CALL FOR GRANT APPLICATIONS FOR FISCAL YEAR 2013

CLEAN WATER ACT SECTION 319 NONPOINT SOURCE (NPS) GRANTS

June 1, 2012 – Revised August 3, 2012

Prepared by:
Water Quality Planning Bureau
Montana Department of Environmental Quality
1520 E. Sixth Avenue
P.O. Box 200901
Helena, MT 59620-0901

TABLE OF CONTENTS

Table of Contents 1
Table of Figures 2
Attachments 2
Acronyms 3
1.0 Introduction 5
1.1 Goals of The 319 Grant Program 5
1.2 Summary of Significant Changes for FY13 5
1.3 Grant Categories 6
1.4 FY13 Grant Schedule at a glance 7
1.5 Helpful Resources 7
2.0 General Requirements 8
2.1 Applicant Eligibility 8
2.2 Open 319 Grant Contracts 8
2.3 Project Eligibility 8
2.4 Cost Share Requirements 8
2.5 Administrative Costs 9
2.6 Applicant Ability to Manage Grants, Past Performance 9
2.7 Reporting Requirements 9
2.8 General Recommendations 10
3.0 Application Process 11
3.1 Application Forms 11
3.2 Application Attachments 11
3.3 Application Schedule 12
3.3.1 Stage 1 - Project Proposal 12
3.3.2 Stage 2 - Final Application 13
3.4 319 Grant Contracts 13
3.4.1 Reporting Requirements 14
3.4.2 Contract Lifecycle 14
3.4.3 Payment 14
4.0 Criteria Specifically For Watershed Restoration Projects 14
4.1 Requirements 14
4.1.1 On-The-Ground Projects Focus 15
4.1.2 Watershed Restoration Plan Component 15
4.1.3 Monitoring Component 15
4.1.4 Education and Outreach Component 16
4.1.5 Operation and Maintenance Component 16
4.1.6 Irrigation Efficiency and Temperature Reduction 17
4.2 Priorities 17
4.3 Recommendations 17
5.0 Criteria for Education and Outreach Projects 18
5.1 Requirements 18
5.2 Priorities 18
5.3 Recommendations 19

TABLE OF FIGURES

Figure 1.1 - FY13 Funding Allocations Chart 6
Figure 1.2 - Schedule for Fiscal Year 2013 319 Grants 7

ATTACHMENTS

Attachment A-1 – Watershed Restoration Project Scoring Sheet
Attachment A-2 – Education and Outreach Project Scoring Sheet
Attachment B – EPA's Nine Minimum Elements for a Watershed Plan
Attachment C – Map of Watersheds With Approved TMDLs
Attachment D – Instructions for Project Proposal and Final Application Forms
Attachment E – Project Proposal Form
Attachment F – Final Application Form

ACRONYMS

Acronym	Definition
BMP	Best Management Practices
CWA	Clean Water Act
DEQ	Department of Environmental Quality (Montana)
DNRC	Department of Natural Resources & Conservation
EPA	Environmental Protection Agency (US)
ESA	Endangered Species Act
GRTS	Grant Reporting and Tracking System database
MWCC	Montana Watershed Coordination Council
NPS	Nonpoint Source
QAPP	Quality Assurance Project Plan
SAP	Sampling and Analysis Plan
SOW	Scope of Work
TMDL	Total Maximum Daily Load
WAWG	Water Activities Work Group
WRP	Watershed Restoration Plan

1.0 INTRODUCTION

The Montana Department of Environmental Quality (DEQ) is issuing this Fiscal Year 2013 Call for Grant Applications (Call) under Section 319(h) of the Federal Clean Water Act (CWA). DEQ is the lead Montana agency for the Clean Water Act Section 319(h) grant program. Information in this Call may be subject to change based on available funding and shifting DEQ and EPA priorities. If changes become necessary, DEQ will post the changes on the DEQ Nonpoint Source Program 319 Grant Information website at http://deq.mt.gov/wqinfo/nonpoint/319Grants.mcpx

1.1 GOALS OF THE 319 GRANT PROGRAM

The primary goals of the 319 grant program are:

- Protect the quality of clean water.
- Restore water quality in waterbodies whose beneficial uses are impaired by nonpoint source (NPS) pollution and whose water quality does not meet state standards.

Both goals are accomplished by implementing Best Management Practices (BMPs) and conducting education and outreach (E&O) activities. DEQ strongly encourages development of science-based, locally-supported Watershed Restoration Plans (WRPs) to guide these efforts (see **Section 2.6**).

The 2012 Montana Nonpoint Source Management Plan (NPS Plan) describes how DEQ hopes to see the above goals achieved. The NPS Plan contains specific, state NPS program goals, priorities, and identified BMPs. 319-funded projects must address goals identified in the NPS Plan. A copy of the NPS plan can be downloaded from http://deq.mt.gov/wqinfo/nonpoint/NonpointSourceProgram.mcpx

DEQ prefers to fund 319 projects that implement an approved Total Maximum Daily Load (TMDL), and/or a completed WRP.

