AMERICAN RESCUE PLAN ACT OF 2021
MONTANA INFRASTRUCTURE ADVISORY COMMISSION

WATER & SEWER GRANT
FLOOD RESPONSE – IRRIGATION APPLICATION GUIDELINES
JULY 20, 2022

AMERICAN RESCUE PLAN ACT OF 2021, PUB. L. NO 117-2

ARPA INTERIM FINAL RULE, 87 FR 433886 FR 26786, Page 26786-26824

ARPA FINAL RULE, 87 FR 4338, Page 4338-4454

AN ACT IMPLEMENTING THE AMERICAN RESCUE PLAN ACT:
MONTANA HOUSE BILL 632

Version 1 – July 28, 2022:

Applications open August 1, 2022, at **10:00 AM MDT**

Eligible projects address damage to irrigation systems from flooding in 2022, removed "Spring of"

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1. GENERAL INFORMATION

The American Rescue Plan Act (ARPA) of 2021 provided state and local aid to make "*necessary investments in water and sewer infrastructure*." The 67th Montana Legislature passed House Bill 632 which directed the federal funds available under ARPA for use in Montana. House Bill 632 sections 1 through 5 addresses how the federal funds will be distributed to necessary water and sewer infrastructure projects. House Bill 632 establishes an Infrastructure Advisory Commission which will oversee spending on water and sewer infrastructure projects along with the Governor of Montana. House Bill 632 establishes two grant programs for water and sewer:

1. COMPETITIVE GRANT PROGRAM

2. MINIMUM ALLOCATION GRANTS TO LOCAL GOVERNMENTS

The Competitive Grant Program is open to state and local governments as defined by HB 632 § 2(3) and applications will be ranked and recommended to the Commission and Governor for approval. The Minimum Allocation Grant Program establishes $150 million for grants to local governments based on the gas tax breakdown in § 15-70-101, MCA and does not have a ranking process. Both programs appropriate ARPA § 602 funds. "No entitlement units of local governments" will receive separate "coronavirus local fiscal recovery funds" pursuant to APRA § 603 and HB 632 § 24.

2. INFRASTRUCTURE ADVISORY COMMISSION

The commission shall **review applications for funding** for state capital projects and **state and local government water and sewer infrastructure projects** and shall provide recommendations to the executive on which projects should be funded. HB 632 § 1.

3. APPROPRIATION FOR WATER AND SEWER INFRASTRUCTURE PROJECTS

The total appropriation for state and local water and sewer infrastructure grants is **$462,689,925** ($452,470,148 actual)**.** *House Bill 632 § 2.*

$150 million – Minimum Allocation Grants

$239 million – Competitive Grants

$10 million – Competitive Irrigation Grants*

$10 million – Regional Water

$43.3 million – HB 5, HB 6, HB 7, HB 11 & HB 14 Programs and Projects

$750,000 – Department of Commerce Technical Assistance

4. FLOOD RESPONSE IRRIGATION COMPETITIVE GRANT PROGRAM*

Recognizing that agriculture is an important part of Montana's economy and has its own infrastructure needs, the Infrastructure Advisory Commission voted to designate $10 million of Competitive Grant funds for agricultural irrigation projects. This ARPA program will help improve Montana's irrigation infrastructure while providing water quality benefits. The Infrastructure Advisory Commission approved

$8,799,153 in ARPA Irrigation Grants and Governor Gianforte concurred with that recommendation, awarding those projects ARPA grant funds.

The Infrastructure Advisory Commission voted to recommend to the Governor that the remaining ***$1,200,847*** of the Irrigation Grant funds be designated to assisting irrigation systems damaged by flooding of 2022.

Applications will be accepted beginning August 1, 2022, at 10:00 AM MDT

Eligible applications will be recommended to the Infrastructure Advisory Commission on a "first come- first serve" basis

Match is required (HB 632) and projects with a higher match rate will be given preference in the event of a tie.

$250,000 limit on flood response projects

APPLICATION - Local governments shall submit:

- √ Grant request – Apply online at grants.dnrc.mt.gov.
- √ Matching funds.
- √ Certification that the project is a necessary investment in water or sewer infrastructure as defined in ARPA and all applicable guidance. 86 FR 26786 Section II.D.
- √ Documentation on local health regulations related to COVID-19 at the time of the application. *HB 632 § 28*

ELIGIBLE APPLICANTS – "**Local government**" means any city, county, consolidated city-county, school district, or other political subdivision or local government body of the state, including an authority as defined in 75-6-304, water district, sewer district, irrigation district, water users' association*, conservation district, or tribal government. *HB 632 § 2*

*Water Users Associations - HB 632 includes "water users associations" as eligible entities to apply for competitive grant funds. Pursuant to ARPA, those associations must be private nonprofit organizations that:

> (A) have no part of the net earnings which insures to the benefit of any member, founder, contributor, or individual.
>
> (B) have a voluntary board.
>
> (C) have an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

(D) practice nondiscrimination in the provision of assistance. *

*DNRC will require an Assurance of Compliance with Civil Rights Requirements as part of grant award. All awardees will be required to provide those assurances to be an eligible subrecipient.

Water Users Associations that apply for competitive grants will be asked to provide documentation of the private nonprofit status and the above conditions as a condition of eligibility.

ELIGIBLE ENTITIES – Eligible applicants (listed above) may apply for another entity (subrecipient or beneficiary). Under the CWSRF, funding is available to publicly or privately owned projects that implement non-point source management programs.

ELIGIBLE PROJECTS

AGRICULTURAL IRRIGATION – Agricultural irrigation the conveyance of water specifically for agricultural cropland including pasture, hay, and grass.

FLOOD RESPONSE – Improvements include work that is to be done on existing irrigation infrastructure that was damaged by flooding that occurred during 2022. Eligible projects are those that will repair, replace, or reconstruct irrigation infrastructure.

WATER QUALITY BENEFIT – In order to be eligible for ARPA funds, projects must be eligible under the Clean Water State Revolving Fund (SRF) Program. Eligible projects will reduce nonpoint source pollutants (sediment, nutrients, temperature, salinity) from surface or groundwater by reducing runoff and erosion from agricultural cropland or stabilizing streambanks or diversions. Project designs must include best management practices (BMPs) designed to reduce erosion and sedimentation.

Applicants shall certify that each project submitted is a **necessary investment in water or sewer infrastructure** as defined in ARPA and all applicable guidance.

The CWSRF eligibility guidance states that for the eligible project types listed above that eligible entities (or recipients) must implement a Section 319 Nonpoint Source Management Program. Montana Department of Environmental Quality (DEQ) has published its Section 319 compliant Nonpoint Source Management Plan for the state which lists agricultural runoff as a nonpoint pollutant. Montana's Nonpoint Source Management Plan, Appendix A: Best Management Practices contains a list of approved projects that meet the 319 criteria for nonpoint pollutant reduction and the potential water quality benefits for those projects. The following are examples of projects that would be eligible under CWSRF from Appendix A: Best Management Practices in the DEQ's 2017 Montana Nonpoint Source Management Plan:

IRRIGATION DIVERSION MAINTENANCE OR REPLACEMENT - Irrigation diversion maintenance or replacement will allow irrigators to manage water delivery to crops and reducing overwatering which can lead to erosion of fields. Erosion caused by overwatering leads to sedimentation of surface water bodies. Irrigation diversion structures should include water measuring devices to allow for real-time management of water flows.

IRRIGATION CANAL CONVERSION Adding or repairing an impermeable liner to an unlined irrigation canal or replacing an irrigation canal with an underground pipe can improve water quality by:

1) a reduction in water removal from a stream or lake, maintaining in-stream flows which improve temperature conditions.
2) prevention of irrigation-induced saline seeps that contribute salts to surface water.
3) a reduction in the temperature of irrigation returns flows; or
4) a reduction in irrigation induced sediment pollution by reducing erosion of the canals or conveyances.

IRRIGATION TAILWATER CONTROL Structures, vegetation, or managerial controls designed to prevent sediment, nutrient, or temperature pollution from irrigation tailwater. These practices may include, but are not limited to: wasteway rehabilitation, tailwater capture and reuse, settling basins, remotely controlled headgates, or revegetation of tailwater-induced erosional features.

