

FY 2025 SOIL HEALTH PRACTICES GRANT REQUEST FOR INTEREST (RFI)

Funding Requests due by 4:30 pm, February 28th, 2025

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PROGRAM PURPOSE AND TIMELINE

The Soil Health Practices Grant is enabled via Minnesota Statutes (M.S.) §103F.06 to provide a financial and technical support program to produce soil health practices that achieve water quality, soil productivity, climate change resiliency, or carbon sequestration benefits. This Soil Health Practice Grants are also enabled through the Natural Resource Conservation Service's Regional Conservation Partnership Program (Partnership Agreement #3053). The intent of this grant opportunity is to enhance the adoption of cover crops and other soil health practices.

The purpose of this funding request is to:

- 1) Provide expectations for soil health activities implemented through the Soil Health Practices Grant, and
- 2) Identify those Soil and Water Conservation Districts (SWCD) which intend to participate in the program.

Funding requests must be received by 4:30pm on February 28, 2025. Late requests will not be considered.

Grant Cycle	Grant Cycle Dates
Request for Interest - Open Period	February 17 th – 28 th , 2025.
Anticipated grant agreements sent to grantees	March 2025
Work plan submittal deadline	May 16 th , 2025
Grant execution deadline	May 30 th , 2025
Grant agreement end date	December 31 st , 2028

ELIGIBLE RECIPIENTS

Minnesota Soil and Water Conservation Districts (SWCDs) located in counties identified in the Regional Conservation Partnership Program proposal (Attachment A).

FUNDING ALLOCATION AND MATCH

This is a non-competitive grant opportunity that offers funding for soil health conservation projects. The total funding appropriation for this program is \$30,000,000. There are two sources of funding:

Regional Conservation Partnership Program (RCPP) Funds: (\$25,000,000) This funding source can only be used for Financial Assistance with conservation projects.

Clean Water Funds: (\$5,000,000) These funds can be used for staff Technical Assistance/Engineering or Financial Assistance with conservation projects.

No match is required by the grantee.

The federal appropriation language governing the use of these funds includes Subtitle I of Title XII of the Food Security Act of 1985 as amended by the Agriculture Improvement Act of 2018 (2018 Farm Bill; P.L 115-334), The Commodity Credit Corporation Charter Act (15 USC 714 et seq.), and 7 CFR Part 1464.

The state appropriation language governing the use of these funds is in Laws of Minnesota 2023, Regular Session, Chapter 40, Article 2, Section 6(o).

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 to substitute for other funds, existing activities, or programs.

FUNDING DISTRIBUTION

Base Grant: Each eligible and participating grantee will receive an initial base grant of \$180,000, consisting of \$150,000 for Financial Assistance (Federal RCPP Funds) and \$30,000 for Technical Assistance/Engineering or Financial Assistance (Clean Water Funds).

Requesting Additional Grants: Grantees are eligible to request additional grants of \$120,000 on a monthly basis. Additional grants will be processed by BWSR on the last workday of every month. Additional grants are available to those that have obligated (in-contract) 80% of prior federal RCPP funds and is compliant with program guidelines. The additional grants will consist of \$100,000 for Financial Assistance (Federal RCPP Funds) and \$20,000 for Technical Assistance/Engineering or Financial Assistance (Clean Water Funds). Requests are limited to one grant per grantee per month. Additional grant requests submitted from April-June may not be processed until after July 1st, in accordance with BWSR financial procedures around the new state fiscal year. There is no limit to the number of additional grants a grantee can receive. These additional grant periods will continue until all program funds have been disbursed.

Payment Schedule: Each executed grant will be distributed in one advanced payment (100%) to the grantee.

ELIGIBLE ACTIVITIES

Land management activities must be offered to eligible land occupiers on eligible lands for the implementation of soil health management systems and practices. All practices must be planned, designed, and implemented to Natural Resource Conservation Service (NRCS) standards.

Participating Individuals or entities must meet compliance checks for program eligibility under 7 CFR part 12 and part 1400, subpart F; compliance activities under the National Environmental Policy Act (NEPA), National Historic Preservation Act (NHPA), and Endangered Species Act (ESA) will be eligible for this program.

