

STATE OF OREGON



COVER PAGE

Department of Environmental Quality

ONSITE FINANCIAL AID PROGRAM AMERICAN RESCUE PLAN STATEWIDE ASSISTANCE FOR SEPTIC OWNERS

Date of Issue: November 1, 2022

Proposals Due Date and Time: December 14, 2022 (5PM PT)

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SECTION 1: BACKGROUND

1.1 ONSITE PROGRAM BACKGROUND

More than 30% of Oregonians dispose of their wastewater through onsite septic systems, primarily residential systems. The Oregon Department of Environmental Quality (DEQ) regulates the siting, design, installation and ongoing operation and maintenance of onsite septic systems. DEQ directly manages the onsite program in five (5) counties: Jackson, Coos, Baker, Union, and Wallowa. The remaining counties manage the onsite septic program for residential and other small systems under contract with DEQ. In some cases, property characteristics such as soil type, lot size, and nearby surface waters require advanced treatment or other specialized systems to properly treat wastewater. Without careful maintenance, septic systems can fail prematurely and result in a public health hazard caused by surfacing sewage and pollution that can impact streams and groundwater. Oregon law requires that contractors must have a sewage disposal service license to install, repair, or pump septic systems. Maintenance providers that inspect or maintain onsite systems must be certified.

1.2 GRANT BACKGROUND

The 2021 Oregon Legislature allocated \$15 million in federal American Rescue Plan Act funds to DEQ to address problems related to failing and outdated septic systems around the state. DEQ's new Onsite Financial Aid Program provides grants to eligible third parties for programs that provide financial assistance to property owners and small businesses with expenses related to septic system evaluation, repairs, and replacement. ARPA funds are intended to address water quality concerns while targeting public health and economic hardships that were caused or worsened by the Covid-19 pandemic. A first round of funding was committed for 2020 wildfire recovery projects in August 2022.

Priorities for this RFGP include support for low- and moderate-income families and historically underserved communities facing economic hardship, especially where there is a documented public health or environmental concern that would be reduced by this funding. A wide range of projects will be considered if they fit within the eligibility criteria and demonstrate the ability to obligate requested funds by June 30, 2024 and expend all funds by December 31, 2026. Projects that address recovery of communities that were impacted by wildfires in 2020 or 2021 will receive additional consideration if they demonstrate an unmet need for additional funding.

DEQ anticipates awarding grants in amounts ranging between \$500,000 and \$2,000,000. Larger funding amounts may be available for proposals across larger geographic scope or with high numbers of Beneficiaries eligible for evaluation, repair, or replacement within a proposed area.

1.3 SCHEDULE

The table below represents a tentative schedule of events. All times are listed in Pacific Time. All dates listed are subject to change. N/A denotes that event is not applicable to this RFGP.

EVENT	DATE	TIME
PUBLIC INFORMATION MEETING	NOVEMBER 16, 2022	4:00 PM
DEADLINE FOR PROPOSERS QUESTIONS / REQUESTS FOR CLARIFICATION	NOVEMBER 18, 2022	5:00 PM
CLOSING (PROPOSAL DUE)	DECEMBER 14, 2022	5:00 PM
ISSUANCE OF NOTICE OF INTENT TO AWARD (APPROX.)	JANUARY 18, 2023	

1.4 SINGLE POINT OF CONTACT (SPC)

The SPC for this RFGP is identified on the Cover Page, along with the SPC's contact information. Proposer shall direct all communications related to any provision of the RFP only to the SPC, whether about the technical requirements of the RFGP, contractual requirements, the RFGP process, or any other provision.

1.5 DEFINITIONS

ARPA	American Rescue Plan Act of 2021
Beneficiary	Property owner receiving funding for septic system evaluations, repairs, and replacements.
CDFI	Community Development Financial Institution
Eligible Entities	See Section 3.2.2 criteria for eligibility.

