



Fall 2013 Drinking Water
State Revolving Fund (DWSRF)
Program Orientation



Welcome!

April 23, 2014



Presented by:



Public Works Board - Steve Dunk

Contracts Administration Unit - Cathy Brockmann

Today's Agenda



- What's New
- Overview of the Fall DWSRF Handbook
 - *key points
 - *practical & valuable resource
 - *usable attachments
- What's Next?
- Contacts
- Q & A



What's New?



“Buy American”

Congress passed a law January 17, 2014, that requires water systems to use U.S. steel and iron products for projects funded in part or in full by a Drinking Water State Revolving Fund (DWSRF) loan. The requirement applies to loan agreements signed on or after January 17, 2014.

Fall 2013

DWSRF Handbook Overview



Section 1 - Getting Started

Section 2 - Contract Amendments & Implementation checklist

Section 3 - Record Keeping & Reporting

Section 4 - Financial Management

Section 5 - Procuring Professional Services

Section 6 - Environmental & Cultural Review

Section 7 - Procuring Construction Contracts

Section 8 - Investment Grade Efficiency Requirement

Section 9 - Managing Your Construction Project

Section 1: Getting Started



Who's Involved?

- Department of Health - Eligibility, scoring, rating & ranking, scopes of work...
- Public Works Board - Underwriting of the DWSRF loan, calculating affordability index (AI), coordinating pre-contract data
- Contracts Administration Unit - Contract training, monitoring compliance, reimbursement, contract amendments, contract preparation

Section 1: Cont...



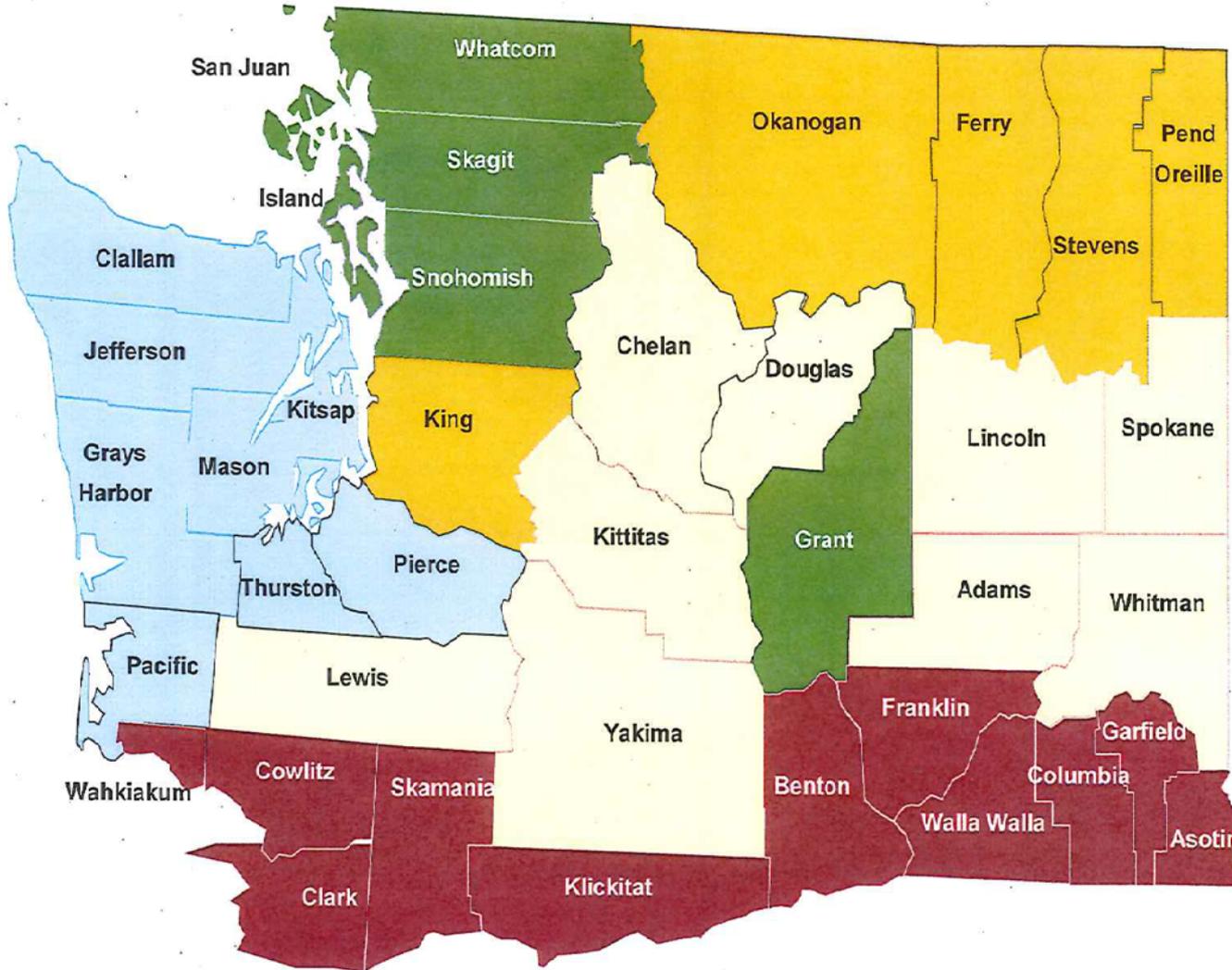
- *A 1% loan fee* will be administered to all borrowers at the time of contract execution (except for jurisdictions over a 2% affordability index)
- Projects must be *completed within 48 months* of contract execution
- *Annual loan payments are deferred until project completion*
- *Principle & accrued interest* will be due on October 1, of each year after your construction project is complete
- Establishment of adequate rates and reserves during the term of the loan as required by your Water System Management Plan



