

m BOARD OF WATER
AND SOIL RESOURCES

FY 2021
Clean Water Fund Competitive
Grants Request for Proposal
(RFP)



Purpose and Application Information

The Clean Water Fund was established in Minnesota Statute 114D.50 to implement part of Article XI, Section 15, of the Minnesota Constitution, with the purpose of protecting, enhancing, and restoring water quality in lakes, rivers, and streams in addition to protecting ground water and drinking water sources from degradation. These funds must supplement traditional sources of funding and may not be used as a substitute to fund activities or programs.

The appropriation language governing the use of these funds is in Minnesota Session Laws 2019, 1st Special Session, Chapter 2, Article 2, Section 7. Table 1 lists the Clean Water Fund (CWF) programs available to BWSR and other executive branch agencies. Final funding decisions will be dependent on the actual funds available.

Table 1: FY 2021 Competitive Clean Water Grant Funding Available¹			
Agency Fund	Funding Amount	Governmental Units Eligible for Funding	Required Match
BWSR Projects and Practices <i>Drinking Water subprogram</i>	Up to \$12,000,000 Up to 20% of projects and practices funding amount	Soil and Water Conservation Districts, Watershed Districts, WMOs, Counties, Cities ² , and JPBs of these organizations	25%
BWSR Multipurpose Drainage Management	Up to \$700,000	Partnership of a Chapter 103E Drainage Authority ³ and Soil and Water Conservation District(s)	25%
MDA AgBMP Loans	\$0 in NEW appropriations \$1.4 M existing awards \$2.8 M FY2021 repayments <hr/> \$4.2 M Available	Any LGU may apply, but awards will be coordinated through existing contract holders. \$4.2 M available to coordinate with this Competitive CWF Grant application.	Not Required
MPCA Clean Water Partnership Loans	Up to \$10,000,000	Local governmental units with the ability to generate revenue or a group with an eligible sponsor of an LGU with revenue generating authority	Not Required
Total	Up to \$26,900,000		
¹ Amounts shown are estimates, actual amounts will be determined prior to the end of the application period. ² Cities must have a state approved local water management plan. BWSR recognizes the 7-county metropolitan area city water plans approved by a Watershed District or a Watershed Management Organization (WMO) as a State approved plan. ³ County, Joint County Board, or Watershed District			

What is New for 2021

1. Supplemental questions **must** be submitted in eLINK via attachment as part of any application that contain Livestock Waste Management practices including practices to address stockpiles. Funding will only be provided for those projects listed on the supplemental questions sheet (page 11).
2. For any proposal submitted as part of the **Drinking Water Subgrant**, **a map** of a proposed project area showing why the areas is targeted for drinking water protection or restoration **is required** (page 14).
3. Location of proposed storage and treatment wetlands proposed under the Multipurpose Drainage Management program must be identified at time of application (page 16).
4. Components of projects needed to meet the statutory requirements of 103E Drainage Law (page 17).

Proposal Requirements

A. Applicant Eligibility

- As defined in the FY 2021 Clean Water Fund Competitive Grant Policy, eligible applicants include local government units (counties, watershed districts, watershed management organizations, soil and water conservation districts, and seven-county metro cities) or local government joint power boards working under a current State approved and locally adopted local water management plan or soil and water conservation district (SWCD) comprehensive plan. Counties in the seven-county metropolitan area are eligible if they have adopted a county groundwater plan or county comprehensive plan that has been approved by the Metropolitan Council under Minn. Stat. Chapter 473. Cities in the seven-county metropolitan area are eligible if they have a water plan that has been approved by a watershed district or a watershed management organization as provided under Minn. Stat. 103B.235. Cities, including those outside of the seven-county metropolitan area, are encouraged to work with another eligible local government if interested in receiving grant funds.
- Partner organizations such as non-profits, watershed groups, school districts or lake associations are not directly eligible to apply and must work in conjunction with eligible applicants as defined above.
- LGUs are eligible to receive grant funds if they are working under a current water management plan that has been **state approved and locally adopted** when the BWSR Board authorizes the grant awards.

