



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**D**

**OFFICE OF BUDGET**  
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June 7, 2024

Senator Justin Boyd, Co-Chair  
Representative Roger D. Lynch, Co-Chair  
Joint Budget Committee  
Performance Evaluation & Expenditure Review Sub-Committee  
State Capitol Building  
Little Rock, AR 72201

RE: FY 24 Infrastructure Investment & Jobs Act of 2021

Dear Co-Chairs:

Pursuant to Section 37 (01) of Act 796 of 2023, I am forwarding the attached Infrastructure and Investment and Jobs Act request(s) that have received my approval as Chief Fiscal Officer of the State.

- Department of Agriculture – Natural Resources Division – Drinking Water  
State Revolving Fund Bipartisan Infrastructure Law Emerging Contaminants  
\$9,147,000

Sincerely,

A handwritten signature in blue ink, appearing to read 'JL Hudson', written over a horizontal line.

James L. Hudson  
Secretary

Attachment(s)

**INFRASTRUCTURE INVESTMENT & JOBS ACT OF 2021  
 APPROPRIATION AND PERSONNEL AUTHORIZATION REQUEST  
 SECTION 37 OF ACT 796 OF 2023**

**D.1.a.**

Agency: Arkansas Department of Agriculture - Natural Resources Division Business Area Code: 0455

Program Title: FFY23 Drinking Water State Revolving Fund Bipartisan Infrastructure Law Emerging Contaminants

Granting Organization: U.S. Environmental Protection Agency CFDA #: 10.680

Effective Date of Authorization: Beginning: 7/1/2023 Ending: 6/30/2024

Purpose of Grant / Reason for addition or change (include attachments as necessary to provide thorough information):  
 The Department is requesting \$9,147,000 for the Drinking Water State Revolving Fund program to address emerging contaminants in drinking water with a focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS). Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment.

**Infrastructure Investment & Jobs Act Program Funding**

Func. Area: COMM Fund Code: FII4555 Continuation of Existing Program: \_\_\_\_\_  
 Funds Center: BX3 Internal Order/WBS Element: \_\_\_\_\_ Change in Existing Program: X  
 New Program: \_\_\_\_\_

	Program Funding Amount
Regular Salaries	
Extra Help	
Personal Services Matching	
Operating Expenses	
Conference & Travel Expenses	
Professional Fees	
Capital Outlay	
Data Processing	
Grants and Aid (CI: 04)	
Other: 590:00:46	9,147,000
Other:	
<b>Total</b>	<b>\$ 9,147,000</b>

Anticipated Duration of Federal Funds: 5/1/2024-4/30/2028

	<b>DFA IGS State Technology Planning</b>	<b>Date</b>
Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.		

**Positions to be established: (list each position separately)**

\* unclassified positions only

Org Unit	Pers Area	Pers SubArea	Cost Center	Position Number	Cmnt Item	Position Title	Class Code	Grade	Line Item Maximum *

**State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.**

Approved by:

Weg W. W. 4/24/24 Robert Brech 06/06/24  
 Cabinet Secretary/Agency Director Date Office of Budget Date Office of Personnel Mgmt Date

	<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>  <b>Grant Agreement</b>		<b>GRANT NUMBER (FAIN):</b> 02F27302 <b>MODIFICATION NUMBER:</b> 0 <b>PROGRAM CODE:</b> 4E	<b>DATE OF AWARD</b> 03/12/2024	
			<b>TYPE OF ACTION</b> New		<b>MAILING DATE</b> 03/15/2024
			<b>PAYMENT METHOD:</b> ASAP		<b>ACH#</b> 60686
			<b>RECIPIENT TYPE:</b> State		
<b>RECIPIENT:</b> Arkansas Natural Resources Commission 10421 West Markham Street, Suite 300 Little Rock, AR 72205-1583 <b>EIN:</b> 71-0351144			<b>PAYEE:</b> Arkansas Natural Resources Commission 10421 West Markham Street, Suite 300 Little Rock, AR 72205-1583		
<b>PROJECT MANAGER</b> Leah Johannes 10421 West Markham Street Little Rock, AR 72205-2190 <b>Email:</b> leah.m.johannes@agriculture.arkansas.gov <b>Phone:</b> 501-682-0549		<b>EPA PROJECT OFFICER</b> Eric Anderson 1201 Elm Street, Suite 500, WDAD Dallas, TX 75270-2102 <b>Email:</b> anderson.eric@epa.gov <b>Phone:</b> 214-665-3177		<b>EPA GRANT SPECIALIST</b> Salena Reynolds Mission Support Division, MSDGG 1201 Elm Street, Suite 500 Dallas, TX 75270-2102 <b>Email:</b> reynolds.salena@epa.gov <b>Phone:</b> 214-665-7529	
<b>PROJECT TITLE AND DESCRIPTION</b> Arkansas Federal Fiscal Year 2023 Drinking Water State Revolving Fund Bipartisan Infrastructure Law Emerging Contaminants Grant See Attachment 1 for project description.					
<b>BUDGET PERIOD</b> 05/01/2024 - 04/30/2028		<b>PROJECT PERIOD</b> 05/01/2024 - 04/30/2028		<b>TOTAL BUDGET PERIOD COST</b> \$ 9,147,000.00	
				<b>TOTAL PROJECT PERIOD COST</b> \$ 9,147,000.00	
<b>NOTICE OF AWARD</b>					
<p>Based on your Application dated 10/19/2023 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$ 9,147,000.00. EPA agrees to cost-share 100.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$ 9,147,000.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.</p>					
<b>ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)</b>			<b>AWARD APPROVAL OFFICE</b>		
<b>ORGANIZATION / ADDRESS</b> U.S. EPA, Region 6, Grants Management Section 1201 Elm Street, Suite 500 Dallas, TX 75270-2102			<b>ORGANIZATION / ADDRESS</b> U.S. EPA, Region 6, Water Division R6 - Region 6 1201 Elm Street, Suite 500 Dallas, TX 75270-2102		
<b>THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY</b>					
<b>Digital signature applied by EPA Award Official</b> Marya Stanton - Acting Director, Mission Support Division				<b>DATE</b> 03/12/2024	

## EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$ 0	\$ 9,147,000	\$ 9,147,000
EPA In-Kind Amount	\$ 0	\$ 0	\$ 0
Unexpended Prior Year Balance	\$ 0	\$ 0	\$ 0
Other Federal Funds	\$ 0	\$ 0	\$ 0
Recipient Contribution	\$ 0	\$ 0	\$ 0
State Contribution	\$ 0	\$ 0	\$ 0
Local Contribution	\$ 0	\$ 0	\$ 0
Other Contribution	\$ 0	\$ 0	\$ 0
Allowable Project Cost	\$ 0	\$ 9,147,000	\$ 9,147,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.468 - Capitalization Grants for Drinking Water State Revolving Funds	Further Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2018 (PL 115-123) Safe Drinking Water Act: Sec. 1452 & Infrastructure Investment and Jobs Act (IIJA) (PL 117-58)	2 CFR 200, 2 CFR 1500, 40 CFR 33 and 40 CFR 35 Subpart L

### Fiscal

Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	2406WA0005	23	E3SD	06K1	000B81X72	4109	23DD	-	\$ 365,880
-	2406WA0005	23	E3SD	06K1	000B81X72	4109	23DA	-	\$ 8,781,120
									\$ 9,147,000

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$ 118,903
2. Fringe Benefits	\$ 41,558
3. Travel	\$ 11,636
4. Equipment	\$ 0
5. Supplies	\$ 1,346
6. Contractual	\$ 80,000
7. Construction	\$ 0
8. Other	\$ 8,781,120
9. Total Direct Charges	\$ 9,034,563
10. Indirect Costs: 0.00 % Base	\$ 112,437
11. Total (Share: Recipient <u>0.00</u> % Federal <u>100.00</u> %)	\$ 9,147,000
12. Total Approved Assistance Amount	\$ 9,147,000
13. Program Income	\$ 0
14. Total EPA Amount Awarded This Action	\$ 9,147,000
15. Total EPA Amount Awarded To Date	\$ 9,147,000

## Attachment 1 - Project Description

The purpose of this agreement is for a capitalization grant which provides funds for the recipient's Drinking Water State Revolving Fund program with the primary purpose to address emerging contaminants in drinking water with a focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS). Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. These substances, microorganisms or materials can include many different types of natural or manufactured chemicals and substances – such as those in some compounds of personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics. Section 1452 of the Safe Drinking Water Act authorizes Arkansas to utilize funds to further the health protection objectives of Safe Drinking Water Act. Arkansas has submitted an Intended Use Plan as part of the application package for this capitalization grant. This Intended Use Plan contains a list of the capital projects that address emerging contaminants that may receive funding from this grant. The recipient may also use some of the funding for specific "set-asides" to provide technical assistance to small systems, program administration, state program management and other allowable uses. The benefits of this grant will be to capitalize the recipient's Drinking Water State Revolving Fund with primary purpose to address emerging contaminants in drinking water with a focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS). The Fund can then be used to increase technical, financial and managerial capacity of public water systems, and provide assurance of a cleaner and safer potable water supply by funding improvements to multiple water infrastructure projects. These public health benefits will be statewide. The Arkansas Department of Agriculture - Natural Resources Division will be entering into Funding Agreements with communities/utilities as part of their Arkansas Drinking Water State Revolving Fund Program, and therefore considered subawards. However, these will be awarded as loans and not as subgrants.