



SFY25 Dam Repair Assistance Grant Program Guidelines

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1. **Program Description**

1.1 Overview

Budget Proviso 55.24 (DES: Dam Repair Assistance) has made state funds available for SFY25 to develop cost-sharing grants to correct dam deficiencies identified by the South Carolina Department of Environmental Services (SCDES) for HIGH and SIGNIFICANT Hazard dams regulated under the Dams and Reservoir Safety Act. For SFY25, SCDES plans to solicit applications from eligible applicants for pre-construction and construction efforts associated with dam rehabilitations and removals for eligible High and Significant Hazard dams in South Carolina. SCDES plans to award \$1.5 million in grant funds for the first year of this pilot program. Please note that the South Carolina Supreme Court has interpreted Article X, Section 5 of the South Carolina Constitution to mean that any expenditure of public funds must be made for a public purpose.

SCDES reserves the right to amend, revise, or make future modifications to this program guidelines document at its discretion. Any changes or updates will be posted to the Dam Safety Program website and communicated as deemed necessary to ensure clarity and alignment with SCDES's objectives and policies.

1.2 Objectives

The FY25 Dam Repair Assistance Grant Program aims to:

1. Reduce or eliminate risk associated with dams;
2. Improve accessibility of financial assistance to dam owners who may not be eligible to apply for other dam safety grants; and,
3. Provide financial assistance for the rehabilitation or removal of HIGH and SIGNIFICANT hazard dams that fail to meet minimum dam safety standards and pose an unacceptable risk to life and property.

2. **Eligibility**

2.1 Eligible Activities

Grant funding is limited to 1) eligible activities on 2) eligible dams carried out by 3) eligible applicants. Eligible activities include, but are not limited to:

1. Preparedness Planning
2. Project Planning
3. Preliminary Engineering
4. Engineering Design

5. Outreach and Risk Communication
6. Construction
7. Removal
8. Instrumentation

Table 1: Allowed activities for the FY25 Dam Repair Assistance Grant Program.

| Main Category | Sub-Category | Activity |
|------------------|---------------------------------|--|
| Non-Construction | Preparedness Planning | <ul style="list-style-type: none"> • Development of Emergency Action Plans (EAPs), evacuation plans, plans for flood fighting, or community response plans to include in the floodplain management plan • Coordination of Emergency Action Plans (EAP) and Emergency Operations Plans (EOP) for different release conditions |
| | Project Planning | <ul style="list-style-type: none"> • Activities and studies that determine risks associated with eligible dams (for future construction project) • Development of operation and maintenance plans |
| | Preliminary Engineering | <ul style="list-style-type: none"> • Dam risk and consequence assessments • Feasibility studies • Preliminary engineering studies • Alternatives analysis • Mapping, engineering survey, and inundation modeling |
| | Engineering Design | <ul style="list-style-type: none"> • Final design • Development of drawings and specifications • Permitting |
| | Outreach and Risk Communication | <ul style="list-style-type: none"> • Public education and awareness of flood risks associated with the eligible dam project |

| | | |
|--------------|-----------------|--|
| Construction | Construction | <ul style="list-style-type: none"> • Bid services • Repair or rehabilitation of the dam (including tree removal) • Construction oversight and monitoring • Project Management (capped at 5%) |
| | Removal | <ul style="list-style-type: none"> • Dam removal |
| | Instrumentation | <ul style="list-style-type: none"> • Sensors and early warning systems for monitoring conditions with dam and reservoir |

The following activities are ineligible for funding under this program:

1. Routine Operation and Maintenance (O&M).
2. Purchase of equipment that is not an integral part of the funded project.
3. Establishment of a reserve fund.
4. Activities that increase the hazard classification and/or risk (e.g., increase to dam height or storage capacity).
5. Perform work that would result in duplicative data that is publicly available from the State or other source (i.e., geotechnical investigation where past geotechnical investigation already exists and remains valid), unless previously approved by the State or waived by the State.
6. Payment of principal or interest on existing debt, or any interest payments associated with project financing.
7. Costs associated with bid protests.
8. Litigation costs, including, but not limited to, appeals of SCDES decisions.
9. Activities that do not serve to facilitate repair or risk reduction.
10. Activities that do not serve a public benefit (i.e. driveway paving, private docks, boat ramps, etc.)
11. Costs associated with activities that have not been approved by the State
12. Construction of new dams.

