

Aitkin Soil and Water Conservation District (SWCD)

Cost-Share Policies

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INTRODUCTION

The Conservation Contracts program was established by the Minnesota Statutes (M.S.), §103C.501, to allocate funds to Soil and Water Conservation Districts (SWCDs) for practices, projects, and systems (projects) for:

- Erosion or Sediment Control
- Improvements in Water Quality or Water Quantity
- Habitat Enhancement
- Plant Biodiversity
- Energy Conservation
- Climate Adaptation, Resiliency, or Mitigation.

The clean water fund was established in the Minnesota Constitution, Article XI, Section 15, and Minnesota Statutes§114D with the purpose of protecting, enhancing, and restoring water quality in lakes, rivers, and streams and protecting groundwater and drinking water sources from degradation. The SWCD administers Board of Water Soil Resources (BWSR), State and Federal grants. Other grant funds will also

follow and comply with these policies. Each program has established rules and guidelines that the SWCD will abide by. Hereby, these local cost-share policies:

GENERAL POLICIES APPLIED TO ALL COST-SHARE PROGRAMS

1. SWCD Board approval is required for all funding program contracts and project payment requests.
2. All funding programs are subject to fund availability and may be discontinued or subject to program policy revisions by the SWCD Board.
3. The number of contracts approved may be limited by the amount of funding, staff time available, and targeting and prioritization efforts. The SWCD Board reserves the right to modify funding at their discretion.
4. The SWCD Board may consider compliance with the terms of a previous or existing SWCD or USDA cost-share contract as a prerequisite to entering into a subsequent cost-share contract with an applicant.
5. The SWCD's goal is to fund voluntary conservation projects. Projects addressing violations of local ordinances and or state rules/laws are not eligible for cost-share funding.
 - Portions of a project may be eligible for funding if that portion is voluntary and exceeds regulatory requirements.
6. The applicant is responsible for the Operation and Maintenance Plan (OMP) based on the practice's effective life.
7. If USDA project funds or technical assistance are being used on a joint project, the applicant must sign a Freedom of Information Act release form that allows the SWCD access to applicable information within the applicant's project case file to be eligible for SWCD funds.
8. The SWCD will require the land occupier/landowner to sign a Tennessean warning notification as part of the cost-share contract process.
9. If the practice has failed before the contract's life due to improper maintenance as required, the applicant will be responsible for the necessary repairs. If the Land Occupier/Landowner decides not to repair the practice, see the noncompliance section of this document.
10. If the title to the land where the practice is installed is transferred to another party before the expiration of the life of the cost-share contract, it shall be the responsibility of the Land Occupier/Landowner who signed the contract to notify the SWCD of the change in ownership. The new Land Occupier/Landowner may then be responsible for the contract's implementation until its expiration.

11. . The current inspection schedule includes:

- a. Compliance inspections at years 1, 3, 6, 9, and 10 for typical projects under a 10-year contract.
- b. Annual compliance inspections for projects with an installation cost of over \$50,000.

12. For projects using state funds, additional specific requirements may apply, including but not limited to Minnesota prevailing wage, BWSR Native Vegetation Establishment and Enhancement Guidelines, and project signage requirements.

STAFF CREDENTIALS

1. The SWCD will ensure staff has the necessary skills and training to install and maintain projects according to NRCS Field Office Technical Guide standards and specifications. Building credentials and maintaining or seeking certifications to retain knowledgeable staff is the SWCD's high priority.
2. When professional engineering is required, or specific conservation practices require expertise above current technical capacity, the SWCD will utilize professional engineers or staff from the Technical Service Area (TSA), consultants, Crow Wing County, municipalities, BWSR, or the USDA - Natural Resources Conservation Service (NRCS).

PROJECT DEVELOPMENT

13. The Land Occupier/Landowner and applicant shall allow SWCD Staff access to the property at reasonable times for which the installed conservation practice is located during the contract's life. The installed practice will be subject to periodic inspections by SWCD Staff. SWCD Technical Standards include, but are not limited to, the most current: NRCS Field Office Technical Guide, Minnesota Pollution Control Agency (MPCA) Stormwater Manual, MPCA Protecting Water Quality in Urban Areas, NPDES General Stormwater Permit for Construction Activity, Minnesota Urban Small Sites Best Management Practice (BMP) Manual, Minnesota Department of Agricultural BMP Handbook for Minnesota, BWSR Native Vegetation Establishment and Enhancement Guidelines, Minnesota Department of Health Well Sealing Guidelines, and applicable local, state and federal regulations.
14. Funding will not be provided for tile installation if the activity will impact a wetland or for the sole purpose of drainage.
15. Funding will not be provided to increase tile capacity or size beyond design capacity for agricultural drainage. The applicant is solely responsible for costs associated with increased tile capacity. All modifications or connections must have prior approval to ensure that the changes do not negatively affect the success of the approved practice.
16. The applicant may be requested to obtain two quotes or more for the proposed conservation work before the SWCD Board approves the cost-share contract.

