

SAW GRANT APPLICATION

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Michigan Department of Environmental Quality (DEQ)

Dan Wyant, Director

<http://www.michigan.gov/deq>

Michigan Department of Treasury Michigan Finance Authority (Authority)

Andy Dillon, State Treasurer

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**Completion of this application is mandatory for the applicant
to be considered for SAW Grant Program assistance.**

Printed under the authority of Parts 52 and 53, of the Natural Resources and Environmental Protection Act,
1994 PA 451, as amended.

PROJECT INFORMATION

Project Name and County _____

A. Legal Name of Applicant _____

The legal name of the applicant may be different from the name of the project. For example, a county may be the legal applicant, while the project may be named for the particular village or township it will serve.

Applicant's Federal Employer Identification No.: _____

B. Mailing Address of Applicant

Street, P.O. Box _____

City, State & Zip _____

County(s) project is located in _____

(Area Code and Telephone Number)

C. Designated Contacts for this Project

1. Authorized Representative (Name below must match the person named in the resolution)

Name _____

Title _____

Street, P.O. Box _____

City, State & Zip _____

(Area Code and Telephone Number)

(E-mail Address)

2. Applicant's Financial Advisor

Name _____

Firm _____

Street, P.O. Box _____

City, State & Zip _____

(Area Code and Telephone Number)

(E-mail Address)

3. Applicant's Consulting Engineer (if applicable)

Name _____

Firm _____

Street, P.O. Box _____

City, State & Zip _____

(Area Code and Telephone Number)

(E-mail Address)

D. Disclosure of Conditions Requiring Repayment of Grant

The intent of the SAW Grant Program is to accelerate the statewide use of asset management planning practices as well as improve water quality. It is expected that SAW grant wastewater or stormwater recipients will implement the necessary construction for which grant funding was provided for any planning, user charge, and/or design grants. SAW grant recipients for wastewater system asset management plans are required to make significant progress on the funding structure. Stormwater management grant recipients must develop a stormwater management plan. An innovative technology grant recipient must proceed with the project if testing and demonstration show that the water quality issue may be successfully and feasibly addressed with full scale implementation. Consistent with this intent and provisions of Part 52 of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended:

“(a) A grant recipient (shall) proceed with a project for which grant funding is provided within 3 years after the department approves the grant. For asset management programs related to sewage collection and treatment systems, this includes significant progress, as determined by the department, toward achieving the funding structure necessary to implement the program.

(b) The grant recipient (shall) repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority for deposit into the fund if the applicant is unable to, or decides not to, proceed with a construction project or begin implementation of an asset management program for which grant funding is provided.”

E. Project Need and Proposed Scope of Work

In order to improve water quality, the applicant can seek SAW Grant Program assistance to cover the costs of: 1) asset management for a wastewater and/or stormwater system; 2) innovative wastewater and stormwater technologies; 3) user charge (for wastewater projects), planning and/or design of a wastewater or stormwater system; and 4) a stormwater management plan. Details for establishing project need for each of these categories can be found in the appendices.

Describe the specific activities you will fund with SAW grant assistance. Describe the system deficiencies and/or water quality problems you want to evaluate/address: **(Attach additional pages as necessary.)**

Those applicants who intend to utilize SRF/SWQIF loan assistance for construction must provide documentation of an SRF eligible need, in accordance with Appendix A, and an appropriate scope of work prior to the approval of SAW grant funding for SRF/SWQIF planning. If the purpose of this application is a design grant for an SRF/SWQIF project, then a final project plan (complete with a public hearing transcript and resolution of adoption by the governing body) must be submitted with this application.

If you have already submitted a final SRF and/or SWQIF project plan to the DEQ and are seeking SAW grant assistance for design, then indicate your assigned project number(s):

SRF Loan Project # _____ SWQIF Loan Project # _____

F. Ownership of System Facilities or Assets

Is the legal entity that owns the system facilities or assets described in the proposed scope of work the same as the legal name of the applicant (see Item A)? YES NO

If NO, the applicant must demonstrate that it is an agent of the owner who has been delegated as the authority for implementing the activities associated with the proposed scope of work at the direction of the owner. Adequate documentation of this legal relationship must be provided along with the SAW grant application. This includes documentation related to the rate structure necessary to demonstrate significant progress with implementing a wastewater asset management plan (if applicable). Note that a rate structure is not required for a stormwater asset management grant.

G. Funding Source for Associated Construction (if applicable)

If the proposed scope of work for SAW grant assistance will result in subsequent construction, then identify the anticipated funding source(s) for the construction.

SAW SRF SWQIF Rural Development Other (explain) _____

The applicant intends to seek SAW, SRF, and/or SWQIF loan(s) to construct the proposed project in fiscal year _____ (an October 1st to September 30th fiscal year).

If construction financing is anticipated to come from a source other than SAW, SRF and/or SWQIF, identify the proposed construction year (s): _____.

H. SAW Grant Agreement Period

Start date of grant-funded tasks: _____ (month/year). May include services rendered on or after January 2, 2013, the effective date of the SAW program legislation.

Estimated date for completion of **all** grant-funded tasks: _____ (month/year). Must be completed within 3 years of anticipated grant award.

I. Does this project have an associated S2 grant(s)? If so, indicate the project number(s) below:

S2 Grant Project # _____

J. Is the applicant in receivership? YES NO

Is the applicant operating under an emergency manager or an emergency financial manager appointed under state law? YES NO

Is the applicant operating under a consent agreement as provided under the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291?