1.2 SUMMARY OF SIGNIFICANT CHANGES FOR FY13

The following is a summary of some of the more significant changes in the Call. It is not an exhaustive list. Please read through the individual sections of the Call for more details. Many of the changes were made based on proposed EPA guidance.

- The "Groundwater Protection / Restoration Projects" category has been removed. This does not mean that groundwater related projects will not receive funding. It means that groundwater projects will need to meet the requirements for consideration under one of the other two categories. Typically, this will limit groundwater projects to those that address groundwater influences on nonpoint source pollution of surface water resources (e.g., saline seep discharges to surface water, situations where groundwater is carrying nonpoint source pollution to surface water, etc).
- Projects in the Watershed Restoration category should be focused on completing "**on-the-ground**" projects that will make significant progress towards removing a waterbody/pollutant combination from Montana's 2012 Impaired Waters list (available at http://cwaic.mt.gov/wqrep/2012/Appendix_A.pdf). **Section 4.1.1** further defines "on-the-ground" activities.
- DEQ is seeking to concentrate project work and resources in smaller geographic areas. The expectation is that larger, perhaps multi-faceted projects in these smaller geographic areas will

lead to better progress towards removing waterbody/pollutant combinations from Montana's 2012 Impaired Waters list.

- 319 funds must not be used to fund USGS gage stations.
- As a general rule, applicants will no longer be allowed to have more than two open, 319 grant contracts at any one time. However, DEQ reserves the right to evaluate compliance with this rule on a case-by-case basis.
- Contracts will have a maximum lifespan of three years, and extensions will rarely be granted.
- Restoration projects and techniques will need to focus on restoring and maintaining natural stream, lake and riparian processes.
- Groups seeking funding for infrastructure projects (e.g., urban stormwater collection and treatment) are encouraged to obtain funding through the State Revolving Fund (SRF) loan program rather than the 319 program. SRF funding may, however, be accepted as non-federal match on 319 projects.
- Applicants are encouraged to submit draft design plans with their application.

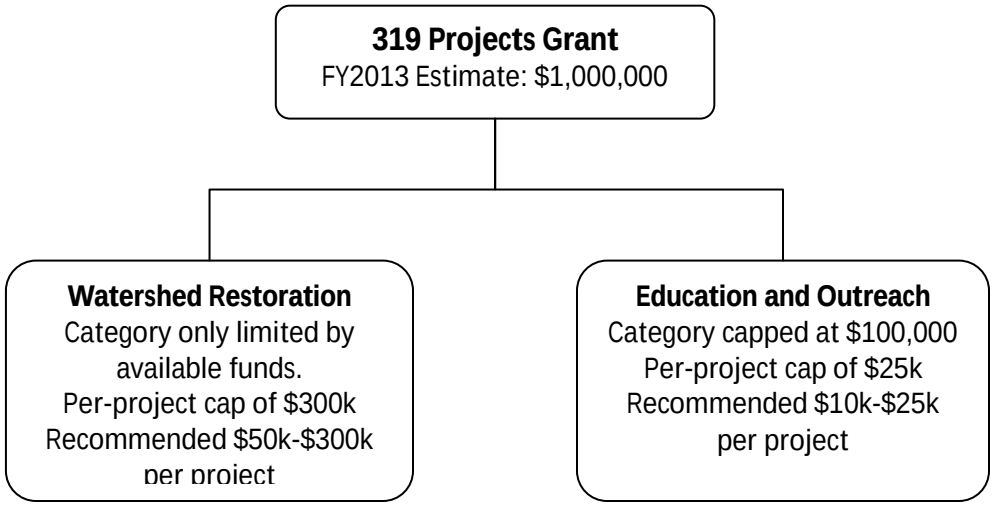
1.3 GRANT CATEGORIES

DEQ is calling for grant applications in two categories. Applications should fall within the funding ranges established for each category.

Watershed Restoration
Recommended range is between $50,000 and $300,000 in 319 funds per application. DEQ anticipates approximately $900,000 in 319 funds will be available for distribution in this category. Following the review of final applications, funds remaining in the E&O category may be added to the funds available for the Watershed Restoration category.

Education & Outreach
Recommended range is between $10,000 and $25,000 in 319 funds per application. DEQ anticipates approximately $100,000 in 319 funds will be available for distribution in this category.