Riparian buffer - A strip of perennial vegetation located adjacent to and up-gradient from a waterbody. The strip must be designed to reduce nonpoint source pollution (sediment and erosion). Buffer width, slope, species composition and target pollutants must be considered in the design.

CANAL REPAIR/REVEGETATION A shaped or graded channel that is permanently vegetated and is designed to convey water at a nonerosive velocity to a stable outlet. The vegetation in the channel must be capable of withstanding periodic inundation, as well as the reasonably expected erosive forces associated with foreseeable flow events. Establishing permanent vegetative cover to prevent soil erosion. Where appropriate, revegetation efforts should focus on establishing native vegetation communities matched to site-specific resource goals and conditions.

INELIGIBLE PROJECTS

Projects that fall under the following categories are ineligible for the Flood Response Irrigation Grant program:

- Centralized Wastewater Treatment – only applies to municipalities and publicly owned treatment works (POTWs)
- Energy and Water Conservation – only applies to POTWs
- Decentralized Wastewater Treatment – only applies to wastewater treatment projects
- Resource Extraction or Contaminated Sites
- Landfills
- Drinking Water SRF-eligible projects
- Rehabilitation of dams and reservoirs
- Livestock off-site watering

AWARD TIMELINE

Applications will be open August 1, 2022 at 10:00 AM MDT.

APPLICATION REVIEW PROCESS

1. DNRC will review all applications as they are received for completeness and eligibility.
    a. **INCOMPLETE APPLICATIONS** - DNRC will inform applicants with the reasoning and provide a list of missing information. Incomplete applications will not be reviewed for eligibility until the missing or correct information is provided.
    b. I**NELIGIBLE APPLICATIONS** - If DNRC determines an application is **ineligible**, it will inform the applicant with the reasoning and provide a list of those applications to the Infrastructure Advisory Commission.
2. **ELIGIBLE APPLICATIONS** will be certified by the DNRC as a "necessary investment in water and sewer infrastructure". DNRC will provide a list of applications to the Infrastructure Advisory Commission along with funding recommendations based on the date and time the **complete** application was received.
3. Preference will be given to projects that provide a **higher committed match rate,** HB *632 § 3*. The Infrastructure Advisory Commission recommended that projects with a higher match rate will be given priority in the instance of a "tie breaker" for eligible projects.
4. The Infrastructure Advisory Commission will review the lists of projects, certify them as "necessary investments in water and sewer infrastructure" and submit a list of recommended projects to the governor for consideration.
5. The governor reviews the recommendations of the Infrastructure Advisory Commission for compliance with ARPA and applicable guidance and determines awards.

ELIGIBILITY CRITERIA

_____(Pass/Fail) Eligible applicants –HB 632 Definition

_____(Pass/Fail) Eligible entities – ARPA (CWSRF)

_____(Pass/Fail) Eligible project:

- _____(Pass/Fail) Agricultural Irrigation Project (defined above)
- _____(Pass/Fail) Flood Response Project (defined above)
- _____(Pass/Fail) Water Quality Benefit (reduce nonpoint source pollutants)

_____(Pass/Fail) Local government pledges matching funds – HB 632 § 4

_____(Pass/Fail) Eligible project expenses fall within **March 3, 2021,** to **December 31, 2026.**

_____(Pass/Fail) Certification that the project is a necessary investment in water or sewer infrastructure as defined in ARPA and all applicable guidance.

_____(Pass/Fail) Certification that local government acknowledge and will comply with the health regulations as required in HB 632 § 28**.**

5. MINIMUM ALLOCATION GRANTS TO LOCAL GOVERNMENTS

HB 632 directs that **$150 million** of the coronavirus state fiscal recovery funds (ARPA § 602) must be used to provide **minimum allocation grants to local governments for water and sewer infrastructure projects eligible for funding under ARPA**. Minimum Allocation Grant funds may be used to fund eligible flood damage to irrigation infrastructure. *See Minimum Allocation Grants online at https://arpa-mtdnrc.hub.arcgis.com/ for more information*. **The deadline to apply for Minimum Allocation Grant funds is November 1, 2022.**

6. USE OF FUNDS

Recipients under the ARPA State and Local Fiscal Recovery Fund (SLFRF) program are the eligible entities identified in ARPA sections 602. The State of Montana is the recipient of these ARPA funds, grants awarded under these programs will be subawards. Subrecipients under the SLFRF program are entities that receive a subaward from a recipient to carry out the purposes (program or project) of the SLFRF award on behalf of the recipient.

Recipients may only use funds to cover costs incurred during the period beginning **March 3, 2021, through December 31, 2026**. Funds must be obligated by December 31, 2024. Any funds not obligated by December 31, 2024, must be returned to the Treasury. § 35.5.

7. ELIGIBLE PROJECT COSTS

A wide range of costs and expenditures associated with a construction project are eligible as part of a project budget. ARPA funds can pay for eligible costs on a reimbursement basis – i.e., the costs must have already been incurred beginning on March 3, 2021. Subrecipients must document eligible costs, typically through engineering cost reports, at the time that it requests reimbursement. Eligible costs include actual pre-construction (planning and design, including costs associated with obtaining project authorization) and construction costs that are directly associated with the project. Applicants may request project-specific administration funds, this can include costs for legal, accounting, audit, and staffing to comply with grant administration and reporting.

ADMINISTRATIVE COSTS

Recipients and subrecipients may use funds for administering the grants, including salaries and expenses for administration of the grant, costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. DNRC will permit only direct costs for reimbursement. Direct costs are those that are identified specifically as costs of implementing the SLFRF program objectives, such as contract support, materials, and supplies for a project.

AUDIT COSTS

Treasury's Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed, or not in accordance with 2 CFR Part

200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

8. INELIGIBLE PROJECT COSTS

The following tasks are ineligible for reimbursement:

- Activities outside of the scope of work including salaries/wages, travel, conferences, and other expenses not directly related to the project.
- Costs incurred outside eligible term.
- Routine maintenance and operation, as well as tasks that are programmatic in nature.
- Routine compliance monitoring expenses.
- Indirect costs (for example, facilities or overhead).
- Prepay anticipated costs of future activity.
- Costs paid for with loan funds.

FUND RESTRICTIONS

A recipient may not use funds for deposit into any pension fund. § 35.7.

A State or local government shall not use funds to either directly or indirectly offset a reduction in the net tax revenue of the State or local government resulting from a covered change during the covered period. § 35.8

A recipient may not use funds to pay interest or principal on any outstanding debts, sort-term revenue or tax anticipation notes, or fees or issuance costs associated with the issuance of new debt. Additionally, replenishing financial reserves (e.g., rainy day or other reserve funds) would not be allowed, since such expenses do not directly relate to the provision of government services. 86 FR 26786 Section C.

9. WHAT IS MATCH?

ELIGIBLE MATCH

HB 632 § 2 and § 3 requires that local governments pledge matching funds* to be eligible for water and sewer grants. The bill did not specify or exclude sources of fund sources eligible as match. Matching contributions may be in the form of in-kind services or cash from local, state, or federal sources. However, all contributions must be targeted for expenditure on the project specifically identified in the application.

Prior to March 3, 2021, if an applicant has already completed planning and design for a project when they apply for the grant, those actual costs directly associated with the project may be considered as match. Those funds must be substantiated by accounting records and costs that would normally be considered eligible as meeting program requirements.

