



Abandoned Well Plugging Grant Application Criteria and Instructions for Form 780-2162

This fact sheet provides an overview of the Abandoned Well Plugging Grant program administered by the Missouri Department of Natural Resources (the department), Water Protection Program, Public Drinking Water Branch. Part 1 of this document describes the program's purpose and objectives, specific requirements, limitations and the conditions for applicant and project eligibility. Part 2 provides step-by-step instructions for completing the application for Form 780-2162.

Purpose

The number of abandoned drinking water wells in Missouri is estimated to be as high as 500,000. Abandoned water wells have many risks associated with them. Chief among these risks is the threat posed to human health. In addition to the physical hazards these often unrecognized structures can pose to children and adults, the threat of contamination to underlying groundwater reservoirs from abandoned wells is a significant concern to communities across Missouri. These structures can provide a direct conduit for contamination to enter into a groundwater reservoir that, once contaminated, can be costly to remediate. In worst case scenarios, a groundwater reservoir may need to be abandoned as a source of raw drinking water due to excessive contamination.

The federal Safe Drinking Water Act authorizes the Missouri Department of Natural Resources to allocate a portion of the Missouri Drinking Water State Revolving Fund to promote source water protection awareness, education and implementation. Safeguarding our groundwater reserves by properly plugging abandoned water wells is one common sense step communities can take to protect these vital resources. More than 1,100 public water systems in Missouri (serving approximately 1.7 million Missourians) use groundwater as the sole or primary source of raw drinking water for their community.

Objectives

1. Educate and inform Missourians about the benefits of protecting groundwater reserves through source water protection planning and properly plugging abandoned drinking water wells.
2. Provide financial assistance to primary groundwater-based community and non-community public water systems to identify and properly plug abandoned drinking water wells in accordance with all state and federal regulations and requirements.
3. Promote awareness and participation with the department's voluntary Source Water Protection Program.

Eligible Costs

Actual costs of plugging abandoned public, domestic and multiple family wells are reimbursable through this grant program. Public outreach, incentives and administrative costs for approved projects are also eligible for funding.

- Reimbursement for plugging public drinking water wells is limited to 90 percent of the total cost per well up to a maximum of \$15,000 (90/10 cost-share). Only actual costs of plugging the well are reimbursable. A contract to plug a public water well for a cost of \$10,000, for example, would be eligible for a \$9,000 reimbursement. The additional 10 percent of the plugging cost for public water wells can be offered as matching funds.
- Reimbursement for plugging domestic and multiple family wells is variable and depends on the total depth of the abandoned well. These limits may be waived by the Public Drinking Water Branch upon consultation with the applicant for exceptional circumstances.

Total depth:

- 250 feet or less = Up to \$1,200.
- 251 feet to 400 feet = Up to \$1,700.
- 401 feet to 500 feet = Up to \$2,200.
- 501 feet to 600 feet = Up to \$2,700.
- Greater than 601 feet = \$3,200 or more.*

* Abandoned domestic and multiple family wells greater than 600 feet in total depth are still eligible for full reimbursement through this program. Refer to the "Specific Requirements" section of this document for additional information.

Well plugging reimbursement funds may be claimed incrementally if multiple wells are to be plugged. Upon completion of plugging a well, reimbursement may be offered for the eligible costs associated with the plugging of the first well provided the Well Plugging Registration Record form has been completed and filed with the department. Reimbursed funds may then be directed towards proper plugging of additional wells. Project applications must indicate whether reimbursement funds are to be provided as a one-time payment or incrementally.

Abandoned wells, particularly older wells, may have little information on record regarding well construction, total depth, casing depth or other pertinent information. Costs associated with determining the actual cost of plugging a poorly documented well may be reimbursable on a case-by-case basis upon consultation with the department. Alternatively, staff from the Wellhead Protection Section of the Missouri Geological Survey may be requested to assist with determining total depth of a well.

- Reimbursement for informational brochures, newsletters or similar materials for public outreach efforts is also eligible through this program. One copy of each document must be provided to the department along with related invoices prior to reimbursement of funds. Any printed materials funded through this program must credit the department appropriately as the partial or sole source of funds used to produce the materials.

Applicant Eligibility

Primary community and noncommunity public water systems that use groundwater are eligible to apply for reimbursement funding through this program. Secondary systems (those that purchase water from a primary system) are only eligible to apply if they have emergency or back-up groundwater wells. Eligible public water systems must be in compliance with all state and federal drinking water regulations or formally working toward compliance with the department. Only projects that address abandoned drinking water wells in Missouri are eligible for reimbursement funds.

