



**Clean Water State Revolving Fund (CWSRF)  
Program Guidance**

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**Forms and Guidance:**

The Texas Water Development Board (TWDB) forms and guidance documents noted in this instruction document may be accessed through the TWDB Financial Assistance website at:

[www.twdb.texas.gov/financial/instructions/](http://www.twdb.texas.gov/financial/instructions/)

Search by either the document number (e.g., TWDB-0100) or name.

## II. Acronyms

AIS	American Iron & Steel
AMHI	Annual Median Household Income
BABA	Build America, Buy America
BAL	Board Action Letter
BLOR	Blanket Issuer Letter of Representations
CE	Categorical Exclusion
CMAR	Construction Manager At Risk
COA	Certificate of Approval
CWA	Clean Water Act
CWSRF	Clean Water State Revolving Fund
DBE	Disadvantaged Business Enterprise
DMA	Designated Management Agency
EA	Environmental Assessment, Executive Administrator
EEO	Equal Employment Opportunity
EFR	Engineering Feasibility Report
EID	Environmental Information Document
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
FONSI	Finding of No Significant Impact
GPR	Green Project Reserve
IIPL	Initial Invited Projects List
IUP	Intended Use Plan
NEPA	National Environmental Policy Act
NPS	Nonpoint Source
NTP	Notice to Proceed
O&M	Operation and Maintenance
OLA	Online Loan Application
PAD	Planning, Acquisition, and Design
PADC	Planning, Acquisition, Design, and Construction
PDF	Portable Document Format
PEFR	Preliminary Engineering Feasibility Report
PIF	Project Information Form
POTW	Publicly Owned Treatment Works
PPL	Project Priority List
P&S	Plans and Specifications
ROD	Record of Decision
RWPD	Regional Water Project Development Team
SFY	State Fiscal Year
SOF	Statement of Findings
SRF	State Revolving Fund
TAC	Texas Administrative Code
TCEQ	Texas Commission on Environmental Quality
TWDB	Texas Water Development Board
TxDOT	Texas Department of Transportation
WSC	Water Supply Corporation
WQMP	Water Quality Management Plan

### III. Introduction

Congress passed federal amendments to the Clean Water Act (CWA) in 1987 that established the [Clean Water State Revolving Fund \(CWSRF\)](#) Program. CWSRF is administered for the U.S. Environmental Protection Agency (EPA) and the State of Texas by the Texas Water Development Board (TWDB). The program provides low interest financing and principal forgiveness to eligible applicants for activities such as:

- the construction of and improvements to wastewater treatment and collection facilities;
- projects that facilitate compliance with wastewater regulations;
- projects that significantly further the health protection objectives of the Clean Water Act;
- projects implementing a non-point source program;
- projects replacing customer water meters;
- developing and implementing management plans for bays and estuaries, and
- projects that provide measures to manage, reduce, treat, or recapture stormwater of subsurface drainage water.

This program guidance provides basic information for Applicant's and their consultants to understand how the TWDB's CWSRF Program works and to comply with the Program's rules and requirements, which are provided in [31 Texas Administrative Code \(TAC\) Chapter 375](#).

The document covers the following subjects and any applicable procedures, requirements, and resources:

- Project Information Form (PIF) Submittal (Section IV)
- Full Application (Section V)
- Loan Closing and Release of Funds (Section VI)
- Planning, Acquisition, Design, and Construction Phases (Sections VII-X)
- Certificate of Approval (COA) and Project Close-Out (Section X)
- Financial Compliance (Final Accounting and Monitoring)  
<https://www.twdb.texas.gov/financial/compliance/index.asp>

The TWDB CWSRF webpage contains other guidance manuals and CWSRF related resources that can be found here:

<https://www.twdb.texas.gov/financial/programs/CWSRF/index.asp>.

**No provision in this guidance supersedes any applicable administrative rule governing the program nor the applicable Intended Use Plan (IUP) for the program.**

## IV. Program Eligibility

### A. Eligible Applicants

Applicants eligible to apply for assistance under the CWSRF program include the following:

- Wastewater treatment management agencies,
- Cities, commissions, counties, districts, river authorities,
- Intermunicipal, interstate, or state agencies,
- Authorized Indian tribal organizations, and
- Private entities for nonpoint source projects or estuary projects only.

A water supply corporation (WSC) that has been designated and approved as a management agency in the Texas Water Quality Management Plan (WQMP) is considered a “municipality” and is therefore eligible for funding. The WQMP is a waste treatment plan required under the CWA. Before an entity can apply for a state revolving fund financing, it must be recommended for designation as the management agency in the approved Texas WQMP. More information on the Texas WQMP can be found on TCEQ’s webpage, here: <https://www.tceq.texas.gov/permitting/wqmp>.

### B. Eligible Projects

CWSRF has three categories for eligible projects under Section 603(c) of the CWA:

**Section 212 (Publicly Owned Treatment Works):** Projects must be consistent with the definition of “treatment works” as set forth in Section 212, be publicly owned and only capital projects (e.g., construction activities, equipment purchase).

**Section 319 (Nonpoint Source):** Projects must implement a nonpoint source (NPS) management program that is for control of nonpoint source pollution. EPA encourages NPS projects to be consistent with the current approved state NPS management program plan.

**Section 320 (Estuary Management):** Projects must develop and implement an estuary comprehensive conservation and management plan. These plans contain actions to address water quality, living resources, and habitat challenges in the estuary and surrounding area.

The following are examples of eligible projects:

- Creating or improving wastewater treatment facilities, reuse/recycle facilities, and collection systems,
- Purchasing existing wastewater treatment plants,
- Controlling NPS pollution,
- Managing estuaries,
- Implementing green projects (see TWDB-0161),
- Managing, reducing, treating, or recapturing stormwater or subsurface drainage water,

- Reduce the demand on publicly owned treatment works (POTW) capacity through water conservation, efficiency, or reuse,
- Re-use or recycle wastewater, stormwater, or subsurface drainage water,
- Water meters as water conservation measures, and
- Increase the security of POTW.

### C. Ineligible Projects

The following are examples of ineligible projects:

- Projects primarily intended to facilitate growth,
- POTW projects for systems that are owned by a private entity or any other entity that is not considered a municipality or intermunicipal, interstate, or State agency,
- Treatment works owned or operated by the federal government, and
- Excavation, testing, remediation, or disposal of hazardous, contaminated, or potentially contaminated material.

### D. CWSRF Program Requirements

The following are requirements of this program:

- Submittal of a Project Information Form (PIF) under the current IUP.
- Loan origination fee.
- Projects must be consistent with the current state water plan.
- National Environmental Policy Act (NEPA)-level environmental review.
- A [Water Conservation Plan](#) and [Drought Contingency Plan](#) are required for financial assistance greater than \$500,000, as required by [31 TAC §363.15](#).
- Davis-Bacon wage rate requirements (see the TWDB's *Davis-Bacon Wage Rate Requirements Guidance for State Revolving Fund Projects* - [DB-0156](#)).
- American Iron & Steel (AIS) requirements (see [Attachment 1: American Iron & Steel](#), and *American Iron and Steel (AIS) Guidance for Clean Water & Drinking Water State Revolving Fund Projects* - [TWDB-1106](#)).
- **For CWSRF Equivalency Projects:**
  - Build America Buy America (BABA) requirements (see [Attachment 2: Build America, Buy America Act](#) and *Build America, Buy America (BABA) Act Guidance for Clean Water and Drinking Water State Revolving Fund (Equivalency) Projects* - [TWDB-0559](#)).
  - Compliance with the [Disadvantaged Business Enterprise \(DBE\) program](#) (see [Attachment 3: Disadvantaged Business Enterprise Program](#)).
  - Project signage during construction (see *State Revolving Fund (SRF) Project Public Awareness Guidance* - [TWDB-1109](#)).
  - Architects/Engineers Contract Procurement requirements ("Brooks Act") (see *Guidance on Procuring Architects and Engineers When Receiving Financial Assistance from the Clean Water State Revolving Fund (CWSRF)* – [TWDB-1108](#))

## V. Financial Assistance Overview

The CWSRF Program offers below-market interest rate financing and additional subsidies in the form of principal forgiveness for qualifying projects (including disadvantaged, very small systems and green project reserve). Financial assistance is available for planning, design, acquisition, construction, operations (only for alternative delivery projects<sup>1</sup>), and refinancing. Projects must be consistent with the current state water plan and listed in the current CWSRF Intended Use Plan (IUP). Projects are included in the CWSRF IUP only following submittal of a Project Information Form (PIF).

**Note:** Refinancing is only available for projects that were constructed as per CWSRF requirements. TWDB will not refinance an existing TWDB loan.

The IUP contains the state's Project Priority List (PPL) and Initial Invited Project List (IIPL) for the CWSRF program. After Board approval of the IUP, the TWDB develops the IIPL based on project ranking and availability of funds.

The maximum amount of principal forgiveness per project or Entity is outlined in the IUP for each state fiscal year (SFY). The available funding options and terms for each option are discussed in the IUP.

### A. Invitations to Apply

Entities with PIFs on the IIPL will be informed of the opportunity to submit an application for the specific project phases listed, using the available funding options. After a period of time, additional PIFs listed on the PPL will be invited to submit an application should there be funds remaining during that program year.

#### Phases for Invited Projects

- **Planning, Acquisition, Design and Construction (PADC)**  
This funding option allows an applicant to receive a single commitment for all phases of a project. The construction portion of the project must be deemed ready to proceed before funds for the construction phase will be released.
- **Planning, Acquisition, and Design (PAD)**  
A project that was not deemed ready to proceed to construction may receive an invitation to fund only the planning, acquisition, and/or design portion(s) of the project.
- **Construction Funding Only**  
Projects determined to be ready to proceed to construction based on the status of their planning, acquisition, and design activities, may receive an invitation to fund the construction portion of the project.

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<sup>1</sup> Alternate Delivery Projects are described in [TWDB-0570](#).

➤ **Refinancing**

Funds for refinancing are only available when:

- the project complies with all CWSRF program rules and requirements, including evidence the environmental review and engineering criteria considered by the original lender were conducted in a manner consistent with the criteria in [31 TAC § 375.11](#), and
- federal tax regulations allow such refinancing.

**All required milestones must be met for phase(s) in which funding is being requested.** If a project is determined as not ready to proceed for funding during the application review process, it may be bypassed for any additional subsidy amounts or receive limited phase(s) of funding.

For information regarding the current state priority list, please see the CWSRF IUP, found on the main [CWSRF webpage](#).

## **B. Funding Tiers and Options**

The CWSRF has two tiers of funding: **Equivalency** and **Non-Equivalency**.