Eligible in-kind contributions are those project-specific contributions associated directly with project implementation. If your budget includes in-kind labor, always reference the source for your labor value estimate. It may be helpful to use the U.S. Bureau of Labor Statistics website to estimate labor values for Montana: https://www.bls.gov/oes/current/oes_mt.htm

***NEW –** local governments must pledge **COMMITTED** matching to be eligible for ARPA Water & Sewer Infrastructure grants. Committed match must be included in Table 1 – Project Funding Package as "Funds Committed" and be supported by the appropriate documentation. Documentation must include the exact dollar amount specified in Table 1 and cite the source of funds. Documentation required for committed match:

1. Grants and Other Government Appropriated Funds –Applicant must provide a letter of commitment from the funding agency/entity documenting the amount of funding that has been approved or appropriated and indicating when funds will be available.
2. Non-Grant or Loan Funds - Applicant must provide a letter/proof of commitment from the organization committing funds. The proof of commitment should include the name of organization/individual committing funds, the amount of funds, when funds will be available, and any restrictions on the funds.
3. Applicant Organization Funds (Local Government Funds) – Applicant must demonstrate commitment of funds through meeting minutes, statement from an authorized official (e.g., mayor, commission chair), financial report/statement, etc.
4. State Revolving Fund Loan – Applicant must provide "Commitment Agreement" or "Letter of Approval for State Revolving Fund Loan Program In lieu of Commitment Agreement", adopted by Resolution or a successful certified debt election for SRF Loans.
5. USDA Rural Development Loan - Applicants must provide a copy of "Letter of Conditions" from USDA RD, a "Letter of Intent to Meet Conditions" signed and returned to USDA RD and a "Request for Obligation of Funds".

INELIGIBLE MATCH

Applicants may not use costs associated with regular operation and maintenance costs as match nor can they claim routine compliance monitoring expenses as matching funds. Limited monitoring to demonstrate the performance of newly installed equipment may be considered match.

10. COMPLIANCE WITH APPLICABLE LAWS.

A recipient must comply with all other applicable federal statutes, regulations, and Executive Orders, and a recipient shall provide for compliance with ARPA, this subpart, and any interpretive guidance by other parties in any agreements it enters with other parties relating to these funds. 31 CFR 35, § 35.9.

PROCUREMENT

Recipients are responsible for ensuring that any procurement using ARPA funds, or payments under procurement contracts using such funds are consistent with the procurement standards set forth in the Uniform Guidance at 2 CFR 200.317 through 2 CFR 200.327, as applicable. The Uniform Guidance establishes in 2 CFR 200.319 that all procurement transactions for property or services must be conducted in a manner providing full and open competition, consistent with standards outlined in 2 CFR 200.320, which allows for non-competitive procurements only in circumstances where at least one of the conditions below is true: the item is below the micro-purchase threshold; the item is only available from a single source; the public exigency or

emergency will not permit a delay from publicizing a competitive solicitation; or after solicitation of a number of sources, competition is determined inadequate. The Uniform Guidance requires an infrastructure for competitive bidding and contractor oversight, including maintaining written standards of conduct and prohibitions on dealing with suspended or debarred parties.

Montana's Procurement Act (Title 18, chapter 4, MCA) outlines the requirements and standards for procurement within the State of Montana and delegates authority to local governments to adopt procurement provisions.

Local governments are responsible for ensuring that local procurement provisions comply with the Montana Procurement Act as well as the Uniform Guidance.

FAIR LABOR

The interim federal rule projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions, not only to promote effective and efficient delivery of high-quality infrastructure projects but also to support the economic recovery through strong employment opportunities for workers. 86 FR 26786 Section II. D (hereinafter "Rule"). The Montana Prevailing Wage Law requires the prevailing wage rates established by the Montana Department of Labor & Industry be paid on public works contracts. Projects using ARPA funds will be required to comply with the Montana Prevailing Wage law. For projects over $10 million, recipients may report that all laborers and mechanics employed by contractors and subcontractors are paid wages at rates not less than those in the Davis-Bacon Act. U.S. Treasury SLFRF Compliance and Reporting Guidance Page 21.

MEPA/NEPA

The US Department of Treasury delegates to its recipients the legal authority to comply with either the National Environmental Policy Act or the Montana Environmental Policy Act (MEPA). MEPA requires state agencies to carry out its policies using a systematic, interdisciplinary analysis of state actions that have an impact on Montana's human environment. ARPA funded projects will need to comply with the requirements of MEPA.

A guide to MEPA is available here: https://leg.mt.gov/content/Committees/Interim/2019-2020/EQC/2019-mepa-handbook.pdf.

AUDIT

Subrecipients that expend more than $750,000 in Federal awards during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements. Subrecipients may also refer to the Office of Management and Budget (OMB) Compliance Supplements for audits of federal funds and related guidance and the Federal Audit Clearinghouse to see examples and single audit submissions. Rule at 26786 Section III.C.

RECOUPMENT

In general. Any amount used in violation of § 35.5, § 35.6, or § 35.7 may be identified at any time prior to December 31, 2026. Rule § 35.10.

REPORTING

SLFRF recipients that are pass-through entities as defined under 2 CFR 200.1 and are required to manage and monitor their subrecipients to ensure compliance with requirements of the SLFRF award pursuant to 2 CFR 200.332 regarding requirements for pass-through entities. U.S. Treasury SLFRF Compliance and Reporting Guidance.

The State of Montana is the recipient of the SLFRF, and that water and sewer grants subawards to a subrecipient, or local government. Compliance and reporting will be required and spelled out in the final subrecipient grant award.

Grant recipients will be required to submit quarterly project and expenditure reports, and annual recovery plan performance reports as well as final reports. DNRC requires grant applicants to describe what they intend to accomplish if selected to receive funding, outcomes to determine the effectiveness of proposals and state how they will achieve those outcomes. Reporting is required as part of the federal ARPA requirements and state level transparency. Failure to comply with reporting requirements may result in delays of reimbursement to recoupment of costs or canceling awards.

SAM.gov REQUIREMENTS

Subrecipients and third-party subrecipients are also required to have an active registration with the System for Award Management (SAM) (https://www.sam.gov).

RECORDKEEPING

Subrecipients must maintain records and financial documents for five years after all funds have been expended or returned to Treasury. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

Subrecipients must agree to provide or make available such records to DNRC and Treasury upon request, and to any authorized oversight body, including but not limited to the Government Accountability Office ("GAO"), Treasury's Office of Inspector General ("OIG"), and the Pandemic Relief Accountability Committee ("PRAC").

CIVIL RIGHTS COMPLIANCE

Civil Rights Compliance. Recipients of Federal financial assistance from the Treasury are required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

To carry out its enforcement responsibilities under Title VI of the Civil Rights Act, Treasury will collect and review information from recipients to ascertain their compliance with the applicable requirements before and after providing financial assistance. Treasury's implementing regulations, 31 CFR part 22, and the Department of Justice (DOJ) regulations, Coordination of Non-discrimination in Federally Assisted Programs, 28 CFR part 42, provide for the collection of data and information from recipients (see 28 CFR 42.406). Treasury may request that recipients submit data for post-award compliance reviews, including information such as a narrative describing their Title VI compliance status.

11. GRANT AWARDS

WATER AND SEWER INFRASTRUCTURE GRANT AWARDS

Successful applicants will be notified in writing of Water and Sewer Infrastructure grants and the requirements of the subrecipient.

SUBAWARD

The State of Montana is the recipient of the State and Local Fiscal Recovery Funds under ARPA, assistance listing number 21.027. The State of Montana under House Bill 632 created the Water and Sewer Infrastructure Grants. Grant awards are subawards provided by the pass-through entity (State of Montana) to a subrecipient for the subrecipient to carry out part of the Federal award. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. The subaward or grant agreement is a legal agreement that details the contractual obligations of both the subrecipient and pass-through entity as well as the federal award compliance and reporting requirements. Distribution of funds will be made as reimbursements for eligible expenses. Reimbursements may not be made until execution of the grant agreement by both parties.

SUBRECIPIENT

Entities that receive Water and Sewer Infrastructure Grants from the State of Montana are the "subrecipient", the non-Federal entity that receives a subaward to carry out part of a federal program.

THIRD-PARTY SUBRECIPIENT

Subrecipients may pass through Water and Sewer Infrastructure Grant funds to a third-party subrecipient to execute the goals of the approved project. Third-party subrecipient agreements with the subrecipient will be reviewed and approved by DNRC who is administering the Water and Sewer Infrastructure Grant funds for the State of Montana. The subrecipient relationship is not to be confused with a procurement relationship (contracted services). Contractors or vendors providing goods or services in exchange for payment and beneficiaries participating in and benefitting from the federally funded program are NOT eligible third-party subrecipients. Additionally, third-party subrecipients must have the technical, managerial, and financial capability to ensure compliance with the ARPA and associated state and federal requirements.

