

COMMUNITY GRANT BASICS

Brendan Held, manager
Community Infrastructure Section
EPA Southeast Region

Agenda

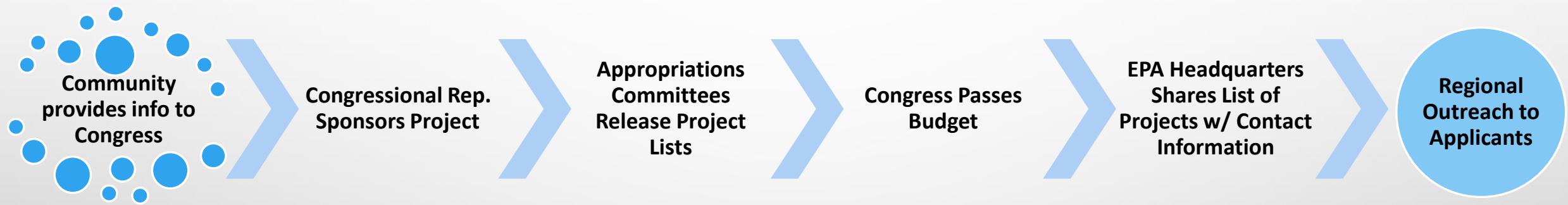
The Community Grants Origin Story

Status Update on the Region 4 Program

Application Process & Requirements

Optional Strategies for a Smooth Ride

INTRODUCTION: ALLOCATION LIFECYCLE



EXAMPLE SPONSOR LETTER

DAVID PRICE
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CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

COMMITTEE ON APPROPRIATIONS
Chairman, Transportation &
Housing and Urban Development
State and Foreign Operations
Homeland Security
COMMITTEE ON THE BUDGET
Chairman, House Democracy
Partnership

April 28, 2021

The Honorable Rosa DeLauro
Chair
House Committee on Appropriations
H-307 The Capitol
Washington, DC 20515

The Honorable Kay Granger
Ranking Member
House Committee on Appropriations
1036 Longworth House Office Building
Washington, DC 20515

Dear Chairwoman DeLauro and Ranking Member Granger:

I am requesting \$2,208,800 in Community Project Funding for the Pittsboro Water Treatment Plant project in Fiscal Year 2022 (FY 2022) appropriations legislation.

The project sponsor is the Town of Pittsboro, North Carolina (635 East Street Pittsboro, NC 27312) and it will benefit the Town of Pittsboro and Chatham County, North Carolina. The funding is designated for Granular Activated Carbon Water Filters, Vessels, and Pumps.

The project is an appropriate use of taxpayer dollars by procuring and installing advanced treatment infrastructure to remove per- and polyfluoroalkyl substances (PFAS) from the local drinking water supply. This water treatment upgrade will allow for safe and reliable drinking water for residents and businesses in Pittsboro and Chatham County.

I certify that neither I nor my immediate family has any financial interest in this project.

Sincerely,

DAVID PRICE
Member of Congress

I am requesting \$2,208,800 in Community Project Funding for the Pittsboro Water Treatment Plant project in Fiscal Year 2022 (FY 2022) appropriations legislation.

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The project is an appropriate use of taxpayer dollars by procuring and installing advanced treatment infrastructure to remove per- and polyfluoroalkyl substances (PFAS) from the local drinking water supply. This water treatment upgrade will allow for safe and reliable drinking water for residents and businesses in Pittsboro and Chatham County.

EXAMPLE APPROPRIATION LANGUAGE

I am requesting \$2,208,800 in Community Project Funding for the Pittsboro Water Treatment Plant project in Fiscal Year 2022 (FY 2022) appropriations legislation.

The project sponsor is the Town of Pittsboro, North Carolina (635 East Street Pittsboro, NC 27312) and it will benefit the Town of Pittsboro and Chatham County, North Carolina. The funding is designated for Granular Activated Carbon Water Filters, Vessels, and Pumps.

