

Defense Community Infrastructure Pilot Program Notice of Funding Opportunity

Fiscal Year 2022 Frequently Asked Questions

June 1, 2022

(Edited per questions asked during the 19 May 2022 public webinar)

These questions are presented as commonly asked from the previous two years of the Defense Community Infrastructure Pilot Program. They are intended to provide clarification and further an understanding of the May 9, 2022, Notice of Funding Opportunity.

A. DCIP Program Overview and Eligibility

1. What is the Defense Community Infrastructure Pilot Program?

Answer: It is a competitive grant program administered by the Office of Local Defense Community Cooperation (OLDCC) on behalf of the Department of Defense. The program is to enable state and local projects to address deficiencies in community infrastructure in support of a local military installation to enhance military value, installation resilience, and/or military family quality of life. The program is authorized under 10 U.S.C. § 2391(d). Interested parties may download the Notice of Funding Opportunity to learn what is necessary prepare and submit a proposal for a grant under this program on grants.gov through July 18, 2022, at this web location: <https://www.grants.gov/web/grants/view-opportunity.html?oppId=340171>

2. What qualifies as a community infrastructure project under the Defense Community Infrastructure Pilot Program?

Answer: Eligible community infrastructure projects are any complete and useable transportation project; community support facilities (e.g., school, hospital, police, fire, emergency response, or other community support facility); and utility infrastructure projects (e.g., water, waste-water, telecommunications, electric, gas, or other utility infrastructure (with necessary cyber safeguards)) that:

- are located off of a military installation;
 - support a military installation;
 - are owned by a state or local government or a not-for-profit, member-owned utility service;
 - that will enhance military value, military installation resilience and/or military family quality of life at the supported military installation (definitions of these enhancements are provided in Section E., paragraph 1. of the Notice of Funding Opportunity);
 - that are endorsed by the local installation commander representing the installation benefitting from the proposed project;
 - are where ground-disturbing work has not yet commenced; and,
 - are construction-ready.
3. How much funding is available through Defense Community Infrastructure Pilot Program in Fiscal Year 2022?

The Consolidated Appropriations Act, 2022 provides \$90,000,000 for the Defense Community Infrastructure Pilot Program. With this appropriations, the minimum possible grant amount is \$250,000 and the maximum possible grant amount is \$20,000,000. Grantee contribution (match) requirements are discussed later in this document.

4. Who can apply for a Defense Community Infrastructure Pilot Program grant?

Answer: State and local governments. Entities other than these entities may partner with a State or local government, keeping in mind that the project itself must be owned by a state or local government or a not-for-profit, member-owned utility service.

5. Can a not-for-profit, member-owned utility service directly apply for a Defense Community Infrastructure Pilot Program grant?

Answer: No, a not-for-profit, member-owned utility service must partner with a State or Local Government as a sub-recipient to the eligible entity to submit a proposal for a grant for a Defense Community Infrastructure Pilot Program project. This is a change in the program.

6. What is the definition of a “State or local government”?

Answer: “State” and “local government” is defined at 2 CFR 200.1. Please refer to:

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-A>

Note: Documentation required to be submitted with a Defense Community Infrastructure Pilot Program proposal includes a Standard Form 424 (SF-424). Section 9 of the SF-424 requires selection of the “Type of Applicant” from a drop down list. If the selected applicant type is not clearly a State or local government in accordance with 2 CFR 200.1, the proposal should include further explanation as to why the proposer considers itself an eligible entity. Tribal nations will be treated as a state government.

7. What type of agreement must be in place for an ineligible entity to “partner” with a State or local government?

Answer: It depends upon the nature of the partnership. If a partnering entity is to be a sub-recipient, a sub-award agreement, such as a contract or other binding agreement would be required. The proposal should acknowledge that the eligible entity is responsible for the project and identify the type of arrangement with the non-eligible entity. The proposal should articulate the timeframe within which the sub-award agreement will be executed and affirm that execution of the agreement will not delay the project from breaking ground within one year of grant award.

8. Are communities supporting military installations outside the Continental U.S. (OCONUS) eligible to apply for Defense Community Infrastructure Pilot Program grants?

