

PROJECT FUNDING

2.6 The Total Project Funding must equal the Total Estimated Project Cost in Question 2.5. Construction applicants must have local matching funds. The minimum local match is 5% of the total project funding unless they qualify as a distressed jurisdiction. Refer to the PWTF Application Guidelines for more information on distressed jurisdictions criteria. List the local matching funds in the Loans and Local Revenue sections below. Please state the status of the project's funding sources as follows:

- Funds are **Planned** for if they are found in a formally adopted Capital Facilities Plan.
- Funds are **Applied** for if a formal application has been submitted to a funding source, and the funding source considers that application or funding request as having been submitted (attach notification from funder that application has been received).
- Funds are considered **Awarded** if a formal notice of approval for the funds is in place from the funding source (attach letter from funder or contract number). Local revenue must be in an approved budget to be considered in-hand.

The Project Funding table will become a part of the loan contract, should this project be approved for funding. (Project Funding is not scored but will be checked for accuracy and cross-referenced with Readiness-to-Proceed.)

Type of Funding	Identify Source ²	Amount	Status (Planned, Applied for, Awarded, etc.)	Contract/Reference Number
Grants (State/Federal Agency or Organization) – Non Match				
Grant #1		\$		
Grant #2		\$		
Grant #3		\$		
Total Grants		\$		
Prior PWTF PreConstruction Loans – Non Match				
Non-Match Loan #1	Public Works Board	\$45,000	Awarded	
Non-Match Loan #2		\$		
Total Prior PWTF PreConstruction Loans		\$		
Loans (State, Federal, Private Agency or Organization) – Local Match				
This PWTF Request	Public Works Board	\$8,580,000	Proposed	
Other Loan #1		\$		
Other Loan #2		\$		
Total Loans		\$		
Local Revenue (Rates, General Fund, Levies, Reserves, Assessments, ULID, LID, etc.) – Local Match				
Local Revenue #1	Local Match	\$454,000		
Local Revenue #2		\$		
Local Revenue #3		\$		
Total Local Revenue		\$		
Other Funds				
Other Funds #1		\$		
Total Other Funds		\$		
TOTAL PROJECT FUNDING		\$9,079,000		

² If federal funds are included in the project funding package, the project is subject to the federal Section 106 Cultural Historic Requirements. If you have questions regarding this process, please contact Stephen Dunk at (360) 725-3157 or email him at Stephen.Dunk@pwb.wa.gov.



PWTF 2012 Construction Application Cycle
Readiness to Proceed Contact

Applicant: Sacheen Lake Water & Sewer District
Project: Sewer Collection & Treatment System
PWTF Loan Request: \$8,000,000

PLEASE REFER TO THE PWTF APPLICATION:

1.	<p>If the loan is formally offered next year, is it the intention of the applicant to accept the loan offer and proceed with the project in a timely manner?</p> <p><i>"In a timely manner"</i> means that some element of the Scope of Work must be started no later than February 2012. Circle one on a scale of 1-4:</p> <p>1 = The project is already underway, or will begin sometime between August 2010 and January 31, 2011.</p> <p>2 = The project will begin sometime between February 2, 2011, and June 30, 2011.</p> <p>3 = The project will begin sometime between July 2, 2011, and December 31, 2011</p> <p>4 = The project will not be ready to begin until sometime in 2012.</p> <p>NOTES:</p> <ul style="list-style-type: none">• Construction loans cannot be executed prior to July 1, 2011• Retro-active financing is available for eligible expenses incurred on or after September 1, 2010.• Project funds expended during the 12 months prior to contract execution that are NOT reimbursed qualify as Local Match.	<p>YES</p>	<p>NO</p>
		<p>Ready</p> <p>↑</p> <p>↓</p> <p>Not Ready</p>	<p>Now – 1/31/11</p> <p>1</p> <p>2/1/11 – 6/30/11</p> <p>2</p> <p>7/1/11 – 12/31/11</p> <p>3</p> <p>Sometime in 2012</p> <p>4</p>



