

**STATE OF NORTH CAROLINA  
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
DIVISION OF WATER RESOURCES**

OFFER AND ACCEPTANCE OF LOAN OR GRANT  
FOR WATER SUPPLY SYSTEM PROJECT

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Part B - Supplemental Project Information  
Form 1951B

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*NOTE: The applicant should submit this Part B and the required attachments as soon as possible after bids are opened and contracts are awarded. Part B should present sufficient information necessary to indicate fulfillment of all assurances in Part A, Section II. (See instructions)*

1. Location of Project (County, City, Town) PROJECT NUMBER
  
2. Legal Name and Address of Applicant:
  
3. Summary of Major Changes (if any) in the Project since Loan or Grant Offer was accepted:
  
4. Date \_\_\_\_\_ and Serial No. \_\_\_\_\_ of approved Plans and Specifications.  
 Applicant's PWSID No. \_\_\_\_\_  
 Have there been any changes in the final Plans and Specifications since the date of approval by the Division of Water Resources?  YES  NO  
 If "YES," has the Division of Water Resources approved these changes?  
 YES Date \_\_\_\_\_ and Serial No. \_\_\_\_\_ approved by the Division of Water Resources.  
 NO

5. Funds Available for Construction of the Project

	Source Description	Total Funding Amount
A.	Local Funds	
B.	Other Funds (specify)	
C. DENR-Administered Funds	1) Federal	
	a) DWSRF Principal Forgiveness Loan	
	b) Other DWSRF Loan	
	c) Other DWR Loan or Grant (specify)	
	d) Other non-DWR Loan or Grant (specify)	
	2) State	
	a) High Unit Cost (HUC) Grant	
	b) State Revolving (Emergency) Loan (SRL / SEL)	
c) Other DWR Loan or Grant (specify)		
d) Other non-DWR Loan or Grant (specify)		
	Sub-Total DENR-Administered Funds Available	\$0.00
D.	<b>TOTAL FUNDS AVAILABLE</b>	<b>\$0.00</b>

Part B – Supplemental Project Information

6. Project Budget

Cost Description	Total Cost Amount
A. Construction Costs	
1) Contract No.	
2) Contract No.	
3) Contract No.	
4) Contract No.	
5) Contract No.	
6) Later Contracts	
7) Equipment & Materials	
Construction Sub-Total	\$0.00
B. Contingency	
C. Engineering Design	
D. Permitting	
E. Land Surveying Costs	
F. Easement Preparation	
G. Closing Fee (if applicable)	
H. Construction Administration/Observation	
I. Grant and/or Loan Administration	
J. Legal Costs	
K. Other (specify)	
Administration Sub-Total	\$0.00
<b>L. TOTAL PROJECT COST</b>	<b>\$0.00</b>

7. Certification of Accuracy

The expected final completion date of all phases of the project is \_\_\_\_\_.

*The undersigned representative of the Applicant certifies that the information contained above and in any attached statements and materials in support thereof are true and correct to the best of his or her knowledge.*

\_\_\_\_\_  
*Signature of Authorized Representative*

\_\_\_\_\_  
*Date Signed*

\_\_\_\_\_  
*Name and Title of Authorized Representative  
 (type or print)*

Part B – Supplemental Project Information

8. Engineer's Certification of Compliance with North Carolina General Statute 133-3

I \_\_\_\_\_ as a duly registered Professional Engineer  
(please print)  
in the State of North Carolina, am familiar with NCGS 133-3, and have reviewed the plans and specifications associated with the subject project. By my seal below:

I hereby certify that all plans and specifications associated with this project are exempt from the requirements of NCGS 133-3 because the system is not a unit of local government, or

I hereby certify that all plans and specifications associated with this project are exempt from the requirements of NCGS 133-3 because

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I hereby certify that all plans and specifications associated with this project comply with NCGS 133-3.

