



VIRGINIA DEPARTMENT OF  
ENVIRONMENTAL QUALITY



# Virginia Clean Water Financing and Assistance Program (CWFAP) Streamlining Efforts

## 2020 CIFA Workshop

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Karen Doran  
Clean Water Financing and Assistance Program Manager  
Virginia Department of Environmental Quality  
December 3, 2020



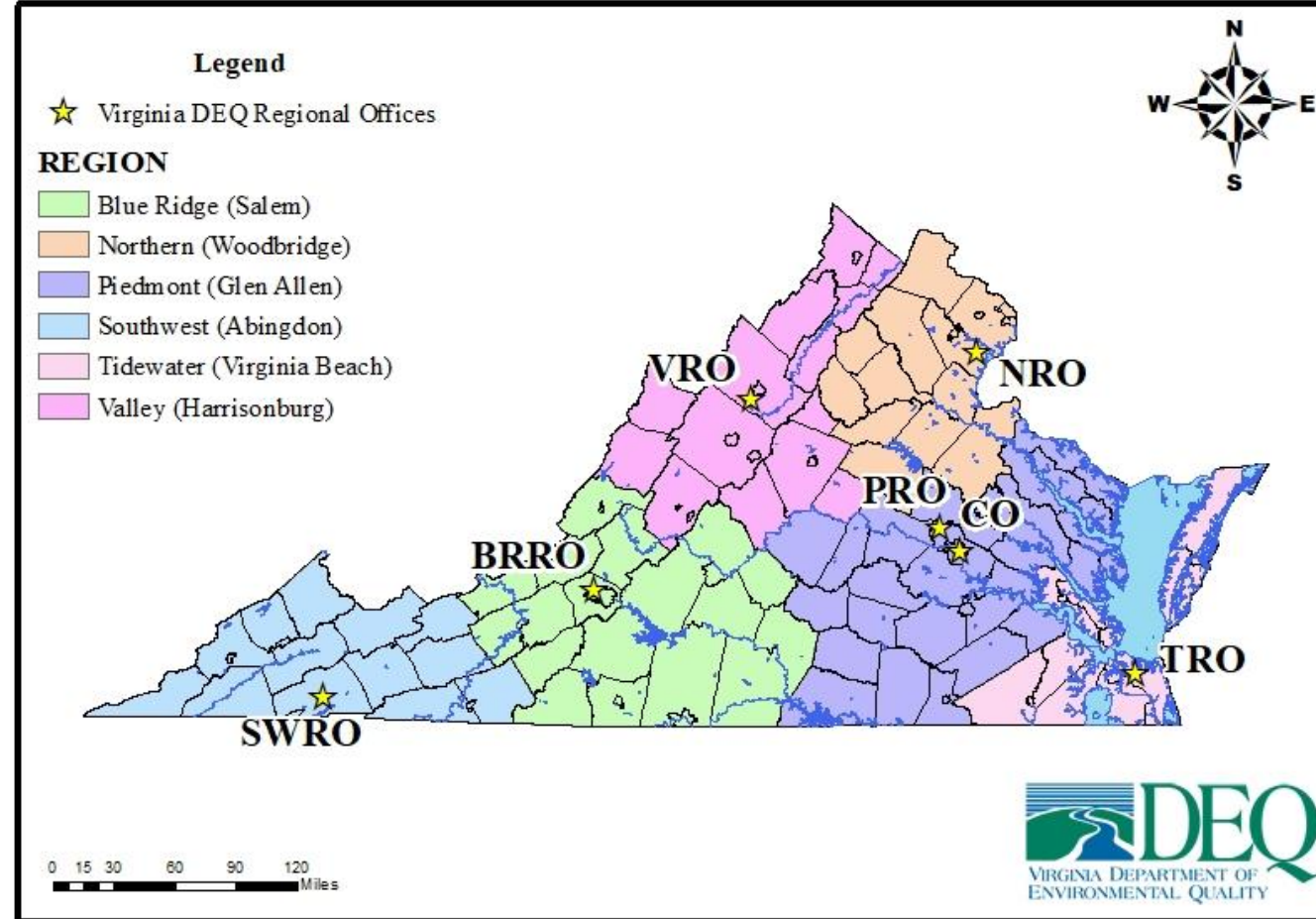
# Objectives

- Background information
- Lean event description
  - Before, during, and after event tasks
- Results
  - Tangible and intangible
- Key takeaways for success and lessons learned

