

California Department of Public Health
Safe Drinking Water State Revolving Fund

APPLICATION FOR CONSTRUCTION FUNDS
May 2014 Invitation
For State Fiscal Year 2014-2015

Notice to All Applicants

When submitting the application, the applicant must submit the following no later than December 29, 2014:

- 1 hardcopy of the complete application with all attachments to Address "A"
Including one (1) complete set of Plans and Specifications
- 2 hardcopies of the complete application with all attachments to Address "B"
Including one (1) complete set of Plans (can be 11" x 17") without Specifications. Include the specifications in the digital copy.
- 1 digital copy of the complete application with all attachments on a CD in an Adobe (.pdf) file format to Address "B"

Note that all of the required application documents must be signed originals, postmarked or hand delivered to the appropriate address no later than the due date; electronic copies will not be accepted via email.

Review the *Application Guidelines and Instructions* (Enclosure 2c) prior to completing the application.

Address "A"

California Department of Public Health
(District _____) Field Operations Branch

District Office
District Address
District Address

Address "B"

Safe Drinking Water State Revolving Fund Program
Division of Drinking Water and Environmental Management
California Department of Public Health
1616 Capitol Avenue, MS 7418
PO Box 997377
Sacramento, CA 95899-7377

NOTE: If you are downloading a copy of the Application, please see the CDPH District Map (Enclosure 6) for the address of the District Office to submit your application documents to.

Only COMPLETED APPLICATIONS submitted by **December 29, 2014** will be considered for funding.

Safe Drinking Water State Revolving Fund Application for Construction Funds

Project Number _____ - ____ C
Priority List Category _

Part A. GENERAL INFORMATION

1. Legal Name of Applicant Water System _____
2. Name/Title of Project _____
3. Water System Street Address _____
4. Water System's California Senate District No. _____
5. Water System's California Assembly District No. _____
6. Project Address (if different from above) _____
7. Project's California Senate District No. _____
8. Project's California Assembly District No. _____
9. Mailing Address _____
10. County _____
11. DUNS number _____
12. Authorized Representative _____

(Name, Title, Telephone Number, and Email)

13. Principal Contact Person _____

(Name, Title, Telephone Number, and Email)

14. Project Engineer _____

(Name, Address, Telephone Number, and Email)

California Civil Engineering License Number _____

15. Project Environmental Consultant _____

(Name, Address, Telephone Number, and Email)

16. Project Costs

Total Project Cost \$ _____

Requested Amount of SRF Construction Funds \$ _____

Other Funding Sources \$ _____
(identify sources under Part D, No. 11)

Part B. MANAGERIAL INFORMATION

1. Classification of Water System

- ☐ Community
- ☐ Non-transient non-community
- ☐ Transient non-community
- ☐ Not currently classified as a public water system - Please explain:

2. Indicate the Ownership of the Water System (check all that apply)

PUBLIC OWNERSHIP

PRIVATE OWNERSHIP

- | | |
|---|---|
| <input type="checkbox"/> Municipality | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> County agency | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Special district | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> State agency | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> School | <input type="checkbox"/> Non-profit organization (Federal Tax ID No. _____) |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> Other: _____ |

If water system is privately owned, what is the name and title of the individual with authority to engage the water system in a SDWSRF funding agreement?

If water system is a Corporation, Limited Liability Company, Limited Partnership then the following must be completed:

A. California Secretary of State Entity Number: _____

B. Status with California Secretary of State

☐ Active ☐ Suspended ☐ Forfeited ☐ Dissolved

3. Is there any litigation pending relative to the operation of the water system or the proposed project?

☐ Yes If **yes**, attach a description of the litigation and the potential costs.
☐ No

4. (a) Does the California Public Utilities Commission (CPUC) regulate your system?

☐ Yes If **yes**, please answer 4b.
☐ No

- (b) Please provide a list and a description of all matter relating to your water system that are currently pending before the CPUC

5. Name, title and duties of key officers (if more than 3, refer to and attach organization chart providing this information).

Name	Title	Principal Duties

6. Answer the following questions as they pertain to this application:

- a) Does the agency have the legal authority to enter into a contract (for minimum of 20 years) with the State of California, such as the SDWSRF program?

