

# Treasure State Endowment Program

Grant Application Workshop

Thursday, March 17, 2016

[HTTP://COMDEV.MT.GOV/PROGRAMS/TSEP](http://comdev.mt.gov/programs/tsep)

# Agenda

- Program Overview
- Application Discussion
  - Preliminary Engineering Report
  - Uniform Application
  - Statutory Priorities
  - Supplemental Documents

# Applicants & Projects

## Eligible Applicants:

- Incorporated Cities or Towns
- Counties
- Consolidated Government
- Water and/or Sewer, or Solid Waste District
- Tribal Government

## Eligible Projects:

- Drinking Water Systems
- Wastewater Treatment Systems
- Sanitary Sewer or Storm Sewer Systems
- Solid Waste Disposal and Separation Systems
- Bridges

# Treasure State Endowment Program Grants

- Grants for each of the following:
  - Planning
  - Emergency
  - Construction Projects

# Program Applications

- One (1) application per project per applicant
- Maximum grant available dependent on percent of Target Rate met by community at end of project
  - Infrastructure
    - \$750,000 grant = 150% target rate
    - \$625,000 grant = 125% target rate
    - \$500,000 grant = 100% target rate
  - Bridges
    - Generally limited to \$500,000
- Dollar for Dollar match requirement

# How much grant can I apply for?

- Based on Median Household Income (MHI) of Applicant
- Target Rates
- User rates charged at end of project
- <http://comdev.mt.gov/Resources/Financial/TargetRate2010>
- <http://comdev.mt.gov/Programs/TSEP/ProjectGrants/ApplicationForms>

# Application Submission

- Deadline: Wednesday, May 4, 2016
- Must be postmarked on or before May 4, 2016
- One hardcopy and one electronic copy of uniform application, TSEP statutory priority responses, preliminary engineering report(PER), any supplemental information
- Application delivery must by 5:00 p.m. on deadline date
  - Hand delivery
  - Mail delivery
  - Electronic submission via File Transfer Service

# Electronic Application Submission

- Electronic application information preferably submitted via the State's File Transfer Service
  - <https://transfer.mt.gov>
  - Secure and Free
  - Easy to use
  - No file size (MB) limitations
  - Applicant creates file transfer account, uploads files. Send email to [DOCTSEP@mt.gov](mailto:DOCTSEP@mt.gov)
  - TSEP staff receives message from File Transfer Service
  - TSEP staff retrieves files for review

# Required Documents

- Complete Application
  - Preliminary Engineering Report (PER)
  - Uniform Application
  - Statutory Priority Responses
  - Completed Environmental Review
  - Any supplemental information
- Authorization to submit Application
- Signature by Authorized Official
- Completed Environmental Review
- Preliminary Budget
- Preliminary Implementation Schedule

*\* Applications lacking any one of these items will not be considered \**

# Preliminary Engineering Report

- Executive Summary
- Project Planning
- Existing Facilities
- Need for Project
- Alternatives Considered
- Selection of Alternative
- Proposed Project
- Conclusions and Recommendations

# PER Bridges

- Executive Summary
- Problem Definition
- Alternative Screening
- Alternative Analysis
- Description of Preferred Alternative
- Recommendations and Implementation

# Documentation

- A variety of documents may be used to support the information provided in PER or for any Statutory Priority:
  - Administrative Orders
  - Citation Letters
  - Resident reports of failures/effects
  - Operation failure logs
  - Advertising/Public Notice
  - Code Citations
  - Inspection Reports/Photos
  - Itemized Costs Estimate

# Uniform Application

- Provides the basic information for the proposed project
  - Certification to apply
  - Summary of applicant
  - Project contacts
  - Summary and history of project
  - Financial information, budgets and narrative
  - Debt/asset summary
  - System and hookup information
  - Calculation of projected rates after project completion

# Proposed Funding Sources

## EXAMPLE OF A COMPLETED PROPOSED FUNDING SOURCES SUMMARY

Source	Type of Fund	Amount	Status of Commitment	Loan Rates and Terms
CDBG	Grant	\$ 450,000	Submit application June 2016. Funds available Fall 2016	
TSEP	Grant	\$ 625,000	Submit application May 2016. Funds determined during 2017 Legislative Process	
RRGL	Grant	\$ 125,000	Submit application May 2016. Funds determined during 2017 Legislative process	
RD Grant	Grant	\$ 800,000	Submit application Summer 2017. Funds Available Fall 2017	3.5 %, 30 years (subject to change)
RD Loan	Loan	\$ 1,200,000	Submit application Summer 2017. Funds Available Fall 2017	
Local	Cash	\$ 50,000	Available upon request	