The project is an appropriate use of taxpayer dollars by procuring and installing advanced treatment infrastructure to remove per- and polyfluoroalkyl substances (PFAS) from the local drinking water supply. The project will provide safe drinking water for residents and

Water Treatment Plant Infrastructure Upgrades				
Agency	Program	State	Project Description	Amount
Environmental Protection Agency	STAG—Drinking Water SRF	NC	Martin County for Water Regionalization Project	3,437,000
Environmental Protection Agency	STAG—Drinking Water SRF	NC	Town of Pittsboro for Water Treatment Plant Infrastructure Upgrades	2,208,800
Environmental Protection Agency	STAG—Drinking Water SRF	NH	City of Portsmouth for Little Bay Waterline Replacement	600,000

Date	Milestone	New R4 projects	Total R4 projects
3/15/2022	Congress identifies 493 FY 2022 Community Grant projects in P.L. 117-103	59	59
10/30/2022	Headquarters releases FY 2022 Guidance	n/a	n/a
12/29/2022	Congress identifies 703 additional FY 2023 projects (P.L. 117-328)	105	164
04/19/2023	Headquarters releases FY 2023 Guidance	n/a	n/a
03/09/2024	Congress identifies 1020 new FY 2024 projects (P.L. 118-42)	146	310

Community Grants Timeline

NOTE: The Appropriations Committees have identified **200 more** projects in Region 4 for FY 2026. This list is not final until the appropriations bill is passed.

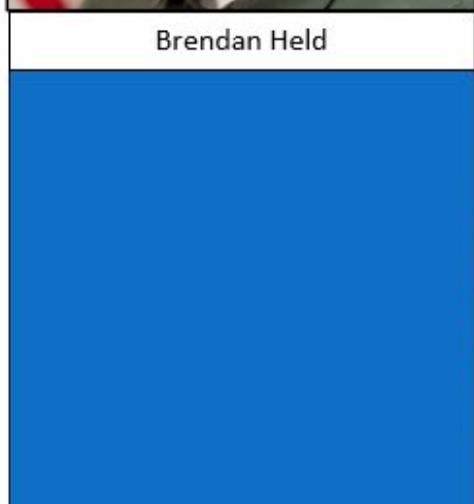
Calendar Year	Grant Awards Made	# of R4 Project Officers
2022	0	1
2023	10	4
2024	25	6
2025	41*	6^
TOTAL	76	n/a

*through September 19

^Increased to 9 in September

Community Grants Timeline

The Region 4 Team

				
Brendan Held	Ferry Akbar-Buchanan	Adnan Aydin	Caroline Ejimofor	Melissa McGee-Collier
				
Alison Van Wyk	Annette Sparks	Mohit Varma	Rajen Patel	Karen Waterbury

Pre-Award Project Requirements

Note: Procurement regulations will remain active post award. Other post award grant management activities include inspections, recipient reporting (semiannual progress reports), and invoice review for reimbursement.

1. Workplan	2. Project Specific Requests	3. Environmental Regulations	4. Procurement Regulations Pre-Award Costs
<p>Recipients prepare a guide that includes:</p> <ul style="list-style-type: none"> • Project description • Project objectives/needs • Budget breakdown • Timeline of major milestones • Environmental outcomes and benefits the project will provide. 	<p>Recipient needs to modify the type, purpose, or named recipient of the Community Grant. Requires consultation with Congressional Sponsor.</p> <p>Recipient must provide cost share amount of 20% of the total grant project cost, unless recipient qualifies as a disadvantaged community per program guidance and is approved for cost share waiver by the EPA.</p>	<p>The National Environmental Policy Act requires evaluation of how federal grant actions may affect the quality of the environment. Under NEPA, environmental impacts must be considered before EPA can award the grant.</p>	<p>DBA requires contractors and subcontractors performing construction, alteration, and repair work under federal contracts more than \$2,000, pay their laborers and mechanics not less than the prevailing wage and fringe benefits for the geographic location.</p> <p>BABA requires that all the iron, steel, manufactured products, and construction materials used in the project are to be produced in the United States.</p> <p>AIS requires that all the iron and steel used in the project are to be produced in the United States.</p> <p>Compliance with AIS satisfies a subset of BABA requirements.</p> <p>DBE Programs requires recipients who procure goods and/or services to employ the six good faith efforts, document their efforts and maintain DBE forms/documentation from the prime contractor, and report their procurement and DBE activities.</p>

Note: EPA will conduct a 30-day comment period with other Federal agencies and Tribal partners.

All procurement transactions for professional engineering services and construction contractors must be conducted in a manner that includes and promotes fair and open competition from an adequate number of qualified sources.