Additional resources for eligible activities can be found within the most up to date <u>NRCS National Planning</u> <u>Procedures Handbook (NPPH)</u>, <u>Minnesota NRCS eFOTG</u>, and <u>NRCS National Resource Concern List and Planning</u> Criteria.

LAND USES

This program is limited to the following NRCS designated land uses: Crop, Forest, Range, Pasture, Farmstead, Other Rural Land, and Associated Agricultural Land.

RESOURCE CONCERNS

Eligible practices must address, at minimum, one of the following resource concerns:

Resource Category	Resource Concern
	Subsidence
Soil quality limitations	Compaction
	Organic matter depletion
	Concentration of salts or other chemicals
	Soil organism habitat loss or degradation
	Aggregate instability
Field sediment, nutrient, and pathogen loss	Nutrients transported to surface water (P&N)
	Nutrients transported to groundwater (P&N)
	Pathogens and chemicals from manure, biosolids or compost applications transported to surface waters
	Pathogens and chemicals from manure, biosolids or compost applications transported to groundwater
	Sediment transported to surface water (Erosion sources)
	Surface water depletion
Source water depletion	Inefficient irrigation water use
	Groundwater depletion

PRACTICES

NRCS practice standards must be followed for the assessment, design, and certification of the following list of practices.

Eligible Practices:

- Alley Cropping
- Conservation Cover
- Contour Buffer Strips
- Cover Crop
- Critical Area Planting
- Field Border
- Filter Strip
- Forest Farming
- Forest Stand Improvement

- Pasture and Hay Planting
- Prescribed Grazing
- Residue and Tillage Management (no till)
- Riparian Forest Buffer
- Silvopasture
- Tree/Shrub Establishment
- Windbreak/Shelterbelt Establishment and Renovation
- Nutrient Management

Practice standards can be found on the Minnesota eFOTG website under <u>Section 4 – Conservation Practice</u> <u>Standards & Support Documents</u>

STAFF EXPENSES

Staff expenses are limited to Technical Assistance and Engineering and must fully support activities on eligible land, with eligible land occupiers, for eligible project activities. **Technical Assistance and Engineering expenses must be tied to individual contracts.**

INELIGIBLE ACTIVITIES

Funds may only be used for activities specified in the eligible practices list. Ineligible activities include, but are not limited to, project development, administration/coordination, and equipment purchases.

SUBMITTING FUNDING REQUESTS

HOW TO SUBMIT A QUESTION

Questions regarding funding requests should be directed to your Board Conservationist; a map of work areas and contact information is available at BWSR Work Area Maps. Questions may also be submitted by email to Jared.House@state.mn.us.

HOW TO SUBMIT A FUNDING REQUEST

BASE GRANT

Requests should be submitted through the following link: https://www.surveymonkey.com/r/5MHQZQG. Only one request from each SWCD will be accepted. Responses to the funding request form will be used to generate grant agreements for program funding.

SWCDs wishing to participate in this program at a later date must notify BWSR via the SurveyMonkey link by February 28, 2025. SWCDs choosing this option may request funding by emailing the Soils Programming Coordinator (jared.house@state.mn.us) and their Board Conservationist. These funding requests will be processed by BWSR on the last workday of every month in accordance with the additional grant requests. Please note: SWCDs opting for later participation will forgo the base grant amount of \$180,000 and will instead be eligible for the additional grant amount of \$120,000. Eligibility for the later participation is dependent on funding availability.

ADDITIONAL GRANTS

To request additional grant funds, please submit an eLINK Interim Report within your most recent Soil Health Practices Grant. Eligible requests must demonstrate, through eLINK budgeting, 80% obligation (contracts in-place) of federal RCPP funding allocations of prior Soil Health Practices Grants and adherence to program guidelines. Eligible requests will be processed on a first-come, first-served basis on the last business day of the month, until all funds are expended.

GRANT RECIPIENT INFORMATION

GRANT AGREEMENT

BWSR will use grant agreements for assurance of deliverables and compliance with appropriate statutes, rules, established policies, and administrative procedures. Willful or negligent disregard of relevant statutes, rules, and policies may lead to imposition of financial penalties or future sanctions on the grantee.

