



**U.S. Department
of Transportation**

Pipeline and Hazardous
Materials Safety
Administration
(PHMSA)

Program Solicitation

State Damage Prevention (SDP) Grants

Calendar Year 2012

Closing Date: August 17, 2011

Closing Time: 12:00 Noon Applicant's Local Time

**Catalog of Federal Domestic Assistance Number (CFDA)
20.720 "State Damage Prevention Grants"**

**PHMSA Funding Opportunity Number
DTPH56-11-SN-000003**

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Article I. Program Summary

Federal Agency Name: U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
(PHMSA)

Federal Agency Contact: PHMSA
Office of Acquisition Services
1200 New Jersey Avenue, SE, E22-305
Washington, D.C. 20590
Attn: Alicia Henderson

Funding Opportunity Title: "State Damage Prevention Grants"

Announcement Type: Initial announcement.

Funding Opportunity Number: DTPH56-11-SN-000003

CFDA Number: 20.720

Eligible Applicants: Any State authority designated by the Governor (including a municipality with respect to intrastate gas pipeline transportation) that is or will be responsible for preventing damage to underground pipeline facilities is eligible as long as the State participates in the oversight of pipeline transportation pursuant to an annual 49 U.S.C. §60105 certification or 49 U.S.C. §60106 agreement in effect with PHMSA, and the State has an effective damage prevention program or has made substantial progress toward establishing an effective program.

Dates: Solicitation Issue Date is June 16, 2011
Application Due Date is August 17, 2011, 12:00 noon applicant's local time.

Questions on how to apply: Carrie Winslow
(617) 494-3318
carrie.winslow@dot.gov

Grant Related Questions: Alicia Henderson
(202) 366-4059
alicia.henderson@dot.gov

Grants.gov Questions: Grants.gov Contact Center
(800) 518-4726
support@grants.gov

Article II. Funding Opportunity Description

Section 2.01 Statement of Purpose

The Pipeline and Hazardous Materials Safety Administration (PHMSA), through the U.S. Department of Transportation (DOT), hereby requests applications from eligible States (including municipalities with respect to intrastate gas pipeline transportation) that may result in the award of multiple grants under the State Damage Prevention program. These grants are intended for States to establish or improve the overall quality and effectiveness of their programs that are designed to prevent damage to underground pipeline facilities.

Section 2.02 Program Authority

Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006, Section 2 of Public Law 109-468 (December 29, 2006), codified at 49 U.S.C. §60134, State Damage Prevention Programs.

Section 2.03 Background

Section 2 of the PIPES Act added a new State Damage Prevention Grant program to the Federal Pipeline Safety Law at 49 USC §60134. The purpose of these grants is to establish or improve comprehensive State programs designed to prevent damage to underground pipelines. The Act sets forth nine elements of an effective State damage prevention program. Please see PHMSA's Damage Prevention Assistance Program (DPAP) guidance document for more information on the elements (<http://primis.phmsa.dot.gov/comm/DamagePrevention.htm>).

Article III. Award Information

Section 3.01 Funding

Contingent upon receipt of the FY 2012 budget appropriation and the availability of FY 2010 and 2011 carryover funds, PHMSA anticipates that approximately \$1.5 million will be available for support of this program. PHMSA anticipates this funding will be made available for awards based on a maximum of \$100,000 per award.

Any State that has applied for a One-Call grant may also apply for a grant under this program as long as the deliverables under each program are different. PHMSA will carefully coordinate the application review process for the State Damage Prevention Grants to ensure that applicants are not awarded funds for the same deliverable(s) under both grant programs. States may apply for grants under both programs for projects that are related, but cannot receive funding under both programs for projects that are identical in scope and deliverables.

Section 3.02 Cost Sharing

There are no cost-sharing requirements.

Section 3.03 Period of Performance

PHMSA anticipates the period of performance to be a 12-month period from the effective date of award for each grant. PHMSA anticipates awards will be made during the first quarter of calendar year 2012. When planning for the SDP grants projects, applicants should consider that awards may not be announced until the second quarter of 2012.

Section 3.04 Type of Award

PHMSA intends to award one or more State Damage Prevention grants as a result of this solicitation.

Article IV. Eligibility Information

Section 4.01 Eligible Applicants

Any State authority designated by the Governor (including municipalities with respect to intrastate gas pipeline transportation) that is or will be responsible for preventing damage to underground pipeline facilities is eligible as long as the State participates in the oversight of pipeline transportation pursuant to an annual 49 U.S.C. §60105 certification or 49 U.S.C. §60106 agreement in effect with PHMSA, and the State has an effective damage prevention program or has made substantial progress toward establishing an effective program.

