Effective August 2019

Assistance for Small and Disadvantaged Communities Drinking Water Grant Program

Grant Implementation Document

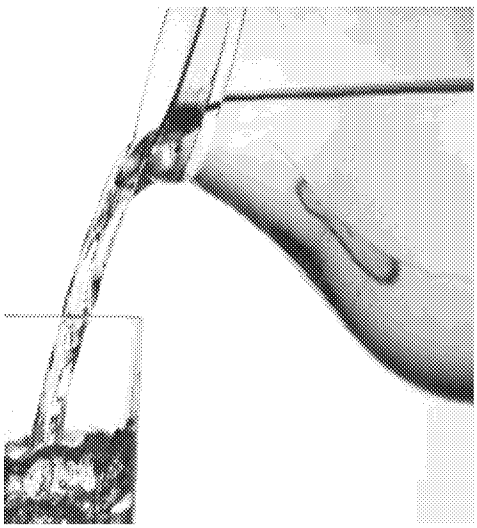
Water Infrastructure Improvements for the Nation Act

Safe Drinking Water Act Section 1459A

Summary

The Environmental Protection Agency's (EPA) Office of Ground Water and Drinking Water (OGWDW) is issuing an Implementation Document for the **Assistance for Small and Disadvantaged Communities Drinking Water Grant Program**. The EPA will award funding based on an allocation formula similar to that of the Drinking Water State Revolving Fund (DWSRF). For the purposes of this grant program, the term "state" is used to describe the 50 states and Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Commonwealth of the Northern Mariana Islands.

Eligible activities for assistance include investments necessary for a public water system in a small or disadvantaged community to return to compliance with the Safe Drinking Water Act; efforts that benefit a disadvantaged community on a per household basis; programs to provide household water quality testing, including testing for unregulated contaminants; and activities necessary and appropriate for a state to respond to a contaminant. States must fund activities that benefit underserved communities, with consideration for those communities with the greatest needs.



This document contains the Assistance for Small and Disadvantaged Communities Drinking Water Grant Program information for both internal and external stakeholders. Nothing in this document is meant to conflict with or supersede Office of Management and Budget Guidance, or the EPA's regulations, policy, or any grant terms and conditions. All public materials for the grant program are available at www.epa.gov/safewater/grants.

A separate grant information document for tribal funding will be provided and located at www.epa.gov/safewater/grants.

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OVERVIEW

The Assistance for Small and Disadvantaged Communities Drinking Water Grant Program, CFDA 66.442, Implementation Document describes how the U.S. Environmental Protection Agency (EPA) will administer grant funds to assist small and disadvantaged communities to improve their drinking water. The purpose of this Implementation Document is to provide states with the information to apply for funding.

A separate grant information document will be provided for tribal funding and located at www.epa.gov/safewater/grants. State funds can be used to carry out activities that assist public water systems serving tribal populations that also meet the underserved, small and disadvantaged communities criteria, with consideration for those communities with the greatest needs.

II. STATUTORY AUTHORITY

Section 1459A of the Safe Drinking Water Act (SDWA), as amended by the 2016 Water Infrastructure Improvements for the Nation Act and the 2018 America's Water Infrastructure Act, authorizes the EPA to award grants to states to assist underserved, small and disadvantaged communities that are unable to finance activities needed to comply with the SDWA, as well as respond to a drinking water contaminant.

As defined in SDWA section 1459A:

> "(2) INCLUSIONS.—The term 'underserved community' includes a political subdivision of a State that either, as determined by the Administrator—
>
> > '(A) does not have household drinking water or wastewater services; or
> >
> > '(B) is served by a public water system that violates, or exceeds, as applicable, a requirement of a national primary drinking water regulation issued under section 1412, including—
> >
> > > '(i) a maximum contaminant level;
> > >
> > > '(ii) a treatment technique; and
> > >
> > > '(iii) an action level."[1]

The term 'small and disadvantaged' is specified in the statute as communities:

> "(A) that, under affordability criteria established by the State under section 1452(d)(3), is determined by the State—

[1] SDWA § 1459A(b)(2) (42 U.S.C. 300j-19a).

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'(i) to be a disadvantaged community; or

'(ii) to be a community that may become a disadvantaged community as a result of carrying out a project or activity under subsection (b); or

'(B) with a population of less than 10,000 individuals that the Administrator determines does not have the capacity to incur debt sufficient to finance a project or activity under subsection (b)."[2]

Since states are most familiar with the financial constraints of local communities through their drinking water programs, the EPA will defer to states to identify the appropriate small communities that lack the capacity to incur debt and can most benefit from this funding opportunity.

