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Environmental Quality

Public Finance Authority

## Project Manual

# State Revolving Fund Program



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*\*\*\* This document has been prepared as a resource for State Revolving Fund loan recipients and their engineers. To improve future versions, your feedback is appreciated. Please send any comments to [ndsrf@nd.gov](mailto:ndsrf@nd.gov). \*\*\**

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## Resources

Please note that the documents listed below are frequently updated. Follow the link for the most up-to-date version.

[Bid Document Submittal Checklist](#)

[CMAR Document Checklist](#)

[CWSRF Cost and Effectiveness Certification](#)

[CWSRF Priority List Questionnaire](#)

[DWSRF Priority List Questionnaire](#)

[DWSRF Priority List Questionnaire Update](#)

[EPA American Iron and Steel Guidance](#)

[EPA BABA Guidance](#)

[Facilities Planning Outline](#)

[NDDEQ Contact Information](#)

[Pre-Application Instructions and Bond Counsel List](#)

[SRF Project Flowchart](#)

[SRF Specification Package](#)

[Final Document Checklist and Forms](#)

[Sample Certificate of Performance](#)

This manual, program information, and the current year's Intended Use Plan and Priority List can be found on the NDDEQ website at <https://deq.nd.gov/MF/Publications.aspx>.

Forms can be found on the NDDEQ website at <https://deq.nd.gov/MF/Forms.aspx>. The pre-loan application website link (FIND) as well as the North Dakota bond counsel list can also be found on the PFA website at <http://pfa.nd.gov/state-revolving-fund>.

## Chapter 1. Introduction

### About the Program

The Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) provide low-interest loans to borrowers for financing a wide variety of water and wastewater infrastructure projects. The program is funded through a combination of capitalization grants from the United States Environmental Protection Agency (EPA), state match funds, repayments from current loans, and leveraged bonds. Working in conjunction, the North Dakota Department of Environmental Quality (NDDEQ) and the North Dakota Public Finance Authority (PFA), administer the program on behalf of the EPA. Within the NDDEQ, both programs are administered through the Division of Municipal Facilities.

### About this Manual

This manual is intended to provide loan recipients and their engineers with basic information about the program. A description of the process necessary to comply with the program's requirements is included. The manual is divided into sections about each component of a project, and the paperwork necessary at each step is described in detail. This manual is subject to revision and should be accessed from the NDDEQ website to ensure the most up-to-date version.

### Project Flowchart

A flowchart illustrating the step-by-step process of the SRF program is shown [here](#). Any deviations from this process should be discussed with the SRF project engineer to minimize potential delays or issues securing funding.

### Contact Us

Technical questions regarding the CWSRF and DWSRF programs can be addressed to the corresponding SRF program manager or the project engineer assigned to a specific project. Contact the Division of Municipal Facilities at 701-328-5211 or [ndsrf@nd.gov](mailto:ndsrf@nd.gov) for further information. Specific contact information for all SRF personnel with the Division of Municipal Facilities can be found at the bottom of our division homepage at <https://deq.nd.gov/MF/>. Financial questions related to the CWSRF and DWSRF programs can be addressed to the PFA at 701-328-7100 or [ndpfa@nd.gov](mailto:ndpfa@nd.gov).

Early collaboration with the SRF program is highly recommended to avoid potential schedule delays or funding ineligibilities. SRF staff would be happy to set up pre-project meetings with potential borrowers and their consulting engineers to discuss future projects and provide additional in-depth guidance on the SRF program.

## Financial Advantages

The SRF program offers loans to borrowers at below-market interest rates. As of January 1, 2017, the interest rate is 1.5 percent with a 0.5 percent administrative fee for an effective 2.0 percent interest rate. Whereas most loan programs provide the borrower with a lump sum of the loan amount, the SRF program provides funds as they are requested by the borrower. Consequently, interest only accrues on the funds that have been paid out, rather than the full loan amount. This results in significant cost savings over the length of the loan term. Bond counsel fees are the only cost of issuance expense. A comparison of costs for different funding options is provided in the following table:

	20-Year Financing			30-Year Financing		
	SRF 2.00%	Bond Market Rate		SRF 2.00%	Bond Market Rate	
		3.50%	4.50%		4.00%	5.00%
<b>Total Project Cost</b>	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Cost of Issuance/ Underwriter's Discount</b>	\$5,000	\$39,000	\$39,040	\$5,000	\$41,100	\$41,200
<b>Debt Service Reserve Fund (DSRF)</b>	\$61,463	\$81,775	\$89,175	\$44,873	\$67,000	\$75,250
<b>Average Annual Payment</b>	\$61,463	\$79,105	\$86,988	\$44,873	\$64,120	\$72,733
<b>Total Principal</b>	\$1,005,000	\$1,125,000	\$1,130,000	\$1,005,000	\$1,110,000	\$1,120,000
<b>Total Interest</b>	\$168,188	\$457,100	\$609,750	\$255,896	\$813,600	\$1,062,000
<b>Total Administration</b>	\$56,063	\$0	\$0	\$85,299	\$0	\$0
<b>Total Principal/Interest/ Admin Less DSRF</b>	\$1,167,788	\$1,500,325	\$1,650,575	\$1,301,322	\$1,856,600	\$2,106,750
<b>Savings Provided by SRF Funding</b>	-	\$332,537	\$482,787	-	\$555,278	\$805,428
<b>Percent Savings Provided by SRF Funding</b>	-	<b>28.5%</b>	<b>41.3%</b>	-	<b>42.7%</b>	<b>61.9%</b>

The borrower also has the option (with PFA approval) of repaying the principal early without penalty as long as payment funds are from excess revenues and not bond proceeds. This can result in further cost savings.

## Eligibilities

A wide variety of projects are eligible for funding through the SRF programs. A brief summary is shown in Figure 1. Please contact the SRF program manager if you have questions about eligible projects. Additional information regarding CWSRF eligibilities can be found in the [Overview of CWSRF Eligibilities](#) document from EPA. Additional information regarding DWSRF eligibilities can be found in the [DWSRF Eligibilities Handbook](#) from EPA.

CWSRF Eligible Projects	DWSRF Eligible Projects	Other Eligible Projects
<ul style="list-style-type: none"> <li>• Centralized wastewater treatment (treatment works)                             <ul style="list-style-type: none"> <li>○ Primary/secondary</li> <li>○ Advanced</li> <li>○ Sewer systems</li> <li>○ Combined sewer overflow (CSO) correction</li> </ul> </li> <li>• Renewable energy projects for publicly-owned treatment works (TBD)</li> <li>• Water conservation projects (usually non-treatment works)                             <ul style="list-style-type: none"> <li>○ Water meters</li> <li>○ Water efficient irrigation equipment</li> <li>○ Water reuse (TBD)</li> <li>○ Stormwater (non-treatment works)</li> </ul> </li> <li>• Stormwater (non-treatment works)</li> <li>• Landfills (non-treatment works)                             <ul style="list-style-type: none"> <li>○ Liners and leachate collection systems for cells, monitoring wells, capping systems</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Source water: surface water intake structures, groundwater wells</li> <li>• Water treatment plants</li> <li>• Drinking water storage</li> <li>• Distribution (mains, booster stations, service lines, water meters)</li> </ul> <div data-bbox="587 632 1006 726" style="background-color: #00AEEF; color: white; padding: 5px; text-align: center; border-radius: 10px;"> <b>DWSRF Non-Eligible Projects</b> </div> <ul style="list-style-type: none"> <li>• Projects primarily for future growth</li> <li>• Projects primarily intended to provide fire protection</li> </ul>	<ul style="list-style-type: none"> <li>• Interconnection of systems/regionalization</li> <li>• Security measures to protect infrastructure from vandalism</li> <li>• Measures to ensure continued operation in the event of an emergency (generators, flood protection devices)</li> <li>• Administration buildings for the water or wastewater system</li> <li>• Lead service line replacement – entire service line needs to be replaced</li> </ul>

## Chapter 2: SRF Tracker

SRF Tracker, [srf.deq.nd.gov](http://srf.deq.nd.gov), is a cloud-based programmatic data management system for consulting engineers, SRF loan recipients, owners, and NDDEQ staff. SRF Tracker allows users to view project and loan information, apply for loans and grants, upload project-related documents, and submit payment requests.

### Log In and General Access

The first web page that a user will see is the log-in screen. A NDLogin account is required to access SRF Tracker. The user must create a NDLogin account if they do not already have one. Click on the link that says “North Dakota Login Registration Link” and follow the instructions to create a NDLogin account.

North Dakota SRF Tracker

# Log In

ND Login ID

Log In

**You MUST follow the steps below PRIOR to logging into SRF Tracker!**  
 SRF Tracker will not allow access until AFTER you have:

- Log into the NDLogin app to confirm account exists or to unlock your existing account: NDLogin Link
- If a successful login, set the cell phone number and if setting up a new account, request a verification text to activate the account (The security phone number is not required when setting up an ND Login account, but if not populated you can't log in to SRF Tracker).
- Once completed, email the NDLogin Id to ndsrf@nd.gov to have an SRF Tracker account created. NOTE: send only the NDLogin ID do NOT include the password.

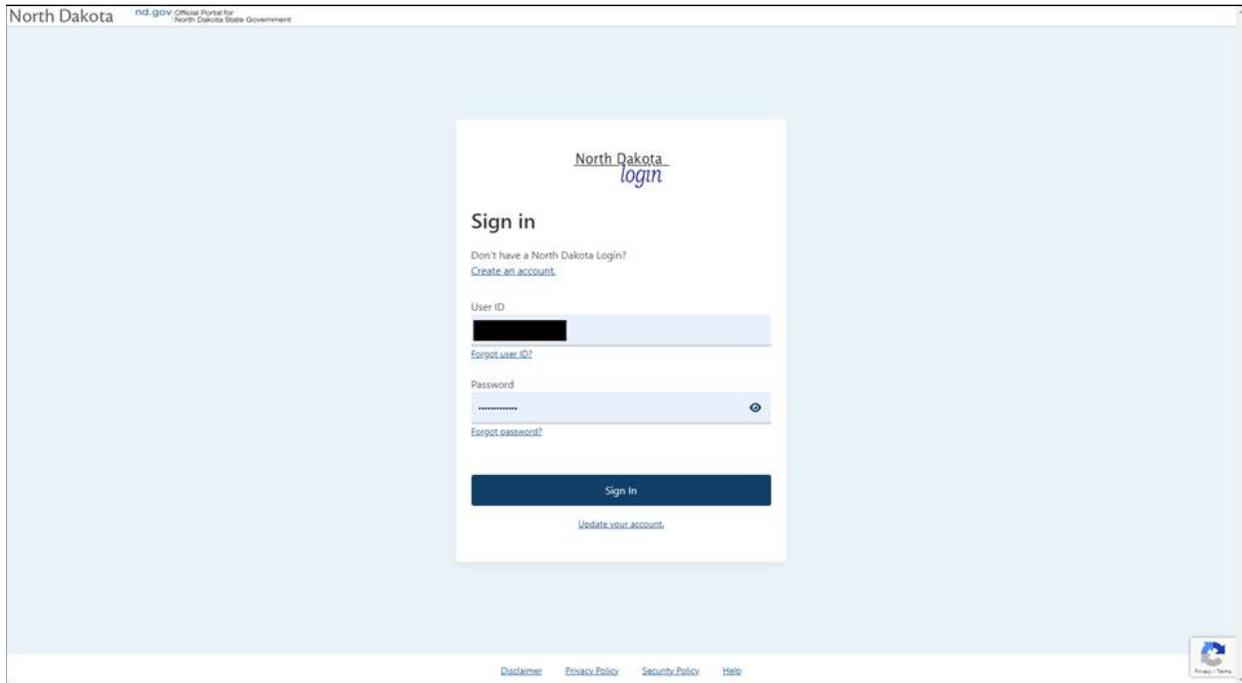
**If you already have a North Dakota login that works with other ND apps, you do not need to create a new account!**  
 If you do not have an existing NDLogin you MUST set one up prior to sending an email to request access to SRF Tracker. SRF Tracker uses a NDLogin authenticator and your account will be locked if you try to request SRF Tracker access before you have an approved NDLogin!

**Do NOT use the dash (-) or ampersand (&) in your ND Login password, you will not be able to log into SRF Tracker.**  
[North Dakota Login Registration Link](#)

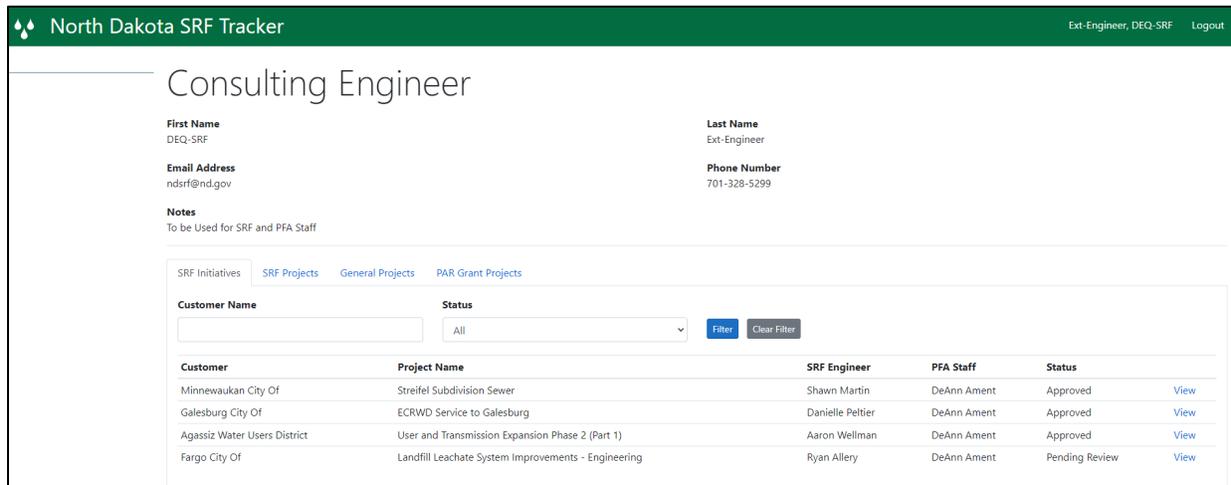
**Login Issues? Use the links below for:**  
[Forgot My Login Link](#)  
[Forgot My Password Link](#)  
[ND Login Registration Link](#)

Send an email to either [ndsrf@nd.gov](mailto:ndsrf@nd.gov) or [ndpfa@nd.gov](mailto:ndpfa@nd.gov) with the NDLogin User ID (not password) after creating a NDLogin account. A NDDEQ or PFA staff member will create the user account in SRF Tracker and will send a confirmation email.

