

American Rescue Plan Act Water & Sewer Infrastructure Grants Training Part II

Montana Department of Commerce
Community Development Division
November 9, 2021



ARPA Water & Sewer Grants Training II



Welcome!

- Objective: explain the scoring process for the competitive grant program so that you can prepare competitive grant applications for the second grant cycle (deadline January 14, 2022)
- If you haven't already, or if you're only applying for Minimum Allocation, view one of the earlier ARPA Water & Sewer grant trainings at: <https://arpa-mtdnrc.hub.arcgis.com/pages/tools-resources>
- Irrigators: NEW Irrigation Grant Program, Irrigator's training November 12, 2021





ARPA Water & Sewer Grants Training II

What we've learned since June:

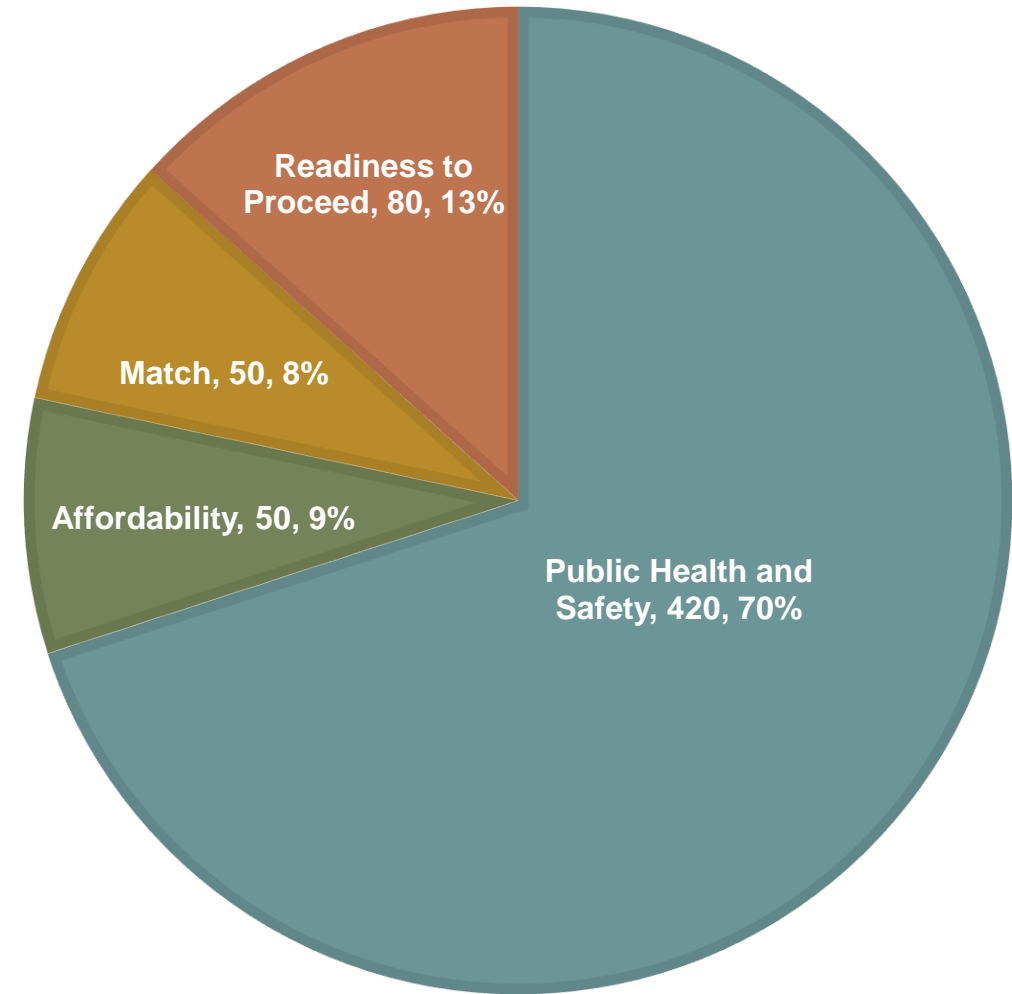
- Need for this \$ is greater than we imagined
- Project eligibility vs. Competitiveness (Irrigation Grant Program)
- Competitive grants capped at \$2 million
- About \$125 million available in second round minus \$10 million for Irrigation Grants
- *If you find that your project may not be competitive, consider applying for only a minimum allocation grant—we can assist you in thinking through your proposal, identifying other funding*



