

**Defense Community Infrastructure Pilot Program (DCIP) Federal Funding Opportunity Notice**  
**Part 2 – Questions and Answers**  
June 10, 2020

1. Are projects such as transportation (lane additions, turning lanes) to alleviate congestion at the Base entrance eligible?

Answer: As a transportation project, it is the type of project or facility within the scope of authorizing legislation (i.e., “(i) Any transportation project. (ii) A school, hospital, police, fire, emergency response, or other community support facility. (iii) A water, waste-water, telecommunications, electric, gas, or other utility infrastructure project.”) To be an eligible transportation project, it must be “located off of a military installation; and . . . owned by a State or local government; or . . . a not-for-profit, member-owned utility service.” Therefore, all of the proposed projects must be located off of a military installation (i.e., federal property under the jurisdiction of the Secretary of a military department) but may be located on other federal property, provided the project or facility is owned by a State or local government or a not-for-profit, member-owned utility service.

2. Can you explain supplanting funds? We have many projects that could be considered "eligible" for Federal Transportation grants, but the nature of the projects and locations don't score well enough to compete for funding.

Answer: Supplementing funding means working in coordination with or in addition to other funding, and supplanting funding means funding provided instead of other funding that is otherwise available for that project. Neither supplementing nor supplanting would occur from eligibility to receive funds, the funds must have actually been received for the project.

3. Our installation has one active duty service member and the remaining employees are civilians. How can we demonstrate spousal support?

Answer: Proposals are required to include a narrative presenting efforts by the proposer, or the proposer’s State or local government, to support military spouse(s), including efforts to ease spousal unemployment and licensure, childcare, mentorship, and other services/programs to assist military spouses.

4. Do completed projects or projects currently under way that meet the criteria get to be submitted for proposals and grant applications?

Answer: Funding proposed either against the Federal grant award or as a source for the non-Federal share must be incurred and expended within the proposed project period commencing from the date of award or no earlier than the date of enactment of the 2019 National Defense Authorization Act, August 13, 2018.

5. What about Veterans and their Families, are they considered among military service members?

Answer: No.

6. Will projects that are currently fully funded when considering a local governments' future year programmed funds (i.e. 6 local funding is 6 years out) still qualify for this grant? Or is that considered "supplanted funds"?

Answer: The supplanting clause of the FFO refers to other available federal funding, not local funding. If a local government has full funding for a project over the next few years, that funding would not be considered as supplanting Federal funding that might be made available under DCIP.

7. Can ownership of a completed project be transferred from the eligible applicant to its non-profit partner?

Answer: Any transfer of ownership or interest, or change in purpose of the completed project to any non-Federal parties, will require prior approval from the Office of Economic Adjustment for the useful life of the completed project. Please see answer to question A.7, DCIP Federal Funding Opportunity Notice; Part 1 – Federal Funding Opportunity Notice Questions and Answers.

8. Will OEA provide direct technical assistance to discuss project details prior to proposal submission?

Answer: No.

9. Will an endorsement by a National Guard HQ Commander meet the requirements of an Installation Endorsement?

Answer: The letter of endorsement may come from an official other than the commander of the local installation identified in the proposal; provided the individual is authorized to represent the installation on the issues addressed in the letter of endorsement.

10. The timeframe between grant funds being disbursed and need to obligate the funds is very tight, by obligate, do you mean "award" the project to a contractor, or just an official commitment by the municipality to start the project within a year, etc.?

Answer: The obligation occurs only after the Office of Economic Adjustment signs a grant award, the recipient accepts the terms of the award, and then the Office of Economic Adjustment places the amount of Federal funds into "obligation" prior to September 30, 2020. Funds may then be disbursed to the recipient over the next 5 years for approved costs in carrying out the approved project.

11. If it is a joint project, does the local/state government that owns the property have to be the lead applicant or can they endorse a nonprofit to act as applicant?

Answer: The program is for grants to State and local governments or non-profit member-owned utilities. The proposal must come from one of these eligible entities. Entities other than those identified above may partner with an eligible entity for project proposals.

12. Can the local 50% local contribution completely come from private partners?

Answer: Yes.

13. Will it be acceptable for the state as the applicant to “own” the utility infrastructure improvement until a later date when it is properly packaged and reviewed/approved by the state PUC?