- **CWSRF Equivalency (Federal Requirements)** funded projects must follow all federal requirements commonly known as “cross-cutters.” Cross-cutters include the following:
  - EPA’s Disadvantaged Business Enterprise (DBE)
  - American Iron and Steel (AIS)
  - Build America, Buy America (BABA)
  - Davis-Bacon Wage Requirements
  - Equal Employment Opportunity (EEO) and Federal Anti-Discrimination Laws
  - Architects/Engineers Contract Procurement (“Brooks Act”)
  - Project Public Awareness during Construction, see TWDB-1109
- **CWSRF Non-Equivalency (State Requirements) projects are not subject to all federal requirements**, apart from the federal anti-discrimination laws, also known as the “super cross-cutters.” Non-Equivalency projects are subject to the following:
  - American Iron and Steel (AIS)
  - Davis-Bacon Wage Requirements
  - Equal Employment Opportunity (EEO) and Federal anti-discrimination laws

*Note: CWSRF Equivalency comes with a higher subsidy (i.e., lower interest rate) than Non-Equivalency.*

## Funding Options Available

Entities listed on the IIP and PPL may be invited to apply for either tier (Equivalency or Non-Equivalency), in addition to one or more of the funding options listed here<sup>2</sup>.

### 1. Below-Market Interest Rate Financing

- Fixed-rate financing offered at below-market interest rates (basis points off borrower's underlying credit rating).
- Financing terms are available for up to 30 years.
- Debt financing for most public entities (cities, counties, districts, authorities) must be done through a bond issuance.
- Debt financing for water supply corporations or private entities may be done through loan agreements.

For any additional information on subsidy, please refer to our CWSRF Intended Use Plan (IUP) at: [www.twdb.texas.gov/financial/programs/CWSRF/index.asp](http://www.twdb.texas.gov/financial/programs/CWSRF/index.asp).

### 2. Principal Forgiveness

Principal forgiveness is available on a limited basis to eligible projects and is defined within the IUP.

The maximum amount of principal forgiveness per project/entity is based on the Applicant's eligibility for principal forgiveness funding and is outlined in the IUP for each SFY. A table summarizing the allocations and terms available under each funding option is provided in the IUP.

- **Disadvantaged Community Funding (Equivalency only)**
  - Eligibility and amount of principal forgiveness is dependent on:
    - Annual median household income (AMHI) - must be 75 percent or less of state-wide AMHI (may be documented with census data or household survey<sup>3</sup>), and
    - Household cost factor - must be greater than or equal to 1 percent if only water or sewer service is provided, or greater than or equal to 2 percent if both water and sewer service are provided.

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<sup>2</sup> Note, entities can refer to the table in the CWSRF IUP that outlines all funding options under "Allocations and Terms Available Under Each Funding Option." See the current IUP on the [CWSRF webpage](#).

<sup>3</sup> Refer to [WRD-285](#) for guidance regarding performing a household survey. Note that any Socioeconomic Survey completed must be approved by the TWDB *prior* to submitting a PIF in order for it to be valid for the PIF.

- **Very Disadvantaged Community Funding (Equivalency only)**
  - Eligibility and amount of principal forgiveness is dependent on:
    - Annual median household income (AMHI) - must be less than 50 percent of state-wide AMHI (may be documented with census data or household survey<sup>4</sup>), and
    - Household cost factor - Must be greater than or equal to 1 percent if only water or sewer service is provided, or greater than or equal to 2 percent if both water and sewer service are provided.
  
- **Very Small Systems (Equivalency or Non-Equivalency)**
  - For projects that service a population of 1,000 or fewer.
  - Community must not exceed 150 percent of state-wide AMHI.
  
- **Urgent Need (Non-Equivalency only)**

This funding must address situations that require immediate attention to protect public health and safety. May result from one or more of the following:

  1. A catastrophic natural event or accident resulting in the loss of service to over 20 percent of the wastewater service connections
  2. Situations that require immediate attention to address a substantial, imminent public health issue affecting at least 20 percent of the wastewater service connections
  3. Situations that require immediate attention to address a substantial, imminent public health issue affecting at least 20 percent of the wastewater service provided to customers from severe flood damage that occurred during a Governor or Presidential declared natural disaster and
  4. Other situations as established by TWDB guidelines
  - A **limitation to urgent need funding** is the project must not be for replacement of facilities that have failed because they exceeded their useful life or failed due to lack of adequate maintenance. The TWDB may request an Applicant provide a sealed response from a licensed professional engineer to assist them in making its funding determination.

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<sup>4</sup>Refer to [WRD-285](#) for guidance regarding performing a household survey. Note that any Socioeconomic Survey completed must be approved by the TWDB *prior* to submitting a PIF in order for it to be valid for the PIF.

- **Green Project Reserve (GPR) (Equivalency or Non-Equivalency)**
  - Projects eligible for the GPR may receive a portion of their requested funding in the form of subsidy, up to 15 percent. Eligible components must total at least 30 percent of the project's cost subject to the availability of funds.
  - Green project components must qualify under EPA rules as green infrastructure, energy efficient, water efficient, or other environmentally innovative activity.
  - For further information go to the TWDB Green Project Reserve web page and review the TWDB guidance (TWDB-0161) for determining project eligibility with the Green Project Reserve.
  
- **First-Time Service Funding (Equivalency only)**
  - Projects eligible for this funding are those that provide first-time connections to a centralized wastewater system to existing households that are not currently served by a centralized wastewater system.

## VI. Project Solicitation and Intended Use Plan

The following figure illustrates the project solicitation process, which is further described in this section.

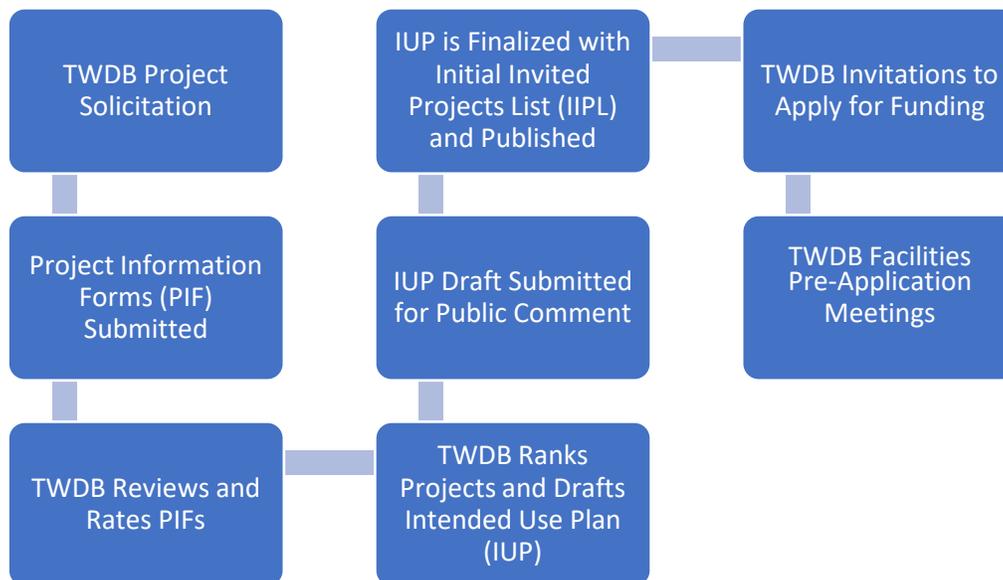


Figure 1: Pre-Application Process

### A. Project Solicitation

TWDB solicits information on proposed projects from eligible entities across the state using direct emails, a notice posted on the TWDB website, and financial assistance workshops held throughout the state. Check the TWDB's [CWSRF webpage](#) for more information on upcoming financial assistance workshops and recordings of previous workshops.

Eligible entities interested in CWSRF funding are required to submit proposed project information on a PIF. CWSRF PIFs provide the information necessary to evaluate, rate, and rank proposed projects in an IUP.

**Before submitting a PIF**, it is recommended to meet with the [Regional Water Planning and Development Team \(RWPD\)](#) and schedule an informational meeting to discuss your proposed project and funding options. Each team consists of a manager, financial analyst, engineers, an environmental reviewer, planners, legal, and administrative support. A meeting with the RWPD team early in the specific project can improve the efficiency and timely processing of the PIF.

**Required information submitted on a PIF consists of:**

- a detailed description of the proposed project,
- a map(s) showing the location of the service area,
- the estimated total project cost, certified by a professional engineer registered in the State of Texas, if project costs are over \$100,000,
- a checklist and schedule of milestones to determine a project's readiness to proceed to construction,
- the population currently served by the applicant,
- green project information, if applicable,
- signature of the applicant's authorized representative, and
- any additional information detailed within the solicitation for projects, as needed to establish the priority rating.

**IMPORTANT:** For a PIF to include the results of an income determination survey, the survey used must be approved by the TWDB prior to submitting a PIF. Applicants can use a TWDB approved survey for **five years** from the date of approval. How to request approval to conduct a survey and rules on conducting the survey can be found in guidance [WRD-285 "Socioeconomic Survey Guidelines."](#)

## **B. Submitting a PIF**

Entities need to submit a [completed PIF](#) for inclusion in the draft IUP, the initial PPL, or any other subsequent PPLs.

The preferred method for submitting PIFs is via the [Online Loan Application \(OLA\)](#) system. Although a PIF can be accepted via email using a Microsoft Word version; the Word document should be converted to a PDF for the submittal to include relevant attachments.

**All PIFs must be received by the solicitation deadline to be included in the Initial Project Priority List found in the IUP.**

- **Online Submittal (OLA) (preferred)**
  - Refer to the [OLA Project Information and Abridged Application Guidelines](#) for a step-by-step walk through.
  - For "PIF Type" select "CWSRF."
- **Email Submittal (Word)**
  - Download the CWSRF [PIF Word document](#) from the TWDB website.
  - Submit the completed PIF in PDF format by email to [CWSRF@twdb.texas.gov](mailto:CWSRF@twdb.texas.gov) (file size must be less than 100 MB).
  - TWDB will upload to OLA the PIFs submitted via email. Entities will still then be asked to login to OLA to review their PIFs and formally submit.

### **PIF Submittal Deadline for the IUP**

Solicitations for new PIFs occur annually, along with update requests to PIFs listed on the current IUP for inclusion or "rolled over" into the upcoming IUP. Refer to the TWDB's [CWSRF webpage](#) for updates on deadlines to submit PIFs.

### **Updating Projects from the Prior Intended Use Plans**

To ensure the TWDB has current information, all entities with a PIF submitted in a prior funding cycle must update the PIF to be included in the upcoming IUP. Entities must update, at a minimum:

- the readiness to proceed information (if an entity previously received a commitment for planning, acquisition, and/or design (PAD) only and wants to be considered for the construction phase funding),
- the socioeconomic census data and utility rate information (if seeking disadvantaged community eligibility), and
- the updated project budget (with engineer's signature for projects over \$100,000).

Updated forms are available on the [State Revolving Fund Project Information Forms](#) webpage. A helpful webinar entitled "**How to Fill Out a Project Information Form**" is also available on this webpage.

**Applicants must submit a PIF for inclusion in the IUP and receive an invitation from the TWDB before submitting a full application for financial assistance.**

### **C. Project Evaluation and Rating**

All PIFs received are reviewed by the TWDB. All proposed eligible projects are evaluated by the TWDB and include a technical review. Projects determined to be eligible for funding are scored and ranked according to the established rating criteria.

A summary of the rating criteria for projects are briefly described below.

