

U.S. Department of Energy

**STATE PLAN/ON FILE INFORMATION WORKSHEET
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III.1 Eligible Population

III.1.1 General Description

Definition of Income used to determine eligibility

The 2000 Census identified 328,933 persons in the state with incomes at or below the poverty level, which equaled 18% of the state's population. Using the typical estimated average of 3.3 persons per household, this population translates into 99,678 households eligible for weatherization assistance. But since the income level for eligibility to the WAP rests at 150% of the poverty level, the number of households eligible for WAP assistance easily surpasses the 100,000 mark.

The 2000 Census provides other significant findings about persons with incomes at or below the poverty level:

- 125,218 persons were under 18 years of age;
- 42,736 persons were under 5 years of age;
- The number of dwelling units in which the elderly reside was estimated at 55,759;
- The number of dwelling units in which the handicapped reside was estimated at 75,171

Definition of income used to determine eligibility:

Low-Income means income in relation to family size which is the basis for eligibility for assistance under DOE that is at or below 150 percent of the Federal income poverty guidelines.

Procedures to determine that units weatherized have eligibility documentation:

Intake procedures begin at the point of outreach. The proven effective way to provide information about WAP to the eligible population is through outreach efforts. Outreach is primarily conducted through media public service spots directed by MFA, through Subgrantee presentations at senior centers and other centers serving elderly and handicapped, and by Subgrantees encouraging participants to talk about WAP to their friends and neighbors. This effort has created a long waiting list at almost every county in the state.

Applicants are reviewed for eligibility through the following method:

- Income documentation. This is done through a number of effective methods, such as written verification from income sources, income tax returns, copies of pay checks or check stubs;
- Dwelling ownership documentation. Evidence of mortgage payments are accepted as proof of ownership. Otherwise, Property deeds are required;
- Rental agreements. Rental agreements from landlords are obtained, when applicable;

- Identification documentation is reviewed. Documents that attest to proper identification of head of household and age are accepted. Other household members are identified as applicable for disability or child status;
 - Proof of disability. Medical documentation is requested to ascertain disability status;
 - Reweathering. Homes previously weatherized from 1993 and earlier may be reweatherized. However, the scheduling for reweatherizing homes may not be prioritized over homes that have never been weatherized.
 - Notification. Applicants are immediately notified of their eligibility status. Ineligible applicants are notified in writing, with an explanation for their ineligibility;
 - Priority for weatherization assistance is given to elderly and handicapped low-income persons, families with children, or other high energy-consuming units.

Definition of children: Below age 18

Recommend tribal organization(s) be treated as local applicant? No

If YES, recommendation: if NO, statement that assistance to low-income tribe members and other low-income persons is equal:

Low-income members of an Indian Tribe ineligible to apply under the Navajo Grant for weatherization services are eligible to apply for services under this plan pursuant to § 440.13(b)

III.1.2 Selection of Areas to be Served

The 2000 Census was used to compile the data used for the distribution formula. The funding allocations for service area(s)/Subgrantees is based on the number of aged, handicapped and impoverished households weighted by heating degree days. State funds, when available, will be allocated statewide. Utility funds, when available, will be allocated to the areas served by the participating utility companies.

III.1.3 Priorities

Although some Subgrantees have waiting lists dating back several years, Subgrantees will be required to disseminate information to the general public about the availability of services within thirty (30) days of receipt of the contractual agreement and shall retain proof of such dissemination in its records. Subgrantees will be required to update the waiting lists annually to include written notification to individuals on the waiting list to determine if they still desire services and to allow the Subgrantee to identify the higher-ranking clients regardless of the amount of time on the waiting lists.

The priority ranking addresses the most needy (i.e. children, elderly and handicapped). New Mexico includes households with children as a priority. Priority among eligible applicants for the receipt of WAP services will be established by each Subgrantee on the basis of the following evaluation and assignment of points:

- 1) Children in Household – Households will be rated at the youngest group only. Households with children ages 0 – 5 will be awarded 15 points; households with children

ages 6 – 12 will be awarded 12 points; and households with children ages 13 – 18 will be awarded 9 points.

- 2) Household Income – Points for income will be determined on the basis of 150% of the poverty level as established by OMB. Households with incomes between 0 – 19% will be awarded 15 points; households with income between 19.1 – 39% will be awarded 12 points; households with income between 39.1 – 59% will be awarded 9 points; households with income between 59.1 – 79% will be awarded 6 points; households with income between 79.1 – 100% will be awarded 3 points; and households with income greater than 100% will be awarded 0 points.
- 3) Primary Fuel – Based on the cost per BTU, households utilizing electricity will be awarded 11 points; households utilizing fuel oil will be awarded 10 points; households kerosene will be awarded 9 points; and households utilizing LP Gas, propane, wood, coal, or natural gas will be awarded 8 points.
- 4) Vulnerability – Households will be rated on one condition only. Households with two or more members that are either 60 years of age or older and/or handicapped will be awarded 30 points; households in which at least one member is 60 years of age or older and handicapped will receive 24 points; households in which at least one member is handicapped will receive 15 points; households in which at least one member is 60 years of age will receive 12 points;
- 5) Condition of Dwelling – Households requiring leveraged rehabilitation will be awarded 20 points; households in severe need of weatherization will receive 15 points; households in moderate need of weatherization will be awarded 10 points; and households in mild need of weatherization will be awarded 5 points.
- 6) Summary - Based on the above point assignments, a case may have a minimum of 37 point or a maximum of 91 points.

III.2 Weatherization Analysis of Effectiveness

Premise

MFA has designated seven geographic service areas to maximize cost efficiencies. The areas are divided in the following manner: Region 1 (San Juan, McKinley, and Cibola counties), Region 2 (Rio Arriba, Taos, Colfax, Mora, Los Alamos, Santa Fe, and San Miguel counties), Region 3 (Sandoval, Bernalillo, Valencia and Torrance counties), Region 4 (Union, Harding, Quay, Gradalupe, De Baca, Curry and Roosevelt counties), Region 6 (Lincoln, Otero, Chaves, Eddy and Lea counties), Region 7 (Socorro, Sierra, Dona Ana and Luna counties), and Region 7 (Catron, Grant and Hildago counties). These geographic areas have been designated to promote efficiency within the service delivery of the program.

MFA will contract with three Subgrantees for program years 2004-05 and 2005-06 for weatherization services in the seven designated geographic areas. Of the three organizations, two are private non-profit organizations having no affiliation with the Economic Opportunity Act of 1964 and one (1) is a private, non-profit community action agency. The seven designated areas assigned in the following manner:

Performance Analysis

Subgrantees will be selected biannually based on two criteria:

1. In keeping with DOE regulations (10 CFR 440.15) priority is given to current program operators provided they are performing effectively and the public hearing process did not reveal or result in any substantial reasons for changing Subgrantees;
2. Operators satisfactory performance during the current year attested by a performance analysis, which addressed the following criteria:
 - i) Quality of work, as demonstrated by the agency's experience in administering and conducting weatherization and/or housing renovation activities;
 - ii) Ability to use diagnostic equipment (i.e. blower door and indoor air quality testing equipment) and NEAT or any other DOE approved automated residential energy audit used to identify measures to be installed;
 - iii) Program and financial staff skills. Type and years of experience are reviewed;
 - iv) Experience in administering and coordinating low-income elderly and/or handicapped social service or energy conservation programs;
 - v) The extent to which an agency has achieved or is achieving weatherization and/or housing renovation goals (in past or current programs) in a timely fashion;
 - vi) Ability to coordinate and leverage funds with other housing programs;
 - vii) Ability to secure volunteers, training participants, and public service employment workers to work under the supervision of qualified supervisors and foremen.

