

**Colorado Watershed Protection Fund
Grant Program Guidance
Revised February 2008**

A. Background

Senate Bill 02-087, adopted by the 2002 Colorado General Assembly, establishes the Colorado Watershed Protection Fund (the Fund). The legislation authorizes the Fund be added to the Colorado Individual Income Tax Refund Check-off Program to give taxpayers the opportunity to voluntarily contribute to watershed protection efforts in Colorado. The legislative declaration states:

The general assembly hereby finds and declares that the natural heritage and quality of life in Colorado are of fundamental importance to the citizens of the state, and the protection of this natural heritage and quality of life are essential to sustain economic development in the state. The general assembly further finds and declares that locally based watershed groups have emerged around the state over the past decade that are committed to collaborative approaches to the restoration and protection of lands and natural resources within Colorado's watersheds in concert with economic development. The general assembly recognizes that the Colorado Watershed Assembly, a nonprofit corporation, serves as a state-level umbrella organization for such local groups. The general assembly further recognizes that the citizens of Colorado may be willing to provide funds to assist in the restoration and the protection of lands and natural resources within watersheds of the state. It is therefore the intent of the general assembly enacting this part 23 to provide Colorado citizens the opportunity to support local watershed efforts by allowing citizens to make a voluntary contribution on their state income tax returns for such purpose.

The legislation provides that moneys collected in the Fund will be made available in a grant program established jointly by the Colorado Water Conservation Board and the Water Quality Control Commission, in cooperation with the Colorado Watershed Assembly.

The Colorado Water Conservation Board (the Board) is the state executive branch agency responsible for state water policy and planning. The Board's mission is to promote the protection, conservation and development of Colorado's water resources and minimize the risk of flood damage. Its major programs include Water Supply Protection; Water Supply Planning and Finance; Conservation and Drought Planning; Watershed Protection & Flood Mitigation; Instream Flow and Natural Lake Protection; and Water Information.

The Water Quality Control Commission (the Commission) is the administrative agency responsible for developing specific state water quality policies, in a manner that implements the broader policies set forth by the General Assembly in the Colorado Water Quality Control Act. The Commission adopts water quality classifications and standards for surface and ground

waters of the state, as well as various regulations aimed at achieving compliance with those classifications and standards.

The Commission annually reviews funding of watershed projects through the Water Quality Control Division - Nonpoint Source Management Area. Improving the water quality of impaired waters is a significant goal in supporting watershed projects. Watersheds are prioritized within each Commission designated basin, following the same 5-year cycle as adopted in the triennial water quality standards review process. Further details regarding the Nonpoint Source Management Area project funding process and related activities are available at the <http://npscolorado.com> website.

The Colorado Watershed Assembly (CWA) is a statewide organization made up of more than 60 individual watershed protection groups. More specifically, CWA is an association of Colorado's collaboration-based watershed groups that work cooperatively with state and federal agencies to resolve watershed related problems. These collaborative watershed groups that CWA supports are made up of local stakeholders with diverse interests that include municipalities, water conservancy and conservation districts, water providers, landowners, federal and state agencies and individual citizens who are working together to find cooperative and innovative solutions to local watershed problems.

The legislation establishing the Colorado Watershed Protection Fund provides that two designees of the Board, in cooperation with two designees of the Commission, and upon consultation with the Colorado Watershed Assembly, shall administer the moneys in the Fund.

The purpose of this Grant Program Guidance is to establish and describe the program for the issuance and administration of grants from the Colorado Watershed Protection Fund.

B. Grant Approval Criteria

1. Application Requirements

A grant application may be submitted for locally-based watershed protection efforts, provided that the applicant is committing to a collaborative approach to the restoration and protection of lands and natural resources within Colorado's watersheds in concert with economic development. More specifically, an applicant must demonstrate that:

- It is a watershed effort committed to collaborative approaches, involving locally and/or regionally based diverse interests within the watershed in question, with participation open to all interested persons in the watershed;
- The purpose of its grant application is to implement or plan for a project intended to restore and/or protect the water, lands and other natural resources within the watershed;
- There is broad based involvement in and/or support for the grant application, including relevant local, state, or federal governmental entities;
- The applicant is able to provide at least a 20 percent in-kind or cash match for the activities proposed; and
- To the extent possible, there are other sources of funding contributing to the project in addition to the Colorado Watershed Protection Fund.

