

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Notice of Funding Opportunity for Rural Decentralized Water Systems Program for Fiscal Year 2024

AGENCY: Rural Utilities Service, USDA

Rural Decentralized Water Systems Program

ACTION: Notice

SUMMARY: The Rural Utilities Service (RUS or Agency), a Rural Development (RD) mission area of the United States Department of Agriculture (USDA), announces acceptance of applications under the Rural Decentralized Water Systems (DWS) program for Fiscal Year (FY) 2024. These grant funds will be awarded to qualified types of applicants to create a revolving fund and to issue sub-grants to finance the costs of household water well systems and individually owned decentralized wastewater systems. Projects should consider energy efficiency, resiliency, and water reuse technologies. This program has approximately \$5,000,000 available for FY 2024. An additional \$1,000,000 will be available for applications directly supporting individually owned household decentralized wastewater system subgrants. All applicants are responsible for any expenses incurred in developing their application.

ADDRESSES: All applicants must file their applications electronically through

www.grants.gov.

Application documents and additional resources, to include an application guide, are available at www.rd.usda.gov/programs-services/water-environmental-programs/rural-decentralized-water-systems-grant-program under the “To Apply” tab.

FOR FURTHER INFORMATION CONTACT: Lola Maratita, Community Programs Specialist, Water and Environmental Programs, RUS, USDA, by email at Water-RD@usda.gov, or by phone at (615) 714-8883. 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 or the 711 Relay Service

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Utilities Service

Funding Opportunity Title: Rural Decentralized Water Systems Program

Announcement Type: Notice of Funding Opportunity (NOFO or Notice)

Funding Opportunity Number: RDRUS-24-DWS

Assistance Listings: 10.862

Dates: DWS program applications will start being accepting on April 24, 2024. Completed electronic applications must be submitted through www.grants.gov by 11:59 p.m. Eastern Time (ET) on June 28, 2024. 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 www.rd.usda.gov/priority-points):

- Addressing Climate Change and Environmental Justice; Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities

- Advancing Racial Justice, Place-Based Equity, and Opportunity; Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects.
- Creating More and Better Market Opportunities; Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure.

A. Program Description

1. *Purpose of the Program.* Access to safe and reliable water and wastewater systems is vital to both human health and economic development. Due to a variety of factors, it is not always feasible to have public water or wastewater services run to each residence. In those instances, individual well water and septic systems may be the most technical and financially feasible means of providing access to safe and reliable water and wastewater services. The DWS program was established to help individuals with low to moderate incomes finance the costs of household water well systems and individually owned decentralized wastewater systems that they own or will own.

Through the DWS program, private non-profit organizations will receive grant funds to establish lending programs that will provide water well and wastewater system loans and sub-grants to individuals. Considerations should be given to technology that supports energy efficiency, resiliency, and water reuse. The individuals, as loan or grant recipients, may use the funds to construct, refurbish, and service their household water well or decentralized wastewater systems up to the point of entry to the residence. In certain circumstances where ground well water contamination is documented, funding may be used to complete work beyond the point of entry to the residence. A loan may not exceed \$15,000 and will have a term up to 20 years at a one percent annual interest rate. Where necessary, up to 50 percent of the awarded funds may be

used as grant. Subgrants can be used to help reduce the cost to construct, refurbish, rehabilitate or replace individually owned decentralized water well and wastewater systems. Of the available funding, \$1,000,000 will be used to provide subgrants to eligible individuals for the construction, refurbishing, and servicing of individually owned household decentralized wastewater systems.

2. *Statutory and Regulatory Authority.* The DWS program is authorized under Section 306E of the Consolidated Farm and Rural Development Act (CONACT), 7 U.S.C. 1926e and implemented by [7 CFR part 1776](#).

3. *Definitions.* The definitions applicable to this Notice are published at [7 CFR 1776.3](#).

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 1776.9](#) and as indicated in this Notice. Awards under the DWS program will be made on a competitive basis using specific selection criteria contained in [7 CFR 1776.9](#) 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 the applicant receives funding pursuant to the DWS program in FY 2024.

B. Federal Award Information

Type of Awards: Grants

Fiscal Year Funds: FY 2024

Available Funds: Approximately \$5,000,000 is available for FY 2024. An additional \$1,000,000 is available for applications directly supporting wastewater subgrants. 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, 2024

Performance Period: October 1, 2024 to September 30, 2025

Renewal or Supplemental Awards: Prior DWS grants cannot be renewed. Existing DWS 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 1776.5](#).
2. *Cost Sharing or Matching.* Applicants must be able to comply with the applicant contribution requirements outlined in [7 CFR 1776.9\(b\)\(3\)](#).
3. *Other Eligibility Requirements.* Applicants must be able to meet the intent outlined in [7 CFR 1776.1](#) and [1776.12](#). Also, applicants will need to comply with [7 CFR 1776.13](#) and [7 CFR Part 1776, 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.

A loan or subgrant recipient must be an eligible individual as defined in [7 CFR 1776.3](#) and [1776.14](#). In determining eligibility, income does not include income earned or received by dependent children under 18 years old or other benefits that are excluded by Federal law. The Rural Housing Service (RHS) publishes a list of income exclusions in [7 CFR 3550.54\(b\)](#). Also, the Department of Housing and Urban Development published a list of income exclusions in the Federal Register on May 20, 2014, at [79 FR 28938](#) (see “Federally Mandated Exclusions”).

