

# The Watershed

*The Latest Happenings in Indiana's State Revolving Fund Loan Program*

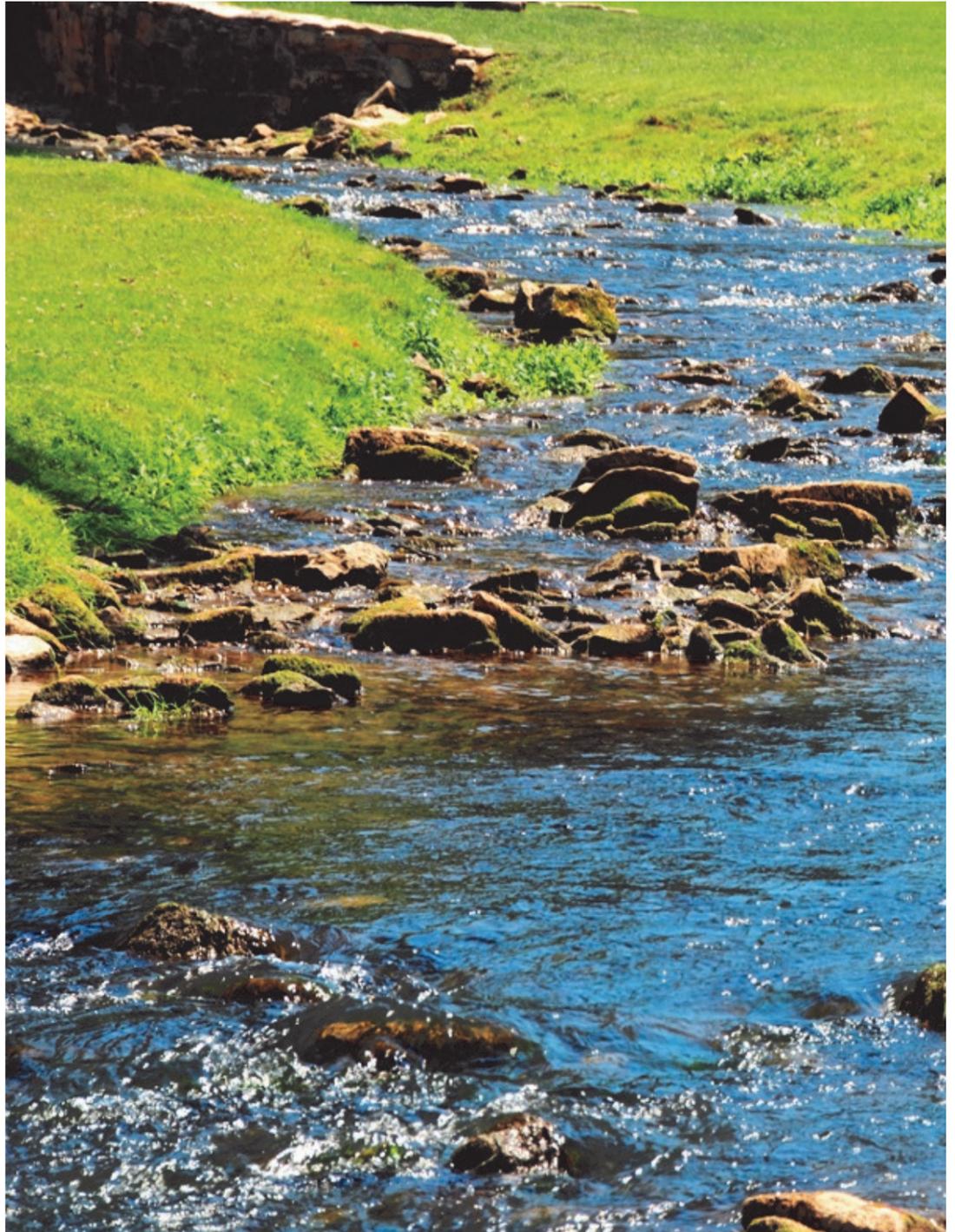
*Spring 2012*

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The SRF is excited to announce Amy Henninger, previously the SRF Special Programs Coordinator, as our new SRF Compliance Officer. This position was recently vacated by Tiffany Murray.