<i>Signed &amp; dated P.E. Seal</i>

Part B – Supplemental Project Information

9. Site Certificate by Title Counsel

Applicant: \_\_\_\_\_

Project No. WIF- \_\_\_\_\_

Project Description. \_\_\_\_\_

I \_\_\_\_\_, Attorney at Law, representing the Applicant as Title Counsel, do hereby certify the following:

1. That I have investigated and ascertained the location of, and am familiar with the legal description of the site or sites being provided by the Applicant for all elements of the project identified above to be constructed (modified, extended, improved, altered) operated and maintained in and upon such site or sites.
2. That I have examined the deed records of the county or counties in which such a project is to be located and in my opinion, the Applicant has a legal and valid fee simple title or such other estate or interest in the site of the project, including necessary easements and rights-of-way sufficient to assure undisturbed use and possession for the purposes of construction, operation and maintenance for the estimated life of the project.
3. That any deeds or documents required to be recorded in order to protect the title of the owner and the interest of the Applicant have been duly recorded and filed for the record wherever necessary.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
*Attorney at Law*

\_\_\_\_\_  
*Address*

\_\_\_\_\_  
*Signature of Attorney*

Part B – Supplemental Project Information

10. Clear Site Certification

Applicant: \_\_\_\_\_

Project No. WIF-\_\_\_\_\_

Project Description. \_\_\_\_\_

I certify that the applicant has acquired all real property including easements and rights-of-way that are or will be required for the construction, (erection, extension, modification, addition) operation and maintenance of the entire project as described above.

I certify that, if other municipalities are served by the project, those municipalities have acquired all real property including easements and rights-of-way required for service to those municipalities.

I certify that the attached "**Site Certificate by Title Counsel**" covers all real property including easements and rights-of way required for construction, operation and maintenance of the entire project.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
*Name of Authorized Representative*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Signature of Authorized Representative*

**- - -FOR FEDERALLY FUNDED PROJECTS- - -**

I further certify that all real property including easements required for the entire project was acquired in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended, and implementing regulation 49 CFR 24.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
*Name of Authorized Representative*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Signature of Authorized Representative*

## Instructions for Part B Review Package

### What is this form?

The Public Water Supply Section of the Department of Environment and Natural Resources (the Department), Division of Water Resources (DENR-DWR-PWS, the PWS Section for short) offers various financial assistance programs to eligible Applicants.

The *Offer and Acceptance of Loan or Grant for Water Supply System Project – Part B – Supplemental Project Information Form 1951B (Part B, for short)* is a project budget form. The Part B details what expenses are reimbursable parts of the project. Once bids are in hand, an Applicant for PWS Section-administered funding submits the *Part B* to the PWS Section so that the PWS Section can review the project budget and finalize the funding.

### The Review Package

What to submit: Each *Part B* review package includes the *Part B* form itself and all required supporting documents described in the '**Checklist for Part B Review Package**' on page three of these instructions.

Why does the PWS Section need all these other materials? To ensure that the contracts are reimbursable, the PWS Section must have detailed information showing that all funding requirements have been met (e.g., establish that each bid was lawful).

Number of copies: If your PWS Section-administered funding includes a loan, submit two copies of the *Part B* review package. If your PWS Section-administered funding includes only a grant, submit one copy of the *Part B* review package.

Where to submit: After contracts are awarded, submit the *Part B* review package to one of the following addresses:

Mail Address	Physical Address (e.g., Parcels, FedEx, UPS)
Water Supply Loan and Grant Program Public Water Supply (PWS) Section 1634 Mail Service Center Raleigh, North Carolina 27699-1634	Water Supply Loan and Grant Program Public Water Supply (PWS) Section Room 1B501 2728 Capital Boulevard Raleigh, North Carolina 2704 (919) 733-2321

### The Part B Form Itself

(Items 1 & 2) Self explanatory.

(Item 3) Describe briefly any major changes in the project since the loan or grant offer was accepted that have resulted in a functional change or a change in the cost of the project.

(Item 5) "Funds Available for Construction of the Project" is intended to show all funding required to complete the project.

- A. Enter the amount of local funds to be committed to the project.
- B. Enter and the amount and specify the source of other funds that have been committed to the project.

