



FY '10 Clean Water Fund Grants Policy

Purpose

The Clean Water Fund was established to implement part of Article XI, Section 15, of the Minnesota Constitution, with the purpose of protecting, enhancing, and restoring water quality in lakes, rivers, and streams in addition to protecting groundwater and drinking water sources from degradation. The purpose of this policy is to provide clear expectations for implementation of funds appropriated to BWSR associated with Clean Water Fund (CWF) grants.

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.

1.0 Eligible Activities

The primary purpose of activities funded with grants associated with the Clean Water Fund is the control or prevention of chemical or nutrient runoff, soil erosion, sedimentation, runoff volume or materials that affect human or aquatic system health. Eligible projects can consist of structural practices, technical assistance or non-structural measures and best management practices. Local government units (LGUs) are eligible to receive grant funds if they are working under a current state approved, locally adopted water management plan. All activities must be consistent with an approved TMDL implementation plan, or a current watershed management plan, county comprehensive local water management plan, metro groundwater plan, surface water intake plan or well head protection plan that has been state approved and locally adopted.

1. All structural practices must be designed and maintained for a minimum effective life of ten years,
2. Operation and maintenance for the life of the practice is included with the design standards, and
3. An inspection schedule and procedure shall be included as a component of maintaining the effectiveness of the practice.

2.0 Incentive Payments

Incentives using CWF dollars may be used to encourage landowners to install structural practices or to adopt land management practices that improve or protect water quality. Incentive payments should be reasonable and justifiable, supported by LGU policy, consistent with prevailing local conditions, and must be associated with established practices.

3.0 Financial Assistance for Practices and Activities

Consistent with MS 114D.20, Subd 6 (3), priority consideration shall be given to projects that: “most effectively leverage other sources of restoration funding, including federal, state, local, and private sources of funds.” An overall 25% local match is required for CWF grants. Additional funds that can be secured toward project activities will be considered as a ranking criterion. In order to encourage long-term operation and maintenance of structural practices, matching cash or in-kind cash value provided by the landowner, land occupier, or other source at a rate acceptable to the LGU may be used to match CWF grants for practice installation.

4.0 Local Administration and Reporting of Grant Outcomes

Local reporting requirements are identified in the CWF appropriation including such activities as web publishing. Up to 5% of the CWF grant may be used for local grant administration and reporting costs.

5.0 Technical and Engineering Components of Projects

In order to develop, install and inspect projects, technical and engineering (TE) expertise is required. With the emphasis of the CWF shifting to an outcome-based analysis, comparisons of project outcomes to total project costs is relevant. The total cost of TE components of CWF projects is included in the total project cost.

6.0 Grant Administration

LGUs have both the authority and responsibility to approve expenditure of funds within their own organization.

The LGU administering the grant must approve or deny expenditure of funds. The action taken must be documented in the LGUs meeting minutes.

Individual member organizations of Joint Powers Boards or project partners may make agreements with the primary grant recipient to approve implementation of conservation practices at the member level. The details of the agreement should be reached before administration of the CWF grant begins.

Grant reporting, fiscal management, and administration, is the responsibility of the grant recipient organization.

Contracts to provide financial assistance to landowners or other local governments are expected to be developed or modified from existing documents to meet CWF requirements. BWSR recommends all contracts be reviewed by the LGUs legal counsel.

7.0 Technical Expertise

LGUs have the responsibility to ensure that the designated staff for a project has the appropriate technical expertise, skills, and training.

BWSR reserves the right to review the qualifications of all persons providing technical assistance to the project.

Successful grant applicants will be required to complete a work plan, including an element that describes how the LGU will ensure that the technical staff has the appropriate skills, training or credentials.

1. BWSR staff will review and approve the workplan. If necessary, workplan adjustments may be made prior to final workplan approval.

8.0 Structural Practice Construction and Sign-Off

The LGU shall verify that the practice was properly installed and completed according to the plans and specifications, including technically approved modifications, prior to authorization for payment.

9.0 Post Construction and Follow Up Activities

To ensure that a practice is functioning properly, an operation and maintenance plan tailored to fit the conservation practice and the site where it is located shall be developed. The operation and maintenance plan should be as detailed as necessary to identify all of the maintenance activities that are likely to be needed and specify how to accomplish them. The plan should be prepared and reviewed with the land owner or occupier before installation of the conservation practices begins.

LGUs shall assure that the operation and maintenance plan is being followed and that the practices have not been altered or removed by conducting periodic site inspections.

10.0 Project Closeout and Reporting Requirements

BWSR staff is authorized to develop grant agreements, including requirements and processes for fiscal closeouts, and project outcomes reporting.

11.0 BWSR Program Closeout Procedures

1. BWSR staff will review at least 10% of CWF grant agreements in detail for compliance with contractual requirements on an annual basis.
2. Elements described in the project workplan will be reviewed in the program close-out.
3. Project files for CWF expenditures including landowner contact information, contracts, bills and invoices, inspection schedule, O&M information, design plans, and miscellaneous communication must be retained by the LGU pursuant to MS 138.17 and consistent with ongoing record retention schedules.