

USDA RURAL DEVELOPMENT ASSISTANCE FOR IMPROVING YOUR COMMUNITY'S SOLID WASTE FACILITY

Zender Environmental Health has compiled this sheet to assist communities in understanding the USDA application process. However, at all times, it is the judgment of the USDA project officer on what a community must submit and how detailed the information should be.

There are 4 types of USDA Rural Development assistance to help you develop your solid waste site –



- Water and Waste Grant (**WWG**) - Facility or equipment money
- Predevelopment and Planning Grant (**PPG**) – Money for planning your facility.
- Special Evaluation Assistance for Rural Communities and Households Grants (**SEARCH**) – Also money for planning your facility.
- Revolving Fund Water and Waste Loan (**RFP**) – Very good loans for facility or equipment

??? *What is the difference in these forms of assistance* **???**

- **The WWG does not fund documents and planning** – it funds only construction, and in some cases the first year of facility operation.
- **The PPG and SEARCH do not fund equipment or facilities** – they fund only planning and document development.
- **The RFP can fund equipment or facilities**, and in some cases the first year of facility operation. However, **it is a loan, not a grant.**

The good news is that there is no deadline for the grants. You can apply anytime. However, USDA gets money each year that they must spend in a one-year timeframe. Or they must send it back. This is just like IGAP or other grants at the end of project periods. So even though there is no deadline, it will still pay you to prepare your application as soon as you can. By the time summer comes, it can sometimes be too late to process your application in time for the current fiscal year. It may be processed for next year funds.



A full application is a lot of work. It is a process. An application consists of many documents and forms. Most communities submit their application in stages:

- They work with USDA to address what is missing from their application.
- Then they submit that paperwork.
- Then they work with USDA to address what is still missing.
- Then they submit that paperwork...
- and so on....

ELIGIBILITY REQUIREMENTS

All rural Alaska communities are eligible. Additional requirements you should know are:

- ✓ **Eligible entities** in Alaska include rural cities, special purpose districts, Tribes, and non-profits, including cooperatives. A new entity may be formed to provide the needed service if an appropriate one does not already exist.
- ✓ **Use of Funds:** Funds must be used for projects that **construct, repair, modify, expand, or otherwise improve** your community's solid waste disposal facility. Certain other costs related to development of the facility may also be covered. (Note water and wastewater facilities are also eligible).



- ✓ **Loan Feasibility:** For both grants and loans, you should be unable to obtain needed funds from commercial sources at reasonable rates and terms.

- ✓ **Operational Authority:** You must have *the legal capacity to operate and maintain* the solid waste site. So it may be the city that is the correct applicant or it might be the tribe. In some cases, if it is the city that owns the landfill, but

the tribe that is responsible for operating it, it can be the tribe that applies. You can consider an MOA too. For example, it might be the tribe that compiles the application, the city that has its name on the application, and an MOA is in place that it is the tribe that will be in charge of implementing the project, including tracking funds.

- ✓ The status of your RUBA indicators must be considered acceptable to USDA. See below for more information on this requirement.

RUBA Indicators: To qualify for any USDA assistance (grant or loan) you will need to satisfy the "RUBA indicators". The State of Alaska **R**ural **U**tility **B**usiness **A**dvisory program tracks community success at operating in a financially sustainable way a community's water and wastewater utility. They have developed a number of "indicators" that evaluate this. These are the same criteria needed to qualify for VSW or ANTHC sanitation projects. Go to http://www.commerce.state.ak.us/dca/ruba/report/Ruba_Report.cfm to see if you are listed as passing the RUBA indicators. RUBA updates indicator information quarterly. Note these indicators are for the entity that is operating the water/wastewater utility.



You generally need to pass all of your RUBA indicators. However, if you pass all of them except one or two, USDA *may* allow this – based on which indicators they are, what you are asking for, and perhaps other circumstances. For example, if you are behind on your taxes, you might still be eligible as long as you are able to document that you have a plan in-place with IRS to address that. If you are missing an indicator or two, you might wish to address in a letter why it is that the solid waste system will have a different financial track record than the water system (e.g. effective user fee collection methods).

What if you are a tribe and it is the city that is evaluated for RUBA? You are not technically responsible for the indicators (unless it is you responsible for collecting water user fees). However, if the city RUBA score is bad, you might still wish to address in a letter why it is that the solid waste system will have a different financial track record than the water system (e.g. effective user fee collection methods). Also, remember *the entity that should be applying for your community's solid waste project is the entity that has the operational responsibility.*

Water and Waste Grants (WWG)

There are “construction” and “non-construction” grants under the Water and Waste Grants. **Construction grants** are for new landfills, new cells, landfill upgrades, landfill closures, and any project activity that moves dirt around. **Non-construction grants** are for equipment and supplies, such as a dozer or baler. In some cases, non-construction can include pre-fabricated sheds or building renovations. **The primary determining factor is whether NEPA is applicable.** When “ground is disturbed” for a project, NEPA, the National Environmental Policy Act, requires an assessment to determine whether environment, animals, plants, culture, historical resources will be affected, and what actions can be taken to reduce impact. Any stakeholders, including local, state, and federal agencies must be notified as well. Depending on the project and location, some agencies can stop a project if they do not approve it.

Thus, when a construction project is requested under the WWG, there is normally more need for details and more formal documents. Compiling the application can be a very, very long process. Equipment requests take less time to compile, although you will still need a lot of information and it can still be a long time.

