

March 18, 1969

Appendix B

BASIC WATER AND SEWER GRANTS  
PROGRAM STEPS AND PROCESSING PROCEDURES

"The purpose of the Water and Sewer Facilities Grant program is to assist local public bodies and agencies in constructing adequate basic water and sewer facilities needed to promote the efficient and orderly growth and development of our communities."

"To be eligible for grant assistance under this program, the applicant must be a local public body or agency established by the action of one or more States or entities thereof, with legal authority to plan, finance, construct, maintain and operate the proposed project."

"Grant assistance is available to help finance specific projects for basic water and sewer facilities. Water facilities include works to store, supply, treat, purify, or distribute water of sufficient quality and quantity for domestic, commercial and industrial use. Sewer facilities include sanitary sewer systems for the collection, transmission, and discharge of liquid wastes; and storm sewer systems for the collection, transmission, and discharge of storm water caused by rainfall or ground water runoff."

"The amount of the grant-in-aid may not exceed 50 percent of the cost of constructing the basic parts of the water or sewer facility project and of acquiring the land on which it is located, including site improvements necessary to make the land usable as a site for the project."

"No grant may be made to assist in constructing a sewer project unless the Secretary of Health, Education, and Welfare certifies that the waste carried by the facility is adequately treated before being discharged

into any public waterway. The request for certification, together with relevant project data, shall be sent to the DHEW Regional office by the Regional Director upon receipt of an application for assistance in constructing a sewer project."

Program Steps:

1. A Local Public Agency (LPA) makes initial inquiry to HUD Regional Office. HUD office mails LPA printed material and four copies of SF-101, Preliminary Inquiry Concerning Federal Assistance for Water Projects, Sewer Projects and Waste Treatment Plants.
2. LPA completes and submits SF-101 to HUD Regional Office.
3. HUD acknowledges receipt of SF-101 by letter to LPA.
4. HUD reviews SF-101 for completeness, requests further information if necessary, and determines if project is applicable to the HUD grant program. (This may involve referring SF-101 to EDA, FHA, or DHEW for comment and consideration. HUD also receives SF-101 forms from these other agencies for action.)
5. After referral and determination, HUD notifies LPA of decision to process the inquiry under the HUD program.
6. Following a determination by the Regional Director and his staff that the preliminary inquiry will lead to an acceptable application, the Regional Director invites the prospective applicant to attend a pre-application conference. The conference discussion concluded with an understanding as to whether an application may be submitted for consideration. In favorable cases, the applicant is furnished with the application forms and asked to submit.
7. Following the meeting, a letter to the applicant is sent by the Regional Director confirming the understandings reached during the conference, with particular reference to any actions agreed upon.
8. The LPA submits a formal application for a Basic Water and Sewer Grant. After receipt of the application, the HUD Regional Office sends the applicant a letter acknowledging the application.
9. HUD begins its review of the application and sends a request for certification to the HEW Regional Office. This request is accompanied by certain materials, including copies of letters of comment, clearance or approval from local, state, and inter-state agencies having authority over design and construction of the project. At this same time, HUD may send notices of the application to other Federal Agencies as appropriate.

10. Preliminary review of the application is made by the staff of the Regional Office, usually in the following order — Planning Requirements, Engineering, Finance, Legal and Program Officer.
11. Upon satisfactory completion of the preliminary review, a project summary is prepared for signature by the Regional Administrator and sent to the Community Facilities Division, HUD, Washington, D. C., to request a fund reservation for the project.
12. After a fund reservation is made, the Community Facilities Division arranges for a press release and release date, notification of interested members of Congress, and notifies the regional office of the reservation by teletype.
13. Following receipt of the teletype advising of the fund reservation and at the release time specified, the Regional Director advises the applicant of such reservation of funds.
14. Upon approval of the project and grant, the project file is forwarded to the Legal Division of the Regional Office for preparation of the Grant Agreement.
15. The Grant Agreement is forwarded to the applicant <sup>for signature</sup> and return to the Regional Office.

Following the execution of the Grant Agreement, the LPA lets the contract for the project through competitive bidding. The LPA must meet certain other requirements including submission of material to the HUD Regional Office during the pre-construction and construction phases of the project. (Procedures during these phases are contained in section 20-1-1 of the Handbook — this section has not been furnished to the Academy staff.)