

Approved by the Rum River Watershed Partnership on:

## **Rum River Watershed Partnership FY23 WBIF Project Policies**

**Purpose:** This policy establishes an administrative process regarding how FY23 Watershed Based Implementation Funds (WBIF) will be spent implementing the Rum River Watershed Comprehensive Watershed Management Plan (RRWCWMP).

This document outlines:

- 1) Project selection and approval process;
- 2) Contracting and payment process and policies; and
- 3) Cost share rates and policies

This policy is intended to be reviewed annually and may be altered at any time to adjust for unforeseen projects and funding opportunities upon approval by the Rum River Watershed Partnership (RRWP) board.

Additional documents should be used in conjunction with this document: 1) Projects ranking form (excel), 2) MN BWSR applicable grant policy and grants administration manual.

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### **Roles and Parties Definitions**

**Fiscal Agent:** Anoka Conservation District, Jamie Schurbon

**Coordinator:** Isanti Soil and Water Conservation District, Tiffany Determan

**Members:** Any local or tribal unit of government that has signed the Joint Powers Agreement establishing the RRWP.

**Implementation Planning Committee (IPC):** The IPC consists of one staff member from each party of the JPA.

**Board:** The RRWP Board consists of one representative from each party to the JPA.

**Project:** Any request for RRWP FY23 WBIF funds. Projects may include requests for staff time funding or labor and/or materials to install a best management practice.

Approved by the Rum River Watershed Partnership on:

## Section 1. Project selection and approval process

### Project Eligibility

The first step in project selection is to determine whether the project is eligible for WBIF funding.

#### Eligibility:

The following criteria determine whether a project is eligible to be implemented with FY23 WBIF Funds:

1. Projects must meet the eligibility requirements of the Board of Water and Soil Resources WBIF.
2. Eligible projects must address a **Priority Level A issue in the Rum River Comprehensive Watershed Management Plan (CWMP)**. These issues include Education and Outreach, Surface Water Restoration, and Surface Water Protection.
3. Eligible projects must be within the drainage area of a tier 1 or 2 **priority water as listed in Table 4.5 and 4.8 of the CWMP**, or for projects that maintain or enhance watershed-based ecosystems, be located within a **priority geographic area found in Figure 4.5 of the CWMP**.

The Eligibility and Ranking Sheet score must be a “yes” for all eligibility questions for a project to be eligible to use WBIF. All “yes” projects are eligible to move on to the funding ranking step in the project selection process.

### Funding Request Components

Each funding request from a member must include a completed Eligibility and Ranking Sheet sent to the Coordinator. Supplemental information such as a map or photo may be required by the Coordinator or included voluntarily. Each member requesting funding should expect that in the event their request is approved those items will be required before work may begin.

### Funding Request Ranking

All projects determined to be eligible for FY23 WBIF funds will be scored using the Eligibility and Ranking Sheet. The spreadsheet must be completed by the member wishing to receive funding for a project. The sheet calculates (1) eligibility on a pass/fail basis and (2) a project score. Projects with scores above a threshold amount (40) shown in the spreadsheet are anticipated to be funded.

For projects that are eligible and scoring above the threshold, the Coordinator will send the completed Eligibility and Ranking Sheet and any supplemental information by email to the Implementation Planning Committee (IPC) for electronic review (See Funding Request Periods). Each IPC member shall reply within the timeframe specified by the Coordinator with their recommendation to “fund,” “do not fund,” or “schedule a meeting to discuss.” If two or more recommend a meeting, the Coordinator will schedule and facilitate that meeting. IPC meetings will typically be held the third Monday of the month. All IPC approved funding requests will be referred to the Board for consideration where funding approval is by majority vote.

