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*Planning, Housing, and  
Community Development Services  
for Rural Texas Since 1979*

<b>To:</b>	Judge Michael D. Brown	<b>Date:</b>	December 2, 2008
<b>From:</b>	Yolanda Pedraza	<b>Phone:</b>	325-653-3318
<b>Subject:</b>	Agenda item for TX CDBG Contract #728165	<b>Fax:</b>	325-659-3258

Hello Judge Brown, attached I am sending you the OSSF Guidelines that need to be approved by Commissioner's Court at your next scheduled court date. If you would prefer to wait until the first scheduled meeting in 2009 that would be OK. Whatever you decide just let me know. This is the first step in moving forward with this project.

Below is the suggested wording for your agenda item:

1. Consider approval of the County's On-site Sewage Facilities Assistance Program Guidelines for Texas Community Block Grant Project #728165

If you have any questions regarding this transmittal, please contact me at 512-420-0303.

Thank you,

Yolanda Pedraza  
Community Development

Attchament

cc: Richard Easingwood, Commissioner Pct. 4  
Steve Floyd, Commissioner Pct. 3

**TOM GREEN COUNTY, TEXAS**  
**Guidelines for On-Site Sewage Facilities Assistance Program**  
**Texas Community Development Block Grant Program**  
**Contracts 728165**

**I. INTRODUCTION**

Tom Green County, Texas has received Texas Community Development Block Grant (TxCDBG) funds administered by the Office of Rural Community Affairs (ORCA), to provide On-Site Sewage Facilities (OSSF) assistance to low- and moderate-income (LMI) applicant homeowners who reside in designated areas of the County as described in TxCDBG Contract 728165.

The primary objective of the County's OSSF Assistance Program is to provide adequate, safe, and sanitary sewer services for LMI residents through the installation of approved residential OSSFs for single family, owner-occupied dwellings in compliance with rules of the Texas Commission for Environmental Quality (TCEQ). In these guidelines, "County" refers to officers or employees of Tom Green County assigned to work with the Program. Any action by the County that requires Commissioners' Court approval is specifically noted; otherwise any action may be carried out by the appropriate officers or employees. "Grant Manager" refers to the general administration firm hired by the County to assist with the implementation of the Program.

**II. APPLICANT ELIGIBILITY**

The following are threshold requirements which must be met for an applicant homeowner to be eligible for assistance. Eligibility does not guarantee funding, since there may be more eligible applicant homeowners than can be served with available funds.

- A. **Income Eligibility:** Eligibility for the OSSF Assistance Program is governed by the most recently available income limits established by HUD for the TxCDBG (80% of the area median income). Income from any and all sources must be included for every adult (age 16 or over) living in the residential unit.

<b>Tom Green County, Texas 2008 Income Limits</b>								
<b>Residents in Unit:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>80% Median Income</b>	<b>\$27,500</b>	<b>\$31,450</b>	<b>\$35,350</b>	<b>\$39,300</b>	<b>\$42,450</b>	<b>\$45,600</b>	<b>\$48,750</b>	<b>\$51,900</b>

1. The gross income of households to be benefited must not exceed HUD's current Section 8 Income Limits listed above.
  2. All income will be verified for all members of the household from independent source documentation such as an employer paycheck stub, letter from employer(s), benefit letter from the Social Security Administration, or valid income tax returns.
- B. **Proof of Ownership:** Applicant homeowners must be a person who owns, in whole or in part, or who has entered into a Contract for Deed agreement, and occupies a single-family residential unit. Ownership or evidence of a Contract for Deed agreement may be documented as follows:
1. Valid deed of trust or mortgage deed which has been filed for record with the County Clerk's office and which includes reasonable rights of redemption and quiet and peaceful possession of the property;
  2. Life estate, which has been filed for record at the County Clerk's office;
  3. Heir property; if property is in an undivided "heir ownership" situation, the applicant homeowner must be one of the heirs. Clear title is not required but proof of control of the property is necessary and can include evidence that the applicant homeowner paid insurance and property taxes in the prior year;
  4. 99-year leasehold interest in the property; or,
  5. Fee simple title to the property
  6. Tax receipt that indicates ownership of the property.
  7. Contract for deed for the property, also known as a land contract, conditional sales contract, or installment contract. Ownership of title may still belong to the Vendor.
- C. **Proof of Occupancy:** Applicant homeowner must furnish a recent utility bill, driver's license, or other proof of current occupancy of the housing unit to be assisted.
- D. **Property Taxes:** Applicant homeowner must furnish a valid current tax receipt showing that all property taxes