B. Match

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

C. Project Period

The project period starts when the grant agreement is executed, meaning all required signatures have been obtained. Work that occurs before this date is not eligible for reimbursement with grant funds and cannot be used as match. All grants must be completed by December 31, 2023.

If a project receives federal funds, the period of the grant agreement may be extended to equal the length of time that the federal funds are available subject to limitation. Applicants using federal funds are encouraged to contact BWSR soon after the award of funds to ensure the grant agreement can be developed appropriately.

D. Payment Schedule

Grant payments will be distributed in three installments to the grantee. The first payment of 50% of the grant amount will be paid after work plan approval and execution of the grant agreement provided the grant applicant is in compliance with all BWSR website and eLINK reporting requirements for previously awarded BWSR grants. The second payment of 40% of the grant amount will be paid once the grantee has provided BWSR with notification and BWSR has reconciled expenditures of the initial payment. The last 10% will be paid after all final reporting requirements are met, the grantee has provided BWSR with a final financial report, and BWSR has reconciled these expenditures.

E. Reporting and Administration Requirements

- All grant recipients are required to report on the outcomes, activities, and accomplishments of Clean Water Fund grants. Outputs will serve as surrogates for outcomes and will be reported as estimated pollutant reductions and progress towards goals based on the best available information.
- All BWSR funded grants are managed through eLINK. All applications will be submitted electronically through eLINK. Successful applicants will be required to complete a work plan in eLINK. All required reporting will be completed through eLINK. For more information go to <https://bwsr.state.mn.us/elink>.
- BWSR Clean Water Funds will be administered via a standard grant agreement. BWSR will use grant agreements as contracts for assurance of deliverables and compliance with appropriate statutes, rules and established policies. Willful or negligent disregard of relevant statutes, rules and policies may lead to imposition of financial penalties on the grant recipient.
- When practicable, grant recipients shall prominently display on their website the legacy logo. Grant recipients must display on their website either a link to their project from the Legislative Coordinating Commission Legacy Site (<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 a sign with the Legacy Logo at the project site or other public location identifying the project was built with assistance from Clean Water, Land and Legacy Amendment. When practicable, grant recipients must display the Legacy Logo on printed and other media funded with money from the Clean Water Fund. The logo and specifications can be found at <http://www.legacy.leg.mn/legacy-logo>.
- All grantees receiving funds for BWSR programs must follow the FY20 Clean Water Fund Implementation Program Policy and BWSR Grants Administration Manual, which can be found at <https://bwsr.state.mn.us/grants/manual/>

F. Evaluation Restoration Program

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

Key recommendations that applicants should follow are:

1. **Improved Project Planning** - Thorough project planning will enable project managers to make informed decisions and improve capacity to achieve desired outcomes
2. **Improved Vegetation for Stream Projects** - Well established vegetation is critical for the long-term success of stream projects. Establishing native vegetation takes planning and diligent maintenance.
3. **Improved Project Teams** - Bringing more sets of expertise to the table will ideally: minimize instances of non-native plant use, identify plan components with high risk of limited success, help plan contingencies for potential challenges, and broaden project goals.
4. **Improved Documentation** - Documentation is critical for understanding, tracking, and achieving successful restorations.

For more information regarding the Restoration Evaluation Program visit the follow website:

<https://www.dnr.state.mn.us/legacy/restoration-evaluation.html>

G. Incomplete Applications

Applications that do not comply with all application requirements will not be considered for funding, as provided below.