Answer: Eligible projects must be located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or Guam.

9. My project is located on or partially on a military installation owned by the Federal government. Is this project eligible for a Defense Community Infrastructure Pilot Program grant?

Answer: No, projects must be located off of a military installation. Projects that are either on installation property that is leased to a non-Federal entity or installation property that is subject to an easement granted to a non-Federal entity are still considered to be on the installation and not eligible for the Defense Community Infrastructure Pilot Program.

10. Can an applicant submit multiple Defense Community Infrastructure Pilot Program grant proposals for different Defense Community Infrastructure Pilot Program projects, or is there a limit on the number of proposals an eligible entity can submit (assuming they have the installation endorsement)?

Answer: Proposers may submit more than one proposal and there is no limit. However, installation commanders are requested to articulate their priorities in the required local commander endorsement letter that must accompany each submitted proposal.

11. Can we combine projects into one proposal?

Answer: No, separate proposals should be submitted for separate projects. For single projects that are legitimately located in multiple geographic locations, a single proposal may be appropriate, but all required proposal elements for each location (site control, third party cost estimate, environmental and permitting status, etc.) must be included in the proposal.

12. Is a project ineligible if site clearing or construction work has begun? What if we could demonstrate that it has undergone appropriate environmental and cultural resource review?

Answer: A project where ground disturbing work has commenced will not necessarily be disqualified for Defense Community Infrastructure Pilot Program funding. However, if selected, the total project will be subject to all terms and conditions of the grant, including compliance with the National Environmental Policy Act (NEPA), which will require any construction underway to cease until such time as full compliance by the whole project with all grant terms and conditions (including NEPA) is confirmed. Previous environmental assessment work, cultural and historic property consultations must still be reviewed and adopted by the Office of Local Defense Community Cooperation. Understand this will take time and will require project construction underway to cease until such time as a final NEPA determination has been completed by the Office of Local Defense Community Cooperation. See also the question in section D. below regarding NEPA compliance.

13. Is cybersecurity considered infrastructure and an eligible project?

Answer: Eligible activities include only hard construction and renovation costs on non-Department of Defense (DoD) property. Infrastructure supporting a cybersecurity function could be considered an eligible project if the project results in a complete and usable facility, and is not on DoD property.

14. What is the grant application? Is it a formal paperwork item, or a rewritten, updated proposal that must be completed in two weeks?

Answer: Grant applications will only be invited on the basis of how a proposal is competitively ranked. The invited application is processed through Office of Local Defense Community Cooperation's grants portal and contains Standard Forms 424, 424C, and other certifications prepared by the applicant. Most of the project information will be extracted from the successful applicant's proposal. Those invited to apply will be assigned an Office of Local Defense Community Cooperation Project Manager who will assist with this application.

15. Will all proposals that meet the Defense Community Infrastructure Pilot Program requirements be funded?

Answer: No. Proposals will be invited to apply for a grant in the order of their competitive ranking until the entire \$90 million appropriation is accounted for and then obligated. Unlike prior years, in the event a respondent is unable to submit an application or it is determined the invited respondent's application materially differs from the proposal that was considered by the review panel, another respondent may be invited to submit an application based upon their competitive ranking.

16. Are community infrastructure projects that support National Guard and Reserve component installations eligible for Defense Community Infrastructure Pilot Program grants?

Answer: Yes, section C. of the Notice of Funding Opportunity states: "Per 10 U.S.C. § 2391(e)(1), the term "military installation" means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense, including any leased facility, which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or Guam. It does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects, but it does include a military facility owned and operated by any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or Guam, even though the facility is not under the jurisdiction of the Department of Defense, if the Secretary of Defense determines that the military facility is subject to significant use for training by the armed forces."

17. What projects were awarded a Defense Community Infrastructure Pilot Program grant in Fiscal Year 2020 and Fiscal Year 2021? How many proposals were submitted and how many awarded in the two previous years?