assessed on the property proposed for assistance have been paid prior to the award of the assistance, or notice from the Tom Green County Tax Appraisal District Office the property owner qualified for and received a tax deferral as allowed under Section 33.06 of the Texas Property Tax Code or has entered into an installment plan with the Tax Appraisal District Office and has made payments in a timely fashion.

E. 911 Address: Applicant homeowner must furnish documentation showing the current 911-address for the property.

### **III. PROPERTY ELIGIBILITY**

- A. Unit Characteristics: Only single-family owner-occupied units will be eligible for assistance. Single-family housing units must have their own kitchens; share no common walls with other housing units; and must not fit the Census definition of "group quarters" (housing units containing ten or more unrelated people or nine or more people unrelated to the person in charge). Mobile homes and manufactured housing are considered single-family housing units.
- B. Location: Units must be located within the Colonia areas of Grape Creek and Christoval as defined in the County's TxCDBG approved Colonia Comprehensive Plan.
- C. Inspection: The County will conduct an initial evaluation to verify location and determine whether the condition of the existing OSSF unit merits replacement.

### **IV. ADDITIONAL CRITERIA**

Due to the limit of available grant funds and the extent of the need in the Grape Creek and Christoval target area, Tom Green County has determined that applicants meeting the following criteria will be given priority. A point system has been established as follows:

- A. Elderly Residents: If any resident of the household is aged 65 or over the applicant will receive 1 point. Proof of age required.
- B. Disabled Residents: Applicants with a documented disability will receive 1 point.
- C. Floodplain: Due to the environmental health and safety implications for the community, applicants in the floodplain will receive 1 point.
- D. Extreme Low Income: Applicants with a gross annual income of less than \$20,000 will receive 1 point.
- E. Household Characteristics: Applicants with at least 4 children living in the unit under the age of 16 will receive 1 point. Proof of occupancy required.

### **V. PROGRAM PARTICIPATION REQUIREMENTS**

- A. Relocation assistance will not be provided, as this is a voluntary participation program.
- B. All debris, abandoned vehicles, and derelict buildings that will interfere with the proposed improvements must be removed from the property prior to the start of construction. The applicant homeowner will be responsible for the removal.
- C. Self-help assistance in the form of the applicant homeowner providing the labor and the program providing material will not be permitted under this program.
- D. Applicant homeowners who provide false information regarding income or residency status may be disqualified by the Commissioners' Court at any time prior to the installation of the OSSF.

### **VI. TYPE OF ASSISTANCE**

OSSF Assistance will be in the form of a grant from the County to the applicant homeowner for the express purpose of installing a new OSSF and related house connection on the applicant's single-family owner occupied property. The grant funds will be paid directly from the County to the OSSF contractor upon satisfactory completion of the installation.

### **VII. CONFLICT OF INTEREST**

- A. The conflict of interest regulations contained in the TxCDBG contract(s) between the County and ORCA prohibit local elected officials, County employees, and Program Managers who exercise functions with respect to TxCDBG activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities from receiving any benefit from the TxCDBG activity either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter.
- B. For purposes of this section only, the TxCDBG has defined "family" to include parents (including mother-in-law and father-in-law), grandparents, siblings (including sister-in-law and brother-in-law), and children of an official covered under the TxCDBG conflict of interest regulations at 24 CFR Sec. 570.489(h).