The user can access SRF Tracker by logging in using their NDLogin ID. Enter the ND Login ID at [srf.deq.nd.gov](http://srf.deq.nd.gov). After clicking “Log In”, the page will go to the NDLogin screen. The user needs to enter the same NDLogin ID and password that they used for NDLogin. The image below shows what the user will see at the NDLogin screen.



Once logged into SRF Tracker the user will see a green ribbon at the top if they are a consulting engineer or a blue ribbon at the top if they are a customer. The ribbon says “North Dakota SRF Tracker”, the user’s first and last name, and a “Logout” button. Beneath the ribbon it will say “Consulting Engineer” or “Customer” depending on the role assigned and the user’s first name, last name, email address, phone number, and any notes. The customer user will see six tabs beneath the contact information labeled as “SRF Initiatives”, “General Projects”, “PAR Grant Projects”, “Audit Reports”, “Documents”, and “Users”. The consulting engineer user will see four tabs beneath the contact information labeled as “SRF Initiatives”, “SRF Projects”, “General Projects”, and “PAR Grant Projects”, as shown below.

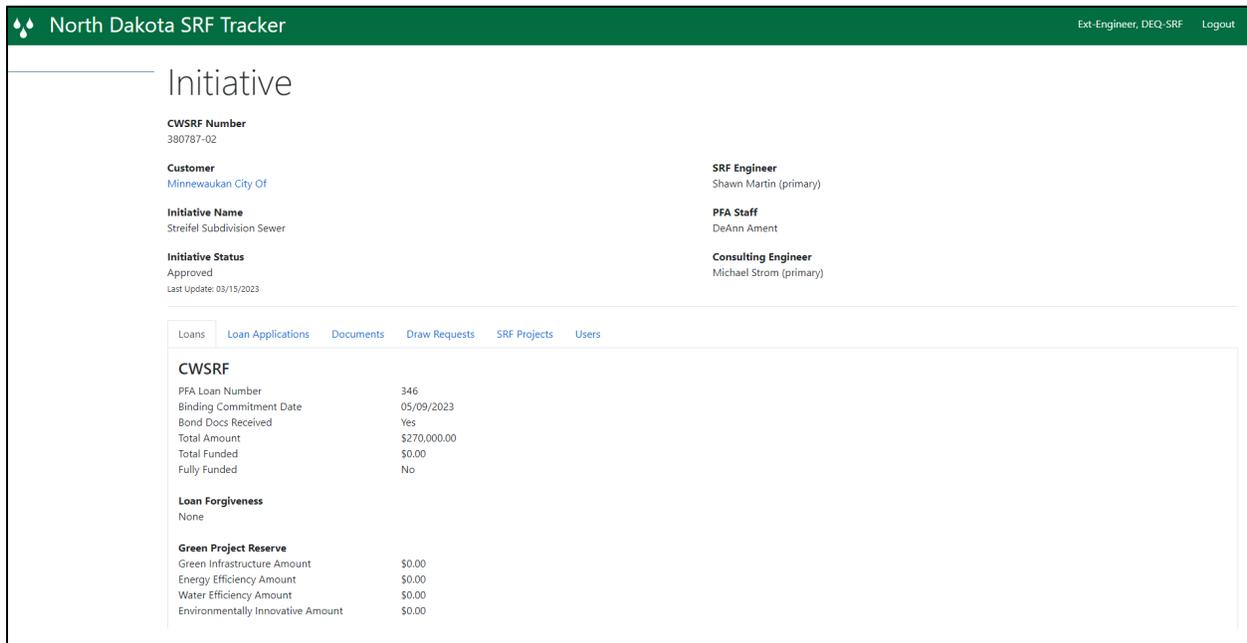


## SRF Initiatives and SRF Projects

An SRF initiative is a project or group of projects funded by a CWSRF and/or DWSRF loan. Most initiatives will only have one project and one loan. However, some initiatives may have both a CWSRF and a DWSRF loan for one project (for example, a water and sewer improvements project). Other initiatives may have multiple projects funded by one loan. Initiatives and projects must be set up by SRF program staff.

Under the “SRF Initiative” and “SRF Projects” tabs the user will see a list of every SRF loan and SRF project that they have been assigned to. The user can filter the list by customer name or status. There is a “View” button next to each SRF initiative and SRF project that, once clicked, will allow the user to see further details.

The image below shows what the user will see after clicking on “View” for an SRF initiative under the “SRF Initiatives” tab.



While viewing the “Initiative” page the user will see specific details including the initiative’s name, customer name, SRF engineer, PFA staff, loan status, and consulting engineer. There are six tabs on this page which are “Loans”, “Loan Applications”, “Documents”, “Draw Requests”, “SRF Projects”, and “Users”. Further information for loans and loan applications can be found in [Chapter 4](#). A description on how draw requests are processed through SRF Tracker can be found in [Chapter 9](#). The “Document” tab lists documents associated with the initiative and the “Users” tab provides information on users associated with the initiative.

The image below shows what the user sees after clicking on “View” for a specific SRF project under the “SRF Projects” tab.

The screenshot displays the 'SRF Project' page in the North Dakota SRF Tracker. The page has a green header with the application name and user information. Below the header, the project name 'SRF Project' is prominently displayed. A summary section provides key details: Project Id (2), Project Name (User and Transmission Expansion Phase 2 (Part 1)), Initiative (User and Transmission Expansion Phase 2 (Part 1)), Customer (Agassiz Water Users District), Received Date (03/28/2023), Bid Opening Date (06/01/2023), and Status (Active). A navigation bar includes tabs for 'Details', 'Engineering', 'Reviewers', 'Activity', and 'SRF Tracking'. The 'Details' tab is active, showing four sections: 'Project Details' (Project Description), 'System Information' (Entity Type: Rural Water System, Water System Id: 1801056, County: Grand Forks (035)), 'Location' (Latitude, Longitude, Radius (miles): 0, Reference Point, Collection Method: -Select Choice-), and 'Classification' (Infrastructure Type: DW Distribution, Indicators: None selected).

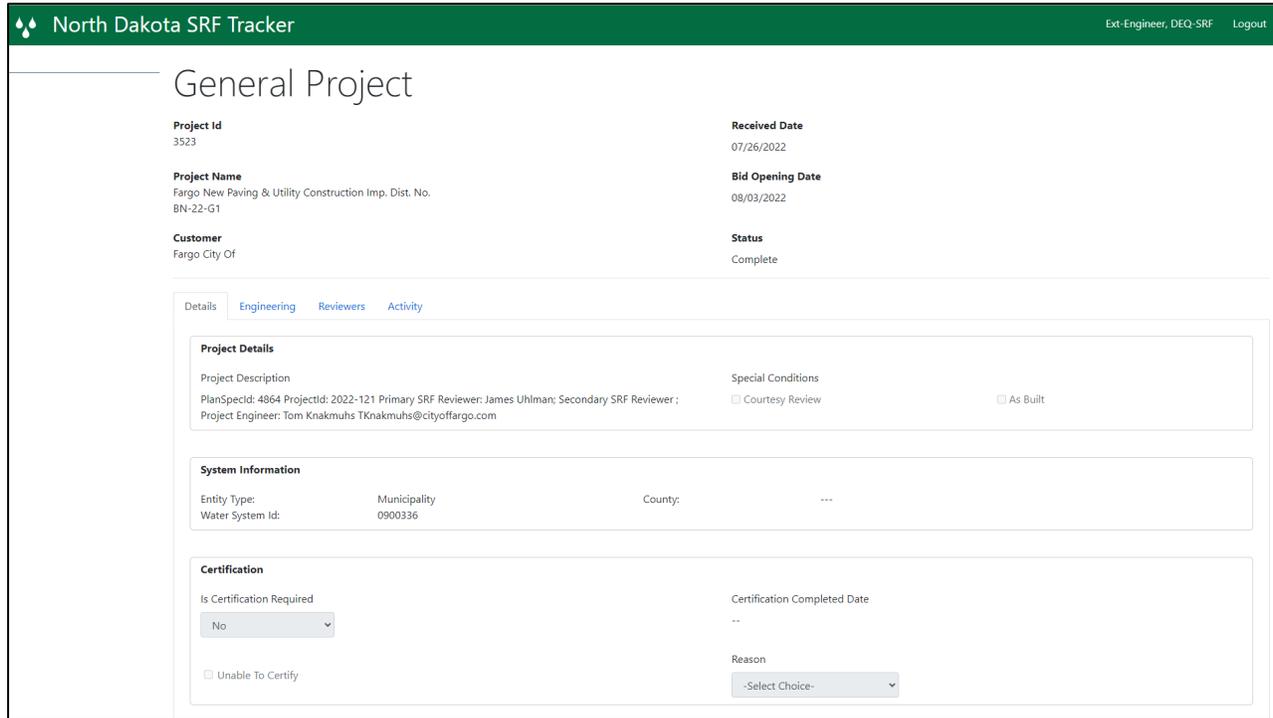
This page shows details about a specific SRF project under an SRF initiative. The user can access the five tabs named “Details”, “Engineering”, “Reviewers”, “Activity”, and “SRF Tracking”. The “Details” shows various information on the project. The “Engineering” tab shows the consulting engineer and engineering firm on the project. The “Reviewers” tab shows the NDDEQ engineer on the project. The “Activity” tab is where documents associated with the SRF project can be uploaded and viewed by the user. A more detailed description of the “Activity” tab can be found in the following section titled *Document Upload and Viewing*. The “SRF Tracking” tab provides a summary of all SRF-associated activities. Boxes that contain a check mark are considered complete and boxes without a check mark are considered incomplete.

## General Projects

One of the tabs on the home screen is “General Projects”. This is for projects that require plan and specification approval of the NDDEQ but will not be funded through the SRF program. All general projects that have been assigned to the user are shown here. The customer, project name, received date, and status can be found for each project under “General Projects”. The user can filter the projects by project name or status type. The four statuses are “Active”, “Complete”, “Pulled”, or “Certification Needed”. “Active” projects are those that are under review by the NDDEQ. “Complete” projects are those that are approved, accepted, or courtesy reviewed by the NDDEQ. “Pulled” projects are those that have been removed from the NDDEQ review process. “Certification Needed”

projects are those that need to receive construction certification from the consulting engineer or customer before the NDDEQ can put the project into an “Approved” status.

The image below shows what the user will see after clicking on “View” for a specific general project under the “General Projects” tab.



This page shows details about a specific general project. The user can access the four tabs named “Details”, “Engineering”, “Reviewers”, and “Activity”. The “Details” shows various information on the project. The “Engineering” tab shows the consulting engineer and engineering firm on the project. The “Reviewers” tab shows the NDDEQ engineer on the project. The “Activity” tab is where documents associated with the general project can be viewed and uploaded by the user. A more detailed description of the “Activity” tab can be found in the following section titled *Document Upload and Viewing*.

## PAR Grant Projects

The user can view the “PAR Grant Projects” tab to access PAR grants. [Chapter 11](#) of this manual has detailed information regarding PAR grants within SRF Tracker.

## Document Upload and Viewing

External users can upload and access documents for SRF projects and general projects within the “Activity” tab. A description of where to find the “Activity” tab in SRF Tracker can be found in the prior sections of this chapter. The image below shows what the user will see after clicking on the “Activity” tab within an SRF project.

The screenshot displays the 'SRF Project' interface. At the top, the header includes the application name 'North Dakota SRF Tracker' and user information 'Ext-Engineer, DEQ-SRF Logout'. The main content area is titled 'SRF Project' and contains several key-value pairs: Project Id (3), Project Name (Streifel Subdivision, Watermain/Sanitary Sewer/Roadway Improvement), Initiative (Streifel Subdivision Sewer), Customer (Minnewaukan City Of), Received Date (11/11/2022), Bid Opening Date (--), and Status (Active). Below this, there are tabs for 'Details', 'Engineering', 'Reviewers', 'Activity', and 'SRF Tracking'. The 'Activity' tab is active, showing a filter section with 'Event Text', 'On or After' (mm/dd/yyyy), 'On or Before' (mm/dd/yyyy), and 'Event Type' (All) dropdowns, along with 'Filter' and 'Clear Filter' buttons. A 'New Event' button is also present. The main part of the page is a table of recorded events.

Date	Event Type	Note	
07/18/2023	Change Order Approval Letter Sent	Change Order No. 1	<a href="#">View Document(s)</a>
07/13/2023	Change Order Received	Change Order 1 for your approval	<a href="#">View Document(s)</a>
05/24/2023	Engineering Agreements Received	The attached engineering agreement does not include Amendment No. 4, which if for construction.	<a href="#">View Document(s)</a>
05/18/2023	Initial Inspection		<a href="#">View Document(s)</a>
05/18/2023	Interim Inspection		<a href="#">View Document(s)</a>
04/26/2023	Attend Pre-Construction Meeting		
04/26/2023	Pre-Construction Meeting Agenda		<a href="#">View Document(s)</a>
03/16/2023	Contract Documents Received		<a href="#">View Document(s)</a>
12/28/2022	Bid Documents Checklist		
12/28/2022	Authorization to Award Letter Sent		<a href="#">View Document(s)</a>
12/12/2022	Bid Documents Received		<a href="#">View Document(s)</a>
12/01/2022	Plan/Spec Approved	Approval Letter	<a href="#">View Document(s)</a>
12/01/2022	Plan/Spec Approved	Plans	<a href="#">View Document(s)</a>
12/01/2022	Plan/Spec Approved	Specs	<a href="#">View Document(s)</a>

Within the “Activity” tab the user will see a filter function, a “New Event” button, and a list of events that have already been recorded. The filter function allows the user to search by text in the event, an event type, or by dates. The “New Event” button allows the user to upload documents into SRF Tracker. An example of what the user will see when clicking the “New Event” button is below.