# Background – Virginia CWFAP

- Our team administers three funds
  - Virginia Clean Water Revolving Loan Fund (Federal/State)
    - Virginia Resources Authority (VRA)
  - Stormwater Local Assistance Fund (State)
  - Water Quality Improvement Fund (State)
- Team distribution
  - Central office (Richmond) – Program management staff, project officers, fiscal staff and VRA
  - Regional offices (Around the state) – Project managers

# Background – Virginia DEQ Regional Office Locations



# Background – Virginia CWFAP

- Team Composition
  - Seasoned and new staff (including new Program Manager)
  - Big picture thinkers and detail-oriented analysts
  - Engineers, wastewater and stormwater specialists, geologists, and more
  - Strengths – Problem solvers, deliverers, time keepers, optimists, analysts, strategists, self-believers, empathizers, and more

# Background – CWFAP Team Decision

- Gathered in November 2018
- Team decided to tackle streamlining the program
- Determined best option – Process Improvement Mapping
  - To be led by internal training group – green belt in Lean Six Sigma
  - To develop a “Current State Map” – captures what is actually happening versus what the SOP says
- Held face-to-face one-day event in Richmond – March 2019

# Before Event

- Gathered and provided materials already in house
  - Process flow maps
  - SOP and guidelines documents
  - Program operations plan
  - Applications, checklists and forms



# Before Event

- Created a project charter
  - Identified process owner and leadership team sponsor
  - Provided an opportunity statement that put boundaries on items to tackle
  - Prioritized objectives into top 3
  - Identified process starting and stopping points
  - Determined what was in scope versus out of scope
  - Named the team

# Before Event – Project Charter

## Project Charter

<b>Project Name:</b> Clean Water Financing and Assistance	<b>Current State Mapping Date:</b> 3/12/19 8:30 - 5:00
<b>Division/Unit:</b> Administration	<b>Process owner:</b> Karen Doran
<b>LT Sponsor:</b> Valerie Thomson	
<b>Opportunity statement</b> (Highest priority opportunities for the event) eliminate unnecessary steps (ex. redundant paperwork, examine checklists), make processes between programs similar where possible (why accept self-certification for one program but not another?), reduce number of program records, optimize staff time (for example, SLAF has applicant fill out plans and specs checklist, but staff fills it out in RLF), optimize CEDS for efficiency and make it more usable, clarify staff roles (who needs to perform review or sign approval), consistency amongst staff, use technology to make our processes more efficient (ex. post documents on our website for external customers to use, rather than having to provide to them individually)	
<b>Event objectives</b> (Include 1-3 highest priorities from opportunity statement, metrics targets, and timeframes) Reduce review time for each step, eliminate unnecessary steps, make use of technology	

# Before Event – Project Charter

<p><b>High Level Overview of Business Process</b>  Solicitation, application review and project funding list, initial meetings, review of submittals (several), loan closing/grant agreement, disbursements, site visits, close out</p> <p>4 funds: Revolving Loan Fund, Agriculture, Water Quality Improvement Fund, Stormwater Local Assistance Fund</p> <p>Start by mapping Revolving Loan Fund</p>	
<p><b>Start of process to be mapped</b>  Solicitation</p>	<p><b>End of process to be mapped</b>  Project close out</p>
<p><b>Project Scope</b></p>	
<p><b>In Scope:</b>  Preparing for ECM, changes to review steps, minor changes to CEDS, changes to staff roles</p>	<p><b>Out of Scope:</b>  Future phases of CEDS  Federal process  VA legislation  Virginia Resource Authority processes</p>