NOTE TO CONSTRUCTION APPLICANTS: Are you applying for a construction project, such as a new landfill? To submit a complete application, you must be “construction-ready”. This means you will need to have all the documents finished that are necessary to start construction—the preliminary design and NEPA-required environmental reports and permit approvals.

*But engineering and environmental work for construction projects costs money.
You need a qualified person to do this work.*

The good news: **If you do not have the required documents**, and are interested in a construction project (new landfill, new cell, upgrade), **consider applying for a PPG grant.** The PPG grant can fund your NEPA and engineering work. Read the PPG section in this document.

You should also know that **non-construction grants (i.e. equipment requests) must be associated with a construction or landfill improvement project.** Many of the



guidelines refer to “the project”. The grants do not fund a dozer without a plan for how that dozer is part of a larger effort in improving your landfill. That is because the water and waste grants are for “facilities” – meaning they are meant to supply communities with a good working landfill. *They are not meant to help you maintain your landfill.* For example, purchase of a replacement dozer is not allowable because it does not result in a better landfill. Any additional equipment that is meant only for operation and maintenance does not qualify.

Equipment must be used to improve the facility/infrastructure. Once the equipment is used for improvement, it can be used for operation and maintenance later on.

Again, WWG funds are meant only for projects that **construct, repair, modify, expand, or otherwise improve** your community’s solid waste disposal facility.

Your project can be a series of improvements as part of a larger plan. For example, one community has been working on improving their landfill for several years, based on a community plan. Through IGAP funds, they did some site work and dug a trench one year. In the next year they started a collection program. The next year they were granted permission to use the borrow material from an airstrip project to help cover up some open waste areas. The city received funds for a boardwalk project. The boardwalk

improvement was essential to have a waste collection that worked. When the Tribe applied for the dozer they were able to list all of these efforts as in-kind funding from IGAP and their City, and to name these efforts as part of their landfill upgrade project. They were able to tie these in to their solid waste plan. The more recent the project, the more likely it can be used as a match. The main criterion is whether the in-kind effort is clearly part of the *current* landfill improvement project. If you are requesting equipment, keep in mind what your larger project is. We can assist you in compiling information that documents your project.



Whether an Environmental Report is needed for an equipment (“non-construction”) application gets a bit confusing. If your larger project includes significant ground disturbance, you will still need to file an Environmental Report. For example, if your match is a BIA-funded landfill road, your full project includes the construction of that road, even if you are only requesting equipment from USDA. You’ll need to submit the ER from the road construction project, and that ER should include the role of the equipment. Most non-construction applications will require a much briefer Environmental Report than a true construction application (e.g. a new landfill). Some equipment applications will require only limited Environmental information (you will just need to follow instructions included in Step 4 below). If your landfill improvement project is only collection equipment, for example, you will not have any ground disturbance.

Who should apply? Cities and tribes are eligible. However, the applicant should be the entity that has primary responsibility for the solid waste site/landfill. Some communities submit an MOU. They have their city apply as the formal responsible party, but the Tribe is the one that does the legwork, and the funds are directed to them for the purposes of carrying out the grant. You can work with USDA to discuss who the appropriate applicant should be for your situation, and what arrangements might be possible if you are interested in joint government collaboration.

- 1) **Federal SF424**
- 2) **For non-construction: 424a and 424b. For construction projects: 424c and 424d.**
- 3) **Narrative describing project and discussion of need for the project.**

This is referred to as the PER – Preliminary Engineering report. Your PER should conform to the 1780-4 Bulletin at:

<http://www.rurdev.usda.gov/SupportDocuments/UWP-Bul.%201780-4%2010-01-03.pdf>.

For Equipment only (“non-construction”) Applications: A full engineering report is not as important. But you do need to include complete description, specifications, and prices for the equipment and furnishings you are interested in. You will generally need to include life cycle costs for 3 alternatives (including your selected alternative, a “no action” alternative, and another reasonable alternative such as a smaller piece of equipment or purchase of only part of what you need). And you’ll need to include a schedule of current “short-lived assets” for your SWM program. See end of this document for an example. You should also include any other documents that describe your site and the use of the equipment, as well as your plan for improvement. In writing your narrative for a “non-construction” application, remember you are writing the description for the full project that the equipment is part of. The life cycle costs are for the full project/SWM program, as well.

- 4) **Request for Environmental Information.** Form RD 1940-20. The form is at <http://www.rurdev.usda.gov/in/Energy Documents/Forms/rd1940-20 - req for environmental information.pdf> If you have an Environmental Analysis/Report/Impact Statement already and have gone through the NEPA process, you can use that. *This report is referred to as the “ER” – Environmental Report.* Attach it as “Exhibit 1”. – But if it was not done



for a USDA project, you will need to change it to fit USDA requirements. Every federal agency has different ER requirements. So if your NEPA work was done for another agency, you will need to modify it.

- i. **Construction applications:** The USDA guidelines for an Environmental Report or Analysis/Statement are at <http://www.rurdev.usda.gov/SupportDocuments/UWP-RUS%20Bulletin%201794A-602%20032708.pdf> Fit your report to these guidelines by adding any additional information needed and use the exact subject headings, in the same order that USDA asks for.
- ii. **If you are applying for equipment only, and construction (i.e. earth disturbance) is not involved:**—Go through the instructions on Form 1940-20. Go through each topic, and either write a description, or write the title out, and write “not applicable”. For most topics, you will be writing just a couple sentences. Remember you are filling out the form for your equipment as part of a larger project. So for example, in the noise section you are writing about the noise the new dozer will make. If more information is needed by USDA, they will let you know.