STARTUP CONDITIONS

Subrecipients of ARPA Water and Sewer Infrastructure grant funds are responsible for administering their projects in accordance with all applicable state and federal statutory and regulatory requirements. Subrecipient must complete several activities before DNRC can prepare the subrecipient's grant agreement.

a. Final Health Regulations Certification Form
b. Final Budget
c. Final Scope
d. Final Schedule
e. Commitment of Matching Funds
f. Grant Management Plan
g. MEPA Checklist
h. Active SAM.gov Registration

Note for third-party subrecipients: DNRC's subrecipient organization is the entity identified on the ARPA award letter (to which the letter is addressed). DNRC's subrecipient is responsible for compiling and submitting the ARPA Start-Up Conditions even if prepared by the third-party subrecipient.

If a project fails to meet startup conditions or DNRC determines that a project cannot be completed, DNRC may recommend to the Governor that a different project be authorized as provided for in HB 632 § 3(8).

RISK ASSESSMENT

In accordance with 2CFR 200.332, any agency managing federal grant funds shall conduct a risk assessment of all federal funding subrecipients and verify each subrecipient's status regarding single audit and executive compensation requirements. DNRC will evaluate each program/project using the subrecipient's responses to the Subrecipient Survey Form, as well as input from DNRC staff who have worked with the subrecipient, to determine a risk level of High, Medium, or Low. DNRC may require "High Risk" subrecipients to make operational changes including management, accounting, or other procedures to ensure compliance with federal statutes, regulations, and the terms and conditions of the subaward. This may extend to third-party subrecipients.

12. HOW TO APPLY

Applications are available through Submittable at grants.dnrc.mt.gov. To begin, create or login to your account. From here you can create a new application, edit an existing application, apply, and check on the status of an application.

IMPORTANT! You can only work on one application at a time in Submittable! You can download the Application Worksheet to complete the application "offline" and when it is ready, open up submittable, enter the information and "Submit". You can also add collaborators to work on your application with you.

IMPORTANT! *Communication between the DNRC and the applicant goes through Submittable. It is **REQUIRED** that the local government hold the primary Submittable account and add "Collaborators" to the application to view and edit the application. Help with adding "Collaborators".*

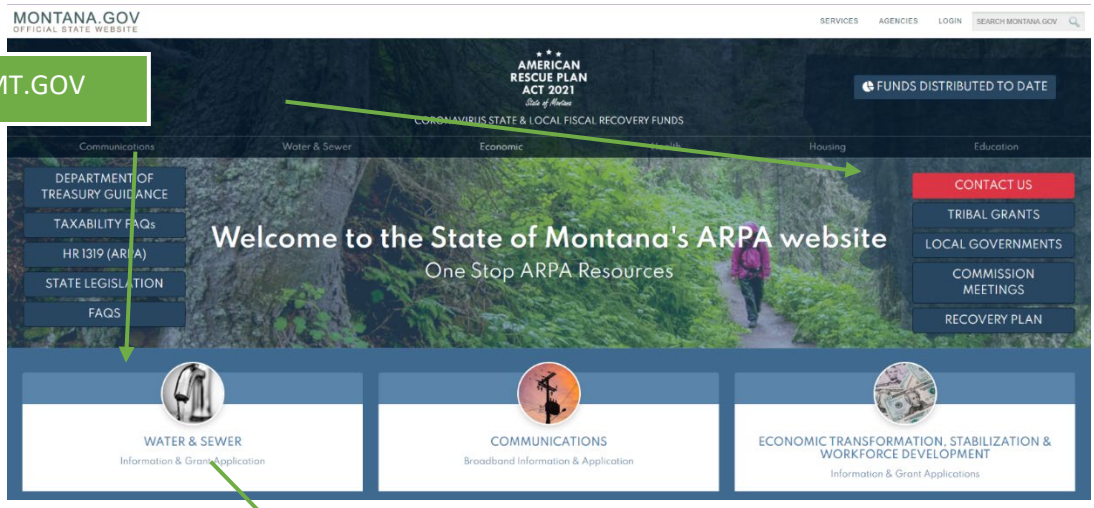
Once you submit your application in Submittable, you will receive a confirmation email. If you do not receive this email, it may mean that your application was not submitted. Make sure to check your Submittable account to verify that the application was submitted. **Applicants may have to check spam or junk mail folders.**

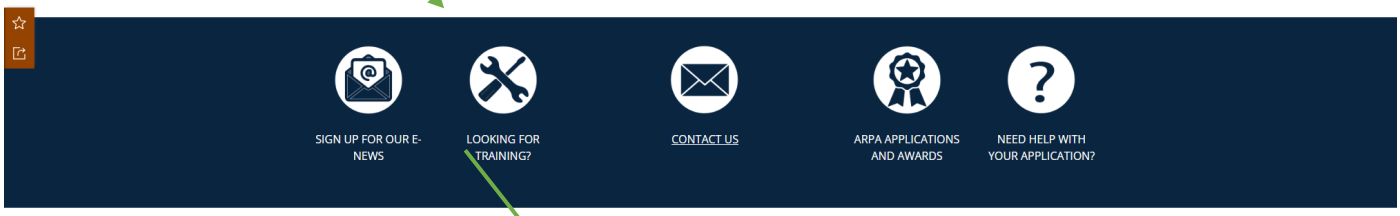
Resources from Submittable:

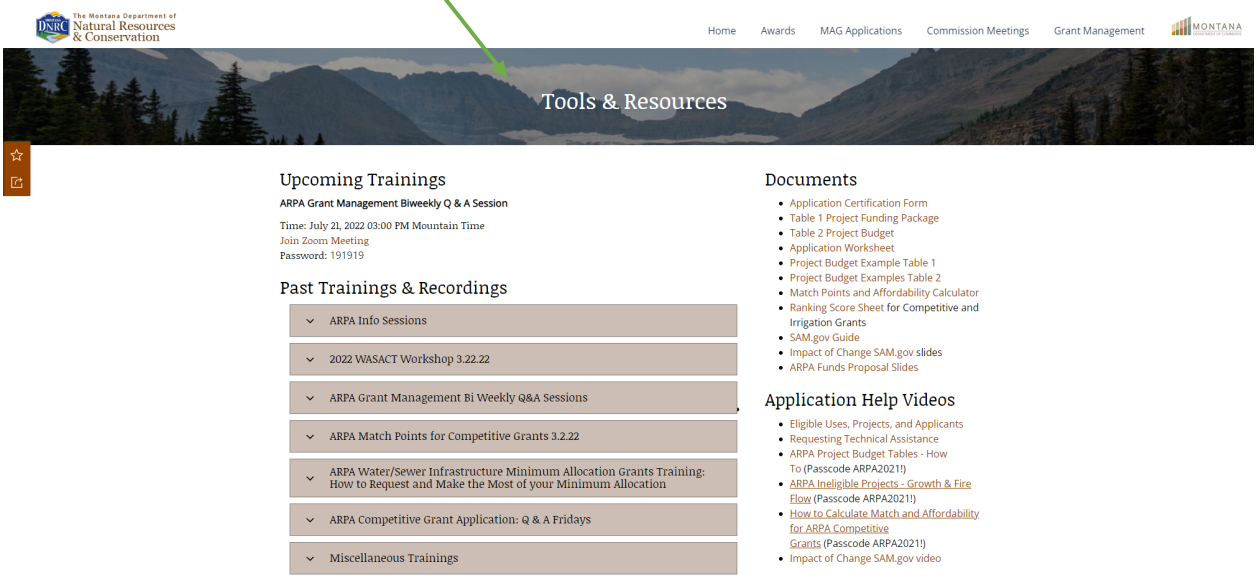
- Help Articles for Submitters
- Getting Started as a Submitter (video)
- Need HELP accessing your account? Contact Submittable.
- Requesting an edit on your submission.

HELP!

