



# Renewable Resource Grant Stakeholder Group

Meeting 1 – September 19, 2023

Helena, Montana

Renewable Resource Grant Program Outlines

**Dear Stakeholders:** Please review the Renewable Resource Grant (RRG) Program Outlines for RRG Stakeholder Meeting 1. A short outline is provided for each grant program along with a series of questions for you to consider. Please take time to review the RRG Programs you are interested in and complete questions. Outlines and questions are designed to help guide the discussion during the stakeholder group meeting and inform the RRG Program Plan draft plan moving forward. We appreciate your time and energy in the RRG Stakeholder Group.

Thank you!

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## Renewable Resource Grant Stakeholder Group

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DNRC has been providing grants through the Renewable Resource Grant Program to local governments and private citizens since 1975 under the Renewable Resource Development Program and Water Development Program in 1981. The two programs were combined in 1993 under the Renewable Resource Grant and Loan Program. The addition of the American Rescue Plan Act funds to the RRG Program in 2021 created an unrepresented fund balance in the Natural Resources Projects Account<sup>1</sup> that allowed for an increase of appropriations to existing grant programs and appropriations to a new grant program, nonpoint source pollution reduction grants in House Bill 6.

DNRC has identified overlap with existing grant programs and the potential projects funded under the Nonpoint Source Pollution Reduction (NPS) grants. DNRC is seeking stakeholder input to define the NPS grants as a separate and distinct program from the existing RRG programs as well as Reclamation Development Grants. DNRC will host a series of stakeholder meetings to clarify the existing grant programs and define the NPS grants as well as set a priority for funding for NPS projects.

### Goals for RRG Stakeholder Group:

1. To create clear and distinct grant programs that meet the purpose and policies in [MCA 85-1-601](#).
2. To simplify the grant applications and grant administration for the benefit of applicants and DNRC.
3. To engage our stakeholders to ensure that grant programs are meeting the needs of our partners statewide.
4. Improve RRG Program transparency and accountability.

### Stakeholders:

DNRC is working to incorporate feedback from three different interests to participate in meetings: Infrastructure, Irrigation and Nonpoint Source and Watershed.

### RRGL Stakeholder Meetings:

- **Meeting 1 - September 18, 2023** – Review the existing grant programs and the new NPS grants provided in the attached RRG Program Outlines. Identify overlap between programs and solicit feedback on re-defining program eligibility, ranking and guidelines. Identify project types for NPS grants and discuss funding priorities.
- **Meeting 2 - Tentative October 17, 2023**– Review and take feedback on a **Draft RRG Program Plan** to clarify RRG Programs and define the NPS grant program.
- 30-day public comment period.
- **Meeting 3 – Mid November**– Review **Draft Final RRG Program Plan** and summarize comments for final stakeholder input.

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<sup>1</sup> RRGL grants are funded by revenue generated from resource extraction taxes. Portions of the following sources of revenue are deposited in the natural resource projects state special revenue account (SSRA): the resource indemnity and groundwater assessment (RIGWA) tax, the oil and gas production tax, and interest earnings from the resource indemnity trust (RIT) fund. Funds from the natural resource projects SSRA are shared by DNRC's two natural resource grant programs: (1) Reclamation and Development Grants Program; and the RRGL Program.

## RRG Stakeholder Meeting Materials:

DNRC will continue to update the Renewable Resource Grant and Loans website

<https://dnrc.mt.gov/Conservation/Grant-and-Loan-Programs/Renewable-Resource-Grants-and-Loans/> with meeting information.

## Public Comment:

Public comments regarding the RRG Programs may be submitted at any time throughout the stakeholder process. Please submit public comments to [DNRCgrants@mt.gov](mailto:DNRCgrants@mt.gov) and be sure to include “RRG Stakeholder” in the subject line of the email.

## RRG Stakeholders

DNRC solicited stakeholders from diverse interests. Stakeholders are grouped by their area of interest for meeting purposes; however, stakeholders may comment on any of the grant programs and areas of interest.

