



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

MAR 29 2006

OFFICE OF
WATER

MEMORANDUM

SUBJECT: Award of Special Appropriations Act Project Grants Authorized by the Agency's
FY 2006 Appropriations Act

FROM: *James A. Hanlon*
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TO: Water Management Division Directors
Regions I - X

PURPOSE

This memorandum provides information and guidelines on how the Environmental Protection Agency (EPA) will award and administer Special Appropriations Act Project (SAAP) grants and programs identified in the State and Tribal Assistance Grants (STAG) account of the Agency's fiscal year (FY) 2006 Appropriations Act.

BACKGROUND

The EPA section of P. L. 109-54, *Making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes*, also referred to as the Agency's FY 2006 Appropriations Act, includes \$200,000,000 in the STAG account for 257 water, wastewater and groundwater infrastructure projects. Also included as separate line items in the STAG account were \$50,000,000 for the United States-Mexico Border Program and \$35,000,000 for the Alaska Rural and Native Villages Program. The FY 2006 Appropriations Act also contains a rescission of \$80 million from prior year funds in appropriations accounts available to EPA, including appropriations for special grant projects in FY 2000 or earlier that have not been obligated on an approved grant by September 1, 2006.

The specific requirements governing the award of the special projects and programs are contained in the following documents: the FY 2006 Appropriations Act, the Conference Report (H. Rept. No. 109-188), the House Report (H. Rept. No. 109-80), and the Senate Report (S. Rept. No. 109-80). The specific requirements contained in these documents have been incorporated into this memorandum.

Additionally, two technical corrections to prior appropriations acts were included in P. L. 109-97, *Making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes*. Specifically, the Act includes an additional grant for \$300,000 for Haleyville, AL. These funds are to come from unallocated FY 2005 appropriations. The Act also includes an amendment to the FY 2002 VA-HUD Conference Report (H. Rpt. No. 107-272). Specifically, the conference report provided \$2,000,000 for the city of Florence, MT for wastewater treatment improvements. This grant is amended to provide \$29,945 to Florence, MT, \$500,000 to the City of Sheridan for water system improvements, \$500,000 to Meagher County/Martinsdale Water and Sewer District for Martinsdale Water System Improvements, and \$970,055 to the City of Bozeman for Hyalite Waterline and Intake.

THREE PERCENT SET-ASIDE

The Agency's FY 2001 Appropriations Act (P. L. 106-377) included a provision stating that the Administrator may use up to three percent of the amount appropriated for each earmark to fund State, Corps of Engineer or contractor support for the management and oversight of the special projects. This means that the set-aside monies cannot be used to pay for EPA staff or travel expenses. EPA issued a formal policy memorandum on September 27, 2001, that provides information and guidelines on how the Agency will implement the three percent set-aside provision.¹ EPA also issued a formal policy memorandum, SAAP 06-02, on January 20, 2006, that amends the aforementioned memorandum (attached).

The three percent set-aside provision is a permanent statutory authority which means it applies to all post-FY 2001 SAAPs including those listed in the STAG account of this year's Appropriations Act. However, the three percent set-aside provision does not apply to funds appropriated for specific programs, such as the Long Island Sound Restoration Program, the United States-Mexico Border Program and the Alaska Rural and Native Villages Program.

PROJECTS

The Conference Report that accompanied the Agency's FY 2006 Appropriations Act identified two projects funded from monies appropriated for the United States-Mexico Border Program. These two projects will be awarded and administered within the guidelines and provisions contained in this memorandum.

Attachment 1 identifies the 257 earmarks listed in the STAG account and the two projects funded from monies appropriated for the United States-Mexico Border Program. Attachment 1 also shows the original amount appropriated for each project, as well as the actual amount available for grant award after the reduction due to the .476 percent rescission, the 1 percent rescission, and three percent set-aside provision.²

¹This document is available on the internet at www.epa.gov/owm/mab/owm0318.pdf.

² States that choose to perform the necessary construction oversight activities for the planning, design and building phases of a project

The SAAPs identified in Attachment 1 will be awarded and administered by the Regional Offices. The delegation of authority (1200 TN 516), issued on September 28, 2000 (Attachment 2), is listed in Chapter 1, Delegation Number 1-102, of EPA's Delegation Manual. This delegation of authority transferred the authority to award grants and cooperative agreements for funds included in the STAG account to the Assistant Administrator for Water and the Regional Administrators. Accordingly, the Regions and Headquarters have the necessary authority, effective the date of this memorandum, to award grants and cooperative agreements for the special projects and programs identified in the STAG account of the Agency's FY 2006 Appropriations Act.

COST-SHARE REQUIREMENT

The FY 2006 Conference Report language that precedes the listing of the 257 STAG earmarks (H. Rep. No. 109-188, at p. 32) states that:

\$200,000,000 shall be for making special project grants for the construction of drinking water, wastewater, and storm water infrastructure and for water quality protection in accordance with the terms and conditions specified for such grants in the joint explanatory statement of the managers accompanying this Act, and, for purposes of these grants, each grantee shall contribute not less than 45 percent of the cost of the project unless the grantee is approved for a waiver by the Agency;

The report language does not specify that the Agency may only approve waivers to the 45 percent matching requirement that are based on financial capability issues. Though the language from previous years requiring that waivers be based on financial capability issues was not included, the Agency will continue to operate as if the language remained. Accordingly, our policy for the projects listed in Attachment 1 is that grant applicants will be expected to pay for 45 percent of the project costs unless there is specific language in the Conference Report or Appropriations Act that specifies a different matching requirement or a waiver to the matching requirement is approved based on financial capability issues.

Furthermore, in those situations where the description in the Conference Report explicitly defines the scope of work of the project, the Federal share of the grant will be limited to 55 percent of the estimated cost for completing the scope of work described, regardless of the amount appropriated for the project, unless a waiver to the matching requirement is approved based on financial capability issues. This means, in some instances, that the grant amount will be less than the amount appropriated for the project and that some funds will not be obligated. The disposition of any such unobligated grant funds will be determined by Congress.

WAIVERS TO THE MATCHING REQUIREMENT

In March 1997, EPA published *Combined Sewer Overflows -- Guidance for Financial Capability Assessment and Schedule Development*.³ This financial guidance document includes a process for measuring the financial impact of current and proposed wastewater treatment facilities and drinking water facilities on the users of those facilities, and establishes a procedure for assessing financial capability. The process for assessing financial capability contained in that document was initially developed in the 1970's and has been extensively revised based on EPA's experience in the construction grants, State Revolving Fund (SRF), enforcement and water quality standards programs. The assessment process requires the calculation of a financial capability indicator. The Agency approves waivers in those cases where the financial capability indicator shows that the project would result in a high financial burden on the users of the facility.

Exceptions to the 45 percent match requirement must be approved by EPA Headquarters. All requests for an exception should be prepared by the EPA Regional Offices using information provided by the grant applicant. The request must include the information contained in Chapters III and IV of the Financial Capability Assessment guidance document.⁴ The requests, including the necessary supporting documentation and appropriate background material, should be submitted to the Director, Office of Wastewater Management, (Mail Code 4201M), USEPA, 1200 Pennsylvania Avenue NW, Washington, D.C. 20460.

FEDERAL FUNDS AS A SOURCE OF MATCHING FUNDS

Federal funds from other programs may be used as all or part of the match for the SAAPs only if the statute authorizing those programs specifically allows the funds to be used as a match for other Federal grants. Additionally, the other Federal programs must allow their appropriated funds to be used for the planning, design and/or construction of water, wastewater or groundwater infrastructure projects. Listed below are the major Federal programs whose grant or loan funds can be used to provide all or part of the match for the SAAPs:

- Department of Agriculture, Rural Development program;
- Department of Housing and Urban Development, Community Development Block Grant program; and
- Appalachian Regional Commission grants.

³This document is available on the internet at www.epa.gov/owm/pdfs/csofc.pdf.

⁴ All of the financial data used to calculate the financial capability indicator must be indexed to the same year. The Bureau of Labor Statistics' web site (www.bls.gov/cpi/) contains an "Inflation Calculator" that will automatically perform this function.

As previously stated, Federal funds may be used as all or part of the match for other Federal grant programs only if the authorizing legislation includes such authority. Since the FY 2006 Appropriations Act does not include such language, the special Appropriations Act grant funds cannot be used as a source of matching funds for other Federal programs.

LOANS FROM A STATE REVOLVING FUND AS A SOURCE OF MATCHING FUNDS

The Agency provides funding for two separate State Revolving Fund (SRF) loan programs, the Clean Water State Revolving Fund (CWSRF) program and the Drinking Water State Revolving Fund (DWSRF) program. The Agency has taken actions that allow particular sources of funds from the two SRF programs to be used as a source of the local match. Specifically, the Agency issued the following two documents:

- A class deviation from the regulatory provisions of 40 CFR 35.3125(b)(1). The class deviation,⁵ issued August 16, 2001, pertains to the CWSRF program.
- A policy memorandum designated as DWSRF 02-01. The policy memorandum,⁶ issued October 10, 2001, pertains to the DWSRF program.

The class deviation and policy document listed above allow State SRF programs to use the non-Federal and non-State match share of SRF funds to provide loans that can be used as the match for the special projects. The non-Federal funds include repayments, interest earnings and bond proceeds. The non-State match share (i.e., the overmatch) is any State contribution to the SRF above the statutorily required 20 percent match.

The use of a loan from an SRF to provide part of or the entire match for a SAAP is a State SRF program agency decision. However, the action must be consistent with established State policy, guidelines and procedures governing the use of SRF loans. Projects that receive SRF assistance must also adhere to Federal CWSRF or DWSRF program requirements relating to eligibility and prioritization.

PRE-AWARD COSTS

The Grants Administration Division (GAD) issued a policy memorandum (GPI 00-02) on March 30, 2000, that applies to all grants, including special Appropriations Act projects awarded on or after April 1, 2000. Additionally, a clarification to the policy memorandum (GPI 00-02(a)) was issued by GAD on May 3, 2000. The two memorandums revised the Agency's interpretation of a provision contained in the general grant regulations at 40 CFR 31.23(a) concerning the approval of pre-award costs.

⁵This document is available on the internet at www.epa.gov/owm/mab/owm0324.pdf.

⁶This document is available on the internet at www.epa.gov/owm/mab/owm0325.pdf.

In essence, the GAD memorandums state that:

- Recipients may incur pre-award costs [up to] 90 calendar days prior to award provided they include such costs in their application, the costs meet the definition of pre-award costs and are approved by the EPA Project Officer and EPA Award Official.
- The award official can approve pre-award costs incurred more than 90 calendar days prior to grant award, in appropriate circumstances, if the pre-award costs are in conformance with the requirements set forth in OMB Circular A-87 and with applicable Agency regulations, policies and guidelines.

The GAD memorandums state that the award official can approve pre-award costs incurred prior to grant award in appropriate situations if the approval of the pre-award costs is consistent with the intent of the requirements for pre-award costs set forth in OMB Circular A-87 and are in conformance with Agency regulations, policies and guidelines. The following two situations meet these requirements:

- Any allowable costs incurred *after* the start of the fiscal year for which the funds were appropriated but before grant award (*for FY 2006 projects, this date is October 1, 2005*).
- Allowable facilities planning and design costs associated with the construction portions of the project included in the grant that were incurred *before* the start of the fiscal year for which the funds were appropriated (*for FY 2006 projects, this date is October 1, 2005*).

Accordingly, effective April 1, 2000, the Regions have the authority to approve pre-award costs for the two situations described above. Any approval, of course, is contingent on the Regional Office determination that the pre-award costs in question are in conformance with the applicable Federal laws, regulations and executive orders that govern EPA grant awards and are allowable, reasonable and allocable to the project.

The Regions may not approve any pre-award costs for SAAPs, other than those that involve the two situations discussed above, without written approval from Headquarters. The request, with sufficient supporting documentation, should be submitted to the Director, Office of Wastewater Management, (Mail Code 4201M), USEPA, 1200 Pennsylvania Avenue NW, Washington, D.C. 20460. The Office of Wastewater Management will consult, in appropriate circumstances, with the Grants Administration Division and the Office of General Counsel. If appropriate, a deviation from 40 CFR 31.23(a) will be processed and issued.

LAWS, REGULATIONS AND REQUIREMENTS

A listing of the Federal Laws and Executive Orders that apply to all EPA grants, including the projects authorized by the Agency's FY 2006 Appropriations Act, is contained in Attachment 3. Some of the authorities only apply to grants that include construction, e.g., EO 13202. A more detailed description of the Federal laws, Executive Orders, OMB Circulars and their implementing regulations is contained in Module No. 2 of the EPA Assistance Project Officers Training Course which is available through the Regional Grants Management Offices.

The regulations at 40 CFR Part 31 apply to grants and cooperative agreements awarded to State and local (including tribal) governments. The regulations at 40 CFR Part 30 apply to grants with nonprofit organizations and with non-governmental for-profit entities. In appropriate circumstances, such as grants for demonstration projects, the research and demonstration grant regulations at 40 CFR Part 40 can be used to supplement either 40 CFR Part 30 or Part 31.