# Before Event – Project Charter

Team Selection	
Name	Division
Karen Doran	CWFA
Kelly Ward	CWFA
Mike Crocker	CWFA
Boyd Wiley	CWFA
Allen Cornett	CWFA
Jeanne Puricelli	CWFA
Ken Savko	CWFA
Kim Butler	CWFA
Lars Bolton	CWFA
Bill Spencer	CWFA
Charlie Via	CWFA
Pantea Westermann	CWFA
James Cornett	CWFA
Shawn Crumlish	VRA
Michelle Prior	OFM

# During Event

- Event led by third party with no prior knowledge of process
  - DEQ training staff – green belt Lean Six Sigma
- Mapped VCWRLF process from beginning to end
  - What is beginning to end?
    - For us – annual solicitation to final loan disbursement
- Identified
  - Key communication points
  - Who, what, when, where, how, and why of each step
  - List of action items to achieve 3 event objectives



## During Event





# After Event – Output and Continuous Follow Up

- Output
  - Received two items from the Event Lead
    - Current State Map Graphic
    - List of Action Items
- Continuous follow up
  - Held monthly team meetings
    - Reviewed progress on action items
    - Continuously evaluated action items for clarification and ownership
  - Event Lead performed periodic follow up assessments

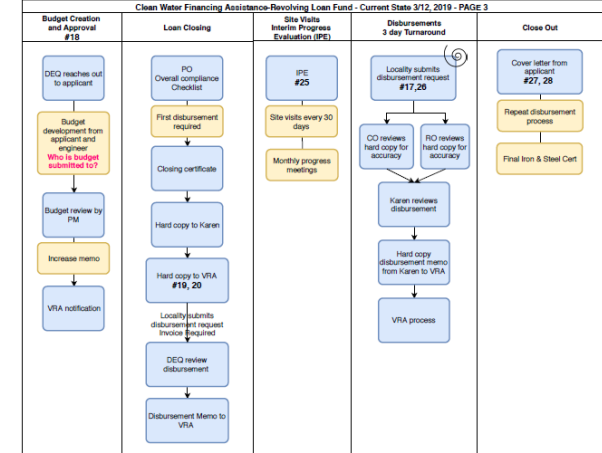
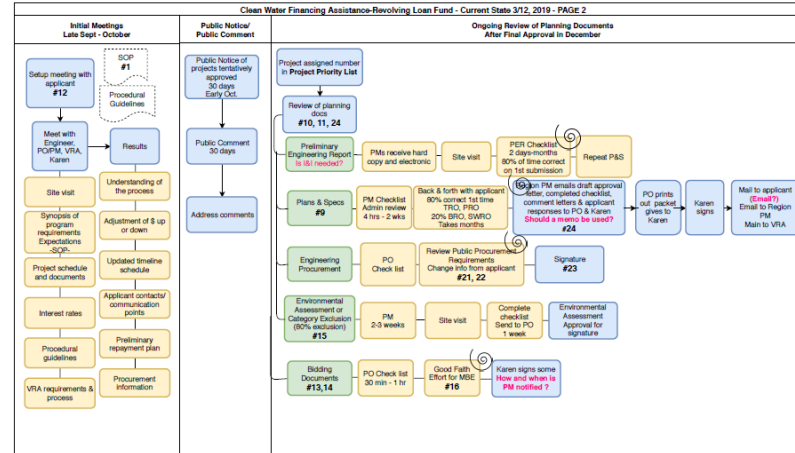
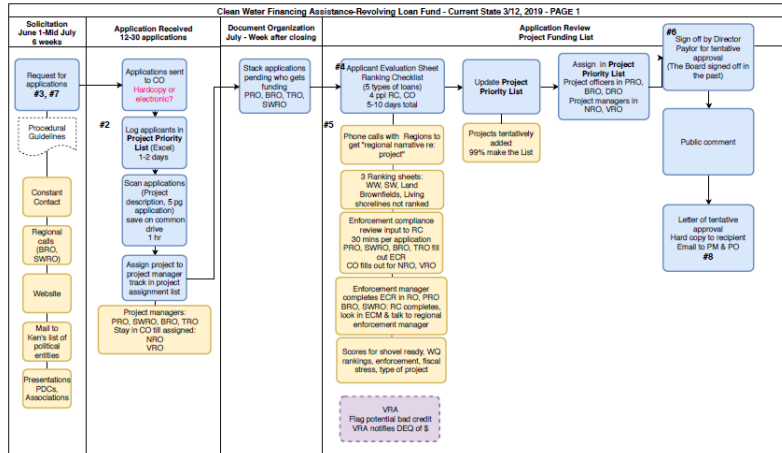


