

2024 ROUND 2 CALL FOR NONPOINT SOURCE POLLUTION REDUCTION APPLICATIONS



Sims Meander Project. Post-restoration 2023.

February 2024

Prepared by:

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Calendar

| Date | Event |
|--------------------------------------|--|
| Monday, 2/12/2024 | Issue 2024 Round 2 Call for Applications |
| Until Wednesday, 4/3/2024 at 5:00 pm | As resources allow, DEQ will be available for answering questions, reviewing draft applications, and providing other assistance. |
| Friday, 4/5/2024, 5:00 pm | Final, signed applications and all attachments submitted to DEQ by 5:00 pm |
| Thursday, 4/18/2024 | Agency Review Panel meeting |
| Friday, 4/26/2024 5:00 pm | Notice of Intent to Award sent to applicants |
| 4/29/2024 through 5/10 | Contract development (DEQ and successful applicants) |
| October 2024 | Funding becomes available |

Refer to [Appendix A – Grant Cycle](#) for additional information.

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 Nonpoint Source Program website <https://deq.mt.gov/water/Programs/nonpoint#accordion1-collapse1>.

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1.0 – PURPOSE

To reduce and prevent nonpoint source pollution
by
restoring and protecting natural processes and conditions.

2.0 – FUNDING AVAILABILITY

Funding for this call comes from Department of Natural Resources and Conservation (DNRC) House Bill 6(1) (HB6) Renewable Resource Grant (RRG) funds and the United States Environmental Protection Agency (EPA) §319(h) of the Federal Clean Water Act (CWA) funds. DEQ has approximately \$1,000,000 available for this Call, to be available for use in October of 2024. Funding will be disbursed as follows:

- \$500k to projects located within the Lower Gallatin and Shields Focus Watersheds*.
- \$500k, plus any unallocated funds from the Focus Watersheds to on-the-ground projects including capacity building and education outreach programs elsewhere in Montana.
- No single applicant may receive more than \$300k.

3.0 – MATCH REQUIREMENTS

Under this Call for Applications, applicants are required to meet **a minimum 10% non-federal** match for the project. **A 40% non-federal match is encouraged.** Match can be from private, state, local, or non-profit sources; contributions from federal sources cannot be counted toward the 10% minimum match requirement. Use the following formula to calculate the amount of non-federal match required for your project.

* The Lower Gallatin is the current DEQ Nonpoint Source and Wetlands Program “Focus Watershed.” The Natural Resource Conservation Service’s National Water Quality Initiative watersheds are also considered DEQ Focus Watersheds. These are the Camp Godfrey (contained within the Lower Gallatin) and Shields watersheds.

Calculating Required Match

$$[(\text{grant funding requested})/0.90] - (\text{grant funding requested}) = \text{required non-federal match}$$

Where 0.90 calculates the 10% required non-federal match. Use 0.60 to calculate the recommended 40% non-federal match.

Example: For a project sponsor requesting \$100,000 in 319 funds, the minimum required match would be:

$$(\$100,000 \div 0.90) - \$100,000 = \mathbf{\$11,111.11}$$

Expenses and match incurred by applicants prior to the signing of a contract, and after the expiration date of the contract, CANNOT be submitted for reimbursement or applied as match.

4.0 – APPLICANT 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, federal, or tribal organization that has been established and authorized by law.

Applicants must also meet the following minimum qualifications:

- **Have a current UEI number. Unique Entity Identifier.** Each project applicant is required to have a current UEI number. *The UEI number replaces the old DUNS number.* If your organization had a DUNS number, you should have received a notification from the federal government indicating that your DUNS number has been changed to a UEI number. If you did not receive this notification, or if you never had a DUNS number, you will need to go to the federal government's System for Award Management (SAM - <https://sam.gov/content/home>) to obtain your UEI number.
- 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 applicants 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.
- Comply with the Workers Compensation Act.
- Have sufficient technical and managerial resources available to facilitate completion of the project.

5.0 – PROJECT REQUIREMENTS

This Nonpoint Source Project Application Call supports two types of projects:

- On-the-ground projects
- Capacity building and education outreach projects

5.1 – ON-THE-GROUND PROJECT REQUIREMENTS

On-the-ground projects may include related tasks such as planning, design, permitting, construction, effectiveness evaluation, education outreach, and project administration.

