



2022-23 State Fiscal Year Funding Guidelines

National Estuary Program (NEP)

Stormwater Strategic Initiative

Clean Water Act Section 320 Program

By

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For the

Water Quality Program

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¹ <https://ecology.wa.gov/About-us/Contact-Us>

Title

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BACKGROUND

A new EPA Puget Sound funding model initiated in 2021 aligns investments with the Strategic Initiatives and Implementation Strategies. This funding model is designed to remove key barriers to recovery throughout Puget Sound, and further improves upon the Strategic Initiative model used to administer EPA Puget Sound Geographic Funds since 2015 authorized under section 320 of the Clean Water Act. This funding guidance applies to implementation of the Strategic Initiative funding model. Leads and partners of the funding model were selected through a competition and now adhere to a cooperative agreement with EPA. The Strategic Initiative Leads (SILs) are:

- Stormwater: Washington State Department of Ecology, Department of Commerce, and the Washington State University Stormwater Center
- Shellfish: Washington State Departments of Health, Agriculture, and Ecology.
- Habitat: Washington State Departments of Fish and Wildlife, and Natural Resources.

Each of the Strategic Initiative Lead teams listed convened technical experts into Strategic Initiative Advisory Teams (SIAT) to advise on the strategic ways to operationalize and implement each of the Implementation Strategies for each SIL team. A key task of the SIAT is to provide input to the SIL to inform Puget Sound Geographic Funds funding decisions. The SIL makes final decisions based primarily upon these recommendations.

DEVELOPING THE INVESTMENT PLAN

The following describes the approach for developing annual investment plans to guide SIL investments and subawards to fund with Puget Sound Geographic Funds. For the 2022-2026 Action Agenda, it is important to note that the list of Near Term Actions (NTAs) included in previous Action Agendas are not included in this version of the Action Agenda. The shift away from listing specific actions in the Action Agenda instead emphasizes the key opportunities in Puget Sound. The new investment process relies on the SIAT to develop an Investment Plan that identifies specific actions to operationalize and implement key areas in each Implementation Strategy. Each SIL will host competitive grant solicitations for specific activities using the information in the Investment Plan. Proposals will be selected from each solicitation following the EPA guidance and SIAT Investment Plan. Updated information on the process, Investment Plan, and competitive grant solicitation materials and schedule will be included on the [Puget Sound Estuary website](https://pugetsoundestuary.wa.gov/rfp/)².

² <https://pugetsoundestuary.wa.gov/rfp/>

1. The SILs assemble the SIATs and develop an annual Investment Plan. The SIATs and SILs identify the activities and their sequence that can contribute most strategically over the next two years to achieving the Puget Sound recovery goals published in the Action Agenda and Implementation Strategies.
2. The SILs share the Investment Plan, including information on the target investment level, funding award duration, next steps, and target timing of the competitive grant solicitations, with the Leadership Council, Science Panel, Ecosystem Coordination Board, Local Integrating Organization, and the Tribal Management Conference.
3. The SIL recruit a group of experts in the specific topic areas identified in the Investment Plan to serve on the solicitation and evaluation team that will refine the information from the Investment Plan into a competitive grant solicitation and tailor evaluation criteria for each.
4. Competitive solicitations will be posted on the [Puget Sound Estuary website³](#), and shared with Puget Sound recovery partners. Applicants can sign up to receive specific information about each solicitation through the website.

PROGRAM SCHEDULE

Important Information

For additional detail on the annual Investment Plan, funding schedule, and more please visit the [Puget Sound Estuary website](#).

COMPLETING THE APPLICATION

1. Competitive grant solicitations will be posted on the [Puget Sound Estuary website³](#).
2. Application materials are available through the Stormwater SIL funding page on the website.
3. Carefully review the materials, eligibility criteria, and timelines for each competitive grant solicitation and provide the completed materials prior to the deadline.
4. Follow the instructions on the solicitation to submit the application.