# After Event – Output – Graphic Current State Map

START HERE



⊙ = Chair    □ = Process step    □ = Components of process    # Numbers correspond to action item list



END HERE

# After Event – Output – List of Action Items

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#	Task	Lead	Members	Comments
1	Review and update DEQ SOP			Consider updating Program Design Manual as a first step
2	Standardize project tracking, VRA/DEQ communication points	Pantea		work with Karen on #11; shared drive structure drafted - team review and organize; VRA/DEQ comm points - ongoing - met with Shawn - creating spreadsheet to track progress of projects through loan closing - will discuss at monthly meeting
3	Review Procedural Guidelines for opportunities to clarify to applicant what's needed with the goal of improving the quality of data in for all project types - related to application, see #7	Pantea/PMs		work with Bill; Pantea and Bill to complete when reviewing FY20 applications - ongoing
4	Applicant evaluation sheet - Still effective? Will the current criteria hold up in the future?	Pantea/Karen/Mike		Pantea to complete when scoring FY20 applications - ongoing
5	Formalize regional input for application review process	Bill		work with Kelly on #3; see #3 - complete - PMs review with Kelly
6	Who signs tentative approval list - Paylor, Board? Pros and cons	Karen		Paylor signs - complete

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6	Who signs tentative approval list - Paylor, Board? Pros and cons	Karen		Paylor signs - complete
7	Application - Better instructions	Pantea/PMs		see #3
8	Content of letter - tentative approval to applicant and loan authorization letters	Kim		letters updated - team review in August - tentative letters complete, authorization letters complete
9	Define what is required for different projects during P&S phase - Too much? Too little?	Mike/Regional PMs		ongoing - checklist drafted - PMs review by mid Oct - Bill let Pantea know when ready to review for EPA requirements - then to Pantea for intake form - Mike to schedule call with PMs
10	General specs vary from applicant to applicant. Difficult to find information from applicant. Can the submissions be standardized?	Kim		checklist - have applicant fill out the checklist - see #9
11	When should DEQ communicate with VRA during the review of planning documents? Just during Plans & Specs?	Karen and Shawn		work with Pantea on #2 - ongoing
12	Initial meetings - Who's there? What to bring? Provide a map to closing. Relates to content of Tentative Approval Letter.	Kim		Karen and Bill put initial meeting checklists in #12 folder; Kim make revisions and let team know when ready - Pantea to update QPS and send to team for review - on common drive - team review
13	AIS certification - This takes a lot of time. Any opportunity for improvement?	Allen, Charlie, Kim		look into AIS training from EPA - January 8 in Richmond, or other online training, handout from the first meeting, provide ENV's email for questions, make applicants aware they are responsible - in initial meeting - EPA prefers Richmond - look at training in January - Kelly/Charlie work on dates - EPA to contact DCR - Karen check with Marlene on conf room - PRO - call on 3/13 - training set - checking on possible recording - hold training annually, update PM lead - Kim will coordinate
14	Davis Bacon - This takes a lot of time. Any opportunity for improvement?	Allen, Charlie, Kim		look into DB training through DHCD or other sources - ongoing - CDC training in 7/17 Kelly and Kim to work on - consider webinar - Bill to check with DHCD for training - DHCD does periodic training, Bill to follow up - Karen coordinating with EPA on training
15	Tap into ER division?	Karen, Val		meet with Tina - met with Tina, Karen, Kim and Bill to discuss
