

## 2021 IACC

# USDA Rural Development Water and Environmental Funding Opportunities.

# Rural Development Presenter

Loan Specialist:

Darla O'Connor

(360) 488-4835

Mount Vernon Area Office

[darla.oconnor@usda.gov](mailto:darla.oconnor@usda.gov)



# Rural Development Community Programs

Community Programs consist of two programs:

- The Water and Environmental Program (WEP)
- The Community Facilities Program (CF)

# Rural Development Water and Environmental Program

- 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:
  - Public Bodies
  - Non-Profits
  - Federally Recognized Native American Tribes.

# Water & Environmental Programs Projects

**Makah Indian Reservation  
Transfer Station**



**City of Cashmere Waste Water  
Treatment Plant**



# RD Financial Assistance for WEP

- Direct loans and Grant funding
- Can provide grants to some projects depending on need, the MHI and other factors.
- Current interest rates are determined each quarter.
- 1.25% - 2.125% with up to a 40-year term
- No Application Deadlines. Can apply anytime during the year.
- Grants for pre-development
- Guaranteed loans

# 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
  - Organization Documents for Non-Profits
  - Financials
  - Preliminary Engineering Report (PER)
  - Environmental Report (ER)

# 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

The screenshot displays the top navigation bar of the RD Apply Online Application. The navigation bar is dark blue with white text for the following links: Home, Notifications, Admin, and Tutorials. Below the navigation bar, the user information is displayed: Application Id: 3001795 | Borrower Name: Missouri Water Co on the left, and You are logged in as: Orlet on the right. Below the user information, there is a horizontal menu with the following tabs: Interview, Customer, Facilities, Volume/Flow, Project Cost, Financial, Service Area(s), Documents, and Summary/Submit. The 'Customer' tab is currently selected and highlighted with a white background and a dark blue border.



# Elements of Application Package

## Preliminary Engineering Report

- Preliminary Engineering Report (PER)
  - Submitted with Funding Application
  - Uploaded into RDApply web-based application program
  - Instructions provided by:
    - RUS Bulletin 1780-2 (Water, Sewer, Storm and Solid Waste Facilities)
    - Or ePER (Web-based report following 1780-2 outline)

# 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

# Rural Development (RD) Agency Engineer Role

- 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

# Elements of Application Package Environmental Report / NEPA

- Environmental Report (ER) & NEPA
  - Guide to Applicants for Preparing the Environmental Reports
    - 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.