The Agency issued a memorandum⁷ in January 1995, concerning the applicability of 40 CFR Part 29 (Intergovernmental Review) to the special projects authorized by the Agency's FY 1995 Appropriations Act. That memorandum also applies to the special projects authorized by the Agency's FY 2006 Appropriations Act.

The Davis-Bacon Act does not apply to grants awarded under the authority of the Agency's FY 2006 Appropriations Act because the Act does not include language that makes it apply. However, if FY 2006 funds are used to supplement funding of a construction contract that includes Clean Water Act title II requirements (e.g., contracts awarded under the construction grants or coastal cities programs), the entire contract is subject to Davis-Bacon Act requirements, including the portion funded with FY 2006 funds.

SPECIFIC ENVIRONMENTAL REQUIREMENTS

The National Environmental Policy Act (NEPA) and other relevant applicable statutes and Executive Orders, such as the Endangered Species Act (ESA), apply to the SAAPs and programs in the STAG account authorized by the Agency's FY 2006 Appropriations Act. The applicable NEPA regulations are the Council of Environmental Quality's implementing regulations at 40 CFR Parts 1500-1508 and EPA's NEPA regulations at 40 CFR Part 6, Subparts A-D.

The Agency issued a memorandum (Attachment 4) on January 20, 1995, concerning NEPA compliance for the SAAPs authorized by the Agency's FY 1995 Appropriations Act. That memorandum also applies to the SAAPs authorized by the Agency's FY 2006 Appropriations Act.

⁷This document is available on the internet at www.epa.gov/owm/mab/owm0326.pdf.

The development of information needed to determine compliance with NEPA and other cross-cutting Federal requirements is an allowable cost that can, and should, be included in the scope of work of the grant if not performed prior to grant award. These activities can be funded on an incremental basis, by awarding a grant that only includes these activities, or as part of the entire project (i.e., planning, design and construction) with the stipulation, in the form of a grant condition, stating that EPA will not approve or fund any work beyond the conceptual design point⁸ until the applicable requirements of such authorities have been met. The Agency issued a memorandum (Attachment 5) on July, 29, 2003 that contains a model grant condition that should be used in this situation.

It should be noted that NEPA and other cross-cutting Federal requirements that apply to the major Federal action (i.e., the approval and/or funding of work beyond the conceptual design point) cannot be delegated. Although EPA can fund the grantee or state/tribal development of an Environmental Information Document (EID) or other analysis to provide supporting information, EPA has the legal obligation to issue the NEPA documents, to sign NEPA determinations, and to fulfill other cross-cutting Federal requirements before approving or paying for design and/or construction.

When both EPA and another Federal agency are funding the same project, the agencies may negotiate an agreement for one to be the lead agency for performing grant oversight and management activities, including those related to NEPA and other cross-cutting Federal requirements. The lead agency can be the one which is providing the most funds for the project, or the agency that provided the initial funds for the project. If an environmental impact statement (EIS) is required, EPA should be a co-lead or cooperating agency so that it can adopt the EIS without recirculating it. If the project requires an environmental assessment (EA), EPA may adopt the other agency's EA and use it as a basis for its finding of no significant impact (FONSI), provided EPA has independently reviewed the EA and agrees with the analysis and circulates the FONSI and attached EA for the requisite 30 day comment period. Note that EPA may not use a categorical exclusion of another Federal agency unless EPA's regulations at 40 CFR Part 6 also provide for the categorical exclusion.

OPERATING GUIDELINES

The authority for awarding grants for the SAAPs listed in Attachment 1 and the United States-Mexico Border Program is Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006, (P. L. 109-54). The authority for awarding grants for the Alaska Rural and Native Villages Program is section 303 of the Safe Drinking Water Act Amendments of 1996 (P. L. 104-182) and Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006, (P. L. 109-54).

⁸Completion of conceptual design is essentially the same as completion of facility planning as defined in EPA's Construction Grants program.

The Catalog of Federal Domestic Assistance (CFDA) number for the SAAPs is 66.202 "Congressionally Mandated Projects." The Object Class Code (budget and accounting information) for the SAAPs is 41.83. Applicants should use Standard Form 424 (Version 7/03) to apply for the grants.

Location of Project

To be able to report on environmental and public health benefits, the Agency has decided to collect, and store in an appropriate database, the geographic location for grant funded infrastructure projects. Accordingly, all SAAP grants authorized by the FY 2006 Appropriations Act should include a term and condition stating that locational information must be submitted. In addition, in accordance with OMB Circular A-16 and the One-Stop Geospatial E-gov Initiative, Program Offices must indicate in the funding recommendation for a proposed assistance agreement that the grant involves or relates to geospatial information. For most projects, the specific information needed is the National Pollutant Discharge Elimination System (NPDES) number(s) or the Safe Drinking Water Information System (SDWIS) number(s). EPA's information technology (IT) systems will use the NPDES and the SDWIS numbers to determine the specific geographic parameters of the project. For those situations where NPDES and SDWIS identifiers are not appropriate, the longitude and latitude of the project should be provided.

Grants to Nonprofit Organizations

Funds appropriated under the STAG account can, if the situation warrants, be used for grants to nonprofit organizations. However, grants cannot be awarded to a nonprofit organization classified by the Internal Revenue Service as a 501(c)(4) organization unless that organization certifies that it will not engage in lobbying activities, even with their own funds (see Section 18 of the Lobbying Disclosure Act, 2 U.S.C.A § 1611). The rationale for any award to a nonprofit organization should be clearly explained, suitably documented, and included in the project file.

Additionally, EPA Order 5700.8, "Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards⁹," requires programmatic and administrative capability determinations be made for each monetary action for a non-profit recipient. Further, if the award is for more than \$200,000 in federal funds, the applicant may be required to complete an "EPA Administrative Capability Questionnaire" and submit supporting documentation demonstrating sufficient administrative capability to successfully manage the agreement. The inability to successfully demonstrate either programmatic or administrative capability under the Order may result in the Agency not making an award.

⁹ The Order may be found at: http://intranet.epa.gov/ogd/policy/Order/5700_8.pdf

Grants to Private For-Profit Entities

Funds appropriated under the STAG account may be used for grants to private for-profit entities, such as a privately owned drinking water company, when the language contained in the Conference Report clearly indicates that intention. The specific requirements for awarding a grant to a private for-profit entity will be addressed in a policy memorandum in the upcoming year.

Grant Recipient

The Agency's FY 2006 Appropriations Act included the following language pertaining to the identification of the grantee:

“notwithstanding this or any other appropriations Act, heretofore and hereafter, after consultation with the House and Senate Committees on Appropriations and for the purpose of making technical corrections, the Administrator is authorized to award grants under this heading to entities and for purposes other than those listed in the joint explanatory statements of the managers accompanying the Agency's appropriations Acts for the construction of drinking water, wastewater and stormwater infrastructure and for water quality protection.”

Therefore, if the grantee is specified, such as a local water quality department, any change to the grantee must be submitted to EPA Headquarters in accordance with SAAP memo 06-01 (attached, issued 10/26/05). Additionally, any change to the named grantee, such as from a county to town, or from one town to another, must also be submitted in accordance with SAAP memo 06-1. The only circumstance in which EPA Headquarters approval is not needed is if the intended grantee is an agency of the specified grantee. For instance, if the grantee is listed as Anytown, USA, but the intended grantee is the Anytown Department of Water Quality, the grant may be made to the intended grantee without EPA Headquarters approval. EPA's Office of General Counsel has agreed that in circumstances where information is missing, EPA has the discretion to determine the appropriate grantee.

Ownership Requirements

With the exception of small, on-site/decentralized wastewater treatment systems, which are discussed later in this section, and specific programs, such as the United States-Mexico Border Program and the Alaska Rural and Native Villages Program, only wastewater and drinking water infrastructure facilities that are or will be owned by the grant or subgrant recipient are eligible for grant funding. This means that house laterals (the sewer line from the collection system to the house) and drinking water service lines (the line from the drinking water distribution system to the house) must be owned by the grantee or subgrantee in order for these facilities to be eligible for grant funding. The ownership requirement applies to new construction, as well as the rehabilitation of existing facilities, and to infiltration/inflow correction associated with existing sewer lines, including house laterals. The grantee or

subgrantee can have ownership by either fee simple title, by the issuance of an enforceable easement with right of access, or other suitable authority such as an ordinance assuring right of access for such purposes as inspection, monitoring, building, operation, rehabilitation and replacement. Since the grantee or subgrantee has ownership of these facilities, the grantee or subgrantee would be responsible for the operations and maintenance of those facilities for the life of those facilities. Additionally, the grantee or subgrantee could not transfer ownership of the facilities to any entity without written approval from EPA.

In those rare situations where a grant or subgrant is awarded to a governmental or nonprofit entity that does not have the legal authority to own or operate drinking water, wastewater, or groundwater protection infrastructure facilities, and the grant includes the construction or acquisition of infrastructure facilities, that entity can transfer ownership of the grant funded infrastructure facilities with the approval of EPA. In all cases, the receiving entity must have the managerial and legal capability to assume all of the relevant responsibilities associated with the ownership of an EPA grant funded infrastructure facility, including any special conditions contained in the original grant agreement. Generally, EPA's approval to transfer ownership should be incorporated into the grant award document in the form of a special term and condition.

On-Site Systems

For small, privately-owned, on-site/decentralized wastewater treatment systems, such as a septic system or individual drinking water wells, an eligible applicant may apply for a grant to build or renovate these privately-owned systems. In such cases the applicant must:

- demonstrate that the total cost and environmental impact of building the decentralized system will be less than the cost of a conventional system;
- certify that ownership by a public entity or a suitable non-profit organization (such as a home owners' association or cooperative) is not feasible and list the reasons;
- certify that the treatment facilities will be properly operated and maintained for the life of the facilities; and
- provide assurance of access to the systems at all reasonable times for such purposes as inspection, monitoring, building, operation, rehabilitation and replacement.

Intermunicipal Projects and Service Agreements

Although a special Appropriations Act grant may be awarded to one entity, the successful operations of the grant funded project may depend on the support and cooperation of other entities, municipalities, or utility districts. This is especially evident when one entity is providing wastewater treatment services or supplying drinking water to another entity. Accordingly, for projects involving interactions between two or more entities, the applicant

should provide assurances that the grant funded project will function as intended for its expected life. Adequate assurance may be met through the creation of special service districts, regionalization of systems, or intermunicipal service agreements.

Special service districts and regionalization of systems are considered to be obligations in perpetuity to serve the customers of the newly created authority and automatically meet the expected lifetime requirements. The intermunicipal service agreement or contract is a legal document for cooperative ventures between separate entities, both of which wish to continue functioning with a large degree of independent control in their respective service areas. Such agreements will need to extend for a minimum number of years for an EPA funded project to be considered viable. For the purposes of SAAPs and STAG programs, EPA will accept the following contract lifetimes as meeting the minimum standard¹⁰:

<u>ITEM</u>	<u>LIFE (years)</u>
• <u>Land</u>	Permanent
• <u>Wastewater/Water Conveyance Structures:</u> collection systems, pipes, interceptors, force mains, tunnels, distribution lines, etc.	40
• <u>Other Structures:</u> plant buildings, concrete tankage, basins, lift station and pump station structures, inlet structures, etc.	30
• <u>Wastewater and Drinking Water Process Equipment</u>	15
• <u>Auxiliary Equipment</u>	10

A shorter time frame may be accepted if suitably justified and approved by EPA.

¹⁰The anticipated useful life of the facility components is based on the low end of the assumed service life for items in EPA's Construction Grants Program and past experience with the award and administration of special Appropriations Act projects.

Non-Construction Costs

The scope of work of a grant may include planning, design and administrative activities, and the cost of land. Land need not be an "integral part of the treatment process" as in the Clean Water Act title II construction grant program. However, all elements included within the scope of work of the grant must conform to the requirements of 40 CFR Parts 30 or 31. This means, if planning, design and administrative activities are included in the grant, the procurement of those services and the contracts must comply with the applicable sections of Parts 30 or 31. If land is included, there will be a Federal interest in the land regardless of when it was purchased and the purchase must be (must have been) in accordance with the applicable sections of Parts 30 or 31 and the Uniform Relocation Assistance and Real Property Acquisition regulations for Federal and Federally assisted programs at 49 CFR Part 24.

Refinancing

Funds appropriated for the SAAPs may not be awarded solely to repay loans received from a State Revolving Fund or other indebtedness unless there are explicit instructions to do so in the Appropriations Act or accompanying reports, or the facts of the case are such that this is the only way to award the funds that were appropriated for the project. Any request to use SAAP grant funds to repay a loan, in whole or in part, must be approved, in writing, by EPA Headquarters. The request, with sufficient supporting documentation, should be submitted to the Director, Office of Wastewater Management, (Mail Code 4201M), USEPA, 1200 Pennsylvania Avenue NW, Washington, D.C. 20460.

