



CALL FOR 319 NONPOINT SOURCE PROJECT FUNDING REQUESTS

FISCAL YEAR 2017 CLEAN WATER ACT SECTION 319 NONPOINT SOURCE (NPS) PROGRAM

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ATTACHMENTS

- Attachment A – Project Scoring Sheet
- Attachment B – Example Template Task Language

ACRONYMS

Acronym	Definition
BMP	Best Management Practices
CD	Compact Disk
CWA	Clean Water Act
CWAIC	Clean Water Act Information Center
DEQ	Department of Environmental Quality (Montana)
DNRC	Department of Natural Resources & Conservation
DUNS	Data Universal Numbering System
E&O	Education and Outreach
EPA	Environmental Protection Agency (U.S.)
GRTS	Grant Reporting and Tracking System database
MWCC	Montana Watershed Coordination Council
NPS	Nonpoint Source
O&M	Operation and Maintenance
QAPP	Quality Assurance Project Plan
SAM	System for Award Management
SAP	Sampling and Analysis Plan
SOW	Scope of Work
TMDL	Total Maximum Daily Load
WRP	Watershed Restoration Plan

1.0 INTRODUCTION

The Montana Department of Environmental Quality (DEQ) is issuing this Fiscal Year 2017 Call for 319 Nonpoint Source Project Funding Requests (Call) under Section 319(h) of the Federal Clean Water Act (CWA). DEQ is the lead Montana agency for the Section 319(h) program. Information in this call may be subject to change based on available funding and shifting DEQ and U.S. Environmental Protection Agency (EPA) priorities. If changes become necessary, DEQ will post the changes on the DEQ NPS 319 Project Funding website at <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/NPS-319-Project-Funding>.

In April 2013, EPA issued new guidelines for the 319 program. These guidelines were first incorporated in the FY2014 Call for Project Proposals. The April 2013 guidelines affected many aspects of the 319 program, and required DEQ to make significant changes to the Call. Some of the major changes are summarized below. This is *not* an exhaustive list. It is extremely important to read through the entire Call before filling out the Project Funding Request and the Final Application forms.

- There are no longer separate categories for watershed restoration, groundwater or education and outreach (E&O) projects.
- Projects must directly implement a DEQ-accepted Watershed Restoration Plan (WRP). In order to receive FY2017 319 funding, WRPs must be DEQ-accepted by January 31, 2017.
- Projects must implement actions identified in the 2012 Montana Nonpoint Source Management Plan.
- 319 project funds cannot be used for general statewide E&O activities.
- 319 project funds cannot be used for baseline water quality monitoring.
- 319 project funds cannot be used for pollution source assessment and identification monitoring.
- 319 project funds cannot be used for development of a WRP.

1.1 GOAL OF THE 319 PROGRAM

The primary goal of the 319 program is to restore water quality in waterbodies whose beneficial uses are impaired by nonpoint source (NPS) pollution and whose water quality does not meet state standards. This goal can be accomplished by implementing Best Management Practices (BMPs) and conducting Education and Outreach (E&O) activities. DEQ strongly encourages the development and implementation of science-based, locally-supported Watershed Restoration Plans (WRPs) to guide these efforts (see **Section 2.1**).

The 2012 Montana Nonpoint Source Management Plan (NPS Plan) describes how DEQ plans to see this goal achieved. The NPS Plan contains specific, state NPS program goals, priorities, and identified BMPs. 319-funded activities must address goals identified in the NPS Plan. A copy of the NPS Plan can be downloaded from http://deq.mt.gov/Portals/112/Water/WPB/Nonpoint/Publications/NPSPlan_Complete_07162012.pdf.

What is nonpoint source pollution?

Nonpoint source (NPS) pollution comes from diffuse sources such as polluted runoff and streambank erosion, or from polluting conditions such as the temperature changes that result from a loss of streambank vegetation and shading. For the purposes of this call, discharges from abandoned mine lands are also considered nonpoint source pollution, provided they are not covered under a discharge permit.

1.2 FUNDING AVAILABILITY

DEQ anticipates approximately \$900,000 in 319 funds will be available for distribution in FY2017. The recommended range for 319 funds per project is \$50,000–\$300,000 for on-the-ground activities and \$5,000–\$30,000 for education and outreach activities.

1.3 FY2017 SCHEDULE

Table 1 - Schedule for Fiscal Year 2017 319 Program

Date	Timeline
6/1/2016	Issue FY2017 Call for 319 Nonpoint Source Project Funding Requests
6/22/2016	319 Webinar – 9:00 am to 11:00 am – participation information (To Be Determined)
Stage 1	
7/25/2016	319 Project Funding Requests Due to DEQ
8/18/2016	Montana Watershed Coordination Council (MWCC) Review Meeting
8/31/2016	DEQ Comments Due to Project Sponsors
Stage 2	
9/26/2016	Final Applications Due to DEQ
10/20/2016	Evaluation by Agency Review Panel
Stage 3	
10/28/2016	Letters for Notice of Intent to Award Mailed Out
12/30/2016	Final Scopes of Work Due
April 2017	DEQ Submits State of MT Application for EPA Review
June 2017	DEQ Sends Out Contracts to Project Sponsors, Project Sponsors Return Signed Contracts
Upon Contract Signature	Funds Available

1.4 HELPFUL RESOURCES

The following information may be useful in preparing a Project Funding Request or a Final Application:

- The 2012 Montana Nonpoint Source Management Plan (NPS Plan) can be found at http://deq.mt.gov/Portals/112/Water/WPB/Nonpoint/Publications/NPSPlan_Complete_07162012.pdf
- Information on the existing Watershed Restoration Plans (WRPs) and WRP development can be found in **Section 2.2** Project Eligibility.
- A copy of Montana’s 2016 List of Impaired Waters can be found at http://deq.mt.gov/Portals/112/Water/wqpb/CWAIC/Reports/IRs/2016/App_A.pdf.
- The Clean Water Act Information Center (CWAIC) database is available to help you search for information on the impairment status of Montana waterbodies. The database can be searched online at <http://deq.mt.gov/Water/WQPB/CWAIC>.
- A list of watersheds with approved total maximum daily loads (TMDLs) can be found at <http://deq.mt.gov/Water/WQPB/TMDL/finalReports>.
- A template of example task language is included as **Attachment B**.

