

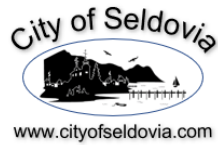
**Seldovia City Council
Laydown
October 14, 2019**

Pages 3-11 City Manager's Report

Pages 12-13 VSW Grant Agreement

NOTES

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P.O. Drawer B Seldovia, Alaska 99663 Phone: (907) 234-7643, Fax: (907) 234-7430 email: citymanager@cityofseldovia.com

To: Mayor Lent and Seldovia City Council
From: Cassidi Cameron
Subject: City Manager's Report
Date: October 14, 2019

CITY MANAGER REPORT

- Reservoir Water Supply
- City of Seldovia Water Shortage Management Plan – Draft Development
- Emergency Operations Plan – October 28th 2019
- Water Infrastructure Projects:
 - ARWA leak projects 2018 season; completed 13 water repair projects
 - Anderson Way Leak 10/12/19
 - ARWA was here the week of September 23rd for another round of leak detection on our utility
- Public Works Right of Way Maintenance Plan – ongoing. Tree removal for Bay Street at old Boardwalk- to be scheduled
- Public Works Position
- Lollipop Park Equipment Replacement and Upgrade Project Work Group
- Online Sales Tax Update – see attached
- GCI Update – See Attached Letter
- Representative Louise Stutes – October 28th
- Seldovia Space - Open House November 1st ?
- DOT Fireworks Application Submittal
- SVFD and BHVFD Memorandum of Agreement and Mutual Aid Agreement development
- LED Indoor Light Conversion Plan
- SOA Public Safety Contract – awaiting response
- EDA Grant Opportunity: mitigation, resiliency for the future; Nexus development
- Land Use Management Plan
- Harbor Parking Lot Plan
- FY18 Audit Complete; FY19 Audit ongoing
- Winterizing prep



Online Sales Tax – Background and FAQ

How did the June 2018 U.S. Supreme Court decision change the sales tax world?

The U.S. Supreme Court on June 21, 2018, upheld the state of South Dakota’s right to require online sellers to collect and remit sales tax on orders delivered into the state. The 5-4 decision effectively overturned a Supreme Court decision from 1992 that went against the state of North Dakota. The 2018 case is South Dakota vs. Wayfair (a nationwide online retailer of furniture and home goods).

What were the issues in the court case?

In its ruling, the Supreme Court noted that the South Dakota Legislature had determined “that the inability to collect sales tax from remote sellers was ‘seriously eroding the sales tax base’ ... causing revenue losses and imminent harm.”

The court explained, “The central dispute is whether South Dakota may require remote sellers to collect and remit the tax without some additional connection to the state,” such as an office or warehouse or employees. And although the 1992 decision against North Dakota commented that requiring remote sellers to collect and remit sales tax “might unduly burden interstate commerce” without such a physical or legal connection, called nexus, the court’s 2018 decision found otherwise. “The administrative costs of compliance, especially in the modern economy with its Internet technology, are largely unrelated to whether a company happens to have a physical presence in a state,” the Supreme Court said in its 2018 decision.

Allowing online sellers to avoid collecting sales taxes “has come to serve as a judicially created tax shelter for businesses that decide to limit their physical presence and still sell their goods and services to a state’s consumers,” the court added.

In its order, the Supreme Court said it overruled the 1992 decision because it was “unsound and incorrect.”

Does the court decision require online sellers to collect sales tax?

No, it does not require online merchants of goods and services to do anything unless a state’s sales and use tax is written to apply to online orders (remote merchants). If a state chooses not to extend its sales and use tax to online orders, the Supreme Court decision does not require merchants to voluntarily collect and remit the tax. The decision is up to each state.

Does the court decision apply to municipalities?

No, not exactly, not directly. The word “municipality” appears nowhere in the Supreme Court decision. The case, the briefings, the discussion and the order focused solely on state sales and use tax. But, the same reasoning, the same legal questions likely would apply to municipal sales taxes: Are they discriminatory against interstate commerce, do they pose an undue burden on interstate commerce, are they administered fairly to all parties. As Alaska is the only state that allows municipal sales taxes without an overriding set of rules in a state sales tax, Alaska is unique.



What are the challenges for Alaska municipalities?

