



DRINKING WATER ASSET MANAGEMENT (DWAM)

GRANT OVERVIEW

Section 1001 of 2019 PA 57

Introduction

Under Section 1001 of Public Act 57 of 2019, the Michigan state legislature appropriated \$37.5 million for a grant program for Asset Management Plan (AMP) creation and/or distribution system materials inventory (DSMI). From the \$37.5 million, \$1 million will be awarded for public education efforts to water supply advisory councils created under Michigan's Lead and Copper Rule (LCR) through a separate request for proposal process. This leaves \$36.5 million for AMP and DSMI related activities.

Funding

The maximum grant award per applicant is \$1 million; applicants may apply multiple times until this maximum amount is awarded. There are no local match requirements.

Applications will be accepted continuously beginning October 15, 2020, until funding is exhausted. Applications will be scored and processed quarterly as discussed further below. Priority will be given to water supplies with a lead or copper Action Level Exceedance (ALE), and to systems with a high percentage of unknown service lines as indicated in their Preliminary DSMIs submitted to the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

\$15 million of the \$36.5 million total will be set-aside and made available for small and medium systems (populations serving 10,000 or less).

If all available program funds have not been allocated after one year, EGLE may re-evaluate system and program needs.

All grant related activities are expected to be complete within three years of an executed grant agreement.

Total grant award will be based on reasonably estimated costs and documentation provided by the grantee at the project onset. The grant will function on a reimbursement basis whereas work must occur, and associated invoices or documentation submitted to EGLE, prior to grant funds being paid to the grantee.

Final grantee deliverables must include a report summarizing the work completed under the grant, significant lessons learned, and any anticipated needs moving forward.

Eligibility

Type I Community Water Supplies, and Type II Nontransient Noncommunity supplies are eligible to apply. Applicants must not appear on the federal Debarment and Suspension List (www.sam.gov/SAM/), and must be in good standing with EGLE programs (i.e., no EGLE grant revoked or terminated and no demonstrated inability to manage a grant or meet obligations in a project contract with EGLE).

Eligible Activities

Grant funding is restricted to AMP creation/updates and/or DSMI related activities. Eligibility of activities will be project specific and determined on a case-by-case basis by EGLE. Eligible activities under the grant may include:

- Activities related to AMP updates including asset inventory and condition assessment, level of service, criticality assessment, revenue structure development, and Capital Improvement Planning.
- Activities related to verification of materials for final DSMI, including potholing/hydrovacing/trenching for inventory/planning purposes.

- Equipment purchases with acceptable justification, such as computer hardware or software used directly for asset management or materials assessment (i.e., vector trucks or utility vac air knife/air lance truck if used for potholing). Grant reimbursement for purchase of equipment used for multiple asset types will be limited to 25 percent of the purchase price. If the applicant can provide documentation illustrating the equipment will be shared with a neighboring community, EGLE will consider reimbursement up to 50 percent of the equipment purchase price.
- Public education efforts related to Lead and Copper Rule implementation.

For application purposes, a quote/estimate for the proposed work is acceptable. A signed contract is needed for services over \$50,000 before reimbursement can be made. Force account may be utilized with justification documenting the need. Force account fringe benefits are limited to 40 percent and holiday and overtime pay is not grant eligible. Utility indirect costs (rent, overhead, etc.) are not grant eligible.

Ineligible Activities

Any activities not directly related to AMP creation/updates or DSMI are not grant eligible. Eligibility will be project specific and determined on a case-by-case basis by EGLE. Tangible, permanent construction is not eligible under this grant.

Application Funding Priority

Quarterly applicant ranking will be based on the following criteria:

Criteria	Points Awarded	Comments
Water supply has had a lead or copper action level exceedance (ALE) in the past 3 years	5 points	
Water supply has submitted a Preliminary DSMI to EGLE. Points awarded are based off the estimated percentage of unknown lines in the service area that are required to be validated for the final DSMI.	0-20% = 3 points 21-40% = 5 points 41-60% = 7 points 61-100% = 10 points	(Unknown-likely lead + unknown material + unknown-likely not lead) / water supply total service lines in Preliminary DSMI
Water supply has implemented an EGLE-approved Asset Management Plan	5 points	
Water supply has entered into an Administrative Consent Order with EGLE related to asset management plan deficiencies that will be addressed as part of the awarded grant	3 points	
Tie Breaker – only applied in the event of limited funds and where multiple applicants have scored the same		
Most recent Sanitary Survey completed with no deficiencies	4 points	
Applicant has completed the Michigan Infrastructure Council’s Asset Maturity Assessment	3 points	
Percentage of ‘unknown-likely lead’ service lines in the service area based off Preliminary DSMI data	Use actual percentage	Unknown-likely lead / water supply total service lines

Process, Schedule, and Deadlines

The grant application will be available on EGLE’s website on October 15, 2020. Applications can be submitted electronically to EGLE-DWGrants@michigan.gov, and will be accepted continuously until funds are exhausted.

Applications received by close of business January 1, 2021 will be considered for the first round of funding. Applicants can expect grant awards within 75 days of quarterly application deadlines.

Applications will be accepted continuously until funding is exhausted. Deadlines for quarterly scoring and award processing are illustrated below. Grant applications must be received by close of business on these dates to be funded in the applicable quarterly funding cycle.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Application Deadline	January 1, 2021	April 1, 2021	July 1, 2021	October 1, 2021
Anticipated Grant Award Date (on or before)	March 15 2021	June 15, 2021	September 15, 2021	December 15, 2021

EGLE may request additional information for clarification purposes. EGLE may offer grant amounts other than those requested and request changes to the proposed work plan. Submitted application information is not confidential, grant applications are considered public information under the Freedom of Information Act, Public Act 442 of 1976, as amended. A report including grants awarded and associated dollar amounts will be submitted annually to the legislature.

Successful applicants will be required to enter into a project contract with EGLE. A project contract consists of, standard “boilerplate” language, the applicant’s project description, work plan, timeline, and budget information.

Contacts

For questions about this grant, contact Katie Thrush at 517-647-3482 or email thrushk1@michigan.gov.

For information or assistance on this publication, please contact the program, through EGLE Environmental Assistance Center at 800-662-9278. This publication is available in alternative formats upon request.

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