

# Planning and Design Technical Assistance Applicant's Guide



## Program Overview

The Water Infrastructure Finance Authority's Planning and Design Technical Assistance Program allocates funding from the Clean Water and Drinking Water Revolving Funds for infrastructure **planning and design** projects.

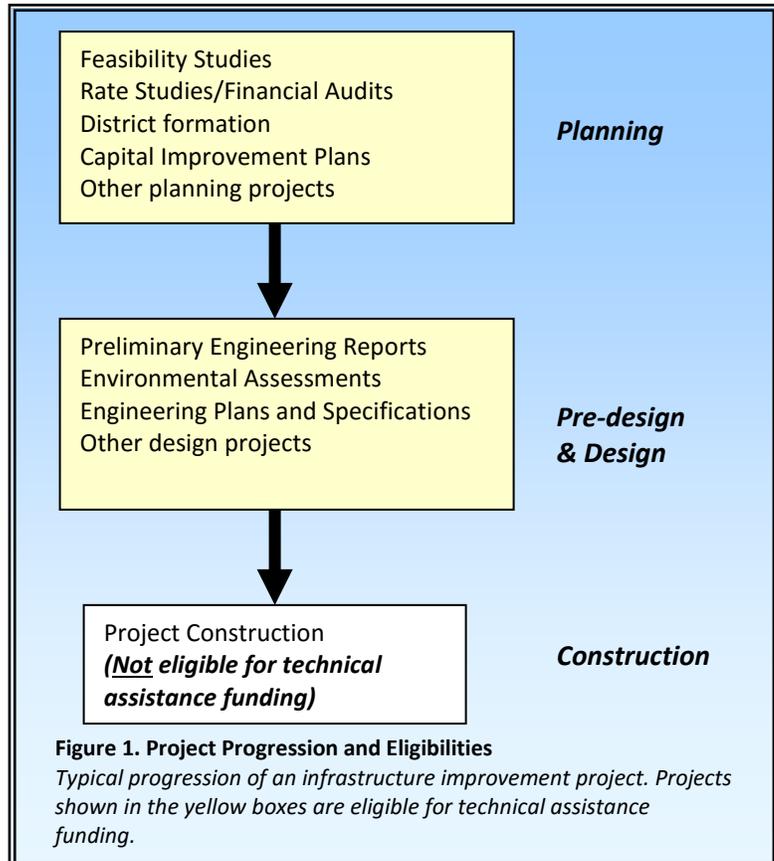
The purpose of the program is to help prepare water and wastewater facilities for future infrastructure project construction. Typically, awards are made to facilities or systems with limited resources that need assistance in completing the planning and/or design phase of an infrastructure project. Funding is provided to employ the services of an engineer or other consultant to complete these activities. Funds are released on a reimbursement basis as work is completed, and awards are capped at \$35,000 per project.

### Technical assistance funding

**cannot be used for construction related services or activities or purchase of materials and equipment. Other eligibility requirements are itemized below.**

Examples of the types of projects that are eligible for technical assistance funding are shown in the graphic above (yellow boxes). For specific project examples and descriptions, see **Appendix A**.

Construction of infrastructure improvements should be the ultimate goal of any technical assistance project. For planning projects such as district formation or rate studies, applicants should demonstrate how these projects will facilitate future infrastructure improvements. Projects that are planned or designed using technical assistance funds can be constructed through a WIFA loan, or can be financed through other methods. Infrastructure projects should be targeted at maintaining or achieving facility compliance, or meeting a critical need for the facility to function efficiently. WIFA is offering this funding opportunity under the authority of *Arizona Revised Statutes* Title 41, Chapter 24 and the *Arizona Administrative Code* R18-15-503 and 504.



## Eligible Applicants

*Drinking Water* technical assistance is available to community water systems as defined by 40 CFR § 141.2: a public water system which serves at least 15 service connections used by year-round residents or regularly serves at least 25 year-round residents. Community water systems owned by cities, towns, tribal entities, water improvement districts and private, ACC-regulated water companies are all eligible.

