



Direct Implementation Fund 2025 Funding Guidelines

Water Quality Program

Washington State Department of Ecology
Olympia, Washington

March 2025, Publication 25-10-012

Publication Information

This document is available on the [Department of Ecology's website](#)¹.

Contact Information

Water Quality Program

Financial Management Section

P.O. Box 47600

Olympia, WA 98504-7600

Phone: 360-407-6509

Website: [Washington State Department of Ecology](#)²

ADA Accessibility

The Department of Ecology is committed to providing people with disabilities access to information and services by meeting or exceeding the requirements of the Americans with Disabilities Act (ADA), Section 504 and 508 of the Rehabilitation Act, and Washington State Policy #188.

To request an ADA accommodation, contact Ecology by phone at 360-407-6600 or email at Elaine.Markham@ecy.wa.gov For Washington Relay Service or TTY call 711 or 877-833-6341. Visit Ecology's website for more information.

¹ <https://apps.ecology.wa.gov/publications/documents/2510012>

² www.ecology.wa.gov/contact

Department of Ecology's Regional Offices

Map of Counties Served



Southwest Region
360-407-6300

Northwest Region
425-649-7000

Central Region
509-575-2490

Eastern Region
509-329-3400

Region	Counties served	Mailing Address	Phone
Southwest	Clallam, Clark, Cowlitz, Grays Harbor, Jefferson, Mason, Lewis, Pacific, Pierce, Skamania, Thurston, Wahkiakum	PO Box 47775 Olympia, WA 98504	360-407-6300
Northwest	Island, King, Kitsap, San Juan, Skagit, Snohomish, Whatcom	3190 160th Ave SE Bellevue, WA 98008	425-649-7000
Central	Benton, Chelan, Douglas, Kittitas, Klickitat, Okanogan, Yakima	1250 W Alder St Union Gap, WA 98903	509-575-2490
Eastern	Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grant, Lincoln, Pend Oreille, Spokane, Stevens, Walla Walla, Whitman	4601 N Monroe Spokane, WA 99205	509-329-3400
Headquarters	Across Washington	PO Box 46700 Olympia, WA 98504	360-407-6000

Table of Contents

<i>Direct Implementation Fund</i>	<i>i</i>
<i>2024 Funding Guidelines.....</i>	<i>i</i>
Publication Information.....	2
Contact Information	2
ADA Accessibility	2
Department of Ecology’s Regional Offices.....	1
Map of Counties Served	1
<i>Table of Contents</i>	<i>1</i>
<i>Purpose</i>	<i>2</i>
<i>Project Proposal Process.....</i>	<i>2</i>
<i>Eligibility and Prioritization Criteria</i>	<i>3</i>
Eligible Activities and Expenses	4
Ineligible Expenses.....	4
Conditionally Eligible Activities.....	5
<i>Agreement Development and Grant Management.....</i>	<i>5</i>
Agreement Development Process.....	5
Requirements	6
Roles and Responsibilities	7

Purpose

The Direct Implementation Fund (DIF) program is for projects that:

- a) Accomplish direct implementation activities on sites which have been identified by Ecology regional staff within a targeted priority watershed/waterbody or through complaint response.
- b) Implement a specific high priority action (program or project) from a TMDL, alternative watershed implementation plan or initiative to achieve measurable results towards improving water quality.

Funds should be directed to achieve maximum benefit in a concentrated area to work with other projects and investments towards an established water quality goal. The targeted watershed should have an effectiveness monitoring program in place.

The program is not meant to circumvent the competitive grant process.

Project Proposal Process

Ecology regional unit supervisors must work with total maximum daily load (TMDL), nonpoint field staff, and internal nonpoint grant staff to identify regional water quality priorities for proposals. Together, they will:

- 1) Identify regional priority water quality issues and projects that align with the DIF purpose, eligibility and prioritization criteria.
- 2) Identify the regional Project Manager for the grant proposal and which eligible external partner is the most appropriate choice to implement the project. The Project Manager will reach out to the eligible external partner to determine capacity and willingness.
- 3) The Project Manager will use the regional DIF Proposal Form and statewide summary table to draft and submit the proposal, with input from the regional supervisor, TMDL lead, nonpoint field staff, and other internal staff as appropriate.
 - a) Fill out all required basic information in the state-wide summary table.
 - b) Copy-paste proposal headers on a new page and add responses. Proposal must include:
 - i) Project Description, including discussion of how this project advances nonpoint priorities.
 - ii) Map of the project area including sufficient detail to assess the proposed impact on the water body.
 - iii) Itemized list of materials with estimated costs and a total budget (typically emailed separately)
 - iv) Timeline – when to start project, when to purchase, when to complete.
 - v) Expected deliverables.

