



FY 2014 Clean Water Fund Competitive Grants Request for Proposal (RFP)



The Clean Water Fund was established to implement part of Article XI, Section 15, of the Minnesota Constitution, with the purpose of protecting, enhancing, and restoring water quality in lakes, rivers, and streams in addition to protecting ground water and drinking water sources from degradation. The appropriation language governing the use of these funds is in Laws of Minnesota 2013, Chapter 137. These funds must supplement traditional sources of funding and may not be used as a substitute to fund activities or programs. Table 1 lists the Clean Water Fund (CWF) programs available to BWSR and other executive branch agencies. Final funding decisions will be dependent on the actual funds available.

Table 1: FY 2014 Competitive Clean Water Grant Funding Available

Agency Fund	Funding Amount	Governmental Units Eligible for Funding	Required Match
BWSR Projects and Practices	\$8,545,000 ¹	SWCDs, Watershed Districts, WMOs, Counties, Cities ² , and JPBs of these organizations	25%
BWSR Accelerated Implementation	\$2,150,000 ¹	SWCDs, Watershed Districts, WMOs, Counties, Cities ² , and JPBs of these organizations	25%
Shared Services	\$2,000,000 ¹	JPB Technical Service Areas made up of member SWCDs	
BWSR Community Partners	\$1,400,000 ¹	SWCDs, Watershed Districts, WMOs, Counties, Cities ² , and JPBs of these organizations	25%
MDH Well Sealing	\$250,000 ¹	SWCDs, Watershed Districts, WMOs, Counties, Cities ² , and JPBs of these organizations	100%
MDA AgBMP Loans	\$3,000,000	Any LGU may apply, but awards will be coordinated through existing contract holders.	Not required
Total	\$17,345,000		

¹ Amounts shown are estimates, actual amounts will be determined prior to the end of the application period.

² Cities must have a state approved local water management plan. BWSR recognizes metropolitan area city water plans approved by a Watershed District or a Watershed Management Organization (WMO) as a State approved plan.

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RFP General Information

What's New for 2014

1. The deadline for submitting grant applications has changed. (pg. 4)
2. The deadlines for submitting workplans and executing grant agreements have changed. (pg. 4)
3. Livestock Waste Management projects over \$100,000 no longer need an alternative analysis
4. Livestock Waste Management, Low-Income SSTS abatement projects, and Conservation Drainage are no longer stand alone programs, but are included in the general Projects and Practices Grant (Clean Water Assistance) application (pg. 8)
5. The scoring criteria for Projects and Practices Grants (Clean Water Assistance) have changed. (pg. 9)
6. There is a new Accelerated Implementation grant category for existing Technical Service Areas (pg. 11)

Application Guidelines

- Proposals should demonstrate significant, measurable project outputs and outcomes that will help achieve water quality objectives. As appropriate, outputs should include scientifically credible estimates of pollutant reductions expected as a result of the project, as well as other measures such as acres of wetlands/forest, miles of riparian buffer or stream bank restored, acres treated by stormwater BMPs, or acres of specific agricultural conservation practices implemented.
- BWSR CWF grants require a minimum non-state match equal to at least 25% of the amount of Clean Water Funds requested and/or received. The match must be directly attributed to project accomplishments. Proposals submitted under the Clean Water Fund must request state funds that equal or exceed \$30,000 for Projects and Practices and Accelerated Implementation Grants. The minimum request is \$5,000 for the Community Partners Grant program. Applications submitted that do not meet this minimum dollar amount will not be accepted. Actual awards may be less than this minimum when applications receive partial funding.
- Applications may receive partial funding for the following reasons: 1) an absence of or limited identification of specific project locations, 2) activities that were not discussed in the application or have no connection to the central purpose of the application were included by an applicant; and 3) to address concerns over requests for technical assistance/administration funding.
- Proposals must include one map showing information relevant to the application and may include one photograph.
- Proposals from applicants that were previously awarded Clean Water Funds will be considered during the review process for applications submitted in response to this RFP. Applicants that have expended less than 50% of previous award(s) at the time of this application will need to demonstrate organizational capacity to finalize current projects and complete new projects concurrently.