We want to thank Tiffany for the amazing service she's provided to the SRF including forging the path of compliance with the American Reinvestment and Recovery Act program. Congratulations on your new position Tiffany.



## Message from the Director

Spring arrived early this year and brings with it renewed excitement around our office to enter a new round of closings this summer and fall.

The SRF is here to help interested communities finance important water and sewer infrastructure projects. If you are interested in closing a SRF loan, please contact me at [wharkins@ifa.in.gov](mailto:wharkins@ifa.in.gov) or 317-234-4862. In the meantime, thank you for taking a look at our Spring 2012 Newsletter. You'll find articles updating you about current SRF activities, historically low interest rates, programmatic requirements and highlights of several of our projects.

As always, please contact the SRF to assist you in financing your infrastructure projects.

Sincerely,

Bill Harkins,

Director of the SRF Loan Program

## SRF Interest Rates

Drinking Water SRF Interest Rates	User Rates (Over \$45)	User Rates(\$25 to \$45)	User Rates (Under \$25)
Tier III (MHI*: under \$33,669)	2.00%	2.00%	2.19%
Tier II (MHI: \$33,670 to \$41,566)	2.00%	2.00%	2.44%
Tier I (MHI: over \$41,567)	2.00%	2.19%	2.69%
Wastewater SRF Interest Rates	User Rates (Over \$50)	User Rates(\$30 to \$50)	User Rates (Under \$30)
Tier III (MHI*: under \$33,669)	2.00%	2.00%	2.19%
Tier II (MHI: \$33,670 to \$41,566)	2.00%	2.00%	2.44%
Tier I (MHI: over \$41,567)	2.00%	2.19%	2.69%

\* MHI reflected in 2000 Census

## Disbursement Updates

The SRF Loan Program has several disbursement related updates. Please contact Gayle Hicks, SRF Disbursement Coordinator, at (317)-234-6730 if you have any questions.

- o Great News! A new SRF Disbursement Request Form has been created for all Participants and is located on the SRF website at the following link: <http://www.in.gov/ifa/srf/2387.htm>. Here you will find a quick and easy Microsoft Excel file to download and save. This new request form is to be used by all Participants regardless of when your loan closed.
- o Local elections last fall have brought about changes to authorized signatories and contact persons for many SRF Participants. Please take a moment to update all of the pertinent contact information on the SRF Disbursement Request Form to ensure there are no delays in the processing of a request.
- o The SRF Loan Program has been notified by the Bank Trustee that many contractor/vendor check payments are being either lost in the mail or returned to the bank due to inaccurate address or wiring instructions. This creates a delay in getting payments delivered to the contractor/vendor. Please review the mailing and wiring information listed on your SRF Disbursement Request Forms to verify its accuracy before submitting .

## CCR and DUNS Registration–

### A very important step

Every SRF Participant must complete the appropriate steps to obtain a Data Universal Numbering System (DUNS) number and register in the Central Contractor Registry (CCR). No funds can be disbursed to a borrower until the DUNS and CCR registration requirement is met. Therefore, before a loan can be closed with the SRF Loan Program, a Participant must provide the SRF Loan Program with their DUNS number and verify that they are registered in the CCR.

The following steps outline the DUNS and CCR registration processes:

#### 1. Obtaining a DUNS Number

- Please go to <http://fedgov.dnb.com/webform/> or call 1-866-705-5711

#### 2. Obtaining an Employer Identification Number (EIN) or Taxpayer Identification Number (TIN)

- A TIN is either an Employer Identification Number (EIN) assigned by the Internal Revenue Service (IRS) or a Social Security Number (SSN) assigned by the Social Security Administration (SSA) if you are registering as a sole proprietor.

#### 3. Registering with the CCR

- An organization may register online at [www.ccr.gov](http://www.ccr.gov).