EPA is also authorized to award grants to states for responding to a drinking water contaminant. As delineated in SDWA section 1459A:

"(j) STATE RESPONSE TO CONTAMINANTS.–

(1) IN GENERAL.–The Administrator may, subject to the terms and conditions of this section, issue a grant to a requesting State, on behalf of an underserved community, so the State may assist in, or otherwise carry out, necessary and appropriate activities related to a contaminant–

(A) that is determined by the State to–

(i) be present in, or likely to enter into, a public water system serving, or an underground source of drinking water for, such underserved community; and

(ii) potentially present an imminent and substantial endangerment to the health of persons; and

(B) with respect to which the State determines appropriate authorities have not acted sufficiently to protect the health of such persons." [3]

III. ELIGIBLE RECEIPIENTS

Funds will be awarded to states (the "eligible entity") based on an allocation formula similar to that of the Drinking Water State Revolving Fund (DWSRF). Eligible applicants include the 50 states, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. For the purposes of this document, the term "state" will be used to describe the 50

[2] SDWA § 1459A(c)(2) (42 U.S.C. 300j-19a).

[3] SDWA § 1459A(j) (42 U.S.C. 300j-19a).

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states, Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Commonwealth of the Northern Mariana Islands.

States will use funding to support public water systems within their jurisdiction. Eligible public water systems include existing privately-owned and publicly-owned community water systems and non-profit non-community water systems, including systems utilizing point of entry or residential central treatment.

IV. ELIGIBLE ACTIVITIES

Eligible activities under Section 1459A of the SDWA[4] include:

- Investments necessary for a public water system to comply with the SDWA
- Efforts that benefit a disadvantaged community on a per household basis according to State affordability criteria
- Programs to provide household water quality testing, including testing for unregulated contaminants
- Activities necessary and appropriate for a state to respond to a contaminant

To meet this requirement, grant funding can be used for activities that may include, but are not limited to, the following:

- Treatment
- Transmission and Distribution
- Storage
- Consolidation
- Household water quality testing, including for unregulated contaminants
- Assistance to increase technical, managerial, and financial (TMF) capacity
- Drinking water contamination response efforts

The following lists include examples of activities that could be funded under each category. These lists are not intended to represent all types of activities. If a state wishes to fund an activity not specifically listed, an explanation of how the activity addresses the critical main functions under section 1459A of the SDWA must be included in the workplan.

Also note that a wide range of costs and expenditures associated with an infrastructure construction project are eligible as part of a project budget. Costs for restructuring systems that are in significant noncompliance or that lack the technical, managerial and financial

[4]SDWA § 1459A (42 U.S.C. 300j-19a).

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capability to ensure compliance are eligible if the restructuring addresses the underlying noncompliance or lack of capability.

Category 1 – Treatment
Example Activities

• Construction of new treatment facilities or portions of facilities, including:
  ○ Mixers/Flocculation/Sedimentation
  ○ Filtration
  ○ Chemical addition systems and equipment
  ○ Disinfection
  ○ Filter backwash recycling
  ○ Residuals handling
  ○ On-site generation of disinfectants
  ○ Corrosion control infrastructure
• Upgrades, rehabilitation or replacement of facilities or portions of facilities
• Raw water storage that is part of the treatment process and located on the property where the treatment facility is located
• Point of access or point of use treatment devices (i.e. filters) are only eligible if the device is the compliance treatment technology and the devices are owned and maintained by the public water system

Category 2 – Transmission and Distribution
Example Activities

• Installation, replacement or rehabilitation of infrastructure to improve water pressure to safe levels or to prevent contamination caused by non-potable liquids entering the system through leaks or pipe breaks
  ○ Transmission mains
  ○ Distribution mains
  ○ Meters (e.g., flow meters, customer meters, master meters)
  ○ Appurtenances (e.g., valves, hydrants, pipe restraints)
  ○ Pump stations
• Service line replacements, regardless of pipe material and ownership of the property on which the service line is located (service line can be replaced up to premise plumbing) Note: Partial replacement of lead service lines will not be permitted under this grant program.
• New water main extensions to serve existing residents not served by a safe supply of potable water (this includes installation of the service line up to premise plumbing)

Category 3 – Storage

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Example Activities

• New storage or replacement/rehabilitation of existing structures to continue to maintain compliance and protect public health by:
  ○ Preventing microbiological contaminants from entering a public water system
  ○ Equalizing water demands
  ○ Reducing pressure fluctuations in the distribution system
  ○ Providing reserves when power outages and other emergencies occur
  ○ Providing drought resiliency

Category 4 – Consolidation
Example Activities

• Purchase of a water system
• Interconnection of systems:
  ○ to resolve SDWA noncompliance
  ○ to achieve the technical, managerial and financial capacity needed to prevent noncompliance
  ○ to reduce the overall per household cost of service
  ○ for resiliency
Note - Funding from the Grant Program cannot be used to purchase land, easements, rights-of-way, or relocations (prohibited by statute)[5].
Consolidation activities cannot be for growth purposes. Exceptions will be considered for public water systems in small and disadvantaged communities to consolidate with an existing system that has adequate TMF capacity.