## **VIII. SELECTION OF APPLICANTS**

### **A. Application Policies and Procedures:**

1. The Grant Manager and the County will host application in-take sessions at an accessible location(s) within the County. The County will accept applications on a rolling basis at the Tom Green County Grant Administrator's office following the first application in-take session.
2. The Grant Manager will advertise via the local newspaper and with public postings the availability of OSSF Assistance to potential program beneficiaries at the beginning of the application acceptance period.
3. Each complete application will be marked with the date and time of receipt. A complete application means that the application form and all documentation required in sections II, III and IV of these guidelines have been provided to the Grant Manager. All applications will be placed on an applicant-ranking list based upon the order in which they were received.
4. Since applicants will be providing confidential information during application intake, the application and associated information shall be made available only to the County, the Grant Manager, and ORCA.

### **B. Applicant Evaluation and Approval:**

1. The Grant Manager will review all applications for Applicant Eligibility (Section II & Section IV) and will score & rank applications based on the criteria established in these guidelines.
2. The County will review all applications for Property Eligibility (Section III).
3. Only applications that include all required documentation will be accepted. Applicants that fail to provide all required documentation will be told which documents are missing and will be allowed to re-submit the complete application during the application intake period.
4. Applicant homeowners who are eligible but are not offered assistance due to depletion of grant funds will be notified of this situation in writing.
5. Applicant homeowners who are not eligible for assistance will be removed from the applicant-ranking list and provided written notification of the reason for their ineligibility.
6. Once at least five eligible applicant homeowners are identified, the applicant group will be brought to Commissioners' Court for approval and will be invited to enter into Assistance Agreements with the County for OSSF assistance. Once approved for assistance, the applicant homeowner will be considered an "Assisted Homeowner."

### **C. Assistance Agreements:**

After Court approval, the County will execute an Assistance Agreement with each member of the applicant group. The Assistance Agreement will include the terms and conditions required to receive OSSF grant assistance from the County.

## **IX. PRELIMINARY INSPECTION, WORK ASSESSMENT AND CONTRACTING PROCESS**

- A. A required site evaluation and design will be conducted for each assisted homeowner by a third party site evaluator selected by the County. The contract for site evaluation and design services will be between the County and the lowest qualified bidder and will include all site evaluations to be carried out under this program.
- B. In addition to the OSSF evaluation, the evaluator shall assess, to the best of his ability, the need to replace yard piping and house plumbing connections in order to convey all wastewater and gray-water from the house to the new OSSF. These items, where known, shall be included in the design for bidding.
- C. Following completion of the site evaluation, the OSSF work for each assisted homeowner will be offered for bid. Only TCEQ licensed installers that meet the County's minimum insurance requirements will be considered. Bids must include all work indicated by the site evaluator's design including OSSF replacement and any sewer yard line or house connection plumbing improvements.
- D. Once bids are received the Grant Manager will create a bid tabulation for each assisted homeowner.
- E. The assisted homeowners will choose between the lowest bidder and any other bidder(s) who proposes a price within 25% of the low bid, or within 25% of a reasonable expected price as determined by the County. A service provider may not be disqualified by an assisted homeowner on the basis of gender, ethnicity, race, religion, national origin, age, or handicapped status.
- F. The OSSF replacement contract will be solely between the OSSF contractor and the assisted homeowner. The construction contract will be executed on forms approved by the County and will include all TxCDBG program requirements and technical specifications.