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

Application Guidelines

A. Deadline and Timeline

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

- | | |
|---------------------|---|
| ■ June 29, 2020 | Application period begins |
| ■ August 17, 2020 | Application deadline at 4:30 p.m.* |
| ■ December 17, 2020 | BWSR Board authorizes grant awards (proposed) |
| ■ February 2021 | BWSR grant agreements sent to recipients (proposed) |
| ■ March 15, 2021 | Work plan submittal deadline |
| ■ April 6, 2021 | Grant execution deadline |

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

B. Native Vegetation

All projects that involve vegetation restoration or establishment are subject to BWSR's Native Vegetation Establishment and Enhancement Guidelines found at: <https://bwsr.state.mn.us/sites/default/files/2019-07/Updated%20guidelines%20Final%2007-01-19.pdf>. Key requirements within the Guidelines include the use of native vegetation, providing pollinator habitat, and incorporating high diversity levels.

C. 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 grant application development process to ensure potential projects can meet all applicable regulatory requirements.***

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

Construction stormwater permit overview

<http://www.pca.state.mn.us/index.php/view-document.html?gid=7386>

Common Plan of Development

<http://www.pca.state.mn.us/index.php/view-document.html?gid=7396>

Untreated Stormwater Runoff to Lakes, Streams, and Wetlands

<http://www.pca.state.mn.us/index.php/view-document.html?gid=11864>

D. Applications

1. Applications need to be submitted via **eLINK**. Eligible applicants without a current eLINK user account must submit a request to establish an eLINK account ***no later than 7 days prior to the application*** deadline. As part of the application, eLINK will require applicants to map the location of the proposed project area.
2. Proposals involving in-lake treatment, feedlot projects or multipurpose drainage management must include required attachments in eLINK at the time of application.
3. Proposals may include only one image to be submitted within their eLINK application. **Only .jpg, .tiff, or .png file types are allowed.** All other file types of images are not accessible to reviewers.
4. Proposals should clearly articulate what water resource is being targeted in the application. Proposals should demonstrate significant, measurable project outputs and outcomes targeted to critical pollution source areas that will help achieve water quality objectives for the water resource of concern; be consistent with a watershed management plan that has been state approved and locally adopted or an approved total maximum daily load study (TMDL), Watershed Restoration and Protection Strategy

(WRAPS), Groundwater Restoration and Protection Strategy (GRAPS), surface water intake plan, or well head protection plan.

5. As appropriate, outputs should include scientifically credible estimates of pollutant reductions expected as a result of the project, as well as other measures such as acres of wetlands/forest, miles of riparian buffer or stream bank restored, acres treated by stormwater BMPs, or acres of specific agricultural conservation practices implemented including acres treated by the installation of the practice.
Applications with unrealistic pollution reduction estimates will not be considered.
6. Proposals submitted under the BWSR Clean Water Fund Grant categories must request state funds that equal or exceed \$30,000. Applications submitted that do not meet this minimum dollar amount will not be accepted. Actual awards may be less than this minimum when applications receive partial funding.
7. Proposals for projects meeting a waste load allocation and located on publicly owned land and exceeding \$750,000 should first consult with the [Minnesota Public Facilities Authority](#) before applying for BWSR Clean Water Funds.
8. Structural projects and practices must be of long-lasting public benefit. LGUs must provide assurances that the landowner or land occupier will keep the project in place for the effective life of the project.
9. Effective life is defined in the <https://bwsr.state.mn.us/grant-program-policies>. Information defining effective life not provided in the application must be defined in the work plan. The effective life for in-lake or in-channel treatments such as alum treatments must be assessed and determined as part of the required feasibility study prior to applying for funding.
10. Proposals must have plans for long-term maintenance and inspection monitoring for the duration of the life of a project as part of their project files. Work plans developed for funded applications will rely on this information for operation, maintenance and inspection requirements after the project is completed.
11. Applicants should evaluate the impacts that climate change (such as fluctuating precipitation patterns and drought) may have on the ability of the proposed project to meet objectives and whether the proposed project increases landscape resiliency.
12. For projects that are proposing to infiltrate stormwater, the following guidance should be taken into consideration:
http://stormwater.pca.state.mn.us/images/3/3a/Evaluating_Proposed_Stormwater_Infiltration_Projects_in_Vulnerable_Wellhead_Protection_Areas.pdf
13. Applications may receive partial funding for the following reasons: 1) an absence of or limited identification of specific project locations, 2) budgeted items that were not discussed in the application or have no connection to the central purpose of the application were included by an applicant; 3) to address budget categories out of balance with the project scope and 4) insufficient funds remaining in a grant category to fully fund a project. Prior to final selection, the Board may engage applicants to resolve questions or to discuss modifications to the project or funding request.
14. Proposals from applicants that were previously awarded Clean Water Funds will be considered during the review process for applications submitted in response to this RFP. However, applicants that have