Definitions

In the context of determining that the scope of work of the grant is in conformance with the project description contained in Attachment 1, the word "water" can be considered to mean: drinking water, wastewater, storm water or combined sewer overflow. Furthermore, the words "and" & "or" as used in the project description are interchangeable. Additionally, the phrases "sewer project," "sewer improvements," "sewer upgrade," "sewer development," "sewer expansion," "sewer system," "plant project," "plant upgrade," or "plant expansion" are considered broad enough to include all aspects of the upgrade, expansion and development of a complete wastewater treatment system as defined at 40 CFR 35.2005(12). Comparable phrases concerning the project descriptions for drinking water facilities should be similarly interpreted.

ENVIRONMENTAL RESULTS UNDER EPA ASSISTANCE AGREEMENTS

Introduction

EPA Order 5700.7¹¹, "Environmental Results Under Assistance Agreements", applies to all non-competitive funding packages/funding recommendations submitted to the Grants Management Offices after January 1, 2005. The Order requires EPA Program Offices to: 1) link

¹¹The Order is available on the EPA intranet at <http://intranet.epa.gov/ogd/policy/Order/5700.7.pdf>

proposed assistance agreements to the Agency's Strategic Plan/Government Performance and Results Act (GPRA) architecture; 2) ensure that outputs and outcomes are appropriately addressed in assistance agreement work plans¹² and funding recommendations; and 3) ensure that progress in achieving agreed-upon outputs and outcomes is adequately addressed in recipient progress reports and advanced monitoring activities.

The Strategic Plan/GPRA Architecture

EPA's *2003 Strategic Plan*¹³ sets out five long-term goals for the next five years. Each of these five goals is supported by a series of objectives and sub-objectives that identify, as precisely as possible, what environmental outcomes or results the EPA seeks to achieve within a defined time frame using resources expected to be available. The objectives and sub-objectives established in EPA's Strategic Plan are part of the "GPRA architecture" that is used to measure the EPA's progress in meeting its strategic goals.

Program offices must include in the funding package for a proposed assistance agreement a description of how the project fits within the EPA's Strategic Plan/GPRA architecture. In developing the aforementioned descriptions, a project officer must list all applicable EPA strategic goals and objectives and, where available, sub-objectives. The project officer must ensure that the Program Results Code(s) (PRCs) listed on the commitment notice is consistent with the selected strategic goals, objectives and sub-objectives. The Strategic Plan/Program Results Code Crosswalk, which summarizes the strategic goals, objectives, sub-objectives, and the PRCs for every EPA assistance agreement program, is attached to Appendix A of EPA Order 5700.7.

Outputs and Outcomes

The term "output" means an environmental activity, effort, and/or associated work products related to an environmental goal or objective, that will be produced or provided over a period of time or by a specified date. See EPA Order 5700.7. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period. Outputs reflect the products and services provided by the recipient, but do not, by themselves, measure the programmatic or environmental results of an assistance agreement. Examples of outputs for SAAPs are:

- Number of additional homes (or equivalents) provided adequate wastewater treatment (can be centralized or decentralized).
- Number of additional homes (or equivalents) provided safe drinking water.

¹²Throughout this section, the term "work plan" is used for convenience. For construction projects, outputs/outcomes are normally included in a Facility Plan, Preliminary Engineering Report, or an Environmental Information Document. In many cases these documents may not exist at the time of grant application. In those situations the development of the documents will be included in the scope of work of the assistance agreement.

¹³The Strategic Plan is available on the internet at www.epa.gov/ocfo/plan/2003sp.pdf

- Percent improvement in infrastructure reliability and maintenance (e.g., collection and distribution system improvements, pump replacement, improvements at wastewater treatment or drinking water facilities plant, upgrade, expansion, integrity, reduction of infiltration/inflow, etc.).
- Capacity (MGD) of newly constructed wastewater treatment plant.
- For expansion of an existing wastewater treatment plant, increase in capacity (MGD) of plant.
- For upgrade of an existing wastewater treatment plant, new level of treatment provided.
- Storage (MG) provided by newly constructed drinking water tank.
- Storage (MG) provided by new reservoirs.
- Population served by new construction.
- Feet of sewer lines replaced.
- Feet of sewer lines extended.
- Feet of water lines replaced.
- Feet of water lines extended.
- Wet weather improvement:
 - Estimated number of combined sewer overflows (CSOs) reduced.
 - Estimated amount (e.g., million gallons per year) of untreated wastewater not discharged as a result of CSO improvements.
 - Number of sanitary sewer overflows reduced.
 - Storm water improvements.
- Environmental restoration improvements.
- Enhanced security improvements to wastewater or drinking water facilities.

The term “outcome” means the result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. See EPA Order 5700.7. Outcomes may be environmental, behavioral, health-related or programmatic in nature, must be quantitative, and may not necessarily be achievable within an assistance agreement funding period. There are two major types of outcomes - end outcomes and intermediate outcomes. End outcomes are the desired end or ultimate results of a project or program. They represent results that lead to environmental/public health

improvement. Intermediate outcomes are outcomes that are expected to lead to end outcomes but are not themselves “ends.” Given that the end outcomes of an assistance agreement may not occur until after the assistance agreement funding period, intermediate outcomes realized during the funding period are an important way to measure progress in achieving end outcomes.

Program offices must include in the funding recommendation for a proposed assistance agreement an assurance that the program office has reviewed, or will review, the assistance agreement work plan¹⁴ and that the work plan includes, or will include, well-defined outputs and, to the maximum extent practicable, well-defined outcomes.

The CWSRF program has finalized a “Benefits Assessment” format for individual projects, see Attachment 6. This format can be used to measure “outcomes” for the SAAPs. Accordingly, the Regions can include the information contained in Items 1, 2, 3, and 4 of Attachment 6 as a means for measuring and reporting outcomes. The measurement of environmental outcomes is in the developmental stages. The Regions will be informed of changes as they occur.

Examples of Acceptable Descriptions In Assistance Agreement Funding Recommendations

Program offices must include in the funding recommendation for a proposed assistance agreement a description of how the program/project fits within the Agency’s Strategic Plan/GPRA architecture. The following are examples of acceptable descriptions in assistance agreement funding recommendations:

Example 1:

This project supports Goal 2 (Clean and Safe Water), Objective 2.2 (Protect Water Quality), Subobjective 2.2.1 (Improve Water Quality on a Watershed Basis). The overall goal of the project is to provide adequate wastewater treatment services for those areas of the community with failing on-site septic systems. The Project Results Code (PRC) assigned to the funding for this project is 202B51E which is consistent with the strategic goal/objective/subjective. The (name of Division/Branch) in (Region __) has reviewed the work plan¹⁵ for this project and determined that it contains well-defined outputs, and to the maximum extent practicable, well defined outcomes.

Example 2:

This project supports Goal 2 (Clean and Safe Water), Objective 2.1 (Protect Human Health), Subobjective 2.1.1 (Water Safe to Drink). The overall goal of the project is lower the amount of arsenic in the drinking water to meet revised permit requirements. The Project Results Code (PRC) assigned to the funding for this project is 201B51E which is consistent with the strategic goal/objective/subjective. The (name of Division/Branch) in (Region __) will review the work

¹⁴See Footnote 11, supra.

¹⁵See Footnote 11, supra.

plan¹⁶ for this project and will determine that it contains well-defined outputs, and to the maximum extent practicable, well defined outcomes when these measures are developed. These measures will be developed during the planning portion of the grant. Additionally, EPA will not fund any design or construction work until these measures are accepted.

EPA Review of Recipient Performance Reports

EPA Order 5700.7 also establishes requirements for program office review of construction and non-construction interim and final recipient performance reports for progress in achieving outputs and outcomes contained in assistance agreement work plans. Under 40 CFR Parts 30 and 31, EPA may require recipients to submit performance/progress reports as frequently as quarterly but no less frequently than annually. These regulations also require recipients to provide the EPA with an acceptable final performance report at the end of a project. While performance reports are one way for the EPA to obtain information on a recipient's progress toward achievement of agreed-upon outputs and outcomes, program offices may also conduct mid-year and end-of-year reviews to evaluate recipient performance.

The review of recipient performance reports is largely the responsibility of the EPA project officer. The project officer must review interim¹⁷ and final¹⁸ performance reports to determine whether they adequately address the achievement of agreed-upon outputs/outcomes, including providing a satisfactory explanation for insufficient progress or a failure to meet planned accomplishments (when compared with the most recently approved project schedule and completion dates for project milestones). This review must be documented in the official project file. If a report does not adequately address the achievement of outputs/outcomes, the project officer should seek further explanation from the recipient and require appropriate corrective action.

Award officials must use the following special conditions in all assistance agreements requiring performance reports to provide a comparison of actual accomplishments to agreed-upon outputs/outcomes:

Required special conditions for assistance agreements to State and local governments:

In accordance with 40 CFR. §31.40, the recipient agrees to submit performance reports that include brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) the reasons for slippage if established outputs/outcomes were not met by

¹⁶See Footnote 11, supra.

¹⁷For construction projects, on-site technical inspections and certified percentage of construction data meet the interim reporting requirements, see 40 CFR 31.40(c).

¹⁸For construction projects, the final inspection report or other final performance report should include a comparison of the actual outcomes/outputs with those incorporated into the assistance agreement.

the agreed upon or scheduled date; and 3) additional pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.

In accordance with 40 CFR. §31.40(d), the recipient agrees to inform EPA as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

Required special conditions for assistance agreements to institutions of higher education and other non-profit organizations:

In accordance with 40 CFR §30.51(d), the recipient agrees to include in performance reports submitted under this agreement brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes specified in the assistance agreement work plan and scheduled or established for the period; 2) reasons why anticipated outputs/outcomes were not met; and 3) other pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.

In accordance with 40 CFR §30.51(f), the recipient agrees that it will notify EPA of problems, delays or adverse conditions which materially impair the ability to meet the outputs/outcomes or objectives of the award specified in the assistance agreement work plan and what corrective actions are being contemplated to resolve the situation.

Advanced Monitoring

EPA Order 5700.7 directs program offices, when conducting on-site reviews or desk reviews under EPA Order 5700.6, *Policy on Compliance, Review and Monitoring*, to include an assessment of the recipient's progress in achieving the outputs and outcomes set forth in the assistance agreement work plan.¹⁹ If the assessment reveals significant problems in meeting agreed-upon outputs/outcomes, the project officer must require the recipient to develop and implement an appropriate corrective action plan and implementation schedule. The results of the assessment must be documented in the Grantee Compliance Database in a format determined by the Director of the Grants Administration Division.

PROGRAM SPECIFIC GUIDELINES

The Agency's FY 2006 Appropriations Act and accompanying reports contain a number of requirements for the United States-Mexico Border Program and the Alaska Rural and Native Villages Program. This section describes the Agency's interpretation and planned implementation of those requirements.

¹⁹See Footnote 11, supra.

United States-Mexico Border Program

The Agency's FY 2006 Appropriations Act provides \$49,264,300, after rescission, for:

. . . architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission.

The scope of work for grants awarded for the United States-Mexico Border Program must conform with the language contained in the Appropriations Act and the grant file should include documentation that describes the results of the discussions and consultations with the appropriate border commissions. In large part, EPA provides grant funding to the Border Environmental Cooperation Commission (BECC) for the project development assistance program (PDAP) and the North American Development Bank (NADBank) for the Border Environmental Infrastructure Fund (BEIF); in these cases, the subgrants from BECC and NADBank should contain similar documentation.

The Conference Report identifies two projects that are to be funded by monies provided for the United States-Mexico Border Program: "\$4,000,000 is for the El Paso Utilities Board and \$3,000,000 is for the City of Brownsville water supply project." The Brownsville and El Paso projects will be awarded by the EPA Region VI Office and administered within the provisions, including the 45 percent matching requirement, contained in this memorandum.

EPA cost participation on projects funded from the United States-Mexico Border appropriation item (with the exception of the two projects identified above) will be decided on a project-by-project basis. The EPA cost share will depend on a number of factors which have been separately defined within the context of the United States-Mexico Border Program.

On May 12, 1997, the Agency issued a memorandum²⁰ concerning "Program Requirements for Mexican Border Area Projects Funded under the Authority of this Agency's FY 1995, 1996 and 1997 Appropriations Acts." That memorandum also applies to the United States-Mexico Border Area projects funded under the authority of the Agency's FY 2006 Appropriations Act.

Alaska Rural and Native Villages Program

The Agency's FY 2006 Appropriations Act provides \$34,485,100, after rescission, for:

grants to the State of Alaska to address drinking water and waste infrastructure needs of rural and Alaska Native Villages: *Provided*, That, of these funds: (1) the State of Alaska shall provide a match of 25 percent; (2) no more than 5 percent of the funds may be used for administrative and overhead expenses; and (3) not later than October 1, 2005^[21] the State of

²⁰This document is available on the internet at www.epa.gov/owm/mab/owm0327.pdf.

²¹In order to maintain consistency with past appropriations acts language, the Agency assumes Congress intended to state "October 1,

Alaska shall make awards consistent with the State-wide priority list established in 2004 for all water, sewer, waste disposal, and similar projects carried out by the State of Alaska that are funded under section 221 of the Federal Water Pollution Control Act (33 U.S.C. 1301) or the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et. seq.) which shall allocate not less than 25 percent of the funds provided for projects in regional hub communities.