5) Coastal Zone Management Questionnaire. Check with the State of Alaska or your USDA RD staff contact to find out if the Coastal Zone Program has been reauthorized. As of July 2011, this Program was suspended. If the Program still doesn't exist during the time you are submitting your full application, you do not need to submit anything for this item. However you will need to follow through on any required agency notifications and permit applications that were included as part of the Questionnaire. If the Program has been reauthorized, you must complete the questionnaire and submit it to the State. If the Program has not been reauthorized, it is a good idea to use the form as a guide for what agencies you might need to contact. The form and Instructions are at this website:

<http://dnr.alaska.gov/coastal/acmp/Projects/pcpq3.html> .

- a. **For construction projects,** you will need to get a “consistency determination” . This process for the State takes about 50- 90 days.
 - b. **For non-construction projects,** much of the questionnaire will be not applicable and will check “no”. You might be checking “yes” to the first three boxes under the ADEC Environmental Health section. You will be likely eligible for a "categorical permit" or "general concurrence determination. *But you still need to submit the application,* and then you can call the State Division of Coastal and Ocean Management to discuss your permit.
 - c. **If you are outside the coastal impact zone,** you won't need to fill out the questionnaire. You can simply submit to USDA a letter that documents this. See the Coastal Zone boundary map available at <http://alaskacoast.state.ak.us/GIS/boundary.htm>
- 6) Current operating budget of your solid waste system** You can use form RD442-7 at <http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD442-7.PDF> or you can submit the budget in your own format. This is the budget for your solid waste system/program right now.
- 7) Proposed operating budget.** This is the budget you plan to use. It might be similar to your current budget, or very different. Remember, if you will have equipment, you will need to add both operation cost and maintenance/repair cost.



8) Current user rate schedule. You MUST have user fees.

They should pay for your current budget. You can also supplement your budget with other funds (IGAP, bingo, etc.). But these funds must be separated out and accounted for as targeted solid waste money. For example, bingo earnings could be used if participants paid a solid waste fee and received a card(s) to play in return. The money would stay separately accounted. If IGAP personnel are part of the solid waste program, the FTE they spend on solid waste is part of the solid waste budget and IGA is part of the solid waste program revenue stream.



9) Certificate of Number of Users. Form AK 1942-1. See the end of this document for form. Note, if you are a tribe and not a city, that is fine. Just make sure the names on the form are correct.

10) Written certification that other credit is not available.

See example at end of this document. Call a bank and ask for a loan to purchase the equipment (or whatever it is you want). For almost any rural community or tribe, the bank will likely say no, or offer an interest rate that you cannot afford. All you need to do is write down the name of the bank, the date of the conversation, and what the bank said. If the bank sends an email or letter declining credit, that can be used as well. Then fill out the sample letter.



11) Financial information from the last 5 years for your city or tribe (whoever is applying). You will need to provide the annual financials (profit/loss statements). You'll also need to supply any additional information that is requested to determine your status with IRS. For example if you had some bad audits or are behind on taxes, you may need to supply a note that describes how you are addressing this problem. Your USDA project officer will let you know what you need.

12) Other standard federal forms. Including www.rurdev.usda.gov/rbs/coops/ad1048.pdf . *Your project officer will let you know what other forms are required once you have submitted your application.*

13) MATCHING FUNDS—A 25% match is generally required. However, this can include in-kind and federal funds. So IGAP, BIA roads, and HUD money can be used as can administrative overhead or volunteer time. If projects were done within the last couple of years, and they are part of your larger project, they might count too. You will need to compile a list of projects and efforts that you can use as a match. You will need to have adequate documentation of that match typically, such as an award letter, note from agency, etc. You do not need the money in hand to be tentatively awarded by USDA. But you will need to have the match before the project begins. Note, EPA does not allow IGAP funds to be used for a money match. But IGAP personnel time towards the project, as long as it is part of an approved IGAP workplan, can be used as a match, as can equipment purchased with IGAP funds.

14) NOTICE OF INTENT TO FILE – You need to notify the public you are applying for a USDA grant. The notification should be within 60 days of your actual submittal of the application. This can be posted at your community bulletin board such as post office, store, tribal or city office. Or if you have a newsletter or newspaper that everyone reads, you could publish there. Take a picture of your posting and include it with your application, or as soon as you post. Use a camera setting that

digitally stamps the photo with a date. Also include the flyer, or a copy of the flyer, with a stamped or written date, once it is taken down. See the end of this document for an example wording, and be sure to change the information to your community and date.

- 15) Possibly additional information. The USDA project officer will go through your information and help you complete your application.



The USDA Applications Are a Process!! Don't get discouraged. Very few communities are able to provide all the required information on the first try. But your project officer will help you. And we are there to assist you through the whole process as well.

We think the best strategy is to submit forms and documents as you get them. Submit first a completed 424 and a project narrative. As you work through the other requirements, you can then ask the USDA project officer if there are ways to make the process shorter – such as using an existing document or, in the case of the PPG especially (see below), whether certain forms can be omitted because they are non-applicable.