YES NO

Is a disadvantaged community status determination requested? YES NO

If yes, then complete and submit the worksheet in Appendix F.

Communities considered disadvantaged by the DEQ can expend up to \$500,000 in grant funds to construct projects identified in an asset management plan.

K. Project Cost Worksheet

Read the instructions below before completing the Project Cost Worksheet.

Grant Budget Item	Incurred Project Costs	Estimated Project Costs	Cost Supporting Documents Attached?	Total Project Costs
1. Project Planning Costs			<input type="checkbox"/> YES	
2. Design Engineering Costs			<input type="checkbox"/> YES	
3. User Charge Development Costs			<input type="checkbox"/> YES	
4. Wastewater Asset Management Plan Costs			<input type="checkbox"/> YES	
5. Stormwater Asset Management Plan Costs			<input type="checkbox"/> YES	
6. Stormwater Management Plan Costs			<input type="checkbox"/> YES	
7. Innovative Wastewater and Stormwater Technology Costs			<input type="checkbox"/> YES	
8. Disadvantaged Community Construction Cost			<input type="checkbox"/> YES	
9. Cost Subtotal				
10. LESS Local Match				
11. Requested SAW Grant Amount (Line 9 minus Line 10)				

1. Entering Cost Figures

To complete the Project Cost Worksheet, enter costs incurred to date in the first column and estimated costs in the second column. **Use whole dollar amounts for all entries.** A budget line item may have costs entered in each column; however, the entries must accurately reflect the division between incurred costs and estimated (i.e., the costs in the second column must not be a cumulative total but are to represent the balance of costs not yet incurred).

2. Supporting Documentation

Documentation must be attached to your application to support the costs included on the Project Cost Worksheet: Validate by checking the box in the third column on each requested line item.

- For incurred costs, adequate supporting documentation means proof of billing or payment for each cost for which grant assistance is being sought (e.g., copies of the monthly invoices from your consulting engineer, timesheet/payroll records showing hours worked and work performed).
- For estimated costs, adequate supporting documentation means an executed contract; engineers estimates; an invoice, letter, or email from a vendor detailing the services to be rendered and their costs; or a ledger of anticipated billable force account hours, employee rates, and classifications.

3. Executed Contracts

A contract between the applicant and the vendor must be executed for each service that has been or is to be rendered if the cost of such service is greater than \$50,000. An executed copy of each contract, with a clear identification of the scope of the service(s) and a contract period, must be submitted prior to reimbursements of costs.

4. Line-By-Line Completion Guidance

In addition to the costs described below, costs eligible for SAW grant assistance include: those incurred for services rendered on or after January 2, 2013; for services to prepare this grant application; and for activities performed by the applicant's employees that are directly related to the project. These incurred costs or cost estimates should be placed under the applicable budget lines.

Line 1 – Project Planning Costs

The costs associated with project planning activities and preparation of required planning documents. Refer to Appendix A or B.

Line 2 – Design Engineering Costs

The costs associated with engineering design and preparation of design required documents. Bidding phase services, including construction staking, are not eligible for SAW grant assistance. Refer to Appendix A or B.

Line 3 – User Charge System Development Costs

The costs associated with developing or updating the applicant's system of user charges to cover the costs of project construction, operation, and maintenance as part of a planning or design grant. The costs to develop and pass sewer use ordinances, intermunicipal service agreements, or rate methodologies that are necessary for construction of the proposed project are also eligible for reimbursement. Refer to Appendix A or B.

Line 4 – Wastewater Asset Management Plan Costs

The costs associated with developing a wastewater asset management plan. Only those components addressing wastewater assets are eligible (e.g., costs associated with conducting an asset inventory of other utilities cannot be included). Refer to Appendix C.

Line 5 – Stormwater Asset Management Plan Costs

The costs associated with the development of a stormwater asset management plan. SAW grant assistance is available for the development of an asset management plan for both open and enclosed storm sewer systems. Open drainage systems that are deemed surface waters of the state but transport stormwater in response to a rain event are not eligible for assistance to develop a stormwater asset management plan. Refer to Appendix C.

Line 6 – Stormwater Management Plan Costs

The costs associated with the development of a stormwater management plan. SAW grant assistance is available for the development of plans intended to address water quality problems from MS4 permitted stormwater systems and unpermitted stormwater runoff and nonpoint sources of pollution. Refer to the Stormwater Management Plan guidance and Appendix D for information on eligible plans and planning activities.

Line 7 – Innovative Wastewater and Stormwater Technology Costs

The costs associated with testing and demonstrating the practical use of technology to address a water quality issue. The cost of the technology is not eligible for SAW grant assistance. Refer to Appendix E.

Line 8 – Disadvantaged Community Construction Cost

The construction costs associated with a project identified in an asset management plan. The costs cannot exceed \$500,000. This is only available to communities identified as “disadvantaged.” See Appendix F.

Line 10 – Required Local Match

SAW grant assistance is limited to \$2 million dollars per community with a 10-percent local match for the first million and a 25-percent local match for the second million. Applicants who responded “Yes” to any of the questions under Section J of this application are not required to provide a local match.

