

## Indiana ACEC Funding Sources Committee

Regular Committee Meeting  
 IOCRA Conference Room  
 One North Capital, 1<sup>st</sup> Floor  
 October 8, 2014  
 1:30 – 3:00 PM

### Attendance Roster

<i>Name</i>	<i>Representing</i>	<i>Email address</i>	<i>Present</i>
<b>2014-2015 ACEC Committee Members</b>			
Bastin, Jessica - Chair	Clark Dietz	<a href="mailto:jessica.bastin@clarkdietz.com">jessica.bastin@clarkdietz.com</a>	X
Hinton, Mike – Board Liaison	Lochmueller Group	<a href="mailto:mhinton@lochgroup.com">mhinton@lochgroup.com</a>	
Atkins, Mary - Secretary	Wessler Engineering	<a href="mailto:marya@wesslerengineering.com">marya@wesslerengineering.com</a>	X
Al Abbas, Susan	CHA Consulting	<a href="mailto:salabbas@chacompanies.com">salabbas@chacompanies.com</a>	
Bishton, Zach	Christopher B. Burke Engineering	<a href="mailto:zbishton@cbbel-in.com">zbishton@cbbel-in.com</a>	X
Brown, Brian	EMH&T	<a href="mailto:bbrown@emht.com">bbrown@emht.com</a>	
Bullock, Brian	Midwestern Engineers	<a href="mailto:bbullock@midwesterneng.com">bbullock@midwesterneng.com</a>	
Christie, Laurie	DLZ	<a href="mailto:lchristie@dlz.com">lchristie@dlz.com</a>	X
Ladd, Gary	Ladd Engineering	<a href="mailto:gary@laddengr.com">gary@laddengr.com</a>	X
Medors, Sky	Lawson- Fisher Associates	<a href="mailto:smedors@lawson-fisher.com">smedors@lawson-fisher.com</a>	X
Mills, Kimberly	Parsons Brinckerhoff	<a href="mailto:mills@pbworld.com">mills@pbworld.com</a>	
Sommers, Vince	Commonwealth Engineers	<a href="mailto:vsommers@contactcei.com">vsommers@contactcei.com</a>	X
Spees, Marty	Northpointe Engineering &	<a href="mailto:mspees@npes.biz">mspees@npes.biz</a>	X
Stanoch, Brian	PCS Engineers	<a href="mailto:bstanoch@pcsengineers.com">bstanoch@pcsengineers.com</a>	X
Stephens, Scott	Beam, Longest & Neff	<a href="mailto:sstephens@b-l-n.com">sstephens@b-l-n.com</a>	X
Surber, Julia	VS Engineering	<a href="mailto:jsurber@vsengineering.com">jsurber@vsengineering.com</a>	X
Uthe, Rachel	American Structurepoint	<a href="mailto:rute@structurepoint.com">rute@structurepoint.com</a>	
<del>Vincent, Paul</del> Killion, Shannon	Shrewsbury & Associates	<a href="mailto:skillion@shrewsusa.com">skillion@shrewsusa.com</a>	X
Yount, Patti	Lochmueller Group	<a href="mailto:pyount@lochgroup.com">pyount@lochgroup.com</a>	X
<b>Agency Representatives and Guests</b>			
Harkins, Bill	IFA (SRF)	<a href="mailto:wharkins@ifa.in.gov">wharkins@ifa.in.gov</a>	
Owen, Rochelle	USDA Rural Development	<a href="mailto:rochelle.owen@in.usda.gov">rochelle.owen@in.usda.gov</a>	X
Butts, Tammy	IOCRA	<a href="mailto:tbutts@ocra.in.gov">tbutts@ocra.in.gov</a>	X
Weissenberger, Kathleen	IOCRA	<a href="mailto:kweissenberger@ocra.in.gov">kweissenberger@ocra.in.gov</a>	
Grigsby, Beth	Cardno/TAB	<a href="mailto:beth.grigsby@cardno.com">beth.grigsby@cardno.com</a>	
Cottingham, Linda	Indiana Bond Bank	<a href="mailto:lcottingham@inbondbank.com">lcottingham@inbondbank.com</a>	X
Mangus, Ron	Indiana Bond Bank	<a href="mailto:rmangus@inbondbank.com">rmangus@inbondbank.com</a>	X
<b>ACEC Office</b>			
Bauer, Beth	ACEC Indiana	<a href="mailto:bbauer@acecindiana.org">bbauer@acecindiana.org</a>	X
Stephanie Morse	ACEC Indiana	<a href="mailto:smorse@acecindiana.org">smorse@acecindiana.org</a>	

