

**MEMORANDUM OF AGREEMENT
BETWEEN
THE STATE OF ALABAMA DEPARTMENT OF FINANCE
AND
THE ALABAMA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
FOR THE DISTRIBUTION OF CORONAVIRUS STATE FISCAL RECOVERY FUNDS**

This Memorandum of Agreement (the “Agreement”) is made by and between the State of Alabama Department of Finance, at 600 Dexter Avenue, Montgomery, Alabama 36130 (hereinafter referred to as “DOF”), and the Alabama Department of Environmental Management, at 1400 Coliseum Boulevard, Montgomery, Alabama 36117, (hereinafter referred to as the “ADEM”). DOF and ADEM may be referred to herein individually as a “party” and collectively as the “parties.” This Agreement becomes effective on the approval of the parties and the Governor of the State of Alabama.

I. Purpose and Scope

The federal American Rescue Plan Act of 2021, Public Law No. 117-2, 135 Stat. 4. (“ARPA”) was signed into law on March 11, 2021. The Act amended the federal Social Security Act to add Section 602 to the Social Security Act, and by doing so, created the Coronavirus State and Local Fiscal Recovery Fund (hereinafter referred to as “FRF”). The Act appropriated funds from the FRF to the State of Alabama and other states to support their response to the impact of COVID-19 on their communities, residents, and businesses, and to aid in efforts to contain COVID-19. Under Section 602 of the Social Security Act, FRF funds may be used to cover costs incurred by the State on or before December 31, 2024, for one of four broad purposes:

- A. To respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits; or for aid to impacted industries;
- B. To respond to workers performing essential work during the COVID-19 public health emergency, by providing premium pay to eligible workers who are performing essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
- C. For the provision of government services to the extent of the reduction in revenue of the State due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- D. To make necessary investments in water, sewer, or broadband infrastructure.

The Secretary of the Treasury promulgated regulations for purposes of implementing the FRF, published in the May 17, 2021, Federal Register, at 86 Fed. Reg. 26786 (the “Interim Final Rule”). The Interim Final Rule remains in effect through March 31, 2022. On April 1, 2022, the Final Rule published in the January 27, 2022, Federal Register, at 87 Fed. Reg. 4338 (the “Final Rule”) becomes effective. The parties agree that the Final Rule, and not the Interim Final Rule, will govern and control the use of funds under this agreement.

The State of Alabama was allocated \$2,120,279,417 in FRF funding and will receive the funds in two tranches. The first tranche was received by the State on June 4, 2021, in the amount of \$1,060,139,708.50. The second tranche for the remaining balance is expected to be received by the State in May 2022.

Alabama Act No. 2022-1 appropriates \$225,000,000 of FRF funds (hereinafter referred to as the "Funds") to ADEM to improve access to clean water to the citizens of Alabama through investments in water and sewer projects. Of that amount, \$120,000,000 is appropriated to provide grants to water and sewer systems for emergency or high need projects identified and eligible for participation in the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund; \$100,000,000 is appropriated to provide grants to public water and sewer systems for water or sewer infrastructure projects; and \$5,000,000 is appropriated to provide grants to install clustered decentralized wastewater system demonstration utilizations utilizing a collection system known as Septic Tank Effluent Pump (STEP) or other demonstration systems in the Alabama Black Belt areas of low population density, rural property, and/or soils with poor perc characteristics, where there is a finding of discharge of raw sewage onto the ground due to the utilization of straight pipes, failing septic systems, or similar circumstances.

The DOF desires to utilize Funds allocated to Alabama public water and sewer systems under Alabama Act No. 2022-1 to establish a grant program for the benefit of Alabama's public water and sewer systems. Specifically, DOF will provide the Funds to ADEM to be distributed to and for the benefit of all Alabama qualifying public water and sewer systems for the purpose of improving access to clean water and sewer infrastructure projects and the economic impact thereof. DOF desires to collaborate with ADEM to create and implement this program, as ADEM possesses information necessary to facilitate the application by public water and sewer systems for Funds and the award and distribution of Funds for qualifying uses.

The Funds must be used in accordance with the ARPA, the Final Rule, Alabama Act 2022-1, and all applicable policies and procedures for the purposes described herein. The Funds must be obligated by December 31, 2024 and expended by December 31, 2026.

The Funds will be used to support ADEM's Water and Sewer Infrastructure COVID-19 Recovery Fund Program (the "Program") whereby ADEM will administer the grant programs to support water and sewer infrastructure projects as outlined in Alabama Act 2022-1 and as described herein. The Program is described in more detail in Appendix A which is incorporated into this Agreement by reference. The parties acknowledge and agree that the Funds may be used in conjunction with other federal or state funding sources, if such is allowed by the Final Rule and the other source of funds' governing law and/or rules.

ADEM agrees to work with an independent contractor with expertise in communications to develop a comprehensive education and communications plan for the Program. The objectives of the communication plan include, but are not limited to, the following: developing and delivering internal and external agency communications with communities, priority stakeholders, the general public, and others; to work with key media around the state; to plan and execute news conferences and/or media events, including press releases; and to increase public knowledge and awareness of the Program. ADEM agrees to coordinate with DOF on the development and implementation of the communications plan. ADEM must comply with the Uniform Guidance at 2 CFR Part 200,

which includes Section 200.421 relating to Advertising and Public Relations. All communications regarding the administration of the Program must be approved by DOF prior to execution.