Figure 1.1 - FY13 Funding Allocations Chart



1.4 FY13 GRANT SCHEDULE AT A GLANCE

Figure 1.2 - Schedule for Fiscal Year 2013 319 Grants

Date	Timeline
6/1/2012	Issue Call for Grant Applications
6/26/2012	319 Grant Application Workshop *(Starts at 9:00am at the Department of Fish, Wildlife and Parks "Montana Wild" center at Spring Meadow Lake in Helena; for more information please contact Laura Andersen, (406) 444-0549 or landersen3@mt.gov)*
Stage 1	
8/17/2012	319 Project Proposals Due to DEQ
TBD	MWCC WAWG Review Meeting
TBD	MWCC E&O Review Meeting
8/31/2012	DEQ Comments Due to Applicants
Stage 2	
10/1/2012	Final Applications Due to DEQ
10/3/2012	Final Applications Posted to 319 Wiki site
10/23/2012	Evaluation by Agency Review Panel
Stage 3	
10/31/2012	Letters for Notice of Intent to Award Mailed Out
12/31/2012	Final Scopes of Work Due
TBD	DEQ Submits State of MT Application for EPA Review
TBD	DEQ Sends Out Grant Contracts to Project Sponsors
TBD	Project Sponsors Return Signed Contracts
TBD	Funds Available

1.5 HELPFUL RESOURCES

The following information may prove useful in preparing an application:

- The 2012 Montana Nonpoint Source Management Plan (NPS Plan) can be found at http://deq.mt.gov/wqinfo/nonpoint/NonpointSourceProgram.mcpx
- A list of watersheds with approved TMDLs can be found at http://www.deq.mt.gov/wqinfo/TMDL/finalReports.asp
- A map of watersheds with approved TMDLs can be found in **Attachment C**.
- A list of the nine minimum elements of a Watershed Restoration Plan (WRP) can be found in **Attachment B**.
- Montana's 2012 Impaired Waters list is contained in Appendix A of the 2012 Water Quality Integrated Report. A copy can be downloaded from the following website: http://cwaic.mt.gov/wqrep/2012/Appendix_A.pdf
- Information on uploading data to MT-eWQX can be obtained from the DEQ, MT-eWQX Support website http://deq.mt.gov/wqinfo/datamgmt/MTEWQX.mcpx or by contacting Jolene McQuillan at jmcquillan@mt.gov or (406) 247-4436.
- A copy of the current quarterly and final report guidance can be obtained from http://deq.mt.gov/wqinfo/nonpoint/319Grants.mcpx

2.0 GENERAL REQUIREMENTS

The following requirements apply to all grant application categories.

2.1 APPLICANT ELIGIBILITY

Applicants must be either a governmental entity or a nonprofit organization. A governmental entity is a local, state, or federal office that has been established and authorized by law. Nonprofit organizations are identified as having a tax exempt declaration of 501(c-3) from the Internal Revenue Service.

2.2 OPEN 319 GRANT CONTRACTS

As a general rule, applicants will no longer be allowed to have more than two open 319 grant contracts at any one time. (DEQ reserves the right to evaluate compliance with this rule on a case-by-case basis.) DEQ is hoping that this rule will encourage applicants to do the following:

- Plan and carry out larger, more extensive efforts to reduce nonpoint source pollution.
- Phase their projects. For example, apply for funding for engineering, pre-project monitoring, and Watershed Restoration Plan development in one year, and then come back to DEQ or some other funding source a year or two later to apply for funds to help pay for construction and post-project monitoring.
- Close out individual contracts within a maximum of 3 years.

P EPA is currently in the process of developing new guidelines for 319 grants. Based on preliminary draft guidelines, the timely, successful completion of 319 grant projects during the awarding fiscal year could significantly affect the total amount of 319 funding Montana receives in subsequent fiscal years.

2.3 PROJECT ELIGIBILITY

<u>All projects must address nonpoint source (NPS) pollution.</u> NPS pollution comes from diffuse sources such as polluted runoff and streambank erosion, or from polluting conditions such as the temperature changes that result from a loss of streambank vegetation and shading. For the purposes of this Call, discharges from abandoned mine lands are also considered nonpoint source pollution, provided they are not covered under a MPDES or NPDES discharge permit.

Please note the following additional eligibility requirements:

- 319 funds may not be used for projects that implement requirements of a point source discharge permit. For example, wastewater treatment plant upgrades.
- 319 funds may not be used to fund USGS gage stations.

2.4 COST SHARE REQUIREMENTS

Applicants must be able to meet a 40% cost share (also known as match) for the project. The cost share can be from private, state, local, or non-profit sources. It can be in the form of cash, other grants, or in-kind services that have a direct benefit to the project. Cost share cannot be from federal sources. Applicants must remember that the match can only be applied to one project. For example, if a project is funded by a combination of a Future Fisheries grant, 319 funds, and a $5,000 Trout Unlimited grant, the Trout Unlimited grant cannot be used to meet both a $5,000 Future Fisheries cost share

requirement and a $5,000 319 grant cost share requirement. However, $2,500 of the $5,000 could be applied to each.

Applicants should use the following formula to calculate the amount of cost share required:

(X ÷ 0.60) – X = Y

Where
X = the amount of 319 funds being requested
Y = the amount of cost share required to be provided

For example, if an applicant is requesting $100,000 in 319 funds, the equation would look like this:

($100,000 ÷ 0.60) - $100,000 = $66,667

2.5 Administrative Costs

Applicants may not use more than 10% of the requested 319 funds to cover administrative costs. Administrative costs include but are not limited to charges for:

- Preparation and submittal of status, annual and final reports.
- Preparation and submittal of reimbursement requests.
- Office space, equipment and supplies.
- Overhead costs.
- Expense/budget tracking.
- Phone bills associated with the project.
- Insurance.

