American Rescue Plan Act Rural Water Associations Infrastructure Grant Program

FAQ

July 6, 2022

Q: When will my water system be able to apply for a grant with the program?

A: It is anticipated that the application system will be available July 1, 2022, via a link on the agency's website: www.healthyms.com/ARPAwater

Q: Will I need to secure the services of a professional engineer to apply for an infrastructure grant?

A: No but having a consulting engineer will be highly beneficial in documenting the extent of need and establishing the cost of the proposed project(s).

Q: Are water districts or a special fund agencies of the state water systems eligible applicants for this funding?

A: Based on the legislative language passed in HB1421 of the Mississippi Legislature's 2022 Regular Session, those entities in the above question are not eligible.

Q: In the initial filing of program regulations nine different factors were included in the ranking process. Many of these factors may be difficult to quantify, but are still included such as economic development impact, prior funding efforts, or post construction asset management. Could these factors be eliminated altogether?

A: No. State law required the Department to consider all nine factors in its development of a ranking process. However, some adjustments were made to the weighting of those factors in the final regulations. See final regulations here: www.healthyms.com/ARPAwater.

Q: Item D. in the application ranking system details number of population served seems to favor the smallest and largest systems and penalize the mid-sized systems. Why isn't a cost-per-benefit ratio utilized instead?

A: Legislatively mandated criteria required population consideration. This also allows the Department to work towards addressing disadvantaged communities.

Q: Would the Department consider the addition of a "green" ranking category or give additional credit for projects considering "green" technology?

A: That was not an assigned criteria by the legislation. However, nothing prohibits "green" technology from being a part of any project seeking funding from the program.

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Q: How will procurement of professional services be handled within the grant program particularly as it relates to Professional Engineers?

A: It is anticipated that potential grant recipients will be able to avoid the most strenuous elements of the federal procurement requirements related to professional services if they use the Simplified Acquisition Threshold (SAT) as outlined in the Uniform Grant Guidance as publish by the federal Office of Management and Budget. The SAT is set a $250,000 of total project costs. In the event that the threshold is expected to be exceeded, a full procurement model process will need to be followed. As a reminder, eligible applicants cannot receive more than $2,500,000 in grant funding.

Q: Could a water association obtain grant funds to support an existing project funded through another entity? Would budget overruns be an eligible cost?

A: Yes, the grant program could be used to supplement an existing project in process. Budget overruns would also be an eligible cost provided those expenditures are in concurrence with program regulations.

Q: Is fire protection an eligible cost?

A: Similar to the Drinking Water State Revolving Loan Fund, projects primarily for growth or fire protection are not eligible. If appropriate planning and design includes reasonable growth, those projects can be evaluated.

Q: Would transite or cement pipe replacement be considered on ranking criteria?

A: Those materials could be an eligible cost for replacement as a part of a distribution project.

Q: What is the anticipated timeframe for final regulations and application opening? Also, what is the timeframe for first "round" of grant award (first grant cycle)?

A: Regulations are to be finalized by the 14th of June and adopted by the State Board of Health at their next board meeting. Systems will have the ability to apply for grant funding by July 1, 2022. We anticipate quarterly awards of grants to the systems of the state.

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Q: If an active project (i.e., SRF or RD) has been designed (but the engineer was not federally procured), can ARPA money be used for "completed" engineering services or just Construction Engineering and construction costs going forward?

A: We believe that in accordance with the previously mention SAT, federal procurement of professional services may not be necessary for the public water system. A system could elect to just seek funding for the construction phase of those projects.

Q: Can Water Associations hire a separate consultant such as the local Planning & Development Districts to administer their projects, much like they do for the CDBG Program, and would their fees be allowable to be paid from the ARPA funds?

A: Yes, that could be an option for them to pursue.

Q: Will there be an initial application (Ranking Form) before the full application to determine if the project is eligible?

A: No, the application will include the ranking process.

Q: If an association is hoping to address multiple projects, (for example water-tower repairs, as well as well pump updates,) should these be submitted separately as two different grant applications?

A: One application is all you should need for each Water Association Board. Multiple elements can be a part of one application. If the water association has multiple public water system identification numbers, it is still limited to one application for all the individual ID numbers. There is not anything prohibiting a Rural Water Association from making multiple applications, but the total of all awarded grant funds from the program cannot exceed $2.5 million for the one association entity.

Q: Are matching funds required?

A: For the ARPA Rural Water Association program, no matching funds are required.

Q: Is there a recommended matching percentage?

A: There is no recommended matching percentage. However, systems supplying matching funds or contributing to costs can receive additional ranking points towards their grant application.

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Q: Will matching or contributions impact the ranking of applications?

A: Yes. The legislation required a grant applicant's proposed contribution of other funds or in-kind cost-sharing be a ranking consideration factor.

Q: Will each association need a Federal Unique Entity Identifier Number?

