

Leech Lake River CWMP Cost Share Program Policy and Procedures

From the Leech Lake River 1W1P Policy Committee

Version: 2023

Effective Date: November 28, 2023

Approval: November 28, 2023

Policy Statement

The LLRCWMP Cost Share Program was created to provide funds to applicants to share the cost of installation of practices identified in the Leech Lake River Comprehensive Watershed Management Plan and the FY23 Watershed Based Funding Program grant work plan.

The purpose of this policy is to provide clear guidelines for the implementation of state funds allocated to the LLRCWMP from the Minnesota Board of Water and Soil Resources (BWSR) for the FY23 Watershed Based Funding Program.

The grant agreement for the FY23 Watershed Based Funding Program is between the State of Minnesota, acting through the BWSR, and the Cass SWCD as the fiscal agent for the LLRCWMP. The grant agreement was executed on August 22, 2022 and will expire Dec. 31, 2025.

1. Eligible and Ineligible Activities.

The primary purpose of LLRCWMP Cost Share Program funds is to provide financial assistance for protection, restoration or enhancement within the priority water resources identified in the Leech Lake River Comprehensive Watershed Management Plan.

1.1 Practice Standards. Practices will be consistent with the Natural Resource Conservation Service NRCS Field Office Technical Guide (FOTG) practice standard, Minnesota DNR Forest Plan Writing Standards, Minnesota Stormwater Manual, or professionally accepted engineering practices. Design standards for practices will include specifications for operation and maintenance for the life of the practice, including an inspection schedule and procedure.

1.2 Effective Life. Practices will be designed and maintained for a minimum effective life of ten (10) years and twenty-five (25) years for capital improvement practices such as constructible stormwater BMPs and culvert replacements. The beginning date for a practice's effective life is the same date final payment is approved and the project is considered complete.

1.3 Ineligible Components. Payments for ongoing maintenance, payments for crop damage during construction, payments for easements. Ineligible components are those not included in the approved practice design specifications.

2. Technical Assistance Provider(s).

The technical assistance provider(s) must have appropriate credentials for practice investigation, design, and construction. Credentials can include conservation partnership Technical Approval Authority (TAA) or Job Approval Authority (JAA) or Engineering Job Approval Authority (EJAA); applicable professional licensure; reputable vendor with applicable expertise and liability coverage; or other applicable credentials, training, and/or experience.

3. Financial Assistance to Applicants.

Financial assistance will be calculated by the percentage of the installation cost that may be provided to an applicant for materials and labor necessary to install and establish the practice.

3.1. **Maximum cost share based on quote.** Cost share can cover up to 100% of the installation costs. Cost share above 75% first requires approval by the steering committee. After a project is approved by the steering committee for greater than 75% cost share it can be brought to the overseeing SWCD for final approval. State and non-state funds combined may not exceed (100%.) Flat rate cost share projects such as cover crops and well sealing will be considered on case-by-case basis by the respective SWCD boards.

3.2. **Non-state contributions.** An applicant may provide the remainder of the local share of the implementation cost through in-kind services, or non-state funds.

3.3. **Maximum in-kind rates.** Maximum rates for in-kind services will be based on current rates of similar occupation categories from US Bureau of Labor Statistics that can be found here https://www.bls.gov/oes/current/oes_mn.htm#45-0000

4. Contracts with Applicants.

The Cass SWCD, as the fiscal agent for the LLRCWMP, has the authority and responsibility to approve expenditure of the FY23 Watershed Based Funding Program grant funds. Grant funds will be expended according to the LLRCWMP approved work plan and budget and BWSR approved grant work plan and this policy. All shoreland project cost share applications are due by 4:30 PM on July 15th or by 4:30 PM on November 15th to be considered for funding. If the 15th falls on a day the SWCD offices are closed, then they are due by 4:30 PM on the next business day. Applications that are not awarded funding will roll over to the next application period.

4.1 **Cost Share Contract.** A contract between the SWCD where the practice(s) is located and applicant(s) receiving cost share funds will be used to provide a legal standing to ensure practices are installed and maintained according to approved standards and specifications. The contract that will be used is included in Appendix A.

4.2 Applicant. Applicant means a person, corporation, or legal entity that holds title to or is in possession of land as an owner, lessee, or tenant. If the Applicant is not the landowner, the landowner must also sign the contract or have an alternative agreement with the Applicant prior to contract approval.

4.3 Contract Timeframe. Execution and completion of a contract with an Applicant must be within the grant period. Contracts not completed within the period of the grant agreement must be cancelled unless the grant agreement has been extended and the contract has been extended such that the contract timeframe is within the amended grant.

