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# Sewage Facilities Program

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Program Guidelines

January 2017

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Commonwealth of Pennsylvania  
Tom Wolf, Governor

Department of Community & Economic Development



[dced.pa.gov](http://dced.pa.gov)

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## Section I – Statement of Purpose

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Act 13 of 2012 establishes the Marcellus Legacy Fund and allocates funds to the Commonwealth Financing Authority (the “Authority”) for statewide initiatives for complying with the act of January 24, 1966 (1965 P. L. 1535, No. 537), known as the Pennsylvania Sewage Facilities Act.

## Section II – Eligibility

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### A. Eligible Applicants

Any of the following entities may apply for a grant under the Sewage Facilities Program (SFP):

1. **Municipality** – Any county, city, borough, incorporated town, township or home rule municipality.
2. **Councils of Governments** – An entity organized by units of local government under an intergovernmental agreement, which provides cooperative planning, coordination and technical assistance to its member governments on issues of mutual concern that cross jurisdictional lines, and which does not act under the direction and control of any single member government.
3. **Authorized Organization** – An entity involved in research, restoration, rehabilitation, planning, acquisition, development, education or other activities, which furthers the protection, enhancement, conservation, preservation or enjoyment of this commonwealth’s environmental, conservation, recreation or similar resources. The organization must be a tax-exempt institution under section 501(c) (3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c) (3)) and registered with the Bureau of Charitable Organizations or an educational institution involved in these authorized activities or a municipal authority.
4. **Institution of Higher Education** – An entity that is an accredited university, college, seminary college, community college or two-year college.
5. **Watershed Organization** – An entity recognized by the Department of Conservation and Natural Resources or the Department of Environmental Protection that was established to promote local watershed conservation efforts in an identified watershed.
6. **For Profit Businesses** – other than “producers” of natural gas as defined in Act 13.

### B. Eligible Use of Funds

Funds may be used by the applicant to pay for any of the following eligible project costs:

1. Costs associated with the planning work required under the Pennsylvania Sewage Facilities Act.
2. Administrative costs of the applicant necessary to administer the grant. Administrative costs will include advertising, legal, and audit costs as well as documented staff expenses. Administrative costs shall not exceed 2% of the grant.

Ineligible costs include but are not limited to public relations, outreach, communications, lobbying, litigation, fees for securing other financing, interest on borrowed funds, application preparation fees and other costs incurred prior to the approval of grant funds.

## Section III – Program Requirements

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### A. Applicant Cost Share Requirements

An eligible applicant shall provide matching funds of not less than 50% of the total project cost. No funds from this Act will be authorized if these entities already received re-imbursement for their eligible projects from the commonwealth for their activities.

### B. Other Requirements

1. **Conflicts of Interest**

An officer, director, or employee of an applicant who is a party to or who has a private interest in a project shall disclose the nature and extent of the interest to the governing body of the applicant and may not vote on any action of the applicant concerning the project, nor participate in the deliberations of the applicant concerning the project.

2. **Nondiscrimination**

No assistance shall be awarded to an applicant under this program unless the applicant and project user certify to the Authority that they shall not discriminate against any employee or against any person seeking employment because of race, color, handicap, national origin, age or sex.

3. **Project Records**

The applicant must maintain full and accurate records with respect to the project and must ensure adequate control over related parties in the project. The Authority requires access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of the Authority, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the project.

4. **Pennsylvania Prevailing Wage Act**

All of the construction work associated with the project may be subject to the Pennsylvania Prevailing Wage Act, as determined by the Pennsylvania Department of Labor and Industry.

5. **Certification of Expenses**

The applicant shall sign a payment request form certifying that the expenses were incurred and were in accordance with the scope of work approved by the CFA. In lieu of a formal project audit and prior to final closeout of the grant agreement, the applicant shall be required to submit copies of all canceled checks verifying the expenditure of the Sewage Facilities Program proceeds. Bank statements may also be submitted if electronic payment of the expenditure occurred.

6. **Bidding Requirements**

Applicants must comply with all applicable federal, state, and local laws and regulations dealing with bidding and procurement.

7. **Guideline Provisions**

These guideline provisions may be modified or waived by the Authority unless otherwise required by law.

### C. Fees

The Commonwealth Financing Authority charges a \$100 non-refundable application fee for Sewage Facilities program applications. The application fee is due at the time of submission and should be made payable to the *Commonwealth Financing Authority*.

## Section IV – Grants

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1. Maximum grant amount for planning projects is \$100,000.
2. Commencement of work prior to receiving Authority approval will result in the project being ineligible for funding consideration.
3. To be eligible for reimbursement, project costs must be incurred within the time frame established by the grant agreement.

## Section V – Application Procedures

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1. To apply for funding, the applicant must submit the electronic on-line Department of Community and Economic Development Single Application for Assistance located at [www.esa.dced.state.pa.us](http://www.esa.dced.state.pa.us). Required supplemental information outlined in Appendix I of these guidelines must be attached electronically to the application as directed on the Addenda tab. For technical inquiries regarding the submission of the on-line application, contact the Customer Service Center at (800) 379-7448 or (717) 787-3405. Once submitted, please print three (3) copies of the application, including the required supplemental information, and mail to:

PA Department of Community and Economic Development  
Office of Business Financing – CFA Programs Division  
Sewage Facilities Program  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg, PA 17120-0225

Please reference the application ID number on any documents sent with the signature page.

