




Agenda

9:00 – 9:10	Introductions & Orientation (WebEx and Materials)
9:10 – 10:00	CDBG-I Program Basics <ul style="list-style-type: none"> • Program Overview • Funding, Deadline & Process • LMI Eligibility, Project Area, Pre-Qualifications for LMI • Compliance Requirements *We will take a 10 minute break after this portion of the training.
10:10 – 11:50	Project Priority System Guidance for CDBG-I Program <ul style="list-style-type: none"> • Priority Rating System • Common Errors
11:50 – 12:00	Wrap-Up & Submittal Requirements

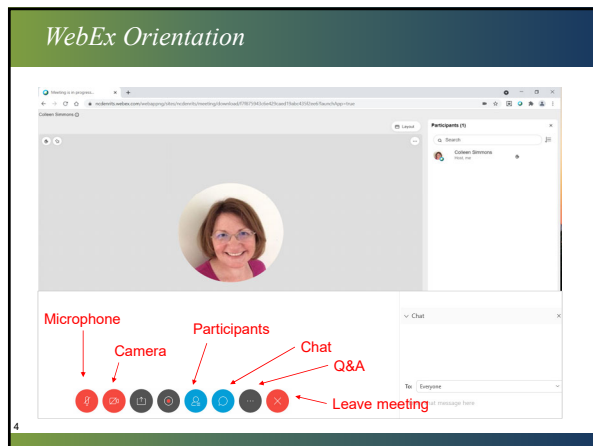
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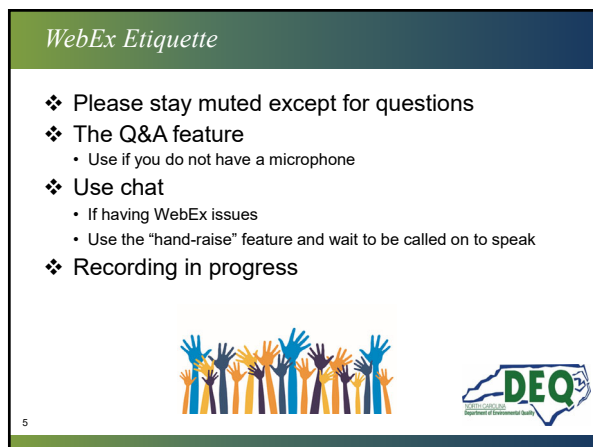


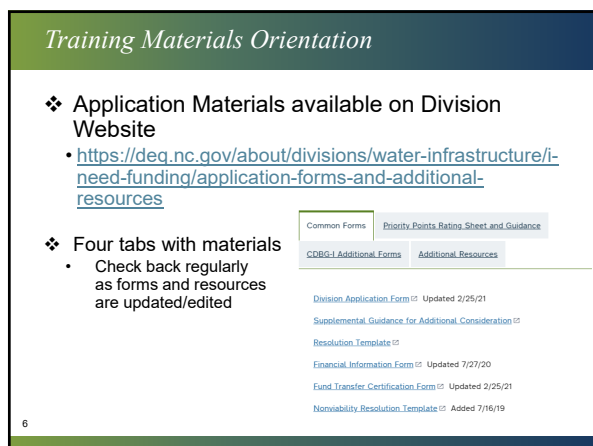
CDBG-I Unit Current Staff

- ❖ Compliance Specialist & Interim/Acting Supervisor
 - Colleen Simmons, AICP & CPM
- ❖ Program Engineer
 - John Tucker, P.E.
- ❖ Grants Coordinator
 - Stacey Starkey
- ❖ Grants Representatives
 - Stephanie Morris – Eastern NC
 - Allysa Rouse, MPA – Piedmont and Western NC

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CDBG-I Program Overview

- ❖ Federally-funded program from the U.S. Department of Housing and Urban Development (HUD)
- ❖ Program aims to:
 - Create healthy living environments through financing public water and sewer infrastructure; and
 - Mitigate public and environmental health problems in areas where the percentage of low-to-moderate (LMI) income persons is at least 51% LMI.
- ❖ Each project must meet the **Benefit to low-to-moderate income people** National Objective.
- ❖ Only non-entitlement communities can apply.