Without a clearly defined set of legal standards in the court decision for municipalities, Alaska cities and boroughs have to make their best legally educated guess at what set of tax definitions, rules, exemptions and administrative procedures would be needed to replicate and adhere to the intent of the court opinion allowing taxation of online sales. Such as, no undue burden on interstate commerce, no retroactive taxation, and a system that standardizes tax rules to reduce administrative and compliance costs for remote merchants. There is no checklist of what will work or what is not allowed — Alaska municipalities will have to set their own trail.

What's the path forward for Alaska municipalities that want to collect taxes on online sales?

A coordinated approach is best. In fact, it's probably the only way to succeed. It's hard to imagine that a large, nationwide online merchant, a small remote seller — or a court, in the event of a legal challenge — would accept dozens of municipal codes, each with its own unique set of definitions, administrative rules, limits and exemptions as an acceptable system that standardizes taxes to reduce administrative and compliance costs. In fact, they have communicated that they wouldn't.

By working together, Alaska cities and boroughs stand the best chance of crafting a workable sales tax structure that serves local needs while establishing a legally secure path to collecting municipal taxes from online sales.

What is the Alaska Municipal League doing to help?

The Alaska Municipal League established a working group in 2018 to explore the best answers for bringing Alaska cities and boroughs into the world of collecting tax revenue from online sales. AML is looking into the legal issues, software and administrative costs, including the option of contracting with a third-party vendor with experience in state sales taxes to handle the collection and distribution of tax remittances from online merchants. AML has provided frequent updates on its progress to its members, with reports at the board meeting in Anchorage in May, the summer meeting in Soldotna in August, and a final review at the general membership meeting in Anchorage in November.

The idea is that AML would establish a cooperative effort — entirely optional for each Alaska municipality — to participate in a centralized online sales tax collection, administration and enforcement program. Municipalities that join and agree to adopt the required changes to their sales tax codes would benefit from the collective strength of presenting a unified approach to online merchants nationwide. Cities or boroughs that choose not to join still could try on their own to adopt and enforce sales taxes on online merchants.

State law allows Alaska municipalities to sign intergovernmental cooperating agreements — similar to mutual-aid pacts between fire departments. AML's legal review concluded that a cooperative tax administration and collection agreement essentially would be the same and would not require any state legislation.

Is there any guarantee that municipalities can force online sellers to collect the tax?

There is no guarantee that every online merchant will willingly collect and remit sales taxes to a centralized administration for Alaska municipalities. But the odds of success are much better than 100+ different sales tax administrations statewide.



The deciding factor may be how “homogenized” Alaska’s cities and boroughs are willing to make their tax codes. The more the codes are the same, the better the argument that the municipalities are adhering to the standards the Supreme Court cited in its Wayfair decision.

“Nobody can give you an absolute legal answer” as to how far municipalities can stray from the intent and spirit of the Wayfair decision and still win if taken to court, the vice president and tax counsel for the National Retail Foundation told AML. Her advice: Go with the Streamlined Sales Tax Project’s definitions

What is the Streamlined Sales Tax Project?

The Streamlined Sales Tax Project began in March 2000 with the goal “to find solutions for the complexity in state sales tax systems.” It was, in great part, that complexity that led to the 1992 Supreme Court decision against North Dakota’s efforts to require tax collections by remote merchants.

The result is the Streamlined Sales and Use Tax Agreement, which targets simplifying and modernizing sales and use tax administration to substantially reduce the burden of tax compliance. The agreement focuses on state-level administration of sales and use taxes; uniformity in each state’s state and local tax bases; uniformity of major tax base definitions; central electronic registration for merchants; simplification of state and local tax rates; uniform sourcing rules for all taxable transactions (defining the point of the taxable transaction); and simplified administration of exemptions, tax returns and payments.

As of March 2019, 24 states had adopted the agreement. No federal law requires states to sign on for the Streamlined Sales Tax Project, but doing so makes it easier for states to capture maximum revenues from remote merchants.

The more that Alaska municipalities can follow the Streamlined Sales and Use Tax Agreement, the better the odds of success in achieving full compliance from online merchants. The AML working group on this topic have adopted to a large extent SSUTA definitions.

Can complexity lead to legal objections?