#### **Rating Criteria for Publicly Owned Treatment Works (POTW) Projects (Sec. 212)**

- Enforcement action imposed by judicial or regulatory authorities.
- Water quality impacts that protect stream segments and groundwater from pollution.
- Serving unserved areas by bringing individual systems into a centralized system or addressing unsatisfactory on-site systems.
- Innovative or alternative technology or approaches to treatment.
- Regionalization of treatment works that will consolidate and eliminate systems.
- Reduction or prevention of sewer system overflows and inflow and infiltration.
- Reduction in demand for POTW capacity through water conservation, efficiency, or reuse.
- Effective Management factors relating to the implementation of effective management practices.
- Affordability factor applied to an entity that qualifies as a disadvantaged community.

### **Rating Criteria for Non-Point Source (NPS) and Estuary Projects (Sec. 319/Sec. 320)**

- NPS projects must be an identified practice within a water quality management plan or a best management practice described or referenced in the Texas Nonpoint Source Management Program<sup>5</sup>.
- Improving public health by addressing conditions that a public health official has determined are a nuisance and/or are dangerous to public health and safety.
- Protecting groundwater by minimization of the impact of pollutants to an aquifer or groundwater.
- Impaired water body improvements in any water body that does not meet applicable water quality standards or is threatened by one or more pollutants.
- Effective Management factors relating to the implementation of effective management practices.
- Affordability factor applied to an entity that qualifies as a disadvantaged community.

**NOTE:** Scoring information on specific projects can be found on the main [CWSRF webpage](#). Select a list from the *Project Priority List* drop down.

### **D. Ranking and Creation of the PPL**

Each PIF submitted by the initial deadline, and determined to be eligible, is rated and ranked using combined rating factors and included on the PPL. In the event of a tie, priority is given to the project serving the smaller total population.

An Initial Invited Project List (IIPL) is created from the PPL. Selected PIFs on the IIPL will be allotted subsidization based on rank order and eligibility. Upon Board approval, entities with PIFs on the IIPL will be informed of the opportunity to submit an application.

Please note, PIFs submitted after the initial deadline will not be considered for rating until after adoption of the IUP and the initial PPL. PIFs received after the submission deadline will be placed on an amended PPL.

### **Project Changes Following Approval of the IUP**

Following approval of the IUP, any changes to a ranked project that result in a project no longer addressing the issues for which it was rated will require re-rating and re-ranking.

- Project changes that do not trigger re-rating and re-ranking:
  - The Applicant for a proposed project changes, but the project does not change.
  - The number of participants in a consolidation project changes, but the change does not affect the combined rating factor.
  - The fundable amount of a proposed project does not increase by more than 10

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<sup>5</sup> Texas Nonpoint Source Management program is updated jointly by the TCEQ and the Texas Soil and Water Conservation Board. The websites are: [www.tceq.texas.gov/waterquality/nonpoint-source/mgmt-plan](http://www.tceq.texas.gov/waterquality/nonpoint-source/mgmt-plan) and [www.tsswcb.texas.gov/programs/texas-nonpoint-source-management-program](http://www.tsswcb.texas.gov/programs/texas-nonpoint-source-management-program).

percent of the amount listed in the approved IUP. The Executive Administrator (EA) may waive the 10 percent limit to incorporate additional project elements; however, *any Additional Subsidization awarded as principal forgiveness or 0% interest financing may not exceed the original IUP amount's allocation.*

### **Applicants May Submit a PIF at Any Time**

Applicants may submit a PIF at any time for project consideration to be included on the amended PPL.

- The new projects will be considered after those on the original PPL have been invited.
- Amendments to the project lists will undergo a 14-day public review period that will be advertised on the TWDB website.
  - Projects requesting Urgent Need funding may undergo a 7-day public review period, if the TWDB determines it is necessary to protect public health and safety.

### **E. Intent to Apply**

As part of the invitation process, the TWDB may require the applicant to submit an intent to apply form or request information by a specified deadline, showing the applicant's intent to request up to the eligible amount of funding in the IUP.

After the initial invitation period, if any funds remain unallocated, other projects on the PPL will be invited in rank order.

**IMPORTANT: Failure to provide the requested intent to apply information by the established deadline will result in the TWDB bypassing the project on the IUP list.**

**Entities on the PPL may not submit an application until they have received an invitation from the TWDB and participated in a pre-application meeting.**

## VII. Application and Commitment Process

This section outlines the steps necessary for submission of a CWSRF Application for funding and recommendation to the Board for commitment (see Figure 2). The TWDB conducts a technical review of the application by the legal, engineering, environmental, planning and water conservation disciplines, as outlined in the [financial assistance review process document](#). More resources can be found on the [application webpage](#).

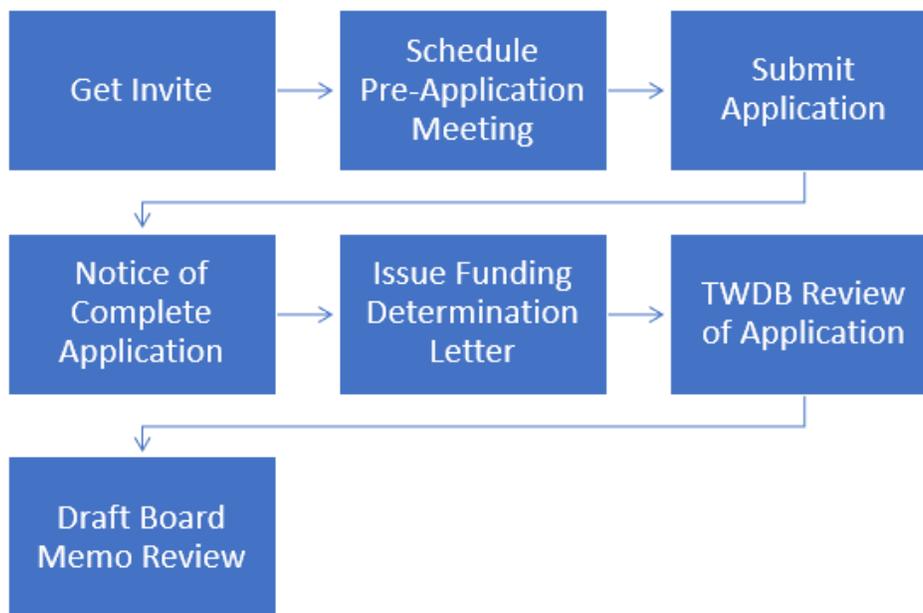


Figure 1: Full Application Process

### A. Pre-Application Meeting

Entities **are required** to participate in a pre-application meeting to discuss the application process and project requirements. Videoconferencing is available, and the following individuals should attend:

- A member of the governing body of the Applicant,
- Consulting Engineer, and
- Financial Advisor.

**NOTE:** Intended use of alternative delivery methods (e.g. design-build, Construction Manager at Risk, etc.) **must** be discussed with TWDB staff at the pre-application meeting, or earlier, if possible.

### B. Application Submittal

The preferred method for submitting the Financial Assistance Application is online using the OLA system. However, applications can be submitted using the Microsoft Word version via email. Applications must be received by the posted due date to be considered for funding.

### **Online Submittal (OLA) (*strongly preferred option*)**

- Using the [OLA system](#), log in with the credentials created when submitting your PIF.
  - Note: Initial access to the online application will be limited to the applicant's representative listed in the PIF.
- Accepted PIFs will create an application at the bottom of the OLA dashboard.
- Click the "Open Application" button on the bottom of the dashboard to begin a new application.
- Most document uploads to the OLA system must be in portable document format (PDF). Clearly label all attachments with the corresponding document name and entity name.
- You may save your progress and return as needed until you have completed the application. Incomplete applications will **not** be processed until all required information is provided.
- Additional contributors may be added to the application.
- Refer to the TWDB [Financial Assistance Application](#) webpage for further guidance.

**It is imperative** that all contributors use consistent language, and only one person at a time be working in the OLA system. **If multiple users are working on the application at the same time, the TWDB cannot guarantee your data will be saved.**

### **Email Submittal (Word)\***

- Download the [Financial Assistance Application \(TWDB-0148\) \(Word document\)](#) from the TWDB [Financial Assistance Application](#) webpage.
- Refer to the TWDB [Financial Assistance Application](#) webpage for further guidance.
- Email the completed application and applicable attachments to [CWSRF@twdb.texas.gov](mailto:CWSRF@twdb.texas.gov).

*\* Not applicable if using the Online Application*

If at any point you have questions, or need assistance with the application, please contact your [RWPD Team](#).

**CAUTION!** The DBE procurement process must be followed for reimbursement eligibility of any consultants and/or contractors utilized during the application process. See relevant forms [TWDB-0215](#), [TWDB-0216](#), [TWDB-0217](#), and [TWDB-0373](#) to document DBE compliance and DBE Guidance ([TWDB-0210](#)), all located on the TWDB [DBE webpage](#) and under Program Guidance & Manuals.

## **C. Notice of Complete Application**

The Applicant will be notified in writing, by email, if their application is administratively complete or incomplete. **If the application is incomplete, you will have ten (10) business days from receipt of the notice of an incomplete application to remedy any deficiency.** If additional time is requested by the Applicant, then RWPD staff will

follow the current policy approved by the Board.

### **Financial**

For Applicants receiving debt financing, the TWDB must assess the credit risk. Applicants must submit their audited financial statements for the applicable preceding year prepared in accordance with generally accepted auditing standards by a certified public accountant or licensed public accountant, unless an alternative method of establishing a reliable accounting of their financial records is approved by the Executive Administrator. An Applicant with an application that is initially administratively complete and subsequently becomes delinquent on the most recent audited financial statements will have 270 calendar days from the end of the most recent fiscal year to provide current audited financial statements approved by its governing body.

### **Engineering**

A Preliminary Engineering Feasibility Report (PEFR), signed, sealed, and dated by a professional engineer registered in the State of Texas, as outlined in the application, is required for Planning, Acquisition, and Design (PAD) and Planning, Acquisition, Design, and Construction (PADC) projects. During the planning phase of the project, the applicant must provide a final Engineering Feasibility Report (EFR) in accordance to the Guidance for the Preparation of Wastewater Project Engineering Feasibility Reports ([TWDB-0556](#)) or the Guidance for the Preparation of Engineering Feasibility Reports for Clean Water State Revolving Fund Sec. 319 and Sec. 320 Projects (TWDB-0570), available on the TWDB website.

### **Environmental**

During the application phase, the TWDB Environmental Reviewer will determine which level of environmental review will be required based on the type and scope of the project and the potential for adverse environmental impacts.

This assessment will be made based on information provided in the engineering and environmental sections of the financial assistance application. If additional information is required by TWDB, a request for supplemental information will be sent to the Applicant (or their consultant) at that time. For additional information about the environmental review requirements of the CWSRF Program, see the "Planning Phase - Environmental Review" section of this guidance document.

### **TWDB Forms Applicable to CWSRF Applications:**

Forms and guidance materials referenced below can be accessed online through the TWDB [Program Guidance & Manuals](#) (Guidance and forms Library) by using the Search box and typing in the form or guidance number needed.

- Resolution from the governing body requesting financial assistance ([TWDB-0201A](#))
- Application Affidavit ([TWDB-0201](#)), or for Private Entities ([TWDB-0201P](#))
- Application Resolution - Certificate of Secretary ([TWDB-0201B](#))
- [Water Use Survey](#) response for the previous three (3) years must be on file. Applicants that are wholesalers only are exempt from this requirement. Survey response status is available [online](#).