Washington State Department of Commerce

Public Works Board

Regional Service Coordinators

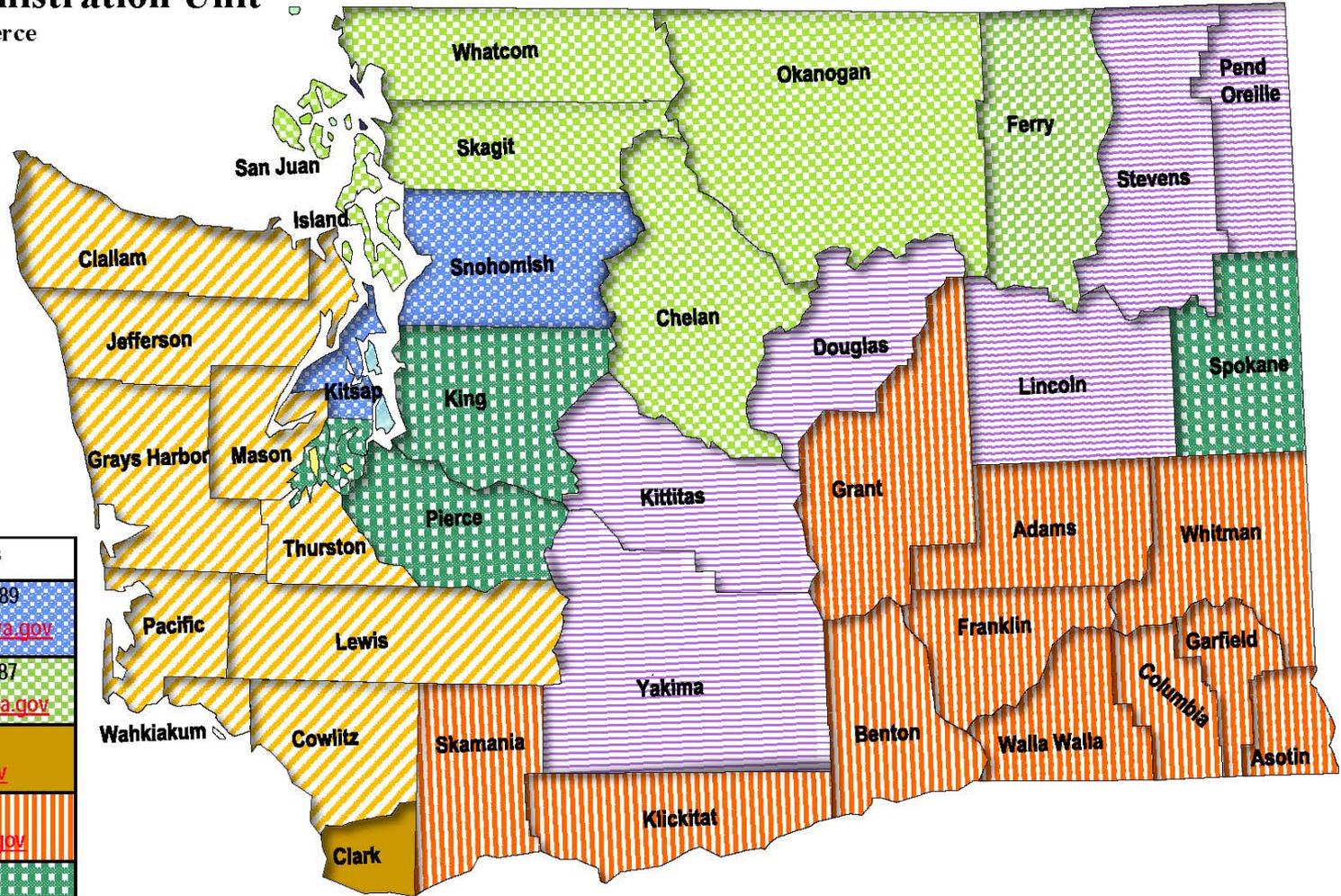


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August 2013

Contracts Administration Unit

WA State Dept. of Commerce
1/2013



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Section 2: Contract Amendments & Implementation checklist



- Any scope of work amendment will need Department of Health approval before proceeding i.e. extending the footprint, depth of the pipe...
- Your DWSRF contract allows up to four years to construct and then a twenty year payback. What happens if your project takes six years to construct? Eighteen years to payoff!!!
- Contract check list – great tool & guide (pg. 20)

Section: 3 Record Keeping & Reporting



- Good Record keeping is essential in order to document compliance.
- A suggested method is listed (pg. 27)
- Each request for payment must be accompanied with a Project Status Report
- The borrower must submit DOH's Construction Completion Report to close a project

Section 4: Financial Management



- Audit – Circular A-133 for all borrowers that spend more than \$500,000 annually
- All pre-construction activities can be reimbursed that are directly related to the scope of work
- Required activities prior to construction
 - *Environmental review
 - *Section 106
 - *21 day labor package (Davis Bacon, more later)
- Borrowers do not need to pay invoices prior to submitting payment
 - *Include back-up documentation
 - *Can be submitted electronically (if less than 25 pgs.)

Section 5: Procuring Professional Services



- Borrowers that already have staff or consultants working for their community may use them for their DWSRF project
- Borrowers without a consultant will have to publish a request for professional services in a newspaper of general circulation
- Document why you selected the firm/consultant and how they are most qualified for the job
- Check for Federal Exclusion!!



Section 6: Environmental & Cultural Review



- Borrowers shall not move forward with any pre-construction i.e. test wells, geo-tech or construction activities, until the cultural/environmental review is complete
- Turn your EZ – 1 form in to the Dept. of Health!!