2.6 Applicant Ability to Manage Grants, Past Performance

In the final application, evidence must be provided demonstrating that the organization is able to successfully manage grants and contracts. This evidence includes:

- A list of project participants, their roles in project management, and their qualifications.
- A list of all natural resource grant/contract agreements managed by the applicant in the last four years, along with contact information for the granting/contracting agency.

DEQ will take into consideration past performance on previous grants/contracts an organization may have received. This may include such things as whether or not contract deliverables were submitted on time, whether or not the organization was successful in obtaining and maintaining the support of key project participants, how well the organization's staff communicated with project managers, and the degree to which projects were successful.

2.7 Reporting Requirements

All 319 grant contracts include basic reporting requirements. The reporting requirements are:

- Submit quarterly (minimum) status reports. The status reports must be submitted each time a request for payment is submitted, or on a quarterly basis (whichever is more frequent).
- Submit annual report(s). Annual reports are progress-based covering a specified time period.

- Submit a final report. The final report consists of a document that acts as a "stand alone" report for the entire project. Parties unfamiliar with the project must be able to read the report and have a clear understanding of the project from inception to completion. As applicable, the final report must include copies of all collected data, copies of all produced documents, photo documentation, an analysis of accomplishments, a description of any obstacles encountered, and a complete financial report accounting for expenditure of 319 and matching funds, as well as a detailed comparison of anticipated and actual costs.
- Data reports. All data collected, compiled, or analyzed as a part of the project must be submitted to DEQ. All monitoring data collected as part of a 319 grant contract must be uploaded into the MT-eWQX database. Depending upon an applicants' familiarity with this process, it is expected that applicants could spend a day or more learning the procedure and submitting the data.
- All reports must be submitted in electronic as well as hardcopy format for inclusion in EPA's Grant Reporting and Tracking System (GRTS) database.
- Provide DEQ with the organization's current DUNS number. Update DEQ if the DUNS number changes. (Go to http://fedgov.dnb.com/webform/index.jsp to register for a DUNS number.)
- Be registered on the Central Contractor Registration. (Go to https://www.bpn.gov/ccr/ to register. Warning: just using a search engine to find the website for Central Contractor Registration has been known to lead people to imitation sites.)

2.8 GENERAL RECOMMENDATIONS

The following list includes suggestions applicants should consider in preparing and submitting an application. Issues raised here reflect experiences from previous funding cycles. The recommendations found here may or may not apply to a specific project.

- Talk to DEQ staff about project ideas prior to filling out the application. Contact Robert Ray at (406) 444-5319 or rray@mt.gov
- Call DEQ Watershed Protection Section staff for help during the process of filling out the application. DEQ's goal is to help applicants submit the best application possible.
- Begin developing project ideas and filling out the application forms well in advance of the application deadlines.
- Apply for funding for projects that can be fully implemented within a 3-year period. Do not expect to be able to extend a contract beyond the 3-year period. At the end of 3 years, unspent money may revert back to EPA for reallocation to other states. Having unspent funds could also jeopardize 319 funding levels for all of Montana in future funding cycles.
- Provide relevant details about the problem being addressed or the project's geographical area. Don't assume that the people reviewing applications will have any specific familiarity with these things.
- Apply for the funds needed for the project. Be realistic, and don't leave the project short of funding or have a surplus of funding. Remember to budget for monitoring and reporting. Also, determine ahead of time whether or not subcontractor(s) may be needed for engineering, monitoring, or other specialized tasks, and budget accordingly.
- Show that other relevant federal, state, local and private sources of funding and resources that may be available to assist in completing the project have been sought.
- Demonstrate that support from key stakeholders has been sought and obtained. This is critical.
- Identify the specific responsibilities of key stakeholders in the completion of the project.
- Explain how the water quality benefits achieved as a result of the project will be documented.

- When describing the potential effects of the project, use logical, evidence-based arguments; avoid speculation.
- If using a previous application prepared for another funding source as a template for this Call please ensure that the information is appropriate and tailored to the 319 application.
- Double check math calculations (e.g., do the costs in the budget match up with the costs in the scope of work?).
- 319 funding is designed to support projects, not programs. Projects typically have defined start and end points, specific directed activities and tangible results. Programs are ongoing plans and policies that achieve goals and objectives. Admittedly, there is not always a clear cut line between the two. Refraining from seeking funding for general coordinator/administrator expenses, or items like long-term monitoring, may improve the likelihood of a project being funded.
- Consider a phased approach to designing and implementing a project.

3.0 Application Process

In fiscal year 2012, the application process was significantly different from the process used in previous years. Changes were made to simplify the process for both the applicants and the reviewers. For fiscal year 2013 a further refined 2012 process will be used as described below.

3.1 Application Forms

For this Call DEQ will use a combination of two different PDF forms. The first is the "Project Proposal Form." The second is the, "Final Application Form." The forms are available online at the DEQ 319 Grant Program Information page (http://deq.mt.gov/wqinfo/nonpoint/319GrantInfo.mcpx) and can be used with a free version of Adobe Reader (to download this free version go to http://get.adobe.com/reader/). For assistance using these forms please contact Stephanie Crider at 406-444-2478 or by email at scrider@mt.gov.