Stakeholder Name	Stakeholder Organization	Stakeholder Interest
<b>Abby Weimer</b>	MT DNRC	DNRC - Staff
<b>Andy Ulven</b>	Montana DEQ	Nonpoint Source and Watershed
<b>Ann Kulczyk</b>	MT DNRC	Irrigation
<b>Anna Miller</b>	MT DNRC	Infrastructure
<b>Autumn Coleman</b>	MT DNRC	Irrigation
<b>Becky Anseth</b>	Dept. of Commerce	Infrastructure
<b>Beth Norberg</b>	Lewis and Clark Public Health	Nonpoint Source and Watershed
<b>Brenna Rietmann</b>	Montana Association of Conservation Districts	Nonpoint Source and Watershed
<b>Carl Hamming</b>	Anaconda-Deer Lodge County	Nonpoint Source and Watershed
<b>Casey Lewis</b>	DNRC, Western Montana Conservation Commission/DNRC	Nonpoint Source and Watershed
<b>Christina Eggenesperger</b>	Water & Environmental Technologies	Infrastructure
<b>Cindy Malisani</b>	Lease lands	Nonpoint Source and Watershed
<b>Cindy Murray</b>	Flathead County Water District #1 - Evergreen	Infrastructure and Nonpoint Source/Watershed
<b>Clancy Jandreau</b>	The Blackfoot Challenge Inc.	Nonpoint Source and Watershed
<b>Clayton Elliott</b>	Montana Trout Unlimited	Nonpoint Source and Watershed
<b>Cori Hach</b>	DNRC	Nonpoint Source and Watershed
<b>Craig Erickson</b>	Great Weste Engineering	Infrastructure
<b>Craig Nowak</b>	Morrison-Maierle	Infrastructure
<b>Danielle Maiden</b>	NeighborWorks Montana	Infrastructure
<b>David Larson</b>	MT DNRC	Irrigation
<b>David Pratt</b>	Yellowstone River Conservation Distirct Council / Custer County Cons. District	Irrigation
<b>David Van Pelt</b>	Garrison sustainable	Infrastructure
<b>Elizabeth Emeline</b>	Gallatin Conservation District	Irrigation & stream health/function/connectivity
<b>Emelie Eaton</b>	City of Laurel	Infrastructure

Renewable Resource Grant Stakeholder Group – Meeting 1

Stakeholder Name	Stakeholder Organization	Stakeholder Interest
<b>Emilie Henry</b>	DNRC, Western Montana Conservation Commission	Nonpoint Source and Watershed
<b>Gayla Wortman</b>	Cascade CD AND CDAC Chair, currently	Nonpoint Source and Watershed
<b>Heidi Anderson-Folnagy</b>	MT DNRC	Nonpoint Source and Watershed
<b>Jason Mercer</b>	Morrison-Maierle, Inc - consulting engineering	Infrastructure
<b>Jay Springer</b>	Private Engineering Firm	Infrastructure
<b>Jennifer Patrick</b>	Milk River Joint Board of Control	Irrigation
<b>Jessi Finstad</b>	MT DNRC	DNRC - Staff
<b>John Camden</b>	Montana Rural Water Systems	Infrastructure
<b>John Connors</b>	DNRC Water Resource Division-Water Operations Bureau	Irrigation
<b>Jorri Dyer</b>	DNRC	Nonpoint Source and Watershed
<b>Josh Vincent</b>	Water & Environmental Technologies, Inc.	Infrastructure
<b>Kasydi Lucas</b>	MT DNRC	DNRC - Staff
<b>Katherine Certalic</b>	MT DNRC	DNRC - Staff
<b>LaNette Diaz</b>	Great West Engineering	Infrastructure
<b>Laura Gundlach</b>	Morrison-Maierle	Infrastructure
<b>Lindsay Volpe</b>	MT DNRC	Infrastructure
<b>Lindsey Krywaruchka</b>	DEQ WQD	Nonpoint Source and Watershed
<b>Luke LaLiberty</b>	KLJ Engineering	Infrastructure
<b>Madeline Larson</b>	Montana Association of Conservation Districts	Nonpoint Source and Watershed
<b>Mark Bostrom</b>	MT DNRC	Nonpoint Source and Watershed
<b>Maureen Connor</b>	Town of Philipsburg	Infrastructure
<b>Melissa Downing</b>	MT DNRC	Nonpoint Source and Watershed
<b>Michael Howell</b>	Bitterroot River Protection Association	Infrastructure
<b>Michelle McNamee</b>	MT DNRC	Infrastructure
<b>Mike Abrahamson</b>	DEQ State Revolving Fund Program	Infrastructure
<b>Mike Murphy</b>	Montana Water Resources Association	Irrigation
<b>Nikki Rogers</b>	Montana Rural Water	Infrastructure
<b>Samantha Kemp</b>	MT DNRC	DNRC - Staff
<b>Sarah Busmire</b>	Lower Clark Fork Watershed Group	Nonpoint Source and Watershed
<b>Shawn Higley</b>	WWC Engineering	Irrigation
<b>Shawna Swanz</b>	MT DNRC	DNRC - Staff
<b>Sonja Hoeglund</b>	MT DNRC	Infrastructure
<b>Stephanie Criswell</b>	MT DNRC	DNRC - Staff
<b>Steve Shope</b>	Midwest Assistance Foundation	Infrastructure
<b>Terri Nichols</b>	Montana Watershed Coordination Council	Nonpoint Source and Watershed

