BOARD OF WATER AND SOIL RESOURCES

FY 2020

Clean Water Fund Competitive Grants Request for Proposal (RFP)







Table of Contents

| Table of Contents | | | |
|---|--|---|--|
| Purpose | and Application Information | 3 | |
| What | s New for 2020 | 4 | |
| Propo | Proposal Requirements | | |
| Α. | Applicant Eligibility | 4 | |
| В. | Match | 4 | |
| C. | Project Period | 4 | |
| D. | Payment Schedule | 5 | |
| E. | Reporting and Administration Requirements | 5 | |
| F. | Evaluation Restoration Program | 5 | |
| G. | Incomplete Applications | 6 | |
| Applicati | on Guidelines | 6 | |
| Α. | Deadline and Timeline | 6 | |
| В. | Native Vegetation | 6 | |
| C. | Permitting | 7 | |
| D. | Applications | 7 | |
| General | General Information | | |
| Α. | Grants and Public Information | 8 | |
| В. | Prevailing Wage | 9 | |
| C. | Conflict of Interest | 9 | |
| D. | Questions | 9 | |
| Project a | nd Practices | 1 | |
| Projects | and Practices - Drinking Water1 | 4 | |
| Rankir | g Criteria – Drinking Water Protection Grants1 | 4 | |
| Multipur | pose Drainage Management1 | 5 | |
| Ag BMP | _oans 1 | 9 | |
| MPCA Clean Water Partnership Loans | | | |
| FY 2020 Projects and Practices Questions | | | |
| FY 2020 Drinking Water Projects and Practices Questions | | | |
| FY 2020 Multipurpose Drainage Management Questions | | | |

Purpose and Application Information

The Clean Water Fund was established in Minnesota Statute 114D.50 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. These funds must supplement traditional sources of funding and may not be used as a substitute to fund activities or programs.

The appropriation language governing the use of these funds is in Minnesota Session Laws 2019, 1st Special Session, Chapter 2, Article 2, Section 7. 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 2020 Competitive Clean Water Grant Funding Available ¹ | | | | | |
|---|--|---|-------------------|--|--|
| Agency Fund | Funding Amount | Governmental Units Eligible for Funding | Required Match | | |
| BWSR Projects and Practices Drinking Water subprogram | \$Up to \$13,500,000 Up to 20% of projects and practices funding amount | Soil and Water Conservation Districts, Watershed Districts, WMOs, Counties, Cities ² , and JPBs of these organizations | 25% | | |
| BWSR Multipurpose Drainage Management | \$Up to \$700,000 | Partnership of a Chapter 103E Drainage Authority ³ and Soil and Water Conservation District(s) | 25% | | |
| MDA AgBMP Loans | \$12,000,000 | Any LGU may apply, but awards will be coordinated through existing contract holders. | Not Required | | |
| MPCA Clean Water Partnership Loans | Up to \$10,000,000 | Local governmental units with the ability to generate revenue or a group with an eligible sponsor of an LGU with revenue generating authority | Not Required | | |
| Total | Up to \$36,200,000 | | | | |

¹Amounts 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 the 7-county metropolitan area city water plans approved by a Watershed District or a Watershed Management Organization (WMO) as a State approved plan.

³ County, Joint County Board, or Watershed District

What is New for 2020

- 1. A Drinking Water sub-grant program has been added to the Projects and Practices program.
- 2. Supplemental questions for any **feedlot** application needs to be answered and submitted as part of Projects and Practices (including the Drinking Water sub-program).
- 3. Language regarding project assurances has been added regarding stream stabilization/restoration projects (page 11).
- 4. Payment rates have been modified for Multipurpose Drainage Management perpetual easements for storage and treatment wetlands (page 16).

Proposal Requirements

A. Applicant Eligibility

- As defined in the FY 2020 Clean Water Fund Competitive Grant Policy, eligible applicants include local government units (counties, watershed districts, watershed management organizations, soil and water conservation districts, and seven-county metro cities) or local government joint power boards working under a current State approved and locally adopted local water management plan or soil and water conservation district (SWCD) comprehensive plan. Counties in the seven-county metropolitan area are eligible if they have adopted a county groundwater plan or county comprehensive plan that has been approved by the Metropolitan Council under Minn. Stat. Chapter 473. Cities in the seven-county metropolitan area are eligible if they have a water plan that has been approved by a watershed district or a watershed management organization as provided under Minn. Stat. 103B.235. Cities, including those outside of the seven-county metropolitan area, are encouraged to work with another eligible local government if interested in receiving grant funds.
- Partner organizations such as non-profits, watershed groups, school districts or lake associations are not directly eligible to apply and must work in conjunction with eligible applicants as defined above.
- LGUs are eligible to receive grant funds if they are working under a current water management plan that has been **state approved and locally adopted** when the BWSR Board authorizes the grant awards.

B. Match

All BWSR CWF competitive grants require a minimum non-state match equal to at least 25% of the amount of Clean Water Funds requested or received. The match must be cash or in-kind cash value of goods, materials, and services directly attributed to project accomplishments.

C. 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, 2022.

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 the award of funds to ensure the grant agreement can be developed appropriately.

D. 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 work plan approval and execution of the grant agreement 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.

