

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

**Notice of Funding Opportunity for Revolving Funds for Financing Water and Wastewater
Projects Grant Program for Fiscal Year 2023**

AGENCY: Rural Utilities Service, USDA

Revolving Funds for Financing Water and Wastewater Projects

ACTION: Notice of Funding Opportunity

SUMMARY: The Rural Utilities Service (RUS or the Agency), a Rural Development (RD) mission area of the United States Department of Agriculture (USDA), announces acceptance of applications under the Revolving Funds for Financing Water and Wastewater Projects (Revolving Fund Program or RFP) Grant Program for Fiscal Year (FY) 2023. These grant funds will be made to eligible applicants to create a revolving fund to finance predevelopment water and wastewater projects, and for other purposes. Capital projects should consider energy efficiency, resiliency, and water reuse technologies. This program has \$1,000,000 available for FY 2023. All applicants are responsible for any expenses incurred in developing their application.

ADDRESSES: All applicants must file their application electronically through www.grants.gov.

Instructions and additional resources, to include an application guide, are available at <https://www.rd.usda.gov/programs-services/water-environmental-programs/revolving-funds-financing-water-and-wastewater-projects> under the “To Apply” tab.

FOR FURTHER INFORMATION CONTACT: Penny Douglas, Community Programs

Specialist, Water and Environmental Programs, RUS, USDA, by email at Water-RD@usda.gov or by phone at (202) 253-0504. Persons with disabilities that require alternative means for communication should contact the USDA Target Center at (202) 720-2600 (voice and TTY) or the 711 Relay Service.

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Utilities Service

Funding Opportunity Title: Revolving Funds for Financing Water and Wastewater Projects
Grant Program

Announcement Type: Notice of Funding Opportunity (NOFO)

Funding Opportunity Number: RDRUS-23-RFP

Assistance Listings: 10.864

Dates: RFP will start accepting applications on May 10, 2023. Completed electronic applications must be submitted through www.grants.gov by 11:59 p.m. Eastern Time (ET) on June 10, 2023. Late or incomplete applications will not be accepted.

Rural Development Key Priorities: The Agency encourages applicants to consider projects that will advance the following key priorities (more details available at <https://www.rd.usda.gov/priority-points>):

- Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure;
- Ensuring all rural residents have equitable access to Rural Development (RD) programs and benefits from RD funded projects; and
- Reducing climate pollution and increasing resilience to the impacts of climate change

through economic support to rural communities.

A. Program Description

1. *Purpose of the Program.* The RFP is designed to help qualified nonprofits create revolving loan funds that can provide financing to extend and improve water and wastewater disposal systems in rural areas. Grant recipients will set up a revolving loan fund to provide loans to finance predevelopment costs of water or wastewater projects, or short-term small capital projects not part of the regular operation and maintenance of current water and wastewater systems. Capital projects should consider energy efficiency, resiliency, and water reuse technologies. The total amount of loan financing to an eligible entity shall not exceed \$200,000 or 75 percent of the project cost (whichever is less) and shall be repaid in a term not to exceed 10 years. The interest rate shall be determined by the grant recipient and approved by RUS.

2. *Statutory and Regulatory Authority.* The RFP is authorized by the Consolidated Farm and Rural Development Act (CONACT), Section 306(a)(2)(B), and 7 U.S.C. 1926(a)(2)(B). The RFP is implemented by 7 CFR part 1783.

3. *Definitions.* The definitions applicable to this notice are published at 7 CFR 1783.3.

4. *Application of Awards.* The Agency will review, evaluate and score applications received in response to this Notice based on the provisions found in 7 CFR 1783.9 and as indicated in this notice. Awards under the RFP will be made on a competitive basis using specific selection criteria contained in 7 CFR 1783.9 and this notice. The Agency advises all interested parties that the applicant bears the full burden in preparing and submitting an application in response to this notice regardless of whether or not funding is appropriated for the RFP in FY 2023.

