



# Renewable Resource Grant and Loan Program

## Watershed Management Grant

### Program Guidance

The Watershed Management Grant (WMG) Program goals are to provide financial support for the development and implementation of locally led watershed related planning and capacity building activities that conserve, develop, manage, or preserve state renewable resources. These goals are aligned with Montana Code Annotated (MCA) Title 85, Chapter 1, Part 6.



## Funding Opportunity Application Summary

<b>Department-Division</b>	Montana Department of Natural Resources and Conservation (DNRC)- Conservation and ResourceDevelopment Division (CARDD)
<b>Funding Opportunity Title</b>	Watershed Management Grant (WMG) Program
<b>Program Purpose</b>	The Watershed Management Grant (WMG) Program goals are to provide financial support for the development and implementation of locally led watershed related planning and capacity building activities that conserve, develop, manage, or preserve state renewable resources. These goals are aligned with Montana Code Annotated (MCA) Title 85, Chapter 1, Part 6.
<b>Dates</b>	See website <a href="http://dnrc.mt.gov/watershed-management-grants">http://dnrc.mt.gov/watershed-management-grants</a> .
<b>Application Process</b>	Submit applications online: <a href="#">watershed-management-grant-application</a>
<b>Application Fee</b>	No application fees are required.
<b>Eligible Applicants</b>	<p>Eligible applicants include any division of state government, tribal government, or other county, city, or local political subdivision. These governmental entities have included:</p> <ul style="list-style-type: none"> <li>• Cities,</li> <li>• Towns,</li> <li>• Counties,</li> <li>• Water and/or sewer districts,</li> <li>• Conservation districts,</li> <li>• Irrigation districts,</li> <li>• School districts and universities,</li> <li>• Regional water authority,</li> <li>• State agencies, and</li> <li>• Tribal governments</li> </ul> <p>As defined in MCA 85-1-102(6)(a), "Private Person" means any individual, association, partnership, corporation, or other non-governmental entity that is not eligible for loans and grants under MCA 85-1-605.</p> <ul style="list-style-type: none"> <li>• Individuals/Private Person</li> <li>• Associations</li> <li>• Partnerships</li> <li>• Corporations</li> </ul>
<b>Match</b>	<p>Local government, state government, tribal government and sponsored non-profit entities:DNRC will provide 100% reimbursement for eligible activities.</p> <p>Unsponsored non-government entity: A 1:1 matchis required. Match shares may be in-kind services or cash.</p> <p>All Applicants: 1:1 match requirement forequipment expenses.</p>

<b>Funding Amount</b>	Watershed Group Formation: \$40,000 Watershed Organization Strategic Plans: \$25,000 Watershed Strategic Initiative/Program: \$50,000 BSWC Host Site Cost Share: \$8,000/member
<b>Program Contact</b>	Melissa Downing Watershed Management Grant Program Manager 406-444-0697 <a href="mailto:melissa.downing@mt.gov">melissa.downing@mt.gov</a>

## **Program Purpose**

The Watershed Management Grant (WMG) Program goals are to provide financial support for the development and implementation of locally led watershed related planning and capacity building activities that conserve, develop, manage, or preserve state renewable resources. These goals are aligned with [Montana Code Annotated \(MCA\) Title 85, Chapter 1, Part 6](#).

## **Eligible Activities**

Grants will be awarded for planning efforts and capacity building activities identified in a strategic plan, that conserve, develop, manage, or preserve renewable resources. Approved grants shall be an instrument to enhance renewable resource benefits.

- **Watershed Group Formation**

Grant funding to establish a watershed group. A watershed group is a self-sustaining, non-regulatory, consensus-based group that is composed of a diverse array of stakeholders, which may include, but is not limited to, private property owners, non-profit organizations, federal, state, or local agencies, and tribes. Grant funds awarded in this category may fund development of bylaws, a mission statement, complete stakeholder outreach, and develop a strategic plan.

- **Watershed Organization Strategic Plans**

Strategic plans focus on the mission and goals of an organization that helps groups define the organization's priorities. Strategic planning is a process culminating in a 3-5 year planning document that addresses an organization's current state, identifies future goals, and can then be used to develop annual work plans. The Conservation District Bureau at DNRC has tools to assist CDs <https://dnrc.mt.gov/Conservation/Conservation-Programs/Conservation-Districts/cd-resource-documents>. The Montana Nonprofit Association provides resources for nonprofit organizations online: <https://www.mtnonprofit.org/>.