[Guidance on Preparing Solicitation Documents](#)

Optional Strategies for a Smoother Ride

- 1) Scope the smallest project that will fully use your funds.
- 2) Make full use of the flexibility of the legislative project language
- 3) Avoid projects that are already in construction.
- 4) Do not rely on the statutory procurement flexibility if you can avoid it.
- 5) Simplify our procurement reviews
- 6) Start crosscutter coordination early, especially USACE, SHPO, and USFWS.
- 7) If you are using EPA funds for design and construction, consider phasing the project to fund design first
- 8) If you have multiple funding allocations, combine them into a single application.

Optional Strategies for a Smootheer Ride

Disclaimers:

- These are tips, not requirements or promises
- These strategies are not project-specific recommendations
- Not every strategy will be appropriate for a given project

Please discuss with your Project Officer if these pique your interest

Optional Strategies for a Smoother Ride

1) Scope the smallest project that will fully use your funds (allocation + cost share)

How:

- Consider breaking off a discrete piece of a larger project

Why:

- It can (but not always) simplify your NEPA reviews
- It can (but not always) limit the scope of BABA, Davis-Bacon, etc.
- It can reduce the number and complexity of payment requests.

“Project” vs “Project”

The question naturally comes up,
“What should I put in my application?”

- Should the applicant put the entire construction project in the 424 and 424A?
or
- Should the applicant restrict their 424 and 424A to just the yellow circle?



“Project” vs “Project”

With Community Grants, the “grant project” may not be the same as the entire “construction project”

In this example, this large water treatment plant is undergoing a huge multiphase “project”. The red circles are areas that are part of the overall project but only the yellow area is being funded by our Community Grant (i.e. the “grant project”)



What's in a project...

- Many recipients will include ALL parts of their construction project, including all funding sources, all phases, everything!
- They may also split up funding in odd ways
 - For example, putting all Federal funding on Construction while putting all Local Municipal funding in Contracts, and then Applicant funding in Personnel and Fringe
 - Any dollar on the project is part federal, part local. Putting local funds “in construction” does not mean the construction is exempt from federal regs.



The effect

- While doing it this way is not wrong, it can unintentionally result in more work in the long-term. How?

Using this example, this will result in a Federal/non-Federal split of 15.38% vs 84.62%

Once the grant enters the repayment phase, each request will only be paid out at 15.38%

This will result in both the GS and PO reviewing and approving requests for a longer period of time

18. Estimated Funding (\$):

* a. Federal	1,000,000.00
* b. Applicant	3,000,000.00
* c. State	1,000,000.00
* d. Local	1,000,000.00
* e. Other	500,000.00
* f. Program Income	0.00
* g. TOTAL	6,500,000.00

A better way?

If instead, we restrict the 424 and 424A to just the federal amount and the required match...

By restricting the application to just these funds, the federal/non-federal split becomes 80%/20%

This budget requires 1/5th of the invoices compare to the original!

18. Estimated Funding (\$):

* a. Federal	1,000,000.00
* b. Applicant	250,000.00 3,000,000.00
* c. State	1,000,000.00
* d. Local	1,000,000.00
* e. Other	500,000.00
* f. Program Income	0.00
* g. TOTAL	1,250,000.00 6,500,000.00

“Project” vs “Project”

****Caution****

Doing this *may* federalize the entire project, meaning NEPA, BABA, Davis-Bacon and other requirements will apply to everything in red...

...UNLESS the project in yellow is separate in time, purpose and place.



Optional Strategies for a Smoother Ride

2) Make full use of the flexibility of the legislative project language

How:

- Review the Community Grants FAQ and program guidance before requesting a technical correction
- If you request a technical correction, keep the proposed language broad (e.g., “water infrastructure project”)

Why:

- Technical corrections can take several months to process
- We have a lot of flexibility in how to interpret certain terms

EXAMPLE APPROPRIATION LANGUAGE

POP QUIZ: Can this funding allocation be used for a lift station on a sewer line?

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The project is an appropriate use of taxpayer dollars by procuring and installing advanced treatment infrastructure to remove per- and polyfluoroalkyl substances (PFAS) from the local drinking water supply. water for residents and

Water Treatment Plant Upgrades and Expansion Project				
Project Sponsor	Source of Funding	State	Project Description	Amount
Environmental Protection Agency	STAG—Drinking Water SRF	NC	Martin County for Water Regionalization Project	3,437,000
Environmental Protection Agency	STAG—Drinking Water SRF	NC	Town of Pittsboro for Water Treatment Plant Infrastructure Upgrades	2,208,800
Environmental Protection Agency	STAG—Drinking Water SRF	NH	City of Portsmouth for Little Bay Waterline Replacement	600,000

EXAMPLE APPROPRIATION LANGUAGE

YES!