PPG Grants “Predevelopment and Planning Grants”

Most of us want a new landfill or equipment or facilities that will improve the landfill we have. USDA’s **W**ater and **W**aste **G**rant (the “WWG”) will do that. But the WWG is meant to fund “construction ready projects” only. This means before you apply you will need two documents. The PPG funds both documents:



1. **Preliminary Engineering Report** (a “PER”): This is a feasibility study that analyzes the most reasonable alternatives for your project and develops cost estimates and preliminary design for your project. For example, if the project is a new landfill, the PER would identify a couple of new sites that are technically sound and logistically feasible, and compare what it would take to develop a permitted landfill there, versus keeping your landfill where it is. It would include a basic operational budget as well as a construction budget.

2. **Environmental Report**: This is a description of all the environmental impacts to your proposed project, and how negative impacts can be mitigated. The report looks at alternatives to the project, including what will happen to the environment if the project doesn’t happen.

The PPG maximum request is generally \$30,000.



If you need over \$30,000 to conduct your planning, you can still request it. The Alaska Office must then go to the National Office to request an exception. To get this exception, you may need to supply extra information to justify your costs. Many exceptions for Alaska communities have been granted because it costs more to conduct field work here than in other States.

The Application for PPG is similar to the WWG, but takes much less time.

You will **not** need to supply the Environmental Report or Preliminary Engineering Report. **AND** much less detail is necessary! The folks at USDA understand that you do not have all the details now because you have not finished planning your project. You simply need to describe your project as best as you can. And you will still submit the required federal forms and financials.

For most PPG applications, the following is submitted:

- 1) **Federal SF424, SF424a, and SF424b.**
- 2) **A cash match.** Generally 25% of the project. You do not need to submit the actual match with your application. You will just need to state how much you plan the match to be. You should have a very good idea of where the cash will come from however. Even if you are awarded, you will not be able to get any USDA money transferred to you without the cash match “in hand”. Some communities have obtained this match from their regional corporation. Some get this cash from another local government in town (i.e. the Tribe or city), and some pool contributions from several entities. Can you get for example the local corp, school, city, tribe, regional corp to all donate a little money? You should know that once your project starts, you must spend your cash match first, before USDA will reimburse the remainder of the project from their funds.
- 3) **Narrative describing project and discussion of need for the project.** *Provide a brief summary of what you want to do, why you want to do it, who you are, background, etc. In this narrative you will want to describe your current solid waste situation, including how you operate your program and personnel involved. It should be clear in the narrative that you need the project you are requesting study for. For example, some communities need heavy equipment to start a trench and fill operation at their landfill. In this case, they might cite DEC recommendations or the fact that they are running out of space with their current operational design. Some communities need a new landfill because their current landfill floods continually, or is too close to the airport and presents bird navigation hazards. Some landfills are too close to town to operate a burnbox without regularly exposing residents in town to smoke.*

- 4) **Request for Environmental Information.** Form RD 1940-20.
http://www.rurdev.usda.gov/supportdocuments/ga_cf_form_RD1940-20.pdf Go through the instructions on Form 1940-20. Go through each topic, and either write a description, or write the title out, and write “not applicable”. For most topics, you will be “not applicable” because you are only requesting funding for studies and plans. And your planning project will not impact the environment. *The form still needs to be submitted.*
- 5) **Current operating budget of your solid waste system** (You can use form RD442-7 at www.rurdev.usda.gov/regs/fmi/fm0442-07.pdf or you can submit the budget in your own format). This is the budget for your solid waste system/program now. Be sure to include all operating expenses and all revenue. USDA would like to see that the community spends at least some money on solid waste now. Call us if you would like assistance here. Most communities spend some money on solid waste but the costs are hidden.
- 6) **Proposed operating budget.** For most applicants, you can submit a piece of paper titled “proposed operating budget” then write a sentence like “we do not know what our proposed operating budget will be because we do not know enough about the system we should have. The proposed PER will develop our future operating budget”. However, if you already have a planned budget, you should submit that.
- 7) **Current user rate schedule.** This is a list of the fees that are charged for solid waste. It is the same flyer/bulletin/ordinance that tells residents how much they are supposed to pay. If you do not have user fees, you can ask the USDA project officer about your particular case. USDA is trying to establish what you can afford. If you don’t have a solid waste program (no operator, no collection program, no equipment), you can typically submit a signed piece of paper titled “current user rate schedule” that has written on it an explanation such as “Not applicable because we do not have a solid waste program. The planning documents will tell us what to charge once we have our new system”. In some cases even if you operate a solid waste program without user fees, you may be fine. That is because the better landfill you are planning might be an incentive for people to pay fees. Or maybe you are going to get collection equipment to start a collection program. Most communities pay for part or all of their solid waste program using IGAP funds, City tax, or general funds. That is okay, as long as the source of funds is relatively stable, and any user fees that are applied are applied fairly. In any case, if you don’t have user fees, you can tell your project officer what your situation is and they may accept that justification and just ask you to submit a simple written description.
- 8) **Certificate of Number of Users.** Form AK 1942-1. See the end of this document for this form. Most of this form is not applicable and you can write that. But fill out part II and III. Only attach a rate schedule if applicable. Note, if you are a tribe and not a city, that is fine. Just make sure the names on the form are correct.
- 9) **Written certification that other credit is not available.** See example statement at end of this document. You can call a bank and ask for a loan to conduct your preplanning. For almost any rural community or tribe, the bank will likely say no, or offer a rate that you can not afford, or that is very, very high. All you need to do is write down the name of the bank, the date of the conversation, and what the bank said. If the bank sends an email or letter declining credit, that can be used as well. Do this for 3 banks or financial institutions if possible.
- 10) **Financial information from the last 5 years for your city or tribe (whoever is applying).** You will need to provide the annual financials (profit/loss statements). You’ll also need to supply any additional information that is requested to determine your status with IRS. For example if you had some bad audits or are behind on taxes, you may need to supply a note that describes how you are addressing this problem.
- 11) **NOTICE OF INTENT TO FILE** – You need to notify the public you are applying for a USDA grant. The notification should be within 60 days of your actual submittal of the application. This can be posted at your community bulletin board such as post office, store, tribal or city office. Or if you have a newsletter or newspaper that everyone reads, you could publish there. Take a picture of your posting *with a date stamp* and include it with your application, or as soon as you post. See the end of this document for an example wording, and be sure to change the information to your community and date. You should also hold a community outreach meeting – either with a normal Council meeting or a separate meeting. Announce the