A: Yes, that is a condition of the grant in order to be awarded.

Q: Do you have an example of Attachment E?

A: No. Supporting documentation could include information regarding MHI of the community and any documentation that that support the concept that it is considered disadvantaged due to various reasons. This attachment is optional. However, any support provided will aid in the ranking process.

August 29, 2022

Q: What is considered as an Association and is there a difference between non-profit and tax-exempt status?

A: Associations are generally organized and operated as nonprofits with tax-exempt status. Nonprofit status is achieved through incorporation under state law; tax-exempt status refers to federal income tax exemption under the Internal Revenue Code.

Link to search Non-Profit Status: Mississippi Secretary of State (ms.gov)

Link to search Tax Exempt Status: Results for Tax Exempt Organization Search (irs.gov) Exempt Organizations Public Disclosure - Obtaining Copies of Documents from IRS | Internal Revenue Service

Q: Do applicants only need a Unique Entity ID, or do they need a full SAM registration, which assigns them a UEID?

A: SAM.gov gives the option of getting a Unique Entity ID or getting a UEID and registering the entity. "You need to register your entity in SAM.gov when you want to seek federal assistance as a prime awardee." The entity may obtain the UEID without having to complete the full registration for our application process. Additional information regarding UEID can be found here: Unique Entity Identifier Update .
Also see the SAM.gov | Home Quick Start Guide on our website.

Q: Are wastewater projects grant eligible for Rural Water and Sewer Associations?

A: No, HB 1421 only specifically states that eligible drinking water infrastructure projects as eligible for this assistance.

Q: Does the online application allow for you to resume where you left off and save what has been previously entered?

A: There are a total of 4 Sections in the Online Application process. Not all Sections have to be completed at the same time, but each Section must be completed and once you hit Submit, that information is submitted and saved. Then you can some back later and complete another Section to Submit.

Q: How do you submit additional documentation for an already submitted Section of the online Application?

A: You will have to recomplete the entire Section with the original information plus original attachments and then add the new attachments before hitting Submit.

Q: How do we determine the Median Household Income?

A: There is a PDF link called Water System Median Household Income up on the DWSRF and ARPA websites that has the MHI that has been calculated from GIS Census Data overlaid over the water system boundaries. If the applicant is not in the report, contact Harry Gong at either (601) 576-7527 or Harry.Gong@msdh.ms,gov.

Q: Is procurement of the Consultant Engineer required before Grant Award?

A: No, the procurement for Engineering Services can be completed post Grant Award. Documentation from the Grant Applicant will be required that demonstrates that they properly followed Federal Procurement Procedures in addition to an Executed Services Agreement before Engineering Costs will be drawn from the Grant Funds.

Q: What type of documentation will be required for Engineering Procurement?

A: A report that includes the list of qualified firms and the scoring. This will also be required if the applicant applies the Simplified Acquisition Threshold in their selection process.

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Q: We currently have a Drinking Water SRF Loan Award, can we fund Engineering Services from the Loan and not have to follow Federal Procurement?

A: Yes, Federal Procurement for Engineering Services is not a requirement of the Drinking Water SRF Programs

Q: Does the Environmental Review have to be completed prior to Grant Award?

A: No, Attachment F as part of the application is intended to determine whether or not it is in the judgement of a licensed professional engineer that Intergovernmental Review Agencies (Archives & History, Heritage Program, Army Corp, etc.…) will be solicited for concurrence. Those type of projects that may not require concurrence could be scored as having a low environmental impact for ranking while those that will require concurrence could be scored as having moderate or high environmental impacts.

Q: What types of projects would be considered as having low environmental impacts and won't require comments and responses to intergovernmental agencies?

A: Projects that will occur on previously disturbed sites, easements, and or rights-of-way, and that don't require any new sites, easements and or rights-of-way to be obtained to proceed with the construction work. Also, the project must not increase capacity or upgrade the facilities with the exception of water meters and SCADA monitoring equipment.

Project Examples
- Water Meter Replacement/Upgrades
- SCADA Replacement/Upgrades
- Existing Facility Rehabs/Replacements
- Pump/Motor Replacements

Q: Can ARPA Grant cover cost overruns?

A: Yes, as long as the project is eligible the applicant can apply for up to $2.5 million in ARPA funds to cover overruns.

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Q: How are approvals of Plans, Specifications, and Contract Documents being done?

> A: Technical Approval of Plans and Specifications will be made by submission to the Regional Engineer for review and initial approval.

> Contract Documents will be reviewed and approved by ARPA Grant Engineering Staff

> Addendums and Change Orders will be reviewed and approved by ARPA Grant Engineering Staff with consultation with the Regional Engineer if major changes are proposed to the initially approved Plans and Specifications.

For more details, please find the program regulations here: ARPA RWAIG Regulations.msdh.gov