Category 5 – Household water quality testing
Example Activities
• Testing for unregulated contaminants • Conducting initial, special (non-routine) monitoring to establish a baseline understanding of a contaminant of concern or operation of a newly-used technology • Testing for potential contamination in water wells or point-of-entry home systems • Testing and analysis of household water through a compliance lab • Testing to help identify and improve conditions that may trigger water well pollution Note – Funding from the Grant Program cannot be used for maintenance and operation purposes (prohibited by statute)[6] or for routine compliance monitoring and sampling.

[5] SDWA § 1459A(g) (42 U.S.C. 300j-19a).
[6] SDWA § 1459A(g) (42 U.S.C. 300j-19a).

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Category 6 – Technical, Managerial and Financial Assistance
Example Activities
• Training for system staff and board members on the importance of TMF capacity and how to achieve compliance • On-site visits to systems experiencing compliance challenges • Water/energy audits • Completion of an engineering feasibility study to highlight operational areas of improvement • Operator certification training to qualifying systems • Completion of environmental reviews • Preparation of Consumer Confidence Reports • Developing cost estimates for project planning • Rate evaluations and project development • Drafting of source water protection ordinances • Financial assistance for planning and design of infrastructure improvements • Asset management • Identification and inventory of service lines, including lead service lines

Category 7 – Drinking water contamination response efforts
Example Activities
• Investigation of a suspected water contamination incident to determine the extent of contamination • Planning activities for remediation • Contaminant characterization, decontamination, and clearance activities to return a public water system to normal operation • Risk communication / public notification activities • Post-remediation monitoring to verify removal of a contaminant

V. INELIGIBLE USES OF GRANT FUNDS

Examples of ineligible uses of grant funds are listed below. Please note that this list is intended to be illustrative and is not all inclusive. **It is unallowable to use grant funding for the following activities**:

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- Purchase of land, easements, rights-of-way, and relocations (prohibited by statute)[7]
- Operations and maintenance costs (prohibited by statute)[8]
- Partial lead service line replacement
- Replacement of premise plumbing such as faucets (private side lead service line replacement is eligible)
- Construction or rehabilitation of dams
- Purchase of water rights, unless the water rights are owned by a system to be purchased for consolidation as part of a capacity development strategy
- Construction or rehabilitation of reservoirs, except for finished water reservoirs and those reservoirs that are part of the treatment process and are on the property where the treatment facility is located
- Activities needed primarily for fire protection
- Activities needed primarily to serve future population growth
- Activities that have received assistance from the tribal allotment for Indian Tribes and Alaska Native Villages
- Costs that are unallowable (e.g., lobbying and alcoholic beverages) under 2 CFR 200 Subpart E – Cost Principles.

VI. ALLOCATION OF FUNDS

Funds will be awarded to states based on an allocation formula similar to that of the DWSRF. Within the DWSRF program, the Agency allots funding for each state for their DWSRF based upon the results of the most recent Drinking Water Infrastructure Needs Survey and Assessment. The assessment's estimate covers infrastructure needs that are eligible for the DWSRF, including the installation of new drinking water infrastructure and the rehabilitation, expansion, or replacement of existing infrastructure. For the Small and Disadvantaged Communities Drinking Water Grant Program, states are allocated the same percentage of funding as under the DWSRF program, with the 4 territories combined allocated 1.5% of the national appropriation. The Grant Program is focused on the needs of small and disadvantaged communities that may not be able to participate in the DWSRF program. States must fund activities that benefit underserved communities, with consideration for those communities with the greatest needs.

A minimum non-federal cost-share/match of 45 percent of the total project costs is required. Details on cost-share/match requirements are provided in this Implementation Document.

[7] SDWA § 1459A(g) (42 U.S.C. 300j-19a).
[8] SDWA § 1459A(g) (42 U.S.C. 300j-19a).

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VII. APPLICATION PACKAGE AND SUBMISSION INFORMATION

This section lists the required documentation and information states must provide the EPA to apply. The EPA Regional offices are the primary points of contact to approve grant applications and award funding.

Application Package: The application package must include the following forms:

Mandatory Submissions

a. **Standard Form (SF) 424**, Application for Federal Assistance
b. **Standard Form (SF) 424A**, Budget Information for Non-Construction Programs
c. **Standard Form (SF) 424B,** Assurances for Non-Construction Programs
d. **EPA Form 5700-54, Key Contacts Form**
e. **EPA Form 4700-4**, Pre-award Compliance Review
f. **Project Narrative Attachment Form**

Optional Submissions: **Negotiated indirect cost rate agreement (as applicable)**

Submission Instructions: The EPA Regions will communicate to states the instructions for submitting applications through Grants.gov (www.Grants.gov), including how to access the opportunity. **Funding Opportunity Number: EPA-CEP-02, CFDA#: 66.442**.

VIII. SCOPE OF WORK

States should consider the following parameters when developing their scope of work.

A. Project and Budget Period: It is anticipated that project/ budget periods will be no more than three years.

B. Eligible Activities: States will use funding for eligible activities in underserved, small and disadvantaged communities (see IV. ELIGIBLE ACTIVITIES). The communities benefiting from assistance must meet the statutory definition of being underserved and either small or disadvantaged, with consideration for those communities with the greatest needs (see II. STATUTORY AUTHORITY).