For more information, please contact Gayle Hicks, Disbursement Coordinator at (317) 234-6730.



## Clean Watershed Needs Survey

Indiana's State Revolving Fund Loan Program is seeking your assistance!

The U.S. EPA has kicked off its 2012 Clean Watershed Needs Survey (CWNS). This nationwide survey is a comprehensive assessment of the capital needs to meet the water quality goals set in the Clean Water Act. This report is used by Congress to make informed budget decisions and provide information on general water quality issues to the public.

To be a success, input from your community is vital. To participate in the survey, a large community (over 10K population) simply needs to provide SRF staff with copies of planning documents and cost estimates for wastewater infrastructure improvements that have already been created for your community. For communities with smaller populations (less than 10,000 residents), participation can be as easy as filling out a form provided by EPA.

The Indiana SRF has mailed CWNS information to communities. If possible, please send all needs and cost documentation by mail to: SRF Loan Program 100 N. Senate Avenue, Indianapolis Indiana 46204. You should also feel free to e-mail or follow the fax instructions in the EPA small system form.

We want to identify as many water quality needs as possible, so if you have any projects on the twenty year horizon, we want to hear from you.

SRF staff and other resources are available to assist you. For more information, please contact Shelley Love at (317)-232-4396 or via e-mail at [slove@ifa.in.gov](mailto:slove@ifa.in.gov). Additional information can be found on our website [www.in.gov/ifa/srf](http://www.in.gov/ifa/srf).