Applicant Eligibility

- LGUs are eligible to receive grant funds if they are working under a current (as defined in the FY 2014 Clean Water Fund Competitive Grant Policy) plan that has been **state approved and locally adopted by October 1, 2013**. Partner organizations such as non-profits, watershed groups, school districts or lake associations must work in conjunction with eligible applicants.
- Any LGU eligible to receive grants may request AgBMP Loan funds; however, successful projects will be awarded the funds under existing AgBMP contracts for their jurisdiction.

Application Deadline and Timeline

No late submissions or incomplete applications will be considered for funding.

- September 3, 2013 Application period begins
- **October 4, 2013** **Application deadline at 4:30 PM***
- January 22, 2014 BWSR Board authorizes grant awards (proposed)
- February 2014 BWSR grant agreements sent to recipients
- March 17, 2014 Work plan submittal deadline
- April 1, 2014 Grant execution deadline

*The application must be submitted by 4:30 PM.

Eligible Activities

The primary purpose of activities funded with grants associated with the Clean Water Fund is to restore, protect, and enhance water quality. Eligible activities must be consistent with a watershed management plan that has been state approved and locally adopted or an approved total maximum daily load study (TMDL), Watershed Restoration and Protection Strategy document, surface water intake plan, or well head protection plan. Local governments may include programs and projects in their grant application that are derived from an eligible plan of another local government. BWSR may request documentation outlining the cooperation between the local government submitting the grant application and the local government that has adopted the plan.

Eligible activities can consist of structural practices and projects, non-structural practices and measures, project support, and grant management and reporting. Technical and engineering assistance necessary to implement these activities are considered essential and are to be included in the total project or practice cost.

Project Period

The project period starts when the grant agreement is executed, meaning all required signatures have been obtained. Work that occurs before this date is not eligible for reimbursement with grant funds and cannot be used as match. All grants must be completed by December 31, 2016.

If a project receives federal funds, the period of the grant agreement may be extended to equal the length of time that the federal funds are available subject to limitation.

Applicants using federal funds are encouraged to contact BWSR soon after award of funds to ensure the grant agreement can be developed appropriately.

AgBMP Loans are available upon execution of the respective contract amendment and are available to the LGU in perpetuity or until rescinded in accordance with existing contracts.

Payment Schedule

Grant payments will be distributed in three installments to the grantee. The first payment of 50% of the grant amount will be paid after execution of the grant agreement and work plan approval provided the grant applicant is in compliance with all BWSR website and eLINK reporting requirements for previously awarded BWSR grants. The second payment of 40% of the grant amount will be paid once the grantee has provided BWSR with notification and BWSR has reconciled expenditures of the initial payment. The last 10% will be paid after all final reporting requirements are met, the grantee has provided BWSR with a final financial report, and BWSR has reconciled these expenditures.

AgBMP Loan funds will be disbursed to participating lenders on a cost-incurred basis in accordance with existing contracts.

Permitting

If applicable, successful applicants will be required to provide sufficient documentation that the project expects to receive or has received all necessary federal, state and local permits and meets all water quality rules, including those that apply to the utilization of an existing water body as a water quality treatment device. Applicants are encouraged to contact the appropriate regulatory agencies early in the project development process to ensure potential projects can meet all applicable regulatory requirements.

Native Vegetation

To the extent possible and practicable, applicable projects must have vegetation planted or seed sown only of ecotypes native to Minnesota, and preferably of the local ecotype, using a high diversity of species originating from as close to the project site as possible, and protect existing native prairies from genetic contamination. See guidance at: http://www.bwsr.state.mn.us/native_vegetation/seeding_guidelines.pdf .