C. 1459A List: States will include in their workplan a list (the "1459A List") that identifies eligible activities for assistance in their small and disadvantaged communities. States will work with the EPA Regional staff to determine the activities to be funded from their 1459A List, and provide sufficient detail in the workplan as to how that determination was made (see IX. STATE ACTIVITIES SELECTION).

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States will include the following details of each activity in their 1459A List: the name of the public water system if applicable, a description of the project or technical, managerial, and financial assistance; the priority assigned to the project; the length of time requested to complete the project; and a description of how the community served meets the underserved, small and disadvantaged communities statutory criteria, with consideration for those communities with the greatest needs.

D. Grant Programmatic Priorities: The principal objective of the program is to facilitate compliance with national primary drinking water regulations or otherwise significantly advance the public health protection objectives of the SDWA in small and disadvantaged communities. States are required to give project funds to benefit underserved communities, as defined in section 1459A(a) of the SDWA, with consideration for those communities with the greatest needs.

E. Strategic Plan Linkage and Anticipated Outputs/Outcomes
Pursuant to Section 6a of EPA Order 5700.7, Environmental Results under the EPA Assistance Agreements, recipients must link proposed assistance agreement workplans with the Agency's Strategic Plan. The EPA also requires that workplans adequately describe environmental outputs and outcomes to be achieved under assistance agreements.

Linkage to the EPA's Strategic Plan: The activities to be funded support the EPA's FY 2018-22 Strategic Plan. Funding will support Goal 1, "Core Mission: Deliver real results to provide Americans with clean air, land, and water, and ensure chemical safety," Objective 1.2, "Provide for Clean and Safe Water: Ensure waters are clean through improved water infrastructure and, in partnership with states and tribes, sustainably manage programs to support drinking water, aquatic ecosystems, and recreational, economic, and subsistence activities." Applicants must explain in their workplan how their project will further this objective.

States must include specific statements describing the environmental results of proposed activities in terms of well-defined outputs and, to the maximum extent practicable, well-defined outcomes that will demonstrate how activities will contribute to program priorities.

Outputs: The term "output" means an environmental activity, effort, and/or associated work product related to an environmental goal and objective that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period.

Expected outputs from the activities to be funded under this announcement may include, but are not limited to, the following:

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- Increase in the number of households with drinking water services in small and disadvantaged communities
- Increase in number of households tested in small and disadvantaged communities for a drinking water contaminant and identified for action to address contaminant concerns
- Increase in compliance of public water systems in small and disadvantaged communities with national drinking water regulations
- Increase in number of tools and educational resources provided to support improvements in public water systems' technical, managerial and financial capacity in small and disadvantaged communities

Outcomes: 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. Outcomes may be qualitative and environmental, behavioral, health-related or programmatic in nature, but must also be quantitative. They may not necessarily be achievable within an assistance agreement funding period.

Expected outcomes from the activities to be funded under this announcement may include, but are not limited to, the following:

- Reduction in the number of public water systems out of compliance with health-based standards in small and disadvantaged communities
- Proactive asset planning and financial management of public water systems in small and disadvantaged communities to ensure the long-term health and operating success of a water system
- Enhanced technical, managerial, and financial capability of public water systems in small and disadvantaged communities
- Improved performance of drinking water treatment plants in small and disadvantaged communities
- Public water systems in small and disadvantaged communities provide the constituency of the community with safe drinking water
- Improved understanding of emerging threats to water quality, clean drinking water and public health

IX. STATE ACTIVITIES SELECTION

EPA recognizes that there is a wide variation among states and is presenting this process to provide a general outline of the steps to be followed for state submissions.

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Each state will submit a draft workplan with their 1459A List to their respective EPA Region. The EPA Regions must be able to determine from the draft workplans that activities conform to all applicable requirements of the grant program. The EPA Region will work with the state to ensure that the final workplan: (1) is designed to help achieve the goals and objectives of the grant program; (2) includes costs that are eligible, reasonable, necessary, allowable and consistent with the grant program; (3) clearly identifies the specific outcomes, outputs, and other results that are linked to funding and includes target dates and milestones for achieving them; (4) clearly identifies the source of the required minimum non-federal cost share/match that is 45 percent of the total project cost, and meets other applicable cost share requirements.

States are strongly encouraged to begin their internal process as early as possible to identify activities for the grant award. States and the EPA Regions are also encouraged, where feasible, to discuss proposed activities prior to submission of the draft workplan and 1459A List so that the subsequent submission can be reviewed and approved quickly. The EPA encourages states to submit draft workplans and 1459A Lists to the EPA Region as soon as possible if they believe that there are difficult issues that may arise (e.g., whether a proposed activity is legally fundable or meets mandatory criteria established by statute).