Stakeholder Name	Stakeholder Organization	Stakeholder Interest
Terry Kolpin	North Valley County Water & Sewer District, Inc.	Nonpoint Source and Watershed
Tracy Wendt	Sun River Watershed Group	Irrigation, NPS, and WMG
Trisha Cracroft	NRCS	Irrigation
Valarie Kurth	DNRC	Irrigation
Victor Rob Roberts	Trout Unlimited	Nonpoint Source and Watershed
Zach Owen	Beaverhead Conservation District	Nonpoint Source and Watershed

## RRG Stakeholder Group Meeting 1

September 19, 2023, 9:00 AM – 3:00 PM

### DRAFT AGENDA

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Great Northern (Best Western) 835 Great Northern Boulevard, Helena, Montana 59601

Zoom Registration ([link](#))

#### **9:00 AM – Welcome**

Greetings, Introductions, Logistics

Goals of RRG Stakeholder Group

#### **10:00 AM – Renewable Resource Grant Program – Presentation by DNRC Staff**

Objectives (Montana Code Annotated)

Definitions (Montana Code Annotated and Administrative Rules of Montana)

Existing DNRC Grant Programs: Project Grants, Planning Grants, Emergency Grants, Irrigation Development Grants, Watershed Management Grants, and Private Grants

New Nonpoint Source Pollution Reduction Grants

Questions and Discussion from Stakeholders

#### **11:30 AM – Lunch provided for in-person attendees.**

#### **12:30 PM – Break Out Sessions – Infrastructure, Irrigation and Nonpoint Source/Watershed**

##### **Infrastructure: Project, Planning & Emergency Grants**

## Renewable Resource Grant Stakeholder Group – Meeting 1

Grant Programs Purpose - Discussion

Grant Programs Strengths, Weaknesses, Opportunities - Discussion

Review DNRC Draft Outline - Discussion

### **Irrigation: Project, Planning & Irrigation Development Grants**

Grant Programs Purpose - Discussion

Grant Programs Strengths, Weaknesses, Opportunities - Discussion

Review DNRC Draft Outline - Discussion

### **Nonpoint Source/Watershed: Private, Planning, Watershed Management and Nonpoint Pollution Reduction Grants**

Grant Programs Purpose - Discussion

Grant Programs Strengths, Weaknesses, Opportunities - Discussion

Review DNRC Draft Outline - Discussion

### **2:30 PM – Reconvene – Short Reports from Breakout Sessions**

### **2:45 PM – Schedule Next Meetings – *October 17, 2023, TENTATIVE DATE***

### **3:00 PM Adjourn**

**Public Comment:** Please note, the public will be able to attend the meeting via Zoom ([link](#)). Public participation may be limited due the amount of material and time allotted in the agenda, however DNRC welcomes comments and feedback from the public. Public comments regarding the RRG Programs may be submitted at any time throughout the stakeholder process.