The Watershed, Spring 2012

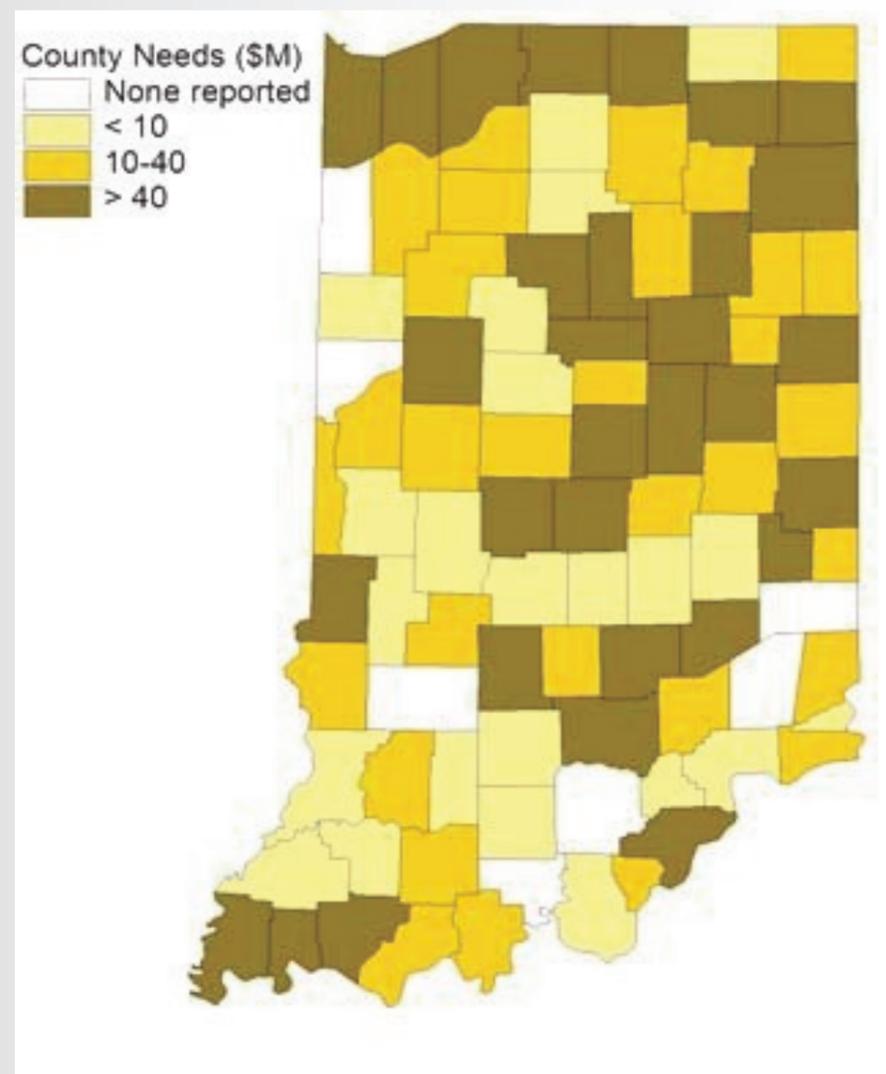
## Drinking Water Needs Survey Update

Thank you to the 82 drinking water systems that participated in the 2011 Drinking Water Infrastructure Needs Survey. Since the results of the survey directly impact the funds made available to the Indiana Drinking Water State Revolving Fund Loan Program for drinking water projects throughout the state, participation was crucial! In addition, the stacks of capital improvement plans, engineering reports, and cost estimates that each system submitted were very helpful in documenting those infrastructure needs and costs. The data is now being analyzed and the final report to Congress is expected in the spring of 2013. If you have questions, please contact Sarah Hudson, DWSRF Program Administrator at (317)-232-8663, [sahudson@ifa.in.gov](mailto:sahudson@ifa.in.gov)

## Highlights from the 2008 CWNS

In the 2008 Clean Watershed Needs Survey, Indiana documented needs totaling \$7.7 billion. As the graphic shows, many counties reported low or no needs in 2008.

**Please help the Indiana SRF report greater needs in 2012!**



## Program Reminders

- o If your community would like to be considered for our next funding cycle please make sure you have completed the application process and have a Preliminary Engineering Report submitted no later than June 15, 2012.
- o The Drinking Water and Wastewater 2012 Intended Use Plans (IUPs) are available on our website for review. The IUPs detail the uses, goals and objectives of the SRF Loan Program.
- o If you are a new official please update your contact information with the State Revolving Fund so you can be sure to get program information directly.
- o In the event that an SRF project involves crossing a stream during construction, SRF recommends that a borrower make initial contact with the appropriate office of the U.S. Army Corps of Engineers for a utility crossing permit (aka "Nationwide 12" permit). If the Corps determines that a permit is required, obtaining this permit from the Corps first will ease the permit application and review process with the IDEM Water Quality Certification (Wetlands) section.
- o As a reminder, state guidance no longer requires SRF to request permission to conduct a Phase 1(a) reconnaissance level archaeology survey from the IDNR Division of Historic Preservation and Archaeology (DHPA). A Phase 1a reconnaissance level archaeology survey is the typical, basic survey for most projects. However, SRF recommends waiting until SRF staff has reviewed the PER before conducting the Phase 1(a) survey as routes and sites may change in design or due to comments from SRF, the U.S. Fish and Wildlife Service, IDNR Environmental Unit or DHPA. Ideally, one archaeologist visit to review the project area should meet state and federal requirements. Borrowers should acquaint the archaeologist with the entire project, not just the parts in archaeologically undisturbed areas; the archaeologist needs to assess the entire project.
- o The EPA has changed the location of their ARRA webpage. EPA's Buy American and ARRA guidance can now be found at :

[water.epa.gov/grants\\_funding/eparecovery](http://water.epa.gov/grants_funding/eparecovery)



