



State of Oregon Department of Environmental Quality

Checklist of Loan Requirements: Point Source Loan

Clean Water State Revolving Fund

Contact: [Regional Project Officer](#)

CWSRF applicants should review this checklist in conjunction with making the decision to apply for a CWSRF loan. Before submitting documents, contact the [regional project officer](#) to discuss the project and which documents are required.

These documents **do not** need to be provided with the loan application but must be submitted and approved or accepted by DEQ before a loan agreement is signed.

Many of these documents require significant time to develop and may require out-of-pocket expense to prepare. Contact the regional project officer for examples or templates.

The primary supporting documents required are outlined below; DEQ may require additional documents. Per [OAR 340-054-0022\(3\)\(e\)\(B\)\(k\)](#), a borrower must provide any other information requested by DEQ as necessary.

Clearly label all submissions. Electronic copies are preferred.

Documents required prior to loan drafting:

☐ **Audited financial statements**

Submit copies of the borrower's audited financial statements for the three years prior to the application date. Please explain any adverse opinions or disclosures, which might affect the ability to repay the CWSRF loan.

☐ **Borrower budget**

Submit a copy of the borrower's most recently approved annual community budget including loan funded work.

☐ **Inter-agency agreements**

Submit copies of the inter-agency agreements, contracts or other legally binding instruments necessary for the financing, building and operation of the joint project if the project will serve two or more public agencies

☐ **Bonds secured with user system revenues**

Submit a copy of the master resolution or ordinance approving those bond issuances if loan is being secured or repaid with sewer system or other revenues.

☐ **Recent bond issues**

Submit the official statement of any recently issued bonds if the borrower has current debt obligations.

☐ **Sewer use ordinances**

Submit copies of sewer use ordinances adopted by borrower related to discharging wastewater to the water treatment facility. The sewer use ordinances must prohibit any new connections from inflow sources into the sewage collection system and ensure the proper design and construction of new sewers and connections to the collection system.

The ordinance must require that any wastewater introduced into the sewage collection system not contain toxics or other pollutants in amounts or concentrations that have the potential to endanger public

Translation or other formats

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safety or physical integrity of the associated sewage facilities. The ordinance must require that wastewater introduced to the sewage collection system not cause any violation of effluent or water quality limitations or preclude the selection of the most cost-effective alternative for wastewater treatment and biosolids disposal.

☐ **User charge system**

Submit copy of the user charge system if the borrower will be securing and repaying the loan with system user revenues. The rate structure must produce adequate revenues to provide for operations and maintenance (including appropriate replacement reserves) and debt service.

☐ **Other repayment sources**

Submit proof of a repayment source when not utilizing a user charge system.

Documents required as part of Loan signing:

☐ **Authority to undertake the project**

Submit a loan approval resolution, or similar authorization, from the applicant's governing board for signing a loan agreement and establishing a loan reserve account. Contact the regional project officer for examples or a template.

☐ **Attorney letter**

Submit a letter from the borrower's attorney stating the borrower can execute, deliver, and perform its obligations under the loan agreement. The required text of the letter is stated in Article 4 of the loan agreement; contact the regional project officer for examples or a template.

☐ **Suspension and debarment**

Submit proof of borrower's registration in the [System of Award Management](#) including eligibility certification of no debarment and no suspension. Certification is required for borrowers with loans of \$25,000 or more, at time of loan signing, and must be renewed annually.

Documents required prior to signing construction funds loan (or amendment):

☐ **Project planning documentation**

Submit a planning document prepared by qualified professionals and approved (or accepted) by DEQ. If a planning document has not yet been prepared and approved, please contact the regional project officer to discuss the appropriate scope and content. Please refer to the [Planning Document Fact Sheet](#) for more information.

☐ **Value engineering study**

Submit a Value Engineering study approved by DEQ if the proposed **wastewater treatment facility** project's **total costs exceed \$10 million. Total means all financing, not only the CWSRF funded amount.** This study, completed during the design process, controls the project's construction costs without compromising the quality. A different engineering firm than the one that designed the project should perform the study.

☐ **Plans and specifications**

Submit draft plans at both the 30% and 90% stage for DEQ review and comment. DEQ must approve or accept plans and specifications before construction. Final DEQ approved plans with a DEQ Engineer approval letter are required.

☐ **Land use compatibility statement**

Submit a completed [Land Use Compatibility Statement](#) for the proposed project with signatures by the local land-use planning authorities. Attach any conditions.

☐ **State environmental review process**

Submit all necessary documentation to support DEQ's review of the entire project's potential environmental impacts, including an analysis of a no action alternative and any other reasonable alternatives considered.

The State Environmental Review process generally has two steps – Consultation with Crosscutting authorities and DEQ review and public comment period. This process is further described in the [Applicant Guide to the State Environmental Review Process](#).

Borrowers are encouraged to initiate this requirement as soon as the project's potential environmental impact is knowable, usually at the 30% draft plans and specifications stage.

☐ **Fiscal sustainability plan certification**

Certification from borrower with a project **to repair, replace or expand a publicly owned treatment works** it has developed and is implementing, or will develop and implement, a fiscal sustainability plan. Much of the information required in the Fiscal Sustainability Plan may already be included in the Facilities Plan or other planning documents.

This plan, at a minimum, includes the following:

- An inventory of critical assets that are a part of the treatment works
- An evaluation of the condition and performance of inventoried assets or asset groupings
- A certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan
- A plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities

Additional information about what to include in the analysis is available as [Fiscal Sustainability Planning](#); the certification form is available as [Fiscal Sustainability and Certification](#) form.

At the discretion of DEQ, the due date for the Fiscal Sustainability Plan certification may be pushed back from before construction loan signing to before project completion and payment of the final disbursement of loan funds. In this case, the borrower may submit an initial plan that covers the funded project and closely associated components at the time of loan signing with the final certification due prior to final payment of loan funds.

☐ **Cost and effectiveness certification**

Any **municipality or inter-municipal, interstate or state agency** using Clean Water State Revolving Fund loan funds must submit a completed certification to demonstrate that the loan funded project is the most cost-effective approach to achieving the project's water quality goals. Additional information about what to include in the analysis is available as [Cost and Effectiveness Analysis Guide](#); the certification form is available as [Cost and Effectiveness Certification](#) form.

☐ **Useful life**

Complete and submit DEQ spreadsheet to calculate how long it will be before the project must be replaced. The project useful life must be greater than the loan term. The spreadsheet is available as [Useful Life Spreadsheet](#).

☐ **Domestic procurement: American Iron and Steel and Build America Buy America**

Submit an email stating a member of borrower's or primary engineering firm's staff must review the AIS and BABA presentation. Available as [Domestic Preference Overview - American Iron and Steel and Build America, Buy America](#). The staff member must email the regional project officer that the presentation was reviewed.

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age or sex in administration of its programs or activities. Visit DEQ's [Civil Rights and Environmental Justice page](#)