

FISCAL YEAR
2023

DISTRICT ONE PUBLIC WORKS
INTEGRATING COMMITTEE
STATE CAPITAL INFRASTRUCTURE PROGRAMS
POLICY MANUAL



About the Policy Manual:

This document provides information pertaining to the Ohio Public Works Commission (OPWC) and the DOPWIC policies. State Capital Improvement Program Funding Applications will be evaluated in accordance with the requirements, terms, and conditions set down by the OPWC and the DOPWIC.

OPWC POLICIES

The OPWC policies and guidelines should be carefully reviewed before the application materials are submitted to ensure project eligibility and to prevent delays in project evaluation and selection due to non-compliance with program requirements.

To learn more about OPWC policy and guidelines, visit the OPWC Advisories - Infrastructure Programs on the OPWC website. <https://www.pwc.ohio.gov/Advisories/Infrastructure> This website describes select statutory provisions in the Ohio Revised Code (ORC) and administrative rules in the Ohio Administrative Code (OAC). If applicable, topics include ORC and/or OAC linked references as well as linked websites.

DOPWIC POLICIES

In accordance with OPWC policies, the following policies and guidelines have been adopted by the DOPWIC. These policies and guidelines should be carefully reviewed before the application materials are submitted to ensure project eligibility and to prevent delays in project evaluation and selection due to non-compliance with program requirements.

ALLOCATION OF AVAILABLE BALANCES

The OPWC shall allocate, to the degree possible, all the funds available in an annual program year to projects submitted in that program year. If additional funds become available during the program year, either from cost underruns or from additional allocations from the OPWC, these funds will be offered to projects that remain on the current year's contingency list.

Contingency projects will be considered in the order in which they are ranked in the DOPWIC final recommendation list. If the available monies will fully fund a contingency project, the OPWC will contact the Applicant and ask for updated information if needed.

If the funds available will not cover the entire cost of a contingency project's original request, OPWC will make an offer of the funding balance. If the Applicant accepts, they will be asked for updated information if needed.

Any underrun money not spent before the next Program Year application materials are made available will be carried over into the next year's allocation.

ALTERNATIVE SELECTION PROCESSES

- **LTIP-Eligible Projects:** If the *Final Project Rankings* do not contain adequate LTIP-eligible projects, the staff will use the steps outlined below to allocate the LTIP funds:
 - The list of selected projects will be reviewed to determine if there are road and bridge projects that requested a loan.
 - If there are road and bridge projects that requested a loan, the staff will run a separate final ranking of the road and bridge projects without any points given for requesting a loan.
 - The highest ranked road and bridge projects equal to the LTIP allocation will be selected for a LTIP grant.
 - The road and bridge projects remaining on the list that are not selected for a LTIP-grant will be reallocated according to loan points and will be selected for SCIP Loan or Revolving Loan Program (RLP) funding.

- **10% Loan/Local Debt Support Minimum Requirement**

If the *Final Project Rankings* does not meet or exceed the SCIP 10% loan/local debt support minimum requirement, and allocate all the RLP funding, the staff will use the steps outlined below to distribute SCIP and RLP loans:

 - Offer SCIP or RLP loan funds to the Applicants with projects remaining on the list.
 - If the Applicant declines the loan, the project will remain on the Final Project Ranking, until additional funding becomes available to the District.
 - If the Applicant accepts the loan, the project will be included with the projects recommended for funding.
 - An Applicant that accepts a loan may modify its original funding request.

CONTINGENCY REQUIREMENTS

The OPWC encourages Applicants to add to the total project cost a contingency equal to no more than 10% of the construction costs. If the project is approved by the DOPWIC and the OPWC, the project will be guaranteed a reasonable "cushion" for cost overruns. Applicants are discouraged from inflating cost estimates.

COST OVERRUNS

All cost overruns associated with a project, whether for work covered by the application or otherwise, are the sole responsibility of the project Applicant.

The DOPWIC will not consider supplemental financial assistance requests for the following:

- Cost overruns incurred during construction that were caused by engineering or design deficiencies and/or incomplete plan preparation;
- Meeting a shortfall in funding from other sources (i.e. local, state or federal sources and/or private sector contributions);
- Providing an additional “cushion” for possible unforeseen circumstances that might be encountered during construction; and
- Cost overruns incurred as the result of contractor or project sponsor negligence or misfeasance.

The DOPWIC will only consider supplemental financial assistance requests for the following:

- **Scope Change**

Requests for changing a project’s scope will be considered by the DOPWIC when no additional funds are requested and the work to be done is directly associated with the approved project.

In no event will the DOPWIC approve a scope change for a project in which the proportion of SCIP/LTIP funds exceed amount originally awarded to the project, nor will the type of financial assistance differ from the original award. For example, if a project was awarded an LTIP grant for 50% of the total project cost, the financial assistance will be covered by LTIP for 50% of the scope change.

- **Procedure for Reviewing Requests for Supplemental Financial Assistance**

An eligible request for a project scope change must be submitted in writing to the DOPWIC District Liaison at least one week prior to a DOPWIC meeting for the request to be considered by the DOPWIC. The request must provide the following information:

- Name and description of the project;
- Total project cost and amount, and disbursement ratio award;
- Detailed explanation and revised budget of the costs associated with the supplemental financial assistance.

The DOPWIC Liaison will review all requests and forward to the DOPWIC for consideration at its next meeting. If the DOPWIC agrees that the request is

reasonable and that the project would not be completed without supplemental financial assistance, the approval will be documented in the meeting minutes. The minutes will then be forwarded to OPWC for a contract amendment.

READINESS TO PROCEED

In accordance with OPWC Project Schedule advisory, applications with delayed schedules for engineering, bidding and construction will be questioned and possibly returned for resubmission in a future program year if they will not proceed during the current program year. Projects must be scheduled to be under construction by the end of the state fiscal year (June 30th) for the program year in which the agreement is released.

Projects that are being sold by the Ohio Department of Transportation ("ODOT-let") must use the ODOT sale date. Such project schedules are confirmed with ODOT and will be rejected by the Commission if scheduled into a future program year.

REPLACEMENT OF SEPTIC SYSTEMS AND WATER WELLS

For purposes of evaluating projects that involve the replacement of failing septic systems with sanitary sewers, and water wells with waterlines, the DOPWIC will consider these projects as replacement projects, not as new infrastructure.

REQUIRED DOCUMENTATION

In accordance with OPWC Policy, applicants must include all required documentation (i.e., Authorizing Legislation or acceptable alternative such as the legal authority provided to county engineers, Cooperative Agreement if multiple subdivisions, CFO Certification or acceptable alternative considering auditors may not sign the traditional certification until their budget has been approved, Engineer's Estimate, and Weighted Useful Life Statement) in order for projects to be recommended for funding.

SMALL GOVERNMENT PROCESS

Small Government Projects (villages and townships with a population under 5,000) will be evaluated using both the DOPWIC and OPWC Small Government criteria evaluation criteria.

Small government projects not recommended by the DOPWIC for funding can be evaluated for their competitive potential in the OPWC Small Government Commission process. The District One Small Government Committee will review and determine the District's Small Government recommendations.

Therefore, Small Government Applicants will be required to submit additional information, as instructed in the DOPWIC Application Manual and Application Supplement, so that the project can be evaluated using the Small Government Criteria.