

# **FY 2025 Interim Guidelines**

## **Technical Assistance Fund Grants and Water Projects Fund Grants**

### **Introduction**

In 2023, Governor Laura Kelly and the Kansas Legislature, through Sen. Sub. for HB 2302, increased the amount of state funding for the State Water Plan Fund (SWPF). The State Water Plan Fund was created in 1989 to provide funding for projects, programs, and activities recommended in the Kansas Water Plan (KWP) to address the various water issues identified in the KWP. In August of 2022, the Kansas Water Authority approved the updated Kansas Water Plan, which the Kansas Water Office had developed with input from federal, state, and local agencies, regional advisory committees, non-profit organizations and members of the public. During the following legislative session, Sen. Sub. for HB 2302 became law. Its provisions included the creation of two new water-related grant funds: the Technical Assistance Grant Fund and the Water Projects Grant Fund.

The two grant funds serve to help identified Kansas entities to obtain the up-front technical assistance and the on-the-ground actions needed to address various water quantity and quality needs. The two funds are generally directed to supporting water-related infrastructure activities. The new law directs the Kansas Water Office (KWO) to administer these two grant programs, according to certain criteria and parameters.

In order to help ensure opportunities for applicants to seek funding in an orderly fashion and at the same time to encourage competitive access to the funding, applications will be evaluated based on eligibility requirements and evaluation criteria outlined in this document. Applicants should be aware that many variables will impact funding levels, including overall funding demand.

# General Grant Guidelines

## Grant Application Process

The grant application process is a multi-step procedure that can take anywhere from six weeks to several months to complete. Following is a breakdown of the various steps of the process.

1. Announcement of grants. The applications and guidance documents are found on the KWO website.
2. Applicants complete grant application and file forms and all necessary attachments with KWO by midnight on September 6, 2024..
3. KWO staff and/or KWO's consultant carries out an initial review of the application and determines whether information submitted is adequate and meets general grant eligibility criteria and application requirements.
4. KWO staff and/or KWO's consultant will review accepted applications. KWO staff and/or KWO's consultant shall coordinate with subject matter experts and/or partner agencies having regulatory authority over aspects of the proposed use of funds, as needed. Applications will be prioritized based on the criteria laid out in the Guidelines.
5. KWO staff and/or KWO's consultant shall make a recommendation to the Director of the KWO, who shall direct whether an application is approved.
6. If application is reviewed and approved, the grant administrator prepares the grant contract. This process can take several weeks. Grant contract is sent to the grantee to sign and return to KWO.
7. Upon receiving the signed contracts back from the applicant, they are sent to the KWO Director for signature and execution.
8. The grantee must file required forms, including receipts and explanation of all expenditures, reports and any further documentation as required by each grant program for payment disbursements.
9. Upon project completion, final reports, affidavits of expenditures, and any other required documentation are submitted to KWO for approval and final grant disbursement.

**Reporting Requirements**

Grantees will be required to present quarterly reports and one final report accounting for the funds and describing the grant program progress. Funds will be disbursed with a retainage linked to these reporting requirements. All applicants must certify that all proposed activities will be carried out; that all grant money received will be utilized solely for the purposes for which the grant is intended; that the grant project will be documented for both accounting and program progress purposes; and, that the documentation will be maintained and submitted when requested.

**Payments**

Grant approval will result in authorization for Applicant to receive payment. The KWO will issue quarterly payments upon Applicant providing required quarterly reporting requirements. Payment will be based on actual expenditures invoiced by the grantee.

**Cancellation or termination of grant contracts by KWO**

Any grant may be canceled if the grantee does not accept the grant award within 45 days of being issued. Grants may be terminated if it is determined that there has been no substantial performance, or there is substantial evidence of fraud, gross abuse or corrupt practices. Unavailability of funding or significant changes to the original KWO approved grant proposal, particularly in the later months of the fiscal year, may also force the early closure of a grant contract and return of funds.

# Technical Assistance Fund Grants

## Eligible Applicants:

- Municipalities.
- Special district related to water organized under the Laws of Kansas.

## Eligible projects and activities for Technical Assistance Fund Grants:

- Planning, engineering, managing and other technical assistance that may be necessary in the development of plans for water infrastructure projects; or
- Processing grant and loan applications for such water infrastructure projects.

## Limits on Grant Awards

The KWO may provide full or partial grants. No single grant awarded under the Technical Assistance Grant Fund shall exceed \$1,000,000 (unless specified by a specific action of the Legislature).

## Matching Fund Requirements

There are no matching funds required to be eligible for a Technical Assistance Grant Fund award.

## Application Process for Technical Assistance Fund Grants

The grant application must be submitted through the portal posted on the KWO's website.

Applicants will be prompted to submit the following items:

1. Name, phone number, mailing address and email address of Applicant.
2. Designation as either a municipality or a special district related to water.
3. Name and contact information for individual who will serve as the point of contact for Applicant, if different than the Applicant.
4. If Applicant is a municipality,
  - (1) the number of full-time residents of Applicant, and
  - (2) a description of factors relevant to the need for the requested grant funds and the benefit to be gained by the requested grant funds, including but not limited to public health, socioeconomic factors, and the ability of the Applicant to repay any loans without grant assistance.
5. If Applicant is a special district,
  - (1) the number of full-time individuals served by the district, and
  - (2) a description of factors relevant to the need for the requested grant funds and the benefit to be gained by the requested grant funds, including but not limited to public health, socioeconomic factors, and the ability of the Applicant to repay any loans without grant assistance.
6. The amount of funding requested (may not exceed \$1,000,000).
7. A description of the type of technical assistance for which the funds are being requested, including the ultimate purpose for the technical assistance, with sufficient professional documentation of the cost estimate(s).
8. Project Plan and Objectives, including professional cost estimates and project timeline. ...