Answer: A list of FY20 and FY21 Grant Awardees, brief project descriptions as well as grant amounts, can be found at: <https://oldcc.gov/defense-community-infrastructure-program-dcjp>. In Fiscal Year 2020, \$50 million was available for the program, 109 complete proposals were submitted, and 16 projects were awarded Defense Community Infrastructure Pilot Program grants. In Fiscal Year 2021, \$60 million was available for the program, 70 complete proposals were submitted, and 13 projects were awarded grants under the program.

B. Cost contribution / match requirements

18. What is the match requirement for Defense Community Infrastructure Pilot Program grants?

Answer: Except as provided below for projects in rural areas or projects that are advantageous for national security reasons, State or local government recipients must agree to contribute not less than thirty percent (30%) of the total funding required for the project.

19. Are there exceptions to the match requirement?

Answer: Yes, there are two exceptions:

1) State or local government funding contributions are not required for proposed community infrastructure projects in rural areas, defined as a city, town, or unincorporated area that has a population of not more than 100,000 inhabitants. Where applicable, proposers must state explicitly in their proposal that the: 1) proposed project is located entirely in a rural area; and, 2) the proposer is not required to provide a non-Federal (local) project cost contribution.

2) State or local government funding contributions are not required for proposed community infrastructure projects that are determined to be advantageous for reasons related to national security. In such instances, the proposer must assert in their proposal the basis for this waiver, including a signed statement from the cognizant Military Department Secretary attesting to the national security need/importance of the proposed project.

20. We have several cities surrounding our military installation. If a specific city submits a project and their population is less than 100,000 will they be exempt from the local match? Or will the Office of Local Defense Community Cooperation consider the total population surrounding an installation?

Answer: The location of the project itself, not the proposing entity's location, determines whether the project is in a rural location and if matching funds are required or not.

21. Will proposals that include a higher cost contribution from the State or local government be scored higher than proposals that include the minimum match (or no match, in cases where a match is not required)?

Answer: No, the amount of proposed matching funds will not factor in the selection process. However, projects submitted with a proposed zero percent (0%) project cost contribution must ensure all associated costs are eligible (see paragraph 4. of section C. of the Notice of Funding Opportunity). Proposals with ineligible costs will be removed during screening.

22. Regarding what counts towards the 30% match: will the waiving of rent money for the built-out space count as a portion of the 30% matching requirement? This would be for the entire 5-year time period for the space.

Answer: No.

23. Must local match be appropriated by September 23 after notification of being invited to apply for a DEFENSE COMMUNITY INFRASTRUCTURE PILOT PROGRAM grant? This can be challenging based on public process timelines.

Answer: Evidence provided in proposals affirming the immediate availability of the non-Federal local cost share (match) funding is a scoring consideration under criterion b). That noted, in addition to all other terms and conditions of the grant at award, grantees are required to evidence the availability of the non-Federal local cost share prior to disbursement of Federal award funding, but not at the time of award.

24. Can local funds (non-Federal money) already expended on a construction project be considered as matching contribution?

Answer: It depends. All costs must have been incurred and expended after the August 13, 2018, enactment of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, and be validated as reasonable, allowable, and allocable for the proposed project. Please note: if funding already expended on a construction project is accepted as a non-Federal local cost share (match) source, it will be subject to all terms and conditions of the grant, including the National Environmental Policy Act (NEPA), which may require any construction underway to cease until such time as full compliance by the whole project with all grant terms and conditions is confirmed.

25. If project qualifies as rural for 100% grant funds and no matching funds needed, are soft costs paid for by the grant funds?

Answer: No. Soft costs (planning and design costs, the cost to prepare NEPA documentation, environmental permit applications and similar pre-construction engineering costs) cannot be funded with Defense Community Infrastructure Pilot Program grant funds.