2.0 ELIGIBILITY REQUIREMENTS

There will be no exceptions to the following requirements. Project sponsors and their projects that do not meet these requirements will not be considered for funding in FY2017.

2.1 PROJECT SPONSOR ELIGIBILITY

Project sponsors must meet the following minimum requirements in order to receive FY2017 319 funding. Project sponsors must:

- **Be either a governmental entity or a nonprofit organization.** A governmental entity is a local, state, or federal office that has been established and authorized by law. Nonprofit organizations are identified as having a tax exempt declaration of 501(c)(3) from the Internal Revenue Service.
- **Have the necessary administrative and technical capacity to successfully manage a 319 contract.** DEQ will take into consideration performance on previous grants/contracts an organization has received. This will include whether contract deliverables were submitted on time, whether the organization was successful in obtaining and maintaining the support of key project participants, how well the organization's staff communicated with project managers, and the degree to which projects were successful in meeting stated objectives. In the Final Application, project sponsors must provide evidence of their ability, in the form of a list of project participants, their roles in project management, and their qualifications, and a list of natural resource grant/contract agreements managed by the project sponsor in the last four years, along with contact information for the granting/contracting agency.
- **As a general rule, project sponsors will not be allowed to have more than two open 319 contracts at any time.** DEQ reserves the right to evaluate compliance with this rule on a case-by-case basis. This rule encourages project sponsors to plan and carry out larger, more extensive efforts to reduce nonpoint source pollution, phase the planning and implementation of projects where appropriate, and close out individual contracts within a maximum of 3 years.
- **Have a current DUNS number.** All project sponsors must provide DEQ with their organization's current DUNS (Data Universal Numbering System). DUNS numbers may be obtained from the following website: <http://fedgov.dnb.com/webform/index.jsp>
- **Be registered with SAM.** All project sponsors must be registered with the System for Award Management (formerly the Contractor Certification Registration). The SAM registration website is <https://www.sam.gov>
- **Be registered with the Montana Secretary of State.** All project sponsors must be registered with the Montana Secretary of State to do business in the state of Montana. Registration with the Secretary of State may be completed via the following website: <http://sos.mt.gov/business/toolkit/index.asp>
- **Have the necessary liability insurance and be in compliance with the Workers Compensation Act.** Successful project sponsors will be required to demonstrate proof of liability insurance and compliance with the Workers Compensation Act prior to being awarded a contract from DEQ. Please contact Robyn Boyle, (rboyle@mt.gov or 406-444-1842) for guidance on the type and level of insurance coverage that may be necessary for your particular project.

2.2 PROJECT ELIGIBILITY

All projects must:

- **Address nonpoint source pollution.** Section 319(h) of the federal Clean Water Act limits the use of 319 funding to projects that address nonpoint source pollution.
- **Address impairments identified on Montana's 2016 List of Impaired Waters.** In some instances, projects on streams that are not listed as impaired may be acceptable, if they reduce pollutant loading to an impaired, downstream receiving water.
- **Implement actions identified in the 2012 Montana Nonpoint Source Management Plan.** A copy of the Plan is available at http://deq.mt.gov/Portals/112/Water/WPB/Nonpoint/Publications/NPSPlan_Complete_07162012.pdf.
- **Directly implement projects or activities identified in a DEQ-accepted Watershed Restoration Plan (WRP).** Links to all of the DEQ-accepted WRPs and a map of their coverage areas can be found on the DEQ Watershed Restoration Planning site at <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Watershed-Restoration-Planning>. If you do not have a DEQ-accepted WRP by the Final Application Deadline (9/26/2016), or if your DEQ-accepted WRP needs to be amended to address your proposed project, you must submit a complete draft WRP or draft amended WRP (in Microsoft Word or PDF format) with your Final Application. The WRP must identify your proposed project and the rationale for its selection. DEQ staff will review the draft WRP and estimate the likelihood of it being ready for DEQ acceptance prior to January 31, 2017. DEQ staff estimates will be based on how well the draft addresses EPA's nine minimum elements (see callout box), and how responsive the project sponsor has been to DEQ recommendations during the WRP development process. Please contact Robert Ray **immediately** to determine what you will need to do in order to have a DEQ-accepted WRP in place January 31, 2017. Mr. Ray may be reached at 406-444-5319 or rray@mt.gov. Funds will not be awarded to projects that do not have a DEQ-accepted WRP in place by January 31, 2017.

Developing a DEQ-Acceptable Watershed Restoration Plan (WRP)

To be accepted by DEQ, a WRP must adequately address the nine minimum elements established by EPA for Watershed Plans. A detailed description of EPA's nine minimum elements can be found in Chapter 2 of EPA's *Handbook for Developing Watershed Plans to Restore and Protect Our Waters*, available online at:

http://water.epa.gov/polwaste/nps/upload/2008_04_18_NPS_watershed_handbook_ch02.pdf

Successful WRP development and implementation is dependent upon long-term, broad-based stakeholder and community commitment. This commitment may be acquired through rallying around a common cause that affects multiple aspects of a community, or through frequent, on-going communication and coordination on individual projects.

DEQ Watershed Protection Section staff may be available to assist communities in preparing a WRP to guide water quality restoration efforts. For more information on WRPs contact Robert Ray at 406-444-5319 or rray@mt.gov.