According to the EPA Community Grants [FAQ...](#)

1.h. **My project language includes “Water Improvements and Upgrades.” Can I use the funds for either drinking water or wastewater activities?**

In the context of determining that the scope of work of the grant is in conformance with the project description contained in Appropriations Acts, 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.

...water can mean wastewater, and...

My project language includes “Sewer Improvements.” What kind of improvements can I include in my project?

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.

ization Project

NC

Town of Pittsboro for Water Treatment Plant Infrastructure Upgrades

2,208,800

...the plant includes the all the pipes, pumps, etc., connected to it!

Optional Strategies for a Smoother Ride

3) Avoid projects that are already in construction.

WHY:

- This can tremendously complicate compliance with NEPA, BABA, Davis-Bacon, etc.
- There have been projects we couldn't fund because contracts did not include BABA, Davis-Bacon, etc.
- We have been running these to ground, but future workload will make that more challenging.

Optional Strategies for a Smoother Ride

4) Do not rely on the statutory procurement flexibility if you can avoid it.

HOW:

- Do not use grant funds on contracts signed before the grant award is made.
- Finalize procurements after EPA review of the process and contract documents.

WHY:

- Our FY25 Continuing Resolution allows us to waive *federal competitive* requirements for contracts signed prior to March 15, 2025.
- We still need to ensure certain federal provisions are included (e.g., BABA, Davis-Bacon, anti-lobbying, etc.)
- Adds complexity and length to your procurement review

Optional Strategies for a Smoother Ride

5) Simplify our procurement reviews

HOW:

- Keep your grant budget limited to construction and/or design.
- Do not use alternate delivery vehicles like design-build, Construction Manager At-Risk, etc.
- Do not use grant funds on personnel or subawards (i.e., agreements w/ other governmental entities, including planning commissions).

WHY:

- Each contract requires its own procurement review
- Each contract carries its own risk that will cause eligibility issues
- Subawards have specific and complex requirements

Optional Strategies for a Smoother Ride

6) Start crosscutter coordination early, especially USACE, SHPO, and USFWS.

How:

- Send appropriate project information to the appropriate agency contacts. Contact your PO early if you need additional guidance.

Why:

- We cannot process awards for construction activities until NEPA is complete
- Crosscutter agencies are experiencing workload challenges
- EPA can support crosscutter outreach, but it is generally faster for those who have experience and capacity to do it themselves

Optional Strategies for a Smoother Ride

7) If you are using EPA funds for design and construction, consider phasing the project to fund design first

HOW:

- Clearly state in your workplan which activities will occur prior to construction
- We can make an award for the non-construction activities (e.g., planning & preliminary design), then award the rest once NEPA is complete.
- Make sure your engineering procurement is approvable

WHY:

- Earlier access to funding

Optional Strategies for a Smoother Ride

8) If you have multiple funding allocations, combine them into a single application.

HOW:

- Include both allocations in your workplan and application
- Pursue a technical correction if needed to align legislative language to the project

WHY:

- Less paperwork for everyone in the long run
- Potentially faster access to funding

Additional Resources

- [National Community Grants Homepage](#)
- [Implementation Guidance](#)
- [Community Grant FAQ](#)
- [Clean Water](#) and [Drinking Water SRF](#) project eligibility guidelines



The image shows a screenshot of a webpage from the United States Environmental Protection Agency (EPA). The title of the page is 'How Can Recipients Prepare to Receive Community Grants Funding? A Guide for Community Grants Recipients'. The page content includes an introduction, a navigation bar with links to 'Program Basics', 'Implementation Guidance', 'Training', 'Access Funding', 'Points of Contact', and 'Resources', and two main sections: 'Connect and Review' and 'Register: SAM.gov & Grants.gov'. The 'Connect and Review' section is expanded, showing sub-sections for 'Connect with EPA', 'Review Program Implementation Guidance and FAQs', 'Review EPA Grants Management Training for Applicants and Recipients', and 'Review Training EPA Community Grants Program Training'. The 'Register: SAM.gov & Grants.gov' section is also expanded, showing steps 1) and 2) for registration. A large curved arrow on the left side of the slide points from the 'One-stop resource sheet' graphic towards the 'Connect and Review' section of the EPA page.

Questions?

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