- [Water Loss Audit](#) (for applicants that are a retail public utility that provides potable water).
- Project Cost Estimate Budget ([TWDB-1201](#))
- Wastewater Project Information Form ([WRD-253a](#))
- Assurances – Construction Programs ([EPA-424D](#))
- Designated Management Agency (DMA) for wastewater collection or treatment ([TCEQ DMA Self Certify](#))–
  - An entity must demonstrate the legal, institutional, managerial and financial capability necessary to carry out the entity’s responsibilities in accordance with Section 208 (c) of the Clean Water Act. Before an entity can apply for Clean Water State Revolving Fund financing, it must be recommended for designation as the management agency in the approved Water Quality Management Plan (WQMP). Designation as a management agency does not require the designated entity to provide wastewater services but enables it to apply for grants and financial assistance to provide the services.
- If assistance requested is **greater than \$500,000**, a copy of a draft or TWDB-approved Water Conservation Plan, including a Utility Profile, is required to be submitted with the application. A TWDB approved Water Conservation Plan is required for financial assistance commitment. Proof of the applicant’s adoption of the Water Conservation Plan must be submitted prior to closing of any financial assistance if not with the application.
  - Guidance ([TWDB-1968](#)), and
  - Water Conservation Utility Profile Form: Retail ([TWDB-1965R](#)), or
  - Water Conservation Utility Profile Form: Wholesale ([TWDB-1965W](#))
- If your project will benefit wholesale customers, each of them will also be required to submit a water conservation plan prior to closing or you will be required to include a clause in your contracts with wholesale customers that they will adopt and submit a water plan that conforms to TWDB’s requirements at the time of the next contract renewal or amendment.
- Financial assistance recipients must maintain an approved water conservation program in effect and revised as needed at a minimum once every five years. Financial assistance recipients must report annually on its implementation until all financial obligations to the state have been discharged. If the loan recipient is a retail water provider, they will be required to submit a water loss audit annually until all financial obligations to the state have been discharged.
  - [Annual Reports.](#)
  - [Water Loss Audit.](#)
- If financial assistance is requested from the **CWSRF Equivalency Program**, you will be required to:
  - Submit an Architectural and Engineering Services Procurement Certification ([TWDB-1108](#), [TWDB-1108-A](#))
  - Submit a Certificate Regarding Lobbying ([TWDB-0213](#))
  - Provide Certification Regarding Debarment, Suspension, and other

Responsibility Requirements; this is also required of the contractor during construction (Debarment/Suspension Certificate [SRF-404](#))

- Submit a CWSRF Fiscal Sustainability Plan Certification ([TWDB-1700, TWDB-1700-A](#))<sup>6</sup>
- Procure for all prime contracts for services, equipment, supplies and construction, by demonstrating a “good faith effort” towards affording opportunity for Small Business Enterprises, Minority Business Enterprise, Women Business Enterprise, and Small Business in Rural Area participation:
  - Affirmative Steps Certification and Goals ([TWDB-0215](#))
  - Affirmative Steps Solicitation Report ([TWDB-0216](#))
  - Prime Contractor Affirmative Steps Certification and Goals ([TWDB-0217](#))
  - Participation Summary ([TWDB-0373](#))
- If financial assistance is requested for **Green Projects**, the form referenced below will also be required.
  - CWSRF Green Project Reserve Worksheet ([TWDB-0162](#)).

A complete checklist of documents required to be submitted can be found in the application ([TWDB-0148](#)) for Public Entities/Political Subdivisions and [TWDB-0150](#) for Private Entities). Applicants should work with TWDB to identify which documents are required for your specific project.

#### **D. Draft Board Memo Review**

A funding determination letter will be created, outlining what principal forgiveness, 0% interest financing, and/or other low interest financing the Applicant is eligible for based on the final project costs. This letter becomes the basis for the draft Board memo and resolution.

The Applicant will be provided a draft Board memo and resolution for review. While most of the resolutions use standard language, the Applicant must verify language related to the pledge and any special conditions. TWDB must be notified of any issues with the draft Board memo and resolution within seven calendar days of receipt to ensure the commitment is not delayed.

#### **E. Funding Approval and Financial Assistance Commitment**

If the application is recommended for approval by TWDB, the application is placed on the Board meeting agenda. If a Board commitment for financial assistance is made, it will expire on the date noted in the commitment, or as outlined in the IUP.

- 12 months for 100 percent financing,
- 6 months for combination financing and principal forgiveness, or
- 4 months for principal forgiveness only.

If an Applicant is unable to close the commitment prior to its expiration, the Applicant may

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<sup>6</sup> This document is required for recipients receiving debt financing under a loan agreement and is not required for borrowers that issue bonds.

request an extension of the expiration period as specified in Title 31 Texas Administration Code (TAC) Subchapter 375 ([31 TAC Subchapter D § 375.44](#)).

- To request an extension, submit a written request at least 45 days prior to the expiration date and include the following information:
  - explanation of the need/necessity for the request,
  - benefits the extension would provide,
  - current project status,
  - updated project schedule, and
  - a new proposed date for closing.

## VIII. Closing and Release of Funds

### A. Closing

After a financial assistance commitment has been approved by the Board, additional legal, financial, and engineering documentation must be submitted to close the financial assistance and release funds. At the time of closing, closing-related costs will be the only items eligible for release.

Please refer to the [Closing a TWDB Commitment](#) webpage for more information, including helpful pointers for navigating the closing process, lists of required documents, and closing timeline tools.

Further explanation of TWDB closing requirements for the CWSRF Program is provided in [31 TAC Subchapter A § 375.91](#) (Financial Assistance Secured by Bonds or other Authorized Securities), [31 TAC Subchapter A § 375.92](#) (Financial Assistance Secured by Promissory Notes and Deeds of Trust), and [31 TAC Subchapter A §375.93](#) (Disbursement of Funds).

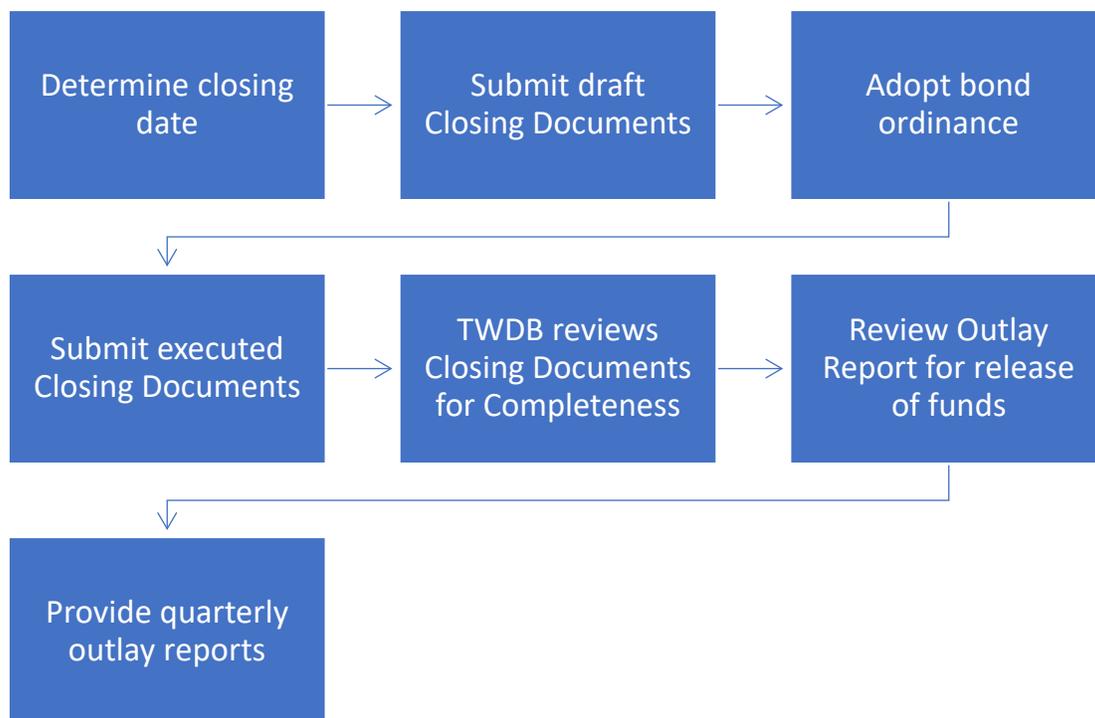


Figure 3: Closing Process

## B. After TWDB Commitment – First Steps

**The Applicant will receive** a Board Action Letter (BAL) via email shortly after Board commitment. This letter summarizes all pertinent information needed to close on the financial assistance.

**Respond** to the assigned TWDB Financial Analyst with a tentative closing schedule containing the preferred loan closing date. The BAL will include the appropriate TWDB contact information.

**Be sure to communicate early and often** with the TWDB team, consultants, and community contacts to ensure all parties are on the same page. Be sure to include the Applicant's project engineer, financial advisor, and bond counsel on all communications.

**Pay close attention to closing deadlines.** Timely delivery of documents is critical for maintaining closing dates.

## C. Key Closing Milestones

The **closing date** requested in the application will be used to plan the closing of the Applicant's commitment. The requested date may be revised if desired, with concurrence from the Closing Team. More information regarding Closing is available on the [TWDB Commitment Closing webpage](#).

1. Submit the following items to the TWDB Financial Analyst and Attorney for approval **at least 20 business days prior to the adoption/agreement execution date** of the bond ordinance or resolution by the Applicant's governing body:

### For Bonds

- Bond Counsel's legal opinion, draft;
- No-Arbitrage (Federal Tax) Certificate, draft;
- No-Litigation Certificate, draft;
- Private Placement Memorandum, draft;
- Proposed bond ordinance or resolution, draft; and
- Paying Agent Agreement and Escrow Agreement, draft.