- **Watershed Strategic Program or Initiative**

Strategic programs or initiatives are identified in an organization's Strategic Plan. ***These programs or initiatives will need to be clearly tied to the organization's mission and align with the purpose of the Watershed Management Grants.*** Examples may include watershed group expansion, staff support of a Watershed Restoration Plan, staff time for project management or contracted services to prepare a Watershed Restoration Project Plan, staff time for project management to oversee a non-point construction project, staff time to coordinate volunteers, purchase of materials for education and outreach.

- **Hosting a Big Sky Watershed Corps member**

Grants will support a portion of the local host site cost share to support a Big Sky Watershed Corps member. This will be a one-time grant application and award and will require submission of a final report at the end of the BSWC term. MCC Fellows and interns are not eligible under this category, as they would be eligible under the other categories for staff time in Watershed Management Grants, and costs for their salaries are ongoing throughout the life of the project or grant.

## **Eligible Expenses**

DNRC grants reimburse eligible project costs:

- Staff time (wage and fringe) for project management.
- Staff time (wage and fringe) and expenses for grant administration, reporting, and expense tracking.
- Expenses associated with stakeholder meetings.

- Contracted consultant expenses associated with monitoring, design, grant writing or development of renewable resource management plans.
- Conferences or training for staff development.
- Equipment rental or purchase.
- Travel expenses must comply with the State of Montana Travel Policy.
- Purchases of materials, goods, services or supplies must meet the Montana Procurement Act and/or local procurement regulations.

### **Ineligible Activities**

Watershed Management Grants will not fund projects or programs that are eligible for grant funds within another grant program in DNRC, such as other RRGL grants, Reclamation Development Grants, Aquatic Invasive Species Grants, etc.

### **Ineligible Expenses**

- Program Costs aka indirect costs:
  - "Program costs" means non-reimbursable costs not directly related to the project. Program costs include but are not limited to: office rent that will be incurred whether or not the project is implemented; salaries of existing fully funded staff positions unless the work-hours associated with the project are accounted for; or any other costs that pay for ongoing or general services of the applicant. For example: rent, utilities, licenses, reoccurring/regular meetings/newsletters (unrelated to planning or specific capacity development), staff time (unrelated to planning or specific capacity development), ongoing cost deemed necessary to continue business (operations).
- Political lobbying or litigation
- Land or property acquisition
- Food or beverages
- Activities that limit lawful access to property (see [MCA 85-1-602 \(4\)](#))

## Eligible Applicants

- Government entities such as cities and towns, counties, conservation districts, school districts, state government, and Tribal governments
- Non-government entities such as watershed groups and nonprofit organizations

## Match Requirements

Watershed Management Grants to a local government entity do not require financial match. However, DNRC is required to evaluate project applications' financial and technical feasibility which considers reasonable project costs and committed matching funds.

A 50% cost share is required for non-government entities, MCA 85-1-614 (b). Matching contributions may be in the form of in-kind services or cash from local, state or federal sources. However, all contributions must be targeted for expenditure on the project specifically identified in the application. Matching funds must be substantiated by accounting records and costs that would normally be considered eligible as meeting program requirements.

Eligible in-kind contributions are those project-specific contributions associated directly with project implementation. If your budget includes in-kind labor, always reference the source for your labor value estimate. It may be helpful to use the U.S. Bureau of Labor Statistics website to estimate labor values for Montana: [https://www.bls.gov/oes/current/oes\\_mt.htm](https://www.bls.gov/oes/current/oes_mt.htm).

## **Sponsorship**

A government entity may sponsor a non-government entity for a watershed management grant. The sponsor must submit the application and provide project oversight. Grant sponsors must have a material connection to the work being performed and are the legal party for purposes of project representation, negotiations and communications. DNRC will require that a government entity sponsoring a grant for a non-government entity will provide an executed MOU as startup conditions. See [RRGL Program Guidelines Example MOU](#).

## Funding Limits

<b>Watershed Group Formation</b>	<b>Watershed Organization Strategic Plans</b>	<b>Watershed Strategic Program or Initiative</b>	<b>Big Sky Watershed Corps Host Site Cost Share</b>
\$40,000	\$25,000	\$50,000	\$8,000 per Corps Member
Local Government = no match	Local Government = no match	Local Government = no match	Local Government = no match
Non-government entity match = Up to 50% of the total project cost	Non-government entity match = Up to 50% of the total project cost	Non-government entity match = Up to 50% of the total project cost	Non-government entity match = Up to 50% of the total project cost

## **Length of Activities**

Applications with a clear plan to complete grant activities within 2 years of the award will be given priority.