application at this meeting and be sure to get a copy of the sign-in list and the agenda with the meeting listed.

12) **Other standard federal forms.** Including:

- Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions at: <http://www.ocio.usda.gov/sites/default/files/docs/2012/AD1048-F-01-92.PDF>
- Form RD 400-1, "Equal Opportunity Agreement", at <http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD400-1.PDF>
- Form RD 400-4, "Assurance Agreement" at <http://www.rurdev.usda.gov/supportdocuments/RD400-4.pdf>
- Form AD-1047, "Certification Regarding Debarment, Suspension and other Responsibility Matters" at Form AD-1047 at: <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5060654>
- Form AD-1049, "Certification regarding Drug-Free Workplace Requirements (Grants)" at <http://www.afm.ars.usda.gov/agreements/files/ad1049.pdf>
- Certifications for Contracts, Grants, and Loans (Regarding Lobbying) at http://www.csrees.usda.gov/funding/pdfs/form_lobby.pdf
- AD-3030 at <http://www.ocio.usda.gov/document/ad3030>
- AD3031 at www.ocio.usda.gov/document/ad3031
- Form RD 1910-11, "Application Certification, Federal Collection Policies for Consumer or Commercial Debts" at <http://www.rurdev.usda.gov/SupportDocuments/UT-1910-11.pdf>

13) Bids or Quotes from 3 Qualified Consultants/Contractors. You'll need to submit quotes from qualified persons or companies. These quotes/bids will list how much the Consultants will charge for performing the PER and ER. In most cases you'll find one consultant/firm that can do both types of documents. You do have the choice to go with separate companies for the ER and PER, and will need to submit 3 bids for each document.

Sometimes it can be difficult to obtain 3 quotes. In this case, you might be able to submit just 2 quotes, or even one. If you can only find 1 to 2 quotes, you must document very well your bid search. For example, print out all of the emails sent, and phone records and folks you spoke with and the date you requested a bid. Print out your social media outreach for a bid, etc.

14) **SAM Registration** – The applicant organization must have a currently valid System for Award Management registration. This used to be CCR (Central Contractor Registration). Go to <https://www.sam.gov/portal/SAM/##11> . Click on Search Records, and if you know your DUNS number (which is asked for in the 424 form), you can enter that. Otherwise, type in at least part of your name under "Quick Search". It is best to just use the main part of the organization name because organizations often enter a slightly different formal name than what you may be used to. For example, if you enter "Raven", you will see the list for Native Village of Raven, City of Raven, Traditional Council of Raven, Raven Tribal Council, etc. If you are not registered, start the process NOW! It can be time-consuming with the slow internet speed most of us experience. Go back to the home page, and sign up first for a SAM account, then use that to click on Register /Update Entity. If you have a SAM registration but it is expired, click on Register/Update Entity and update your registration so that it is current. Need help? Call SAM registration desk, and if you are still stuck, call us!

15) **RUBA Indicators**. If the applicant entity operates a water/wastewater utility, you will want to check your RUBA (Rural Utility Business Advisory) score. Go to <http://commerce.state.ak.us/cra/DCRAExternal/RUBA> and scroll down to your community. Click on the most recent quarterly report. There will be a description of your overall performance and at the bottom will be a score. Ideally, you will have a "yes" for all essential indicators. You do not need to turn in anything for the PPG application, but USDA will likely

look at your RUBA scores. If they need an explanation for any of the indicators that you did not pass, they will ask you. See next item.

- 16) **Possibly additional information.** The USDA project officer will go through your information and help you complete your application if needed. *They will tell you about other required forms once you submit the application.*

!POST-APPLICATION!

Yes, there's more paperwork, but you're almost there!

- 17) After your application is complete and USDA decides to tentatively award you, you'll receive a **Letter of Conditions**. This Letter may ask for additional forms, and it might ask you to document certain circumstances, such as your potential match. You'll need to sign the Letter, submit your final forms and any other documentation. After that, you'll wait for USDA to confirm with National Office on the award, and they'll get back to you typically within 10 days with their signature.
- 18) Before the check comes in the mail, the **USDA Engineer in Alaska will need to look over your bids** and determine that the lowest bidder is qualified to do a PER and ER. If you choose to go with a company that is not the lowest bidder, you will likely need to pay the difference between the lowest qualified bidder and your bidder. You can always ask for reconsideration if your community has a valid reason why they want to select a bidder that is more costly.
- 19) If there is a big delay between your initial bids and your final application, USDA may request that you confirm with your bidders an updated cost.
- 20) Start your project (once you have a contract in place). As mentioned above, once your project starts, the **first 25% of costs that are invoiced are your responsibility** –you will pay those costs from your match funding. If the source doesn't want to fund the 25% up front, you'll need to cover the funds until the source can reimburse you.