*Clean Water* technical assistance is available to wastewater systems owned by governmental units, or to other parties requesting funds specifically for the purpose of forming a political subdivision to facilitate a wastewater infrastructure project. Eligible governmental units include cities, towns, tribal entities, sanitary districts and wastewater improvement districts.

## Funding Priorities

WIFA has identified the following funding priorities:

- Projects that correct or prevent a public health or water quality concern (see text box at right)
- Projects that incorporate a significant portion of green components (see text box at right)

WIFA also places priority on projects that are developed and ready to begin (**projects must be initiated by April 30, 2018**). A detailed description of project tasks, costs and work products must be provided in the funding application for WIFA to consider the project for award. To supply this information, applicants may need to solicit proposals from a consultant(s) before completing their application to WIFA. See **Evaluation Process and Criteria** for further information on the project selection process.

## Project Benefits

Planning and design projects that correct an existing public health or water quality problem are a high priority for WIFA funding. Therefore, it is advantageous for applicants to include information on any compliance issues if the project is intended to correct them. Below are examples of the types of problems that WIFA technical assistance funding (and subsequent construction loan) could be used to address.

### Drinking Water

- Maximum contaminant level exceedances (e.g. treatment systems for arsenic, fluoride)
- Storage deficiencies
- Water supply outages/inadequacies

### Clean Water

- Sewer overflows
- Wastewater treatment facility non-compliance

Other projects that are eligible for funding are those that prepare the facility for basic infrastructure improvements necessary for maintaining compliance over the long-term and ensuring system functionality and efficiency.

## Green Projects

Green projects may qualify for a waiver of the applicant match requirement. Eligibility for the match waiver is determined by WIFA and is based on the documentation provided by the applicant and whether the primary purpose/majority of the project is green. For more information on green projects, visit WIFA's Green Project Reserve web page at [azwifa.gov/green-project-reserve](http://azwifa.gov/green-project-reserve). Examples of green projects include:

### Water Efficiency

- Leak detection (drinking water)
- Water recycling
- Effluent reuse

### Energy Efficiency

- Energy audits
- Energy efficient retrofits and upgrades
- Renewable energy

### Green Stormwater Infrastructure

- Stormwater management systems for streets and parking areas
- Stormwater harvesting and reuse projects
- Establishment or restoration of wetlands, bioengineered stream banks

## Ineligible Applicants and Projects

The following applicants, projects and project costs are *not* eligible for technical assistance funding:

- Construction activities or services, e.g. inspections or construction management
- System operations and maintenance
- Private drinking water systems not regulated by the Arizona Corporation Commission (ACC)
- Privately-owned wastewater systems
- Applicants awarded technical assistance funding in the previous fiscal year
- Applicants with an open and unfinished technical assistance project
- Projects that address an issue for which technical assistance was previously awarded
- Applicants in significant non-compliance unless funding will help achieve compliance, or compliance is achieved before a technical assistance agreement is issued (*projects that resolve a compliance issue are eligible and a high priority for funding*)
- Projects with direct or indirect sources of matching funds from other federal sources, e.g. CDBG
- Projects primarily intended to serve future growth (*projects that accommodate a reasonable amount of population growth expected to occur over the useful life of the facility are eligible*)
- Projects intended primarily for fire protection
- Compliance-related fees, such as permit fees, except as local match
- Costs incurred prior to award of funding. Some prior costs may be included in the local match funding if approved by WIFA in advance.
- Purchase of materials and equipment, except as local match. Local match can be used if the materials will be purchased specifically for the *planning/design* project. Examples include computer software, sampling equipment, leak detection equipment. Any materials or equipment associated with the *construction* phase of the project are NOT eligible.

As a general rule, technical assistance funding is provided to facilities lacking technical staff who can complete planning and design activities for a particular project. Funding is then used to contract with an engineer or other consultant to complete these activities. Funding is *not* typically provided for payment of in-house staff, although staff time spent on the project can be part of the local match commitment.