In the event there is a violation of the terms of the grant agreement, BWSR will enforce the grant agreement and evaluate appropriate actions, up to and including repayment of grant funds at a rate up to 100% of the grant agreement.

The grant agreement will further define grant program requirements.

The BWSR Grants Administration Manual is the primary resource for grant management information. Further guidance and requirements regarding BWSR grant administration can be found in the Grants Administration Manual (https://bwsr.state.mn.us/grants/manual/).

GRANT WORK PLAN

Work plans are required for Soil Health Practice Grants and must be developed following the requirements outlined in this Request for Interest.

Work plans must be established in eLINK and approved before execution of the grant agreement. Initial work plans need only reflect technical assistance/engineering activities. This activity needs to contain a brief description of the anticipated outcomes or accomplishments, and the grant funding amounts budgeted. Additionally, district financial assistance policies and ranking/batching forms must be uploaded into eLINK prior to workplan approval.

It is required that grantees report conservation practice grant funds into eLINK as they are obligated, with a signed and approved contract in place. A new activity must be created for each contract. Lumping of grant activities will not provide the level of detail needed to satisfy federal reporting requirements. Workplans will be unlocked after grant execution and remain unlocked throughout the grant agreement period. The addition of each contract will provide BWSR the means to assess the level of funding obligation (contracts in-place) for additional grant requests.

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.

Grant contract agreement templates can be reviewed on the Office of Grants Management Forms and FAQs website.

All grants and grant activities must be completed by December 31, 2028.

FINANCIAL ASSISTANCE

Grantees may provide financial assistance to land occupiers for eligible activities up to the maximum program payment rates (Attachment B). Periodically the maximum payment rates may be reviewed upon a written grantee request. Such requests must include quantitative justifications for any requested increase to a payment rate.

If local financial assistance policies exceed program payment maximums, additional non-federal funding sources can be used to cover the cost difference.

Flat rates or percentage of installation cost contracts may be used. However, program reporting must follow the structure and/or units outlined within Attachment B (exp. cover crops can be paid under single or multiple species rates and should be based on per/acre calculations). Percentage of installation cost must not exceed the maximum payment rates.

Prepayments for contracts are not allowed. Payments to the contracted land occupier can only occur after practices have been properly certified as complete based on NRCS standards. Partial contract payments will be allowed to account for contracts that contain multiple practices or that span multiple years.

DISTRICT FINANCIAL ASSISTANCE POLICY

A local SWCD financial assistance policy must be referenced in the work plan and attached within eLINK. Financial Assistance Polices should describe local program information such as payment rates, contract terms, inspection schedules, and payment schedules.

PRACTICE BATCHING & RANKING

It is a requirement of the Soil Health Practices Grant for the grantee to complete batching periods prior to contracting with land occupiers.

Batching periods may occur as frequently as once per month.

Ranking criteria must be developed and used to review every proposed project. At a minimum the following categories must be included:

- Proposed practice addresses an eligible program resource concern.
- Historically underserved producer: Determined through a self-certification form.
- First time practice implementor: Priority to those having limited experience with the proposed practice.
- Drinking water supply management areas (DWSMA).
- Sensitive ground water susceptibility regions outside of a DWSMA.
- High priority regions (Comprehensive Watershed Management Plan or other State Approved Plan)

In addition to the minimum requirements, grantees are encouraged to add other local priorities when developing their ranking criteria. Batching and Ranking criteria will be reviewed by NRCS to ensure criteria does not contain any discriminatory items.

An example ranking form and a historically underserved producer self-certification form will be provided to those requesting to participate in this program.

FARM BILL PAYMENT ELIGIBILITY

To ensure that both the land occupier and land are eligible for a Farm Bill payment an eligibility review must be conducted by NRCS staff.

Upon the obligation and approval of every practice contract, grantees must submit required documentation into SharePoint to allow NRCS to conduct payment eligibility determinations. Documentation can be uploaded at any point, but reviews will only be conducted on the 15th and 30th of every month. NRCS will provide notice of eligibility to the grantee within 10 business days from the date the review was initiated.

