



## MUNICIPAL SEWER & WATER GRANT PROGRAM

### ROUND TWO

### SUMMARY OF FUNDING GUIDANCE

#### OVERVIEW

The American Rescue Plan Act (ARPA) of 2021 was signed into law on March 11, 2021, and established the Coronavirus State and Local Fiscal Recovery Fund (SLFRF). Ulster County (the County) received a total allocation of \$34.49 million of these funds and the County Legislature has approved the use of \$5 million to support the sewer and water infrastructure needs of municipalities. The County recognizes the need and costs of upkeep to existing municipal water and sewer systems and the impact these systems have to the public at large. The County further recognizes the needs and challenges in extending or providing new improvements to existing sewer and water systems and aims to support projects that meet the eligibility requirements of the SLFRF and the County's broader goals.

Round One of funding for the Municipal Sewer and Water Grant Program was previously made available in August 2022 and has since concluded, awarding \$4,603,554. Round Two is making the remaining \$396,447 available to those municipalities not awarded funds in Round One.

The application deadline is **February 24, 2023, no later than 3pm**. The Evaluation Committee will score all eligible project applications received. A maximum of one application from each municipality will be accepted.

The applications will be reviewed for:

- a) Project Description/Evaluation
- b) Feasibility
- c) Impact of Project and Clientele Served
- d) Budget
- e) Organizational Capacity

Projects must meet the eligibility requirements for SLFRF funding (see Schedule A).

## **ELIGIBILITY REQUIREMENTS**

To be eligible to complete the full application, applicants must:

- Be a municipality located within Ulster County.
- Not have been previously awarded funds from Round One of the Municipal Sewer and Water Grant Program.
- Not have started construction - Sewer & Water Projects that have started construction are *not* eligible for award of SLFRF funds.

## **FUNDS AVAILABLE & FUNDING REQUIREMENTS**

The total amount of funding available for Round Two is \$396,447. Municipalities may apply for a total amount of funds up to \$396,447, but no more than 33% of the project cost may be awarded in the form of a federal subaward, with a maximum of one project per municipality. Awarded applicants will act as a subrecipient of federal funds through an intermunicipal agreement (IMA) with the County. The Ulster County Legislature must approve a resolution for the contract of funds as an IMA prior to contract signing.

All awarded funds must be expended within 18 months of contract signing. In limited circumstances an extension may be granted upon approval of a contract amendment by the County. Any funds not obligated or expended within the timeline of the SLFRF are subject to recapture by the federal government (2 CFR Part 200, section 200.344(d)). The County timeline is imposed to ensure compliance with the federal timeline for use of funds.

Requirements of funding also include compliance with New York State Prevailing Wage laws and public bid for projects over \$250,000 as required by the federal Uniform Guidance (2 CFR section 200.320). Indirect costs for award recipients are capped at 5% of awarded funds. Additional project funding commitments for indirect costs strengthen an application.

SLFRF funding for sewer and water projects does not carry a requirement of review under the National Environmental Policy Act (NEPA).

No construction funding shall be disbursed by Ulster County, including after an award and signed contract, until a final SEQRA determination is provided by the Lead Agency.

If the project is phased, SLFRF funding must be expended within the first phase of a project. No funding will be approved for expenditure within subsequent project phases. Ulster County encourages award recipients to expend SLFRF funding as a first resource for a project where multiple sources of funding are available.

Subawards of federal funds are subject to the Uniform Guidance (2 CFR Part 200). Awarded municipalities and their subcontractors are subject to these rules including mandated contract provisions (see Schedule H of the contract template) and section 200.321 which covers affirmative steps to ensure inclusion of minority and women owned businesses when possible.

Any awardee who does not submit the appropriate proof of expenditure or adhere to the contract or reporting requirements may be subject to a rescission of the awarded funds.

## **APPLICATION SUBMISSION**

Applications should be submitted by uploading the application and attachments on the [UC Municipal Sewer and Water Grant Program webpage](#). Questions regarding the program, application process, or technical issues may be directed to:

ARP Division Staff  
Department of Finance  
244 Fair Street, PO Box 1800  
Kingston NY 12401

Email: [arp@co.ulster.ny.us](mailto:arp@co.ulster.ny.us)  
Phone: 845-943-6116

The following is a list of required and requested application attachments. Applicants that can show completed pre-development and project readiness will score higher in the evaluation review. All required application attachments should be uploaded on the [submission webpage](#).

### **A. APPLICATION FORMS**

- Completed application signed by an approved signatory for the municipality.
- Project Timeline
- Budget Workbook
- Project Team List

### **B. PROJECT DOCUMENTS**

- Proof of funding approval and commitment. (Note: completed bonding resolutions or authorizing resolutions are required from the municipality for funds contributed by the municipality prior to contract signing.)
- A map showing the specific project location and service area.
- A copy of the municipality's most recent audited financial statements.

### **C. OTHER PROJECT DOCUMENTS**

- Attach documents and current data including such items as surveys, reports, feasibility studies, preliminary site plans/drawings/technical specifications, and evidence of community support.
- Provide all pre-construction documentation including, as applicable, federal, state, and local approvals, including a final SEQRA determination.