Section 4.02 Effective Damage Prevention Program – The Nine Elements

PHMSA may award a grant to an eligible State authority if the State has an effective damage prevention program or has made substantial progress toward establishing an effective program. An effective damage prevention program as stated in Section 2 of the PIPES Act includes the following nine (9) elements:

- (1) Participation by operators, excavators, and other stakeholders in the development and implementation of methods for establishing and maintaining effective communications between stakeholders from receipt of an excavation notification until successful completion of the excavation, as appropriate.
- (2) A process for fostering and ensuring the support and partnership of stakeholders, including excavators, operators, locators, designers, and local government in all phases of the program.
- (3) A process for reviewing the adequacy of a pipeline operator's internal performance measures regarding persons performing locating services and quality assurance programs.
- (4) Participation by operators, excavators, and other stakeholders in the development and implementation of effective employee training programs to ensure that operators, the one-call center, the enforcing agency, and the excavators have partnered to design and implement training for the employees of operators, excavators, and locators.
- (5) A process for fostering and ensuring active participation by all stakeholders in public education for damage prevention activities.
- (6) A process for resolving disputes that defines the State authority's role as a partner and facilitator to resolve issues.
- (7) Enforcement of State damage prevention laws and regulations for all aspects of the damage prevention process, including public education, and the use of civil penalties for violations assessable by the appropriate State authority.
- (8) A process for fostering and promoting the use, by all appropriate stakeholders, of improving technologies that may enhance communications, underground pipeline locating capability, and gathering and analyzing information about the accuracy and effectiveness of locating programs.
- (9) A process for review and analysis of the effectiveness of each program element, including a means for implementing improvements identified by such program reviews.

PHMSA, in consultation with stakeholder organizations, developed a Damage Prevention Assistance Program (DPAP) to provide guidance to stakeholders for strengthening state damage prevention programs. It draws on the definition of effective damage prevention programs found in the PIPES Act. The purpose of this document is to assist stakeholders in building a new damage prevention program or strengthening an existing one in a state. Link: <http://primis.phmsa.dot.gov/comm/DamagePrevention.htm>.

Article V. Registration and Application Submission Information

Section 5.00 Registration and Getting Started

PHMSA has developed a step-by-step online wizard in a web application called FedSTAR to guide applicants through the process of answering questions relevant to review criteria provided in this solicitation. FedSTAR will build the application package including all required forms for final submission through Grants.gov. Therefore, every applicant must submit its application through FedSTAR.

To begin the process, an applicant must be registered at both FedSTAR and www.grants.gov to submit an application online as required. Failure to comply with the prescribed application requirements as described in this section will result in an application not being reviewed.

Accessing Grants.gov:

For new users, go to http://www.grants.gov/applicants/get_registered.jsp, or go to the main page at <http://www.grants.gov/> and click on “Get Registered.” **Please note that new user registrations for Grants.gov can take up to two weeks to complete.** For additional questions on how to register, contact Grants.gov support. Carrie Winslow may also be able to help answer questions on applying for Grants.gov usernames/passwords as they specifically relate to the SDP Grants.

Accessing FedSTAR:

Using your web browser, go to <https://fedstar.phmsa.dot.gov>. For new users, or if you need assistance with your current username or password, please contact either of the technical support people listed below.

For Technical help or guidance with FedSTAR, please contact:
Carrie Winslow at (617) 494-3318 (carrie.winslow@dot.gov)
Brittany Gromer at (617) 494-3508

Additional instructions on completing the application wizard and submitting your application are provided later in this solicitation in Section 5.02, Application Content.

Submission Dates and Times

Complete applications must be received electronically through FedSTAR by 12:00 noon applicant’s local time on August 17, 2011. Applicants will receive an automated receipt of the date and time of submission when the application is submitted. *PHMSA will only accept one (1) application from each State.*

Section 5.01 Application Content

Applicants must apply only for funding that can reasonably be spent during the 12-month period of performance. Applicants that have received a previous PHMSA State Damage Prevention Grant may apply for a 2012 grant. The performance period of a project may be 12 months or less. Applicants should not request funding in 2012 for a project(s) that was funded by a previous year’s grant.

Use of Funds

Prohibition: Funds provided under a grant award may not be used for lobbying or in direct support of litigation.

Educational items: Federal regulations (2 CFR 225/OMB Circular 87) prohibit the use of grant funding for promotional materials. However, funding may be provided for items that are educational in nature. When requesting funds for educational items, applicants should provide a general description of the items that will be purchased and plan for distribution of those items. It is important for applicants to also provide an explanation of how the proposal to purchase and distribute those items will help to improve the state damage prevention program with respect to the nine elements listed in Section 4.02.

Meetings and conferences: Federal regulations also address the use of grant funding for meetings and conferences. Costs of meetings and conferences are allowable if the primary purpose is the dissemination of technical information. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. However, costs associated with entertainment, such as shows or sporting events, are not allowable, nor is the purchase of alcoholic beverages.