Prior to disbursing funds to a land occupier, but after practice certification, the grantee must obtain a Producer Farm Data Report and Subsidiary print with Business report. The grantee must confirm that the land remains

under the control of the contracted land occupier and that both the land occupier and the land have maintained eligibility for Farm Bill payments.

PROJECT AND PRACTICE ASSURANCES

BWSR requires assurances from grantees that installed conservation practices and projects meet the purposes of the grant program, will remain in place for the expected practice lifespan, and will provide the benefits for which they were designed. Practice Design and Certification documentation must be signed by individuals with appropriate levels of Job Approval Authority.

Grantees have the following responsibilities to ensure long-term public benefit of projects:

- **Technical Assistance Providers.** Ensure that identified technical assistance provider(s) have the appropriate Job Approval Authority, technical expertise, skills, and training to their assigned role(s). Technical Approval Authority is not an approved credential for this grant.
- **Standards.** Ensure the use of appropriate NRCS practice standards for the identification of resource concerns, designs, and installations.
- **Certification.** Certify that the project was installed according to applicable NRCS plans, specifications, and standards.
- **Operation and Maintenance.** Ensure an appropriate NRCS operation and maintenance plan is implemented that identifies necessary activities and timing.
- Periodic Project Inspection. Conduct periodic project inspections to confirm the operation and maintenance plan is being followed and the project has not been altered or removed (M.S. §103C.501, Subd. 7).

NRCS will conduct quality assurance spot checks on a minimum of 5% of all **completed** practices. These spot checks will occur after a payment has been made to the contracted individual or entity.

BWSR may contract with a third party to conduct quality assurance spot checks on up to 5-10% of all **designed** practices to ensure eligible activities were planned and follow NRCS practice requirements.

FILE DOCUMENTATION

Completed project files must contain, but are not limited to, the following completed documents:

- Certification of Identity/Authorization to Release Information to a Third Party Form
- Producer Farm Data Report
- Subsidiary Print with Business Report
- Completed Batching & Ranking Form (If applicable, include the Historically Underserved Self-Certification Form)
- Plan Map
- Soils Map and map unit description
- Practice Design
 - Implementation Requirement (IR) Form, identifying resource concern(s)
 - Additional design requirements designated in practice standard
- CPA 52 Environmental Evaluation, identifying resource concerns.
- CPA 6 Conservation Notes

- CPA 48 Cultural Resource Form (If applicable)
- Practice Contract
- Payment Voucher
- Supporting Documentation:
 - Quantities, Materials, Seed Tags, etc.
 - Applicable Invoices
 - o Photos of implemented practices not required but strongly encouraged.

CONTRACTS

Conservation practice or financial assistance contracts between grant recipients and landowners are required when funds are used to provide financial assistance to install practices. When used, these contracts must, at a minimum: provide financial assistance information and expectations; identify the responsibility for operation and maintenance, including maintenance or control of the contributing watershed; include a technical and financial plan for failures; allow for inspections by the grantee of the practice; be in effect for a period corresponding to the expected life of the project; and may be required to include replacement provisions and pro-rated pollution effectiveness replacement. All contracts are recommended to be reviewed by the grantee's legal counsel.

Due to federal requirements, the following statements must be added to practice contracts:

- "This contract is contingent on maintaining eligibility for federal farm bill payments." This will protect the grantee and BWSR in the instance a landowners eligibility changes during the contracted period.
- "The land occupier acknowledges they have received a copy of the historically underserved producer self-certification form."
- "Allow the contracting SWCD, NRCS, the Board or Water and Soil Resources, or their authorized representative, access to and the right to examine all records, books, papers, or documents related to this contract" This statement will allow for a third-party technical spot-check.

Contract numbers must follow a specific unique identification format:

County Code – Grant Number (1, 2, etc.) – Contract Number Example: 14-1-1 (Clay SWCD – Base Grant – Contract 1)

Contract lengths cannot exceed December 31st, 2028.

Additional details on contracting are in the <u>Implementing Contracts with Landowners</u> chapter of the BWSR Grants Administration Manual.