II. Parties' Responsibilities

A. ADEM agrees to the following:

1. To develop and implement the Program in accordance with Alabama Act 2022-1, other applicable authority, and as described herein;
2. To use the funds provided by DOF under this agreement in accordance with Section 602 of the Social Security Act, the Final Rule (beginning on April 1, 2022), other applicable federal and state law, and for the purposes set forth in this agreement and for no other purpose;
3. To keep a separate accounting of the administrative costs of implementing the program using generally accepted accounting principles;
4. To comply with all federal requirements applicable to the Funds, including the Single Audit Act and Code of Federal Regulations, Title 2, Part 200, subpart F regarding audit requirements;
5. To develop a comprehensive communications plan for the Program as outlined in Section I above, to coordinate with the State Finance Director's Office in the planning and execution of said plan, and to obtain the Finance Director's approval before final execution thereof;
6. To provide to the State Finance Director's Office, by July 10, 2022, and every quarter thereafter on the tenth of the month following the end of a quarter and continuing until all funds granted by this Agreement are expended or returned, a Project and Expenditure report for the Program using the template attached hereto as Appendix B, or as otherwise directed by DOF;
7. To provide to the State Finance Director's Office, by July 10, 2022, and by July 10 in subsequent years until all funds granted by this Agreement are expended or returned, a Recovery Plan Performance Report for the Program using the template attached hereto as Appendix C, or as otherwise directed by DOF;
8. To provide to DOF all information requested in a complete and timely manner;
9. To not obligate the funds for any purpose after December 31, 2024, and to not expend any obligated funds after December 31, 2026;
10. To return any funds that remain unobligated on January 1, 2025 by January 31, 2025; and
11. To return any funds that remain unspent on January 1, 2027 by January 31, 2027.

B. DOF agrees to the following:

1. Within 14 days of the effective date of this Agreement, to provide \$225,000,000 to ADEM from the State's FRF funds as described herein to fund the Program and for no other purpose; and
2. The parties acknowledge and agree that a reasonable portion of the funds may be used to cover direct administrative expenses relating to the Program.
3. The parties acknowledge and agree that a reasonable portion of the funds may be used for media purchases relating to the Program. Such purchases must be pre-approved by DOF.

III. Termination of Agreement

Except as set forth in this section, this agreement may be terminated by either party for any reason with sixty days' written notice to the other party. If ADEM determines that it will not pursue this project for whatever reason, it may terminate this agreement upon written notice to the State Finance Director and upon return of any unspent funds. DOF may terminate this agreement immediately upon written notice to ADEM.

IV. Miscellaneous Provisions

- A. The terms and commitments contained herein shall not constitute a debt of the State of Alabama, which is prohibited by Section 213 of the Official Recompilation of the Constitution of Alabama, 1901, as amended by Amendment No. 26.
- B. By signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.
- C. In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute. Should that effort fail, and the dispute involves the payment of money, a party's sole remedy is the filing of a claim with the Board of Adjustment of the State of Alabama. For any and all other disputes arising under the terms of this contract which are not resolved by negotiation, the parties agree to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation. Such dispute resolution shall occur in Montgomery, Alabama, utilizing where appropriate, mediators selected from the roster of mediators maintained by the Center for Dispute Resolution of the Alabama State Bar.
- D. DOF and ADEM understand the unprecedented and novel challenge that COVID-19 presents to the State. Therefore, ADEM cannot guarantee the success of its efforts under this Agreement. In addition to the reporting requirements in Section II, ADEM will immediately notify DOF of material changes that make ADEM's performance hereunder impracticable.
- E. In order to comply with federal requirements relating to the administration of grants and other federal assistance funds, DOF provides the following information to ADEM: this award is provided to ADEM through a grant to the State of Alabama in the amount of \$2,120,279,417 from the U.S. Treasury via Section 602 of the Social Security Act (42 U.S.C. 301 et seq.),

known as the American Rescue Plan Act, as created by Section 9901 of the ARPA, Pub. L. No. 117-2 (March 11, 2021) under Federal Award Identification Number SLFRP2635 Coronavirus State and Local Fiscal Recovery Fund for the period March 3, 2021 to December 31, 2024, CFDA number 21.027. This award is provided in accordance with the requirements set forth in the ARPA and other applicable federal and state law and policy, and ADEM affirms that all information it has provided to DOF relating to this subaward is true and accurate. This award does not include research and development. The parties acknowledge and understand that each subrecipient of FRF funds will be evaluated in accordance with Code of Federal Regulations 200-331(b) for risk of noncompliance with federal statutes, regulations, and the terms and conditions of the award. Further, each recipient and subrecipient's activities will be monitored as necessary to ensure that the award is used for authorized purposes, in compliance with law, and that performance goals are achieved. Other monitoring tools may be implemented depending on the level of risk posed by the subrecipient.

- F. Notwithstanding any other provision of this Agreement, the Parties acknowledge and agree that they are responsible for complying with all federal requirements applicable to this award, including the Single Audit Act and Code of Federal Regulations, Title 2, Part 200, subpart F regarding audit requirements.
- G. The parties acknowledge and agree that any subrecipient, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement. Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Agreement.
- H. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number SLFRP2635 awarded to the State of Alabama by the U.S. Department of the Treasury."

V. Amendment

This agreement may be amended only by a writing signed by each party or representatives of each party.

[SIGNATURES APPEAR ON THE NEXT PAGE]

In witness whereof, the parties hereto have caused this agreement to be executed by those officers, officials, and persons thereunto duly authorized.