Miscellaneous: Funds should not be used to cover costs associated with the normal operations of the one call center. Funds may be requested to cover costs associated with equipment needed for a new project designed to align with one or more of the nine elements, as described in Section 4.02. Funds should not be used to cover costs associated with regulatory compliance programs for pipeline operators.

Each application must consist of the following:

- (a) As part of the FedSTAR wizard, applicants will be asked the following questions:
 - (i) Provide a brief project abstract/statement of objectives.
 - (ii) *For each of the nine elements*, describe *existing* initiatives within the State (not just within the applicant's organization) that support each of the elements.
 - (iii) *For each of the nine elements*, note whether the project or projects proposed in the grant application addresses the element.
 - (iv) *For each of the nine elements addressed by your application*, describe how the proposed project will enhance or continue implementation of the element.
 - (v) *For each element of the nine elements addressed by your application*, provide a separate budget and budget narrative.
 - (vi) Describe any legislative or regulatory actions (including legislative/regulatory studies or the establishment of committees or teams to develop a plan to improve the State damage prevention program) taken by the State within the past five (5) years pertaining to damage prevention program improvement, even if those actions were not completely successful (300 words or less).
- (b) A letter, signed by the Governor, designating the applicant as the State authority eligible to receive the grant. **An applicant who has previously applied for a State Damage Prevention grant needs a new letter signed for this application indicating the Governor authorizes the applicant to receive a State Damage Prevention grant in calendar year 2012.** This letter is a separate document that is to be submitted as an attachment with the other application materials. There is no strict guidance on content of the letter other than 1) it must be addressed to Warren Osterberg at the following address: U.S. Department of Transportation; Pipeline and Hazardous Materials Safety Administration (PHMSA); ATTN: Office of Acquisition Services (PHA-30); 1200 New Jersey Avenue, SE, Room E22-103; Washington, DC 20590, 2) it must reference solicitation number DTPH56-11-SN-000003 (including calendar year), 3) the entity the

Governor is designating must match the entity that is submitting the application, and 4) the letter must be signed by the Governor.

NOTE: Because applicants have indicated in previous years that it can take a long time to obtain this letter from their governor, PHMSA recommends beginning this process as early as possible.

- (c) Additional information including the following:
- (i) Complete applicant information (i.e. legal name, Employer/Taxpayer Identification Number (EIN/TIN), DUNS number, address, etc.);
 - (ii) Any attachments that support the budget request, such as vendor quotes and past invoices (optional). Please note that PowerPoint presentations and copies of regulations or statutes are not needed and will not be reviewed; and
 - (iii) Certification regarding lobbying activities.

Each Applicant will be prompted to enter the information described above through the FedSTAR wizard. The FedSTAR wizard will automatically complete and submit the SF-424, SF-424A and the lobbying forms based on the applicant's responses.

Article VI. Application Review information

Section 6.00 Evaluation Criteria

The State Damage Prevention grant application process is competitive. A review team (see section 6.01) PHMSA will evaluate the applications against the selection criteria listed below as well as against each other. Submission of an application is not a guarantee of award. PHMSA may award a grant based on an application in its entirety, award only portions of a grant application, or not award a grant at all.

Each Application will be reviewed against the criteria listed below. The criteria are weighted as follows: Criterion 1 is most heavily weighted; criterion 2 is second most heavily weighted; criterion 3 is third most heavily weighted; criterion 4 is fourth most heavily weighted; criterion 5 is fifth most heavily weighted.

The *number* of elements addressed in an application will *not* affect the evaluation of the application.

Criterion 1. Relevance to the Nine Elements

This criterion will be used to evaluate *proposed* work under each element addressed on the application. This criterion will be used to evaluate proposed projects that:

- Clearly link results to one or more of the nine elements.
- Have merit for advancing implementation or continued support of one or more of the nine elements within the state.
- Align with the meaning and intent of the nine elements as described in PHMSA's Damage Prevention Assistance Program (DPAP) Guide (available at <http://primis.phmsa.dot.gov/comm/publications/DPAP-Guide-FirstEdition-20080911.pdf?nocache=6648>).

Proposed work under each element will be evaluated separately.

Criterion 2. Costs, Results, and Schedule

This criterion will be used to evaluate *proposed* work under each element addressed in the application. This criterion will be used to evaluate proposed projects that:

- Will produce tangible results within the proposed project period.

- Establish clear goals, objectives, milestones, and estimates of project costs.
- Have deliverables that do not overlap with the deliverables of any other PHMSA grant award.
- Use funds efficiently and effectively.
- Will be successful whether or not the applicant receives additional State Damage Prevention grants in future years.

Proposed work under each element will be evaluated separately.