Competitive Grant Ranking

- **Public Health and Safety, 420 points**
- Match, 50 points
- Affordability, 50 points
- Readiness to Proceed, 80 points

Total = 600 points



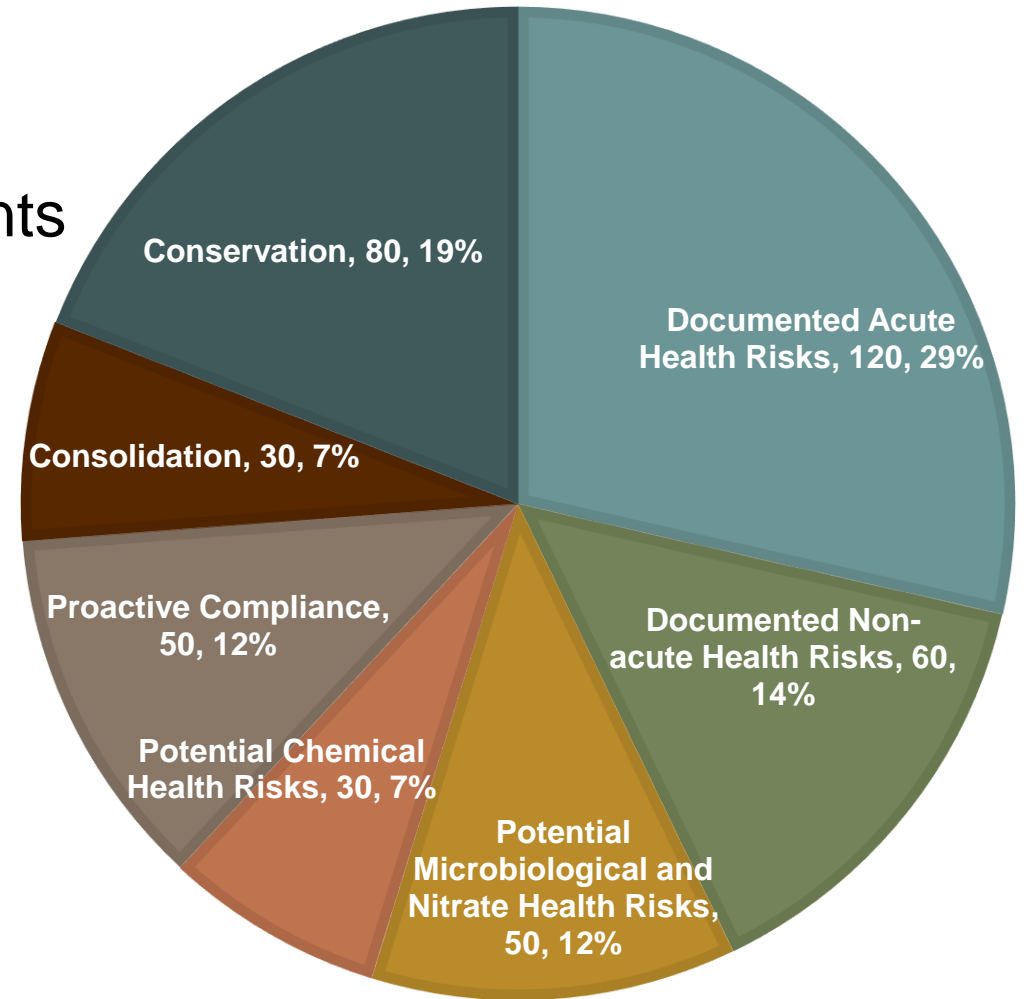
ARPA.MT.GOV > Water and Sewer > Competitive Grant Program
> Application Guidance > Appendix C.