## **Grant Administration**

### **Awards:**

DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the necessary startup conditions within the timeframe identified in the award letter. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

**PROJECT EXPENSES INCURRED PRIOR TO THE GRANT AWARD LETTER ARE NOT ELIGIBLE FOR REIMBURSEMENT.**

### **Contracting:**

DNRC grant recipients are required to enter into an agreement with the DNRC prior to requesting reimbursement for eligible project costs. All local procurement and state laws are required to be followed under this agreement. DNRC may require a project kickoff call and monthly or quarterly progress meetings to ensure project success.

### **Progress Reports:**

The Recipient will provide progress reports to DNRC during the term of the grant agreement. Reports will provide status information for each project implementation task and identify the reporting period. Status information will include, at a minimum:

- Project activities during the reporting period;
- Costs incurred;
- Funds remaining;
- Anticipated activities during the next reporting period, and
- Expected changes in scope, schedule, or budget.

The Recipient shall report on total project costs including those funded by the Recipient and other matching funds. Significant problems encountered shall be noted and necessary scope and timeline modifications requested. The Recipient must submit a project progress report with each reimbursement request at a minimum on a quarterly basis. DNRC will not honor claims for reimbursement if DNRC has not approved the progress report or if there is a delinquent report.

### **Reimbursement requests must:**

- Include a State of Montana vendor invoice signed by an authorized agent.
- Be billed by the tasks identified in the project scope of work and budget.
- Be supported by backup documentation of contractor invoices, receipts, cancelled checks, or other documentation of costs.

Recipient invoices need to relate clearly to the scope of work and budget in the grant agreement. Projects with multiple funding sources need to submit a uniform status of funds spreadsheet (provided by DNRC) or other means of tracking and documenting match and the project budget.

All reimbursement and reporting are submitted through the online grant management system [www.grants.dnrc.mt.gov](http://www.grants.dnrc.mt.gov). Reporting and reimbursement templates and training materials are provided on DNRC [Resources and Training webpage](#).



**Final Report:**

The Recipient must submit one hard copy and one electronic copy (pdf) of the final report that meets the requirements of Attachment C to DNRC upon project completion. Final disbursement of funds is contingent upon DNRC receipt and approval of a final report that meets these requirements. Final reports must be submitted to DNRC within 90 days of the Agreement termination date.

Final reports must include a signed Certificate of Compliance to DNRC upon project completion.

Projects that included construction must also submit a signed Engineer's Statement of Completion. DNRC may also request as-built drawings for construction projects, IF APPLICABLE TO PROJECT.

The Recipient is not required to use the suggested format in this Attachment but must include the information listed below. At a minimum, the final report must describe the purpose and location of the project, project tasks, changes to the scope, schedule or budget, how the project met stated goals and objectives, how the project benefited and/or developed renewable resources, and the current project status. Final reports will be made available to the public on the DNRC website.

**Final Report Requirements:****1. Title Page:**

- a) Recipient's name, address, and telephone numbers.
- b) DNRC Grant Agreement Number
- c) Name, address, and telephone of other contacts if primary contacts are not available.
- d) Funding: total project cost and amount of agreement
- e) State where copies of the report may be obtained (Recipient contact person name, address, phone number. An email address or website is acceptable).
- f) A list of supporting documents (for example, construction completion reports or other project deliverables, if applicable).

**2. Introduction: Describe the project history, location, and purpose. Provide a project location map.****3. Discussion and Results:**

- a) Describe how project goals and tasks identified in the Agreement were completed:
  - Describe the planning process (for example: discuss project design, independent review, coordination with agencies, permits required and other activities).
  - Describe how each task listed in the scope of work was accomplished. Provide details on each task (for example: if trees were planted as an erosion control measure, state how many, the tree species, the age or size of the trees, and location of the plantings).
  - List the goals and/or objectives of the project as stated in the scope of work and briefly describe how they were met by the activities described in the tasks above. Discuss any differences between project goals and objectives and actual project results.
  - Provide an explanation for tasks that were not completed or any out-of-scope work.
  - Include a project map, data, and/or photos that document the project.
- b) Summarize any problems encountered and solutions adopted. What would you do differently?