IPC and Board funding decisions may include consideration of available funding, cost effectiveness, matching funds leveraged, degree to which other funding has been pursued, and criteria as established in the RRCWMP and the accompanying FY23 WBIF work plan. If insufficient WBIF funds exist to fulfill current and anticipated funding requests, projects will be scored against each other. If tied, the project

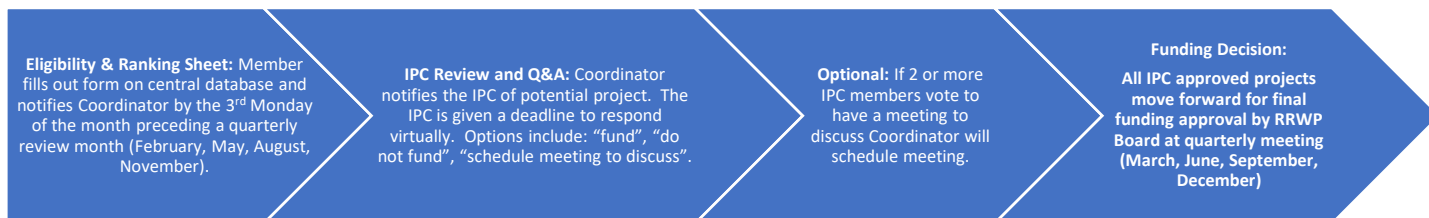
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with a better \$/pollutant value will be funded. Additionally, projects specifically mentioned in the grant work plan will receive priority over those that are not.

### Staff Time Funding Requests

Certain FY23 WBIF activities are primarily to fund staff time, but are nonetheless often referred to as “projects” in this policy. These activities include Education/Information; Project Development (PD); Technical/Engineering Assistance (TA); and planning, assessment, and special studies. Funding requests for these activities use the same process described above. Consideration of these requests shall favor work that makes progress toward installation of projects achieving CWMP goals consistent with the grant work plan and policy.

### **Summarized Project & Program Approval Process**



**Funding Request Periods:** Funding requests must be submitted to the Coordinator by the Third Monday of the month preceding a RRWP quarterly meeting (i.e. deadlines for submission: February, May, August, November). IPC recommended projects will go to the RRWP board during a quarterly meeting (March, June, September, December).

### **Cost Share Rates and Policies**

Approved funding requests must comply with the RRWP Cost Share Rates and Policies found in Section 3.

### **Appeals**

The Board will review and make a funding decision on all projects, including those that receive a “do not fund” recommendation from the IPC. Decisions of the Board are final. Projects may be re-submitted for reconsideration if changes are made in response to input from the IPC or board.

### **Project Splitting or Grouping**

Members may make a single funding request for a grouping of similar projects.

### **Requests for Future Funds**

Requests will not be considered for future rounds of WBIF grant funding that is not yet in-hand. However, Members are encouraged to make future projects known during grant work planning.

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**Revisions to the Eligibility and Ranking Sheet**

The IPC may, from time to time, revise the Eligibility and Ranking Sheet. Grammatical, formula and other edits that do not change project eligibility may be made at the discretion of the Coordinator and Fiscal Agent. Other edits shall be approved by the Implementation Planning Committee and notice provided to the Board.

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## **Section 2. Contracting Process and Policies**

### **Contracts**

Upon approval, the Member will have a sub-contract with the RRWP. The Board may choose to authorize the Chair or Coordinator to execute the sub-contract.

The Member must execute a cost share contract with landowner for any structural or non-structural best management practices. That agreement must contain ownership and maintenance provisions throughout the duration of the project's anticipated life. Such agreements must contain a deed restriction and easement agreement for projects with a cost greater than \$5,000 and with a 10-year or longer anticipated life to compel the current and future landowners to maintain the project. Such deed restrictions shall expire at completion of the anticipated project life, as specified in the landowner agreement. Deed restrictions and easement agreements are not required for publicly owned or permanently protected land.

### **Payments**

All requests for reimbursement must be submitted to the Coordinator and made on forms provided by the Fiscal Agent that include signatures of responsible parties overseeing the work. Requests for reimbursement of direct payments must be substantiated by receipts, paid invoices or similar documentation in accordance with Grant policy and acceptable to the Fiscal Agent. Requests for staff time reimbursement must be substantiated by a log of hours worked and billing rate calculations in accordance with Grant policy and acceptable to the Fiscal Agent. All documentation must include dates of services. It is the Member's responsibility to know and comply with State grant and Rum River Watershed Partnership Policy.

