

CONSERVATION AND RESOURCE DEVELOPMENT DIVISION

Renewable Resource Grant Program - RRG

RRG PLANNING GRANT GUIDELINES

2026 APPLICATION CYCLE – AT A GLANCE					
Eligible Applicants:	Government entities				
Maximum Grant Request:	Variable – see chart below				
Match Requirement:	No minimum match requirement				
FINAL APPLICATION DEADLINE:	September 26th, 2025 by 5:00pm				
How to Apply:	Online at https://grants.dnrc.mt.gov/				

Purpose

The RRG Planning Grant Program provides funding to governmental entities for professional and technical services necessary to produce a high quality RRG grant application which leads to a project that conserves, manages, develops, or protects Montana's renewable resources.

Eligible Applicants

Only local government entities may apply for project grant funds. Eligible applicants include any division of state government, tribal government, or other county, city, or local political subdivision (see $\underline{MCA~85}$ 1-605).

Governmental entities include, but are not limited to:

- Cities
- Towns
- Counties
- Water and/or Sewer Districts
- Conservation Districts

- Irrigation Districts
- School Districts and Universities
- Regional Water Authorities
- State Agencies
- Tribal Governments

Sponsoring a Grant for an Ineligible Entity

Private or non-profit entities are ineligible for planning grants. An eligible local government may sponsor a planning grant on behalf of an ineligible entity. Restrictions apply. Both parties should carefully review DNRC Guidance for Sponsored or Partner Grants (coming soon) before applying for a sponsored grant.

Eligible Project Types

Eligible funding types are specified in MCA 85-1-602. Grants may fund the following types of projects:

- Feasibility, design, research, and resource assessment studies.
- Preparation of construction, rehabilitation, or production plans.

Eligible Project Types, Grant Limits, Requirements

Planning Effort	Grant Limit	Requirements			
Preliminary Engineering Report (PER)	\$40,000	PERs must meet the standard as described in the most current Uniform Application for Montana Public Facility Projects. https://dnrc.mt.gov/_docs/conservation/WASACT/Uniform-Application-Public-Facility-Projects.pdf			
Technical Narrative	\$30,000	Technical Narratives must meet the requirements of the RRG Project Grant Application "Technical Presentation". See Appendix A .			
Update to Existing PER or Technical Narrative	\$15,000	Updated PERs and Technical Narratives must meet the document standards described above.			
Capital Improvement Plan or Growth Plan	\$15,000	Capital Improvement Plans and Growth Plans must follow the manuals provided by the Department of Commerce. https://commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Technical-Assistance/Presentations-Publications-and-Model-Documents Grant funds can only reimburse CIP or Growth Plan costs associated with topics that have both a renewable resource and public benefit (e.g., drinking water systems, wastewater systems, etc.).			
Study, Assessment, etc. Sample Collection Survey Technical Assessment	\$15,000	Studies, assessments, etc. must meet the local government's planning needs and RRG program eligibility criteria. The applicant must identify a specific project deliverable (report, survey, study, etc.) in the grant application.			
Watershed Restoration Plan	\$40,000	Watershed Restoration Plans and Project Plans must meet the standard as described by DEQ's Nonpoint Source Management Program. https://deq.mt.gov/water/Programs/nonpoint			
Watershed Restoration Project Plan	\$30,000	Watershed Restoration Plans and Project Plans must meet the standard as described by DEQ's Nonpoint Source Management Program. https://deq.mt.gov/water/Programs/nonpoint			

- DNRC allows only one grant per planning effort. An applicant may submit more than one application per cycle for clearly distinct projects.
- Preliminary Engineering Reports and Technical Narratives must include an adequate alternatives analysis. To the extent practicable, the alternatives analysis should examine an entire system, rather than an individual system component. A cost comparison is not an adequate alternatives analysis. See Appendix B for more information.
- DNRC may not reimburse the full planning grant amount if the agency determines a grant recipient's final planning document does not meet the above standards.