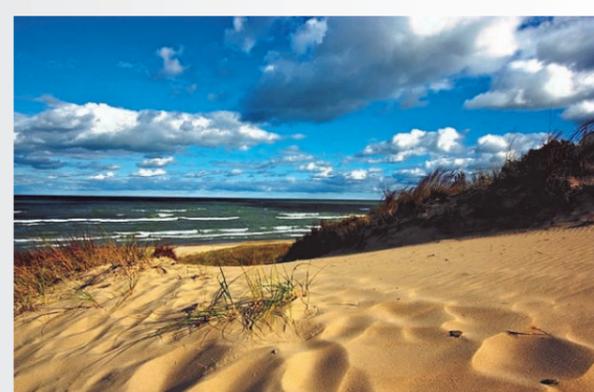
## Pre-Construction Meetings

Prior to beginning of construction, SRF loan recipients and their consultants typically hold a pre-construction conference with the contractors who have been awarded contracts associated with the SRF financing. Representatives from SRF will attend the pre-construction meeting either in person or via phone conference to assist the loan recipient with meeting SRF program requirements. **This reminder is for the loan recipient and their consultants to coordinate the pre-construction meeting date and time with the SRF engineer assigned to the project(s) at least 10 days in advance of the proposed pre-construction meeting.**

Sufficient notification in advance of the pre-construction meeting will provide the SRF engineer time to consult with the Labor Standards Administrator (LSA) assigned to the project(s), and to provide a pre-construction meeting memo to the loan recipient and its consultant. The pre-construction meeting memo will address Green Project Reserve, Davis-Bacon wage requirements, on-site inspections/financial reviews, contractor retainage, change orders/project amendments, work allowances, partial waiver of lien, and other SRF program requirements. Only those items that are applicable to the loan recipient's project will be discussed.

Davis-Bacon requirements are typically discussed by the LSA assigned to the project by SRF. The LSA will assist the loan recipient with meeting its responsibilities under Davis-Bacon including reviewing and verifying certified weekly payrolls submitted by each contractor and subcontractor, and conducting on-site employee interviews throughout the duration of construction. Coordination between the loan recipient, the general contractor and all subcontractors, and the LSA is very important. In order to ensure that all parties are aware of SRF requirements briefly described above prior to the commencement of construction, SRF requests that 10 days notice is provided to the SRF engineer prior to any scheduled pre-construction meeting.

SRF's involvement, as well as the LSA's interaction, gives the loan recipient, the consultant, and contractors an opportunity to raise any questions about the SRF program and processes from initiation of construction to final completion/closeout of the project(s)/loan.



## Drinking Water Project Highlights

The City of Brazil, population 8,000, had many drinking water utility needs. The existing wells were old and experienced decreased production despite maintenance. The telemetry control system was out of date and at times inaccurate. Many of the mains in the distribution system were undersized and at the end of their useful life, as evident by frequent leaks and several areas of inadequate flow and pressure. Lastly, the existing 750,000 gallon storage tank was old and required major repairs.

In response, the City executed Drinking Water State Revolving Fund financing on June 21, 2010 and proceeded to install a new 700 GPM well, new supervisory control and data acquisition (SCADA) system, new 250,000 gallon storage tank and booster station. It also replaced the old 750,000 gallon storage tank with a new one, upsized distribution mains throughout the system, and replaced deteriorated water meters.

The project cost totaled about \$6.9 million and was financed by a \$4.6 million DWSRF loan and a grant from Office of Community and Rural Affairs. By financing their project through SRF Brazil saved approximately \$1.2 million as compared to a traditional open market loan.

The project also included several Green Project Reserve (GPR) components, namely the replacement of leaky water mains and the inaccurate telemetry system. Brazil's engineering consultant estimates that the water main replacement project will save the city approximately 20.6 million gallons per year. The cost savings of conserving 20.6 million gallons per year is estimated at \$19,300 per year. Installation of the new SCADA system will save the utility approximately 1,070 gallons of gasoline, 13,615 kW of electricity, and 2,920 of labor hours annually. Per year, these components will save the utility \$2,782 in gasoline, \$1,090 in electricity, and \$58,400 in manpower.

These improvements allow the utility to conserve water and energy, and reduce operating costs, while providing needed supply, flow, pressure, storage to its customers.



