

REVOLVING LOAN FUND PROCESS SUMMARY

INITIAL ASSESSMENT

The Revolving Loan Fund process starts out with the applicant (State Agency) completing a “Start Form” (included on the attached thumb drive and TAB # 4) and submitting a current Strategic Energy Plan (Sample – on attached thumb drive and TAB # 6) to the Revolving Loan Fund Manager. The Strategic Energy Plan will be reviewed to insure it meets the required criteria and the projects included are approved energy projects. Once the Strategic Energy plan is approved a Memorandum of Understanding (included on attached thumb drive and TAB # 5) is signed by the applicant. The amount of the M.O.U. is based on preliminary construction cost estimates for your energy project(s). This will secure the Revolving Loan Funds for your project(s) for 120 days.

APPLICATION PROCESS

If the State Agency does not have a Design Professional team under contract or have in house design capability for the proposed energy related project(s) then this will need to be accomplished according to state procurement law or the guidelines required by the governing body of the state institution. DBA has staff that can assist in this process if requested. Your Agency will have 120 days to complete this process along with the application process.

Once a Design Team is on board the State Agency will complete a Loan Application (included on the attached thumb drive and TAB # 9) and provide documentation from the agency’s governing board or commission authorizing the agency to implement the capital improvement project using the Revolving Loan Funds. Also a statement will need to be submitted indicating the agencies revenue source for repaying the loan. The Design Team will need to complete the following documents which will need to be submitted with the Loan Application.

- Project Scope
- Schematic Design Diagrams
- Life Cycle Cost Analysis
- Project Cost Estimate
- Energy Cost Reduction Measure Form
- Energy Assessment Report

(These items are detailed under TAB #9 of this RLF process manual and electronic copies of the forms are on the attached thumb drive)

When the all the above information is obtained by the RLF Manager it will be reviewed for completeness and forwarded on to the DBA Director for approval to submit to the review committee. The review committee asses the project(s) and determines if the project(s) qualifies for the RLF program and makes recommendations to DBA Director. Once the project is approved the DBA Director will respond to the State Agency with an

approval letter. Also, a Loan Agreement, Funding Terms & Conditions, General Assurances for ARRA and Origination Fee Invoice will be sent for review. (Sample included on the attached thumb drive and on TAB's # 13, 14, & 15)

LOAN AWARD

A mandatory meeting date will then be established at which time the loan documents will be signed, Origination fee collected, and project requirements will be discussed. (*The agency directors or their designees are required to attend this meeting along with a representative of their design team.*) After this meeting your design team can begin developing a set of construction drawings and specifications that pertain to the energy project(s). The design team will need to be aware of the special requirements associated with the project(s) that are to be included in the construction documents. (See TAB # 16). Once the drawings are completed, they will be submitted to DBA Design Review for review based on DBA Minimum Standards and Criteria and the special requirements associated with the RLF. Once design review comments have been satisfied, the construction documents are sent to DBA Construction (for those agencies that are required to go through DBA Construction) for Pre-bid, Bid, Contract Award, Contract Administration and Construction Observation. Other agencies will handle these portions of the process in accordance within its own agency's rules.

LOAN DISBURSEMENT

When a loan award is made, the State agency receiving the loan is give a new State Appropriation and Funding specific to the loan. The Department of Finance and Administration will establish an appropriation code and fund code for each loan. Funds will be disbursed to your agency using the DBA Sustainable Design Disbursement Summary Sheet and the Voucher Information Summary Sheet (electronic forms included in the attached thumb drive and in TAB # 20) with supporting documents.

Additional submittal requirements will need to be implemented throughout the design and construction process. Attached is a submittal matrix that will detail the requirements and associated forms (TAB # 3).

MEASUREMENT AND VERIFICATION (M&V)

The purpose of M&V is to quantify the energy savings that was portrayed in the life cycle cost analysis provided by your design professional at the beginning of the project. The energy reduction required in order to qualify for the loan program is to be 10% or more over the baseline consumption, post construction.

An M&V Report will be required at the anniversary date of the end of the energy project for three concurrent years. This report does not have to be generated by a design professional, but rather, can be as simple as using a spread sheet showing the baseline (pre-construction) annual utility usage and comparing it to the currant usage.

Also, after one year of analysis, if you have determined that the energy consumption is not meeting the expectations of your life cycle cost analysis, please document the cause for the failure to achieve the performance stated and what corrective action is being taken or recommended to meet the performance target. These documents will need to be sent to the RLF Manager.

The manual referenced in this RLF Summary Process will be supplied to the loan applicant after a meeting with the RLF Manager has taken place.