B. Federal Award Information

Type of Award: Grants

Fiscal Year Funds: FY 2023

Available Funds: Funding for FY 2023 is \$1,000,000. RUS may at its discretion, increase the total level of funding available in this funding round from any available source provided the awards meet the requirements of the statute which made the funding available to the Agency.

Award Amounts: No minimum or maximum award amount.

Anticipated Award Date: September 30, 2023

Performance Period: October 1, 2023, to September 30, 2024

Renewal or Supplemental Awards: Prior RFP grants will not be renewed. Existing RFP awardees can submit applications for new projects which will be evaluated as new applications. Grant applications must be submitted during the application window.

Type of Assistance Instrument: Grant Agreement

C. Eligibility Information

1. *Eligible Applicants.* Eligible applicants must meet the eligibility requirements of 7 CFR 1783.5.
2. *Cost Sharing or Matching.* Applicants must comply with the applicant contribution requirements outlined in 7 CFR 1783.9(b)(3). A 20 percent cost sharing or matching requirement is associated with this grant.
3. *Other.* Applicants must meet the intent outlined in 7 CFR 1783.1 and 1783.12. Also, applicants will need to be in conformance with 7 CFR 1783.13 and 7 CFR 1783 Subpart C. All submitted proposals must meet the intent outlined in 7 CFR 1783.1, and 1783.12, and be in conformance with 7 CFR 1783.13, and 1783, Subpart C. Non-tribal applicants proposing to serve households on tribal lands must submit a tribal resolution of support with their application from the Tribe, or Tribes, that have jurisdiction over those lands.

D. Application and Submission Information

1. *Address to Request Application Package.* Application information is available at www.grants.gov. The FY 2023 RFP Application Guide, copies of necessary forms and samples, and the RFP regulation are available at <https://www.rd.usda.gov/programs-services/water-environmental-programs/revolving-funds-financing-water-and-wastewater-projects>.

2. *Content and Form of Application Submission.* To be considered for funding, applicants must be an eligible entity and must submit a complete application by the deadline date. Applicants should consult the cost principles and general administrative requirements for grants pertaining to their organizational type to prepare the budget and complete other parts of the application.

(a) Applicants should prepare their applications in accordance with the requirements of 7 CFR part 1783 and this document. The Agency has developed an application guide for this program, which is available at <https://www.rd.usda.gov/programs-services/water-environmental-programs/revolving-funds-financing-water-and-wastewater-projects>.

(b) Each applicant must maintain an active System for Award Management (SAM) registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency, in accordance with 2 CFR part 25. In order to register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at <https://sam.gov>.

(c) Each applicant must ensure it completes the Financial Assistance General Certifications and Representations in SAM.

(d) Each applicant must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110.

(e) The Agency will not make an award until the applicant has complied with all SAM

requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

4. *Submission Dates and Times.*

(a) *Application Technical Assistance.* Prior to official submission of applications, applicants may request technical assistance or other application guidance from the Agency, as long as such requests are made prior to the application deadline. RUS contact information can be found in FOR FURTHER INFORMATION CONTACT section of this notice.

(b) *Application Deadline Date.* Completed electronic applications must be submitted through www.grants.gov by 11:59 p.m. Eastern Time (ET) on June 10, 2023. RFP will start accepting applications on May 10, 2023. Late or incomplete applications will not be accepted. If the submission deadline falls on Saturday, Sunday, or a Federal holiday, the application is due the next business day.

The Agency will not solicit or consider new scoring or eligibility information that is submitted after the application deadline. RUS also reserves the right to ask applicants for clarifying information and additional verification of assertions in the application.

5. *Intergovernmental Review.* Executive Order (EO) 12372, “Intergovernmental Review of Federal Programs,” does not apply to this program.

6. *Funding Restrictions.* Applications must be for eligible uses outlined in 7 CFR 1783.12. No administrative expenses may be paid with grant funds, as outlined in 7 CFR 1783.13.