3.2 Application Attachments

The following two attachments must be included with the Final Application form:

- A project map or set of maps.
- Letters of support.

Provide a project map or set of maps showing the location and size of project activities. For E&O projects, the map must simply show the watershed(s) that the project will affect. For Watershed Restoration projects, the map(s) must identify the project location by section/township/range, and where helpful, latitude and longitude. If the proposed project involves multiple activities at multiple locations, please provide as much detail about individual activity locations as possible. The map(s) should identify waterbodies affected by the pollution that the project is designed to address. As appropriate, please include additional information on the map(s) that might give application reviewers a better sense for the value and significance of the project with respect to water quality. Applicants are encouraged to submit design drawings when available, provided that the design drawings are accompanied by latitude and longitude information for the proposed activities.

Final applications must be accompanied by at least three letters of support. Projects calling for on-the-ground work on specific landowners' property must include letters of support from each of the landowners. Applicants are encouraged to submit more than three letters of support where possible. Letters should demonstrate a broad base of support.

3.3 APPLICATION SCHEDULE

The application process will happen in two stages. The first stage will be submittal and review of the Project Proposal Form, the second stage will be submittal and review of the Final Application Form and attachments.

BOTH STAGES OF THE APPLICATION PROCESS MUST BE COMPLETED.

In each stage, applicants must submit the application materials in both electronic and hard copy formats. Electronic documents must be delivered via email or electronic media (USB drive or compact disc (CD)) to DEQ by 5:00 pm on the application deadline. All electronic application forms and attachments must be delivered in either PDF or Microsoft Office Suite compatible file format. Please do not attempt to send more than four mega bytes (4 MB) of material in a single email; the State of Montana email system will reject it. Large electronic files should either be mailed in on a USB drive or CD, or transmitted through a secure file transfer service. Feel free to call DEQ to make sure that application materials arrived safely. Hard copy documents must be printed, signed, and postmarked by 5:00 pm on the application deadline. **Section 1.4** contains a complete list of application deadlines.

Hard copies of the application materials should be mailed to:

Robert Ray, Watershed Protection Section Supervisor
Water Quality Planning Bureau
Department of Environmental Quality
1520 E. Sixth Avenue
P.O. Box 200901
Helena, MT 59620-0901

Email transmissions must be submitted to: rray@mt.gov.

Please direct questions regarding submitting an application to Stephanie Crider at 406-444-2478 or scrider@mt.gov.

3.3.1 Stage 1 - Project Proposal

The deadline for submitting project proposals is **Friday, August 17, 2012 at 5:00 pm**. Failure to meet the Stage 1 submittal deadline will disqualify an application from consideration. Project proposals must be complete and address all components found in the Project Proposal Form. Do not submit vague project proposals as placeholders.

The Montana Watershed Coordination Council (MWCC), Water Activities Work Group (WAWG), and the MWCC Education & Outreach Committee, along with DEQ Staff, will review the project proposals and provide comments and recommendations. DEQ will assemble the comments and provide them to applicants in written form by **Friday, August 31, 2012**.

3.3.2 Stage 2 - Final Application

The deadline for submitting Final Applications and attachments is **Monday, October 1, 2012 at 5:00 pm**. Failure to meet the deadline will disqualify an application from consideration. To increase the likelihood of receiving funding, applicants should address the recommendations made by DEQ and the MWCC work groups during Stage 1. Applicants should discuss the recommendations with DEQ Staff or work group members to ensure full understanding of the intent of the recommendations. DEQ will chair an Agency Review Panel (made up of government agency representatives), which will serve as the final technical review committee for the 319 applications.

After the final submission deadline, all communication regarding the applications must be conducted through Robert Ray, DEQ Watershed Protection Section Manager. Mr. Ray can be contacted by telephone at 406-444-5319 or via email at rray@mt.gov.

Applications will be evaluated by the Agency Review Panel on **Tuesday October 23, 2012**. Applicants will be offered an opportunity to present projects to the Panel. Presentations will be limited in time (DEQ will determine the allowable time limit), and DEQ Staff will coordinate all media needs.

Evaluations for all projects will use category-specific Scoring Sheets. Preliminary Scoring Sheets are included with this document as **Attachment A-1** and **A-2**. DEQ reserves the right to modify the Scoring Sheets at a later date. If Scoring Sheets or any other parts of this document are modified, DEQ will post the changes on the DEQ Nonpoint Source Program 319 Grant Information website at http://deq.mt.gov/wqinfo/nonpoint/319Grants.mcpx

The Agency Review Panel will make general recommendations regarding funding levels (e.g., fully fund, partially fund, don't fund, don't fund tasks x, y and z). DEQ reserves the right to accept, modify, or reject the Panel's recommendations.

