

Request for Proposals for Fiscal Year 2023

Clean Water Act Section 319(h) Grants

The North Carolina Division of Water Resources (DWR) is seeking proposals for award of federal fiscal year 2023 319(h) grant funds to implement watershed restoration plans that will help restore waters impaired by nonpoint sources of pollution. For FY 2023, North Carolina expects to receive **\$1.5 million** from the U.S. Environmental Protection Agency (EPA) for competitive funding of watershed restoration projects under Section 319(h) of the Clean Water Act.

Application Information

Eligible Applicants

- State and local governments (including Councils of Government)
- Interstate and intrastate agencies
- Public and private nonprofit organizations and institutions (including academic institutions)
- [State-recognized tribes](#)

How to Apply

The 319 grant application form and further information on the program can be found on the [319 website](#). All applications must be submitted in electronic format as a Word document.

DWR will accept applications for FY2023 319 funding until **May 4, 2023**. Applicants may also submit a draft application no later than March 15, 2023, to obtain preliminary review and comments from DWR staff. Final applications shall be received by DWR no later than midnight May 4, 2023 (email to rishi.bastakoti@ncdenr.gov). Proposals received after this time will not be accepted.

Proposals will be reviewed by DWR staff, and a Nonpoint Source Workgroup based on criteria listed on the 319 website. Selected projects will then be contracted at the time that DEQ receives its grant award from the US EPA.

Conditions for Funding Eligibility

Through this Request for Proposals (RFP), DWR is seeking proposals **only** for projects that **implement a DWR-approved watershed restoration plan** to restore **impaired waters** impacted by nonpoint source (NPS) pollution.

When proposing a project, please reference the list of approved watershed plans on the [319 Grant Program website](#) or obtain prior DWR approval for a new watershed restoration plan. If you wish to implement a watershed restoration plan that is not on this list, you are required to submit your plan and North Carolina 9-Element Plan Checklist to rishi.bastakoti@ncdenr.gov by March 15, 2023. Division staff will then review the plan and determine whether it meets the nine elements. Further guidance on developing watershed plans is also available on the 319 Grant Program website.

If you are considering submitting a watershed plan for approval, impaired waters are those listed as either Category 4 or 5 in either of the two most recent [Integrated Reports](#) published by the [DWR Modeling and Assessment Branch](#). For this RFP, the 2020 and 2022 Integrated Reports are the two most recent. DWR will also consider proposals for waters included in Category 4 or 5 of the latest *draft* Integrated Report. The proposal must address parameter(s) in the IR listing and propose to implement goals and objectives of a DWR-approved Watershed Action Plan that includes the [nine elements required by USEPA](#).

Eligible Projects

Eligible projects for funding under Section 319 are limited to those that aim to improve water quality and address nonpoint source pollution through various management measures. The activities must directly address the NPS pollutants, causes, and sources identified as priorities in the watershed management plan. Projects may include but are not limited to:

- Highly targeted nutrient and sediment reduction projects in a single HUC-12 watershed.
- Riparian restoration using bioengineering and/or green methods.
- Wetland and floodplain restoration.
- Storm water management projects.
- Stream restoration using natural channel design methodology and/or low head dam removal.
- Development or significant update of 9-element watershed management plans in Underserved Communities.

Ineligible Projects and Activities

The following types of activities will not be considered for funding:

- Projects or activities that are part of the National Pollutant Discharge Elimination System program, such as Concentrated Animal Feeding Operations or Municipal Separate Storm Sewer Systems (MS4s)
- Point source-related projects
- Land acquisition
- Development or general updates of watershed management plans
- Funding for education and outreach activities that are not directly related to achieving goals and milestones

- Water quality monitoring, except for monitoring the effectiveness of funded projects
- Projects that only include design work
- Grant money shall not be used to pay for meals or other refreshments at activities or events (such as conferences, meetings, workshops, trainings, field days, or workshops), unless not providing food/drinks would jeopardize the event's goals. In such case, prior authorization must be obtained.

Emphasis on Measurable Results

Both the U.S. EPA and North Carolina Division of Water Resources place a strong emphasis on achieving “measurable results” for projects selected to receive 319 Grant funding. To that end, projects should be sited as close to the impaired reach as possible to best target identified sources of water quality degradation. In addition, proposals involving on-the-ground implementation shall provide documentation assuring sustainable operation and maintenance measures for at least five years.

