



ARPA Asset Management Grant Guidance Document November 2021

Through newly available American Rescue Plan Act (ARPA) funding, the New Hampshire Department of Environmental Services (NHDES) is currently offering **grant opportunities** for the development of an asset management program (AMP) for wastewater and/or stormwater assets. Please note that the Clean Water State Revolving Fund (CWSRF) asset management loan forgiveness program is also still available if preferred over the ARPA grant program.

STORMWATER- Grants for stormwater assets are limited, at this time, to a **one-time** program development eligibility. **A maximum of a \$30,000** grant for AMP development for stormwater assets.

WASTEWATER- Available grant eligibility for wastewater assets ranges from **\$30,000 up to \$180,000** per municipality depending on the size and complexity of their wastewater systems, as determined by NHDES staff. For communities eligible for a maximum of \$30,000, both vertical assets (pumping stations and wastewater treatment plant, if applicable) and horizontal assets (all piping, manholes, vents, drains, etc.) must be included in the AMP development work scope. Communities eligible for grant amounts greater than \$30,000 can either:

- Combine all vertical and horizontal assets into one AMP development project under one grant; or
- Divide the vertical and horizontal assets into separate AMP development projects under separate consecutive grants. However, due to the temporary availability of ARPA funding, grants in future years cannot be guaranteed.

The following outlines the timeline and necessary steps to get started with AMP development through an ARPA Grant:

Grant Application: Completed grant applications must include the pre-approved work scope and engineering contract. The application forms and instructions will be available on the NHDES website as soon as possible. Complete grant applications will be reviewed and processed in the order they are received. Having submitted a pre-application for asset management in 2021 reserves funding for your community as long as a grant application is submitted no later than March 31, 2022. After March 31, 2022, NHDES will open additional ARPA grant funding to other eligible communities for AMP development until all available ARPA funds are allocated.

Work scopes, schedules for completion of work, budgets and report phase engineering contracts **MUST** be pre-approved by NHDES **PRIOR** to submitting the ARPA grant application **and PRIOR** to initiating work. Additional steps that must be taken **PRIOR** to submitting the ARPA grant application include:

1. **Attend an Informational Session:** This session is intended for utility owners, management and staff only. Separate sessions will be provided, as needed, to consultants. Utility owners, management and staff who will be involved with your AMP development will need to attend one of the following sessions. Available dates/times and registration links for the informational sessions are included in the congratulations letter and email.
2. **Authority to Accept Grant Funds:** Communities must provide evidence of the authority to accept grant funds.
3. **Qualifications-Based Selection (QBS) Procurement Process (if applicable):** If the grant recipient chooses to use a consultant, the grant recipient must issue a Request for Qualifications (RFQ) to select the most qualified consulting firm. The RFQ process does not consider cost as a selection

criterion. After the most qualified consulting firm has been identified, the grant recipient and the consulting firm will attempt to negotiate a fair and reasonable price for the services provided. If an agreement cannot be reached, the grant recipient may move to the next most qualified consulting firm(s) until an agreement can be reached. If the grant recipient is already working with a consultant that was selected using the QBS process, the grant recipient must provide certification that the selected firm was hired using the QBS process for work related to the wastewater and/or stormwater assets to be included in the AMP development project.

4. **Standard Engineering Contract (if applicable):** Although an engineer is not required for AMP work, we understand that most communities will want to hire a consulting firm to get the AMP initially developed. If you wish to hire a consulting firm, the required contract, [Engineering Report Phase Contract for Professional Services for Treatment Works](#) must be used and is available on the NHDES website.
5. **Work Scope Approval: Prior to** submitting a grant application and **prior to** initiating work, the AMP work scope must be reviewed and approved by NHDES to ensure compliance with the minimum requirements of the program. Software and equipment purchases and equipment rentals must follow the current CWSRF procurement process. If any portion of the work scope budget will be used for software or equipment purchase, equipment rentals, or other outside services, these costs must be identified clearly in the project budget submitted with the draft work scope for review. The work scope should be submitted for review in **DRAFT** form along with the project budget and standard engineering report phase contract.

The following NHDES coordination and oversight is required. At a minimum, NHDES *must* attend:

1. Kick off meeting,
2. Level of Service workshop,
3. A minimum of one training session, and
4. The wrap-up presentation to the utility management and decision makers.

NHDES **must also be notified in advance** of other meetings and trainings relative to the project and may attend as time allows.