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Ineligible Projects

RRG Planning Grants cannot fund the following:

- Projects which better fit the legislative intent of another DNRC grant program, such as the Reclamation Development Grant Program, the Aquatic Invasive Species Grant Program, etc.
 - » Applicants may not artificially split projects to circumvent this requirement.
- Any project determined to have adverse environmental impacts that cannot be mitigated or that does not preserve the state's renewable resources per MCA 85-1-601 is ineligible for a grant.

Eligible Expenses

RRG Planning Grants can only reimburse expenses for technical or engineering services.

DNRC grants require compliance with the Montana Procurement Act and/or local procurement local rules and regulations. See the DNRC Procurement Plan and Guide for more information.

Ineligible Expenses

RRG Planning Grants cannot reimburse:

- Grant administration costs
- Program or indirect costs
- Political lobbying or litigation
- Land or property acquisition
- Food or beverages
- Activities that limit lawful access to property (see MCA 85-1-602)

Match

Applicants must demonstrate financial feasibility to complete the proposed project. A funding match is not required for this program but ranking will consider committed cash match. To demonstrate a **cash match commitment**, the applicant must include documentation on its grant application following DNRC's Firm Commitment of Matching Funds Guidance: https://dnrc.mt.gov/_docs/conservation/RD-Bureau/Bureau-Guidance/04 RDB Funding-Commitment.pdf.

Ranking

See <u>Appendix C - Eligibility and Ranking</u> for more information. Infrastructure and irrigation projects will be ranked separately. Applications will be reviewed and competitively ranked based on the renewable resource and public benefits of the proposed planning effort.

During application review, DNRC must consider technical and financial feasibility, as well as the applicant's ability to manage a project. Projects that are not technically or financially feasible will not be funded. Financial feasibility considers the committed match in relation to total project cost.

Notification of Award and Grant Management

DNRC will email an award letter to successful applicants. The letter will identify steps the grant recipient must take to satisfy start-up conditions and receive a grant agreement. Failure to submit start-up documents to DNRC by the date identified in the award letter or adequately communicate with DNRC may result in a rescinded award.

DNRC generally cannot reimburse expenses incurred prior to the DNRC grant award letter date.

After receiving a DNRC award letter, most grant recipients will follow the process below to execute a grant agreement.

- 1. The grant recipient compiles and submits start-up documents to DNRC.
- 2. DNRC reviews and approves start-up documents. Upon approval, DNRC generates a grant agreement.
- 3. Both parties sign the grant agreement via DocuSign to execute it.

Reimbursement

DNRC generally limits each grant recipient to two reimbursement requests at the following milestones.

- 1. Optional Milestone 1 A DRAFT planning document is available.

 The grant recipient should submit the draft document to DNRC. At that time, the grant recipient may request reimbursement for up to 50% of the total grant amount.
- 2. Required Milestone 2 The FINAL planning document is available.

 The grant recipient must submit the final document and other grant closeout documents to DNRC. At that time, the grant recipient will request reimbursement for the remaining (or full) grant amount.

Procurement

DNRC grants require compliance with the Montana Procurement Act and/or local procurement local rules and regulations. See the DNRC Procurement Plan and Guide for more information.

Reporting

Quarterly progress reports and/or final reports are generally not required for this program.

Grant Amendments

See DNRC Amendment Request Process Guidance.

Grant Closeout

DNRC grants require deliverables and invoices in compliance with the grant agreement to process final reimbursement. To close an RRG Planning Grant and receive final reimbursement, the grant recipient must submit a copy of the final planning document identified in grant agreement scope of work, a signed Certificate of Compliance, and a complete reimbursement request package.

PROGRAM CONTACT

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LEGAL AUTHORITY

Montana Code Annotated:

MCA Title 85, Chapter 1 Part 6

Administrative Rules of Montana:

ARM 36.17.6

APPENDIX A: TECHNICAL NARRATIVE GUIDANCE

Describe the project that will take place during the grant term as distinguished from phases completed before or after the grant term. Discuss past phases or current phase only as part of the project history.

