

CHAPTER 5
RULES GOVERNING THE
DISTRICT SUPPORT GRANT PROGRAM
Revised July 2014

Section 1. Authority.

These rules and regulations of the Board of County Commissioners are adopted pursuant to, and in accordance with, Wyoming Statute 16-3-103 and supersede all previous rules and regulations governing the District Support Grant Program and the Campbell County Commissioners' Resolution adopted October 16, 1990 along with the referenced Campbell County Maintenance Policy For Accepted And Approved Hard-Surfaced Subdivision Roads. The effective date of these revised rules is July 1, 2014.

Section 2. Short Title.

These rules and regulations shall be known, cited, and referred to as the District Support Grant Regulations of Campbell County, Wyoming and are administered as the District Support Grant Program.

Section 3. Purpose and Definitions.

These rules and regulations set forth the procedures under which the Board of County Commissioners may give financial assistance to Improvement and Service District Boards, or Water and/or Sewer District Boards. Eligible applicants shall meet the requirements set forth in these rules and regulations. The reasons for promulgating these rules are:

- (a) To provide criteria for determining eligibility for grant assistance.
- (b) To advise political subdivisions of the proper procedures to follow in obtaining financial assistance.
- (c) To assure that grant funds are properly expended.

Definitions:

- (a) Administrator: Administrator of the District Support Grant Program is hereby designated as the Public Works Director (a.k.a. the County Engineer.)
- (b) Board: Campbell County Board of County Commissioners.
- (c) District: An unincorporated political subdivision of the State formed to acquire, construct, operate and maintain improvements of local necessity and convenience; obtain improvements and services by contracting with other entities; and furnish or perform any special local service which enhances the use or enjoyment of any improvement or facility under the laws of the State of Wyoming.
- (d) Project: Any activity involving planning and/or construction of public facilities. Operating maintenance and administrative expenses, other than reasonable costs directly associated with the formation of a district or construction of a funded Project, will not be eligible. The exception to operating maintenance is water/sewer system repairs, including pump, compressor, generator, well and storage tank maintenance; roadway surfacing,

including roadway gravel and dust suppressant; culvert and storm drain maintenance, including cleaning and jetting; pavement maintenance, including crack sealing, chip sealing, fog sealing and temporary pothole repair and patching; curb, gutter and sidewalk repair; and sweeping of hard-surfaced streets. Blading of gravel roads without the addition of new gravel will not be funded under this program. To be eligible for roadway surfacing grants, the roadway must adequately address drainage along and across the roadway.

- (e) Regional Water: Refers to water supplied to the District from the Gillette Regional Water Project through an agreement with the City of Gillette.

Section 4. General Provisions, Policy and Administration.

- (a) It shall be the purpose of the District Support Program to provide financial assistance to Districts within Campbell County.
- (b) Funds for this program are intended for planning or building capital construction projects such as road and street improvements, water supply and distribution facilities, wastewater collection and treatment facilities, storm water control works, etc. The District Support Program may also provide, in accordance with the guidelines set forth herein, for the formation of an improvement and service District or water and/or sewer District.
- (c) Grants shall be made in such a manner and to such applicants as shall, in the judgment of the Board, ensure to the greatest benefit of Campbell County and represent a wise and lawful use of County funds.
- (d) The Public Works Director is designated the District Support Grant Program Administrator and shall be responsible for the performance of duties outlined in these regulations.
- (e) Grant funding provided for under these rules is completely discretionary with the Board of County Commissioners and compliance with the provisions of these rules does not equate to an expectation of funding approval.

Section 5. Application for Grants.

- (a) An eligible applicant is any Campbell County District demonstrating a need for improvements in accordance with these rules and regulations.
- (b) All applicants for grants under these rules shall submit one (1) copy of the application to the Board through the Administrator. Such applications are to be in reasonable form and shall include the following information in detail.
 - (i) A full description of the Project proposed to be funded, specifically including, but not necessarily limited to, a phased construction schedule, if applicable; a detailed budget broken into six month intervals delineating all costs of the Project and the portion proposed to be funded; and an engineer's report of the feasibility of the Project with an itemized cost estimate. If the proposed Project is directly related to a proposed or future connection to Regional Water, the applicant shall provide the information called out in Section 5(b)(xii).
 - (ii) District information concerning the governing board, geographical area

served (a complete legal description and District boundary map may be required), date of formation, resolution of District formation, population, ratio of developed and undeveloped land, whether the area is platted, and present zoning designation.

