

Disbursement Guidance for CWSRF Program Loan Recipients

Once a Clean Water State Revolving Fund (CWSRF) loan agreement is executed, both the loan recipient and the NH Department of Environmental Services (DES) are responsible for several State and Federal requirements under [Administrative Rule Env-Wq 500 State Water Pollution Control Revolving Loan Fund](#) and [Code of Federal Regulations 40 Subpart K—State Water Pollution Control Revolving Funds](#) (this webpage may take time to load). Although the following list of requirements is **not exhaustive**, it summarizes many of the loan recipient's responsibilities where compliance may facilitate loan disbursements, reporting, and project completion.

Disbursements

1. A loan recipient should submit a disbursement request within six months of the execution of the loan agreement. If the recipient does not submit a disbursement request within six months, DES will request the recipient to show just cause why the loan agreement should not be canceled.
2. To facilitate the electronic transfer of funds, the authorized representative for the loan should, for the first disbursement request, submit a signed letter, on letterhead, with banking information that includes the following: a) name of loan recipient; b) loan number; c) name of town or city; d) contact person and phone number; e) bank name and address where the account exists; f) account number; g) routing number for Automated Clearing House (ACH) transfers; h) type of account (checking or savings); and i) account title.
3. The loan recipient should not make disbursement requests more frequently than monthly.
4. The [disbursement request form](#) must be signed by the Authorized Representative of the loan recipient.
5. A summary list of the submitted invoices and construction payment requisitions should be included with each disbursement request. The list should include invoice number, date, and amount, and costs should be separated into the specific classifications in accordance with approved engineering and construction contracts. Where applicable, both the total and State Revolving Fund (SRF) eligible amounts should be listed. DES can provide an Excel template for this purpose upon request.
6. DES can only disburse requested SRF-eligible engineering costs approved under standard State engineering contracts. A contract amendment must be approved before DES can disburse on costs that exceed the original contract limits for each engineering category (e.g., construction administration, project inspection fees, start-up services, etc.).
7. An SRF eligibility percentage should be applied to engineering contracts if the SRF eligibility of the construction contract price is 95% or less. The eligibility percentage is calculated as: the SRF eligible price divided by the total construction price and multiplied by 100%, using two decimal places (e.g., 93.19%). If the eligibility percentage goes down with future change orders, a subsequent

adjustment to the eligible engineering rate is only required if there is a greater than five percent drop. If the eligibility percentage goes up by any percentage, an adjustment can be made with subsequent disbursement requests or there can be an adjustment with the final disbursement request.

8. DES can only disburse on requested SRF eligible construction costs approved by DES under the executed construction contract. A change order must be approved before DES can disburse on costs that exceed the original contract limits.
9. DES can only disburse on requested SRF-eligible equipment costs that DES previously approved.
10. DES may withhold disbursements until required reporting and documentation is up to date. DES will contact the loan recipient when a disbursement request is being withheld.

Construction and Reporting

11. Before advertising for bids for a construction project that would use CWSRF loan funds, an environmental review should be completed per [NH Administrative Rules Part Env-Wq 509](#). An environmental review document using the [DES template](#) should be submitted to DES to initiate the review. The review typically takes six to eight weeks complete, but could take longer depending on proposed environmental impacts and public comments.
12. Because DES is required to report to EPA on Minority Business Enterprise (MBE) and Women's Business Enterprise (WBE) accomplishments, the loan recipient should complete and submit [EPA Form 5700-52A](#) to DES. The construction contractor's Bidder List should accompany the MBE/WBE report (see page 23 of 49 of [Section D of the SRF Federal Provisions](#)). The annual reporting period ends September 30th. The report must be submitted to DES within 15 days of the end of the annual reporting period: October 15th.
13. For loan agreements that were executed on or after October 30, 2009, requirements of the Davis-Bacon Act and Related Acts apply. The [Davis-Bacon and Related Act Compliance Certification](#) should be submitted to DES within 15 days of receiving a contractor's payment application.

Project Completion

14. Where applicable, an operation and maintenance (O & M) manual should be approved by the DES Wastewater Engineering Bureau Operations Section before the final disbursement can be processed.
15. Once Substantial Completion and Final Completion have been achieved, an executed copy of the Certificate of Substantial Completion and Certificate of Final Completion should be submitted.