



2021 CALL FOR APPLICATIONS

319 NONPOINT SOURCE PROJECT PROGRAM



O'Dell Spring Creek

August 10, 2020 – REVISED 09/14/2020

Prepared by:

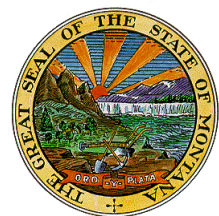
Watershed Protection Section

Montana Department of Environmental Quality

1520 E. Sixth Avenue

P.O. Box 200901

Helena, MT 59620-0901



Schedule – REVISED 09/14/2020

Date	Event
August 2020	Issue of 2021 Call for Applications
Until Wednesday, 11/11/2020 at 5:00 pm	DEQ will ensure staff availability for answering questions, reviewing draft applications, and providing other assistance.
Friday, 11/13/2020, 5:00 pm	Signed applications and all attachments due to DEQ by 5:00 pm
Wednesday, 12/02/2020	Project sponsor presentations and Agency Review Panel discussion
Tuesday, 12/15/2020, 5:00 pm	Notice of Intent to Award sent to project sponsors
12/16/2020 through 1/31/2021	Contract development
July/August 2021	Funding becomes available

Unanticipated Program Changes

Information in this Call may be subject to change based on unforeseen changes to DEQ and U.S. Environmental Protection Agency (EPA) priorities. If changes become necessary, DEQ will post the changes on the 319 Projects Program website <http://deq.mt.gov/Water/SurfaceWater/319Projects>.

PURPOSE

The 319 Nonpoint Source Project Program provides funding for design and implementation of projects that reduce and prevent nonpoint source pollution in impaired waterbodies while improving water quality and restoring natural stream and lake processes.

SPONSOR ELIGIBILITY

The following entities may be eligible to receive funding:

- Nonprofit organizations having a tax-exempt declaration of 501(c)(3) from the Internal Revenue Service.
- Governmental entities. A governmental entity is a local, state, or federal organization that has been established and authorized by law.

In addition, all project sponsors must meet the following qualifications:

- Have a current DUNS number. Data Universal Numbering System (DUNS) numbers may be obtained from the following website: <http://fedgov.dnb.com/webform/index.jsp>
- Be registered with the federal System for Award Management (SAM). The SAM registration website is <https://sam.gov/SAM/>
- 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: <https://sosmt.gov/business/start-maintain-grow/>
- Have the necessary liability insurance, and be in compliance with the Workers Compensation Act. Project sponsors will be required to demonstrate proof of liability insurance and compliance with the Workers Compensation Act prior to being awarded funding. Contact Cynthia Dillon at Cynthia.Dillon@mt.gov for guidance on the type and level of insurance coverage necessary for your project.
- Comply with Governor's Executive Order 15-2018 (June 8, 2018) regarding "dark money" disclosure. **Attachment E** contains a copy of the Order, **Attachment F** is a copy of the Declaration Form, and **Attachment G** is a copy of the Disclosure template (Microsoft Excel document). Attachments E and F must be filled out and submitted with the application form (**Attachment C**). For additional information on how to comply with the executive order, please contact Mark Ockey at mockey@mt.gov.
- Have sufficient technical and managerial resources available to facilitate completion of the project.

PROJECT ELIGIBILITY

All projects must:

- Address nonpoint source pollution.
- Implement actions consistent with recommendations in the 2017 Montana Nonpoint Source Management Plan (<http://deq.mt.gov/Portals/112/Water/WPB/Nonpoint/Publications/Annual%20Reports/2017NPSManagementPlanFinal.pdf>).
- Implement activities or practices identified in a DEQ-accepted Watershed Restoration Plan (WRP). If you do not have a DEQ-accepted WRP by the application deadline, you must submit a draft prior to applying for funding. DEQ staff will review the draft and estimate the likelihood of it being ready for DEQ acceptance prior to January 31, 2021. See <http://deq.mt.gov/water/surfacewater/watershedrestoration> for information on existing plans.
- Address impairments identified on Montana's 2018 List of Impaired Waters. In some instances, projects on streams that are not listed as impaired may be acceptable. These projects must reduce pollutant loading to an impaired, downstream receiving water OR protect existing uses from becoming impaired.
- Be completable within 3 years.

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- Projects addressing stream flow through improved water use efficiency must include reasonable assurance that unused water will remain in the stream (e.g., through a change of use to instream flow, or a signed commitment from the water right holder).
- Projects involving grazing management (e.g., riparian fencing, creation of riparian pastures) must include a grazing management plan as a task deliverable.