Comparative Analysis

Monthly Subgrantee production and financial reports will be evaluated to determine Subgrantees' compliance with budget and goals. Additionally, these reports will be used for comparative analyses to determine the Subgrantee's relative effectiveness. Factors to be evaluated include:

- 1) Costs. Costs per unit are determined to evaluate productivity. Direct and indirect expenses are used for this analysis, with due consideration to significant differences in distances between communities in different projects;
- 2) Energy savings. Total energy savings per project are projected. Savings are factored, when possible, by differences in climate, dwelling types, and dwelling construction.

If results from these evaluations show substantial differences between Subgrantees, further reviews of local work procedures will be conducted to identify the procedures or factors causing the differences. The findings will be used to assess training and technical assistance needs and establish priorities.

Termination Procedures

Should it become necessary to terminate any Subgrantees, or select new ones, the regulations governing such actions, i.e. sections 440.15 (c) and (d) will be followed. This will include holding a public hearing and showing just cause as covered in 440.14 and 440.15.

Should termination of a Subgrantee during the current grant cycle become necessary, the MFA will redistribute the allocations and/or unexpended balances among remaining Subgrantees

operating efficient programs in order to ensure that the services continue in the areas served by the Subgrantee being terminated.

III.3 Health and Safety

Purpose: To establish the policies and procedures under which health and safety concerns are addressed the in New Mexico Weatherization Assistance Program (WAP).

Goal: To ensure energy savings resulting from weatherization services while promoting a healthy and safe environment for clients, contractors, crew, staff, and subcontracted installers.

Scope: The Health and Safety Plan is applicable to all activities performed under the WAP and funded through DOE.

Definitions:

Contract Period: July 1 through June 30.

Health and Safety Measures: Those measures necessary to eliminate hazards within a structure, which by their remedy, allow for the installation of weatherization materials while ensuring that the structure is left in a safe condition.

Weatherization Measures: Building shell and equipment measures determined to be cost-effective by the DOE approved NEAT/MHEA or multi-family audit standards.

Weatherization Materials: Those materials listed in Appendix A of the DOE WAP for Low-Income Persons Final Rule, 10 CFR Part 440. Materials for incidental repairs must also be listed in 10 CFR Part 440 Appendix A.

Incidental Repairs: Repairs necessary for the effective performance or preservation of weatherization materials.

Lead Safe Weatherization (LSW): LSW is a set of protocols to be used when disturbing surfaces that may have lead-based paint that will reduce and control the amount of lead dust and paint chips that are generated during weatherization activities.

Expenditure Limits and Reporting:

Health and Safety Measures:

MFA has established procedures to abate energy-related health and safety hazards. Costs are allowable only if the elimination of such hazards are necessary before, or as a result of, installation of weatherization materials. An average expenditure limit for health and safety has been set at 5% of the yearly average set on § 440.18(b), or a maximum cost of \$300 per unit. Health and Safety measures beyond the scope of the DOE requirements will be referred to other funding sources. Only weatherization materials which are listed in Appendix A of the State's Weatherization Assistance Program Manual and which meet or exceed standards prescribed in

Appendix A shall be purchased with funds provided under the weatherization assistance program. MFA shall apply for approval of unlisted material when necessary.

Health and Safety measures for any one unit will not exceed a maximum expenditure of \$600 for any single unit completed within the contract period.

Grantee Health and Safety

MFA health and safety related costs will be charged to administrative or training and technical assistance cost categories. Grantee will follow the protocols for the crew and/or contractor when in the field and engaged in weatherization activities.

Crew and/or Contractor Health and Safety

In addition to direct health and safety costs, related health and safety costs such as tools and equipment necessary to perform health and safety measures will be charged to the health and safety category. However, the average per unit expenditure for both program operations and health and safety activities expensed to DOE funds shall be limited to the standard set in the Annual Program file.

The standards included here provide only general guidelines for health and safety concerns. Detailed specifications regarding worker health and safety are found in OSHA Safety and Health Standards (29 CFR 1926/1910) published by the U.S. Department of Labor; and corresponding NM OSHA [50-9-1 to 50-9-025 NMSA 1978]. Worker safety rules of general application are also contained in State of New Mexico Occupational Health and Safety General Provisions Title 11, Chapter 5 Parts 1 and 2, published by the New Mexico Environmental Improvement Board (http://www.nmenv.state.nm.us/OHSB_Website/Regulations.htm). These standards are applicable to all workers providing services using funding under the DOE WAP program.

Client Health and Safety

Weatherization services must be provided in a manner which minimizes the risk to workers and to clients. When a person's health is fragile and/or the work activities would constitute a health or safety hazard, the occupants at risk will be required to leave the home during these work activities.

Before any work has begun on a dwelling (residence), weatherization workers, beginning with the intake process, will note any health conditions which may be affected by the weatherization work. These conditions will be noted in each client file, reviewed and initialed by the assessor prior to the assessment and taken into account when the prescribed measures are addressed.

Crew chiefs/leads will also review and initial this information, and if necessary, advise each member of their crew of necessary precautions while working in the home.

In the course of performing an energy audit, the energy auditor is required to meet with a member of the household and complete a questionnaire. This questionnaire provides the auditor with information about the dwelling unit and the lifestyle of its occupants that can direct the auditor to areas where energy can be conserved. In addition, there are pertinent questions about previous health problems and occupancy practices that can lead the auditor to identify health and

safety concerns. Once identified, these areas can be dealt with through various means ranging from information to the client to the correction of the problem in the course of weatherization.

Client Education

Where serious concerns about the dwelling are found in the course of weatherization that cannot be addressed, clients are advised of these possible hazards in writing in order that they may make informed decisions regarding their safety.

Potential Hazard Considerations

Costs are allowable only if the elimination of such hazards is necessary before, or as a result of, installation of weatherization materials. An average expenditure limit for health and safety has been set at 5% of the yearly average set on § 440.18(b), or a maximum cost of \$300. Health and safety measures beyond the scope of the DOE requirements will be referred to other funding sources. Only weatherization materials which are listed in Appendix A of the State's Weatherization Assistance Program Manual and which meet or exceed standards prescribed in Appendix A shall be purchased with funds provided under the weatherization assistance program. MFA shall apply for approval of unlisted material when necessary.

The following health and safety concerns are frequently encountered in the weatherization of low-income homes:

Health problems, and potentially life-threatening carbon monoxide levels, may result from improper balance of the mechanical systems in the residence, or from incomplete combustion in household combustion appliances. Additionally, other hazardous conditions may exist in combustion appliances which, if not corrected, pose a risk to the occupant's health as well.

Combustion appliances, including furnaces, water heaters, cooking ranges, ovens and vented space heaters, are included in this measure. Testing for safety will be conducted pre- and post weatherization. Each contractor has carbon monoxide detection equipment and has been trained in the performance of appropriate safety tests. Draft gauges are also used to verify that safe and effective chimney draft levels exist. If measured carbon monoxide exceeds safe levels as prescribed by EPA, corrective action is taken which may include cleaning of equipment including chimney or flue, tune-up, correcting pressure imbalances, repair or replacement of a furnace, and other measures as needed. Carbon monoxide detectors may be installed as needed.