DEQ will not fund projects that require:

- **U.S. Geological Survey gage stations.** Unfortunately, funding these stations has become cost-prohibitive.

- **Activities that implement requirements in a point source discharge permit.** For example, wastewater treatment plant upgrades or installation of best management practices to meet the conditions of a municipal separate storm sewer system (MS4) or construction stormwater permit are not eligible for 319 funding.
- **Watershed Restoration Plan (WRP) development.** See the callout box below for alternative resources for WRP development.
- **General statewide education and outreach activities.**
- **Watershed characterization studies and general, baseline water quality monitoring.** Water quality monitoring must be for the purpose of evaluating the effectiveness of a specific project or set of projects at preventing nonpoint source pollution. This effectively precludes watershed characterization studies and general baseline monitoring.
- **Pollution source identification and assessment monitoring.** Again, water quality monitoring must be for the purpose of evaluating the effectiveness of a specific project or set of projects at preventing nonpoint source pollution.

3.0 GOALS, OBJECTIVES, AND METHODS

In addition to the basic sponsor and project eligibility requirements, DEQ and the Agency Review Panel consider the goals, objectives, and methods of a project. Some goals, objectives, and methods are of greater value in creating significant, sustainable reductions in nonpoint source pollution.

3.1 GOALS AND OBJECTIVES

The goal of the 319 program is to reduce and prevent nonpoint source pollution in order to protect all designated beneficial uses of Montana's waters. The more efficient and effective a project is at achieving this goal, the more likely it will be funded.

Addressing the following priorities will significantly increase the likelihood of receiving 319 funds. These priorities are reflected either directly or indirectly in the project scoring sheet used by the Agency Review Panel. The priorities are listed in order from highest ranked to lowest.

1. Projects that address the most appropriate next step for making progress towards the removal of a pollutant/waterbody combination from Montana's 2016 List of Impaired Waters.
2. Projects that will lead to long-lasting reductions in nonpoint source pollution.
3. Projects for which nonpoint source goals are clearly defined, measurable, and attainable.
4. Projects addressing water quality impairments identified in a TMDL document.
5. Projects that address the most significant source(s) of nonpoint source pollution within a watershed.
6. Larger projects in smaller watersheds that address all or most of the significant NPS pollution sources within that watershed.
7. Projects that reduce NPS pollution from agriculture (livestock and/or farming), forestry, mining or urban runoff.

3.2 METHODS

The effectiveness and sustainability of individual methods of addressing nonpoint source pollution are highly variable. Some methods lead to more lasting results, have a more favorable cost/benefit ratio, or

may be better suited to certain situations. Best Management Practices addressing different sources of pollutants and non-pollutant water quality impairments are identified in Appendix A of the 2012 Montana Nonpoint Source Management Plan by land use categories. Categories include agriculture, forestry, mining and industry, transportation, and urban/stormwater. When evaluating project methods, DEQ and the Agency Review Panel will consider the following:

- Will the project promote self-maintaining, natural, ecological, and social processes?
- Will monitoring efforts focus on evaluating project effectiveness?
- Do outreach and education component(s) target the most appropriate audience?
- With respect to outreach and education efforts, are the methods of delivery appropriate for the audience and for achieving project goals?
- Are project costs reasonable as compared to anticipated results?
- Has sufficient pre-project planning taken place to help ensure the timely and successful completion of the project?

4.0 CONTRACTING REQUIREMENTS

Funds through the 319 program are administered as contracts, not grants. Grants typically refer to funding awarded with few strings attached, minimal oversight by the granting entity, and reporting requirements often limited to a single, final report. Contracts are legally binding agreements that identify specific products or work that must be completed prior to receiving reimbursement. Contracts involve additional oversight, and the expectation that funds will only be used for tasks and activities specifically identified in the contract.

4.1 COST SHARE

- Project sponsors must be able to meet a 40% cost share (also known as match) for the project. The cost share can be from private, state, local, or non-profit sources; it cannot be from federal sources. It can be in the form of cash, other state funds, or in-kind services that have a direct benefit to the project. Cost share can only be applied to one project. For example, if a project is funded by a combination of a Future Fisheries grant, 319 funds, and a \$5,000 Trout Unlimited grant, the Trout Unlimited grant cannot be used to meet both a \$5,000 Future Fisheries cost share requirement and a \$5,000 319 cost share requirement. However, \$2,500 of the \$5,000 could be applied to each. In the Final Application you must identify if cash match is secured or not. "Secured" means obligated through a signed contract, grant, or other formal agreement.

Calculating Required Cost Share

$$(X \div 0.60) - X = Y$$

Where

X = amount of 319 funds being requested

Y = amount of cost share required

Example: For a project sponsor requesting \$100,000 in 319 funds, the calculated cost share would be:

$$(\$100,000 \div 0.60) - \$100,000 = \$66,667$$

4.2 REPORTING

All 319 contracts include reporting requirements. At a minimum, the reporting requirements include:

- **Quarterly status reports.** Status reports must be submitted quarterly, even if no work has occurred during the quarter. Status reports must also be submitted each time a payment request is submitted. Payment requests may be submitted as often as once a month.
- **Annual report(s).** Annual reports are progress-based covering the calendar year.
- **Final report.** The final report consists of a document that acts as a “stand alone” report for the entire project. The final report should include copies, or proof, of all project deliverables as well as a summary of accomplishments, a description of any obstacles encountered, and a complete financial report accounting for expenditure of 319 and matching funds including a detailed comparison of anticipated and actual costs.
- **Submittal format.** All reports must be submitted in electronic as well as hardcopy format for inclusion by DEQ in EPA’s Grant Reporting and Tracking System (GRTS) database.
- **Data submittal.** All data collected, compiled, or analyzed as a part of the project must be submitted to DEQ. All water quality monitoring data collected as part of a 319 contract must be uploaded into the MT-eWQX database. Depending upon a project sponsor’s familiarity with this process, it is expected that a project sponsor could spend a day or more learning the procedure and submitting the data.