E. Reporting and Administration Requirements

- All grant recipients are required to report on the outcomes, activities, and accomplishments of Clean Water Fund grants. Outputs will serve as surrogates for outcomes and will be reported as estimated pollutant reductions and progress towards goals based on the best available information.
- All BWSR funded grants are managed through eLINK. All applications will be submitted electronically through eLINK. Successful applicants will be required to complete a work plan in eLINK. All required reporting will be completed through eLINK. For more information go to https://bwsr.state.mn.us/elink.
- 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 (<u>http://legacy.leg.mn</u>) or a clean water project summary that includes a description of the grant activities, including expenditure of grant funds and measurable outcomes.
- When practicable, grant recipients must display a sign with the Legacy Logo at the project site or other public location identifying the project was built with assistance from Clean Water, Land and Legacy Amendment. When practicable, grant recipients must display the Legacy Logo on printed and other media funded with money from the Clean Water Fund. The logo and specifications can be found at http://www.legacy.leg.mn/legacy-logo.
- All grantees receiving funds for BWSR programs must follow the FY20 Clean Water Fund Implementation Program Policy and BWSR Grants Administration Manual, which can be found at <u>https://bwsr.state.mn.us/grants/manual/</u>

F. Evaluation Restoration Program

All Clean Water Fund restoration projects with restoration benefits may be subject to an evaluation in accordance with Minn. Stat. 114D.50 Subd. 6. Primary goals of the restoration evaluation program are to evaluate the projects relative to the law, current science, and the stated goals and standards in the restoration plan and to improve future habitat restorations by creating a feedback loop from lessons learned in the field.

For more information regarding the Restoration Evaluation Program visit the follow website: https://www.dnr.state.mn.us/legacy/restoration-evaluation.html

G. 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 including information on pollution reduction estimates where applicable;
- Any required documentation is missing including uploading required feasibility studies for in-lake treatments, supplemental questions for feedlot projects or the budget spreadsheet for multi-purpose drainage management.
- The match amount does not meet grant requirements; or
- The minimum grant dollar amount is not met.

Application Guidelines

A. Deadline and Timeline

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

| • | July 1, 2019 | Application period begins |
|---|-------------------|---|
| • | September 9, 2019 | Application deadline at 4:30 p.m.* |
| | January 22, 2020 | BWSR Board authorizes grant awards (proposed) |
| | February 2020 | BWSR grant agreements sent to recipients (proposed) |
| | April 15, 2020 | Work plan submittal deadline |
| | May 15, 2020 | Grant execution deadline |

*The application must be submitted by 4:30 PM. Late responses will not be considered. The grant applicant is responsible for proving timely submittal.

B. Native Vegetation

Vegetative practices must follow the Native Vegetation Establishment and Enhancement Guidelines found at: https://bwsr.state.mn.us/sites/default/files/2019-07/Updated%20guidelines%20Final%2007-01-19.pdf.

Minnesota Session Law 114, Article 4, Section 12 (b) requires that any prairie planting conducted with state funding include pollinator habitat through the growing season. For information regarding pollinators, see information at: <u>http://www.bwsr.state.mn.us/practices/pollinator/index.html</u>.

C. Permitting

If applicable, successful applicants will be required to provide sufficient documentation prior to work plan approval 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 strongly encouraged to contact the appropriate regulatory agencies early in the application development process to ensure potential projects can meet all applicable regulatory requirements.

For information regarding MPCA storm water permitting requirements, please go to:

Construction stormwater permit overview http://www.pca.state.mn.us/index.php/view-document.html?gid=7386

Common Plan of Development http://www.pca.state.mn.us/index.php/view-document.html?gid=7396

Untreated Stormwater Runoff to Lakes, Streams, and Wetlands http://www.pca.state.mn.us/index.php/view-document.html?gid=11864

D. Applications

- Applications need to be submitted via **eLINK**. Eligible applicants without a current eLINK user account must submit a request to establish an eLINK account *no later than 7 days prior to the application* deadline. As part of the application, eLINK will require applicants to map the location of the proposed project area.
- 2. Proposals involving in-lake treatment, feedlot projects or multipurpose drainage management must include required attachments in eLINK at the time of application.
- 3. Proposals may include one image to be submitted within their eLINK application. **Only .jpg, .tiff, or .png file types are allowed**. All other file types of images are not accessible to reviewers.
- 4. Proposals should clearly articulate what water resource is being targeted in the application. Proposals should demonstrate significant, measureable project outputs and outcomes targeted to critical pollution source areas that will help achieve water quality objectives for the water resource of concern; 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 (WRAPS), Groundwater Restoration and Protection Strategy (GRAPS), surface water intake plan, or well head protection plan.
- 5. 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 including acres treated by the installation of the practice. *Unrealistic pollution reduction estimates will not be considered*.

- 6. Proposals submitted under the BWSR Clean Water Fund Grant categories must request state funds that equal or exceed \$30,000. 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.
- Proposals for projects meeting a waste load allocation and located on publicly owned land and exceeding \$750,000 should first consult with the <u>Minnesota Public Facilities Authority</u> before applying for BWSR Clean Water Funds.
- 8. Structural projects and practices must be of long-lasting public benefit. LGUs must provide assurances that the landowner or land occupier will keep the project in place for the effective life of the project.
- Effective life is defined in the https://bwsr.state.mn.us/grant-program-policies. Information defining expected life not provided in the application must be defined in the work plan. The effective life for in-lake or in-channel treatments such as alum treatments must be assessed and determined as part of the required feasibility study prior to applying for funding.
- 10. Proposals must have plans for long-term maintenance and inspection monitoring for the duration of the life of a project as part of their project files. Work plans developed for funded applications will rely on this information for operation, maintenance and inspection requirements after the project is completed.
- 11. For projects that are proposing to infiltrate stormwater, the following guidance should be taken into consideration: <u>http://stormwater.pca.state.mn.us/images/3/3a/Evaluating_Proposed_Stormwater_Infiltration_Project_s_in_Vulnerable_Wellhead_Protection_Areas.pdf</u>
- 12. Applications may receive partial funding for the following reasons: 1) an absence of or limited identification of specific project locations, 2) budgeted items that were not discussed in the application or have no connection to the central purpose of the application were included by an applicant; 3) to address budget categories out of balance with the project scope and 4) insufficient funds remaining in a grant category to fully fund a project. Prior to final selection, the Board may engage applicants to resolve questions or to discuss modifications to the project or funding request.
- 13. 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. However, 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.