## Project Funding and Local Match Requirements

For traditional projects, technical assistance funding cannot exceed 60% of the total project costs up to a maximum award of \$35,000. (Total project cost refers to the planning and design work only, and does *not* include the cost of project construction.) Applicants must commit local matching funds toward at least 40% of the total project costs and must clearly describe the local match funding component. Federal funds (directly or indirectly) cannot be used to fund the match portion of the project. Local match can be provided through one or more of the following methods:

- Cash
- In-kind services. Examples of in-kind services for technical assistance projects include:
  - Time spent by facility staff on the project, including meetings, data review and compilation, uncovering or locating piping, other project management activities

- Equipment purchased specifically for the project (such as computer software or water sampling equipment)
- Rental of meeting spaces for public meetings
- Office costs specifically associated with the project, such as copying, mailings and postage, education and outreach materials for customers, public notice publication

Projects that qualify as green are eligible for 100% funding of the total cost of the project up to \$35,000, depending on the percentage of the project that qualifies as green and the documentation provided by the applicant. To be considered for the local match waiver or reduction, the primary purpose of the project and the majority of the project costs must be green. Minor or incidental benefits will likely not qualify for the match waiver.

The table below provides examples of local match requirements for traditional and green projects. Whether the local match is waived for green projects will depend upon the total cost of the project. For projects up to \$35,000, the local match can be waived completely. However, for projects costing more than WIFA’s project funding cap of \$35,000, WIFA can only reduce the match funding until the WIFA funding cap of \$35,000 is reached.

TOTAL COST OF PROJECT	TRADITIONAL PROJECTS		GREEN PROJECTS	
	WIFA (60%)	Match (40%)	WIFA	Match
\$25,000	\$15,000	\$10,000	\$25,000	\$0
\$35,000	\$21,000	\$14,000	\$35,000	\$0
\$50,000	\$30,000	\$20,000	\$35,000	\$15,000 WIFA cannot exceed \$35,000 cap. Match is reduced but not waived.
\$65,000	\$35,000 60% is \$39,000, but WIFA cannot exceed \$35,000 cap.	\$30,000	\$35,000	\$30,000 Match cannot be reduced or waived because WIFA funding cap has been reached.

Determination of qualifying green projects and waiver of local match funding is at WIFA’s discretion and based on EPA’s Green Project Reserve guidance. Applicants should commit to a local match funding component in their application in case the project does not qualify as a green project. If local match funding is not described, and the project does not qualify as green, then the application will be ineligible for award.

### Environmental Review

Technical assistance projects may be subject to environmental review requirements after awards are made. Planning-level projects (no design included) may be exempt from this requirement. Contact WIFA for more details.

### **Length of Project**

Due to the high demand for this funding, **WIFA technical assistance agreements must be executed within three months of the date of the award. Projects must be initiated within six months of the date of the award and should be completed within 18 months of the date of award.** Extensions may be granted prior to the deadline upon request if the funding recipient provides evidence of progress and justification for the extension.

### **Award Instrument**

WIFA disburses technical assistance funds as costs are incurred and invoices for applicable work, including in-kind match, are submitted. Disbursements of funds are made to recipients pending the submission and approval of proper disbursement request forms and reporting documents as described in the final technical assistance agreement.

### **Application Submittal Instructions and Deadlines**

Applications must be submitted through WIFA's e-application system by **5:00 p.m. on the deadline specified in the Request for Applications.** E-applications can be accessed at <https://applicant.azwifa.gov/>.

### **Evaluation Process and Criteria**

The evaluation and selection process begins **immediately** after the application submittal deadline. During evaluation, applications are held confidential. WIFA staff first reviews applications to ensure completeness and eligibility for funding. Incomplete applications and ineligible applications will not be evaluated. During the evaluation process, additional information may be requested.