### For Loan Agreements

- Authorizing Resolution, draft
- Escrow Agreement, draft

### For Principal Forgiveness

- Principal Forgiveness Agreement Execution Resolution, draft
- Escrow Agreement, draft

2. Submit the following items to the TWDB Financial Analyst and Attorney at least **3 business days AFTER the agreement execution date or authorizing resolution signing date.**

For Loan Agreements

- Deed of Trust – Exhibit A
- Promissory Note – Exhibit B
- Authorizing Resolution from the WSC’s Board – Exhibit D
- Executed Escrow Agreement – Exhibit G
- Updated Project Schedule and Budget

For Principal Forgiveness

- Principal Forgiveness Agreement Execution Resolution
- Executed Escrow Agreement
- Updated Project Schedule

3. Submit the following items to the TWDB Project Engineer/Reviewer **25 days prior to closing:**

- Copies of executed engineering services contracts and other executed professional services agreements.
- Any permits the TWDB determines are required prior to closing.
- Updated project schedule.
- Engineer’s Useful Life Certification.
- An updated [TWDB-1201](#) budget form with funds identified to be released at closing for the eligible fiscal services.
- All fiscal services invoices to be reimbursed at closing.
- Draft of the Financial Advisor’s Closing Instruction Memorandum with release amounts.
- Sufficiency of Funds Statement and Release of Funds request:
  - **Option A:** If the project is funded **100 percent with TWDB funds**, submit a statement that identifies the amount of funds to be released at closing.
  - **Option B:** If the project is funded with a **combination of TWDB funds and other funds**, provide a statement as to the status of securing non-TWDB funds, and identify the amount of TWDB funds to be released at closing. Include a current budget of costs and sources of funds.
- If the funding request is greater than \$500,000, an adopted Water Conservation Plan is required for closing.
- For **CWSRF Equivalency** funding, the following must also be submitted for **DBE Documentation** for all professional services currently procured:
  - Affirmative Steps Solicitation Report ([TWDB-0216](#))
  - Prime Contractor Affirmative Steps Certification and Goals ([TWDB-0217](#))
  - Loan/Grant Participation Summary ([TWDB-0373](#))

4. The Applicant will need to adopt a bond ordinance to approve the conditions of the TWDB financial commitment approximately **15 business days prior to the applicant’s closing date.**

5. Submit a completed Outlay on the template provided by the Outlays and Escrows team to [outlays@twdb.texas.gov](mailto:outlays@twdb.texas.gov) at least **15 days prior to the closing**. For more information on the Outlay process, please see the TWDB [Outlay Reports](#) webpage.
6. **At least 10 days prior to closing** the commitment, the Applicant will submit the final closing documents to the TWDB:

For Bonds

- Attorney General Opinion (5 business days prior)
- Comptroller's Certificate (5 business days prior)
- Debt Service Schedule
- Executed Escrow Agreement
- Financial Advisor's Closing Instructions
- Executed Paying Agent Agreement
- Private Placement Memorandum – with all attachments, including:
  - Semiannual amortization schedule
  - Bond Ordinance or Resolution adopting the issuance
  - Draft Bond Counsel Opinion
- TWDB Vendor Set-Up of Direct Deposit Form
- Blanket Issuer Letter of Representations (BLOR)
- Bond Counsel Opinion
- No Litigation Certificate
- No Arbitrage/Federal Tax Certificate
- Executed Principal Forgiveness Agreement
- Any other documents required by special condition in the resolution, such as:
  - Financing Agreement
  - Additional Bonds Test Certification

For Loan Agreements

- Loan Agreement, executed
- Deed of Trust
- Promissory Note, executed
- Title Commitment, executed
- Loan Repayment Schedule
- Executed Escrow Agreement
- Financial Advisor's Closing Instructions
- Executed Paying Agent Agreement
- TWDB Vendor Set-Up of Direct Deposit Form
- Any other documents required by special condition in the resolution (e.g., Financing Agreement)

For Principal Forgiveness

- Principal Forgiveness Agreement, executed
- Escrow Agreement, executed
- Financial Advisor's Closing Instructions
- Vendor Se-up or Direct Deposit Form

## D. Outlay Reports and Release of Funds

The CWSRF Program releases funds differently based on the overall project financing, as described below. Applicant should discuss with their RWPD Team to plan for the release funds.

- **For projects that include principal forgiveness**, CWSRF program funds are released on a reimbursement basis upon the receipt of an outlay report supported by detailed invoices of expenditures.
- **For projects that do not include principal forgiveness**, CWSRF program funds are released based on completion of the key milestones outlined herein. Outlays must be submitted to document eligible expenditures from previously released funds.

Funds not eligible for release at the time of closing will be held in an escrow account until the required project milestones have been completed and approved by TWDB.

Outlay reports must be submitted for projects that include principal forgiveness and for projects that do not include principal forgiveness. Outlay reports, supported by detailed invoices for incurred costs as the project progresses in accordance with the project schedule, are required on a quarterly basis from the time of closing until construction begins. Monthly reports are required once construction begins until project close-out. *Reports must be submitted even if no expenses have been incurred.* Further information on Outlays is available on the TWDB [Outlay Reports](#) webpage.

### Key Policies and Procedures

- Outlay reports require invoices as supporting documentation for all reimbursable costs, except the loan origination fee. If an invoice also includes costs associated with a different project, the CWSRF costs included in the invoice must be clearly distinguished.
- Within each budget category (engineering, planning, environmental, permits, construction contract, etc.), the TWDB can *only* reimburse up to the amount approved in the commitment for that category. However, funds can be reallocated from one budget category to another, after commitment, by requesting a budget amendment from the TWDB Project Engineer/Reviewer. Budget amendments should be requested prior to the submission of an Outlay requesting the funds in question.
  - Project Budget Ceiling: the budget line-item ceiling is set by the TWDB to represent the maximum amount of funds that can be released for a budget category. The ceilings are adjusted as the project progresses and milestones are achieved.
- All monthly Outlay submittals for construction contract expenses in the CWSRF Program must be accompanied by the following certifications, properly signed and dated by the Entity's Representative:
  - Monthly American Iron and Steel Certificate, Compliance Submittal by Owner ([TWDB-1106-A](#)) (*Non-Equivalency projects*).
  - Monthly Build America, Buy America (BABA) Act Certificate of Compliance Submittal by Owner ([TWDB-1110-A](#)) (*Equivalency projects*).

- Monthly Davis-Bacon Wage Rate Certificate of Compliance Submittal by Owner ([DB-0154](#)) (*Equivalency and Non-Equivalency- projects*).
- The forms must cover the entire period of the construction contract invoices. Submit Outlay reports electronically to [outlays@twdb.texas.gov](mailto:outlays@twdb.texas.gov).
- Outlay submittals at the end of the Construction phase must be accompanied by Project Certification.

**NOTE:** If outlay reports cannot be submitted electronically, please contact the TWDB Outlays and Escrows team for alternate submission instructions at (512) 463-1793 or [outlays@twdb.texas.gov](mailto:outlays@twdb.texas.gov).

## E. Key Project Milestones

The diagram below illustrates key project milestones during the planning, design, and construction phases of a project that are tied to the release of funds.

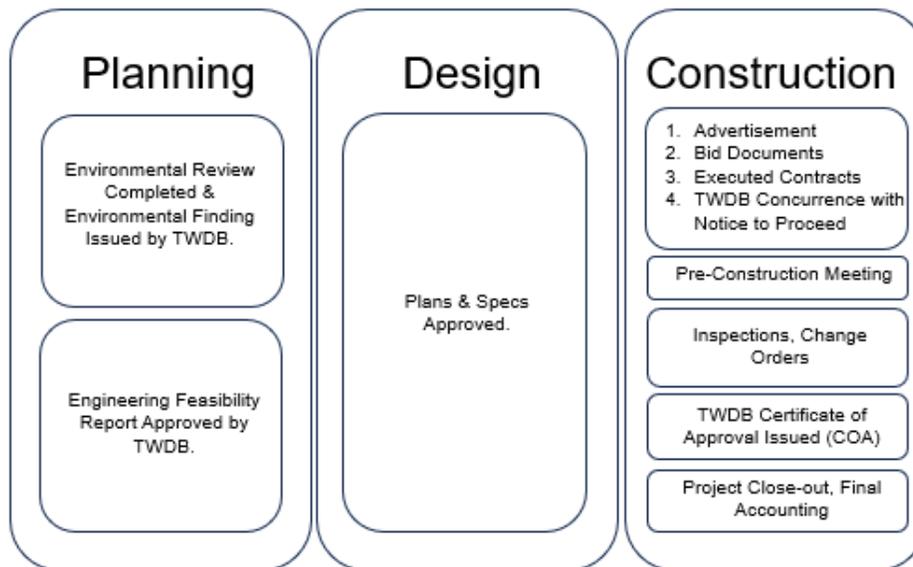


Figure 4: Release of Funds Milestones

1. **Planning:** Funds for planning and permitting costs are eligible for release once (A) all financing closing documents have been submitted and approved, (B) any special conditions from the TWDB resolution have been met, and (C) the closing has occurred. Prior to the TWDB releasing planning phase funds, the Applicant shall submit (A) executed professional services agreements, including DBE procurement related documents for CWSRF Equivalency projects, (B) any water supply contracts needed for the project, (C) proof of approval of a Water Conservation Plan, and (D) submit proof of fulfillment of any Special Conditions in the Resolution.

2. **Design:** Funds for design are eligible for release after the TWDB has completed the environmental review, issued the environmental finding, and approved the EFR. Executed engineering services agreements for the design phase are also required before the release of design funds.
3. **Construction:** Construction funds for a contract can be requested after the issuance of any applicable permits, after contract documents have been approved (including Plans and Specifications), the construction contract has been contingently awarded, and a formal Notice to Proceed (NTP) has been issued. Executed engineering services agreements for the construction phase are also required before release of funds for construction phase engineering tasks (if not previously submitted).
4. **Contract closeout:** The retainage shall not be paid to the Contractor until TWDB has authorized a reduction in, or release of, retainage on the contract work. Contract retainage can be released once the TWDB issues a Certificate of Approval (COA).

## IX. Planning Phase

The planning phase prepares the framework required for accomplishing the purpose and objectives of the project. During planning, specific requirements and needs are identified to prepare for the project's acquisition, design, and construction phases.

The planning phase includes completion of an environmental impact assessment and submission of appropriate documentation by the Applicant; TWDB's issuance of the environmental finding based on that documentation; and approval of the EFR.

### A. Environmental Review

Environmental review of CWSRF projects is a requirement for the use of CWSRF financial assistance, as detailed in [31 TAC 10 Chapter 375, Subchapter E](#), (Environmental Reviews and Determinations).

#### Federal Funding Level Environmental Review

With the use of federal funds, a NEPA-level environmental review will be required. The Applicant must conduct an environmental impact assessment and provide a document of appropriate type, based on the probable level of impact. At the culmination of the environmental impact assessment process, the Board will issue one of the following environmental findings:

1. **Categorical Exclusion (CE):** A CE is an exclusion from a full environmental review, based on
  - a. the eligibility criteria described in [31 TAC § 375.62](#) and [31 TAC § 375.63](#) as supplemented by federal requirements and
  - b. review of information submitted by the Applicant in the application and any requested information.

**Process:** If a project is potentially eligible for a CE, the Applicant must fill out and submit the Categorical Exclusion/Determination of No Effect Request ([TWDB-0803](#)). The Applicant must provide all requested information to the TWDB in a timely manner.

**Once a CE is issued**, it will be posted on the TWDB website, and the TWDB Environmental Reviewer will notify the Applicant that they must publish notification of the CE issuance in a local newspaper with general circulation in the project area.

The Environmental Reviewer will provide language as it must appear in the newspaper.

2. **Finding of No Significant Impact (FONSI):** A FONSI may be issued if a comprehensive assessment of the potential environmental impact of the proposed project has been conducted and the TWDB determines the project will not have a significant effect on the human environment if all required mitigation measures are implemented. The FONSI must be supported by an Environmental Assessment (EA), prepared by TWDB, and meet the requirements of a full federal environmental review, based on the review of the Applicant's Environmental Information Document EID ([TWDB-0801](#)), and other requested information.

**Process:** The Environmental Assessment is prepared by the TWDB, which is based primarily on the EID submitted by the Applicant.

**Once a FONSI is issued**, it is subject to a 30-day public comment period. If comments are received during the 30-day comment period, they must be addressed before the environmental review can be considered complete.