General Information

A. 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.

B. 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 https://www.dli.mn.gov/business/employment-practices/prevailing-wage-information. Questions about the application of prevailing wage rates should be directed to DOLI at 651-284-5091.

C. Conflict of Interest

State Grant Policy 08-01, (see <u>https://mn.gov/admin/government/grants/policies-statutes-forms/</u>) 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.

D. Questions

This RFP, the FY2020 Clean Water Fund Competitive Grant Policy adopted by the BWSR, and the Grants Administration Manual (<u>https://bwsr.state.mn.us/grants/manual/</u>) provide the framework for funding and administration of the FY2020 Clean Water Fund Competitive Grant Program (<u>www.bwsr.state.mn.us/grants/apply/index.html</u>).

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 <u>BWSR Maps and Apps Gallery</u>. Questions may also be submitted by email to <u>cwfquestions@state.mn.us</u>. Responses will be posted on the BWSR website as a "Frequently Asked Questions" (FAQ) document and updated weekly throughout the RFP. The final update will be posted on August 29, 2019.

Questions about the Restoration Evaluation Program can be directed to:

Wade Johnson wade.a.johnson@state.mn.us 651-259-5057 Gina Quiram gina.quiram@state.mn.us 651-259-5067 Questions about the MDA AgBMP Loan Program and requesting funds through this application can be answered by calling Dwight Wilcox (651) 201-6618 or emailing <u>AgBMP.Loans@state.mn.us</u>.

Questions about the MPCA Clean Water Partnership Loan Program can be answered by calling Cindy Penny at 651-757-2099 or <u>cynthia.penny@state.mn.us</u>.

For more information on who to contact at the Minnesota Department of Health in regards to questions about Drinking Water Supply Management Areas or Well Head Protection areas, visit: https://www.health.state.mn.us/communities/environment/water/docs/swpstaffmap.pdf

Project and Practices

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 practices, livestock waste management, lakeshore and stream bank stabilization, stream restoration, and SSTS upgrades.

Specific Requirements – Projects and Practices

- Through the Nonpoint Priority Funding Plan, the following three high-level state priorities have been established for Clean Water Fund nonpoint implementation:
 - 1. Restore those waters that are closest to meeting state water quality standards
 - 2. Protect those high-quality unimpaired waters at greatest risk of becoming impaired
 - 3. Restore and protect water resources for public use and public health, including drinking water.
- To meet the project assurances (section 3.2 of Policy) for streambank stabilization or stream restoration projects, applicants must commit to provide financial assurance from local sources for repairs and maintenance. Assurance (recommended at least 20 percent of total project cost) needs to be documented prior to work plan approval to ensure projects provide the proposed long-term clean water benefits.
- Proposals must include a measureable goal. For projects proposed to help meet a Total Maximum Daily Load, measurable goals need to be quantified as the needed annual pollution load reduction.
- 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.
- Feedlot Applications:

a. Practices must follow the MN NRCS practice docket, which is found on the NRCS website: <u>https://efotg.sc.egov.usda.gov/#/details</u>

b. Supplemental questions need to be submitted in eLINK as part of any application that contain feedlots.

- In-lake management activities must have completed a feasibility study that is attached to the eLINK grant application. The study must include:
 - a. Lake and watershed information (at minimum, include lake morphology and depth, summary of water quality information, and the assessment of aquatic invasive species);
 - b. Description of internal load vs. external load reductions;
 - c. History of projects completed in the watershed, as well as other in-lake treatments if applicable;
 - d. Cost benefit analysis of treatment options;
 - e. Projected effective life of the proposed treatment; and
 - f. For activities related to rough fish (example carp), the feasibility study must also include:
 - i. Methods to estimate adult and juvenile carp populations;
 - ii. Description of the interconnectedness of waterbodies (lakes, ponds, streams, wetlands, etc.);
 - iii. Identification of nursery areas;
 - iv. Methods to track carp movement;
 - v. Proposed actions to limit recruitment and movement; and

vi. Proposed actions to reduce adult carp populations

Ineligible Use of Grant Funds – Projects and Practices

- 1 Activities that do not have a primary benefit of water quality.
- 2 Routine and/or baseline water quality monitoring
- 3 Household water conservation appliances and water fixtures.
- 4 Wastewater treatment with the exception of Subsurface Sewage Treatment Systems
- 5 Municipal drinking water supply facilities or individual drinking water treatment systems.
- 6 Stormwater conveyances that collect and move runoff, but do not provide water quality treatment benefit.
- 7 Replacement, realignment or creation of bridges, trails or roads.
- 8 Aquatic Plant Harvesting
- 9 Routine maintenance or repair of best management practices, capital equipment and infrastructure within the effective life of existing practices or projects.
- 10 Feedlots
 - a. Feedlot expansions beyond state registered number of animal units, with exception of activities under section 3.8 of the policy, *Practice Standards: Livestock Waste Management Practices*.
 - b. Slats placed on top of manure storage structures.
- 11 Subsurface Sewage Treatment Systems (SSTS):
 - a. Small community wastewater treatment systems serving over 10,000 gallons per day with a soil treatment system, and
 - b. A small community wastewater treatment system that discharges treated sewage effluent directly to surface waters without land treatment.
- 12 Fee title land acquisition or easement costs, unless specifically allowed. If not specifically allowed, land acquisition and easement costs can count toward the required match if directly associated with the project and incurred within the grant period.
- 13 Buffers that are required by law (including Drainage Law and Buffer Law).