The following activities are ***NOT*** eligible for funding:

- Development of a Watershed Restoration Plan (WRP)
- Activities required as a condition of a point source (MDPES) discharge permit
- Watershed characterization studies
- Pollutant source identification
- Water quality monitoring, except for monitoring the effectiveness of funded projects
- Statewide education and outreach campaigns
- Projects whose primary purpose is to protect infrastructure from natural stream channel migration

COMPLIANCE WITH PREVAILING WAGE LAWS

It is the responsibility of project sponsors/contractors to comply with State or Federal prevailing wage laws and ensure their subcontractors do the same. If the nature of the work performed, or services provided, under a contract resulting from this RFA meet the statutory definition of a "public works contract" in §18-2-401, MCA, and exceeds \$25,000, payment of prevailing wages is required. Work performed may fall under the wage determinations for [Heavy Construction or Non-Construction](#) as defined by the Commissioner of the Montana Department of Labor and Industry. Projects funded in whole or in part with federal funding require payment of the higher of the state or federal wage rate. Questions related to prevailing wage rates may be addressed directly to the following:

Compliance and Investigations Bureau
1805 Prospect Avenue
PO Box 201503
Helena, MT 59620-1503
(406) 444-6543

DLIERDWage@mt.gov

Website: <http://erd.dli.mt.gov/labor-standards/public-contracts-prevailing-wage-law>

The guidance below is intended to help you anticipate whether prevailing wage laws may apply to your project.

In accordance with §18-2-401 through §18-2-432, MCA, and all associated administrative rules:

- **Montana Resident Preference.** Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of \$25,000 for construction or non-construction services. The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with §18-2-403 and §18-2-409, MCA.
- **Standard Prevailing Rate of Wages.** Montana law requires that all public works contracts greater than \$25,000, contain a provision defining the following:
 - job classification;
 - applicable standard prevailing wage rate, including fringe benefits, travel, per diem;
 - and zone pay that the Contractors, subcontractors, and employers shall pay during the public works contract.

In accordance with §18-2-417, MCA, any public works contract that has a potential term of 30 months or more must allow for adjustment to the prevailing wage rates as noted below:

- If the initial contract term is for more than 12 months, the standard prevailing wage rate paid to workers under a contract must be adjusted 12 months after the date of contract award. The amount of the adjustment must be a 3% increase. The adjustment must be made and applied every 12 months for the term of the contract. This adjustment is the sole responsibility of Contractor and no cost adjustment in the contract will be allowed to fulfill this requirement.
- If the initial contract term is 12 months with options to renew, the contract is subject to the 3% adjustment when the contract length becomes more than 30 months. The 3% rate increase becomes effective upon the second renewal, and the 3% is paid starting in the third year of the contract beginning with the 25th month. The adjustment must be made and applied every 12 months thereafter for the term of the contract. This adjustment is the sole responsibility of Contractor and no cost adjustment in the contract will be allowed to fulfill this requirement.
- **Notice of Wages and Benefits.** In accordance with §18-2-406, MCA, all contractors, subcontractors, and employers who are performing work or providing services under a public works contract must post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the Contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with §18-2-423, MCA.
- **Wage Rates, Pay Schedule, and Records.** In accordance with §18-2-423, MCA, employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer shall maintain payroll records in a manner readily capable of being certified for submission for not less than three years after the Contractor's, subcontractor's, or employer's completion of work on the public works contract.

ADDITIONAL PRIORITIES

The DEQ Nonpoint Source Program recognizes that some projects are more effective and efficient at reducing nonpoint source pollution. Please carefully review the additional priorities outlined below. The examples are provided for reference, and may not be applicable in all circumstances. Please contact a DEQ 319 Project Manager to discuss how the priorities might apply to your specific project. Note the value given each priority in the Scoring Sheet (Attachment A).