Partners	Organizations that may assist the Third-Party Grant Recipients as subrecipients and consultants
Project	Proposer’s specific stated goals, methods, and deliverables as proposed in responses to this RFGP.
Project Financial Aid	Grants, loans, or combination of both provided by Third-Party Grant Recipient to an individual or small business for one of the purposes identified in HB 5006 (2021) Section 114.
Proposer	Organization applying for funding in response to this RFGP
SLFRF	State and Local Fiscal Recovery Funds
Third-Party Grant Recipient (TPGR)	Eligible organization as provided in in Section 3.2.2 that receives grant money from DEQ under this funding opportunity

SECTION 2: AUTHORITY, OVERVIEW, AND SCOPE

2.1 AUTHORITY AND METHOD

Oregon HB 5006 (2021) designates \$15,000,000 in ARPA funding to provide financial assistance for the repair, replacement, upgrade, or evaluation of residential or other on-site septic systems. ARPA guidelines require that all funds be obligated by December 31, 2024 (the “Obligation Deadline”), and fully spent and reported by December 31, 2026 (the “Expenditure Deadline”). DEQ requires TPGR’s to obligate all funds are by June 30, 2024, to afford DEQ time to re-obligate funds if necessary. Funds are obligated on the date an order is placed for Project-related property or services, as well as the date a TGPR contracts, subawards, or enters into similar transactions that require payment for Project activities, including loan agreements and grant agreements with Beneficiaries.

2.2 SCOPE

TPGRs will be responsible for developing and implementing financial aid Projects to Beneficiaries for septic system evaluations, repairs, and replacements. Project plans will be

consistent with the stated goals of funding as outlined in Section 1.2 and include plans for immediate outreach to Beneficiaries. After the RFGP closes, a scoring committee will objectively review, score, and rank all complete and timely Proposals. DEQ will then issue an electronic communication to top scoring Proposers that includes the decision, amount to be awarded, and the next steps for accepting the decision and requirements for engaging with DEQ on the grant award process.

Eligible Projects are listed in Section 3.2.4.

2.3 INCOME GUIDELINES

ARPA funding is intended to alleviate economic hardship and prioritize low- and moderate-income households and communities that were disproportionately impacted by the Covid-19 pandemic. To facilitate consistency in selection of Beneficiaries, TPGRs must follow the U.S. Department of the Treasury’s Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds (“SLFRF Guidance”) and all other federal requirements. See Resource 7.1 for full SLFRF guidelines.

SECTION 3: MINIMUM QUALIFICATIONS AND ELIGIBILITY

3.1 CALL FOR PROPOSALS

Proposals must meet Minimum Submission Requirements outlined in Section 3.2 and include all the requested information in Section 4. Submitted proposals should include applicable policies and procedures, loan terms if applicable, and identify other funding sources which may be leveraged for the Project. Proposals missing any items will be disqualified from consideration as nonresponsive to the RFGP.

3.2 MINIMUM SUBMISSION REQUIREMENTS

3.2.1 Submissions and Due Date

- Completed proposal is submitted to DEQ on, or prior to, due dates listed in the schedule in Section 1.3.
- Proposals must be submitted by email to the SPC listed in the Cover Page. Incomplete, late, or proposals submitted by other means will be disqualified.
- Submission of Proposal includes Organization Information Sheet in Appendix 8

3.2.2 Eligible Entities

All Proposers under this RFGP must be eligible public agencies or qualified institutions. Eligible entities include:

- **Tribal Governments**
- **Public agencies including:**
 - Federal, state or local agencies

- Local governments
- Soil and Water Conservation Districts
- Council of Governments (COG's)
- ORS 190 defines eligible agencies and is linked under resources.
- **Qualified institutions are defined as community development financial institutions (CDFI's).** See Resource 7.1 for additional information on CDFI's.

3.2.3 Ineligible Entities

Nonprofit organizations that do not qualify as CDFIs, private associations, and individual business or property owners are not eligible Proposers. Nonprofit organizations and other ineligible entities may partner with Proposers as contractors or subrecipients.

3.2.4 Project Eligibility for Financial Aid

- Eligible Projects for financial aid include septic system evaluations, repair, and replacement of old or failing systems and decommissioning of an onsite septic system and connecting to an available sewer line.
- Proposers may include eligible Project costs incurred beginning March 3, 2021.
- Ineligible Projects include financial aid for other home repairs, new construction of a septic system where there was not previously a septic system, development or expansion of sewer main lines and systems, proposals from private property developers, and proposals for funding that primarily benefits an individual private property owner. See Resource 7.1.

