

DWSRF Guidance Document Number 14
Project Cost Estimate Adjustments and Loan Amount Adjustments

- I. Project cost estimates on the project priority list are preliminary estimates and should include a 10% contingency. The cost estimate may change as the project proceeds through the priority list - preliminary engineering - final design - construction process. Some of the reasons for changes in cost estimates include change in scope, design changes, unanticipated site conditions and higher than anticipated construction bids. In most instances, funds for cost increases will be available from by-passed projects, canceled projects or projects with lower than anticipated costs.
- II. All changes in loan amounts and project funding commitment amounts must be approved by the DWSRF Program Specialist. Anticipated loan recipients will be advised by letter from the DWSRF Program Specialist of reductions in project funding commitment amounts that occur prior to submission of loan applications. Project funding commitments will be adjusted prior to award. In some instances, funds may not be available to cover increases in cost estimates and the project may have to be canceled, bypassed, funded by other means, or reduced in scope.
- III. Loan amount increases following execution of loan agreements will require the submission of the Loan Amendment Request Form.
- IV. Changes in scope that reduce the project priority score below the priority score of the lowest scoring fundable project will result in a bypass of the project. Increases in project scope will generally be approved if feasible with available funding.

Honorable Jim Douglas, Governor George Crombie, ANR Secretary Laura Pelosi, DEC Commissioner

This guidance and related environmental information are available electronically via the internet. For information visit us through the Vermont Homepage at <http://www.vermont.gov> or visit VT WSD directly at <http://www.vermontdrinkingwater.org>

Water Supply Division
103 South Main Street
Waterbury, VT 05671-0403
Toll free 1-800-823-6500
Out of State 1-802-241-3400
Fax 1-802-241-3284