The US Environmental Protection Agency (EPA) has final approval authority over all projects selected by DEQ for funding. EPA reviews the final Scope of Work (SOW) for TMDL components, consistency with Montana's 2012 NPS Management Plan, consistency with EPA 319 Program Guidance, and overall impacts on water quality. EPA, in consultation with the US Fish and Wildlife Service, will also conduct an Endangered Species Act (ESA) review to establish necessary parameters for compliance with the Act. Upon receipt of EPA approval, DEQ will issue contracts to the successful applicants. This will likely occur in late spring or early summer of 2013.

3.4 319 GRANT CONTRACTS

While 319 grants are referred to as "grants", they are actually "contracts". The term "grants" typically refers to funding awarded with few strings attached, minimal oversight by the granting entity, and reporting requirements often limited to a single, final report. "Contracts", on the other hand, include a legally binding, contractual agreement, identifying specific products that must be submitted prior to receiving reimbursement. Contracts typically involve additional oversight, and the expectation that funds will only be used for tasks specifically identified in the contract.

3.4.1 Reporting Requirements

All 319 grant contracts include some basic reporting requirements. Please see **Section 2.9** for a summary of these requirements.

3.4.2 Contract Lifecycle

Please remember that contracts under the 319 Grant will not be awarded until late spring or early summer of calendar year 2013. Applicants should keep this in mind in planning projects and preparing applications. **Expenses and match incurred by applicants prior to the signing of a contract CANNOT be billed against that contract.**

319 projects must be completed within 3 years of the signing of the contract. Contractors cannot bill for work completed after the expiration date of the contract. In the past, DEQ has frequently granted contract extensions; this will not be the case going forward.

3.4.3 Payment

Payments to Contract awardees are on a reimbursement basis. Contractors cannot bill in advance. This includes billing for administrative costs. DEQ may allow contractors to bill as tasks or parts of tasks are completed. However, DEQ may withhold payment of some of the funds until the final deliverables are submitted. Requests for payment must be submitted using a spreadsheet provided by DEQ. Contractors are required to provide adequate justification for all expenses. This may include providing receipts, work products, event photos, monitoring data, meeting attendance sheets, or other items. Typically, the required justification is spelled out in greater detail in the contract. Once adequate justification is provided, contractors can usually expect payment within 30 days.

4.0 Criteria Specifically For Watershed Restoration Projects

Section 4.0 includes requirements, priorities, and recommendations that pertain specifically to the Watershed Restoration Project category. These are in addition to requirements mentioned in **Sections 1.0** through **3.0**. This guidance may or may not appear in the Scoring Sheets used by the Agency Review Panel. However, it will factor heavily into other parts of the application review process, and it will ultimately influence which projects DEQ recommends to EPA for funding.

4.1 Requirements

Requirements are things that **must** be addressed in order for an application to be considered for funding. The following requirements apply to all projects in the Watershed Restoration Project category:

- Projects must address nonpoint source pollution.
- Projects must implement goals and objectives identified in the 2012 Montana Nonpoint Source Management Plan. Hardcopies are available upon request, or electronically at http://deq.mt.gov/wqinfo/nonpoint/NonpointSourceProgram.mcpx .
- Applicants must adequately address the items in **Sections 4.1.1** through **4.1.6**, below.

4.1.1 On-The-Ground Projects Focus

Projects in this category must focus on planning and implementing **on-the-ground** projects that will reduce nonpoint source (NPS) pollution to surface water. For 319 funding purposes, "on-the-ground" projects may include the following:

- Watershed Restoration Plan development
- Project design
- Permitting and subcontracting
- Project implementation
- Project-specific monitoring and load reduction calculation
- Education and outreach tied directly to the on-the-ground project

"On-the-ground" projects typically would **not** include the following:

- Design and implementation of monitoring programs
- Research
- Development of E&O campaigns
- Program development and continuation
- Training

Questions as to whether or not a project would qualify as an "on-the-ground" may be directed to Robert Ray at 406-444-5319 or by email at rray@mt.gov.

4.1.2 Watershed Restoration Plan Component

For applications under the Watershed Restoration category, applicants are required to have a Watershed Restoration Plan (WRP) in place or develop one as part of the project. To be accepted by DEQ, a WRP must adequately address the nine minimum elements established by EPA for Watershed Plans. **Attachment B** lists these nine minimum elements. A more detailed description of EPA's nine minimum elements can be found in EPA's *Handbook for Developing Watershed Plans to Restore and Protect Our Waters*, available online at http://www.epa.gov/owow/NPS/watershed_handbook/pdf/ch02.pdf

DEQ limits the amount of 319 Watershed Restoration funds that can be allocated towards creation of a WRP to $30,000. The cost cap only applies to the 319 funds requested. Applicants can obligate additional funding, provided the funding is from other sources in order to meet match requirements or improve the quality of the WRP. To create an acceptable WRP, groups typically need to hold multiple public meetings, work one-on-one with individual stakeholders, conduct additional assessment and identification of pollution sources, become very familiar with the TMDL document, develop monitoring strategies and other progress evaluation tools, and acquire public participation and technical support for the planning effort and subsequent project implementation. DEQ staff can further assist applicants in determining how to prepare a WRP that will include the nine minimum elements and serve as an effective planning tool to guide water quality restoration efforts in the watershed.