State of Alabama
Department of Finance

Bill Poole *gm 3/22/22*

Bill Poole
Finance Director

State of Alabama
Alabama Department of
Environmental Management

Lance R. LeFleur

Lance R. LeFleur
Director

APPROVED:

Kay Ivey

Kay Ivey
Governor of Alabama

Application and Guide for American Recovery Plan Act (ARPA)

Drinking Water and Wastewater Funding



Alabama Department of Environmental Management

Street Address: 1400 Coliseum Boulevard
Montgomery, Alabama 36110

Mailing Address: Post Office Box 301463
Montgomery, Alabama 36130

Web Address: adem.alabama.gov

ARPA Water and Sewer Grants Program Overview

On Jan. 27, 2022, during the Special Session called by Gov. Kay Ivey, the Alabama Legislature passed an historic funding plan to address longstanding problems that have plagued water and sewer systems across the state of Alabama for decades. The plan appropriates \$225 million from the American Rescue Plan Act to improve access to clean water to the citizens of Alabama through investments in water and sewer infrastructure projects.

The law directs the Alabama Department of Environmental Management, through an agreement with the Alabama Department of Finance, to administer the program by providing grants to water and sewer systems on a needs-based assessment as well as funding for targeted demonstration projects.

ADEM looks forward to administering this program and continuing our work with water and sewer systems throughout the state. There are approximately 1,100 public water and sewer systems in Alabama, and many have significant repair and upgrade needs. Plus, many residents in certain rural areas lack adequate water or sewer service.

ADEM encourages water and sewer systems to apply for grants under this program, and the department stands ready to assist them if they need help completing the application process. We also welcome questions or requests for more information from the public about the program.

Here's a brief overview on the ARPA water and sewer program.

Three Funding Categories

The \$225 million in federal ARPA funding falls under three categories:

- Up to \$120 million will be awarded as grants to public water and sewer systems for emergency or high-needs projects. These are systems whose needs had previously been identified by ADEM for participation in the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund. (The Clean Water SRF is for sewer projects.)

Projects will be awarded on a ranking system that gives special consideration for projects that improve access to water or sewer services in communities disproportionately affected by COVID-19 or that lack local funding to complete the projects on their own.

No local match funding is required for these projects.

- Up to \$100 million will be awarded in grants to water and sewer systems that may require local matching funds based on their ability to pay.

- Up to \$5 million will go to demonstration sewer projects in the Black Belt. These projects will target problems such as soil conditions that prevent wastewater from septic systems from being absorbed into the ground, failing sewer or septic systems, the use of “straight pipes” in the absence of a functioning septic system or sewer service, and other issues related to poor, sparsely populated, rural areas of the Black Belt.

While this funding is much needed and much welcomed, and will affect positively thousands of Alabamians, including residents in some of the most disadvantaged communities in the state, the amount does not come close to meeting all the pent-up water and sewer infrastructure needs in the state, which total in the billions of dollars. Therefore, projects will be assessed and scored, with the priority going to the neediest and poorest communities.

Eligibility

Eligible applicants are counties, municipalities, public-owned wastewater and water systems, utilities, authorities, boards, and nonprofit organizations.

Ranking System

ADEM will evaluate all proposed projects using “needs-based” criteria and will determine priority based on a ranking system that considers physical plant needs, financial needs, compliance status, demographics, etc. Projects demonstrating the greatest need and ranked as high priority will receive the initial funding.

Timelines

Water and sewer projects awarded grants for initial funding will be chosen based on applications received by April 1, 2022. Applications received after April 1 will be considered for other available funding. ADEM is ready to assist any water system or any other entity that needs help in applying for a grant, including meeting the timeline.

To Apply

Applications for ARPA funding should be made using ADEM’s State Revolving Fund pre-application forms. Use Form 340 for Clean Water (sewer) applications and Form 370 for Drinking Water applications. The forms and guidance for completing them are attached and are also available on ADEM’s website. Completed applications should be submitted to ADEM at: srf@adem.alabama.gov.

Questions

Questions and requests for information concerning the ARPA application process for water and

wastewater infrastructure grants may be submitted by email to ADEM at:
srf@adem.alabama.gov.

Status Updates

To assist transparency, ADEM will provide regular updates on the projects. The status of all submitted applications will be made available on the ARPA/SRF Updates page on ADEM's website.

Also, look for news, announcements, and other developments on this page.

Thanks!

ADEM appreciates the many public entities it is partnering with on these water projects, including the Governor's Office, state and local Health Departments, U.S. Environmental Protection Agency, the U.S. Department of Agriculture the Alabama Rural Water Association, the Alabama League of Municipalities, the Consortium for Alabama Rural Water and Wastewater Management, and others.



Form 340: Clean Water State Revolving Fund Preapplication

Project Name	
Assistance Amount Requested	\$
Date Submitted	



Submit Complete Preapplication to:	
Preferred method By email:	srf@adem.alabama.gov
By overnight mail:	1400 Coliseum Boulevard Montgomery, Alabama 36110-2400 (334) 271-7714
By mail:	SRF Section Alabama Department of Environmental Management Post Office Box 301463 Montgomery, Alabama 36130-1463

Section 1: Contact Information

Loan Applicant

Applicant Name			
Authorized Representative <small>(Signatory of Loan Agreement)</small>		Title of Authorized Representative	
Email Address		Telephone Number	
Contact Person <small>(Daily SRF Communications)</small>		Title of Contact Person	
Email Address		Telephone Number	
Physical Address		Mailing Address	
County		DUNS Number	
Fax Number		PWSID Number	
AL House District(s)		AL Senate District(s)	
NPDES Permit Number of Facility (if applicable)		Population of System	
Names and 12-digit HUC Codes of Watersheds Impacted			

Project Engineer:

Firm Name	
Address	
City, State, Zip code	
Engineer Name	
Telephone Number	
Email Address	
Fax Number	

Section 2: Project Information

For the following questions, please attach additional pages if adequate space is not provided on this form:

1. List all other funding sources to be utilized to complete this project.

Other Funding Source(s)	Amount(s)	Commitment Date

2. Provide demographic information about the affected community

Community is defined as the township or county that best represents the system. Please identify what community is being used.

