BOARD OF WATER AND SOIL RESOURCES



RIM DRINKING WATER PROTECTION PARTNER AGREEMENT REQUEST FOR PROPOSALS (RFP)

JULY 2025

PURPOSE

This is a request for proposals (RFP) from local governments to assist in the purchase of land to protect public drinking water sources.

The Board of Water and Soil Resources (BWSR) has funding from the Clean Water Fund to protect land vulnerable to groundwater pollution with BWSR-held conservation easements and fee land purchases by local or tribal partners. 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 groundwater and drinking water sources from degradation. The appropriation language governing the use of funds for Wellhead Protection Partner Grants began in Laws of Minnesota 2015, 1st Special Session, Ch. 2, Art. 2, Sec 7(g) and has continued to be present with minor modifications in each biennium since the initial appropriation.

BWSR's Reinvest in Minnesota (RIM) Drinking Water program includes Drinking Water Protection Partner Agreements (DWPPA) that fund local and tribal government purchases of land to protect Drinking Water Supply Management Areas where state-held easements are not viable.

FUNDING SOURCE AND AVAILABILITY

As of July 2025, \$11 million is available for Drinking Water Protection Partner Agreements. This money is available for both DWPPAs and conservation easements. Additional funding may be appropriated during future legislative sessions.

PROPOSAL REQUIREMENTS

Eligible Applicants

- 1. Cities
- 2. Townships
- 3. Counties
- 4. Public Water Suppliers
- 5. Soil and Water Conservation Districts
- 6. Watershed Districts
- 7. Tribal governments

8. Joint Power Authorities or other governmental units with authority sufficient to meet the program's protection requirements and approved by BWSR

Project Eligibility and Prioritization

A majority (greater than 51%) of the site must be within the <u>high or very high vulnerability area of the Drinking</u> <u>Water Supply Management Area (DWSMA)</u> or within a <u>DWSMA designated as Level 1 or 2 by the Groundwater</u> <u>Protection Rule</u>, or where drinking water protection plans developed by Tribal governments have identified high vulnerability. Areas outside of this should only be enrolled to allow for logical boundaries and remaining areas that are infeasible to farm.

Eligible Activities

The only eligible activity for this RFP is fee title acquisition. The proposed land use must be identified in the Agreement Application.

The local government must provide assurances that the protection will remain in place for perpetuity. Assurances may include a notice of funding restrictions recorded on the land title by the grantee, management plans, enforceable contracts, performance bonds, letters of credit, and termination or performance penalties.

Options for land use are not limited to native vegetation and proposals may include any land use that BWSR determines will eliminate or significantly reduce risk of contamination to drinking water. A conservation plan (or other similar land management plan) with inspection and maintenance requirements approved by the appropriate soil and water conservation district (or local entity with technical capacity) will be required as part of the Agreement. This conservation plan will be required once the application has been approved, but before payment.

Eligible Expenses

Eligible project costs include fee title acquisition costs and other costs associated with the acquisition of land rights including appraisal, survey, title insurance, and recording costs. Applicants should note a survey of the proposed project area may be required. Native vegetation establishment is also an eligible project cost. Appraisals completed before the execution of the Agreement may be an eligible expense. Any other costs, as requested by the project proposer, will be reviewed by BWSR staff.

Ineligible Expenses

Ineligible expenses include staff time spent to acquire protection. Infrastructural or non-environmental improvement costs associated with alternative use proposals that are not necessary to meet drinking water protection goals are also ineligible.

Project Period

The project period starts when the Agreement is executed, meaning all required signatures have been obtained. Work that occurs before this date is not eligible for reimbursement with Agreement funds except as noted above (appraisal).

Payment

Agreement payments will be distributed in one installment to the recipient prior to the scheduled closing date.

Up to 110% of the appraised value of the property is eligible for funding. Appraisals must be conducted by an appraiser who is qualified, competent, and is licensed with the State of Minnesota. Current license requirements can be found by contacting the Minnesota Department of Commerce. If an appraisal is not available at the time of application, substitute the tax-assessed value of the land (not including buildings) as a placeholder until an appraisal is completed.

APPLICATION GUIDELINES

Deadline and Timeline

Proposals will be accepted from July 7, 2025, ongoing, with applications due the last day of each month as funding is available. Proposals must be submitted electronically to the RIM inbox (bwsr.rim@state.mn.us), by 4:30 of the last day of each month to be considered within that month's batch.

Permitting

The applicant is responsible for obtaining and complying with all permits necessary to execute the project. 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.

Applications

The Application is attached to the end of this document. Only completed applications with all required materials will be accepted. Applications will be reviewed within the next calendar month following submission. BWSR may request additional information as needed. Applications will be reviewed by a panel, including the Easement Programs Coordinator, Easement Section Manager, BWSR Board Conservationist, and representatives from Minnesota Department of Agriculture, Minnesota Department of Health, and Minnesota Rural Water Association.

Contact

Questions on this RFP or on completing an application can be sent to Sara Reagan (sara.reagan@state.mn.us), Easement Programs Coordinator.

RIM DRINKING WATER PROTECTION PARTNER AGREEMENT APPLICATION

- 1. List the local government entity applying for the grant, inclduing the main contact person and contact information. A motion or resolution from the board/council to demonstrate commitment must be included and attached to this application.
- 2. Describe the capability and availability of local staff and officials to lead property negotiations.
- 3. List all other relevant governments including cities, townships, counties, soil and water conservation districts, watershed districts, Tribal governments, joint powers authorities, etc. within the project boundary. Include name and contact information for the primary contact(s) for each government. If there are partners, identify each partners' roles and responsibilities.
- 4. Provide evidence of landowner interest. This can include a summary of conversations and negotiations, a letter from the landowner indicating willingness to enter into agreement with the local government, and any other relevant information. All parties should understand there is no State commitment until a successful Agreement has been executed.

- 5. Provide the following parcel specific information:
 - a. County
 - b. Township and Section
 - c. Parcel ID
 - d. Current ownership
 - e. Tax value (if known)
 - f. Wellhead Protection Area (WHPA) name
 - g. DWSMA vulnerability

- 6. Provide a parcel map of the proposed site attached to this application. A map of the site showing WHPA and DWSMA boundaries should be included.
- 7. List the number of acres offered for protection. Acres should match the acres surveyed.
- 8. Describe the drinking water concern(s) for the well(s), including a summary of technical information that confirms the need for protection or excerpts from plans. List well monitoring information where there is a nitrate concentraction of more than 5.4 mg/l, or if the WHPA has been designated as Mitigation Level One or Two as identified in the Minnesota Groundwater Protection Rule, or if the project site is on Tribal land. Also identify if the site is located within high priority or priority areas identified by a locally adopted Comprehensive Water Management Plan (CWMP).

9. Describe the current land use, as well as the proposed land use upon acquisition.

10. Cost estimate. A certified appraisal or preliminary cost estimate (see RFP for more instructions) must be used and attached to this document. If costs for establishment of native vegetative cover is requested, include establishment work plan and proposed seed mix(es).