³ <https://pugetsoundestuary.wa.gov/rfp/>

EVALUATION PROCESS

1. Once materials are submitted, applicants will receive a confirmation email that the materials have been received by the solicitation lead within 48 hours.
2. The SIL will review received application for completeness and eligibility. Applications that are not fully completed, or ineligible, will not move forward in the evaluation process.
3. The SIL and solicitation team will evaluate the applications submitted in response for each of the competitive grant solicitations.
4. The SILs and solicitation team will evaluate the applications based on the evaluation criteria listed in the solicitation materials.
5. Applicants will be notified regarding the status of the proposal via email using the contact information listed in the proposal. Successful applicants will have an opportunity to discuss any changes in the application with the solicitation coordinator and the project manager prior to accepting the funds. Unsuccessful applicants may request a debriefing with the solicitation coordinator regarding the evaluation and scoring of the applicant's proposal, critique of the proposal based on the evaluation, and review of the final score. Confidential information regarding comparisons with other applications will not be discussed.
6. Successful applicants will work with the project manager to develop a final Statement of Work and associated Budget for the funding agreement.
7. The funding decision for each competitive grant solicitation will be shared on the Stormwater SIL funding page within three months of the closure of the funding round.

GRANT MANAGEMENT

The following are important administrative requirements that play a role in the day-to-day decisions made on grant projects. A complete listing of the administrative requirements for all grants and loans administered by Ecology is contained in the [Administrative Requirements for Recipients of Ecology Grants and Loans Managed in EAGL \(The Yellow Book\)](#)⁴.

⁴ <https://apps.ecology.wa.gov/publications/documents/9118.pdf>

Administration

Sub-awardees and activities selected through the competitive solicitation process will work with the Ecology Project Manager to complete their Scope of Work and Budget. When the Scope of Work is finalized the updated funding agreement will be entered into the Ecology Administration of Grants and Loans (EAGL) system. All administration of the funding agreement will be completed in EAGL including, but not limited to, quarterly progress reports and payment requests, deliverable submission, and agreement amendments.

- New users of Ecology's EAGL system must register for a Secure Access Washington (SAW) account prior to beginning the application process. New user account approval may take up to two weeks.

Applicants may request up to 15 percent of the total eligible project cost for Task 1 Project Administration and Management in the project application. This task will include the cost of preparing quarterly and final reports and payment requests, maintaining project documentation and managing the project. Project administration is payable only to the lead permittee (recipient).

Recipients may include an overhead charge of up to 30 percent of salaries and benefits for employees for time spent specifically on the project.

Agreement Development Process

The information provided in the competitive grant application is the basis for the Scope of Work and will be used to develop the final funding agreement. Through the agreement negotiation process, Ecology and the funding recipient will work together to develop a final Scope of Work, Budget and Deliverables that uphold the expectations of the competitive grant solicitation.

The funding agreement is the formal written contractual arrangement signed by authorized representatives of the recipient and Ecology. The agreement, at a minimum will include an approved Scope of Work, total project costs, a Budget by task, performance schedule, Deliverables, and Ecology General Terms and Conditions. Ecology assigns a project management team to each funded project. The team consists of:

- A **project manager**, the primary contact for technical assistance and day-to-day questions. The project manager works with the financial manager to resolve payment or eligibility issues if they arise. When in doubt, call any member of the project management team for information.
- A **financial manager**, reviews and approves payment requests and assists the project manager in the negotiation of agreements. The financial manager also administers the project, determines eligibility, and maintains project files.

- A **project engineer or technical advisor** from either Lacey headquarters or the regional office, as needed.

The Ecology project management team will use information contained in the funding proposal as the basis for developing the funding agreement. It will take less time to develop a funding agreement if you have a clearly defined project proposal that includes measurable objectives, deliverables and an accurate budget. Ecology may withdraw or reduce project funding if a task is determined to be ineligible during the agreement negotiation process.

Payment Requests and Project Progress Reporting

All grant payments are made on a reimbursement basis. Recipients must provide a progress report with each payment request and at least quarterly. Failure to provide adequate progress reports will result in denied payment requests and may result in project termination or other actions.

If a recipient fails to submit two or more consecutive quarterly reports via the EAGL grant management system, Ecology may consider this failure to provide progress reports as non-performance and initiate actions to amend or terminate this agreement.

These conditions are necessary to ensure 1) Ecology has sufficient funding available to reimburse grant expenses, and 2) Ecology water quality dollars are maximized over the biennia and do not remain obligated to projects that will not be requesting reimbursements for the full value of the grant award.

For more information on the use of EAGL for grant management refer to the online User Guide within EAGL.