Example

An irrigation district is taking steps to improve irrigation infrastructure and is seeking funding to line irrigation canals. Currently, the district is installing new headgates on its main canal. In the future, the district plans to install measuring devices. In this scenario, the project proposal concerns only the canallining project. The applicant should discuss the merits of only the lining phase of the project. The future phase of installing measuring devices can be discussed as part of a long-term plan to increase water conservation in the system.

Technical Narrative

The Technical Narrative presents topics DNRC considers in evaluating the technical feasibility of the project. Projects not technically feasible will be ineligible for funding consideration. The description must provide enough detail to verify that the project is technically feasible and will achieve the project objectives. This information will be used as the scope of work for a grant agreement. This outline is not all-inclusive; you may address other topics.

All basic information requested in the Technical Narrative and the Environmental Evaluation should be provided in the main application text, not in the appendices. Appendices should provide supporting information and not serve as the primary source of information.

If critical information is contained in the appendices, it is not guaranteed to receive due consideration in the grant evaluation.

- 1. Project identification.
 - a. Identify the physical location of the project including longitude and latitude coordinates. Provide a map that displays the relationship of the proposed project to the larger scale watershed, region, or resource that stands to benefit (include scale and a north arrow).
 - b. Identify the project type (research, planning, design, construction, or others).
 - c. Specifically describe the problem this project will address.
- 2. Discuss the project history, and describe all related work previously conducted.
 - a. Discuss the circumstances that precipitated the need for the project.
 - b. Discuss ongoing or past efforts made to address the problem or achieve the proposed purpose.
 - c. Identify related facilities, programs, or other resources that support the project.
- 3. Describe the project purpose.
 - a. Describe what part of your project meets the RRG Program purpose. The project may have more than one purpose and the application should address and analyze each.
 - b. Describe specific project implementation tasks.

- 4. Describe the renewable resource current condition.
 - a. Describe what data currently exists and how it relates to understanding the current condition of renewable resources to be addressed by the project. Provide documentation where appropriate.
 - b. Describe underlying causes of the current condition.
 - c. What are the identified and potential causes of the problem? Of these, what are limiting factors—those factors most responsible for the current condition?
 - d. Which of these factors have been quantified and to what degree?
 - e. Describe any uncertainty about the importance of these factors.
- 5. Describe the desired outcome.

Describe in detail what changes are desired in the current condition and what the condition will be when the project has achieved its objectives (use qualitative as well as quantitative descriptions where possible).

- Which factors contributing to the current condition will and will not be addressed by the proposed project and to what degree?
- O How will these affect desired results?
- 6. Describe the alternatives that will accomplish the same or substantially similar goals as that of the proposed project.
 - Discuss alternatives that could accomplish the project's goals. At a minimum, <u>two alternatives</u> must be discussed in addition to the no action alternative. Projects without adequate alternative analysis will be required to provide additional alternative evaluations to be considered for funding.
- 7. Compare the costs and benefits of each alternative and the reasons for selection of the preferred alternative. Descriptions of each alternative do not have to be as detailed as the description of the preferred alternative. Enough information must be provided to demonstrate that the alternatives were investigated and that the proposed alternative provides either greater resource benefits at the same costs or similar resource benefits at a lower cost. If costs and benefits of the project cannot be quantified, provide a narrative discussion of the cost and benefits.
- 8. Provide a specific description of the project implementation plan.
 - a. Describe the overall approach to project implementation.
 - b. Identify each of the project phases, and the specific tasks comprising each phase, and then relate them to the project's purpose.
 - c. Identify project staff for the project tasks and quantify staffing time necessary to complete the project.
 - d. Identify contracted services necessary to complete the project.
 - e. Identify all permits, regulatory approvals, or easements necessary to complete the project.
 - f. Indicate whether the project is a phase of a larger project for which additional funding is needed and, if so, the targeted funding sources.

