

# Request for Proposals for Fiscal Year 2024

## Clean Water Act Section 319(h) Grants

The North Carolina Department of Environmental Quality Division of Water Resources (DWR) is seeking proposals for the award of federal 319(h) grant funds for fiscal year 2024 to implement watershed restoration plans that will help restore waters impaired by nonpoint sources of pollution. For FY 2024, 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](#)

Individuals and groups without nonprofit status under Section 501(c)(3) of the Internal Revenue Code, as well as federal agencies, may participate as project partners or receive grant funds as subcontractors working with eligible grantees, but are ineligible to apply for the grant.

#### 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 FY2024 319 funding until **May 6, 2024**. Applicants may also submit a draft application no later than March 15, 2024, to obtain preliminary review and comments from DWR staff. Final applications shall be received by DWR no later than midnight **May 6, 2024** (email to [rishi.bastakoti@deq.nc.gov](mailto:rishi.bastakoti@deq.nc.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 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. From FY24, DWR considers a current EPA-approved Tribal NPS Management Program plan as acceptable alternative to a nine-element 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 nine-Element Plan Checklist to [rishi.bastakoti@deq.nc.gov](mailto:rishi.bastakoti@deq.nc.gov) by March 15, 2024. 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, which for this RFP is the draft 2024 IR. 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:

- 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 nine-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)
- Permitted 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 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:

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

## Bigger Picture Considerations

Nonpoint source pollution prevention projects often have benefits for 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 may disproportionately affect people of color, Indigenous people, speakers with limited English proficiency, low-income populations and/or communities impacted by other stressors. The DWR NPS Program believes that urban and rural communities with additional risk factors should not be disproportionately exposed to adverse environmental impacts, and all community members 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 potentially underserved populations. In order to identify potentially underserved communities, this program refers to the definition adopted by the [Environmental Justice Program of DEQ](#). Applicants are encouraged to use [DEQ's Community Mapping System](#) to identify the potentially underserved communities or provide a narrative articulating why the community considers itself underserved. The designation of "potentially underserved" is mapped at census block group level based on criteria for population levels of race/ethnicity and poverty in comparison to the county and the state of North Carolina<sup>1</sup>. [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

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<sup>1</sup> 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.

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 that incorporate nature-based solutions to help mitigate the impacts of natural hazards and encourages including these and other BMPs that are designed to be climate resilient. Some potential projects include but are not limited to implementation of green infrastructure and living shoreline projects.

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

As a rule, 319 funding 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 nine-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 to maximize potential for measurable gain. It should also be noted that some types of projects call for monitoring of site runoff.<sup>2</sup>

For projects 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

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<sup>2</sup> 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.

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.” See [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.

### **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.

### **Limited English Proficiency Communities**

Grantees are encouraged to include non-English communications in their outreach strategies to increase public awareness of projects serving communities where English is not the predominant language. Translation costs for this purpose are allowable, provided the costs are reasonable.

### **Funding Acknowledgement**

Grantees receiving Section 319 funds are obligated to credit the 319 NPS Grant Program in publications, signs, and project-related publicity. For projects that involve structural implementation, grantees will be responsible for providing on-site signage to identify the project and give credit to the 319 NPS Grant Program.

### **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.

### **Permitting**

The applicant is responsible for obtaining and complying with all permits necessary to execute the project. It is strongly encouraged that applicants reach out to the appropriate regulatory agencies early in the grant application development process to ensure potential projects can meet all applicable regulatory requirements. Successful grant applications include clear explanation of anticipated permitting issues, needs and regulatory process planning and status.

### **Funding Availability**

Contingent upon Congressional appropriation, funding for selected projects will be provided by federal fiscal year 2024 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 FY24. 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 dollars requested)/.60] – (319 dollars requested) = required non-federal match**

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

All project matches must: (1) relate directly to the project for which the match is being applied; (2) be reasonably valued; and (3) be supported by documentation. The 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. The match is an indicator of local commitment to a project and is considered in proposal eligibility and ranking. The 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.).

Additionally, "Recycled" CWSRF dollars under Title VI of the CWA can be used to provide a match for §319 grants. These are funds that have been loaned by the state and subsequently repaid by the borrower to the state. The repaid funds are then recycled by the CWSRF program to provide loans that fund other water quality projects. These recycled funds are not treated as federal funds for the purposes of a cost share requirement or match; therefore, they are eligible to be used as a match for §319 funds, provided that they, like any other §319 match funds, are used to implement the project for which the match is being applied.

Applicants are also encouraged to identify other state funding sources for work that contributes 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. (Optional) 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.

### **Competitive Bid Requirements**

Grant recipients must adhere to competitive bidding protocols (2 CFR sections 200.318 to 200.326) when selecting contractors for goods and services or awarding contracts related to the proposed project. They must maintain documented procurement procedures consistent with federal competitive bidding regulations. DWR may request documentation of compliance if contractors are pre-identified in proposals. For further guidance on federal competitive bid requirements, grant applicants and recipients should refer to the EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements (November 2022), available at this link, <https://www.epa.gov/sites/default/files/2021-03/documents/best-practice-guide-for-procuring-services-supplies-equipment.pdf>

### **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 Nov. 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 [Frequently Asked Questions for BABA](#) .

### **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**

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, DEQ will issue contracts to successful project sponsors.

## **EPA Clean Water Act Section 319 Grant Requirements**

The proposals must comply with the Nonpoint Source Program and Grants Guidelines for States and Territories, as amended.

### **Partnerships**

DWR strongly encourages applicants/grantees to actively involve local communities, groups, property owners, and municipalities in all aspects of the proposal/project. Leveraging local knowledge and assistance is crucial for achieving overall project success and identifying future implementation opportunities. It is advisable that the applicant/grantee consider establishing some sort of agreement or commitment letter with project partner(s).

Applicants must, at a minimum, establish the following collaborations based on the types of Best Management Practices (BMP) implementation activities:

1. Urban/Suburban Stormwater: Engage with local government staff and relevant stormwater professionals.
2. Agriculture: Collaborate with the local Soil and Water Conservation District(s) (SWCD) as a technical service provider.
3. Residential Septic: Partner with local/county health department(s) in the project area.

Furthermore, the project should utilize appropriate technical expertise for implementation and BMP design/construction to ensure practices are technically sound and meet the necessary BMP specifications. Grantees have the flexibility to subcontract or sub-grant portions of their Section 319(h) grant or local matching funds for technical or other services associated with project implementation.

### **Project Administration**

As part of developing and finalizing a grant agreement for a selected project, DWR may request that the applicant 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 DEQ 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 2024 proposals is as follows:

February 12, 2024	Request for proposals (RFP) is released
March 15, 2024	Deadline for draft proposals or 9-Element Plans seeking preliminary staff review
May 6, 2024	Deadline for final proposals; must be received electronically by midnight
May 31, 2024	Applicants notified whether they will be invited for interviews
June 28, 2024	Interviews for finalists
July 5, 2024	DWR announces selected projects. Move forward with contracting, dependent upon receipt of EPA grant funding to North Carolina.
January, 2025	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 DEQ and 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](#)
- [Fifth National Climate Assessment](#)
- [U.S. Climate Resilience Toolkit](#)
- [EnviroAtlas](#)
- [DEQ North Carolina Community Mapping System](#)

## Still Have Questions?

Please contact Rishi Bastakoti at [rishi.bastakoti@deq.nc.gov](mailto:rishi.bastakoti@deq.nc.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.