# 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

# Water & Environmental Programs Projects

City of Okanogan Water Line  
Replacement Project



City of Forks – Reservoir Project



# 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.

# 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)



# 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)

# RD Services Loan after Construction

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



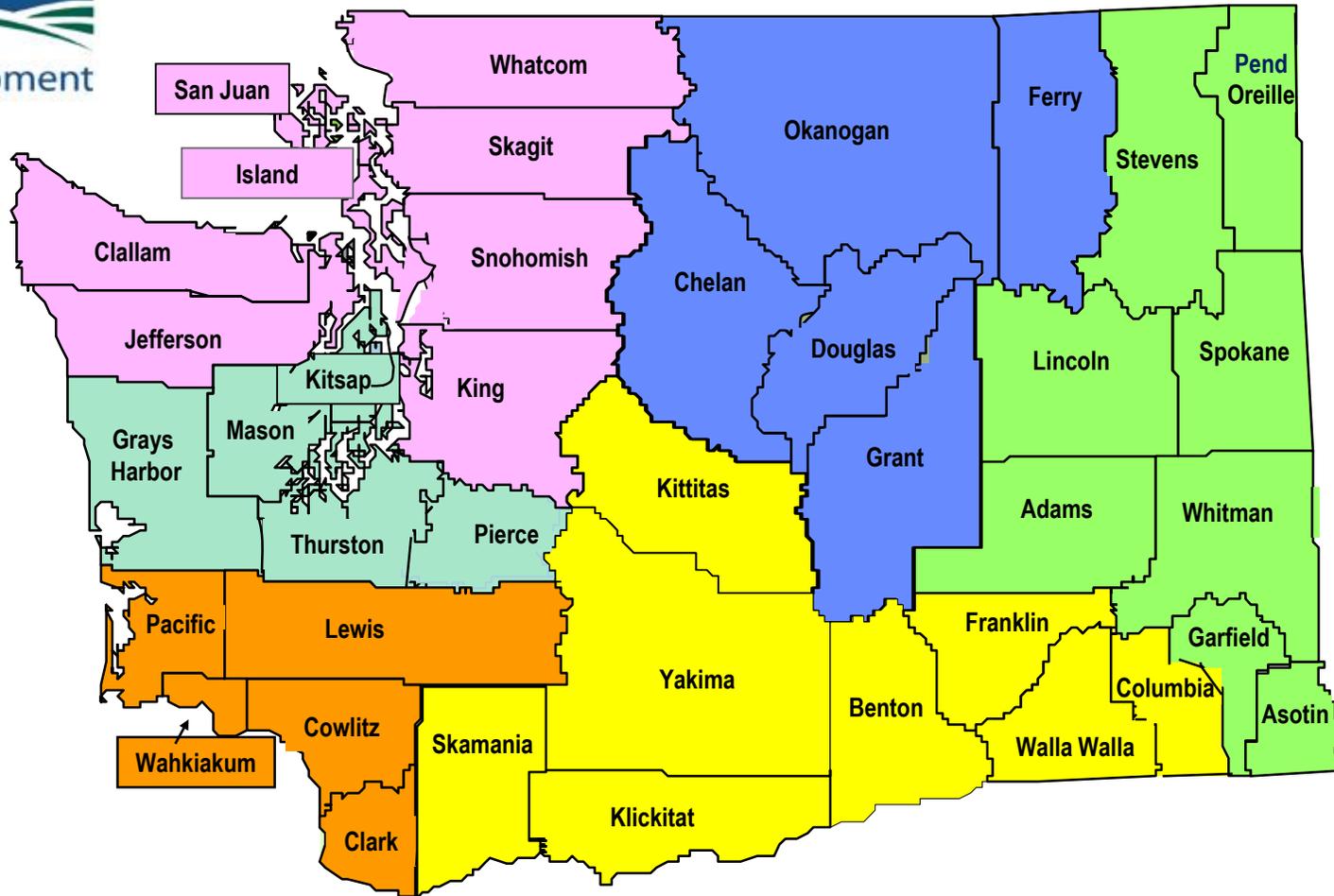
# Applicant Benefits

- No deadlines for application submissions
- Variety of funding programs
  - Direct Loans, Grants and Loan Guarantees
- Competitive interest rates
- No prepayment penalties for direct loans
- RD Does Not require wages under the Davis Bacon Act – State Wage Requirements can be used



# USDA RURAL DEVELOPMENT CONTACTS

## Rural Utilities and Community Facilities



**Darla O'Connor**  
(360) 488-4835

[Darla.Oconnor@usda.gov](mailto:Darla.Oconnor@usda.gov)



**Ambrea Cormier**  
(360) 704-7705

[Ambrea.Cormier@usda.gov](mailto:Ambrea.Cormier@usda.gov)



**Cathleen Walker**  
(360) 704-7727

[Cathleen.walker@usda.gov](mailto:Cathleen.walker@usda.gov)



**Victor Rook**  
(509) 415-3817

[Victor.Rook@usda.gov](mailto:Victor.Rook@usda.gov)



**Marti Canatsey**  
(509) 367-8570

[marlene.canatsey@usda.gov](mailto:marlene.canatsey@usda.gov)



**Rick Rose**  
(509) 415-3820

[richard.rose@usda.gov](mailto:richard.rose@usda.gov)

[www.rd.usda.gov/](http://www.rd.usda.gov/)