Additionally, previously known as “mini-grant” programs, pass-through sub-award programs with on-the-ground projects will also be considered in this category.

- Unlike “big” on-the-ground projects, there is no requirement that mini-grants be used solely to implement DEQ-accepted Watershed Restoration Plans or EPA-approved Tribal Nonpoint Source Plans, however, projects implementing these plans will be given funding priority.
- A competitive process must be used to distribute mini-grant funds.

Minimum Funding Request (per applicant): \$10,000

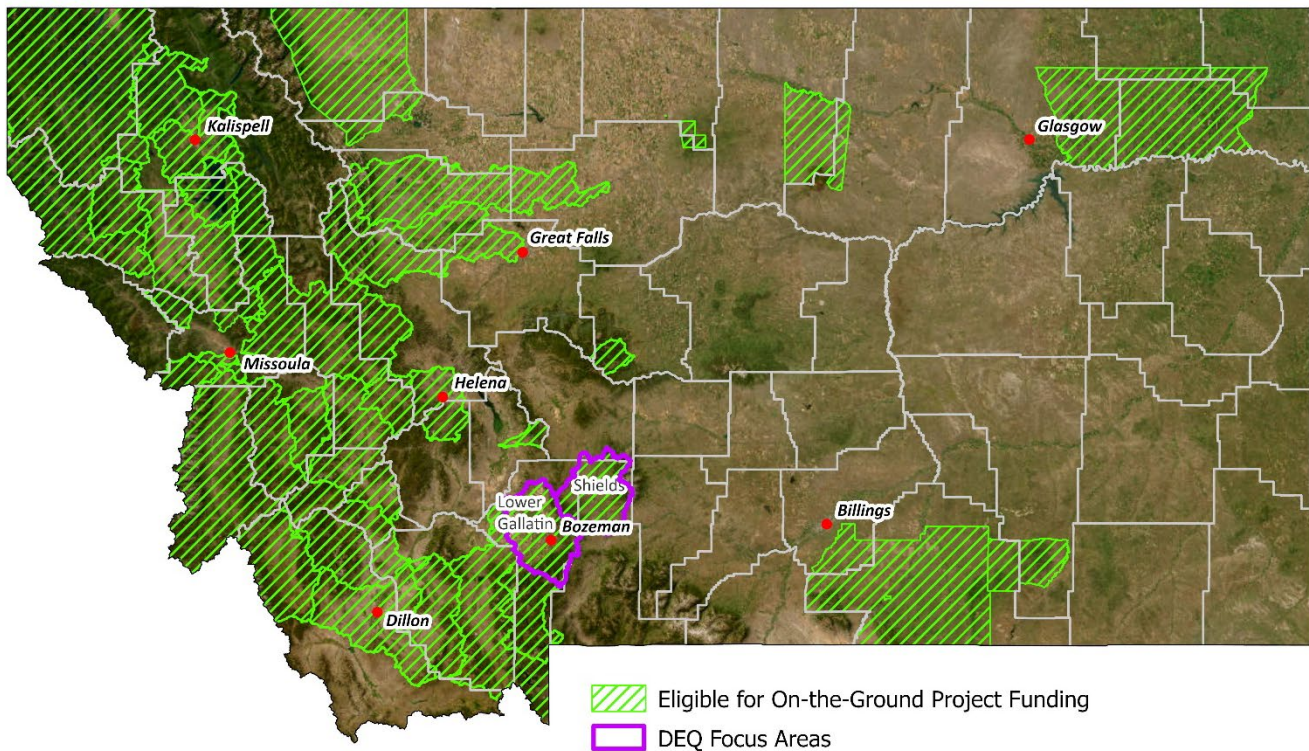
Maximum Funding Request (per applicant): \$300,000

Time For Completion: 3 years from the signing of a contract with DEQ

Eligibility

These projects must meet all the eligibility requirements listed below to qualify for funding.

- Projects must implement activities or practices identified in a DEQ-accepted Watershed Restoration Plan **or an EPA-approved Tribal Nonpoint Source Plan**. If you do not have a DEQ-accepted Watershed Restoration Plan or an EPA-approved Tribal Nonpoint Source Plan 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 prior to May 10, 2024. See DEQ’s interactive [Watershed Plan Viewer](#) map for information on existing Watershed Restoration Plans. All the land-owning Montana Tribes currently have an EPA-approved Nonpoint Source Plan (per personal communication from EPA, Region 8). The map below reflects areas where these plans currently exist but does not identify the specific recommendations found in each plan.



