



## Community Technical, Managerial, and Financial (TMF) Support for Lead Line Replacement Grant Overview and Request for Proposals

### Introduction

Under Section 1001 of PA 166 of 2022, the Michigan state legislature appropriated \$48 million for a grant program for community technical, managerial, and financial support for lead line replacement.

The overall goal of this grant program is to fund physical verification of lead service lines for submittal of Complete Distribution System Materials Inventory and assist communities in utilizing the Bipartisan Infrastructure Law (BIL) [DWSRF](#) dollars for lead line replacement, which are available through Fiscal Year 2027.

Eligible activities include physical verification of service lines at properties where lead is suspected but not confirmed or where service line material is unknown but likely contains lead, project planning document development related to lead line replacements, and outreach/education in support of lead service line replacement activities. All publicly owned community drinking water systems are eligible for this funding, with priority given to applicants that have not previously received funding for these activities and have low Median Annual Household Income (MAHI) per the federal census.

### Eligibility

Publicly owned Type I Community Water Supplies are eligible to submit proposals. Applicants must not appear on the Federal Debarment and Suspension List ([www.sam.gov/SAM/](http://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 activities that support preparation and planning for lead service line replacement programs. Eligible activities under the grant may include:

- Activities related to service line materials verification or for developing a lead service line replacement program, including potholing/hydrovacating/trenching for inventory/planning purposes.
- Planning and design of lead service line replacement programs for individual systems, including efforts that support community pursuit of additional funding sources for future construction activities related to lead service line replacement.
- Public education efforts related to Lead and Copper Rule implementation.

For proposal purposes, a quote/estimate for the proposed work is acceptable as a budget justification. All non-professional services must be competitively bid. 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.

## **Ineligible Activities**

Any activities not directly related to planning for lead service line replacement and/or inventory and assessment of existing lead service lines are not grant eligible. For example, project planning documents developed using this grant funding must be exclusively for lead service line replacement projects. Other water infrastructure activities may not be included in those planning documents. Eligibility will be project specific and determined on a case-by-case basis by EGLE. Tangible, permanent construction is not eligible under this grant. Utility indirect costs (rent, overhead, etc.) are not grant eligible.

## **Funding**

The maximum grant award per proposal is \$600,000. There are no local match requirements. Proposals will be reviewed for suitable use of funds, and successful applications will clearly define project scope and provide an appropriate budget justification.

Proposals will be accepted beginning January 1, 2024, until January 31, 2024. All proposals will be scored and processed according to the funding priority described below.

If all available program funds have not been allocated after the initial application period is closed and projects are funded, EGLE may re-evaluate system and program needs.

All grant activities must be complete by September 15, 2026. All subawards for non-professional services must be awarded by December 31, 2024.

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 must be 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.

## **Application Funding Priority**

Funding will be prioritized first for those communities that did not receive a Drinking Water Asset Management grant and have not received Drinking Water State Revolving Fund or associated ARP dollars within the last five years. Communities will then be ranked by Median Annual Household Income (MAHI) in ascending order. If there are still funds remaining, communities that did receive DWAM grants or DWSRF funding will be considered, also ranked by ascending MAHI.

## **Process, Schedule, and Deadlines**

The request for proposals will be available on EGLE's website on December 15, 2023. Proposals will be submitted electronically to [EGLE-DWGrants@michigan.gov](mailto:EGLE-DWGrants@michigan.gov) beginning on January 1, 2024, and will be accepted until January 31, 2024.

Successful proposals will include the following: 1) general information form that includes contact information, applicant identification information, federal reporting requirements, etc., 2) proposal narrative, 3) budget table, 4) budget justification, including relevant quotes to support estimated costs, and 5) timeline of activities, ensuring adherence to ARP funding requirements (see below). Additional details regarding the submission of the above components will be provided with the application.

Grantees must obligate all funds to any subrecipients by December 31, 2024. Therefore, all grantees must have a signed contract in place with any contracted parties for the work to be completed with these grant funds by December 31, 2024. All work pertaining to this project must be completed by September 15, 2026.

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 proposal information is not confidential, grant proposals are considered public information under the Freedom of Information Act, PA 442 of 1976, as amended. A report including grants awarded and associated dollar amounts will be submitted annually to the legislature.

Successful proposals 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 [EGLE-DWGrants@michigan.gov](mailto:EGLE-DWGrants@michigan.gov).