L. Covenants and Certifications

The applicant must abide by all of the covenants and certifications enumerated below:

1. The applicant has the legal, managerial, institutional, and financial capability to plan, design, and build the project, or cause the project to be built, and cause all facilities eventually constructed to be adequately operated.
2. The applicant certifies that no undisclosed fact or event, or pending litigation, will materially or adversely affect the project, the prospects for its completion, or the applicant's ability to make timely repayments of the grant if the project does not proceed.
3. The applicant agrees to provide the minimum appropriate local match for grant-eligible costs and disburse match funds to service providers concurrent with grant disbursements.
4. The applicant agrees to maintain complete books and records relating to the grant and financial affairs of the project in accordance with generally accepted accounting principles (GAAP) and generally accepted government auditing standards (GAGAS).
5. The applicant agrees that all municipal contracts related to the project will provide that the prime contractor and any subcontractor may be subject to a financial audit and must comply with GAAP and GAGAS.
6. The applicant agrees to provide any necessary written authorizations to the DEQ and the Authority for the purpose of examining, reviewing, or auditing the financial records of the project. The applicant also agrees to require similar authorizations from all contractors, consultants, property owners, or agents with which the applicant negotiates an agreement.
7. The applicant agrees that all pertinent records shall be retained and available to the DEQ and the Authority for a minimum of three years and that if litigation, a claim, an appeal, or an audit is begun before the end of the three-year period, records shall be retained and available until the three years have passed or until the action is completed and resolved, whichever is longer.
8. The applicant agrees to ensure that planning and design activities of the project are conducted in compliance with the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended; its Administrative Rules; and all applicable state laws, executive orders, regulations, policies, and procedures.

I certify that I am the authorized representative designated by the municipality, as defined by Section 324.5301(i) of Part 53 of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, that will receive the grant for this project and that the application information being submitted is complete and accurate to the best of my knowledge.

I further certify that _____ (*legal name of applicant*) agrees to and will abide by the covenants and certifications stipulated above.

Name and Title of Authorized Representative (*Please Print or Type*)

Signature of Authorized Representative (*Original Signature Required*)

Date

Required Documents

The following documents must be submitted with this application. This grant application will be deemed incomplete if the required documents are not attached.

- (1) Authorizing Resolution. An adopted and certified copy of the attached standard resolution, **including the SAW Grant Agreement boilerplate marked SAMPLE**, must be attached.
- (2) Application Information. The proposed scope of work must be supported by the additional information required under Section E on page 2 above.
- (3) Cost Support Documentation. All requested costs must be supported with documentation consistent with the instructions on pages 4-6 above.
- (4) All of the required information listed in each of the applicable appendices must be provided.

Please return the application and the specified attachments to:

REVOLVING LOAN SECTION
OFFICE OF DRINKING WATER AND MUNICIPAL ASSISTANCE
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

MAILING ADDRESS
P.O. BOX 30241
LANSING MI 48909-7741

SURFACE DELIVERY ADDRESS
CONSTITUTION HALL 4TH FLOOR SOUTH
525 W ALLEGAN ST
LANSING MI 48933-1502

Grant Application Received By:	Can Expect A Grant Award In:*
July 1	October
October 1	January
January 1	April
April 1	July

*A grant application may be submitted to the DEQ at any time. Grant awards will be issued quarterly based upon the date an application is administratively complete, until available SAW funding has been exhausted.

THE FORM WILL NOT BE ACCEPTED IF IT HAS BEEN EDITED, ALTERED, RETYPED, OR CONVERTED TO ANY OTHER FORMAT.

(placeholder for Authorizing Resolution)

DRAFT

APPENDIX A

Documentation Required to Establish Project Need for an SRF/SWQIF Project Plan

Required Information

For the preparation of a new SRF/SWQIF project plan, the following information (Items 1 – 7) must be provided with this application, if applicable:

1. Study/Service Area Information
 - a. Map(s) of the study and service areas
 - b. Study and service area population figures and flows
 - c. Projected 20-year population figures and flows
2. Existing Wastewater Treatment Facilities
 - a. Description of the treatment processes
 - b. List of major treatment components at the end of their useful lives
 - c. Operation and maintenance-caused problems
 - d. Data on existing flows and design capacity with an explanation of how this contributes to the project need
 - e. Description of pollutants, and associated volumetric levels, tracked in the NPDES permit that contribute to the project need
 - f. Copy of the discharge permit or a compliance order
 - g. Other basis or documentation of the need for facility improvements
3. Existing Wastewater Collection System
 - a. Map(s) and description of the entire collection system
 - b. Map(s) and descriptions of the combined sewer areas
 - c. Age and condition of interceptors and collector sewers that may need to be upgraded or replaced
 - d. Condition, adequacy, locations, ages, and capacities of pump stations that may need replacing or upgrading
 - e. Condition, adequacy, locations, ages, and capacities of retention/equalization basins that may need upgrades
 - f. Operation, maintenance, or other problems with the collection system that contribute to a need for replacement or upgrading
 - g. Data on existing collection system flows, including a preliminary assessment of infiltration and inflow (see Item 4 below)
 - h. Raw sewage bypass locations, frequencies, durations, volumes, and water quality impacts

- i. Combined sewer overflow locations, frequencies, durations, volumes, and water quality impacts
- j. A narrative explanation of the need for collection system improvements

4. Extraneous/Excessive Infiltration and Inflow (I/I)

An initial quantification of collection system I/I must be provided with this application to determine the applicability of the following conditions and confirm if there is extraneous I/I

- a. Wastewater flow during conditions of high groundwater is greater than 120 gallons per capita per day.
- b. Wastewater flow during the design storm event or any smaller storm event is greater than 275 gallons per capita per day.
- c. Storm events cause backup problems, overflows, or poor treatment performance due to hydraulic overloading.