SEARCH Grants

(Special Evaluation Assistance for Rural Communities and Households Grants)

Like PPG's, SEARCH grants are intended to assist financially distressed, eligible communities to pay planning associated with water and waste disposal infrastructure needs. The main differences are:



-No match is required! One hundred percent of the costs can be covered.

-SEARCH grants are only for communities of under 2,500 people. If you are a hub community, you might need a PPG grant which funds communities of up to 10,000 people.

-The local office can fund up to \$30,000. Like the PPG, if your cost is over \$30,000, the local USDA RD office will need to ask the national office for an exception.

Details of what is funded: Same as the PPG—Preliminary Engineering Report and/or an Environmental Report needed for a water and waste grant or loan. Again like the PPG, the SEARCH grant will not fund studies or reports that are performed for research purposes only. The costs must be related to a developing a proposed project that meets the following requirements:

(1) To construct, enlarge, extend, or otherwise improve rural water, sanitary sewage, solid waste disposal, and storm wastewater disposal facilities.

AND/OR

(2) To construct or relocate public buildings, roads, bridges, fences, or utilities, and to make other public improvements necessary for the successful operation or protection of solid waste, water, or sewage facilities.

Please refer to the PPG application instructions to fill out a SEARCH application.

Revolving Fund Water and Waste Loan (RFP)

USDA offers great loans for very low rates compared to other financing options. They also allow long payback periods. This means that borrowing funds to pay for part or all of your proposed project will not cost too much money in interest payback. The idea is that you can charge solid waste collection fees to your community that cover the cost of the loan.



There is not a match required for these loans. In fact, ***these loans can be used as your matching funds for the WWG!***

INTEREST RATES: Interest rates are set quarterly. To look up the current interest rate, go here: <http://www.rurdev.usda.gov/UWP-int-rate.htm>, or contact USDA RD. Payback periods can be as long as 40 years. The longer the payback period, the lower your monthly payments.



TIMELINE: Typically, you will need to complete your full application by mid- to end-May to be eligible for a loan in that fiscal year. That is because the USDA project officers need time to process your application before their fiscal year ends.

HOW TO APPLY: A 2010 application guide for this program is available at : [http://www.usda.gov/rus/water/docs/Application Guide-Revolving Fund 2010.pdf](http://www.usda.gov/rus/water/docs/Application%20Guide-Revolving%20Fund%202010.pdf)

Also you may check the home page of the water and environmental program at: <http://www.usda.gov/rus/water/> for updated information.

WHY APPLY FOR A LOAN?: Reasons to consider applying for a loan to at least partially cover your project include:

- To award their grants, USDA assigns priority points to communities that provide some of their own funding. If you use a loan to pay for part of your project, that is counted as your own money for a match.
- Paying for some of a community facility has been shown to provide a sense of “ownership” in many communities. When people feel good about what they have, they can be more likely to take care of it. And when the community is more careful about their wastes, health risks are reduced and maintenance costs are reduced.
- Because not many communities ask for loans, the national office places additional points to communities that use a loan as part of the payment for their landfill.
- There are limited grant funds each year. If you are able to cover part of the project costs, it may be more likely that your grant funds request can be met.



Example Payment Plan for a Loan to Cover Part of a New Landfill

A typical offroad landfill that meets State of Alaska Class III requirements might cost about \$1.5 million dollars. If a community decides they want to pay 10% of the costs, they would borrow \$150,000. If they choose a 40 year timeline, and the interest rate was 3%, they would pay each year \$6,444.

For a community of 400 (100 households), **each household would need to pay just \$5.36 per month** to cover this payment.

PRIORITY RANKING

SEARCH, PPG, WWG, and WWL assistance is scored to assign priority. Federal regulations stipulate that if funds are limited, this scoring should be used to help decide which projects to prioritize for funding. In the past, Alaska Village solid waste projects have scored very high due to the generally substandard nature of our facilities. Also, funds have generally been available for the applications either in the applying year or the next year. However, this could change and it may be of interest to note the scoring system.

Points will be awarded as follows:

(a) Population priorities.

- (1) The proposed project will primarily serve a rural area having a population not in excess of 1,000--*25 points*;
- (2) The proposed project primarily serves a rural area having a population between 1,001 and 2,500--*15 points*;
- (3) The proposed project primarily serves a rural area having a population between 2,501 and 5,500--*5 points*.

(b) Health priorities. The proposed project is:

- (1) Needed to alleviate an emergency situation, correct unanticipated diminution or deterioration of a water supply, or to meet Safe Drinking Water Act requirements which pertain to a water system--*25 points*;
- (2) Required to correct inadequacies of a wastewater disposal system, or to meet health standards which pertain to a wastewater disposal system--*25 points*;
- (3) Required to meet administrative orders issued to correct local, State, or Federal solid waste violations--*15 points*.