C. Selection Criteria (See Section E. 1. of the Notice of Funding Opportunity for full definitions and scoring ranges for current Defense Community Infrastructure Pilot Program grant selection criteria)

26. How will projects be prioritized for selection in the FY22 Defense Community Infrastructure Pilot Program?

Answer: Our program authority requires that proposed community infrastructure projects be selected in the following order of priority:

- 1) Projects that will enhance military value at a military installation, taking into account the four military value criteria provided below (see the next question);
- 2) Projects that will enhance military installation resilience; and
- 3) Projects that will enhance military family quality of life at an installation, taking into consideration the factors described in Section E. 1. of the Notice of Funding Opportunity

27. What are the selection criteria this year?

Answer: The proposed scoring criteria, with relative weights (the more responsive the proposal is to a need in these areas, the higher the score), are:

- a) the extent to which the proposed project will enhance (in order of priority):
 - i. military value at a military installation
 - ii. installation resilience
 - iii. military family quality of life
- b) the construction-readiness of a project, and;
- c) an assessment of project need

Projects that would score in more than one enhancement category will be assigned the score associated with the highest value enhancement, but only one value may be assigned for criterion a). Total points available for exceptional, medium and low enhancement scores will vary based on the verified primary enhancement category. Please refer to Section E. of the Notice of Funding Opportunity for additional details about selection criteria and the selection process.

28. Is 2004 - 2005 Base Realignment and Closure (BRAC) data being used to assess military value for Defense Community Infrastructure Pilot Program projects this year?

Answer: No. This is a change from the FY21 Program.

29. What is a complete and usable project, and can a Defense Community Infrastructure Pilot Program grant fund part of a project or a phase of a multi-phase project?

Answer: The Defense Community Infrastructure Pilot Program can only fund complete, severable, and usable projects that will begin construction (break ground) within one year of grant award and are completed with final payments processed within 5 years of grant award. A complete and usable project is one that produces complete and usable facilities, complete and usable improvements to existing facilities, or that completes a distinct, definable phase of a larger project which will be completed during the period of performance of the grant agreement.

30. Would a project which hasn't entered design phase by the proposal deadline be considered construction-ready?

Answer: Proposals need to evidence that they are able or will be able to break ground within 12 months of award, including the completion of all final design, regulatory permitting, environmental analysis, and cultural and historic property consultations.

31. How far along in the planning process must an applicant be before submitting a proposal? Would construction/building schematics/site plans and environmental analysis/review be required as part of the submission process?

Answer: There is no requirement to have plans, schematics or environmental documents submitted with the proposal; however, there are some considerations: construction must commence within 12 months of the grant award and be completed within five years; and, documentation such as an explanation of the technical feasibility of the project, the project development schedule, and the third-party cost estimate usually requires some planning. A complete design is not required.

32. If an existing structure is on the building site and is slated to be demolished within the 12-month shovel ready time frame, does that demolition count as the project being shovel ready?

Answer: It depends—if the demolition was included as part of the scope of the Defense Community Infrastructure Pilot Program project. All activities and costs identified as part of the project, whether funded by non-Federal or Federal funds, are treated the same under the grant terms and conditions. Accordingly, if the costs for demolition are included regardless of non-Federal or Federal portion of the award, those activities would count towards the project being shovel ready—but would also need comply with all other grant terms and conditions, such as compliance with the National Environmental Policy Act (NEPA).

33. Is there any flexibility on the 12-month timeline or the definition of under construction? We have seen some delays in construction execution due to supply chain issues.

Answer: No, and projects where the certainty of being “construction ready” is unclear will score less. Generally, the proposed project development schedule must demonstrate the ability to commence construction or disturb the ground within twelve (12) months of funding, including necessary final design and planning, development of bid solicitation documentation, completed Federal and state / local environmental planning, site control, and completed permitting actions.

D. Proposal Content (See Section D. of the Notice of Funding Opportunity)

34. Does the proposal require a local installation endorsement letter, and what does it need to say?

Answer: Yes, per Section D. paragraph C. of the Notice of Funding Opportunity, the proposal needs to include a letter of endorsement from the Commander of the local installation that includes: (i) the existing conditions at the local installation that the proposed community infrastructure project will address; (ii) assessment of impact to the local installation, should the proposed project not proceed; and (iii) a description of the criticality of the proposed project to the installation’s mission and/or operations. Proposers must ensure that the local Commander is aware of, and the endorsement reflects support for, the scope of the entire project, and that the local Commander is willing to support the local community’s execution of the project (including assisting the Office of Local Defense Community Cooperation with any technical review of required National Environmental Policy Act (NEPA) environmental planning documents for the proposed project).