Prior to beginning the award process, the EPA Regions will discuss with each state a schedule to ensure timely award of the grant.

X. COST SHARING REQUIREMENTS

Cost share requirements for this grant include a minimum non-federal 45 percent cost share/match of the total project cost.[9] The EPA will waive the 45 percent cost share requirement for the "Insular Areas", which includes the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Government of the Northern Marianna Islands. These areas are not required to budget for cost share.[10] States need to demonstrate in their application how the non-federal cost share/match of 45 percent of the total project budget will be met.

No DWSRF funds will be considered towards the 45 percent cost share for this grant program, including federal capitalization grants, state match, principal repayments, interest earnings, fees, or leveraged funds. State services, materials, supplies, or other in-kind contributions are eligible to be considered towards the 45 percent cost share requirement.

States may use their own funds or other sources for cost share as long as the standards of 2 CFR Part 200, as applicable, are met. In-kind contributions, such as the use of volunteers and/or donated time, equipment, expertise, etc. are subject to the regulations governing matching

[9] SDWA § 1459A(g) (42 U.S.C. 300j-19a).

[10] Per 48 U.S.C. 1469a of the Omnibus Territories Act, the EPA will waive the match requirement for the "Insular Areas." The waiver does not include the Commonwealth of Puerto Rico.

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fund requirements, as applicable. In-kind contributions often include salaries or other verifiable costs and this value must be carefully documented. In the case of salaries, states may use either minimum wage or fair market value. Cost share must be used for eligible and allowable project costs and for the reasonable and necessary expenses of carrying out the workplan. Other federal grants may not be used as cost share towards the Grant Program without specific statutory authority to do so.

For the full set of rules and requirements regarding cost sharing or matching, please consult 2 CFR §200.306.

XI. AWARD ADMINISTRATION INFORMATION

A. Regulatory Requirements for Grant Assistance Agreements: This award is subject to the regulations of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; Title 2 CFR, Parts 200 and 1500. A listing and description of the EPA's general regulations applicable to the award of assistance agreements may be viewed at: https://www.epa.gov/grants/policy-regulationsand-guidance-epa-grants.

B. Terms and Conditions: General administrative and programmatic terms and conditions applicable to the EPA's assistance agreements may be viewed at www.epa.gov/grants/grant-terms-and-conditions. The EPA Headquarters will provide the EPA Regions with a list of terms and conditions that will also be applicable. The EPA Regions will ensure that all applicable terms and conditions are included in the grant agreements.

C. Funding to Subrecipients: Funding may be used to provide subawards of financial assistance provided the recipient complies with applicable requirements for subawards including those contained in 2 CFR Part 200 and the EPA's Subaward Policy at https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients. The National Term and Condition for Subawards is available at https://www.epa.gov/sites/production/files/2016-02/documents/gmc_subaward_policy_appendix_b_national_t_and_c.pdf.

D. Funding to Other State Agencies: The EPA's general policy, based on the definitions of the terms "Non-federal entity" (2 CFR §200.69), "Pass-through entity (2 CFR §200.74) "Recipient" (2 CFR §200.86) and "State" (2 CFR §200.90), is that the state itself is the legal entity that receives the funds even if one particular component of the state is named in the assistance agreement as the recipient. Transfers of funds between state agencies to perform a particular financial assistance agreement would, therefore, be governed by state law. Additionally, 2 CFR §200.417 "Interagency Services" contemplates situations in which one agency provides services to another agency within the same unit of government as a direct cost of performing the EPA assistance agreement.

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If utilizing interagency service agreements between state agencies under 2 CFR §200.417, the expenditures the state agency makes to carry out the Interagency Service Agreement should be shown in the corresponding direct cost categories (Personnel, Travel, Contractual etc.). If state law characterizes agreements under which one state agency provides services to another state agency as a procurement contract, then the costs would be placed in the contractual category. In interagency service situations, 2 CFR §200.417 provides the state may charge a pro-rated share of indirect costs for the service, or 10% of the ". . .direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service." Centralized services included in central service cost allocation plans subject to 2 CFR Part 200 Appendix V are accounted for separately.

There may be situations in which state law provides that state agencies or instrumentalities are legally separate for the purposes of financial transactions between them or when state financial management policies for Federal assistance agreements require separate instruments for accounting purposes (e.g. due to differences in indirect cost rates). In those situations, a state may characterize appropriate funding transfers as subawards. Note, however, that if one state agency provides a subaward to another state agency the state agency acting as the pass-through entity must comply with applicable provisions of 2 CFR Part 200 (including 2 CFR §200.331), the National Term and Condition for Subawards, and the EPA Subaward Policy unless the EPA provides an exception. The aggregate cost estimates for subawards to other state agencies or instrumentalities should be included as line items in the "Other" budget category.

E. Procurements: When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with 2 CFR §200.322 Procurement of Recovered Materials, and ensure that every purchase order or other contract includes any clauses required by section 2 CFR §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state (other than another state agency), will follow §200.318 General Procurement Standards through §200.326 Contract Provisions.