(c) Median household income priorities. The median household income of the population to be served by the proposed project is:

- (1) Less than the poverty line if the poverty line is less than 80% of the statewide nonmetropolitan median household income--*30 points*;
- (2) Less than 80 percent of the statewide nonmetropolitan median household income--*20 points*;
- (3) Equal to or more than the poverty line and between 80% and 100%, inclusive, of the State's nonmetropolitan median household income--*15 points*.

(d) Other priorities.

- (1) The proposed project will: merge ownership, management, and operation of smaller facilities providing for more efficient management and economical service--*15 points*;
- (2) The proposed project will enlarge, extend, or otherwise modify existing facilities to provide service to additional rural areas--*10 points*;
- (3) Applicant is a public body or Indian tribe--*5 points*;
- (4) Amount of other than RUS funds committed to the project is:
 - (i) 50% or more--*15 points*;
 - (ii) 20% to 49%--*10 points*;
 - (iii) 5%--19%--*5 points*;
- (5) Projects that will serve Agency identified target areas--*10 points*;

- (6) Projects that primarily recycle solid waste products thereby limiting the need for solid waste disposal--*5 points*;
- (7) The proposed project will serve an area that has an unreliable quality or supply of drinking water-- *10 points*.

(e) In certain cases the State program official may assign up to *15 points* to a project.

Number Of Users Form

CERTIFICATE OF NUMBER OF USERS

NAME _____ IRS TAX NO. _____

ARE FINAL PLANS COMPLETED? _____ HAS DEC APPROVED? _____

ANTICIPATED BID DATE _____

I. TOTAL FACILITIES

- A. ALL YEAR HOMES _____
- B. SEASONAL HOMES _____
- C. APARTMENT UNITS _____
(No. of Bldgs _____)
- D. TOTAL RESIDENTIAL UNITS (A+B+C=D) _____
- E. COMMERCIAL _____
- F. INDUSTRIAL _____
- G. PUBLIC SCHOOLS _____
- H. SCHOOLS (Pupils) _____

_____ No. of users in E, F, G, &H above who have or would need a 1" and larger water service line.

II. PARTICIPANTS

NO. OF RESIDENTIAL USERS IN SERVICE AREA:

WHITE	BLACK	AK. NATIVE	HISPANIC	ASIAN	TOTAL
_____	_____	_____	_____	_____	_____

III. RATES: ATTACH A SCHEDULE OF RATES.

I, _____ OF THE
(Name) (Mayor/City Manager)

FOLLOWING CITY DO HEREBY CERTIFY THAT THE ABOVE LISTED ARE THE NUMBER OF
USERS TO BE SERVED BY THE _____ SYSTEM.

ALL USERS ARE LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY.

TO THE BEST OF MY KNOWLEDGE, THE TYPE OF USERS ARE AS SHOWN.

DATED: _____

ATTEST: _____

_____ City

_____ Clerk

(SEAL)

BY: _____ Mayor/City Manager

No other credit available form

**WATER AND WASTE
ELIGIBILITY CERTIFICATION**

Certification for commercial credit and outstanding judgments

The undersigned certifies, to the best of their knowledge and belief, that:

- 1. The organization is unable to finance the proposed project from its own resources or through commercial credit at reasonable rates and terms.

- 2. No outstanding judgment has been obtained and recorded by the United States of America in a Federal Court (other than in the United States Tax Court).

Name of Organization

Name of Authorized Official

Signature

Date

Notice of Intent to File Sample

Notice of Intent to File
Post on **XXX DATE**

USDA Rural Development requires that all applicants applying for a loan or grant assistance from the agency must publish or post a Notice of Intent to File an Application within 60 days of filing their application. The **Native Village of Raven** is applying for a grant under the USDA Rural Development Water and Waste Disposal Systems for Rural Communities program.

For additional information please contact **Joe Smith** at **555 5555**, **Native Village of Raven** Environmental Planner, or USDA Rural Development at 800 W. Evergreen, Suite 201, Palmer, Alaska 99645 or telephone (907) 761-7705.

Acknowledgements and Citation

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Citation: Those wishing cite this document may use:

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SEARCH Grants

(Special Evaluation Assistance for Rural Communities and Households Grants)

Like PPG's, SEARCH grants are intended to assist financially distressed, eligible communities to pay for feasibility studies, design assistance and technical assistance associated with water and waste disposal infrastructure needs. The main differences are:



-No match is required! One hundred percent of the costs can be covered.

-SEARCH grants are only for communities of under 2,500 people. If you are a hub community, you might need a PPG grant which funds communities of up to 10,000 people.

-Instead of the \$25,000 for the PPG, the local office can fund up to \$30,000. Unfortunately, unlike PPG, the local office cannot request additional funds from the National Office.

Details of what is funded: Same as the PPG- the feasibility studies, preliminary design assistance, engineering analysis necessary for an application for WWG or WWL. Eligible costs include community meetings or any other work or activity required for the development of these documents. Also potentially funded is technical assistance or training needed for the applicant to develop the application. Again like the PPG, the SEARCH grant will not fund studies or reports that are performed for research purposes only. The costs must be related to a developing a proposed project that meets the following requirements:

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AND/OR

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TIMELINE: Typically, you will need to complete your full application by mid- to end-May to be eligible for a loan in that fiscal year. That is because the USDA project officers need time to process your application before their fiscal year ends.