Fiscal Agent authorization to issue payments: The Fiscal Agent is authorized by the Board to issue payments for approved projects and report these transactions at each Board meeting. Complete requests for reimbursement submitted not less than 10 non-holiday work days prior to Fiscal Agent's regularly scheduled Board meeting will be acted upon at that Board meeting.

Payment Process: The Member will pay all expenses up front. The Fiscal Agent will reimburse the Member as directed by the Fiscal Agent's board, within work plan limits, and considering recommendation of the Member.

10% Retainage: The Fiscal Agent will issue reimbursement payments, except 10% may be retained. Any retained amounts will be paid after Board of Water and Soil Resources releases the final 10% of grant funds.

Payment as grant funds are available: The Fiscal Agent will issue reimbursement payments as grant funds are available. Grant funds are provided to the Fiscal Agent by the State in 50%-40%-10% payments with reconciliation processes that may cause delays between those payments. The Fiscal Agent's board may prioritize payments and may issue partial payments if available funds are insufficient to pay all reimbursement requests.

Progress Payments: Members may request progress payments before final completion of work on project contracts, provided they comply with grant requirements. Prior to authorization for progress

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payment, the Member must attest that the request for payment has merit, the payment request is equal to or less than the percent of work that is complete, and that the project will still be completed within the contract timeline.

Documentation required with payment requests:

- Executed landowner contract (if applicable).
- Operation and Maintenance Plan. Typically included in the landowner contract.
- Payment voucher. Vouchers should include sign-off by the designer or technical staff with project oversight and Member administrator.
- Vendor invoices. Invoices must include the vendor name; materials, labor or equipment provided; component unit costs; invoice date; and date(s) work was performed.
- Staff time and hourly rate documentation (when applicable) consistent with grant policy.
- Pollutant reductions (for completed projects, if applicable). Calculations or models must be consistent with BWSR grant guidelines.
- Certified as-build design (for completed projects, if applicable).
- Before and after photos.
- Certified contractor payrolls to comply with prevailing wage requirements (if applicable).
- IC-134 withholding affidavit for contractors (if applicable).

Advance payments: Advance payments of grant funds are discouraged, but may be considered. Such requests will be made during the request for funds and project ranking process. If the funding request is approved, a recommendation of advance payment may be provided to the Fiscal Agent by the Board. The Fiscal Agent shall make the final decision regarding whether to issue advance payment and provide reasoning.

Invoicing frequency: Staff time payment requests may be submitted up to quarterly. Installation or other requests can be submitted up to monthly.

### **Project Amendments**

A Project amendment may include (a) requests for additional Partnership funding or (b) a change to the scope and type of work that results in reduced benefits such that the Partner agreement for the project must be modified.

Changes in funding or scope will be approved as follows:

≤10% funding change and if the change of scope remains proportional to the original agreement: The Member submits a request to the Fiscal Agent. The Fiscal Agent can approve the amendment.

>10% funding change or if the change of scope is not proportional to the original agreement: Member must submit the request to the Fiscal Agent. The Fiscal Agent will notify the coordinator to place the item on the next scheduled JPE board meeting agenda. The member must present the requested change to the JPE board for approval/denial.

### **After the Fact Funding Requests**

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Work to be paid or reimbursed must occur after a funding request is approved and associated contracts executed.

**Designer Credentials**

Project designs must have sign-off by a person with credentials acceptable under grant policy such as job approval authority or professional engineer. The NRCS Field Office Technical Guide, MN Stormwater Manual, BWSR Native Vegetation Establishment and Enhancement Guidelines, or other standards generally accepted by the engineering profession must be used for project design, construction, operations and maintenance.

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### Section 3. Cost Share Policies

#### Cost-share and local match

General funding rates for all project types are described in the table below. Under some circumstances, a Member may request 100% funding for structural projects and forestry practices. Such requests will be made during the request for funds and project ranking process.

Match for the FY2023 WBIF grant must be from a non-state source and comply with all grant policy. Non-state funding sources may be used to fund any project at 100% if consistent with the administrative requirements of the funding source.