Project Eligibility

Projects are eligible for funding if they result in the identification and proper decommissioning of abandoned water wells in the project area or if they achieve the goal of increasing awareness of the threats abandoned water wells can pose to a community's drinking water supply. Eligible projects may include procedures to identify and locate abandoned wells in the community, in addition to actual proper plugging of known abandoned drinking water wells.

Specific Requirements

All well plugging work must be performed by a permitted well driller or pump installer licensed to operate in Missouri in accordance with the Missouri Well Construction Rules described in 10 CSR 23-3.110.

- Domestic and multiple family water wells in Missouri may legally be plugged by the well owner provided the owner follows all state regulations and requirements for proper plugging; however, funds provided through this grant program can only be reimbursed to the grant recipient if the work is performed by a certified well driller or pump installer licensed to work in Missouri.
- All necessary documentation, such as corresponding Well Plugging Registration Record forms, must be filed with the department's Wellhead Protection Section prior to reimbursement of awarded funds.
- It is strongly recommended that shallow domestic and multiple family wells with a total depth of 250 feet or less be grouted the entire depth of the well. Well plugging work must be performed in accordance with the Missouri Well Construction Rules as described in 10 CSR 23.
- Applicants are encouraged to obtain at least two estimates or bids for well plugging work to determine an appropriate amount of financial assistance to request. It is also recommended that these estimates or bids be included with the original application.

Upon completion of the project, a brief final report that summarizes the outcomes and benefits of the completed project must be submitted to the department along with the request for reimbursement. Applicants are also encouraged to include a photograph of completed projects.

Applicants may offer nominal financial incentives in the form of well "finder's fees" to private citizens who report an abandoned well to the project team.

- Incentives can be a one-time cash payout (not to exceed \$50 per individual) or take the form of a water bill rebate.
- Finder's fee incentives are only reimbursable if they are offered to private individuals who report an abandoned well they own.
- All incentives offered through the project must be approved by the department to qualify for reimbursement.

Matching fund requirements:

- Reimbursement for 90 percent of the actual plugging costs for public water wells is offered through this program. This is a 90/10-ratio cost-share program and awarded applicants are required to match 10 percent of the final actual plugging costs for public water wells. There is no cost-share requirement for plugging domestic or multiple-family drinking water wells.

Applications may only be submitted to the department from July 1 through December 31 each fiscal year. Eligible projects and applications will be considered for funding on a first-come, first-

served basis as allocated funds remain. If allocated funds are fully used prior to receipt of an eligible project application, the application may be retained and considered for funding through a later grant offering.

Limitations

Awards are limited to a maximum of \$20,000; however, the per-well maximum for public water wells is \$15,000.

The following items are not eligible for funding but may be included as in-kind match:

- Equipment purchases that cost \$5,000 or more,
- Personnel costs (public water system staff time),
- Land acquisition costs or conservation easements,
- Travel or refreshment costs,
- Infrastructure improvements to a water system's distribution network, storage system or treatment processes,
- Routine operation and maintenance of the water system.

Projects must be completed by June 1. Include the anticipated project period on the original application form. The effective project period begins the date the financial assistance agreement with the applicant is signed by the department and must terminate by June 1. This provides applicants with time to obtain reimbursement for eligible expenses prior to June 30, the end of the state fiscal year.

Only costs incurred during the effective project period are eligible for reimbursement. Plugging costs incurred prior to department approval of the award (the date the financial assistance agreement is signed by the department director) are not reimbursable under any circumstances.

Public outreach efforts to identify abandoned wells in the project area are eligible for funding. It is acceptable to provide an initial estimate of the number of wells to be plugged; however, if additional wells are identified for plugging that were not included within the original financial assistance agreement, the grant recipient must sign an amended financial assistance agreement to receive reimbursement for any additional costs.

Amendments to the financial assistance agreement must be approved by the department during the effective project period.

Reimbursement funds are only available for the decommissioning and plugging of drinking water wells deemed abandoned. According to the Revised Statutes of Missouri (RSMo 256.603), a water well is deemed abandoned when it is in such a state of disrepair that continued use for obtaining groundwater is impractical and the well has not been in use for a period of two years or more.

- Reimbursement funds cannot be used to convert an active well (regardless of whether the well is currently in use) to "abandoned" status.
- Drinking water wells still connected to a distribution network, whether in use or not, are not considered abandoned within the context of this program. Costs related to removing wells from a distribution network are not reimbursable through this program.
- Inactive wells not meeting the technical definition of an abandoned well, specifically with respect to whether the well has been out of use for at least two years, may still be eligible for funding on a case-by-case basis upon consultation with the department.