2. Applications will be accepted between February 1st and May 31st of each year. All applications and required supplemental information must be received by May 31st.

## **Section VI – Application Evaluation**

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All applications for financial assistance will be reviewed by the Authority in conjunction with the Department of Community and Economic Development and the Department of Environmental Protection to determine eligibility of the proposed project as well as the competitiveness of the proposal. Applications are evaluated on a competitive basis using the following criteria:

1. Project readiness.
2. Project is consistent with all local, state and regional comprehensive, regional resource management or economic development plans.
3. The cost-effectiveness of the proposed project when compared to other alternatives.
4. Whether the project serves existing populations or whether the project is intended to serve new development.
5. The ability of the applicant to secure funding for the project.
6. The proactive implementation of practices to promote sustainability of the system.

## **Section VII – Procedure for Accessing Funds**

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Following approval of an application by the Authority, a grant agreement and commitment letter will be issued by the Authority to the applicant explaining the terms and conditions of the grant. The grant agreement and commitment letter must be signed and returned to the Authority within 45 days of the date of the commitment letter or the offer may be withdrawn by the Authority.

The applicant shall certify to the Authority that the planning expenses were incurred and were in accordance with the application approved by the Authority. The Authority will release funds to the applicant at not less than 30-day intervals.

## **Section VIII – Program Inquiries**

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Program inquiries should be directed to:

PA Department of Community and Economic Development  
Office of Business Financing - CFA Programs Division  
Sewage Facilities Program  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg, PA 17120-0225  
  
Telephone: (717) 787-6245  
Fax: (717) 772-3581  
E-mail: ra-dcedsitedvpt@pa.gov

These guidelines can also be accessed online at [dced.pa.gov](http://dced.pa.gov)

## Appendix I – Supplemental Information

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In addition to completing the Department of Community and Economic Development Single Application for Assistance, please provide the following information when applying for planning grants:

- Exhibit 1** Include the approved Task/Activity Report or other appropriate form pursuant to 25 Pa Code §71.21 when applying for a grant concerning the portion of the funds distributed to the Commonwealth Financing Authority for funding statewide initiatives for complying with the act of January 24, 1966 (1965 P. L.1535, No. 537), known as the Pennsylvania Sewage Facilities Act. The Task/Activity Report must have been submitted and approved by DEP prior to the submission of the application.
- Exhibit 2** Provide a description of the project which discusses all of the following: (a) the specific location of the project area; (b) the historical and proposed use of land served by the project; (c) the names of the municipalities that were involved with the project; (d) how the project promotes the most efficient management of sewage facility resources and protects the health and safety of the citizens of the commonwealth; (e) the sound management project practices planned to be implemented by the applicant to enhance the long-term sustainability of the sewage facility system including but not limited to energy efficiency improvements, water conservation, full cost pricing, asset management, and the installation of non-structural alternatives to minimize the amount of storm water that infiltrates the sewerage system; (f) whether the project serves existing populations or new development.
- Exhibit 3** Funding commitment letters, if available from all other project funding sources.
- Exhibit 4** For all applicants, provide copies of notifications provided to county and municipal governing bodies advising them of the proposed project.
- Exhibit 5** Most recent financial statements of the applicant. Financial statement should include balance sheets, income statements, and notes to financials.
- Exhibit 6** For public sector applicants, provide a resolution duly adopted by the applicant's governing board formally requesting the grant, designating an official to execute all documents, describing briefly the project scope, and identifying the grant amount.

## Appendix II – Authorized Official Resolution

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Be it RESOLVED, that the \_\_\_\_\_ (Name of Applicant) of \_\_\_\_\_ (Name of County) hereby request a Sewage Facilities grant of \$ \_\_\_\_\_ from the Commonwealth Financing Authority to be used for \_\_\_\_\_.

Be it FURTHER RESOLVED, that the Applicant does hereby designate \_\_\_\_\_ (Name and Title) and \_\_\_\_\_ (Name and Title) as the official(s) to execute all documents and agreements between the \_\_\_\_\_ (Name of Applicant) and the Commonwealth Financing Authority to facilitate and assist in obtaining the requested grant.

I, \_\_\_\_\_, duly qualified Secretary of the \_\_\_\_\_ (Name of Applicant), \_\_\_\_\_ (Name of County) \_\_\_\_\_, PA, hereby certify that the forgoing is a true and correct copy of a Resolution duly adopted by a majority vote of the \_\_\_\_\_ (Governing Body) at a regular meeting held \_\_\_\_\_ (Date) and said Resolution has been recorded in the Minutes of the \_\_\_\_\_ (Applicant) and remains in effect as of this date.

IN WITNESS THEREOF, I affix my hand and attach the seal of the \_\_\_\_\_ (Applicant), this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
County

\_\_\_\_\_  
Secretary