- vi) Partnerships with roles and responsibilities.
- 4) Project proposals must be submitted via the proposal documents on the Nonpoint Funding Workgroup SharePoint site (Subcommittee document library). Notify the Fund Coordinator – Financial Management Section (FMS) (Carson Moscoso/Carson.Moscoso@ecy.wa.gov) and Nonpoint/TMDL Watershed Planner- Watershed Management Section (WMS) (Hannah Coe/Hannah.Coe@ecy.wa.gov) when a new proposal has been submitted. The Fund Coordinator will be the primary point of contact throughout proposal review, funding decisions, and negotiation.
 - 5) Proposals will be screened by representatives from FMS and WMS for their eligibility under the fund source and DIF funding guidelines. The Fund Coordinator and Project Manager will collaborate to determine if additional meetings or discussion are needed prior to final funding decision.
 - 6) Representatives (including management) from FMS and WMS will approve or disapprove projects within 60 days of receiving a completed proposal form. The Fund Coordinator will include a written response in the comment section for the proposal, which will later be inform the content in the EAGL evaluation and screening forms. FMS will assign a Financial Manager.
 - a) Note: Proposals may be placed on a waiting list depending on funding availability.
 - 7) Approved projects will be allocated funding based on program priorities and funds available based on the prioritization criteria. Final funding amounts will be confirmed through the negotiation process and recorded in the proposal summary table.
 - 8) After a project gains approval and is allocated funding, the regional Project Manager and assigned Financial Manager will proceed to the Agreement Development process.

Note: Ecology reserves the right to re-allocate funds to unfunded projects that are ready to proceed if pass-through entity review exceeds 30 days from the date the agreement was sent for review by Ecology.

Eligibility and Prioritization Criteria

- Projects must implement an Ecology approved TMDL, watershed plan or initiative. This typically includes:
 - Sources of nonpoint pollution identified as causing the most significant harm.
 - Water bodies that are identified as not meeting water quality standards and/or have a completed TMDL.
 - Sites identified through a strategic prioritization/planning process or complaint responses.
- DIF must be spent directly on resources and materials needed to advance best management practices implementation and restoration. In some cases, pre-approved expenses for critical activities will be conditionally eligible.

- The project must be cost-effective for the water quality benefit.
- The proposed project or program must result in a measurable change³ to fix the problem.
- Projects must be ready to proceed and be completed before the funding expiration date.
- DIF efforts will be generally subject to the specific funding source restrictions and [Water Quality Combined Funding Program \(WQC\) Funding Guidelines](#)⁴.
- DIF cannot fund activities otherwise required by state or federal permit or mitigation.
- Due to budget constraints and timing of fund sources, high priority projects may be placed on hold until funds become available.
- Ecology may use this program to support innovative methods to increase and incentivize implementation.

Eligible Activities and Expenses

- **Riparian, Wetland, and Floodplain Restoration.**
- **Land acquisition** for protection and/or restoration.
- **Livestock suites of BMPs** such as a combination of fencing, waste storage facilities, heavy use protection, and off-stream watering.
- **Cropland suites of BMPs** such as a combination of conservation tillage and residue management, cover crop, riparian protection, etc.
- **Innovative practices** with pre-approval from Ecology.

Ineligible Expenses

- Funding for Ecology staff or general planning efforts.
- Office supplies, such as computers.
- Vehicle purchases.
- All activities which are ineligible under the WQC Funding Guidelines.

³ See Metrics Guidance in the current WQC Funding Guidelines.