expended less than 50% of previous award(s) at the time of this application will need to demonstrate organizational capacity to finalize current projects and complete new projects concurrently.

General Information

A. Grants and Public Information

Under Minnesota Statute 13.599, responses to an RFP are nonpublic until the application deadline is reached. At that time, the name and address of the grantee, and the amount requested becomes public. All other data is nonpublic until the negotiation of the grant agreement with the selected grantee is completed. After the application evaluation process is completed, all data (except trade secret data) becomes public. Data created during the evaluation process is nonpublic until the negotiation of the grant agreement with the selected grantee(s) is completed.

B. Prevailing Wage

It is the responsibility of the grant recipient or contractor to pay prevailing wages on construction projects to which state prevailing wage laws apply (Minn. Stat. 177.42 – 177.44). All laborers and mechanics employed by grant recipients and subcontractors funded in whole or in part with state funds included in this RFP shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality. Additional information on prevailing wage requirements is available on the Department of Labor and Industry (DOLI) website <https://www.dli.mn.gov/business/employment-practices/prevailing-wage-information>. Questions about the application of prevailing wage rates should be directed to DOLI at 651-284-5091.

C. Conflict of Interest

State Grant Policy 08-01, (see <https://mn.gov/admin/government/grants/policies-statutes-forms/>) Conflict of Interest for State Grant-Making, also applies to BWSR grantees. Grantees' conflicts of interest are generally considered organizational conflicts of interest. Organizational conflicts of interest occur when:

1. A grantee is unable or potentially unable to render impartial assistance or advice due to competing duties or loyalties,
2. A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties, or
3. A grantee or potential grantee has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

D. Questions

This RFP, the FY2021 Clean Water Fund Competitive Grant Policy adopted by the BWSR, and the Grants Administration Manual (<https://bwsr.state.mn.us/grants/manual/>) provide the framework for funding and administration of the FY2021 Clean Water Fund Competitive Grant Program (www.bwsr.state.mn.us/grants/apply/index.html).

Questions regarding grant applications should be directed to your area Board Conservationist or Clean Water Specialist; a map of work areas and contact information is available at [BWSR Maps and Apps Gallery](#). Questions may also be submitted by email to cwfquestions@state.mn.us. Responses will be posted on the BWSR website as a “Frequently Asked Questions” (FAQ) document and updated weekly throughout the RFP. The final update will be posted on August 6, 2019.

Questions about the Restoration Evaluation Program can be directed to:

Wade Johnson
wade.a.johnson@state.mn.us
651-259-5057

Gina Quiram
gina.quiram@state.mn.us
651-259-5067

Questions about the MDA AgBMP Loan Program and requesting funds through this application can be answered by calling Dwight Wilcox (651) 201-6618 or emailing AgBMP.Loans@state.mn.us.

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

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

Project and Practices

This grant makes an investment in on-the-ground projects and practices that will protect or restore water quality in lakes, rivers or streams, or will protect groundwater or drinking water. Examples include stormwater practices, agricultural conservation practices, livestock waste management, lakeshore and stream bank stabilization, stream restoration, and SSTS upgrades.