35. In our experience, military command is reluctant to "endorse" outside-the-wire projects even when they acknowledge the benefits. Program guidelines specify that proposals must include a letter of support. Is this a potential roadblock for applicants?

Answer: A letter of endorsement (or support) for the project from the Commander of the local installation is required for a proposal to be considered complete. The letter must include the elements described in Section D. paragraph C. of the Notice of Funding Opportunity.

36. To whom should the installation endorsement letter be addressed?

Answer: The installation endorsement letter should be provided to the State or local government proposing the project. Please address the letter to: Mr. Patrick O'Brien, Director, Office of Local Defense Community Cooperation, 2231 Crystal Drive, Suite 520, Arlington, VA 22202. Note that the letter MUST be included in the proposal package submitted in grants.gov and should not be mailed separately to the Office of Local Defense Community Cooperation.

37. What is acceptable proof/demonstration of Section D. paragraph E. "Project Engineering Information: A demonstration of the technical feasibility of the construction project"? Would this be in narrative form or something else?

Answer: A proper demonstration of technical feasibility includes narrative or other supporting information to allow the cross-Service Community Infrastructure Review Panel to conclude the project is technically constructible, sufficiently scoped, and can be accomplished in accordance with the cost and schedule presented.

38. Regarding Section D. paragraph H. "Uses of Construction Project Funds", it says soft planning costs such as planning and design can't be funded by the Defense Community Infrastructure Pilot Program grant but can be used as matching funds, but what about engineering services provided during construction?

Answer: Engineering inspection and oversight costs during construction are allowable construction costs that can be paid for with Defense Community Infrastructure Pilot Program grant funds.

39. Can you elaborate on the requirement that a third party validate costs of work? E.g. we have a bid for part of the job done competitively through the state's procurement system - would that count? If so, for the site prep costs which are not covered by that bid can we just use the competitively solicited bids from other similar jobs? How long are cost estimates or bids good for if generated in the past?

Answer: Actual competitive bids for the same project can serve the purpose of a third party estimate, but considerations like inflation since bids were received, current supply chain and labor availability conditions, etc., should be accounted for in a current, proposal-specific third party cost estimate. The same applies to using other similar project cost data; that is, it can be referenced, but the proposal should provide an analysis explaining why it is applicable and any adjustments made to support the proposal-specific third party cost estimate.

40. Are Operations and Maintenance costs included as part of the eligible costs for Defense Community Infrastructure Pilot Program?

Answer: No, Operations & Maintenance costs are not eligible under Defense Community Infrastructure Pilot Program —just construction costs.

41. Regarding the Operations and Maintenance (O&M) costs, one of our cooperatives is thinking of proposing a large generation asset, as part of their Defense Community Infrastructure Pilot Program bid and are interested in including a warranty for this component, but the warranty requires a 10-year maintenance contract and as we understand it, O&M is not an allowable cost.

Would a warranty cost be allowed? If so, if O&M costs associated with the warranty were paid up front, could that be considered an allowable cost under Defense Community Infrastructure Pilot Program?

Answer: The cost for a warranty could be allowable.

42. Regarding Section D. paragraph J. “Environmental Compliance”, What does OLDCC expect the grantee and the associated installation to do to assure National Environmental Policy Act (NEPA) compliance?

Answer: As the Federal granting agency for the project, the Office of Local Defense Community Cooperation is responsible for implementing the procedural provisions of NEPA for construction projects for which its funds are granted. To accomplish this, the Office of Local Defense Community Cooperation requires that the grant recipient (grantee) conduct the appropriate level of environmental review and analysis to support an Office of Local Defense Community Cooperation final NEPA determination. The installation is requested to support this effort to the maximum extent practicable. For example,

