

2019 IACC - Wenatchee



USDA - Rural Development
Water and Environmental
Program (WEP)

Financing of Water,
Wastewater, Stormwater and
Solid Waste Projects



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1

Rural Development Presenters

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2

Rural Development (RD)

Agency Overview

- USDA –RD has these two programs:
 - The Water & Environment Program (WEP)
 - The Community Facilities Program (CF)



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3

RD Water and Environmental Program (WEP)

- Provides financial assistance for water, sewer, storm water and solid waste disposal facilities to:
 - Rural Areas with populations less than 10,000
 - Eligible applicants include municipalities, counties, special purpose districts, Indian tribes, and non-profit corporations such as homeowners associations



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4

Rural Development (RD) Agency Overview

Funds (Loan and Grant) may be used for:

- Construct, repair, modify, expand or make improvements to:
 - water supply and distribution systems
 - waste collection and treatment systems
 - storm drainage and solid waste disposal facilities

Other costs eligible for reimbursement are:

- acquire a water supply or water rights
- legal and engineering costs, connected with development of facilities
- acquisition of rights-of-way and easements
- relocation of roads and utilities



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5

Water & Environmental Programs Projects

Makah Indian Reservation Transfer Station



City of Cashmere Waste Water Treatment Plant



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6

RD Financial Assistance for WEP

- Provides loans up to 40 years on projects.
- Can provide grants to some projects depending on need MHI and other factors.
- Current interest rates are determined each quarter.
Right now they are:
- 1.75% to 3%
- Can apply anytime during the year.



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7

Rural Development (RD)

Agency Overview

- RD Area Loan Specialist
 - Will work closely towards a complete application
 - Coordinates with State RD Engineer & Environmental Coordinator
 - Be your contact throughout the construction phase.
 - Project close out/ loan closing
 - Servicing, payment collection and annual reports



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8

Rural Development (RD)

Agency Overview

- RD State Engineer - Engineering Related Phases
 - Reviews & Approves:
 - Preliminary Engineer Report (PER) or equivalent
 - Construction / Procurement Related Documents
 - Agency Concurrence of Executed Construction Contracts
 - Release of Agency Funds
 - Change Orders, Engineering Amendments
 - Final Inspections – Construction Close-out



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9

Application Process

Elements of Application Package

- Key Elements of a Complete Application Package
 - Funding Application via RD APPLY, new Web-based application
 - Public announcement with meeting minutes and Affidavit of publication
 - Preliminary Engineering Report (PER)
 - Environmental Report (ER)



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10

Application Process

Elements of Application Package

- Environmental Report (ER) & NEPA
 - RUS Bulletin 1970A-602 Guide
 - Preparation of the Environmental Report (ER) for Water and Environmental Program Proposals
 - Consult with Loan Specialist to determine type of environmental needed. Do this early in the application stage.



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11

Application Process

Elements of Application Package

- Preliminary Engineering Report (PER)
 - Submitted with Funding Application
 - Or uploaded into RDAApply if applicable
 - Instructions provided by:
 - RUS Bulletin 1780-2 (Water, Sewer, Storm and Solid Waste Facilities)
 - Or ePER (Web-based report following 1780-2 outline)
 - WA State PER Guide
 - Alternative to the PER – DOH or DOE Equivalent Report



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12

Water & Environmental Programs Projects

**City of Okanogan Water Line
Replacement Project**



**Kalispell Tribe Reservation Water
Distribution Project**



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13

RD Project Construction Documents

Agency Endorsed Contract Document Requirements

- Project Construction Documents
- Engineering & Construction Contract Document
 - Applicant required to use Agency endorsed documents and forms when developing **Engineering and Construction Contracting Documents** for public works improvements to be funded in part or full
- Agency Endorsed Documents
 - Engineers Joint Contract Documents Committee (EJCDC)
 - Modified by RUS Bulletin 1780-26
 - Modified by RUS Bulletin 1780-35 American Iron and Steel (AIS)



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14

Bidding, Awarding & Construction Oversight

- Prior to Bid Award – Loan Specialist will assist you in:
 - Rural Development Funding must be ready to close prior to Bid Award:
 1. Interim Financing is required for projects above \$500,000.
 2. Draft bond documents must be received from the borrowers bond attorney, reviewed by the Office of General Council and approved by RD.
 3. Verification of owners insurance and bonds.
 4. All other applicable requirements per the Letter of Conditions.