Item (1) above means that the State of Alaska must provide \$11,495,033 as its share for the program. Items (2) and (3) above are self-explanatory and do not require any further explanation.

Additionally, the Alaska Rural and Native Villages Program funds may be used to pay for activities specified in the Safe Drinking Water Act of 1996, (P. L. 104-182, Section 303), specifically: “training, technical assistance, and educational programs relating to the operation and management of sanitation services in rural and Native villages.” These include the Remote Maintenance Worker (RMW) and the Rural Utility Business Advisory (RUBA) programs.

GRANTS MANAGEMENT

Grants awarded under the authority of an Appropriations Act are subject to assistance agreement regulations, OMB cost principles and Agency policies. The grants must be awarded and managed as any other assistance agreement.

The Grants Administration Division (GAD) has developed Grants Policy Issuances (GPIs) and directives to assist project officers and program offices in fulfilling and understanding their responsibilities. Two GPIs that are directly related to the award and management of Special Appropriations Act projects are GPI-03-01-Attachment VI “Policy and Procedures for Funding Assistance Agreements” and GPI-00-05 “Cost Review Guidance.”²² A directive outlining roles and responsibilities for all EPA staff with grants management responsibilities is found at <http://intranet.epa.gov/rmpolicy/ads/updates.htm> .

On January 20, 2006, OGD issued Interim Guidance “Assessing Grants Management Performance under the Performance Appraisal and Recognition Systems (PARS)”. The OGD Interim Guidance should be used for the development of 2006 PARS performance agreements and for 2006 mid-year and end-of-year performance reviews for project officers and their supervisors/managers.

2006.”

²²These GPIs are available on the **EPA intranet** at <http://intranet.epa.gov/ogd/policy/7.0-GPI-GPI-03-01-5.htm> and <http://intranet.epa.gov/ogd/policy/7.0-GPI-GPI-00-05.htm>

EPA Order 5700.6A1, issued January 8, 2004,²³ streamlines post-award management of assistance agreements and helps ensure effective oversight of recipient performance and management. The Order encompasses both the administrative and programmatic aspects of the Agency's financial assistance programs. It requires each EPA program office providing assistance to develop and carry out a post-award monitoring plan, and conduct baseline monitoring for every award. From the programmatic standpoint, this monitoring should ensure satisfaction of five core areas: (1) compliance with all programmatic terms and conditions, (2) correlation of the recipient's work plan/application and actual progress under the award, (3) availability of funds to complete the project, (4) proper management of and accounting for equipment purchased under the award, and (5) compliance with all statutory and regulatory requirements of the program. If during monitoring it is determined that there is reason to believe that the grantee has committed or commits fraud, waste and/or abuse, then the project officer must contact the Office of the Inspector General. Advanced monitoring activities must be documented in the official grant file and the Grantee Compliance Database. The EPA Order applies to the projects identified in Attachment 1.

A work group consisting of staff from the Regions, the Office of Water, and the Office of Grants and Debarment has been established for the purpose of developing recommendations for alternative reporting procedures that would comply with the requirements of EPA Order 5700.6A1. The scope of the work group will be expanded to include development of recommendations for alternative reporting procedures that will comply with the requirements contained in GPI-00-05 "Cost Review Guidance."

In addition to the general requirements contained in the EPA Order, the following types of activities, which are directly related to construction projects, should be considered in the development of a post-award monitoring plan:

- Review periodic payment requests.
- Compare actual completion percentages and milestones with the approved project schedule
- Compare actual costs incurred with the approved project budget
- Conduct interim inspections.
- Review change orders and claims.
- Review and approve final payment requests.
- Determine that the project is capable of meeting the objectives for which it was planned, designed and built and is operational

Many of these activities can be performed by a State, the Corps of Engineers or a contractor, and as such, are eligible for funding under the three percent set-aside provision.

²³The Order is available on the EPA intranet at http://intranet.epa.gov/rmpolicy/ads/orders/5700_6A1.pdf

PROJECT OFFICER RESPONSIBILITIES

The project officers must review the grant application to determine that:

- the scope of work of the grant is clearly defined;
- the scope of work is in conformance with the project description contained in Attachment 1;
- project schedule and milestones are addressed;
- there is a clearly stated environmental or public health objective;
- the applicant has the programmatic capability to successfully manage the project;
- it is expected that the project will achieve its objective(s); and
- the costs are reasonable, eligible, allowable, and allocable to the project.

Grant applications should be processed in a timely manner, but the applications should be carefully reviewed and the grant awarded only when it is prudent to do so. Additionally, the Regions may impose reasonable requirements through grant conditions in those situations considered necessary.

PROJECT MANAGEMENT RESOURCES

You should invite State agencies to participate as much as possible in the pre-application, application review, and grant administration process.

Legislative language in the Agency's FY 1997 Appropriations Act authorized the use of title II deobligations for State administration of special Appropriations Act *wastewater* projects, coastal/need cities projects and construction grant projects. The guidance document on the implementation of this provision was issued by the Director, Municipal Support Division, on December 3, 1996.²⁴

The interagency agreement (IAG) with the Corps of Engineers was recently amended to allow the IAG funds to be used for the administration, oversight and management of all special Appropriations Act projects, including those involving drinking water and other water related projects.

States may also use funds awarded under Section 106 of the Clean Water Act (P. L. 92-500) for activities associated with these special projects provided Section 106 program officials agree.

The Agency's FY 2001 Appropriations Act states that "the Administrator may use up to 3 percent of the amount of each project appropriated to administer the management and oversight of construction of such projects through contracts, allocation to the Corps of Engineers, or grants

²⁴This document is available on the internet at www.epa.gov/owm/mab/owm0328.pdf.

to States.” A discussion of the three percent set-aside provision is contained on page two of this memorandum.

REVISION OF LANGUAGE CONTAINED IN PREVIOUS APPROPRIATIONS ACTS

The Agency’s FY 2006 Appropriations Act did not amend any language from previous appropriations acts. The Act did, however, contain the following language:

“notwithstanding this or any other appropriations Act, heretofore and hereafter, after consultation with the House and Senate Committees on Appropriations and for the purpose of making technical corrections, the Administrator is authorized to award grants under this heading to entities and for purposes other than those listed in the joint explanatory statements of the managers accompanying the Agency’s appropriations Acts for the construction of drinking water, wastewater and stormwater infrastructure and for water quality protection.”

The purpose of this language is to allow technical corrections to be made by EPA with Congressional consultation. Approved technical corrections will no longer be made in the following year’s appropriations act. It should be noted that this provision allows EPA to make technical corrections for past appropriations acts as well as the current Act. Technical corrections for both the FY 2005 and FY 2006 Acts will be made in accordance with SAAP memo 06-1.

Additionally, as mentioned on pages 1 and 2 of this guidance, two technical corrections to previous appropriations acts were included in the FY 2006 Agriculture Appropriations Act. The language from that Act is as follows:

(4) In title II, under the heading “Environmental Protection Agency, State and Tribal Assistance Grants”—

(A) before the period at the end of the first paragraph, insert “: *Provided further*, That of the funds made available under this heading in division I of Public Law 108–447, \$300,000 is for the Haleyville, Alabama, North Industrial Area Water Storage Tank project: *Provided further*, That the referenced statement of the managers under the heading “Environmental Protection Agency, State and Tribal Assistance Grants” in Public Law 107–73, in reference to item 184, is deemed to be amended by striking “\$2,000,000” and inserting “\$29,945” and by inserting after H. R. 2744—48 “improvements” the following: “, \$500,000 to the City of Sheridan for water system improvements, \$500,000 to Meagher County/Martinsdale Water and Sewer District for Martinsdale Water System Improvements, and \$970,055 to the City of Bozeman for Hyalite Waterline and Intake”; and

(B) in the second paragraph strike “original”.

ACTIONS

If you have not already done so, you and your staff should initiate discussions with the appropriate grant applicants to develop a detailed scope of work and to explain the grant application and review process. Additionally, the grant applicant should be provided with a copy of this memorandum prior to grant award to ensure that the applicant is on notice of the applicable requirements before the grant is awarded.

If you have any questions concerning the contents of this memorandum, you may contact me, or have your staff contact George Ames, Chief, State Revolving Fund Branch, Municipal Support Division, at (202) 564-0661.

Attachments

cc: Municipal Construction Program Managers, Regions I – X
Regional NEPA Contacts, Regions I – X
Richard Kuhlman, GAD
Ed Walsh, OCFO
Marcia Combes, Alaska Operations Office, Region X

ATTACHMENT 1

**SPECIAL WATER AND WASTEWATER INFRASTRUCTURE PROJECTS (STAG ACCOUNT)
INCLUDED IN EPA'S FY 2006 APPROPRIATIONS ACT**

Line Item #	State	Region	Earmark Designation	Conference Report Earmark Amount	Final Amount*
41	CT	1	East Hampton, CT Municipal Water System Improvements	\$1,200,000	\$1,146,900
			Infrastructure upgrades at water pollution control plant in the Town of		
42	CT	1	Plainville, Connecticut	\$500,000	\$477,900
			Stamford, CT Mill River Stormwater Management Infrastructure		
43	CT	1	Improvements	\$1,000,000	\$955,600
			Combined sewer overflow abatement project in Bristol County,		
90	MA	1	Massachusetts	\$1,000,000	\$955,600
			Hartford, CT; Springfield, Chicopee, Holyoke, Ludlow, South Hadley, MA		
91	MA	1	Connecticut River Clean-up	\$2,000,000	\$1,911,500
100	ME	1	Wastewater treatment project in the Town of Machias, Maine	\$500,000	\$477,900
			Waterline extension and water system upgrade project in the Town of		
101	ME	1	Dover-Foxcroft, Maine	\$472,000	\$451,100
			Combined sewer overflow separation project in the City of Manchester,		
161	NH	1	New Hampshire	\$500,000	\$477,900
162	NH	1	Exeter, NH Water and Wastewater Infrastructure Improvements	\$1,000,000	\$955,600
163	NH	1	Waterworks Project in the City of Berlin, New Hampshire	\$500,000	\$478,200
213	RI	1	Cumberland, RI Cumberland Drinking Water Infrastructure Improvements	\$500,000	\$477,900
214	RI	1	New water storage tank in the Town of Westerly, Rhode Island	\$875,000	\$836,300
			Water infrastructure improvements in the City of Cumberland, Rhode		
215	RI	1	Island	\$500,000	\$477,900
			Water infrastructure improvements in the City of North Smithfield, Rhode		
216	RI	1	Island	\$200,000	\$191,100
243	VT	1	Wastewater treatment project in the Town of Pownal, Vermont	\$1,000,000	\$955,600
244	VT	1	Water treatment projects in the Town of Waitsfield, Vermont	\$1,000,000	\$955,600
1 Total				\$12,747,000	\$12,182,600
164	NJ	2	\$250,000 for the Rahway City Sanitary Sewer I&I, and \$250,000 for the Rahway Valley Sewerage Authority	\$500,000	\$477,900
			Bergen County, NJ Bergen County Wastewater Infrastructure		
165	NJ	2	Improvements	\$1,000,000	\$955,600
			Passaic Valley, NJ Passaic Valley Sewerage Commission Combined		
166	NJ	2	Sewage Overflow Project	\$2,500,000	\$2,389,400
			Stormwater infrastructure improvements at Farnham Park in the City of		
167	NJ	2	Camden, New Jersey	\$500,000	\$477,900
			Ballston Spa, NY Saratoga County Water Treatment and Transmission		
179	NY	2	Facilities	\$3,000,000	\$2,867,100
			Cayuga County, NY Village of Fairhaven Wastewater Infrastructure		
180	NY	2	Improvements	\$750,000	\$716,800
181	NY	2	Corning, NY Water and Wastewater Infrastructure Improvements	\$750,000	\$716,800
			Dunkirk, NY Chadwick Bay West End Water and Wastewater		
182	NY	2	Infrastructure Improvements	\$400,000	\$382,300
			Monroe County Water Authority Eastside Water Treatment Project Water		
183	NY	2	and Wastewater Infrastructure Improvements	\$2,000,000	\$1,911,500
184	NY	2	Mt. Pleasant, NY Stormwater Infrastructure Improvements	\$138,000	\$131,900
			Saugerties, NY Saugerties Water and Wastewater Infrastructure		
185	NY	2	Improvements	\$2,100,000	\$2,007,000
186	NY	2	Stormwater restoration project in the Town of North Hempstead, New York	\$1,000,000	\$955,600
187	NY	2	Water and sewer extension project in the Town of Bethel, New York	\$1,000,000	\$955,600
2 Total				\$15,638,000	\$14,945,400
44	DE	3	Combined sewer overflow program in the City of Wilmington, Delaware	\$1,000,000	\$955,600
92	MD	3	Anacostia Sanitary Sewer Overflow	\$500,000	\$477,900
93	MD	3	Combined sewer overflow project in the City of Cumberland, Maryland	\$350,000	\$334,500
94	MD	3	Combined sewer overflow project in the City of Frostburg, Maryland	\$500,000	\$477,900
95	MD	3	Combined sewer overflow project in the City of Westernport, Maryland	\$500,000	\$477,900