- For projects to which a categorical exclusion applies, the grantee may provide the associated installation with sufficient information and analysis for the installation to generate a record of categorical exclusion. If the installation is willing to sign the categorical exclusion, the Office of Local Defense Community Cooperation can adopt the installation’s categorical exclusion determination for its own final NEPA determination in accordance with 40 CFR § 1506.3(d).
- If the installation is not willing to sign the categorical exclusion, but can provide a record of categorical exclusion for a project substantially the same as the proposed Defense Community Infrastructure Pilot Program project, the Office of Local Defense Community Cooperation can adopt that for its own final NEPA determination in accordance with 40 CFR § 1506.3(d).
- For projects that require an Environmental Assessment (EA), that is, a categorical exclusion is not applicable to the project, the grantee must conduct and complete an EA. The draft EA will be provided to the Office of Local Defense Community Cooperation and the installation for review, and the grantee will incorporate any comments from the Office of Local Defense Community Cooperation and the installation and submit a final EA. The installation is then requested to provide a letter from an installation environmental subject matter expert stating that they have reviewed the assessment and found it to be technically sufficient. This informs the Office of Local Defense Community Cooperation's finding of no significant impact for the project, as appropriate, to finalize the National Environmental Policy Act determination for the project.
- In some cases, another Federal agency will be involved in the proposed Defense Community Infrastructure Pilot Program project and will prepare and complete a categorical exclusion or an EA for the project. The Office of Local Defense Community Cooperation can adopt another agency’s categorical exclusion or EA for its own final NEPA determination in accordance with 40 CFR § 1506.3(d).
- Please note that performing an environmental review and documenting a categorical exclusion can take 1-2 months, while conducting an environmental assessment from start to finish can take 4 to 6 months.

43. Can Defense Community Infrastructure Pilot Program grant funds be used to pay for work needed to comply with NEPA?

Answer: No. Like planning and design costs, the cost to prepare NEPA documentation, environmental permit applications and similar pre-construction engineering costs cannot be funded with Defense Community Infrastructure Pilot Program grant funds, but may be used as a source for matching funds.

E. Supplement, Supplant and Use of Other Funding

44. For the required match, are we allowed to use State and Local funding?

Answer: Yes, match can come from a combination of sources. For instructions on cost sharing or matching and how to structure inclusion of these in a proposal, please refer to Title 2 of the Code of Federal Regulations, Part 200 (2 CFR § 200); specifically, 2 CFR § 200.306.

45. Can funds from other (non-OLDCC) Federal sources be used as match for Defense Community Infrastructure Pilot Program projects?

Answer: It depends. If the Federal agency providing other funding for a project allows their funds to be used as a match those funds may be used as match. Your proposal narrative should state whether the other Federal agency agrees that the agency's funds can be used as a match for Defense Community Infrastructure Pilot Program grants, and include evidence of the agency's concurrence (correspondence from the agency). If other Federal funding is identified as a source for non-Federal local cost share (match), the proposal MUST state that funding is immediately available (i.e., that other Federal entity must have made that award prior to any Defense Community Infrastructure Pilot Program grant being awarded).

46. Can Defense Community Infrastructure Pilot Program Federal funding be used to match other partially Federally-funded projects?

Answer: No. Defense Community Infrastructure Pilot Program funds cannot be used as match for other Federal programs.

47. The language in the Notice of Funding Opportunity prohibiting funds being supplanted - does that only pertain to Federal funds or does this program also prohibit supplanting local funds?

Answer: Defense Community Infrastructure Program Federal funding may not supplant other Federal funds that are available for the proposed project. This prohibition is not applicable to local, non-Federal funding under this program. Supplanting of funds occurs when Defense Community Infrastructure Pilot Program Federal funding is provided instead of other Federal funding that is otherwise available for that project.

48. If a project (access road) is currently being submitted under DAR does it still qualify for the Defense Community Infrastructure Pilot Program?

Answer: No. Installation access or mobility needs projects approved, submitted, planned, or eligible for Defense Access Roads (DAR) funding prioritization are not eligible for Defense Community Infrastructure Pilot Program funding.

F. General

49. I see that grants will be awarded in September of 2022, but when will the actual funds be available for use?

Answer: Funds will be obligated by September 30, 2022, for the final selected projects following the acceptance of the terms and conditions of the award through a counter-signed grant agreement, and are available at that time subject to satisfaction of all grant terms & conditions special conditions (as applicable) incorporated into the grant agreement. Defense Community Infrastructure Pilot Program funds are distributed on a reimbursement basis, and payments are typically made within days of a valid and complete payment request.