7. *Other Submission Requirements.*

(a) Beginning with this Application Cycle, the Agency will only accept Applications

electronically. Applications must be submitted electronically through <https://www.Grants.gov>. RUS may request original signatures on electronically submitted documents later. All electronic documents must be submitted in Excel, Word, or PDF format. If system errors or technical difficulties occur, use the customer support resources available at the Grants.gov website.

(b) Applicants must be registered with Grants.gov before a grant application can be submitted. If you have not used Grants.gov before, you will need to register in SAM. SAM registers your organization and stores your organizational information, which allows Grants.gov to use it to verify your identity. The registration processes may take up to 10 business days to complete. Follow the instructions at Grants.gov for registering and submitting an electronic application.

E. Application Review Information

1. *Criteria.* All eligible and complete applications will be evaluated and scored competitively based on the scoring criteria and weights contained in 7 CFR 1783.9. Failure to address any of the application criteria by the application deadline will result in the application being determined ineligible, and the application will not be considered for funding.

In order to be considered for administrative points, the applicant's work plan must include a separate section titled, "Administrative Points." Applications may be awarded up to a total of 10 points (7 CFR 1783.9(b)(7)) for the following three priorities:

- a. Assist rural communities to recover economically through more and better market opportunities and through improved infrastructure. Proposals where the project is located in or serving one of the top 10% of counties or county equivalents based upon county risk score in the United States. Information on this priority may be found at: <https://www.rd.usda.gov/priority-points>.

- b. Ensure all rural residents have equitable access to RD programs and benefits from RD funded projects. Direct technical assistance to a project located in or serving a community with a score 0.75 or above on the CDC Social Vulnerability Index. Information on this priority may be found at: <https://www.rd.usda.gov/priority-points>.
- c. Reduce climate pollution and increase resilience to the impacts of climate change through economic support to rural communities. Direct technical assistance to a project addressing climate impacts shown as either quantitative or qualitative. Additional information on this priority may be found at: <https://www.rd.usda.gov/priority-points>
- Quantitative: Project is located in or serving coal, oil and gas, and power plant communities whose economic well-being ranks in the most distressed tier of the Distressed Communities Index.
 - Qualitative: Demonstrating how proposed climate-impact projects improve the livelihoods of community residents and meet pollution mitigation or clean energy goals.

2. *Review and Selection Process.* Within 30 days of receiving the application, RUS will provide the applicant written acknowledgement of receipt. The following actions will be taken:

(a) Incomplete or ineligible applications as of the deadline for submission will not be considered. If an application is determined to be incomplete or ineligible, the applicant will be notified in writing of the reason and the application will be returned.

(b) Complete, eligible applications will be evaluated competitively by a review team, composed of at least three RUS employees from the Water and Environmental Programs. They will make overall recommendations based on the criteria provided in 7 CFR part 1783.9 and this

notice. Each application will receive a score based on the averages of the reviewers' scores and discretionary points awarded by the RUS Administrator. RUS reserves the right to request additional information once an application is determined to be complete to minimize the risk of duplication of other federal efforts. The Agency reserves the right to offer the applicant less than the grant funding requested. Low-scoring projects may not be awarded funding even if funding remains available at RUS's discretion.

(c) Regardless of the score an application receives, if RUS determines that the project is technically infeasible or ineligible, RUS will notify the applicant in writing and the application will be returned with no further action.

F. Federal Award Administration Information

1. Federal Award Notices.

(a) *Award Outcomes.* There are four possible outcomes following the submission of an application under the RFP. RUS reserves the right to make no grant awards if all applications are ineligible, incomplete, and/or do not meet the established program objectives and priorities.

RUS may determine that the application is:

1. Eligible and selected for funding,
2. Eligible but offered less funds than requested,
3. Eligible but not selected for funding due to ranking of all applications by score, or
4. Ineligible for the grant.