***Please submit public comments to [DNRCgrants@mt.gov](mailto:DNRCgrants@mt.gov) and be sure to include “RRG Stakeholder” in the subject line of the email.***

*\*Agenda will be finalized 24 hours before the meeting*

## Renewable Resource Grant Objectives

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The department shall administer a renewable resource grant and loan program to enhance Montana's **renewable resources** through projects that **measurably conserve, develop, manage, or preserve resources**. Either grants or loans may be provided to fund the following:

- feasibility, design, research, and resource assessment studies;
- preparation of construction, rehabilitation, or production plans; and
- construction, rehabilitation, production, education, or other implementation efforts.

Projects that may **enhance renewable resources** in Montana include but are not limited to:

- development of natural resource-based recreation;
- development of natural, offstream, and tributary storage;
- improvement of water use efficiency, including development of new, efficient water systems, rehabilitation of older, less efficient water systems, and acquisition and installation of measuring devices required under 85-2-113; monitoring; and development of state, tribal, and federal water projects;
- water-related projects that improve water quality, including livestock containment facility projects, soil and range health projects, and the maintenance and repair of source watersheds;
- water-related projects that improve water quantity, including streamflows and water storage in existing natural systems, such as riparian areas, flood plains, and wetlands;
- advancement of farming practices that reduce agricultural chemical use; and
- projects that facilitate the use of alternative renewable energy sources, as defined in 15-6-225.

The renewable resource grant and loan program is the key implementation portion of the **state water plan** and must be administered to encourage grant and loan applications for projects designed to accomplish the objectives of the plan.

A grant or loan may not be awarded to a project that affects source watersheds or soil and range health if the project would reduce, restrict, or prohibit any lawful access to the property that existed prior to the project's implementation. This subsection does not apply to access that is temporarily created, granted, or reduced due to project operations.

[MCA 85-1-602](#)



## Key Definitions

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**"Applicant"** means the following entity which submit an application under the act, meeting the purposes and policies of the act pursuant to 85-1-601, MCA:

a local governmental or state governmental entity eligible under 85-1-605, MCA;

a tribal government eligible under 85-1-605, MCA; or

a **private person** that is an individual, association, partnership, corporation, or other governmental entity that is not eligible for loans and grants under 85-1-605, MCA.

**"Conservation"** means the promotion of efficient and/or sustainable use of a renewable resource.

**"Development"** means a new beneficial and sustainable use of a renewable resource.

**"Management"** means activities that improve governing entities' ability to control and administer a renewable resource.

**"Preservation"** means the protection of a renewable resource from pollution, destruction, or neglect.

**"Public benefits"** means a benefit that accrues to the common well-being, safety, health, or welfare of the citizens of Montana from a renewable resource project including, but not limited to the benefits that accrue to an applicant.

**"Public resource"** means land, air, water, fish, wildlife, and recreation opportunities.

**"Renewable resource"** means a sustainable natural resource including:

water,  
wind,  
renewable energy,  
soil,  
wetlands,  
fish and aquatic habitat,  
wildlife habitat,  
range land,  
crop land, and  
forests.

**"Renewable resource project" or "project"** as used in conjunction with Title 85, chapter 1, part 6, MCA, means any activity or development that conserves, develops, manages, or preserves a renewable resource; and does not result in a long-term adverse impact to land, air, water, fish, wildlife, or recreation opportunities.