**New Project Event**

---

**Date**

**Event Type**

**Notes**

**Attachment**

 No file chosen

The user will need to input a date, event type, notes that describe the document, and the attachment to complete a document upload. The “Customer Upload” event type should be used when submitting documents for SRF and general projects. Click on “Choose Files” under “Attachment” and select the file to upload. Click “Save” on the “New Project Event” screen once a document to be uploaded has been selected. The user should now see the event created in the event list on the “Activity” tab.

The table below shows which documents the SRF programs accept as digital uploads on SRF Tracker and which require hardcopy submission to the NDDEQ.

Digital Upload	Hardcopy Submission
Change orders (not signed plan sheets)	Facility plan
Loan application documents	Plans and specifications (3 copies)
Bid documents	Plan sheets from change orders
Contract documents	Addenda
Preconstruction meeting minutes	
Project closeout paperwork	

### Notifications

A notification system was built into SRF Tracker. The notification system will email the user when one of the following events occurs:

- A new SRF loan application has been created

- An SRF loan application has been accepted or rejected
- A payment request has been rejected for an SRF project
- A facility plan has been approved
- Plans and specifications have been approved (including addenda)
- Authorization to bid has been issued for an SRF project
- Authorization to award has been issued for an SRF project
- An inspection report has been issued for an SRF project
- A change order has been approved

## Chapter 3. Project Priority List

The Project Priority List (PPL) is an ordered ranking of all eligible SRF projects. It is a component of the [Intended Use Plan \(IUP\)](#) and is prepared by the SRF program as part of the capitalization grant application. A new list is created every year, and potential loan recipients and interested parties must submit a questionnaire in order to be placed on or stay on the list.

A memo will be sent via email to city officials and consulting engineers to request questionnaires for potential projects. The DWSRF program sends out its announcement in August with an October submission deadline. The CWSRF program will send its request for questionnaires in October with a December submission deadline. The most recent version of the questionnaires for each program can be found on the website [here](#).

Loan applicants are encouraged to submit questionnaires for any projects that may proceed to construction within the next calendar year and may seek funding from the SRF program. An applicant is not required to use the SRF program once they are on the list; however, a project must be on the PPL to be eligible to receive funding. Loan forgiveness funds may be available to projects depending on their location on the list, which may influence an applicant's funding choices. A project will not be denied funding based on its ranking; any project that is ready to proceed may apply for and be approved for a loan.

### DWSRF Project Questionnaire

A full questionnaire must be submitted the first time a project is placed on the DWSRF PPL. A shorter update questionnaire must be submitted each successive year for the project to remain on the list. The information provided in the questionnaire is used to rank the projects based on a point system. In order to receive all possible points for an item, sufficient detail and supporting documentation may be required. The questionnaire includes questions about the system's water quality, water quantity, infrastructure adequacy, and project affordability. A brief description of the project's scope and the need for the project must be provided. To receive points under the Water Quality section of the questionnaire, additional documentation such as test reports must be provided to support claims that the project is necessary to correct water quality problems if regulatory sampling hasn't been completed. To receive points under the Water Quantity section of the questionnaire, documentation must be provided to quantify the water supply available based on population served.

All systems must provide the current and projected population served, the current and projected service connections, and the current and projected water service user rates.

Regional and rural water systems should refer to Attachment 1 of the questionnaire for additional instruction on completing this section of the questionnaire.

### **CWSRF Project Questionnaire**

The CWSRF project questionnaire requires a description of the project's scope, project costs and schedule, number of users paying for the project, and sewer service user rates. Any portions of the project that incorporate elements of green infrastructure, energy efficiency, water efficiency, or environmentally innovative activities should be described. Only one questionnaire is used by CWSRF program. Therefore, this same questionnaire must be updated and submitted each year a project is to be placed on the PPL.

### **Preparation of Project Priority List**

Questionnaires will be ranked by SRF staff. Approximately one month after the questionnaire deadline, a draft PPL will be sent to city officials and engineers for review. Any comments or changes may be communicated to the program manager at this time. A public hearing will be held for each program to allow for further comments on the IUP. The list will be finalized after the comment period has closed (one week after the public hearing) and incorporated into the IUP that will be submitted to the EPA for review and approval.

Once the PPL has been finalized, any changes or additions would need to be made via an amendment process. All requirements of the SRF program must be followed for a project to be approved for SRF funding at a later date. Please contact the CWSRF or DWSRF program manager to discuss options available for a specific project.

### **Notification of Availability of Loan Forgiveness Funds**

Depending on each program's appropriation for the fiscal year, loan forgiveness funds may be available to projects at the top of the priority list. An eligibility evaluation letter will be sent to loan recipients requesting project schedule updates and a project budget sheet. After evaluating the responses to the eligibility evaluation letters, offer letters are sent to inform them of their eligibility for loan forgiveness funds and the approximate amount available. The letter will also include deadlines for submitting a loan application, submitting a first loan draw, issuing the Notice of Award for the construction contract, and using all loan forgiveness funds.

## Chapter 4. Loan Application

### Loan Timing Strategy

There are two philosophies used by systems when applying for SRF loans:

- **Apply before project costs are known:** The risk with this approach is that the approved loan amount may not be large enough to cover the project if bids come in much higher than expected. A loan increase may be required at that point, which means submitting a new application and related documentation, and necessitating another financial review by the PFA with additional bond counsel fees.
- **Wait to submit the loan application until after the bid opening so costs are known:** The risk in this situation is that the system may take on more costs than the PFA determines the system can pay back. If the project costs more than the system can afford, the project may be delayed while other sources of funding are found, or the project may have to be modified to fit what the system can afford. To avoid these concerns, the PFA can review the loan application but not act on it until after the bid opening.

### Loan Application Process

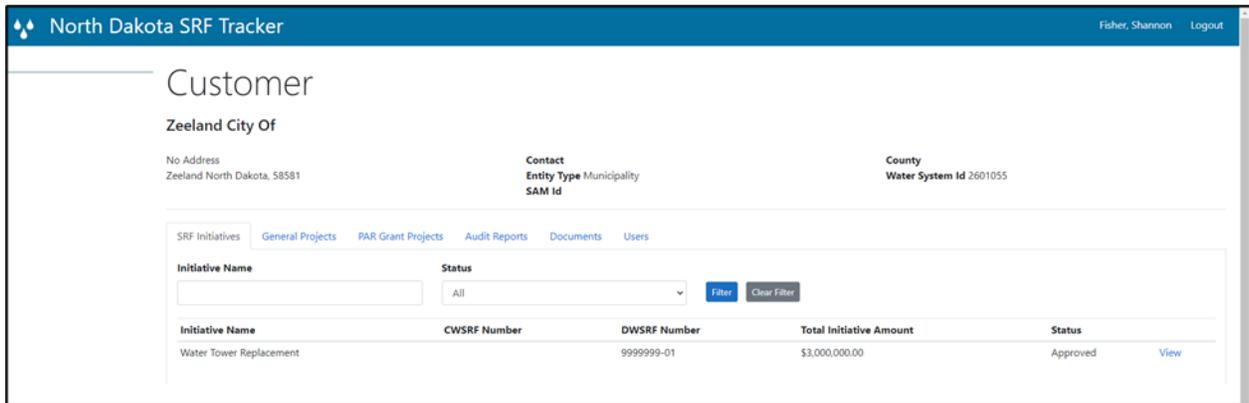
The typical process in which a recipient applies for an SRF loan is as follows:

- In order to qualify for an SRF loan, the project must be on the Project Priority List.
- The loan applicant must select and retain a bond counsel.
- A pre-application must be submitted in [Funding Infrastructure in North Dakota \(FIND\)](#).
- An application must be submitted in SRF Tracker.

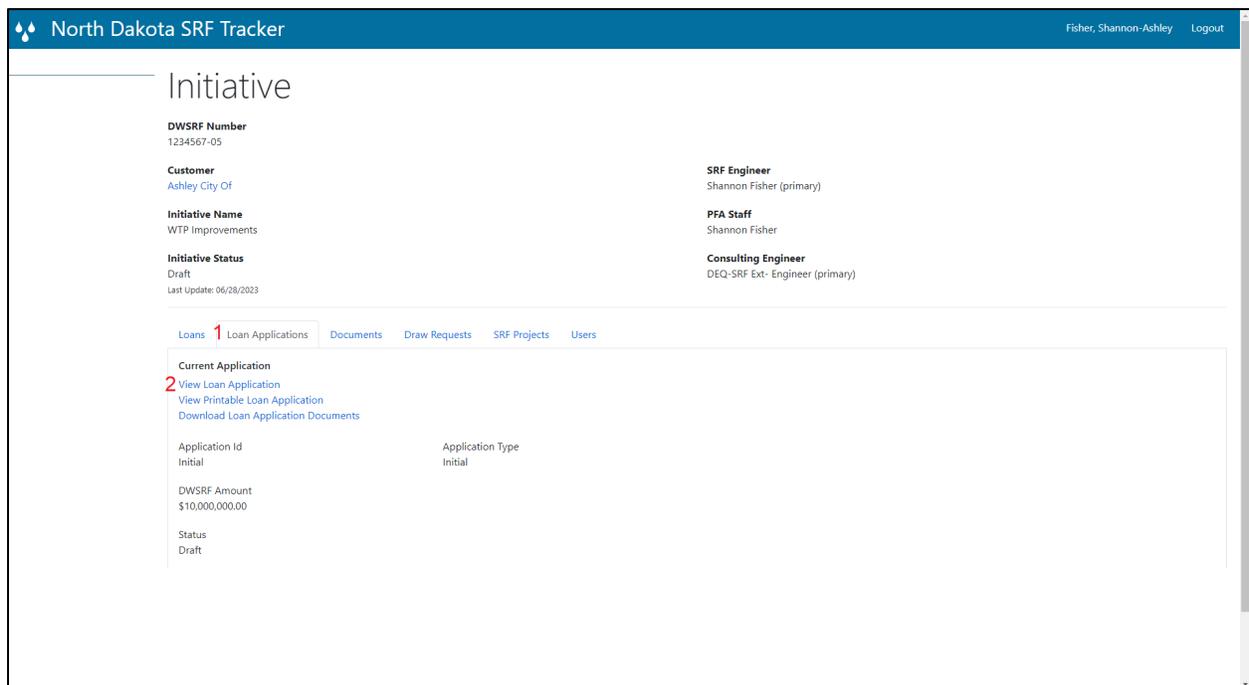
### SRF Tracker Loan Application

Once you receive your FIND funding package offer that includes SRF funding, you will receive an email directing you to the SRF Tracker website, which is available [here](#). First time users need to follow instructions in Chapter 2 in the [Login and General Access](#) section to become a registered user.

When logging in, the default screen will show information about the customer and tabs for “SRF Initiatives”, “General Projects”, “PAR Grant Projects”, “Audit Reports”, “Documents”, and “Users”. The customer and/or consulting engineer will click on the “SRF Initiatives” tab, find the appropriate initiative, and click “View”.



The customer and/or consulting engineer will see the Initiative screen with a series of tabs for “Loans”, “Loan Applications”, “Documents”, “Draw Requests”, “SRF Projects”, and “Users”. The customer and/or consulting engineer will click on the “Loan Applications” tab and click on the “View Loan Application” link.



The customer and/or consulting engineer will then see the Loan Application screen with a series of tabs: “A. General”, “B. Funding Information”, “C. Repayment Information”, “D. Outstanding Debt”, “E. Economic and Social”, “F. Financials”, “G. Attachments”, and “H. Summary”. The “H. Summary” tab indicates if the application is complete by highlighting in green the sections that are complete and highlighting in red the sections that are not complete. **SRF Tracker will not allow an application to be submitted for review unless all sections are complete.** The application contains instructions for completing it. The applications are combined for the CWSRF program and the DWSRF program.

The “F. Financial” tab requires the upload of audited financial statements. If the prior year audit is complete, upload the report to 1. “2022 Financial Statements”. If the prior year audit is not complete, upload the interim year-end financial statements to 2. “2022 Balance Sheet and YE Statement of Revenue and Expense for all fund types”.

The screenshot displays the 'Loan Application' interface for the 'North Dakota SRF Tracker'. The 'F. Financials' tab is active, showing several sections for document uploads:

- Most Recent Month Financial Statements:** A 'Browse...' button with the text 'No file selected.' below it.
- Most Recent Operating Budget:** A 'Browse...' button with the text 'No file selected.' below it.
- Annual Audited Financial Statements:**
  - 2022 Financial Statements:** A 'Browse...' button with the text 'No file selected.' below it. A red number '1' is placed to the left of this button.
  - 2021 Financial Statements:** A link to 'Bismarck 2021.pdf'.
  - 2020 Financial Statements:** A link to 'Bismarck 2020.pdf'.
  - 2019 Financial Statements:** A link to 'Bismarck 2019.pdf'.
- 2022 Balance Sheet and YE Statement of Revenue and Expense for all fund types:** A 'Browse...' button with the text 'No file selected.' below it. A red number '2' is placed to the left of this button.

At the bottom of the form, there are 'Prev' and 'Next' buttons.