Yes, but it is unknown how much complexity would break the legal back of taxing online sales. In his dissenting opinion in the Wayfair case, Chief Justice John Roberts pointed to the complexity of sales tax laws nationwide. “Correctly calculating and remitting sales taxes on all e-commerce sales will likely prove baffling for many retailers. Over 10,000 jurisdictions levy sales taxes, each with different tax rates, different rules governing tax-exempt goods and services, (and) different product category definitions.” He noted that New Jersey collects sales tax on yarn purchased for art projects but not on yarn made into sweaters. “Texas taxes sales of plain deodorant at 6.25 percent but imposes no tax on deodorant with antiperspirant.” Illinois categorizes Twix bars as food and Snickers candy, and taxes them differently, the chief justice noted, only because Twix includes flour.

Why are Amazon and some merchants already collecting sales tax for Alaska municipalities?

Amazon has started collecting sales tax in several Alaska jurisdictions, though it appears that in most cases it is collecting tax only on Amazon’s own goods and not on sales of third-party sales. A coordinated, AML-led approach would remedy this shortcoming by encouraging municipalities to change their codes to encompass all goods sold online, whether direct by the



merchant or fulfillment by a third-party seller. A coordinated effort also would clarify which business is responsible for collecting and remitting the tax: The website that takes the order or the business that fills the order?

As of March 2019, Amazon had yet to register with all Alaska municipalities, and for most municipalities the online merchant's first sales tax returns are not due until a month after the end of the first quarter. After Amazon and other vendors file their first returns, Alaska municipalities will have a better sense of any enforcement issues.

There have been reports that Amazon is misapplying local taxes on some sales that should be tax-exempt. As it is now, each municipality has to contact Amazon individually — or any other online vendor — to educate the merchant on the details of their specific municipal tax code. A single online sales tax administrator for Alaska municipalities would improve the situation.

As to Amazon specifically, in a few cases the online retailer is collecting sales tax for deliveries in Alaska because it has a physical connection — a nexus — in that city or borough, such as an Amazon subsidiary or affiliate that does business in the municipality. Unless a municipal code is written as a sales and use tax, or otherwise specifically addresses online sales, merchants such as Amazon are not legally obligated to collect the city or borough sales tax.

How can online merchants determine which municipality gets the taxes?

One significant problem that Alaska municipalities must overcome is to construct a user-friendly online mapping system so that merchants can accurately determine the correct tax jurisdiction. Such as, a buyer may have a Soldotna ZIP code and mailing address but does not live within the city of Soldotna and believes they should not be liable for Soldotna city sales taxes. The same can be said for Interior residents with a North Pole mailing address. ZIP+4, unfortunately, does not always match municipal boundaries in Alaska, and therefore cannot be used for determining the tax jurisdictions. Other states and third-party contractors provide online mapping tools for sellers, and third-party vendors could help Alaska develop one that covers the entire state. In addition to creating the “tax look-up map” (as it is called in the state of Washington), Alaska municipalities would have to establish a system for keeping the map current with new subdivisions, new addresses for businesses and residences, annexations and such.

Can online vendors handle additional, specific sales taxes?

Yes, such as on alcohol or tobacco taxes, in addition to general sales taxes. Other states levy additional taxes on certain items, such as alcohol, and nothing in the Streamlined Sales Tax Project argues against such additional sales or excise taxes. The third-party vendors that offer administration software for states can accommodate such taxes.

What are some of the tax code decisions that AML research undertook?

Taxation limits

- Several Alaska municipalities have in place a limit on the amount of a single transaction subject to sales tax. For example, in Juneau the sales tax stops charging after a single transaction (an invoice, not a single item) reaches \$12,000 (though there is no limit to



taxation of jewelry). In the Kenai Peninsula Borough, the cap is \$500. Alaska municipalities can maintain their disparate application of such “tax caps” and still have a reasonable chance of surviving a legal challenge should an online merchant want to contest the “undue burden” of navigating different tax limitations.

Point of taxation

- Alaska municipalities most certainly will need to define and adopt a common definition for the point of the taxation transaction, especially since this could affect the rate charged and where the tax is remitted. Such as, if a buyer receives the order at a post office in one city but takes it to their residence in another city, where did the taxable transaction occur, and which city gets the money? Where the item was delivered or where it was used? The same difficulty would apply to the online seller as it tries to determine the tax rate — it needs to know which address to check on the tax look-up map, the point of delivery or the residence of the buyer? The point of taxation as agreed to is the point of delivery.