## **X. CONTRACTOR QUALIFICATION**

The Grant Manager will place an advertisement in the locally circulated newspaper notifying potential OSSF contractors of the bid opening, including information on contractor qualification requirements. In order to be eligible

to participate in the construction work financed under this OSSF Assistance Program, contractors must meet the following minimum requirements:

- A. The contractor must not be a debarred, suspended or ineligible contractor according to U.S. General Services Administration list of Parties Excluded from Federal Procurement and Non-Procurement Programs. Verification of contractor eligibility will be obtained from ORCA prior to awarding any contract.
- B. The contractor will comply with relevant state and federal laws and regulations covering worker's compensation insurance, automobile liability insurance, and unemployment insurance.
- C. The contractor must have a current and valid OSSF license issued by the State of Texas.

## **XI. CONSTRUCTION PHASE PROCEDURES**

- A. Changes to the OSSF replacement contract scope of work between the assisted homeowner and the contractor must be approved in writing by the County, the contractor, and the homeowner via change order. All Change Orders require prior approval by Commissioners' Court and the Office of Rural Community Affairs (ORCA).
- B. Inspections serve three purposes: a) to evaluate the contractor's progress; b) to confirm that OSSF installation codes or standards have been satisfactorily met; and c) to confirm that all requirements of the contract have been met to all parties' satisfaction. The County has established inspection procedures according to the type of OSSF. Please see Appendix A: Tom Green County inspection procedures for number and frequency of inspections for OSSF installation.

### Final Inspection Procedures:

1. When work on each OSSF is nearing completion, the contractor will notify the County inspector regarding the specific date when the job will be ready for a final inspection. The County will schedule final inspections for each OSSF. A punch list will be presented to the contractor. A punch list is a listing of items written as specifications, which constitute the work necessary to satisfactorily complete the contracted work. Once the punch list is complete, no additional work items may be required of the contractor. The County will ensure that the contractor provides the assisted homeowner with all warranties and instruction booklets for installed equipment.
  2. Once the punch list is complete and the OSSF has been approved by the assisted homeowner and the County's inspector, the County, the assisted homeowner and the contractor will sign a Certificate of Construction Completion (CoCC) signaling that the work was completed and meets their approval and TCEQ standards. A CoCC will not be executed until the contractor has corrected any work deemed faulty by the applicant homeowner or the County inspector.
- C. Warranties and Liens
1. When final inspection determines that the work is completed in accordance with the contract, the Grant Manager will obtain from the OSSF contractor an "Affidavit of all bills paid" and the contractor's request for payment. Partial payments will not be made.
  2. All work performed by the OSSF contractors will be guaranteed for a period of one (1) year. Such warranty will be stipulated in the construction contract between the contractor and the applicant homeowner. For a period of one (1) year, the applicant homeowner may require the contractor to correct defects or problems arising from his or her work under this contract. Should the contractor fail to do so, the applicant homeowner may take any necessary legal recourse as prescribed in the OSSF contract. A reasonable amount of time will be given to correct the problem; however, in no case will such time exceed two weeks to respond.
- D. Contractor Payment
1. After receipt of the "Affidavit of all bills paid," the CoCC, and the contractor's payment request, the Program Manager will assist the County in requesting funds from ORCA to pay the contractor.
  2. Contractors will agree in their contract with each applicant homeowner that they agree to allow up to 60 days for payment, starting from the date of the CoCC or from the date the contractor's request for payment and release of lien is provided, whichever is later.
  3. Upon receipt of the funds from ORCA, the County shall disburse the funds to the contractor within 5 business days, in accordance with TxCDBG requirements.
  4. If the applicant homeowner refuses to sign the CoCC, the County will secure a written report stating the reasons for the assisted homeowner's refusal and any steps taken to resolve the situation. If the County determines that the work was done in accordance with the terms and conditions of the contract, the County may recommend direct payment to the contractor.

**E. Contractor Performance**

Should the contractor fail to correct any warranty issues in accordance with an OSSF contract, the contractor shall be barred from bidding on future OSSF contracts and payment for any existing OSSF contracts will be suspended until the warranty issues are addressed to the satisfaction of the County.