- g. Describe the measures that will be undertaken to ensure long-term effectiveness.
- h. Describe how the project sponsor will meet the DNRC reporting requirements.
- 9. Provide a project schedule.
 - a. Provide specific dates the work under the proposed project will be started and completed.
 - b. The project schedule should only include items in the tasks for the project and are funded through this grant application.
- 10. Provide supporting technical documentation.
 - a. Provide information on the natural features of the project area, e.g. soils, vegetation, and hydrology.
 - b. Include any draft and/or completed technical reports and studies related to the project.
 - c. Provide a topographic map or aerial photo that shows the project location by sections, townships, and ranges. (Show titles on all maps and include both a scale and a north arrow.)
 - d. Identify all applicable statutes, rules, regulations, and standards to be met.

APPENDIX B: ALTERNATIVES ANALYSIS GUIDANCE

An adequate alternatives analysis is required to meet ARM 36.17.610(f) ¹and MCA 90-2-1112(3)². An alternatives analysis is crucial for informed decision-making and ensuring projects will not have an adverse environmental impact (see ARM 36.17.610(e) and MCA 90-2-1112(3)).

Below are the key components of an adequate alternatives analysis:

1. Scope and Purpose

- Clearly defined project purpose and need: Determine the project's objectives and the reasons for undertaking it.
- **Reasonable range of alternatives:** Consider any option that could potentially meet the project's purpose and need, including:
 - o **No-action alternative:** The baseline scenario where the project is not implemented.
 - o **Reduced-scale alternatives:** Smaller-scale versions of the proposed action.
 - o Alternative locations: Different sites for the project.
 - Alternative technologies or approaches: Different methods or techniques to achieve the project's goals. Engineer's materials cost estimates for the same alternative are NOT considered an alternative technology or approach,
 - For example, the evaluation of different geomembrane materials (HDPE, PVC, EPDM) in an irrigation canal lining project is NOT considered an alternative technology or approach.
 - o Mitigation measures: Strategies to reduce or avoid potential environmental impacts.

¹ARM 36.17.610 CRITERIA FOR RANKING GOVERNMENTAL AND TRIBAL RENEWABLE RESOURCE GRANT APPLICATIONS (e) If a project is determined to have adverse environmental impacts that cannot be mitigated and do not preserve the state's renewable resources per 85-1-601, MCA, it is ineligible for a grant.

⁽f) No points may be awarded for technical feasibility. Points will be deducted for errors or omissions in this section. If a project is determined to not be technically feasible, it is ineligible for a grant. Technical feasibility includes, but is not limited to:

⁽i) adequacy of the alternative analysis;

⁽ii) adequacy of cost estimates for potential alternatives and the preferred alternative;

⁽iii) preferred alternative selection;

⁽iv) thoroughness and feasibility of the project's implementation plan and schedules; and

⁽v) quality of supporting technical data submitted with the application.

²MCA 90-2-1112. Reclamation and Development Grants Program Eligibility requirements. (3) To be eligible for funding under the reclamation and development grants program, a project must:

⁽a) be technically and financially feasible;

⁽b) be the best cost-effective alternative to address a problem or attain an objective;

⁽c) comply with statutory and regulatory standards protecting environmental quality

2. Evaluation Criteria

- Relevant environmental factors: Identify the key environmental issues that could be affected by the project and its alternatives, such as air quality, water quality, wildlife habitat, cultural resources, and noise.
- **Social and economic factors:** Consider the potential impacts on human health, community wellbeing, and economic development.
- **Feasibility and practicality:** Assess the technical, financial, and logistical feasibility of each alternative.

3. Comparative Analysis

- **Impact assessment:** Evaluate the potential environmental, social, and economic impacts of each alternative, including both direct and indirect effects.
- **Comparison of alternatives:** Compare the alternatives based on the evaluation criteria, highlighting the strengths and weaknesses of each option.
- **Consideration of mitigation measures:** Assess how mitigation measures could reduce the impacts of each alternative.

4. Decision-Making

- Selection of the preferred alternative: Based on the comparative analysis, identify the alternative that best balances the project's purpose and need with environmental protection and social considerations.
- **Justification for the preferred alternative:** Clearly explain the rationale for selecting the preferred alternative, including the reasons for rejecting other options.