Yes ☐ No ☐

- b) Is the agency required to hold an election before entering into this type of a loan contract with the State of California

Yes ☐ No ☐

- c) Does the agency have the legal authority to levy assessments and charges sufficient to repay a loan under the SDWSRF program?

Yes ☐ No ☐

7. If the applicant has contracted with a private firm or another agency for the operation of the facility to be financed, name the firm or agency and the term (in years) of the agreement. Attach a copy of this agreement.

8. If the applicant leases land or major water system facilities, describe the terms of the lease or attach a copy of the lease agreement. (Note: If a lease is critical to the location or operation of proposed project facilities, the term of the lease must be equal to the loan repayment period.)

Part C. TECHNICAL INFORMATION

1. Describe and provide a map of the existing service area served by the water system.

2. Describe the nature of the water rights applicable to your water source and attach water rights documentation related to your water source.

3. Current population served by the water system: _____
Current population of the area benefitting from the project: _____
4. Current number of active service connections: _____
Current number of service connections for the area benefitting from the project: _____
5. Attach a complete Applicant Engineering Report (Enclosure 3c).
6. Attach completed Technical, Managerial, and Financial Capacity Assessment (See Guidelines and Instructions for detail)
7. Attach a copy of the water system's water permit

Part D. FINANCIAL INFORMATION

1. Average current monthly residential water bill \$_____
2. Average monthly residential water bill for the prior three years.

Year	Avg. Monthly Residential Water Bill	Please explain the reason for any increases or decreases in the average monthly residential water bill
2011	\$ _____	_____
2012	\$ _____	_____
2013	\$ _____	_____

3. Attach water systems' water rate structure covering each of the last three years (including commercial and industrial users.)

4. Average projected increase to the monthly residential water bill as a result of this funding request. \$ _____

5. Has a water rate study been conducted for the water system?

Yes ☐ Date: _____

No ☐

If yes, please describe the findings and actions taken by the water system's governing body.

IMPORTANT NOTICE:

If 100% grant funds are provided for your planning project, the public water system must:

(A) No later than the date of completion of the planning project, complete a water rates study for the operation and maintenance of the public water system, including a proposed construction funding project, for a term of at least twenty (20) years; and

(B) Increase its rates in accordance with the study in subparagraph (A).

Until CDPH completes a full financial analysis, CDPH is not able to inform you whether any grant funds will be offered.

6. Not including the amount of No. 4, above, what is the average projected monthly residential water bill for the next 3 years?

Year	Avg. Monthly Residential Water Bill	Please explain the reason for any increases or decreases in the projected average monthly residential water bill
2015	\$ _____	_____
2016	\$ _____	_____
2017	\$ _____	_____

7. Identify and describe the dedicated revenue source to be used for loan repayment. (See the Construction Application Guidelines (Enclosure 2c) for more detail.)

8. Attach a 5-year revenue/expenditure projection for the water system.

9. (a) Identify and describe the security you are proposing to use for a loan?

If you are proposing to use property (land), you must answer questions 9b, c, and d.

(b) Is the land you are proposing to use currently pledged as security on other debt?

Yes ☐ No ☐

*If **yes**, please list the name(s) of the persons(s)/entity to whom the property is pledged as security, their address, and the current balance of the loan being secured.*

(c) What is the assessed value of the property? _____

(d) What is the market value of the property? And how was this determined?

10. Financial Statements

(a) Are the Applicant's Gross Revenues \geq Operating Expenses?

i. ☐ Yes ☐ No

ii. If not, why? _____

iii. If not, what is the applicant's plan for offsetting the disparity between its gross revenues and operating expenses? _____

(b) Are the Applicant's Operating Revenues \geq Operating Expenses?

i. ☐ Yes ☐ No

ii. If not, why? _____

iii. If not, does the applicant have plans and a timeline to increase operating revenues to compensate fully for operating expenses?

☐ Yes ☐ No

(c) Submit audited financial statements for the three most current years. (You must submit years 2011, 2012, and 2013 if you report on a calendar year. If you report on a fiscal year, you must submit years 2010/11, 2011/12, 2012/2013, and balance sheets for the period July 1, 2013, through December 31, 2013.)