APPLICATION / CONTRACT

1. Applicants are responsible for submitting application forms, project plans, and cost estimates as requested by the SWCD in sufficient detail for the SWCD to complete its review.
2. For projects where construction will occur on adjacent properties or the project will impound water on adjacent properties not owned by the applicant, all affected Land Occupiers/Landowners must sign the group addendum. A division of payment schedule, agreed to by all Land Occupiers/Landowners, must be attached to the addendum.
3. The SWCD Board may authorize an assignment of payment or add a co-payee for approved cost-share payments.
4. The application deadlines for individual programs may be extended at the SWCD Board's discretion.
 - a. Unapproved applications may be resubmitted for review in the following rounds within the calendar year.
5. SWCD Staff will prioritize applications based on comprehensive water/watershed management plans priorities, scoring and ranking process, local and state priorities, and other relevant plans.
6. SWCD Staff shall provide a funding recommendation for each application submitted to the SWCD Board. The SWCD reserves the right to review projects by committee if deemed appropriate.
7. The funding amount will not exceed the amount specified on the original cost-share contract unless the applicant obtains a SWCD Board-approved contract amendment to increase funding amounts before project completion. The SWCD Staff shall evaluate contract amendments on a case-by-case basis.
8. Upon approval by the SWCD Board, the applicant will receive a letter with a copy of the executed cost-share contract stating details of the practice that has been approved, the funding amount, the schedule to start and complete the project, and a copy of the OMP.

MATCH OR IN-KIND RATES

1. The value of donated time by Land Occupiers/Landowners or others is eligible as a match for grants implemented by the SWCD, subject to restrictions imposed by the funding entity. When eligible, the SWCD will value donated time and services subject to the following conditions:
 - a. The value of volunteer time will be based on the activities necessary to accomplish the conservation project.
 - b. An in-kind rate will be set annually by the SWCD Board. The current rate is \$ 32 per hour
 - c. Mileage will be valued at the current IRS Standard Mileage reimbursement rate..

PERCENTAGE COST-SHARE RATES FOR STRUCTURAL & ECOLOGICAL PRACTICES

1. The standard cost-share rate ranges between 50 percent and 75 percent of the reasonable eligible practice cost. The SWCD Board can deem up to 100 percent of the eligible reasonable cost for larger, more complex projects or due to the Land Occupier/Landowner's financial situation.
2. Utilizing state and federal funds for a project will be considered case-by-case by the SWCD Staff. If multiple funding sources are approved, payment amounts from combined state, local, and federal sources shall not exceed the maximum cost-share rate.
3. If the Land Occupier/Landowner fails to maintain the practice during the practice duration see noncompliance section of this document.

FLAT RATE COST-SHARE

1. Flat rates will be an alternative to actual costs documented by receipts or invoices.
2. A Land Occupier/Landowner cannot accept other state or federal funds for that practice when using flat rates.
3. The SWCD will enter into one contract with each Land Occupier/Landowner for the planned years of the practice.
4. The Land Occupier/Landowner will be paid an annual payment after the practice has been installed and certified complete by the SWCD Staff.
5. The SWCD reserves the right to issue a one-time lump sum payment for contracts that extend beyond the completion date of the grant funding the project.
6. If a lump sum payment is made, the remaining years of the practice will be completed under the OMP. They will be inspected and certified annually by SWCD Staff.
7. If the Land Occupier/Landowner fails to maintain the practice during the duration, see the noncompliance section of this document.
8. The SWCD Board will review and approve annual rates and general requirements for Nonstructural Land Management Practices (NLMP).

NONSTRUCTURAL LAND MANAGEMENT PRACTICES (NLMP)

1. Use for activities or practices that are not planning and are non-structural. Examples include street sweeping, nutrient management, prescribed grazing and potentially others.
2. These practices will utilize flat rate cost share as defined in the flat rate section of this policy.

FOREST STEWARDSHIP PLAN POLICY:

1. The SWCD Stewardship Plan rate aligns with the Minnesota Department of Natural Resources (MN DNR) Forest Stewardship Rate and is published on the annual SWCD Fee Schedule.
2. Follow the above SWCD Cost-Share Policy.
3. Plan Reimbursement payment is issued to the landowner.
4. SWCD Staff will provide cost-share at the SWCD rate for Stewardship Plans if:
 - i. The SWCD may provide cost-share assistance on BMPs if funding is available.
 - ii. Eligible BMPs include NRCS Forestry Conservation Practices. BMPs must be designed to establish or improve long-term forestry practices to improve or protect water quality or control soil erosion.