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15

Bidding, Awarding & Construction Oversight

- Pre-Bid Approval of Construction Contract Documents
- Approval to Proceed with Bidding / Solicitation Process
- Review of Bid Results
- Agency Concurrence with Executed Construction Contract(s)
 - Release of Agency Funds – Reimbursement of Expenses to Date
- Agency Review & Concurrence with:
 - Construction Partial Pay Request
 - Change Orders and Engineering Amendments
- Construction Close-out
 - Final Inspection
 - Release of Final Payments



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16

•RD Services Loan after construction

- Security inspections /Civil Rights Compliance review
- Payment collection, using Pre-Authorized Debit
- Annual Reports Audit reviews
- Graduation review



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17

Noteworthy Points

- RDApplly
- ePER
- Buy American Iron and Steel (AIS)
- RD Does Not require wages under the Davis Bacon Act – State Wage Requirements can be used

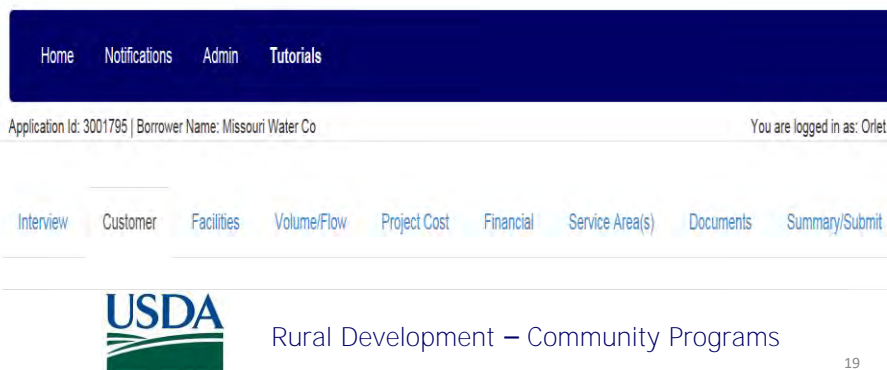


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18

RD Apply Online Application

- What is RD Apply?
 - New web-based application system used to apply to Rural Development
 - User-friendly tracking of application process, keeps track of the flow
 - Currently can be used for Water and Wastewater program
 - Users will be linked to the application with an E-Authentication ID



Electronic Preliminary Engineering Report

A PER development tool for Consultants

- What is ePER?
 - ePER - Electronic Preliminary Engineering Report
 - Web-based application for consulting engineers to write the PER
 - Introduced Fall of 2017 as part of the application process
 - Obtain eAuth level 2 account (electronic Authorization to Government network)
 - Follows the PER outline RUS Bulletin 1780-2
 - Interactive system steps engineer through the PER development
 - Secure portal protects engineer's work, remains proprietary
 - Generates PER in PDF and XML data format
 - Compatible with the RD Apply online application process
 - Optional – not mandatory



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20

Buy American Iron & Steel (AIS)

- What is American Iron & Steel
 - **“iron and steel products” means** the following products made primarily of iron or steel: **lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.**
 - Iron and Steel products - not Mechanical or Electrical
- RUS Bulletin 1780-35 (AIS)
 - Instructions for implementing **AIS Language into the EJCDC Documents.**
 - Engineer Certifies Contract Complies with AIS (Exhibit B)
 - Contractor Certifies Construction Complies with AIS (Exhibit C)
 - Manufacturer Certifies Products Complies with AIS (Exhibit D)



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21

Rural Development Web Site for Engineering Documents

- <http://www.rd.usda.gov/programs-services/services/water-environmental-engineers>
 - Preliminary Engineering Report
 - RUS Bulletin 1780-2
 - Construction Contracts (modifies EJCDC)
 - RUS Bulletin 1780-26
 - American Iron & Steel
 - RUS Bulletin 1780-35
 - Most RUS Forms & Bulletins



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22