- (iii) A financial statement of the applicant including, but not necessarily limited to:
 - (1) Assessed valuation, if applicable.
 - (2) Indebtedness
 - (3) Mill levy for the District (not County).
 - (4) Income Statement and Balance Sheet.
 - (5) Water and sewer rates, tap fees, plant investment fees, association or district dues, if applicable.
- (iv) A statement whether the proposed Project can be expected to generate user fees, charges, other revenues or income, and if so a projection of income expected and method of determining and establishing fees and charges.
- (v) A list and description of other sources from which the Project is to be funded such as State Loan & Investment Board grants or loans; other federal, state or local grants or loans; landowner or homeowner assessments; improvement and service district levies; etc., and the portion of the cost expected to be funded from each source.
- (vi) A description of all pending applications for grants, loans or other means of financing made by the applicant to any federal, state, local or private entity which will or could be used for the Project, and a statement of the present status of such applications.
- (vii) The names of land developers or others whose business ventures will directly benefit from the Project and a showing whether funding or other assistance has been requested, received or pledged from these or other sources.
- (viii) A showing whether any of the persons, firms, corporations, land developers or others listed in paragraph (vii) above will benefit from the Project to be funded and, if so, a showing that the charges to be made for such benefit are reasonable.
- (ix) If the application is only for the formation of an improvement and service District, water and sewer District, or for Project planning, a statement indicating whether the applicant will seek additional funds from the Board at some future date for a Project implementing such plans.
- (x) Applications shall be made in the name of the applicant and shall be properly executed by the officers of the applicant.
- (xi) A letter from the Campbell County Clerk's Office stating District is in compliance with all appropriate statutes.
- (xii) For planning and/or construction of a Project directly related to proposed or future connections to Regional Water, applicant must supply the following:
 - (1) An engineering design report, identifying specific water system

need(s) requiring funding assistance. This report may consist of a Wyoming Water Development Commission (WWDC) Level II study or a similar study prepared by a professional engineer licensed in the State of Wyoming.

- (2) Documentation outlining the intent of the District to connect to and utilize Regional Water. Applicant shall submit at least one of the following documents outlining this intent:
 - a. Copy of an executed water service agreement with the City of Gillette to receive water from the Regional Water system.
 - b. An executed resolution from the District Board of Directors, stating the intent to connect to and utilize water from the Regional Water system when available.
 - (3) A cost estimate for the proposed Project, sealed by a professional engineer licensed in the State of Wyoming. Cost estimates included in a WWDC Level II or similar professional engineering study may be considered to fulfill this requirement.
 - (4) A proposed schedule for the Project, including planning and construction.
 - (5) A financial analysis showing the water system user fees will be sufficient to own and operate the system after the Project is complete. Financial analysis included in a WWDC Level II or similar professional engineering study may be considered to fulfill this requirement.
 - (6) A list of all other funding sources for the project, including grants, loans, and District contributions.
- (xiii) For projects involving roadway drainage and/or surfacing, the applicant shall supply a map of the District identifying the road(s) and proposed location(s) of surfacing and/or drainage improvements.

Section 6. Evaluation Process.

One (1) copy of each application shall be filed with the Administrator's office no less than 30 days before a regularly scheduled meeting at which the application is intended for review by the Board. Upon receipt of the application, the Administrator shall:

- (a) Refer the application to the appropriate departments or agencies of the County, if applicable, for review and evaluation.
- (b) Each department or agency will forward its comments and recommendations, in writing, to the Administrator, who will make them available to the applicant upon request.
- (c) After receipt of the comments, evaluations, and recommendations, the applicant may request a conference with the Administrator and representatives of the referenced agencies for the purpose of considering whether the application should be amended or whether any further investigation is necessary or desirable before the application is submitted to the Board for their consideration.

- (d) The Administrator shall recommend to the Board, in writing, the amount that the Board should grant for each application and any other provisions or restrictions which may apply. Applications to fund the formation of Districts and Project development will be considered at the next available Board meeting after sufficient information and adequate review time are provided to the Administrator. The recommendation shall be based on the criteria provided in these rules. The Administrator shall also furnish the application to the Board, including comments and recommendations of the reviewing departments.