Reporting Resources

DEQ NPS 319 Reporting Guidance: <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>

MT e-WQX Support: <http://deq.mt.gov/Water/WQINFO/datamgmt/mtewqx>

4.3 CONTRACT LIFECYCLE

Contracts under the 319 program will not be awarded until late spring or early summer (usually June) of calendar year 2017. Project sponsors should keep this in mind in planning project schedules and preparing Project Funding Requests and Final Applications. Expenses and match incurred by project sponsors prior to the signing of a contract CANNOT be applied to the contract.

319 projects should be completed within 3 years of the signing of the contract. Contractors cannot bill for work completed after the expiration date of the contract. In the past, DEQ has frequently granted contract extensions; this will not be the case going forward.

4.4 PAYMENT

All payment requests are on a reimbursement basis only. Contractors shall bill DEQ no more frequently than monthly and no less frequently than quarterly. DEQ requires contractors to use a specific payment request form. Every payment request must include a status report. Status reports must include a specific description of the work completed that adequately justifies all expenses shown in the payment request form. DEQ project managers may request additional information (e.g. receipts, invoices, photos, meeting attendance sheets, etc.) to justify approval of payment.

4.5 REQUIRED PROJECT COMPONENTS

Required components for all 319-funded projects include monitoring, education and outreach, and contract administration. How these components are addressed will depend on the type of project, specifically if it focuses on on-the-ground activities or education and outreach activities. On-the-ground activities may include pre-implementation planning and design, permitting, subcontracting, and/or actual project implementation. Operation and Maintenance (O&M) components are specific to on-the-ground activities. **Attachment B** contains example template language for the required project components.

4.5.1 Contract Administration

All projects must contain a contract administration task. No more than 10% of the requested 319 funds can be used to cover administrative costs. Administrative costs include, but are not limited to, charges for:

- Preparation and submittal of status, annual and final reports.
- Preparation and submittal of reimbursement requests.
- Office space, equipment and supplies.
- Overhead costs.
- Expense/budget tracking.
- Phone bills associated with the project.
- Insurance.

4.5.2 Education and Outreach

DEQ requires all projects to contain a task dedicated to E&O. Part of the reason for this is to encourage the use of 319 projects as demonstration projects such that other landowners will engage in similar water quality improvement projects on their property. Education and outreach tasks for projects involving on-the-ground projects should be directly related to the project. Appropriate E&O activities for an on-the-ground project include a watershed tour that visits the project site, preparing news releases and newsletter articles covering the project, setting up a kiosk or sign display at the project site, organizing school field trips to the project site, or giving presentations to increase support for similar projects elsewhere in the watershed. The E&O task must identify the target audience, information to be disseminated, method of delivery, and method of evaluating E&O effectiveness.

Project sponsors must justify the costs associated with E&O activities. Justification must be based on the activities' benefit to the project and positive influence on water quality. To a very limited extent, project sponsors may apply for funding for E&O projects that are not specifically related to an on-the-ground project, provided that the E&O projects are identified in their Watershed Restoration Plan, and that they meet all other applicable requirements for 319 funding. However, the evaluation of Final Applications usually favors on-the-ground projects and directly related E&O activities.

4.5.3 Monitoring

All projects must contain a task dedicated to monitoring project effectiveness. Project sponsors proposing to conduct education and outreach activities must include a mechanism for measuring the effectiveness of the activity. Project sponsors proposing to conduct on-the-ground projects must include quantifiable outcomes with respect to water quality. For projects addressing nitrogen, phosphorus, or sediment pollution, monitoring must include a mechanism for determining the annual load reductions

achieved by the project. Monitoring does not necessarily mean obtaining a sample and sending it to a lab. It can also include modeling, surveying, remote sensing, and other forms of evaluation.

All water quality sampling and data analysis must be guided by a DEQ-approved Sampling and Analysis Plan (SAP) and/or a Quality Assurance Project Plan (QAPP). Project sponsors without an existing, approved, and applicable SAP/QAPP will be required to develop one prior to conducting any sampling. Project sponsors should expect the development and approval process to take at least a month, depending upon the complexity of the project, the project sponsor's familiarity with SAPs and QAPPs, and the availability of DEQ review staff.

All water quality monitoring data collected as part of a 319 contract must be uploaded into the MT-eWQX database. Depending upon familiarity with this process, project sponsors can expect to spend a day or more learning the procedure and submitting the data.

4.5.4 Operation and Maintenance (O&M)

An O&M component is necessary if the project includes the installation of on-the-ground practices. A full O&M plan will be required as part of the project, if applicable. Operation includes the administration, management, and performance of non-maintenance actions needed to keep the completed practice safe and functioning as intended. Maintenance includes work to prevent deterioration of the practice, repair damage that may occur, or replace the practice if one or more components fail within the expected lifespan of the practice. These O&M needs are usually documented in a landowner agreement between the project sponsor and the landowner where the on-the ground practices will be installed. Project sponsors should discuss O&M needs and agreements with landowners early in the project planning process.

Project sponsors proposing on-the-ground activities must provide a plan for the operation and maintenance of each implemented practice. For each practice, the plan must include the following:

- A reasonable, expected life span for the practice. The lifespan must be determined by mutual agreement and definition between the project sponsor and DEQ, and shall be based on similar projects and programs.
- A description of how the practice will be operated and/or maintained to ensure that it remains functional for the duration of its intended lifespan.
- A procedure for obtaining access to the project site for the purposes of project planning, implementation, operation and maintenance, and post-implementation monitoring, by the entity leading the project, DEQ and EPA.