3. **Record of Decision (ROD):** A ROD is an environmental determination issued for projects that have significant adverse environmental impacts, based on
  - a. review of an Environmental Impact Statement (EIS) prepared by the Applicant's third-party contractor.

**Process:** Typically, EIS-level projects are elevated to this level of review by a regulatory agency during the permitting process, (e.g., U.S. Army Corps of Engineers).

**The TWDB will then evaluate the ROD issued by the lead regulatory agency and adopt the finding.**

4. **Statement of Findings (SOF):** An SOF is an environmental finding issued by the TWDB to correct, clarify, modify, or adopt a previous environmental finding or determination issued by the TWDB or another agency, based on
  - a. review of a previous environmental finding or determination for the proposed project, or
  - b. review of proposed project modifications for consistency with a previous environmental finding.

### **Key Policies and Procedures**

- The environmental review must be completed and the environmental finding issued prior to the approval of the EFR and release of funds for acquisition, design, and/or construction phase.

- If an existing environmental finding for the project meets CWSRF Program requirements, it may be adopted by the TWDB. Discuss this with the TWDB environmental review staff as soon as possible.
- Environmental findings that are five years old or older must be reevaluated by the TWDB to determine whether to conduct a supplemental review, or to affirm the original finding, for any project element that has not yet been implemented.
- At all times throughout the design, construction, and operation of the project, the Applicant shall comply with the environmental special conditions and findings resulting from the environmental review.

**IMPORTANT: Any** project changes after the issuance of an environmental finding may require additional review. Notify the TWDB Environmental Reviewer **immediately** if changes are needed. If construction begins before the environmental review is complete, **your project may become ineligible for CWSRF funding.**

## B. Engineering Feasibility Report (EFR)

Refer to the guidance for the preparation of EFRs (clean water projects, [TWDB-0556](#)) for details on the information required in this report ([31 TAC § 375.81](#)). The EFR sent to the TWDB RWPD Submittal System must be submitted as a single PDF, with searchable text, bookmarks, and must be signed, sealed, and dated by a professional engineer registered in the State of Texas as per [31 TAC § 363.13](#). The EFR must include the firm name and registration number of the engineering firm by which the engineer is employed ([22 TAC § 137](#)). The EFR should also include the following (as applicable):

- **AIS requirements** ([TWDB-1106](#)) The EFR should include a discussion of any known issues or special considerations that may affect the design or construction as a result of the applicable iron and steel requirements. In addition, include a discussion of any potential waivers that are being considered.
- **BABA requirements** ([TWDB-0559](#)) the EFR should include a discussion of any known issues or special considerations that may affect the design or construction as a result of the applicable Build America, Buy America requirements. In addition, include a discussion of any potential waivers that are being considered
- Updated **project schedule**.
- Updated **project budget** ([TWDB-1201](#)).
- List the status of any **anticipated permits** and the permitting agency

An EFR approval letter cannot be issued by the TWDB Project Engineer/Reviewer until the Environmental Review Process is complete and the TWDB Environmental Finding has been issued. **Note: Amendment(s) to the EFR(s) must be consistent with the environmental finding or may require revision to the environmental finding(s). Immediately notify TWDB Project Engineer/Review and Environmental Reviewer if modifications are made to the project scope.**

The Engineering Feasibility Report review checklist is available on the TWDB website under [Program Guidance & Manuals: TWDB-0200 Engineering Feasibility Report Submittal Checklist](#)

## C. Anticipated or Required Permits

The Applicant or Consulting Engineer should apply early and secure all permits that may be required for the project. Action should be taken as soon as practicable prior to completion of the plans and specifications (P&S) and advertising for construction bids. If a floodplain permit is required, P&S approval will not be granted until the Applicant has obtained a floodplain development permit from the local floodplain administrator. P&S approval cannot be granted until all permits required for the project are obtained.

## D. Land Acquisition, Buffer Zones, Right-of-Way, and Easements

Land acquisition, buffer zones, right-of-way, and easements need to be discussed in the EFR (if applicable) and addressed early in the planning phase to avoid unnecessary redesign of the project. Purchase of an easement or land parcel is eligible under Design-phase activities. The Applicant should perform an initial site assessment to verify that hazardous waste contamination of the site has not occurred.

## X. Design Phase

Before starting design, Applicants and their consultants should take steps to verify all planning phase requirements have been met. Funds associated with design phase work will not be eligible for release until the Planning Phase has been completed. Detailed Plans and Specifications (P&S) will be developed during the Design Phase. P&S must be reviewed and approved by TWDB as per [31 TAC 375.82](#).

Advertisement, bid, and draft contract documents **must** be included in the bound P&S (Project Manual) and submitted for review and approval by the TWDB during the design phase. The engineer must submit a [Plans and Specifications Submittal Form](#) (TWDB-0300) along with the bound P&S documents.

TWDB will review the P&S documents for the following:

- Complete Plans and Specifications that provide adequate information so that a contractor can bid and construct the project without additional details or directions.
- Final Engineering Report meeting the requirements of [30 TAC §217.10](#) that the plans and specifications are consistent with the approved engineering feasibility report and with approved environmental planning documents and environmental finding;
- To ensure compliance with Commission rules at Title 30 Texas Administrative Code Chapter 217 relating to Domestic Wastewater Systems, and other applicable state and federal laws and rules.
- Executed engineering contract for construction phase services, including DBE procurement related documents (for Equivalency projects).
- Sufficiency of Funds Statement, if applicable.
- To ensure the contract documents notify the contractor about the Board's authority to audit project files and inspect during construction.
- Site Certificate, [ED-101](#), signed by the Applicant's Representative. Geotechnical Report, if available.
- Site Map showing sanitary control easements, if applicable.
- Special board resolution or environmental finding conditions satisfied.
- Cost and Effectiveness Certification Form [TWDB-1107 and TWDB-1107-A](#).
- To ensure compliance with other requirements as provided in guidance forms and documents, including any additional documentation required by EPA for equivalency projects.

After the above information is reviewed and approved by the TWDB Project Engineer/Reviewer, construction funds can be made available to the Applicant.

**Other Approvals:** The Applicant must obtain the approval of the plans and specifications from any other local, state, and federal agencies having jurisdiction over the project. The executive administrator's approval does not relieve the Applicant of the liability or responsibility to conform to all requirements of applicable laws relating to design, construction, operation, or performance of the project.

Any federal, state, or local permits must be obtained prior to approval of P&S, including:

1. Railroad crossing;
2. Texas Department of Transportation (TxDOT) permits;
3. Irrigation district permits; and/or
4. TCEQ permits and approval, as applicable

**NOTE:** The Applicant shall not proceed to advertising for bids on the project without express written approval of the Plans and Specifications documents by the Executive Administrator. If the Applicant proceeds to advertising without approval, it may affect eligibility for funding.

## **A. Design Criteria**

The 30 TAC Chapter 217, Design Criteria for Domestic Wastewater Systems design criteria must be followed in the design of all work affecting wastewater facilities. The Applicant's Consulting Engineer is required to prepare and submit plans and specifications for review. The TWDB has been delegated the responsibility of performing the design criteria review for wastewater plants and collection systems projects funded by TWDB. A TCEQ discharge permit for a new or expanded wastewater treatment plant must be issued prior to the approval of plans and specifications.

Some projects may qualify for risk-based review, as allowed by [Texas Water Code Section 17.276](#), in which the design engineer certifies the plans and specifications are in compliance with the requirements of [30 TAC 217](#) in lieu of a technical review by the TWDB. This review still requires programmatic review and approval by TWDB. Applicability of the risk-based review process is based on:

- The Applicant's internal risk score rating of 2B or higher as assessed by the TWDB Executive Administrator, and
- The design scope is limited to (1) in-situ replacement or rehabilitation of existing facilities, (2) new gravity sewer lines and manholes, (3) project work not located within the Edwards Aquifer recharge zone, or (4) the Applicant has approval authority granted by TCEQ for collection systems pursuant to [30 TAC 217.8](#).

## **B. Plans and Specifications Technical Review and Design Phase Submittals**

Plans and specifications must conform with and contain all documents required in the Supplemental Contract Conditions and Instructions and mitigation measures identified in the environmental finding. The conditions for CWSRF Equivalency projects are provided in [TWDB-0550](#) and conditions for Non-Equivalency projects are in [TWDB-0551](#). The conditions must be incorporated into the General and Special Conditions section of the construction contract documents.

Plans and specifications review checklists are available on the TWDB website under [Program Guidance & Manuals](#). (TWDB-0300 Plans and Specifications Design Submittal Checklist.

**All P&S submitted to the TWDB for review must be sealed, and signed, and dated by a professional engineer registered in the State of Texas. The P&S must include the firm name and registration number of the engineering firm by which the engineer is employed ([22 TAC § 137](#)).**

- For initial review, please submit:
  - one (1) high-resolution, searchable PDF electronic set of Plans & Specification documents, and
  - one (1) or more hard copies, *only if requested by the TWDB Project Engineer/Reviewer.*
- After initial review comments are provided from the TWDB and addressed by the design engineer, please submit a complete set of revised P&S documents for approval, including:
  - a transmittal letter addressing each comment, including explanations, the location of the revisions (if any), and/or an explanation of why the revision is not necessary, and
  - one (1) high resolution, searchable PDF copy of the revised P&S documents for approval.

**Once the P&S documents meet all programmatic requirements, the TWDB Project Engineer/Reviewer will issue a P&S approval letter. This letter is the Entity's authorization to advertise the project for bids.**

### **C. Important Plans and Specifications Reminders**

- **The TWDB supplemental contract conditions for projects funded through the CWSRF Program ([TWDB-0550](#)) for Equivalency projects and [TWDB-0551](#) for Non-Equivalency projects), contains three sections:**
  - Section I includes instructions to Applicants.
  - Section II includes language required in the "Instructions to Bidders" section of the construction contract documents.
  - Section III includes all supplemental contract conditions, and **must be included in its entirety in the contract bound P&S (Project Manual) documents.**
- **The set of P&S documents must include:**
  - all documents required in the supplemental contract conditions [TWDB-0550](#) or [TWDB-0551](#)),
  - mitigation measures and special conditions identified in the environmental review, and
  - conditions identified in the required permits.

**IMMEDIATELY** notify the TWDB Project Engineer/Reviewer and Environmental Reviewer if modifications have been made to the project scope, EFR(s), and/or the set of P&S documents.

**Amendments to the EFR(s) may require revisions to the environmental finding(s). Any significant changes to the project scope occurring after loan commitment may require Board approval.**

## XI. Bidding Phase

Competitive bidding is a widely used method of obtaining and selecting contractors for construction projects. Typically, the use of competitive bidding is mandated by law or regulation. The Applicant and their Consulting Engineer must comply with [Subchapter B, Chapter 252 of the Local Government Code](#), and other applicable statutes. Applicants should consult their legal counsel if there is any uncertainty regarding which specific bidding laws apply to a particular project.