Criterion 3. State's Commitment to the Nine Elements

This criterion will be used to evaluate the applicant's description of existing damage prevention activities as they relate to the nine elements. This criterion will be used to evaluate applications that demonstrate the State has made substantial progress toward, or has clear and concrete plans for, implementing the nine elements.

Criterion 4. State's Commitment to Damage Prevention Program Effectiveness

This criterion will be used to evaluate the applicant's description of any legislative or regulatory actions (including studies, etc.) taken by the State within the past five (5) years to improve its damage prevention program. This criterion will be used to evaluate applications that demonstrate the State's commitment to ensuring lasting damage prevention program effectiveness and continuing improvement, including any legislative and/or regulatory actions taken within the past five years or other significant activities, such as efforts of study groups or task teams established to analyze the State's damage prevention program.

Criterion 5. Past Performance

This criterion will be used to evaluate past performance of applicants who have received a PHMSA State Damage Prevention grant in the past. PHMSA will evaluate this criterion based on PHMSA's assessment of the past performance of applicants. Past performance includes fulfillment of grant agreements in a timely manner and compliance with grant terms and conditions. Applicants will not be asked to submit any information for evaluation under this criterion.

Evaluation of applications from applicants who have not received a PHMSA State Damage Prevention grant in the past will not be affected positively or negatively by this criterion.

Section 6.01 Review and Selection Process

PHMSA will conduct an initial administrative review of each completed application to determine if it is complete and meets the eligibility requirements. A team composed of representatives from damage prevention stakeholder groups will review and evaluate each completed application that meets the eligibility requirements. PHMSA will award grants based on the recommendations of the review team.

Article VII. Award Administration Information

Section 7.00 General

Within the limit of funds available for such purpose, the awarding official of PHMSA must make grants to those responsible, eligible applicants whose applications are judged most meritorious under the procedures set forth in this solicitation. All funds granted by PHMSA under this solicitation must be expended solely for the purpose for which the funds are granted in accordance with the approved application and budget, the regulations, the terms and

conditions of the award, applicable Federal cost principles, and the Department's assistance regulations.

Section 7.01 Award Notice

The award document will provide pertinent instructions and information including, at a minimum, the following:

- (1) The Legal name and address of performing organization or institution;
- (2) Title of project;
- (3) Name(s) of key personnel chosen to direct and control approved activities;
- (4) Identifying award number assigned by the Department;
- (5) Project period, specifying the amount of time the Department intends to support the project;
- (6) Total amount of Departmental financial assistance approved for the project period;
- (7) Legal authority(ies) under which the award is issued;
- (8) Appropriate Catalog of Federal Domestic Assistance (CFDA) number;
- (9) Applicable award terms and conditions;
- (10) Approved budget plan for categorizing allocable project funds to accomplish the stated purpose of the award; and
- (11) Other information or provisions deemed necessary by PHMSA to carry out its respective awarding activities or to accomplish the purpose of a particular award.

Section 7.02 Administrative and National Policy Requirements

Several Federal statutes and regulations apply to grant applications considered for review and grants awarded under this program. These include, but are not limited to:

- (1) 49 CFR 18, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" (OMB Circular A-102).
- (2) 2 CFR 225, "Cost Principles for State, Local, and Indian Tribal Governments" (OMB Circular A-87).
- (3) OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"
- (4) 49 CFR 20, "New Restrictions on Lobbying."
- (5) 49 CFR 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964."
- (6) 49 CFR 32, "Governmentwide Requirements for Drug Free Workplace (Financial Assistance).
- (7) 2 CFR 1200, "Governmentwide Debarment and Suspension (Non-Procurement)."

Section 7.03 Expected Program Outputs and Reporting Requirements

Four (4) reports (a Progress Report, a Final Report, a Mid-term Financial Status Report and a Final Financial Status Report) on the deliverables funded by the grant will be required. The reports must include a description of how the funds were used to improve the State damage prevention program. The reports must also provide documentation of the actual expenses. All reports must include a separate report summary not exceeding one page in length. All applications and reports will be made available to the public. PHMSA will also review the final reports to ensure the grant objectives were satisfactorily implemented.

Article VIII. Agency Contact Information

How to Apply Questions

Carrie Winslow

Phone: (617) 494-3318

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Grant Related Questions

Primary Point of Contact:

Alicia Henderson, Agreement Administrator

Office of Acquisition Services

Pipeline & Hazardous Materials Safety Administration

United States Department of Transportation

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Secondary Point of Contact:

Warren Osterberg, Agreement Officer

Office of Acquisition Services

Pipeline & Hazardous Materials Safety Administration

United States Department of Transportation

1200 New Jersey Avenue, SE, E22-317

Washington, D.C. 20590

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Grants.gov Questions

Grants.gov Contact Center

Phone: (800) 518-4726

E-mail: support@grants.gov