Privately owned water systems must submit 2011, 2012, and 2013 Federal income tax returns (all schedules) and balance sheets for all three years.

11. Source of other funds

Fund Source	Type of Funds	Amount	Funding Applied For (Y/N)	Funding Secured (Y/N)	Explain

Total Funding From All Other Sources					

Please note that the "Other Funding Sources" (from Part A. No. 16) and the "Total funding from all other sources" (above) should be equal.

12. Existing Long Term Indebtedness

(a) Does the applicant have to maintain a certain Debt Service Ratio per its existing loan(s), Certificate(s) of Participation, or Bond agreement(s)?

☐ Yes ☐ No

i. If so, what debt service ratio is the applicant required to maintain? _____

ii. Is the applicant currently maintaining that debt service ratio?

☐ Yes ☐ No

iii. If not, what are the Applicant's plans and timelines for establishing rates/charges/revenues necessary to maintain the debt service ratio required of their existing obligations? _____

(b) Provide the following information for all existing indebtedness. (Please attach documentation for any debt(s) that you have listed below, including copies of all loan agreements, Bond Indentures of Trust, etc., and label all attachments)

Loans Paid Off in the Last 12 Months

Date Issued	Name & Address of Creditor	Maturity Date	Current Balance	Annual Payment Amount	Frequency of Payment	Security Pledge	Interest Rate

Schedule of Debt

Date Issued	Name and Address of Creditor	Maturity Date	Current Balance	Annual Payment Amount	Frequency of Payment	Security Pledge	Interest Rate

Part E. ENVIRONMENTAL DOCUMENTATION

Is the applicant or any other public agency acting as lead agency for the preparation of environmental documents pursuant to the California Environmental Quality Act (CEQA) for this project? Yes ☐ No ☐

If **"NO"**, please complete and attach a copy of the **"SDWSRF Environmental Information Form."**

A copy of the online form can be found at the following link:

<http://www.cdph.ca.gov/certlic/drinkingwater/Documents/ERU/EnvInfo.SRF.doc>

Additional environmental documentation may be required at a later date. **STOP** Go to **Part F** of the application.

If **"YES"**, please attach a copy of any of the following listed documents that are currently available:

- | | |
|--|--------------------------|
| Negative Declaration/Initial Study | <input type="checkbox"/> |
| Environmental Impact Report | <input type="checkbox"/> |
| Resolution making CEQA findings | <input type="checkbox"/> |
| Notice of Determination filed with State Clearinghouse | <input type="checkbox"/> |
| Proof of payment for Department of Fish & Game | |
| filing fees or "No Effect Determination" | <input type="checkbox"/> |
| Notice of Exemption filed with State Clearinghouse** | <input type="checkbox"/> |

If the project has been determined to be exempt, please **complete and attach PART 1 of the **"SDWSRF Worksheet for CEQA/NEPA Determination."** A copy of the online form can be found at the following link:

http://www.cdph.ca.gov/certlic/drinkingwater/Documents/ERU/SDWSRFWorksheetforCEQA_NEPA_Determination.doc

NOTE: All CEQA environmental documents must be circulated through the State Clearinghouse.

Part F. FEDERAL CROSS-CUTTING REQUIREMENTS

Federal Cross-cutting Requirements for public and private water utilities are triggered for water systems serving greater than 1,000 service connections or projects with a SDWSRF cost greater than \$1,250,000. Funding applicants whose projects meet either of these criteria **must** complete the sections below.

1. Federal Cross-Cutting NEPA-like Requirements

Has the CEQA lead agency determined the project is CEQA exempt?

Yes ☐ No ☐

If **"NO"**, please complete and attach a copy of the **"SDWSRF Federal Cross-cutting Environmental Regulations Applicability Evaluation Checklist For Federally Designated Agency Coordination"**.