Answer: Because the original owner and the desired transferee are both eligible entities, potentially yes. Any improvements funded under this program will be secured by a Federal Interest position held by the Office of Economic Adjustment, established prior to the closeout of the award. This federal interest position requires that owner retain and maintain the improvements funded under this program for its original purpose the life of the project. Any proposed transfer of ownership or interest, or change in purpose of the completed project to any non-Federal parties, can only occur with prior approval from the Office of Economic Adjustment. Transfer to Federal parties is not consistent with the authority of this program.

14. If a project meets more than one Tier (e.g. Tier I, Tier II, Tier III), should those factors be detailed or should the proposal focus on only one Tier?

Answer: Yes all factors should be detailed, however the proposal must list which issue the proposal addresses—military family quality of life, resiliency, or military value. Proposals in Tier I will rank higher than Tiers II and III. Proposals in Tier II will rank higher than Tier III.

15. Is the grant specifically for construction related projects? Are transportation services eligible for a grant? i.e., better access to public transportation for military families?

Answer: No, transportation services are not eligible. The FFO is to assist State and local governments to address deficiencies in community infrastructure. Community infrastructure means “a project or facility described in subparagraph (B) that-(i) is located off of a military installation; and (ii) is- (I) owned by a State or local government; or (II) a not-for-profit, member-owned utility service. (B) A project or facility described in this subparagraph is any of the following: (i) Any transportation project. (ii) A school, hospital, police, fire, emergency response, or other community support facility. (iii) A water, waste-water, telecommunications, electric, gas, or other utility infrastructure project.”

16. If non-rural area is used primarily for training for military personnel and no family members will be residing in the area, do we use the number of personnel to be trained per year as a count towards the population to benefit from a proposed project?

Answer: Yes. A key consideration is Service members and/or their families are at least 50% of the patrons/recipients/beneficiaries of the proposed infrastructure project.

17. Can you provide an example of the documentation required to demonstrate that the requested funds do not supplant other available funds?

Answer: Proposals do not need to provide documentation to support the assertion that the requested funds do not supplant other available federal funds.

18. Are there any specific metrics that will be used for what constitutes as "military family quality of life"?

Answer: No, although potential metrics are discussed in the Federal Funding Opportunity Notice. The FFO affords the opportunity for the proposer to use any metrics to demonstrate the military family quality of life benefit.

19. How does OEA plan to prioritize distribution of grants (i.e. will they be targeting projects that can help ease the facilities sustainment, restoration and modernization (FSRM) backlog, geographic distribution, etc.)?

Answer: The FFO is to assist State and local governments to address deficiencies in community infrastructure supportive of a military installation, if the Secretary determines that such assistance will enhance the military value, resilience, or military family quality of life at such military installation. The Secretary of Defense approved the program on May 6, 2020, and identified the priority focus to be military family quality of life, military resilience, and military value (in that order).

20. Most bases do not have options for animal welfare. Would a project such as an animal shelter be eligible, given 67% of families on base have pets?

Answer: Potentially yes, if the applicant can articulate how an animal shelter is an "other community support facility." The FFO is for grants "to assist State and local governments to address deficiencies in community infrastructure," which is defined as "(i) Any transportation project. (ii) A school, hospital, police, fire, emergency response, or other community support facility. (iii) A water, waste-water, telecommunications, electric, gas, or other utility infrastructure project."

21. What's an expected timeframe for announcement of the award recipient(s)?

Answer: Public announcement of grants made will take place no later than October 1, 2020.

22. How could a self-advocate partner with any projects?

Answer: Any interest other than an eligible applicant may partner with a State or local governments and not-for-profit, member-owned utility services owning infrastructure for project proposals.

23. Request clarification as to whether retired military members and their families that reside in the project community can be included in the 50% of Service and Family Members that benefit from the project.

Answer: No.

24. Is demolition of structures in a Clear Zone an eligible cost?

Answer: The FFO is to assist State and local governments to address deficiencies in community infrastructure. Community infrastructure means “a project or facility described in subparagraph (B) that-(i) is located off of a military installation; and (ii) is- (I) owned by a State or local government; or (II) a not-for-profit, member-owned utility service. (B) A project or facility described in this subparagraph is any of the following: (i) Any transportation project. (ii) A school, hospital, police, fire, emergency response, or other community support facility. (iii) A water, waste-water, telecommunications, electric, gas, or other utility infrastructure project. The demolition of structures in a Clear Zone are only eligible costs to the extent the action is necessary to undertake a community infrastructure project that meets this definition.