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 Board.

| Projects and Practices Ranking Criteria | | |
|--|----------------------------|--|
| Ranking Criteria | Maximum Points Possible | |
| <u>Project Abstract</u> : The project abstract succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results. | 5 | |
| <u>Prioritization (Relationship to Plans)</u> : The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan and is linked to statewide Clean Water Fund priorities and public benefits. | 20 | |
| <u>Targeting</u> : The proposed project addresses identified critical pollution sources or risks impacting the water resource(s). | 25 | |
| <u>Measurable Outcomes and Project Impact</u> : The proposed project has a quantifiable reduction in pollution for restoration projects or measurable outputs for protection projects and directly addresses the water quality concern identified in the application. | 25 | |
| Cost Effectiveness and Feasibility: The application identifies a cost effective and feasible solution to address the non-point pollution concern(s). | 15 | |
| <u>Project Readiness</u> : The application has a set of specific activities that can be implemented soon after grant award. | 10 | |
| Total Points Available | 100 | |

Projects and Practices - Drinking Water

This grant makes an investment in land treatment projects and practices that will protect or improve drinking water sources. Surface water (streams, rivers, and lakes) and groundwater (aquifers) can both serve as sources of drinking water.

- Projects will be more competitive when located within Minnesota Department of Health Drinking Water Supply Management Areas (DWSMA), Wellhead Protection Areas (WHPA) and townships showing high nitrate levels through the Minnesota Department of Agriculture township testing.
- DWSMA, WHPA and vulnerability information can be found at: <u>https://www.mda.state.mn.us/protecting/waterprotection/waterprotectionmapping</u>
- Attaching a map in eLINK as part of the project proposal showing the project location in relation to one of these areas is highly recommended.
- Ineligible Use of Grant Funds Drinking Water
 - Projects that are not primarily focused on drinking water sources
 - Activities listed as ineligible under Project and Practices Grants (see page 12)
 - Streambank restoration and stabilization projects

Ranking Criteria – Drinking Water

| Table 1: Drinking Water Ranking Criteria | |
|--|----------------------------|
| Ranking Criteria | Maximum Points Possible |
| <u>Project Abstract</u> : The project abstract succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results. | 5 |
| <u>Prioritization (Relationship to Plans)</u> : The proposal is based on priority actions listed in an approved local water management plan or a state approved plan (Minnesota Department of Health approved drinking water (source water) protection plan such as a wellhead protection plan, wellhead protection action plan or surface water intake plan). | 20 |
| <u>Targeting</u> : The proposed project addresses contaminant sources or risks directly impacting drinking water sources. The project is either in an area designated as a Drinking Water Supply Management Area, vulnerable to groundwater contamination, high groundwater sensitivity, or in an area with elevated levels of contamination that pose a risk to human health. | 30 |
| <u>Project Impact</u> : The proposed project reduces contaminant sources posing the greatest risk to drinking water sources. | 35 |
| Project Readiness: The application has a set of specific activities that can be implemented soon after grant award. | 10 |
| Total Points Available | 100 |

Multipurpose Drainage Management

The purpose of this program is to facilitate multipurpose drainage management practices to reduce erosion and sedimentation, reduce peak flows and flooding, and improve water quality, while protecting drainage system efficiency and reducing drainage system maintenance for priority Chapter 103E drainage systems. Practices include eligible on-field, on-farm, and on-drainage system practices within the watershed of a priority Chapter 103E drainage system.

These grants can be an "external source of funding" for water quality improvements, wetland restoration or flood control purposes, in accordance with:

- 1. Section 103E.011, Subd. 5. Use of external sources of funding;
- 2. The multipurpose water management provisions in Section 103E.015 *Considerations before drainage work is done*; and/or
- 3. Other applicable provisions of Chapter 103E.

MDM Eligibility

Applicant

This grant program requires a Chapter 103E drainage authority (County, Joint County Board, or Watershed District) and Soil and Water Conservation District(s) to establish or define a partnership to apply for and use these grant funds.

- One SWCD or drainage authority partner is eligible to apply on behalf of a partnership, but must verify in the application that all the partner(s) are committed to the project.
- The drainage authority involved in an application must have submitted its current Annual Ditch Buffer Strip Report, in accordance with Minnesota Statutes §103E.067.

Priority Chapter 103E Drainage System

A priority Chapter 103E drainage system is an established system that has priority sediment and/or water quality concerns documented in an analysis, study, strategy, plan, a repair report, or in an engineer's preliminary survey report for a drainage project.

Eligible Activities

Proposed activities/practices must be conducted on, adjacent to, or within the contributing watershed of, a Priority Chapter 103E Drainage System(s). Ranking criteria include points for projects proposing a combination of eligible activities that increase the overall effectiveness of the implemented practices/activities. Following is a list of eligible conservation practices and activities.

 NRCS Conservation Practice Standard (CPS) Code 410 Grade Stabilization Structure: Adjacent to a Chapter 103E drainage ditch or within the watershed of the drainage system to reduce erosion and provide temporary detention to trap sediment and nutrients, reduce peak flows, improve water quality and maintain the efficiency of the drainage system. When proposing side inlet structures, drop inlet type structures with temporary detention are preferred. *When proposing side inlet structures in*

combination with a continuous berm along a Chapter 103E drainage ditch, eligibility is limited to the side inlet pipes and construction of an average 3 ft. high (above existing ground) berm.

