

Meeting at Blacker Airport, Manistee

October 9, 2013 at 9:00 am

The meeting was called by Tim Ervin of the Alliance for Economic Success to discuss a recent Request for Proposal (RFP) for grant requests under the State of Michigan's new Stormwater/Asset Management/Wastewater Grant and Loan Program. \$450 million is available for the program, of which \$97 million is allocated for the first round. The DEQ prepared a slide show to provide overview of the program and the following information is obtained from the slide show and was discussed at the meeting.

Eligible SAW activities:

Planning and design for SRF or SWQIF projects (includes stormwater and nonpoint source)

Asset management plan development for sewage collection and treatment system or a stormwater system

Development of management plans for the treatment of stormwater.

Testing and demonstration of innovative wastewater and stormwater technologies.

GIS Mapping

Force Account Work related to the project (example: GIS Mapping and Data collection)

Ineligible Activities include:

General local government administrative activities

Activities performed by municipal employees unrelated to the project

Items under Asset Management Include:

Evaluate the condition of infrastructure

Prioritize needs and repairs/replacement

Develop funding structure

Encourage coordination of construction activities with other utilities, MDOT and county road commissions

SAW Grant Program

Grants funded on a first come, first served basis

120 day DEQ review period

New \$2 million grant cap per community

- 90% grant/10% local match up to \$1 million

- 75% grant/25% local match for amounts exceeding \$1 million

The local match to a SAW grant is not eligible for loan assistance (i.e. SRF, SWQIF, or SAW loan assistance).

100% of the grant can go to:

- Disadvantaged community per calculation

- Municipality in receivership

- Municipality operating under an emergency manager or emergency financial manager appointed by the state

- Municipality operating under a consent agreement.

Disadvantaged communities can also expend up to \$500,000 in grant funds for construction of projects identified in an asset management program.

Eligibility

Any City, Village, Twp., County, authority or other public body, including an interagency or 2 or more municipalities, **authorized or created under state law** (*emphasis added*), or an Indian Tribe that has jurisdiction over construction and operation of sewage treatment works.

Public bodies must indicate relevant authorizing statutory authority in the application.

From MDEQ FAQ on website:

Can an applicant with no infrastructure apply for an asset management grant? Ans: No, must have assets.

In reviewing the materials on MDEQ's website, it appears that Nonpoint Source Projects that may be proposed by the grant applicant must be consistent with the State NPS Management Plan (Fairly rigorous plan development). In addition, recipients of grant money for nonconstruction type projects (i.e. plan development etc.) must show progress by 3 years (construction projects must show significant progress in 3 years).

From our meeting discussion:

Any watershed plan funded has to meet 9 EPA standards including:

Flow monitoring

GIS info collection

Water Quality monitoring

Maintenance plan

Software, hardware and training for GIS system

(3 others)

In addition, public education is eligible for SAW funding

Not eligible:

Land and easement acquisition

Post construction monitoring

Groundwater impact studies as a result of Nonpoint Source project

Chris Cook of Abonmarche indicated the grant applications are expected to exceed this round's dollar allocation, so applications will be screened carefully. Even typos, errors or omissions must be avoided or the application may be rejected. Administratively complete applications will be placed in a lottery to determine who will qualify for the available SAW grant funding in this round. (I did not find this information on MDEQ's website, however Abonmarche has been very involved with MDEQ's grant training where apparently this was discussed).

The group then explored grant application strategies and raised several questions which AES planned to seek answers from MDEQ as soon as possible. **One of the questions involved how to assess a watershed. A Watershed Council is not defined in Statute. AES will investigate how DEQ would interpret that aspect of the applicant definition.**

The group also discussed how best to develop the content of the grant, and the costs per community for the consultant to prepare the application.