## Meeting Minutes

1. **Introductions** – Those in attendance introduced themselves
2. **Guest Presenters** – Regarding the topic of **USDA Interim Financing for the construction phase**, Rochelle Owen invited Lisa Cottingham and Ron Mangus from the Indiana Bond Bank to attend the meeting and speak on this topic. A hard copy presentation, distributed to those attending, is attached to these minutes. In summary, the Indiana Bond Bank assists communities (and other qualifying entities) in issuing debt. Interim financing is required for all projects that finance more and \$500,000 through USDA RD. Interim financing is used to finance the construction phase until the long-term debt is issued. The Indiana Bond Bank has their first interim financing under this program scheduled for next week. They plan to have market to below-market rates, with an anticipated schedule to close on a quarterly basis. The interest from the bond anticipation note (BAN) can be reimbursed through the USDA RD loan. RD has a simple application process. On a side note, the Indiana Bond Bank mentioned their small borrower program that is available for the purchasing of equipment that is to be purchased through a lease-to-buy program.
3. **Old Business**
  - **Funding Workshop recap and discussion** – Jessica Bastin lead a brief discussion as a follow-up to the Funding Workshop that was held on August 21<sup>st</sup>. A summary of the workshop evaluation surveys (filled out by attendees) was reviewed. The group felt that an annual workshop could be considered with a focus on program updates and a case study. A possible case study for 2015 is a project in Newport. SRF and RD felt the immediate feedback from attendees of the workshop was beneficial to them.
  - **Indiana Chamber Study on Water and Economic Development update** – Beth Bauer mentioned that ACEC met with the Indiana Chamber last week to strategize and plan for the 2015 summer legislative session. The goal is to raise more awareness with legislators so that a focus on water quantity, quality and sources of water can be discussed/evaluated in more detail in 2015.
  - **Procurement of Engineering Service using QBS** – The group had a discussion on the Qualification Based Selection (QBS) process for Indiana. RD and IOCRA currently require that a qualification based selection process is used for procurement of engineering services. For SRF, this is a new requirement associated with wastewater projects. Bill Harkins stated that drinking water projects would not be required to follow this process. SRF is required to ensure that 40 US code 1101 is followed for funding projects in 2015. ACEC will review the 40 US Code 1101 to ensure that it is consistent with the Indiana QBS process.
4. **New Business**
  - **Coordination with Environmental Infrastructure Working Group (EIWG)** – the group discussed the benefits of inviting a representative from EIWIG to participate in the regular meetings. The consensus was that Jamie Palmer with the IU Public Policy Institute is a good resource for funding sources and could contribute to the committee's discussions.
  - **Future speakers (Legislative representatives)** – Rochelle Owen suggested that a representative from the Indiana Rural Caucus (Caroline Orr) could be considered for a legislative perspective. Beth Grigsby submitted a suggestion via email that Michelle Oertel with the Indiana Finance Authority could speak on Brownfields.

## 5. Updates from Funding Agencies

**IOCRA** – Tammy Butts attended the meeting as a representative of IOCRA.

- **Staffing updates** - Regarding staffing changes, there are 2 open positions (Grant Services and Community Liaison).
- **Funding level updates** – IOCRA is holding a supplemental round of funding with announcements to be made by October 17<sup>th</sup>. The HUD budget process is uncertain at this point but IOCRA assumes that the funding levels will be about the same 2015. IOCRA is currently operating under a continuing resolution.
- **Upcoming changes to funding criteria or requirements** - IOCRA is working on their Consolidated Plan. When the draft plan is ready, it will be posted on their web site and will be open for public comment. IOCRA welcomes public input on the plan. The Consolidated Plan defines the state's priorities and is a reference document used for planning and requirements established by HUD
- **Low to mod income status of communities, changes from HUD** - The Community Development Block Grant (CDBG) program requires that funded activity must either principally benefit low- and moderate-income persons, aid in the prevention or elimination of slums or blight, or meet a community development need having a particular urgency. At least 51 percent of the area's residents must be low and moderate income. HUD uses the American Community Survey for such income data. New numbers were recently released, changing the status of some Indiana communities. Tammy mentioned that HUD is aware of the changes. Income surveys are an acceptable alternative to using the American Community Survey data. An income survey may be used for up to 4 years.

**USDA, Rural Development (RD)** – Rochelle Owen

- **Staffing updates** - A position that was open in their Knox office has been filled by David Hacker. They are currently advertising for an open Engineer position.
- **Funding level updates** – RD is operating under a continuing resolution through December 11<sup>th</sup>. They will be receiving funding between the 3<sup>rd</sup> and 4<sup>th</sup> week in October. Budgeted funding levels are expected to remain about the same as the previous year. In fiscal year 2014 they were allocated \$30.5 million for loans and \$8.5 million for grants. Actual funding was \$39 million in loans and \$31 million in grants for Indiana. In the upcoming year, they plan to fund \$71 million for water and wastewater projects and \$4.4 million in community facilities in Indiana.

**Indiana Finance Authority State Revolving Fund (SRF)** – Bill Harkins

- **Staffing updates** – An open Engineering position that was open has been filled.
- **Funding level updates** – SRF is in the middle of their closing season. For water and wastewater projects, they plan to close on \$150 million for communities greater than 10,000 in population and \$75 million for communities less than 10,000 in population. Commitments for the pooled program are due by October 15<sup>th</sup>. SRF expects to fund approximately \$100 million through the pooled program this year.
- **Upcoming changes to funding criteria or requirements** – Fiscal Sustainability Plans will be required for loan closings in 2015. SRF will require all borrowers to evaluate a 20 year planning period. The cost to prepare the plans may be rolled into the financing. The group discussed the need to plan for future water sources. SRF suggested that source

water identification could be part of the interest rate reduction that SRF officers for climate resiliency planning.

Technical Assistance for Brownfields (TAB) – No updates

**6. Updates from ACEC Staff** - none

**7. Other Discussion Items** - none

**8. Future Meeting Dates for the regular meeting**

- December 17, 2014 at 1:30
- March 18, 2015 at 1:30
- June 17, 2015 at 1:30

Tammy Butts will check availability of the meeting room.

**9. Adjourn** – the meeting was adjourned at 2:45 pm.