

Grant Program Requirements:

FY26 Clean Water Fund Legacy Partners Grant Program

1. Match

A non-state match equal to at least 10% of the amount of the grant received is required. The anticipated source(s) for the match shall be identified in the grant work plan. Match can be provided by a landowner, land occupier, private organization, local government or other non-state source and can be in the form of cash or the cash value of services or materials contributed to the accomplishment of grant objectives. Funds used for match for this program cannot be used as match for any other state grant program.

2. Grant Work Plan

A work plan shall be developed in eLINK and must be approved before execution of the grant agreement. The work plan shall reflect each eligible activity that will be implemented, a description of the anticipated activity outcomes or accomplishments, and grant funding amounts to accomplish each of the activities.

3. Eligible Activities and Expenses

Eligible activities can consist of structural and non-structural practices; project development (feasibility study, subwatershed assessment, etc.); program and project support (e.g. education, outreach, marketing, staff time); technical and engineering assistance necessary to implement grant activities; and grant management and reporting.

a. Conservation Project Cost Share and Incentives

Eligible expenses include financial assistance in the form of cost share or incentives to help cover the cost of installing or adopting conservation projects that improve or protect water quality. Cost share/incentive payments should be reasonable and justifiable, consistent with prevailing local conditions, and based on established standards. BWSR reserves the right to review and approve cost share/incentive payment rates.

Conservation projects can include structural and/or non-structural practices completed on agricultural land, forest/woodlots, shoreline and/or in rural and urban areas. Eligible structural and non-structural practices include but are not limited to:

- Agricultural: grassed waterways, cover crops
- Forestry: stand improvements, plantings
- In-lake: alum treatment, carp management (see requirements in section vii below)
- Streambank or shoreland protection: bank stabilization
- Groundwater: well sealing
- Rural: septic system upgrades (see requirements in section vi below)
- Urban stormwater: stormwater swales, iron enhanced sand filters, targeted street sweeping

Requirements for Conservation Project Cost Share and Incentives

- i. **Effective Life.** The effective lifespan of structural practices must be defined by current and acceptable design standards or criteria. The beginning date for a practice's effective life is the same date final payment is approved and the project is considered

complete.

- ii. **Project Assurances.** The grantee must provide assurances that installed conservation practices and projects meet the purposes of the grant program, will remain in place for the lifespan expected based on the standard or professionally accepted practice, and will provide the water quality benefits for which they were designed. Such assurances may include easements, deed recordings, enforceable contracts, performance bonds, letters of credit, and termination or performance penalties. BWSR may allow replacement of a practice or project that does not comply with expected lifespan requirements with a practice or project that provides equivalent water quality benefits.

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. Work completed prior to the signing of the contract is not eligible.

Conservation Practice Contract Noncompliance

Failure to complete, maintain, or repair a conservation practice or unauthorized alteration is considered non-compliance with an executed conservation practice contract.

Sub-Agreements

When passing funds to partner(s), an agreement and work plan regarding fund distribution, reporting, and project approval between partners is required.

- iii. **Operation, Maintenance, and Inspections.** The preparation and implementation of operation and maintenance plans is required. All practice designs must include identification of operation and maintenance activities specific to the installed practices. An operation and maintenance plan is critical to ongoing performance of installed practices as well as to planning and scheduling those activities and must be prepared by designated technical staff for the life of the practice. An inspection schedule, procedure, and assured access to the practice site shall be included in the project file as a component of maintaining the effectiveness of the practice.

Preparation of Operation and Maintenance Plans

Technical Assistance Provider must prepare an operation and maintenance (O&M) plan.

Practice Site Inspections

Technical Assistance Provider shall confirm that the operation and maintenance plan is being followed and the project has not been altered or removed, by conducting periodic site inspections.

- iv. **Practice Standards.** All practices (structural and non-structural) must be consistent with the Natural Resource Conservation Service (NRCS) [Field Office Technical Guide \(FOTG\)](#), [Minnesota Stormwater Manual](#), or be a professionally accepted engineering or ecological practice.
- v. **Permitting.** The Grantee is responsible for obtaining and complying with all permits necessary to execute the project. If applicable, grantees 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.