DATA CONFIDENTIALITY

Activities performed under this grant may involve access to confidential and potentially sensitive information about governmental and landowner issues. The term "confidential information" means proprietary information or data of a personal nature about an individual, or information or data submitted by or pertaining to an organization. This information must not be disclosed without the prior written consent of NRCS.

The grantee's personnel will follow the rules and procedures of disclosure set forth in the Privacy Act of 1974, 5 U.S.C. Section 552a, and implementing regulations and policies with respect to systems of records determined to be subject to the Privacy Act. The recipient's personnel must also comply with privacy of personal information relating to natural resources conservation programs in accordance with section 1244 of Title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107-171).

The grantee agrees to comply with NRCS guidelines and requirements regarding the disclosure of information protected under Section 1619 of the Food, Conservation, and Energy Act of 2008 (PL 110-246), 7 U.S.C. 8791.

The grantee also agrees to comply with the Minnesota Government Data Practices Act (Minn. Stat. Ch 13).

TENNESSEN WARNING NOTICE

Local governments must give individuals notice when collecting private or confidential information from them. This is referred to as a "Tennessen warning notice". The purpose of the notice is to enable people to make informed decisions about whether to give information about themselves to the government (see Minnesota Statutes, section 13.04, subdivision 2). If Private Data is collected and disseminated as part of a BWSR Grant, BWSR will take the position that a Tennessen warning notice was provided by the LGU to all necessary individuals.

- Local Governments and grant recipients should ask the individual(s) to sign and date a Tennessen warning notice and give the individual(s) a copy as a best practice. However, notices do not need to be in writing.
- Local Governments and grant recipients should limit the private data collected or disseminated to only the data that is necessary to administer a program.
- Local Governments may also want to request assistance from their legal counsel.

TIME AND EFFORT DOCUMENTATION

Grant recipients are required to account for the staff time charged to BWSR grants in order to track the expenditure of grant funds to ensure the use of the funds is consistent with applicable State and BWSR requirements. Accounting for staff time is important for budgeting, planning, and reporting.

Recipients of BWSR grants may use one of two options for tracking staff time charged to grants:

- 1. Direct time tracking.
- 2. Personnel activity reports (PARs) or the equivalent that constitute after-the-fact determinations of grant activities. Activity reports must be prepared and signed at least semiannually by the employee.

BILLING RATE

A billing rate is an hourly rate used to charge staff time to BWSR grants. It consists of the employee's base hourly rate plus the costs of benefits, leave, and facilities; and administrative costs necessary to keep a person employed and an office running.

Additional details on Time and Effort Documentation are in the <u>Time and Effort Documentation</u> and <u>Determining</u> a Billing Rate chapters of the BWSR Grants Administration Manual.

GRANT REPORTING AND ADMINISTRATIVE REQUIREMENTS

Grant reporting is a means to illustrate achievements and progress made towards program goals and to ensure accountability and transparency in the use of State funds. In general, reports are to contain updates on activities and expenditures that occurred since the previous report and are to be completed **by June 30 and February 1 of each year and within 30 days of the completion of a grant**.