3.2.5 Organization Information

- DEQ provides an Organization Information sheet which includes information required to assess risk and verify organization eligibility for these funds, including the following:
 - Contact information: Point of contact name, phone, email address.
 - Statement of eligibility for this funding opportunity, see eligibility criteria above in Section 3.2.2.
 - UEI SAM number or the ability to obtain this number prior to entering into a contract with DEQ under this program.
 - Certification that Proposer has read and can comply with the SLFRF Guidance. See Resource 7.1.
 - Certification of ability to provide quarterly financial and outcomes reports as required by DEQ, Department of Administrative Services, and the U.S. Department of the Treasury under this program.
 - Name, position, and signature of person authorizing submittal of proposal. Failure of the Proposer's authorized representative to sign the Proposal may result in the rejection of the Proposal by DEQ.

- Attachment for Organization Information with all required information for this Section is available as Section 8.

SECTION 4: PROPOSAL CONTENT AND REQUIREMENTS

4.1 PROPOSAL FORMAT AND ELIGIBILITY

Label responses to each section and subsection to indicate the item being addressed. Formatting should be easy to read and 11-point font or larger. Appendices and supporting information must be submitted at the same time as the RFGP for consideration.

Proposer must meet all Minimum Submission Requirements listed in Section 3.2.

- Timely submission
- Eligible entity
- Project eligibility
- Organization Information sheet in Section 8.

4.2 ADDITIONAL PROPOSAL SUBMISSION REQUIREMENTS

4.2.1 Summary Project Description

- Proposed Projects shall include a statement of need that includes the geographic scope, Project objectives, and outcomes addressed by the proposal. Proposals for this RFGP may be located anywhere in the State of Oregon.
- Amount of funding requested and how those funds will be used.
- Identify the target Beneficiaries for funding and how they will be selected including income, economic impact, environmental concerns, or other criteria.
- 2020 or 2021 wildfire recovery projects are eligible for prioritized funding through this program. Projects specific to recovery in a wildfire area should identify which fire and the Project geographic scope. Eligible zip codes and fire name(s) should be included for Projects addressing wildfire impact areas.

4.2.2 Financial Aid Program Description

Proposals shall include the purpose of funding, property owner identification and selection process, outreach plans, workplan and timelines, and scope for their Financial Aid Project as outlined within this Section. Additional supporting information should be included for consideration within the proposal.

- **Purpose of financial aid program:** Describe the purpose of Proposer's Project. Identify the primary objectives, how the need was identified and quantified, how the Project will benefit environmental and/or public health concerns, and anticipated outcomes for this funding.

- **Beneficiary selection and outreach**

- Describe Beneficiaries and community that will benefit including, the estimated number of people who will benefit.
- Provide supporting data demonstrating economic hardship to low- and moderate-income households and/or how the Beneficiaries are an under-served community.
- Describe to what extent individual Beneficiaries already have been identified. If Beneficiaries are not already identified what type of outreach will be necessary to utilize funding requested.

- **Marketing and outreach plan**

- Describe the outreach plan to target low- and moderate-income Beneficiaries and.
 - What outreach methods will Proposer use to ensure that funding reaches intended Beneficiaries within the Project timelines?
 - Detail how Beneficiaries will obtain information about the funding opportunity, receive assistance if needed in applying for fund, and receive technical support throughout the process of repairing or replacing their septic system.

- **Project workplan and timeline**

- Detailed workplan and timeline for reviewing and screening Project Financial Aid applications and dispersing funds to property owners under Proposal. Proposers must demonstrate readiness and the Project to be implemented and completed during the performance period for this funding opportunity.
- Workplan should state specific steps in Project development with anticipated dates for beginning and completing each step.
 - If Project is underway, describe its current status including whether there is any existing partial funding, planning that has taken place already for the Project, or any design plans.
 - Provide specific benchmarks and estimated dates for each phase of development of the Project.
 - Identify internal and external factors that may impact Proposer's ability to obligate funds by June 30, 2024 and complete the Project by December 31, 2026.

- **Project Financial Aid:** Describe the type(s) of financial aid Proposer plans to provide, including the following information:
 - Whether issuing grants and/or loans
 - The anticipated number and amounts (average or range of dollar amounts) of grants and/or loans associated with this Project. Explain assumptions and basis for these estimates.
 - Method of determining whether Beneficiaries qualify for funding. How will they be screened and what are the criteria.
 - Method of disbursing funds to TPGRs must disburse funds either as reimbursements to property owners or contracts with receipts, or paid directly to third party contractors, consultants, and regulatory agencies. Beneficiaries may not receive up-front funding due to difficulty in tracking subsequent expenditures.

