

Defense Community Infrastructure Pilot Program Notice of Funding Opportunity

Fiscal Year 2023 Frequently Asked Questions

These questions are commonly asked of the Defense Community Infrastructure Pilot Program. They are intended to provide clarification and further understanding of the Notice of Funding Opportunity.

A. 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 at <https://www.grants.gov/web/grants>.

2. 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.

Note: A local or state government cannot act as a pass-through entity to provide funds for a private or for-profit enterprise.

3. 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.

4. 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: Additional authority for the Fiscal Year 2023 Defense Community Infrastructure Pilot Program extends the location of eligible projects to include those located on property under the jurisdiction of a Secretary of a military department that are subject to a real estate agreement (including a lease or easement)

5. 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.

6. 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.

7. 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 are not eligible 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.

8. 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.

9. 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.” If the National Guard or Reserve component facility qualifies as an installation per the above definition, as with project locations associated with all other military installations, the project itself must also be located outside of an installation fence line and on property not under the jurisdiction of the Department of Defense.

B. Cost Contribution / Match Requirements

10. How do I determine if the rural match exemption applies to my project?

Answer: The city, town, or unincorporated area in which the project itself is located determines whether the project is in a rural location and if matching funds are required or not.

11. 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.

12. 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.

13. 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). 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. Any proposal relying on contributions sourced from other Federal funds that have not been awarded through a counter-signed financial award at the time of proposal submission will not be considered.

14. 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.

15. 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.

16. 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.

17. 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 twelve (12) months of award, including the completion of all final design, regulatory permitting, environmental analysis, and cultural and historic property consultations.

18. 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? Can projects be design-build projects or do they need to be designed and construction ready projects?

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. Projects can potentially be design-build projects; however, the proposal must demonstrate that construction will commence within 12 months of the grant award and be completed within five (5) years.

19. 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).

20. 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. Additionally, projects where the certainty of being “construction ready” is unclear will typically score lower. 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.

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

21. 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.

22. 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.

23. What is acceptable proof/demonstration of Section D. paragraph E. “Project Engineering Information: A demonstration of the technical feasibility of the construction project”?

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.

24. 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.

25. 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? Can we use the Unified Facilities Criteria (UFC) DoD Pricing Guide as the "third party estimate"?

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. The third party providing the estimate must be an entity other than the grantee or the firm designing the project. The Unified Facilities Criteria DoD Facilities Pricing Guide may be used as a reference for a third party to prepare a project specific cost estimate, taking into account the considerations mentioned above.

26. 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.

27. 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.

28. 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.

29. 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.

D. Supplement, Supplant and Use of Other Funding

30. 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).

31. 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.

32. 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.

33. 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.

E. General

34. When will the actual grant funds be available for use?

Answer: Funds will be obligated by September 30, 2023, 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.

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

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.

36. If an eligible entity planned to use their own workforce for roughly 50% of the project and contract 50% of the project, would the current labor pay rate for the eligible entity 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.

37. What are the maximum pay rates for in house construction or engineering work?

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

38. 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.

39. 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.

40. 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.

41. 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.

42. 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.

43. 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.

44. 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.

45. 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.

46. If we plan to resubmit the same project from a previous year, is it recommended to use the same proposal but add supporting material or submit 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.

47. Can we submit a draft to the POC at OLDCC for their review prior to the formal submittal?

Answer: No. The Defense Community Infrastructure Pilot Program is a competitive grant program, therefore, OLDCC is unable review proposals prior to the proposal submission due date.

48. 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.

49. 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.

50. 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.

51. Does the local township/county usually end up covering cost to draft up the grant?

Answer: The costs incurred to prepare a Defense Community Infrastructure Pilot Program grant proposal or application are not typically eligible for reimbursement nor are they allowable as a source of matching funds if the grant is awarded.

52. If the proposal involves the use of land owned by the applicant, can the value of the land be used as any portion of the cost share?

Answer: Subject to 2 CFR § 200.439, the value of the land owned by the applicant can potentially be used as cost share (match) for a Defense Community Infrastructure Pilot Program grant, but land acquisition 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.

53. What are the responsibilities of a local government entity partnering with a member-owned not-for-profit utility on a project owned by the utility and working with the utility as a sub-recipient?

Answer: The local government, as a federal grant recipient, must maintain compliance with grant terms and conditions as well as applicable regulations, including 2 CFR § 200. The grant recipient should be familiar with the subrecipient sections of 2 CFR § 200; specifically, § 200.331 through § 200.333.

54. If awarded Defense Community Infrastructure Pilot Program grant funds, will an applicant receive the full amount of funding requested or could they be awarded only a portion of the requested funds?

Answer: If invited to submit an application and awarded a grant, the grant amount would be the amount requested in the original proposal.