Depending on the nature of the proposed project, an I/I analysis may be required to identify any excessive I/I (i.e. cost-effective to remove rather than transport and treat) and would be eligible for inclusion as part of this application. An I/I analysis being proposed in the absence of any of these conditions will not be eligible for SAW grant assistance if the applicant intends to utilize SRF/SWQIF loan assistance for construction rather than SAW loan assistance or other sources of funding. For further information, refer to pages 15–18 in the **DEQ Clean Water Revolving Funds Project Plan Preparation Guidance (CWRF PPPG)**.

5. Sewer System Evaluation Survey (SSES)

If you are proposing to complete an SSES with SAW grant assistance, provide a copy of the completed I/I analysis with this application.

6. Sewer Televising/Physical Inspections for Structural Integrity

If you are proposing to perform televising and/or physical inspections with SAW grant assistance to assess the structural integrity of municipal sewers, then provide documentation with this application to justify the extent of the area(s) to be evaluated.

Applicants should note that defects identified as a result of televising/physical inspections must meet the requirements found on pages 17–18 in the **CWRF PPPG** to be considered an SRF-eligible need for design or construction funding.

7. Projects in an Area Currently Without Sewers

Are you proposing to seek SAW grant assistance for a project to correct failing on-site septic systems in an area currently without sanitary sewers? YES NO

If YES, then applicants should note that this type of project has a higher degree of difficulty in moving forward due to the controversial nature of establishing a Special Assessment District (SAD) and the inability to proceed with project construction due to the SAD not receiving approval. Disapproval of an SAD would require the SAW grant to be repaid (with accrued interest if applicable).

Applicants need to present sufficient documentation to identify suspected or known problem areas as part of this application and as a prerequisite to defining a need for their residents. For further information, please refer to pages 4–6 and 19 in the **CWRF PPPG**.

GUIDANCE FOR APPENDIX A

Grant Eligible

Planning

- Costs associated with the development of a SAW project proposal, SRF/SWQIF project plan, or other similar planning documents.
- Equipment and services for the acquisition, installation, and operation of flow meters necessary for an infiltration and inflow (I/I) analysis or for a hydrological study of a storm sewer system or a watershed.
- Costs to prepare an eligible SAW grant application, including force account work.
- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.

Design

- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.
- Associated costs to acquire land/easements such as appraisals, title searches, easement agreement preparation, legal notices, and closing costs.

User Charge Development

- Costs for a project to prepare or amend sewer use and/or rate ordinances, prepare or revise inter-municipal service agreements, and/or submit proposed budgets and rate methodologies. Financial and/or legal services to evaluate and develop funding/rate structures for a project and to establish and review service agreements and ordinances.

Grant Ineligible

Planning and Design

- The renting of a physical space for a SAW grant public meeting.
- Meals and other non-essential amenities for a SAW grant public meeting.
- The hiring of a licensed transcriptionist for a SAW grant public meeting.
- Planning and design activities related to the evaluation of groundwater impacted by stormwater infiltration.
- The purchase price to acquire land/easements.
- Post-construction monitoring of stormwater best management practices (BMP) performance to determine effectiveness.

APPENDIX B
**Establishing Project Need for the Planning and/or Design of Stormwater
and/or Nonpoint Sources of Water Pollution**

Required Information

1. Is SAW grant assistance being sought for a project to correct stormwater and/or nonpoint source water pollution? YES NO

If YES, then address the following questions:

a. Is the proposed project included in nonpoint source approved watershed plan? YES NO

b. Is the proposed project located within a Municipal Separate Storm Sewer System (MS4) permit area? YES NO

If YES, is the proposed project required under that permit? YES NO

If YES, then attach an explanation to this application.

c. Does the proposed project help address a nonpoint pollutant source identified in the approved watershed management plan or a Total Maximum Daily Load? YES NO

If YES, then attach an explanation to this application.

d. Is the proposed project for a SAW stormwater management plan? YES NO

2. Attach documentation to this application explaining how the proposed project will address the nonpoint source water quality problem. The explanation should include the estimated reduction in the problem pollutant(s).

GUIDANCE FOR APPENDIX B

Grant Eligible

Planning

- Costs associated with the development of a SAW project proposal, SRF/SWQIF project plan, or other similar planning documents.
- Equipment and services for the acquisition, installation, and operation of flow meters necessary for an infiltration and inflow (I/I) analysis or for a hydrological study of a storm sewer system or a watershed.
- Costs to prepare an eligible SAW grant application, including force account work.
- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.

Design

- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.
- Associated costs to acquire land/easements such as appraisals, title searches, easement agreement preparation, legal notices, and closing costs.

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User Charge Development

- Costs for a project to prepare or amend sewer use and/or rate ordinances, prepare or revise inter-municipal service agreements, and/or submit proposed budgets and rate methodologies. Financial and/or legal services to evaluate and develop funding/rate structures for a project and to establish and review service agreements and ordinances.

Grant Ineligible

Planning and Design

- The renting of a physical space for a SAW grant public meeting.
- Meals and other non-essential amenities for a SAW grant public meeting.
- The hiring of a licensed transcriptionist for a SAW grant public meeting.
- Planning and design activities related to the evaluation of groundwater impacted by stormwater infiltration.
- The purchase price to acquire land/easements.
- Post-construction monitoring of stormwater best management practices (BMP) performance to determine effectiveness.

APPENDIX C
Asset Management Plan for Stormwater and Wastewater

A. Proposed Scope of Work

Applicants can seek Asset Management Plan (AMP) grant assistance to cover the costs of the asset management plan development and implementation for wastewater and stormwater systems.