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CDBG-I Program Basics – Funding Overview



- ❖ Approximately +/- \$22 million for 2021 funding round
- ❖ Maximum grant is \$2 million over 3 years
- ❖ No more than 3 open grants within 3 years

Application Deadline: September 30, 2021




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CDBG-I Program – Funding Process

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graph TD
    A[July] --> B[Sept.]
    B --> C[Oct.-Jan.]
    C --> D[Feb.-Mar.]
    D --> E[Mar.-April]
    
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- July • Pre-Qualifications for LMI DUE & HUD Releases 2021 Income Limits
- Sept. • Applications are DUE
- Oct.-Jan. • Staff Reviews of Applications
- Feb.-Mar. • SWIA Meeting for Awards
- Mar.-April • Notice of Award/Decline & Contracts



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Project Area & LMI Eligibility

- ❖ **Appendix A: Determining the LMI Percentage of the Project Area**
- ❖ The project area must first be established before LMI is determined.
 - The project must serve the entire project area.
 - LMI % in application must represent the project area.
 - Project map – details needed
- ❖ LMI Determination
 - ❖ Census Data (area wide)
 - ❖ Income Surveys

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Income Surveys


- ❖ Allowing again this year four methods:
 - Door-to-Door (Face-to-Face)
 - Mail-In
 - Telephone
 - Online
- ❖ Read Appendix A carefully for what is required for each method and how to handle above income, etc.
- ❖ Surveys are good for 18 months prior to application submission deadline.
- ❖ 2020 and 2021* Income Limits only
 - *Released on May 3rd
<https://www.hudexchange.info/resource/5334/cdbg-income-limits/>

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Income Surveys, continue.

- ❖ **Common Errors**
 - Door-to-Door surveys were not signed.
 - Data transfer from income surveys to tabulation sheet.
 - Household size and income limits circled do not match.

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LMI Eligibility

- ❖ Must include Survey Methodology, Surveys, Census data (if used), Income Survey Summary/Tabulation Sheet, Map, etc. in Tab 3.
- ❖ Must gather demographic data of project area.
- ❖ Do Not round LMI calculations (i.e., 75.24%, not 75%)
- ❖ Recommendations:
 - Engage the community.
 - Assure confidentiality.
 - Utilize community leaders.
 - Plan for language needs.



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Census Data

- ❖ Must use FY2021 ACS 5-Year 2011-2015 LMI Summary Data put out by HUD in April
(<https://www.hudexchange.info/programs/acs-low-mod-summary-data/>)
- ❖ Use Area-Wide LMI Percentages to be eligible for:
 - Water / Wastewater Plant work
 - Major Outfalls, Major Water Mains
 - Major Pump stations

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Pre-Qualification for LMI

- ❖ Allowing again area-wide LMI data to be used for line work with pre-qualification (see pg. 4)
- ❖ May use 2020 LMI pre-approval if:
 - Project location, project scope, street addresses showing the scope of the project, and the LMI have not changed.
 - Must include in application 2020 pre-approval letter.
- ❖ Page 57 of Guidance explains how to fill out form.
- ❖ **Pre-approval deadline is July 12, 2021**



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Floodway

- ❖ We can fund projects in the floodplain and only certain ones in the floodway (per HUD Notice CPD-17-013).
 - Only this allowed in floodway is construction, installation, or repair of linear infrastructure located entirely below ground level or entirely above base flood elevation may comply with Part 55.
 - No new construction or ground disturbance within the floodway.

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Compliance Requirements


- ❖ Tab 8 of Application
 - See pg. 51-53 of *CDBG-I Program Priority Rating System Guidance*
- ❖ Public Hearing
 - See *Appendix B: Public Hearing and pg. 51*
- ❖ Compliance Statements and Certifications
- ❖ HUD Required Forms (see *Appendix C: Instructions for HUD Forms*)
- ❖ Sam.gov
- ❖ Applicant's Capacity
- ❖ Applicant's Audit (must be current)