Section 7. Evaluation Criteria

The Administrator and any department or agency responsible for reviewing applications for grants shall utilize the following criteria:

- (a) Need
 - (i) Funding for formation of Districts has the highest priority.
 - (ii) Funding for Project development, including estimates, designs, and other grant applications shall have a higher priority than construction to provide the initial thrust to get the Projects started.
 - (iii) An application which demonstrates significant benefit for the health, safety, and welfare of an area will be rated higher than one that fails to adequately demonstrate this need.
 - (iv) An application which will benefit the greatest number of citizens will gain a more favorable review and response. An application should show a willingness to coordinate efforts with other nearby subdivisions and/or Districts or associations.
 - (v) In consideration of construction requests:
 - (1) Sewer and water Projects, including all facilities up to property lines, shall be given highest priority. Water Projects directly related to the proposed or future connection to Regional Water will be given higher priority than other water Projects.
 - (2) District road improvement shall be given the second highest priority. Hard surfaced paved roads will have a higher priority than gravel roads. Gravel roads must generally conform to the *Minimum Requirements for Rural Subdivision Roads - Gravel* design standards. All road Projects must also address drainage both along and across the improved roads in a manner approved by the Administrator. Some reduction in ditch depths and road widths may be considered by the Administrator for District roads constructed prior to 2006. No funding for surfacing improvements will be considered until such time that drainage along and across roadways generally meets the requirements of the *Minimum Requirements for Rural Subdivision Roads – Gravel* design standard. Prior to a grant approval recommendation, the Administrator will inspect the roadway to ensure compliance with the minimum requirements.
 - (3) Applicant understands and agrees that construction of roads to the specifications and standards set forth in the *Minimum Requirements*

for Rural Subdivision Roads – Gravel design standard, or any other criteria for grant participation, shall not guarantee or imply acceptance by the County nor guarantee or imply that the roads will be taken over for maintenance by the County. Nothing in this agreement shall bind the County to acceptance or maintenance of the District roads. The subdivision shall be and remain responsible for all construction and maintenance of its roads unless the County otherwise specifically agrees in writing.

- (4) Other construction and eligible maintenance Projects will generally be given a lower priority unless an emergency condition exists.

(b) Financial Conditions

The applicant shall show that it is making a diligent effort to provide the services required by its residents from its own sources. The Administrator and other departments may use the following financial information to evaluate the applicant's financial condition.

- (i) Mill levy and other local tax efforts for District (not County) if applicable.
- (ii) Investments and cash balance.
- (iii) Bonded indebtedness.
- (iv) Association fees, district levies, user fees, tap fees, and plant investment fees, including enforcement and success of collection procedures.
- (v) Historical financial records of the applicant.

(c) Special Interests

Projects which would solely and/or directly benefit developers of raw land are not eligible for grants under this program. Projects with less raw land involvement will have a higher priority unless it can be shown that the raw landowners are not receiving special benefit from this program. Showing of extra contributions by raw landowners will tend to improve a Projects priority over Projects with raw land and no extra contributions.

(d) Scope of Project

The Administrator shall review the Project to assure its size is justified by both the needs of and benefits to the applicant.

Section 8. Consideration and approval by the Board of County Commissioners.

- (a) Meetings to consider and approve grants shall be held by the Board at a regularly scheduled meeting held the first or third Tuesday of each month.
- (b) The Board's decision to award a grant will include the following criteria:
 - (i) The application for the proposed Project has been submitted and reviewed in accordance with these rules and regulations.
 - (ii) The proposed Project is needed and the applicant is eligible.
- (c) The Board will determine the priority of awards to be made from the funds available. The priority will include the following considerations:
 - (i) Need
 - (ii) The urgency, timeliness, and benefit of the proposed Project.
 - (iii) Financial condition of the applicant.
- (d) For Projects not directly related to proposed or future connection to Regional Water, the