The “G. Attachments” tab requires the upload of a number of documents:

- Budget sheet
- Certification Regarding Debarment, Suspension, and Other Responsibility Matters
- Resolution of Governing Body
- ACH authorization
- Feasibility/engineering study for the proposed project
- Technical, managerial, and financial capability information (DWSRF loans only)
- Tabulation of useful life and cost of project components (only required for loan terms greater than 20 years)

The budget sheet must show all of the costs and funding sources for the project and must match the information in the “B. Funding Sources” tab. The debarment and suspension certification form must be filled out, signed, and uploaded. The recipient must also submit a resolution of governing body that authorizes the loan recipient to file an application with the NDDEQ for a loan under the SRF program. The resolution must contain a resolution number, governing body of the applicant, designated official authorized to execute the loan, legal name of the applicant, a brief project description

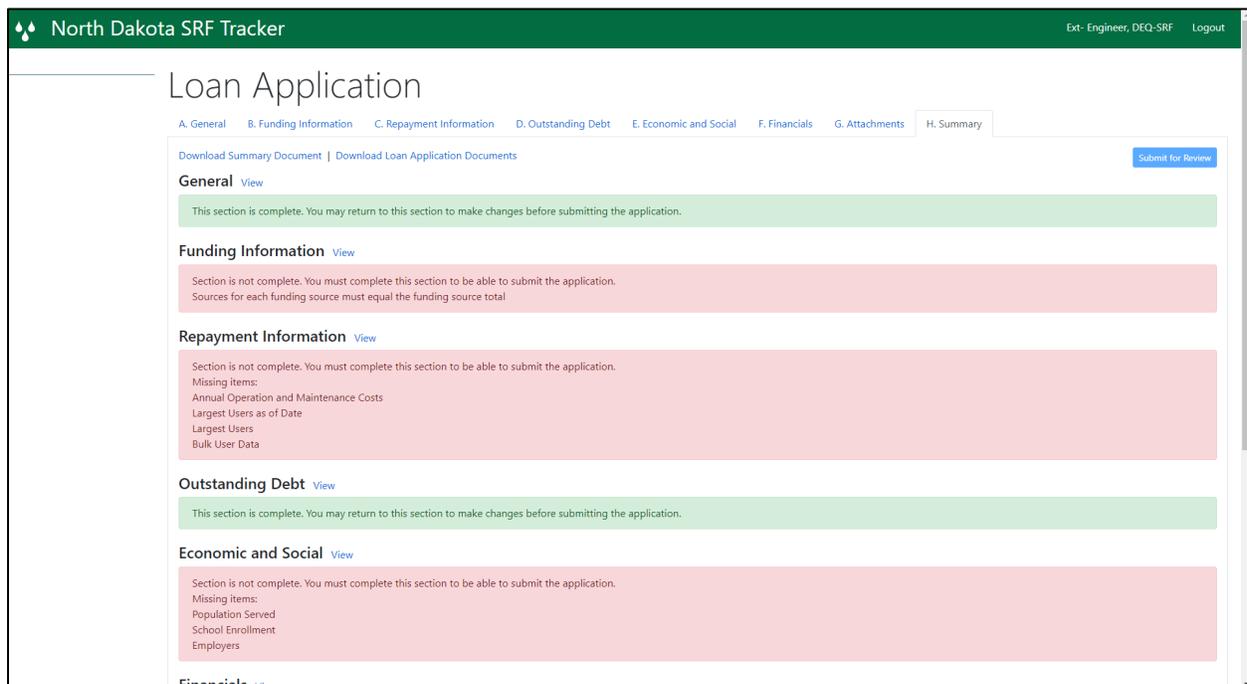
and the certificate of the recording officer. A sample of the budget sheet, debarment and suspension certification form, and the resolution are provided in the application package.

The ACH authorization form provides information about the borrower’s financial accounts. The form can be downloaded in the application package, filled out, and uploaded. SRF staff will send the form to BND and then delete it from SRF Tracker.

The feasibility/engineering study, if available at the time of the loan application submittal, should be attached. If the document is not available, please indicate when the study is expected to be completed.

The technical, managerial, and financial capability form is required for DWSRF loans. States are precluded from providing DWSRF assistance to any eligible public water system that lacks capacity to maintain compliance with the Safe Drinking Water Act (SDWA) unless the public water system agrees to undertake feasible and appropriate changes to ensure capacity over the long term. However, the SRF program will work with the borrower to improve capacity, if necessary.

The "H. Summary" tab is a quick view of the completeness of the loan application. Each tab of the loan application is listed and is colored green when the tab is complete or red when the tab is missing information.



The specific sections within each tab that need to be corrected are listed. The “Submit for Review” cannot be clicked until all of the boxes are green.

## **Designation of an Authorized Representative**

The individuals identified on the Resolution of Governing Body of Applicant are the only individuals that may sign SRF loan applications and payment requests on behalf of the borrower. If the borrower wishes to change their authorized representative, a new Resolution of Governing Body of Applicant must be submitted to the SRF program.

## **Loan Term Determination**

Applications requesting a loan term exceeding 20 years must be accompanied by a list of project components, their estimated cost, and an estimate of their useful life. Each component of the project shall be assigned a useful life of 1) 20 years or less or 2) 30 years or more. Components with a 20 year or less useful life include process equipment and pumps, electrical components and controls, auxiliary equipment, paint and coatings, and roads and asphalt surfacing. Components with a 30 year or more useful life include buildings and concrete structures, conveyance structures (piping) including valves and bolts, earthen structures, doors, windows, and other architectural elements.

All project components with a useful life of 20 years or less must be paid off before or during the 20<sup>th</sup> year of the repayment term in order to be eligible for a longer loan term. The SRF program will make this determination at the time of loan application approval.

## **Emergency Projects**

Both SRF programs will work with emergency projects to expedite the SRF process. Projects will still need to be on the applicable IUP and follow the SRF processes established in the flow chart. Contact the SRF program manager and they will provide guidance on how to proceed with the project.

## **Loan Increase**

Occasionally, a project will require additional funding after the loan has been approved. SRF Tracker can be used to request an increased loan amount. Contact the PFA for assistance with loan increases.

## **Refinancing Loans from Other Federal Agencies**

Both SRF programs may be able to refinance loans for projects originally funded through other federal agencies (for example, USDA- Rural Development, CDBG, or American Recovery and Reinvestment Act (ARRA) loans). Eligibility for refinancing depends on the federal crosscutters required by each agency at the time the project was constructed. Contact the CWSRF or DWSRF program manager to confirm eligibility of all loan refinancing. The following requirements apply:

- The project must be an eligible SRF project.
- The project must be on the Project Priority List.
- Plans and specifications were approved between July 1, 1993 and October 30, 2009.
- Projects with plans and specifications approved after October 30, 2009 may be able to be refinanced- contact the CWSRF or DWSRF program manager.

The remaining useful life of the project to be refinanced must not exceed the desired loan term. Information about the project's useful life must be provided according to the following "Loan Term Determination" section.

After loan approval, the following items will need to be provided before funds will be disbursed:

- A loan summary document from the borrower
- A copy of the executed construction contract
- A copy of the final contractor's pay estimate

The SRF program recommends that borrowers consider including the SRF specifications in the project in case they wish to refinance a project into the SRF program at a later date.

## Chapter 5. Facility Plan and Environmental Review

### Facility Plan Preparation

The Facility Plan (which includes the Preliminary Engineering Report and the environmental response letters) is intended to describe the problem(s) that a project will address, provide an analysis of the alternatives available, and select an alternative based on the analysis. Potential environmental impacts and actions to mitigate these impacts are described in the Facility Plan. The NDDEQ has prepared an [Outline for Facilities Planning](#), which discusses the required content of the Facility Plan.

Submitting a complete Facility Plan for review will expedite the process for completion of an environmental assessment (EA) and subsequent approval of the Facility Plan. The Facility Plan must be stamped and signed by a North Dakota licensed professional engineer to be considered complete. Review and approval times vary depending on the complexity of the project, the volume of work being done by the SRF programs, and the type of EA that must be prepared. Generally, two months should be allowed for approval of the Facility Plan, but the SRF project engineer will be able to give more specific guidance about the time required for approval based on the project specifics. The Facility Plan must be uploaded onto SRF tracker within the appropriate initiative and project to be reviewed by the assigned SRF project engineer. Refer to the [Document Upload and Viewing](#) section of Chapter 2 for instructions.

### Solicitation of Comments

During the first stages of preparing the Facility Plan, federal and state agencies must be given the opportunity to provide comments on the proposed project. A list of the required agencies for solicitation can be found in the [Outline for Facilities Planning](#). This is not an all-inclusive list; any local planning authorities or other parties that may be affected by the project should also be contacted.

At a minimum, a letter describing the project and a map of the project area should be provided to each agency. Agencies are given 30 days to respond. A copy of the response letters from each agency should be included as part of the Facility Plan. Any concerns expressed by the agencies should be addressed by discussing mitigation efforts. Copies of any agency-required permits should be provided with the Facility Plan submittal.

### Farmland Protection Policy Act

Projects that convert farmland to non-agricultural use and are funded by a federal agency may be subject to the Farmland Protection Policy Act (FPPA). FPPA is implemented through the Natural Resources Conservation Service (NRCS). Generally,

the agency's response to the solicitation of comments letter will identify if a proposed project is exempt from FPPA. Projects that are located entirely within a city's boundaries are not covered by FPPA, and no further action needs to be taken.

The engineer must fill out sections I and III of [form AD-1006](#) (Farmland Conversion Impact Rating) if the project has not been identified as exempt from FPPA. The form, along with a map showing the project boundaries, must be submitted to the local NRCS field office. Within 10 days, the NRCS will review the form and complete sections II, IV, and V if farmland covered by FPPA will be converted by the project. The engineer must then fill out sections VI and VII. The scores for sections V and VI will be added together for the total score. If the total score is less than 160, no additional sites need to be evaluated. If the total score is greater than 160, additional sites should be evaluated to identify land that converts less farmland or converts farmland with a lower relative value.

### **Cultural Assessment**

The National Historic Preservation Act of 1966 established a program for the preservation of historic properties throughout the United States. The North Dakota State Preservation Office may require a Class III Cultural Resource Inventory to determine if any historic properties are affected. The Cultural Resource Inventory must be provided to the State Historical Preservation Officer, and the officer's response should concur that no historic properties are affected. This response should be included in the Facility Plan.

### **United States Army Corp of Engineers Section 404 Permit**

Section 404 of the Clean Water Act (CWA) prohibits the discharge of dredged or fill materials into the waters of the United States without a permit. The United States Army Corp of Engineers (USACE) is responsible for issuing Section 404 permits. The solicitation of comments letter from the USACE may indicate that a permit is required for a project. It may also indicate that a wetlands delineation study must be performed. The Facility Plan should address the status of the permit application and wetland delineation study.

### **Floodplain Development Permit**

The North Dakota Department of Water Resources (DWR) may require that a Floodplain Development Permit be obtained for the project. The solicitation letter will include contact information for the local floodplain administrator. The consultant engineer must contact the local floodplain administrator to obtain the permit. If the local floodplain administrator is unfamiliar with the process of obtaining the permit, they can contact the DWR for guidance.

## Endangered Species Act (ESA) Section 7 Consultation

The purpose of the ESA is to provide a means to conserve the ecosystems upon which endangered and threatened species depend and provide a program for the conservation of such species. Section 7(a)(1) of the ESA charges federal agencies to aid in the conservation of listed species, and section 7(a)(2) requires the agencies to ensure that their activities are not likely to jeopardize the continued existence of federally listed species or destroy or adversely modify designated critical habitat.

U.S. Fish and Wildlife Service requires consulting engineers to submit projects to their [Information for Planning and Consultation](#) (IPaC) system to receive environmental consultation prior to starting construction. The IPaC system is a digital project planning tool that provides information to project proponents to help determine whether a project will have effects on federally listed species or designated critical habitat, as well as other sensitive resources managed by the U.S. Fish and Wildlife Service. The IPaC system will generate Determination Key (DKey) letters, which are letters that discuss the listed species that may be affected and the affect that the project may have on them. The following DKey letter states that “coordination with the Service is complete”. This fulfills the environmental solicitation requirements with U.S. Fish and Wildlife Service.




**United States Department of the Interior**  
 FISH AND WILDLIFE SERVICE  
 North Dakota Ecological Services Field Office  
 3425 Miriam Avenue  
 Bismarck, ND 58501-7926  
 Phone: (701) 250-4481 Fax: (701) 355-8513

In Reply Refer To: April 14, 2023  
 Project code: 2023-0069015  
 Project Name: [REDACTED]

Subject: Consistency letter for [REDACTED] for specified federally threatened and endangered species and designated critical habitat that may occur in your proposed project area consistent with the North Dakota Determination Key (DKey) for project review and guidance for federally listed species.

[REDACTED]

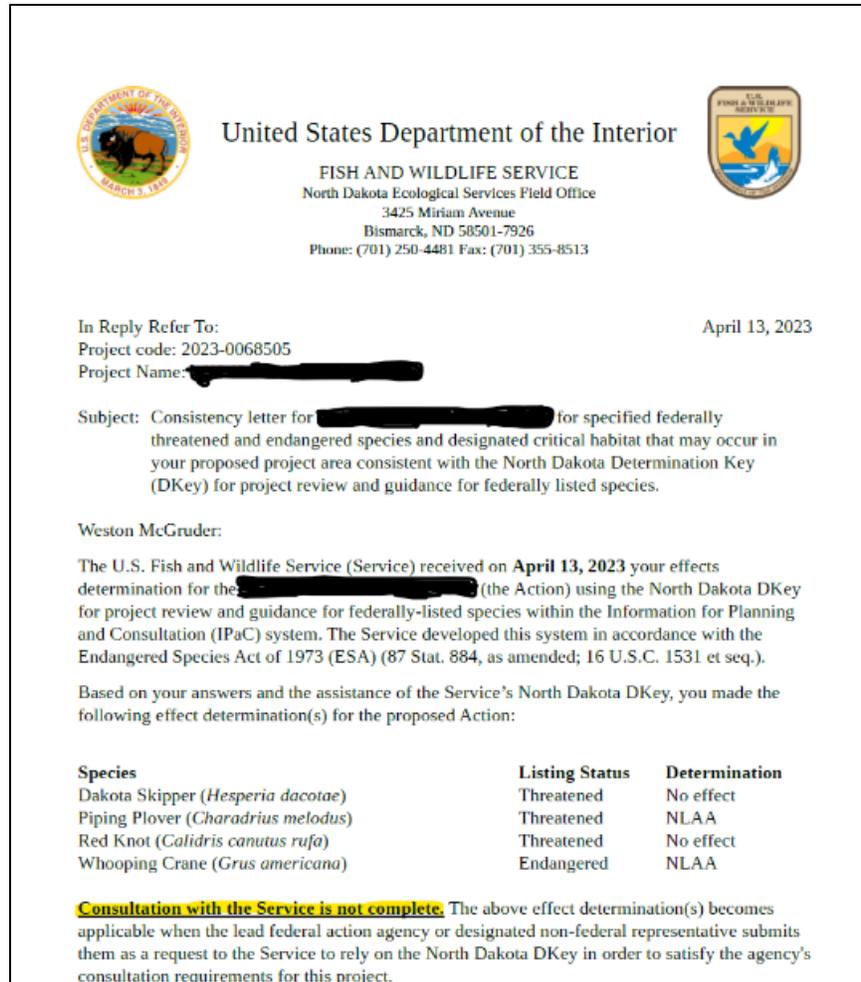
The U.S. Fish and Wildlife Service (Service) received on **April 14, 2023** your effects determination for the [REDACTED] (the Action) using the North Dakota DKey for project review and guidance for federally-listed species within the Information for Planning and Consultation (IPaC) system. The Service developed this system in accordance with the Endangered Species Act of 1973 (ESA) (87 Stat. 884, as amended; 16 U.S.C. 1531 et seq.).