50. Can you lease a building as part of the grant?

Answer: Only for the construction period, if needed; otherwise, Defense Community Infrastructure Pilot Program funding cannot be used either for the purchase or leasing of real property.

51. Can existing facilities that require interior finishing qualify for Defense Community Infrastructure Pilot Program? And if so, how would National Environmental Policy Act apply?
Thanks

Answer: Potentially. However, the “finishing” activities proposed would need to meet the definition of “construction” as used in the Notice of Funding Opportunity. The purchase of non-fixed assets is not eligible for Defense Community Infrastructure Program funding. All projects must meet the criteria outlined in the Defense Community Infrastructure Pilot Program Notice of Funding Opportunity, including compliance with NEPA prior to commencing any ground-disturbing activity under the Defense Community Infrastructure Pilot Program grant scope.

52. An eligible entity plans to use their own workforce for roughly 50% of the project and contract 50% of the project out. I would assume the current labor pay rate for the eligible entity would be acceptable to Office of Local Defense Community Cooperation?

Answer: Potentially. While Office of Local Defense Community Cooperation construction grant funding is not subject to prevailing Federal wage rates (i.e., Davis-Bacon), Grantee activities may be subject to prevailing state wage rates. In such cases, where Office of Local Defense Community Cooperation grant funding is mingled with another funding source where specific wage rates are required, the terms and conditions of the award would be enjoined. Hence, the entire project would be subject to a common wage standard. Established labor rates would be acceptable subject to verification. Grantees are required to clearly document direct and fringe benefit rates.

53. Are there any maximum pay rates for in house construction or engineering work?

Answer: Yes. It is the GS-15 Step 10, which corresponds to the Federal maximum rate.

54. What are the procurement standard thresholds for non-Federal entities?

Answer: Applicants will need to be familiar with Federal procurement processes as detailed in Title 2 of the Code of Federal Regulations, part 200 (2 CFR § 200). Communities are expected to select their professional service teams in accordance with these Federal standards. These are the procurement standard thresholds for informal and formal procurement methods (2 CFR § 200.320) as well as compliance with state procurement guidance (2 CFR § 200.317):

- 1) Micro-purchase threshold (less than to \$10,000),
- 2) Federal simplified acquisition threshold (formerly known as the Federal small purchase threshold) (less than \$250,000),
- 3) Sealed bids purchases (more than \$250,000),
- 4) Proposals (more than \$250,000), and
- 5) Non-competitive procurement; however, non-competitive procurement is not permitted under Office of Local Defense Community Cooperation grants.

55. The proposer anticipates utilizing a local Governmental organization to assist with National Environmental Policy Act Environmental review compliance, Labor standards compliance, procurement compliance, administrative compliance, and report generation. Does the local Governmental organization need to be procured if Defense Community Infrastructure Pilot Program grant funds are being used to pay for those services? Could the Local Government organization be added as a sub-recipient on the project and not need procurement?

Answer: Local governmental organizations may be brought in through an intergovernmental agreement. If the applicant decides to include this as part of the grant for the purpose of match, then these services can be obtained in accordance with 2 CFR § 200.

56. Most of the engineering will be completed in house; however, some aspects of final design will be contracted out to licensed Engineers. Can engineering procurement take place after the grant application is submitted? Does the procurement need to be completed before application submission?

Answer: Yes, procurements can take place after grant award. However, “soft costs” such as engineering, planning and design cost are only eligible towards the project match. Also, the proposal would need to demonstrate the ability to break ground within one year. So, a proposal that has not commenced design may not be looked at as favorably as a comparable proposal where the design is complete.

57. Does the Military Installation Resilience (MIR) Program still exist or has MIR grant funding been absorbed under this program?

Answer: The Office of Local Defense Community Cooperation MIR program still exists, but it is now called the Installation Resilience program. This program is separate and distinct from Defense Community Infrastructure Pilot Program.

58. Where can I find information on Office of Local Defense Community Cooperation General Terms and Condition, Program Specific Terms and Conditions and National Policy Requirements?

Answer: This information can be found on the Office of Local Defense Community Cooperation Website: <https://oldcc.gov/>. Interested parties should also be familiar with 2 CFR § 200.