The online form is available at the following link:

<http://www.cdph.ca.gov/certlic/drinkingwater/Documents/ERU/FederalX-cutterChecklist-February2010.dot>

If “YES”, complete and attach **PART 2 of the “SDWSRF Worksheet for CEQA/NEPA Determination”**. A copy of the online form can be found at the following link:

http://www.cdph.ca.gov/certlic/drinkingwater/Documents/ERU/SDWSRFWorksheetforCEQA_NEPA Determination.doc

NOTE: The CDPH Environmental Review Unit (ERU) will act as the coordinating agency for all NEPA-like federal review, and will use the above forms to determine the type of federal coordination required for the proposed project. The funding applicant may be required to provide additional documentation to complete the NEPA-like process, including cultural resources information for compliance with the National Historic Preservation Act, priority pollutant annual emissions estimates for compliance with the Federal Clean Air Act, and biological resources information for compliance with the Federal Endangered Species Act.

2. Federal Cross-Cutting Requirements Certification

Federal “Cross-Cutting Requirements” are those provisions in federal law which “apply by their own terms” to projects and activities receiving federal financial assistance. In order to enter into a SDWSRF funding agreement with the Department of Public Health, each water system is required to certify that they are in compliance with each of the following federal regulatory requirements:

Environmental Authorities

1. Archeological and Historic Preservation Act of 1974, Pub. L. 86-523, as amended
2. Clean Air Act, Pub. L. 84-159, as amended
3. Coastal Barrier Resources Act, Pub. L. 97-348, as amended
4. Coastal Zone Management Act, Pub. L. 92-583, as amended
5. Endangered Species Act, Pub. L. 93-205, as amended
6. Environmental Justice, Executive Order 12898
7. Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
8. Protection of Wetlands, Executive Order 11990
9. Farmland Protection Policy Act, Pub. L. 97-98
10. Fish and Wildlife Protection Coordination Act, Pub. L. 85-624, as amended
11. National Historic Preservation Act of 1966. Pub. L. 89-665, as amended
12. Safe Drinking Water Act, Pub. L. 93-523, as amended
13. Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

Economic and Miscellaneous Authorities

1. Demonstration Cities and Metropolitan Development Act of 1966 PL 89-754, as amended
2. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738 Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants and Loans
3. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
4. Debarment and Suspension, Executive Order 12549

Social Policy Authorities

1. Age Discrimination Act of 1975, Pub. L. 94-135
2. Title VI of the Civil Rights Act of 1964, Pub. L. 88-352
3. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-5200 (the Clean Water Act)

4. Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
5. Equal Employment Opportunity, Executive Order 11246
6. Women's Minority Business Enterprise, Executive Orders 11625, 12138 and 12432
7. Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

CERTIFICATION

I have reviewed the listed Federal Cross-Cutting Requirements and I certify that

Name of Water System or Municipality

has, or will comply with these federal laws and authorities.

Signature of Authorized
Representative or Designee

Date

Part G. FEDERAL WAGE REQUIREMENT (DAVIS-BACON ACT)

The SDWSRF requires payment of federal prevailing wages. Specifically, Davis-Bacon Act wage rules apply to all assistance agreements made in whole or in part with SDWSRF funds. Section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) provides:

Labor standards

The Administrator shall take such action as may be necessary to assure Compliance with provisions of sections 3141-3144, 3146, and 3147 of Title 40. The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 3145 of Title 40.

In order to enter into a Safe Drinking Water State Revolving Fund (SDWSRF) funding agreement with the Department of Public Health each water system is required to certify that they are in compliance with applicable federal Davis-Bacon Act requirements for all project construction that occurs on or after October 30, 2009.

Please note the Davis-Bacon requirements are separate and distinct from the federal cross-cutting requirements discussed above and apply to **all** projects funded in any part with SDWSRF financial assistance.

Please further note that additional federal requirements may apply to your project if you have received or will receive financial assistance from other federal sources.

CERTIFICATION

I certify that

Name of Water System or Municipality

Has complied, or will comply with the requirements of the Davis-Bacon Act and applicable implementing regulations and guidance for all project construction occurring on or after October 30, 2009.