Based on your answers and the assistance of the Service’s North Dakota DKey, you made the following effect determination(s) for the proposed Action:

Species	Listing Status	Determination
Dakota Skipper ( <i>Hesperia dacotae</i> )	Threatened	No effect
Piping Plover ( <i>Charadrius melodus</i> )	Threatened	NLAA
Red Knot ( <i>Calidris canutus rufa</i> )	Threatened	No effect
Whooping Crane ( <i>Grus americana</i> )	Endangered	NLAA

**Coordination with the Service is complete.** Thank you for considering federally listed species during your project planning.

The following DKey states that “consultation with the Service is not complete”. The consulting engineer must continue the consultation process by contacting the U.S. Fish and Wildlife Service.



The consulting engineer must submit the project details into the IPaC system as part of the environmental review process. The SRF program recommends that the consulting engineer uses the IPaC system as soon as possible, prior to sending out solicitation letters, to expedite the time it takes to review and approve the Facility Plan.

The U.S. Fish and Wildlife Service will prepare a biological opinion after reviewing the IPaC results. The conclusion of the biological opinion will state whether the federal agency has ensured that its action is not likely to jeopardize the continued existence of a listed species and/or result in the destruction or adverse modification of critical habitat. A biological opinion usually includes conservation recommendations to further the recovery of listed species, and it also may include reasonable and prudent measures, as needed, to minimize the “take” of listed species.

The SRF program requires the biological opinion and Determination Key letters generated from the IPaC system stating, “Coordination with the Service is complete”, to be included in the Facility Plan.

### **Cost and Effectiveness Analysis (CWSRF Only)**

The SRF program requires that all project alternatives presented in the Facility Plan be analyzed for their cost and effectiveness. All processes, materials, techniques, and technologies must be evaluated. To the maximum extent practicable, the alternative that maximizes water and energy conservation shall be chosen. The analysis must also take into account the costs of:

- Construction of the project
- Operation and maintenance over the life of the project
- Replacement of the project

A copy of the [Cost and Effectiveness Certification](#) form signed by the engineer and the loan recipient must be submitted with the Facility Plan for CWSRF projects only.

### **Environmental Assessment Determination**

The SRF project engineer will determine which kind of EA is appropriate for a proposed project based on the agency responses and information provided in the Facility Plan. A vast majority of SRF projects require either a Categorical Exclusion (CatEx) or a Finding of No Significant Impact (FONSI). Projects that may have a significant impact on the environment require an Environmental Impact Statement (EIS).

A Categorical Exclusion is completed if a proposed project is eligible for exclusion and does not involve any extraordinary circumstances. This typically applies to projects constructed on previously disturbed land such as existing road right-of-way. The SRF project engineer will prepare a news release for publication in the newspaper of record for the municipality receiving assistance. Once the news release has been published, the Facility Plan may be approved. No comment period is required.

A FONSI is completed if an EA document determines that a proposed project does not have any significant environmental impacts and does not otherwise qualify for a Categorical Exclusion. The SRF project engineer will use the information provided in the Facility Plan to prepare an EA document. Upon completion of the EA document, the FONSI will be prepared by the SRF project engineer. The FONSI will be published in the official newspaper of record for the municipality receiving assistance, and 30 days will be allowed for the public to provide comments on the proposed project. If no comments are received after the 30 days have passed, the FONSI will be accepted and the Facility Plan may be approved. Comments may be received during the FONSI

publication period that can be resolved and mitigated via the environmental review process. If comments are received that cannot be resolved, an EIS will be required.

Other federal agencies providing assistance to a project (such as the Community Development Block Grant Program) may be required to complete an environmental review. A copy of the solicitation letters and an affidavit of publication for the FONSI or Categorical Exclusion shall be obtained from the agency and uploaded to SRF Tracker. This will fulfill the requirements of the SRF program.

The Facility Plan approval should precede approval of the plans and specifications and bidding of the project. If the project timeline requires any deviation from this procedure, the engineer should contact the SRF project engineer at the earliest time possible. The SRF project engineer can assist with ensuring that proper program procedures are followed and help to minimize any delays. **The construction contract should not be awarded until the environmental review process is complete and the NDDEQ authorizes award of the construction contract. If the construction contract is awarded prior to the completion of the environmental review process, the loan recipient will assume the risk that construction activities may fail to mitigate impacts required by the EA and the project is no longer able to be funded through the SRF program. The loan recipient will be held liable for making payments to the engineer(s) and prime contractor(s) without SRF reimbursement until the environmental review process is complete. The SRF program will not participate with the construction phase of the project until the environmental review process is complete.**

A Facility Plan approval letter will be uploaded to SRF Tracker upon completion of the environmental review process and be accessible to the engineer and the loan recipient. The loan recipient should keep a copy of the approved Facility Plan and the approval letter in the project file.

### **Project Change of Scope**

Occasionally, a project will change scope after the initial environmental assessment has been completed. The engineer must contact the SRF project engineer to advise them of the change as soon as possible. The SRF project engineer will determine if the new work is covered by the initial environmental assessment. If it is not, the engineer will need to re-solicit comments from the required agencies and the SRF project engineer will need to complete a new environmental assessment or modify the existing one.

## Chapter 6. Plans & Specifications

The SRF process requires the development, submittal, and approval of the construction plans and specifications for all projects. There is standard language and process, along with certain forms, that must be included in the plans and specifications per the SRF requirements.

The following items need to be included with the plans and specifications submittal:

### Contract Documents

- Advertisement for Bids
  - Includes required language (Disadvantaged Business Enterprise or DBE, Minority Business Enterprise or MBE, and Women's Business Enterprise or WBE goals, Executive Order 11246)
  - The bids shall be advertised in compliance with state law.
- Information for Bidders
- Bid Form (Proposal)
- Bid Bond - 5 percent
- Agreement
- Payment Bond - 100 percent
- Performance Bond - 100 percent
- Notice of Award
- Notice to Proceed
- Change Order
- Construction Contract
- Insurance Information
- Time of Completion (number of days or actual completion date)

### General, Supplemental, and Special Conditions

These sections specify the basic conditions and requirements during construction.

- Protests concerning bid award
- Payments to contractors
- Construction progress schedules
- Contract dispute clause (The contract may provide for optional arbitration with the approval of both parties as mandatory arbitration is not allowed. If a contract dispute clause is not provided, contract disputes will be handled in accordance with state law.)
- Materials testing

- Right-of-entry clause (Site access shall be provided to appropriate government and other officials.)
- Treatment during construction (Provisions shall be made to maintain applicable water quality standards during construction.)
- Biddability
- Constructability

## **SRF Specification Package and Required Bid Language**

The “Specification Package and Required Bid Language” packet is a document that includes everything that must be in the specification package as a requirement of the SRF program. It is available [here](#). Engineers should always go to the website and download the current version of the package for new projects. The package provides all necessary language, specifications, and forms necessary for SRF projects.

The following is a list of the information and documents included in the SRF Specification Package, based on project category:

### ***All CWSRF/DWSRF Projects***

- United States Department of Labor Form
- Discovery of Archaeological and Other Historical Items
- Occupational Safety and Health Act of 1970

### ***CWSRF Treatment Works and All DWSRF Projects***

- Davis-Bacon Wage Rate Requirements
- Davis-Bacon Wage Decision
  - The wage decision must be checked for updates 10 days prior to the bid opening.
  - If the bids are held longer than 90 days, the wage decision must be rechecked and updated as necessary.
- American Iron and Steel Requirements
- Full Lead Service Line Replacement for all DWSRF Projects

### ***SRF Equivalency Projects***

- Notice of Requirement for Affirmative Action (Figure 8)
  - Goals for Minority Participation (determined based on covered area)
  - Goals for Female Participation (currently 6.9 percent for all areas)
  - Covered Area Described (area determined based on county in which the project is located)
  - Equal Opportunity Clause
- Standard Federal Equal Employment Opportunity (EEO) Construction Contract Specifications (Executive Order 11246)

- Guidance for Utilization of Small, Minority, and Women Business Enterprises Requirements
  - MBE/WBE Subcontractor Solicitation Information
- Certification Regarding Debarment, Suspension, and other Responsibility Matters
- Prohibition Against Listed Violated Facilities
- Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment
- Build America, Buy America Requirements

***BIL Equivalency and/or BIL Loan Forgiveness Projects***

- Signage Requirements

Please note that page 22 of the SRF Specification Package includes fields that must be filled out based on the project location. Figure 8 shows where to enter the goals for minority and female participation, as well as the covered area. The goals and covered area are described on page 21 of the SRF Specification Package.

## EQUAL EMPLOYMENT OPPORTUNITY and AFFIRMATIVE ACTION REQUIREMENTS on FEDERALLY ASSISTED CONSTRUCTION CONTRACTS

### Notice of Requirement for Affirmative Action to Ensure (Executive Order 11246)

Fill in the appropriate participation goals with their corresponding covered area

1. The Offerer's or Bidder's attention is called to the "Standard Federal Equal Employment Specifications" set forth in the

2. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Goals for minority participation in each trade \_\_\_\_\_  
Goals for female participation in each trade - \_\_\_\_\_

These goals are applicable to all the contractor's construction work (whether or not it is Federal or Federally assisted) performed in the covered area. If the contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its federally involved and non-federally involved construction.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a) and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from contractor to contractor or from project to project for the sole purpose of meeting the contractor's goals shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

3. The contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address and telephone number for the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

4. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is \_\_\_\_\_.

**This notice shall be included in, and shall be a part of, all solicitations for offers and bids on all federal and federally assisted construction contracts or subcontracts.**

### EQUAL OPPORTUNITY CLAUSES

The Equal Opportunity Clause published at 41 CFR Part 60-1.4(b) is required to be included in, and is part of, all nonexempt federally assisted construction contracts and subcontracts. The Equal Opportunity Clause shall be considered to be a part of every contract and subcontract required by the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts.

## Submittal

The plans and specifications should be submitted for approval **at least 3 weeks before the bid opening date** and shall include the following items:

- A cover letter with the contact information, including email, for the engineer and a brief project description
- Three sets of plans and specifications signed and sealed by a North Dakota-registered Professional Engineer, must include at least **one 11x17 set** of plans. **All plan sheets** need to be signed and sealed.
- All items and correspondence should contain the SRF project number

The optional [Plans and Specifications Submittal Packet](#) can be included with the submittal and used to assist with making sure that all required documents are included.

Any projects using a construction management at-risk (CMAR) delivery method may follow a different process than the traditional design bid-award method of delivery. Contact the SRF project engineer as soon as you learn that your client is considering using the CMAR process.

## Plans and Specifications Review

The SRF project engineers will be looking for all of the information described above, as well as all other necessary specifications, drawings, and details. The plans and specifications will be reviewed with respect to 10 States Standards

(<https://www.health.state.mn.us/communities/environment/water/tenstates/standards.html>) and state design policies which can be opened at <https://deg.nd.gov/MF/PlanSpec/>.

If there are any discrepancies, the SRF project engineer will notify the engineer and request an addendum or revised plans and specifications. Once ready for approval, the SRF program will issue two letters: (1) a Plans and Specifications Approval and (2) an Authorization to Advertise and Open Bids.

## Chapter 7. Bid Process

### Bid Opening

The engineer shall review each bid to verify that all SRF requirements are met and ensure the following:

- Acknowledgement of all addenda on the outside of the bid envelope
- A current copy of the contractor's license inside the outer envelope
- A copy of the 5 percent Bid Bond inside the outer envelope

If these items are not present, **THE BID CANNOT BE OPENED.**

Following the bid opening, the engineer shall tabulate the bids and submit a bid document package to the SRF program for review and approval. The bid documents must be uploaded to SRF tracker within the appropriate initiative and project to be reviewed by the assigned SRF project engineer.

### Bid Documents Review

If a Notice of Award is issued prior to receiving the written Authorization to Award from the SRF program, the owner assumes the risk of not having secured funding. The engineer shall submit the following bid documents to the SRF program for review and approval **prior to contract award:**

- Engineer's letter of recommendation for award of contract(s), including contract amount(s). If the low bidder is not selected, justification shall be provided.
- Request from loan recipient to award each contract (letter or city council minutes), including contract amount(s). It is highly recommended that the loan recipient approves award of the contract **contingent on NDDEQ approval.** If the loan recipient awards the project to a contractor for whom the NDDEQ cannot authorize the award, the loan recipient risks losing SRF funding.
- Bid tabulation, including engineer's estimate. Attach explanation if bid exceeds engineer's estimate by more than 10 percent.
- Proof of advertising, including affidavit of publication and notice of bid opening.
- Revised budget sheet, if bids exceed the engineer's estimate and a loan increase will be requested. Revised engineering costs must be allowable and reasonable.
- Loan increase application, if additional SRF funding is desired.
- Current Engineering Agreement specific to the SRF project.
- Any ineligible project costs must be identified.
- Current Davis-Bacon Wage Determination must be used and verified within 10 business days before the bid opening.

- Addenda not previously submitted.
- Two lowest proposals (complete, signed, and dated), including the following documentation:
  - A copy of the 5 percent Bid Bond.
  - A copy of the current contractor's license.
  - Acknowledgement of all addenda.
  - A copy of the completed and signed MBE/WBE subcontractor solicitation information sheets.
- From the low bidder:
  - Completed Certification Regarding Debarment, Suspension, and Other Responsibility Matters. This form must be submitted to the SRF program by the loan recipient. The loan recipient must receive this form from the prime contractor(s) who must receive one form for each subcontract exceeding \$25,000.

The checklist of all required bid documents is located [here](#).

The SRF program will issue an Authorization to Award letter upon approval of the bid documents. The Authorization to Award letter will be uploaded to SRF Tracker and will be available to the loan recipient and engineer. Please note that the Authorization to Award letter is not a guarantee of SRF funding if the loan has not been approved.