Poor indoor air quality due to excess moisture and build-up of other indoor pollutants may cause immediate or long-term health problems. Removal of mold, odors, viruses, bacteria, unsanitary (including raw sewage) conditions and rotting wood is not a weatherization responsibility. When appropriate, weatherization services will be delayed until the problem is remedied by another agency.

Moisture related problems shall be assessed and classified as either energy related or non-energy related. Moisture problem stemming from plumbing leaks and inadequate ventilation may be corrected if the costs for abatement are within the limits of available Health and Safety funds. Moisture problems which cannot be remedied with Health and Safety funds shall preclude weatherization of the dwelling unit until corrected by the client or funding from other sources is

available. Installation of mechanical ventilation devices, downspouts, minor roof repair and minor plumbing repairs will be carried out as abatement measures.

When necessary, mitigation is provided by determining the source of the problem and implementing an effective mitigation strategy. To assure acceptable ventilation levels, a timed system of mechanical ventilation, with fresh make-up air may be appropriate. Repair of existing exhaust fans may be done by crew, but new or replacement installations which involve rewiring will require a licensed electrical contractor. For indoor air quality concerns related to bulk moisture problems, dehumidification may be in order. In homes with forced air systems, room-to-room pressure balancing is performed, as necessary.

Asbestos: general asbestos removal may only be authorized if the energy savings resulting from the measure will provide a cost-effective saving-to-investment ratio.

Radon: Radon abatement is not an allowable activity under the weatherization program. Work which would exacerbate a previously identified radon problem will be deferred. However, if an approved energy audit indicates that the weatherization technique would help in radon remediation, the costs associated with taking precautions in a dwelling known to have radon problems are allowable.

Radon problems shall be assessed in all areas identified by the Environmental Protection Agency (EPA) that encompass counties where research predicts average indoor radon screening levels of greater than four picocuries per liter. These areas have been assigned to Zone 1 on the EPA's draft map of radon potential zones. Radon testing shall be conducted on all dwelling units in Zone 1 prior to weatherization of a dwelling unit. Radon testing shall be repeated following weatherization of the dwelling unit and application of passive radon abatement measures such as crawl space ventilation, interior air sealing, duct sealing and vapor barrier. Dwelling requiring active radon abatement measures will be referred to other funding sources;

Formaldehyde and Volatile Organic Compounds (VOCs): Formaldehyde vapors may be slowly released by some new carpets, waferboard, plywood, etc. VOC's are also emitted by some household cleaning agents. Caution should be taken when selecting air tightness limits in dwellings with VOC problems.

Hantavirus Respiratory Distress Syndrome: Hantavirus is found in southwestern climates like New Mexico. It is a potentially life threatening viral infection which is contracted through exposure to infected rodents or rodent urine, feces, or saliva. Exposure can occur when infected matter comes in contact with the mouth, an open sore, cut mucus membrane, or is inhaled along with dust that has been disturbed. Symptoms include fever, chills, muscle aches and breathing difficulty, and often mirror those of the common cold.

To minimize exposure to the hantavirus, New Mexico Weatherization personnel will use the following procedure:

Avoid contact with rodents, droppings and any items contaminated by them. Eliminate water, food, shelter for rodents in or around the home. Wash your hands often, especially before eating.

Keep food and drinks stored safely away from rodents prior to preparation and consumption and off of surfaces that could be contaminated. Wear a respirator, gloves and coveralls in areas where rodents or rodent feces may exist. Minimize dust disturbance in crawl spaces and other areas where rodents or rodent feces may exist. Have the homeowner remove evidence of rodent feces inside heating system ducts according to proper procedures before furnace work or duct sealing begins.

Disposal of dead rodents, droppings or contaminated material must adhere to the following precautions:

1. Put on rubber gloves
2. Thoroughly spray animal, droppings, contaminated material, or nests with a mixture of 3 ounces of bleach and 1 gallon of water.
3. Use a paper plate, paper towels or shovel to place disinfected material and disposable cleaning items into a plastic bag.
4. Seal or tie the bag and place it into another bag.
5. Place the bag in a covered trash container for regular trash disposal.
6. Disinfect non-disposable cleaning items.
7. Wash hands thoroughly with soap and water after cleanup.
8. When laundering contaminated items, wear rubber gloves and wash clothing in hot water.
9. Surfaces should be cleaned with soap and water and then wiped with a disinfectant.

Electrical hazards causing injury and fire can result from uncovered wiring, unsafe service boxes, knob-and-tube circuits spliced into improperly, and other electrical code violations. When concerns arise at the time of audit, electrical inspections and repairs, by a licensed electrician, are required before weatherization is done. When gross electrical overloads are present, weatherization staff will notify the owner and note the condition in the client file. All applicable building codes must be followed.

Wiring problems will be assessed in order to identify any recessed lighting fixtures, including wiring compartments and ballasts to ensure blocking around these heat producing areas is installed. An inspection of the dwelling unit's electrical wiring will be conducted to determine type(s) of wiring present, it's condition, routing and circuit protection. Hazards and appropriate corrective actions will be identified prior to having insulation installed. Correction of overloaded circuits, live bare wires and improperly made wiring junctions is mandatory. Wiring hazards which cannot be remedied with the Health and Safety funds shall preclude weatherization of the dwelling unit until corrected by the client or funding from other sources is available.

Fire Hazards: Combustion appliances and their associated venting systems can also present potential fire hazards.

Natural Gas and LP fueled combustion appliances shall receive a fuel leakage test, a CO test, a draft test, heat exchanger inspection, wiring inspection and a venting and clearance inspection. Combustion appliance will be required to conform to NFPA manuals 54-88 and 211-88 prior to weatherization of a unit. Unvented space heaters shall be replaced with vented space heaters or vented, if possible. If combustion appliances cannot be brought into compliance with available Health and Safety funds, the unit will not be weatherized until remedial action can be taken by

the client. Combustion appliance Co and draft testing will be repeated following air sealing of the dwelling unit. Replacement furnaces and space heaters will be installed as abatement materials if funds are available.

Building Structure: Building rehabilitation is beyond the scope of the WAP; however, workers frequently encounter homes in poor structural condition. Dwellings whose structural integrity is in question should be referred to the Department of Housing and Urban Development. See Deferral policy. Incidental repairs necessary for the effective performance or preservation of weatherization materials are allowed. Examples of these limited repairs include:

- Sealing minor roof leaks to reserve new attic insulation
- Repairing water damaged flooring as part of replacing a water heater
- Cleaning, tuning and testing of gas or oil combustion appliances including gas cook stoves.
- Venting of unvented water and space heaters.
- Installation of required heating system safety equipment, including safety controls required by building codes
- Minor repairs or cleaning of heating system venting devices, including chimneys and flues.
- Installation of ventilation equipment to assure adequate ventilation and moisture control
- Installation of moisture retarders in basements and crawl spaces to prevent the flow of moisture into the structure. Low cost measures installed to prevent bulk moisture from entering or remaining in the building.
- Minor repairs to electrical wiring that will allow the installation of weatherization materials or the installation of properly sized fuses to prevent wiring overloads.

