



Division of Water
State Revolving Fund Program
Alaska Drinking Water Fund Small Utility Assistance Grant
Backup Generator Grant Guidelines

Introduction

The Alaska Department of Environmental Conservation's (ADEC) State Revolving Fund (SRF) Program has developed a Small Utility Assistance Grant under the Alaska Drinking Water Fund (DWSRF) for community water systems serving a population of 3,300 or less to purchase and install backup power generator systems. Alaska's extreme weather conditions and seismic activity frequently impact the power grid and leave unprepared water systems without power, disrupting water service to customers. The Small Utility Assistance Grant is intended to assist community water systems in acquiring back-up electrical power systems to operate their critical drinking water facilities during a power outage by providing a maximum of \$75,000 in grant funds.

These guidelines are intended to be used by the grant recipient and the engineer and/or contractor to ensure that all applicable grant conditions are included in the emergency generator system design and procurement.

Eligible Grant Recipients

This grant opportunity is limited to community water systems serving a population of 3,300 or less. The grant recipient or grantee may be either the community water system owner or an applicant organization authorized by the water system to act on its behalf to implement the project and ensure compliance with the grant terms and conditions.

Available Funding

This opportunity is made available through DWSRF technical assistance funding from the Bipartisan Infrastructure Law (BIL). Funding will be limited to a **maximum of \$75,000 per grant** and will be awarded on a first come first serve basis to entities deemed eligible by ADEC until funds are depleted.

Cost Sharing or Matching

The Backup Generator grant **does not** require cost sharing, matching, or cost participation.

Eligible Backup Generator System Projects

For the purposes of these guidelines, the term "backup generator system" or "generator system" refers to a backup electrical power system for a critical drinking water infrastructure facility and may be comprised of a generator, generator mounting pad, transfer switch, associated electrical components to make connections to existing electrical control panels, fuel storage tank(s), security fencing and associated plumbing components to connect fuel lines to the generator.

Minimum Requirements for All Generator Systems

- The generator system must be sized to provide sufficient power to supply the maximum starting power demands and the running demands of all critical components of the water system facility or facilities which it will be designed to operate during an emergency. The generator system may provide power to appurtenances that can be directly related to the community water system's ability to operate and maintain the water system (i.e., pump house lighting, water treatment systems, water system related telemetry, circuitry, etc.). Other factors allowed in generator sizing can include generator operating efficiency and electrical demands of future water system electrical components that are currently planned or may reasonably be expected to be installed over the useful service life of the generator.

- The generator system must be installed with an automatic transfer switch (for a stationary generator) or a manual transfer switch (for a portable generator).
- The generator must be located on land owned by the community water system, or documentation of an existing easement or right-of-way must be provided to the SRF Program.
- A minimum separation distance of 100 feet is required between the drinking water source and the petroleum lines and storage tanks associated with the backup generator system (18 AAC 80.020).
- All generator system fuel tanks must be located above ground.
- A written Operations and Maintenance (O&M) Plan must be prepared for each backup generator project. A copy of the plan must be submitted to the SRF Program before the final disbursement of funds will be approved by the SRF Program. Minimum requirements for the O&M Plan are listed at the end of this document.

Procurement, Contractor Bonding, and Disadvantaged Business Enterprise (DBE) Requirements

- Procurement includes contracts for services and any purchase of material and equipment. Please note that disbursements for “material and equipment only” agreements will be approved after confirmation that the system has been installed.
- Any procurement estimated to equal or exceed \$100,000 must be awarded through a competitive bidding process. Adequate time (not less than 30 days) must be allowed between the date of formal advertisement and the date the bids must be submitted.
- Any procurement estimated to be less than \$100,000 but more than \$10,000 must have three price quotes from three different retailers or wholesalers.
- Any procurement estimated to be less than \$10,000 must receive one price quote.
- Any procurement must adhere to the General Procurement Standards in accordance with 2 C.F.R. § 200.318, including consideration of Conflicts of Interest.
- The contractor must furnish a performance and payment bond at least equal to 100% of the contract price in accordance with AS 36.25.010.
- Construction must begin within one year of the date the grant agreement is signed. Construction must be completed within two years of the date the agreement is signed.
- In compliance with Environmental Protection Agency’s (EPA) DBE requirements, grant recipients who procure goods and services are required to seek, and are encouraged to use, DBEs for their procurement using the six good faith efforts. Grant recipients must report DBE participation on EPA Form 5700-52A.
- Please see the DBE Compliance Insert on SRF website (<https://dec.alaska.gov/media/kbfjdx5u/dbe-contract-insert.pdf>) for DBE forms and requirements.

Davis-Bacon Wage Rates

Service and installation contracts are subject to federal Davis-Bacon and Related Acts when they involve more than an incidental amount of construction activity. If construction contracts exceeding \$2,000 are necessary for the installation of a generator system, then federal prevailing wage rates for construction workers will be required. Minor construction activities directly related to a service contract such as security fencing or short distances of trenching for the installation of propane fuel lines and electrical conduit would be considered incidental to the service contract and not subject to prevailing wage rates. ***Any significant construction related activities necessary for the generator system installation that will exceed \$2,000 must be discussed with the SRF Program in advance of getting price quotes from a contractor to determine if prevailing wage rates would be required.***

Reimbursement of Eligible Expenses

The Small Utility Assistance Grant is a reimbursement program. The grantee must initially incur costs and the SRF Program will reimburse for eligible expenses for which proof of expenditures is submitted and funding eligibility has been confirmed.