PWTF 2012 Construction Application Cycle Readiness to Proceed Contact

2.	<p>Has there been any change in the project financing as described in the application for the project (other state funding, or ULID, voter approval, local jurisdiction finances – especially the ability to provide local share, etc.) or has the status of the funding changed (e.g., from “planned for” to “in hand” or “awarded”).</p>	<p>No. LID Hearing is scheduled for October, 2010, and we are confident of its success.</p>										
3.	<p>My financial summary sheet indicates that your application is requesting a PWTF loan in the amount of \$1,200,000. Is this correct?</p>	YES	NO									
	<p>If not, what is the correct loan request amount?</p>	\$ 8,580,000.00										
	<p>Why is there a change? <i>NOTE: Applicant will need to provide new costs and budget pages to reflect changes to project funding. Due August 19, 2010.</i></p>	We believe #3 is a typo.										
4.	<p>Your application indicates a Local Match which is <u> 5 </u>% of project costs.</p> <p>Non-distressed applicants must have a minimum local of 5%.</p> <p>Do you intend to pursue economically “distressed” or “severely distressed” loan terms? No, we do not intend to pursue any “distressed” loan terms. If yes, how will the applicant demonstrate qualification as “distressed” or “severely distressed”? N/A (NOTE: 2010 Census data may not be available until 2013. Earliest date may be available is June 2011.)</p>											
YES	<p>US Census data? 1. Have you done an income survey for another state or federal program? Yes. If YES, is the local median household income (MHI) at or below either 80% or 50% of the county's MHI? No. Or at or below 80% or 50% of the state MHI if the applicant is a county? N/A If NO, does the applicant want PWB assistance to conduct an income survey? No.</p>											
NO	<p>If no, is the applicant familiar with the 5% minimum local match requirement? Yes. And is this money secured? - May need to discuss terms and match requirements No</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 25%;">LOAN TERMS</th> <th style="width: 25%;">Non-Distressed</th> <th style="width: 25%;">Distressed</th> <th style="width: 25%;">Severely Distressed</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Required Local Match Funding</td> <td style="text-align: center;">5, 10, or 15%</td> <td style="text-align: center;">0.00%</td> <td style="text-align: center;">0.00%</td> </tr> </tbody> </table>				LOAN TERMS	Non-Distressed	Distressed	Severely Distressed	Required Local Match Funding	5, 10, or 15%	0.00%	0.00%
LOAN TERMS	Non-Distressed	Distressed	Severely Distressed									
Required Local Match Funding	5, 10, or 15%	0.00%	0.00%									



PWTF 2012 Construction Application Cycle Readiness to Proceed Contact

Match Funding	15%		
Interest Rate¹	0.50, 1.0, or 2.00%	0.50%	0.25%
Construction Loan Cap per Biennium	\$10 million	\$10 million	\$10 million
Length of Construction Loan²	20 years	30 years	30 years

¹ For non-distressed communities, the loan rate is based on the local match:
 2% interest rate with minimum of 5% local match;
 1% interest rate with minimum of 10% local match;
 0.5% interest rate with minimum of 15% local match.

² The loan repayment period cannot exceed the life of the asset being constructed.

Distressed Community:

A local government may be determined to be economically distressed, if 51% or more of that jurisdiction's population household income is at or below 80% of the County Median Household Income (MHI).

Severely Distressed Community:

A local government may be determined to be severely economically distressed, if 51% or more of that jurisdiction's population household income is at or below 50% of the County Median Household Income (MHI).

Notes:

There are four methods an applicant may use to qualify for distressed and severely distressed status:

- 1) US 2000 Census Data. Please visit <http://censtats.census.gov/pub/Profiles.shtml>.
- 2) Most recent income survey documented since US 2000 Census from federal infrastructure programs (USDA, CDBG, RCAC, and DWSRF). Survey must encompass the entire jurisdiction that meets the PWB distressed criteria.
- 3) An income survey taken after US 2000 Census that meets the minimum criteria set forth in the PWTF Income Survey instructions.
- 4) For county governments seeking distressed status under the PWTF criteria:
 - a) The state-wide non-metropolitan average MHI may be applied (2000 Census @ \$47,479.00).
 - b) Use the Washington State Office of Financial Management (OFM) Income Projection for the year of application. Please visit <http://www.ofm.wa.gov/economy/hhinc/default.asp>.