16	Construction Contracts - Many applicants do not have correct wage rate. Program officers check on bid review?	Boyd, Bill, Mike, Pantea		add to plans & spec review (complete) and bid package review checklist, add a self-certification from owner that correct wage determination was used - Kelly to get bid package review checklist in #16 folder - let team know when ready - report on DB discussion in initial meeting - Pantea update checklist and create fillable pdf
17	Look for opportunities to use more electronic documents (email, Disbursement request)? Where else?	Tech team		ongoing - Tech team provide updates at next action item call
18	Formalize budget process	Mike		schedule 1; add to plans and spec checklist - after receive bid - ongoing - Mike and Bill to discuss - need budget 3 weeks before closing
19	VRA notify Regional Office of loan closing	Shawn/Karen		Complete
20	Integrate VRA Closing items needed into DEQ process - combine with #2	Karen/Mike		Ongoing - budget, incl/excl items, final loan amount, closing cert, list req approved - will be included in VRA/DEQ spreadsheet
21	Engineering procurement - Can IEF work like SAJ with self-certification	Mike, Kelly		YES complete
22	Karen email locations exemption - why require PPA?	Mike, Karen		Ongoing
23	Who signs approval letters - from DEQ	Mike/Karen		see #24
24	Process for sending approval submitted to CO who's doing the review? Preliminary engineering record, plans & specs, engineering procurement, bidding docs, environmental assessment	Karen/Mike		Complete - Determined that review and approval done by Mike and closing certificate approved by Karen
25	Charlie placed compiled info, revised IPE form in folder - team to review - schedule call in January - conference call held, revised IPE and placed on common drive, frequency - comprehensive IPE in middle and rear end, IPE monthly - IPE review revised from and provide comments	Charlie		
26	IPE - What is appropriate frequency? Disbursement frequency - Can it be standardized? Or encourage regularity? How? Applicant instructions. Combine with #2	Mike/Shawn		Ongoing - discuss incoming projects - not needed for bond proceeds - draft 1 pager instructions (Mike/Pantea) on how to request funds - include regularity
27	Examine 90 day permit requirement for O&M versus CTO 30 days before closing projects	Bill/Allen		Complete - CTO to be issued on each project (where applicable) - required by regl, O&M manual needed before substantial completion - items included on checklist
28	Standardize completion documents	Bill/Allen		Complete in folder #28

## Results – Tangible

- Reduced amount of paper program was using
- Updated templates to fillable PDFs
- Updated applications and evaluation sheets
- Posted key documents to the website
  - Reduced questions from borrowers
- Organized common electronic filing system
  - Provided access to documents by all team members
  - Serendipitous – provided for seamless transition to full time telework due to COVID

## Results – Intangible

- Saved time and resources by
  - Standardizing communication within team and support agencies
  - Streamlining communication with borrowers
- Explained step by step the process to new staff (including the Program Manager)
- Helped get central and regional office staff on the same page – resolved differences in how projects were managed and increased consistency

# Key Takeaways for Success and Lessons Learned

- Key Takeaways for Success
  - Bring coffee and candy
  - Put boundaries around which processes to map
  - Define your team (anyone who has a role in the process)
  - Get everyone on the team in the room together (when it is safe)
  - Having a variety of experience is invaluable (need all and equal voice)

# Key Takeaways for Success and Lessons Learned

- Key Takeaways for Success
  - Staff proven/staff led improvements are most effective
  - Action item ownership is key – volunteer (best) or assign
  - Prioritize action items
  - Hold each other accountable
  - Did I mention? Bring coffee and candy!
- Lessons learned
  - Allow for enough time, including breaks
  - Set up a system to check on progress

# Virginia CWFAP Contact Information

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