Describe the specific activities you will fund with the AMP grant assistance. Attach additional pages as necessary:

B. Describe your current asset management plan as applicable:

Provide the percentage of tasks completed and describe each asset management component of your current asset management plan

1. Asset Inventory and Condition Assessment
2. Level of Service
3. Criticality of Assets
4. Operation and Maintenance (O&M) Strategies/Revenue Structure
5. Long-term Funding/Capital Improvement Planning

C. Describe how the proposed project will augment the existing AMP, if applicable:

Provide the percentage of completion and description of tasks completed for each asset management component after the project

1. Asset Inventory and Condition Assessment
2. Level of Service
3. Criticality of Assets
4. O&M Strategies/Revenue Structure
5. Long term funding/Capital Improvement Planning

D. If a new asset management plan is being developed, estimate the percentage of completion of each asset management component within three years.

1. Asset Inventory and Condition Assessment _____
2. Level of Service _____
3. Criticality of Assets _____
4. O&M Strategies/Revenue Structure _____
5. Long-term Funding/Capital Improvement Planning _____

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E. If the grant award will not result in a complete approvable asset management plan, describe the tasks that remain to be completed, the timeframe for completion and how the applicant will fund those components.

F. Provide the names and titles of those involved in the project

1. _____
2. _____
3. _____
4. _____
5. _____

G. National Pollutant Discharge Elimination System (NPDES) Permits

Do you currently hold a NPDES permit to cover discharges from your wastewater system?
 YES NO

If Yes, what is the permit number? _____

If you have a NPDES permit, does it currently contain an asset management requirement?
 YES NO

Note: For all NPDES permit holders, SAW asset management grants will be conditionally awarded to those that accept an asset management condition in the next reissued NPDES permit. The asset management plan developed must meet NPDES permit requirements.

H. Revenue Structure (for wastewater only)

Does the municipality currently have a rate methodology? YES NO

If Yes, does the rate methodology generate sufficient revenues? YES NO

Include a copy of the rate methodology.

If the municipality currently does not have a rate methodology, will the asset management plan include the development of a funding structure and rate methodology that provides sufficient resources to implement the asset management plan? YES NO

I. Cross-Sectoring

Asset management encourages cross-sector utilization (for water utility, roads, stormwater, etc.); however grant assistance may only be requested for those costs directly related to wastewater assets.

Will the asset management plan include cross-sector utilization (ex. asset inventory of other utilities)? If so, please describe.

Is any grant assistance being requested for cross-sector costs? YES NO

Section 2504 e (2)(i) states that “The municipality shall coordinate, as feasible, with other infrastructure activities in the same geographic area.”

What percentage of the grant assistance will be shared with other municipalities or utilities?

What components of the grant assistance will be shared with other municipalities or utilities?

J. Legal Documents

Is the municipality’s wastewater system part of a regional facility? YES NO

Will the grant assistance impact another municipality(ies)? YES NO

If the municipality is part of a regional system, provide copies of each pertinent document which detail legal, operational and organizational arrangements.

- Articles of Incorporation
- Authority Bylaws
- Intermunicipal service agreements
- 425 Agreements

Explain how the asset management plan will impact other jurisdictions?

K. Project Cost Worksheet

Carefully read the instructions below before completing the Project Cost Worksheet.

Item	Incurred Costs	In-kind Costs	Estimated Costs	Supporting Documents	Total
GIS software				Y N	
GIS training					
AM software				Y N	
AM training				Y N	
GIS Hardware				Y N	
AM Hardware					
Televising				Y N	
Rental rate					
Operational rate					
Level of Service				Y N	
Service agreement					
development					
Public meeting					
cost					
Ordinance cost					

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Item	Incurred Costs	In-kind Costs	Estimated Costs	Supporting Documents	Total
Training/certification For PACP For MACP				Y N	
Rate Structure				Y N	
Inventory				Y N	
Condition assessment (excluding televising)				Y N	
Metering/modeling				Y N	
Other				Y N	

L. Identify what the municipality plans to accomplish in 3 years to demonstrate “significant progress.”

GUIDANCE FOR APPENDIX C

Grant Eligible

- AMP/Geographic Information System (GIS) mapping software/hardware/training. Total limits are as follows:

Service Area Population	Dollar Limit
Less than or equal to 5,000	\$60,000
5,001 to less than or equal to 20,000	\$85,000
20,001 to less than or equal to 50,000	\$110,000
Greater than 50,000	\$160,000

Note: Justification is necessary for AMP/GIS assistance when assistance is sought for an applicant with an existing GIS system or for when an exception is being made to the above dollar limits.

- Asset condition assessment (manhole inventory, cleaning and televising)
 - All televising and documentation must be completed in accordance with NASSCO PACP requirements and by PACP certified personnel.
 - Equipment rental costs for force account work of cleaning and televising equipment owned by the applicant will be reimbursed at rates no greater than those allowed by the most current edition of MDOT’s Equipment Rental Rates (Schedule C), Report 375 (http://www.michigan.gov/documents/mdot/MDOT_EquipRentalRates_2013_406968_7.pdf).
 - **Note:** *The committee is considering a limit on the amount requested for televising. The limit will be to encourage communities to focus on sewers installed or relined prior to 1983. A justification would be needed to televise sewers installed or relined since 1983.*

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- Force account costs associated with the direct implementation of the AMP/GIS software and hardware. The maximum rate for fringe costs is 40 percent of salary. Tasks associated with the tracking of an AMP's progress.
- The technical, legal, and financial costs to develop a funding structure and implementation schedule necessary to implement an AMP, or portion thereof. These tasks include those costs associated with the preparation or amendment of sewer use and rate ordinances, stormwater management ordinances, policies and design standards, preparation or revision of inter-municipal service agreements, and submittal of the proposed budgets and rate methodologies.
- Any specific tasks named as a condition of an NPDES permit not identified elsewhere in this guidance, such as mapping without GIS, a fixed asset inventory, a business risk evaluation, an annual report of operation, maintenance, and replacement (OM&R)/AMP activities, etc.
- Aerial data collection at the 12-inch resolution when it is purchased from the county obtained from the state.