### **CMAR Document Review**

Contact the SRF project engineer if a CMAR project delivery method will be used. [This document](#) includes additional information about the requirements for the CMAR process.

### **Contract Award**

Contract execution can commence after the authorization to award. The following documentation is required after contract award and prior to processing the first pay request:

- Notice of Award
- Notice to Proceed
- Executed construction contract including performance and payment bonds
- MBE/WBE subcontracts (within 10 working days of their award)
- Workers' compensation and insurance certificates
- United States Department of Labor (USDOL) form completed and submitted to USDOL and SRF program for any construction subcontracts in excess of \$10,000 at any tier for construction work completed under each contract (within 10 working days of their award)

- State tax clearance

## Chapter 8. Construction

The construction phase begins with the preconstruction conference and ends when construction is completed and the final inspection is finished.

### Preconstruction Conference

During the meeting, the SRF project engineer will discuss the following requirements as they apply to specific project:

#### ***All CWSRF/DWSRF Projects***

- The project is subject to Occupational Safety and Health Administration (OSHA) requirements and regulations. The engineer or engineer's resident project representative must document safety meetings.
- All change orders must be reviewed by the engineer and then approved by the SRF project engineer. All work within any SRF contract, including change order work, shall follow SRF requirements. The SRF engineer will verify that the changes were included in the environmental clearance. If not, the consulting engineer needs to send out new environmental solicitation letters and provide responses to the SRF program so the SRF engineer can complete the environmental clearance for the change order work.
- The recipient must maintain separate project accounts.

#### ***CWSRF Treatment Works and All DWSRF Projects***

- The project must comply with the Davis-Bacon wage rate determinations in the approved specifications.
- Payroll interviews must be conducted by the loan recipient's representative, usually the engineer or the on-site resident project representative.
- A bulletin board must display the Davis Bacon poster, and current Davis Bacon wage rates.
- The project is subject to American Iron and Steel (AIS) provisions. See the section below for more information on AIS provisions and the waiver process.

#### ***SRF Equivalency Projects***

- MBE/WBE subcontractors
- The project is subject to EEO requirements. A bulletin board must be on location that displays the EEO poster.
- This project is subject to Build America, Buy America (BABA) requirements.

### ***BIL Equivalency and/or BIL Loan Forgiveness Projects***

- This project is subject to Bipartisan Infrastructure Law (BIL) signage requirements. A physical sign displaying the official Building a Better America emblem, US EPA logo, and NDDEQ's CWSRF/DWSRF logo shall be placed at the construction site in an easily visible location. The SRF program will have the signs manufactured, but a project representative will need to make arrangements to pick up the sign or arrange delivery.

### **American Iron and Steel Provisions for CWSRF Treatment Works and all DWSRF projects**

The AIS provisions require assistance recipients “to use iron and steel products that are produced in the United States for projects for the construction, alteration, maintenance, or repair of a public water system or treatment works.” Categories of products that must comply with AIS include:

- Lined or unlined pipes or fittings
- Manhole covers
- Municipal castings
- Hydrants
- Tanks
- Flanges
- Pipe clamps and restraints
- Valves
- Structural steel
- Reinforced precast concrete
- Construction materials (materials permanently incorporated into the project such as rebar, wire, nuts and bolts, decking, railings, stairs, ladders, fencing, doors, etc.)

Items exempt from AIS include mechanical and electrical components, equipment, and systems. This category includes but is not limited to pumps, motors, controls, and generators. Any questions about a specific product may be directed to the SRF engineer.

Compliance with AIS provisions is documented by the loan recipient maintaining manufacturer certifications for all AIS products. Each certification letter must be on company letterhead and include the following information:

- The name of the project and to whom the product was delivered
- The specific product(s) delivered to the project site
- The location (city and state) where each product was manufactured

- Signature of a company representative

The contractor is responsible for providing certifications to the loan recipient. At the end of the project, the loan recipient will be required to certify that the project has complied with AIS requirements.

A project-specific waiver may be requested under any of the following circumstances:

- The application of AIS provisions would be inconsistent with the public interest.
- Iron and steel products required for the project are not produced in sufficient or reasonable quantities and of satisfactory quality.
- The inclusion of iron and steel products produced in the United States will increase the overall project cost by more than 25 percent.

The EPA has published multiple national waivers in response to concerns and issues that have arisen during AIS implementation. A complete list of these waivers is located on the EPA website [here](#). The De Minimis Waiver covers AIS products that may be considered miscellaneous in nature. Any product from the published AIS product list may be considered de minimis if all the following conditions are met:

- The total materials cost of all de minimis items is less than 5 percent of the total project material cost.
- Any one item may not exceed 1 percent of the total project material cost.
- The item must be incidental to the purpose of the project, purchased in bulk, and of low cost.
- All materials that qualify for the de minimis waiver must be tracked and tabulated by the project engineer. Documentation must be maintained in the project file.

Further guidance about AIS requirements can be found on the EPA website [here](#). Any concerns about compliance with AIS requirements should be discussed with the SRF project engineer to avoid potential loss of funding.

### **Build America Buy America Provisions for SRF Equivalency Projects**

The BABA provisions require assistance recipients to use iron and steel, manufactured products, and construction materials that are produced in the United States for the construction, alteration, maintenance, or repair of a public water system or treatment works. This applies only to equivalency projects (i.e., projects in an amount equal to the SRF capitalization grant that are required to meet all federal requirements). BABA applies to all Federal agencies, but each Federal agency may have their own provisions. BABA provisions for the SRF programs can be found [here](#).

The EPA can issue project specific waivers for BABA requirements for any of the following conditions:

- Applying the domestic content procurement preference would be inconsistent with the public interest (a “public interest waiver”)
- Types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of satisfactory quality (a “nonavailability waiver”)
- Inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of overall project by more than 25 percent (an “unreasonable cost waiver”)

The EPA has published multiple national waivers in response to concerns and issues that have arisen during BABA implementation. A complete list of these waivers is located on the EPA website [here](#). The following are the current general applicability waivers:

De Minimis waiver	<p>The total project cost of all de minimis items is less than 5 percent of the total project material cost</p> <p>All materials that qualify for the de minimis waiver must be tracked and tabulated by the project engineer and documentation must be maintained in the project file</p>
Small Project waiver	Assistance agreements or subawards under assistance agreements are less than \$250,000
Minor (Ferrous) Components of Iron and Steel Products waiver	Manufacturers of iron and steel products may use up to 5 percent, by material cost, of nondomestic or unknown origin iron and steel minor components within their otherwise domestically manufactured iron and steel products

Further guidance regarding BABA requirements, including a more comprehensive list of products that must comply, can be found on the EPA website [here](#). Any concerns about compliance with BABA requirements should be discussed with the SRF engineer to avoid potential loss of funding.

## Inspections

Inspections will be conducted by the SRF project engineer periodically during construction to verify compliance with SRF requirements and document the status of the project. The SRF project engineer will contact the engineer and loan recipient prior to each site visit. The number of site visits will depend on the length of construction and size of the project. Usually, there will be a minimum of three site inspections.

- An initial inspection will be conducted soon after construction has begun. The SRF project engineer will check construction progress and gather administrative information.
- Usually, an interim inspection will be conducted shortly after the initial inspection and approximately once per quarter during construction.
- The SRF project engineer will check construction progress and, when applicable, document appropriate EEO posters, Davis Bacon posters, BIL signage, American Iron and Steel and BABA compliance, project schedule, and any construction deficiencies.
- A final inspection will be conducted after construction is complete. The purpose of the final inspection is to verify that construction is complete and ready for final payment/project closeout. Any unresolved issues, labor disputes, unpaid debts, unfinished items, difficulties encountered, start-up testing results, as-built drawing locations, shop drawings, and payroll records will be documented. The Final Inspection Report will be uploaded to SRF Tracker after all final closeout documents are received.

## **Documents Required for Final Project Closeout**

The final documents package can be found [here](#).

### ***All CWSRF/DWSRF Projects***

1. The final SRF Request for Payment
2. Final balancing change order and any other change orders not previously submitted. Any work performed or material and equipment purchased after the date of the final payment will not be eligible for reimbursement.
3. A copy of the executed final construction contractor's application for payment covering the value of work in place and materials and equipment delivered and installed. The loan recipient must approve the payment invoice. If the contract covers both eligible and ineligible work, an itemized cost breakdown of the portion of the work eligible for participation should be included. Original and final construction quantities should be documented.
4. Engineering invoices, agreements, and updates (if not previously submitted).
5. Invoices for all eligible expenses (if not previously submitted). Examples include bid advertising fees, equipment, and eligible legal and administrative fees.
6. Certification by the consulting engineer that construction was completed in accordance with the approved plans and specifications.
7. Loan recipient's acceptance of work by the contractor.
8. A letter stating that the loan recipient has received and accepted an Operations and Maintenance Manual, if required.
9. Initiation of operation date.

***CWSRF Treatment Works and All DWSRF Projects***

10. Contractor's Certification of Payrolls.
11. Loan recipient's Certification of Payrolls and Statement of Compliance.
12. Certification of Compliance with AIS Requirements, signed by the owner.

***SRF Equivalency Projects***

13. Certification of Compliance with BABA Requirements, signed by owner.

## Chapter 9. SRF Payment Requests

### General Rules

- Borrowers must submit a first payment request within one year of the loan approval date. Failure to do so will result in expiration of the loan, and the borrower will need to submit a new loan application.
- Payment requests must be submitted by the authorized representative named in the Resolution of Governing Body of Applicant found in the loan application or a certification from the authorized representative must be provided. If the authorized representative changes during the project, a new Resolution of Governing Body of Applicant must be submitted.
- The first payment request must be at least 5 percent of the loan amount or \$50,000, whichever is less.
- Except for the final payment request, all requests must be a minimum of \$2,500.
- Payment requests should be submitted at least quarterly and possibly monthly for larger loan amounts.
- A copy of the Engineering Agreement is required before any engineering fees are reimbursed.
- Executed and dated construction contract, Notice of Award, and Notice to Proceed are required before any construction costs are reimbursed.
- Executed change orders are required prior to requesting reimbursement of costs. The SRF project engineer will review and approve change orders prior to processing the payment request if funds for the work are being requested. All work within any SRF contract, including change order work, shall follow SRF requirements. The SRF engineer will verify that the changes were included in the environmental clearance. If not, the consulting engineer needs to send out new environmental solicitation letters and provide responses to the SRF program so the SRF engineer can complete the environmental clearance for the change order work.
- Contractor's pay applications must be signed by all parties.
- If the project is near completion, construction payments will be limited to 95 percent of approved, eligible construction costs. If there are multiple contracts, each contract is treated separately. We will not pay over 95 percent of the approved loan amount. Once the SRF program receives all the final documents to close out the loan, payments above these limits will be released.
- If the project consists of multiple contracts, the final documents are required as each contract is completed.

- Receipt of all the final closeout documents and a final inspection conducted by the SRF project engineer must take place before the final payment can be made. (See [Chapter 8](#) for a description of the project closeout requirements.)
- Payments are generally made approximately two weeks after a completed payment request and all required supporting documentation is received.

## Payment Requests

- Submitted as part of the loan application is BND’s form “Authorization for Automatic ACH Transactions” which lists the bank name, bank routing number, account number, etc. where the loan funds are to be sent. If any of this information changes, a new form will need to be submitted.
- Complete the payment request form in SRF Tracker including certification by the loan recipient’s authorized representative and the engineering firm’s representative.

## Payment Request Form

The payment request form can be found by clicking SRF Initiatives and then View:

North Dakota SRF Tracker

Fisher, Shannon Logout

### Customer

Zeeland City Of

No Address  
Zeeland North Dakota, 58581

Contact  
Entity Type Municipality  
SAM Id

County  
Water System Id 697294

1

SRF Initiatives General Projects PAR Grant Projects Audit Reports Documents Users

Initiative Name Status

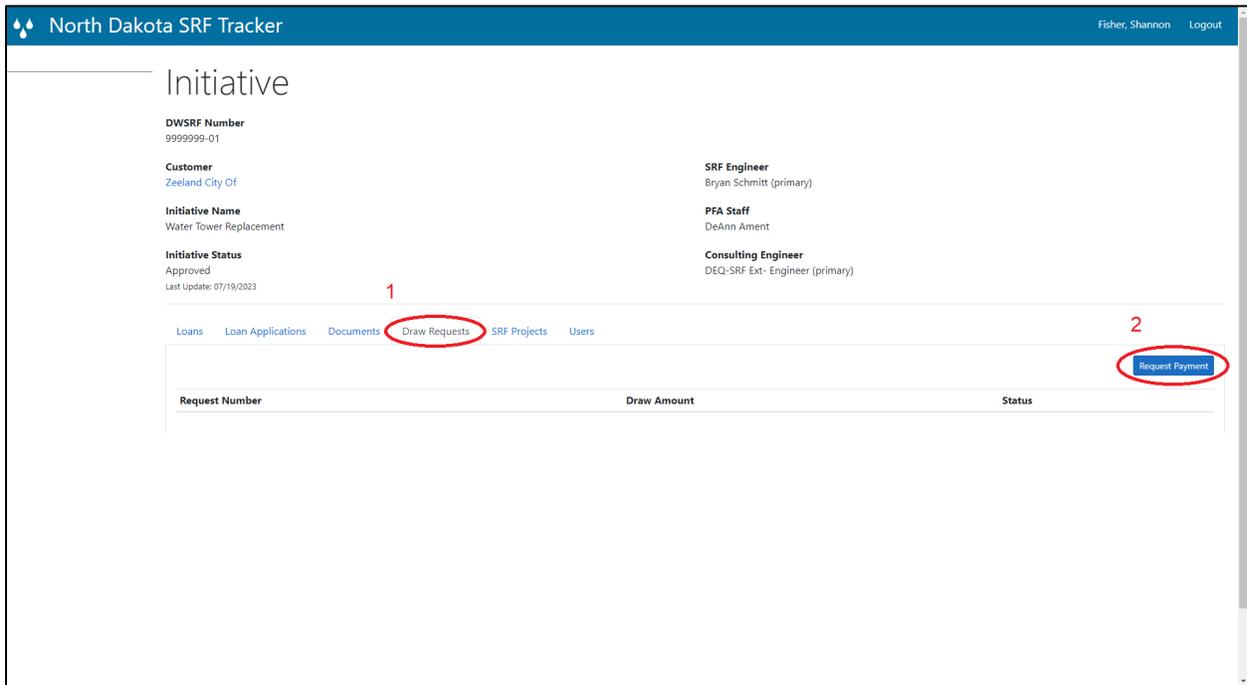
Initiative Name CWSRF Number DWSRF Number Total Initiative Amount Status