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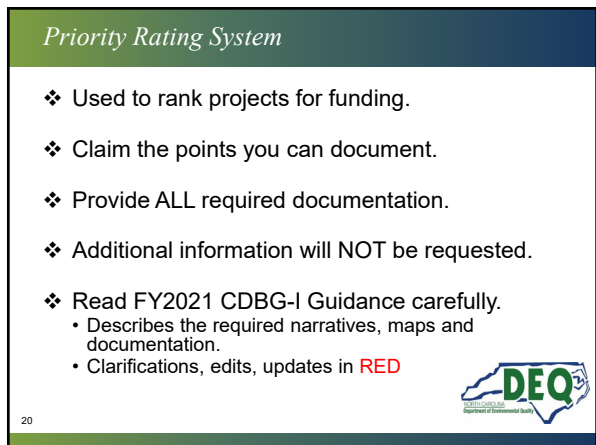
Compliance Requirements, continue.

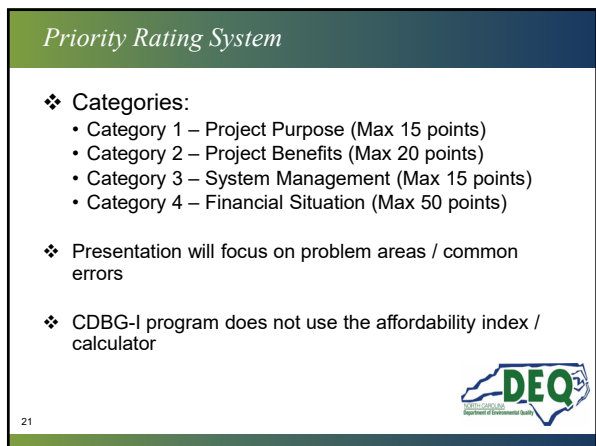
- ❖ Common Errors:
 - Forms not signed or dated.
 - Forms not filled out correctly.
 - Project descriptions do not match.



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Common Error Across all Categories

- ❖ Lack of clear and detailed narratives.
- ❖ Lack of clear and detailed maps.
- ❖ Unclear connection to project and problem.


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Category 1 – Project Purpose

- ❖ Required narrative and documentation must be behind Tab 4.
- ❖ What problem is the project solving?
 - Must describe problems and how the project will resolve them.
- ❖ Can claim more than one purpose for a project type. Will award on highest scoring purpose.*


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Category 1 – Project Purpose

- ❖ Combined Water / Wastewater Applications*
 - Existing infrastructure in same street that needs rehabilitation or replaced only.
 - No new construction.
 - “Same footprint”
 - Will rank project by **lowest** scoring project purpose.
 - Must have:
 - Separate scorecards;
 - Separate budgets;
 - Separate support documentation; in addition to
 - A total budget combining both project types (water & wastewater).
- ❖ See pg. 12 of Guidance

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1.B. Resolve Failed Infrastructure

- ❖ Can earn 5 Points.
- ❖ Common Errors
 - Missing documentation.
 - Narrative is not clear on what is getting resolved and why.



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1.C Rehab/Replace Infrastructure

- ❖ Can earn 10 points
- ❖ Common Errors:
 - Narrative does not clearly state what is getting rehab/replaced (size, linear footage, etc.).
 - Discussing overflows in one part of town, but the actual project area is elsewhere and there is no connection or explanation for how the project will fix said overflows.
 - Using age documentation and not providing link to infrastructure.
 - Map not clear.



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1.C.1 Rehab/Replace Infrastructure

- ❖ Can earn 5 Points
- ❖ Common Errors:
 - Narrative and application budget do not:
 - Show at least 50% of the construction cost must be associated with replacing old infrastructure.
 - Break out cost of replacing old infrastructure vs. newer infrastructure in your budget.
 - Narrative wasn't clear on which streets were old.
 - Age documentation was not clear.



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Category 2 – Project Benefits

- ❖ Required narratives and documentation must be behind Tab 5
- ❖ Must show a direct connection between the project and the benefit claimed in the application.
- ❖ Project Benefit points max out at 20, even if there are more benefit points that can be claimed.
- ❖ When a single application includes multiple project types, Project Benefit points must match the Project Purpose that was claimed.