**4. Resource and Public Benefits: Describe the project's overall benefits. What are the anticipated and realized benefits to resources and to the local and regional area of the completed project? Were these benefits realized? If not, explain why.**

**5. Grant Agreement Administration & Project Costs:**

- a) Work schedule: Compare the time allotted for project completion with the actual schedule. Identify delays and discuss the reasons for delays.



- b) Budget: Include a table that summarizes how the monies were spent by budget category or task as described in Attachment B and funding source (i.e. DNRC, Sponsor, other State or federal agencies). Explain cost overruns or savings. Discuss unbudgeted expenses that arose over the course of the project.
- c) Match Funds: Identify all funds from other sources or in-kind services that were used to fund the project. If not all matching funds were spent provide a justification.

#### 6. Project Completion and Certification

- a) Recipient's Certificate of Compliance (must be signed for all projects).
- b) As Built Drawings, if requested by the DNRC (construction projects only).
- c) Engineer's Statement of Final Completion (if applicable).
- d) Deliverables: List here if any.
- e) Final Report submitted electronically (PDF)

### **Application Evaluation Criteria**

DNRC considers the following criteria for project eligibility and ranking:

- Potential for renewable resource benefits.
  - Applicant presents a clear mission statement tied to renewable resource benefits.
- Potential public benefits. Including implementation of the state water plan priorities.
  - Applicant presents goals that can correlate with reasonable public benefits.
- Technical feasibility of the proposed plan.
  - Thoroughness of the implementation plan and schedule.
  - Applications with a clear plan to complete grant activities within 2 years of the award will be given priority.
- Financial feasibility of the proposed plan.
  - Financial feasibility considers the adequacy of the budget narrative submitted with the grant application.
  - Financial feasibility considers the committed match in relation to total project cost. ***Committed cash match will receive a higher preference than uncommitted match or in-kind match.***
  - Financial need considers the ability of the project to be accomplished without assistance of the grants, will be given preference. Ranking will consider whether the applicant can fund the activities through the organization's annual operating budget or other grant funds. Applicants can demonstrate that staff salaries are not paid through the organization's annual
- The applicant's ability to manage a project as demonstrated in a clear grant management plan.
  - DNRC must consider past grant or project management problems as a factor in awarding grant funds.
- Public and stakeholder support.
- DNRC is required to consider the geographic balance of private grants. Ranking preference will be granted to entities that have not received WMG funds in the prior biennium.

## **Example – Strategic Program or Initiative**

**Background:** The Flathead Conservation District has documented that erosion on Flathead River has been an ongoing issue for decades; however, the issue seems to be getting substantially worse in recent years. Reports from landowners along the river indicate that the insurgent popularity of wake boats is causing excessive erosion of Flathead River streambanks. From their perspective, this erosion is detrimental to the stream health, in addition to erosion caused by wind-driven waves, natural river flows, and the lake influence caused by the dam. In addition, the District has noted a significant increase in the number of streambank stabilization projects along the Flathead River in recent years. Some of this is likely caused by increased development in general, but anecdotal evidence from landowners indicates that more and more rip rap projects are being installed to address the urgency of slumping banks and eroding property lines.

This study will determine the extent of erosion caused specifically by boat wakes on the lower 22 miles of lake influenced Flathead River and to evaluate the potential impacts of that erosion. The information gained from this study will be used by the Water Policy Interim Committee to meet the request for SJ28 and provide valuable insight towards appropriate methods for streambank stabilization and restoration efforts. Understanding the relationship between boat wakes and erosion will benefit not just the Flathead Watershed but will also be useful in conservation efforts across the state.

**Project Goal:** The overarching goal of this study is to provide for the long-term conservation of the soil and water resources of the Flathead River through analysis of erosion causes and impacts on the 22 miles of lake-influenced portion Flathead River.

**Scope of Work:** this project will include the following:

### Study and design:

A local consultant will be contracted to write a detailed study design that will stay within budget and determine the amount of erosion caused by boats on the lower Flathead River. The study design will be determined by the consultant. There will be a preliminary meeting between project partners and consultant before the development of draft study design. The project partners and the Water Policy Interim Committee will review the study design before the final study design approval.