2.2 Dam Eligibility

The deadline to establish eligibility of the dam will be December 31 each year. The date on your dam's most recent inspection letter is the official date of determination for the

following eligibility criteria. In order to be considered eligible for funding under this grant program, a dam must:

1. Be regulated by the SC Dam Safety Program
2. Have a hazard classification of HIGH or SIGNIFICANT
3. Have a condition assessment rating of POOR or UNSATISFACTORY as identified by SCDES, or where a dam safety deficiency has been identified by an engineer that was not revealed in a department inspection

The following types of dams are not eligible for funding:

1. Federally licensed dams
2. Federally owned dams
3. Dams built under the authority of the Secretary of Agriculture (e.g., PL-566 watershed conservation district dams)
4. Dams that create a direct source of revenue (e.g., hydropower, drinking water supply), determined at the discretion of the Department
5. Dams where the owner has taxing authority (e.g., dams owned by local or state government, certain special purpose districts)
6. Low Hazard Dams

2.3 Applicant Eligibility

The following categories of applicants are considered eligible to apply for and receive grant funds:

1. Private entity/corporation
2. Individual
3. Non-profit organization

All applicants must be able to:

1. Demonstrate clear ownership of the dam.
 - a. Ownership determination will be made by SCDES, which may require the use of outside legal counsel.
 - b. Community associations (such as Homeowners Associations, "HOAs") must provide covenants and/or by-laws with their grant application.
2. Demonstrate that they are not delinquent on any state or federal taxes.
3. In the case of corporations, must be in good standing with the SC Secretary of State's office.
4. In the case of multiple dam owners:

- a. The grant can only be awarded to one owner if there are multiple dam owners. Multiple owners must either form a partnership or decide who will be the Applicant/Recipient. Ownership determination will be made solely at the discretion of SCDES.
- b. All owners must demonstrate support for the project, even if only one or some are funding the project.
 - i. Multiple competing applications for the same dam will be taken as a sign that all owners are not in agreement and result in the rejection of all applications for said dam.
- c. Grants will not be awarded if only a part of the dam is addressed – grant-funded projects must correct deficiencies of the entire dam.

3. Cost Share and Match

Cost share for these awards starts at 50% of the direct eligible costs required to complete the scope of work in an approved project. The Recipient must provide the remaining 50% match in the form of cash or in-kind contributions. Funds for activities that do not serve a public benefit, even if they are related to the project, are ineligible for reimbursement and may not count toward recipient match requirement. State match can increase up to 75% based on demonstration of financial hardship.

3.1 In-Kind Contributions

A description of in-kind services or activities must be reviewed and pre-approved by SCDES as eligible to count towards the Recipient cost share match requirement. Examples of acceptable in-kind contributions include, but are not limited to, dam owner's incurred costs to procure, or donations thereof, any of the following:

1. Professional Services
2. Materials
3. Labor
4. Equipment

3.2 Financial Hardship

The default recipient match requirement for this funding opportunity is 50% unless a determination of financial hardship has been demonstrated in the grant application and SCDES has concurred with the Applicant's financial hardship determination.

4. Period of Performance

The Period of Performance (POP) is the total estimated time interval between the start of the award and the planned end date. For this program, the Planning and Engineering projects will have a POP of one year and Construction projects will have a POP of 3 years. Applicants should only propose projects that will be completed within the POP.

4.1 Period of Performance Extensions

Extensions to the POP under this program are allowable but cannot be guaranteed. Requests to extend the POP for any reason must be submitted to SCDES for approval. SCDES will review the request and Recipient's justification before making the determination to approve or deny the extension request. POP extension requests should be submitted in writing to SCDES at least 90 days prior to the POP end date.

5. Application Requirements

Applications for planning, design, and engineering activities may be completed without the assistance of Professional Engineer (PE). However, applications for construction projects **must** be prepared with the assistance of a PE licensed in the state of SC. A completed application package must include the following documentation:

1. Completed Application Form
2. Eligibility Narrative
3. Project Narrative
4. Project Milestones for the Proposed Scope of Work
5. Detailed Budget for the Proposed Scope of Work
6. Match Commitment Letter/Description of Match
7. Engineer Statement (if applicable)
8. For construction projects, a cost estimate certified by licensed PE registered in SC
9. Construction Permit (for construction activities only)
10. Covenants and by-laws (for HOAs)
11. Emergency Action Plan (EAP) OR Plan to develop an EAP within 12 months of award

5.1 EAP Requirement

Applicants must either have a current Emergency Action Plan (EAP) or provide assurance that an EAP will be developed within 12 months of award acceptance. For planning, design, and engineering projects, the EAP must be developed and approved by SCDES prior to the

final Request for Reimbursement (RFR). For construction projects, no work on the approved project may commence until an EAP has been developed and approved by SCDES.