96 MD	Greenmount Interceptor sewer improvement project in the City of 3 Baltimore, Maryland	\$1,000,000	\$955,600
97 MD	Port Tobacco, MD Port Tobacco Watershed Water and Wastewater 3 Infrastructure Improvements	\$200,000	\$191,100
98 MD	3 Sewer line repair project in the City of Emmitsburg, Maryland	\$150,000	\$143,400
99 MD	3 Wastewater lagoon repair in the City of Funkstown, Maryland	\$150,000	\$143,400
198 PA	Allegheny County Sanitary Authority for the Three Rivers Wet Weather 3 program in Allegheny County, Pennsylvania	\$1,750,000	\$1,672,500
199 PA	3 Ambridge, PA Drinking Water Infrastructure Improvements	\$92,000	\$88,000
200 PA	Central sewer collection and treatment replacement in Tulpehocken 3 Township, Pennsylvania.	\$250,000	\$238,900
201 PA	Combined sewer overflow and flood protection project in the City of Plum 3 Creek and Allegheny County, Pennsylvania	\$800,000	\$764,600
202 PA	3 Interceptor improvements project in Penn Hills, Pennsylvania	\$200,000	\$191,100
203 PA	3 Kingston, PA Luzerne County Combined Sewer Overflow	\$1,000,000	\$955,600
204 PA	3 Pen Argyl Borough, PA Wastewater Treatment Plant	\$100,000	\$95,500
205 PA	Philadelphia, PA Southeastern Pennsylvania Waterways Restoration 3 Stormwater Infrastructure Improvements	\$695,000	\$664,200
206 PA	3 Pleasantville, PA Borough of Pleasantville Water System Improvements	\$300,000	\$286,700
207 PA	3 Public sewer service extensions in Menallen Township, Pennsylvania	\$250,000	\$238,900
208 PA	3 Sewer improvement project in the Borough of Archbald, Pennsylvania	\$750,000	\$716,800
209 PA	3 Storm sewer pipe construction in Millcreek Township, Pennsylvania	\$250,000	\$238,900
210 PA	Stormwater infrastructure improvements project in the Borough of 3 Pottstown, Pennsylvania	\$250,000	\$238,900
211 PA	3 Tarentum, PA Bull Creek Flood Protection Plan	\$1,000,000	\$955,600
212 PA	3 Water infrastructure improvements in the City of Lancaster, Pennsylvania	\$500,000	\$477,900
149 NC/VA	Sparta, NC & Independence, VA Virginia Carolina Water Authority Water 3 and Wastewater Infrastructure Improvements	\$1,000,000	\$955,600
237 VA	3 Alexandria, VA Four Mile Run Restoration	\$1,500,000	\$1,433,600
238 VA	Construction of wastewater treatment facilities expansion in Lee County, 3 Virginia	\$500,000	\$477,900
239 VA	3 Hanover County, VA Water and Wastewater Infrastructure Improvements	\$682,000	\$651,800
240 VA	Henry County, VA Henry County Water System Connector to Pittsylvania 3 County	\$110,000	\$105,100
241 VA	National Capital Region, VA, MD, DC Real-Time Drinking Water 3 Distribution Security Monitoring	\$521,000	\$497,900
242 VA	Wastewater treatment infrastructure improvements project in the Town of 3 Onancock, Virginia	\$500,000	\$477,900
253 WV	3 Beckley, WV Piney Creek Interceptor Sewer Replacement Project	\$1,000,000	\$955,600
254 WV	3 Canaan Valley, WV Canaan Valley Decentralized Wastewater System	\$1,000,000	\$955,600
255 WV	3 Mineral County, WV Lakewood Wastewater Treatment Facility	\$220,000	\$210,300
256 WV	Spencer, WV Spencer Water and Wastewater Infrastructure 3 Improvements	\$1,000,000	\$955,600
3 Total		\$20,570,000	\$19,658,300
3 AL	4 Coosa Valley Water Supply District surface water project in Alabama	\$800,000	\$764,600
4 AL	4 Haleyville, AL North Industrial Area Water Storage Tank	\$50,000	\$47,800
5 AL	4 Heflin, AL Industrial Site Water and Sewer Project	\$150,000	\$143,400
6 AL	4 Huntsville, AL City of Huntsville Water System Improvements	\$1,000,000	\$955,600
7 AL	4 Sewer improvement project in the City of York, Alabama	\$700,000	\$669,000
8 AL	4 Twin, AL Twin Water Authority Water Systems Renovation	\$250,000	\$238,900
9 AL	4 Water main extension improvements project in Alexander City, Alabama	\$500,000	\$477,900
45 FL	4 Citrus County, FL Homosassa Wastewater Collection System Project	\$750,000	\$716,800
46 FL	4 Coral Springs, FL Water and Wastewater Infrastructure Improvements	\$700,000	\$669,000
47 FL	4 East Central, FL East-Central Florida Integrated Water Resources	\$1,500,000	\$1,433,600
48 FL	Emerald Coast treatment plant replacement project for the Northwest 4 Florida Water Management District	\$800,000	\$764,600

49 FL	Jacksonville Beach, FL North 2nd Street Drainage Collection and Treatment System	\$1,000,000	\$955,600
50 FL	4 Keaton Beach, FL Taylor Coastal Wastewater Project	\$750,000	\$716,800
51 FL	Lake Region water treatment plant improvements for the South Florida Water Management District	\$300,000	\$286,700
52 FL	4 North Port, FL Water and Wastewater Infrastructure Improvements	\$500,000	\$477,900
53 FL	4 Pinellas Park, FL On-site Sewerage system elimination	\$1,787,000	\$1,707,800
54 GA	4 Columbus, GA—Ox Bow Meadows Wastewater Improvements	\$1,000,000	\$955,600
55 GA	4 Moultrie, GA City of Moultrie Wastewater Treatment Plant Rehabilitation	\$350,000	\$334,500
56 GA	West Area Combined Sewer Overflow Tunnel in the City of Atlanta, Georgia	\$500,000	\$477,900
82 KY	City of Columbia, Kentucky, and the Adair County Regional Water Treatment Plant	\$500,000	\$477,900
83 KY	Louisville, KY Louisville Olmsted Parks Conservancy Watershed Restoration	\$1,000,000	\$955,600
84 KY	4 Somerset, KY Somerset Wastewater Treatment Plant	\$3,200,000	\$3,058,400
85 KY	Wastewater sewer line extension project in the City of South Campbellsville, Kentucky	\$1,000,000	\$955,600
86 KY	4 Wastewater treatment plant expansion project in Culver City, Kentucky	\$500,000	\$477,900
119 MS	Drinking water and wastewater treatment improvements project in the Chipley area in the City of Pascagoula, Mississippi	\$747,000	\$713,900
120 MS	4 Regional wastewater program in DeSoto County, Mississippi	\$500,000	\$477,900
121 MS	Wastewater infrastructure evaluation and repair project in the City of Ridgeland, Mississippi	\$500,000	\$477,900
122 MS	Wastewater system rehabilitation for the West Rankin Water Authority in Mississippi	\$2,000,000	\$1,911,500
123 MS	Wastewater treatment facilities improvements in the City of Pontotoc, Mississippi	\$1,200,000	\$1,146,900
124 MS	Wastewater treatment improvements in the City of Brookhaven, Mississippi	\$1,000,000	\$955,600
125 MS	4 Wastewater treatment improvements in the City of Flowood, Mississippi	\$500,000	\$477,900
126 MS	4 Wastewater treatment improvements project in Wheeler, Mississippi	\$750,000	\$716,800
127 MS	4 Water and sewer infrastructure project in Forrest County, Mississippi	\$700,000	\$669,000
128 MS	4 Water and sewer infrastructure project in the City of Biloxi, Mississippi	\$1,000,000	\$955,600
129 MS	4 Water and sewer infrastructure project in the Town of McLain, Mississippi	\$250,000	\$238,900
138 NC	4 Anson County, NC Raw Water Intake Project	\$1,000,000	\$955,600
139 NC	Brightwater, NC Water and Wastewater Infrastructure Improvements (water distribution system) (grantee is City of Hendersonville)	\$587,000	\$561,000
140 NC	4 Cedar Grove, NC Cedar Grove Waterline Project	\$253,000	\$241,800
141 NC	4 Charlotte, NC Providence Road Water Line project	\$1,000,000	\$955,600
142 NC	Haywood County, NC Water and Wastewater Infrastructure Improvements (Town of Clyde 500k, Canton 500k)	\$1,000,000	\$955,600
143 NC	4 Kannapolis, NC Groundwater Storage Tank & Fire Pump System	\$500,000	\$477,900
144 NC	Mitchell County, NC Ledger Community Water and Wastewater Infrastructure Improvements	\$500,000	\$477,900
145 NC	Moore County, NC North West Moore Water District Water and Wastewater Infrastructure Improvements	\$500,000	\$477,900
146 NC	Sylva, NC Jackson County Water and Wastewater Infrastructure Improvements	\$500,000	\$477,900
147 NC	Wake County, NC Jordan Lake Water and Wastewater Infrastructure Improvements	\$1,500,000	\$1,433,600
148 NC	4 Wilson, NC Wilson Wastewater Infrastructure Program	\$1,000,000	\$955,600
217 SC	Construction of the Maple Creek Water Treatment Plant for the Greer Commission of Public Works in Greer, South Carolina	\$500,000	\$477,900
218 SC	4 Myrtle Beach, SC Storm Water Management System	\$615,000	\$587,800
219 SC	4 Olar, SC Olar and Govan Regional Water System	\$733,000	\$700,500
222 TN	East Tennessee Development District Water and Wastewater Infrastructure Improvements (Jefferson City 700k, Norris 300k, Cumberland Gap 250k, Jefferson County 300k)	\$1,550,000	\$1,481,300
223 TN	4 Lake Tansi Sewer Project in Cumberland County, Tennessee	\$1,000,000	\$955,600

224 TN	Southeast Tennessee Development District Water and Wastewater Infrastructure Improvements (Cleveland 550k, Ducktown 150k, Spring City 4 250k)	\$950,000	\$907,900
225 TN	4 Watauga River Regional Water Authority in Carter County, Tennessee	\$1,000,000	\$955,600
226 TN	West End water and wastewater infrastructure project in Oak Ridge, 4 Tennessee	\$1,000,000	\$955,600
4 Total		\$44,422,000	\$42,453,900
65 IL	5 Big Rock, IL Big Rock South Side Drainage System	\$175,000	\$167,300
66 IL	5 Calumet City, IL Water and Sewer Improvements	\$275,000	\$262,800
67 IL	Construction of a wastewater treatment facility in the Village of Pecatonica, 5 Illinois	\$250,000	\$238,900
68 IL	5 Drinking water improvements in the City of Wauconda, Illinois	\$750,000	\$716,800
69 IL	Drinking water infrastructure improvements in the City of Springfield, 5 Illinois	\$250,000	\$238,900
70 IL	5 Hampshire, IL Water and Wastewater System Improvements	\$600,000	\$573,400
71 IL	5 Hinckley, IL Water Main Replacement	\$418,000	\$399,500
72 IL	Pleasant Plains, IL New Sanitary Sewer Collection System and 5 Wastewater Treatment Facilities	\$765,000	\$731,200
73 IL	Sewer Improvement Consortium of Lake Bluff, Highwood, Highland Park 5 and Lake Forest, Illinois	\$500,000	\$477,900
74 IL	5 Water system upgrades in the Village of Port Byron, Illinois	\$250,000	\$238,900
75 IN	Construction of a wastewater treatment facility in Morgan County, Indiana 5 for the Town of Waverly	\$750,000	\$716,800
76 IN	5 Sandborn, IN Water and Wastewater Infrastructure Improvements	\$500,000	\$477,800
77 IN	5 Valparaiso, IN Valparaiso Sewer Infrastructure Improvements	\$825,000	\$788,500
78 IN	5 Water infrastructure upgrades in the City of Upland, Indiana	\$1,700,000	\$1,624,800
102 MI	Combined sewer overflow control program for the City of Port Huron, 5 Michigan	\$1,000,000	\$955,600
103 MI	Detroit, MI Far Eastside Water and Wastewater Infrastructure 5 Improvement Project	\$1,500,000	\$1,433,600
104 MI	5 North-East Relief Sewer [NERS] project in Genesee County, Michigan	\$250,000	\$238,900
105 MI	Oakland County, MI Evergreen-Farmington Sanitary Sewer Overflow 5 Control Demonstration Project	\$2,000,000	\$1,911,500
106 MI	5 Public sewer system improvements in the City of Northport, Michigan	\$250,000	\$238,900
107 MI	Regional wastewater treatment system improvements in Eastern Calhoun 5 County, Michigan	\$225,000	\$215,000
108 MI	Rouge River CSO, SSO Wet Weather demonstration project in Wayne 5 County, Michigan	\$500,000	\$477,900
109 MI	5 Sewage treatment program in Traverse City, Michigan	\$150,000	\$143,400
110 MI	5 Sewer plant improvements in the City of Saginaw, Michigan	\$250,000	\$238,900
111 MN	Construction of a new wastewater treatment plant in the City of Willmar, 5 Minnesota	\$500,000	\$477,900
112 MN	5 Minneapolis, MN Combined Sewer Overflow Program	\$1,500,000	\$1,433,600
113 MN	5 Sanitary management district of Crow Wing County, Minnesota	\$500,000	\$477,900
114 MN	5 Western Lake Superior Sanitary District in the City of Duluth, Minnesota	\$500,000	\$477,900
188 OH	Canal Winchester, OH Village of Canal Winchester Water Treatment Plant 5 Expansion	\$500,000	\$477,900
189 OH	Construction of a sewer collection and treatment system in the Village of 5 Higginsport, Ohio	\$850,000	\$812,400
190 OH	5 Drinking water line replacement in Muskingum County, Ohio	\$200,000	\$191,100
191 OH	5 Galion, OH Wastewater Infrastructure Improvements	\$1,000,000	\$955,600
192 OH	Greene Community in Greene County, Ohio for wastewater and drinking 5 water projects	\$150,000	\$143,400
193 OH	Wastewater collection and treatment system in the City of Elmira, Ohio, 5 and the City of Burlington, Ohio	\$800,000	\$764,600
194 OH	5 Yellow Springs, OH Morris Bean Sanitary Sewer Connection Project	\$125,000	\$119,500
248 WI	Metropolitan sewage district interceptor system program in the City of 5 Milwaukee, Wisconsin	\$800,000	\$764,600
249 WI	Park Falls, WI Water and Wastewater Infrastructure Improvements (wells, 5 pumphouse, water main)	\$1,000,000	\$955,800
250 WI	Pittsville, WI Wastewater Treatment Plant/Water and Wastewater 5 Infrastructure Improvements	\$1,900,000	\$1,815,900