Definitions

- Definitions should be consistent among participating municipalities for any tax-exemptions, such as food (taxed or not taxed, or divided between prepared and unprepared, and how to define those terms), sale-for-resale, purchases by senior citizens, manufacturing components, construction materials that will be incorporated into real property in the municipality, farming supplies, funeral supplies, medical equipment, over-the-counter drugs and medical items, sales to and/or by nonprofits, sales by government agencies. There is a document providing the Common Definitions for review.

Collection thresholds

- South Dakota sets a significantly higher minimum threshold for annual sales into the state by a remote merchant than for local businesses before the out-of-state business has to collect and remit sales taxes. Whatever Alaska municipalities decide needs to be consistent for all municipalities in the AML program. Otherwise, remote merchants could get caught up in a maze of different registration and reporting standards.
- For example, municipalities may want to exempt small-scale sellers from registering, collecting and remitting, such as businesses with less than \$2,500 a year of sales into the jurisdiction. An example would be an online jewelry maker in New York that might sell \$300 of goods into any one Alaska city in a year. How much do Alaska municipalities want to exempt occasional sellers from collecting sales tax? And should it be the same threshold for remote sellers as in-town businesses?
- The collection threshold has been set at \$100,000 in annual transaction revenue or 100 annual transaction statewide.



Making the case for a coordinated municipal response to online merchants collecting local sales tax in Alaska

Alaska Municipal League – September 25, 2019

Why now?: The U.S. Supreme Court in June 2018 changed the rules for collecting sales tax on online orders. It removed a long-standing limitation that had blocked states from requiring all online sellers to comply with their sales tax laws. This, in effect, creates a level playing field for local businesses. The Supreme Court decision was clear: It said allowing states to apply their tax laws to online sellers the same as local merchants is a matter of fairness. The court said past practice enabled online sellers to avoid collecting sales taxes “has come to serve as a judicially created tax shelter for businesses that decide to limit their physical presence and still sell their goods and services to a state’s consumers.”

Across the nation, states are working to comply with the Supreme Court decision, namely by ensuring the streamlined, single-level administration of sales tax collection. While this is straightforward in states with a sales, there are five states that don’t have a broad-based sales tax, and Alaska the only one that has local governments who do. Alaska’s cities and boroughs are at an administrative and enforcement disadvantage. Remote sellers have been clear that until this is addressed, they will not collect the sales taxes required by individual local governments. To the extent that there have been isolated cases of collections, some of those businesses get it wrong, misapplying taxes and exemptions and shortchanging municipalities or overcharging residents. (Note: Amazon’s current remittance is not based on remote sales, or the *Wayfair* case)

What the Alaska Municipal League is trying to do: The 165-member Alaska Municipal League, a nonprofit statewide organization, has spent the last year researching options for member local governments, and worked with many members to respond to this opportunity. Together, AML and members have developed an intergovernmental agreement, bylaws for a commission, and a remote sales tax code that local governments with sales tax codes will adopt. AML is developing the structure for centralized sales tax administration for remote merchants (out-of-state online sellers) to register and report their tax collections for distribution to the participating cities and boroughs.

The intergovernmental agreement, or compact, is voluntary, but those local governments that do not sign on are less likely to see remote sellers comply with their individual tax codes. The code that should be adopted by each member is generally consistent with most local governments, with provisions for parity and working toward compliance over time. The important thing to know is that each local government maintains its own tax rate and exemptions. The commission that is established will be delegated taxing authority. The board of directors of the commission will be voted on by members and have responsibility for the governance. The commission will contract with AML to administer the centralized administration, with collection, remittance and reporting that meets the need of each local government. This centralized administrator will include software that maintains a tax variability matrix, able to account for differences between members, and a sales tax boundary map so that remote sellers can comply with municipal boundaries.

A Timeline: There is a governance committee comprised of local government finance officers, attorneys and managers, who have drafted all relevant documents. These will need to be reviewed and adopted by any local government that wishes to participate. Adoption means delegating authority to a municipal

official to sign the intergovernmental agreement on behalf of the city or borough, and delegating taxing authority to the Commission. Adoption also means agreeing to the common tax code for remote sales. AML will contract with a software developer and build up a sales tax staff to administer the program.