DELEGATION

1. Applicant contracts for installing conservation practices and supporting project documents will be identified on the SWCD Board agenda. The SWCD Board delegates the Office Manager and Technical Staff to sign off on all vouchers. Payment will be authorized by the SWCD Board
2. The SWCD Board designates existing staff with a technical background and knowledge of conservation practices to conduct and sign off on follow-up compliance inspections for projects currently under contract. See the noncompliance section of this document for more details.

TECHNICAL ENGINEERING ASSISTANCE

1. The SWCD is eligible for annual Technical Service Area (TSA3) grant funds.
2. A key priority for TSA funds is shared engineering and other critical technical services for erosion, sediment control, and water quality by the approved grant work plan—eligible activities and expenses based on [BWSR TSA Policy](#).

REQUESTING ENGINEERING ASSISTANCE

1. SWCD Staff must visit the Land Occupier/Landowner site before referring the Land Occupier/Landowners to the engineering services. SWCD Staff will only refer Land Occupiers/Landowners if they think the conservation practices need to be engineered by a professional engineer.
2. All funding will be available on a first-come, first-served basis. Once funding is gone, Land occupiers/Landowners must wait additional funding is available.
3. Once SWCD Staff have visited the site, they will contact engineering services to visit the site and provide recommendations on what work to do.

PROJECT IMPLEMENTATION

1. SWCD Staff will participate in a pre-construction meeting with the contractor, project engineer and other associates if needed. SWCD Staff shall be available to the applicant during construction to answer questions, document installations, and provide general construction observation to inform the applicant of non-compliant project components or conditions.
2. Unless otherwise approved by the SWCD Board, a portion of a project becomes ineligible for funding if construction begins on that portion before a cost-share contract has been approved.
3. The project must be completed in compliance with the terms and conditions of the cost-share program contract and maintained in compliance with the OMP.
4. The applicant is responsible for completing the project installation before the project installation deadline listed on the cost-share contract. If a deadline extension is required to complete the project, the applicant must make the request no less than 30 days before the project installation deadline.
5. The entire practice shall be installed according to design requirements, including seeding, mulching, erosion control blankets, or other materials. Any changes from the approved design requirements shall be agreed to in writing before practice certification.

REIMBURSEMENT

1. The SWCD Staff, with the proper technical approval authority, shall verify that the practice is complete and meets standards and specifications before final payment. The Land Occupier/Landowner is responsible for paying, in total, all receipts and invoices directly to the contractor or vendor unless the SWCD Board authorizes the SWCD to pay the contractor now due to a large-scale project or other circumstances. If the SWCD pays the contractor directly, the SWCD is responsible for following Minn. Stat. 177.41 through 177.44 for prevailing wages and municipal contracting law per Minn. Stat. 471.345.
2. The applicant must submit invoices or receipts of actual costs in sufficient detail for the SWCD's review. Requests for reimbursement shall include a Voucher and Practice Certification Summary Form submitted at least one week before the SWCD Board Meeting.
3. The SWCD Board will make a one-time cost share reimbursement payment upon Certification
4. The SWCD Board will consider partial payments on a case-by-case basis.

NONCOMPLIANCE

After learning of potential non-compliance, the SWCD Staff will:

- Review applicable laws and rules.
- Review project file contents, contract, and OMP.
- Conduct on-site investigation, take pictures, and complete a site inspection form.
- Interview the Land Occupier/Landowner.
- If it is determined that the Land Occupier/Landowner is compliant, the SWCD Staff will document this decision, and no corrective action is needed.
- If it is determined that the Land Occupier/Landowner is not compliant, the SWCD Staff will present their findings and corrective action plan to the SWCD Board.
- If the SWCD Board agrees that a non-compliance condition exists. Corrective action will be completed and sent to the Land Occupier/Landowner via registered mail. The disciplinary action will refer to why the practice is not in compliance, specify what the Land Occupier/Landowner must do to correct the situation and give deadlines for corrective action.
- If the SWCD Board disagrees that a non-compliance condition exists, it will be documented, and no corrective action plan is needed.
 - a. The SWCD Staff will follow up to ensure the Land Occupier/Landowner completes corrective action in the time allotted.
- If the Land Occupier/Landowner fails to maintain the practice during the practice's effective life, the Land Occupier/Landowner is liable to the SWCD for the amount up to 150 percent of the amount of financial assistance received to install and establish the practices (s) unless the failure was caused by reasons beyond the Land Occupier/Landowner's control, or if conservation practices are applied at the Land Occupier/Landowner's expense that provides equivalent protection of the soil and water resources.
 - a. The noncompliant Land Occupier/Landowner will not be eligible for cost-share funds. Once the Land Occupier/Landowner is in compliance, the SWCD will review future cost-share applications on a case-by-case basis.
 - b. If the Land Occupier/Landowner fails to implement the corrective action plan, the Land Occupier/Landowner will be considered in a "violation" status.
 - c. The SWCD Staff will contact the County Attorney for advice and direction on handling the matter per the contract. SWCD Staff will contact BWSR or state agencies about the specific circumstance.