Board will generally award a grant not to exceed 25% of the estimated Project cost not funded by other grants. An entity may normally receive a 100% grant for the justified costs of district formation up to a maximum amount of \$4,500. Allowable reimbursable expenses for District formation include attorney's fees, engineering fees for surveying and preparation of the District boundary map, and costs directly related to the District election process such as postage and duplication costs. Grants for preparing applications to other grant sources or for preliminary engineering for the grant application will normally be limited to \$7,500.00. Unless otherwise justified and approved by the Board, only one request for funds to apply to other grant sources will be funded at 100%. (This initial 100% level of funding is provided with the understanding that new Districts have not been in existence long enough to generate their own funds through the sources available to them. A District is no longer considered to be eligible for 100% funding once they have been in existence for two or more years.) Subsequent requests will normally be funded at the 25% level. For Projects designed to address drainage issues along and across District roadways, the Board will generally award a one-time grant not to exceed 50% of the Project cost for each separate District roadway, not to exceed \$50,000. Subsequent drainage projects will normally be funded at the 25% level. For Projects that involve surfacing or dust suppression on roadways that are utilized by a separate subdivision or District for their main access, the Board will generally award a grant not to exceed 33% of the Project cost, not to exceed \$50,000. For culvert, storm drain and pavement/curb/sidewalk maintenance projects, the Board will generally award a grant not to exceed 25% of the estimated project cost not funded by other grants. For hard-surfaced street sweeping projects, the Board will generally award a grant not to exceed 50% of the annual sweeping costs, not to exceed \$7500 per year. The District may apply for a single grant and sweep multiple times if needed throughout the year. It is within the prerogative of the Administrator to recommend and/or the Board to approve grants in excess of these maximums based on their analysis and consideration of additional justifying information provided by the applicant.

- (e) For Projects directly related to proposed or future connection to Regional Water, the Board will generally award a grant not to exceed 33% of the estimated Project cost not funded by other grants. Grants for preparing applications to other grant sources or for preliminary engineering for the grant application, will normally be limited to \$7500. Unless otherwise justified and approved by the Board, only one request for funds to apply to other grant sources will be funded at 100%. Subsequent requests will normally be funded only at the 25% level. It is within the prerogative of the Administrator to recommend and/or the Board to approve grants in excess of these maximums based on their analysis and consideration of additional justifying information provided by the applicant.
- (f) Grants will generally not exceed \$50,000 per legal entity per fiscal year. This maximum increases to \$75,000 per legal entity per fiscal year for those Districts seeking grant funding for Projects directly related to proposed or future connections to Regional Water. Normally, grant amounts will be further limited to no more than \$1,500 per District lot over the current five-year period unless otherwise requested and justified by the applicant and approved by the Board. For grant requests directly related to proposed or future connection to Regional Water, there is no "per-lot" limitation on the grant funding. When

comparing two or more requests which are otherwise relatively equal, additional consideration will be given to the request with a longer period of time since the last grant.

- (g) In an emergency situation, where formal submittal of a grant application is not practical prior to making expenditures on a Project, the applicant shall contact the Administrator as soon as practical (generally within two days). If the Administrator deems that the emergency fits the intent of these rules, he or she can give a verbal acknowledgment of the request and ask that the applicant submit a formal grant application for consideration by the Board at their next scheduled meeting. The applicant agrees that there is no guarantee the Board will approve the grant application even though the Administrator acknowledged the fact that an emergency occurred and the intent of the rules appears to be whole.
- (h) The Board has final determination on the grant approval. There is no appeal from its decision.

Grant Request	Priority	Grant Amount (% of total Project cost estimate)
District Formation	1	100% ³ up to \$4500 ^{1,4} max
Grant applications to other sources or Project development	2	100% ³ up to \$7500 ^{1,4} max for Districts less than 2 yrs. old 25% up to \$7500 ^{1,4} max for Districts more than 2 yrs. old
Projects directly related to Regional Water connection	3	33% of Project cost not funded by other grant sources, up to \$75,000 ^{1,4,6} max
Sewer and water Projects (non Regional Water related) up to property lines	4	25% of Project cost not funded by other grant sources, up to \$50,000 ^{2,4,7} max
Hard surface paved District road improvements, including pavement/curb/sidewalk maintenance and culvert/storm drain maintenance	5	25% of Project cost not funded by other grant sources, up to \$50,000 ^{2,4,7} max
Gravel surface District road improvements, including culvert maintenance.	6	50% ⁵ up to \$50,000 ^{1,4,8} max (for drainage Projects) 33% up to \$50,000 ^{1,4} max (for Projects involving roadways that connect to another subdivision or District) 25% up to \$50,000 ^{2,4,8} max (for gravel, culvert/storm drain maintenance and other Projects)
Other grant eligible construction Projects	7	25% of Project cost not funded by other grant sources, up to \$50,000 ^{2,4,7} max
Hard-surfaced street sweeping	8	50% of Project cost, not to exceed \$7500 ^{1,9} per year.