59. Can you speak to Office of Local Defense Community Cooperation's coordination with other Federal Agencies and whether Defense Community Infrastructure Pilot Program applicants should pursue joint proposals along with their NGO/state partners?

Answer: The Defense Community Infrastructure Pilot Program is wholly a Department of Defense grant program; therefore, there is no requirement to coordinate with other Federal agencies in the execution of this program. OLDCC does not have a position on applicants pursuing joint proposals with other NGO/state partners.

60. Is the grant funding firm and fixed to include construction as well as planning and design?

Answer: Grant awards are for a fixed amount. Any cost increases are the responsibility of the Grantee. Note that grant funds may only be used for costs approved based on the budget submitted, validated through an independent third party, and approved at the time of grant award. Soft planning costs required for the planning, design and execution of the proposed project are allowable as a source for non-Federal local cost share (match) only.

61. Is the total funding amount divided between the three categories in any specific percentages? How will the results of the three different categories be compared for funding priority?

Answer: No, funding will not be divided between the three enhancement categories in specific percentages. All proposals will be scored based on the merits of each proposal, with scores weighted to prioritize the projects in accordance with the authorizing statute.

62. Regarding Section G. of the Notice of Funding Opportunity, it states the proposing entity must also state its capability to secure a surety bond prior to construction. Does requiring the contractor to secure the bond suffice? Or does the grant require the applicant to secure the bond?

Answer: Typically, the contractor obtains the surety bond, which is adequate to meet the requirement.

63. Last year we submitted the same project we plan to submit this year. I notice on the form is a box where we can use the same proposal but add supporting material. Do you recommend we do that or do you recommend an entirely new proposal?

Answer: Since the Notice of Funding Opportunity is different this year, the Office of Local Defense Community Cooperation recommends submitting a new proposal.

64. In the past, we have sent a draft to the POC at OLDCC for their review prior to the formal submittal. Is that an option with Defense Community Infrastructure Pilot Program grants?

Answer: No, Since the Defense Community Infrastructure Pilot Program is a competitive grant program, OLDCC is unable review proposals prior to the proposal submission due date (July 18, 2022).

65. I will submit a proposal that will include a narrative and supporting documents that combined will not exceed 20 pages – do you want the narrative and documents compiled into a single PDF or do you want the supporting documents uploaded separate from the narrative? Is the narrative uploaded using ADD ATTACHMENTS? Typically, I see other forms under APPLICATION PACKAGE FORMS, though what you are seeking at this time is a proposal rather than application, it may be that this is correct: Is the SF-424 Form the only form required at this time?

Answer: Use Section 15 of the SF-424 OR the Attachments Form to add attachments. Yes, the SF-424 is the only required form along with all required supporting documentation described in the Notice of Funding Opportunity. Also, our use of the term ‘proposal’ equates to the term “application” in grants.gov for the purposes of this program.

66. We will be receiving a couple of letters of support to add to our Defense Community Infrastructure Pilot Program proposal. Who would be the best contact(s) at DOD to address the letter to?

Answer: Although additional letters are not required, will not impact the scoring of a proposal, and would count against the 20-page proposal page count, additional letters may be addressed to: Director, Office of Local Defense Community Cooperation, 2231 Crystal Drive, Suite 520, Arlington, VA 22202.

67. In reference to a requirement for a project to include a Federal interest for the life of the improvements, how is this interest memorialized? Can a project be sold at some point in the future and the Federal interest be assigned to a new owner (and that owner may not be a unit of local government)?

Answer: Federal interest is typically memorialized in a document (i.e., a Notice of Federal Interest) attached to the deed of the property on which the project is constructed, or documented on the title of a piece of equipment as appropriate. Please refer to 2 CFR §200.311 “Real Property” and §200.313 “Equipment” for the requirements associated with Federal interest associated with a Federal award.

68. We are applying for a Defense Community Infrastructure Pilot Program grant while also currently managing the Compatible Use (CU) grant with OLDCC). Does the fact they would be managing two grants present a problem?

Answer: No, having an existing grant with OLDCC will not impact the review and scoring of a Defense Community Infrastructure Pilot Program proposal.