## Instructions for Part B Review Package

- C. Total DENR funds available **must equal** the sum of items 5C.1) and 5C.2).
- 1). Enter the amount of any Federal loan or grant, if any, offered by DENR. This is most likely to be a Drinking Water State Revolving Fund (DWSRF) loan. If it is not required to repay the principal of the DWSRF loan, list the amount as a (a) DWSRF Principal Forgiveness Loan. The amount of all other DWSRF loans should be listed as (b) Other DWSRF Loan. However, past examples of Federal funding have also included American Recovery and Reinvestment Act (ARRA) funds. Other examples such as this should be listed as (c) Other DWR Loan or Grant. Please specify the type of these funds. Should the project receive an additional Federal loan or grant from DENR via a Division other than Water Resources, it should be listed as (d) Other non-DWR Loan or Grant. Again, please specify the type of these funds and, in this case, which Division administers them.
- 2). Enter the amount of the State (not DWSRF) loan or grant offered by DENR. This is most likely to include a (a) High Unit Cost (HUC) grant and/or a (b) State Revolving (Emergency) Loan (SRL / SEL). However, past examples of State funding have also included special Bond Loans. Other examples such as this should be listed as (c) Other DWR Loan or Grant. Please specify the type of these funds. Should the project receive an additional State loan or grant from DENR via a Division other than Water Resources, it should be listed as (d) Other non-DWR Loan or Grant. Again, please specify the type of these funds and, in this case, which Division administers them.
- D. Total Funds Available **must equal** the sum of items 5A. through 5C. as well as Total Project Cost item 6L.

(Item 6) "Project Budget" is intended to show all the costs involved in completion of the project and the corresponding funding source for each line item.

- A. 1) to 5) Enter the contract number, contractor's name, type work, and amount of the contracts the Applicant has awarded.
- A. 6) If other **construction contracts** for this project will be awarded at a later date, enter the estimated costs as applicable, and the estimated date of award.
- A. 7) If **equipment** or **materials** have been or will be purchased outside the construction contracts, enter the actual or estimated costs as applicable.
- B. Calculate contingency as: 5% of **construction contracts** under 6.A.1) through 6.A.5), plus 10% of **future contracts** under 6.A.6).
- C. Attach copies of any contracts for **engineering design services**. The technical services contract will receive procurement review. Therefore all cost contracted may not be eligible.

It is also advised that recipients of DWSRF and other federal funding maintain an allowance for facilities planning and design services based on Appendix B to Subpart I of 40 CFR 35. This appendix establishes the allowance based on the estimated or actual building cost. Any significant

## Instructions for Part B Review Package

exceedance should be accompanied by written explanation in order to approve these services as part of the project budget. **(For Federal Projects Only).**

- D. Include invoices or documentation of fees for **permits** that have been required for project construction to begin. Attach copies of any contracts for any services that may have been acquired in order to obtain these permits.
  - E. Attach copies of any contracts for **land surveying** services. The technical services contract will receive procurement review. Therefore all cost contracted may not be eligible.
  - F. Include only the costs of **real property interests** (e.g. easements and rights-of-way) which must be acquired by the Applicant in order to accomplish construction of the proposed project. These costs must be accompanied by 1) an offer to purchase or a purchase agreement, and 2) an appraisal of the property's value from a state certified appraiser. Note that only purchases from a willing seller are eligible for reimbursement with DWSRF funds.
  - G. The Department charges a funding fee (closing fee) under the DWSRF Rules in 15A NCAC 01N .0203 and N.C.G.S. 159G-24, as applicable. The funding fee schedule is 2% for DWSRF, 2.5% for state loan, and 1.5% for High Unit Cost Grant. Calculate this funding fee based on the current PWS Section loan or grant, which should match the Total Project Cost listed under DENR.
  - H. Attach copies of any contracts for **construction administration / observation** services. The technical services contract will receive procurement review. Therefore all cost contracted may not be eligible.
  - I. Attach copies of any contracts for **grant and/or loan administration** services.
  - J. Include invoices or documentation of **legal** fees for that have been required for project construction to begin.
  - K. Briefly identify **other** costs. For water supply project planning loan applications only, enter both total and eligible estimated planning costs here.
  - L. The sum of the Total Project Costs **must equal** the Total Funds Available (Item 5).
- (Item 7) "Final completion date of all phases of the project" is the date the engineer expects to issue the last project completion certification.
- (Item 8) An engineer licensed to practice in North Carolina must sign, seal and date the certification that the bid documents comply with (or are exempt from) the requirements of N.C.G.S. 133-3
- (Item 9) "Site Certificate by Title Counsel"

## Instructions for Part B Review Package

This certificate is to be completed after all real property, including easements and rights-of-way, has been acquired and the Title Counsel has determined that the applicant will have legal right to undisturbed use of the total project site for the entire life of the project.