F. Performance Partnership Grants: Funds awarded under this program are not eligible for inclusion with the state's Performance Partnership Grants.

G. Expenses Incurred Prior to the Project Period: Except for eligible pre-award costs as defined in 2 CFR §200.458 and as authorized by 2 CFR §200.309 and 2 CFR §1500.8, no funds shall be used to cover expenses incurred prior to the project/budget period set forth in the assistance agreement. Additionally, except for eligible pre-award costs as defined above, expenses incurred prior to the project/budget period in the assistance agreement are not eligible towards the 45% non-federal cost-share.

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H. Quality Assurance/Quality Control: Activities that include the collection of environmental data, such as household water quality testing, will need to comply with the Quality Assurance/Quality Control requirements in 2 CFR 1500.11. Environmental data are any measurements or information that describe environmental processes, location, or conditions; ecological or health effects and consequences; or the performance of environmental technology. States should allow sufficient time and resources for this process. The EPA can assist states in determining whether QA/QC is required for a proposed project and, if required, the appropriate QA/QC practices needed.

I. Application of Federal Cross-Cutting Authorities (Cross-Cutters): A number of federal laws, executive orders, and government-wide policies apply by their own terms to projects and activities receiving federal financial assistance, regardless of whether the statute authorizing the assistance makes them applicable. All programs, projects, and activities for which a state provides assistance are subject to the following federal anti-discrimination laws: Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d *et seq.;* section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794; and the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6102. A state is responsible for ensuring that assistance recipients comply with the requirements of crosscutters, see Appendix D.

J. Environmental Reviews: Consistent with the procedural requirements of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 et seq., as implemented by the Council on Environmental Quality (CEQ) Regulations (40 CFR Parts 1500 through 1508), and the EPA's NEPA Regulations (40 CFR Part 6), grant recipients may be required to conduct environmental reviews. Consistent with NEPA's procedural requirements, the EPA is including in its decision-making processes procedures to ensure the appropriate and careful consideration of the environmental effects of proposed actions, to analyze potential environmental effects of proposed actions and their alternatives for public understanding and scrutiny, to avoid or minimize adverse effects of proposed actions, and to restore and enhance environmental quality to the extent practicable.

K. Reporting Requirements: Entities receiving assistance will provide quarterly and annual progress reports that adhere to the Performance and Financial Monitoring and Reporting requirements as outlined in the Office of Management and Budget's Uniform Grant Guidance (2 CFR 200). The reporting period (i.e., quarterly, annually) will be identified in the terms and conditions of the assistance agreements. Further, in accordance with 2 CFR §200.328, the recipient agrees to report on key project characteristics, milestones, and environmental/public health protection results in the following areas: 1) achievement of the outputs and outcomes established in the workplan; 2) the reasons for delays if established outputs or outcomes were not met; and 3) any additional pertinent information on environmental/public health results. Information provided in the reports helps monitor the state's progress with implementing their project and also directly supports the Grant Program by highlighting measurable accomplishments to the public and Congress. Final reports shall be submitted within 90

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calendar days of the project/budget period end date and summarize accomplishments, expenditures, outcomes, outputs, lessons learned, and any other resources leveraged during the project and how they were used.

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XII. CONTACT INFORMATION

If you have any questions concerning the contents of this document, you may contact Yvonne Veronica Gonzalez, WIIN Program Lead, Protection Branch, Drinking Water Protection Division, at (202) 564-2912, or Cathy Davis, Associate Manager, Protection Branch, Drinking Water Protection Division, at (202) 564-2703.

EPA Regional Contacts by State and Territory

Address	Contact	States Represented
U.S. EPA Region 1 5 Post Office Square, Suite 100 Boston, MA 02109-3912 Phone: 617-918-1513	Gevon Solomon Solomon.Gevon@epa.gov	CT, ME, MA, NH, RI, VT
U.S. EPA Region 2 290 Broadway, 18th Floor New York, NY 10007-1866 Phone: 212-637-4006	Christine Ash Ash.Christine@epa.gov	NJ, NY, PR, VI
U.S. EPA Region 3 1650 Arch Street Philadelphia, PA 19103 Phone: 215-814-5780	Ghassan Khaled Khaled.Ghassan@epa.gov	DE, DC, MD, PA, VA, WV
U.S. EPA Region 4 61 Forsyth Street, SW Atlanta, GA 30303-8960 Phone: 404-562-9337	Sheryl Parsons Parsons.Sheryl@epa.gov	AL, FL, GA, KY, MS, NC, SC, TN
U.S. EPA Region 5 77 West Jackson Boulevard Chicago, IL 60604-3507 Phone: 312-353-4779	Steffanie Crossland crossland.steffanie@epa.gov	IL, IN, MI, MN, OH, WI