- 2. CPS Code 412 *Grassed Waterway*: To convey concentrated runoff without causing erosion or flooding, prevent or reduce gully erosion, and improve water quality.
- 3. CPS Code 638 *Water and Sediment Control Basin*: To prevent or reduce gully erosion, trap sediment and nutrients, reduce and manage onsite and downstream runoff, improve downstream water quality, and improve farmability of sloping land.
- 4. *Open tile inlet replacement*: Replacement of existing open tile inlets with water quality improvement inlets (e.g. perforated riser, dense pattern tile, or gravel inlet) in accordance with NRCS CPS Code 606 Subsurface Drain, as applicable, to reduce sediment entering a Chapter 103E drainage system via subsurface drainage tile.
- 5. *Storage and Treatment Wetland Restoration*: A wetland restoration having a primary focus on storage and treatment of surface and subsurface drainage water to reduce peak flows, erosion, and nutrient and sediment transport to receiving waters. This activity requires a perpetual easement for storage and treatment and associated benefits to be held by the Chapter 103E drainage system.

Easements held by any other entity are not eligible for this program. The perpetual easement must be approved by the Board of Water and Soil Resources (BWSR) for entire contiguous storage and treatment wetland restoration(s) on, or within the watershed of, a Chapter 103E drainage system. Total state easement payment rates, shall not exceed regular 2018 Reinvest in Minnesota (RIM) rates. Lands eligible for the RIM crop rate must have annually planted crop 2 of the last 5 years or meet other requirements as listed in MN Rules Section 8400.3030. The perpetual easement must include an upland buffer of perennial native vegetation around the wetland area having a minimum width of 30 feet and average width of 50 feet, except where the wetland boundary is adjacent to a road right-of-way or property boundary. The upland buffer to increase multipurpose benefits or square off the easement area is can be up to a 1:1 upland to wetland area ratio for each wetland. Payable non-cropland buffer acres are limited to 20% of the total buffer acres. Design and construction components necessary for wetland and upland buffer restoration are eligible.

- 6. NRCS Conservation Activity Plan (CAP) 130 *Drainage Water Management Plan*: To reduce and treat nutrient loss and improve downstream water quality. The CAP 130 can include controlled subsurface drainage, denitrifying bioreactor, and saturated buffer components. The plan must be developed by a Technical Service Provider (TSP) certified in the NRCS Tech Reg for CAP 130.
- 7. CPS Code 587 *Structure for Water Control*: For use on existing or new tile drainage systems to improve downstream water quality by managing soil profile water levels using controlled subsurface drainage to reduce tile flow and nutrient transport, in accordance with an associated CAP 130.
- 8. CPS Code 554 *Drainage Water Management, Implementation/Operation*: A CAP 130 is required. For areas where controlled subsurface drainage structures have been installed to manage soil profile water levels, \$8.17 per acre per year for the first three (3) years of implementation / operation, up to a maximum of 300 acres per cooperator.

- 9. CPS Code 604 *Saturated Buffer*: For existing or new tile drainage systems to improve downstream water quality primarily by reducing the nitrate content of subsurface drainage water treated by the saturated buffer.
- 10. CPS Code 605 *Denitrifying Bioreactor*: For existing or new tile drainage systems to improve downstream water quality primarily by reducing the nitrate content of subsurface drainage water treated by the denitrifying bioreactor.

Ineligible Activities

- Tile, except for tile outlets required for water and sediment control basins, tile required to make eligible drainage water management practices function, and dense pattern tile to replace open tile inlet(s);
- Ditching not associated with a storage and treatment wetland restoration, including two-stage ditches;
- Grade stabilization structure(s) on the centerline of a Chapter 103E drainage system;
- Flap gates that prevent back-flow into side inlet structure pipes;
- Bridges or culverts through roads;
- Water quality monitoring;
- Buffers that are required by law (including Drainage Law and Buffer Law), incremental buffer strips under Section 103E.021, Subd. 6, or buffer establishment for a saturated buffer.

Match

The 25% required match may be provided by a combination of sources including, but not limited to, the applicable Chapter 103E drainage system, cooperating landowners, federal grant funds, or LGU(s).

Budget

The applicant must use and submit an **Application Budget Worksheet** with their application. The worksheet can be found on the Apply for BWSR Grants webpage (<u>http://www.bwsr.state.mn.us/grants/apply/index.html</u>), Clean Water Fund application information. **Applications submitted without this worksheet will not be considered.**

Ranking Criteria – Multipurpose Drainage Management

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 Multipurpose Drainage Management applications in order to make a funding recommendation to the BWSR Board.

| Multipurpose Drainage Management Ranking Criteria | | |
|---|----------------------------|--|
| Ranking Criteria | Maximum Points Possible | |
| <u>Project Description</u> : The project description succinctly describes the project purpose, the results the applicant is trying to achieve and how they intend to achieve those results. | 5 | |
| Prioritization: The proposal is based on priority protection or restoration actions associated with a "Priority Chapter 103E Drainage System" (as defined in this RFP) and is consistent with a watershed management plan locally adopted and approved by the state or an approved total maximum daily load study (TMDL), Watershed Restoration and Protection Strategy (WRAPS), Surface Water Intake Plan, or Wellhead Protection Plan. | 30 | |
| <u>Targeting</u> : The proposed project targets practices or combinations of practices to the identified critical pollution sources or risks impacting the water resource identified in the application. | 20 | |
| Measurable Outcomes: The proposed project reduction in pollution has been quantified and directly addresses the identified water quality concern. | 20 | |
| <u>Project Readiness</u> : The proposed project has a set of specific activities that can be implemented soon after grant award. | 5 | |
| <u>Cost Effectiveness</u> : The application identifies a cost effective solution to address the non-point pollution concern(s). | 20 | |
| Total Points Available | 100 | |

Ag BMP Loans

The AgBMP Loan Program is established in all areas of the state providing loan funds since 1996. Requests from watershed organizations, drainage authorities, cities, townships and other RFP applicants will be coordinated through existing contracts with the local AgBMP administrator. Local AgBMP administrators can be found at https://app.gisdata.mn.gov/mda-agbmploan/.