Initiative Name	CWSRF Number	DWSRF Number	Total Initiative Amount	Status
Water Tower Replacement		9999999-01	\$3,000,000.00	Approved

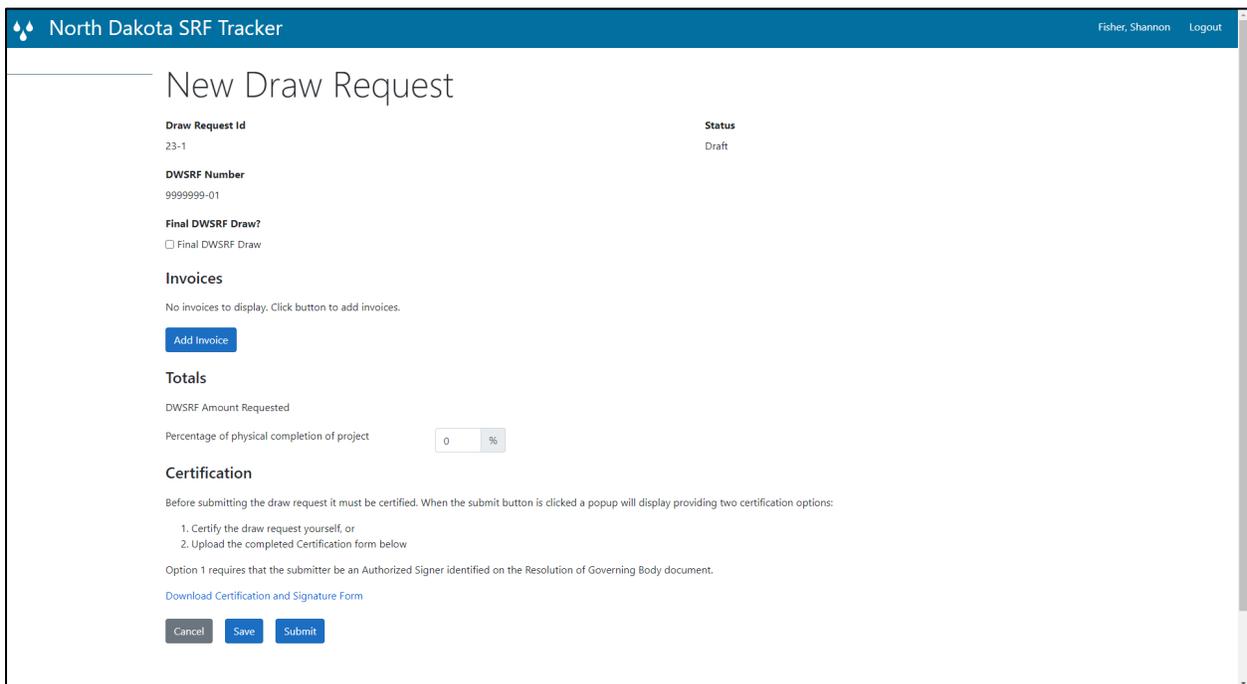
2

View

On the next screen, click the Draw Requests tab and then Request Payment:



The New Draw Request form will look like this:



If the draw request is the final draw request for the loan, click the Final SRF Draw button. Click the Add Invoice button to add an invoice. A popup box will appear.

The screenshot shows the 'New Draw Request' form in the North Dakota SRF Tracker. The form is divided into several sections: 'Draw Request Id' (23-1), 'DWSRF Number' (9999999-01), 'Final DWSRF Draw?' (checkbox), 'Invoices' (with an 'Add Invoice' button), 'Totals' (with 'DWSRF Amount Requested' and 'Percentage of physical completion of project'), and 'Certification' (with instructions and a 'Download Certification and Signature Form' link). A modal window titled 'Invoice' is open, containing the following fields: 'Date' (mm/dd/yyyy), 'Invoice Amount' (\$), 'Payee Name', 'Expense Type' (dropdown menu), 'DWSRF Amount' (\$), and 'Non-SRF Amount'. The 'File Upload' section has a 'Choose File' button and a checkbox for 'Invoice previously submitted'. The modal has 'Cancel' and 'Save' buttons.

Each invoice will be uploaded separately. Enter the date of the invoice, the total invoice amount, and the payee name. Categorize the invoice according to the most appropriate Expense Type: Administration, Engineering, Construction, or Misc. Durable Goods. Enter the amount of the invoice that is being requested for reimbursement by the DWSRF program. The system will automatically calculate the non-SRF amount. Upload a copy of the invoice or click the box to indicate if the invoice has been previously submitted along with a previous draw request. Click save. This will add the invoice to the draw request. Add additional invoices if necessary by clicking on the Add Invoice button again.

After all invoices have been entered, enter the approximate percentage of physical completion of the project. The draw request must be certified as it is submitted. When you click Submit, the following box will pop up:

The screenshot shows the 'North Dakota SRF Tracker' interface. The main page is titled 'New Draw Request' and displays details for a draw request with ID '23-1' and status 'Draft'. The DWSRF Number is '9999999-01'. There is a checkbox for 'Final DWSRF Draw'. An 'Invoices' table shows one invoice from 2023-07-01 for \$10,000.00. A 'Totals' section shows the DWSRF Amount Requested and the percentage of physical completion. A 'Certification' section provides instructions and options for certifying the request. A modal window titled 'Certification' is open, containing a certification statement, a table for the certifying person (Shannon Fisher, Mayor), an 'Or' section for downloading forms, and a file upload field for the signed certification and signature form. Buttons for 'Cancel' and 'Submit' are visible at the bottom of the modal.

Invoice Date	Invoice Amount
2023-07-01	\$10,000.00

Draw Request Id	Status
23-1	Draft

Invoice Date	Invoice Amount
2023-07-01	\$10,000.00

Draw Request Id	Status
23-1	Draft

If you are the certifying person (the city’s authorized representative identified on the Resolution of Governing Body included with the loan application), you may click the box. Otherwise, the certification and signature form can be downloaded, filled out by the authorized representative, and uploaded on the certification page. Click Submit. The draw request page will now show that the draw request has been submitted. An email will automatically be sent to the SRF program to notify them that the draw request has been submitted.

## **Chapter 10. Ongoing Requirements**

### **Loan Repayment**

The BND, as trustee to the PFA, will send the invoices and receive all payments. Within 12 months of the completion of construction, a principal payment must be made. On March 1, a payment for interest and administrative fees is due. On September 1, a payment for principal, interest, and administrative fees is due.

### **Loan Prepayments**

If a borrower would like to make a partial prepayment on a loan, they should contact the PFA the first week of January or the first week of July and let them know the amount of the extra payment. The additional payment cannot come from bond proceeds. The PFA will let the trustee know the additional payment amount and it will be added to the semi-annual invoice sent out by BND Trust.

A borrower can pay a loan in full on any mutually agreed upon date as long as the money is not from bond proceeds. They must contact the PFA to determine the date and pay off amount as well as whether it will be paid off via ACH or check.

### **SRF Federal Funds**

SRF loans that are equivalency projects are considered to have received federal funds. Any combination of federal funds (SRF, CDBG, Rural Development, EPA, Housing and Urban Development, etc.) exceeding \$750,000 in a fiscal year requires a single audit. A single audit is only required for equivalency projects that have received federal funds exceeding \$750,000.

### **SRF Annual Review**

For each year a loan recipient has an outstanding loan with the PFA, they must submit an audit report. If the political subdivision has \$2 million or less in revenues and has not received more than \$750,000 of federal funds during the fiscal year, they may submit the State Auditor's ["Annual Financial Report in Lieu of an Audit."](#) Both the reserves and the coverage are reviewed and verified.

### **SRF Requirements for Loans Backed by Revenue Bonds**

For loans backed by revenue bonds, reserves must be held by the loan recipient in any type of investment allowable by applicable law. The reserve is required to be funded within 5 years of fully funding an SRF Loan. The required reserve amount is the lesser of: (1) 10 percent of par, (2) maximum annual principal and interest, or (3) 125 percent average annual principal and interest.

Bond resolutions for loans backed by revenue bonds require that the borrower will charge fees that will generate net revenues that are at least equal to 1.1 times the annual debt service for all outstanding revenue bonds.

### **Certificate of Performance**

Each loan recipient is required to certify that one year after the initiation of operation date, the project is still meeting design specifications and project performance standards. The certification must be dated at least one year from the initiation of operation date. A sample of the Certificate of Performance can be found [here](#). A letter will be sent to the borrower and their engineer reminding them of this requirement.

## Chapter 11. Planning Assistant Reimbursement (PAR) Projects

Planning Assistance Reimbursement (PAR) grants are grants to assist communities with preparing an engineering report. The report must meet the level of detail for an SRF facility plan and must include the information described in the PAR grant application. The application also includes a description of the information that must be provided based on the kind of report (wastewater collection, wastewater treatment, storm water, water distribution, or water treatment) that is being prepared. The application form can be found in SRF Tracker. The grant will reimburse 80% of the costs of the study up to \$15,000. Wastewater studies that require televising may be eligible for reimbursement greater than \$15,000 but are evaluated on a case-by-case basis. Eligible televising and cleaning can be reimbursed up to an approved amount.

### Eligibility

Applicants must be:

- A political subdivision with a population of 2,500 people or less (A larger population may be considered on a case-by-case basis)
- Eligible to borrow from the SRF program
- In compliance with existing SRF covenants including 110% coverage and debt service reserve

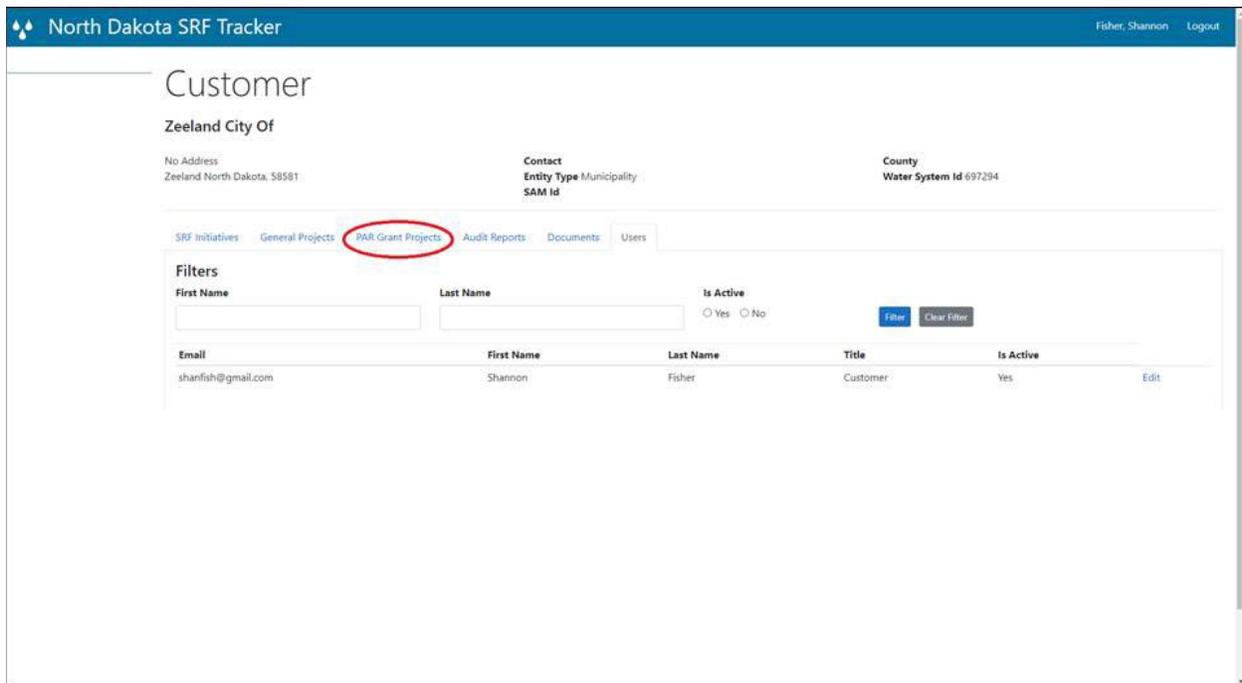
Applicants that have received a PAR grant or USDA-Rural Development Special Evaluation Assistance for Rural Communities and Households (SEARCH) grant within the past ten years are ineligible for a PAR grant for the previously studied system.

If the applicant is more than four years behind on their financial reports, they may not be eligible to apply for a PAR grant and may be deferred until financials are caught up.

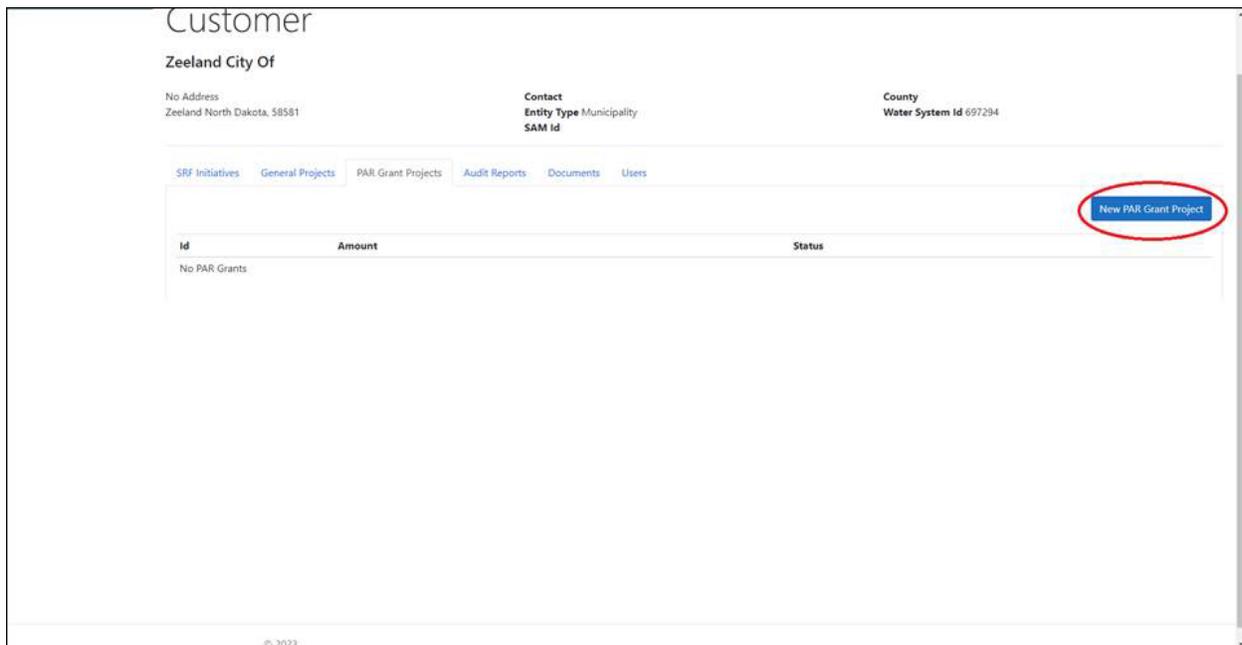
### Application and Rebate Agreement

**Contact the SRF program prior to completing the application.** To apply for a PAR grant, the grant recipient's representative must go to SRF Tracker website which is available [here](#). First time users need to follow instructions in Chapter 2 in the [Login and General Access](#) section to become a registered user.