- All projects must reduce or prevent nonpoint source pollution by restoring and protecting natural processes and conditions.
- Projects must address impairments identified on [Montana’s 2020 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. This requirement applies to both non-tribal and Tribal lands. The State of Montana does not have authority to make impairment determinations on Tribal lands. Therefore, to be eligible, a project on Tribal lands would need to reduce or prevent nonpoint source pollution in a stream or lake that flows into or is connected to a stream or lake off Tribal lands in which DEQ has identified an impairment. **HEALTHY WATERSHED EXCEPTION:** In most instances, on-the-ground projects must address identified impairments. However, in some instances, funding may be used for projects that protect watersheds that are currently healthy. Please contact Meagan Gilmore at 406-755-8981 or mgilmore@mt.gov if you are interested in taking advantage of this limited opportunity.
- All projects must implement actions consistent with recommendations in the [2017 Montana Nonpoint Source Management Plan](#)
- Applicants must complete the [2024 On-the-Ground Project Application Form](#) and where necessary, the [2024 Supplemental Project Form](#).

Ineligible Activities (applicable to on-the-ground project funding only)

The following activities are NOT eligible for on-the-ground project funding:

- Development of a Watershed Restoration Plan or similar type of plan.
- 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 outreach campaigns.
- Projects whose primary purpose is to protect infrastructure from stream channel migration.
- Use of non-native plant species in restoration projects.
- Riprap, except in instances where it is necessary to protect a new bridge or culvert designed to restore aquatic organism passage or improve natural stream processes.
- Projects designed to address violations of state and federal law (e.g., projects that stem from a 310 violation or an Army Corps violation).
- Projects that result in a net loss of wetlands or wetland function.

All projects that include implementation of on-the-ground practices must meet minimum design standards (see below), minimum monitoring requirements, and must enter into a signed agreement with the landowner prior to beginning construction. Additionally, DEQ encourages up to \$5,000 for education outreach efforts to raise awareness about the project and generate additional local efforts to reduce nonpoint source pollution. See the [On-the-Ground Application Form](#) for minimum requirements and details.

The proposed solution must meet the following minimum design standards:

- Projects must restore and maintain natural conditions and processes.
- Only native, site-appropriate plant species may be used for revegetation.
- Projects involving riparian or wetland buffer creation must have a minimum buffer width of 35 feet, as measured from the ordinary high-water mark. If the buffer must be less than 35 feet in some places to accommodate bridges, water gaps or other infrastructure, the buffer should be made proportionately wider in other areas.
- Projects must allow for the continued existence and future colonization of beaver.
- Revegetation efforts must include browse protection where necessary.
- 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 must not result in a net loss of wetlands or wetland function.
- Projects involving grazing management (e.g., riparian fencing, creation of riparian pastures) must include a grazing management plan as a deliverable.