Public Health and Safety Criteria: Water

- Documented Acute Health Risks 120 points
- Documented Non-acute Health Risks 60 points
- Potential Acute Health Risks 50 points
- Potential Non-acute Health Risks 30 points
- Proactive Compliance 50 points
- Consolidation 30 points
- Conservation up to 80 points

Total = 420 points

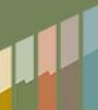


Water: Documented Acute Health Risks



120 points, must be one of the following:

Two or more boil water orders in any 24-month period	<u>OR</u>	Surface Water Treatment Rule treatment technique violation	<u>OR</u>	GWIDISW sources that have not yet installed treatment	<u>OR</u>	Nitrate or Nitrite Maximum Contaminant Level (MCL) violations
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Water: Documented Non-Acute Health Risks

60 points, must be one of the following:

Two or more level 2 RTCR assessments in any 24-month period, or

Positive e. coli samples, or

Groundwater Rule and Montana Chlorination Rule - Treatment Technique violation, or

Chemical and Radiological Contaminant Rules – Action level exceedances, MCL Violations and Treatment Technique violations, or

Significant deficiencies identified in a Sanitary Survey



Water: Potential Acute Health Risks

50 points, must be one of the following:

Water distribution pressures that routinely fall below 35 psi at ground level in the mains, or 20 psi at ground level in customers' plumbing systems	<u>OR</u>	Documented leaks or line breaks within the distribution system	<u>OR</u>	No cross-connection control program	<u>OR</u>	Nitrate or nitrite detections between 5 mg/L and 10 mg/L within the last 24-months
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Water: Potential Non-acute Health Risks



30 points, must be one of the following:

Chemical contaminant detects are more than 75% of the MCL, or

Documented lead service lines



Water: Proactive Compliance and Consolidation

Proactive Compliance

- 50 points, Improvements in infrastructure of a public water system that are necessary to comply with or remain in compliance with current or future regulatory requirements,
- 25 points, Formal State or Federal Enforcement Action

Consolidation 30 points, Interconnection of systems to resolve Safe Drinking Water Act non-compliance, and projects which will create a community water system to address existing public health problems provided by individual wells or a surface water source.



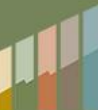


Water: Conservation

Water Conservation 30 points, Will the proposed project will improve water use efficiency?

Water meters 20 points, Are water meters installed in the entire project area?