ARPA.MT.GOV







APPENDIX A - FLOOD RESPONSE IRRIGATION GRANT APPLICATION WORKSHEET & INSTRUCTIONS

Recognizing that agriculture is an important part of Montana's economy and has its own infrastructure needs, the Infrastructure Advisory Commission voted to designate $10 million of Competitive Grant funds for agricultural irrigation projects. This ARPA program will help improve Montana's irrigation infrastructure while providing water quality benefits. The Infrastructure Advisory Commission approved $8,799,153 in ARPA Irrigation Grants and Governor Gianforte concurred with that recommendation, awarding those projects ARPA grant funds.

The Infrastructure Advisory Commission voted to recommend to the Governor that the remaining $1,200,847 of the Irrigation Grant funds be designated to assisting irrigation systems damaged by flooding in 2022.

- √ Grants will be limited to $250,000 per project.
- √ DNRC will review projects for completeness an eligibility. Eligible projects will be certified and presented to the Infrastructure Advisory Commission on a "first come first serve" basis. Incomplete applications will be returned to the applicant as quickly as possible for edits.
- √ Match is required (HB 632) and match rate will be considered as a "tie breaker" for eligible projects.

INSTRUCTIONS

Download and print the Application Guidelines (link) to help you complete this form. Other helpful tools and resources are available online (https://arpa-mtdnrc.hub.arcgis.com/pages/tools-resources).

If you need help applying for water and sewer grant funds request "water and sewer grant application assistance" using our service portal (https://montana.servicenowservices.com/arpa). It will connect you with Department Of Commerce Technical Assistance Staff.

"*" indicated REQUIRED FIELD

TIP! An applicant (Submittable Account Holder) can only have one draft application open at one time. As soon as you hit submit, it will allow you to start a second draft. DNRC recommends you download the blank application to work "offline" to prevent delays with draft applications in Submittable.

LOCAL GOVERNMENTS MAY SUBMIT APPLICATIONS FOR MULTIPLE PROJECTS.

Project Title *

The project name MUST include the name of the local government applying for the project AND a description of the project. Please do not abbreviate.

Examples: Carbon County Rock Creek Irrigation Ditch Repair or Hysham Irrigation District Headgate Replacement Project.

APPLICANT INFORMATION

Applicant - Local Government Entity *

Enter the name of the local government applying for the grant. Limit: 20 words

- For a county, use the full county name: Lewis and Clark County.
- For cities and towns, use Fort Benton, or Great Falls. DO NOT use Town of … or City of…
- For other local government entities, use the FULL legally registered name of the entity as registered with the Secretary of State (https://biz.sosmt.gov/).

Example: Elliston Elementary School District, Valley County Conservation District, Greenfields Irrigation District, Billings Bench Water Users Association, Dry-Redwater Regional Water Authority

FLOOD RESPONSE IRRIGATION GRANT APPLICATION WORKSHEET & INSTRUCTIONS

Local Government Definition - pick the appropriate entity type for your organization below *

*Select

Eligible entities are those defined in House Bill 632 Section 2. "Local government" means

- √ city,
- √ county,
- √ consolidated city-county,
- √ school district, or other
- √ political subdivision or local government body of the state,
- √ Regional Water Authority (§ 75-6-304, MCA),
- √ water district,
- √ sewer district,
- √ irrigation district,
- √ water users' association,
- √ conservation district, or
- √ tribal government.

*Check **ONLY** if the project is owned by the State of Montana and managed by a state agency or affiliated state entity. State Capital Projects must work with Department of Administration prior to applying for the Competitive Grant Funds.*

☐ **Check if this is a State Capital Project eligible for Water and Sewer Infrastructure Grant Funds**

Authorized Person *

First Name

Last Name

Title of Authorized Person *

DNRC requires that the certification form be signed by an authorized representative of the local government entity.

Example: mayor, county commissioner, board chair, district supervisor, etc.).

These forms **CANNOT** be signed by a different representative (for example the City Manager or Town Clerk), even if that representative has signing authority within the local government. This is because DNRC has no way of knowing who has signing authority within the local government entity.

Additionally, DNRC needs to be confident that the authorized signatory can enter into a grant agreement in the future should the application be successful. Please include the title of the authorized representative on all signature forms.

Failure to meet this requirement will result in delays for review and approval of your grant application.

Applicant Mailing Address *

Applicant Mailing Address City *

Applicant Mailing Address State (two-letter state abbreviation) *

Applicant Mailing Address Zip Code *

Authorized Person Phone Number *

Authorized Person Email Address *

CERTIFICATION*

- √ Download the Application Certification Form (link)
- √ Sign, Date, Title
- √ Scan and Save to your local computer
- √ Upload Signed Application Certification Form *

Choose File

MUST be signed by the person authorized to enter into a grant agreement with the State of Montana. ***BE SURE TO INCLUDE THE TITLE OF THE SIGNER.***

Project Contact Person *

First Name

Last Name

Person to contact with questions about the proposed project. Must be knowledgeable about the project.

Mailing Address *

Mailing Address City *

Mailing Address State (two-letter state abbreviation) *

Mailing Address Zip Code *

Phone Number *

Email Address *

Engineering Firm Contact (if applicable)

First Name

Last Name

Engineering Firm

Mailing Address

Mailing Address City

Mailing Address State (two-letter state abbreviation)

Mailing Address Zip Code

Phone Number

Email Address

PROJECT DESCRIPTION

Name of System*

If local government is applying for grant funds for an eligible entity, please include the name of that entity or beneficiary. Name of System can be the same name as the applicant.

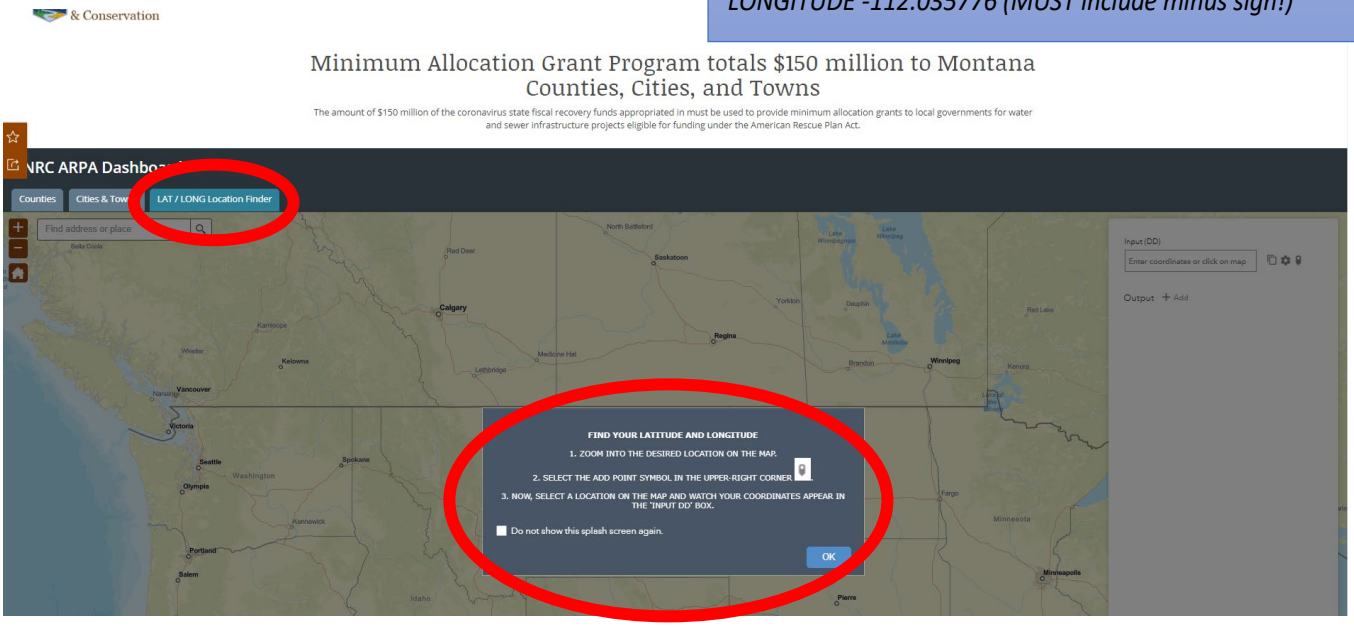
Example: Carbon County is applying for funds for Big Ditch Company, the name of the system is "Big Ditch Company" if Stillwater Irrigation District is applying for the funds on behalf of themselves the name of the system is "Stillwater Irrigation District"

Project Location

Project Location - Latitude *

Project Location - Longitude *

Use DNRC's Minimum Allocation Dashboard (https://arpa-mtdnrc.hub.arcgis.com/pages/minimum-allocation-dashboard) LAT/LONG Location Finder tool.
Provide Decimal degrees in format.
Example:
LATITUDE 46.587956
LONGITUDE -112.035776 (MUST include minus sign!)