Project Completion Dates and Extensions

Applicants may incur project costs on and after the effective date and that are eligible within the final Scope of Work, but Ecology cannot reimburse expenditures until the agreement has been signed by Ecology's Water Quality Program Manager. While applicants can incur eligible costs before the agreement is signed, they do so at their own risk of non-reimbursement.

Projects must be completed by the contract close out date. Ecology may approve extensions for extenuating circumstances by formal amendment. Ecology will not authorize extensions for projects that have not diligently pursued project completion or have not provided adequate and timely progress reports. In no case will extensions be approved beyond April 30, 2028.

ELIGIBLE PROJECT CATEGORIES

Eligible projects will be based on the individual competitive grants solicited on the Puget Sound Estuary website. Each solicitation will include additional details on eligibility. In general, the Stormwater Strategic Initiative funds are targeted at focused priorities identified from Implementation Strategies and actions outline in the Action Agenda. The intent of this grant opportunity is to fund stormwater related projects that are mostly ineligible through other federal and state funding sources, and are directed at Puget Sound recovery.

Applicants must check [SAM.gov](https://sam.gov)⁵ to verify the applicant/entity is not suspended or debarred from contracting by the federal government. Any suspended or debarred parties are not eligible to receive a funding award.

Examples of Past Funding:

- Research on contaminants of emerging concern
- Water quality improvement projects
- Prioritization and planning for stormwater management
- Identifying best management practices
- Construction of green stormwater infrastructure
- Public education and outreach around stormwater impacts

Other Eligible Projects

Below are project types that have been previously funded by NEP and the Stormwater SIL. Eligibility for SIL 2.0 will dependent on the individual competitive grant solicitation.

Stormwater Facility Projects

Stormwater facility projects provide water quality benefits by treating and/or providing flow control for water generated from impervious surfaces such as roads and buildings prior to discharge to receiving waters. Grant funding may become available for planning, design, and construction of stormwater facilities projects. Projects may be submitted as planning and design only; planning, design, and construction; or construction only.

⁵ <https://sam.gov/content/home>

Stormwater facility projects may include:

- Treatment or flow control best management practices.
- Low impact development techniques that treat stormwater and/or provide infiltration.

Decant facilities that separate liquid waste from solid waste generated by stormwater maintenance activities such as street sweeping and the cleaning of catch basins.

Planning and Design

Costs of stormwater facility siting and design are eligible for NEP grant funding. These costs include preparing planning documents, cultural resource determinations, geotechnical work, engineering design reports, environmental review, value engineering studies, and rate studies.

Construction

Ecology may provide NEP grant funds to eligible applicants for construction of stormwater facility projects. Applicants must comply with Ecology-approved design standards as listed in [Western and Eastern Washington Stormwater Management Manuals⁶](#) or an equivalent Ecology-approved manual as listed in [Appendix 10⁷](#) of the Phase I Municipal NPDES Stormwater Permit in order to be eligible for financial assistance from Ecology.

Stormwater Activities Project

A project may be eligible for NEP grant funds depending on the activity type and the jurisdiction where the activity takes place.

Some examples of these types of projects include:

- Land use/stormwater management planning
- Review of existing local stormwater regulations
- New BMP development and assessment through the Ecology TAPE program
- Conducting inventories and mapping of stormwater sources and infrastructure
- Education and outreach

⁶ <https://ecology.wa.gov/Regulations-Permits/Guidance-technical-assistance/Stormwater-permittee-guidance-resources/Stormwater-manuals>

⁷ <https://ecology.wa.gov/DOE/files/13/134bfb34-7cdf-4b8c-b14c-c16bd6aa57d8.pdf>

Table 1 below provides examples of stormwater activities that are potentially eligible for NEP funds. The list below is not intended to be comprehensive; eligibility for NEP funds is ultimately a SIAT decision at the discretion of Department of Ecology and EPA.