In general, the bid phase includes the following steps:

- Advertising
- Pre-bid conference
- Bid opening and bid evaluation
- TWDB review of bid documents
- TWDB concurrence with the Applicant's recommended contractor award
- TWDB authorization to contingently execute the awarded construction contract

**Authorization from the TWDB's Project Engineer/Reviewer should be obtained prior to advertising bids. The P&S approval letter is the Entity's authorization to advertise the project for bids.**

### A. Alternative Delivery for Construction Projects

Intended use of alternative delivery methods **must be discussed with TWDB staff at the pre-application meeting.**

Design-Build, Construction Manager at Risk (CMAR), and other alternative methods of project delivery are eligible approaches that can be used in accordance with programmatic requirements, as outlined in the Alternative Delivery Guidance ([TWDB-0570](#)) and is consistent with the requirements in [31 TAC 10 Chapter 375](#).

The TWDB will provide written guidance regarding modifications of the review, approval, and release of funds processes for alternative delivery projects based on the type of financial assistance and method of alternative delivery.

### B. Advertising

Authorization to bid is based on the TWDB review of the following documentation:

- TWDB programmatic acceptance and approval of the P&S;
- Acquisition of all property needed for the project certified on the TWDB Site Certificate Form ([ED-101](#)); and
- All permits, licenses, and other legal authorizations required by federal, state, and local agencies.

For detailed information on language to be used in the advertisement for bids, see the TWDB supplemental contract conditions for projects funded through the CWSRF Program ([TWDB-0550](#) for Equivalency projects and [TWDB-0551](#) for Non-Equivalency projects).

Advertisements for CWSRF Equivalency projects **must** clearly state the EPA’s “Fair Share Objective” and “Good Faith Effort,” as discussed in the TWDB’s DBE guidance ([TWDB-0210](#)).

### **C. Instructions to Bidders**

The Instructions to Bidders (or Invitation to Bid) should summarize key information about the project. Its purpose is to attract bidders, announce the bidding schedule for the project, and provide sufficient information to enable prospective bidders to determine whether they should obtain copies of the bidding documents.

For detailed information on language to be used in the Invitation to Bid, see the TWDB supplemental contract conditions for projects funded through the CWSRF Program ([TWDB-0550](#) for Equivalency projects and [TWDB-0551](#) for Non-Equivalency projects).

### **D. Pre-Bid Conference**

Pre-bid conferences help to familiarize prospective bidders with the site and scope of the work on projects.

The TWDB's Project Engineer/Reviewer **should be notified, concurrent with bidders**, of date, time, and location of the pre-bid conference.

It is advisable that **no oral statements** be made at the conference that cannot be appropriately reduced to written form in subsequent addenda.

### **E. Addenda**

Bidders must acknowledge receipt of all addenda with their bids to ensure that all bidders are bidding on the same effort. Addenda should be issued in an expeditious manner to all document holders of record. The addenda should be submitted to the TWDB concurrent with issuance to bidders.

### **F. Bid Opening and Bidder Evaluation**

Procedures to follow at the bid opening should be established ahead of time and included in the Instructions to Bidders.

The TWDB Project Engineer/Reviewer **should be notified, concurrent with bidders**, of the date, time, and location of the bid opening.

After the bids have been opened and tabulated, the Applicant and Consulting Engineer **should evaluate the bids and bidders** according to the criteria and process outlined in the bid documents for determining responsiveness and responsibility of the bidder.

## G. Bidding Documents and TWDB Approval to Award Contract

The TWDB Project Engineer/Reviewer should receive the following information and documents **as soon as possible after bid opening and before execution** of the construction contract (submit to the RWPD Submittal System):

- Construction Contract Bid Phase Submittal Checklist ([TWDB-0400](#))\*
- Bid tabulation
- Bid proposal of apparent low bidder with bid bond
- Advertisement and affidavit of advertisement
- Consulting engineer's recommendation to Applicant for award
- Explanation for any rejected bids or other bidding irregularities
- Construction inspection proposal
- Any addenda not previously submitted
- Site Certificate ([ED-101](#))
- Bidder's Certifications ([WRD-255](#))
  
- For **CWSRF Non-Equivalency** funding, the following must also be submitted:
  - Vendor Compliance with Reciprocity of Non-Resident Bidders ([TWDB-0459](#))
  
- For **CWSRF Equivalency** funding, the following must also be submitted:
  - Debarment/Suspension Certification ([SRF-404](#))
  - **DBE Documentation\*\***
    - Affirmative Steps Solicitation Report ([TWDB-0216](#))
    - Prime Contractor Affirmative Steps Certification and Goals ([TWDB-0217](#))
    - Loan/Grant Participation Summary ([TWDB-0373](#)) for Procurements (*one each for the Applicant and the Prime Contractor to complete*)

*\*Alternative delivery projects should submit Alternative Delivery Work Package Award Submittal Form ([TWDB-0400A](#))*

*\*\* Projects using CWSRF Non-Equivalency do not need to comply with DBE procurement requirements; however, local and state competitive bidding requirements still apply.*

After receiving and reviewing the information identified as construction contract bid phase document submittals, the TWDB Project Engineer/Reviewer will authorize the Applicant to contingently award the construction contract.

**Prior to the award of a contract, all required bid documents must have been reviewed by TWDB and a concurrence of award issued.**

## H. Contract Award Document Submittals

The Applicant/consulting engineer should submit the contingently executed contract documents as soon as possible after receiving the “TWDB concurrence with the Applicant’s recommended contract award” and **prior to issuance of a Notice to Proceed to the contractor**. These documents must be a **single, high quality and searchable PDF file**, that includes the entire bound executed Project Manual (including any approved addenda issued during the bidding process); as well as any plan sheets that were added new or revised since the TWDB issued the P&S approval letter. Below are highlights of some of the included documents that specifically need to be signed and notarized (if applicable).

- Executed contract agreement signed by all appropriate parties and notarized, if applicable.
- Specifications **as approved by TWDB** with executed bid proposal.
- Executed bid proposal, including the Contractor’s Schedule of Values and the Contractor’s DOL Wage Rate(s).
- Bidder’s Certification Form ([WRD-255](#)).
- Payment, performance, and other bonds with power of attorney.
- Contractor’s proof of insurance certificate.
- Executed Contractor’s Act of Assurance, ([ED-103](#)).
- Executed Contractor’s Resolution on Authorized Representative, ([ED-104](#)).
- Water Rights Certification issued by the TWDB Deputy Executive Administrator, if required.

The following documents must also be submitted to the TWDB RWPD Submittal System for the TWDB Project Engineer/Reviewer along with the executed contract documents:

- Completed Executed Construction Contract Submittal Checklist ([TWDB-0500](#))
- Sufficiency of funds statement on entity letterhead (signed), if applicable, and not previously submitted
- Updated schedule with anticipated construction start and end dates for contracts
- Updated [TWDB-1201](#) Project Budget
- For **CWSRF Equivalency** funding, the following must also be submitted:
  - Completed SRF Project Public Awareness form ([TWDB-1109-A](#)), along with backup documentation for proof of method used.

The Applicant should double-check that all blanks in the executed contract agreement are filled, and the dollar amounts match the dollar amounts associated with the bid documents concurrence of the approved bid documents.

After approval of contingently executed contract documents, the TWDB Project Engineer/Reviewer will issue a letter concurring with the Applicant’s official issuance of a Notice to Proceed with construction and approval of addenda (if applicable). At this time, construction phase funds associated with the approved construction contract become eligible for release.

The Applicant must submit to TWDB a copy of their official Notice to Proceed (NTP) issued to the contractor as soon as possible.

## XII. Construction Phase

**Prior** to issuing a Notice to Proceed to the Contractor, and before initiating construction, the Applicant should take steps to verify that all prerequisites are in place to ensure construction is performed in accordance with the fully executed contract documents.

The following construction-phase topics are discussed in detail in the TWDB supplemental contract conditions for CWSRF projects ([TWDB-0550](#) for Equivalency projects and [TWDB-0551](#) for Non-Equivalency projects) to help with this goal.

### A. Preconstruction Conference

A preconstruction conference **should be scheduled prior** to issuance of a Notice to Proceed (NTP), and be attended by the owner, project engineer, Contractor, and the TWDB Project Engineer/Reviewer.

The purpose of this meeting is to establish a working understanding among the parties as to the work to be accomplished and to discuss project schedules, milestones, procedures, program requirements, etc., for each construction contract. For Equivalency projects, the discussion should include Project Public Awareness and required submittals ([TWDB-1109](#)).

### B. Construction Submittals

For the first outlay request, the Applicant is required to submit certification of Project Public Awareness, see [TWDB-1109](#).

Once construction starts, the Applicant is responsible for submitting the following on a monthly basis:

- Monthly Davis-Bacon Wage Rate Certificate of Compliance Submittal ([DB-0154](#))
- Monthly AIS Certificate ([TWDB-1106-A](#)) or BABA Certificate ([TWDB-1110-A](#))

### C. Applicant Inspection

The Applicant shall provide adequate inspection of the project under the supervision of a licensed registered professional engineer. The engineer must provide assurance that the work is being performed in a satisfactory manner; in accordance with the approved P&S, other engineering design, and permits (including approved alterations and provisions for environmental mitigative measures); and in accordance with sound construction principles and practices.

- Please review the Guidelines for Inspector Qualifications ([ED-005](#)) for more information.
- The Applicant should require that a thorough daily log of activities be maintained.
- The Applicant is responsible for ensuring that all required testing is conducted, observed, and documented.

## D. Contractor Claims

Awareness, documentation, and communication will aid in prevention and resolution of contractor claims. Board funding may not be eligible for increased costs due to claims.

## E. TWDB Construction Site Visits

The TWDB may conduct site visits regarding construction and audit activities of any CWSRF project, at any time, and shall be provided access to the project site and any project materials, records, or reports.

- The TWDB Project Engineer/Reviewer will schedule periodic project site visits, issue inspection site visit reports, and make them available to the Applicant and their consulting engineer.
- Site visits and the resulting observational reports and observation site visits reports do not relieve the Applicant of the responsibility to provide qualified on-site inspections and engineering reviews to determine the acceptability of work in progress.
- The Applicant is responsible for corrective actions regarding any items found to be noncompliant with CWSRF funding agreements during site visits or record review.

## F. Change Orders

The construction contract is between the Applicant and the Contractor, and any change orders signed by these two parties become part of that contract regardless of TWDB funding eligibility or participation. One (1) electronic copy of the fully executed change order should be sent to the TWDB RWPDP Submittal System for review and approval.

### **TWDB Staff reviews and approves change orders for**

- eligibility of funding,
- a change in construction contract cost and/or completion time
- conformance with design criteria,
- avoidance of environmental impacts and consistency with the environmental finding,
- a change of scope of the project that may require action by the TWDB, and
- a change order that may require action by the TCEQ.

**IMPORTANT:** Update all project stakeholders of any changes, concerns, or delays promptly. To ensure eligibility, please send change orders **immediately** to the TWDB for review and approval. **Substantial changes to the project scope or increases to the initial TWDB commitment amount will require Board authorization.**

## G. Retainage

Generally, a minimum of five percent retainage is required by law on all public loan contracts ([Texas Governmental Code F § 2252.032](#)). The amount, deposit, and investment requirements for retainage are unique to each construction project. If there is any uncertainty regarding specific situations, the Applicant's legal counsel should be consulted.