HOW TO APPLY: A 2010 application guide for this program is available at : http://www.usda.gov/rus/water/docs/Application_Guide-Revolving_Fund_2010.pdf

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- Paying for some of a community facility has been shown to provide a sense of “ownership” in many communities. When people feel good about what they have, they can be more likely to take care of it. And when the community is more careful about their wastes, health risks are reduced and maintenance costs are reduced.
- Because not many communities ask for loans, the national office places additional points to communities that use a loan as part of the payment for their landfill.
- There are limited grant funds each year. If you are able to cover part of the project costs, it may be more likely that your grant funds request can be met.



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- (5) Projects that will serve Agency identified target areas--*10 points*;

- (6) Projects that primarily recycle solid waste products thereby limiting the need for solid waste disposal--*5 points*;
- (7) The proposed project will serve an area that has an unreliable quality or supply of drinking water--*10 points*.

(e) In certain cases the State program official may assign up to 15 points to a project.

Number Of Users Form

and

Sample Form Documenting Inability to Secure a Commercial Loan at Reasonable Rate

and

Sample Notice of Intent to File

CERTIFICATE OF NUMBER OF USERS

NAME _____ IRS TAX NO. _____
ARE FINAL PLANS COMPLETED? _____ HAS DEC APPROVED? _____
ANTICIPATED BID DATE _____

I. TOTAL FACILITIES

- A. ALL YEAR HOMES _____ E. COMMERCIAL _____
B. SEASONAL HOMES _____ F. INDUSTRIAL _____
C. APARTMENT UNITS _____ G. PUBLIC SCHOOLS _____
(No. of Bldgs _____)
D. TOTAL RESIDENTIAL UNITS (A+B+C=D) _____ H. SCHOOLS _____
(Pupils) _____

_____ No. of users in E, F, G, &H above who have or would need a 1" and larger water service line.

II. PARTICIPANTS

NO. OF RESIDENTIAL USERS IN SERVICE AREA:

Table with 6 columns: WHITE, BLACK, AK. NATIVE, HISPANIC, ASIAN, TOTAL. Each column has a blank line for input.

III. RATES: ATTACH A SCHEDULE OF RATES.

I, _____ OF THE
(Name) (Mayor/City Manager)

FOLLOWING CITY DO HEREBY CERTIFY THAT THE ABOVE LISTED ARE THE NUMBER OF
USERS TO BE SERVED BY THE _____ SYSTEM.

ALL USERS ARE LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY.

TO THE BEST OF MY KNOWLEDGE, THE TYPE OF USERS ARE AS SHOWN.

DATED: _____

City

ATTEST: _____

BY: _____
Mayor/City Manager

Clerk

(SEAL)

<ORGANIZATION LETTERHEAD>

The following Lenders were contacted concerning borrowing the financial assistance needed to:

We asked for a loan in the amount of \$_____. Their responses are attached.

(Check one)

We were not offered a loan rate at all. (OR)

Listed below are the rates and terms offered:

The undersigned certifies, to the best of their knowledge and belief, that:

1. The organization is unable to finance the proposed project from its own resources or through commercial credit at reasonable rates and terms for the following reasons:

2. No outstanding judgment has been obtained and recorded by the United States of America in a Federal Court (other than in the United States Tax Court).

Name of Organization

Name of Authorized Official

Signature

Date

Posted February 23, 2011

**Notice of Intent to File
Posted *(Type date here)***

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For additional information please contact Joe Smith at 555 5555, Native Village of Raven Environmental Planner, or USDA Rural Development at 800 W. Evergreen, Suite 201, Palmer, Alaska 99645 or telephone (907) 761-7705.

Example of Short-lived Assets Table.

Short-lived assets are items used for your program that have a life expectancy of greater than 1 year, and less than the full lifespan of the landfill. An example might be a dozer that has only 10 years to go before it needs replacing. A dozer that is expected to make it for the full planned lifespan of your facility does not need to be included. Most new landfills are planned to last for 20 to 30 years. Ideally, because it is so much effort to construct a new landfill, the planned lifespan would be 30, or even 40 years. Below is a simple Template you can use. You simply add up the value of your assets for each lifespan duration (here, 2.5, 5, and 10 years), and divide the subtotals by the time duration. Then the Total annual replacement cost is the total of all the subtotals.

SHORT LIVED ASSETS LISTING & REPLACEMENT COST

Native Village of Raven 5/10/12

ITEM	SIZE	NUMBER	COST	TOTAL
2.5 YEAR REPLACEMENT ASSETS				
Honeybucket Containers	100 gal	19	\$1,500	\$28,500
Total 2.5 year replacement budget				\$28,500
Annual contribution (total/2.5)				\$11,400
5 YEAR REPLACEMENT ASSETS				
Snow Machine	unit	1	\$12,000	\$12,000
ATV	unit	1	\$8,000	\$8,000
Total 5 year replacement budget				\$20,000
Annual contribution (total/5)				\$4,000
10 YEAR REPLACEMENT ASSETS				
Trailer	8 ft	1	\$1,000	\$1,000
Total 10 year replacement budget				\$1,000
Annual contribution (total/10)				\$100
Total annual contribution, 2.5, 5, 10 year needs				\$15,500

Acknowledgements and Citation

This material is based upon work supported under a grant by USDA, Rural Development, Rural Utilities Services. Any opinions, findings, and conclusions or recommendations expressed in this material are solely the responsibility of the authors and do not necessarily represent the official views of the Utilities Programs.

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USDA RD Assistance for Improving Your Community's Solid Waste Site, *Zender Environmental Health and Research Group*, www.zendergroup.org, 2012.



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