The And-Tro Water Authority serves approximately 4,306 people in southern Indiana. Its service area was near homes served by private drinking water wells that suffered from water quality and quantity problems. Residents had to haul drinking water and limit the use of their wells during low rainfall periods, since groundwater in the area is recharged by rainfall. In addition, when water was available, the quality was very poor; high iron levels made water unpalatable and unsuitable for washing dishes or clothes. Also, the Water Authority lacked a SCADA system which meant lots of time was spent driving to tanks, booster stations, and meter pits to manually operate the infrastructure.

In response, the Water Authority executed a Drinking Water State Revolving Fund financing on January 19, 2011 and extended water service to 68 residences by way of approximately 70,000 feet of water main. The Water Authority also installed a new SCADA system that will greatly improve operational efficiency and allow the water authority to act quickly during emergency situations.

The success of this project is largely due to the dedication of the Water Authority's general manager, Pat Solbrig. Ms. Solbrig committed herself to the project by staying involved in the process and planning ahead on items such as working with property owners to obtain easements. As a result of the project, the Water Authority can operate more efficiently with its new SCADA system and the residents formerly on wells now receive safe and reliable drinking water.



Brazil's new well house

# Clean Water Project Highlight

## Speedway Indiana Races into the Lead with Green Project Reserve

Like many communities across the State, the Town of Speedway, Indiana was in need of making changes to its system in order to comply with its Combined Sewer Overflow (CSO) – Long Term Control Plan (LTCP). Flows from CSOs are usually much more than the community’s wastewater treatment plants (WWTP) can handle. In Speedway’s case, the majority of the collection system is combined; therefore, locating areas with the greatest flows and addressing these CSO issues was an important goal for the Town.

The Town identified two areas in its system which required attention, the Gerrard and Allison Storm Relief Sewer Separation project and the Main Street Sewer Separation project. The Gerrard and Allison Storm Relief Sewer Separation project was addressed in the Town’s LTCP as a priority as it made the decision to separate sewers. This project included a 42-inch pipe to be located along the famous 16<sup>th</sup> Street just down the street from the Indianapolis Motor Speedway as well as drainage pipes, catch basins, inlets, and manhole structures. The Gerrard and Allison Storm Relief Sewer Separation project will result in a direct reduction of 58 MGD of flow to the WWTP.

The second project involved sewer separation along the Town’s Main Street Redevelopment project, resulting in major improvements to the downtown area. Timing was key in pulling this together so that streets would be repaired and ready for the May race season. With funds made available by the CWSRF Loan Program, the Town of Speedway’s Main

Street now houses a new 63-inch fiberglass sewer pipe which handles more flow than the existing concrete pipe at an even smaller size. Additionally, the new stormwater drainage system includes drainage pipes, inlets, catch basins, manhole structures, rain gardens in the roadway’s amenity zones, and pervious pavers in the parking areas. The benefit of this project is the removal of 21.9 MGD of stormwater to the WWTP.

Speedway received assistance to complete the project from the Indiana WWSRF Loan Program in the form of a traditional SRF Loan, and funds made available by the American Recovery and Reinvestment Act of 2009. Compared to an open market loan SRF assistance saved the community approximately \$3,400,000.

Due to the eligible green project components in the Gerrard and Allison Storm Relief Sewer Separation project and the Main Street Sewer Separation project, the Town of Speedway qualified for the Green Project Reserve (GPR) Program. The following green components were included in this project, totaling over \$1,652,000:

- o Installation of pervious pavement.
- o Installation of interlocking concrete pavers.
- o Installation of perforated small diameter infiltration lines.
- o Construction of Bio Swales.
- o Construction of rain garden and pond areas.

Improvements made to the wastewater system in the Town of Speedway will benefit both the residents of the area and the many visitors they host every year.



Forming West Rain Garden Curb



Subgrade Treatment of Phase 1 looking north.

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## Indiana State Revolving Fund Loan Programs Drinking Water, Wastewater Nonpoint Source

The State Revolving Fund (SRF) Loan Programs provide low-interest loans to Indiana communities for projects that improve wastewater and drinking water infrastructure. The SRF Programs, administered by the Indiana Finance Authority, protect both public health and the environment.



**Indiana State Revolving Fund Loan Program**

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