Lead Paint: NOTE: The requirements for this section are taken from 5.14 of the DOE Weatherization Program Notice 02-1 and Program Notice 01-10.

In May 2001, the Weatherization Assistance Program issued Program Notice 01-10, Weatherization Activities and Federal Lead-Based Paint Regulations. This document and its attachments lay out the requirements for states and their contractors to follow when working in homes with lead-based paint. These requirements will be addressed in this plan, and agencies are encouraged to consult the program notice for specifics.

Lead-based paint dust and other residues are hazards that Weatherization workers are likely to encounter in older homes. HUD estimates that four million homes have significant lead-based paint hazards. Furthermore, Weatherization work may directly disturb lead-based paint, possibly creating hazardous conditions. DOE's policy is that Weatherization workers must be aware of the hazard and conduct Weatherization activities in a safe work manner to avoid contaminating homes with lead-based paint dust and debris, and to avoid exposing the occupants, themselves and their families to this hazard. The protocols used to safe guard people from lead-based paint hazards are called Lead Safe Weatherization.

1. New Mexico's Lead Safe Weatherization Protocols

New Mexico MFA will decide on its Lead Safe Weatherization protocols by using the following sources:

- a. Lead-Safe Weatherization: A Training and Reference Manual for Weatherization Managers and Crews by the Montana State University Extension Service under contract with DOE
- b. Lead Paint Safety: A Field Guide for Painting, Home Maintenance, and Renovation Work by HUD
- c. Addressing Lead-Based Paint Hazards During Renovation, Remodeling, and Rehabilitation in Federally Owned and Assisted Housing by HUD.

Copies to download are available at www.waptac.org/ and www.hud.gov/offices/lead.

These protocols will be synchronized with those developed for the HOME Repair and Rehabilitation Program. These protocols will be developed through collaboration with staff from NM MFA, Denver Regional office DOE and Montana State University.

2. **When Lead Safe Weatherization Protocols Should Be Used**

Lead Safe Weatherization should be performed by Weatherization agencies when all of the following criteria are true:

- a. The dwelling was constructed pre-1978, and
- b. The dwelling has not been determined to be lead-based paint free, and
- c. Either, the amount of disturbed lead-based painted surface exceeds two square feet per room of interior surface, twenty square feet of exterior surface, or 10% of a small component type e.g., window; or the amount of lead-based paint dust that will be generated by the weatherization work exceeds the OSHA defined airborne levels for lead.

3. **Other Federal Government Regulations**

Attachment A of Program Notice 01-10 outlines what Weatherization agencies need to know about other Federal agencies' requirements that apply to Weatherization work in situations involving lead-based paint. HUD, OSHA (the New Mexico Occupational Safety and Health Act (NMOSHA) adopted and added to OSHA), and EPA requirements apply to Weatherization work.

Examples:

- The HUD Rule, 24 CFR Part 35 titled: Lead-Based Paint Poisoning Prevention in Certain Residential Structures" (issued under sections 1012 and 1013 of the Residential Lead-Based

Paint Hazard Act of 1992, which is Title X of the Housing and Community Development Act of 1992) applies. The HUD Rule requires that Weatherization agencies, when using HUD funds or working in HUD program homes, perform the work using lead-based paint safe work practices, which are distinct from LSW. The HUD rule also sets “de minimis” levels (two square feet per room interior surfaces and 20 square feet of exterior surfaces or 10% of a small component type – e.g., window) of disturbed painted surfaces for adherence to the rule.

- The OSHA Rule, 29 CFR Part 1926 (and corresponding NMOSHA Rule 50-9-1 to 50-9-25 NMSA 1978) applies. In general, when painted surfaces are disturbed and lead paint is suspected, workers should perform the work in a way that will contain the generated lead dust. The OSHA Good Work Practices (Lead Safe Weatherization qualifies) are to be used when the worker lead exposure exceeds the action level of $30 \mu\text{g}/\text{m}^3$ (an 8-hour Time Weighted Average). Exposure monitoring, medical surveillance, and training are also requirements. If the Permissible Exposure Level (PEL) of $50 \mu\text{g}/\text{m}^3$ is exceeded, additional requirements must be observed.
- The EPA Rule, 40 CFR Part 745 titled: Lead: Requirements for Hazard Education Before Renovation of Target Housing (referred to as the Lead-Based Paint Pre-Renovation Education Rule or Lead PRE) applies. Weatherization providers are required to give a copy of the EPA booklet “Protect Your Family from Lead in Your Home” prior to the start of work. Under this regulation, agencies who do not give and document proper notification could incur large fines if found doing weatherization work in pre-1978 housing stock where more than two square feet of paint surfaces are disturbed.
- EPA’s Office of Solid Waste memorandum to RCRA Senior Policy Advisors, EPA Regions 1-10, subject: Regulatory Status of Waste Generated by Contractors and Residents from Lead-Based Paint Activities Conducted in Households, from July 2000, also applies. It allows disposal of everyday household hazardous materials – residue or debris containing lead-based paint like replaced windows, or discarded clothing – from homes as non-hazardous waste and thus not subject to toxic chemical disposal rules. Household lead-based paint debris, however, must be handled in a way that will not generate or discharge lead-based paint debris to the environment, either at the client’s home or in transporting to a disposal site.

4. Guidelines Determining When Lead-Based Testing Should Be Done

Consider the following when determining whether testing is worth the time and money on a case-by-case basis:

- a. Houses built from 1978 on may be assumed to be free of lead-based paint, without testing.
- b. In houses built prior to 1940, it is logical to simply assume the presence of lead-based paint and save the cost of testing.

c. In homes built between 1940 and 1978, testing may not be warranted if the amount of paint to be disturbed is small, since it may be cheaper to perform LSW for a small area than to incur the expense of testing. However, where the amount of paint to be disturbed is relatively large, it may be worth the cost of testing, since a negative result would mean that the crews could dispense with having to perform the LSW protocols.

Testing should be performed by an EPA certified Lead Paint Inspector or Risk Assessor. Limited testing of only those surfaces that will be disturbed, with a certified XRF (X-Ray Fluorescence) operator is recommended. Testing on a case-by case basis where it is related to the installation of energy efficiency measures is an allowable DOE expenditure.

5. Deferral Policy Related to Lead-Based Paint

In determining whether to defer or postpone Weatherization work on a home that has tested positive for lead-based paint or is assumed to have lead-based painted surfaces, agencies should assess the following:

- a. What is the condition of the painted surfaces in the house? Is it so seriously deteriorated that a work person's presence just walking around the house is enough to stir up lead-based paint dust that is a threat to the clients and workers?
- b. What is the extent to which the specific energy efficiency measures determined by the audit will disturb painted surfaces? Will the disturbance generate dust in excess of OSHA minimums?
- c. Will the cost of doing Lead Safe Weatherization work represent a large portion of the total cost and exceed the amount allowed in the State's Health and Safety Plan?

Using the above answers, the agency should conclude one of the following:

- 1) Proceed with all the weatherization work, following Lead Safe Weatherization work practices; or
- 2) Do some of the weatherization tasks and defer others; or
- 3) Defer all of the weatherization work.