Demolition costs or other expenses associated with the removal of system infrastructure (such as well houses) are not reimbursable.

Older abandoned wells frequently do not have adequate records to develop a reasonable estimate of the cost required to decommission the well. Tests or other methods are used to determine the total depth and casing depth of an abandoned well may be funded through this program on a case-by-case basis upon consultation with the department.

Remediation, plugging or decommissioning of cisterns is not an eligible project component through this program.

The department reserves the right to weigh all applications on the quality of the proposed project and readiness to proceed in order to effectively use available funds. Proposed activities may be prioritized, expanded, or removed upon negotiation with the applicant.

Abandoned domestic and multifamily wells may have special conditions or circumstances that can increase the costs of properly plugging the well. If an abandoned well is estimated to cost more than the depth-based rates offered for reimbursement as described in this document, the applicant may negotiate with the department a conditional reimbursement to cover the full cost of plugging the well. Additional documentation and information may be required for the department to determine the appropriateness or feasibility of offering a reimbursement that exceeds the standard rates as described in the "Eligible Costs" section of this document.

Glossary of Selected Terms

Abandoned Well - A well shall be deemed abandoned which is in such a state of disrepair that continued use for the purpose of thermal recovery or obtaining groundwater is impractical and which has not been in use for a period of two years or more... (RSMo 256.603).

Community Public Water Supply Well - A well that serves fifteen or more service connections or regularly serves twenty-five or more people on a year-round basis (10 CSR 23-1).

Community Water System - A public water system which serves at least fifteen service connections and is operated on a year-round basis or regularly serves at least twenty-five residents on a year-round basis (10 CSR 60-2).

Domestic Well - A private water supply well that is constructed to meet minimum standards and is equipped with a pump that does not have the capacity to produce more than seventy gallons of water per minute and services three or less service connections. A private domestic water supply well that produces less than seventy gallons of water per minute regardless of the use is a domestic well (10 CSR 23-1).

Multiple Family Well - A private water supply well constructed for the purpose of serving more than three dwellings, but having less than fifteen service connections and serving less than twenty-five individuals daily at least sixty days out of the year (10 CSR 23-1).

Noncommunity Public Water Supply Well - A well that serves fifteen or more service connections or an average of at least twenty-five individuals daily at least sixty days of the year (10 CSR 23-1).

Permitted Well Driller - Any person who holds a permit issued pursuant to the provisions of sections 256.600 to 256.640 (RSMo 256.603).

Primary Public Water System - A public water system which obtains its source of drinking water directly from a well, infiltration gallery, lake, reservoir, river, spring, or stream (10 CSR 60-2).

Public Water System - A system for the provision to the public of piped water for human consumption, if the system has at least fifteen service connections or regularly serves an average of at least twenty-five individuals daily at least sixty days out of the year. The system includes any collection, treatment, storage, or distribution facilities used in connection with the system. A public water system is either a community water system or a noncommunity water system (10 CSR 60-2).

Well Owner - Any person or corporation who is the party responsible for having a well drilled and whose name appears on the well registration or certification form (RSMo 256.603).

Grant Processing Overview

Upon receipt of a submitted application, the proposed project is reviewed by the department for completeness and accuracy. Review of project applications typically takes two weeks from the time the application is received and date stamped by the department. Applicants are notified following this review period whether the submitted project has been selected for funding or if revisions to the proposed project are necessary to qualify for a reimbursement grant.

The processing of awards for selected projects will begin following the two week internal review period. Grant recipients should expect to receive an award package from the department within two months from the time that the application is initially received.

This package includes the following documents:

- Two Financial Assistance Agreements - One copy must be signed and returned to the department, the other copy must be kept on file by the award recipient,
- Scope of Work Document - This document describes the pertinent details of the project and the agreed upon financial conditions of the grant,
- General Terms and Conditions - The department's general terms and conditions for all federally-derived subgrant awards.

Approved expenses are reimbursed following receipt of relevant invoices and a formal letter of request for reimbursement from the primary applicant. Expenses related to well decommissioning work can only be reimbursed after a copy of the approved Well Plugging Registration Record form (which must be filed with the department's Wellhead Protection Section) is provided to the department's Public Drinking Water Branch. Under no circumstances will unapproved expenses be reimbursed by the department. This includes any expenses incurred prior to or following the agreed upon effective project period. The time period between receipt of invoices and reimbursement is typically less than one month; however, this time can extend longer if complications arise during review of submitted invoices.