¹ Not subject to the \$1500 per District lot grant limitation over the current 5-year period

² Subject to the \$1500 per District lot grant limitation over the current 5-year period

³ One-time funding at 100% level

⁴ Combined total of Regional Water related grant awards and other eligible Projects receiving grant awards cannot exceed \$100,000 per year for any District.

⁵ One-time funding at 50% level for drainage-related projects along and across each separate District

roadway

⁶ 33% of the project cost not funded by other grant sources

⁷ 25% of the project cost not funded by other grant sources

⁸ Separate applications for drainage and roadway surfacing may be submitted concurrently

⁹ District will be allowed to apply once and sweep multiple times per year as needed

Section 9. Grant Distribution and Administration.

- (a) Prior to the disbursement of funds, the applicant must execute an agreement which defines the scope of the Project, eligible costs, the manner in which funds will be managed and other requirements as needed. This agreement shall also depict and provide the pay request form in which requests for funds shall be submitted.
- (b) Grant funds shall be disbursed to the applicant only as needed to discharge obligations incurred. Requests for disbursement shall be made on forms and in a manner prescribed by the Administrator. If, upon completion of the Project for which funds were granted, the entire amount of the grant has not been expended, the unused portion of the grant shall be available to the Board for other grants.
- (c) Upon completion of the Project, the applicant shall prepare and submit to the Administrator a Project completion report along with a letter (if grant funds were not fully spent) stating the Project is complete and no further grant payment requests will be made. The completion report shall provide a full and complete accounting of the use and distribution of grant funds received. Reconciled invoices, canceled checks, and accounting ledgers shall be provided to substantiate the expenditures of the grant funds.
- (d) The following will generally be considered *ineligible* costs; unless acceptable documentation and information is submitted with the application explaining the necessity of including the costs:
 - (i) Tap fees, sewer fees, plant investment fees, association fees.
 - (ii) Landscaping costs.
 - (iii) Land acquisition, rights-of-way purchases.
 - (iv) Any costs incurred prior to the date of grant approval. Possible exception: See Section 8(g) for discussion on emergency situations.
 - (v) Costs for the preparation of the grant application or for attending the grant meetings.
 - (vi) Attorney fees except for formation of the District.
- (e) District Support Grants will be administered and tracked in two separate ledgers for each District; a Regional Water related ledger and a ledger for all other grant eligible Projects. Following the language in Section 8, Districts will be allowed to apply for up to \$75,000 per year for Projects directly related to proposed or future connection to Regional Water; and up to \$50,000 per year for all other Projects. The combined total of all grants received and tracked in the two grant ledgers cannot exceed \$100,000 per year per District.
- (f) Eligible grant totals for each District will be calculated on a rolling 5-year period, using the most recent 5 years.

Section 10. Audits.

All grant recipients may be required to submit to an audit.

Section 11. Inspections.

The Administrator and his representatives may inspect any Project for which grant funds are used at any time during or after construction. Failure to allow such inspection could result in a termination and/or repayment of grant funds. The Administrator shall be contacted at least 48 hours prior to commencement of the Project so inspections may be scheduled. The 48-hour notification does not apply in emergency situations.

Section 12. Time Lines.

- (a) Grants will revert back to the County if not used within twelve (12) months from disbursement. The District may reapply for these funds, however, no guarantee of award is made. Exceptions may be made to the twelve-month requirement if the District is applying for State or other grants that preclude the project from being completed within twelve months.
- (b) A one time six (6) month extension may be granted if Project completion is eminent. District must request this extension, in writing, to the Administrator at least two months prior to the end of the twelve (12) month initial grant period.
- (c) No new grant requests will be considered by the Administrator after May 1st of each year unless the applicant can demonstrate that the Project will be completed and a Project completion report submitted prior to the end of June that same year.