Grant Ineligible

- IT updates and renewals to an existing GIS system are ineligible OM&R.

APPENDIX D Stormwater Management Plan

The SAW grant program is available to applicants who wish to acquire funding for the development of Stormwater Management Plans. Under the SAW program, a Stormwater Management Plan is broadly defined to include those documents listed in the below checklist. Applicants are encouraged to review the webpages associated with each document to determine which Stormwater Management Plan best fits their planning needs for the treatment of stormwater. Applicants should also review the Stormwater Management Plan guidance document.

For those applicants who applying for a SAW grant for the development of a Stormwater Management Plan, indicate below which type of document will be generated using grant funding. Include a description and a map of the planning area, as well as a description of water quality problems that will be addressed with the Stormwater Management Plan.

Municipal Separate Storm Sewer System (MS4) Stormwater Management Program (see www.mi.gov/degstormwater). An MS4 Stormwater Management Program addresses the effects of urbanization on the water quality of surface water of the state. Please choose one of the following:

- Applicant currently has National Pollutant Discharge Elimination System (NPDES) MS4 permit coverage
- Applicant will be a new NPDES MS4 permittee

Applicants applying for a SAW grant for one of the following Stormwater Management Plans, shall also include as part of the application the percentage of land uses in the planning area.

Nonpoint Source (NPS) Watershed Management Plan (See the “Developing an Approved Watershed Management Plan” www.mi.gov/nps). The description of water quality problems must include the following:

- A description of the watershed and watershed boundary and the hydrologic unit code.
- A description of the current water quality conditions, and the needs/problems to be addressed with the proposed project. List or discuss all 303(d) listed water bodies and include the Assessment Unit ID (See the [2012 Integrated Report](#), Appendix B).
- A list of the pollutants the NPS Watershed Management Plan will target. The list shall include pollutants listed in the [2012 Integrated Report](#) for Michigan (See Appendix B of the report) as causing designated use impairments in the watershed where NPS pollution is a contributor to the water quality impairment. The list should also include pollutants important at the local level and the rationale for the listing.

SAW Stormwater Management Plan (See the SAW Stormwater Management Plan guidance below)

Stormwater Management Plan

The SAW grant program is available to applicants who wish to acquire funding for the development of Stormwater Management Plans and the design of projects contained or described within a Stormwater Management Plan. Under the SAW program, a Stormwater Management Plan is broadly defined to include:

- Municipal Separate Storm Sewer System (MS4) Stormwater Management Plan (See the MS4 at www.mi.gov/degstormwater)
- Nonpoint Source Watershed Management Plan (See the “Developing an Approved Watershed Management Plan” at www.mi.gov/nps)
- SAW Stormwater Management Plan (See the SAW Stormwater Management Plan below)

Development of a Stormwater Management Plan

MS4 Stormwater Management Plan

Permittees required to develop an MS4 Stormwater Management Plan (SWMP) are municipal agencies, such as cities, townships, villages, county agencies, and school districts located in a census defined urbanized area with a discharge of stormwater to surface waters of the state. The existing NPDES MS4 individual permit application is structured such that by completing the application an MS4 SWMP is produced. The best management practices (BMP) included in the MS4 SWMP shall be designed to reduce the discharge of pollutants from the MS4 to the maximum extent practicable.

For those applicants who are developing a new MS4 SWMP, the development of the entire MS4 SWMP is eligible for SAW grant funding. An applicant who already has an approved MS4 SWMP or Stormwater Pollution Prevention Initiative (SWPPI) in place can receive funding to update the SWMP/SWPPI. An approved MS4 SWMP includes the following minimum requirements:

1. BMPs to be implemented to meet the following six minimum control measures (a– f) and applicable water quality requirements (g)
 - a. Public Participation/Involvement Program
 - b. Public Education Program
 - c. Illicit Discharge Elimination Program
 - d. Construction Stormwater Runoff Control Program
 - e. Post-Construction Stormwater Runoff Program
 - f. Pollution Prevention and Good Housekeeping Program
 - g. Total Maximum Daily Loads (TMDL) Implementation Plan (This water quality requirement applies to a regulated MS4 that discharges stormwater to impaired waters with an approved TMDL that includes a pollutant load allocation assigned to the regulated MS4.)
2. A measurable goal for each BMP. Each measurable goal shall have a measure of assessment to determine progress towards achieving the measurable goal.
3. The following Phase I MS4 Permittees shall include as part of the SWMP an Industrial Facility Program: [cities of] Ann Arbor, Flint, Grand Rapids, Sterling Heights, and Warren.

The NPDES MS4 individual permit application allows an applicant the option of submitting a collaborative approach for four of the six minimum control measures and the water quality requirements as part of the SWMP. Collaborative efforts may include several MS4 permittees collaborating to meet all or parts of a minimum control measure or water quality requirement.

