



TALBOT COUNTY DEPARTMENT OF PUBLIC WORKS

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RE: OSDS BAT BRF Grant Standard Packet Summary:

Bay Restoration Funding (BRF) is a grant for the cost and installation of the Best Available Technology (BAT) System also including the cost of a two-year Operations and Maintenance (O&M) package. After the first two years, the owner will be responsible for paying for the O & M inspections performed by a certified service provider. The grant does not pay for non-BAT components such as drain fields unless the owner is determined eligible for low-income funding.

Who may apply?

Based on the amount of grant funding allocated to Talbot County for the fiscal year and the amount of applicants applying for funding, applicants will be prioritized based on having submitted a completed application. Priority status is based on the "BRF Program Guidance" document prioritization list.

1. The highest priority for funding is an existing failing septic as determined by the Office of Environmental Health. A Health Specialist will evaluate the property and the existing septic system for visual indicators of a failing septic system. A septic evaluation report may be necessary for a more in-depth evaluation to verify a failing septic system. If a septic report is completed, a copy should be submitted to OEH for a failing determination.

2. Grant eligibility amount is income based. Income information for **all** persons listed as the property owners on the deed will be required. Proof of income is required for 100% funding, a 2024 Federal Income tax return, or an IRS verification transcript of a non-filing status letter (800-908- 9946). One Hundred percent funding amount is based on a standard Bat system if a larger system is required by OEH, the additional cost will be approved by MDE on case-by-case bases.

- If the homeowner(s) **total income** is under \$300,000, a copy of the owner's federal income taxes will be required to determine the level of funding eligibility. The property may be eligible for 100% grant funding of the cost of the BAT unit tank.
- If the homeowner(s) **total income** is over \$300,000 a federal tax return is not required; however, the property may be eligible for the 50% grant funding of the cost of the BAT unit tank.
 - Business owned property/properties, such as an LLC, are 50% eligible, and a tax return is not required. If the owner qualifies as a "Small Businesses" they can receive up to 75% grant funding. In the case of connection(s) to public sewer, the grant amount for 75% of eligible costs up to \$18,750 maximum, In the

case of businesses that do not qualify as a small business, connection to public sewer, grant for 50% of eligible cost. Link to register and receive a small business number is <https://emma.maryland.gov/page.aspx/en/usr/login?ReturnUrl=/page.aspx/en/buy/homepage>

- Non-profit entities are 100% eligible of the BAT system only, non-BAT components are not eligible. Verification of a non-profit entity and proof of income (Short Form 990) required for 100% funding
- There is a stipulation for **new construction** projects that the owner is responsible for a \$1,200 deductible from the grant amount.
- If low-income status eligibility is determined by DPW, grant funds may also pay for the repair and replacement of non-BAT components such as the drain field. MDE requires that three septic contractor bid proposals for low-income applications be submitted by the applicant to OEH for approval. The lowest bid is awarded the contract by DPW. If the applicant does not file income taxes, then the applicant needs to provide an IRS verification transcript of a non-filing status letter contact the IRS at (800-908-9946) or visit the IRS website at <https://www.irs.gov/individuals/get-transcript>

3. Application requirements: The BRF grant eligibility is a two-part process. The Office of Environmental Health (OEH) should be contacted to secure the required documents for your septic repair and/or new septic system. Documents required from OEH for the grant application are as follows: 1. Letter of Determination, 2. An "issued" Sanitary Construction Permit (SCP) design and 3. Signed three-way agreement initiated by the septic contractor. Applicants will submit the following documents to the Department of Public Works (DPW): 4. A notary signed Public Works Agreement between the property owner(s) and DPW, 5. Current year federal income tax information as required by Maryland Department of the Environment (MDE) to determine the eligibility of grant funding, as well as the required documents from OEH. Additional information may be requested as needed based on the complexity of the application and meeting the overall grant requirements.

The property owner(s) as listed on the recorded deed must own the property until installation of the BAT system is **complete**. If sale of the property happens after the grant recipient's grant offer is issued and installation is incomplete, the grant will be rescinded. The new owner can apply for the grant prior to installation of the BAT unit to qualify for grant eligibility; however, the funding amount may not be the same unless determined otherwise. If the BAT unit installation process is started without an awarded grant offer, the grant will be rescinded. The **completed** BAT unit process includes the "start-up" document and the "two-way agreement" which is signed by both parties and has been accepted by Office of Environmental Health for the final approval of the Sanitary Construction Permit.

4. Grant payment, once the final inspection is approved by OEH the grant is awarded and payment is made directly to the vendor of the bat system, if low-income installation a possible contractor grant is awarded.

5. For additional information, refer to the following documents:

- The **Bay Restoration (septic) funds (BRF) Application Process** –Outlines the county process and describes the basic steps for your septic repairs regarding the grant process.
- The **Bay Restoration Fund Ranking Documentation February 23, 2024,** describes in detail the grant and eligibility requirements from Maryland Department of the Environment (MDE).

If you have any questions or concerns, contact Kendra Blake Contract Manager for Talbot County Public Works by phone at (410) 770-8169 or via email at kblake@talbotcountymd.gov.