Additional Considerations:

- **Public involvement:** Seek input from the public and stakeholders throughout the alternatives analysis process.
- **Cumulative impacts:** Consider the potential cumulative impacts of the project and its alternatives, along with other past, present, and future actions in the area.
- Legal and regulatory requirements: Ensure that the alternatives analysis complies with all applicable laws and regulations.

APPENDIX C: ELIGIBILITY AND RANKING

The criteria for eligibility and ranking RRG Grant Applications are established in ARM <u>36.17.610</u>. Private grants have additional ranking considerations outlined in <u>MCA 85-1-609</u> and <u>MCA 85-1-610</u>. For each grant cycle, DNRC will publish the guidelines to the eligibility and numerical points to be awarded for the following criteria.

Applicant Eligibility

- Local Government (MCA 85-1-605) Project, Planning, Emergency, Irrigation Development, Watershed Management, Nonpoint Source Grants.
- Private Person (MCA 85-1-606) Private, Irrigation Development, Watershed Management, and Nonpoint Source Grants.

Eligible Activities (MCA 85-1-602)

- Feasibility, design, research, and resource assessment studies.
- Preparation of construction, rehabilitation, or production plans.
- Construction, rehabilitation, production, education, or other implementation efforts.

Eligible Projects (MCA 85-1-602)

- 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 MCA 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.
- Projects that facilitate the use of alternative renewable energy sources, as defined in MCA 15-6-225.

RRG Eligibility (ARM 36.17.610)

- Project must have renewable resource benefits see Renewable Resource Benefits Ranking below.
- Project must result in public benefits see Public Benefits Ranking below.
- Project is technically feasible:
 - o Adequate alternative analysis.
 - Adequate cost estimate for the potential alternatives.
 - Adequate cost estimate for the preferred alternative. Eligibility evaluates applicant's total project budget including committed cash match. Projects that fail to provide an adequate budget narrative to justify project costs may receive a reduced award or be ineligible for grant funds.

- Preferred alternative selection.
- o Thoroughness and feasibility of the project's implementation plan and schedules.
- Quality of supporting technical data.
- Project Management Plan is adequate and can support the project:
 - o Past management problems
 - Other concerns
- Project may NOT reduce, restrict, or prohibit any lawful access to the property that existed prior to the project's implementation.
- Project may NOT result in a long-term adverse impact to public benefits: land, air, water, fish, wildlife or recreation opportunities. <u>MCA 85-1-601</u>

Resource Benefits Ranking (ARM 36.17.610)

Points must be awarded for renewable resource benefits related to the project. If a project has no renewable resource benefits, it is ineligible for a grant.

Renewable Resources	Conserve	Develop	Manage	Preserve
Surface Water				
Ground Water				
Wind				
Renewable Energy				
Soil				
Wetlands				
Fish and Aquatic Habitat				
Wildlife Habitat				
Range Land				
Crop Land				
Forests				

Total Renewable Resource Score:

Conservation – Promotion of efficient and/or sustainable use of a renewable resource.

- Development A new beneficial and sustainable use of a renewable resource.
- Management Activities that improve governing entities' ability to control and administer a renewable resource.
- Preservation The protection of a renewable resource from pollution, destruction, or neglect.
- Renewable Resource A sustainable natural resource including water, wind, renewable energy, soil, wetlands, fish and aquatic habitat, wildlife habitat, range land, crop land, and forests.

Public Benefits Ranking (ARM 36.17.610)

Points must be awarded for public benefits. If a project has no public benefits, it is ineligible for a grant.

Citizen Benefits	Common Well-Being (State's Natural Heritage)	Human Health or Safety*	Welfare (Economic)	Recreation
Applicant				
Local				
Regional				
Statewide				

Total Public Benefits Score:

Tie Breaker Points

- 1. Project Implements State Water Plan:
- 2. Ratio of committed cash match (documented in grant application) to total project cost.

Total Project Score

Applications shall be assigned a net ranking score based on the points gained or lost. Once the applications have been ranked, DNRC creates a priority list of all applications.