Priority	Good Example	Not-As-Good Example
Nonpoint source goals for the project are clearly defined, measurable and attainable.	The Moose Creek restoration project will install 1200 feet of riparian exclusion fencing and 5 off-stream watering facilities to restore riparian vegetation and address 30% of the eroding streambanks along Moose Creek.	The Moose Creek Watershed Group plans on designing and implementing 3 sediment reduction projects within the Moose Creek watershed.
Project costs are reasonable as compared to anticipated results.	The Moose Creek Watershed Group will use \$30,000 and 500 hours of volunteer labor to relocate the Double Z feedlot off the banks of Moose Creek and replant the riparian area with 7,000 locally harvested willow stakes.	The Moose Creek Watershed Group will use \$150,000 to reroute Spring Creek around the feedlot and replant the riparian area with 500 containerized shrubs imported from Oregon.
Pre-project planning is sufficient to ensure the project will move forward if funded.	Bridger Conservation District will hire Riverworks Engineering to design a new floodplain and stream channel to replace 700 feet of historically straightened Moose Creek. The landowner has committed \$15,000 of her own funding to support design development,	Bridger Conservation District would like \$225,000 to do up to 4 sediment reduction projects in the Moose Creek watershed or possibly elsewhere in the Elk River basin. In 2012, Bridger CD managed a \$1,200 community

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	and offered the use of her backhoe to help defray construction costs. The Moose Creek Fly Fishers Association has pledged \$15,000 in private match funding for the design, and has already raised \$70,000 for project implementation. The Bridger CD has successfully managed 4 past 319 contracts.	foundation grant to hold a watershed festival at a local elementary school. All grant funds will be managed by Bob, the CD Treasurer.
The project involves appropriate partners and has significant stakeholder support.	Bridger Conservation District is seeking \$195,000 to restore and protect a 300-acre beaver complex on Moose Creek. The high school biology club will provide 25,000 willow stems, the Branton Ranch (landowner) has signed a perpetual conservation easement with NRCS, RiverRun Recreation Inc and Moose Creek Outfitters have raised \$55,000 to pay for livestock fencing and off-stream watering facilities, and the Moose Ditch Company has agreed to monitor changes in creek flow before and after the project.	Ban-the-Bovine Legal Foundation would like \$80,000 to provide educational materials to local ranchers who currently let their cattle drink straight from Moose Creek.
Landowner commitment is clearly evident.	5 years ago, Frank Lloyd approached the Bridger Conservation District for help removing historic mine tailings from the banks of Moose Creek. Frank has spent the last 5 years raising \$75,000 for the cleanup, and he's super excited to get going. He'll be at the 319 Agency Review Panel meeting. Bridger CD is seeking \$100,000 in 319 funding to cover the cost of revegetation once the tailings are gone.	Bob Mattlin bought a bulldozer and built a 3-hole golf course on top of a wetland. He had to straighten the creek to make room for his fairway. Now the creek is eroding into his turf grass. The Urban Oasis Community Foundation is seeking \$75,000 to armor the eroding streambank with logs. Bob is willing to give up 10 feet of his fairway to create a riparian buffer.
The Project is an appropriate next step for making progress towards removing a pollutant/waterbody combination from Montana's 2018 Impaired Waters List.	95% of the excess sediment in Moose Creek comes from road runoff from a 1.3 mile stretch of road that runs right along the creek bottom. The remaining 5% comes from a small, overgrazed horse pasture near the mouth of Moose Creek. The Bridger Conservation District is seeking \$150,000 to help fund a Forest Service project that would relocate the road up and out of the creek bottom.	95% of the excess sediment in Moose Creek comes from road runoff from a 1.3 mile stretch of road that runs right along the creek bottom. The remaining 5% comes from a small, overgrazed horse pasture near the mouth of the Creek. The Bridger Conservation District is seeking \$50,000 to relocate the horse pasture and build a new barn on higher ground.
The project will promote self-maintaining natural, ecological, and social processes that will protect water quality.	The Moose Creek Watershed Group is seeking \$150,000 to remove 350 lineal feet of riprap and reconnect 1.2 miles of the creek corridor with its historical floodplain.	The Moose Creek Watershed Group is seeking \$150,000 to install j-hook weirs to keep the creek from eroding into a hay field.
The project will lead to long-term, sustainable reductions in nonpoint source pollution.	The Willow Lake Watershed Group is seeking \$250,000 to connect waterfront homes to a community wastewater treatment system.	The Willow Lake Watershed Group is seeking \$50,000 to pay for a one-time pumping of all septic tanks within 1,500 feet of the lakeshore.