Deferral means postponing work until the agency is prepared to work with lead-based paint, or until another agency has corrected the problem so that weatherization can be safely performed. Weatherization work should not be deferred solely because there is lead-based paint in the home. Even in such a home, regular Weatherization work that does not disturb painted surfaces and does not stir up lead-based paint dust can be done.

6. Funding of Lead Safe Weatherization

Whereas DOE funds may be used to pay for Weatherization activities that disturb lead-based painted surfaces while installing energy efficiency measures or for case-by-case testing, the funds may not otherwise be used for abatement, stabilization or control of lead-based paint hazards, or routine entrance and clearance testing. However, U. S. Department of Housing and Urban Development (HUD) funds such as Community Development Block Grant (CDBG), lead hazard control programs and HOME Repair and Rehabilitation Program funds may be used to do this work. Also, U. S. Department of Health and Human Services' (HHS) Low-Income Home Energy Assistance Program (LIHEAP), may be used for certain expenses related to Lead Safe Weatherization.

Specifically, for DOE funding, agencies should budget Lead Safe Weatherization costs under health and safety as a separate cost category, excluded from the calculation of average cost per home. Lead Safe Weatherization costs include labor, material, insurance, training, and equipment.

NM MFA will consider various issues and resources, such as raising the health and safety funding limit which now includes Lead Safe Weatherization, and the LIHEAP Information Memorandum 2001-15, as they write specific guidance for contractors on the use of DOE and LIHEAP funds for Lead Safe Weatherization.

7. Liability Insurance

In Weatherization Program Notice 01-10, DOE strongly advises agencies to either refer or defer weatherization work that will disturb surfaces that may contain lead-based paint, until they have insurance that will provide coverage for Lead Safe Weatherization work in situations involving lead-based paint.

There are two types of insurance that could apply:

- a. Pollution Occurrence Insurance is purchased for the lead hazard control work associated with weatherization and rehabilitation.
- b. Errors and Omissions is purchased for lead-based paint inspections, risk assessments and clearance tests.

The cost of this insurance is an allowable DOE expense. To qualify for lower rates, local agencies and subcontractors can show that not all weatherization work involves disturbing painted surfaces and some homes are lead free, so the risk basis for rates should not be based on one hundred percent operations in a lead paint environment for every home weatherized.

NM MFA will require its weatherization network to provide evidence of their insurance coverage regarding lead-based paint work during the contract process. We need to understand what help can be provided to address the issues of cost and availability of this insurance. In addition, DOE's Weatherization Office, the Environmental Protection Agency (EPA), HUD, the National Association for State Community Services Programs (NASCS), the National Community Action Foundation (NCAF) and insurance industry representatives

are working together on these issues. DOE has made a commitment to obtain Pollution Occurrence Insurance and Errors and Omissions Insurance for local agencies at a reduced rate.

8. **Training**

DOE and NM MFA require that when disturbance of painted surfaces is significant, Weatherization workers are required to be trained in LSW. This training is an allowable use of DOE funds.

Deferral Standards

The decision to defer work in a dwelling or, in extreme cases, provide no weatherization services, is difficult but necessary in some cases. This does not mean that assistance will never be available, but that work must be postponed until the problems can be resolved. Crews and contractors are expected to pursue all reasonable options on behalf of the client.

Deferral conditions may include:

1. The client has known health conditions that prohibit the installation of insulation and other weatherization materials.
2. The building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost-effectively.
3. The house has sewage or other sanitary problems that would further endanger the client and weatherization installers if weatherization work were performed.
4. The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities.
5. Moisture problems are so severe they cannot be resolved under existing health and safety measures and with minor repairs.
6. Dangerous conditions exist due to high carbon monoxide levels in combustion appliances, and cannot be resolved under existing health and safety measures.
7. The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.
8. The extent and condition of lead-based paint in the house would potentially create further health and safety hazards.
9. Illegal activities are being conducted in the dwelling unit.

The decision to walk-away or defer a dwelling without providing weatherization services is difficult but necessary in some cases. Many problems encountered in low-income housing are beyond the scope of the Weatherization Assistance Program. Walk-away does not mean that assistance will never be available, but that any work must be postponed until the problems can be

resolved and alternative sources of help be found as necessary. Contractors should develop guidelines and a standardized form to assess and notify the client of a unit's deferral. The form should include the client's name and address, dates of the audit\assessment and when the client was informed, a clear description of the problem, conditions under which weatherization could continue, the responsibility of all parties involved, and the client(s) signature(s) indicating that they understand and have been informed of their rights and options.

Deferral conditions may include:

1. The client has known health conditions that prohibit the installation of insulation and other weatherization materials.
2. The building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent and the conditions cannot be resolved in a cost-effective manner.
3. The house has sewage or other sanitary problems so that to begin work on the house would further endanger the client and the weatherization installers.
4. The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building official or Utilities.
5. Moisture problems are so severe they cannot be resolved under existing health and safety measures and minor repairs.
6. Dangerous conditions exist due to high carbon monoxide levels in combustion appliances, and cannot be resolved under existing health and safety measures.
7. The client is uncooperative, abusive, or threatening to crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.
8. For lead-based paint see the Deferral Policy Related to Lead-Based Paint in section L. Lead Paint Hazard Control in this chapter.

Contractors are expected to actively pursue all alternative options on behalf of the client, including referrals, and use good judgment in dealing with difficult situations.

The estimated costs are based on the Subgrantees' previous experience in the operation of a furnace repair program utilizing other funding sources and radon testing conducted in conjunction with New Mexico's Environmental Improvement Division. Should adjustments in costs become necessary, written notification will be submitted to DOE. Changes will not become effective until approved by DOE. Subgrantees will be reporting the costs associated with this activity under a separate cost category identified as Health and Safety.

Weatherization Work

III.3.1 Types of Work to be Done

To ensure the most cost-effective measures are employed in the weatherization of the State's dwelling units, the sequences of repair determined through a NEAT audit that provide a positive Savings to Investment Ratio (greater than 1) will be followed in providing weatherization assistance. Additionally, the State will institute a state policy requiring at a 20% materials to labor ratio for each subgrantee. One or more of the following measures may be conducted.

Leakage Reduction:

- (a) Repair or replacement of broken glass;
- (b) Repair or replacement of thresholds;
- (c) Packing of cracks;
- (d) Caulking and/or weather-stripping of doors and windows;
- (e) Installation of door sweeps;
- (f) Repair or replacement of fireplace damper(s);
- (g) Installation of water heater insulation blankets;
- (h) Resetting or replacement of thermostat control(s);
- (i) Replacement of exterior doors if the existing exterior door cannot be repaired;
- (j) Repair or replacement of exterior windows.

Ceiling (attic), Wall, and Floor Insulation

- (a) Installation of ceiling (attic) insulation and other materials necessary for the effective performance or preservation of the insulation, e.g., venting.
- (b) Installation of wall and/or floor insulation and other materials necessary for the effective performance or preservation of the insulation, e.g., venting.

Incidental Repairs

Incidental repairs necessary for the effective performance or preservation of weatherization materials, such as:

- (1) Lumber used to frame or repair windows and doors which could not otherwise be caulked or weather-stripped;
- (2) Roofing materials used as a patch to repair water leaks which would damage ceiling insulation;
- (3) Protective materials such as paint to seal materials installed under this program; and
- (4) Repair materials used to repair exterior doors such as hinges, butte, locksets, lumber, etc.