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U.S. EPA Region 6 1445 Ross Avenue, Suite 1200 Dallas, TX 75202-2733 Phone: 214-665-3194	Salvador Gandara gandara.salvador@epa.gov	AR, LA, NM, OK, TX
U.S. EPA Region 7 11201 Renner Boulevard Lenexa KS 66219 Phone: 913-551-7798	Robert Dunlevy Dunlevy.Robert@epa.gov	IA, KS, MO, NE
U.S. EPA Region 8 1595 Wynkoop Street Denver, CO 80202-1129 Phone: 303-312-6569	Cynthia Gonzales Gonzales.cynthia@epa.gov	CO, MT, ND, SD, UT, WY
U.S. EPA Region 9 75 Hawthorne St. San Francisco, CA 94105 Phone: 808-541-2722	Susan Polanco Polanco.Susan@epa.gov; Gabriela Baeza-Castañeda baeza-castaneda.gabriela@epa.gov	AZ, CA, HI, NV, AS, GU, CNMI, Trust Territory of the Pacific Islands
U.S. EPA Region 10 222 West 7th Avenue #19 Anchorage, AK 99513 Phone: 206-553-8504	Richard Green (Washington) Green.Richard@epa.gov; Neverley Wake (Alaska) wake.neverley@epa.gov; Sejal Soni (Idaho) soni.sejal@epa.gov; and Harold Rogers (Oregon) Rogers.Harold@epa.gov	AK, ID, OR, WA

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XII. APPENDICES

Appendix A: Summary of Key Workplan Elements

Section 1. Project Summary and Overall Approach

SUMMARY STATEMENT

A. ACTIVITIES: *[A description of activities to be funded, as described in Section IV. ELIGIBLE ACTIVITIES, including discussion of how the proposed activities are necessary for a public water system to comply with the SDWA, and/or provides household water quality testing, and/or is necessary for a state to respond to a contaminant. The activities described in the workplan must fund projects and activities that benefit underserved communities, with consideration for those communities with the greatest needs. This section also includes the 1459A List, as described in Section VIII. SCOPE OF WORK.]*

B. ROLES AND RESPONSIBILITIES: *[A discussion of the roles and responsibilities of the state and any other project partners, contractors, or subrecipients.]*

C. TIMELINE AND MILESTONES: *[A timeline for the activities selected for funding, including milestones for specific tasks.]*

Section 2. Programmatic Priorities and Strategic Plan Goals

The activities described in this workplan support the grant Programmatic Priorities and EPA's FY 2018-2022 Strategic Plan Goal 1, "Core Mission: Deliver real results to provide Americans with clean air, land, and water, and ensure chemical safety," Objective 1.2, "Provide for Clean and Safe Water: Ensure waters are clean through improved water infrastructure and, in partnership with states and tribes, sustainably manage programs to support drinking water, aquatic ecosystems, and recreational, economic, and subsistence activities."

Section 3. Environmental Results—Outputs and Outcomes

[This section of the workplan includes a discussion of the outputs and outcomes of the project / activities, as described in Section VIII. SCOPE OF WORK].

Section 4. Budget Narrative

[This section of the workplan is a description of the budget and includes estimated funding amounts for each work component/task. A detailed description of how the 45 percent cost share will be obtained and used is included. If a proposed cost share is to be provided by a named third-party, a letter of commitment will be required.]

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Appendix B: SEC. 1459A. Assistance for Small and Disadvantaged Communities

42 USC 300j-19a: Assistance for small and disadvantaged communities

Text contains those laws in effect on March 6, 2019

SEC. 1459A. ASSISTANCE FOR SMALL AND DISADVANTAGED COMMUNITIES.

(a) DEFINITION OF UNDERSERVED COMMUNITY.–In this section:

(1) IN GENERAL.–The term 'underserved community' means a political subdivision of a State that, as determined by the Administrator, has an inadequate system for obtaining drinking water.

(2) INCLUSIONS.–The term 'underserved community' includes a political subdivision of a State that either, as determined by the Administrator–

(A) does not have household drinking water or wastewater services; or

(B) is served by a public water system that violates, or exceeds, as applicable, a requirement of a national primary drinking water regulation issued under section 1412, including–

(i) a maximum contaminant level;

(ii) a treatment technique; and

(iii) an action level.

(b) ESTABLISHMENT.–

(1) IN GENERAL.–The Administrator shall establish a program under which grants are provided to eligible entities for use in carrying out projects and activities the primary purposes of which are to assist public water systems in meeting the requirements of this title.

(2) INCLUSIONS.–Projects and activities under paragraph (1) include–

(A) investments necessary for the public water system to comply with the requirements of this title;

(B) assistance that directly and primarily benefits the disadvantaged community on a per-household basis; and

(C) programs to provide household water quality testing, including testing for unregulated contaminants.

(c) ELIGIBLE ENTITIES.–An eligible entity under this section–

(1) is–

(A) a public water system;

(B) a water system that is located in an area governed by an Indian Tribe; or

(C) a State, on behalf of an underserved community; and

(2) serves a community–

(A) that, under affordability criteria established by the State under section 1452(d)(3), is determined by the State–

(i) to be a disadvantaged community; or

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(ii) to be a community that may become a disadvantaged community as a result of carrying out a project or activity under subsection (b); or

(B) with a population of less than 10,000 individuals that the Administrator determines does not have the capacity to incur debt sufficient to finance a project or activity under subsection (b).