Median Household Income		Source/Date:	
Unemployment Rate		Source/Date:	
Population Trend Over 10 Years (+%)		Source/Date:	
Community			

Priority Ranking System

The following factors are used to rank the proposed project, and will ultimately determine if it falls in the fundable portion of the priority list. The applicant must provide documentation where required in order to receive credit.

*Any ranking criteria that cannot be verified through supporting documentation by the Department will be awarded zero points.

A. Enforcement and Compliance Rating Criteria (Maximum: 50 points) *

Ranking Criteria	Point Value
1 Facility is under formal enforcement action by ADEM and is currently in significant non-compliance. The project will bring the facility into compliance. (A copy of the enforcement order must be attached)	50 <input type="checkbox"/>
2 Project is a voluntary effort to resolve violations and will mitigate the issuance of a formal enforcement action.	40 <input type="checkbox"/>
3 The facility is currently in compliance with permit limits, but will fall out of compliance without the proposed project.	25 <input type="checkbox"/>

B. Water Quality Improvement Criteria (Maximum: 135 points) *

Ranking Criteria		Point Value
1	Project will significantly address water quality standards in a water body that: a) Has an approved TMDL b) Is subject to a draft TMDL, dated 0-2 years from present c) Is subject to a draft TMDL, dated 3-5 years from present d) Is subject to a draft TMDL, dated 6-10 years from present	25 <input type="checkbox"/> 15 <input type="checkbox"/> 10 <input type="checkbox"/> 5 <input type="checkbox"/>
2	Project will implement TMDL(s) for: a) Pathogens (i.e., fecal coliform/E. coli) b) Mercury c) Nutrients (i.e., phosphorous, nitrogen) d) Organic Enrichment/Dissolved Oxygen e) Ammonia (toxicity) f) Siltation (sediment)	5 <input type="checkbox"/> 15 <input type="checkbox"/> 10 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/> 15 <input type="checkbox"/>
3	a) Project will benefit a Category 5 or Category 4 listed water body. a) Project takes place in an EPA-identified priority watershed and reduces/eliminates one or more sources of impairments (point and nonpoint source). b) Project will improve water quality in an Outstanding Alabama Water (OAW). c) Project will improve water quality in an Outstanding National Resource Water (ONRW).	5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/>
4	Project will upgrade or replace existing failing or inadequate decentralized wastewater treatment systems, or construct septage treatment facilities that are crucial to the proper operation of decentralized wastewater treatment systems.	10 <input type="checkbox"/>
5	Project will protect a public drinking water source from contamination that will negatively impact public health.	15 <input type="checkbox"/>
6	Project will implement a National Estuary Program Comprehensive Conservation Management Plan	10 <input type="checkbox"/>

C. Water/Energy Efficiency Rating (Maximum: 65 points) *

Ranking Criteria		Point Value
1	Project incorporates energy efficient design considerations with established objectives and targets for energy reduction opportunities, performed energy audits or developed energy conservation plans.	5 <input type="checkbox"/>
2	Project uses renewable energy to provide power to a POTW.	10 <input type="checkbox"/>
3	Project implements upgrades to pumps and treatment processes which result in: a) 20 percent or greater reduction in energy consumption at a POTW. b) Less than a 20 percent reduction in energy consumption at a POTW.	10 <input type="checkbox"/> 5 <input type="checkbox"/>
4	Infiltration/Inflow correction projects that save energy from pumping and result in reduced treatment costs, and I/I projects in cases where excessive groundwater infiltration is contaminating the influent.	10 <input type="checkbox"/>
5	Projects that incorporate recycling and/or reuse of gray water or wastewater.	20 <input type="checkbox"/>
6	Production of treated effluent for groundwater recharge, industrial operations, or agricultural purposes.	5 <input type="checkbox"/>

D. Stormwater Management Criteria (Maximum: 50 points)

Ranking Criteria		Point Value
1	Project will implement stormwater harvesting and reuse.	10 <input type="checkbox"/>
2	Project incorporates wet weather management systems including: permeable pavement, bioretention, tree plantings, green roofs, rain gardens and other practices that can be designed to mimic natural hydrology and reduce effective imperviousness.	10 <input type="checkbox"/>
3	Project will create riparian buffers, floodplains, vegetated buffers and additional streambank restoration methods.	10 <input type="checkbox"/>
4	Project supports wetland protection or restoration, including constructed wetlands.	10 <input type="checkbox"/>
5	Downspout disconnection to remove stormwater from sanitary sewers and manage runoff onsite.	5 <input type="checkbox"/>
6	Project incorporates green streets for new development, redevelopment or retrofits.	5 <input type="checkbox"/>