### Implementation and Monitoring:

Field work will be conducted by the consultant, Flathead Conservation District staff, and a Big Sky Watershed Corps Member. Field tasks will include determining specific locations for monitoring stations, placing, and landmarking data collection instrumentation and equipment at chosen locations, and monitoring and collecting data from instrumentation and equipment.

### Analysis and Reporting:

Review, analysis, and summary of the data by the consultant and a Big Sky Watershed Corps Member. Based on the data, the Flathead Conservation Districts will coordinate with the consultant to produce and present a report for the Water Policy Interim Committee. This report will include information on the extent of erosion caused by boat wakes and the potential implications for streambank stabilization. The intent of the report will be to help inform the committee for decision making regarding SJ28.

### **Schedule: (The month and year you anticipate starting and completing the task)**

- Study and Design: Start (Month/Year), End (Month/Year)
- Implementation and Monitoring: Start (Month/Year), End (Month/Year)
- Analysis and Reporting: Start (Month/Year), End (Month/Year)

**Budgets:**

**WMG Contract Budget**

<b>Category</b>	<b>WMG Amount</b>	<b>Match Amount</b>	<b>Total</b>
Contracted Services	\$30,000.00	\$16,000.00	\$46,000.00
Supplies and Materials	\$10,000.00	\$20,000.00	\$29,500.00
Project Management Personnel Cost (Salaries)	\$2,800.00	\$6,400.00	\$9,200.00
Travel	\$0.00	\$2,400.00	\$2,400.00
Grant Administration Personnel Cost (Salaries)	\$4,000.00	\$2,000.00	\$6,000.00
<b>Total</b>	<b>\$46,800.00</b>	<b>\$46,800.00</b>	<b>\$93,600.00</b>

**Funding Sources**

<b>Funding Source</b>	<b>Committed/Non committed</b>	<b>Total</b>
Montana Community Foundation	Non committed	\$25,000.00
Applicant	Committed	\$21,800.00
<b>Total</b>		<b>\$46,800.00</b>

## Questions?

Please contact Melissa Downing, Watershed Management Grant program manager at 406-444-0697 or [melissa.downing@mt.gov](mailto:melissa.downing@mt.gov) to discuss options for your watershed management grant.

## Watershed Management Grant Scoring Guidance

<b>Project Eligibility - Renewable Resource and Public Benefits – 50 Points</b>	
	Applicant presents a clear mission statement that can be directly related to renewable resource benefits.
	Applicant presents organizational goals that can clearly relate to public benefits.
	Applicant provides a description of renewable resource benefits and public benefits that demonstrates clear understanding of the WMG Program purpose.
	Grant funded activities will result in or reasonably will result in a project that will provide renewable resource and public benefits.
<b>Technical Feasibility - Scope of Work – 20 Points</b>	
	Application presents a clearly defined problem and demonstrates a need.
	Application clearly describes the project goals, objectives and identifies deliverables.
	Goals and objectives of the project align with the applicant's mission statement.
	The implementation plan and schedule is clear, thorough and adequate to address the goals and objectives.
	Applications with a clear plan to complete grant activities within 2 years of award will be given priority.
<b>Financial Feasibility – Budget – 20 Points</b>	
	Budget narrative is clear and adequately justifies the budget categories.
	Budget clearly identifies matching fund sources and provides letters of commitment to support matching funds.
	Application addresses the financial need for grant funds and can demonstrate that the project could not be accomplished without grant funds.
	Budget request demonstrates that the applicant understands the WMG Program eligible activities and expenses.
	Match is considered in relation to total project cost. Committed cash match will receive a higher preference than uncommitted match or in-kind match.
	Committed match is substantiated by letters of commitment that are specific to the amount of match, source, and activities.
<b>Stakeholder and Activity Coordination – 10 Points</b>	
	Application lists existing stakeholder input through the development of the application.
	Application materials demonstrate coordination of effort with partnerships or shared interest groups.

	Letters of support are specific to the activities listed in the application.
<b>Organizational Management – 10 Points</b>	
	Applicant provides a clear grant management plan that demonstrates the ability to manage a project and grant funds.
	Application lists the key personnel that will be responsible for grant management and grant administration.
	Sponsorship or partnership roles are clear, and letters of support substantiate roles.
	Sponsored grants must clearly demonstrate that the grant sponsor has a material connection to the grant funded activities.
<b>Total Points - 110</b>	