The following deliverables are required to be prepared for use by the community and must be submitted for review by NHDES and the community a **minimum of 60 days prior** to the wrap up presentation.

1. A summary of key decision points made during the development of the AMP and **other key information as described in each section below**. The overall summary document will be the user manual developed for the community (community user manual) for their reference as they continue to use and expand on the AMP developed.
2. Standard operating procedures (SOPs) including identification of specific staff positions that will be responsible for continuing use of the AMP. SOPs may be in written, video, or other format. The format(s) used should be based on the needs of the community.
3. GIS files developed for the AMP.

Eligibility of Costs

Grant disbursements for work directly related to AMP development, and included in pre-approved work scopes, are eligible for grant funding. Expenses must meet the documentation requirements of the CWSRF

program. The budget for software, equipment and contractor services must be clearly described in the work scope and budget. Typical expenses that may be incurred include, but are not limited to:

Software purchases – must be selected using a QBS process following current CWSRF procurement requirements. Appendix B of the [NHDES AMP Handbook and Toolkit](#) includes a questionnaire to aid with qualifications-based selection of software;

- Equipment purchases/rentals such as GPS units and tablets - must follow current CWSRF procurement requirements;
- Consulting fees – consultants must be selected using the standard CWSRF QBS process for engineering services; and
- CCTV/Pipe Inspection and other related contractor services.

ARPA Grant Requirements

All AMPs, while having the same core elements from one community to the next, are community-specific. NHDES encourages the community to use this funding to:

- Focus on developing a **complete community-specific “decision making tool”** that will help the community better manage its valuable water infrastructure assets; and
- Improve communication with all stakeholder groups relative to the value of the assets owned and the services provided.

REQUIRED AMP DEVELOPMENT WORK

To qualify for AMP grant funding, the development of the following **core elements** of an AMP need to be clearly defined in the work scope and clearly described in the resulting community user manual. **Additional information and examples for each core element are included in the [NHDES AMP Handbook and Toolkit](#).**

VISION STATEMENT and STAKEHOLDER GROUP IDENTIFICATION: Define a vision that describes what the community wishes to achieve through development and use of an AMP. The vision statement should identify and define all community stakeholder groups (both internal and external). When properly crafted, this community-specific vision statement will help communicate the purpose and overarching goals of what the AMP will do for the community and its various stakeholder groups. This should be accomplished as one of the first steps in the AMP development process. The community-specific vision statement and stakeholder group identification must be included in the community user manual.

ASSET INVENTORY: Create an asset inventory, including a naming convention that makes sense for the specific community. The asset inventory should include each asset name, location and all pertinent information known about each asset.

- *In the community user manual include, at a minimum:*
 - *a summary of software selection process (what factors were included in the QBS), or a statement to why software was determined to be unnecessary at this time;*
 - *key notes relative to asset inventory, such as summarizing the thought process for determining the naming convention for assets; and*
 - *a specific list of assets not yet included in the asset inventory, such as manholes that have not yet been located and a plan and schedule to add those missing assets.*

LEVEL OF SERVICE (LOS) WORKSHOP: Using a workshop approach, develop a defined LOS. The workshop should include input from stakeholder groups as identified during the vision statement development process,

and supporting input from the consultant (if applicable). Participation in the workshop by outside stakeholders is strongly encouraged. Many communities have found that a balanced scorecard type matrix is helpful in developing and using LOS, as well as evaluating progress. LOS goals need to be specific, measurable, achievable, relevant and timely (SMART).

- *In the community user manual include, at a minimum:*
 - *the LOS goals identified by the community;*
 - *identification and description of all stakeholder groups;*
 - *the review frequency for the LOS goal attainment; and*
 - *the process to evaluate attainment with LOS goals and to set new goals.*

The LOS workshop should be conducted **within the first quarter** of the AMP timeline. The LOS goals should also be reviewed and revised by the community during the review of the draft community user manual based on knowledge and understanding gained during the AMP development process.

PRIORITIZATION OF ASSETS: Prioritize assets based on condition assessment and criticality. Many communities have found that a risk assessment type matrix comparing likelihood of failure vs. consequence of failure is an effective and useful tool for helping to prioritize assets and to visualize the state of the community's assets.