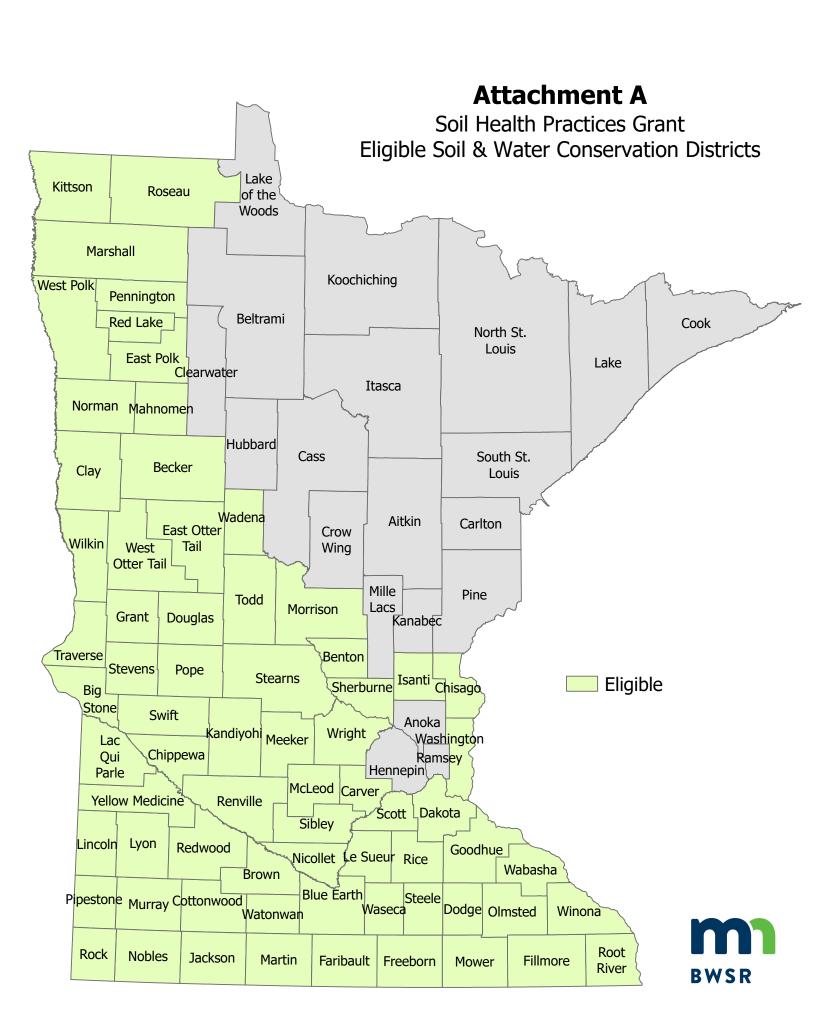
All land occupier data will be reported via a restricted access, grantee specific, SharePoint folder at the time of NRCS farm bill payment eligibility review and at time of financial assistance payment to the producer.

BWSR will use eLINK to report on grant progress, including expenditures, practice details, and mapping of practices.

Minnesota Statute §103B.3369, Subdivision 9 allows BWSR to consider additional performance-based criteria for grant programs and the Office of Grants Management's Policy on Grant Closeout Evaluation (08-13) requires BWSR to consider a grant applicant's past performance when awarding grants. BWSR may consider withholding grant payments if the grantee is not in compliance with all Board reporting requirements.

Additional details on Grant Reporting and Administrative Requirements are in the <u>Grant Reporting</u> Requirements for BWSR Grants and <u>Closing out a BWSR Grant</u> chapters of the BWSR Grants Administration Manual.

- 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.
- ■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.
- When practicable, grant recipients must display the Legacy Logo, NRCS Logo, and the disclaimer "USDA is an equal opportunity provider, employer, and lender" on printed and other media used in the promotion of this grant. The Legacy logo and specifications can be found at http://www.legacy.leg.mn/legacy-logo. The Natural Resource Conservation District logo will be provided through Share Point.



Attachment B

Soil Health Practices Grant

Maximum Payment Rates

January 29th, 2025

Practice	Code	Rate	Unit
Alley Cropping	311	\$ 700.00	Acre
Conservation Cover	327	\$ 1,000.00	Acre
Contour Buffer Strips	332	\$ 610.00	Acre
Cover Crops	340	\$ 60.00	Acre
Critical Area Planting	342	\$ 700.00	Acre
Field Border	386	\$ 600.00	Acre
Filter Strip	393	\$ 700.00	Acre
Pasture and Hay Planting	512	\$ 800.00	Acre
Forest Stand Improvement	666	\$ 700.00	Acre
Forest Farming	379	\$ 2,000.00	Acre
Prescribed Grazing	528	\$ 80.00	Acre
Residue and Tillage Management (No-Till)	329	\$ 35.00	Acre
Riparian Forest Buffer	391	\$ 3,800.00	Acre
Silvopasture	381	\$ 50.00	Each
Tree and Shrub Establishment	612	\$ 12.00	Each
Windbreak/Shelterbelt Establishment	380	\$ 1.85	Foot
Nutrient Management	590	\$ 75.00	Acre