5.0 PROJECT FUNDING REQUEST AND FINAL APPLICATION SUBMISSION AND EVALUATION PROCESS

The 319 NPS project application process consists of two stages. The first stage will be submittal and review of the Project Funding Request, and the second stage will be submittal and review of the Final Application and attachments. **BOTH STAGES OF THE PROCESS MUST BE COMPLETED.**

In each stage, project sponsors must submit all documents in both electronic and hard copy formats. **Electronic copies must be delivered to DEQ by 2:00 pm on the day they are due.** All electronic documents and attachments must be delivered in either PDF or Microsoft Office Suite compatible file

format. **DO NOT** send electronic files through Dropbox, WeTransfer, Google Docs, or any other commercially available file transfer service. DEQ employees are unable to access these types of cloud-based transfer tools. Electronic documents smaller than four megabytes (4 MB) may be delivered via email to DEQWQPAdmin@mt.gov. Electronic documents larger than four megabytes (4 MB) must be delivered using one of the three options below.

- USB Drive (aka “jump drive,” or “thumb drive”)
- Compact Disc (CD or CD/DVD)
- The State of Montana’s File Transfer Service (signup instructions available at <https://transfer.mt.gov/Home/Instructions>)

Feel free to call DEQ to make sure that all electronic documents were received.

All **hard copy** documents must be **printed, signed, and post marked by 2:00 pm** on the deadlines identified in Section 1.3.

Hard copies of all documents should be mailed to:

Water Protection Bureau
Department of Environmental Quality
P.O. Box 200901
Helena, MT 59620-0901

Please direct questions regarding submitting a Project Funding Request and a Final Application to Robert Ray, at 406-444-5319 or rroy@mt.gov.

Project Funding Request and Final Application Resources

Fillable Project Funding Request and Final Application forms and instructions are available here (Adobe Reader required): <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>

Adobe Reader software (free): <http://get.adobe.com/reader/>.

5.1 PROJECT FUNDING REQUEST

The deadline for submitting Project Funding Requests is **Monday, July 25, 2016 at 2:00 pm**. Failure to meet the submittal deadline will disqualify a Project Funding Request from consideration. Project Funding Requests must be complete, **signed**, and must address all components found in the Project Funding Requests form. Do not submit vague Project Funding Request as placeholders.

Members of the Montana Watershed Coordination Council (MWCC) and DEQ staff will review the Project Funding Request and provide comments and recommendations. DEQ will assemble the comments and provide them to project sponsors in written form by **Friday, August 31, 2016**.

5.2 FINAL APPLICATION

The deadline for submitting Final Applications and attachments is **Monday, September 26, 2016 at 2:00 pm**. Failure to meet the deadline will disqualify a Final Application from consideration. To increase the likelihood of receiving funding, project sponsors should address the recommendations made by DEQ and MWCC during the Final Application phase. Project sponsors should discuss the recommendations with DEQ staff to ensure full understanding of the intent of the recommendations.

After the Final Application submission deadline, all communication regarding the Final Applications must be conducted through Robert Ray, DEQ Watershed Improvement Section Supervisor by telephone at 406-444-5319 or via email at rroy@mt.gov.

5.2.1 Required Final Application Materials

- **Final Application form:** Must be completely filled out, and signed by the appropriate signatories.
- **Maps:** A project map or set of maps showing the location and size of project activities must be included with the Final Application form. For E&O activities, the map must simply show the watershed(s) that the activities will affect. For on-the-ground activities, the map(s) must identify the activity locations by latitude and longitude. The map(s) should identify waterbodies affected by the pollution that the project is designed to address. As appropriate, include additional information on the map(s) that might give reviewers a better sense for the significance of the project with respect to water quality. Project sponsors are encouraged to submit design drawings, if available, provided that the design drawings are accompanied by latitude and longitude information for the proposed activities.
- **Letters of Support:** Final Applications must be accompanied by at least three letters of support. Project sponsors are encouraged to submit more than three letters of support where possible. Letters should demonstrate a broad base of support. Projects calling for on-the-ground work on specific landowners' property must include letters of support from each of the landowners. If the project sponsor is not the author of the applicable Watershed Restoration Plan (WRP), the project sponsor must request a letter of support from the original authoring entity. If the authoring entity does not provide a letter of support, the project sponsor must document the authoring entity's refusal in the additional information section on the last page of the Final Application form, and explain how the project will implement recommendations in the applicable WRP. The purpose of this requirement is to encourage collaborative watershed planning and focused, strategic project implementation.
- **WRP Draft or Amended WRP:** If you do not have a DEQ-accepted WRP by the Final Application deadline (9/26/2016), or if your DEQ-accepted WRP needs to be amended to address your proposed project, you must submit a draft or amended draft WRP (in Microsoft Word or PDF format) with your Final Application. The draft must identify your proposed project and the rationale for its selection. DEQ staff will review the draft WRP and estimate the likelihood of it being ready for DEQ acceptance prior to January 31, 2017. DEQ staff estimates will be based on how well the draft addresses EPA's nine minimum elements (see callout box), and how responsive the project sponsor has been to DEQ recommendations during the WRP development process. Please contact Robert Ray to determine what you will need to do in order to have a DEQ-accepted WRP in place by January 31, 2017. Mr. Ray can be reached at 406-444-5319 or rroy@mt.gov. Funds will not be awarded to projects that do not have a DEQ-accepted WRP in place by January 31, 2017.

5.2.2 Review of Final Applications

Final Applications will be evaluated by an Agency Review Panel on **Thursday, October 20, 2016**, in Helena. The panel will be chaired by DEQ, and will include representatives from various state and federal agencies. It will serve as the final technical review committee for the proposed projects. Project sponsors will be offered an opportunity to present projects to the panel. Presentations will be limited in time, and DEQ staff will coordinate all media needs.

Evaluations for all projects will be done using a project scoring sheet. A scoring sheet is included with this document as **Attachment A**. DEQ reserves the right to modify the scoring sheet at a later date. If the scoring sheet or any other parts of this document are modified, DEQ will post the changes on the DEQ NPS 319 Project Funding website at <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/NPS-319-Project-Funding>.

