



FY 2023

Water Quality and Storage

Pilot Program

Competitive Grants Request for Proposal (RFP)

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Purpose and Application Information

The Water Quality and Storage Program grants will establish storage practices in the Minnesota River basin and the Lower Mississippi River basin in Minnesota. Eligible practices must control water rates and/or volumes to protect infrastructure, improve water quality and related public benefits, and mitigate climate change impacts. Given the current funding levels, this program is being established as a pilot that will provide funds for design and construction of storage projects. Based on the outcomes and feedback of this pilot program, adjustments to the program may be made once future funding is in place.

Proposal Requirements

A. Applicant Eligibility

Eligible applicants include municipalities, towns, counties, soil and water conservation districts, watershed districts, or organizations formed for the joint exercise of powers, as defined under section 103B.305, subdivision 5, and includes tribal governments. Applicant must have a State or tribally approved and locally adopted local water management plan, comprehensive watershed management plan, watershed district plan, or soil and water conservation district (SWCD) comprehensive plan.

Applicant must have calculated the reduction in runoff rate or volume due to the project at a downstream area of interest (to be determined by the applicant).

B. Match

A minimum 25% match is required from non-state funds. The anticipated source(s) for the match shall be identified in the grant proposal. The match must be cash or in-kind cash value of goods, materials, and services directly attributed to project accomplishments.

Activities listed as ineligible under Section E (Ineligible Activities) may not be counted towards match. Match can be provided by a landowner, land occupier, 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.

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, 2024.

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 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>.
- Water Quality and Storage Pilot Program grants 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.
- All grantees receiving funds for BWSR programs must follow the BWSR Grants Administration Manual, which can be found at <https://bwsr.state.mn.us/grants/manual/>

F. 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 the reduction in the hydrograph peak flow or volume;
- Any required documentation is missing including uploading required feasibility study;
- The match amount does not meet grant requirements;

Application Guidelines

A. Deadline and Timeline

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

- | | |
|----------------------|--|
| ■ March 13, 2023 | Application period begins |
| ■ May 4, 2023 | Application deadline at 4:30 p.m.* |
| ■ June 22, 2023 | BWSR Board authorizes grant awards |
| ■ July/August, 2023 | BWSR grant agreements sent to recipients |
| ■ September 19, 2023 | Work plan submittal deadline |
| ■ October 17, 2023 | 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. 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>

For information regarding DNR public waters permitting requirements, please go to:

Public Waters Work Permit Program

https://www.dnr.state.mn.us/waters/watermgmt_section/pwpermits/index.html

C. 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 may include one image files to be submitted within their eLINK application. If your feasibility study does not include a hydrograph image please use the Application Image feature to upload this item. **Only .jpg, .tiff, or .png file types are allowed.** All other file types of images are not accessible to reviewers.
3. Proposals should clearly articulate the applicant's "area of interest" and must include pre-project and post-project runoff hydrographs at this location for the critical 100-year event and the critical 10-year event. Hydrographs may be attached as an image file if they are not included in the attached feasibility study.
4. A feasibility study that provides more detail on the project evaluation and development must be included as an attachment with the proposal. Questions in the application should be thoroughly answered and not refer to the feasibility study.

5. Proposed projects must be of long-lasting public benefit. LGUs must provide assurances that the landowner or land occupier will keep the project in place for a minimum of 25 years.
6. Proposals must have plans for long-term maintenance and inspection 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.
7. 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.
8. 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.
9. Applicant will need to demonstrate organizational capacity to design and construct, or work with a contractor to design and construct, the proposed project within the grant timeline.

D. Eligible Activities

Eligible activities must result in a reduction to peak flow rates and/or volumes to demonstrate a decrease in downstream flooding, improvement of water quality or related public benefits, or to mitigate climate change impacts. Grants may include any number of practices, but the practices cumulatively must reduce the hydrograph peak at an area of interest (to be determined by the applicant). The area of interest must be identified at the time of application and an explanation provided of the flooding, water quality, or climate vulnerabilities at that location. Pre-project and post-project runoff hydrographs must be provided to quantify the reduction in peak flow rate and/or volume.