Grant activity	WBIF Cost Share Funding Rates	Non-State Match Required*
Administration/Coordination	100%	0%
Education/Information	100%	0%
Project Development	100%	0%
Tech/Engineering	100%	0%
Ag Non-Structural	100%	0%
Structural Urban BMPs	75%	25%
Structural Rural BMPs	75%	25%
Forestry Practices	80%	20%
Planning, Assessment, & Special Studies	100%	0%

\*Percentage of WBIF grant funds.

#### Ineligible Projects

Required projects - Cost share is not available for projects required by local, state or federal rules or ordinances.

Grant work plan & policies – Projects must be consistent with the funding source grant work plan or grant policies.

#### Incentives for Non-Structural Practices

Incentives to install or adopt non-structural best management practices that improve or protect water quality are eligible for use of funds. The goal of these practices is ongoing landowner adoption unless otherwise approved by BWSR.

Non-structural BMPs will be planned and implemented according to the Natural Resource Conservation Service standards and specifications found on the Electronic Field Office Technical Guide (EFOTG). However, seeding dates for cover crops may follow Midwest Cover Crop Council seeding guide recommendations.

For all non-structural BMP practices, cost share funding will be comprised of a flat per acre rate incentive based on the Minnesota NRCS Practice Average Annual Cost Information Spreadsheet FY2018 (or more recent as it becomes available) and the Practice Cost Information Workbook Tool 2019 (or more recent) found in the EFOTG.



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Practices will be planned for 3 years of implementation. Practices may be implemented on the same acres for the 3-year duration (required for nutrient management and prescribed grazing), practices may move with the rotation but must implement the same amount or greater acres in years 2 and 3, or two or more practices may be implemented on the same acres for the 3-year period alternating years (ex. Plant cover crops after corn harvest, no-till soybeans the following year). Eligibility requirements include that planned practices are newly adopted; not previously implemented on the acres by the current owner/operator and did not previously meet NRCS standards and specifications.

One payment shall be made after the first year that the practice is successfully implemented, and inspected by the Member annually thereafter. In the event that the practice is not continued in years 2 & 3 as required, the Partner shall recover funds for those years.

Cost share policies include:

- **Cover Crops** - Must follow NRCS Practice Standard 340
  - 1-2 species \$50/acre/year
  - 3+ species \$60/acre/year
  - Implementation can occur on different acres within the three-year contract or on the same acres consecutively
- **Nutrient Management** - Must follow NRCS Practice Standard 590
  - \$20/acre/year
  - Implemented on the same acres annually
- **Prescribed Grazing** - Must follow NRCS Practice Standard 528
  - \$40/acre/year
  - Implemented on the same acres annually
- **Residue and Tillage Management – No-Till & Strip Till** - Must follow NRCS Practice Standard 329 for No-Till/Strip-Till
  - \$20/acre/year
  - Implementation can occur on different acres within the three-year contract or on the same acres consecutively
- **Residue and Tillage Management - Conservation Tillage** - Must follow NRCS Practice Standard 345 for Conservation Till
  - \$10/acre/year
  - Residue cover following a corn crop at the time of planting the subsequent crop must be 60% or greater.
  - Residue cover following a soybean crop at the time of planting the subsequent crop must be 30% or greater.
  - Residue cover following a small grain crop at the time of planting the subsequent crop must be 60% or greater.
  - Implementation can occur on different acres within the three-year contract or on the same acres consecutively.

#### **Labor Provided by Owners**

Unless specified otherwise by Minnesota prevailing wage statutes, the value of labor, equipment, materials and/or services that are proposed to be provided by the landowner to complete the project, shall be estimated at:

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- o General Labor rate of \$25 per hour. (Date, times and activity must be documented)
- o Heavy equipment operation such as skid steers, tractors, backhoes, and scrapers (including labor) at \$75 per hour. (Date, times and activity must be documented)
- o Other equipment rates as listed on the most recent Iowa State University – Iowa Farm Custom Rate Survey – Average Charge rate.
- o Professional or semi-professional services, such as engineering, labor rate at \$100 per hour. (Date, times and activity must be documented)
- o Other items: Fair market value with prior approval by the Rum Watershed Partnership Board.

NOTE: In-kind labor is non-reimbursable. This is to be used ONLY as match for the grant.