6. Selection Criteria

A two-part selection process will be conducted by SCDES to determine which applications will be selected for funding: an Eligibility Screening and a Technical Review.

6.1 Eligibility Screening

The initial screening aims to identify and advance applications that:

- Meet all dam, applicant, and activity eligibility criteria
- Meet all grant application requirements (i.e., provide a complete application)
- Correct deficiencies for the entire dam

6.2 Technical Review

Applications that pass the eligibility screening will be reviewed by the Dam Safety Program and evaluated on technical merits of the dam and proposed project using a point-based system to provide a technical review score based primarily on the level of risk reduction as a result of project implementation.

7. Procurement

Procurement requirements shall apply to constructions services and goods and materials associated with construction projects. Engineering services may be procured without the need for a formal procurement process; however, all other procurement under this grant award shall comply with state procurement requirements in conformance with the SC Consolidated Procurement Code. The following procedures, found in the Dam Repair Assistance Grant Program Management Procedures document or at www.scstatehouse.gov/code/t11c035.php, shall be followed:

1. "Article 5: Source Selection and Contract Formation" (SC Code of Laws Title 11, Chapter 35) may be used as a guideline for the procurement of goods and services, including the solicitation of proposals for planning activities
2. "Article 9: Construction, Architect-Engineer, Construction Management, and Land Surveying Services" (SC Code of Laws Title 11, Chapter 35) may be used for construction activities.

For construction contracts, SCDES will offer grant recipients a list of pre-qualified contractors to simplify the procurement process. Those who opt not to use the list must still adhere to state procurement guidelines.

Procurement requirements specific to the FY25 Dam Repair Assistance Grant Program:

- Contractors and engineers contracted under this grant program are required to be licensed in the state of SC.
- Contractors that have been debarred or suspended may not be considered for contracting.
- SCDES must review quotes/bids and approve the awarding of contracts.
- The maximum contingency allowed for engineering is 15% and 25% for construction.
- Prior to solicitation, all necessary Dam Safety permits, bid-ready plans, and specifications are required.

8. Payments

This is a reimbursement only grant program. Requests for advance payment will not be considered by SCDES. To be eligible for reimbursement, work to complete the project must occur on or before the end of the Period of Performance. The program will reimburse Recipients for eligible costs incurred on activities within the approved Scope of Work. To receive funds, Recipients must prepare and submit a Request for Reimbursement (RFR) to SCDES for review and processing. No more than 80% of the grant funds will be paid before the Final RFR for construction projects, and no more than 90% for all other projects. Any costs determined by SCDES to be outside of the approved Scope of Work shall be deemed ineligible for reimbursement and ineligible to count towards the recipient's match.

9. Recordkeeping and Monitoring

9.1 Retention Policy

The Recipient must retain grant records, including documentation of costs and supporting documents, for a period of 3 years. Office visits, site visits, and/or document requests made by SCDES for the purpose of monitoring compliance may occur at any time during the Period of Performance. Construction monitoring visits – to include a records review - will be performed by SCDES at set intervals.

9.2 Quarterly Reporting

Recipients will be required to submit Quarterly Progress Reports summarizing activities that occurred during the quarter that advanced the project toward completion. Additionally, reports should identify whether any time delays or cost overruns occurred or are expected to incur, and what, if anything, is being done to avoid disadvantageous outcomes.

9.3 Closeout

The grant closeout request will typically be submitted with the subrecipient's final Request for Reimbursement, no later than 90 days after the end of the Period of Performance. Upon closeout, a notice will be sent to the recipient stating the Period of Performance is closed, listing any remaining funds that will be deobligated, and addressing the requirement to maintain all grant-related records for three years or longer applicable period, which may be due to an audit or litigation, equipment or real property being used beyond the Period of Performance.

10. Appeals and Non-Compliance

10.1 Appeals

Recipients may appeal any staff-made decisions regarding this grant. All appeals will be made directly to the South Carolina Administrative Law Court (ALC).

10.2 Remedies for Non-Compliance

Recipients that are found to be out of compliance with grant program policies and procedures will be given an opportunity to return to compliance. If a return to compliance cannot be accomplished, remedies may include immediate termination of the grant agreement, cost recovery, and/or disqualification from future grant consideration.

11. Amendments

The Recipient must formally request an amendment to the award agreement for any proposed changes to the budget, scope of work, or POP of the funded project. This includes any changes to the approved list of in-kind services to be counted towards the match requirement. Amendment requests must be made to SCDES at least 90 days prior

to the end of the POP. SCDES may approve or deny the request based on the Recipient's justification.