251 WI	Radionuclide standard drinking water project in the City of Waukesha, 5 Wisconsin	\$800,000	\$764,600
252 WI	Rhineland, WI Water and Wastewater Infrastructure Improvements 5 (well, pumphouse, water main, storm sewer)	\$1,000,000	\$955,700
5 Total		\$26,258,000	\$25,095,600
10 AR	Improvements to the Little Maumelle water treatment plant in the City of 6 Little Rock, Arkansas	\$500,000	\$477,900
11 AR	Regional wastewater treatment improvements for the City of Fayetteville, 6 Arkansas	\$500,000	\$477,900
12 AR	6 St. Charles, AR St. Charles Drainage Planning and Improvements Shreveport Municipal Water Distribution system backflow prevention	\$50,000	\$47,800
87 LA	6 project in Shreveport, Louisiana	\$400,000	\$382,300
88 LA	6 South Lake Charles, LA Wastewater Treatment Plant	\$1,000,000	\$955,600
89 LA	6 Tioga, LA Water Works District No. 3 of Rapides Parish—Drinking Water 6 Extension	\$1,500,000	\$1,433,600
168 NM	6 Construction of a wastewater treatment system in Kirtland, New Mexico	\$1,000,000	\$955,600
169 NM	6 Village of Tijeras, NM Phase III Water System	\$952,000	\$909,900
170 NM	6 Wastewater and drinking water improvements project for the 6 Albuquerque/Bernalillo Water Utility Authority in New Mexico	\$1,000,000	\$955,600
171 NM	6 Wastewater collection, treatment, and disposal system in the Town of 6 Edgewood, New Mexico	\$1,000,000	\$955,600
172 NM	6 Wastewater project in the City of Belen, New Mexico	\$1,000,000	\$955,600
173 NM	6 Water project in the City of Las Cruces, New Mexico	\$1,000,000	\$955,600
195 OK	6 Nicoma Park, OK Nicoma Park Water Line	\$200,000	\$191,100
196 OK	6 Wewoka, OK City of Wewoka Well Water Access	\$275,000	\$262,800
227 TX	6 Fresno/Arcola, TX Fort Bend County Water and Wastewater Infrastructure 6 Improvements	\$2,000,000	\$1,911,500
228 TX	6 Liberty Hill, TX Liberty Hill Wastewater Treatment Facilities and Collection 6 System	\$365,000	\$348,900
229 TX	6 Lorena, TX City of Lorena Wastewater Treatment Plant	\$350,000	\$334,500
230 TX	6 Richmond/Rosenberg, TX West Fort Bend County Regional Water System	\$570,000	\$544,800
231 TX	6 Sewer overflow prevention project in the City of Austin, Texas	\$500,000	\$477,900
6 Total		\$14,162,000	\$13,534,500
58 IA	7 Combined sewer separation project in the City of Ottumwa, Iowa	\$800,000	\$764,600
59 IA	7 Construction of a wastewater treatment plant in Sioux City, Iowa	\$500,000	\$477,900
60 IA	7 Mason City, IA Sanitary Sewer Interceptor Project	\$1,000,000	\$955,600
61 IA	7 Sewer separation project in the City of Davenport, Iowa	\$800,000	\$764,600
79 KS	7 New drinking water transmission line in the City of Medicine Lodge, 7 Kansas	\$500,000	\$477,900
80 KS	7 Water infrastructure improvements in Johnson County, Kansas	\$500,000	\$477,900
81 KS	7 Rose Hill, KS City of Rose Hill Sewer System Improvements Expansion of the Clarence Cannon Wholesale Water Commission	\$2,500,000	\$2,389,400
115 MO	7 treatment Plant in Missouri.	\$500,000	\$477,900
116 MO	7 Springfield, MO Wastewater System Improvements	\$1,200,000	\$1,146,900
117 MO	7 St. Louis, Missouri Combined Sewer Overflow Project	\$1,000,000	\$955,600
118 MO	7 Wastewater improvements project in the City of Seneca, Missouri	\$850,000	\$812,400
159 NE	7 Combined sewer separation projects in the City of Omaha, Nebraska Water and wastewater infrastructure improvements in the City of Lincoln,	\$500,000	\$477,900
160 NE	7 Nebraska	\$500,000	\$477,900
7 Total		\$11,150,000	\$10,656,500
35 CO	8 Drinking water project in the Town of Walden, Colorado	\$800,000	\$764,600
36 CO	8 Stormwater improvement program in Jefferson County, Colorado	\$500,000	\$477,900
37 CO	8 Wastewater facility upgrades in Yuma, Colorado	\$100,000	\$95,500
38 CO	8 Wastewater treatment facility improvements project in Brush, Colorado Wastewater treatment plant improvements in the Cities of Englewood and	\$100,000	\$95,500
39 CO	8 Littleton, Colorado	\$500,000	\$477,900
40 CO	8 Water treatment facility in the City of Alamosa, Colorado	\$650,000	\$621,200
130 MT	8 Drinking water system upgrades in the City of Belgrade, Montana	\$750,000	\$716,800
131 MT	8 Havre, MT Rocky Boy's/North Central Montana Regional Water System	\$1,000,000	\$955,600

132 MT	Wastewater treatment improvements in the Pablo/Lake County Water and 8 Sewer District, Montana	\$500,000	\$477,900
133 MT	Wastewater treatment improvements in the Seeley Lake Sewer District, 8 Montana.	\$1,000,000	\$955,600
134 MT	8 Wastewater treatment improvements in the Town of St. Ignatius, Montana	\$750,000	\$716,800
135 MT	Wastewater treatment improvements in the Wisdom Sewer District, 8 Montana	\$500,000	\$477,900
136 MT	Wastewater treatment plant improvement project in the City of Bozeman, 8 Montana	\$170,000	\$162,500
137 MT	8 Water system infrastructure improvements in the City of Helena, Montana	\$2,250,000	\$2,150,200
150 ND	Drinking water distribution improvements for the North Central Rural Water 8 Consortium, North Dakota	\$250,000	\$238,900
151 ND	Regional drinking water infrastructure expansion for the Towns of Hankinson, Wyndemere, LaMoure, and Oakes, North Dakota (Southeast 8 Area)	\$300,000	\$286,700
152 ND	Regional water treatment facility improvements in the City of Washburn, 8 North Dakota	\$700,000	\$669,000
153 ND	Regional water treatment facility infrastructure in the City of Riverdale, 8 North Dakota	\$500,000	\$477,900
154 ND	Rural water district infrastructure improvements in Walsh County, North 8 Dakota	\$250,000	\$238,900
155 ND	8 Wastewater treatment facility upgrades in the City of Lakota, North Dakota	\$300,000	\$286,700
156 ND	Water and sewer improvement projects in the City of Crosby, North 8 Dakota	\$250,000	\$239,000
157 ND	Water infrastructure improvements in the City of Devils Lake, North 8 Dakota	\$500,000	\$477,900
158 ND	Water treatment plant regulatory improvements in the City of Grafton, 8 North Dakota	\$725,000	\$692,900
220 SD	Water and wastewater master plan development in Rapid City, South 8 Dakota	\$800,000	\$764,600
221 SD	8 Water infrastructure improvements in the City of Springfield, South Dakota	\$180,000	\$172,000
232 UT	8 Arsenic and perchlorate removal project in Magna, Utah	\$700,000	\$669,000
233 UT	Construction of a drinking water nitrate remediation plant for Centerfield, 8 Utah, and Mayfield, Utah	\$1,500,000	\$1,433,600
234 UT	Drinking water and stormwater infrastructure improvements in Sandy City, 8 Utah	\$1,000,000	\$955,800
235 UT	8 Wastewater treatment plant in Eagle Mountain, Utah	\$500,000	\$477,900
236 UT	8 Water infrastructure improvements for Judge Tunnel in Park City, Utah	\$300,000	\$286,800
257 WY	Wastewater treatment plant improvements project in the City of Cheyenne, 8 Wyoming	\$1,000,000	\$955,600
8 Total		\$19,325,000	\$18,469,100
13 AZ	9 Avondale, AZ Avondale Wastewater Treatment Facility Expansion	\$1,500,000	\$1,433,600
14 AZ	Safford, AZ City of Safford Waste Treatment Plant Debt Repayment to 9 Arizona Infrastructure Finance Authority	\$800,000	\$764,600
15 AZ	9 Tucson, AZ Tucson Water Security Demonstration Project	\$450,000	\$430,200
16 AZ	9 Wastewater treatment plant in Lake Havasu City, Arizona	\$1,500,000	\$1,433,600
17 CA	9 Arcadia, Sierra Madre, CA Joint Water Infrastructure	\$2,500,000	\$2,389,400
18 CA	9 Bakersfield, CA Rexland Acres Wastewater Treatment Project	\$1,500,000	\$1,433,600
19 CA	9 Bellflower, CA Drinking Water Infrastructure Improvement	\$378,000	\$361,300
20 CA	9 Cathedral City, CA Water and Wastewater Infrastructure Improvements	\$500,000	\$477,900
21 CA	9 Colfax, CA Colfax Wastewater Treatment Plant Improvement	\$600,000	\$573,400
22 CA	9 Georgetown, CA Greenwood Lake Water Treatment Facility	\$1,500,000	\$1,433,600
23 CA	9 Lake Arrowhead, CA Lake Arrowhead Groundwater Development	\$250,000	\$238,900
24 CA	9 Martin Slough interceptor project in the City of Eureka, California	\$375,000	\$358,400
25 CA	Monterey, CA Monterey County Development and Implementation of 9 Water Management Plan	\$750,000	\$716,800
26 CA	9 Perchlorate treatment program in the City of Pasadena, California	\$375,000	\$358,400
27 CA	9 Riverside, CA Water and Wastewater Infrastructure Improvements	\$500,000	\$477,900
28 CA	9 San Bernardino, CA Lakes and Streams Project	\$1,000,000	\$955,600
29 CA	9 Santa Jose, CA Perchlorate Assistance Santa Clara Valley Water District	\$2,000,000	\$1,911,500

30 CA	9 Solana Beach, CA Solana Beach Wastewater System Improvements	\$1,000,000	\$955,600
	Southern California Water and Wastewater Infrastructure Improvements (Mission Springs Water District 1.6M, Brinton Reservoir (Banning) 1M, Bighorn-Desert View Water Agency 500K, SAWPA SARI 450K, Yucca		
31 CA	9 Valley 350K, Dunlap 100K).	\$4,000,000	\$3,822,900
32 CA	9 Wastewater treatment plant expansion in Crescent City, California	\$375,000	\$358,400
	Water and wastewater infrastructure improvements project for the San		
33 CA	9 Francisco Public Utility Commission in California	\$500,000	\$477,900
34 CA	9 Water facility project in the City of Santa Paula, California	\$375,000	\$358,400
	Statewide cesspool replacement in the following counties, \$500,000 for the		
	County of Hawaii; \$400,000 for the County of Kauai; and, \$100,000 for the		
57 HI	9 City and County of Hawaii	\$1,000,000	\$955,700
174 NV	9 Henderson, NV Southwest Wastewater Treatment Plant	\$1,000,000	\$955,600
	Searchlight sewer system upgrades/Clark County Reclamation District		
175 NV	9 improvement project in Nevada	\$650,000	\$621,200
	Water and wastewater infrastructure improvements for the Marlette/Hobart		
176 NV	9 water system in Carson City, Nevada	\$50,000	\$47,800
	Water infrastructure improvements for the North Lemmon Valley Artificial		
177 NV	9 Recharge Project in North Lemmon Valley, Nevada	\$150,000	\$143,400
178 NV	9 Water infrastructure improvements in Douglas County, Nevada	\$400,000	\$382,300
	9 Total	\$25,978,000	\$24,827,900
1 AK	10 Water and sewer project in the City of Craig, Alaska	\$250,000	\$239,000
2 AK	10 Water and sewer project in Unalaska, Alaska	\$750,000	\$716,800
	Construction of a wastewater collection and treatment facility in Valley		
62 ID	10 County, Idaho	\$600,000	\$573,400
63 ID	10 Wastewater treatment project in the City of Twin Falls, Idaho	\$500,000	\$477,900
64 ID	10 Water system infrastructure improvements in the City of Castleford, Idaho	\$400,000	\$382,200
197 OR	10 Sanitary district facility upgrades in the City of Winchester Bay, Oregon	\$750,000	\$716,800
	Carnation, WA City of Carnation Sewer Collection and Conveyance		
245 WA	10 System	\$1,000,000	\$955,600
246 WA	10 Groundwater remediation project in North Clark County, Washington	\$500,000	\$477,900
	Hood Canal, WA Lower Hood Canal Wastewater Collection and Treatment		
247 WA	10 System	\$5,000,000	\$4,778,600
	10 Total	\$9,750,000	\$9,318,200
	Grand Total	\$200,000,000	\$191,142,000

*Final Amount calculated as: Conference Report Earmark Amount less .0476% rescission less 1% rescission less 3% administrative set-aside, rounded to nearest \$100.