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2.A Infrastructure Replacement, Repair or Merger

- ❖ Can earn 15 points
- ❖ Common Errors:
 - Maps did not show spill locations
 - No documentation
 - Narrative was not clear – does not link problem with project area.
 - No proof that at least one SSO reach a body of water due to I/I in project area.
 - Project area not shown on map.
 - Backup documentation did not match narrative.
- ❖ 2.A. points does not accommodate for failing WWTPs

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2.A.1 Where 20% are Failing

- ❖ Can earn 5 points
- ❖ Common Errors
 - Documentation does not state “failing” nor specify which addresses are failing.
 - Narrative and map not being clear and detailed.

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2.E.1 & 2.E.2. Addresses Enforcement Documents

- ❖ Can earn 5 points for 2.E.1 or 3 points for 2.E.2
- ❖ Common Errors
 - Project seeking funding does not address enforcement document(s).
 - Response documentation in application stating problem was already addressed.
 - NOV is due to administrative or O&M error.
 - No documentation.
 - NOV documentation for spills did not happen in project area or there was not a link to project area and spill.

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2.G Low Pressure in a Public Water System

- ❖ Can earn 5 points
- ❖ Common Errors
 - Application does not provide valid testing or modeling data.
 - Required documents not provided.
 - If low pressure is due to 2-inch lines, documentation not provided per guidance.



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2.H.1 & 2.H.2 Contamination of Water Source


- ❖ Can earn 15 points for 2H1 or 10 points for 2H2
- ❖ Common Errors
 - Well contamination documentation not provided.
 - Narrative language on how project will solve contamination.
 - Narrative language on affected population, connections, length and diameter of waterlines(s) needed



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2.J Reduce Water Loss w/30% Loss or More


- ❖ Can earn 10 points
- ❖ Common Errors
 - Failure to provide audit data.
 - Local Water Supply Plan lists lower water loss.




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Category 3 – System Management

- ❖ Required narrative and documentation must be inserted behind Tab 6



- ❖ Points may be earned for either line item 3.A.1 OR line item 3.A.2., but NOT BOTH.



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3.A.1 Asset Management Plan (AMP) – 10 points

- ❖ Common Errors
 - No narrative provided.
 - AMP has not been implemented.
 - Does not meet CIP requirements.
 - Does not have all assets (inventoried and/or assessed) for the utility seeking funding.
 - Electronic copy is missing.
 - Each asset item does not have unique identifier.
 - None “poor” assets in project not explained.
 - Project not highlighted or found in AMP.
 - AMP was not adopted within 2 years from date of application deadline.

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3.A.2 Capital Improvement Plan (CIP) – 3 points

- ❖ Common Errors
 - No application narrative.
 - Missing resolution or board meeting minutes approving & adopting CIP within 2 yrs. of application deadline.
 - Missing cost estimates.
 - Not spanning 10 years from date of adoption.
 - Project is not clearly shown.
 - Missing electronic copy of CIP with project highlighted.



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3.B System Operating Ratio

- ❖ Can earn 5 points
- ❖ Common Errors:
 - Required forms not provided.
 - Not looking at the five years' worth of data



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3.C Approved Source Water Protection Plan / Well Head Protection Plan

- ❖ Can earn 5 points
- ❖ Common Errors
 - An approved plan by Public Water Supply Section.
 - No approval letter of plan.
 - Lack of narrative.



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3.D Water Loss Reduction Program

- ❖ Can earn 5 points
- ❖ Common Errors
 - Use of old annual audit numbers.
 - All three years of audit do not show greater than 10% water loss
 - Narrative states how hidden leak detention is conducted.



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Category 4 – Financial Management

- ❖ Required narrative and documentation must be inserted behind Tab 7



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4.E. Utility Rates


- ❖ Can earn up to 15 points
- ❖ Common Errors:
 - Missing NCDEQ water and sewer rate form and certified rates



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Wrap Up – Submittal Requirements

- ❖ See pgs. 10-12 and 51-53 of *CDBG-I Program Priority Rating System Guidance*
- ❖ **All project descriptions must match and have a well-defined project area, including street names.**




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Wrap Up – Submittal Requirements

- ❖ Must provide three (3) bound copies (three-ring binders)
 - Label one "Original" and two copies.
 - Label the spines of the notebooks with the applicant's name and application date.
 - All 3 copies must have the same documentation.

Applications must be at the Division by 5:00pm regardless of delivery method used, by September 30, 2021.



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QUESTIONS




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Contact Information

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