Health and Safety

- a) Stove pipes can be repaired or replaced if it is apparent that they are in such poor condition that an unsafe situation exists;
- b) Smoke and carbon monoxide detectors;
- c) The parts required to vent unvented space heaters, when possible;
- d) Repair/replacement of space heaters (LPG, Propane, Natural Gas and Wood), if it is apparent that they are in such poor condition that an unsafe situation exists;
- e) Furnace repair/replacement, if it is apparent that the furnace is in such poor condition that an unsafe situation exists; and

- f) Repairs to address moisture related problems, such as mechanical ventilation devices, downspouts, minor roof repair and minor plumbing repairs if it is apparent that an unsafe situation exists.
- g) Repairs to address wiring problems if it is apparent that an unsafe situation exists.

Storm Windows and Doors

Installation of storm windows and doors is permitted only if the total unit cost (i.e., program operations and health/safety) does not exceed the average set for all units completed within the project period to include repairs conducted in accordance with the prescribed measures/sequence list determined by the use of NEAT for site built units and multi-family units and NEAT or MHEA for mobile homes

Refrigerator Replacement

Replacement of refrigerators is permitted only if the results of a test demonstrate that the existing refrigerator generates a minimum annual energy consumption of 1250 kWh. Documentation of the test results must be completed using an energy consumption meter. The minimum metering time must be at least thirty minutes. The replacement refrigerator must be Energy Star rated with a maximum annual energy consumption of 489 kWh.

Client files must include, at a minimum the following information:

- Metering results of old refrigerator in kWh;
- Size of old refrigerator;
- Age of old refrigerator;
- Maximum usage of replacement refrigerator in kWh;
- Size, model and manufacturing code of replacement refrigerator;
- Size of room where refrigerator is located.

Only one refrigerator exchange per eligible household will be allowed. Client must agree to relinquish claim to the old refrigerator and allow Subgrantee to dispose of it. When the client is a renter, the Subgrantee must document by a written statement signed by the landlord that the appliance is owned by the client and that the landlord relinquishes any claims to the appliance (Subgrantees may seek a waiver from the MFA for special circumstances on a case by case basis).

All recycling of refrigerators must comply with the Clean Air Act of 1970 (42 U.S.C. 7401 et.seq. as amended) and other applicable federal and state laws.

Other Measures for Mobile Homes

- a) Installation of storm windows is permitted only if the total cost of program operations and health/safety for all repairs conducted in the prescribed sequence, as determined by the use of NEAT or MHEA, does not exceed the adjusted average expenditure limit for the program year for all units completed within the project period;
- b) Installation of storm doors is permitted only if the total cost of program operations and health/safety for all repairs conducted in the prescribed sequence, as determined by the use of NEAT, does not exceed the adjusted average expenditure limit for the program

year for all units completed within the project period. Storm doors are not permitted if an exterior door has been installed.

- c) Mobile home skirting and other materials necessary for the effective performance or preservation of skirting activity i.e., framing material, venting, etc., is permitted only if the total cost of program operations and health/safety for all repairs in the prescribed sequence, as determined by the use of NEAT or MHEA, does not exceed the adjusted average expenditure limit for the program year.

III.3.2 Energy Audit Procedures

The NEAT audit will also be used on mobile homes and multi-family units, if any until the MHEA audit, explicitly designed for auditing mobile homes, is released by the state to the subgrantees, expected by July 2004. Similarly, the NEAT audit will be used on appropriate multi-family units until such time as a suitable DOE approved multi-family audit is identified. From time to time New Mexico plans to compare the NEAT audit with audits approved for use in certain states to identify the audit most suitable for the state. If a decision to use another audit is made, a request for approval will be made to DOE. The NEAT audit satisfies the requirements set on §440.21(b).

<u>Unit Types</u>	<u>Audit Procedures and Dates Most Recently Approved by DOE</u>
Single-family	NEAT – 2004 (under review by DOE)
Multi-family	N/A
Mobile Home	MHEA - 1998

III.3.3 Final Inspection

No Subgrantee may report a dwelling as having been weatherized until all weatherization materials identified for installation at said dwelling have been installed and the Subgrantee, or authorized representative, has performed a final inspection(s) of said dwelling, including any mechanical work performed, and certified that the work has been completed in a workmanlike manner and in accordance with the priority determined by the audit procedures required by §440.21.

III.4 Rental Procedures

With the written authorization of the state, subgrantees may weatherize a building containing rental dwelling units using financial assistance for dwelling units eligible for weatherization assistance under section 440.22 where:

- (1) The Subgrantee has obtained the written permission of the owner or his agent utilizing a Rental Agreement;
- (2) Not less than 66 percent (50 percent for duplexes and four-unit buildings) of the dwelling units in the building:
 - a) Are eligible dwelling units, or
 - b) Will become eligible dwelling units within 180 days under a Federal, State or local government program for rehabilitating the building or making similar improvements to the building; and
- (3) The Rental Agreement specifies the procedures for dwelling units that consist of a rental unit or rental units to insure that:

- (4) The benefits of weatherization assistance in connection with such rental units, including units where the tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units;
- (5) The tenant(s), including those who are paying for their energy through their rent, will not be subjected to rent increases for two (2) years after weatherization work has been completed unless those increases are demonstrably related to matters other than the weatherization work performed;
- (6) Language is included in the Rental Agreement to address enforcement of Paragraph (b)(3)(ii);
- (7) No undue or excessive enhancement shall occur to the value of the dwelling units.

Other contractual restrictions have been identified in the Rental Agreement to address the issues of eviction from and sale of property receiving weatherization materials.

New Mexico proposes to seek financial participation, when feasible, from the owners of single-family and multi-family rental units. The Subgrantees will be responsible for tracking these funds and the funds contributed by the landlord shall be expended in accordance with the Rental Agreement between the landlord and the weatherization agency. A minimum of fifty percent (50%) of the total costs will be requested from the landlord. In cases where the landlord is financially unable to participate in the cost of the weatherization, the subgrantee will request permission in writing from the state to proceed with the weatherization activity.

The tenants will be provided with a copy of the Rental Agreement. Tenants will be referred to legal services agencies for disputes that cannot be handled through assistance from the Subgrantee.

New Mexico proposes to weatherize shelters, when feasible. Subgrantees will request permission in writing from the state to proceed with the weatherization activity. For the purpose of determining how many dwelling units exist in a shelter, 800 square feet of the shelter or each floor of the shelter will be counted as one unit.

III.5 Program Management

III.5.1 Overview

The New Mexico Mortgage Finance Authority (MFA) was created by the New Mexico State Legislature in 1975 as a statewide government “enterprise” to provide financing for affordable housing to medium and low-income persons and receives no money from the state to operate.

MFA is governed by a board of seven members. Four members are appointed by the Governor and three members serve by virtue of their state office: the State Attorney General, the Lt. Governor and the New Mexico State Treasurer.

Rules and regulations formulated by the MFA are approved by a Legislative Oversight Committee of the State Legislature. The committee is comprised of eight members; four members each from the House of Representatives and the Senate.

The New Mexico Housing Advisory Committee, a group of community-based stakeholders in housing issues provides input to MFA on the effectiveness of its programs. A subcommittee of the Housing Advisory Committee comprises the WAP Public Advisory Committee.