# Preliminary Project Budget

## EXHIBIT B -- XYZ Project Budget

ADMINISTRATION	TSEP	RRGL	SRF	Local	TOTAL
Personnel Cost				\$500.00	\$500.00
Office Cost				\$500.00	\$500.00
Grant Administration	\$1,000.00		\$1,000.00		\$2,000.00
Legal Costs	\$500.00		\$500.00		\$1,000.00
Audit Fees				\$100.00	\$100.00
Travel & Training	\$500.00				\$500.00
Interim Interest			\$500.00		\$500.00
Bond Costs			\$500.00		\$500.00
<b>TOTAL ADMINISTRATION</b>	<b>\$2,000.00</b>	<b>\$0.00</b>	<b>\$2,500.00</b>	<b>\$1,100.00</b>	<b>\$5,600.00</b>
<b>CONSTRUCTION RELATED ACTIVITIES</b>					
Land Acquisition	\$1,000.00			\$1,000.00	\$2,000.00
Basic Engineering Service	\$10,000.00				\$10,000.00
Engineering RPR	\$50,000.00		\$5,000.00		\$55,000.00
Construction	\$387,000.00	\$125,000.00	\$1,000,000.00		\$1,512,000.00
Contingency	\$50,000.00				\$50,000.00
<b>TOTAL ACTIVITY</b>	<b>\$498,000.00</b>	<b>\$125,000.00</b>	<b>\$1,055,000.00</b>	<b>\$1,000.00</b>	<b>\$1,679,000.00</b>
<b>TOTAL PROJECT BUDGET</b>	<b>\$500,000.00</b>	<b>\$125,000.00</b>	<b>\$1,057,500.00</b>	<b>\$2,100.00</b>	<b>\$1,684,600.00</b>

# Project Budget Narrative

## ADMINISTRATIVE/FINANCIAL COSTS

### Personnel Services

\$5,000

This will be used to pay the City Clerk for time spent on the project, calculated at the current rate of pay project duration. Only services performed for the project, such as financial and project record keeping, that are beyond the normal duties of the position will be reimbursed under this budget item. Detailed time logs outlining specific tasks performed will be provided. Funds for this budget item will be provided by the TSEP grant since it is not RD eligible.

### Grant and Loan Administration Services

\$30,000

The City plans to procure the services of a grant and loan administrator to ensure that the project is implemented in accordance with TSEP and other funder requirements. Funds for this budget item will be split between the TSEP grant and loan. These services will supplement the services provided by the City Clerk.

### Legal Costs

\$1,000

This amount will be used for legal fees related to the review of contracts, bid specifications and any other legal services associated with the land purchase and easement acquisition. Funds for this budget item will be provided from the <funding source> loan.

## CONSTRUCTION

### Engineering Basic Services:

\$213,500

Based on engineering services estimates in PER the Basic Engineering breakout will be :

Study & Report \$2,500

Preliminary Design \$30,000

Final Design \$100,000

Bidding \$25,000

Construction Administration \$50,000

Post Construction \$ 6,000

Engineering – RPR: Costs for construction observation as necessary throughout construction

\$70,000

Construction : the total cost of construction a <project type > plant

\$1,700,000

Contingency: included at 10% of construction costs for unforeseen events

\$ 170,000

TOTAL BUDGET

\$2,189,500

# Statutory Priorities

- Seven (7) Statutory Priorities
- Each priority for every application is ranked and scored on information provided
- Each Statutory Priority has a maximum point value
- All documents cited or used to validate details provided for a priority must be included with the application

# Statutory Priorities

- **Statutory Priority #1** Urgent and Serious Health or Safety Problems, or Compliance with State or Federal Standards
- **Statutory Priority #2** Greater Financial Need
- **Statutory Priority #3** Appropriate Design and Long Term Solution
- **Statutory Priority #4** Long Term Planning and Management
- **Statutory Priority #5** Obtains Funds from Other Sources
- **Statutory Priority #6** Long-term, Full-time Jobs, Business Expansion, Tax Base
- **Statutory Priority #7** Community Support

# Statutory Priority 1

- Projects that solve urgent and serious public health or safety problems, or that enable local governments to meet state or federal health or safety standards.