The MS4 SWMP is considered approved when an individual NPDES permit is issued to the MS4 permittee with the requirement to implement and enforce the approved MS4 SWMP. The MS4 permittee

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is required to document progress made implementing the MS4 SWMP as part of the Progress Report requirements in the MS4 NPDES permit.

For MS4 permittees with an approved SWMP or SWPPI, the following are examples of updates that may be eligible if the activity is significantly revised or goes beyond what is currently included in the approved SWMP/SWPPI:

- Public Education Program: Developing a survey to assess changes in public behavior.
- Illicit Discharge Elimination Program:
 - Developing a storm sewer system map to include the location of all outfalls and points of discharge.
 - Prioritizing dry-weather screening of outfalls and points of discharge by identifying areas of high illicit discharge potential. This prioritization could be completed as a collaborative effort with several MS4 permittees.
- Post-Construction Stormwater Runoff
 - Updating post-construction stormwater runoff performance standards. More specifically, updating an ordinance or regulatory mechanism to include the water quality treatment and channel protection performance standards in the current NPDES MS4 individual permit application.
 - Developing a tracking system for ensuring the long-term maintenance of post-construction BMPs. For example, a system to track the performance of the BMPs implemented to meet the performance standards and included in a maintenance agreement.
- Pollution Prevention and Good Housekeeping Program
 - Developing a site-specific standard operating procedure identifying the structural and non-structural stormwater controls implemented or to be implemented and maintained to prevent or reduce pollutant runoff at facilities owned/operated by the applicant with a high potential for pollutant runoff.
 - Developing a procedure for assessing catch basins for routine inspection, maintenance, and cleaning based on preventing or reducing pollutant runoff.
- TMDL Implementation Plan – Developing a TMDL monitoring plan for assessing the effectiveness of BMPs currently being implemented or to be implemented in making progress toward achieving the TMDL pollutant load reduction requirement.

Nonpoint Source Watershed Management Plan

Applicants eligible to develop a Nonpoint Source Watershed Management Plan include cities, villages, counties, townships or other public bodies established under state law (watershed alliances, conservation districts, and regional planning agencies for example). Watershed Management Plans under this category must be approvable as defined in the administrative rules for the CMI NPS Pollution Control Grants and/or include the “nine minimum elements of watershed planning” required by the United States Environmental Protection Agency. To maximize potential future funding, plans should meet both state and federal criteria. NPS Watershed Management Plans must be developed for a hydrologically-based area and must include a list of targeted pollutants. Targeted pollutants must include those listed in Michigan’s 2012 Integrated Report as causing designated use impairments in the watershed. The list should also include pollutants important at the local level as well as the rationale for their listing.

For an applicant who is developing a new NPS Watershed Management Plan, the development of the entire plan is eligible for SAW grant funding. Justifiable updates to a previously approved NPS Watershed Management Plan are also eligible. Justifiable updates to a plan include, but are not limited to: updates to meet additional criteria; reevaluation of environmental conditions and next steps; etc.

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Complete watershed management plans (along with completed [checklists](#)) can be submitted to the appropriate [district office](#) or the NPS Unit in Lansing. Watershed plan reviews require a minimum of 90 days and approval typically requires two or more reviews.

Applicants developing a NPS Watershed Management Plan for: (1) watersheds with flooding, flashy flows, or other hydrology issues; (2) or recommended stream bank stabilization, channel realignment, changes to channel geometry; (3) or changes impacting flow or sediment transport, must refer to the [NPS Hydrologic and Geomorphic Guidance](#). Applicants must also consider a wetlands component, as described in the [Guidance for Wetland Related Elements](#), when developing a NPS Watershed Management Plan.

SAW Stormwater Management Plan

An applicant that wants to develop a SWMP other than an MS4 or NPS SWMP may receive grant funding to develop a SWMP as long as it contains the following minimum components:

1. A description and map of the jurisdictional boundaries and the area to be covered by the plan (typically a sewershed and/or drainage district). The planning area should be hydrologically based and include the entire collection and conveyance system (open and closed) as well as the contributing area.
2. A description of the major components of the stormwater system and/or country drainage district, including sewershed and watershed boundary and internal sub-boundaries, surface water hydrology, mapping of stormwater conveyance (pipes and channels), existing storage, regulatory or other mapped floodplains, flood control facilities and treatment components.
3. A description of publically owned BMPs and private BMPs that significantly affects the stormwater system.
4. Describe all known stormwater and all known stormwater related water quality problems within the planning area (for example, surface flooding, hydraulic restriction, erosion, water quality, etc.).
5. Include recommendations and an analysis of projects to correct stormwater and known stormwater related water quality problems.
 - a. This includes project identification, preliminary sizing and description of proposed activities. Proposed activities could consist of capital improvements (i.e. culvert replacement, channel modification, structural BMPs, etc.) or changes to inspection or maintenance activities (i.e. stream bank assessments, detention basin inspections, floodplain or floodway encroachment surveys, etc).
 - b. Provide estimated operation, maintenance and capital costs for all recommendations
6. Include a timeline for implementation of the plan. The extent of the timeline is at the applicant's discretion (i.e., 5-year, 10-year, etc.).

It is strongly suggested that the following components also be included in the SWMP:

1. A general maintenance plan
2. The desired level of service should be determined through a public involvement process
3. A public education program or activities
4. A general description of land use percentages

The applicant is required to obtain Water Resources Division staff approval of the SWMP.