ATTACHMENT 2

GENERAL, ADMINISTRATIVE, AND MISCELLANEOUS

- 102. Grants and Cooperative Agreements for Water Infrastructure Projects or Other Water Resource Projects from Funds Appropriated for the State and Tribal Assistance Grant Account or the Environmental Programs and Management Account

AUTHORITY. To approve and administer grants and cooperative agreements for water infrastructure projects or other water resource projects from funds appropriated for the State and Tribal Assistance Grant Account or the Environmental Programs and Management Account or any successor accounts, including a project authorized by Section 510 of the Water Quality Act of 1987, P.L. 100-4, 101 Stat. 7,80, EPA's FY 1991 Appropriations Act (P.L. 101-507), and any subsequent public law; and to perform other activities necessary for the effective administration of those grants and cooperative agreements.

2. **TO WHOM DELEGATED.** The Assistant Administrator for Water and Regional Administrators.
3. **REDELEGATION AUTHORITY.**
 - a. The authority granted to the Regional Administrator may be redelegated to the Division Director level, or equivalent, and no further.
 - b. The authority granted to the Assistant Administrator for Water may redelegated to the Office Director level, or equivalent, and no further.
4. **LIMITATIONS.**
 - a. Except as provided in c. below, this delegation applies only to those grants and cooperative agreements for which authority is provided exclusively in a statute other than the Clean Water Act or the Safe Drinking Water Act (e.g., a statute making appropriations to the State and Tribal Assistance Grant Account or the Environmental Programs and Management Account or any successor accounts).
 - b. Awards are subject to guidance issued by the Office of the Comptroller or by the Office of Water or its Component Offices.
 - c. This delegation also applies to grants and cooperative agreements for projects described in, and pursuant to the 1987 Water Quality Act Section 510, as amended by EPA's 1991 Appropriations Act (P.L. 101-507), as amended.

5. ADDITIONAL REFERENCES.

- a. Authority to execute (sign) these financial assistance agreements is delegated to the Regional Administrators under Delegation 1-14, Assistance Agreements;
- b. 40 CFR Part 31;
- c. 40 CFR Part 40 for Demonstration grants;
- d. 40 CFR Part 35, Subpart K; and
- e. EPA Assistance Administration Manual.

ATTACHMENT 3

**LISTING OF CROSS-CUTTING
FEDERAL AUTHORITIES
FOR SPECIAL APPROPRIATIONS ACT PROJECTS**

Environmental Authorities

- Archeological and Historic Preservation Act, Pub. L. 93-291, as amended
- Clean Air Act, Pub. L. 95-95, as amended
- Clean Water Act, Titles III, IV and V, Pub. L. 92-500, as amended
- Coastal Barrier Resources Act, Pub. L. 97-348
- Coastal Zone Management Act, Pub. L. 92-583, as amended
- Endangered Species Act, Pub. L. 93-205, as amended
- Environmental Justice, Executive Order 12898
- Flood Plain Management, Executive Order 11988 as amended by Executive Order 12148
- Protection of Wetlands, Executive Order 11990 as amended by Executive Order 12608
- Farmland Protection Policy Act, Pub. L. 97-98
- Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- Magnuson-Stevens Fishery Conservation and Management Act, Pub. L. 94-265
- National Environmental Policy Act, Pub. L. 91-190
- National Historic Preservation Act, Pub. L. 89-655, as amended
- Safe Drinking Water Act, Pub. L. 93-523, as amended
- Wild and Scenic Rivers Act, Pub. L. 90-54, as amended

Economic and Miscellaneous Authorities

- Debarment and Suspension, Executive Order 12549

- Demonstration Cities and Metropolitan Development Act, Pub. L. 89 -754, as amended, and Executive Order 12372
- Drug-Free Workplace Act, Pub. L. 100-690
- Government Neutrality Toward Contractor's Labor Relations, Executive Order 13202 as amended by Executive Order 13208
- New Restrictions on Lobbying, Section 319 of Pub. L. 101-121
- Prohibitions relating to violations of the Clean Water Act or Clean Air Act with respect to Federal contracts, grants, or loans under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, and Executive Order 11738.
- Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended

Civil Rights, Nondiscrimination, Equal Employment Opportunity Authorities

- Age Discrimination Act, Pub. L. 94-135
- Equal Employment Opportunity, Executive Order 11246
- Section 13 of the Clean Water Act, Pub. L. 92-500
- Section 504 of the Rehabilitation Act, Pub. L 93-112 supplemented by Executive Orders 11914 and 11250
- Title VI of the Civil Rights Act, Pub. L 88-352

Disadvantaged Business Enterprise Authorities

- EPA's FY 1993 Appropriations Act, Pub. L. 102-389
- Section 129 of the Small Business Administration Reauthorization and Amendment Act, Pub. L. 100-590
- Small, Minority and Women Owned Business Enterprises, Executive Orders 11625, 12138 and 12432

ATTACHMENT 4



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JAN 20 1995

OFFICE OF
ENFORCEMENT AND
COMPLIANCE ASSURANCE

MEMORANDUM

SUBJECT: NEPA Guidance for Special Wastewater Treatment Projects
in the FY95 Appropriation Bill

FROM: Richard E. Sanderson *Richard E. Sanderson*
Director
Office of Federal Activities (2252)

TO: NEPA Coordinators

The purpose of this memorandum is to provide guidance on the requirements for compliance with the National Environmental Policy Act (NEPA) for special projects authorized for EPA grant funding by the FY95 Appropriations Act (Act). The Act appropriated "no-year" money to fund special wastewater treatment projects identified by Congress. Each region has projects on this list. The list is included in the attached copy of the guidance memorandum prepared by the Office of Water Management (OWM).

The OWM memorandum indicates that NEPA applies to all of these projects except the three to be funded as Clean Water Act (CWA) section 104(b)(3) demonstration projects. These three are exempted from NEPA under the CWA section 511(c). The Office of General Counsel (OGC) has prepared an "Analysis of NEPA applicability to special grants authorized by FY 1995 Appropriations Act." This analysis is also attached.

OFA Guidance to Regional NEPA Coordinators

An independent EPA NEPA analysis for the non-demonstration projects is required. In addition, other cross-cutting federal statutes, such as the Endangered Species Act and the National Historic Preservation Act, also apply to these projects. The Council on Environmental Quality's (CEQ) NEPA regulations do not allow EPA to adopt a state analysis. However, the NEPA regulations do require agencies to "cooperate with State and local agencies to the fullest extent possible to reduce



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duplication between NEPA and State and local requirements ..." (40 CFR 1506.2). There are several ways the regions can use the existing information and assessments for these projects as summarized below and as discussed in greater detail in the attached OGC analysis. In all cases, EPA must independently evaluate the state documentation and review process and is responsible for the accuracy of the NEPA documentation and the adequacy of the process (40 CFR 1506.5).

- Where states have performed environmental reviews under NEPA-like statutes or pursuant to State Revolving Fund regulations, EPA can incorporate, but not simply adopt, the state analysis into the Agency's NEPA analysis.
- Where state reviews have found no significant impacts and EPA approves of that finding and the state process, EPA may issue an environmental assessment (EA) summarizing and referencing the state analysis and an accompanying Finding of No Significant Impact (FONSI).
- Where state reviews have found significant impacts or EPA independently determines that there are significant impacts, EPA must issue a notice of intent and proceed with an environmental impact statement (EIS) and record of decision (ROD) in accordance with the Agency's regulations at 40 CFR Part 6.
- Where construction of projects is complete or nearly completed, a NEPA analysis will not have to be done.
- Where construction has started and the project is not nearly completed, a NEPA analysis is required and a notification of intent to pursue an independent analysis must be sent to the grantee.
- Where projects to be funded have been ongoing for several years, additional assessment may not be required if prior federal NEPA documentation has addressed the portions of the project to be funded by the FY95 grant. The region will need to assure that since the previous assessment: 1) there are no substantial changes in the proposed action relevant to environmental concerns, or 2) there are no significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts.

If the NEPA analysis was carried out under an earlier construction grant action and is no longer adequate or the project has not previously been assessed by EPA, it will be necessary to issue either an EA/FONSI or an EIS/ROD. The regulations applicable to these special project grants are the CEQ regulations (40 CFR Parts 1500-1508) and EPA's NEPA regulations (40 CFR Part 6, Subparts A-D). EPA's regulations at 40 CFR Part 6, Subpart E, while they do not apply to these special project grants, may provide additional guidance.

We anticipate that additional issues or sub-issues may arise which are not fully treated in this general guidance memorandum. These should be brought to our attention as soon as possible. In addition, we have scheduled a teleconference on Tuesday, January 24, 1995 from 11:00 a.m. to 12:00 noon eastern standard time to discuss this guidance and additional issues or concerns with the process. The call in number is (202) 260-4257. We look forward to your participation. Please inform John Gerba (202/260-5910) if you or your staff will not be on the call.

Attachments:

cc: Jim Havard, OGC
Ed Gross, OWM

ATTACHMENT 5



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUL 29 2003

MEMORANDUM

SUBJECT: Conditioning Grants for Water Infrastructure Projects Prior to NEPA Reviews

FROM: Anne Norton Miller, Director *Anne Norton Miller*
Office of Federal Activities

James A. Hanlon, Director *James A. Hanlon*
Office of Wastewater Management

TO: EPA NEPA Compliance Coordinators, Regions I - X
Water Division Directors, Regions I - X

The purpose of this memorandum is to alert you to the outcome of a recent court case that will affect how you manage grants for the special projects awarded under the authority of the Agency's Appropriations Acts.

In the January 20, 1995 memorandum, "NEPA Guidance for Special Wastewater Projects in the FY 1995 Appropriation Bill," Richard E. Sanderson provided guidance on how EPA would comply with the National Environmental Policy Act (NEPA) for the special water infrastructure projects authorized in the Agency's FY 1995 Appropriations Act. With Congress providing funding in the State and Tribal Assistance Grants (STAG) account of the Agency's Appropriations Acts annually since FY 1995, this guidance continues to be the primary source of policy direction for NEPA compliance for all of the special projects, including drinking water, stormwater and groundwater protection infrastructure projects.

Following the issuance of the 1995 memorandum, the Office of Federal Activities (OFA) determined that Regions could award grants for special Appropriations Act projects before completing a NEPA review if the grant award contained a condition stating that EPA would not fund any work beyond the conceptual design point until completion of the applicable requirements of NEPA and other cross-cutting statutes such as the Endangered Species Act. This guidance has been memorialized in the "STAG Guidelines" issued annually by the Office of Wastewater Management (OWM). We have developed the attached model grant condition (with optional language depending on the situation of a specific grant) that can be used to set out the specific restrictions the grantee would agree to when EPA awards a grant that includes activity beyond conceptual design before the NEPA review is completed.

In a recent court case, CARE v. EPA, No. 03-0417 (D.D.C. April 15, 2003) involving a NEPA challenge to a local sewer project to be funded in part by an EPA grant, the court suggested that if EPA had awarded the special Appropriations Act grant prior to completing the NEPA review, the entire project, even the part being constructed with local funds, might have been considered a Federal project and subject to the NEPA requirements. This could have resulted in the court enjoining the entire project pending completion of the NEPA review. This court case raises the risk that projects could successfully be challenged under NEPA when EPA awards grants that include a grant condition stating that EPA will not fund any work beyond the conceptual design point until the NEPA process is completed. Accordingly, we recommend that you inform grantees of this potential issue if a conditioned grant is being considered.