2. Grant Categories

Two categories of grants will be available under the Colorado Watershed Protection Fund program: (1) Project Grants, and (2) Planning Grants. Recognizing that good planning is a critical aspect of any project, the goal of the Commission and Board is the implementation of on-the-ground projects to restore and protect the lands and natural resources within Colorado watersheds.

Watershed restoration or protection plans and projects can be very costly, and this grant can be used as matching money for larger grants or grants that need nonfederal match. Grants can be used in multi-objective projects when multiple partners and funding sources need to be managed.

Project Grants

These grants will support projects that promote the improvement and/or protection of the condition of the watershed. This could include projects such as water quality and/or water quantity monitoring, participation in the development and/or implementation of total maximum daily loads (TMDLs), implementation of watershed related best management practices, flood protection, channel stability, and a wide variety of other riparian, streambank and habitat restoration efforts. The suggested maximum for this grant type is \$50,000.

Planning Grants

Development and implementation of a successful watershed restoration or protection project requires appropriate planning. This second category of grants will support these planning efforts. Such efforts may include data collection and assessment, analysis of project alternatives, project permitting, acquisition of funding for a project, and outreach efforts to ensure the education, involvement and support of the local community. The suggested maximum amount for this type of grant is \$25,000.

3. Application Evaluation Criteria

As a threshold matter, only grant applications that conform to the Applicant Qualifications set forth above will be considered. Grant applications that meet these qualifications will then be evaluated with respect to the following three factors:

- How *well* does the applicant fit the qualifications test?
- Does the applicant organization have the capability to *accomplish* the proposed work?
- How effective is the proposal at accomplishing the legislative intent of “restoration and protection of land and natural resources within the watersheds in Colorado”?

These factors will be evaluated by applying the following criteria and rating system:

Qualifications Evaluation (Maximum of 30 points)

This factor assesses how *well* the applicant fits the qualifications test:

- How diverse is the organization in terms of stakeholder participation and involvement? (Maximum of 5 points)
- Can the applicant organization show the involvement of diverse interests in planning for the long-term sustainability needs of its watershed (e.g. does it have a completed watershed plan)? (Maximum of 5 points)
- What is the applicant organization's history of working cooperatively in partnership with other community organizations and state and federal agencies? (Maximum of 5 points)
- What level of cash and in-kind match for the proposed project or planning effort can the applicant organization provide? (Maximum of 10 points)
- What other funding sources does the applicant organization have lined up for the proposed project or planning effort? (Maximum of 5 points)

Organizational Capability (Maximum of 20 points)

- What is the applicant organization's history of accomplishments in regards to the proposed project or planning effort? (Maximum of 5 points)
- What *level* of staffing (volunteer or paid) does the applicant organization have available for the proposed project or planning effort? (Maximum of 5 points)
- How capable is the available staff of accomplishing the proposed project or planning effort? (Maximum of 5 points)
- Will the applicant organization utilize community volunteers in the project? If so, how many and in what capacity? (Maximum of 5 points)

Effectiveness of Proposal (50 points)

- If the proposed project or planning effort is implemented, will it have measurable results that have a significant impact on improving the health of the watershed or improving the strength of the organization to accomplish future projects? (Maximum of 10 points)
- Is the proposal well thought out and will the proposal implementation steps really accomplish the stated goals of the proposal. (Maximum of 10 points)
- Can the proposed project or planning effort be accomplished given the financial and staffing resources available and proposed? (Maximum of 10 points)
- Is the proposed project or planning effort anticipated timeline realistic? (Maximum of 10 points)

- Does the project or planning effort have multiple objectives (Maximum of 10 points)

In addition, the proposals must be written according to the following format (will be considered disqualified otherwise):

Font size: minimum 11 pt
 Margins: 1 inch
 Maximum number of pages: 7 (excluding maps and attachments)

Projects from qualified applicants will be ranked based on these criteria for the purpose of determining which projects receive grant funds.