[ARM 36.17.607](#)

## Renewable Resources Project Grant Program

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### House Bill 6 Authorization

\$6,350,000 infrastructure

\$2,560,000 irrigation

**Purpose:** To provide financial assistance to projects which conserve, manage, develop, and preserve Montana's renewable resources. Renewable resource projects including water conservation; water for public use, agricultural use, or other beneficial uses; surface water or groundwater quality; forestry related resources; air quality; waste management; and other renewable resource-related projects are eligible to receive grant and loan funding.

### Applicant Eligibility

State, Tribal, or Local governments MCA 85-1-605

### Project Eligibility

Water, Wastewater or Stormwater Infrastructure  
Irrigation  
Dams  
Renewable Energy  
Restoration  
Studies

### Project Caps

\$125,000/project based on technical and financial feasibility.

Local government - no match requirements

### Grant Application Cycle

Application due May 15<sup>th</sup> odd-years

Approved by the Montana Legislature

### Grant Administrative Requirements (Applicants)

Startup Documents

Progress Reports – monthly or quarterly

Final Reports

### How could the DNRC administrative burden be decreased?

Revised reporting requirements/process

Revise application/ranking based on project type (i.e. irrigation or infrastructure)

### Program Specific Rules

Project kickoff meeting

Mandatory project meetings

Site visits

Compliance with State Travel Policy

### Questions for Stakeholders

What are the strengths/benefits of this grant program?

What are the weaknesses of this grant program?

Are there opportunities for this grant program to be improved for applicants?

How can DNRC improve the grant administration requirements?

## Private Grant Program

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### House Bill 6 Authorization

\$100,000

**Purpose:** To provide financial assistance to water-related projects that meets the purpose of the Renewable Resource Grant and Loan Program. They promote the conservation, development, and beneficial use of Montana’s water resources to secure maximum economic and social prosperity for its citizens.

### Applicant Eligibility

"Private Person" per MCA 85-1-102(6)(a)

Applicant must construct and operate within the state of Montana MCA 85-1-609 (1)(b)  
(Montana residents only)

Applicant must hold all necessary lands for the necessary operation and maintenance of the project MCA 85-1-609 (4). (Primary residence only)

Projects that could not be accomplished without the assistance of a grant or loan must be given preference MCA 85-1-610 (6) (Cannot be an income property)

### Project Eligibility

Septic tank replacement/repair or upgrade

Septic system upgrades to level 2

### Project Caps

Septic tank replacement/repair or upgrade: \$5,000

Septic system upgrades to level 2: \$7,500

Private Person - Match Requirements -50% of the total project cost MCA 85-1-614 (b)

### Grant Application Cycle

Application cycle is open until funding is allocated.

### Grant Administrative Requirements (Applicants)

Reimbursement request only

Application documents, no progress or final report

### How could the DNRC administrative burden be decreased?

Update application questions based on project type

Execute grant agreement upon award

### Program Specific Rules

Clarify ineligible projects:

New private well

Septic system for new home construction

## Questions for Stakeholders

What are the strengths/benefits of this grant program?

What are the weaknesses of this grant program?

Are there opportunities for this grant program to be improved for applicants?

How can DNRC improve the grant administration requirements?

## Emergency Grant Program

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### House Bill 6 Authorization

\$300,000

**Purpose:** To provide financial assistance to immediate threats to the beneficial management of a renewable resource and, if delayed, will cause substantial damage or legal liability. These do not include emergencies due to lack or delay of maintenance.

### Applicant Eligibility

State, Tribal, or Local governments MCA 85-1-605

### Project Eligibility

Emergencies are defined as projects otherwise eligible for grant funding...

*projects that measurably conserve, develop, manage, or preserve resources including: feasibility, design, research, and resource assessment studies; preparation of construction, rehabilitation, or production plans; and construction, rehabilitation, production, education, or other implementation efforts.*

...that, if delayed until legislative approval can be obtained, will cause substantial damages or legal liability to the project sponsor.

Projects that result from gross negligence of the applicant are not eligible for emergency grant funds. Examples include:

Irrigation structure/diversion and headgate repairs after flooding.