PWTF 2012 Construction Application Cycle Readiness to Proceed Contact

	Is there a need to change or modify the project's Scope of Work, as described in the application?	YES	NO
5.	If so, describe: <i>NOTE: If the scope of work changes, a review will be conducted to ensure changes do not impact project scoring.</i>		
6.	(IF APPLICABLE) Identify specific issues/concerns to be resolved from the project schedule approved by the Board.		
7.	Financial Capacity assessment.	Your PWTF loan application request per capita (Loan request amount ÷ system/population) indicates that you will need to raise your rates to cover debt service Is your jurisdiction prepared to do this? Based on 216 customers, our estimates show an approximate rate of \$154.32/per month per household member. We estimate three people per household. The PWTF loan repayment would be estimated at \$463/month <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	If yes, what is your strategy?	The loan will be repaid through LID assessments. It has been determined that there will be at least 500 properties that will participate in the LID. Our latest estimate shows an assessment of about \$1050/year/property or about \$87.50/month/property.	
8.	Do you have any questions for me?	No.	



PWTF 2012 Construction Application Cycle Readiness to Proceed Contact

9.	Thank you for your time. You will be notified of the final Board decision in writing.
10.	Comments:

Anticipated timeline for PWTF 2012 Construction loan process:

July 1, 2010 as Local Match.	Beginning date that non-reimbursed project costs can be counted
August 9, 2010	PWB made preliminary project selections.
August 26, 2010	PWB makes Final decision.
September 1, 2010 project's 2012	Beginning date that eligible costs can be reimbursed once the Construction Loan contract has been executed.
November 1, 2010	PWB report submitted to the Legislature
January-April 2011	Legislative action (required to approve the list of recommended projects submitted to the Board)
April 2011	Anticipated legislative approval.
Spring 2011 scope negotiations.	Scope of Work Forms mailed out to clients, final contract and
Summer 2011	Scope of Work Forms due back to Public Works office. Loan Agreements are prepared and mailed to local jurisdictions for their signature.
February 2012 this date	Some element contained in the Scope of Work must be started by

Other:	\$
Other:	\$
TOTAL ESTIMATED PROJECT COST	<u>\$9,079,000</u>

PROJECT SCHEDULE

2.4 Indicate the month and year when the activities were or will be completed. Schedule should clearly correspond to Question 4.1 Readiness-to-Proceed in the Local Management Effort section.
(Project Schedule is not scored, but will be cross-referenced with Readiness-to-Proceed and may impact scoring associated with Readiness-to-Proceed.)

Activity	Current Status	% Complete	Completion Date (Mo/Yr)
Engineering Report	In Process	50%	August, 2010
Cultural and Historical Resources Review (Section 106 or Executive Order 05-05) ¹	In Process	10%	November, 2011
Environmental Review	In Process	50%	July, 2010
Land/Right-of-Way Acquisition	In Process	10%	May, 2011
Permits		0%	August, 2012
Public Involvement/Information	On-going	On-going	November, 2012
Bid Documents		0%	June, 2012
Award Construction Contract		0%	August, 2012
Construction Start		0%	September, 2012
Construction Complete		0%	March, 2014
Project in Use		0%	April, 2014
Other:			
Other:			
Other:			

PROJECT COSTS

2.5 The Total Estimated Project Cost must equal the Total Project Funding in Question 2.6.
The Project Costs table will become a part of the loan contract, should this project be approved for funding.
(Project Costs is not scored, but will be cross-referenced with Readiness-to-Proceed and may impact scoring associated with Readiness-to-Proceed.)

Cost Category	Amount
Comprehensive Plan	\$45,000
Engineering Report	\$45,000
Cultural and Historical Resources Review (Section 106 or Executive Order 05-05) ¹	\$25,000
Environmental Review	\$10,000
Land/Right-of-Way Acquisition	\$370,000
Permits	\$5,000
Public Involvement/Information	\$5,000
Bid Documents	\$1,230,000
Construction	\$6,220,000
Other Fees (Sales or Use Taxes)	\$467,000
Contingency (10%)	\$622,000
Other: Legal, Administration, Msc.	\$35,000

¹ The EO 05-05 requires recipients of state funds to consult with interested parties (i.e., Department of Archaeology and Historic Preservation, and Indian Tribes) prior to starting project construction. For PWTF construction loans, this consultation should take place as early as possible, in order to avoid delays in starting the project construction. If you have questions regarding this process, please contact Stephen Dunk at (360) 725-3157 or email him at Stephen.Dunk@pwb.wa.gov.