The AgBMP Loan Program provides low interest loans to landowners to solve virtually any water quality problem. The program encourages implementation of best management practices that prevent, reduce, or eliminate pollution. Examples include runoff from feedlots; farm nutrient management and conservation tillage equipment; erosion and drainage; noncompliant septic systems and wells; and many other practices. For more information on program eligibilities, please contact Dwight Wilcox or Richard Gruenes (<u>mailto:AgBMP.Loans@state.mn.us</u>or 651-201-6618) or go to the MDA website at: <u>www.mda.state.mn.us/agbmploans</u>.

New this year:

- The AgBMP Loan Program can be used to repair or replace private wells that do not comply with drinking water standards. With this change, applicants can coordinate grants and loans to eliminate sources of contamination and address non-compliant drinking water wells.
- The AgBMP Loan Program can work with local governments that have special assessment authority, such as counties, townships, drainage authorities, watershed districts, and municipalities, to implement components of the buffer law, septic systems, and resolve many other pollution issues.

General Requirements

- AgBMP loans can be issued to rural landowners, farmers, and farm supply businesses; however, in some cases, urban landowners may also be eligible; please contact the program to verify borrower eligibility for AgBMP loans.
- The maximum loan amount for an individual person receiving a loan is \$200,000. Terms include 3% interest and a maximum maturity of 10 years. Please contact the program to verify limits if the proposed project involves multiple individuals.
- The MDA will provide requested AgBMP Loan components for all successful grant applications that receive grant funding through this RFP, subject to available funds in the AgBMP revolving loan pool and number of other successful grant applicants.
- AgBMP Loan awards are <u>ONLY</u> for implementation of proven BMPs. Education, research and demonstration projects are not eligible components of an AgBMP Loan request.
- AgBMP Loans can be considered MATCH funds provided by the landowner for all state and federal grant programs.

MPCA Clean Water Partnership Loans

The Clean Water Partnership (CWP) program offers zero-interest loans to local units of government for addressing nonpoint-source pollution to improve water quality. The funds are available to fund urban green infrastructure, including pervious pavers, rain gardens, inflow and infiltration or a suite of rural best management practices including buffers, septic tank upgrades/replacements. In addition to funding implementation, LGUs can use these funds for technical assistance, equipment purchases such as street sweepers or seeder equipment, feedlot upgrades/fixes, and any other nonpoint source best management practice. For more information, please contact Cindy Penny at cynthia.penny@state.mn.us or 651-757-2099.

BWSR and the Minnesota Pollution Control Agency (MPCA) have agreed to coordinate the Clean Water Fund Competitive Grant Program and the Clean Water Partnership Loan Program application process. Approved Clean Water Partnership Loans for nonpoint source pollution projects could be used as cash match for BWSR Clean Water Fund grants. An applicant for the CWF Competitive Grant Program does not have to submit a separate application to the MPCA. Applications approved by BWSR and the interagency work team will be submitted to the commissioner of the MPCA for final approval.

The applicant will work with the MPCA to complete the loan documents. Applications are accepted at any time throughout the year. Applicants to BWSR's Competitive Grants do not need to submit a separate application, but for more information, or to apply at any time, please visit the webpage at https://www.pca.state.mn.us/cwp-loans.

FY 2020 Projects and Practices Questions

FY 2020 CWF Projects & Practices Application Questions

(Answers to each question are limited to 2000 characters.)

Note that the following questions need to be answered in eLINK and the character limit in eLINK is NOT the same as Microsoft Word.

Project Summary

Project Abstract (5 points): Succinctly describe what you are trying to achieve and how you intend to achieve those results, including the type and quantity of projects and/or practices included in the application budget and anticipated outcomes.

Does your organization have any active CWF competitive grants? If so, specify FY and percentage spent. Also, explain your organization's capacity (including available FTEs or contracted resources) to effectively implement additional Clean Water Fund grant dollars.

Water Resource: Identify the water resource the application is targeting for water quality protection or restoration.

Proposed Measurable Outcomes: Succinctly describe the proposed measurable outcomes of this grant application.

Prioritization (Relationship to Plan)

Question 1. (17 points):

(A) Describe why the water resource was identified in the plan as a priority resource. For the proposed project, identify the specific water management plan reference by plan organization (if different from the applicant), plan title, section, and page number.

(B) In addition to the plan citation, provide a brief narrative description that explains whether this application fully or partially accomplishes the referenced activity.

(C) Provide weblinks to all referenced plans.

Question 2. (3 points):

(A) Describe how the resource of concern aligns with at least one of the statewide priorities referenced in the *Nonpoint Priority Funding Plan* (also referenced in the "Projects and Practices" section of the RFP).

(B) Describe the public benefits resulting from this proposal from both a local and state perspective.

Targeting

Question 3. (15 points): Describe the methods used to identify, inventory, and target the root cause (most critical pollution source(s) or threat(s)). Describe any related additional targeting efforts that will be completed prior to installing the projects or practices identified in this proposal.