The EPA requires that projects designed to reduce nitrogen, phosphorus and sediment estimate the load reductions resulting from these projects. The 319 Grant Program recommends the following estimation methods:

Project type	Recommended Estimation Methods
Stormwater control measures designed to Minimum Design Criteria	EPA STEPL Tool Stormwater Nitrogen and Phosphorus (SNAP) Tool (formerly Jordan-Falls Stormwater Nutrient Load Accounting Tool)
Agricultural BMPs	NCANAT RUSLE2
Stream restoration	Various

Bigger Picture Considerations

Nonpoint source pollution prevention projects often have benefits to natural resources and local communities, that extend beyond simply reducing pollution. In recognition of the potential for bigger picture/co-benefits, DWR provides additional consideration for projects that address environmental justice, climate change resilience, and impacts to downstream communities.

- Water quality and climate change impacts can disproportionately affect urban and rural communities that are predominately of color, indigenous, limited English proficiency, low-income, and/or impacted by other stressors. Therefore, the DWR, NPS Program believes that communities should not be disproportionally exposed to adverse

environmental impacts, and anyone can have a seat at the table in the decision-making process that affects their environment. The DWR will encourage fair treatment and meaningful involvement of citizens in 319 Projects by awarding additional points in scoring to projects that will benefit historically underserved populations. In order to identify potentially underserved communities, this program refers to the definition adopted by the [Environmental Justice Program of NC DEQ](#). Applicants are encouraged to use the Community Mapping System to identify the potentially underserved communities or provide a narrative articulating why the community considers itself underserved. The block group is considered as a potentially underserved community if it meets the criteria for Race/Ethnicity and poverty¹, involve them in in the process and improve public access to healthy environment. [The Community Mapping System](#) shows the area of environmental concerns based on the race/ethnicity and poverty criteria.

- There is strong scientific evidence indicating that the earth's surface temperatures are warming and precipitation regimes are shifting. A changing climate has a significant impact on water quality, affecting the timing and quantity of the precipitation and snowmelt that feeds our rivers, the temperature of lakes and streams, and nutrient cycling within aquatic environments. Our communities, economy, environment, and natural resources are increasingly at risk from the impacts of climate change. To make North Carolina more resilient to both climate and non-climate-related stressors, Governor Roy Cooper signed Executive Order 80 (EO80) on October 29, 2018, calling for the integration of climate adaptation and resilience planning into cabinet agency policies, programs, and operations. EO80 called for agencies to develop resilience strategies that support communities and sectors of the economy most vulnerable to the effects of climate change and to enhance the state government's ability to protect human life and health, property, natural and built infrastructure, cultural resources, and other public and private assets of value to North Carolinians. Some nonpoint source pollution prevention projects have the ability to lessen the impacts of climate change on water quality and quantity. DWR will encourage these types of projects by awarding additional points in scoring to projects that improve climate change resilience for communities, native plants, wildlife, or ecosystems. Some potential projects include but not limited to implementation of green infrastructure and living shoreline projects that provide and promote resiliency against future storm events, address sea level rise.

¹ It is selected as a potentially underserved block group if it meets the following criteria for Race/Ethnicity and Poverty:

Racial/Ethnic composition: Share of nonwhites and Hispanic or Latino (of any race) is over fifty percent OR Share of nonwhites and Hispanic or Latino (of any race) is at least ten percent higher than County or State share.

AND

Poverty rate: Share of population experiencing poverty is over twenty percent AND Share of households in poverty is at least five percent higher than the County or State share.

Development or significant update of 9-element watershed restoration plans in Underserved Communities

As a rule, this Request for Proposals does not cover activities related to updating or creating new watershed management plans. However, an exception is made to this rule for the underserved communities that meet certain criteria as outlined in the screening tool available on the [NCDEQ Community Mapping System](#). Projects that involve the development or update of a 9-element watershed restoration plan substantially serving communities that meet the threshold for one or more environmental or climate indicators and socioeconomic indicators may be eligible for funding.

Monitoring Requirements

319 proposals shall address an instream evaluation of project effectiveness. To maximize use of 319 project funds for on-ground implementation, DWR encourages practitioners to rely on and report relevant instream data produced by our, or other state-approved monitoring entities' existing monitoring programs to provide this instream evaluation of project effectiveness. The 9-element plan on which a 319 proposal is based is required to address the effectiveness evaluation, and the 319 proposals should reflect that plan. Thus, 319 proposals are not required to provide instream monitoring, but the 319 program strongly encourages siting projects above and close to existing monitoring locations in order to maximize potential for measurable gain. It should also be noted that some types of projects call for monitoring of site runoff.²

For the projects that that involve the collection, analysis, or manipulation of data, a Quality Assurance Project Plan (QAPP) will be required before work can begin, but it is not necessary in the application process. QAPPs for selected projects must be reviewed and approved by DWR and EPA before the activity commences. Thus, the QAPP development tasks should be listed as early in the project timeline as possible. There must be a deliverable for the development of this plan that states, "the QAPP will be developed and approved by EPA before sampling begins." DWR has provided a [QAPP Template](#) and [EPA guidance for QAPPs](#) for reference.