Specific Requirements – Projects and Practices

- Through the Nonpoint Priority Funding Plan, the following three high-level state priorities have been established for Clean Water Fund nonpoint implementation:
 1. Restore those waters that are closest to meeting state water quality standards
 2. Protect those high-quality unimpaired waters at greatest risk of becoming impaired
 3. Restore and protect water resources for public use and public health, including drinking water.
- To meet the project assurances (section 3.2 of Policy) for streambank stabilization or stream restoration projects, applicants must commit to provide financial assurance from local sources for repairs and maintenance. Assurance (recommended at least 20 percent of total project cost) needs to be documented prior to work plan approval to ensure projects provide the proposed long-term clean water benefits.
- Proposals must include a measurable goal. For projects proposed to help meet a Total Maximum Daily Load, measurable goals need to be quantified as the needed annual pollution load reduction.
- SSTS project landowners must meet low income thresholds. Applicants are strongly encouraged to use existing income guidelines from U.S. Rural Development as the basis for their definition of low income.
- Livestock Waste Management Applications:
 - a. Practices must follow the MN NRCS practice docket, which is found on the NRCS website: <https://efotg.sc.egov.usda.gov/#/details>
 - b. Supplemental questions **must** be submitted in eLINK via attachment as part of any application that contain Livestock Waste Management practices including practices to address stockpiles. Applications that do not have this attachment will be deemed ineligible.
 - c. Funding will only be provided for those projects listed on the supplemental questions sheet.
- In-lake management activities must have completed a feasibility study that is attached to the eLINK grant application. The study must include:
 - a. Lake and watershed information (at minimum, include lake morphology and depth, summary of water quality information, and the assessment of aquatic invasive species);
 - b. Description of internal load vs. external load reductions;
 - c. History of projects completed in the watershed, as well as other in-lake treatments if applicable;
 - d. Cost benefit analysis of treatment options;
 - e. Projected effective life of the proposed treatment;
 - f. Plan for monitoring surface water quality to assure the project's total phosphorus goal will be achieved during the project's effective life, and
 - g. For activities related to rough fish (example carp), the feasibility study must also include:
 - i. Methods to estimate adult and juvenile carp populations;

- ii. Description of the interconnectedness of waterbodies (lakes, ponds, streams, wetlands, etc.);
- iii. Identification of nursery areas;
- iv. Methods to track carp movement;
- v. Proposed actions to limit recruitment and movement; and
- vi. Proposed actions to reduce adult carp populations

Ineligible Use of Grant Funds – Projects and Practices

- 1 Activities that do not have a primary benefit of water quality.
- 2 Routine and/or baseline water quality monitoring
- 3 Household water conservation appliances and water fixtures.
- 4 Wastewater treatment with the exception of Subsurface Sewage Treatment Systems
- 5 Municipal drinking water supply facilities or individual drinking water treatment systems.
- 6 Stormwater conveyances that collect and move runoff, but do not provide water quality treatment benefit.
- 7 Replacement, realignment or creation of bridges, trails or roads.
- 8 Aquatic Plant Harvesting
- 9 Routine maintenance or repair of best management practices, capital equipment and infrastructure within the effective life of existing practices or projects.
- 10 Feedlots
 - a. Feedlot expansions beyond state registered number of animal units, with exception of activities under section 3.8 of the policy, *Practice Standards: Livestock Waste Management Practices*.
 - b. Slats placed on top of manure storage structures.
- 11 Subsurface Sewage Treatment Systems (SSTS):
 - a. Small community wastewater treatment systems serving over 10,000 gallons per day with a soil treatment system, and
 - b. A small community wastewater treatment system that discharges treated sewage effluent directly to surface waters without land treatment.
- 12 Fee title land acquisition or easement costs, unless specifically allowed. If not specifically allowed, land acquisition and easement costs can count toward the required match if directly associated with the project and incurred within the grant period.
- 13 Buffers that are required by law (including Drainage Law and Buffer Law).
- 14 Components of projects needed to meet the statutory requirements of 103E Drainage Law.

Ranking Criteria – Projects and Practices

BWSR staff initially review all applications for eligibility. Eligible applications are further screened and forwarded to an interagency work team (BWSR, MPCA, MDA, MDH and DNR) that will review and rank Projects and Practices applications in order to make a funding recommendation to the BWSR Board.

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