Signature of Authorized
Representative or Designee

Date

Part H. PROFESSIONAL SERVICE PROCUREMENT

All grant recipients engaged in planning or construction projects need to strictly comply with the requirements set forth in 22 CCR §63011 and §63052. To protect the use of grant funds, California regulations aim to ensure that any professional services procured for the project come from a qualified firm. Applicants must be able to demonstrate to CDPH that they have procedures in place to select a firm with the proper expertise and experience. Failure to select a qualified firm may compromise the applicant's grant funding eligibility.

§63011. Planning Funding.

Subsection (d). *When contracting for architectural, landscape architectural, professional engineering, environmental, land surveying, and project management services for any part of a project for which **grant funding** is awarded, the applicant shall implement procedures that assure the services are engaged on the basis of demonstrated competence and qualifications for the types of services to be performed, and at reasonable prices.*

§63052. Construction.

Subsection (c). *When contracting for architectural, landscape architectural, professional engineering, environmental, land surveying, and construction project management services for any part of a project for which **grant funding** is awarded, the applicant shall implement procedures that assure the services are engaged on the basis of demonstrated competence and qualifications for the types of services to be performed, and at reasonable prices. At a minimum, for any individual or firm it proposes contracting with to provide construction project management services for a project, the applicant shall demonstrate to the Department that the individual or firm and its personnel carrying out onsite responsibilities for the project have expertise and experience in construction project design review and evaluation, construction mobilization and supervision, bid evaluation, project scheduling, cost-benefit analysis, claims review and negotiation, and general management and administration of a construction project.*

NOTE: For applicants that need help procuring professional services, please see the Engineering Firm Selection Process at the link below. This guidance details the necessary steps of the Qualifications Based Selection Process and includes sample documents to help solicit engineering firms, evaluate qualifications, and negotiate a contract.

<http://www.cdph.ca.gov/certlic/drinkingwater/Documents/Funding/CaliforniaGuidetoSelectEngineeringFirm082012.doc>

ACKNOWLEDGMENT

I acknowledge that

Name of Water System or Municipality

Has read and understood the above specified regulations regarding all SDWSRF projects for which grant funding is awarded.

Signature of Authorized
Representative or Designee

Date

Part I. APPLICATION ATTACHMENTS

Following is a list of documents, reports and other information which may be necessary to process this application. Not all the information listed below is required for all water systems. If you are not sure if the requested information applies to your water system please contact your CDPH District Office.

Please make sure your water system name and number are on every attachment. Label the attachment with the number of the application section which requests the information (i.e. "Part A. No 6").

- ☐ **Complete Plans and Specifications**
- ☐ **(Part A. No. 12)** Resolution designating the authorized representative and authorizing that individual to apply for a SDWSRF loan
- ☐ **(Part B. No. 2)** Appropriate ownership documents as stated in the guidance
- ☐ **(Part B. No. 3)** A description of pending litigation, its current status, and the potential costs ☐ Not Applicable
- ☐ **(Part B. No. 7)** Agreement for operation of the facility ☐ Not Applicable
- ☐ **(Part B. No. 8)** Lease of land or major water system facilities ☐ Not Applicable
- ☐ **(Part C. No. 1)** Map of the service area
- ☐ **(Part C. No. 2)** Water rights documentation
- ☐ **(Part C. No. 5)** Engineering Report and required attachments (See Enclosure 3c)
- ☐ **(Part C. No. 6)** A completed Technical, Managerial, and Financial Capacity Assessment
- ☐ **(Part C. No. 7)** A copy of water system's water permit
- ☐ **(Part D. No. 3)** Water system rate structure for the last three years and calculations showing the average household water rate
- ☐ **(Part D. No. 8)** Five year revenue and expenditure projection for the water system
- ☐ **(Part D. No. 10)** Three years of audited financial statements (2011, 2012, 2013) or federal tax returns, and applicable balance sheet(s)
- ☐ **(Part D. No. 12)** Documentation of Debt ☐ Not Applicable
- ☐ **(Part E)** Complete CEQA Documents
- ☐ **(Part F)** Complete Federal Cross-Cutter Checklist ☐ Not Applicable

CERTIFICATION

I hereby certify that I am the authorized representative of this public water system and that the information provided in this application and supporting information is accurate to the best of my knowledge.

Date

Signature

Name

Title