Photo-Documentation

In addition, all funded projects should submit "before" and "after" photos in final reports to visually document changes due to project implementation, for instance of stream appearance after a rainstorm shown before and after project implementation or stream pre- and post- fencing out livestock.

² Stormwater control measures not designed to the Minimum Design Criteria (see state [Stormwater Design Manual](#)) should submit a monitoring plan as part of their 319 application.

Project Specific Educational and Outreach Requirements

When applying for a sub-award under Section 319, the applicant must show the plan to inform and educate the community about the project's purposes, design of management measures implemented, progress and successes. This can include things like signs, brochures, and presentations. Costs associated with project-specific educational and outreach activities are eligible for grant funding, but they cannot make up more than 10% of the total cost of the project.

Certain Regulatory Compliance Activities Ineligible

Activities required by a draft or final NPDES permit, MS4 permit, Phase I and Phase II stormwater program requirement are ineligible. Eligible activities include aspects of Phase I and II programs that support but do not directly implement activities specifically required by Phase I or Phase II permits. Some eligible stormwater activities include best management practices for pollution prevention and runoff control not specifically required by a draft or final NPDES permit and stormwater projects occurring outside of the NPDES permit area. The 319 Grant will not fund a stream, wetland, or buffer restoration that is a compensatory mitigation requirement or any activities relating to compensatory mitigation; see [Federal Register 33 CFR 325](#) for additional definitions of such work.

Funding Availability

Contingent upon Congressional appropriation, funding for selected projects will be provided by federal fiscal year 2023 Clean Water Act Section 319(h) grant funds. For planning purposes, we anticipate **\$1.5 million** from the USEPA for competitive funding of watershed restoration projects for FY23. There is no maximum cap on the amount of funding that a project can apply for; however, we recommend that you make your project as cost-effective as possible. The majority of funded projects typically fall in a range from approximately \$50,000 to \$300,000.

Matching and Other Requirements

All projects must include non-federal matching funds of at least 40% of the project's total costs (i.e. match funds are at least 40/60 or 2/3 of the 319 award amount). Use the following formula to calculate the amount of non-federal match required for your project.
 $[(319 \text{ dollars requested}) / .60] - (319 \text{ dollars requested}) = \text{required non-federal match}$

Note that providing more than the minimum 40% match is encouraged and adds weight in the review process.

All project match must: (1) relate directly to the project for which the match is being applied; (2) be reasonably valued; and (3) be supported by documentation. Match can be from private, state, local, or non-profit sources; it cannot be from federal sources or

from funds already being used as a match for other federal grants. Any expenses incurred before the agreement is fully executed, including applicant's expenses for preparing a proposal and final development of workplan, budget, and timeline, are not eligible for match. Match is an indicator of local commitment to a project and is considered in proposal eligibility and ranking. Match may include: (1) Cash Match (Cash contributed specifically to cover the actual cost of the project); (2) In-Kind Match (Contributions made directly in the form of services, resources or goods with dollar value specified to implement the project). Some examples of In-Kind Match services include: personnel/staff salaries and fringe benefits, professional fees, labor, supplies and materials, equipment, office/meeting space rent, office utilities, volunteer hours, structural design, outreach products and events, publications, indirect charges, public land conservation, etc.).

Applicants are also encouraged to identify other state funding sources for work that contribute to watershed improvement, and to partner with other state or local agencies, or with parties funded by those agencies, to leverage such funding or relationships to best effect for water quality improvement. Partnerships demonstrate a commitment from the community that projects will be maintained and have community buy in. Potential funding partners include the [North Carolina Land and Water Fund](#), North Carolina [Division of Mitigation Services](#), local Soil and Water Conservation District offices, or other state or federal NPS programs. See also a [list](#) of other watershed funding sources.

Reduction or Waiver of Funding Match for Underserved Communities

Applicants may request a full or partial reduction in match for the projects that benefits an underserved community and involve them in the implementation of project.