## **TIMELINE**

January 20, 2023	Application Issued
January 20, 2023, to February 10, 2023	Written questions accepted
February 17, 2023	Addendum with Q & A released (as needed)
February 24, 2023	Application Deadline, by 3:00pm
February – March 2023	Committee Review
March – April 2023	Notification of Awards
Summer 2023	Contract Resolution Approval by the County Legislature
Fall 2023	Contract Signing
Project Completion	Within 18 months of Contract Signing

## **EVALUATION COMMITTEE**

All eligible applications will be scored by the Evaluation Committee. Any Committee member which represents or lives within a municipality under review will recuse themselves from review of that application.

<b>Category</b>	<b>Review Criteria</b>
Project Description	<ul style="list-style-type: none"> <li>• Provides a detailed project overview</li> <li>• Clearly presents pre-development and technical construction steps to completion and corresponds to the timeline provided</li> <li>• Shows community need for the project and steps taken to ensure community support</li> </ul>
Feasibility	<ul style="list-style-type: none"> <li>• Timeframe is realistic and accurate</li> <li>• Project can be completed within the 18-month time frame</li> <li>• Applicant successfully identifies hurdles to project completion and how they will be addressed</li> </ul>
Impact of Project on Users Served	Identifies and provides: <ul style="list-style-type: none"> <li>• Clearly defined project benefits</li> <li>• Clearly defined service area</li> <li>• Number of users benefited by the project</li> <li>• Income data as requested</li> <li>• Data sources have been included</li> </ul>
Budget	<ul style="list-style-type: none"> <li>• A budget has been provided, along with any backup documents, including an estimate from a licensed engineer.</li> <li>• Estimate numbers are within the last 6 months.</li> <li>• Consideration is given to changes in material prices</li> </ul>
Organizational Capacity	<ul style="list-style-type: none"> <li>• The municipality has shown a qualified project team to complete the project</li> <li>• The last, complete, annual fiscal report to New York State is provided with the application</li> <li>• The municipality is in good financial standing</li> <li>• The municipality demonstrates the ability to adequately maintain the project after completion</li> </ul>

**REPORTING**

Quarterly written reports will be required to update the County on the use and expenditure of funds by the following dates:

Q 1	April 5th
Q 2	July 5th
Q 3	October 5th
Q 4	January 5th

**PROJECT AWARDS AND NON-AWARDS**

Applicants will receive an award determination letter once all eligible applications have been reviewed. Partial awards may be made, and award or non-award decisions shall be in the sole and absolute discretion of Ulster County.

## APPENDIX A

### ELIGIBLE SEWER & WATER PROJECTS

#### I. PRESUMED ELIGIBLE USES

Projects that are presumed eligible under the U.S. Treasury Final Rule are those that align with qualifications for assistance through the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).

#### A. Projects Eligible under the CWSRF (more information available at [Clean Water State Revolving Fund \(CWSRF\) | US EPA](#).)

- Construction of publicly owned treatment works  
Assistance for construction of publicly owned treatment works (as defined in CWA section 212).
- Nonpoint source  
Assistance for the implementation of a nonpoint source pollution management program, established under CWA section 319.
- National estuary program projects  
Assistance for the development and implementation of a conservation and management plan under CWA section 320.
- Decentralized wastewater treatment systems  
Assistance for the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage.
- Stormwater  
Assistance for measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water.
- Water conservation, efficiency, and reuse  
Assistance for measures to reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse.
- Watershed pilot projects  
Assistance for the development and implementation of watershed projects meeting the criteria in CWA section 122.
- Energy efficiency  
Assistance for measures to reduce the energy consumption needs for publicly owned treatment works.
- Water reuse  
Assistance for projects for reusing or recycling wastewater, stormwater, or subsurface drainage water.
- Security measures at publicly owned treatment works  
Assistance to increase the security of publicly owned treatment works.

#### B. Projects Eligible under the DWSRF (more information available at [Drinking Water State Revolving Fund \(DWSRF\) | US EPA](#))

- Treatment  
Projects to install or upgrade facilities to improve drinking water quality to comply with Safe Drinking Water Act (SDWA) regulations.
- Transmission and Distribution  
Rehabilitation, replacement, or installation of pipes to improve water pressure to safe levels or to prevent contamination caused by leaky or broken pipes.
- Source  
Rehabilitation of municipal wells or development of eligible sources to replace contaminated sources.
- Storage  
Installation or upgrade of finished water storage tanks to prevent microbiological contamination from entering the distribution system
- Consolidation  
Interconnecting two or more water systems
- Creation of new systems  
Construct a new system to serve homes with contaminated individual wells or consolidate existing systems into a new regional water system.

## II. ADDITIONAL ELIGIBLE USES

The following projects may also be funded with SLFRF funds if they are found to be “necessary” according to the definition provided below.

- Stormwater Infrastructure  
Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure.
- Safe Drinking Water Infrastructure  
Infrastructure to improve access to safe drinking water for individually served residential wells, including testing initiatives, and treatment/remediation strategies that address contamination.
- Dams and Reservoirs  
Dam and reservoir rehabilitation if the primary purpose of the dam or reservoir is for drinking water supply and project is necessary for provision of drinking water.
- Lead Remediation  
A broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act, such as lead testing, installation of corrosion control treatment, lead service line replacement, as well as water quality testing, compliance monitoring, and remediation activities, including replacement of internal plumbing of and faucets and fixtures in schools and childcare facilities.

Per the Final Rule a “necessary” investment in infrastructure must be:

- (1) Responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise; and
- (2) A cost-effective means for meeting that need, taking into account available alternatives.