### **Specific evaluation criteria are established each funding cycle in the Request for Applications.**

However, the following guidelines are also important to allow proper evaluation of the project:

- The application must provide sufficient description of the need for project. Supporting documentation, such as sanitary surveys or water quality violations, should be included.
- The project must assist the applicant in proceeding with construction of a future infrastructure improvement project that will ensure long-term facility compliance or efficiency.
- The application must sufficiently define the tasks, costs and work products to allow evaluation of the project.
- The project must be appropriate for the facility (size, complexity, associated maintenance, etc.).
- The cost of the project must be reasonable and appropriate.
- The applicant should demonstrate a need for funding.
- The application must provide sufficient explanation of how the local match component will be funded.

### **Project Selection**

Projects are selected for award based on the scores determined by the evaluation committee. Awards are limited by the amount of funding available; therefore, all qualifying projects may not be

funded. WIFA may award less than the total available funding if applications of sufficient quality are not received, as determined by the funding priorities and evaluation criteria described in this guide and in the Request for Applications.

Applicants will be notified as to whether or not they received an award after the WIFA Board of Directors has taken action to approve awards. After approved awards have been posted on WIFA's website, all applications and the associated evaluations will be made available to the public upon request. Applicants who wish that any of the information contained in the application be held confidential after evaluation must designate that information as "confidential" in the application and provide an explanation as to why it should be held confidential.

If an applicant does not receive an award, the applicant may request a meeting with the Technical Assistance Program Coordinator to discuss the evaluation and guidelines for developing a better application for the next funding cycle. Applicants also have the right to protest the award decision by taking the following action:

Pursuant to A.R.S. 41-2704, a protest of the denial of a grant award shall be resolved according to A.R.S. § 41-2611 and rules adopted thereunder. Protests shall be in writing and be filed with both the Grant Administrator and with the State Procurement Administrator. A protest of the Grant Application shall be received by the Grant Administrator before the Application due date. A protest of a proposed award or of an award shall be filed within ten (10) days after the Grant Administrator makes the grant file available for public inspection. A protest shall include:

1. The name, address, email address and telephone number of the interested party;
2. The signature of the interested party or its representative;
3. Identification of the Grantor agency and the Application or Award number;
4. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
5. The form of relief requested

### **Consideration of Past Performance**

WIFA reserves the right to disqualify applications based on past performance of the applicant or applicant's key personnel or contractor. Examples of past performance that may lead to disqualification may include, but are not limited to, defaulting on previous agreements, poor project management, and failure to maintain records.

### **Execution of Planning and Design Technical Assistance Agreements**

Funding recipients are required to do the following after they are notified of a technical assistance award:

- Submit a copy of the contract with the consultant that will be performing work funded by WIFA and the recipient (this may occur either before or after the agreement is signed)
- Set up a project file to maintain a record of all correspondence, receipts, invoices, and copies of all reports and documents associated with the project
- Be aware of and comply with WIFA's Fair Share Policy for Disadvantaged Business Enterprises (see Appendix B).

### Having trouble getting started?

*The Rural Water Infrastructure Committee can help!*

For small drinking water and wastewater facilities facing long-term, multi-phase infrastructure improvements, the project development process can be daunting. Tasks can include:

- Budgeting and planning
- Requesting proposals and hiring a consultant
- Determining the best funding options
- Preparing funding applications

The Arizona Rural Water Infrastructure Committee (RWIC), coordinated by WIFA, is composed of representatives from various infrastructure loan and grant programs, federal and state lending authorities, and technical assistance providers. This committee can assist small drinking water and wastewater systems to navigate the federal, state and local financial and technical assistance programs. RWIC can serve as a "one stop" funding entity for communities and small water systems in need of assistance.

Please visit RWIC's website at [www.rwic.net](http://www.rwic.net) for helpful information and resources:

- Project Information Form – By filling out a short information form about your facility, RWIC can evaluate facility needs, contact the applicant, and begin the process of finding the appropriate assistance. (Click on *Fill out a Project Information Form.*)
- Project Meetings – RWIC holds quarterly project meetings, where interested parties can attend and speak to the committee about their funding needs. (Click on *Attend a RWIC Meeting.*)

The RWIC website also offers links to valuable training opportunities, helpful resources, and more information about participating funding agencies. For additional information on the RWIC, please contact Susan Craig, WIFA RWIC coordinator, at (602) 364-1236.