**XII. COMPLAINTS AND DISPUTES**

The County and the Grant Manager will investigate all complaints, whether verbal or written, using the following procedures:

1. All complaints will be written on a Complaint Form.
2. The Grant Manager will attempt to resolve the complaint. If they are unable to resolve the complaint to the satisfaction of the complainant, the complainant will have five (5) working days to appeal the Grant Manager's decision to the County Judge. If the County Judge is unable to resolve the complaint to the satisfaction of the complainant, the complainant will have five (5) working days to appeal the County Judge's decision to ORCA. The decision of ORCA will be binding upon all parties involved.
3. Each step of the complaint resolution process will be documented and maintained in the program files.

**XIII. FILES AND REPORTS**

The County will maintain accurate files and records on the program and on each applicant homeowner for a period of three (3) years as required by ORCA. Such files will be open for inspection as to qualifications, bids, and awards. The Grant Manager will ensure that the files are intact at the time the OSSF Assistance Program activities are completed and will ensure that the files are updated during the implementation period.

**IX. CHANGES, WAIVERS, AND/OR CONFLICTS**

The Commissioner's Court will have the right to change, modify, or revoke all or any part of these guidelines by a majority vote of the Commissioner's Court. However, ORCA must be informed of such changes and must grant permission for any changes that affect the County's fulfillment of its TxCDBG contract requirements.

Passed and approved this DEC 16 2008 day of \_\_\_\_\_, 2008 by the Commissioner's Court of Tom Green County, Texas.

Approved:

  
County Judge

Attest:

  
County Clerk



## Tom green County OSSF Replacement Assistance Program Application Form

1. Name: \_\_\_\_\_
2. 911 Address: \_\_\_\_\_
3. Mailing Address: \_\_\_\_\_
4. Phone Number: \_\_\_\_\_
5. Including yourself, how many people in this residence? \_\_\_\_\_
6. Please list the names and sources of income for each person living in this residence:

Name	Source of Income

Compare your family's 2008 annual adjusted gross income, or your family's monthly/weekly income calculated on an annual basis, to the income eligibility figures listed below for Tom green County:

1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
\$27,500	\$31,450	\$35,350	\$39,300	\$42,450	\$45,600	\$48,750	\$51,900

7. Was your family income higher or lower than the appropriate income limit for your family size? Higher  Lower

8. Including yourself, how many persons in your family usually live in this unit? \_\_\_\_\_

9. How many in your family living in this residence are: Male: \_\_\_\_\_ Female: \_\_\_\_\_

Race	Hispanic	Non-Hispanic	Qty	Race	Hispanic	Non-Hispanic	Qty
White	<input type="checkbox"/>	<input type="checkbox"/>		Black/African American	<input type="checkbox"/>	<input type="checkbox"/>	
Asian	<input type="checkbox"/>	<input type="checkbox"/>		American Indian/Alaskan Native	<input type="checkbox"/>	<input type="checkbox"/>	
Native Hawaiian/Other Pacific Islander	<input type="checkbox"/>	<input type="checkbox"/>		Black/African American and White	<input type="checkbox"/>	<input type="checkbox"/>	
Asian and White	<input type="checkbox"/>	<input type="checkbox"/>		American/Indian/Alaskan Native and White	<input type="checkbox"/>	<input type="checkbox"/>	
American Indian/Alaskan Native and Black/African American	<input type="checkbox"/>	<input type="checkbox"/>		Other or Multi-Racial	<input type="checkbox"/>	<input type="checkbox"/>	

10. Are you the owner/occupant of this property Yes  No

11. Are your property taxes paid and current: Yes  No

12. If you answered no to the proceeding question, have you qualified for and received a tax deferral from or an approved payment plan with the Hood County Tax Appraisal District Office? Yes  No

**DO NOT MARK BELOW THIS LINE**

**For County use only:**

Proof of Income	Homeownership	Tax Certificate	Proof of Occupancy	Photo I.D.