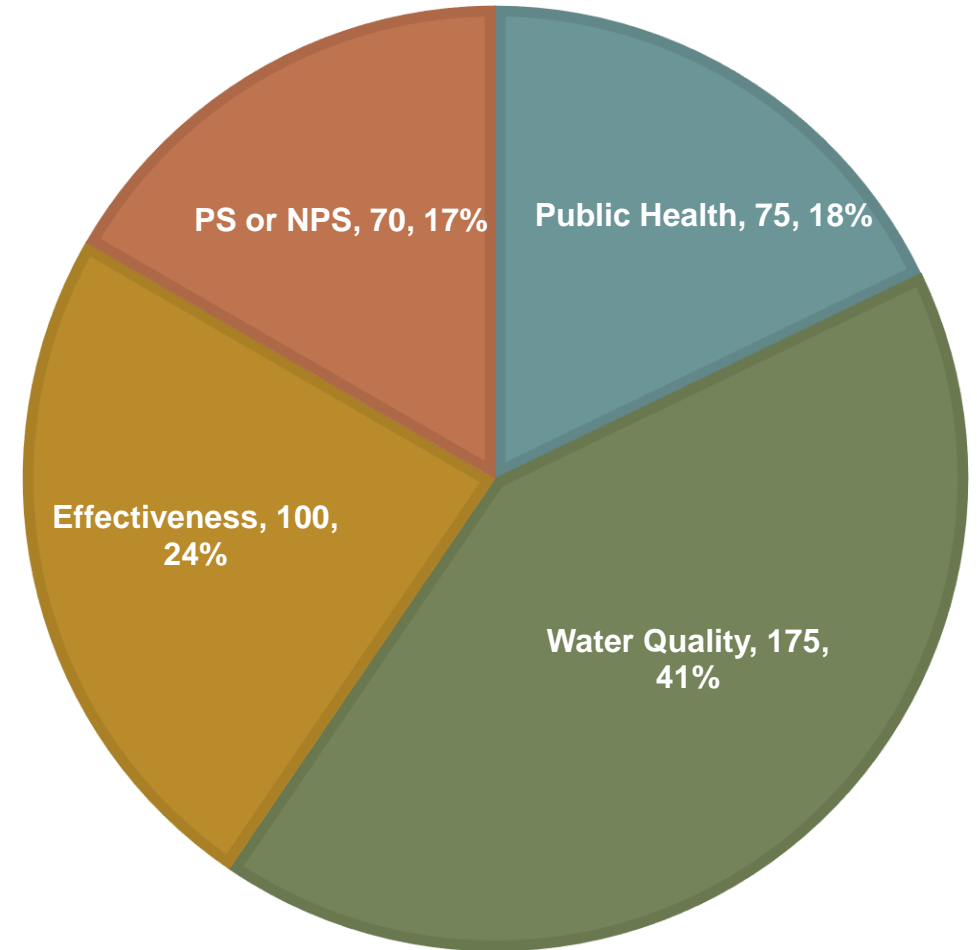
Energy Conservation 30 points, Does the proposed project reduce energy consumption or include energy reducing principles or technologies.



Public Health and Safety Criteria: Wastewater

- Public Health Protection, 75 points
- Water Quality Improvements, 175 points
- Effectiveness, 100 points
- Point Source or Non-point Source, 70 points

Total = 420 points



Wastewater: Weird wastewater terms:



- **Beneficial uses:** Uses designated by DEQ for a water body: e.g drinking water, agricultural water, industrial water, and water to support aquatic life or recreation.
- **TMDL:** Total Maximum Daily Load, or how much of a pollutant a water body and receive and still support its designated uses.
- **Point Source:** A discrete source of pollutants, e.g. WWTP.
- **Non-point Source:** Anything that is not a Point Source and is generally diffuse, e.g. on-site septic systems.
- **Nutrients:** Nitrogen (in any form including ammonia) or Phosphorus discharged to a water body.



Wastewater: Public Health Protection



75 points: The purpose of the project must be to protect public health.

Examples, protection against:

- a public drinking water source from a leaking lagoon or pipes, or on-site systems,
- conservation easements for drinking water protection,
- sewage back-ups into homes,
- operator safety,
- contact recreation, or
- surfacing sewage.





Wastewater: Effectiveness

- 100 points: Project eliminates health hazards or restores a local water body to fully support all uses that are impacted by the activity, or
- 50 points: Project directly improves quality of surface or groundwater but may not fully restore water body for all uses, or
- 25 points: Project improves infrastructure but may not directly improve water quality.





Wastewater: Water Quality

25 points each: Is the purpose of the project to:

- reduce toxic effects to aquatic life?
- reduce sediment loading to a surface water body?
- reduce nutrients in a surface water body?
- comply with national secondary standards?

25 points: Does the project address a formal state or federal enforcement action?

50 points: Is the proposed project to help meet a TMDL?

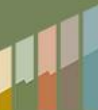




Wastewater: Point Sources

Points can be given for each:

- 10 points: Capacity Issues. A unit process is nearing or beyond capacity, resulting in adverse impacts to performance.
- 20 points: Reliability or Obsolescence. Reliability and/or equipment obsolescence is adversely affecting one or more existing unit processes and the proposed project will replace or upgrade the unit process.