D. Application and Submission Information

1. *Address to Request Application Package.* The FY 2024 DWS Application Guide, copies of necessary forms and samples, and the DWS program regulation are available at www.rd.usda.gov/programs-services/water-environmental-programs/rural-decentralized-water-systems-grant-program. Application information is available at www.grants.gov. 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 or the 711 Relay Service.

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.

Applications should be prepared in accordance with [7 CFR part 1776](#) and this Notice. The Agency developed the FY 2024 DWS Application Guide for this program that provides specific, detailed instructions for each item comprising a complete application. The Agency emphasizes the importance of including every item and strongly encourages applicants to follow the instructions carefully, using the examples and illustrations in the application guide. Applicants should ensure they are using the most updated version of the application guide before submitting an application. Any updates to the application guide will be posted at www.rd.usda.gov/programs-services/water-environmental-programs/rural-decentralized-water-systems-grant-program.

3. *System for Award Management and Unique Entity Identifier.*

(a) At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with [2 CFR part 25](#). To register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at www.sam.gov/content/entity-registration.

(b) Applicants must maintain an active 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.

(c) Applicant must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) Applicants 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.

DWS program will start accepting applications on April 24, 2024. Completed electronic applications must be submitted through www.grants.gov by 11:59 p.m., Eastern Time (ET) on June 28, 2024. 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 extra 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 1776.12](#). Administrative expenses that may be funded are outlined in [7 CFR 1776.13](#).

7. *Other Submission Requirements.*

(a) The Agency will only accept applications electronically through www.grants.gov. Applications will not be accepted via paper, fax, or electronic mail. 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 competitively scored based on the scoring criteria and weights contained in [7 CFR 1776.9](#) and this Notice. 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.

To be considered for points awarded at the Administrator’s discretion pursuant to [7 CFR 1776.9\(b\)\(7\)](#), the applicant’s work plan must include a separate section titled, “Administrative Points.” Applications may be awarded up to a total of 10 points for the following three priorities:

(a) Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure. (4 points) Applicants would receive priority points if the project is located in or serving a rural community whose economic well-being ranks in the most distressed tier (distress score of 80 or higher) of the Distressed Communities Index using the Distressed Communities Look-Up Map available at www.rd.usda.gov/priority-points.

(b) Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects. (3 points) Using the Social Vulnerability Index (SVI) Look-Up Map (available at www.rd.usda.gov/priority-points), an applicant would receive priority points if the project is:

- Located in or serving a community with score 0.75 or above on the SVI;
- Is a Federally recognized tribe, including Tribal instrumentalities and entities that are wholly owned by Tribes; or
- Is a project where at least 50 percent of the project beneficiaries are members of Federally Recognized Tribes and non-Tribal applicants include a Tribal Resolution of Consent from the Tribe or Tribes that the applicant is proposing to serve.

(c) Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities. (3 points). Using the Disadvantaged Community and Energy Community Look-Up Map (available at www.rd.usda.gov/priority-points), applicants will receive priority in three ways:

- If the project is located in or serves a Disadvantaged Community as defined by the Climate and Economic Justice Screening Tool (CEJST), from the White House Council on Environmental Quality (CEQ);
- If the project is located in or serves an Energy Community as defined by the Inflation Reduction Act (IRA); or,
- If the applicant can demonstrate through a written narrative how the proposed climate-impact projects will improve the livelihoods of community residents and meets pollution mitigation or clean energy goals.
- See the website, www.rd.usda.gov/priority-points, for options.

2. *Review and Selection Process.* 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 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 selected from the Water and Environmental Programs. They will make overall recommendations based on criteria provided in [7 CFR 1776.9](http://www.ecfr.gov/current/title-7/chapter-I/subchapter-B/part-1776/subpart-9) and this Notice. 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. At the discretion of RUS, low-scoring projects may not be awarded funding at RUS's discretion, even if funding remains available.

(c) Applications will be ranked, and grants awarded based upon the scoring results and funding availability. Regardless of the score an application receives, if RUS determines that the project is technically infeasible, 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 DWS program. RUS reserves the right to make no grant award 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, 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.

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 1776](#) 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 ten (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 Agency 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 25, 170, 180, 200, 400, 415, 417, 418, 421, and 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 1776](#), [2 CFR part 170](#), and [2 CFR part 200](#), as well as the grant agreement. 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 0572-0139.

2. *National Environmental Policy Act.* All recipients under this Notice are subject to the requirements of [7 CFR part 1970](#). However, awards for minor construction proposals under this notice are classified as a Categorical Exclusion according to [7 CFR 1970.53\(c\)](#), and usually do not require any additional documentation. The multi-tier 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. *Debarment and Suspension.* Applicants are not eligible if they have been debarred or suspended or otherwise excluded from, or ineligible for, participation in Federal assistance programs under 2 CFR parts [180](#) and [417](#). The Applicant will be required to comply with the requirement in [2 CFR 180.335](#).

5. *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](#) 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.

6. *Nondiscrimination Statement.* In accordance with Federal civil rights laws and 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 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

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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