Question 4. (10 points): How does this proposal fit with complementary work that you and your partners are implementing to achieve the goal(s) for the priority water resource(s) of concern? Describe the comprehensive management approach to this water resource(s) with examples such as: other financial assistance or incentive programs, easements, regulatory enforcement, or community engagement activities that are directly or indirectly related to this proposal.

Measurable Outcomes and Project Impact

Question 5. (10 points): (A) What is the primary pollutant(s) this application specifically addresses? (B) Has a pollutant reduction goal been set (via TMDL or other study) in relation to the pollutant(s) or the water resource that is the subject of this application? If so, please state that goal (as both an annual pollution reduction AND overall percentage reduction, not as an in-stream or in-lake concentration number). (C) If no pollutant reduction goal has been set, describe the water quality trends or risks associated with the water resource or other management goals that have been established. (D) For protection projects, indicate measurable outputs such as acres of protected land, number of potential contaminant sources removed or managed, etc.

Question 6. (10 points): (A) What portion of the water quality goal will be achieved through this application? Where applicable, identify the annual reduction in pollutant(s) that will be achieved or avoided for the water resource if this project is completed. (B) Describe the effects this application will have on the root cause of the issue it will address (most critical pollution source(s) or threat(s)).

Question 7. (5 points): If the project will have secondary benefits, specifically describe, (quantify if possible), those benefits. Examples: hydrologic benefits, enhancement of aquatic and terrestrial wildlife species, groundwater protection, enhancement of pollinator populations, or protection of rare and/or native species.

Cost Effectiveness and Feasibility

Question 8. (15 points): (A) Describe why the proposed project(s) in this application are considered to be the most cost effective and feasible means to attain water quality improvement or protection benefits to achieve or maintain water quality goals. Has any analysis been conducted to help substantiate this determination? Discuss why alternative practices were not selected. Factors to consider include, but are not limited to: BMP effectiveness, timing, site feasibility, practicality, and public acceptance.

(B) If your application is proposing to use incentives above and beyond payments for practice costs, please describe rates, duration of payments and the rationale for the incentives' cost effectiveness.

<u>Note</u>: For in-lake projects such as alum treatments or carp management, please refer to the feasibility study or series of studies that accompanies the grant application to assess alternatives and relative cost effectiveness. Please attach feasibility study to your application in eLINK.

Project Readiness

Question 9. (8 points): What steps have been taken or are expected to ensure that project implementation can begin soon after the grant award? Describe general environmental review and permitting needs required by the project (list if needed). Also, describe any discussions with landowners, status of agreements/contracts, contingency plans, and other elements essential to project implementation.

Question 10. (2 points): What activities, if any proposed, will accompany your project(s) that will communicate the need, benefits, and long term impacts to your local community? This should go above and beyond the standard newsletters, signs and press releases.

Question 11. (0 points). All project applications for <u>feedlots</u> much include a work sheet with supplemental questions being answered. This worksheet is found on the BWSR webpage "Apply for Grants." Have you attached this worksheet?

The Constitutional Amendment requires that Amendment funding must not substitute traditional state funding. Briefly describe how this project will provide water quality benefits to the State of Minnesota without substituting existing funding.

FY 2020 Drinking Water Projects and Practices Questions

FY 2020 CWF Projects & Practices Drinking Water Quality Application Questions

(Answers to each question are limited to 2000 characters.)

Note that the following questions need to be answered in eLINK and the character limit in eLINK is NOT the same as Microsoft Word.

Project Summary

Project Abstract (5 points) Succinctly describe what you are trying to achieve and how you intend to achieve those results, including the type and quantity of projects and/or practices included in the application budget and anticipated outcomes.

Does your organization have any active CWF competitive grants? If so, specify FY and percentage spent. Also, explain your organization's capacity (including available FTEs or contracted resources) to effectively implement additional Clean Water Fund grant dollars.

Drinking Water Source

Identify the specific drinking water source the application is targeting for water quality.

Proposed Measurable Outcomes

Succinctly describe the proposed measurable outcomes of this grant application.

Prioritization (Relationship to Plan)

Question 1. (20 points)

(A) For the proposed drinking water project, list the specific water management plan(s) that identifies this drinking water issue, including a comprehensive watershed management plan, county comprehensive local water management plan, soil and water conservation district comprehensive plan, metropolitan local water plan or metropolitan groundwater plan AND/OR the MN Department of Health (MDH) approved source water protection plan with a designated Drinking Water Supply Management Area (DWSMA).

(B) What prioritized activities from the plan (referred to above) does this application address?

Targeting (Public Water Supplies and Private Wells)

Question 2. (15 points)

Describe the methods/assessments used to identify, inventory, and target the contaminant sources or risks impacting the drinking water source of concern.

For *Public Water Supplies*, identify if the project is in a Drinking Water Supply Management Area (DWSMA) or a Surface Water Intake Drinking Water Supply Management Area (DWSMA-SW).

For *private wells*, identify the assigned vulnerability to groundwater contamination for the project area (<u>https://www.dnr.state.mn.us/whaf/about/scores/geomorphology/g_i_psnsm.html</u>). Also, state if the project is targeting wells identified as an area of concern (such the Minnesota Department of Agriculture's Township Testing Program <u>https://www.mda.state.mn.us/township-testing-program</u>, Groundwater Restoration and Protection Strategy or water management plan).

Question 3. (15 points): How does this proposal fit with complementary work that you and your partners are implementing to achieve the goal(s) for the priority drinking water source(s) of concern? Describe the comprehensive management approach to this drinking water source(s) with examples such as: other financial assistance or incentive programs, easements, regulatory enforcement, or community engagement activities that are directly or indirectly related to this proposal.