Frozen line breaks, ice damage, lightning strike on electrical system, rocks disabling lifts stations, or other unplanned damage.

Water intake structures, sewer lagoons or dike repairs after flooding.

### Project Caps

Low to moderate severity and low to moderate financial need: \$10,000

High Severity High Financial need: \$30,000

Match Requirements – none

Funding recommendations are made to maximize benefit to Montanans and will be based on the total amount of grant funds available, the amount of grant funds requested, and the total project cost.

### Grant Application Cycle

Application cycle is open until funding is allocated.

### Grant Administrative Requirements (Applicants)

Reimbursement request

Final Report

How could the DNRC administrative burden be decreased?

Update application questions based on project type

Revise approval process

Execute grant agreement upon award

Program Specific Rules

Entity receiving emergency funding is required to provide financial information

Applicant must provide repair costs, schedule, and a list of other available funding sources

Grants can reimburse project expenses that occur within the current biennium

Limit eligible reimbursement to contracted services or equipment purchases

Questions for Stakeholders

What are the strengths/benefits of this grant program?

What are the weaknesses of this grant program?

Are there opportunities for this grant program to be improved for applicants?

How can DNRC improve the grant administration requirements?

## Irrigation Development Grant Program

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### House Bill 6 Authorization

\$500,000

**Purpose:** To provide financial assistance to private family farms, owned and operated by a resident of Montana, to develop and/or rehabilitate existing irrigated agriculture.

### Applicant Eligibility

State, Tribal, or Local governments MCA 85-1-605

"Private Person" per MCA 85-1-102(6)(a)

### Project Eligibility

Projects that **measurably** conserve, develop manage or preserve resources.

Small family on farm projects [85-1-6010\(2\)](#) must be given preference.

A family farm is one devoted primarily to agriculture under the ownership and operation of a resident Montana family.

Irrigation for lawns or domestic use is not eligible.

Projects must provide public benefits MCA 85-1-609 (1)(g):

Ranking will consider irrigation acreage.

Alfalfa for personal use not eligible.

Project will be constructed, developed, and operated within the state of Montana.

Applicant must demonstrate adequate financial resources to construct, operate, and maintain the project.

Grant funds cannot reimburse resalable or moveable equipment, i.e. pivots or pumps. Examples include:

- Advancement of farming practices that reduce agricultural chemical use
- Land leveling
- Planning
- New development
- Repair and upgrades
- Measurement

### Project Caps

\$30,000-\$50,000

Private Person - Match Requirements -50% of the total project cost MCA 85-1-614 (b)

### Grant Application Cycle

2 competitive grant application cycles per biennium



## Grant Administrative Requirements (Applicants)

Startup Documents

Progress reports required with reimbursement request

Final report

## How could the DNRC administrative burden be decreased?

Pre-qualify eligible projects

Revise application based on application type – new or repair/rehabilitate existing

Reduce reporting, progress reports due with reimbursement reports only

## Program specific rules/guidelines

Mandatory project kickoff meeting

Site visits

Limit eligible reimbursement and match to actual cost of equipment or contracted services.

Projects that could not be accomplished without the assistance of a loan or grant must be given preference.

Applicants must demonstrate a clear budget, cash match, and a financial need i.e. no income from assessments.

DNRC shall attempt to achieve geographic balance in the promotion of renewable resource grant and loan projects through the awarding of loans and grants to private persons.

Limit 1 application per applicant per biennium

Limit 1 application per project

Projects must preserve for the citizens the economic and other benefits of the state's natural heritage.

Applicants must demonstrate the local, regional, or statewide impact of water use for crop production.

## Questions for Stakeholders

What are the strengths/benefits of this grant program?

What are the weaknesses of this grant program?

Are there opportunities for this grant program to be improved for applicants?

How can DNRC improve the grant administration requirements?

## Watershed Management Grant Program

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### House Bill 6 Authorization

\$500,000

### Purpose

To provide financial assistance for the development and implementation of locally led watershed related planning and capacity building activities for water resource and related watershed resource preservation.