Incomplete Applications

Applications that do not comply with all application requirements will not be considered for funding, as provided below.

- Components of the application are incomplete or missing;
- Any required documentation is missing;
- The match amount does not meet grant requirements; and
- The minimum grant dollar amount is not met

CWF Project Reporting Requirements

- All grant recipients are required to report on the outcomes, activities, and accomplishments of Clean Water Fund grants. All BWSR funded projects will be required to develop a work plan, including detail relating to the outcome(s) of the proposed project. All activities will be reported via the eLINK reporting system. Grant funds may be used for local grant management and reporting that are directly

related to and necessary for implementing this activity. For more information go to <http://www.bwsr.state.mn.us/outreach/eLINK/index.html>.

- BWSR Clean Water Funds will be administered via a standard grant agreement. BWSR will use grant agreements as contracts for assurance of deliverables and compliance with appropriate statutes, rules and established policies. Willful or negligent disregard of relevant statutes, rules and policies may lead to imposition of financial penalties on the grant recipient.
- When practicable, grant recipients shall prominently display on their website the legacy logo. Grant recipients must display on their website either a link to their project from the Legislative Coordinating Commission Legacy Site (<http://legacy.leg.mn>) or a clean water project summary that includes a description of the grant activities, including expenditure of grant funds and measurable outcomes according to the format specified by the BWSR.

Completed AgBMP Loan projects must be submitted in accordance with established AgBMP procedures and be included in the LGU's annual report to the MDA.

Grants and Public Information

Under Minnesota Statute 13.599, responses to an RFP are nonpublic until the application deadline is reached. At that time, the name and address of the grantee, and the amount requested becomes public. All other data is nonpublic until the negotiation of the grant agreement with the selected grantee is completed. After the application evaluation process is completed, all data (except trade secret data) becomes public. Data created during the evaluation process is nonpublic until the negotiation of the grant agreement with the selected grantee(s) is completed.

Prevailing Wage

It is the responsibility of the grant recipient or contractor to pay prevailing wages on construction projects to which state prevailing wage laws apply (Minn. Stat. 177.42 – 177.44). All laborers and mechanics employed by grant recipients and subcontractors funded in whole or in part with state funds included in this RFP shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality. Additional information on prevailing wage requirements is available on the Department of Labor and Industry (DOLI) website: <http://www.dli.mn.gov/LS/PrevWage.asp>. Questions about the application of prevailing wage rates should be directed to DOLI at 651-284-5091.

Conflict of Interest

State Grant Policy 08-01, (see http://www.admin.state.mn.us/ogm_policies_and_statute.html) Conflict of Interest for State Grant-Making, also applies to BWSR grantees. Grantees' conflicts of interest are generally considered organizational conflicts of interest. Organizational conflicts of interest occur when:

1. A grantee is unable or potentially unable to render impartial assistance or advice due to competing duties or loyalties,
2. A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties, or

3. A grantee or potential grantee has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

Minimum Browser Requirements

The applicant must use Microsoft (MS) Internet Explorer 9 or Mozilla Firefox.

Questions

This RFP and the 2014 Clean Water Fund Competitive Grants Policy adopted by the BWSR provide the framework for funding and administration of the 2014 Clean Water Fund Competitive Grant Program (www.bwsr.state.mn.us/grants/apply/index.html).

Questions regarding grant applications should be directed to your area Board Conservationist or Clean Water Specialist; a map of work areas and contact information is available at www.bwsr.state.mn.us/contact/BC_areas.pdf. Questions may also be submitted by email to cwfquestions@state.mn.us. Responses will be posted on the BWSR website weekly.

Questions about the AgBMP Loan Program and requesting funds through this application can be answered by calling Dwight Wilcox or David Miller at (651) 201-6618 or AgBMP.Loans@state.mn.us.

Questions about the MDH Well Sealing Program can be answered by calling Norman Mofjeld at (651) 201-4593.