5.2 CAPACITY BUILDING/EDUCATION OUTREACH PROJECT REQUIREMENTS

Minimum Funding Request (per applicant): \$10,000

Maximum Funding Request (per applicant): \$30,000

Time For Completion: 3 years from the signing of a contract with DEQ

Eligibility

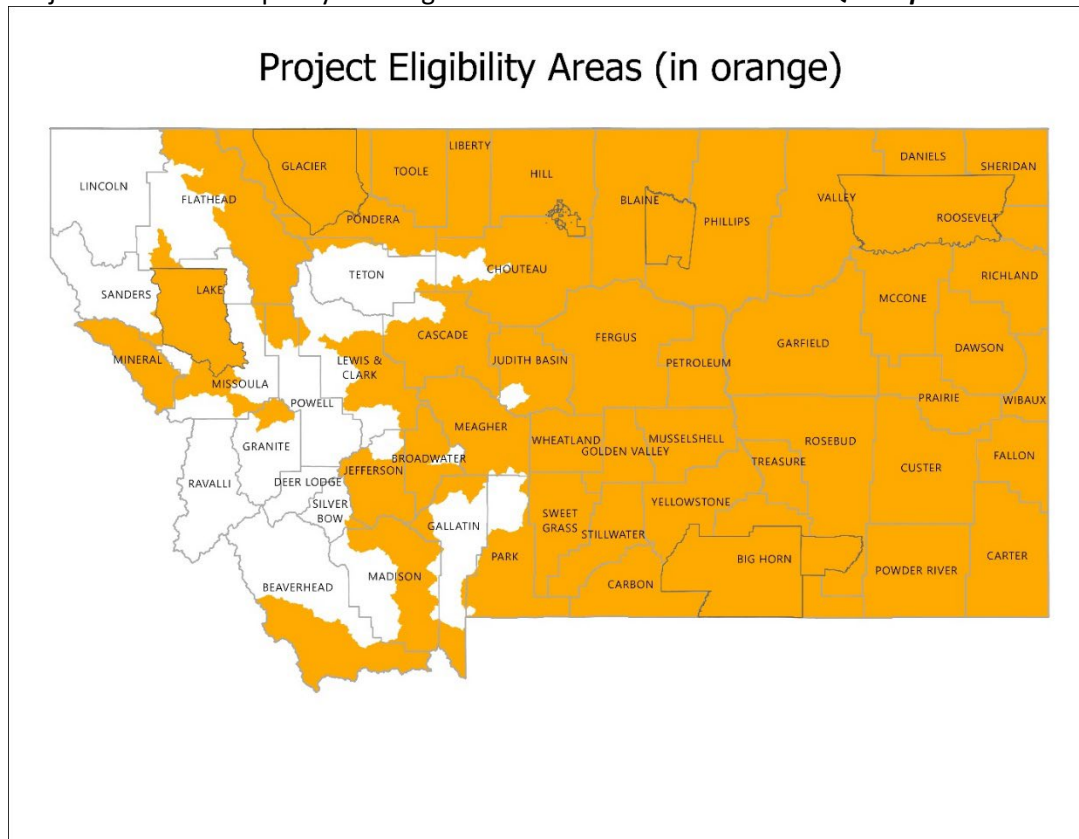
DEQ will award funds for capacity building or education outreach efforts. The intent of capacity building funds is to increase organizational capacity, aid in watershed planning, and/or lead to a grant application(s) for larger on-the-ground projects. Education outreach projects should prioritize novel education campaigns and engage new audiences. Projects must address reduction or prevention of nonpoint source pollution and implement actions

consistent with an existing tribal Nonpoint Source Management Plan, or the [2017 Montana Nonpoint Source Management Plan](#).

Applicants must complete the [2024 Capacity Building/Education Outreach Application Form](#).

5.2.1 Capacity Building

Projects related to capacity building must be in an area **without a DEQ-accepted Watershed Restoration Plan**.



Eligible activities include:

- Preliminary data collection on a previously un-assessed waterbody (this type of project will likely require a Sampling and Analysis Plan)
- Development of a Watershed Restoration Plan or alternative
- Update to a Tribal Nonpoint Source Management Plan
- Demonstration projects to encourage partnerships with landowners.
- Capacity building to support growth of an organization (trainings and symposiums, monitoring equipment, etc.).
- Nonpoint source pollution reduction projects that invest in/benefit traditionally underserved communities
- Pursuing creative finance partnerships to address match requirements.
- Conducting a water quality investigation to help prioritize the most effective restoration options and build stakeholder buy in (this type of project will likely require a Sampling and Analysis Plan)

- Cultivating partnerships with landowners and land managers to develop future projects that could be eligible for §319 grant funding.

Minimum Requirements

- Proposed work is an appropriate next step for the protection or improvement of water quality.
- Proposed activities will increase the organization’s capacity to plan and carry out projects to reduce nonpoint source pollution.
- Appropriate effectiveness evaluations based on proposed activities.
- Draft and final versions of any planning documents if applicable.

5.2.2 Education Outreach

Projects related to education outreach **may be implemented anywhere in the state** but cannot be a statewide campaign. *Applicants are encouraged to review existing resources in the [Educational Resources Guide](#) and [EPA’s Environmental Education Guidelines](#).* Note: smaller projects (under \$4000) may be eligible for funding through [E&O Water Quality mini-grants](#).

Eligible activities include:

- Education outreach activities or plans targeted towards a specific behavior change to ultimately improve water quality.
- Best management practices tour to demonstrate potential changes homeowners or landowners could take to improve water quality.
- Workshops, classes, or trainings that address nonpoint source pollution issues.
- Videos, media, or other outreach tools that address nonpoint source pollution.
- Education outreach campaigns targeted towards improving water quality.

