

**State of Alabama
Alabama Department of Environmental Management
State Revolving Fund (SRF) Loan Program**



SRF Section
Permits and Services Division
Alabama Department of Environmental
Management
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Supplemental General Conditions for SRF Assisted

Public Drinking Water and Wastewater
Facilities Construction Contracts



SRF Project Number: _____

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I – ADEM Special Conditions

1. Construction within State right-of-way shall be in accordance with Alabama Department of Transportation policies and procedures.
2. Construction is to be carried out in compliance with applicable NPDES permits and in a manner that prevents bypassing of raw wastewater flows during construction. If bypassing is anticipated, the ADEM NPDES Enforcement Branch (334-271-7975) shall be advised in advance and the contractor shall take all necessary steps to minimize the impacts of bypassing.
3. Siltation and soil erosion shall be minimized during construction. The contractor shall obtain an NPDES storm water permit for construction if required.
4. The owner shall provide and maintain competent and adequate supervision and inspection.
5. ADEM and EPA shall have access to the site and the project work at all times.
6. These Special Conditions shall supersede any conflicting provisions of this contract.
7. A project sign is required. See **Parts XVI and XVII, pages SGC-32 – SGC-33**, for more information.

II – Bonds and Insurance

Bonding requirements shall comply with Alabama Act No. 97-225. Provisions of the Act are summarized below:

1. Bid Bond – Not less than 5% of either the owner's estimated cost or of the contractor's bid up to a maximum \$10,000. The bid guarantee shall consist of a cashier's check drawn on an Alabama bank or a bid bond executed by a surety company duly authorized and qualified to make bonds in the State of Alabama.
2. Performance Bond – 100% of the contract price.
3. Payment Bond – Payable to the awarding authority, shall be executed in an amount not less than 50% of the contract price.

In addition to the insurance requirements elsewhere in the specifications, the owner or the contractor, as appropriate, must acquire any flood insurance made available by the Federal Emergency Management Agency as required by 40 CFR 30.600 (b), if construction will take place in a flood hazard area identified by the Federal Emergency Management Agency.

III – Utilization of Disadvantaged Businesses Enterprises (DBEs)

It is the policy of the State Revolving Loan Fund (SRF) to promote a "fair share" of sub-agreement awards to small, minority, and women-owned businesses for equipment, supplies, construction, and services. Compliance with these contract provisions is required in order for project costs to be eligible for SRF funding. The "fair share" objective is a goal, not a quota. Failure on the part of the apparent successful bidder to submit required information to the loan

recipient (Owner) may be considered by the Owner in evaluating whether the bidder is responsive to bid requirements.

The project objectives for utilization of Minority Business Enterprises (MBE's) and Women's Business Enterprises (WBE's) are as follows:

Commodities (Supplies)	MBE 4%	WBE 11%
Contractual (Services)	MBE 8%	WBE 30%
Equipment	MBE 5%	WBE 20%
Construction	MBE 5%	WBE 17%

For purposes of clarification:

- This objective applies to any Federally assisted procurement agreement in excess of \$10,000.
- This objective necessitates three responsibilities; separate solicitations must be made of small and minority and women's business enterprises.
- A minority business is a business, at least 51 percent of which is owned and controlled by minority group members (Black; Hispanics; Asian American; American Indian; and, any other designations approved by the Office of Management and Budget).
- A women's business is a business, at least 51 percent of which is owned and controlled by one or more women.
- The control determination will revolve around the minority or woman owner's involvement in the day-to-day management of the business enterprise.
- Solicitation should allow adequate time for price analysis; ADEM recommends that contact be made no later than 15 days before bid opening.
- Efforts taken to comply with this objective must be documented in detail; maintain records of firms contacted, including any negotiation efforts to reach competitive price levels, and awards to the designated firms.
- ADEM recommends that the prime contractor utilize the services of the Minority Business Development Service Centers. These Centers are funded by the U.S. Department of Commerce to provide technical, financial and contracting assistance to minority and women's business enterprises. These Centers are located in a number of Regional cities.
- Use of the services provided by Centers does not absolve the prime contractors from pursuing additional efforts to meet this objective.

IV – Six Affirmative Steps for Good Faith DBE Solicitation

The loan recipient shall follow the six affirmative steps found in the SRF application when using loan funds to procure sources of supplies, construction and services.

If the successful bidder plans to subcontract a portion of the project, the bidder must submit to the owner within 10 days after bid opening, evidence of the affirmative steps taken to utilize small, minority and women's businesses. These six affirmative steps or 'good faith efforts' are required methods to ensure that DBEs have the opportunity to compete for procurements funded by EPA financial assistance dollars. Such affirmative steps are described as follows:

1. Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. This will include placing DBEs on solicitation lists and soliciting them whenever there are potential sources.
2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitation for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. This will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
5. Use the resources, services, and assistance of the Department of Transportation (DOT), Small Business Administration (SBA), and the Minority Business Development Agency of the Department of Commerce (MBDA).
6. If the Contractor awards subcontracts, it must take the steps described in items (1) through (5) listed above.

V – Documentation Required from Owner and Contractor

The low, responsive, responsible bidder must forward the following items, in duplicate, to the Owner no later than 10 days after bid opening. The Owner shall transmit one (1) copy of its DBE documentation of the prime contractor solicitation and the bidder's DBE documentation of all subcontractor solicitation to ADEM within 14 days after bid opening.

1. SRF project number and project name.
2. List of subcontractors (name, address and telephone) with dollar amount and duration for subcontracts). If there are to be no subcontractors, please indicate as such.
3. List of any subcontract work yet to be committed with estimate of dollar amount and duration of contract.
4. DBE Documents - See **Part IV, page SGC-3**.
5. Debarred Firms Certification – See **Part XIV, page SGC-23**.
6. Certification Regarding Equal Employment Opportunity – See **Part XIII, page SGC-22**.

The Owner shall submit semiannual MBE/WBE Utilization Reports (EPA Form 5700-52A, **pages SGC-16 - SGC-17**) within 30 days of the end of the semiannual reporting period (**April 30th and October 30th**). Submit reports directly to:

Diane Lockwood
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Fiscal Branch
Alabama Department of Environmental Management
Post Office Box 301463
Montgomery, Alabama 36130-1463