For more help, please see WIFA's guidance document *Hiring an Engineer* at [azwifa.gov/publications](http://azwifa.gov/publications).

WIFA may schedule a meeting and/or facility visit to review the agreement and project plan before executing the technical assistance agreement.

By entering into an agreement with WIFA, recipients must abide by the standard terms and conditions of the agreement as well as any additional "special conditions" that may be incorporated into individual agreements. WIFA will issue two copies of the agreement to the funding recipient. **The recipient must sign both copies of the agreement and return them by January 31, 2018.** WIFA will execute the agreement and return an original to the recipient along with the notice to proceed letter.

Please note: Work cannot start on a project until the notice to proceed letter has been issued. Exceptions *may* be made for work to be included in the local match funding component, if a request is made and approved by WIFA in advance.

### Project Execution

Technical assistance funds are paid to the recipient on a reimbursement basis. The notice to proceed letter (issued after the technical assistance agreement is signed by both parties) will include forms for requesting payment. Projects should be completed within 18 months of the date of award. Extensions may be requested prior to the 18-month expiration date. Recipients requesting an extension must provide justification for the extension and evidence of progress on the project.

Requests for disbursement of funds as work proceeds must include:

- Invoices to document work completed and the amount of payment the recipient is requesting from WIFA
- Invoices or other documentation to document work completed as part of the local match funding
- Narrative description of work completed
- Signature of contractor and funding recipient certifying that all information is current and correct
- Disadvantaged Business Enterprise form

WIFA will not disburse the final 10% of the technical assistance funds until the final work product has been received, reviewed, and all requirements of the agreement have been fulfilled.

Questions about WIFA's Planning and Design Technical Assistance Program should be directed to Sara Konrad, Environmental Program Supervisor, at [skonrad@azwifa.gov](mailto:skonrad@azwifa.gov) or (602) 364-1319.

### **Appendices**

Appendix A Example Projects

Appendix B Fair Share Policy for Disadvantaged Business Enterprises

## Appendix A - Example Projects

### Planning and Design Technical Assistance Awards FY 2017

#### Drinking Water

Rank	Project Number	Applicant	Project	County	Award Amount
*1	TADW-011-2017	City of Williams	Water Resource Recovery Evaluation	Coconino	\$35,000
*2	TADW-008-2017	City of El Mirage	Original Town Site Water Loss and Leak Detection Analysis	Maricopa	\$35,000
3	TADW-006-2017	Rancheros Bonitos Water Company	Rancheros Bonitos Water Company	Yuma	\$10,000
4	TADW-004-2017	Centennial Park Domestic Water Improvement District	Well #8	Mohave	\$25,200
5	TADW-005-2017	City of Nogales	Camino del Sol Water System Improvements Design	Santa Cruz	\$16,431
<b>Total Award</b>					<b>\$121,631</b>

#### Clean Water (Wastewater/Stormwater)

Rank	Project Number	Applicant	Project	County	Award Amount
*1	TACW-012-2017	City of Flagstaff	Flagstaff Green Stormwater Infrastructure Watershed Planning and Design	Coconino	\$35,000
*2	TACW-010-2017	Town of Marana	El Rio Riparian Restoration Project	Pima	\$35,000
3	TACW-008-2017	City of Apache Junction	City of Apache Junction Public Works Stormwater Basin	Pinal	\$29,924.40
*4	TACW-002-2017	City of Sierra Vista	City of Sierra Vista Environmental Operations Park Energy Audits	Cochise	\$34,400
<b>Total Award</b>					<b>\$134,324.40</b>

\*Green Project

## FACT SHEET -- FAIR SHARE POLICY

The Fair Share Policy helps ensure that recipients of WIFA Financial Assistance and Planning and Design Technical Assistance award a fair share of contracting opportunities to Disadvantaged Business Enterprises (DBE). This Fair Share Policy is a requirement of the State of Arizona and the federal government.