We envision the governance being established in late November, perhaps at the annual AML conference, with full implementation in January 2020. Adoption will take time for many local governments, and members should deliberate as needed to come to resolution of adoption. The process accommodates joining at any point.

What are the benefits of taxing online sales the same as local sales

The biggest benefit is fairness:

- Fairness in funding public services in the community – the reason each municipality has a sales tax code is to be able to provide essential services for residents.
- Fairness for local merchants – the current system creates an incentive for residents to shop online, which creates additional burdens to brick and mortar stores.
- Fairness so that residents who shop online are charged the correct amount of tax – maintaining the uniqueness of each jurisdiction is important, and remote sellers can't comply with individual government codes without centralization.

“There is little logic in asking consumers who prefer to shop at local businesses to pay more toward funding public services than consumers who shop via their laptops or smartphones,” the independent Institute on Taxation and Economic Policy wrote of tax-free online shopping in a March 2018 report. “Local economies are harmed by this arrangement,” the report said, noting the competitive disadvantage it creates for “businesses that hire local residents, pay local property taxes, and otherwise contribute to the local economy.”

The numbers

Nationwide, e-commerce sales totaled more than \$500 billion in 2018, and the number is growing. Online sales totaled about 14 percent of total U.S. retail sales of \$3.6 trillion last year, according to Commerce Department estimates. The U.S. Government Accountability Office estimates that states lost about \$13 billion from the inability to fully collect taxes on online sales in 2017. The Alaska Municipal League estimates more than \$20 million in annual sales tax receipts could be at stake for those cities and boroughs with a sales tax.

National trends

A growing number of states have amended or are drafting changes to their tax codes to ensure they fairly and fully collect taxes from remote merchants selling goods online, the same as they do with local merchants. More than 20 states have adopted the Streamlined Sales and Use Tax Agreement, a common set of administrative rules and tax definitions to streamline enforcement nationwide.

The risks of doing nothing

The risks are more problems: Confusion for local consumers from erroneously collected sales taxes, further unfair competition that erodes local businesses, and lost municipal revenue as online shopping continues to grow. That is lost revenue Alaska communities cannot afford. At the same time, without centralized administration, the majority of remote sellers will not comply with local tax codes.



Mayor Dean Lent
City of Seldovia
PO Drawer B
Seldovia, AK 99663

September 27, 2019

Dear Mayor Lent,

Thank you for your commitment to ensure that the residents of your community have access to reliable communications services. GCI shares your goal of connecting Alaskans. Over the past 40 years, GCI has invested \$3 billion across the state to connect 240 communities like yours. Even though that's more than any other provider, we recognize there is continued work to be done.

GCI included Seldovia in a \$6.4 million project to upgrade 40 wireless sites across the Kenai Peninsula in 2018-2019. The project included \$125,000 to install equipment to support an 850 MHz. LTE wireless upgrade in your community.

When our agents reviewed potential sites to install the LTE equipment in 2018, they determined the facilities were 1) inaccessible because they belong to other entities, 2) are too "full" to accept new equipment, and/or 3) could not support adequate microwave connectivity back to Homer. The microwave connection to the GCI Homer tower is critical in order to support the connectivity bandwidth required for LTE-level services.

Unable to use an existing tower to place the LTE equipment, GCI directed our team to explore the viability of building a new tower in Seldovia. Our agents then surveyed the area and found two potential sites that provided viable bandwidth support and coverage for the community. GCI developed proposals for each site and submitted the proposals to the FAA. Each proposal was denied for air safety reasons.

Fortunately, City Manager Cassidi Cameron and Seldovia Tribal President and CEO Crystal Collier contacted our team at GCI to discuss options. Through those discussions over the past two months, we have confirmed a potential location on TV Tower Hill that we previously believed was unavailable. We conducted an internal analysis on the site and determined that the location would provide sufficient coverage for the community. We are still confirming the viability of the microwave connectivity but are optimistic about our conclusions.

Once we substantiate viable microwave connectivity, the next step is to confirm the availability of the site from a leasing and permitting perspective. Both Cassidi and Crystal have expressed strong willingness to support our efforts and we appreciate their expertise. Because of their commitment, we hope to make rapid progress through the leasing process. Once site availability is confirmed, the GCI Engineering and Architecture teams will design the tower. The design will be used to develop a construction estimate to include power, security and maintenance costs. Our wireless team is optimistic that we will be able to fund the tower but cannot commit until we identify final costs.