This certificate must be submitted with the loan or grant application or at the same time that the plans and specifications are submitted.

If real property is being acquired by condemnation, this certificate will be submitted when condemnation is complete. (See Limited Certificate).

(Item 10) "Clear Site Certification"

The certificate must certify to the following:

1. That all real property (including easements) acquired for the entire project funded by the loan or grant regardless of whether or not the loan or grant includes the costs of purchasing the real property (including easements) was acquired in accordance with the Uniform Relocation Act of 1970 as amended and the implementing regulation, 40 CFR Part 24. **(For Federal Projects Only).**
2. That a qualified Title Counsel has examined the title and other appropriate records and that the recipient has legal and valid estate or interest in the property and shall have assured undisturbed use of all property (including easements) for the estimated life of the project.
3. That a fee simple or such other estate or interest in the project site(s) shall be retained for the estimated life of the project to assure undisturbed use of the site(s).

The amount and type of each search required, in the case of easements or leases, for a site certificate is whatever is needed to satisfy the Title Attorney that the recipient has a right under State and local laws to access and undisturbed use of the site for the life of the project. The recipient's interest in real property (including easements) must be valid and defensible in a Court of Law. In respect to real property acquired in fee simple, the recipient must be assured a marketable title with no encumbrances. A responsible and qualified Title Counsel will know the extent of search and the interest in the site required in order to provide these assurances and certifications.

A limited (qualified) site certificate will be accepted, if the recipient has started condemnation proceedings and has deposited the appraised value of the property to be taken, with the court. The qualified certificate must identify all sites under condemnation and include a statement as to when property will be available for construction and when condemnation will be complete. An unqualified clear certificate shall be submitted when the acquisition is complete.

To be eligible for reimbursement by DWSRF loan, property purchase must be from a 'willing seller.'

## Checklist for *Part B* Review Package

Each complete *Part B* review package must include the following items:

- The *Part B* form itself
- The following approval letters:
  - DBE approval from the Public Water Supply (PWS) Section to award contracts,
  - Plans & Specifications Approval by the PWS Section,
  - Authorization to Construct by the PWS Section, and
  - DENR's letter approving the Erosion and Sedimentation Control Plan or the engineer's explanation why none is needed.
- Bidding documentation including the following:
  - Certified tabulations of all bids received, and
  - Engineer's letter recommending award to low bidder or justification of award to another bidder.
- The resolution awarding construction contract(s).
- The full bound and executed set of contract documents, including the following:
  - the bidder's signed proposal,
  - bid bond (if any),
  - performance bond (if any),
  - payment bond (if any),
  - proof of liability insurance,
  - State Special Conditions Package,
  - Federal Special Conditions Package (if applicable),
  - Department of Labor Wage Tables for Davis-Bacon Compliance (if applicable),
  - Signed agreement, and
  - Notice to Proceed (which may be sent following Part B approval).
- Copy of Engineering Services Agreement(s), including the following services:
  - Engineering Design
  - Permitting
  - Land Survey
  - Construction Administration
- Copy of Grant and/or Loan Administration contract
- Copy of any legal invoices
- Copy of Real Property purchase documents, including the following:
  - Copy of deed and/or purchase agreement for each site or other real property interest when the cost of acquisition has been determined eligible for State loan or grant participation.
  - Copy of real estate appraisal.
- Any executed change orders, or a statement that no change orders have been executed at time of submittal.
- Site location and layout map including any water mains under contract (in color).

Remember to submit the proper number of Part B forms:

If the PWS Section-administered funding includes only a grant, submit one copy.

If the PWS Section-administered funding includes a loan, submit two copies.