E. Agricultural and Nonpoint Source Pollution Criteria (Maximum: 35 points)

Ranking Criteria		Point Value
1	Project addresses water quality impacts associated with farming operations by: <ul style="list-style-type: none"> a) Implementing water-saving irrigation systems in farms currently using inefficient watering systems. b) Implementing methods to reduce soil and stream bank erosion. c) Utilizing BMPs including no-till farming practices, rotational grazing, cropland conversion and winter cover crops. d) Utilizing alternative watering sources including effluent or grey water reuse. 	5 <input type="checkbox"/> 10 <input type="checkbox"/> 10 <input type="checkbox"/> 10 <input type="checkbox"/>
2	Project addresses water quality impacts associated with animal feeding operations by: <ul style="list-style-type: none"> a) Developing a Nutrient Management Plan. b) Establishing heavy –use protection areas. c) Implementing onsite waste management systems for manure and poultry litter; including recycling, spreading, and storage systems, and digester gas technologies. d) Utilizing dead bird composters and/or incinerators. e) Implementing BMPs (including exclusion fencing and stream crossings). 	10 <input type="checkbox"/> 5 <input type="checkbox"/> 10 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/>

F. Sustainability Criteria (90 possible bonus points) *

Ranking Criteria		Point Value
1	Project incorporates one or more of the following planning methodologies: <ul style="list-style-type: none"> a) Comprehensive Land Use Plan (must designate areas where public infrastructure will and will not be supported) b) Asset Management Plan c) Watershed Management Plan d) Nutrient Management Plan e) Nutrient Trading f) Open Space Preservation g) Integrated Water Resource Plan that stresses water efficiency, reuse and conservation 	5 <input type="checkbox"/> 10 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/>
2	Project includes one or several of the following design considerations: <ul style="list-style-type: none"> a) Site fingerprinting for minimized landscape disturbance and sustainable landscape design. b) LEED certified or other ADEM-approved green building techniques for POTWs. c) Minimizes the environmental and water quality impact of construction through the use of clean fuel construction vehicles, construction waste reduction and other innovative methodologies. d) Project envelope is located in a previously developed area. e) Use of environmentally friendly post-consumer recycled or reclaimed materials. 	5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/>
3	Project implements at least one of the following construction methods: <ul style="list-style-type: none"> • Innovative erosion control practices; • Protection of onsite trees, vegetation, native habitats and urban forests; or • Replanting of disturbed areas with native plant species. 	5 <input type="checkbox"/>
4	Project will utilize one or more of the following water conservation strategies: <ul style="list-style-type: none"> a) Development of a water conservation program. b) Incorporates sustainable water pricing practices and rate structures. c) Completion of EPA's Water Quality Scorecard (see http://www.epa.gov/smartgrowth/water_scorecard.htm). 	5 <input type="checkbox"/> 10 <input type="checkbox"/> 5 <input type="checkbox"/>

G. Growth Criteria (50 possible bonus points)

Ranking Criteria		Point Value
1	Project includes a significant growth component. (See PER instructions)	0 <input type="checkbox"/>
2	Project does not include a significant growth component. (See PER instructions)	50 <input type="checkbox"/>

Sum the points from each category below.

Part A: Enforcement and Compliance (50 points maximum)	0
Part B: Water Quality (135 points maximum)	0
Part C: Water/Energy Efficiency (65 points maximum)	0
Part D: Stormwater Management (50 points maximum)	0
Part E: Agricultural/Non-Point Source (35 points maximum)	0
Part F: Sustainability (90 bonus points maximum)	0
Part G: Growth (50 bonus points maximum)	0
TOTAL POINTS CLAIMED:	0

This form should be signed by the official who is authorized to execute contracts on behalf of the applicant jurisdiction.

ONE SIGNED COPY (including attachments) should be emailed to the address shown on Page 1 of this form.

Attachments to be included with this form:

1. Preliminary Engineering Report (PER Outline PER Format Below (Preferred))
2. Copies of last three (3) years of audited financial statements (if available)

Preliminary Engineering Report Outline:

1. **Description of Project**
 - a. Brief description and background of project
 - b. Purpose of project
 - c. Location of project
 - d. Project Scope
 - e. Average annual household water bill
 - f. Population and median household income
2. **Proposed Improvements**
 - a. System connections and connections that benefit from construction
 - b. System plan for water conservation
 - c. Proposed operation and management
 - d. Improvements to system
3. **Project Maps**
 - a. Include all affected water bodies
4. **Projected Outlay Schedule**
5. **Cost Breakdown**
 - a. Estimated cost outline for entire project
6. **Supporting Documentation*** for priority points claimed, as required above. Any points claimed that cannot be readily substantiated from the information submitted will not be counted. The Department reserves the right to make the final determination of all points awarded.
7. **Growth Criteria:** If the project includes any of the following components, enter a point value of 0:
 - a. New (not a replacement) wastewater treatment plant (excluding decentralized systems).
 - b. Upgraded/expanded/replacement wastewater treatment plant where the purpose of the project is to increase the design flow or projects where the design flow of the facility incidentally increases by more than 20%.
 - c. Collection system improvements that increase design flow (excluding rehabilitation projects where the original design flow is restored).
 - d. New or expanded collection systems.
 - e. Any POTW project that serves future growth.

If none of the criteria above apply, the project will be awarded points as shown.

The undersigned representative of the applicant certifies that the information in the application and in the attached statements and exhibits is true, correct and complete to the best of the applicant's knowledge, information and belief.