The scoring sheet reflects many of DEQ's priorities for 319 projects, and project sponsors should review the scoring sheet carefully and address the specific criteria within their Final Application. The scoring sheet is also intended to stimulate discussion among the Agency Review Panel members. However, it is not a final decision making matrix. The Agency Review Panel will use the scoring sheet to make general recommendations regarding funding levels (e.g., fully fund, partially fund, don't fund, don't fund tasks x, y and z). DEQ may accept, modify, or reject the panel's recommendations.

The EPA has final approval authority over all projects selected by DEQ for funding. EPA reviews the final scope of work (SOW) for TMDL components, consistency with the 2012 Montana Nonpoint Source Management Plan, consistency with EPA 319 program guidelines, and overall impacts on water quality. EPA, in consultation with the U.S. Fish and Wildlife Service, will also conduct an Endangered Species Act review to establish necessary parameters for compliance with the Act. Upon receipt of EPA approval, DEQ will issue contracts to the successful project sponsors. This will likely occur in late spring or early summer of 2016.

6.0 RECOMMENDATIONS FOR PREPARING A PROJECT FUNDING REQUEST AND FINAL APPLICATION

DEQ's goal is to help project sponsors submit the best Project Funding Request possible. The following list includes recommendations project sponsors should consider in preparing and submitting a Project Funding Request and a Final Application. Issues raised here reflect experiences from previous funding cycles. Not all of these will apply to a specific project, and they are not listed in any particular order.

6.1 GENERAL RECOMMENDATIONS

- Begin developing project ideas and filling out the project forms well in advance of the deadlines. Talk to DEQ staff about project ideas or if you need help filling out the forms. Contact Robert Ray at (406) 444-5319 or rray@mt.gov.
- Avoid activities with an unclear or weak relationship to nonpoint source pollution. For example, weed control, invasive species control, fish screens, wildlife habitat enhancement, protection of property or structures from channel migration, etc. are typically not appropriate 319 projects.
- Provide relevant details about the problem being addressed and the project's geographical area. Do not assume that project reviewers will have any specific familiarity with these things.

- Reviewers evaluate whether the techniques, project sites, and project partners provide the best results in a cost-effective manner.
- Show that other relevant federal, state, local and private sources of funding and resources that may be available to assist in completing the project have been sought.
- Demonstrate support from key stakeholders has been sought and obtained. This is critical.
- Identify the specific responsibilities of key stakeholders in the completion of the project.
- Explain how the water quality benefits achieved as a result of the project will be documented.
- When describing the potential effects of the project, use logical, evidence-based arguments; avoid speculation.
- If using a previous application prepared for another funding source as a guide for your 319 Project Funding Request or Final Application, please ensure that the information is appropriate and tailored to the 319 project.
- Double check math calculations (e.g., do the costs in the budget match up with the costs in the scope of work?).
- Address the most significant sources of pollution within a watershed. For example, if 95% of the sediment pollution in a given watershed is from forestry activities, and 5% is from urban runoff, implement activities that address forestry problems first.
- Focus on activities that support or restore natural stream, lake and riparian processes (e.g., channel migration, growth of native riparian vegetation, periodic flooding, etc.).
- 319 project funding is provided to support projects, not programs. Projects typically have defined start and end points, specific directed activities and tangible results. Programs are ongoing plans and policies that achieve goals and objectives.

6.2 ON-THE-GROUND ACTIVITIES

- Be realistic about funds needed for the project: do not leave the project short of funding or have a surplus of funding. Remember to budget for monitoring, E&O, and reporting/administration. Also, determine ahead of time whether subcontractor(s) may be needed for engineering, monitoring, or other specialized tasks, and budget accordingly.
- Consider a phased approach for designing and implementing a project.
- Irrigation improvement projects: To receive 319 funding for irrigation improvement projects, the project must directly and clearly address an impairment identified on Montana's 2016 List of Impaired Waters (e.g., low-flow alteration, temperature, sedimentation). For water conservation projects, a reasonable, sustainable mechanism must be provided to ensure that water conserved remains in the stream.
- Identify any permits, permissions, or authorities that will need to be obtained in order to complete the project (e.g., 310 permit, **floodplain permit**, permission to access land, etc.).
- Consult with the appropriate Department of Natural Resources and Conservation (DNRC) regional office to determine whether a water right or water right change will be necessary for the proposed project.
- Avoid large water quality monitoring efforts. Monitoring should be a tool to answer specific questions. For example, three years of monthly monitoring is probably not necessary to determine whether the removal of a streamside feedlot has had a positive effect on water quality.

6.3 EDUCATION AND OUTREACH ACTIVITIES

- Clearly identify the target audience, the method of delivery, and the expected changes in water quality as a result of the project.
- Choose the target audience with the greatest potential for solving the NPS problem being addressed. Use the explanation and examples of social marketing found in the E&O strategy of the 2012 Montana Nonpoint Source Management Plan to direct target audience activities.
- Work to educate, not merely inform. Provide immediate opportunities for people to act on the information given to them (e.g., through hands-on learning opportunities).
- Proposals for continuation of a multi-year project should explain how this project builds on previous efforts.
- Ensure the activity is clearly connected to addressing a specific NPS pollution problem.

FY2017 MONTANA 319 NONPOINT SOURCE PROJECT SCORING SHEET*(To be used as a guide to stimulate Agency Review Panel discussion)*

Project Name: _____

Project Sponsor: _____

Reviewed By: _____

Requirements	Y/N
The project addresses nonpoint source (NPS) pollution.	
The project addresses water quality objectives identified in the 2012 Montana Nonpoint Source Management Plan.	
The project will directly implement activities identified in a DEQ-accepted Watershed Restoration Plan (WRP).	
The project addresses impairments identified on Montana's 2016 List of Impaired Waters.	

