

Date of Application: \_\_\_\_\_



## Section 7. Infrastructure

Commercial farms that have DACF-confirmed unsafe levels of PFAS may apply to DACF for grant funding for infrastructure projects that will help the commercial farm transition to new production methods or new types of production. Infrastructure grants are governed by rule 01-001 CMR c. 403 (2024).

Questions about infrastructure projects valued up to \$150,000 may be directed to Meagan Hennessey, PFAS Response Director, at [Meagan.Hennessey@maine.gov](mailto:Meagan.Hennessey@maine.gov) or 207-592-3795. Questions about infrastructure projects valued above \$150,000 may be directed to Beth Valentine, PFAS Fund Director, at [Beth.Valentine@maine.gov](mailto:Beth.Valentine@maine.gov) or 207-313-0962.

### Required Documentation – Section 7

The following information must be submitted with this Section of the application:

- A. Section 1 - General Information and all specified attachments
- B. Project Narrative. A statement, one page or less, describing and explaining:
  - The proposed infrastructure.
  - Description of the impacts PFAS contamination has had on the farm, specific to infrastructure needs.
  - A description of the problem the infrastructure seeks to address (justification)
  - The anticipated result/outcome achieved.
- C. If requesting a direct reimbursement, provide proof of payment
- D. Supporting documentation, such as:
  - A business plan that illustrates how the planned infrastructure will contribute to the farm's long-term viability (business plans are advisable for all applicants and are required for all requests above \$150,000);
  - Building plans and/or engineering drawings; and
  - Cost quotes or estimates with relevant details and contractor details, including a Statement of Qualifications, from at least two separate contractors
- E. Any additional supporting documentation requested by DACF that DACF determines is necessary to review the request for assistance.

### Additional Information Requested – Section 7

1. Total amount of support requested in Section 7: \$ \_\_\_\_\_
2. Payment Preference – please check which one is requested (**continues on next page**):
  - Applicant will pay project costs and DACF will reimburse upon proof of purchase
  - DACF contracts with and pays applicant's approved vendors/contractors

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- DACF reimburses a nonprofit for payment of approved project costs made on the applicant's behalf

### **Terms and Conditions of Infrastructure Investment Grant**

By applying for an infrastructure investment grant, the applicant agrees to the following conditions:

- The grantee will continue to ensure that the infrastructure purchased is maintained in a safe condition and in good repair.
- DACF has the sole discretion to determine if expenditures are reasonable and prudent, and whether the grantee has complied with these terms and conditions and all applicable laws, rules, and regulations.
- The State shall have no responsibility for the use, maintenance, or fitness of the infrastructure.
- The grantee agrees not to assign, transfer, lease or encumber its rights or obligations under the agreement without DACF's prior written consent. The grantee shall indemnify, defend, save and hold the State and its employees harmless from and against any claims, losses, liabilities, costs, expenses, damages, or other obligations of any nature in any way arising out of the use, operation, maintenance, or repair of the infrastructure.
- The grantee must retain ownership and use the infrastructure for a period consistent with the relevant recovery period for standard farming assets as depicted in Internal Revenue Service (IRS) Publication 225 (Farmer's Tax Guide), Table 7-1, Farm Property Recovery Periods<sup>1</sup>; or the grantee must notify DACF in writing within 30 days of any sale, trade, destruction, or abandonment of infrastructure purchased under the infrastructure investment grant program if such sale, trade, destruction, or abandonment occurs within the relevant recovery period for standard farming assets as depicted in IRS Publication 225 (Farmer's Tax Guide), Table 7-1, Farm Property Recovery Periods<sup>1</sup>.
- If the infrastructure is sold, traded, abandoned, or destroyed within the relevant recovery period noted above, DACF may seek reimbursement from the grantee for the remaining value of the infrastructure as calculated using generally accepted accounting principles. In deciding whether to seek reimbursement, DACF will consider whether the events leading to the sale, trade, abandonment, or destruction were within the grantee's control and will not penalize grantees for forces beyond their control.
- The State may inspect any facilities or infrastructure funded through an infrastructure investment grant at any time within the relevant recovery period.
- All grantees will purchase and maintain insurance to cover the value of the infrastructure from loss during the relevant recovery period.

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<sup>1</sup> Department of the Treasury, Internal Revenue Service. *Farmer's Tax Guide for use in preparing 2023 Returns*. Publication 225, Cat. No. 11049L. 10 October 2023. This resource is accessible at <https://www.irs.gov/pub/irs-pdf/p225.pdf>.

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### **Payment Restrictions**

DACF may pay for infrastructure costs directly related to a commercial farm’s response to PFAS contamination. DACF will not pay for a commercial farm’s infrastructure costs that are associated with routine operations that are unrelated to PFAS response.

### **Application Review – Section 7**

Evaluation criteria, regardless of cost, may include but not be limited to the degree to which the farm has been negatively impacted by PFAS, likelihood of success, return on investment, total cost, timing, alternative options, level of risk, producer’s demonstrated lack of available financial capacity, number of other requests for DACF support by the applicant and by other producers, and the farm’s capacity and commitment to continue farming on the impacted property. Additionally, DACF will consider all available information it has compiled on the farm to assess the request. DACF reserves the right to request any additional supporting documentation that is necessary to evaluate the request for assistance.

Applications for projects valued up to \$150,000 will be reviewed by the PFAS Response Director. The PFAS Response Director may request staff input based on staff’s knowledge of the applicant’s operations. Decision-making authority for projects valued up to \$150,000 rests with the PFAS Response Director.

Applications for projects valued above \$150,000 will be reviewed by an ad-hoc application review panel that will be established by the DACF Commissioner and, at a minimum, will be composed of DACF PFAS Response staff, and a case-specific expert based on the scope or type of project. (e.g., dairy, water, finance). The role of the application review panel is to advise DACF on the merits of proposals. Decision-making authority for projects valued above \$150,000 rests with the PFAS Fund Director.

DACF reserves the right to limit the amount of funding for all requests based on available resources and the evaluation criteria listed above.

**(Signature Block for Section 7 on next page)**

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**Signature Block – Section 7**

**Agreement to Terms and Conditions of Infrastructure Investment Grant**

By submitting this application for an Infrastructure Grant, the undersigned agrees to these Terms and Conditions. I certify that the information given in this Infrastructure application is correct and complete to the best of my knowledge. I acknowledge that payments may represent reportable income for tax purposes.

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Applicant's Signature \_\_\_\_\_ Date \_\_\_\_\_

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Applicant's Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

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Applicant's Signature \_\_\_\_\_ Date \_\_\_\_\_

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Applicant's Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

Please complete if someone assisted the applicant to complete this form:

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Preparer Name (If not applicant) \_\_\_\_\_ Preparer's relationship to applicant \_\_\_\_\_

Permission to discuss application with Preparer:  YES  NO