(d) PRIORITY.–In prioritizing projects and activities for implementation under this section, the Administrator shall give priority to projects and activities that benefit underserved communities.

(e) LOCAL PARTICIPATION.–In prioritizing projects and activities for implementation under this section, the Administrator shall consult with and consider the priorities of States, Indian Tribes, and local governments in which communities described in subsection (c)(2) are located.

(f) TECHNICAL, MANAGERIAL, AND FINANCIAL CAPABILITY.–The Administrator may provide assistance to increase the technical, managerial, and financial capability of an eligible entity receiving a grant under this section if the Administrator determines that the eligible entity lacks appropriate technical, managerial, or financial capability and is not receiving such assistance under another Federal program.

(g) COST SHARING.–Before providing a grant to an eligible entity under this section, the Administrator shall enter into a binding agreement with the eligible entity to require the eligible entity–

(1) to pay not less than 45 percent of the total costs of the project or activity, which may include services, materials, supplies, or other in-kind contributions;

(2) to provide any land, easements, rights-of-way, and relocations necessary to carry out the project or activity; and

(3) to pay 100 percent of any operation and maintenance costs associated with the project or activity.

(h) WAIVER.–The Administrator may waive, in whole or in part, the requirement under subsection (g)(1) if the Administrator determines that an eligible entity is unable to pay, or would experience significant financial hardship if required to pay, the non-Federal share.

(i) LIMITATION ON USE OF FUNDS.–Not more than 4 percent of funds made available for grants under this section may be used to pay the administrative costs of the Administrator.

(j) STATE RESPONSE TO CONTAMINANTS.–

(1) IN GENERAL.–The Administrator may, subject to the terms and conditions of this section, issue a grant to a requesting State, on behalf of an underserved community, so the State may assist in, or otherwise carry out, necessary and appropriate activities related to a contaminant–

(A) that is determined by the State to–

(i) be present in, or likely to enter into, a public water system serving, or an underground source of drinking water for, such underserved community; and

(ii) potentially present an imminent and substantial endangerment to the health of persons; and

(B) with respect to which the State determines appropriate authorities have not acted sufficiently to protect the health of such persons.

(2) RECOVERY OF FUNDS.–If, subsequent to the Administrator's award of a grant to a State under this subsection, any person or entity (including an eligible entity), is found by the

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Administrator or a court of competent jurisdiction to have caused or contributed to contamination that was detected as a result of testing conducted, or treated, with funds provided under this subsection, and such contamination violated a law administered by the Administrator, such person or entity shall, upon issuance of a final judgment or settlement and the exhaustion of all appellate and administrative remedies–

(A) notify the Administrator in writing not later than 30 days after such issuance of a final judgment or settlement and the exhaustion of all appellate and administrative remedies; and

(B) promptly pay the Administrator an amount equal to the amount of such funds.

(k) AUTHORIZATION OF APPROPRIATIONS.–There are authorized to be appropriated to carry out this section, $60,000,000 for each of fiscal years 2017 through 2021.

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Appendix C: Grant Resources and Policies

Grants Policy Resources
This useful webpage includes a searchable table of the latest resources that may be pertinent to your grant. Use the keyword search to scan for items of specific interest.
https://www.epa.gov/grants/epa-grants-policy-resources

Other Grant Policy references that will be useful to consider:
EPA Grants Policy Issuance 16-01 (Sub-awards Policy): https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients

Office of Grants and Debarment Guidance on Selected Items of Cost for Recipients:
https://www.epa.gov/grants/rain-2018-g01-r

Cost review template and guidance for project officers' grants Under 40 CFR Part 35 Subpart A:
https://www.epa.gov/grants/cost-review-template-and-guidance-project-officers-grants-under-40-cfr-part-35-subpart

Interim Guidance on Cost Review of Grants/Performance Partnership Grants Awarded under 40 CFR Part 35 Subpart A: https://www.epa.gov/grants/interim-guidance-cost-review-grantsperformance-partnership-grants-awarded-under-40-cfr-part

Best Practice Guide for Procuring Services, Supplies, and Equipment Under Assistance Agreements:
https://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements

Grants Management Training for Applicants and Recipients: https://www.epa.gov/grants/epa-grants-management-training-applicants-and-recipients

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Appendix D: Cross-Cutting Federal Authorities for Assistance to the Grant Program

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, Tittles ill, 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 and 13690
- 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 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
- Intergovernmental Review of Federal Programs, Executive Order 12372
- Drug-Free Workplace Act, Pub. L. 100-690
- 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

- Participation by Disadvantaged Business Enterprises in Procurement Under Environmental Protection Agency (EPA) Financial Assistance Agreements

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