General Application Considerations		Score* (0, 1, 2 or 3)	Weight	Points Awarded**
A	Agency Review Panel			
A1	The project is the most appropriate next step for making progress towards the removal of a pollutant/waterbody combination from Montana's 2014 Impaired Waters list.		6	
A2	The project will promote self-maintaining, natural, ecological, and social processes that will protect water quality.		4	
A3	Nonpoint source goals for the project are clearly defined, measurable, and attainable.		3	
A4	Pre-project planning has taken place to help ensure the timely and successful completion of the project.		3	
A5	The project has clearly identified tasks that include adequate information to describe work to be accomplished.		3	
A6	Outreach and education component(s) of the project targets the most appropriate audience(s) with an appropriate delivery method.		3	
A7	Project costs are reasonable as compared to anticipated results.		3	
A8	The project involves appropriate partners and has significant stakeholder support.		2	
A9	The monitoring component(s) will evaluate project effectiveness.		2	

B	Montana DEQ (This section will be completed by DEQ staff prior to the Agency Review.)			
B1	Sufficient technical and managerial resources are available to facilitate completion of the project, including consideration of past performance.		4	
B2	The project addresses water quality impairments identified in a TMDL document.		3	
B3	The project addresses the most significant source(s) of nonpoint source pollution within a watershed.		2	
B4	The project addresses nonpoint source pollution from agriculture (livestock and/or farming), forestry, mining or urban runoff.		2	
B5	If awarded a contract, contractor will have no more than two active 319 contracts.		2	

*1, 2 and 3 correspond to Low, Medium and High, respectively (i.e. 3 = High). 0 indicates the application does not address the question.

**To calculate Points Awards, multiply the Score by the Weight Factor (i.e. 3 x 2 = 6 Points Awarded)

Agency Review Panel Score	
Montana DEQ Score	
Total Score	
Funding Recommendation <i>FF = Fully Fund, PF+ = Partial Fund (>50%), PF- = Partial fund (<50%), NF = Not Fund</i>	

Reviewer comments and justification for funding recommendation.

General Comments: _____

Tasks and Budget Recommendations: _____

Additional Information Required from Sponsor: _____

ATTACHMENT B – EXAMPLE TEMPLATE TASK LANGUAGE

The template task language below is intended to help project sponsors thoroughly address required tasks in the Project Funding Request and the Final Application. Some modification of the template language is expected in order to describe specific projects. However, the majority of the language below should be universal.

TASK W – PROJECT EFFECTIVENESS MONITORING

Task W Description: Contractor shall, in consultation with the DEQ Project Manager, develop a reasonable method or set of methods for evaluating and reporting on the effectiveness of the project in addressing water quality issues. Contractor shall complete the following monitoring activities:

W1 – Conduct water quality sampling and analysis. Collect and analyze in-stream water chemistry, aquatic biology, and/or aquatic habitat data for the purpose of evaluating the long-term effects of the project on water quality. Contractor shall prepare a [QAPP/SAP, choose one] to guide the monitoring effort. Contractor shall address the following items in the [QAPP/SAP, choose one]:

- Complete the document in accordance with the most current [QAPP/SAP, choose one] guidance available from the Water Quality Planning Bureau’s Quality Assurance Program webpage: <http://deq.mt.gov/Water/WQPB/qaprogram>.
- Submit all water quality data to DEQ using the most current upload process. Contractor shall prepare and submit electronic data deliverables (EDDs) following the guidance provided in DEQ’s MT-eWQX guidance manual, available from the Water Quality Planning Bureau’s WQX webpage: <http://deq.mt.gov/Water/WQINFO/datamgmt/mtewqx>.
- Contractor shall ensure that the [QAPP/SAP, choose one] has signature lines for the Contractor, the DEQ quality assurance officer, and the DEQ Project Manager.
- [Add other items as appropriate.]

Contractor shall complete monitoring in accordance with the [QAPP/SAP, choose one]. Contractor shall submit all water quality data to DEQ using the most current upload process. Contractor shall prepare and submit electronic data deliverables (EDDs) following the guidance provided in DEQ’s MT-eWQX guidance manual, available from the Water Quality Planning Bureau’s WQX webpage: <http://deq.mt.gov/Water/WQINFO/datamgmt/mtewqx>.

Contractor shall submit a written summary of all monitoring data and results.

Contractor shall ensure volunteers, staff, and subcontractors involved in collecting monitoring data are adequately trained.

W2 – Estimate the nitrogen, phosphorus and sediment load reductions achieved as a result of on-the-ground project implementation. Contractor shall report the estimates using the following units: lb N/year, lb P/year, tons sediment/year. In the final report prepared for Task [insert task number for Contract Administration task] Contract Administration, Contractor shall report the load reduction estimates and the method(s) used to develop them.

W3 – For projects designed to address pollution from pollutants other than nitrogen, phosphorus and sediment, evaluate and report on the effectiveness of the project in addressing water quality issues.

W3 Deliverables

- A detailed description of the methods used to evaluate the effectiveness of the project at addressing [insert a brief description of the water quality issue the project is designed to address].

W4 Deliverables

- [A written summary of the results of vegetation mortality monitoring, including a description of planned or completed remedial actions taken in areas of high mortality.]
- [Electronic copies of site photographs and photopoints, in JPEG format. A photo log identifying photo date, photographer name, photo subject, latitude and longitude from which the photo was taken, approximate direction the photographer was facing, and a brief description of what the photo is intended to show.]
- [A written report describing the riparian survey methods, the data collected, and the conclusions drawn from the results of the survey. An electronic copy of the data collected.]

W5 Deliverables

- A written summary of the education and outreach activities completed, the results of the success monitoring efforts, and the conclusions drawn from the monitoring results.