(b) *Award Notices.* RUS will notify applicants selected for funding by an award letter accompanied by a grant agreement, which outlines the terms and conditions for the grant. The successful applicants will be required to execute documents appropriate to the project before funding will be advanced. Award documents specify the term of each award.

(c) Payments and Reimbursements. Pursuant to the grant agreement, grant funds will be released over the course of the grant period in reimbursement for the performance of eligible, approved activities, which do not duplicate similar federal efforts or tasks. Funding requests may be submitted for allowable costs up to monthly and must include the appropriate supporting documentation. The grant agreement will also include reporting and outline actions containing pre-approval requirements consistent with 7 CFR part 1783 and 2 CFR part 200 which if not met, may result in a delay in reimbursement, disallowance of expense, or a suspension of the grant.

(d) Scope of Work. The approved scope of work will be attached to the executed grant agreement. The grantee is responsible for ensuring that all contractual, legal, and program requirements are met prior to starting work. Any change in the scope of the project, budget adjustments of more than 10 percent of the total budget, or any other significant change in the project must be reported to and approved prior to the change by the approval official by written amendment to the grant agreement. Any change not approved may be cause for termination of the grant.

2. Administrative and National Policy Requirements. Applications should be prepared in conformance with departmental and other applicable regulations including 2 CFR parts 180, 182, 200, 400 and 421, or any successor regulations.

3. Reporting. Performance reporting, including applicable forms, narratives, and other documentation, are to be completed and submitted in accordance with the provisions of 7 CFR part 1783, 2 CFR part 170, and 2 CFR part 200, as well as the Grant Agreement. It will be the grantee's responsibility to demonstrate how the costs are associated to the goals and objectives of the award. Further, all grantees must submit an audit or financial information covering the

defined period of performance as outlined in 2 CFR part 200.

G. Federal Awarding Agency Contacts – For general questions about this notice please see point of contact listed in FOR FURTHER INFORMATION CONTACT section of this notice.

H. Other Information

1. Paperwork Reduction Act. In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the information collection requirements associated with the programs, as covered in this notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0572-0138.

2. National Environmental Policy Act. All recipients under this notice are subject to the requirements of 7 CFR part 1970. However, awards for technical assistance and training under this notice are classified as a Categorical Exclusion according to 7 CFR 1970.53(b), and usually do not require any additional documentation. The relending nature of this program may require compliance via 7 CFR 1970.55 which applies to multi-tier actions or relending actions. RUS will review each grant application to determine its compliance with 7 CFR part 1970. The applicant may be asked to provide additional information or documentation to assist RUS with this determination or enter into a multi-tier action environmental compliance agreement. The multi-tier action environmental compliance agreement will detail the recipient's responsibilities in meeting the Agency's Environmental Policies and Procedures. The multi-tier action environmental compliance agreement acknowledges that further "tiered" environmental review is required and coordinated by the recipient prior to approving subrecipient applications for relending purposes.

3. *Federal Funding Accountability and Transparency Act.* All applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in Section D.3 of this notice. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

4. *Civil Rights Act.* All grants made under this notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR Part 15 Subpart A -- Nondiscrimination in Federally-Assisted Programs of the Department of Agriculture - Effectuation of Title VI of the Civil Rights Act of 1964) and Section 504 of the Rehabilitation Act of 1973, Title VIII of the Civil Rights Act of 1968, Title IX, Executive Order 13166 (Limited English Proficiency), Executive Order 11246, and the Equal Credit Opportunity Act of 1974.

5. *Nondiscrimination Statement.* In accordance with Federal civil rights laws and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information

(e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720-2600 (voice and TTY); or the 711 Relay Service.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at <https://www.usda.gov/sites/default/files/documents/ad-3027.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(1) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410; or

(2) Fax: (833) 256-1665 or (202) 690-7442; or

(3) Email: program.intake@usda.gov

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