By Executive Order 97-01, the State Governor transferred all federally funded housing programs to MFA on January 14, 1997. The Weatherization Assistance Program (WAP) was included in this transfer. Consequently, MFA took over the administration of the WAP during the ongoing plan for 1996-97. Shortly thereafter, MFA staff produced its first plan (1997-98).

MFA has assigned significant managerial resources to the Weatherization Assistance Program to insure its successful administration. A list of MFA personnel with direct WAP responsibilities is provided here. However, in fact, MFA has integrated WAP as a core activity throughout its organization; e.g. MIS, legal, planning, human resources. Thus the whole organization is available to act on WAP activities and issues.

Senior Managers: The Senior Managers of MFA will be responsible for the successful implementation of the program. They will provide direction to staff and promote the weatherization efforts externally.

Program Manager and Support Staff: The Contract Administration Department Manager is the Program Manager for WAP. She is responsible for overall program direction and supervision of the program, leverage efforts, and coordination with grantee staff; and the overall management of Subgrantees, including oversight of training and technical assistance activities.

Contract Administration Staff: The Contract Administration staff is responsible for monitoring of Subgrantee activities. They will conduct financial and operations reviews in accordance with a prescribed monitoring instrument. The staff will prepare reports of their findings and assist with training activities related to materials installation, energy audits and procedures. The staff will audit monthly reports and requests for reimbursement prior to submission to accounting staff.

Controller and Accountants: The Controller and three additional accountants are responsible for reviewing Subgrantee monthly reports, preparing reimbursements, and maintaining all required financial records to account for grantee and Subgrantee expenditures and balances. They will also be responsible for Subgrantee financial management and quarterly reporting to DOE.

Administrative Support: The Administrative Support staff provides Human Resources, Office Management, and Marketing and Information Technology support to weatherization staff necessary to carry out the functions of the weatherization program.

MFA will comply with the record keeping requirements prescribed on section 440.24, and with the reporting requirements on section 440.25.

III.5.2 Administrative Expenditure Limits

Not more than 10 percent of any DOE grant, excluding carryovers, made to the State during a plan year will be used by MFA and Subgrantees for administrative purposes in carrying out duties for the WAP, except that no more than five (5) percent will be used by MFA for such purposes, and not less than five (5) percent will be made available to Subgrantees.

Subgrantees receiving DOE grants of less than \$350,000 will be awarded up to an additional five (5) percent of such grants for administration as authorized under 10 CFR 440.18 (d). Budgets of the affected Subgrantees for operations and production will be adjusted commensurably with the increase for administrative expenses.

Subgrantees receiving DOE grants of \$350,000 or more will be awarded 5% for administration. However, if Subgrantees are allocated non-federal funds that do not authorize allocations for administration costs and such non-federal funds are utilized according to DOE program requirements, an allocation of DOE leverage funds equal to 5% of the allocated non-federal funds will be set aside for Subgrantees' administration of such non-federal funds. Ten percent of the LIHEAP allocation is expected to be used for administration by the MFA and the subgrantees.

The maximum and average expenditures of measures/sequences for any one unit will be adjusted commensurately with prescriptions set on §440.18(b) and will be listed on the Annual File.

III.5.3 Monitoring Approach

MFA assists its Subgrantees with their efforts to resolve problems encountered in the administration of the Weatherization Assistance Program (WAP) including the areas of quality workmanship and financial management controls to comply with all applicable Federal and State laws, rules, and regulations.

The Program Manager coordinates all activities and ensures clear and concise direction to ensure compliance with the applicable standards and/or regulations.

MFA's Contract Administration Department conducts field monitoring of Subgrantee activities and their production and reporting requirements. Contract Administration staff also assists Subgrantees to improve operations through recommendations to the Program Manager for Subgrantee training to correct perceived problem areas. Additionally, Contract Administration staff participates in designing training, when applicable.

MFA's Accounting staff participates with Contract Administration staff in the review of Subgrantee financial operations to insure that Subgrantee's financial data flows efficiently to the financial section for accurate and timely execution of vendor payments and reporting. Furthermore, MFA's independent auditor is available when needed to review Subgrantee operations and the WAP program.

The MFA Contract Administration staff conducts, at a minimum, a one-time review of each Subgrantee, which includes an abbreviated financial audit, program and client file review and unit operations. The Contract Administration staff conducts a follow-up monitoring visit, when necessary, to ensure that corrective action has been initiated or completed and spot-checks financial records. A contractor reviews, at a minimum, five percent (5%) of the client files for those households assisted in the existing program period and also inspects an equal or greater number of units. In addition, units that have been assessed but not yet weatherized are reviewed to ensure that assessments have been thorough and accurate. The actual number of monitoring visits to a specific Subgrantee depends upon the Subgrantee's performance.

Each official monitoring visit includes a review of programmatic, fiscal, and technical aspects of program operation in accordance with the monitoring instrument.

During monitoring visits, Contract Administration staff is particularly alert to:

- any incomplete client files;
- production, procurement, and quality control problems; instances in which fewer than 100 percent of completed homes are inspected; instances in which priorities are not being followed; and any suspicions of waste, fraud, abuse, and/or mismanagement.

If any significant problems are found, MFA notifies DOE's Denver Regional Office immediately.

As a follow up to each visit, Contract Administration staff provides the Subgrantee with a written report that describes noncompliance or problem areas. The report is submitted to the Subgrantee within 30 working days of the visit and the Subgrantee is required to respond within a reasonable period of time to MFA with information of the corrective actions it has undertaken. The Subgrantee is made aware of monitoring parameters, since it is accountable for implementation of the program in accordance with the standards and procedures. A follow-up report is filed once a problem is resolved to the mutual satisfaction of the Subgrantee and MFA. However, if the problem is not resolved after negotiations and a reasonable effort by both parties, MFA considers provisions for the termination of the contract.

Subgrantees are required to purchase materials and equipment that are equal to or greater than federal material specifications as contained in Appendix A of Standards for Weatherization Materials (revised), of the DOE Weatherization Regulations. In addition, Contract Administration staff periodically spot-checks materials stored in a Subgrantee warehouse, accompanies Subgrantee staff when purchasing or receiving materials, or observes the installation of materials on a dwelling unit. During any of these functions of monitoring, Contract Administration staff documents compliance with federal materials standards and assesses the quality of workmanship.

Subgrantees are required to secure price lists from a minimum of three vendors for all materials. The list is reviewed and compared to determine that Subgrantees have purchased materials at the best possible price. However, other factors are considered in analyzing material costs; particularly the quality and life expectancy of materials, the cost of shipping if materials are to be purchased from a vendor located a distance from Subgrantees, and terms of credit or other payment arrangements which sometimes must be established. Additionally, all Subgrantees are required to follow state procurement regulations that include materials cost provisions. Reviews of these requirements are conducted during official monitoring visits. All Subgrantees are required to follow the state of New Mexico Procurement Code and all have received copies of the Code and instruction.

The MFA will submit semi-annual reports to DOE's Denver Regional Office describing its monitoring efforts to date. The report will include at least the following:

- the number of monitoring visits to each Subgrantee;
- the general nature of the findings;
- a discussion of significant corrective actions on the part of any of the parties (attaching trip reports for these, when appropriate); and
- an outline of assistance needs.