Examples of eligible practices include, but are not limited to:

- Ponds without permanent pools (Dry detention ponds)
- Ponds with permanent pools (Wet detention ponds)
- WASCObS
- Wetland Construction or Restorations
- Improvements or retrofits of existing storage areas to increase storage capacity or retention time

Project lifespan must be at least 25-years and the applicant must develop an Operation and Maintenance plan that includes and inspection schedule, expectations for routine maintenance, and a financing system to ensure the design function of the project.

Eligible activities include construction costs, project development, grant management, and administration. Technical and engineering assistance necessary for design of these practices is essential and may be included in the project cost.

Payments for land protection including easement payment (temporary, perpetual, or flowage), pre-title acquisition payments, property acquisition costs, survey, title, and recording fees are eligible expenses under this grant. If a perpetual easement is acquired, it must be approved by the Board of Water and Soil Resources (BWSR) for entire contiguous storage practice. If the easement will be used as match, match amount will be capped at the regular 2018 Reinvest in Minnesota (RIM) easement payment rates.

E. Ineligible Activities

- Proposed activities that do not demonstrate a reduction in the hydrograph peak at an area of interest.
- Activities that are multi-phase, multi-year storage systems (i.e. – the project must not rely on components that will be constructed at a later time in order to get the reduction in peak flow rates and/or volumes).
- Maintenance or repair of existing structures/storage projects.
- Activities that would negatively affect drinking water.
- Activities needed to meet the minimum requirements of Chapter 103E or MS4 plans. If there are activities proposed within an MS4, applicant must show that the activity would not be required during future construction within the MS4 (i.e. – a stormwater pond that would be required once an area is redeveloped).
- Feasibility studies and/or hydrology and hydraulic modeling are not eligible during the pilot phase of this program.
- Activities that are constructed as part of 103E proceedings will not be eligible during the pilot phase of this program.

F. Technical Expertise

Grantees must identify the technical assistance provider(s) for the practice or project and their credentials for providing this assistance. The technical assistance provider(s) must have appropriate credentials for practice investigation, design, and construction. Credentials can include conservation partnership Job Approval Authority (JAA), also known as technical approval authority; applicable professional licensure; reputable vendor with applicable expertise and liability coverage; or other applicable credentials, training, and/or experience.

BWSR reserves the right to review the qualifications of all persons providing technical assistance and review the technical project design if a recognized standard is not available. See also the Technical Quality Assurances section of the Grants Administration Manual.

Funding Priorities and Ranking

Priority for funding will be given to projects that meet the following criteria (in order of priority):

1. Project is located in the Minnesota River basin or the Lower Mississippi River basin in Minnesota (as required by Mn Statute 103F.05 Subd.2 (b)).
2. The applicant shows they are taking a comprehensive approach to flow reduction in the watershed, by implementing soil health or other conservation practices.
3. Practices that show higher levels of flood protection, improvement of water quality, etc.

4. Practices that demonstrate reduction in flood potential, improvement of water quality, AND mitigation for climate change.
5. Evidence of project installment readiness, which may include local letters of intent from government partners, evidence of support from willing landowners, and permitting agencies have been consulted regarding project permitability.

Water Quality and Storage Program Ranking Criteria	
Ranking Criteria	Maximum Points Possible
<u>Project Description:</u> The project description succinctly describes the project purpose, the results the applicant is trying to achieve, and how they intend to achieve those results.	5
<u>Priority Location:</u> Projects located in the priority areas of the Minnesota River Basin and the Lower Mississippi River Basin in Minnesota (as stated in MN Statute 103F.05 Subd. 2 (b)) will be awarded the maximum points in this category. Projects outside of this priority area will receive zero points in this category.	10
<u>Prioritization:</u> The project is referenced within a watershed management plan locally adopted and approved by the state or tribal government. The feasibility study demonstrates that a comprehensive approach is being taken to water management and the placement of the practice will support that management. Other measures or actions are being taken in the watershed to reduce peak flooding or improve water quality, such as soil health practices or other structural practices and a variety of funding sources is being used to implement these practices.	20
<u>Targeting:</u> The applicant describes how the peak flow or volume reduction will reduce flooding, improve water quality, or mitigate climate change impacts at a local point of interest. Applicant also describes how the project location will affect flow rates and/or volumes at other areas downstream of the project.	15
<u>Measurable Outcomes:</u> The proposed project peak flow rate or volume reduction has been quantified and directly addresses flooding, water quality, or climate change issues.	20
<u>Project Readiness:</u> The proposed project has a set of specific activities that can be implemented soon after grant award. Project locations have been identified and coordination with landowners has begun. Permitting and environmental review requirements have been identified and early coordination with permitting agencies has taken place.	20
<u>Cost Effectiveness:</u> The application identifies a cost-effective solution to address the issue at the area of concern. The cost per acre-foot of storage is reasonable and the cost for the resulting flow reduction is reasonable.	10
Total Points Available	100