4.4 Contract Approval. The Hubbard or Cass SWCD Board will approve or deny the contract, except in cases where local SWCD policies allow staff to approve or deny contracts. The action taken must be documented in the Board's meeting minutes and the contract must be signed by the Board Chair or Delegated Representative. Notification of cost-share contract approval will be given by approving SWCD.

5. Practice Sign-off and Payment.

5.1 Attestation. Prior to payment, the designated technical assistance provider must attest that the practice was properly installed and completed according to the plans and specifications, including technically approved modifications, and that the voucher is accurate.

5.2 Reimbursement. Applicants must pay all expenses for project implementation and provide copies of paid invoices or copies of paid receipts to verify all expenses prior to requesting reimbursement. A payment voucher form is required for all payments and is included in Appendix B. Local SWCD policies apply for applicants that demonstrate need for financial assistance.

5.3 Partial Payments. Partial payments are allowed if the completed portion of the project meets the practice standard or matches the project design. Prior to authorization for partial payment, the designated technical representative must attest that the request for partial payment has merit, the payment request is equal to or less than the percent of construction that is complete, and that the project will still be completed within the contract timeline.

5.4 Technical Approval. After receiving a request for final reimbursement, the designated technical service provider must review the as-built plan, vouchers, and invoices or copies of paid receipts submitted by the Applicant for completion and technical approval. Payment will be made by the Hubbard or Cass SWCD upon completion of the project and payment voucher.

5.5 Final Plans. One copy of the final approved plan must be given to the Applicant and one copy retained with the project file located in the approving SWCD office.

6. Post-Construction and Follow-Up Activities.

Identifying operation and maintenance activities specific to the installed practices is critical to ensure ongoing performance of installed practices. Scheduled site inspections by qualified staff are necessary to ensure operation and maintenance has been taking place.

- 6.1 Operation and Maintenance Plan.** The designated technical service provider must prepare an operation and maintenance plan specific to each contract. The operation and maintenance plan must detail the maintenance activities that are likely to be needed, specify how and when to accomplish them, and identify the inspection schedule. The plan will be prepared and reviewed with the applicant before installation of the practice begins.
- 6.2 Inspections.** The designated technical service provider shall ensure that the operation and maintenance plan is being followed and the practice(s) have not been altered or removed by conducting periodic site inspections as identified in the operation and maintenance plan.
- 6.3 Failure to Maintain Practices.** Should the applicant fail to maintain the practices during their effective life according to the operation and maintenance plan, the applicant is liable to the approving SWCD for up to one hundred fifty percent (150%) of the financial assistance received to install the practice. Funds received by the SWCD from an applicant who has failed to maintain a practice must be transferred to the Fiscal Agent within thirty (30) days, less administrative costs to recover the funds from the applicant, and must be used according to the terms of the FY23 Watershed Based Funding Program grant agreement.
- 6.4 Project Failure due to circumstances outside of the applicant's control (i.e. act of god).** Applicants will immediately notify the approving SWCD of the project failure. The approving SWCD will conduct on-site inspection, review possible alternatives or corrections as needed. The steering committee will review on case-by-case basis to remediate the situation and present the findings to the policy committee with recommendations for approval.

7. Grant Reporting.

As a requirement of the FY23 Watershed Based Funding Program grant agreement, an annual progress report must be submitted to BWSR by February 1 of each year on the status of program implementation and an expenditures report must be submitted to BWSR by June 30 of each year. A final progress report must be submitted to BWSR by December 31, 2025 or within 30 days of completion of the project, whichever occurs sooner.

- 7.1** The Cass SWCD is responsible for grant reporting requirements as outlined in the Memorandum of Agreement for the Leech Lake River Policy Committee.
- 7.2** Cass SWCD is responsible for entering expenses, and practice information including size, location, installation date, and indicators into eLINK for the practice installed within the watershed.

7.3 All expenses involving the LLRCWMP need to be invoiced quarterly for reimbursement from Cass SWCD.

8. Workplan Adjustments and Amendments.

Work plan adjustments of less than \$5,000 may be made by Cass SWCD staff. Work plan amendments may be agreed upon and made by the steering committee if they are between \$5,000 and \$50,000. Work plan amendments involving greater than \$50,000 will require a vote by the policy committee.

For additional information, contact the Leech Lake River CWMP Administrator, Dana Gutzmann, at (218) 547-7246 or dana.gutzmann@casscountymn.gov

I, Dana Gutzmann, Cass Soil and Water Conservation District Conservation Manager and Fiscal Host of the Leech Lake River Watershed, do hereby certify that the foregoing Leech Lake River CWMP Cost Share Program Policy and Procedures was duly adopted by the Leech Lake River Watershed Policy Committee on November 28th, 2023, at a meeting where a quorum was present, and the vote was as follows:

- For: 3
- Against: 0



Dana Gutzmann

Conservation Manager

Cass Soil and Water Conservation District