Purpose: The Michigan Department of Environment, Great Lakes, and Energy (EGLE) offers this grant, as part of Michigan's Clean Water Plan designed to provide funding to address water infrastructure needs across the state and assist communities in addressing affordability and planning needs.

Goals of the Program: To support improvements and sustainability of drinking water infrastructure as well as affordability and access to healthy drinking water for Michigan residents.

Eligibility: Any Michigan community water supply and local unit of government, including counties, townships, cities, villages, and others.

Eligible Activities: Grant funding is restricted to activities that improve consumer affordability and/or drinking water quality. Eligibility will be project specific and determined on a case-by-case basis by EGLE. Eligible activities under the grant may include:

- Develop and implement an income-based water rate structure.
- Pursue and implement water system regionalization, collaboration, or consolidation efforts that improve water quality and/or affordability for residents. Efforts could include:
 - Planning costs related to water systems joining together in regional authority
 - Planning costs related to water systems connecting to other water systems
 - Water systems developing collaborative agreements to share services, equipment, bulk purchasing, and other operational costs
- Conduct drinking water distribution system leak detection studies and develop plans for resolving leaks in water systems that purchase water from another source.
- Develop or update project planning (e.g., engineering, design, and legal) or application documents needed to better position projects for Drinking Water State Revolving Fund (DWSRF) funding.
- Planning costs to construct sewer laterals to connect low-income households* with failing septic systems to available public sewer.
- Planning costs to construct service lines to connect low-income households* with failing or contaminated private wells to available community water system.

*A low-income household is defined as less than 200 percent of federal poverty level. Individual households must be verified by the municipality.

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Application Criteria: Applicants must include a 1) Project Workplan, including project need, what will be addressed and how, and map(s) illustrating project work areas; and 2) Project Cost Detail, including categories and amounts along with vendor estimates/quotes, if available. These items should include the following elements:

- Scope of the project
- Project purpose and benefit
- Population served
- Impact on community

- Deliverables
- Target dates
- Detailed budget
- Estimated return on investment

Application Process: Applicants are required to complete the <u>Affordability and Planning Grants Application</u> (EQP1063) and attach a Project Workplan and Project Cost Detail. Applications and Plans shall be submitted to <u>EGLE-CentralGrants@Michigan.gov</u>.

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.

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.

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.

Nominating Procedures: None

Deadlines: Applications are due by February 19, 2024 at 11:59pm.

Timelines: Grants will be awarded by April 1, 2024. Work must be completed by June 1, 2025.

Dollar Amount Available: \$5,753,226.54. Grants not to exceed \$500,000 per grant if applying on behalf of a single community water supply. Community water supplies can partner together and jointly apply for up to \$2 million of funding for a regional plan. 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.

Required Match: None. Additional points may be awarded for demonstrated match.

Source of Funds: General fund

Authority: Public Act 57 of 2019

Responsible Division/Office Contact: Finance Division EGLE-CentralGrants@Michigan.gov.

Application: (electronic form)

Project Name

Contact Information

- Summary of Project
- Attached Project Work Plan and Project Cost Detail
 (If no, the application is considered incomplete and will not be scored.)

Scoring and Grant Administration:

The following process will be used for scoring and grant administration.

EGLE Finance Division will be responsible for receiving applications. Once the application period closes on February 19, 2024 at 11:59pm, Finance Division will submit applications to the evaluation committee. The evaluation committee will then use the criteria below and program priorities to compare and score the applications and determine selection of grants. EGLE's Finance Division will serve as the grant administrator responsible for finalizing grants, tracking progress reports, and assuring disbursements of payment.

Scoring: Does the application meet the statutory requirements? (if no, project will not be scored)

Scoring Criteria	Available Points
Quality of project plan	
Process or work plan clearly defined	
Milestone schedule and project deliverables identified	0 – 20
 Letters of support, demonstrated match, and other documents supporting full project implementation 	
Outcome of project plan	
 Impact of proposed outcome on affordability, water quality, and/or waters of the state 	0 – 30

Scoring Criteria	Available Points
Population Served	
 Community or area served has Median Annual Household Income (MAHI) equal to or less than 125% of federal poverty level, or lowest 10% of taxable value per capita (20 pts) 	0 – 20
 Community or area served has MAHI between 125% and 200% of federal poverty level, or lowest 20% taxable value per capita (10 pts) 	
 If neither of the above conditions are met, points awarded based on narrative of demographics in area served (e.g., low-income area within a higher-MAHI census tract) that demonstrates need (0 – 20 pts) 	
Regional partnership, collaboration, or consolidation	0 – 30
Total Available Points	100

Evaluation Committee: James Clift, Kris Donaldson, Emily Posthumus

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