GUIDANCE FOR APPENDIX D

Grant Eligible

- A Stormwater Management Plan (SWMP) must address water quality issues caused by surface runoff of stormwater. Two concepts are presented here. First, there must be a stormwater related water quality problem, not just a stormwater quantity issue. Second, only surface water issues are eligible.
- Assessment of Best Management Practices (BMPs) to determine their effectiveness.
- Legal and/or force account costs associated with the creation or amendment of stormwater ordinances, policies, and design standards.
- Flow monitoring for a hydrologic analysis of a stormwater conveyance system or surface water system.
- Water quality sampling to determine current water quality conditions.
- Development of a public education and involvement program or activities for stormwater issues.
- Development of a maintenance plan for stormwater practices.

Grant Ineligible

- Costs related to implementation of a MS4 SWMP program
- The purchase price to acquire land/easements
- Post-construction monitoring of stormwater management BMP performance to determine effectiveness.
- Planning and design activities related to the evaluation of a groundwater impacted by stormwater infiltration.

APPENDIX E
SAW Innovative Wastewater and Stormwater Technology

The applicant must agree that if a grant is awarded, and testing and demonstration results in a determination that a particular innovative technology can be successfully applied to address the water quality issue, and if full-scale implementation of the innovative technology is determined to be technically and cost feasible, the grant recipient must implement the project within 3 years of grant approval. Project costs related to the testing and demonstration of innovative wastewater and stormwater technologies may be eligible for grant funding. Complete the following to aid in determining grant eligibility.

A. The technology must meet one or more of the following categories to be considered innovative:

- The technology has not been previously used in Michigan or the region, if influenced by climate
- The technology has not been previously used in the United States, if independent of climate influences
- The technology is an application of an existing technology applied to a different media (e.g. a water supply treatment technology applied to the wastewater field)
- The technology is an application of an existing technology applied to a different pollutant (e.g. previously used to address pollutant 'X', proposed to address pollutant 'Y')

Provide a detailed explanation of how the innovative technology meets one or more of the categories above (attach additional pages, if necessary):

B. Eligible projects must focus on a specific existing water quality issue that needs to be addressed. Provide a detailed explanation of how the proposed testing and demonstration of an innovative technology meets this requirement (attach additional pages, if necessary):

C. For eligible technologies identified in A above, attach a detailed pilot study work plan. The work plan should be developed based on the associated guidance included with this application.

GUIDANCE FOR APPENDIX E

Grant Eligible

- Pilot studies demonstrating the effectiveness of wastewater and/or stormwater technologies which do not result in any permanent construction that becomes a tangible asset.
- If testing and demonstration is successful, and reasonable in cost, a notice to proceed for the construction of work identified through a SAW innovative wastewater or stormwater technology grant must be issued within three years of grant award. If the testing and demonstration is not successful, there is no commitment to proceed with construction.

Grant Ineligible

- Permanent construction of the pilot technology

Application Guidance

The SAW program allows for grants to fund project costs related to the testing and demonstration of innovative wastewater and storm water technologies. Innovative technologies must meet one or more of the four listed criteria:

1. Those technologies influenced by climate and have not been previously used in Michigan or the region may be eligible. For instance, if a technology that is heavily temperature dependent and has been used in warmer climates but not yet in colder climates is proposed for testing and demonstration, it may be eligible for grant funding.
2. Other potentially eligible projects include those that have not been previously used in the United States,
3. An application of an existing technology applied to a different media, or
4. A technology that is applied to address a different type of pollutant than previously used for.

Eligible projects are expected to focus on a specific and existing water quality issue that needs to be addressed. For example, this may include a technology that provides better and/or more efficient treatment performance. The existing water quality issue should be documented with water quality data or other relevant information (this may include the DEQ Water Resources Division's Integrated Report, approved Total Maximum Daily Loads (TMDL) or watershed management plans, local health department records, compliance or enforcement documents, etc.). The explanation should clearly tie together how the innovative technology will address the existing water quality issue which has been identified.

A pilot study work plan is required to be submitted with the application. The pilot study should provide sufficient evaluation of the applicability, operational reliability and effectiveness of the innovative technology. This should be demonstrated with a prototype unit or process of sufficient size and designed to operate at its design load conditions.

To determine that such new processes and equipment or applications have a reasonable and substantial chance of success, the following should be considered when developing a pilot study plan:

- Evaluation and discussion of any related, existing performance data and manufacturer's information.
- A plan for monitoring observations, including test results and evaluations, demonstrating the efficiency and effectiveness of such processes or equipment.

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- Detailed description of the test methods and their appropriateness.
- Testing, including appropriate sampling, under various ranges of strength and flow rates (including diurnal and/or seasonal variations) and temperatures over a sufficient length of time to demonstrate performance under climatic and other conditions which may be encountered in the area of the proposed installations.
- Other appropriate information.
- Coordination and approval by DEQ district engineers if there are temporary changes in the operation of a permitted facility or permitted discharge during pilot testing.

It is strongly recommended that applicants team with academic institutions to aid in development and completion of a pilot study.

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APPENDIX F
Disadvantaged Community Status Determination Worksheet

The following data is required from each applicant that requests a disadvantaged community status determination:

1. Total amount of anticipated debt, including the estimated cost of the construction which is expected to result from this SAW grant application: \$_____.
2. Annual payment on the existing debt for the wastewater system: \$_____.
3. Total operation, maintenance and replacement expenses for the wastewater system on an annual basis once the proposed work is completed: \$_____.
4. Number of “residential equivalent users” in the system: _____.

The result of this determination will be temporary. The final determination of disadvantaged status will not be known until actual bid costs are submitted.

If you any questions about this worksheet, then contact Mr. Robert Schneider at 517-373-4761.