- Retainage must not be released or reduced below five percent during the construction project without the consent of the TWDB.
- A COA will be issued by the TWDB after each contract is finalized and closeout documentation has been provided to the TWDB Project Engineer/Reviewer.
- The COA authorizes the Applicant to release retainage to the Contractor.

## H. TWDB Closeout Submittals

To close out the construction contract and authorize release of final retainage, the TWDB must conduct a construction contract final site visit. The following information and documents must also be submitted to the TWDB RWPD Submittal System for review:

- A copy of the Contractor's final payment request.
- Any outstanding change orders not approved by the TWDB to date, adjustment of quantities, or a statement that there are no further change orders.
- An affidavit by the Contractor that all bills have been paid.
- Certification by the Consulting Engineer that the contract has been completed and the work was constructed in accordance with the approved P&S and sound engineering principles and construction practices.
- Acceptance of the work under this contract by the owner in the form of a written resolution or other formal action, signed by the owner's representative.
- Copies of executed construction easements for each location, if required.
- Notification of the beginning date of the warranty period for the contract.
- Confirmation that the owner has received as-built (record) drawings from the contractor.
- Final AIS Certificate ([TWDB-1106](#)) or final BABA Certificate ([TWDB-1110-B](#)), as applicable.

Once the Final Site Visit has been conducted and all the documents listed above have been submitted to the TWDB RWPD Submittal System, the TWDB will issue a COA, allowing the release of retainage to the contractor. **Retainage must not be released or reduced below five percent during the construction project without the consent of the TWDB.**

## I. Project Closeout Requirements

- COAs for all contracts have been issued.
- Final project payment has been released to the Applicant.
- If Planning, Acquisition, and Design only (PAD) project, all portions of PAD phases have been completed and deliverables have been submitted and approved by TWDB.

*Note: A COA is issued for a single construction contract. There could be multiple COA's issued in a project that has multiple construction contracts. The **Project Close-out** is for the entire project.*

## J. Project Records

It is in the Applicant's interest to keep an organized system of documentation for the project. Refer to Project Files and Construction Records ([WRD-017](#)) for guidance.

## K. Operation & Maintenance (O&M) Manuals

Preparation of an O&M manual is encouraged and is an eligible use of TWDB funds. Final O&M manuals should be submitted to the Applicant before construction is 85 percent complete so the manual will be available during start-up. For guidance, see O&M Manual Recommendations ([ED-006](#)).

## L. Operations

The following are staffing guidelines for the project:

- Hire and train operating personnel who will run the facility. They should be available during the later stages of construction and start-up and, if possible, have some input into the O&M manual.
- Operating personnel should visit the project during construction. Caution them to give no direction to the Contractor; however, their comments and suggestions should be forwarded to the Consulting Engineer for consideration.
- Provide operator training prior to the acceptance of the facility that includes review of the O&M manual and, if possible, on-site training by suppliers' representatives during start-up.
- Staffing should be in accordance with the O&M manual.

## M. TWDB Reporting

**Status Reports:** The Applicant may be required to provide a project status report as specified in the commitment resolution or as requested by the TWDB Project Engineer/Reviewer.

## **N. Post Construction**

Project components are expected to perform longer than the life of the financial assistance.

**Applicants should be aware that the Water Conservation Plan required by the received financial assistance should remain in effect through the final payment of the financial assistance.** Recipients of financial assistance of greater than \$500,000 are required to report annually on the implementation and status of the required water conservation program for a minimum of three years after the date of the Final Accounting Acknowledgment Letter, which is issued by TWDB at the end of a project.

...

## **O. Final Accounting/Monitoring**

For financing under the CWSRF Program, the Financial Compliance Staff of the TWDB Finance Division is responsible for monitoring the Applicant's financial stability and compliance, from closing on funds, until final repayment of the debt. Financial Compliance staff are available by phone to assist all borrowers and can arrange a visit to the Applicant's location to assist in financial compliance matters.

Financial Compliance's goal is to provide the TWDB with reasonable assurance that all recipients continue with agreed upon terms of any debt agreement and borrowers continue to have the ability to repay debt in a timely and agreed upon manner. When a project has received the final COA and is considered "complete," Final Accounting begins by Financial Compliance Staff. A Final Accounting Acknowledgement Letter is a written confirmation originated by TWDB to the Applicant, providing notification that all final accounting requirements of the TWDB are fulfilled.

### **Financial Monitoring**

Financial Compliance monitors financial activities, including reviews of audited financial statements, of every entity in the TWDB's portfolio. In addition, Financial Compliance can arrange on-site assistance if appropriate.

### **Project Monitoring**

Project monitoring activities include reviews of final accountings, which are a summary of the sources and uses of funds usually provided at the completion of a project.

## **XIII. Attachment 1: American Iron and Steel (AIS)**

CWSRF assistance recipients are required to use iron and steel products that are produced in the United States for the construction, alteration, maintenance, or repair of all public water system projects. If a project is subject to AIS, all components integral to the project must comply with AIS. The Applicant may not use funds from other funding sources, including the Applicant's own funds, to pay for a non-compliant iron or steel product used in the project.

Information on AIS requirements, including compliance and waiver instructions, certification process, and necessary forms, can be found in the American Iron and Steel (AIS) Guidance for Clean Water & Drinking Water State Revolving Fund Projects ([TWDB-1106](#)).

Complete details of the federal requirements are available on the [EPA website](#).

## **XIV. Attachment 2: Build America, Buy America (BABA) Act**

CWSRF assistance recipients are required to use iron, steel, manufactured products, and construction materials that are produced in the United States for the construction, alteration, maintenance, or repair of all public water system projects. If a project is subject to BABA, all components integral to the project must comply with BABA. The Applicant may not use funds from other funding sources, including the Applicant's own funds, to pay for a non-compliant products used in the project.

Information on BABA requirements, including compliance and waiver instructions, certification process, and necessary forms, can be found in the Build America, Buy America (BABA) Act Guidance for Clean Water & Drinking Water State Revolving Fund Projects ([TWDB-0559](#)).

Complete details of the federal requirements are available on the [EPA website](#).

## **XV. Attachment 3: Disadvantaged Business Enterprise (DBE)**

The TWDB's CWSRF Program received federal funds from the EPA to provide financial assistance for planning, acquisition, design, and construction of water projects. Recipients of CWSRF **Equivalency** assistance, and their sub-recipients, are required to meet the EPA's Disadvantaged Business Enterprise (DBE) Program requirements.

Information on DBE requirements can be found on the TWDB's [Disadvantaged Business Enterprise \(DBE\) Program](#) webpage or the Disadvantaged Business Enterprises for State Revolving Funds Project guidance ([TWDB-0210](#)).

## XVI. Appendix A: Forms and Guidance Manuals

- Affirmative Steps Certification and Goals ([TWDB-0215](#))
- Affirmative Steps Solicitation Report ([TWDB-0216](#))
- Alternative Delivery Work Package Award Submittal Form ([TWDB-0400A](#))
- American Iron and Steel (AIS) Guidance for Clean Water & Drinking Water State Revolving Fund Projects ([TWDB-1106](#))
- Application Affidavit ([TWDB-0201](#))
- Application Filing and Authorized Representative Resolution ([TWDB-0201A](#))
- Application Resolution - Certificate of Secretary ([TWDB-0201B](#))
- Build America, Buy America (BABA) Act Guidance for Clean Water and Drinking Water State Revolving Fund Projects ([TWDB-0559](#))
- Construction Award Submittal Form ([TWDB-0400](#))
- Contractor's Act of Assurance ([ED-103](#))
- Contractor's Act of Assurance Resolution ([ED-104](#))
- Disadvantaged Business Enterprises for State Revolving Fund Projects ([TWDB-0210](#))
- Engineering Feasibility Report Guidance for Drinking Water Projects ([TWDB-0555](#))
- Executed Construction Submittal Form ([TWDB-0500](#))
- Financial Assistance Application Checklist for Public Entities/Political Subdivisions ([TWDB-0148](#))
- Ground Water Affidavit Form ([TWDB-208B](#))
- Guidance on Davis-Bacon Wage Rate Requirements for State Revolving Fund Projects ([DB-0156](#))
- Guidelines for Inspector Qualifications ([ED-005](#))
- DBE Loan/Grant Participation Summary ([TWDB-0373](#))
- O&M Manual Recommendations ([ED-006](#))
- Engineering Feasibility Report Submittal Checklist ([TWDB-0200](#))
- Plans and Specifications Submittal Checklist ([TWDB-0300](#))
- Construction Contract Bid Phase Submittal Checklist ([TWDB-0400](#))
- Executed Construction Contract Submittal Checklist ([TWDB-0500](#))
- Construction Contract Close-Out Submittal Checklist ([TWDB-0600](#))
- Project Files & Construction Records ([WRD-017](#))
- Prime Contractor Affirmative Steps Certification and Goals ([TWDB-0217](#))
- Planning Information Form for Drinking Water Projects ([WRD-253D](#))
- Project Budget Form ([TWDB-1201](#))
- Project Map Example ([TWDB-1800](#))
- Site Certificate Form ([ED-101](#))
- Surface Water Affidavit Form ([WRD-208A](#))
- Supplemental Contract Conditions for Equivalency Projects Funded through the CWSRF and DWSRF Programs ([TWDB-0550](#))
- Supplemental Contract Conditions for Non-Equivalency Projects Funded through the CWSRF and DWSRF Programs ([TWDB-0551](#))
- Vendor Compliance with Reciprocity of Non-Resident Bidders form ([TWDB-0459](#))
- Water Conservation Plan Goals Table Form ([TWDB-1964](#))

- Water Conservation Plan Guidance Checklist ([TWDB-1968](#))
- Water Conservation Utility Profile Form (Retail) ([TWDB-1965R](#))
- Water Conservation Utility Profile Form (Wholesale) ([TWDB-1965W](#))

## XVII. Appendix B: Links and Resources

### CWSRF Resources

The main CWSRF webpage, additional guidance manuals, and CWSRF-related resources can be found with the following links:

- [TWDB CWSRF Webpage](#)
- [CWSRF, 31 TAC Part 10 Subchapter 375](#)
- [TWDB Administrative Rules \(adopted per TAC\)](#)
- [Program Guidance and Manuals/Forms](#)
- [Green Project Reserve](#)
- [Disadvantaged Business Enterprise \(DBE\) Program](#)
- [Regional Water Project Development Teams](#)

### Application Resources

- [Financial Assistance Application](#)
- [Project Information Forms and Guidance](#)
- [Frequently Asked Questions on General Application Submittals](#)
- [TWDB Online Loan Application \(OLA\) Login](#)

### Water Planning Resources

- [State Water Plan](#)
- [Regional Water Planning Rules & Statutes](#)
- [Data, Apps and Maps/GIS](#)
- [Regional Water Planning](#)
- [Water Use Survey](#)
- [TWDB Water Supply and Infrastructure Staff](#)

### Water Conservation Resources

- [Water Conservation Plan and Reports \(TAC §363.15\)](#)
- [Water Loss Audits \(TAC §358.6\)](#)

### Financial Resources

- [Closing a TWDB Commitment](#)
- [Outlay Reports](#)