Signature of Authorized Representative	Print or Type Name
Title	Date



Form 370: Drinking Water State Revolving Fund Preapplication

Project Name	
Assistance Amount Requested	\$
Date Submitted	



Submit Complete Preapplication to:	
Preferred method By email:	srf@adem.alabama.gov
By overnight mail:	1400 Coliseum Boulevard Montgomery, Alabama 36110-2400 (334) 271-7714
By mail:	SRF Section Alabama Department of Environmental Management Post Office Box 301463 Montgomery, Alabama 36130-1463

Section 1: Contact Information

Loan Applicant

Applicant Name			
Authorized Representative <small>(Signatory of Loan Agreement)</small>		Title of Authorized Representative	
Email Address		Telephone Number	
Contact Person <small>(Daily SRF Communications)</small>		Title of Contact Person	
Email Address		Telephone Number	
Physical Address		Mailing Address	
County		DUNS Number	
Fax Number		PWSID Number	
AL House District(s)		AL Senate District(s)	
Total Number of System Connections (Current)		Population of System	

Project Engineer:

Firm Name	
Address	
City, State, Zip code	
Engineer Name	
Telephone Number	
Email Address	
Fax Number	

Section 2: Project Information

For the following questions, please attach additional pages if adequate space is not provided on this form:

Break down the total project cost (categories should sum to 100%) and list all other funding sources to be utilized to complete this project.

Treatment:	%	Other Funding Source(s)	Amount(s)	Commitment Date
Distribution:	%			
Source:	%			
Storage:	%			

Enter the Median Household Income (MHI) for the affected community:	Enter the Average Annual Household Water Bill Based on 5,000 Gal Usage:
Source:	Source:
\$	\$

Priority Ranking System

The following factors are used to rank the proposed project and will ultimately determine if the project is fundable. The applicant must provide documentation where required in order to receive credit.

*Any ranking criteria that cannot be verified through supporting documentation by the Department will be awarded zero points.

A. Enforcement and Compliance Rating Criteria (Maximum: 50 points)*

Ranking Criteria	Point Value
1 The system is under formal enforcement action by ADEM. Completion of the project will return the system to compliance.	50 <input type="checkbox"/>
2 The project is a voluntary effort to resolve noncompliance and will mitigate the issuance of a formal enforcement action.	40 <input type="checkbox"/>
3 The system is currently in compliance but will be in imminent noncompliance without the proposed project.	25 <input type="checkbox"/>

B. Drinking Water Contaminants Criteria (Maximum: 150 points)*

Ranking Criteria	Point Value
1 The system has current primary MCL violations and completion of the project will return the system to compliance.	100 <input type="checkbox"/>
2 The system has current secondary MCL violations and completion of the project will return the system to compliance.	50 <input type="checkbox"/>
3 The primary purpose of the project is to extend service to persons presently served by contaminated wells.	50 <input type="checkbox"/>

C. Water/Energy Efficiency Rating (Maximum: 45 points)*

Ranking Criteria		Point Value
1	The project significantly reduces water loss. The unaccounted reported water loss during the last 12-month period was: 50% or higher 35% - 49% 20% - 34% 15% - 19%	25 <input type="checkbox"/> 20 <input type="checkbox"/> 10 <input type="checkbox"/> 5 <input type="checkbox"/>
2	The project incorporates energy efficient design considerations with established objectives and targets for energy reduction opportunities.	5 <input type="checkbox"/>
3	The project uses renewable energy such as wind, solar, geothermal, hydroelectric, micro-hydroelectric, biogas combined heat and power (CHP) systems, or biofuels production to provide power to a drinking water treatment plant.	5 <input type="checkbox"/>
4	The project implements upgrades to pumps and treatment processes which result in: a) 20% or greater reduction in energy consumption at a drinking water treatment plant. b) 10-20% reduction in energy consumption at a drinking water treatment plant, or 20% or greater reduction in energy consumption at a remote pump station.	10 <input type="checkbox"/> 5 <input type="checkbox"/>

D. Capacity and Pressure Criteria (Maximum: 100 points) *

Ranking Criteria		Point Value
1	The system lacks adequate capacity to provide safe drinking water. Completion of the project will restore capacity to existing customers.	100 <input type="checkbox"/>
2	The project will mitigate pressure readings of <20 psi at 50 or more customer meters.	50 <input type="checkbox"/>
3	The project will mitigate pressure readings of <20 psi at 10-49 customer meters.	25 <input type="checkbox"/>

E. System Consolidation Criteria (Maximum: 100 points) *

Ranking Criteria		Point Value
1	The project will result in the elimination of at least one public water system.	100 <input type="checkbox"/>
2	The project will establish a new interconnection between two water systems, where the beneficiary water system (or portion of the beneficiary water system) is served by only one source.	25 <input type="checkbox"/>

F. Sustainability Criteria (50 possible bonus points) *

Ranking Criteria		Point Value
1	The project implements one or more of the following planning methodologies: a) Asset Management Plan	10 <input type="checkbox"/>
2	The project includes one or several of the following design considerations: a) LEED certified or other ADEM-approved green building techniques. b) Project envelope is located in a previously developed area. c) Use of environmentally friendly post-consumer recycled or reclaimed materials.	5 <input type="checkbox"/> 5 <input type="checkbox"/> 5 <input type="checkbox"/>
3	The project incorporates at least one of the following construction methods: • Innovative erosion control practices; • Protection of onsite trees, vegetation, native habitats and urban forests; or • Replanting of disturbed areas with native plant species.	5 <input type="checkbox"/>
4	The project will utilize one or more of the following water conservation strategies: a) Incorporates sustainable water pricing practices and rate structures. b) Completion of EPA's Water Quality Scorecard (see http://www.epa.gov/smartgrowth/water_scorecard.htm).	10 <input type="checkbox"/> 5 <input type="checkbox"/>