4.1.3 Monitoring Component

All projects must contain a task dedicated to monitoring. Applicants proposing to conduct on-the-ground projects to address nitrogen, phosphorus or sediment pollution, must include a mechanism for determining the annual load reductions achieved by the project. Monitoring does not necessarily mean obtaining a sample and sending it to a lab. It can also include modeling, surveying, aerial reconnaissance,

and other forms of evaluation. All water quality monitoring must be guided by a DEQ-approved Sampling and Analysis Plan (SAP) and/or a Quality Assurance Project Plan (QAPP). Applicants without an existing, approved, applicable SAP/QAPP will be required to develop one prior to conducting any sampling. Applicants should expect the development and approval process to take at least a month, depending upon the complexity of the project, the applicants' familiarity with SAPs and QAPPs, and the availability of DEQ review staff. All monitoring data collected as part of a 319 grant contract must be uploaded into the MT-eWQX database. Depending upon familiarity with this process, applicants can expect to spend a day or more learning the procedure and submitting the data.

4.1.4 Education and Outreach Component

All watershed restoration projects must contain a task dedicated to education and outreach (E&O). The E&O task must be related to both the project and water quality. For example, if the project involves installing riparian buffers in the Green Cow Creek watershed, the E&O task should address riparian buffers in the Green Cow Creek watershed. Part of the purpose for this requirement is to encourage the use of 319 projects as demonstration projects, in the hopes that other landowners will feel inspired to do similar projects on their property. Appropriate E&O tasks might include holding a watershed tour that includes the project site, preparing news releases and newsletter articles covering the project, setting up a kiosk display at the project site, organizing school field trips to the project site, giving presentations to increase support for similar projects elsewhere in the watershed, etc. The E&O task must identify the target audience, information to be disseminated, method of delivery, and method of evaluating E&O effectiveness.

DEQ limits the amount of 319 Watershed Restoration funds that can be allocated towards E&O to 10% of the total 319 funds requested for each grant contract. The cost cap only applies to the 319 funds requested. Applicants can obligate greater amounts of funds for E&O activities from other funding sources in order to meet the match requirements. Creation of a WRP is not considered an E&O project (i.e., the 10% E&O cap will not be used to prevent the expenditure of available funds for the creation of a WRP). On the other hand, efforts to disseminate an existing WRP would be considered an E&O project. Applicants must justify the costs associated with E&O activities. Justification must be based on the activities' benefit to the project and positive influence towards improving water quality.

4.1.5 Operation and Maintenance Component

An Operation and Maintenance (O&M) component is necessary if the proposed project will include the installation of on-the-ground practices. A full O&M plan will need to be developed as part of the project (if applicable). Operation includes the administration, management, and performance of non-maintenance actions needed to keep the completed practice safe and functioning as intended. Maintenance includes work to prevent deterioration of the practice, repair damage that may occur, or replace the practice if one or more components fail within the expected lifespan of the practice.

Applicants proposing on-the-ground activities must provide a detailed plan for the operation and maintenance of each implemented practice. For each practice, the plan must include the following:

- A reasonable, expected life span for the practice. The lifespan must be determined by mutual agreement and definition between the applicant and DEQ, and shall be based on similar projects and programs.
- A description of how the practice will be operated and maintained to ensure that it remains functional for the duration of its intended lifespan.

- The name, phone number, and address of the person that DEQ and EPA will need to notify in order to inspect the practice.

4.1.6 Irrigation Efficiency and Temperature Reduction

Frequently, DEQ receives applications to fund irrigation efficiency improvement projects. The typical rationale provided for funding these projects with Watershed Restoration dollars has been that if less water is used for irrigation, more will be left in the stream to maintain lower water temperature and support aquatic life during hot summer months. This is the case only if the water savings remains in the stream. To receive 319 funding for irrigation efficiency improvement projects, a reasonable mechanism must be provided to ensure that water conserved remains in the stream.

4.2 PRIORITIES

Choosing to address one or more of the following priorities could significantly increase the likelihood of receiving 319 funds. The priorities are listed **in order from highest to lowest**; however, they are all important.

1. Projects addressing NPS pollution problems identified in a DEQ-approved TMDL document.
2. Projects that make the greatest progress towards removing NPS pollution caused impairments identified on Montana's 2012 Impaired Waters list at http://cwaic.mt.gov/wqrep/2012/Appendix_A.pdf
3. Larger projects in smaller watersheds that address all or most of the significant NPS pollution sources within that watershed.
4. Projects that lead to significant, measurable, long-lasting reductions in NPS pollution.
5. Projects that reduce NPS pollution from agriculture (livestock and/or farming), silviculture, or urban runoff.

4.3 RECOMMENDATIONS

The following list includes suggestions applicants should consider when preparing and submitting an application. Issues raised here reflect experiences from previous funding cycles. Not all of them will apply to a specific project.