Project Location (County) *

DROPDOWN - Select the County which the project activities will primarily occur.

WHAT IS THE NEED FOR THE PROJECT?

Please answer the questions the best of your ability. These questions will help to define need and urgency for the PROBLEM SUMMARY.

Will grant funds help repair or replace irrigation infrastructure damaged during the 2022 floods? *

◯ Yes ◯ No

Which stream or river flooded causing the damage to the infrastructure? *

Limit 200 Words.

What date or dates did the damage occur? *

Limit 200 Words.

What are the projected losses in crops due to the damaged irrigation systems?

Limit 200 Words. Not Required.

What is the total dollar amount of damages to the irrigation infrastructure (estimated)?

Limit 200 Words. Not Required.

List the names and contacts for any Federal, State or Local governments providing technical or financial assistance for this flood recovery project. (Not required)

Limit 200 Words. Not Required.

This could include, County, Conservation District, NRCS, FEMA, State Agencies.

Does this project support agricultural irrigation? *

◯ Yes ◯ No

Agricultural irrigation is the conveyance of water specifically for agricultural cropland including pasture, hay, and grass. This does not include off-site livestock watering.

PLEASE NOTE: Rehabilitation of dams and reservoirs is NOT eligible for grant funds.

What is the total acreage of the irrigated area affected by this project? *

Limit 200 Words.

What agricultural crops are grown in the irrigated area? *

Limit 200 Words.

Please describe the number of acres or farms and the crops that are served by the irrigation infrastructure that was damaged in the floods. These answers help provide context to the severity of the problem.

PROBLEM SUMMARY *

Limit 1000 Words.

What is the need for the project?

This short narrative summary will be used to summarize the severity of the problem to agencies, legislators, the Governor, and the public.

REQUIRED: THIS PROBLEM SUMMARY MUST INCLUDE THE DAMAGE TO THE IRRIGATION SYSTEM THAT OCCURRED DURING THE 2022 FLOODING EVENTS.

PROJECT GOALS, OBJECTIVES & EFFECTIVENESS

House Bill 632 Section 27 requires applicants to clearly define the project outcomes, how they will achieve those outcomes, and how they will measure the effectiveness of their project.

Project Goal *

Limit 200 Words.

A project goal is a SHORT overarching statement of what a project should achieve.

Example: Replace flood damaged irrigation infrastructure to provide irrigation water to crops AND REDUCE EROSION AND SEDIMENT TO ROCK CREEK.

Project Objectives *

Limit 200 Words.

The objectives are the tangible **DELIVERABLES** necessary to achieve the goal. There can be multiple objectives.

Example: Replace two headgates, reshape, and revegetate the canal and restore 500 feet of streambank.

Project Effectiveness *

Limit 200 Words.

Include **MEASUREMENTS** for each objective specified above. The project effectiveness statement should clearly state how each objective will be measured using qualitative or quantitative metrics.

Example: Two old headgates removed; two fancy headgates installed with water measuring devices. Canal conveys water without further eroding the canal walls. Streambank is stabilized and re-vegetated to reduce further bank failure.

Project Summary *

Limit 1,000 Words.

The Project Summary should **CLEARLY IDENTIFY THE STEPS** to implement the project and clearly state how the project will solve the problem specified above. This can be a bulleted list!

Examples: The Big Ditch Headgate Replacement Project includes finalizing the engineering design and obtaining necessary permits. The damaged headgate will be removed and replaced with a new fancy headgate. The fancy new headgate will be relocated, and the grade set to minimize erosion of the intake channel. The area disturbed by the flooding and headgate project will be recontoured, stabilized with erosion mat and revegetated. The new headgate will be equipped with a water flow measuring device to allow remote monitoring and control of the headgate operation. The project will restore irrigation water to the 10 farms on the Big Ditch System and reduce erosion to Big Creek.

The Little Ditch main canal will be reshaped, the impermeable liner will be replaced, and disturbed areas will be revegetated with a native seed mix. Two culverts along the canal will be replaced with larger culverts set appropriately to reduce erosion. Fencing will be constructed along the canal to prevent livestock from trampling the project to ensure successful revegetation. Little Dich canal will be able to provide irrigation water to 900 acres and reducing erosion in the canal will improve water quality in Little Creek.

PROJECT ELIGIBILITY

Please answer the questions below to the best of your ability. These questions will help to clarify the eligibility for ARPA funds. Projects that do not reduce NONPOINT SOURCE POLLUTION* (sediment, nutrients, temperature, salinity) to surface water or groundwater are NOT eligible for ARPA funding.

Will this project reduce erosion and sediment in a river, stream, or lake? *

◯ Yes ◯ No

Which water body or bodies - river, stream, or lake - will receive the direct benefit from the project? *

Limit 200 Words.

Please list the source water or receiving water body that will have the direct benefit from the project.

How will the project improve water quality in rivers, lakes, or streams in the long term? *

Choose one or more options that best describe the project.

- ☐ IRRIGATION DIVERSION MAINTENANCE OR REPLACEMENT - Irrigation diversion maintenance or replacement will allow irrigators to better manage water delivery to crops and reducing over watering which can lead to erosion of fields. Erosion caused by over watering leads to sedimentation of surface water bodies. Irrigation diversion structures should include water measuring devices to allow for real-time management of water flows.
- ☐ IRRIGATION CANAL CONVERSION Adding or repairing an impermeable liner to an unlined irrigation canal or replacing an irrigation canal with an underground pipe can improve water quality by: 1) a reduction in water removal from a stream or lake, maintaining in-stream flows which improve temperature conditions; 2) prevention of irrigation-induced saline seeps that contribute salts to surface water; 3) a reduction in the temperature of irrigation return flows; 4) a reduction in irrigation induced sediment pollution by reducing erosion of the canals or conveyances.
- ☐ IRRIGATION TAILWATER CONTROL Structures, vegetation, or managerial controls designed to prevent sediment, nutrient, or temperature pollution from irrigation tailwater. These practices may include, but are not limited to: wasteway rehabilitation, tailwater capture and reuse, settling basins, remotely controlled headgates, or revegetation of tailwater-induced erosional features. Riparian buffer - A strip of perennial vegetation located adjacent to and up-gradient from a waterbody. The strip must be designed to reduce nonpoint source pollution (sediment and erosion). Buffer width, slope, species composition and target pollutants must be considered in the design.
- ☐ CANAL REPAIR/REVEGETATION A shaped or graded channel that is permanently vegetated and is designed to convey water at a nonerosive velocity to a stable outlet. The vegetation in the channel must be capable of withstanding periodic inundation, as well as the reasonably expected erosive forces associated with foreseeable flow events. Establishing permanent vegetative cover to prevent soil erosion. Where appropriate, revegetation efforts should focus on establishing native vegetation communities matched to site-specific resource goals and conditions.
- ☐ OTHER - Describe below.

*WHAT IS NONPOINT SOURCE POLLUTION? Nonpoint source pollution generally results from precipitation, land runoff, infiltration, drainage, seepage, hydrologic modification, or atmospheric deposition. As runoff from rainfall or snowmelt moves, it picks up and transports natural pollutants and pollutants resulting from human activity, ultimately depositing them into rivers, lakes, wetlands, coastal waters, and ground water. Technically, the term nonpoint source is defined to mean any source of water pollution that does not meet the legal definition of point source in Section 502(14) of the Clean Water Act of 1987. (EPA)

Describe the erosion/sediment control measures planned for construction. (Choose one or more) *

Eligible projects MUST incorporate best management practices during construction.