We appreciate your patience through this process. GCI is committed to providing you the best service possible and we will keep you informed of the progress on this project.

A large team of GCI employees is working on this project, including members of the Wireless Network department, the Project Management team, the Radio Frequency group and the Construction, Architecture and Engineering teams. The best point of contact for this project is Jenifer Nelson, Sr. Manager of Community Relations, who has been in contact with Cassidi and Crystal over the summer.

As an Alaska company that has served our state over the past 40 years, GCI strives to provide the best possible service to our customers and neighbors. Thank you for reaching out to us. We share your goal of an improved wireless service experience in Seldovia.

We appreciate and value you as a customer.

Sincerely,

A handwritten signature in black ink that reads "Heather Handyside". The signature is written in a cursive, flowing style.

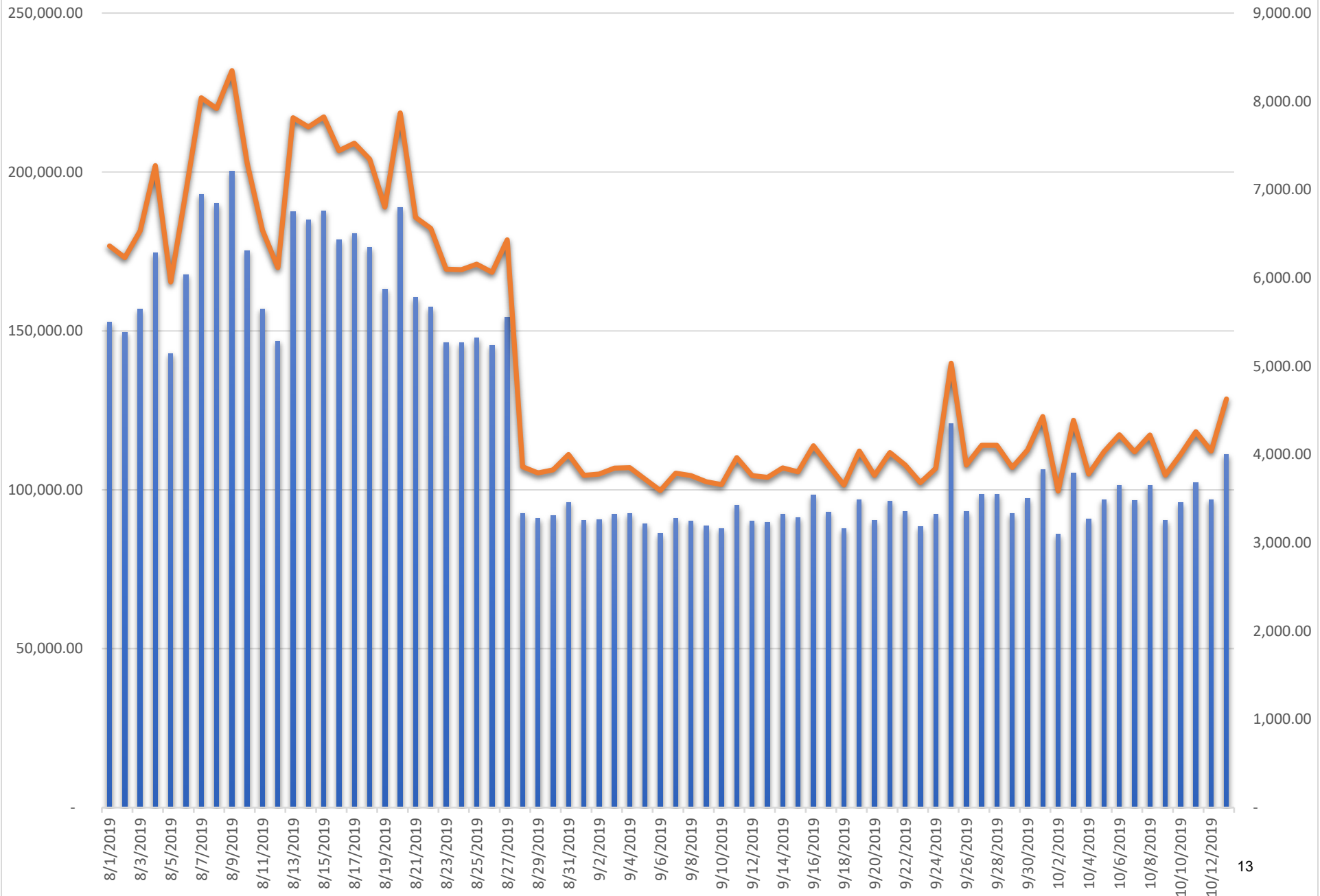
Heather Handyside
Vice President, Corporate Communications