FY 2023 Water Quality and Storage Pilot Program Questions

FY 2023 Water Quality and Storage Pilot Program Competitive Grants

(Answers to each question are limited to 2000 characters.)

Note that the following questions need to be answered in eLINK. The character limit in eLINK is NOT the same as Microsoft Word.

Project Abstract: Succinctly describe what you are trying to achieve and how you intend to achieve those results, including describing the area of concern and anticipated outcomes based on your project.

Technical Capacity: Explain your organization's capacity (including available FTEs or contracted resources) to effectively implement the proposed project(s). Identify the technical assistance provider(s) for the project and provide credentials for providing this assistance. The technical assistance provider(s) must have appropriate credentials for practice investigation, design, and construction.

Project Impact: Identify the area of interest and provide pre-project and post-project hydrographs at this location for the critical 100-year and 10-year storm events.

Project Description 1. (5 points): Describe the purpose and outcomes of the proposed project, including: 1) the flooding, water quality, or climate vulnerabilities at the area of interest, 2) the eligible activities that would be implemented, and 3) the public benefits of the project. Also include the acre-feet of live storage (storage above the normal outlet elevation) that the practice or project will create. Other volumes totals of storage created can be included if the applicant feels they are significant.

Project Location 2. (10 points): Provide the location of the project: 1) Minnesota River Basin, 2) the Lower Mississippi River Basin in Minnesota, or 3) not in a priority area.

Prioritization 3. (20 points): For the proposed project, what is/are the specific, applicable state approved and locally adopted water management plan reference(s) by plan organization, plan title, section and page number? Briefly describe the feasibility study that was completed for this project and how the project fits into a broader plan for the watershed (if applicable). Make sure to include other practices, such as soil health or other conservation practices, being implemented in the watershed and include their funding source.

Targeting 4. (15 points): How much does the proposed practices or combination of practices reduce peak flows or volumes downstream? Explain how the reduction in peak flows or volumes will reduce flooding, improve water quality, or mitigate climate change at an area of interest. Describe the effect of the proposed practices at other locations within the watershed, for example, will there be project effects at the next downstream HUC12 or how far downstream will there be project effects (either measured or expected). Does the project consider how storage can negatively impact downstream areas by changing the timing of the peak flow or shifting the hydrograph volume?

Measurable Outcomes 5. (20 points): This section should quantify the benefits of the project. What is the expected reduction in downstream flooding? What is the estimated annual reduction in pollutant(s) being delivered to the water resource(s) of concern by this project? If there have been specific pollutant reduction goals set for the pollutant(s) and resource(s) of concern, please indicate the goals and the process used to set them. How is this project expected to make the watershed more resilient to climate change?

Project Readiness 6. (20 points): What steps and actions have been taken to ensure that project implementation can begin soon after grant award, such as partner coordination, preliminary identification of potential conservation practice/activity locations, coordination with landowners, and preliminary discussions with permitting authorities, including the DNR Area Hydrologist.

Cost Effectiveness 7. (10 points): Describe why the proposed practices/activities or combination of practices/activities are considered to be the most cost effective and reasonable means to attain water quality improvement or protection benefits. Consider factors such as, but not limited to, BMP effectiveness, timing, site feasibility, practicality, property owner willingness, and public acceptance.

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 Water Quality and Storage Program 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 FY2023 Water Quality and Storage Pilot Grant Program ([link when available](#)).

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](#). 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 April 18, 2023.