BWSR Projects and Practices Grants (Formerly Clean Water Assistance)

This grant makes an investment in on-the-ground projects and practices that will protect or restore water quality in lakes, rivers or streams, or will protect groundwater or drinking water. Examples include stormwater practices, agricultural conservation, livestock waste management, lakeshore and stream bank stabilization, stream restoration, and SSTS upgrades.

Specific Requirements –Projects and Practices

- MINNFARM program pollution estimates and index rating are required for all livestock management practices, except for milk house waste facilities, or other alternative treatment systems (ex. silage leachate treatment).
- Eligible livestock waste management practices are limited to best management practices listed by the MN USDA-NRCS.
(http://www.nrcs.usda.gov/wps/portal/nrcs/detail/mn/programs/financial/eqip/?cid=nrcs142p2_023513)
- Funding for livestock water quality projects is limited to feedlots that are not classified as a Concentrated Animal Feeding Operation (CAFO) and have less than 500 animal units (AUs), in accordance with MN Rule Chapter 7020.
- SSTS project landowners must meet low income thresholds. Applicants are strongly encouraged to use existing income guidelines from U.S. Rural Development as the basis for their definition of low income.
- Projects that are proposing to construct community cluster systems must be listed on the Minnesota Pollution Control Agency's Project Priority List (PPL) and have a Community Assessment Report (CAR) or facilities plan developed. For more information on Public Facility Authority's program, go to the [MPCA's website](#).

Ineligible Activities – Projects and Practices

Projects or practices that address the following will not be considered:

- Stormwater conveyances that collect and move runoff but do not provide water quality treatment;
- Municipal or industrial wastewater treatment or drinking water supply facilities;
- Routine maintenance activities within the effective life of an existing practice;
- Projects with a primary purpose of water quality monitoring or assessment;
- Livestock Waste Management projects that address the following will not be considered:
 - Provide partial compliance with standards when the project is completed;
 - Buildings;
 - Feed storage facilities;
 - Feeding facilities and equipment;
 - Manure application equipment;
 - Barn cleaners and flush systems;
 - Building foundation costs not associated with a manure storage facility; and
 - Animal buyouts.
- Community wastewater treatment systems serving over 10,000 gallons per day with a soil treatment system, and
- A community wastewater treatment system that discharges treated sewage effluent directly to surface waters without land treatment.

Ranking Criteria – Projects and Practices

BWSR staff initially review all applications for eligibility. Eligible applications are further screened and forwarded to an interagency work team (BWSR, MPCA, MDA, MDH and DNR) that will review and rank Projects and Practices applications in order to make a funding recommendation to the BWSR.

Table 2: Projects and Practices Ranking Criteria	
Ranking Criteria	Maximum Points Possible
<u>Project Description:</u> The project description succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results.	5
<u>Relationship to the Plan:</u> The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan.	15
<u>Targeting:</u> The proposed project addresses identified critical pollution sources impacting the water resource identified in the application.	30
<u>Measurable Outcomes:</u> The proposed project has a quantifiable reduction in pollution and directly addresses the water quality concern identified in the application.	35
<u>Project Readiness:</u> The application has a set of specific activities that can be implemented soon after grant award.	10
<u>Biennial Budget Request (BBR):</u> A BBR was submitted by the applicant organization in 2012.	5
Total Points Available	100

BWSR Accelerated Implementation Grants

Before on-the-ground clean water projects get implemented, there is the need for pre-project identification, planning and design. This grant invests in building capacity for local governments to accelerate on-the-ground projects that improve or protect water quality and perform above and beyond existing standards. Whether it is conducting inventories of potential pollutant sites, developing and using analytical targeting tools, providing technical assistance or increasing citizen interaction, local governments will be better prepared to increase the installation of water quality projects and practices after receiving these grants.