Table 1: Stormwater Activity Projects and Components Eligibility Description

Activity	NEP Eligible
Activities required by a NPDES municipal stormwater permit	Yes
Basin modeling for BMP prioritization not required by a permit	Yes
Cost and effectiveness analysis to meet federal requirements	Yes
Equipment and/or tools pre-approved for a funded project	Yes
Establishment of stormwater utilities not required by permit	Yes
Establishment of stormwater utilities required by permit	Yes
Implementation of educational activities not required by permit	Yes
Inspection programs for private parcel stormwater BMPs not required by permit	Yes
Land acquisition for: wetland habitat preservation and protection; riparian area and watershed preservation; drinking water source protection	Yes
Landscaping for erosion control directly related to a project	Yes
Light refreshments for meetings if pre-approved	Yes
Outreach and education projects not required by stormwater permits	Yes
Outreach and education projects required by stormwater permits	Yes
Pet waste signs	Yes
Project Management Consultant	Yes
Purchase, rental, or use fees for high-efficiency vacuum sweepers	Yes
Stormwater infrastructure inventories not required by a permit	Yes
Stormwater infrastructure inventories required by a permit	Yes
Stormwater related land use planning not required by permit	Yes
Stormwater related land use planning required by permit	Yes
Water quality monitoring not required by stormwater permits	Yes
Water quality monitoring required by stormwater permits	Yes

Nonpoint Source Activity Projects

Nonpoint source water pollution control activities include a wide variety of projects that do not involve constructing or preparing to construct a traditional water pollution control facility.

These types of projects involve activities such as implementing best management practices (BMPs) and using outreach and education to help improve water quality by addressing nonpoint source pollution derived from stormwater runoff. Ecology may require specific review and approval for certain BMPs.

Best Management Practices (BMPs) Implementation Projects

Water quality best management practices (BMPs) are defined as structural or non-structural methods recommended through a planning process that have a demonstrated success for addressing or preventing water quality degradation. Implementation of BMPs refers to the use of established approaches or practices to address water quality problems. BMPs are physical, structural, and managerial practices that prevent or reduce nonpoint source pollution.

All Nonpoint BMPs must meet the conditions of these funding guidelines and be reviewed by Ecology prior to installation. Ecology will require recipients to submit a BMP Approval form that describes the implementation plan for all BMPs with any supporting documents such as maps, designs, and maintenance plans, etc. to the NEP Project Manager. A [BMP Approval Form template](#)⁸ is available online. Ecology's Project Manager or Project Engineer will review the proposed project and provide written notice to proceed with implementation. If the recipient installs un-approved BMPs, the recipient assumes the risk that Ecology may delay or deny part or all of the reimbursement for that activity.

Public Outreach and Education Projects

Projects with public outreach and education components are eligible for grant funding. Public outreach and education use effective methods and programs, guided by a detailed outreach strategy, to engage the public's interest in improving water quality. Applicants should consider that the public has different levels of background knowledge of both water quality management and its role in reducing water pollution. Therefore, applicants should consider a multi-pronged approach to outreach. Public outreach efforts should include:

- Generating basic awareness of water pollution.
- Educating at a more sophisticated level using more comprehensive content.
- Building on existing recognition of the issue to prompt behavior changes that reduce pollution or opportunities for pollution.

The strategy should also specifically address combining public outreach with the implementation of other water quality management measures.

⁸ <https://ecology.wa.gov/About-us/How-we-operate/Grants-loans/Find-a-grant-or-loan/Water-Quality-grants-and-loans/Nonpoint-source-activity-projects/Nonpoint-source-project-resources>

This aspect of outreach could involve more in-depth education, short training courses, live presentations and slideshows, handbooks, posters with educational content and captioned illustrations, and web-based training modules, or websites with photos of good and bad practices.

Technical Assistance

Ecology may reimburse the costs associated with project-specific planning and technical assistance for planning, design, and implementation of grant and loan eligible water quality BMPs or riparian restoration. Site-specific planning for resource and land management is an eligible activity if the resulting plan includes eligible water quality BMPs consistent with the criteria required under these guidelines.

Watershed Planning and Implementation

Watershed planning projects are eligible for NEP grants. If the project is located in the 12 counties that border Puget Sound, it must comply with planning criteria contained in [Title 400 WAC, Puget Sound Partnership](#)⁹.

Riparian Buffer Requirements on Agricultural Lands

EPA requires that NEP funded riparian buffer protection and restoration projects in agricultural areas be consistent with interim riparian buffer recommendations. These recommendations are provided to EPA by National Marine Fisheries Service (NMFS) letters of February 4, 2013, and April 9, 2013, or the October 28, 2013 simplified version also commonly called the “NOAA or NMFS buffer table” (see Appendix J – page 169 of the [2024 Water Quality Combined Funding Program](#)¹⁰). To assist in determining likely minimum buffer width requirements for a given stream reach a [web map](#)¹¹ has been developed by Ecology.