Project Impact

Question 4. (6 points): Describe the supporting information for the contaminant(s) subject to this application (such as nitrate clinic, MDA Township Testing Program, Ambient Water Quality Monitoring, TMDL, GRAPS or WRAPS) and its results. If there is trend data and analysis please describe that information here as well.

Question 5. (9 points): (A) What is the drinking water standard (via Maximum Contaminant Level, Health Risk Limit, or Health Based Value) for the contaminant(s) that is the subject of this application?

(B) If no drinking water standard has been set, describe the health risks associated with the drinking water contaminant.

(C) What is the estimated number of people affected by the contaminant(s) within the project area?

Question 6. (17 points): (A) Indicate the measurable outputs such as acres of protected land, quantity of potential contaminant sources removed or managed, etc. (B) Describe the overall effects this proposed project will have on the most critical contaminant source(s) or threat(s). Where applicable, identify the progress toward the plan(s) goal that is achieved for the drinking water source after this project is completed.

Question 7. (3 points): If the project will have secondary benefits, specifically describe (quantify if possible), those benefits. Examples: hydrologic benefits, improved water quality for nearby private wells, enhancement of aquatic and terrestrial wildlife species, enhancement of pollinator populations, or protection of rare and/or native species.

Project Readiness

Question 8. (8 points): What steps have been taken or do you expect to take to ensure that project implementation can begin soon after the grant award? Describe general environmental review and permitting needs required by the project (list if needed). Also, describe any discussions with landowners, status of agreements/contracts, contingency plans, and other elements essential to project implementation.

Question 9. (2 points): What activities, if any proposed, will accompany your project(s) that will communicate the need, benefits, and long term impacts to your local community? This should go above and beyond the standard newsletters, signs and press releases.

The Constitutional Amendment requires that Amendment funding must not substitute traditional state funding. Briefly describe how this project will provide water quality benefits to the State of Minnesota without substituting existing funding.

FY 2020 Multipurpose Drainage Management Questions

FY 2020 CWF Multipurpose Drainage Management Competitive Grants

(Answers to each question are limited to 2000 characters.)

Note that the following questions need to be answered in eLINK. The character limit in eLINK is NOT the same as Microsoft Word.

Project Abstract: Succinctly describe what you are trying to achieve and how you intend to achieve those results, including the type and quantity of projects and/or practices included in the application budget and anticipated outcomes.

Does your organization have any active CWF competitive grants? If so, specify FY and percentage spent. Also, explain your organization's capacity (including available FTEs or contracted resources) to effectively implement additional Clean Water Fund grant dollars.

Partnership

List drainage authority and SWCD partners for this grant.

NOTE: Stop here if the required partnership of a 103E drainage authority and SWCD is not proposed.

Water Resource: Identify the water resource the application is targeting for water quality protection or restoration.

Proposed Measurable Outcomes: Succinctly describe the proposed measurable outcomes of this grant application.

Project Description 1. (5 points): Please describe the purpose and outcomes of the proposed project, including: 1) the water resource(s) of concern, 2) the sediment and/or other water quality problem(s), 3) the eligible activities that would be implemented (include the activity number from the RFP and proposed number of each to be installed), and 4) the public benefits of the project.

Prioritization 2a. **(15 points):** This grant program requires the identification of a "Priority Chapter 103E Drainage System" (as defined in the RFP). What is/are the identified Chapter 103E drainage system(s) and the documented sediment and/or water quality concerns that define the drainage system(s) as a priority for this program? Include identification of the applicable documented analysis, study, strategy, plan or report. (Reports can include inspector's reports, engineer's reports, etc.)

Prioritization 2b (15 points): For the proposed project, what is/are the specific, applicable state approved and locally adopted water management plan reference(s) by plan organization, plan title, section and page number?

Prioritization 2c Provide web links to all referenced plans.

Targeting 3. (20 points): How does the proposed project target practices or combination of practices to identified critical pollution sources or risks impacting the water resource(s) of concern identified in the application?

Measureable Outcomes 4. (20 points): What is the estimated annual reduction in pollutant(s) being delivered to the water resource(s) of concern by this project? If there have been specific pollutant reduction goals set for the pollutant(s) and resource(s) of concern, please indicate the goals and the process used to set them. If the project will have additional specific secondary benefits such as hydrologic benefits, enhancement of aquatic or terrestrial habitat, lake improvement benefits, or others, please briefly describe the anticipated benefits.

Project Readiness 5. (5 points): What steps and actions have been taken to ensure that project implementation can begin soon after grant award, such as partner coordination, preliminary identification of potential conservation practice/activity locations, coordination with landowners, preliminary discussions with permitting authorities (if applicable), alignment with requests for external sources of funding per Section 103E.015, Subd 1a., etc.?

Cost Effectiveness 6. (20 points): What alternatives were considered to achieve the same type and amount of benefit outlined in the proposed project? Describe why the proposed practices/activities or combination of practices/activities are considered to be the most cost effective and reasonable means to attain water quality improvement or protection benefits. Consider factors such as, but not limited to, BMP effectiveness, timing, site feasibility, practicality, property owner willingness, and public acceptance.

Budget. To be eligible each application to the Multipurpose Drainage Management Grant Program must include a budget worksheet as defined in the RFP and which is found in the BWSR website on the Apply for Grants webpage. Have you attached your worksheet?

The Constitutional Amendment requires that Amendment funding must not substitute traditional state funding. Briefly describe how this project will provide water quality benefits to the State of Minnesota without substituting existing funding.