TASK X – EDUCATION AND OUTREACH

Task X Description: Contractor shall conduct the following education and outreach activities:

- [List the education and outreach events, publications, campaigns, websites, activities, etc. Include the number of each activity or publication, along with a description of any particular subjects/topics upon which they must be centered. Identify any restriction of use and ownership requirements for intellectual property (text, photos, layout, republication, etc). For websites, specify a minimum maintenance timeframe.]

Task X Funding:

319 Funds	\$ 00,000
Non-Federal Match	\$ 00,000

Task X Timeline: [Insert a specific date range. E.g. Upon contract execution through MM/DD/YYYY]

Task X Deliverables: Contractor shall submit to DEQ the following deliverables:

- [Identify the materials that the Contractor shall submit in order to document completion of each of the activities listed in the Task Description for this task. For things like newsletters, newspaper articles, and website updates, consider asking for two or three sample publications or screenshots instead of asking for copies of all publications and screenshots of every website update. In some instances, consider asking for drafts of major education and outreach deliverables for review and comment. Be sure to specify the formats for electronic documents, and whether or not the electronic documents will be “read-only” in terms of editability. For websites, you may want to require copies of any applicable, external web-hosting agreements.]

TASK Y – LANDOWNER AGREEMENTS, OPERATION AND MAINTENANCE [This only applies to contracts involving on-the-ground projects.]

Task Y Description: Contractor shall ensure landowner agreements are in place to ensure maintenance and monitoring of all on-the-ground projects. Contractor shall submit a copy of each landowner agreement to DEQ for review and comment prior to signature. After addressing DEQ comments, Contractor shall submit a copy of each signed landowner agreement to DEQ. Contractor shall ensure each landowner agreement addresses the following:

- Operation and Maintenance. Identify who shall be responsible for operating and maintaining all structures, vegetation, management measures, and water quality benefits associated with the project. Contractor shall ensure appropriate operation and maintenance for the life of the project (typically 10 years).
- Site Access. Identify the procedure(s) for obtaining access to the project site for the purposes of project planning, implementation, operation and maintenance, and post-implementation monitoring. Contractor shall ensure the procedures allow access, at reasonable times, by the Contractor and by DEQ, for the purpose of evaluating project effectiveness over time.

Task Y Funding: 319 Funds \$ 00,000
Non-Federal Match \$ 00,000

Task Y Timeline: [Insert a specific date range. E.g. Upon contract execution through MM/DD/YYYY]

Task Y Deliverables: Contractor shall submit to DEQ the following deliverables:

- Draft landowner agreements for review and comment, in electronic (Microsoft Word) format. Contractor shall submit all draft landowner agreements prior to signature, and allow sufficient time for review, comment, and subsequent modification prior to implementation.
- PDF copies of signed landowner agreements. Contractor shall ensure signed landowner agreements address all comments and concerns raised by DEQ.

TASK Z – PROJECT ADMINISTRATION

Task Z Description: Contractor shall oversee and be accountable for the completion of all tasks. Contractor shall prepare and submit attachment B-billing statements, status reports, annual reports, and a final report (details are listed below). Contractor shall maintain regular contact as defined by the DEQ project manager.

Status Report and Billing Statement (Attachment B)

- Whether there is activity or not, the contractor shall submit a status report quarterly. Reports must be received by DEQ within 15 days following the end of each calendar quarter.
 - 1st Quarter (January - March): April 15
 - 2nd Quarter (April - June): July 15
 - 3rd Quarter (July-September): October 15
 - Annual Reports shall supersede the fourth quarter (October through December) report (i.e., a separate status report shall not be required for the fourth quarter). Annual Reports (including the 4th quarter attachment B-billing statement) are due December 15 of the calendar year upon which the report is based.

- Contractor shall bill DEQ no more frequently than monthly, and no less frequently than quarterly. Every attachment B-billing statement must include a status report. Contractor shall submit status reports to DEQ using the most current guidance and template available at <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>.

Annual Reports-Contractor shall:

- Submit an annual report for each calendar year in which the contract is active, except in the final year, when the final report shall replace the annual report.
- Submit annual reports to DEQ using the most current guidance and template available at <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>.
- Ensure annual reports are received by DEQ no later than December 15 of the calendar year upon which the report is based.

Final Reports - Contractor shall:

- Submit a complete draft to DEQ for review and comment.
- Submit the final report, addressing DEQ comments.
- Ensure final report is received by DEQ no later than the Contract expiration date.
- Attach electronic and hard copies of all of the deliverables from all tasks, regardless of whether or not copies of the deliverables were submitted previously.
- Ensure final report is a stand-alone report that documents the contract from beginning to end.
- Complete the final report using the most current final report guidance available at <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>.

Task Z Funding: 319 Funds \$ 0,000
 Non-Federal Match \$ 0,000

Task Z Timeline: Upon contract execution through MM/DD/YYYY

Task Z Deliverables: Contractor shall submit to DEQ the following deliverables as described in the Task Z. Description: status reports, annual reports, attachment B-billing statement and a final report. Contractor shall ensure that all reports are written clearly, and require only a minimal amount of editing by the DEQ project manager.

Contractor shall do the following with respect to all deliverables associated with all tasks in this contract (not just Task Z):

- Adhere to document formatting guidance provided by the DEQ project manager.
- Submit all draft and final documents in electronic format (e.g., PDF and Word formats).
- Submit all draft **electronic deliverables and reports** to the DEQ project manager using email or if files are greater than 2.5 megabytes in size using the state of Montana file transfer service (<https://transfer.mt.gov/Home/Instructions>) or as directed to by the DEQ project manager.
- Submit all hard copy final report documents (final attachment B –billing statement and other final deliverables) to Robyn Boyle (rboyle@mt.gov), Grant Contract Coordinator, at PO Box 200901, Helena MT 59620-0901.