### Applicant Eligibility

State, Tribal, or Local governments MCA 85-1-605

"Private Person" per MCA 85-1-102(6)(a)

### Project Eligibility - DRAFT

Watershed Group Formation

Watershed Group Strategic Plans

Watershed Group Strategic Program or Initiative (identified in a strategic plan)

### Project Caps - DRAFT

Watershed Group Formation – \$40,000

Watershed Strategic Plans - \$25,000

Watershed Strategic Program or Initiative - \$30,000

### Match Requirement

Private entity - Match Requirements -50% of the total project cost MCA 85-1-614 (b)

Local Government – No Match Requirement

A government entity may sponsor a non-government entity for a watershed management grant. The sponsor must submit the application and provide grant 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. MOU is required.

### Grant Application Cycle

2 competitive grant application cycles per biennium

### Grant administration requirements (Applicants)

Monthly or quarterly progress reports

Final report upon completion of grant

### How could the DNRC administrative burden be decreased?

MOU is required for grants with a local government sponsor.

Ranking will give preference to grants that can be completed within 2 years.

### Program specific rules/guidelines

Startup conditions on awarded grants.

Mandatory project kickoff meeting

Site visits

Watershed Restoration Plans and NPS Project Plans funded by RRG Planning Grants

Rank based on committed cash 1:1 match, not in-kind contribution

Update application questions based on project type

Eliminate specific program cost caps

Compliance with State Travel Policy

### Questions for Stakeholders

What are the strengths/benefits of this grant program?

What are the weaknesses of this grant program?

Are there opportunities for this grant program to be improved for applicants?

How can DNRC improve the grant administration requirements?

## Planning Grant Program

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### House Bill 6 Authorization

\$3,500,000

**Purpose:** Renewable resource planning grants provide funding for preliminary engineering reports, resource assessments, technical reports, or any planning activity that would contribute to a renewable resource project. ARM 36.17.611

### Applicant Eligibility

State, Tribal, or Local governments MCA 85-1-605

### Project Eligibility

Grant funds may be provided to feasibility, design, research and resource assessment studies and preparation of construction, rehabilitation, or production plans. Examples include:

- Infrastructure Preliminary Engineering Report (PER)
- Irrigation PER
- Technical Narrative
- PER or technical narrative update
- Capital Improvement Plan
- Watershed Restoration Plan
- Nonpoint pollution reduction project plan and design
- NEW** - Technical Assistance

### Project Caps

- Infrastructure PER: \$40,000
- Irrigation PER: \$30,000
- Technical Narrative: \$30,000
- PER or technical narrative update: \$20,000
- Capital Improvement Plan: \$15,000
- Watershed Restoration Plan: \$40,000
- Nonpoint pollution reduction project plan and design: \$30,000
- NEW** - Technical Assistance: \$3,000 (20 hrs and \$150/hr)

Local Government – No Match Requirement

### Grant Application Cycle

Four competitive cycles per biennium

### Grant administration requirements (Applicants)

Progress reports are not required.

Reimbursement is limited to 50% upon submission of draft document and 50% upon submission of final document.

## How could the DNRC administrative burden be decreased?

Limit the number of Term Amendments

Provide Technical Assistance contracted services to help communities apply for planning grants.

Application questions and ranking based on project type – Infrastructure or Irrigation.

## Program specific rules/guidelines

Mandatory grant kickoff meeting.

Document Standards:

PER must meet SRF/MCEP standard

Technical Memo must address a specific project identified in a PER.

Capital Improvement Plans must meet Department of Commerce standard.

WRP must meet DEQ standard

Nonpoint Source Projects must be identified in a WRP

Eligible reimbursement for contracted services only.

Ranking considers local cash match.

## Questions for Stakeholders

What are the strengths/benefits of this grant program?

What are the weaknesses of this grant program?

Are there opportunities for this grant program to be improved for applicants?

How can DNRC improve the grant administration requirements?