Under the STAG Guidelines Regions may make separate planning grants to special Appropriations Act project recipients. The courts consistently have held that Federal actions that involve only planning activities are not subject to NEPA. Although awarding two separate grants (one for planning activities and one for all other activities) involves more paperwork, we recommend that the Regions consider using this approach.

The Office of General Counsel (OGC) has concurred in this memorandum. If you have any questions concerning the contents of this memorandum, you may contact us, or have your staff contact Joe Montgomery (202-564-7157) in OFA, Marilyn Kuray (202-564-3449) in OGC, or Larry McGee (202-564-0619) in OWM.

Attachment

cc: Richard Kuhlman

MODEL GRANT CONDITIONS

To Be Included in STAG Grants Awarded Before Completion of Environmental Review under the National Environmental Policy Act

Instructions for Project Officers:

For projects that have not progressed beyond conceptual design¹ prior to grant award, include the introductory paragraphs and, as appropriate, the two paragraphs labeled "Option 1."

For projects that have started detailed design or construction prior to the start of the fiscal year for which the funds were appropriated, include the introductory paragraphs and the paragraph labeled "Option 2."

For projects that started detailed design or construction after the start of the fiscal year for which the funds were appropriated but before completion of the environmental review process, the Region should either:

Award an incremental grant that only includes planning activities. A grant for the remainder of the project would be awarded after the NEPA requirements and other relevant authorities have been met, or;

Wait and award a grant for all of the project after the NEPA requirements and other relevant authorities have been met.

NEPA Compliance:

In accordance with the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 et seq., EPA is required to conduct an environmental review on the project funded by this grant. Accordingly:

The recipient agrees to provide EPA, in a timely fashion, an environmental information document (EID) containing all the necessary information on the project including a written analysis of the alternatives and the environmental impacts of the project. The EID must be of sufficient scope and detail to enable EPA to perform an environmental review under NEPA and other Federal environmental statutes.

¹Conceptual design is essentially the same as facility planning as defined in EPA's Construction Grants program.

Option 1: (To be used for projects that have not progressed beyond conceptual design prior to grant award)

The recipient agrees not to take any action on the project beyond conceptual design, including but not limited to, beginning the preparation of plans and specifications, purchasing land, advertising or awarding design and/or construction contracts, initiating construction or requesting reimbursement from EPA for costs associated with such actions until such time as EPA has completed its environmental review in accordance with NEPA and 40 C.F.R. Parts 6 and 1500 et seq. Completion of this review will be evidenced by the issuance of a Categorical Exclusion (CE), the conclusion of the Finding of No Significant Impact (FONSI) process, or the issuance of a Record of Decision (ROD).

The recipient agrees that, upon completion of the NEPA review, design and construction shall be undertaken in accordance with the results of that review, including but not limited to, the implementation of measures EPA identifies as reasonable to mitigate the environmental impacts of the project. EPA reserves the right to unilaterally terminate this grant in the event the recipient fails to comply with this condition, in accordance with 40 C.F.R. Section 31.43.

Option 2: (To be used for projects that have started detailed design or construction prior to the start of the fiscal year for which the funds were appropriated)

The recipient agrees to cooperate with the EPA project officer to establish the appropriate procedures to be followed to ensure that the NEPA environmental review process is completed in accordance with NEPA and 40 C.F.R. Parts 6 and 1500 et seq. Completion of this review will be evidenced by the issuance of a Categorical Exclusion (CE), the conclusion of the Finding of No Significant Impact (FONSI) process, or the issuance of a Record of Decision (ROD). Furthermore, the recipient agrees to implement reasonable measures to mitigate the environmental impacts of the project.

EPA will not approve or fund any work beyond the conceptual design point until the NEPA requirements and other relevant authorities have been met. Additionally, EPA reserves the right to unilaterally terminate this grant in the event the recipient fails to comply with this condition, in accordance with 40 C.F.R. Section 31.43.

ATTACHMENT 6

CWSRF BENEFITS ASSESSMENT - CORE MEASURES FOR PROJECTS

- This page lays out the measures. An electronic version of this worksheet will be used for reporting. It will include links to the DEFINITIONS and DATA SOURCES listings found on the following pages. These describe the data requested and EPA's plans to aggregate the information for all projects.
- Complete measures 0, 1, 2, 3, and 4 for **each individual project** at the time of loan execution; a single loan may finance multiple projects. *1, 2, and 3b are optional for nonpoint source projects. Please include clarifying and other comments where applicable.

CWSRF Core Benefits Measures

0. Basic project information (complete for all projects)

- a. Project name _____
 Project tracking # _____ Additional tracking # _____
 (phased project? phase # _____ | original project # _____)
- b. Permit: Type _____ Number _____
 Waterbody ID#/12-digit HUC _____
 Other location information: _____
- c. CWSRF loan amount to the project \$ _____
- d. Total CWSRF loan amount \$ _____ Execution date _____
 Interest rate (final) _____% Repayment period _____ yrs
- e. NIMS categories for the project.
 Circle all NIMS categories that apply to the project. For a nonpoint source project, enter the sub-category.
I II IIIA IIIB IVA IVB V VI X NPS=VII - _____

1.* User population served by the:

project _____ | treatment facility(ies) _____

2.* Volume of wastewater treated/processed

project _____ mgd | treatment facility(ies) _____ mgd

3. Improvement or maintenance of water quality.

- a. Does this project contribute to (check one)
 water quality improvement? neither
 water quality maintenance?
- *b. Does this project allow the system to (check one)
 achieve compliance? neither
 maintain compliance?
- c. Is the affected *surface water* or *groundwater* :
 meeting standards , impaired , threatened
 or not assessed

d. Does this project's specific loadings reductions allow the system to address:

- an existing TMDL allocation?
- a projected TMDL allocation?
- a watershed management plan? N/A

4. Contribution to protection or restoration of designated uses and outcomes in the affected waterbody.

Mark all applicable boxes with a . For the designated uses, specify **one** primary use that drives the water quality goals of the project, if applicable. **P**=primary **O**=other.

If the project does not provide any water quality or public health benefits, but **only** improves infrastructure simply check this box.

Designated uses	Protection	Restoration
Drinking water supply	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Shellfish harvesting	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Cold water fishery	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Warm water fishery	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Primary contact recreation	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Secondary contact recreation	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Agriculture	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Other - please specify	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>
Other - please specify	P <input type="checkbox"/> O <input type="checkbox"/>	P <input type="checkbox"/> O <input type="checkbox"/>

Other uses and outcomes	Protection	Restoration
Other public health	<input type="checkbox"/>	<input type="checkbox"/>
Water reuse/recycling	<input type="checkbox"/>	<input type="checkbox"/>
Groundwater protection	<input type="checkbox"/>	<input type="checkbox"/>
Other - please specify	<input type="checkbox"/>	<input type="checkbox"/>
Other - please specify	<input type="checkbox"/>	<input type="checkbox"/>

Reporting information: person filling out this form:

Name _____ Phone # _____ Agency _____ Date completed _____

ATTACHMENT 7



**UNITED STATES ENVIRONMENTAL PROTECTION
AGENCY**
WASHINGTON, D.C. 20460



October 26, 2005

SAAP-06-01

MEMORANDUM

SUBJECT: Process for Implementing Authority for Changes to Special Appropriations Act Projects (SAAP) in the State and Tribal Assistance Grants (STAG) Appropriations Account

FROM: Sheila E. Frace, Director /s/
Municipal Support Division

TO: Special Appropriations Act Projects Coordinators
Regional Grants Counsels
Regional Congressional Liaisons

The Agency's FY 2006 Appropriations Act included a permanent and retroactive provision that allows the Agency to make technical changes to the name of the grantee and the purpose of the grant. The new authority applies to earmarks in the State and Tribal Assistance Grants (STAG) Appropriations Account, also known as Special Appropriations Act Projects (SAAP) grants. Since each of you may at some time be the point of initial contact for requests for technical corrections, I wanted to make sure you were aware of the process by which the Agency will be implementing this provision.

Background:

Public Law 109-54, Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006, contains the following language:

“notwithstanding this or any other appropriations Act, heretofore and hereafter, after consultation with the House and Senate Committees on Appropriations and for the purpose of making technical corrections, the Administrator is authorized to award grants under this heading to entities and for purposes other than those listed in the joint explanatory statements of the managers accompanying the Agency’s appropriations Acts for the construction of drinking water, wastewater and stormwater infrastructure and for water quality protection.”

This authority will expedite technical corrections that have historically taken up to a year to make. In order to ensure expeditious review of requests for technical corrections, the Office of Wastewater Management (OWM) has worked with the Office of the Chief Financial Officer (OCFO) to develop a standard process that will facilitate consultation with the Appropriations Committees. OCFO has worked with the staff on the House and Senate Appropriations Committees to develop a format for a list of corrections with which we will initiate consultation [See Attachment A]. The Agency will consult the Committees before OWM approves requests for technical corrections. Thereafter, the Regional Coordinators will be notified of the corrections that may be implemented and the Region may award the grants consistent with OWM's determination.

Process:

1. The Regional SAAP Coordinator will collect all requests for technical corrections identified by the Region and then provide the information to the Office of Wastewater Management (OWM).
2. The SAAP Coordinator must email the information (using the format in the attachment) to Jordan Dorfman. This should be done at any time the Region becomes aware of a needed change.
3. OWM will compile the list of needed corrections at the end of each quarter. To ensure that corrections are included in any quarter's consultation, SAAP coordinators should provide the information on the needed changes to Jordan at least 2 weeks before the end of the quarter.
4. Upon completion, OWM will submit the list to Delia Scott, Agency Liaison to the Appropriations Committees in OCFO, and to the Office of General Counsel (OGC).
5. OWM, OCFO, and OGC will evaluate the list to ensure that the requests fall within the bounds of the new authority.
6. OCFO will initiate consultation with the Appropriations Committees by transmitting the final list to the Committees' staff.
7. OWM will notify the respective Regions through their SAAP coordinators of the requests that OWM is approving. The Regions may then award the grants to the new recipient or for the new purpose as approved.

For this first quarter only, to address an outstanding need for technical corrections from prior year appropriations, OWM will evaluate requests for corrections based upon two submissions: the first by late October, and a second at the end of the quarter. All outstanding requests from prior years must be resubmitted in accordance with this memorandum to be considered. Please send your list to Jordan by Monday, November 7th for inclusion in the first round of consultation.

Thank you for your patience. If you have any questions, please call Jordan Dorfman at (202) 564-0614.

Attachment

Cc: Delia Scott
Paul Versace
James Blizzard
Jason Donaldson
Tim Fontaine
Richard Kuhlman

ATTACHMENT 8



UNITED STATES ENVIRONMENTAL PROTECTION
AGENCY
WASHINGTON, D.C. 20460



SAAP-06-02

January 20, 2006

MEMORANDUM

SUBJECT: Update to Guidelines for Implementing the Three Percent Set-aside Provision

FROM: George Ames, Chief /s/
State Revolving Fund Branch

TO: Special Appropriations Act Projects Coordinators

The purpose of this memorandum is to provide Regional Coordinators with an update to the guidelines for implementation of the three percent set-aside provision (“guidelines”), issued on September 27, 2001. Specifically, this memorandum will change the process for distribution of the set-aside to those States that choose to accept the set-aside for project inspection purposes.

Background

Page six of the guidelines discusses the process for transference of the set-aside funds to those states that have opted to accept the funds. Specifically, the guidelines state:

“The Regional Offices should submit requests to Headquarters for distributions from the set-aside account. All requests for use of the set-aside funds should include the information contained in Attachment 1. In cases where the funds are to be awarded to a State, the request should be on a State-by-State basis. An example of a request that was prepared by the State of South Dakota, which is less than two pages, is shown in Attachment 2. The 253 special projects, including project descriptions and grant amounts, are listed on Attachment 3.”

This process has been in place since FY 2001. The Regional Coordinators must individually make requests on a state-by-state basis after each state has submitted its request to the Region. EPA Headquarters transfers funds to the Regions on a state-by-state basis, followed by the state applying for the set-aside grant.

Modification

Following discussion with the Regional Coordinators at the annual SAAP meeting held in November, 2005, we have decided to modify the process for requesting set-aside funds for states. As of the beginning of FY 2006, the following streamlined process will be in place:

1. At the beginning of each fiscal year, after the final dollar amount per project is published, each Regional Coordinator will request the set-aside funds to be awarded to states in their respective regions for that fiscal year, based upon the projects listed in the appropriations conference report. The request should be for one lump sum per region. This request should be sent to Jordan Dorfman (dorfman.jordan@epa.gov).
2. EPA Headquarters will transfer the specified amount to each Region.
3. Each state may submit its request for set-aside funds and grant application at the same time, for review by the Regional Coordinator.
4. The Region will award the set-aside grants.
5. Any remaining funds will be carried over to the next fiscal year.

Conclusion

We believe that this process will reduce the time and effort needed to award three percent set-aside grants to the states, and reduce the burden on the Regional Coordinators. Thank you for your patience. If you have any questions, please call Jordan Dorfman at (202) 564-0614.

cc: Jim Hanlon, OWM
Sheila Frace, MSD
Ben Hamm, MAB