4.2.3 Program Implementation and Organizational Capacity

In this Section, describe Proposer’s staffing and ability to implement Proposer’s financial aid program.

Personnel and experience

- Key Persons – Identify key personnel who will be responsible for planning and implementing this Proposal and will be in charge or provide key skills and contributions. Identify name, position, relevant experience, and duties regarding Proposal.
 - ARPA Funding Administrator(s)
 - Describe the qualifications of the person(s) responsible for grant administration.
 - Describe experience with complying with Federal Acquisition Regulations (FARS) and generally accepted accounting principles (GAAP) and submitting timely quarterly and annual reports.
 - Ability to comply with ARPA flow down terms and conditions.
 - Loan / Grant Manager
 - Describe experience with dispersing funds to Beneficiaries
 - Describe experience with compliance with applicable granting and lending rules.
 - Project Manager
 - Outreach Coordinator
 - Other applicable essential personnel

Program capacity and history

- Describe Proposer's existing programs and capacity to implement this financial aid program.
- If proposing a lending program, describe:
 - Experience administering a loan program.
 - Existing loan program including number of loans issued in the past 24 months.
 - Total dollar amount loaned and average dollar amount per loan per year over the last five (5) years.
 - Staffing to process loan applications and ensure compliance with federal and state lending laws.
 - Plans to reinvest funds when loans are repaid. Describe how funds from repayments will be spent, whether they will be reinvested in septic repairs or replacements or used for general operating funds.
- If proposing a grant program, describe:
 - Experience administering a grant program.
 - Existing grant program including number of grants issued in the past 24 months.
 - Total dollar amount granted and average dollar amount per grant per year over the last five (5) years.
 - Staffing to process grant applications and ensure compliance with federal and state laws.
 - Procedures and processes to issue grants in an equitable and objective manner.
 - How Proposer accounts for grant expenditures.

Partner organizations

- If outside organizations will participate as Partners to implement Proposer's financial aid program:
 - Identify the organization and describe its role as it relates to this Project.
 - Describe how relationships with Partners will be formalized if funded (e.g., Memorandum of Agreement, Contract, etc.).

4.2.4 Outcome Measurement

In this Section, describe Proposer's anticipated outcomes and quantify them where possible.

- List expected quantitative and qualitative outcomes and how they will be measured and reported to DEQ. At a minimum, outcomes must include:
 - Number and location of properties receiving financial aid,
 - How repairs and replacements are improving the quality of the systems and

- waste treatment methods,
- Estimated number of gallons treated annually through improvements, which can be estimated by multiplying the capacity of the system in gallons per day by 365 days/year,
- Number of Beneficiaries who are low and moderate income, and
- Number of Beneficiaries who are from disproportionately burdened or underserved communities.
- Additional beneficial outcomes may include:
 - Age and/or type of systems replaced,
 - Water quality improvements,
 - Improved land use or regulatory compliance,
 - Economic recovery,
 - Environmental justice considerations, and
 - Any other factors relevant to Proposal.

4.2.5 Budget

- A line-item budget using the budget format attached as Section 8 to this RFGP or equivalent information. The budget should clearly describe needed program personnel by position, duties, FTE, and whether existing or new personnel will be hired.
- Identify and describe other funding Proposer has received or pending funding requests for septic system financial assistance. Other sources may include private grants, state funding, federal funding, in-kind contributions, and revolving funds.
 - Provide a list of sources, amounts, and whether the funding is committed to Proposer or pending.
 - Explain how Proposer has identified the remaining gap in funding that Proposer is now requesting funding for through this RFGP.
 - Describe how Proposer will track and manage funds to ensure that ARPA funding will not duplicate other funding.

4.3 QUESTIONS / REQUESTS FOR CLARIFICATIONS

Proposers requesting additional information or clarification regarding this RFGP must submit them via email to the SPC at OnsiteSeptic.INFO@deq.oregon.gov on or prior to the Questions and Clarification deadline listed in the schedule in Section 1.3. DEQ may not be able to respond to questions received after this deadline.