- vi. **Septic systems, known as Subsurface Sewage Treatment Systems (SSTS).** SSTS project landowners must meet low-income thresholds.
- vii. **In-lake management.** Projects that contain in-lake management activities must have a feasibility study. 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 nutrient reductions;
 - c. History of projects completed in the watershed, as well as other in-lake activities if applicable;
 - d. Cost benefit analysis of options considered;
 - e. Projected effective life of the proposed activities;
 - f. Expected water quality outcome; and
 - g. Plan for monitoring surface water quality to assure the project's total phosphorus goal will be achieved during the project's effective life, and for activities related to non-native rough fish (ex. carp), the feasibility study must also include:
 - i. Methods used to estimate adult and juvenile carp populations;
 - ii. Description of the known interconnectedness of waterbodies (lakes, ponds, streams, wetlands, etc.);
 - iii. Identified nursery areas;
 - iv. Methods used to track carp movement;
 - v. Proposed actions to limit recruitment and movement; and
 - vi. Proposed actions to reduce adult carp populations.

b. Program and Project Support

Eligible activities include public education and engagement, equipment, and other activities necessary for the implementation of water quality practices and programs consistent with the purposes of these funds. Project support expenditures must be appropriately documented.

c. Technical and Engineering Assistance

Eligible activities include but are not limited to development of project plans and specifications necessary to implement activities. Eligible activities include actual technical and engineering expenses to advance implementation, site investigations and assessments, design and cost estimates, construction or installation supervision, and inspections.

Grantees must identify the technical assistance provider(s) for the practice or project and their credentials for providing this assistance. BWSR staff may review the qualifications of all persons providing technical assistance and review the technical project design, particularly if a recognized standard is not available.

d. Grant Management and Reporting

Eligible activities include local grant administration, management, and reporting that are directly related to and necessary for implementing the project or activity associated with the

grant. All grant recipients are required to report on the outcomes, activities, and accomplishments of Clean Water Fund grants.

4. Ineligible Activities

- a) Activities that do not have a primary benefit of water quality.
- b) Water quality monitoring such as, but not limited to, routine, baseline, or effectiveness monitoring. This includes both surface and groundwater monitoring activities.
- c) Household water conservation appliances and water fixtures.
- d) Wastewater treatment, with the exception of Subsurface Sewage Treatment Systems defined as:
 - i. Small community wastewater treatment systems serving over 10,000 gallons per day with a soil treatment system, and
 - ii. A small community wastewater treatment system that discharges treated sewage effluent directly to surface waters without land treatment.
- e) Municipal drinking water supply facilities or individual drinking water treatment systems.
- f) Stormwater conveyances that collect and move runoff, but do not provide water quality treatment benefit.
- g) Activities that outlet land locked basins.
- h) Development and delivery of educational activities and curriculum that are not designed to support water quality.
- i) Replacement, realignment or creation of bridges, trails, or roads.
- j) Harvesting or chemical treatment of aquatic plants.
- k) Routine maintenance or repair of best management practices, capital equipment and infrastructure within the effective life of existing practices or projects.
- l) Components of projects needed to meet the statutory requirements of 103E Drainage Law.
- m) Feedlot related activities, including animal waste management systems, closing, expansion or relocating of facilities.

5. Native Vegetation

Projects that involve vegetation restoration or establishment must use native vegetation and seed and plant sources consistent with BWSR's Native Vegetation Establishment and Enhancement Guidelines, with the exceptions listed below. Use of plant species on the Minnesota [Noxious Weed List](#) is prohibited for all projects. Non-native species used for projects must not pose a risk to native plant communities. The maximum distance for sources of herbaceous species seed and plants is 200 miles; and for tree and shrubs seed and plants the distance is 300 miles.

Exceptions

- Non-native, non-invasive perennial crops, hay crops or forage crops may be used:
 - As part of a drinking water protection strategy in a vulnerable or highly vulnerable DWSMA as designated by the Department of Health or in a Township Well Testing high-priority area as determined by the Department of Agriculture;
 - In buffers, borders, grass waterways or other areas likely to be exposed to pesticides or part of agricultural production;
 - For soil stabilization, erosion prevention and carbon sequestration in an agricultural production setting;
 - On fields that will be hayed, grazed or harvested.

- For the exceptions above, if the project area is under 20 acres in size, the exception may be approved by local conservation staff. If the project area is 20 acres or larger, or for any exceptions not listed here, grantees must request approval from the BWSR Grant Manager.
- Cover crops used to improve soil health and/or water quality are allowed without a maximum acreage limit.
- Temporary cover is allowed without a maximum acreage limit when needed to stabilize project sites prior to the construction of structural conservation practices.
- Cultivars of native species may be used in urban stormwater plantings if they accomplish similar or greater ecological functions, help achieve aesthetic goals and do not pose an invasive or other environmental risk.

6. Allowable and Unallowable Costs

Allowable costs are costs solely incurred through project activities that are directly related to and necessary for producing the project outcomes described in the work plan. Grantee is required to account for the staff time charged to BWSR grants in order to track the expenditure of grant funds and match to ensure the use of the funds is consistent with applicable State and BWSR requirements.

Unallowable costs include but are not limited to:

- Bad debts, monetary settlements and judgements, late payment fees, and investment management fees
- Donations, fundraising, sponsorships, and acknowledgements
- Entertainment, gifts, prizes, and decorations
- Alcohol
- Interest on loans not authorized under state statute
- Loans of BWSR grant funds
- Lobbying, lobbyists, and political contributions
- Merit awards and bonuses