# Statutory Priority 2

- Projects that reflect greater need for financial assistance than other projects:
  - Millage Assessed in proportion to median household income
  - Target rate comparison to used rates at end of project
  - If, these factors do not accurately reflect the applicants financial commitments, or ability to provide matching funds, please provide additional explanation of extenuating circumstances
  - Commerce gathers the data for this priority – applicant does not need supply any information beyond filling out the Uniform Application

# Statutory Priority 3

- Projects that incorporate appropriate, cost- effective, technical design and that provide thorough, long term solutions to community public facility needs.

# Statutory Priority 4

- Projects that reflect substantial past efforts to ensure sound, effective long-term comprehensive land use planning, long term fiscal planning and management of public facilities and that attempt to resolve the infrastructure problem with local resources.
  - Long term planning and previous efforts for improvements
  - Project prioritization
  - Reasonable operation & maintenance budgets and practices

# Statutory Priority 5

- Projects that enable local governments to obtain fund from sources other than TSEP.
  - Serious efforts to seek out and secure alternate funding sources (both private and public)
  - Is TSEP participation essential to obtaining alternate funds?
  - Does the applicant have available other types of revenues that could be used for the project?
  - What is applicants prior experience to demonstrate capacity managing grant funds?

# Statutory Priority 6

- Projects that provide long-term full-time job opportunities for Montanans, that provide public facilities necessary for the expansion of a business that has a high potential for financial success, or that maintains or encourages expansion of the tax base.
  - Long term job opportunities
  - Business growth
  - Tax base expansion

# Statutory Priority 7

- Projects that are high local priorities and have a strong community support.
  - Are the residents aware of the project and the impacts it will have on them?
  - Applicants success with timely completion of past projects

Newspaper articles

Posted Flyers

Inserts with Utility Bills

Letters of Support

Website posts

Board Meeting Minutes

Public Survey

Needs Assessment

Public Hearing

Community meetings

# Preliminary Implementation Schedule

City or Town								
PROJECT IMPLEMENTATION SCHEDULE								
TASK	QUARTERS, 20xx				QUARTERS, 20xx			
	1st J F M	2nd A M J	3rd J A S	4th O N D	1st J F M	2nd A M J	3rd J A S	4th O N D
<u>PROJECT DESIGN</u>								
Commence Final Design								
Complete Project Design								
Submit Plans to DEQ								
Prepare Bid Documents								
Finalize Acquisition								
<u>ADVERTISEMENT FOR CONST. BID</u>								
Review Contract Requirements								
Public Bid Advertisement								
Open Bids & Examine Proposals								
Request Contr. Debarment Review								
Select Contractor & Award Bid								
Conduct Pre-Const. Conference								
Issue Notice to Proceed to Contractor								

# Environmental Review

- Complete the Environmental Review
  - *MUST include a signature*
  - *MUST include responses to six questions*
- Make a Determination at Public Meeting
  - Category Exclusion
  - Environmental Assessment
  - Environmental Impact Statement
- Include a Public Process (next slide for more information)
- Local Government Action taken to accept level of determination

# Environmental Public Process

- Public Notices posted in accessible locations (example: newsletters, newspapers, website, community centers, post office, etc.)
- Provide documentation
- Public Comment Period prior to final adoption by the local government
- Public Meeting to accept final environmental determination
- Approval by local government with authorization

# Summary of Application

- Please submit all components of the application:
  - Preliminary Engineering Report
  - Uniform Application information
    - Authorization & signature to submit application
    - Preliminary Budget
  - Statutory Priority Responses
  - Preliminary Implementation Schedule
  - Completed Environmental Review
  - Any supplemental information

*\*Applications lacking any of these items will not be considered\**

# Submission and Questions

Please provide one hard copy and an electronic copy to:

Treasure State Endowment Program  
Community Development Division  
Department of Commerce  
301 S. Park Avenue  
PO Box 200523  
Helena, MT 59620-0523

<https://transfer.mt.gov>

[DOCTSEP@mt.gov](mailto:DOCTSEP@mt.gov)

406-841-2770