C. Grant Program Administration

1. Publicity and Promotion

The Colorado Watershed Assembly will develop a publicity and promotion campaign to stimulate statewide awareness of the Colorado Watershed Protection Fund and grant program. This will include making watershed groups aware of the program to stimulate grant applications and making the general public aware of the program to encourage voluntary contributions.

2. Application Process

A grant application form will be developed by the Board and made available by March 1, of each year. Applications will initially be reviewed by an Applications Committee consisting of Colorado Water Conservation Board staff, Water Quality Control Division staff, and representatives of the Colorado Watershed Assembly. This Applications Committee will first determine whether applications meet the threshold Application Qualifications. The Committee will then evaluate and rank the applications that meet the threshold qualifications, using the criteria set forth above. Based on this ranking, the Applications Committee will develop a set of funding proposals that will be forwarded to the Board and Commission designees provided for in SB02-87.

The Board and Commission may select their two respective designees according to their respective policies. These four designees will be responsible for making final decisions regarding the award of grant funds in consultation with the CWA representatives. The CWA can appoint up to two representatives.

The proposed timeline for the grant application cycle is:

- Applications available: March 1
- Deadline to submit applications: April 30
- Applications reviewed and approved: July 31
- Grants awarded: September 30
- Annual progress reports due: September 30 of the following year

3. Individual Grant Administration

Day-to-day administration of the Colorado Watershed Protection Fund will be handled by the staff of the Colorado Water Conservation Board. This will include:

- Management and accounting for the moneys in the Fund;
- Disbursement and tracking of grant payments to grantees;
- Notification of successful and unsuccessful grant applicants of the disposition of their applications;
- Review of progress and final project reports;
- Grant compliance assurance, including grant termination if necessary;
- Project closeout for each grant; and
- Preparation of an annual report to the Board and the Commission regarding the program.

Grant Administration Expenses

- In addition to the Checkoff Colorado annual dues (currently at \$2,000 per annum), the CWCB will annually deduct 15% of the CWSPF annual contributions for accounting, marketing and other administration expenses.

Funding Approval Requirements and Payment Procedure

The following additional requirements and payment guidance will apply to recipients of planning or project grants:

Submittal Requirements

- Description of Project – a paragraph stating the purpose and primary features of the project
- Tabular Summary of Schedule and Funding
- List of tasks and the cost associated with each task
- Listing of all funding sources for each task
- Milestones (dates and end products)
- CWSPF payment associated with each milestone
- Text Description for each end product – at least one sentence for each end product
- Summary CWSPF Payment Schedule
- Progress Reports – a six-month planning/project report or a 50% completion of scope of work report (whichever is appropriate), as well as, an annual progress report. The deadline for annual/completion report is September 30 of the year following the grant award.
- For projects that last more than one year in addition to final completion report, a six-month report, an annual report, and an eighteen-month report will also be required. If not already incorporated in the original grant application, a written request providing reasons for the extended schedule (up to 24 months) must be submitted to the CWCB and approved by the CWCB staff.

- A copy of the original application/proposal as well as all relevant documents and listed above in electronic form.

Payment Procedure

- The CWCB will make between 1 and 4 payments, as requested by each grantee. The individual payments do not need to be equal. All payments will be based on invoices for work already completed.
- The final payment will be at least 15% of the total grant award, which will not be released until full completion of the planning grant or the project grant and upon preparation and approval of a final report.

By February 15 of each subsequent year, the Board and Commission designees will consider potential revisions to this Guidance, if necessary, and will make the revised Guidance available by March 1 of that year.