Cc:

The Honorable Lisa Murkowski
The Honorable Dan Sullivan
The Honorable Gary Stevens
The Honorable Pete Micciche
The Honorable Louise Stutes
The Honorable Gary Knopp
Mayor Charlie Pierce, Kenai Peninsula Borough
Cassidi Cameron, Seldovia City Manager
Crystal Collier, President and CEO, Seldovia Village Tribe

City of Seldovia Daily Water Usage - Community Wide

■ Gallons Per Day used by community — Avg/Gallon/Hour





**State of Alaska
Department of Environmental Conservation
Village Safe Water Program**

Grant Agreement

Community Code SOV	VSW Project Number 20RS13	Estimate of Funds \$170,000
Project Title Wastewater Collection and Treatment Preliminary Engineering Report (PER)		
CFDA Number 10.760	CFDA Title Water and Wastewater Disposal Systems for Rural Communities	
Grantee		Grantor
Name City of Seldovia		Department of Environmental Conservation, Village Safe Water Program
Street/PO Box P.O. Drawer B		555 Cordova Street
City/State/Zip Seldovia, Alaska 99663		Anchorage, AK 99501
Contact Name & Title Cassidi Cameron, City Manager		Contact Name & Title Sean Lee, Project Engineer
Phone (907) 234-7643	Phone (907) 269-7502	Fax (907) 269-7509

AGREEMENT

The Department of Environmental Conservation (hereinafter 'Department') and the City of Seldovia (hereinafter 'Grantee') agree as set forth herein.

Section I. Upon execution of this Agreement, and under the terms included herein, the Department shall administer funds, subject to appropriation and availability, to accomplish the scope of work described in Article A, Section 1. The estimated cost of this scope of work is identified in Article A, Section 2.

Section II. Performance under this Agreement begins upon signature by the Division of Water's Director and ends at Project completion.

Section III. This Agreement becomes null and void if not signed by the Grantee within 90 days of the Department's signature.

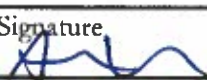
Section IV. The Agreement consists of this page and the following attachments and appendices:

ATTACHMENTS

- Article A: Project Outline
- Article B: General Conditions
- Article C: USDA-RD Requirements

APPENDICES

- Appendix 1: Village Safe Water Policies
- Appendix 2: USDA-RD I.O.C
- Appendix 3: RAVG Grant Agreement
- Appendix 4: USDA-RD Forms

Grantee	Department
Signature	Signature 
Printed Name and Title Cassidi Cameron, City Manager	Printed Name and Title Amber LeBlanc, Acting Director, Division of Water
Date	Date 10-4-19

ARTICLE A. PROJECT OUTLINE

Subject to appropriation and availability of funds, funding will be made available under this Agreement and will be used only to pay eligible costs to perform the scope of work stated herein. The Department is the Grantor and also serves as an agent for the Grantee of the project. The Grantee will spend monies awarded under this grant only for the scope of work in this grant agreement.

Section 1. Project Scope of Work

This Agreement provides funding to conduct a preliminary engineering report and environmental report to produce a recommended alternative to bring the entire Seldovia wastewater system into compliance with secondary wastewater treatment standards.

Section 2. Project Cost Estimate

Scope Item	Total Estimated Cost	Percentage of State Funding	Percentage & Source of Federal Funding
EMT Engineering, Management, & Travel	\$30,000	25%	75% USDA-RD
M-DS Design & Studies	\$140,000	25%	75% USDA-RD
TOTAL	\$170,000	25%	75% USDA-RD

Section 3. Changes to Project Scope of Work

Any significant changes to the project scope of work must be approved by the Department. The scope of work for any design or construction project must remain consistent with the current Department approved Sanitation Master Plan, Comprehensive Plan, Feasibility Study, or Preliminary Engineering Report, if applicable.