- *In the community user manual, include:*
 - *prioritization method used;*
 - *the checklists and SOPs for determining and updating condition assessments of inventoried assets;*
 - *criteria and SOPs needed for the community to update the prioritization and condition assessments going forward;*
 - *a graphical representation of the results for staff to use in reporting to management; and*
 - *an SOP for staff updating of the graphical representation.*

LIFE CYCLE COST ANALYSIS (LCCA): Analyze life cycle costs of each critical asset including capital costs, operating costs (including energy costs for all vertical assets), maintenance costs for the life of the assets, and final disposal costs for the assets.

- *In the community user manual, include a description of:*
 - *how realistic useful lives were determined for each critical asset and how remaining useful lives were estimated;*
 - *the LCCA completed to date;*
 - *how the LCCA will be updated as additional information becomes available going forward; and*
 - *how the LCCA will be used for cost effective equipment selection in the future.*
- *An SOP should be included with training for staff on how to conduct LCCA for other equipment in the future.*

FUNDING STRATEGY: Identify a funding strategy for asset maintenance and replacement, showing the need for increased revenue, or justification of adequate revenue, for the long term management of the assets. This funding strategy needs to move the community toward being able to identify the true cost of providing the services of collecting and treating wastewater and/or the cost of properly managing stormwater.

- *In the community user manual include a description of:*
 - *the funding strategy;*

- *the revenue needed for long-term sustainable management and operation of the wastewater and/or stormwater system;*
- *additional data that is needed to fully understand the cost of providing the wastewater and/or stormwater services; and*
- *recommendations, including examples, for collecting the additional data needed.*

IMPLEMENTATION PLAN: Develop an implementation plan that explains how the community will continue to maintain and use the AMP. The implementation plan also needs to include a description of how the community will incorporate energy and water conservation into day to day operations. This implementation plan is critical to the continuation of using and adapting the AMP to meet the stakeholder's needs.

- *In the community user manual include:*
 - *a detailed description of the implementation plan;*
 - *standard operating procedures for reference by staff; and*
 - *a description of staff positions and responsibilities relative to implementing and using the AMP on an ongoing basis.*

COMMUNICATION PLAN: Prepare a communication plan with a time frame for completion of deliverables to inform stakeholders about the AMP and its capabilities. This communication plan will identify the most effective methods of communicating with each stakeholder group identified during the development of the community's vision statement.

- *In the community user manual include:*
 - *a detailed description of the communication plan with timelines for deliverables;*
 - *a description of the recommended communication method for each stakeholder group;*
 - *a proposed frequency for communication with each stakeholder group; and*
 - *an example communication format for each stakeholder group.*

STAFF TRAINING: Conduct hands-on training for all staff that will be responsible for collecting and using data associated with the AMP. The AMP development schedule must allow for adequate and reasonable time for the utility operators to use the AMP and return to the consultant with questions, changes or clarification.

- *In the community user manual include:*
 - *a detailed description of training conducted as part of the AMP development to enable the utility operators to successfully continue using the AMP;*
 - *a list of training tools available to the community for additional/continued training;*
 - *videos/written SOPs for key tasks for staff reference/training updates as needed as part of the operator training;*
 - *a detailed description of the training completed during the AMP development, including staff attendance.*

WRAP UP PRESENTATION: The wrap up meeting must include a final presentation of the AMP development to the utility and community management at a meeting open to the public. NHDES strongly encourages the utility staff responsible for implementing and continuing the AMP work to be the co-presenter with the consultant to demonstrate their understanding and buy-in to the AMP. Co-presenting with the consultant and utility staff also helps to confirm that an adequate level of training has been provided by the consultant. Prior to the wrap up presentation, submit an electronic copy of the presentation to NHDES.

AMP DEVELOPMENT SCHEDULE

The AMP development work described above, with the exception of staff training, the community user manual and wrap up presentation must be completed by the **scheduled completion date** in the ARPA grant. The draft community user manual must be submitted to the community and to NHDES for review a **minimum of 60 days prior to** the wrap up presentation. The staff training must be completed **prior to the draft community user manual submittal**. The final community user manual, the wrap up presentation and all deliverables must be completed and submitted along with the final disbursement request **no later than 10 months following the scheduled completion date** in the ARPA grant.

Questions/Contact Information

For wastewater and stormwater projects/questions/approvals, contact:

Eliza Styczynski, EIT at Eliza.J.Morrison@des.nh.gov

For ARPA Grant Administration questions, contact:

Sarah Ridyard, PE at Sarah.B.Ridyard@des.nh.gov