25. Could you discuss a bit more on the Tiers...what if a project overlaps more than one tier area but is stronger in a higher tier? Or is the intent the communities avoid any projects which overlap tiers?

Answer: Proposals will be identified as a single Tier during the selection process; however, all benefits of the project should be sufficiently detailed to adequately explain the benefits of the proposed project. A proposal which touched multiple tiers is acceptable but proposals classified as Tier I will rank higher than Tiers II and III. Proposals in Tier II will rank higher than Tier III.

26. Can REPI funds be used as a match?

Answer: Whether another federal funding source is an eligible source for match funding for other federal funds depends on the authorization language for that federal funding—in this case, REPI funding. I am not aware that REPI funding authorizes its use as match funding for other federal funding.

27. Can you please restate the Federal code that you just mentioned re: allowable costs?

Answer: Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200)

28. In general, what information, etc., will be required for the application beyond what is being provided in the proposal?

Answer: Please refer to the DCIP Federal Funding Opportunity Notice Section D, regarding Proposal and Submission Information. Instructions on how to fill out the SF 424 as well as what general information to input are provided in the DCIP Instructions .PDF document available along with the DCIP funding opportunity on Grants.gov.

29. What if a project has no Service comparable or quality of life impacts, e.g. remote military sites?

Answer: The proposal must list the project benefits. Please refer to Section E, part 1 for weights of each scoring criteria

30. Are soft costs allowable for non-federal match?

Answer: Soft planning costs required for the planning, design and execution of the proposed project are allowable as a source for non-federal match, provided costs are incurred and expended

within the proposed project period commencing from the date of award or no earlier than the date of enactment of the 2019 National Defense Authorization Act, August 13, 2018.

31. Are soft costs eligible for grant funding?

Answer: Some, yes. Please refer to Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200); specifically, 2 CFR 200 Subpart E, cost principles, as well as 2 CFR 200.306. Otherwise, eligible activities include only hard construction and renovation costs outside of a military installation, including reasonable allowances for contingencies, and capital equipment affixed to the real property with a depreciable life of not less than 7 years.

32. Does OEA anticipate DCIP funding beyond this pilot funding going forward?

Answer: OEA has only received appropriations to execute the DCIP program in FY20.

33. Can you elaborate on what it means to be invited to apply for a grant? If a pre-application is selected, what are the next steps? What kind of additional requirements will be needed in the final grant application? Is it still competitive, or if selected in the pre-app does it mean grant funding will be awarded?

Answer: This Federal Funding Opportunity Notice solicits proposals only. Based on the availability of funding and approval by the Secretary of Defense of a ranked list of proposals, some proposals will be invited to apply for a FY20 DCIP grant. Please refer to Section E, part 2.

34. What if a project will be paid with local funding upfront but then the costs will be recouped over time (10+ years) through rates or user fees? Do the upfront local dollars used to complete the project still count as match?

Answer: Grantor (OEA) prior approval is required for any projects proposing to earn program income during the grant period. Unless the final grant terms and conditions prohibit or put restrictions on completed projects earning income after the completion of the grant period, this is an allowable activity. Provided the upfront funding conforms with 2 CFR 200, that funding may be eligible as a match source.

35. The FFO states that funds should not be supplanted. Does this include local municipal government funds? Most of our projects that would be shovel ready would need to supplant local funds.

Answer: DCIP federal funding may supplement, but cannot substitute for or otherwise supplant other available federal funds that are available for the proposed project.

36. Is the reference to obligate funds by Sept 30, 2020 mean OEA has to obligate the funds or the Grant Recipient?

Answer: OEA must obligate the funds by September 30, 2020. The obligation occurs only after the Office of Economic Adjustment signs a grant award, the recipient accepts the terms of the award, and then the Office of Economic Adjustment places the amount of Federal funds into

“obligation” prior to September 30, 2020. Funds may then be disbursed to the recipient over the next 5 years for approved costs in carrying out the approved project.

37. Which federal agency would review NEPA documentation for a project if not required unless DCIP funds are awarded?

Answer: For DCIP projects, NEPA compliance must be confirmed by OEA before the initiation of construction.

38. I don't believe there's an installation commander for the base currently under construction. Is there another commander we can obtain an endorsement letter from?

Answer: The letter of endorsement may come from an official other than the commander of the local installation identified in the proposal; provided the individual is authorized to represent the installation on the issues addressed in the letter of endorsement.