All applicants must have a Vendor Input Form on file with the State of Missouri to receive reimbursement. Contact the Source Water Protection Coordinator if you have any questions regarding this form (contact information provided in Part 2, Section 6 of this document).

Application Instructions for Form 780-2162

Applications are only accepted from July 1 through December 31 each fiscal year. All applications must be submitted to the Missouri Department of Natural Resources, Public Drinking Water Branch using Form 780-2162. This form is available electronically at www.dnr.mo.gov/forms/780-2162-f.pdf or a paper copy is available by contacting the Public Drinking Water Branch at 573-751-5331. The following information is intended to provide a step-by-step guide for applicants to complete Form 780-2162.

Section 1 - Applicant Information

- In the space provided, enter information about the primary public water system sponsoring the project proposal - include the system name, state assigned identification code, and available office contact information.
- Include the applying organization's federal Dun & Bradstreet Data Universal Number System, or DUNS, number. This nine-digit code is required for the Missouri Department of Natural Resources to distribute federally derived funds. This code is available by calling 866-705-5711 or is available online at fedgov.dnb.com/webform.
- Indicate the primary United States Congressional District, the Missouri Senate District, and the Missouri House District within which the applicant operates. This information is available from the Public Drinking Water Branch upon request.

Section 2 - Project Management Information

Indicate the title of the proposed project and the project manager's name, title and contact information in the spaces provided. Indicate the anticipated project period in the appropriate field.

Note: The effective project period must expire on June 1. The effective project period does not begin until a financial assistance agreement is signed by the department.

In the check box provided, indicate whether the project is to be reimbursed as a one-time payment following completion of the project or if the grant recipient intends to receive incremental reimbursement upon the closure of one well to be used towards the closure of additional wells.

Section 3 - Detailed Project Description

This section is devoted to the details of the proposed project and replaces the need for providing a report-style description of the proposal. Attach additional sheets if necessary.

- Provide a brief summary overview of the project in the space provided.
- Describe the public outreach efforts or other methods to be employed to locate abandoned wells within the project area (if any).
- Indicate the status of the applying public water system's Source Water Protection or Wellhead Protection Plan by checking the appropriate box. Although not required in order to receive reimbursement funds through this program, all applicants are encouraged to participate with the department's voluntary Source Water Protection Program.

Section 4 - Project Budget

Information regarding the project budget should be included in this section. Itemize the projected budget costs using the spreadsheet provided (additional sheets may be added if necessary). The examples provided below are not all-inclusive and certain budget items may fit

equally well in another budget class. Contact the department's Public Drinking Water Branch if you have any questions regarding the proposed project budget.

- Public water system staff time is not reimbursable but can be included within the budget as in-kind matching funds.
- Materials and supplies can include items such as brochures, mailers, printing costs, or other materials needed to complete an eligible project component. Individual items that cost \$5,000 or more are considered equipment and cannot be reimbursed through this program.
- Contractual and implementation costs can include any contracted work that is used to accomplish eligible project activities. Costs associated with implementation of project tasks may also be included within this portion of the itemized budget.
- Nominal incentives to private landowners may be fundable through this program in the form of water bill rebates or one-time abandoned well "finder's fees" for landowners who voluntarily agree to have privately owned domestic water wells plugged. Individual incentive payments shall not exceed \$50. All incentives must be pre-approved by the department.
- In the space provided record the total budget for requested grant funds, offered matching funds, and the grand project total of requested and matching funds. Indicate the match percentage of the total grant project budget in the appropriate field.

Section 5 - Signatures

The primary project sponsor must have an authorized organization representative sign and date the appropriate fields in Section 5. Include the state-assigned public water system ID code.

Section 6 - Instructions for Submitting Grant Application

Mail completed applications to:

Missouri Department of Natural Resources

Public Drinking Water Branch

Attn: Source Water Protection and Assessment Coordinator

P.O. Box 176

Jefferson City, MO 65102-0176

Fax submittals are not accepted. A simple map of the project area must be provided to the department for a project to be considered for funding. Contact the Public Drinking Water Branch at 573-751-5331 if you have any questions regarding required documentation or options for providing these materials to the department.

For More Information

Missouri Department of Natural Resources

Water Protection Program

P.O. Box 176

Jefferson City, MO 65102-0176

800-361-4827 or 573-751-1300

573-526-1146 FAX

www.dnr.mo.gov/env/wpp