Wastewater: Point Sources (cont'd)

- 20 points: Beneficial Use. Project includes beneficial use of biosolids or treated wastewater resulting in reduction or elimination of a discharge to state water AND provides some further benefit such as the growth of crops or turf, industrial reuse.
- 10 points: Water Conservation. Water meters are installed in the entire project area; or an I/I reduction program is being implemented OR I/I is currently less than 20% of the total wastewater flow on annual basis.
- 10 points: Energy Conservation Proposed project reduces energy consumption or includes energy reducing principles or technologies.



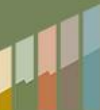


Wastewater: Non-point sources

20 points: The proposed project will improve water use efficiency.

25 points: Proposed project will have beneficial uses in addition to water quality protection such as promoting wildlife habitat.

25 points: The proposed project's primary purpose is to protect water quality or public health.



Readiness to Proceed – 80 points possible



80 points total, points for each of these items:

- ✓ Engineer hired—10 points
- ✓ Planning complete—10 points
- ✓ Other project funding in place—10 points
- ✓ Final plans and specs approved—20 points
- ✓ Schedule demonstrates construction can begin within 24 months—30 points



Affordability – 50 points possible



COMBINED WATER AND SEWER RATES	
User rates versus MHI	Points
> 3.5%	50
2.5%-3.5%	25
1.0%-2.5%	15
< 1%	10

Or

WATER OR SEWER RATES ONLY	
User rates versus MHI	Points
> 2.6%	50
1.6%-2.6%	25
> .1%-1.6%	15
< .1%	10

Or

PROJECT OTHER THAN WATER AND SEWER	
Local versus State MHI	Points
< 75%	50
75%-99.99%	25
100%-115%	10





Match – 50 points possible

- Match required for competitive
- Almost everything counts! (ARPA local fiscal recovery funds, minimum allocation grants, MCEP, RRGL, CDBG, In-kind, expenditures that pre-date ARPA)
- 2 methods to calculate match points—use whichever gives you more points!

Match as % of ARPA LFRF and Min. Allocation funds up to 100%

Ex: \$300,000 match for community with combined LFRF and Min. Alloc. Of \$180,000, match = 167% of LFRF/Min. Alloc = 50 out of 50 points

Match as percentage of total project cost up to 50%

Ex: \$300,000 match for a \$1,000,000 total project cost = 30 points out of 50



REMEMBER: No growth! No fire flow!

- Only "reasonably expected" growth is eligible
- Fire flow is eligible only if less than 50% of project



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Technical Assistance



Montana Department of Commerce is happy to provide technical assistance including (but not limited to):

- answering eligibility questions
- help with preparing applications
- providing professional engineering services to identify problems/solutions, funding packages, and prepare applications

A red rectangular button with rounded corners and a subtle shadow, set against a dark blue textured background. The text "CONTACT US" is written in white, all-caps, sans-serif font, centered on the button.

CONTACT US

Go to arpa.mt.gov and click on "Contact Us"!

***Cody Ferguson, Rachel Clark, Gus Byrom, Alisha Oellermann,
and Rebecca Shaw Quiñones***

Questions?



Resources:

- ARPA.MT.GOV
- DNRC ARPA Water/Sewer Grant Website: <https://arpa-mtdnrc.hub.arcgis.com/>
- Ranking Criteria: <http://dnrc.mt.gov/divisions/cardd/docs/arpa/arpa-website-documents/arpa-grant-application-guidance-round-2-10-5-21.pdf>
- DWSRF Eligibility Handbook: <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-eligibility-handbook>
- CWSRF Eligibility Handbook: https://www.epa.gov/sites/default/files/2016-07/documents/overview_of_cwsrf_eligibilities_may_2016.pdf