G. Reporting Criteria (Maximum point reduction: 30) *

Ranking Criteria		Point Reduction
1	The system was cited during the last twelve months for late submittal of Monthly Operating Reports (MOR) or Consumer Confidence Reports (CCR), or was cited for a monitoring/reporting violation.	-10 <input type="checkbox"/>
2	The system was sent a Drinking Water Needs Survey and/or a Clean Watershed Needs Survey in the last four years and failed to return a completed survey.	-20 <input type="checkbox"/>

H. Affordability Criteria (Maximum: 60 points)

Ranking Criteria	Point Value
Divide the Average Annual Household Water Bill by the Median Household Income (from Page 2) and multiply by 100%:	
2.50% or higher	60 <input type="checkbox"/>
2.00 – 2.49%	40 <input type="checkbox"/>
1.50 – 1.99%	20 <input type="checkbox"/>
Less than 1.50%	0 <input type="checkbox"/>

I. Infrastructure Improvement Criteria*

Ranking Criteria	Point Value
1 Construction of a new water treatment plant	20 <input type="checkbox"/>
2 Level of treatment upgrade to an existing water treatment plant	15 <input type="checkbox"/>
3 Modifications to address disinfection byproduct requirements	25 <input type="checkbox"/>
4 Replacement of water lines due to age, leaks, breaks, or lead or asbestos-cement pipe	10 <input type="checkbox"/>
5 Installation of new water lines, where none existed previously	5 <input type="checkbox"/>
6 Rehabilitation or replacement of a water storage tank	15 <input type="checkbox"/>
7 Installation of a new water storage tank	10 <input type="checkbox"/>
8 New or upgraded pump station (not associated with a tank project)	5 <input type="checkbox"/>
9 Security improvements to a water system	5 <input type="checkbox"/>
10 Emergency power generators	5 <input type="checkbox"/>
11 Construction of a new well	15 <input type="checkbox"/>
12 Rehabilitation/upgrade of an existing well	10 <input type="checkbox"/>
13 Installation of green stormwater infrastructure at a water treatment plant	5 <input type="checkbox"/>
14 Installation of water meters in previously unmetered areas, or replacement of traditional water meters with AMR or smart meters	10 <input type="checkbox"/>
15 Water meter replacement with traditional meters	5 <input type="checkbox"/>
16 Installation or retrofitting water efficient devices such as plumbing fixtures and appliances (toilets, showerheads, urinals)	5 <input type="checkbox"/>
17 Replacement of (potable) landscape irrigation with more efficient landscape irrigation systems	5 <input type="checkbox"/>
18 Recycling and water reuse projects that replace potable sources with non-potable sources (grey water, wastewater effluent)	10 <input type="checkbox"/>
19 Installation or upgrade of SCADA systems	15 <input type="checkbox"/>

Sum the points from each category below.

Part A: Enforcement and Compliance (50 points maximum)	0
Part B: Drinking Water Contaminants (150 points maximum)	0
Part C: Water/Energy Efficiency (45 points maximum)	0
Part D: Capacity and Pressure (100 points maximum)	0
Part E: System Consolidation (50 points maximum)	0
Part F: Sustainability (50 bonus points maximum)	0
Part G: Reporting (Maximum Reduction of 30)	0
Part H: Affordability (60 points maximum)	0
Part I: Infrastructure Improvement	0
TOTAL POINTS CLAIMED:	0

This form should be signed by the official who is authorized to execute contracts on behalf of the applicant jurisdiction. **ONE SIGNED COPY (including attachments)** should be emailed to the address shown on Page 1 of this form.

Attachments to be included with this form:

1. Preliminary Engineering Report (PER Outline PER Format Below (Preferred))
2. Copies of last three (3) years of audited financial statements (if available)

Preliminary Engineering Report Outline:

1. Description of Project
 - a. Brief description and background of project
 - b. Purpose of project
 - c. Location of project
 - d. Project Scope
 - e. Average annual household water bill
 - f. Population and median household income
2. Proposed Improvements
 - a. System connections and connections that benefit from construction
 - b. System plan for water conservation
 - c. Proposed operation and management
 - d. Improvements to system
3. Project Maps
 - a. Include all affected water bodies
4. Projected Outlay Schedule
5. Cost Breakdown
 - a. Estimated cost outline for entire project
6. Supporting Documentation* for priority points claimed, as required above. Any points claimed that cannot be readily substantiated from the information submitted will not be counted. The Department reserves the right to make the final determination of all points awarded.

The undersigned representative of the applicant certifies that the information in the application and in the attached statements and exhibits is true, correct and complete to the best of the applicant's knowledge, information and belief.

Signature of Authorized Representative	Print or Type Name
Title	Date

SLFRF Quarterly Project and Expenditure Report

The "SLFRF Report" and the "SLFRF extra information" items discussed below are Microsoft Excel files that will be provided to the recipient by the State Comptroller's Office along with contact information.

SLFRF Report

"SLFRF Report" is an excel file. All information and questions on the first sheet "Enter Recipient Info" should be completed. The yes/no questions have a dropdown list.