- Be realistic when planning the project budget. Make sure to plan for enough money to complete the project on-time, according to plan, and without having to work 60 hour weeks for months on end.
- Work collaboratively. Obtain support from key stakeholders and relevant funding sources. Seek opportunities to leverage funding and resources.
- Address the most significant sources of pollution within a watershed. If 95% of the sediment pollution in a given watershed is from silviculture activities, and 5% is from urban runoff, implement projects that address silviculture first.
- Establish a clear linkage between the problem and the proposed solution.
- Explain how the success of the project will be measured.
- Clearly identify the specific goals from the 2012 Montana Nonpoint Source Management Plan, a TMDL, or a WRP that are applicable to the project.
- Identify any permits, permissions, or authorities that will need to be obtained in order to complete the project (e.g., 310 permit, permission to access land, etc).
- Consult with the appropriate DNRC Regional Office to determine whether or not a water right will be necessary for the proposed project.

- Focus on projects that support or restore natural stream, lake and riparian processes (e.g., channel migration, growth of native riparian vegetation, periodic flooding, etc).
- **Avoid projects with an unclear or weak relationship to water quality.** For example, weed control, invasive species control, fish screens, wildlife habitat enhancement, protection of property or structures from channel migration, etc. are probably not appropriate 319 projects.
- Avoid large, water quality monitoring efforts. Monitoring should be a means to an end, a tool to answer specific questions. For example, three years worth of monthly monitoring is probably not necessary to determine whether or not a feedlot straddling a creek is having a negative effect on water quality.
- Application reviewers always evaluate whether the techniques, project sites, and project partners provide the best results in a cost-effective manner.

5.0 CRITERIA FOR EDUCATION AND OUTREACH PROJECTS

Section 5.0 includes requirements, priorities, and recommendations that pertain specifically to the Education and Outreach project category. These are in addition to requirements mentioned in **Sections 1.0** through **3.0**. This guidance may or may not appear in the Scoring Sheets used by the Agency Review Panel. However, it will factor heavily into other parts of the application review process, and it will ultimately influence which projects DEQ recommends to EPA for funding.

5.1 REQUIREMENTS

The following requirements apply to all projects in the Education and Outreach Project category:

- Projects must promote protection of waters from NPS pollution. This may include protection of unpolluted waters, as well as preventing polluted waters from becoming more polluted.
- Projects must implement goals and objectives identified in the 2012 Montana Nonpoint Source Management Plan, available at http://deq.mt.gov/wqinfo/nonpoint/NonpointSourceProgram.mcpx .
- Clearly identify the target audience and the expected changes in behavior or thought as a result of the project.
- Include a method for measuring project success.

If a project involves the collection of water quality data, applicants will likely be required to develop a Sampling and Analysis Plan (SAP) to guide efforts and ensure appropriate quality control. Typically, collection of data that will be used to make decisions and guide future projects and planning will require preparation of a SAP. Simply using monitoring as a method of engaging students or getting program participants up close and personal with their stream would not necessary required a SAP. Please contact DEQ staff for assistance in determining whether or not a SAP will be required. DEQ staff can also help determine what kind of time and resources may be needed, should a SAP be necessary.

5.2 PRIORITIES

Choosing to address one or more of the following priorities could significantly increase the likelihood of receiving 319 funds. The priorities are listed **in order from highest to lowest**; however, they are all important.

1. Statewide or targeted E&O campaigns that address urban growth and development issues, riparian and wetland buffer protection, small farm and ranch NPS pollution, or support volunteer monitoring efforts.
2. Projects that help protect relatively unpolluted waters from becoming polluted by NPS pollution.
3. Projects that expand opportunities for children to learn about NPS pollution and take part in preventing it.
4. Projects that implement NPS-related E&O recommendations in a DEQ-accepted Watershed Restoration Plan.

5.3 RECOMMENDATIONS

The following list includes suggestions applicants should consider when preparing and submitting an application. Issues raised here reflect experiences from previous funding cycles. Not all of them will apply to a specific project.

- Choose the target audience with the greatest potential for solving the NPS problem being addressed.
- Choose the method of delivery that is most appropriate for the intended audience.
- Collaborate with other organizations on the delivery of the message.
- Work to educate, not merely inform.
- Provide immediate opportunities for people to act on the information given to them (e.g., through hands-on learning opportunities).
- Projects being conducted on a watershed-scale should discuss how the project could be evaluated for potential use in other regions of the state.
- Use the explanation and examples of social marketing found in the E&O Strategy of the 2012 Montana NPS Management Plan to direct target audience activities.
- Proposals for continuation of a multi-year project should explain how this project builds on previous efforts.
- Check to make sure that the project does not duplicate previous or current education and outreach efforts.
- If the project intends to use 319 funds for hosting an event (for example, a field day or tour), **ensure that NPS pollution is the primary focus of the event**, and not merely a sidebar to the occasion.
- Don't over-commit. It's easy to think that education and outreach projects don't cost very much money, so why not do a whole bunch of them. Often, these projects become costly in a hurry.