
E. Sustainability (Green) Infrastructure Efforts		
<i>“Rules for Administration of Wastewater & Drinking Water Loan Funds” (IDAPA 58.01.22.020.02.f.). Sustainability Efforts) e.g., prospective efforts at energy conservation, water conservation, extending the life capital assets, green building practices, and other environmentally innovative approaches to infrastructure repair, replacement, and improvements. Up to 50 points.</i>		
Answers to the following questions can improve your overall rating. If you earn Priority List points for your responses in this section, you or your project engineer will need to evaluate or complete each item under the terms of the loan agreement.		
Although only 50 points can be awarded under Section II.E, DEQ will incorporate all sustainability items checked below into the scope of the loan agreement for inclusion in the construction loan. All the items checked shall be incorporated into the project design and completed during construction.		
Check all that apply – 5 points each, up to a maximum of 50 points.		
1.	Management-based/innovative efforts: These efforts could include the following:	
	a.	An ongoing capital budget has been funded and supported by a capital improvement plan. OR Request assistance to develop capital improvement plan utilizing third party technical assistance provider (DEQ will contact you regarding the opportunity).
	b.	A rate study has been completed in the last five years and has been or will be updated as part of the proposed project. The rate study is based on consumption-based full-cost pricing for wastewater supported by a capital budget (submit documentation). This means that: 1) Utility rates must be based on the flow and strength of the wastewater treated: and 2) Utility rates must generate revenue sufficient to cover both operating and capital costs.

	<p>Identify the professional (or organization) preparing the rate study: _____</p> <p>OR</p> <p>Request assistance to develop rate study utilizing third party technical assistance provider (DEQ will contact you regarding the opportunity).</p>
c.	<p>A formal asset management system has been or will be implemented and updated routinely. Provide a description of asset management tools and implementation methods:</p>
d.	<p>System is currently an EPA Green Power partner (submit documentation) OR will evaluate becoming one as part of the proposed project.</p>
e.	<p>System is consolidating with an existing system as part of the proposed project. This must be addressed in the facility plan environmental determination, and subsequent public participation.</p> <p>Identify which system(s): _____</p>
f.	<p>System will implement the recommendations of a professional energy audit.</p> <p>Identify auditor:</p>
g.	<p>Proposed project will aid in preparation for adaptation to the long-term effects of climate variation, extreme weather, or drought.</p> <p>Provide description:</p>
h.	<p>Phosphorus recovery for beneficial reuse.</p>
i.	<p>Significantly reduce or eliminate the use of chemicals in treatment.</p>
j.	<p>Significantly reduce or minimize the volume or toxicity of residuals.</p>
k.	<p>Groundwater recharge by land application of effluent for where there are other cost-effective discharge alternatives.</p>
<p>*Budget estimate allocated to management based-innovative efforts: \$ _____</p>	
2.	<p>Green Efforts: Attach documentation supporting the green efforts. Green efforts could include, but not be limited to, the following:</p>

	a.	Projects that involve the wetlands to improve water quality and/or support sustainable infrastructure efforts. Includes constructed wetlands as integrated into wastewater treatment unit process.
	b.	Establishment or restoration of permanent riparian buffers, floodplains, wetlands, and other natural features, including vegetated buffers or soft bioengineered streambanks.
	c.	Downspout disconnection to remove stormwater from sanitary sewers and separate storm sewers.
	d.	Fee simple purchase of land or easement on land that has a direct benefit to water quality, such as riparian and wetland protection or restoration.
*Budget estimate allocated to green efforts:		\$ _____
3.	Water Conservation Efforts: Attach documentation supporting the water conservation efforts. Water conservation efforts could include, but would not be limited to, the following:	
	a.	New wastewater reuse when other alternatives have been considered in the facility planning process. Including reclaimed water distribution system (“purple pipe”).
	b.	Nonpoint Source project will utilize Natural Resources Conservation Service best management practices.
	c.	Retrofit or replace existing irrigation systems with more efficient irrigation systems.
*Budget estimate allocated to water conservation efforts:		\$ _____
4.	Energy Conservation Efforts: Attach documentation supporting the energy conservation efforts. Energy conservation efforts could include the following:	
	a.	Variable frequency drive (VFD) pumps.
	b.	Energy-efficient motors that meet National Electrical Manufacturers Association (NEMA) premium specifications.
	c.	Heat pumps that reclaim heat from treated effluent.
	d.	High-efficiency lighting/lighting controls.
	e.	On-site energy generation, such as methane clean combustion, fuel cells, solar, or wind.
	f.	Efficient replacements for vacuum dewatering systems.
	g.	Aeration improvements, such as fine bubble aeration, VFD blowers, or automated dissolved oxygen control.
	h.	Tertiary filtration that reduces ultraviolet disinfection power requirements.
	i.	Pressure transmission line replacement resulting in reduced pumping costs.
	j.	Supervisory control and data acquisition system installation.
	k.	Infrastructure improvements that significantly reduce infiltration/inflow or eliminate lift station(s).
	l.	Collection system infiltration/inflow detection equipment.
*Budget estimate allocated to energy conservation efforts:		\$ _____