Minimum Requirements

- Proposed education outreach projects must address nonpoint source pollution awareness and/or reduction.
- Target audience needs to be clearly identified.
- How the education outreach will be delivered to the target audience
- Describe knowledge, skills, or abilities expected to be gained by participants and how a change in knowledge, skills, or abilities will be evaluated and reported.

Ineligible activities (for Capacity Building and Education Outreach Grants)

- Food and beverage costs
- Re-creation of existing educational lesson plans
 - *Applicants are encouraged to review [the Educational Resources Guide](#) for existing lesson plans that can be implemented as part of proposed activities*
- Statewide education outreach campaigns
- Normal website maintenance

5.3 – ADDITIONAL CONSIDERATIONS

Nonpoint source pollution reduction and prevention projects are part of DEQ’s broader mission to champion a healthy environment for a thriving Montana. The positive impact of these projects often stretches beyond simply improving water quality. The following priorities reflect some of the potential that nonpoint source

pollution reduction projects have for serving the greater good. These potential benefits are reflected in the Scoring Sheets.

Environmental Justice

Projects are encouraged to provide equitable access and opportunities to a clean and healthy environment for economically and socially disadvantaged populations and provide meaningful involvement in environmental decision-making processes from all affected stakeholders. DEQ encourages applicants to support projects that take into consideration the protection of public health and the environment.

Climate Change/Resilience

There is strong scientific evidence that the earth's surface temperatures are warming and precipitation regimes are shifting. A changing climate will have a significant impact on water quality, affecting the timing and quantity of the precipitation and snowmelt that feed rivers, and affecting the temperature of lakes and streams, and nutrient cycling within aquatic environments. Some nonpoint source pollution prevention projects can lessen the impacts of climate change on water quality and quantity.

Impacts to Downstream Communities and Natural Systems

The effects of nonpoint source pollution are often felt by downstream communities and natural systems. Nonpoint source pollution can increase the cost and complexity of treatment for communities that rely on streams as a source of drinking water. It can cause algal growth, limiting recreational opportunities. It can also have negative impacts on food webs, and on the health of both humans and wildlife.

6.0 – ADDITIONAL RESOURCES

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

- [Appendix A – Grant Cycle](#)
- [Appendix B – Additional Program Requirements](#)
- [Appendix C – Project Examples](#)
- The 2017 Montana Nonpoint Source Management Plan (NPS Plan):
<http://deq.mt.gov/Portals/112/Water/WPB/Nonpoint/Publications/Annual%20Reports/2017NPSManagementPlanFinal.pdf>
- A map showing watersheds with Watershed Restoration Plans, total maximum daily loads (TMDLs) and final TMDL documents:
<https://gis.mtdeq.us/portal/apps/webappviewer/index.html?id=b8bd98aca20040048850803c46873b3c>
- The Clean Water Act Information Center (CWAIC) database is available to help search for information on the impairment and TMDL status of Montana waterbodies. The database can be searched online at www.cwaic.mt.gov

APPENDICIES

[APPENDIX A - GRANT CYCLE](#)

[APPENDIX B - ADDITIONAL PROGRAM REQUIREMENTS](#)

[APPENDIX C - PROJECT EXAMPLES](#)

ATTACHMENTS

Attachments are available for download on DEQ's website:

<https://deq.mt.gov/water/Programs/nonpoint#accordion1-collapse1>.

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

[ATTACHMENT A – SCORING SHEETS – ON-THE-GROUND PROJECTS AND CAPACITY BUILDING / EDUCATION OUTREACH PROJECTS](#)

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

ATTACHMENT B – APPLICATION FORMS AND BUDGET TEMPLATES

[B 1 2024 On the Ground Application Form](#)

[B 2 2024 Supplemental Form Application Form](#)

[B 3 2024 On the Ground Project Budget Template](#)

[B 4 2024 Capacity Building & Education Outreach Application Form](#)

[B 5 2024 Capacity Building & Education Outreach Budget Template](#)

[ATTACHMENT C – EXAMPLE CONTRACT AND SCOPE OF WORK TEMPLATES](#)

These requirements can change from year to year. The examples provided here are intended to provide applicants with a rough idea of what to expect. Also, the scope of work template is primarily applicable to on-the-ground projects. Given the variability of mini-grant programs and capacity and planning or education outreach projects, DEQ does not currently have a comparable template for mini-grant contracts.