MFA also will have each Subgrantee monitoring report available for Regional Office inspection during State monitoring visits.

The MFA will summarize and review its monitoring activities and findings for internal assessment of State and Subgrantee needs, strengths and weaknesses and annual planning. This data will be incorporated in the New Mexico Consolidated Plan and Annual Performance report.

CREDENTIALS:

The Contract Administration Department has substantial experience in monitoring WAP and other Federal and State programs. The consultant who will conduct site monitoring is an architect registered in the State. This consultant conducts site inspections for the MFA on other federal programs. MFA staff attends WAP-related training to maintain current knowledge of WAP practices and regulations.

III.5.4 Training and Technical Assistance Approach

GOAL

MFA has a goal to enhance the technical knowledge of its staff and its WAP Subgrantees to achieve a level of expertise that will allow them to maximize the effectiveness and efficiencies of the Weatherization Program, and to exert capable leadership within the WAP service community, such as WMA, Montana State University, and relevant DOE staff. The training program outlined herein addresses such goal.

PLAN

The training plan provides for a combination of training sessions, topics and activities to provide additional knowledge and skills to MFA employees, basic training to new Subgrantee employees, and to enhance the technical and personal skills of long time Subgrantee employees. Venues for training, amongst others, will include the training resources of the Weatherization Managers Association, Montana State University, training firms of national reputation, and qualified MFA and Subgrantee personnel. Additionally, a plan for community education will be implemented.

MFA will award sufficient funds to Subgrantees for certain T&TA activities along with the contractual agreement. The use of T&TA funds by Subgrantees will continue to be utilized only with MFA's approval. MFA will retain sufficient T&TA funds for use in substantial training efforts. Subgrantees will be required to attend training sessions, if appropriate to their individual training needs. New Mexico does not require certification or training of Subgrantee staff prior to hiring.

TRAINING STEPS

The training and technical assistance activities for MFA staff and Subgrantees will be determined through a combination of assessments, which are expected to facilitate the identification of the nature of individual and/or multiple Subgrantee training concerns. The following resources will be used by the MFA staff to determine the content of the training and technical assistance plan:

- A training needs assessment by MFA staff and a designated Subgrantee. This assessment will obtain input from all Subgrantees regarding their perceived training needs;
- The findings made by MFA staff during monitoring and inspection visits. These visits provide the most complete overview of the needs of each Subgrantee and the findings thereof will be used as vital sources of information to assess the training and technical assistance needs of the Subgrantees;
- Determinations through free flow of communication between MFA staff and Subgrantees. Open channels of communication between MFA staff and Subgrantees will encourage the immediate exchange of ideas and concerns between the parties when training needs emerge; such as staff turnover, new technology, new procedures or applications. Training and technical assistance at this time best serves the Subgrantees and reduces the potential for problems in the future.
- Conclusions made during scheduled meetings. Meetings will be conducted with the various levels of Subgrantee personnel to obtain input on issues and to provide an update of program operations;

- New information obtained by the WAP Program Manager and MFA staff. Through efforts to maintain a working knowledge of the latest weatherization techniques and program developments, the WAP Program Manager may obtain information that would require training or technical assistance to Subgrantees. In like manner, other MFA staff may find the same opportunities during their participation in various technical and programmatic conferences as either trainers or trainees. By speaking to experts in the field, by keeping up on various technical publications and by retaining a high degree of technical abilities, the MFA staff will be able to offer Subgrantees up-to-date information on the types of training and technical assistance available.
- Conclusions from analysis of productivity reports. The MFA staff will track Subgrantee productivity by comparing planned production to actual production. This tracking will be done on a monthly basis with written notification to Subgrantees regarding shortfalls that may also indicate potential areas of training and technical assistance required for each Subgrantee. Information obtained from the use of NEAT/MHEA will also assist MFA in assessing training and technical assistance needs.

The determination of training needs through the assessment steps outlined above is expected to facilitate the collaboration between MFA and Subgrantees in designing group training activities, so that, whenever possible, group training will be tailored to the specific needs of the participants.

The MFA staff may enlist the assistance of local Subgrantee personnel to conduct training. The desired qualifications for these trainers will include, but not be limited to, the following:

- extensive experience in subject or technical field;
- prior experience in training activities;
- ability to effectively express their knowledge;
- extensive decision making and management experience in specific areas;
- and,
- willingness to participate in training sessions.

Training and technical assistance will be provided to the Subgrantees through a tentative schedule of activities and topics. The actual schedule may be adjusted to reflect the current implementation needs and/or as additional assistance is needed.

MFA recognizes the limitations imposed by a large geographic area with greatly dispersed Subgrantee sites with respect to timely and effective reporting and management.

In order to assist Subgrantees to improve these two important Subgrantee functions, the MFA will continue its effort to design an effective and efficient Subgrantee reporting system, which will allow for the compilation of information specifically related to weatherization activities.

All Subgrantees are equipped with computers for implementation of NEAT/MHEA and other reporting requirements. Initial training activities were conducted in 1993-94 program year to prepare Subgrantees for implementation in the 1994-95 program year. Another intensive

training on NEAT was conducted in 2002. The Subgrantees are now adept in the operation of the NEAT audit.

All Subgrantees are utilizing the blower door as a normal course of operation within their agency. As funds are available, Subgrantees will upgrade their blower doors. The blower doors will be used prior to, during and after weatherization activities as appropriate. This process has proven to be a valuable tool for more effective weatherization and also serves as a training technique for the crews. Subgrantees have also been trained to conduct pre and post weatherization tests on all combustion appliances, including CO, negative draft and gas leak tests. Inspections are also conducted for proper operation, venting and combustion air. The field monitors continue to train Subgrantees on these techniques as part of their training activities.

COMMUNITY EDUCATION

Community education is an important factor for the success of the WAP in the State. Thus, client education strategies will be designed yearly to keep clients abreast of the benefits of energy conservation. Other stakeholders will be brought in to collaborate in this effort. Federal, state, and local legislators and officials will be kept abreast of WAP activities and results, as well as other community stakeholders.

III.5.5 Disaster Response Plan

Objective:

The objective of the New Mexico Disaster Response Plan (DRP) is to implement response activities that ameliorate the effects of the disaster to affected low-income persons with due consideration to the limited funds available during the program year.

Definition:

A disaster is an event or development in the State declared by a Presidential or Gubernatorial order to be either a Federal or State emergency. A disaster may also be an energy related crisis that causes a disproportionate energy burden or health and safety risks to low-income persons.

Procedures:

As soon as practical after the declaration or identification of a disaster, as applicable, the MFA will submit to the DOE Denver Regional Office a DRP in the form of a Plan Amendment Request. The Amendment Request will include the following:

- A description of the disaster and an estimate of the affected low-income households;
- A description of the weatherization services and other related services to be offered to the affected low-income households, including health and safety activities;
- An estimate of uninsured damaged homes to be reweatherized, when applicable;
- A description of services to be offered to the general community, such as clean up details, safety inspections, and technical assistance;
- A DRP budget that includes DOE and leveraging funds, and the effect of said budget to weatherization production allocations;
- A listing of the Subgrantees that will be directed to respond to said disaster;

Participation in the disaster response will be proportionate to the overall community response effort where possible.

Periodical progress reports towards meeting the DRP will be submitted to the DOE Denver Regional Office.