***Note:** Points may not be awarded if an estimated budget allocation is not provided. Planning Level estimates are acceptable for this purpose. Contact DEQ if further guidance is needed.

Examples that have been accepted for Idaho projects are found in the Grant and Loan Customer Handbook: <https://www.deq.idaho.gov/SRF>.

F. Affordability / Disadvantaged Status

“Rules for Administration of Wastewater & Drinking Water Loan Funds” (IDAPA 58.01.22.020.02.g.). Points shall be given when current system user charges exceed state affordability guidelines. Up to 10 points.

Provide information for Section II.F. If you qualify as a disadvantaged community, you will receive 10 points.

1.	How many equivalent dwelling unit (EDU) connections does your system serve?
2.	What is the current average user rate? \$/month/EDU _____ Type of rate structure: Flat fee Consumptive Use Other: _____
3.	What is the most recent date that user rates have been increased:
4.	Expected change in operation and maintenance cost upon completion, not including debt service: \$/month/EDU _____
5.	Does the current average user rate include charges to retire the SRF debt for which you are applying? Yes No
a.	If YES , how much of the rate is devoted to debt retirement? \$/month/EDU _____
b.	If NO , how much will rates be increased to cover dept retirement? \$/month/EDU _____
6.	Disadvantaged Community Loans:
This section is intended to assist lower-income communities. Principal forgiveness and other potential loan adjustments are available to communities that demonstrate that the user rates exceed 2% of the community median household (MHI). Contact DEQ’s Grants and Loans staff if you have any questions.	
a.	Median household income. Instructions:
i.	Go to https://censusreporter.org/locate/ .
ii.	Select “Use your current location” or enter an address for any residence or location in your community and select the choice provided by the application.
iii.	Hover your cursor over each item in the list on the left of the screen and view the corresponding green area represented on the map.
iv.	Click on the smallest and most representative area for your community either on the map or in the list for the data.
v.	Scroll down to economics and enter the median household income (MHI): \$ _____ If there was N/A for median income, choose the next largest area from the list.

		<p>vi. Provide the data to the DEQ. Either take a screenshot of the data (Label attached documents as “Section II.F, part number(s)”) and include it with your application or provide the citation (scroll to the bottom of the page and copy/paste the information after “Citation”) here:</p>
	<p>b.</p>	<p>Does the income level generally reflect your community’s average MHI? Yes, it is generally representative of the community. No, contact DEQ grant and loan program (grants.loans@deq.idaho.gov) for other means to evaluate your community’s MHI.</p>
	<p>c.</p>	<p>If the annual residence user does not exceed 2% of the community’s MHI, but exceeds 1.5% of the community’s MHI, you can still qualify if the community’s unemployment rate exceeds the statewide average and the community’s population is decreasing.</p> <p>i. Provide evidence from the U.S. Census Bureau of Labor Statistics or Idaho Department of Labor showing the area’s unemployment rate and</p> <p>ii. Provide evidence of a declining population such as comparing current census data to previous census data or using the population percent change from the U.S. Census QuickFacts.</p>
<p>Label attached documents as “Section II.F, part number(s)”.</p>		
<p>Note: <i>If the annual residential user rates do not exceed 2% of the community’s MHI, but exceed 1.5% of the community’s MHI, you can still qualify if the community’s unemployment rate exceeds the statewide average and the community’s population is decreasing.</i></p>		

Continue to Section III. Authorized Submitter

Section III. Authorized Submitter			
Are you 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 a written request and justification are submitted to and approved by DEQ.			
I certify that, to the best of my knowledge, all information provided here is valid and correct:			
Submitter Name:		Title:	
Company:		Date:	
If the submitter is different from the system contact, does the submitter have the authority to submit this LOI on behalf of the system contact?		N/A	Yes No

Return completed form by January 12, 2024, to:

Idaho Department of Environmental Quality

Attn: LaDonn Kaylor

1410 North Hilton St.

Boise, ID 83706

grants.loans@deq.idaho.gov

Phone: (208) 373-0556

Fax: (208) 373-0557