General Requirements – Accelerated Implementation

- Projects and activities for accelerating implementation of projects and practices that supplements or exceeds current state standards for protection, enhancement, and restoration of Minnesota’s surface and ground water resources, including compliance.
- Applications must include a strategy to measure the impact of this funding that includes identifying performance measures in a work plan and milestones for implementation.
- Resulting outputs need to be incorporated into the next water management or comprehensive plan amendment/revision or otherwise be incorporated into routine activities resulting in increased water quality protection or accelerated water quality restoration.

Ineligible Activities – Accelerated Implementation

Projects or practices that address the following will not be considered:

- Updating local water plans,
- Clean Water Partnership Phase 1 diagnostic studies or equivalent, and
- Land acquisition or easement payments.

Ranking Criteria – Accelerated Implementation

Table 3: Accelerated Implementation Ranking Criteria	
Ranking Criteria	Maximum Points Possible
Clarity of project’s goals, standards addressed and projected impact on land and water management and enhanced effectiveness of future implementation projects.	40
Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan.	25
Means and measures for assessing the program’s impact and capacity to measure project outcomes.	20
Timeline for implementation.	15
Total Points Available	100

General Requirements – Shared Services Grants

- Available only to Technical Service Areas (TSAs).
- Grant funds must supplement existing dedicated funding (including required match funds).
- Joint Powers Agreements must be modified (if necessary) to ensure there are no administrative restrictions to delivering essential conservation services within the TSA boundary.
- Applications must include a strategy to measure the impact of this funding that includes identifying performance measures in a workplan and milestones for implementation.
- Grant applications of any amount will be considered, however applications in the range of \$50,000-\$250,000 are preferred given the amount of funding available.
- A minimum non-state match equal to at least 25% of the grant amount requested, of which, 10% must be local cash match.
- In order to receive funding, all required TSA reporting requirements must be fulfilled,

Ineligible Activities – Statewide Shared Services Grants

- Replacing existing state funding for activities and resources dedicated to conservation delivery.
- Routine maintenance and replacement of existing equipment
- Updating local water plans,
- Clean Water Partnership Phase 1 diagnostic studies or equivalent, and
- Land acquisition or easement payments.

Table 4: Accelerated Implementation-Shared Services Ranking Criteria	
Ranking Criteria	Maximum Points Possible
Clarity of proposed activities and their effect on enhanced delivery of current or future implementation projects or practices, targeting activities or other essential conservation delivery services.	25
Relationship of proposed activities to identified needs from the Biennial Budget Request (BBR) and/or identified priorities associated with local water management plans or other strategic water quality assessments.	30
Means and measures for assessing performance, milestones for success, and capacity to measure outcomes.	25
Clarity of application activities to implement projects from other fund sources or from new partnerships within the Technical Service Area.	20
Total Points Available	100

BWSR Community Partners Grants

Everyone is responsible for making sure Minnesota's waters are clean. These sub-grant funds leverage the interest of non-governmental partners such as faith organizations, lake and river associations, boy/girl scout troops, and other civic groups, to install on-the-ground projects that reduce runoff and keep water on the land. Examples include: rain gardens and shoreline restorations.

General Requirements – Community Partners

- Community partners include non-profits, citizen groups, businesses, student groups, faith organizations, and neighborhood, lake, river, or homeowner associations.
- Proposals shall indicate the types of structural and vegetative practices proposed for sub-grants to community partners to reduce stormwater runoff and retain water on the land. An estimate of outputs (# of grants anticipated) must be included in the grant application.
- The maximum dollar amount an LGU can apply for is \$150,000. The maximum amount of a sub-grant is \$25,000.
 - All grants require a minimum match of 25% non-state, non-federal government cash or in-kind cash value that can be directly attributed to project accomplishments.
 - A proposed LGU sub-grant program must solicit proposals for structural or vegetative management practices that reduce storm water runoff and/or proven and effective water retention practices to keep water on the land. Broad types of practices need to be identified in the BWSR application.