- ☐ Schedule construction during low water and drier seasons.
- ☐ Divert stormwater away from disturbed or exposed areas of the construction site.
- ☐ Install silt fences or straw waddles, vehicle mud removal areas, vegetative cover, and other sediment and erosion controls and properly maintain them, especially after rainstorms.
- ☐ Prevent soil erosion by minimizing disturbed areas during construction projects, and seed and mulch bare areas as soon as possible.
- ☐ OTHER - Describe below.

These are not required but may be part of the project and will provide additional benefits to water quality over the short term or long term.

Describe any other erosion/sediment control practices that will be included in the project? (Choose one or more)

- ☐ Fencing or keeping livestock away from stream banks and provide them a water source away from waterbodies.
- ☐ Construct water gaps to limit animal access to waterways reducing stream bank trampling, erosion, and sediment.
- ☐ Vegetate riparian areas along waterways.
- ☐ Planting, protecting, or reestablishing permanent vegetative cover in riparian or upland areas to reduce erosion. Practice may include, but is not limited to seeding, sprigging, shrub planting, fencing to protect emerging or fragile vegetation, willow lifts, sod mats, overseeding, nonnative plant removal, native plant reintroduction, riparian buffer creation, and replacement of annual plants with perennial vegetation.
- ☐ Culvert replacement or removal to reduce erosion/sedimentation.
- ☐ Removing roads from the floodplain, revegetating areas to reduce erosion or resurfacing/repairing roads to reduce erosion.
- ☐ OTHER - Describe below

Describe the OTHER water quality benefits that were not captured above. *

Limit 200 Words.

If you select “OTHER” in any of the earlier three questions, you will be asked to provide a justification of how the project will benefit water quality, incorporate best management practices into construction or have other erosion or sediment control practices.

Does the proposed project have benefits in addition to water quality protection such as promoting fish or wildlife habitat? *

◯ Yes ◯ No

Describe the project benefits (other than water quality protection) such as promoting wildlife habitat. *

Limit 200 Words.

These are not required but may be part of the project and will provide additional benefits to water quality over the short term or long term.

Example: Fish screens will be included in the system when the diversion structure is replaced.

Project Map and Photos *

Choose File

Attach and upload photos of infrastructure to be improved, aerial photo, and map of project area.

Photos must include:

- Close up project photo pre and post flood damage, and
- Aerial photo of project area. Aerial photo can be obtained using Google Earth (https://earth.google.com/) and must identify project location.

Map of project area. The map must clearly outline area that will be impacted by project work and identify the source and receiving water bodies.

PROJECT SCHEDULE

Projects advance through important major milestones. DNRC can only certify projects that are feasible within the ARPA timeframes set in the Final Rule. Failure to fill out the project schedule may result in a project being determined to be INELIGIBLE

Important Notes!

- **Engineering Procurement & Bid Process** - Federal funds require procurement of contracted services. Please be sure to budget adequate time to procure engineering services, goods and materials and construction.
- **Plan Review & Approval** - Certain projects require agency plan review and approval. Please be sure to budget adequate time for agency review and approval of final designs, plans and specifications and draft bid documents.
- **Permits** – Grant recipients are required to obtain all necessary permits, licenses, or authorizations prior to reimbursement for any work on the project. If you are planning to do work on or near a waterway in Montana, one or several permits may be required. For detailed instructions on stream permitting please read the Stream Permitting (http://dnrc.mt.gov/divisions/cardd/conservation-districts/the-310-law/StreamPermittingBinderBook2020.pdf) Book. Please be sure to budget adequate time to obtain any permits required for work.
- **Right of Way, Land Purchases, Site Title Opinion** - it is the responsibility of the grant recipient to document easements or right-of-way to any infrastructure funded with state or federal funds. Please be sure to budget adequate time to obtain a Site Title Opinion, Right of Ways, or Easements.
- **MEPA/NEPA** - It is the recipient's responsibility to comply with MEPA Title 75, Chapter 1, MCA and to provide all required information to DNRC related to MEPA decisions. DNRC's subrecipient must complete and submit this MEPA Checklist to meet Start-Up Conditions. DNRC's MEPA decision MUST be in place before a project goes to construction. Please be sure to budget adequate time to complete the MEPA Checklist.
- **Water Rights** - DNRC cannot fund a project that would violate the Montana Water Use Act. Title 85, chapter 2, MCA. Water Rights in Montana (http://leg.mt.gov/content/Publications/Environmental/2018-water-rights-handbook-final.pdf). Water rights must be finalized or changes to water rights must be finalized before project construction can begin. Please be sure to budget adequate time to finalize any changes to water rights associated with the project.

◯ **I certify that funds from this grant can be obligated (under contract) before December 31, 2024, and all work authorized with these grant funds can be completed before December 31, 2026.** *

Eligible Costs Timeframe. ARPA funds can cover eligible costs incurred during the period that begins on March 3, 2021, and ends on December 31, 2024, if the award funds for the obligations incurred by December 31, 2024, are expended by December 31, 2026.

Project Implementation Schedule *

Choose File

- √ Download the Project Implementation Schedule (http://dnrc.mt.gov/divisions/cardd/docs/arpa/grant-management/04-project-schedule_rev-07-2022_fillable.pdf) and save to your computer or local drive.
- √ Indicate if the milestone is applicable to the project and fill in the ACTUAL or APPROXIMATE dates.
- √ Save the document to your computer.
- √ Upload the completed Project Implementation Schedule here.

LEVEL OF READINESS *

- ☐ Engineering Procurement Completed and Contracted
- ☐ Preliminary Engineering Report or Technical Memo
- ☐ Final Design (Bid Document)
- ☐ Project Permits Finalized
- ☐ Right of Way, Land Purchases, Site Title Complete
- ☐ MEPA/NEPA Complete
- ☐ Project Bid Complete (Construction Project Under Contract)
- ☐ Construction Start
- ☐ Construction Complete
- ☐ None

Check all milestones that have been completed.

Upload any documents (milestones) that are checked as "COMPLETED" in "LEVEL OF READINESS" List above.

NOT REQUIRED if you select "None" from the list above.

LEVEL OF READINESS - Upload Documents *

Choose File

Water Rights Status *

- ○ Existing water right(s) - no change needed.
- ○ Will need changes to existing water right(s)
- ○ Do not have water right(s)

DNRC cannot fund a project that would violate the Montana Water Use Act. Title 85, chapter 2, MCA. Water Rights in Montana.

Use the Water Rights Query System (http://wrqs.dnrc.mt.gov/default.aspx) to look up information on an existing water right.

DNRC's Water Rights Program has information on new or changes to existing water rights. http://dnrc.mt.gov/divisions/water/water-rights/new-appropriations-program

Please provide details on the status or outline the plan to change the existing water right(s). *

Limit 200 Words.

THIS QUESTION ONLY APPEARS IF YOU SELECT "Will need changes to the existing water right(s)".

Upload Water Rights Documentation *

Choose File

PROJECT BUDGET

MATCH FUNDING - GUIDELINES

Competitive Grants - preference may also be given to projects that provide a higher match rate (HB632).

For Flood Response Irrigation Grants - committed match rate (percent of the total project cost) will be used as a "tie breaker" between eligible projects.

WARNING!!!

Recipients **cannot** use ARPA funds to satisfy non-federal matching requirements for other Federal programs whose statute or regulations bar the use of Federal funds to meet matching requirements.

Project Funding Package: Table 1

- √ Download Table 1: Project Funding Package Budget Table (http://dnrc.mt.gov/divisions/cardd/docs/arpa/arpa-website-documents/arpa-budget-with-instructions-and-example-9-26-21.pdf);
- √ Save table to your computer or local drive.
- √ Complete the Funding Package Budget Table 1.
  - Modify the budget line items and columns to best reflect the specific project details.
  - Include grant funds requested, as well as secured and potential funding sources.
  - For unsecured funds, include submittal date(s) of application(s) submitted and the status of all funding applications in the budget table; and
- √ Upload completed table below.