39. Does the NEPA study have to be completed before the proposal is submitted, or within the 12 months following award as a condition of being construction ready?

Answer: The proposer will have to present whether the water and/or sewer components can be accomplished separately from each other. If so, each proposal should feature one project.

40. Can you differentiate the activities of the proposal and the application?

Answer: The proposal are those actions contained in the DCIP Federal Funding Opportunity Notice that are required to be submitted by the eligible entity NLT 26 June. The application is the process the selected proposers will conduct to submit a grant application to receive a grant award.

41. Is there any flexibility with the construction readiness? NEPA and permitting can take a significant amount of time if not already underway.

Answer: With the appropriation expiring 5 years following obligation, this program seeks to fund those projects requiring the shortest possible lead time for any National Environmental Policy Act activities so the time can alternatively be spent on the construction activity. The DCIP process requires proposed projects to be NEPA compliant prior to the initiation of construction. A construction ready project is a project that can begin construction within 12 months following a grant award.

42. Is there a limit to how long the proposed project runs for?

Answer: The funded project must be completed not later than 5 years following their obligation by the Office of Economic Adjustment, after which the funds expire and the recipient is responsible for any fund shortages.

43. What CFR did you reference us to review for eligible projects?

Answer: While proposals must abide by Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), proposals will be reviewed against the selection criteria in the Federal Funding Opportunity Notice, not the CFR.

44. Will projects off the military installation be allowed if it supports military families off base? If so, why would the project need an installation endorsement?

Answer: Yes, to be eligible the project must be located off a military installation. The project should support military family quality of life which is a concern of installation commanders and the proposal need to include the commander's endorsement as validating the proposal's benefits.

45. If you are unable to match the 50% but you would like to give the potential MWR property to the military for military and community use, would that be a possibility?

Answer: No. The proposed project must be owned by the eligible entity identified in the proposal, and all project costs must be incurred during the grant period approved in the final grant terms and conditions.

46. Is the 50% military only active duty or can you include retirees or veterans or NG?

Answer: Military Service Members does not include retirees or veterans, , but does include National Guard members.

47. Can a proposal receive a different amount of funds from what they request? For ex: a project requests \$5M, but during the process negotiates/accepts a smaller amount (e.g. \$4M)?

Answer: Yes, although the Office of Economic Adjustment must ensure any changes to the final budget does not otherwise materially change the basis on which the review panel originally scored the proposal. If it does, the project may no longer be considered as conforming to the proposed project and it may lose its standing.

48. Under this Grant, will the DoD / Office of Economic Adjustment consider the environmental impact of our planned action (development of the MPEC project) as a Categorical Exclusion or will the impact be such that the DoD would require a full Environmental Assessment (EA) under the provisions of the National Environmental Policy Act (NEPA)?

Answer: OEA does not have a Categorical Exclusion policy under NEPA. A project's NEPA compliance will need to be demonstrated through an Environmental Assessment or Environmental Impact Statement, whichever is appropriate under NEPA based on the potential impacts of the proposed project.

49. Is it allowable to improve infrastructure that is currently owned by the installation but intended to be transferred after project completion to a non-federal entity?

Answer: No. ~~To be Eligible projects~~ the project subject to improvement under DCIP grant funding must be owned by (I) a State or local government; or (II) a not-for-profit, member-owned utility service.

50. Does the award granted in lump sum or over time?

Answer: The grant agreement will provide the final amount of Federal funds obligated. With some exceptions, construction grant funding will then be disbursed on a reimbursement basis.

51. If we combine a recreation center with a school, is that considered one project?

Answer: Yes.

52. Do we need to show that we are a population below 50,000?

Answer: If a proposed project is located in a rural area, defined as “a city, town, or unincorporated area that has a population of not more than 50,000 inhabitants,” the proposer is not required to offer matching funds for its proposed project. Proposers who believe they are located in a rural area should so state in the proposal.

53. Do rural projects require a match, if not how are rural projects ranked/given points in section E. 1. c. ?

Answer: If a proposed project is located in a rural area, defined as “a city, town, or unincorporated area that has a population of not more than 50,000 inhabitants,” the proposer is not required to offer matching funds for its proposed project. Proposers who believe they are located in a rural area should so state in the proposal. For Section E.1.C., projects in rural areas will be scored as though they are providing a 50% match.