### What kinds of contracting opportunities does the Fair Share Policy apply to?

The Fair Share Policy applies to all prime contracts and sub-contracts for construction, equipment, supplies and services.

### Who must comply with the Fair Share Policy?

WIFA Financial Assistance Recipients and Planning and Design Technical Assistance Recipients.

### Our organization does not receive funding directly from EPA. How does this policy relate to us?

WIFA provides financial and technical assistance from the state and federally funded Clean Water Revolving Fund (CWRP) and the Drinking Water Revolving Fund (DWRP). As a system that benefits from state or federal funds through WIFA in the form of a loan or technical assistance agreement, you must comply with the DBE requirements in the Fair Share Policy.

### Are we required as a Recipient to contract with a certain number of DBE enterprises?

No. There are Fair Share goals that are Arizona's commitment to make efforts to contract with DBE companies. Financial Assistance Recipients, Planning and Design Technical Assistance Recipients, and prime contractors must document their meaningful actions to comply with the "Good Faith Effort" requirements. In such cases, the Recipient will not be penalized if actual participation is below the set goals nor will they be relieved of continuing to make "Good Faith Efforts" if the goal is reached.

### What is required?

The Financial Assistance Agreement and Technical Assistance Agreement include provisions related to compliance with DBE requirements.

The Recipient will comply with the DBE "Good Faith Effort" requirement by following these basic six affirmative steps for contracting:

1. Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities; including placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitation for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
3. Consider in the contracting process whether firms competing for large contracts could be subcontracted with DBEs. This will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.

4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
5. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the U. S. Department of Commerce.
6. If the prime contractor awards subcontracts, require the prime contractor to take the steps in numbers 1 through 5 above.

### What qualifies a business as a DBE enterprise?

A business qualifies as a DBE if it is:

- Certified as DBE by the Small Business Administration or another federal agency; or
- Certified by a State or State agency; or
- An independent business concern that, although not certified, is at least 51 percent owned by one or more minority group members or women and whose daily business operations are managed and directed by one or more of the minority or woman owners; or
- In the case of a publicly owned business, at least 51 percent of the stock is owned by one or more minority group members or women and whose daily business operations are managed and directed by one or more of the minority or woman owners.
- A business concern that is physically located outside any standard metropolitan statistical area (SMSA) within Arizona.

### When is action required by the Borrower or Grant Recipient?

To ensure “Good Faith Effort” in securing DBE contractors, the Financial Assistance Recipient must follow the six affirmative steps within the [bid solicitation](#) and [related project specifications](#).

### How do I locate Small, Minority, and Women-Owned Businesses?

Many useful resources are available and can assist Recipients to locate potential Small, Minority, and Women-Owned Businesses. The following are a few websites that contain suggested resources and/or links for identifying DBE:

[adot.dbesystem.com/FrontEnd/VendorSearchPublic.asp?TN=adot&XID=8134](http://adot.dbesystem.com/FrontEnd/VendorSearchPublic.asp?TN=adot&XID=8134)  
[www.epa.gov/osbp/dbe\\_team.htm](http://www.epa.gov/osbp/dbe_team.htm)  
[www.epa.gov/osbp/pdfs/dbe/dbe\\_cert\\_process.pdf](http://www.epa.gov/osbp/pdfs/dbe/dbe_cert_process.pdf)

### How will WIFA verify compliance of Good Faith Effort?

Prior to closing a loan or signing a technical assistance agreement, the Recipient will submit a completed **Certificate of Positive Effort** (Attachment A, if applicable) to WIFA certifying that positive efforts were made or will be made to encourage certified/qualified DBE companies to compete for contracted and sub-contracted activities.

### What response will WIFA make if we do not comply with DBE requirements?

The WIFA Financial Assistance Agreement (Exhibit C) will include the requirements that the system comply with DBE requirements. Since the DBE requirements are a contract condition, failure by the system to implement DBE “Good Faith Effort” may invalidate the Financial Assistance Agreement.

For more information contact WIFA’s DBE Coordinator at (602) 364-1315.