Detailed Project Budget: Table 2

- √ Download Table 2: Detailed Project Budget Table (https://repos.dnrc.mt.gov/esri/hub/arpa/assets/Table2ProjectBudget_UPDATED.xlsx).
- √ Save table to your computer or local drive.
- √ Complete the Project Budget Table 2.
  - Modify the budget line items and columns to best reflect the specific project details.
  - Provide an estimated project budget, include administrative costs including legal, land acquisition and audit costs; engineering and construction related costs. Indicate costs that have already been spent on the project; and
- √ Upload completed table below.

Upload Project Budget Tables *

Choose File

DO YOU NEED HELP? Check out Tools & Resources for Examples and Training Videos. https://arpa-mtdnrc.hub.arcgis.com/pages/tools-resources

**Committed Funds - Upload Commitment Letter(s) *

Choose File

For COMMITTED funding sources you must provide supporting documentation.

Examples: signed award letters, meeting minutes or resolutions, approved budget showing commitment of in-kind match.

Budget Narrative *

Choose File

THIS IS VERY IMPORTANT - TAKE TIME TO SHOW YOUR MATH.

A budget narrative explains or justifies the estimated costs by line item in the budget (Table 2). Explain the **need for each item**, how it is necessary for the project, and how the **cost estimation** was determined.

! **NARRATIVES SHOULD BE WRITTEN IS SUCH A WAY THAT SOMEONE NOT SPECIFICALLY FAMILIAR WITH THE PROJECT CAN UNDERSTAND THE RATIONALE, PURPOSE AND CALCULATION OF THE ANTICIPATED COSTS IDENTIFIED**.

ADMINISTRATION: Enter a description of the itemized personnel (staff) costs requested - include the labor costs of the organization's staff assigned to the project, and not those of contractors or other third parties. Provide a brief explanation of the work to be completed by each position budgeted for the project and how the work of each budgeted position will support the purpose and goals of the overall project. Enter a description of each budgeted cost item under Administration such as legal, audit or accounting services.

EQUIPMENT, MATERIALS & SUPPLIES: Describe and itemize the equipment requested for purchase, the intended purpose of each item, and how the estimated costs were determined. These costs should only include the costs to purchase new equipment needed.

CONTRACTUAL SERVICES: Explain the need for each agreement and how their use will support the purpose and goals of the project. For each service, describe the associated activities, scope of work or services to be provided and how the costs were estimated. If budgeting for a procurement action, document if a solicitation process has occurred. Example: Engineering services for preliminary engineering, final design, or construction oversight.

CONSTRUCTION: If the narrative references an Engineer's Cost Estimate included in a PER or Tech Memo, please ensure that is attached to an application and has been adjusted for inflation. In other words, how has the construction estimate in a 2012 PER been updated for the budget numbers included in this application. If there is not an Engineer's Cost Estimate to reference, a construction cost estimate must be prepared that details the major line items, estimated quantity, unit costs and total cost per item. The narrative should detail how those unit costs were estimated.

Flood Response Irrigation Grant Requested *

$

Total Match *

$

Total Project Cost *

$

Flood Response Irrigation Grants - $250,000 per project max.

Total Match - Enter the total match funding from all other sources.

- √ CHECK YOUR MATH
- √ CHECK THE BUDGET TABLES
- ⊗ MATH ERRORS CAN LEAD TO INCOMPLETE OR INELIGIBLE APPLICATIONS

$ Total Project Cost = $ Flood Response Grant + $Total Match

Supplemental Information

Choose File

Not required.

Please attach any additional information about the project that may be useful to reviewers and that was not attached above.

Examples: news articles or letters of support

Compliance with Applicable Federal Law and Regulations

American Rescue Plan Act (ARPA) Water & Sewer Grants are sub-award through House Bill 632. These funds are a sub-award of the ARPA funding provided to the State of Montana under Assistance Listing Number (ALN) (formerly known as CFDA) 21.027 and are contingent upon activities within the project meeting ARPA eligibility and all applicable guidance.

Awards under ARPA will be subject to the federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to Awards and subject to such exceptions as may be otherwise provided by Treasury. The Audit Requirements of the Uniform Guidance, including implementing the Single Audit Act, apply to any ARPA awards.

Please see Treasury's guidance (https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf) for more detailed information on reporting and auditing requirements.

By applying for ARPA Water & Sewer Grants the applicant acknowledges that all awards will be subject to the requirements of section 602 of the American Rescue Plan Act (ARPA), regulations adopted by Treasury pursuant to 602(f) of the Act, guidance issued by Treasury and Uniform Guidance for Federal Awards, 2 C.F.R. Part 200.

- ○ **I acknowledge that an active registration in SAM.gov is required to receive federal funds through a sub-award.** *
- ○ **I acknowledge that an active registration in SAM.gov is required for third party subrecipients to receive federal funds through a sub-award.** *

IMPORTANT! This federal requirement may be **SLOW!** An active SAM.gov registration is not required at the time of application – HOWEVER – DNRC may not enter into an agreement or make reimbursements until this process is completed.

Subrecipients at all tiers of the federal award process are subject to the Universal Identifier and System for Award Management (SAM), 2 C.F.R. part 25. Once an application is submitted, DNRC will send the applicant an additional form requesting SAM.gov registration confirmation. Awards will be contingent upon confirmation of an active registration in SAM.gov. (https://sam.gov/content/entity-registration)

If the DNRC Subrecipient awards/passes any of its ARPA funds to another entity to do programmatic work, that entity is considered a Third-Party Subrecipient and the DNRC Subrecipient is considered a Pass-Through Subrecipient. An active SAM.gov registration is required the Third-Party Subrecipient.

Universal Entity ID (UEI)

Limit 25 characters

Please enter the applicant's and if applicable third party's UEI. The Unique Entity ID is a 12-character alphanumeric ID assigned to an entity by SAM.gov.

If applicant or third party does not have an active UEI registration, awards may be delayed until subrecipients of DNRC's ARPA funds (direct and third-party) obtain an active SAM.gov registration, including obtaining a Unique Entity Identifier (UEI) Number and SAM Cage Code, prior to receiving a subaward.

Follow this SAM.gov guide to learn how to search an entity. See Impact of Change SAM.gov video and Impact of Change SAM.gov slides for further information regarding SAM.gov.

Upload Active SAM.GOV Registration and UEI

Choose File

IF APPLICABLE. Please upload a copy of applicant and third party's UEI registration if available. This can be a screen shot of the SAM.GOV webpage. Must show expiration date.

○ **I acknowledge that federal grants require that this organization follow federal, state, and local procurement requirements.** *

All procurement transactions for property or services must be conducted in a manner providing **full and open competition**, consistent with standards outlined in 2 CFR 200.320. **Your organization must ensure adherence to all applicable local, State, and federal procurement laws and regulations**.

BEFORE YOU SUBMIT

Please Note: *The verification of receipt will only go to the email address associated with the person that registered for the Submittable account.*

Once you have completed your application, please click "Save" and "Submit".

SAVE DRAFT SUBMIT FORM

Can't Submit? Go back and look for missing information in the required fields "".*

No confirmation email? Please log in to your Submittable Account and verify the email address on the account and check your junk mail folder.

APPENDIX B – APPLICATION FORMS

APPENDIX C - ACRONYMS AND REFERENCES

U.S. Treasury Coronavirus State and Local Fiscal Recovery Funds

U.S. Treasury Final Rule

U.S. Treasury Interim Final Rule

U.S. Treasury Compliance and Reporting Guidance – State and Local Fiscal Recovery Funds

Overview of Clean Water State Revolving Fund Eligibilities

House Bill 632

ARPA.mt.gov

grants.dnrc.mt.gov

MEPA Handbook

Department of Commerce Target Rate and Census Information

ARPA American Rescue Plan Act

CDBG Community Development Block Grants

Commerce Montana Department of Commerce

CWSRF Clean Water State Revolving Fund

DEQ Montana Department of Environmental Quality

DNRC Montana Department of Natural Resources and Conservation

DWSRF Drinking Water State Revolving Fund

MCA Montana Code Annotated

MCEP Montana Coal Endowment Program

RD Rural Development

RRGL Renewable Resource Grant and Loan Program

SLFRF State Local Fiscal Recovery Funds

TSEP Treasure State Endowment Program

USDA United States Department of Agriculture

WWTP Wastewater Treatment Plant