9. Budget for the project (Excel).
10. Maps, photos, and/or drawings (if applicable).
11. Affidavit establishing any legal access to property, as necessary to the execution of the technical assistance to be funded.
12. Sufficient assurance of having obtained all necessary permits, whether local, state, or federal.
13. The signature of the Applicant or Applicant's authorized representative.

### **Evaluation Criteria for Technical Assistance Fund Grants**

Criteria considered during evaluation of applications will include, but not be limited to:

- *Population*: Municipalities with fewer than 2,000 residents will be prioritized for the awarding of full grants in accordance with Sen. Sub. For HB 2302.
- *Conservation Plan*: Projects that incorporate a conservation and/or climate change resiliency plan will be prioritized.
- *Community Factors*: Criteria under consideration for municipalities may also include, but will not necessarily be limited to, public health, socioeconomic factors, and the ability for a municipality to repay any loans without grant assistance.
- *Regionalization*: Projects which support regionalization, meaning integration or coordination of physical, economic, informational, and personnel structure of water projects shall be prioritized.
- *Emergent Issues*: Projects that address urgent circumstances in which citizens of the municipality or special district are facing, or will be facing, hardship related to insufficient access to water-related infrastructure or resources will be prioritized. (i.e. Drought-driven water needs, water quality issues).

# Water Projects Fund Grants

## Eligible Applicants include:

- Municipalities.
- Special district related to water organized under the Laws of Kansas.

## Eligible projects and activities for Water Project Grant Funds:

- Construction, repair, maintenance or replacement of water-related infrastructures and any related construction costs;
- Matching moneys for grant or loan applications for water-related infrastructure projects; and
- Application of the funds to an outstanding loan balance from the Public Water Supply Loan Fund (established in K.S.A. 65-3322 and amendments thereto) or the Kansas Pollution Control Fund (established in K.S.A. 65-163e, and amendments thereto) subject to the certain criteria (see Evaluation Criteria for Water Projects Grant Fund section).

## Limits on Grant Awards:

The KWO may provide full or partial grants. No single grant awarded under the Water Projects Grant Fund shall exceed \$8,000,000 (unless specified by a specific action of the Legislature).

## Matching Fund Requirements

There are no matching funds required to be eligible for a Water Projects Grant Fund award.

## Application Process for Water Projects Grant Fund

The grant application must be submitted through the portal posted on the KWO's website.

Applicants will be prompted to submit the following items:

1. Name, phone number, mailing address and email address of Applicant.
2. Designation as either a municipality or a special district related to water.
3. Name and contact information for individual who will serve as the point of contact for Applicant, if different than the Applicant.
4. If Applicant is a municipality,
  - (1) the number of full-time residents of Applicant, and
  - (2) a description of factors relevant to the need for the requested grant funds and the benefit to be gained by the requested grant funds, including but not limited to public health, socioeconomic factors and the ability of the Applicant to repay any loans without further assistance.
5. If Applicant is a special district,
  - (1) the number of full-time individuals served by the district, and
  - (2) a description of factors relevant to the need for the requested grant funds and the benefit to be gained by the requested grant funds, including but not limited to public health, socioeconomic factors, and the ability of the Applicant to repay any loans without grant assistance.
6. The amount of funding requested (may not exceed \$8,000,000).

7. A comprehensive description of the water infrastructure project for which the funds are being requested, with sufficient professional documentation of the cost estimate(s).
8. Feasibility Studies, if completed.
9. Project Plan and Objectives, including professional cost estimate and project timeline...
10. Budget for the project (Excel).
11. Affidavit establishing any legal access to property, as necessary to the execution of the project
12. Maps, photos and/or drawings (if applicable).
13. If applying for payment of an outstanding loan as identified above:
  - (1) Proof that the project with the outstanding loan balance is complete, and
  - (2) Statement of remaining balance owed on the loan.
14. The signature of the Applicant or Applicant's authorized representative.

### **Evaluation Criteria for Water Projects Grant Fund**

Criteria considered during evaluation of applications will include, but not be limited to:

- *Population*: Municipalities with fewer than 2,000 residents will be prioritized for the awarding of full grants in accordance with Sen. Sub. For HB 2302.
- *Conservation Plan*: Projects that incorporate a conservation and/or climate change resiliency plan will be prioritized.
- *Community Factors*: Criteria under consideration for municipalities may also include, but will not necessarily be limited to, public health, socioeconomic factors, and the ability for a municipality to repay any loans without grant assistance.
- *Regionalization*: Projects which support regionalization, meaning integration or coordination of physical, economic, informational, and personnel structure of water projects shall be prioritized.
- *Emergent Issues*: Projects that address urgent circumstances in which citizens of the municipality or special district are facing, or will be facing, hardship related to insufficient access to water-related infrastructure or resources will be prioritized. (i.e. Drought-driven water needs, water quality issues).

Additional criteria to be considered if the Applicant is seeking to apply funds to an outstanding loan balance from the Public Water Supply Loan Fund or the Kansas Pollution Control Fund:

- The planned construction on the project with the outstanding loan balance is complete.
- The municipality or special district has made at least five years of payments on such project loans.
- Awarding grants that provide repayment of up to:
  - (A) 90% of any remaining project loan balance for cities with fewer than 2,000 residents;
  - (B) 75% of any remaining project loan balance for cities with fewer than 5,000 residents;
  - (C) 50% of any remaining project loan balance for cities with fewer than 10,000 residents; and
  - (D) 25% of any remaining project loan balance for all other cities in Kansas.