⁴ <https://apps.ecology.wa.gov/publications/documents/2410048.pdf>

Conditionally Eligible Activities

- **Education and outreach practices** are only eligible when they accompany other direct efforts to fix nonpoint problems, such as riparian protection, changes in agricultural practices, tree planting, or other innovative practices.
 - Community-based social marketing and related outreach activities must include measurable targets and site-identification with commitments to implement approved activities.
 - Funds may be used to generate positive publicity surrounding the implementation activities and partnerships. The cost for this work should not exceed 5% of the project budget.
- **Adaptive management and maintenance activities** may be eligible with sufficient justification that restoration/revegetation results will be significantly improved.

Agreement Development and Grant Management

Regions may have two options to fund implementation efforts. Regions must coordinate with FMS to determine which option will apply on a project-by-project basis.

- 1) When using partnerships outside Ecology, regions will use a traditional grant agreement. Funds given through a grant agreement must be spent before the awarded funds expire.
- 2) If an appropriate fund source is available, when purchasing labor and materials to directly install, Ecology may purchase materials and charge to MIC code.
 - a) All purchases must be coordinated with FMS who will manage the MIC codes.
 - b) Each project or campaign within each region will have its own MIC code.
 - c) Purchases should accompany a service contract to ensure activities remain in place.
 - d) Purchases over \$20,000 will need to go out for bid.

Agreement Development Process

DIF negotiation will generally follow the Agreement Negotiation Checklist for Nonpoint, with the exception that the draft agreement language is developed internally based on the proposal from the Ecology region and comments from the FMS and WMS reviewers. (This differs from the WQC process in that the agreement does not originate from an application from an external entity.)

1. Once approved for funding, the Ecology Project Manager will use the Nonpoint Scope of Work template to begin drafting the agreement language in the SharePoint Funded Projects library.
2. The Ecology Project Manager will use workflows to collect feedback from the Financial Manager, Fund Coordinator and any other internal staff as needed.
3. The Ecology Project Manager will email a polished draft to the Recipient project team for review.
4. The Funding Coordinator (or Financial Manager) will generate the Water-Quality-One-Time Grant application in EAGL. After satisfactory recipient review of the draft agreement, the Fund Coordinator will fill in the application and evaluation forms and push through the statuses to EAGL review, which will follow the standard process through to agreement activation.

Requirements

- **Funding Agreement and Project Term:** Agreement effective and expiration dates will be negotiated on a case-by-case basis dependent on the project needs and funding source restrictions. Typically, projects should be completed within approximately one year.
- **Landowner Agreements:** Must be signed and approved prior to implementation.
- **Cultural Resource Review:** Must obtain a final determination prior to implementation. Allow approximately 2 months for review. Project Manager may reach out to Cultural Review Contact early on to consider level of risk of a survey or other requirements.
- **BMP Approval Form:** BMPs must meet the conditions of the funding guidelines. The form and supporting documents such as maps, designs, and maintenance plans, etc. must be approved by Ecology prior to implementation. Allow up to 2 months for review.
- **Site-Specific Plans and/or Designs:** Plans and designs must be reviewed and approved in writing by Ecology prior to implementation. Maintenance plans and planting plans may be required.
- **Local Requirements:** State Environmental Policy Act (SEPA), permits, Critical Areas Ordinances, etc. must be completed, as needed. These may need to be submitted to Ecology for review.
- **Reporting:** Quarterly progress reports and final closeout reports are required for all projects. Most projects will be required to report BMP implementation metrics and load reduction annually (see WQC Funding Guidelines).
- **Specific Criteria and Standards:** Plans, designs, and implementation must comply with the activity-specific criteria described in the WQC Funding Guidelines.

Roles and Responsibilities

Projects will require review and reporting similar to that of the external Water Quality Combined program. Each DIF project will be managed by a team including an Ecology Project Manager (region), and Financial Manager (headquarters FMS), and pass-through Recipient staff. The Ecology DIF team will identify who will be responsible for each of the requirements listed above, within the agreement scope of work.

Reporting and tracking will be managed by FMS, and final reports to EPA will be developed by WMS, as needed. The WQC Funding Guidelines has additional relevant details.