Federal Clean Water Act Section 319 Funding

\$2.5 million total expected in 2019

The Minnesota Pollution Control Agency's (MPCA's) Federal Clean Water Act Section 319 (Section 319) grant program provides funding and technical assistance to local government units (LGUs) who work with citizens to develop locally based solutions to nonpoint source (NPS) pollution, which reduces NPS and implements total maximum daily load (TMDL) solutions in critical source areas.

Actions eligible for consideration include installation of best management practices (BMPs) that directly reduce sources of NPS, and any associated education or development activities. Please refer to the request for proposal (RFP) for specific and final information. Each year, the RFP will contain eligibility and instructions specific to that funding round and supersedes all fact sheets.



Funding for selected projects will be provided by the Section 319 grant funds. The MPCA anticipates about \$2.5 million will be available this year, contingent upon Congressional appropriation.

In federal fiscal year 2020, the Section 319 grant funding will change to the Section 319 Small Watershed Focus Program. For complete details, see <u>https://www.pca.state.mn.us/water/section-319-small-watersheds-focus</u>.

Who is eligible to apply for funding?

LGUs such as soil and water conservation districts, watershed districts, cities, counties, organizations established by joint powers agreements are eligible to apply for funding. Grantees are required to contribute at least 40% of the total project cost as a cash or in-kind match. To be considered for Section 319 funding, the project sponsor (the entity responsible for the project and its overall success), must have a Federal Identification Number.

Federal government agencies, MPCA staff and entities or individuals that are currently suspended or debarred by the state of Minnesota and/or the federal government are ineligible applicants.

What types of projects are eligible for funding?

MPCA's Section 319 grant program annually seeks proposals for projects to implement BMPs that will reduce NPS in Minnesota's lakes, rivers, and streams. Eligible projects must be in an identified critical area of the watershed and have an U.S. Environmental Protection Agency (EPA)-approved TMDL on that waterbody, which must be approved by **the close of the RFP period**.

Projects should clearly identify the critical source areas in the watershed and target actions to those locations. Critical source areas are geographic areas identified by a watershed model or similar tool (and ultimately confirmed by field observation and/or confirmed by local partners or stakeholders) that show areas disproportionately contributing pollutant loads or excess flow to surface waters.

National Pollutant Discharge Elimination System (NPDES)-permitted feedlots are not eligible. Otherwise, all feedlots with a Manure Management Plan are eligible.

A proposal should reference a watershed plan that addresses EPA's "Nine Minimum Elements." Located at <u>https://www.epa.gov/sites/production/files/2015-</u>09/documents/2008_04_18_nps_watershed_handbook_handbook-2.pdf.

The nine elements may be found in the watershed restoration and protection strategies (WRAPS), TMDL implementation plan, One Watershed One Plan, or local water plans. If any of the nine elements are lacking from those, the proposal may reference the work plan for the proposed project.

What types of projects are not eligible for funding?

- Activities addressing NPDES requirements such as feedlot, wastewater, or stormwater permits.
- Activities related to point sources.
- Activities addressing enforcement actions.
- Activities whose purpose is primarily water quality monitoring or assessment.
- Activities related to operation and maintenance of a feedlot.
- Upgrading or replacing septic systems (may be used as match).
- Projects that have the potential to degrade an existing water body.

What are eligible and ineligible project costs?

Eligible costs

Eligible costs are costs **directly** incurred through work activities **solely related** to and necessary for producing the work products and deliverables as described in the proposal and subsequent project work plan. Only eligible costs will be reimbursed. Invoices must be submitted to the MPCA at least quarterly.

- BMPs activities.
- Expenditures incurred during the effective dates of the grant agreement.
- Staff time for technical assistance or public outreach.
- Contractor charges (e.g., engineering, design, implementation).
- Actual wages and expenses of grantee employees, if specified and documented. Fringe benefit costs limited to FICA/Medicare, retirement, and health insurance of grantee's employees, if specified and documented.
- Outreach and civic participation activities including light refreshments and/or meals served at events, as
 outlined in the project work plan. Advertising costs related to the project and approved in the work plan
 and communication costs, postage, and other related expenses. Rental of audiovisual equipment, as
 related to the project and approved in the work plan. Production and distribution of publications and
 periodicals relating to accomplishing work plan activities, with an emphasis upon using electronic
 methods to accomplish tasks.
- Costs such as office materials, supplies, and prorated, reasonable office rental fees. These costs should be included in the hourly rates.
- Field materials and supplies.
- Computer(s)* and software required specifically to perform work plan duties and pre-approved by the EPA and the MPCA.
- Equipment*, including monitoring equipment, less than \$5,000 per unit, required specifically to perform work plan duties and pre-approved by the MPCA.
- In-state transportation and travel expenses (such as lodging, meals and mileage) of personnel approved in the work plan in the same manner and in no greater amount than provided for in the current <u>Commissioner's Plan</u> in force at the time of the expenditure and promulgated by the Commissioner of Minnesota Management and Budget.

- Costs for subcontractors as pre-approved by MPCA. The project sponsors must follow their own procurement rules.
- Vehicles unique to the project and pre-approved by the MPCA as a direct expense.
- Mobile communication devices when unique to the project and pre-approved by MPCA as a direct expense.
- Accountant fees and audits.

*Equipment purchased with grant funds belongs to the MPCA or EPA.

Ineligible costs

Ineligible costs include any costs that are unreasonable or not directly related to the project, and the following, even if directly related to the project.

- Indirect costs.
- Any expenses incurred before the agreement is fully executed, including applicant's expense for preparing a proposal, and final development of work plan, budget, and timeline.
- Bad debts/late payment fees, finance charges or contingency funds, interest, and investment management fees, and attorney fees.
- Employee worksite parking.
- Entertainment, gifts, prizes, and decorations; alcoholic refreshments; merit awards and bonuses; hospitality rooms; and fundraising and donations.
- Lobbying, lobbyists, and political contributions.
- Reimbursements to non-staff stakeholders for their attendance at stakeholder participation meetings.
- Mark-up on purchases and/or subcontracts.
- Taxes, except sales tax on eligible goods and services.
- Conference fees, memberships, subscriptions and dues.
- Replacing or upgrading septic systems (these activities are eligible for project match).
- Land purchases or easements.
- All equipment costing more than \$5,000 per unit and purchase cost of boats, outboard motors, and/or trailers.

How do I apply for funding?

For more information on how to apply for Section 319 funding, visit the MPCA's financial assistance for nonpoint source water pollution projects webpage at <u>https://www.pca.state.mn.us/water/section-319-funding-round</u>.