- The Department of Health will be in contact soon to assist you in completing this requirement.



Section 7: Procuring Construction Contracts



- An Invitation for Bid (IFB) is the usual process for procuring a construction contractor
- Projects must be under \$300,000 to use a small works roster
- Send your IFB to your CAU Project Manager prior to advertising your bid requirements
- Disadvantaged Business Enterprises & Fair Share goals
 - *Construction 10% MBE 6% WBE
 - *Supplies 8% MBE 4% WBE
 - *Equipment 8% MBE 4% WBE
 - *Purchased Services 10% MBE 4% WBE

Section 7: Cont.



- Six Good Faith Efforts (pg. 61)– demonstrating you are trying to meet the DBE goals.
- DBE reporting forms
- Bid specifications – ensuring all provisions are included (pg. 64)
- Obtaining prevailing wage requirements – carpenter, welder... use your CAU project manager!!
- Wage rates & the ten (10) day bid check
- Conducting the bid opening
- Contractor eligibility – Federal Excluded Parties List

Useful attachments in the back of chapter 7!!

Section 8 : Investment Grade Efficiency Requirement



1. Demonstrate why you have chosen the pumps, motors, etc. for your project over the 20 year loan term. Is there a pump that is cheaper up front but more expensive over the long term?
2. No obtainable energy savings? Gravity fed system?
3. Complete an energy audit
4. Document & Justify!!!!!!!!!!



Section 9: Managing Construction Projects



- Conduct a preconstruction conference – who's doing what?!
 - *Engineer
 - *Contractor
 - *Borrower
- Davis Bacon Requirements
- Notice to Proceed
- Payroll Review
- On-site Monitoring

Your CAU project manager will be conducting a training on all of the above – You'll want to take part!

Helpful Training / Links



- PWEB Training
- CAU Contracts Training
- CAU Labor Standards
- Contract Implementation Check list pg. 22
- Quick References in handbook pg. 25

What's Next?



- Contracts should already be in your possession or on the way soon!
- Sign your contract and return it to the Department of Commerce
- The Public Works Board Chairman will sign and execute your contract
- Your CAU project manager will be in contact soon!
- Get started on your Cultural / Environmental Review

Contacts



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Questions?