54. We are proposing construction on DoD property under a license and memorandum of agreement. The property is outside the installation's secure boundary. Can we ask for consideration to be given for project construction on land licensed or leased from a military installation, as long as the property site is outside the installation's secure boundary? The local government project proposal's proximity to the Post enhances the quality of life for service members and their families, brings community and military families together, and provides additional resources for physical fitness training of active duty personnel.

Answer: No, “property under a license and memorandum of agreement . . . outside the installation's secure boundary” is still a military installation. The Federal Funding Opportunity is for grants “to assist State and local governments to address deficiencies in community infrastructure” which is defined in the authorizing statute as “ a project or facility . . . that-(i) is located off of a military installation; and-(ii) is (I) owned by a State or local government; or (II) a not-for-profit, member-owned utility service.” Therefore, all of the proposed projects must be located off of a military installation (i.e., federal property under the jurisdiction of the Secretary of a military department) but may be located on other federal property, provided the project or facility is owned by a State or local government or a not-for-profit, member-owned utility service.

55. OEA is an Air Force organization, are non-AF installations eligible?

Answer: OEA is not an Air Force organization; it is a Department of Defense field activity within the Office of Secretary of Defense. The FFO is “to assist State and local governments to address deficiencies in community infrastructure supportive of a military installation.” 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. Such term does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects.”

56. What is the maximum time frame for construction to fulfill grant obligation? Part 1 in Section F, states a 5 year timeline? Can you start construction within 12 months and complete within 5 years for total build out?

Answer: All projects must be completed within 5 years following grant award.

57. Does surety provided by contractors/sub-contractors meet the surety requirement of the Proposer or must surety be in the name of the Proposer?

Answer: The eligible entity submitting the proposal should secure the surety bond or otherwise demonstrate the soundness of the surety.

58. Will all questions be published?

Answer: Yes.

59. How exhaustive must efforts be to demonstrate proposal project is NOT eligible for other funding programs?

Answer: Proposals should state whether they are not eligible for other federal funding; specifically, in instances where federal funding may otherwise be available based on the type of project proposed (e.g., FHWA funding for a state/federal road construction project).

60. Can we get a copy of the grant process chart?

Answer: It is located in the recording of the DCIP webinar, the link is on OEA.gov.

61. Do in kind/matching expenses also require an independent cost estimate?

Answer: Yes. The independent cost estimate should provide an estimate based on the total project cost (non-federal + federal share).

62. I don't see a date for the proposals to be submitted

Answer: June 26, 2020 5pm PDT.

63. There is no timeline between June 29 and September 15. Please clarify when proposers will hear about going forward with a grant application.

Answer: The Proposal Review Panel will convene in late June and make recommendations in the month of July for the Secretary of Defense's approval. OEA will assign project managers and invite applications by August 8, 2020. Grants must be awarded and the Grantee must accept the terms and condition of an award before September 23, 2020, so the funds can be obligated prior to September 30, 2020.

64. Who is serving on OEA's Proposal Review Panel?

Answer: In approving the DCIP program on May 6<sup>th</sup>, the Secretary of Defense identified the 5 positions that will comprise the internal review panel. No background information about the specific individuals is available.

65. Is the August 8th date in effect for selection by SECDEF?

Answer: We anticipate the Secretary of Defense's approval as occurring no later than August 8, 2020, and the invitation for grant applications is an approximate date that could be revised pending the Secretary's actions.

66. Page 3, top paragraph, last sentence. When referring to "civil works" does this mean that a project proposal from a not-for-profit member-owned electric utility provider would be eligible if it were for an on-site energy resiliency project that would bring enhanced resiliency to a military mission, where the equipment would be installed on the installation property, while also having the capability of providing a potential benefit to the local community?

Answer: The FFO is "to assist State and local governments to address deficiencies in community infrastructure supportive of a military installation." 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. Such term does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects." If the location to be supported by the proposed project is a "facility used primarily for civil works, rivers and harbors projects, or flood control projects" it is not an eligible project. Further, all of the proposed projects must be located off of a military installation but may be located on other federal property, provided the project or facility is owned by a State or local government or a not-for-profit, member-owned utility service.

67. How do we get your email/contact info?

Answer: The OEA POC is listed in Section G of the DCIP Federal Funding Opportunity Notice and can be found on [OEA.gov](http://OEA.gov) and [Grants.gov](http://Grants.gov).