SECTION 5: PROPOSAL EVALUATION AND SCORING

5.1 EVALUATION

DEQ will evaluate written Proposals for completeness of items in Section 4 and utilizing the scoring matrix in Section 5.2. Complete submissions by eligible Proposers will be evaluated by a scoring committee comprised of three (3) DEQ employees and one (1) staff member at Business Oregon.

Outcome of the evaluation process may result in:

- Notice to the Proposer(s) of selection of intent to award.
- Notice to Proposer of selection and intent to award at reduced dollar amount or scope.
- Further steps to gather additional information for evaluation.
- Cancellation of the RFGP and re-issuance of the RFGP in the same or revised format.
- No further action by DEQ with respect to the RFGP.

5.2 SCORING

The scoring committee's evaluation will consider the thoroughness of Proposer's documentation and use the scoring matrix below.

5.2.1 Scoring matrix **TOTAL POSSIBLE POINTS:100 (+8 bonus points for wildfire scope)**

Proposers must include documentation sufficient for scoring criteria outlined within this RFGP. Proposals including all required information will be evaluated by the scoring committee and ranked according to the matrix below.

Proposal Format and Quality (Pass / Fail)

Documentation satisfies the requirements of Section 4.1.

Summary Description (0 – 15 Points Possible)

Proposal adequately identifies the scope of the work consistent with Section 4.2.1, including any wildfire specific Project goals.

Wildfire bonus points (+8 Bonus Points Possible)

Proposals including areas from 2020 or 2021 wildfires must include all information in Section 4.2.1 regarding wildfires in order to be considered for these additional points.

Financial Aid Program Description (0 - 25 Points Possible)

Proposal clearly identifies purpose of funding, property owner identification and selection process, outreach plans, workplan and timelines, and scope for the Financial Aid Project as outlined in Section 4.2.2.

Program Implementation and Organizational Capacity (0 – 20 Points Possible)

Information regarding the existing or anticipated capacity of the Proposer to implement a financial aid program is clear and supporting documentation is included. Information is consistent with Section 4.2.3.

Outcome Measurement (0 – 20 Points Possible)

Information regarding Proposer’s measurable outcomes is attached and clearly aligns with stated goals and is consistent with Section 4.2.4.

Budget (0 – 20 Points Possible)

Line-item budget that aligns with the Proposal and clearly describes expenditures and other available funding consistent with Section 4.2.5.

SECTION 6: AWARD AND NEGOTIATION

6.1 AWARD DECISIONS AND NOTIFICATION PROCESS

After the RFGP closes, the scoring committee will objectively review, score, and rank all complete and timely Proposals. DEQ will then issue an electronic communication to top scoring Proposers that includes the decision, amount to be awarded, and the next steps for accepting the decision and requirements for engaging with DEQ on the grant award process.

Proposers who are not selected for award will receive an electronic communication notifying they were not selected.

6.2 NEGOTIATION

After selection of successful Proposals, winning Proposers and DEQ may enter into grant agreement negotiations. However, DEQ is not required to make any changes and some provisions cannot be modified. By submitting a Proposal, Proposer agrees to comply with the requirements of the RFGP, including terms and conditions of the sample grant agreement in and the ARPA flow down provisions in Section 8, with the exception of the terms listed below that may be negotiated:

Budgeted costs where DEQ is funding at a reduced level or scope

Method and timing of disbursements

Financial aid program methods and deliverables

Selection criteria of eligible properties

SECTION 7: RESOURCES

7.1 RESOURCES

- ARPA
 - [Link](#)
- ARPA Treasury Guidance
 - [PDF Link](#)
- CDFI
 - [PDF Link](#)
- Department of Treasury Final Rules
 - [PDF Link](#)
- HB5006
 - [Link](#)
- HB4068
 - [Link](#)
- Licensing for septic
 - [Licensing](#)
- ORS 190 designated entity
 - [ORS 190](#)
- SAM's / UEI number (required for all awarded entities)
 - [SAM.gov Link](#)
 - [Additional Information](#)
- Septic program
 - [OSFAP](#)
- SLFRF Compliance and Reporting Guidance
 - PDF Link

SECTION 8: APPENDICIES

All attachments are available on the website for individual download.

- ARPA Flowdown Provisions
- Organizational Information (Required for Section 3.2.5)
- Performance Plan Template (Required within 30 days of Grant Agreement Signature)
- Sample Grant Agreement with required draft reporting templates
- Sample Line-Item Budget Template