Recipients of financial assistance will be required to submit a reimbursement request with required backup documentation to the SRF Program amounting to the total eligible costs of the project. Information on how to submit a reimbursement request to the SRF Program will be provided to all recipients after the emergency generator grant is awarded. **No reimbursement will be processed by the SRF Program until all the necessary invoices, permits and certifications are received, verified that the programmatic requirements were met, and all appropriate supporting documentation are available.**

Ineligible Costs

Fuel Purchases and Tank Leasing

Funding from this program cannot be used for the cost of fuel for the generator system or for the leasing of any fuel tanks. These ongoing operations and maintenance costs are the responsibility of the community water system.

Backup Power for Additional Facilities

The Small Utility Assistance Grant may be used to provide funding only for the costs associated with providing power to drinking water components and/ or other equipment that is directly related to the provision of a safe and adequate water supply to customers during a loss of normal utility power. If a generator system will be used to provide emergency power to non-drinking water related infrastructure such as a wastewater lift station, a wastewater treatment plant, or another facility such as a school or nursing home during a power outage, the system will need to determine what portion of generator demand is attributable to the needs of the water system component and which are related to the non-water system aspects.

Example: If a generator will provide emergency power for wastewater functions that require 30 kW of power and drinking water functions that require 40 kilowatts(kW), a 70-kW generator will be needed to operate both. In this example, the percentage of the 70-kW generator system cost that is eligible for SRF financing would be calculated as follows:

$$(40 \text{ kW} \div 70 \text{ kW}) \times 100 = 57.14\%$$

The SRF Program can provide financial assistance for 57.14% of the costs associated with purchasing and installing the generator system. The PWS will be responsible for paying for the remaining cost or financing it through other means. A safety factor to install a larger generator than required to provide power to the water system components may be permitted, provided that the oversizing is justified for future water system needs, overload protection, operational efficiency and reliability.

Backup Generator O&M Plan – Minimum Requirements

The **Backup Generator O&M Plan** must contain the community water system's preparations for and proposed responses to any potential disruption of the supply of water to its consumers due to a loss of power and must include, but not be limited to, the following:

- How the power loss will be identified by the community water system and the name and contact information of the individual(s) responsible to ensure the generator system is operating before water system consumers lose water pressure.
- Procedures for notifying the community water system consumers and local emergency management officials, including the ADEC Drinking Water Program, of the status of the community water system prior to, during, and following an event during which there is a disruption in the supply of water to the community water system consumers due to a loss of power. The procedures must contain the name and contact information of the individual(s) responsible for reporting the loss of power and the names and contact information for the Drinking Water Program. Procedures for maintaining records of such notifications must also be provided.

- A refueling plan to ensure the generator will be provided with sufficient fuel to operate the water system facility for seven consecutive days without street power. The plan must contain the name and contact information of the refueling company and record keeping procedures for fuel deliveries. Maintaining a contract with such fuel company is recommended.
- The name and phone number of the individual(s) or business(es) that will provide servicing for the generator system should it fail to operate during an emergency loss of power and record keeping procedures for servicing events.
- The name and phone number of the electric utility company to which you report a loss of power and the name and contact information of the individual(s) who will be responsible to report the community water system power outage and maintain a dialogue with the utility company until power is restored. Record keeping procedures for communication with the electric utility company must be provided.
- A maintenance schedule of the generator system maintenance activities, including routine test operation of the generator at frequencies specified by the generator manufacturer. Such testing must be made under electrical loads equivalent to what the generator will experience operating the water system facility during a loss of line power.
- A copy of the generator manufacturer's routine maintenance specifications must be included with the plan. The plan must also include record keeping procedures for generator maintenance activities and the location of where those records will be maintained.

The plan must be kept up to date and on file at the community water system facility. The grant recipient must provide a copy of the plan to the SRF Program prior to the final reimbursement. The grant recipient must also make the plan available to ADEC for review at the time of a sanitary survey and upon the request of the ADEC.

Application and Submission Information

Backup Generator Grant Application Form – All required fields must be completed, and the form must be signed by an authorized representative for the applicant.

All Backup Generator Grant forms that require a **signature** must be signed by persons authorized by the applicant organization to enter into formal contractual agreements. Furthermore, any forms submitted with missing signatures in designated signature blocks will be deemed incomplete, thus ineligible to be reviewed for funding.

Application submissions can be made either:

- a. By email using the DEC.SRFProgram@alaska.gov. Include the phrase "Emergency Power Generator Grant Application" and applicant name in the email subject line. If application submittal materials require multiple emails, please label emails accordingly (e.g., 1 of 2, 2 of 4, etc.).
OR
- b. By mailing or delivering the paper application directly to:
Alaska Department of Environmental Conservation
State Revolving Fund Program
555 Cordova Street
Anchorage, AK 99501

The Alaska SRF Program must use the date of receipt, either by email or hard copy, to determine the order of review for first come, first served.

Unique Entity ID (UEI) Number and System for Award Management (SAM)

Each applicant (unless the applicant is an individual or federal or State awarding agency that is exempt from those requirements under 2 C.F.R. § 25.110(a)(2)) is required to:

- Provide a valid Unique Entity ID (UEI) number in its application:

- Obtain a UEI at: <https://www.sam.gov/>;
- Full SAM.gov registration is not required for grantees unless they are receiving direct federal assistance.

The Alaska SRF Program must not award a grant unless the applicant has complied with all applicable UEI and SAM requirements.

Reporting

All projects require, at minimum, quarterly reporting of progress and a final project evaluation and report. Specific reporting requirements will be detailed within the grant agreement and will be determined based on the applicant’s scored risk assessments.



Contacts

For general questions about this grant funding opportunity and eligibility

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