Ineligible Activities – Community Partners

Projects or practices that address the following will not be considered:

- Aquatic invasive species control (curly leaf pondweed, carp control),
- In-lake treatments (alum, iron filings, ferric chloride, barley straw, etc.),
- Educational events such as garbage clean-ups, etc., and
- Project enhancements – i.e., park benches, aesthetic shrubbery/plantings.

Ranking Criteria - Community Partners

Ranking Criteria	Maximum Points Possible
Clarity of project goals, projected impact, and involvement with community partners.	40
Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan.	30
Plan for assessing the programs impact and capacity to measure project outcomes.	20
LGU capacity to implement the local grant program processes and protocols.	10
Total Points Available	100

Minnesota Department of Health (MDH) Well Sealing Program

These funds are to be used to provide assistance to well owners for the sealing of unused wells in accordance with Minnesota Rules 4725.

General Requirements

- Well sealing assistance can be provided to homeowners, businesses, industries and other public and private entities who own wells that were never designated as public water supply wells by the Minnesota Department of Health.
- 100% (1:1) non-state cash or in-kind cash value match is required
- Maximum per well cost share assistance must not exceed \$1,000
- Applications may be for specific wells that meet one or more of the following criteria:
 - Wells within a drinking water supply management area (DWSMA)
 - Wells completed in the same aquifer as one or more nearby (within one mile) public water supply wells designated by the Minnesota Department of Health
 - Large diameter wells (8 inches or greater)
 - Multi-aquifer wells
 - Wells within areas of known (documented) groundwater contamination
- Eligible LGUs may also apply for funds to initiate a well-sealing program within their jurisdictions by setting up an application screening process that includes the criteria above.
- Maps showing highly vulnerable drinking water supply management areas for the state can be found at the following website:
<http://www.bwsr.state.mn.us/easements/wellhead/index.html>.

Ranking Criteria - MDH Well Sealing Grants

Table 6: Minnesota Department of Health Well Sealing Ranking Criteria	
Ranking Criteria	Maximum Points Possible
Specific wells included in the application	25
Prioritization and Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan	40
Priority areas for well sealing identified	20
Overall proposal quality and completeness	15
Total Points Available	100

Minnesota Department of Agriculture (MDA) AgBMP Loan Program

The AgBMP Loan Program provides low interest loans to farmers, rural landowners, and agriculture supply businesses to solve water quality problems. The program encourages implementation of Best Management Practices that prevent or reduce pollution problems, such as runoff from feedlots; erosion from farm fields and shoreline; and noncompliant

septic systems and wells. For more information on program specifics, go to the MDA website at <http://www.mda.state.mn.us/agbmploans>.

General Requirements

- AgBMP loans can only be issued to rural landowners, farmers, and farm supply businesses. Urban landowners may not be eligible for AgBMP loans. The maximum amount of an individual loan is \$100,000.
- The MDA will provide requested AgBMP Loan components for all successful grant applications, up to a maximum of \$300,000 per government unit. The amount awarded may be adjusted in coordination with prior AgBMP Loan awards.
- AgBMP Loan awards must go through one of the program's existing local governmental unit contracts. Watershed organizations, cities, townships, etc., can apply for AgBMP Loans, but the amount awarded will ultimately be added to the existing contract for the project area. The applicant must coordinate their efforts with the area's existing local AgBMP Loan program.
- AgBMP Loan awards are ONLY for implementation of proven BMPs. Research and demonstration projects are not eligible components of an AgBMP Loan request.
- AgBMP Loans are considered non-state, non-federal, non-public MATCH.
- If an LGU is ONLY requesting AgBMP Loan funds and NO coordinating grants, then the LGU should submit their request in the usual, annual application and report that is distributed to the participating LGUs about January 1, 2014 and will due back to the MDA by the first Friday of February (2/7/2014). LGUs should NOT apply through the BWSR Competitive Grant RFP just strictly for AgBMP Loan requests.