The second sheet "Enter List of Projects" should be completed for all your organization's SLFRF projects. Make sure that project identification numbers are not duplicated because each project must align to one expenditure category. Some of the questions have a dropdown list. If you need to prepare a word document for the project description, then that will be okay. Include the expenditure category and the project ID in the word document.

An obligation is an order placed – such as a contract – and similar transactions that require payment.

An expenditure is when the service has been rendered or the good has been delivered to the entity, and payment is due.

Subrecipients should ensure that expenditures are less than or equal to obligations for each project; otherwise, this is an error, and the report will be sent back to your organization to be corrected.

If the project earns income or has expended that income, enter the total dollar value of program income earned and program income expended in the fields of the same name, respectively. Interest received on loans made with SLFRF funds should be tracked as program income. Interest earned on advances of federal funds are not considered program income and are not subject to these reporting requirements. For the purposes of the SLFRF report, expenditures for a loan should be identified as the value of the cash disbursement of the loan at the time of the disbursement.

Entries are not allowed in the last two sheets of the "SLFRF Report". The sheet "Don't change- Category Lookup" is the list from the U.S. Department of Treasury so it will only be changed if the Treasury makes changes. The sheet "Summary calculated from List" includes totals calculated from the sheet "Enter List of Projects". If the totals are incorrect for your organization then the amounts for the appropriate projects should be corrected on the sheet "Enter List of Projects".

SLFRF extra information

Some expenditure categories require extra information. If your organization has any expenditures in the following categories or range of categories, then the excel file "SLFRF extra information" is required:

1.9

2.1 through 2.5

2.14

3.1 through 3.5

4.1 through 4.2

5.1 through 5.15

5.16 through 5.17

The first sheet "Don't change- Category Lookup" is the list from the U.S. Department of the Treasury so it will only be changed if the Treasury makes changes. Then there is a sheet for each category or range of categories that require extra information. The expenditure category and project ID are required for each sheet. The yes/no questions have a dropdown list. If you need to prepare a word document for some of the answers then that will be okay. Include the expenditure category and the project ID in the word document.

[Entity's Name]
202x State Fiscal Recovery Award Plan
Annual Report

GENERAL OVERVIEW

Executive Summary

In this section, provide a high-level overview of the entity's intended and actual uses of funding including, but not limited to: the entity's plan for use of funds to promote a response to the pandemic and economic recovery, key outcome goals, progress to date on those outcomes, and any noteworthy challenges or opportunities identified during the reporting period.

Uses of Funds

Describe in further detail your entity's intended and actual uses of the funds, such as how your entity's approach would help support a strong and equitable recovery from the COVID-19 pandemic and economic downturn. Describe any strategies employed to maximize programmatic impact and effective, efficient, and equitable outcomes.

Promoting equitable outcomes

In this section, describe efforts to date and intended outcomes to promote equity. Each annual report to follow must provide an update, using qualitative and quantitative data, on how the approach achieved or promoted equitable outcomes or progressed against equity goals during the performance period.

Describe efforts to promote equitable outcomes, including how programs were designed with equity in mind. Include how your entity will consider and measure equity at the various stages of the program, including:

- a. *Goals: Are there particular historically underserved, marginalized, or adversely affected groups that you intend to serve?*
- b. *Awareness: How equal and practical is the ability for residents or businesses to become aware of the services funded by the SLFRF?*
- c. *Access and Distribution: Are there differences in levels of access to benefits and services across groups? Are there administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?*
- d. *Outcomes: Are intended outcomes focused on closing gaps, reaching universal levels of service, or disaggregating progress by race, ethnicity, and other equity dimensions where relevant for the policy objective?*

Describe how your entity’s planned or current use of funds prioritizes economic and racial equity as a goal, names specific targets intended to produce meaningful equity results at scale, and articulates the strategies to achieve those targets.

Describe your jurisdiction’s efforts to date and intended outcomes to promote equity using qualitative and quantitative data on how the jurisdiction’s approach achieved or promoted equitable outcomes or progressed against equity goals. Describe any constraints or challenges that impacted project success in terms of increasing equity.

Table of Expenses by Expenditure Category

In this section, list the amount of funds used in each Expenditure Category. The table should include cumulative expenses to date within each category, and the additional amount spent within each category since the last annual Recovery Plan.

Entities may modify the table as needed by deleting unused rows where they have not expended any funds or by adding columns to more clearly characterize their program expenditures over time.

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		
5.16	Broadband: “Last Mile” projects		
5.17	Broadband: Other projects		

Project Inventory

In this section, entities should provide a description of each project undertaken. Below is an example of how to present the information noted in the Reporting Guidance, which incorporates project details as well as evidence and performance measure information outlined in the relevant sections above. This information should be replicated for all of the entity's projects.

Example Project

Project [Identification Number]: [Project Name]

Funding amount: [Funding amount]

Project Expenditure Category: [Category number, Category Name]

Project overview

- *A description of the project that includes an overview of the main activities of the project, the approximate timeline, primary delivery mechanisms and partners, if applicable, and intended outcomes.*
- *Link to the website of the project if available*
- *How project contributes to addressing climate change (for infrastructure projects under EC 5)*

Use of Evidence

- *Briefly describe the goals of the project, and whether SLFRF funds are being used for evidence-based interventions, the evidence base for the interventions, and/or if projects are being evaluated through rigorous program evaluations that are designed to build evidence. If a recipient is conducting a program evaluation in lieu of reporting the amount of spending on evidence-based interventions, they must describe the evaluation design*