Applicants requesting a full or partial reduction in match must provide the following information:

1. Describe the methodology used in determining the total population of the project area and total population of the underserved community(ies) in the project area. Provide what census geographies (eg. Census block) were used and how they are applied. Explain how the underserved communities were identified.
2. Provide a map with sufficient geographic detail to define the boundaries of underserved communities
3. Provide information on amount and type of direct benefits the project provides to underserved communities
4. Describe how the representatives of underserved community(ies) are/ will be involved in the planning and/or implementation process.
5. Include letter(s) of support from representatives of underserved communities acknowledging their inclusion in planning and/or implementation process and stating potential benefits from the proposed project.

DWR will use this supporting information to determine, at its discretion, if an applicant's project proposal is in or benefits an underserved community for the purposes of approving a waiver or reduction of the required funding match.

New BABA Materials Mandate:

CWA 319 funds awarded after May 14, 2022, must comply with the Build America, Buy America provisions of the Bipartisan Infrastructure Law (BIL) signed on November 15, 2021. Grant recipients will be required to ensure that, as these terms are defined within and made applicable by [Public Law 117-58](#), (a) all iron and steel used in the Project are produced in the United States; (b) the manufactured products used in the Project are produced in the United States; and (c) the construction materials used in the Project are produced in the United States. When creating a budget for a proposal, applicants must take into account their options and impacts. For additional information see [EPA's website](#).

Disqualification

A proposal will be automatically excluded from consideration if:

1. The potential project sponsor's name appears on the recent "Suspension of Funding" list (SOFL) of the [Office of State Budget and Management](#) (OSBM). State agencies are prohibited from entering into new financial assistance agreements with these entities and should withhold funds not yet disbursed until the recipient has been removed from the SOFL.
2. The potential project sponsor has unresolved issues related to previous or ongoing 319 projects.
3. The potential project sponsor does not submit the project proposal by the specified deadline for submission.

EPA Review

The EPA has final approval authority over all projects selected by DWR for funding. EPA reviews the final scopes of work for consistency with EPA NPS program guidelines, and overall impacts on water quality. Upon receipt of EPA approval, NC DEQ will issue contracts to successful project sponsors.

Project Administration

As part of developing and finalizing a grant agreement for a selected project, DWR may request the applicant to modify the project scope of work based on comments received during project evaluations and the selection process. The grant recipient must enter into an agreement with the NC Department of Environmental Quality (NCDEQ) to establish mutually agreeable terms for completing the project. Payment will be made on a reimbursement basis in accordance with the payment schedule and terms contained in the project agreement. Reimbursement is tied to performance targets. Grant recipients will be required to provide quarterly progress reports to DWR. Projects are expected to be completed in the timeframe of the grant agreement. Time extension will not be granted without specific and appropriate justification, approved in advance. The 319

grant cannot reimburse for project work done outside the term or scope of the grant agreement, including prior to full approval of a grant agreement.

Deadlines and Administration

The schedule for reviewing and funding FY 2023 proposals is as follows:

February 15, 2023	Request for proposals (RFP) is released
March 15, 2023	Deadline for draft proposals or 9-Element Plans seeking preliminary staff review
May 4, 2023	Deadline for final proposals; must be received electronically by midnight
May 31, 2023	Applicants notified whether they will be invited for interviews
June 28, 2023	Interviews for finalists
July 5, 2023	DWR announces selected projects. Move forward with contracting, dependent upon receipt of EPA grant funding to North Carolina.
January, 2024	Contracts executed; projects may start. (Estimated, depending on grant award date to NCDEQ and time for contract preparation.)

Unanticipated Program Changes

Information in this Call may be subject to change based on unforeseen changes to NC DEQ and U.S. Environmental Protection Agency (EPA) priorities. If changes become necessary, DEQ will post the changes on the 319 Projects Program website.

Guidance for NPS Grants

The following web pages provide guidance and information for section 319 grant projects:

- [2014 \(current\) EPA Guidelines for Section 319 Grants](#)
- [Watershed Planning Guidance](#)
- [North Carolina's Nonpoint Source Management Plan \(2018\)](#)
- [Integrated Report \(2022\)](#)
- [Watershed Planning Map](#)
- [U.S. Climate Resilience Toolkit](#)
- [DEQ North Carolina Community Mapping System](#)

Still Have Questions?

Please contact Rishi Bastakoti at rishi.bastakoti@ncdenr.gov. For information on required reporting if your project is selected for funding, see the [319 Grant Program](#) website for quarterly report and invoice templates and final report guidelines.