BIGGER PICTURE CONSIDERATIONS

Nonpoint source pollution prevention projects often have benefits to natural resources and local communities, that extend beyond simply reducing pollution. In recognition of the potential for greater good, DEQ provides additional consideration for projects that do one or more of the following:

- Provide additional benefit to natural resources and environmental concerns (e.g., native fisheries, endangered species, wetland protection, environmental justice issues, climate change resiliency and adaptation, etc.).
- Provide direct public recreational or aesthetic benefits.
- Reduce pollutant loading above a permitted point source in a manner that could contribute to future economic benefit for a downstream Montana community.
- Provide direct protection of a drinking water source.
- Prevent healthy waterbodies from becoming impaired.

EDUCATION AND OUTREACH

DEQ recognizes that developing good projects often requires a considerable amount of time and effort up front to build relationships and trust with individual landowners and stakeholder groups. To promote the development of future projects, DEQ is encouraging project sponsors to use up to \$5,000 in 319 funding for education and outreach to develop and capitalize on these critical relationships.

PROJECT ADMINISTRATION AND REPORTING

319 funds are administered as contracts. Payment is on a reimbursement basis. Semi-annual reporting and a final report are required. A maximum of 10% of the total 319 funds requested may be used to pay for project administration. Project administration costs include things like billing and reporting, incidentals and overhead, phone and internet, office space/rent, office supplies, insurance, etc.

FUNDING AVAILABILITY AND COST SHARE

Funding for this program comes from the United States Environmental Protection Agency (EPA) under Section 319(h) of the Federal Clean Water Act (CWA). DEQ anticipates approximately \$1,000,000 will be available for this Call, to be distributed in June/July/August of 2021. In support of DEQ's focus watershed pilot project, DEQ plans to dedicate approximately half of this amount (\$500k) to fund eligible projects in the Bitterroot watershed. The remaining funding will be made available to fund eligible projects throughout the rest of Montana.

The recommended range for NPS funding requests is \$10,000–\$300,000 per application. However, DEQ will accept applications from groups willing to distribute funding as mini-grants for educational activities. DEQ intends to fund one educational mini-grant application at a maximum of \$30,000.

Project sponsors are required to meet a minimum 40% cost share (also known as match) for the project. Match can be from private, state, local, or non-profit sources; it cannot be from federal sources. Use the following formula to calculate the amount of non-federal match required for your project.

$$[(319 \text{ dollars requested})/.60] - (319 \text{ dollars requested}) = \text{required non-federal match}$$

HOW TO APPLY

The fillable application form is available on DEQ's website: <http://deq.mt.gov/Water/SurfaceWater/319Projects>. Adobe Reader software is required and can be downloaded for free: <https://get.adobe.com/reader/>.

Signed applications and required materials must be received by DEQ by 5:00 pm on ~~10/14/2020~~ 11/13/2020.

Project sponsors must submit all application materials, including attachments, 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. Electronic documents smaller than seven megabytes (7 MB) may be delivered via email to Mark Ockey: mockey@mt.gov. Electronic documents larger than seven megabytes (7 MB) must be delivered using the State of Montana's File Transfer Service: transfer.mt.gov. Signup instructions are available at <https://transfer.mt.gov/Home/Instructions>.

Contact Mark Ockey to make sure that all documents were received: mockey@mt.gov.

Application Procedure Checklist

- Thoroughly read the Call for Applications (it changes somewhat each year).
- Contact a member of the DEQ Nonpoint Source Program to discuss your project. *
- Fill out the application.
- Contact a member of the DEQ Nonpoint Source Program and request a review of your draft application.*
- By 5:00 pm on ~~10/14/2020~~ **11/13/2020**, submit a final, signed copy of your application, with all required attachments.
- Participate in the Agency Review Panel meeting on ~~11/11/2020~~ **12/02/2020**.

**These steps are optional, but strongly recommended. They will likely improve the competitiveness of your application.*

Resources

Previous project sponsors have found that using assistance from DEQ's Nonpoint Source Program staff has significantly improved the quality and competitiveness of their application. Staff are typically able to provide the following assistance:

- Answer questions about this Call and the funding source
- Evaluate the extent to which your proposed project is likely to be a good fit for the Nonpoint Source Program
- Suggest possible metrics for evaluating project success
- Review and recommend outreach and education activities
- Review and comment on draft applications*

**Please provide several days of advanced notice when requesting these services*

DEQ Nonpoint Source Program staff

- Robert Ray, rroy@mt.gov
- Mark Ockey, mockey@mt.gov
- Eric Trum, etrum@mt.gov
- Hannah Riedl, Hannah.Riedl@mt.gov

The following information may also be useful in preparing your application:

- The 2017 Montana Nonpoint Source Management Plan (NPS Plan): <http://deq.mt.gov/Water/SurfaceWater/nspollution>
- A map showing watersheds with approved total maximum daily loads (TMDLs) and final TMDL documents: <http://deq.mt.gov/water/surfacewater/TMDL>

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- Information on existing Watershed Restoration Plans (WRPs) and WRP development: <http://deq.mt.gov/water/surfacewater/watershedrestoration>
- The Clean Water Act Information Center (CWAIC) database is available to help you search for information on the impairment and TMDL status of Montana waterbodies. The database can be searched online at www.cwaic.mt.gov

APPLICATION REVIEW AND CONTRACTING

All applications are reviewed by an Agency Review Panel, by DEQ, and by EPA. Successful project sponsors are then offered a contract for 319 funding.

AGENCY REVIEW PANEL

Applications will be reviewed and evaluated by an Agency Review Panel on ~~November 11, 2020~~ **December 2, 2020**, in Helena. The Panel will be chaired by DEQ and will include representatives from various state and federal agencies. The Agency Review Panel meeting is open to the public, and project sponsors will be offered an opportunity to present projects to the Panel. Presentations will be limited in time, and if unable to attend in person, a phone-in option will be made available. Please check the DEQ 319 Projects website (<http://deq.mt.gov/Water/SurfaceWater/319Projects>) for potential schedule changes due to the evolving COVID19 situation.

A scoring sheet will be used during the evaluation process and is included as **Attachment A**. The scoring sheet is intended to support the Agency Review Panel discussion. However, it is not a final decision-making matrix. The Panel will use the scoring sheet to make general recommendations to DEQ regarding funding levels and project quality. Applicants are encouraged to review the scoring sheet and consider how well their application meets these individual criteria.

DEQ REVIEW

DEQ will use the recommendations provided by the Agency Review Panel to help inform internal review and decision-making. Following internal review, and prior to ~~November 27, 2020~~ **December 15, 2020**, DEQ will send out notices of intent to award to successful project sponsors, and notices of determination (not to award) to unsuccessful project sponsors.

If you receive a Notice of Intent to Award, DEQ staff will contact you and begin working with you to develop a scope of work, consistent with the project information found in your application, with DEQ and Agency Review Panel comments, and with DEQ and EPA fiscal procedures and requirements. DEQ will conduct an Endangered Species Act review to establish necessary parameters for project compliance with the Act.

CONTRACTING

319 funds are administered as contracts. Contracts are legally binding agreements that identify specific products or work that must be completed prior to receiving reimbursement. Expenses and match incurred by project sponsors prior to the signing of a contract, and after the expiration date of the contract, CANNOT be applied to the contract.

Payment requests are on a reimbursement basis. Project sponsors shall request payment no more frequently than monthly and no less frequently than semi-annually. With each payment request, project sponsors are required to submit a report that includes a description of the work completed and justification for expenses incurred. At a minimum, sponsors must submit semi-annual (interim) reports, yearly annual reports, and a final report. Templates and reporting guidance for these reports can be found at: <http://deq.mt.gov/Water/SurfaceWater/NonpointSources> under the “Guidance for Funding Recipients (e.g., status/final reports)” dropdown tab. Projects are expected to be completed within 3 years of the date the contract is signed.

EPA Review

The EPA has final approval authority over all projects selected by DEQ for funding. EPA reviews the final scopes of work for consistency with the 2017 Montana Nonpoint Source Management Plan, consistency with EPA NPS program guidelines, and overall impacts on water quality. Upon receipt of EPA approval, DEQ will issue contracts to successful project sponsors (anticipated in July or August of 2021).

ATTACHMENTS

Attachments are available for download on DEQ's website: <http://deq.mt.gov/Water/SurfaceWater/NonpointSources>.

Adobe Reader software is required and can be downloaded for free: <http://get.adobe.com/reader/>

Attachment A – Scoring Sheet

The scoring sheet is intended to support the Agency Review Panel discussion. However, it is not a final decision-making matrix. The Agency Review Panel will use the scoring sheet to make general recommendations to DEQ regarding funding levels and project quality. Project Sponsors are encouraged to review the scoring sheet and consider how well their application meets these individual criteria.

Attachment B – Application Form Instructions

Attachment C – Application Form

Attachment D – Supplemental Project Form

Attachment E – Governor's Executive Order NO. 15-2018

Attachment F – Declaration Form

Attachment G – Disclosure Template