Once the applicant gets logged in on that screen, they will see the screen below. Then they need to click on "PAR Grant Projects".



The applicant needs to click on “New PAR Grant Project”.



The next screen will be the application form. The applicant will need to select the engineering firm and the engineering contact from the drop down.

The assigned engineer will need to sign the Engineer Certification of Services form. The applicant needs to download it and send it to their engineer representative.

The applicant must upload the signed form, make sure all of the boxes are checked, and click "Submit".

Televising quotes must be uploaded under the “Documents” tab if applicable. Once the application is submitted, a SRF engineer will work with the applicant and engineer representative to get the Rebate Agreement executed.

## Report

A PAR report must be submitted by the date listed in the Reporting Requirements and include the information described in the Engineer Certification of Services document. The report must also be stamped and signed by a Professional Engineer licensed in the state of North Dakota. Once the report is complete, it must be uploaded to SRF Tracker.

## Financials

The PFA must have the applicant’s most current 3 years of audit reports on file before the applicant can get reimbursed. If the political subdivision has \$2 million or less in revenues and has not received more than \$750,000 of federal funds during the fiscal year, they may submit the State Auditor’s [“Annual Financial Report in Lieu of an Audit.”](#)

## Payment Request

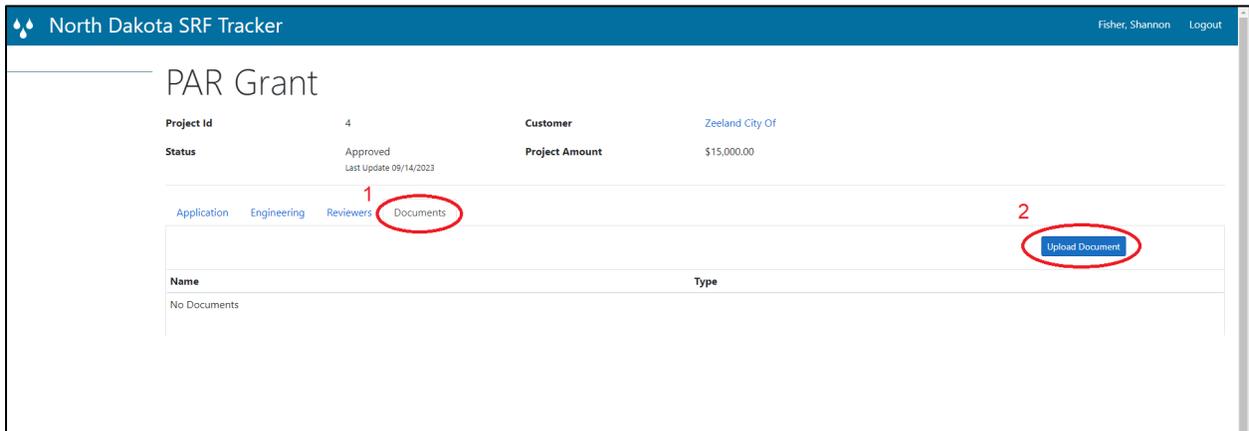
Once the PAR report is approved and the applicant’s financials are accepted, an approval letter will be uploaded to SRF Tracker. Following the approval, the recipient must complete the payment request form which can be downloaded from SRF Tracker. From the PAR Grant Projects tab, click to view the PAR grant.

The screenshot shows the North Dakota SRF Tracker interface. At the top, it says "North Dakota SRF Tracker" and "Fisher, Shannon Logout". The main content area is titled "Customer" and shows details for "Zeeland City Of". Below this, there are fields for "No Address" (Zeeland North Dakota, 58581), "Contact" (Entity Type: Municipality, SAM Id), and "County" (Water System Id: 2601055). A navigation bar includes "SRF Initiatives", "General Projects", "PAR Grant Projects", "Audit Reports", "Documents", and "Users". Below the navigation bar is a table with the following data:

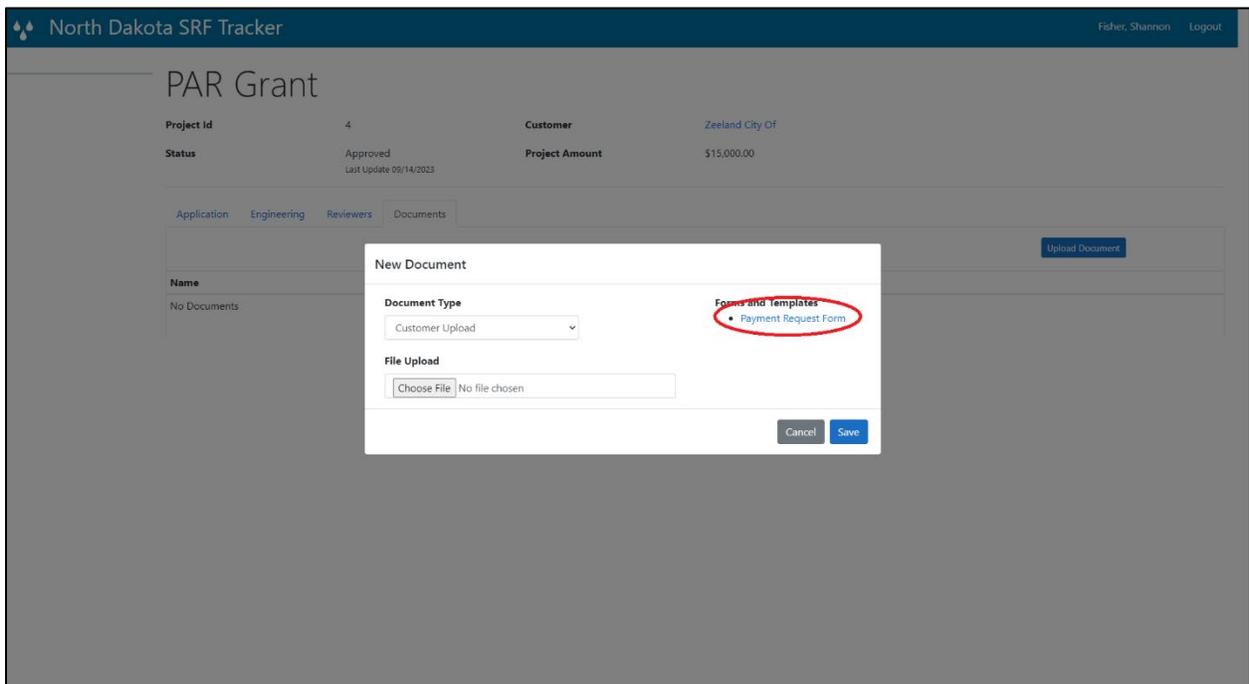
Id	Amount	Status	
4	\$15,000.00	Approved	<a href="#">View</a>

The "View" link in the table is circled in red.

On the next screen, click Documents and Upload Document.



This will open a pop-up window containing the payment request form.



The completed payment request form must be uploaded, along with all applicable invoices, to SRF Tracker to be processed.

## **Abbreviations/Acronyms**

ARRA - American Recovery and Reinvestment Act  
BND - Bank of North Dakota  
CATEX - Categorical Exclusion  
CDBG - Community Development Block Grant  
CMAR - Construction Management At-Risk  
CWA - Clean Water Act  
CWSRF - Clean Water State Revolving Fund  
DBE - Disadvantaged Business Enterprise  
DWSRF - Drinking Water State Revolving Fund  
EA - Environmental Assessment  
EEO - Equal Employment Opportunity  
EIS - Environmental Impact Statement  
EPA - Environmental Protection Agency  
FONSI - Finding of No Significant Impact  
FPPA - Farmland Protection Policy Act  
HUD - Housing and Urban Development  
IUP - Intended Use Plan  
MBE - Minority Business Enterprise  
NDCC - North Dakota Century Code  
NDDEQ - North Dakota Department of Environmental Quality  
NRCS - Natural Resources Conservation Service  
OSHA - Occupational Safety and Health Act  
PFA - Public Finance Authority  
PPL - Project Priority List  
RD - Rural Development  
SDWA - Safe Drinking Water Act  
SRF - State Revolving Fund  
USACE - United States Army Corp of Engineers  
USDOL - United States Department of Labor  
WBE - Woman Business Enterprise  
WRRF - Water Resource Recovery Facility

## Glossary

**Bid Bond** - Issued as part of the bidding process by a surety to the project owner to guarantee that the winning bidder will undertake the contract under the terms at which they bid. A bid bond is purchased when a contractor is bidding on a project. It provides the necessary security to the owner that the contractor will enter into the contract if awarded.

**Binding Commitment** - The date the loan is approved by the Industrial Commission or the date the assistant Attorney General approves the form of the bond documents, whichever date is later.

**Bond Counsel** - An attorney hired by a political subdivision or loan recipient to draw up the legal bonds necessary for an SRF loan.

**Capacity** - The ability to maintain and run a public water system without violations and no managerial, technical or financial problems.

**Clean Water Act** - The primary federal law governing water pollution. It established the Clean Water State Revolving Fund Program.

**Construction Management At-Risk** - A public improvement delivery method through which a construction manager provides advice to the governing body during the planning and design phase of a public improvement, negotiates a contract with the governing body for the general construction bid package of the public improvement, and contracts with subcontractors and suppliers for the actual construction of the public improvement.

**Construction Manager** - Contractor licensed under NDCC Chapter 43-07 or an individual employed by a licensed contractor which has the expertise and resources to assist a governing body with the management of the design, contracting, and construction aspects of a public improvement.

**Credit Analysis** - An in-depth review of an issuer's financial status. The PFA prepares an analysis of all loan applications. If the application is more than \$1,000,000, the BND also prepares a credit analysis.

**Crosscutter Laws** - Federal laws, executive orders, and government-wide policies that apply by their own terms to projects and activities receiving federal financial assistance, regardless of whether the statute authorizing assistance makes them applicable.

**Disadvantaged Business Enterprise (DBE)** - A business where socially and economically disadvantaged individuals own at least a 51 percent interest and also control management and daily operations (includes MBEs and WBEs).

**Engineer** - The engineer hired by the loan recipient to develop construction plans for the project.

**Engineering Agreement** - The contract between the loan recipient and the consulting engineer which defines exactly what services the engineer has been hired to perform.

**Environmental Impact Statement (EIS)** - A document required by the National Environmental Policy Act for certain actions “significantly affecting the quality of the human environment.” The EIS describes the positive and negative effects of a proposed action, and it lists one or more alternative actions that may be chosen instead. It is more detailed than an EA. See your SRF project engineer for more details.

**Equivalency** – a loan or group of loans used for the purpose of meeting federal requirements including cross-cutters, single audit, architectural/engineering procurement (CWSRF), BABA, and Transparency Act reporting requirements. These loans must be in an amount equal to or greater than the capitalization grant. Any source of funds may be used for these equivalency project/loan disbursements, but these disbursements would be considered federal funds. See the [2 CFR 200, Appendix XI Compliance Supplement](#) for additional information.

**Federal Capitalization Grant** - Grant money given to the states by the EPA to finance the SRF programs. Every year, the CWSRF and DWSRF programs apply for a grant. The state must supply a 20 percent match for each grant received.

**Loan Agreement** - A formal document that evidences a loan and its terms, conditions, covenants, remedies, etc.

**Loan Forgiveness** - A certain amount of the federal capitalization grant that may be awarded to SRF projects to discharge a loan balance. Which projects receive loan forgiveness is determined by the project priority list.

**Median Household Income** - A statistic from the United States Census Bureau reflecting the average household income in a given area.

**Minority Business Enterprise (MBE)** - A business which is at least 51 percent owned, operated, and controlled on a daily basis by one or more American citizens of the following ethnic minority classifications: African American, Asian American, Hispanic American, and Native American.

**Par** - The principal amount of a bond due at maturity, usually stated on the face of the bond.

**Payment Bond** - A bond posted by the contractor to guarantee that his subcontractors and material suppliers on the project will be paid. It is sometimes issued as part of a Performance and Payment Bond.

**Performance Bond** - Issued by an insurance company or a bank to guarantee satisfactory completion of a project by a contractor. It is sometimes issued as part of a Performance and Payment Bond.

**Political Subdivision** - A unit of government within a state, including a county, municipality, city, town, township, parish, village, local public authority, school district, special district, council of governments, or any other regional or intrastate governmental entity or instrumentality of a local government. This includes rural water districts. It must have the ability to tax, assess, or charge rates of some sort.

**Revenue Bond** - A type of municipal bond that is guaranteed through the revenues generated from water or wastewater service rates.

**Safe Drinking Water Act** - The principal federal law intended to ensure safe drinking water for the public. It established the Drinking Water State Revolving Fund Program.

**SRF Project Engineer** - The SRF staff member overseeing/reviewing the SRF project.

**Women's Business Enterprise (WBE)** - A business which is at least 51 percent owned, controlled, operated, and managed by a woman or women.