In this context agricultural areas include lands that meet the definition of agricultural lands and activities in the Washington Shoreline Management Act (RCW 90.58.065). Properties that are zoned as rural residential that include hobby farms or nonrevenue producing farms will also be considered as agricultural land for the purpose of implementing this term and condition.

Exemptions

Where implementing the NMFS buffer widths is prevented by physical constraints, such as transportation corridors or structures, the buffer implemented could be narrower at the location occupied by the transportation corridor or structure, but must otherwise meet the requirements of the NMFS buffer table.

⁹ <https://app.leg.wa.gov/WAC/default.aspx?cite=400>

¹⁰ <https://apps.ecology.wa.gov/publications/documents/2210016.pdf>

¹¹ <https://www.arcgis.com/home/webmap/viewer.html?webmap=d5478a4aaf704d81bac63ffc934e1549&ext ent=-123.0388%2C47.109%2C-122.5317%2C47.2963>

The recipient of funds for buffer implementation that request an exception based on physical constraints must fill out a form and receive approval from Ecology's Project Manager prior to implementing smaller than required buffer widths.

In addition, exceptions from the required NMFS buffers are obtained through a request to Ecology and EPA and with a scientific rationale-demonstrating adequacy of buffers for supporting water quality and salmon recovery. The scientific rationale could be developed from sources such as site-specific assessment data, salmon recovery plans, Total Maximum Daily Loads (TMDLs) and the state nonpoint plan. Exception requests will at a minimum be expected to address:

Project Site Background:

- Existing salmonid presence or use, habitat, and water quality conditions.
- Previous and anticipated habitat/water quality protection/improvement efforts in the watershed.
- Site conditions.
- Infrastructure issues.
- Project Design, Function, and Maintenance:
- Project design considerations
- Functions provided by proposed buffer.
- Long-term maintenance plan.

Further guidance on how to gain exceptions to the buffer width requirements and the scientific rationale process will be considered on a case-by-case basis. The recipient will work with Ecology's Project Manager and the EPA to determine next steps for all exception requests.

INELIGIBLE PROJECT CATEGORIES

In general, projects or project components unrelated to the identified Investment Plan and competitive grant solicitation are not eligible for funding. The table below contains a list of some projects and project components that are ineligible for all funding sources. Questions about eligible expenses should be directed to the Ecology Project Manager. Any expense not previously approved by the Ecology Project Manager may be ineligible.

Table 2. Ineligible Projects or Project Components for All Funding Sources

Description
Acquisition/installation of side/cross fencing
Annual permit fees
Application preparation (grant or loan)
Aquatic plant control for aesthetic reasons, navigational improvements, or other purposes unrelated to water quality
BMP implementation on most federal and state owned property
BMP implementation that affects upland areas
BMP implementation for private gain
Bond costs for debt issuance
Bonus or acceleration payments to contractors to meet contractual completion dates for construction
Buildings unless they are required to protect water quality or they are needed to implement permit requirements such as a laboratory at a wastewater treatment facility
Cost-plus-a-percentage-of-cost contracts (also known as multiplier contracts), time and materials contracts, and percent-of-construction contracts; this does not apply to General Contractor/Construction Manager (GC/CM) contracts procured in accordance with Chapter 39.10 RCW
Fees for failure to pay invoices on time, check overdrafts, etc.
Fines and penalties due to violations of or failures to comply with federal, state, or local laws
Land acquisition for right of way using eminent domain
Landscaping for aesthetic reasons
Lighting or other project elements that do not provide a water quality benefit
Lobbying or expenses associated with lobbying
Operating expenses of local government, such as the salaries and expenses of a mayor, city council member, city attorney, etc.
Overtime differential paid to employees of local government to complete administrative or force account work
Projects or project objectives previously funded by Ecology
Projects solely for flood control
Reclamation of abandoned mines
Removal of existing structures or demolition of structures that are not interfering with proposed construction
Solid and hazardous waste cleanup
State and federal agency facilities and other duties and responsibilities
Vehicle purchase, except where Ecology has determined that a specialized vehicle is essential to directly satisfy the project scope of work and to achieve the project water quality goals and outcomes
Water supply and conveyance