## Nonpoint Source Pollution Reduction Grant Program

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### House Bill 6 Authorization

\$2,500,000

**Purpose:** To provide financial assistance to projects which measurably preserve Montana's water resources. Projects must improve water quality or water quantity including streamflows and water storage in existing natural systems, such as riparian areas, flood plains and wetlands.

Nonpoint source pollution reduction grants can fund projects that provide public benefits such as erosion reduction, water quality enhancement and sediment reduction. Nonpoint source pollution is the contamination or other alteration of the physical, chemical or biological properties of state waters. "State waters" means a body of water\*, irrigation system\*, or drainage system, either surface or underground.

### Applicant Eligibility

State, Tribal, or Local governments MCA 85-1-605

"Private Person" per MCA 85-1-102(6)(a)

### Project Eligibility - DRAFT

#### **Municipal Sewer Connections to eliminate individual or group septic systems.**

Grants for municipalities do not require match.

Project grants to private entities must meet match requirements 50% of total project cost.

Grant funds must directly offset or eliminate costs for individual homeowners to connect.

Septic systems must be abandoned and reclaimed.

#### **Nonpoint Source Implementation Projects**

Projects must be identified in Montana NPS Appendix A Best Management Practices

Projects identified in a WRP will receive priority.

Planning for NPS projects is not eligible, see RRG Planning Grants.

#### **DEQ 319 Funded Projects**

Projects must be approved by the DEQ for 319 funds.

Grant funds will be used as non-federal match to meet the 319 grant requirements.

Grant program meets the same eligibility and other requirements of the 319-grant program.

### Project Caps - DRAFT

#### **Municipal Sewer Connections (Est. \$1,000,000)**

Total grant cap per local government: \$100,000

Cap per connection \$5,000

Cap per connection for Private \$5,000

Private Person - Match Requirements -50% of the total project cost MCA 85-1-614 (b)

**Nonpoint Source Implementation Projects (Est. \$500,000)**

Project Cap: \$50,000

Local government – no match requirement

Private Person - Match Requirements -50% of the total project cost MCA 85-1-614 (b)

Ranking will consider committed cash match

**DEQ 319 Funded Projects (Est. \$1,000,000)**

Est. \$2,000,000 in DEQ 319 grant funds for the biennium.

30% of the total project cost. (60% 319 Grant, 30% RRG, 10% Local Match)

Grant Application Cycle - DRAFT

**Municipal Sewer Connections**

Application cycle is open until funding is allocated.

**Nonpoint Source Implementation Projects**

One competitive grant application cycle – Est. Spring 2024

**DEQ 319 Funded Projects**

Based on DEQ application cycles and awards.

Grant administration requirements (Applicants)

**Municipal Sewer Connections**

Local Government – reimbursements, quarterly, final report.

Private entity – one reimbursement, no reporting.

**Nonpoint Source Implementation Projects**

Reimbursements, quarterly, final report

**DEQ 319 Funded Projects**

Align reimbursement and reporting with DEQ's requirements.

How could the DNRC administrative burden be decreased?

**Municipal Sewer Connections**

Local Government – define reporting on a per/connection basis.

Reimbursement cap based on a per/connection, invoices must exceed the cap.



Private entity – One time reimbursement only, no final report.

**Nonpoint Source Implementation Projects**

Reimbursements, quarterly, final report

**DEQ 319 Funded Projects**

Could DEQ administer grant funds and provide quarterly and final reports to DNRC?

Program specific rules/guidelines

Application based on Project Type:

**Municipal Sewer Connections**

Grant applications could be customized by local government or private.

**Nonpoint Source Implementation Projects**

Grant application could be based on RRG Project application.

**DEQ 319 Funded Projects**

No application needed. Used to fund DEQ approved projects.

## Questions for Stakeholders

What are the opportunities to fund projects with this grant program?

What are the weaknesses of this grant program as established with the draft guidelines above?

Are there opportunities for this grant program to be improved for applicants?

How can DNRC improve the grant administration requirements?