

# N.C. Division of Water Resources

## Water Resources Development Grant – NRCS-EQIP Fall 2023 Guidelines

**Administered by:** Division of Water Resources (DWR), N.C. Department of Environmental Quality (DEQ), 1617 Mail Service Center, Raleigh, NC., 27699-1617. Contact Amin Davis at [amin.davis@deq.nc.gov](mailto:amin.davis@deq.nc.gov) or (919) 707-9132.

**Authority:** DWR is authorized to provide grants to local governments for stream restoration projects cost-shared as part of the Natural Resources Conservation Service’s Environmental Quality Incentives Program (NRCS-EQIP) by General Statutes § 143-215.70-73 and Session Law 2017-57. These statutes can be viewed online at the following web addresses:

[https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-215.71.pdf](https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-215.71.pdf)

<https://www.ncleg.net/enactedlegislation/sessionlaws/pdf/2017-2018/sl2017-57.pdf>

**Who is Eligible:** Units of local government, local political subdivisions, and non-governmental organizations (NGO, only as Co-Applicants). An *Applicant* is the unit of local government; a *Co-Applicant* is an NGO partnering with a local government. A *Grantee* is the local government applicant who has been awarded grant funding; A *Co-Grantee* is an NGO partnering with a *Grantee*. **NGO’s serving as Co-Applicants shall include the local government contact on correspondence associated with application submittals, contractual matters, reimbursement requests and grant close out activities.**

**Project Eligibility:** Stream restoration projects approved for NRCS-EQIP funding by the U.S. Department of Agriculture are eligible for state financial assistance. A single project shall consist of all the landowners and other participants under a project design contract approved by the Natural Resource Conservation Service under the EQIP program along a contiguous stretch of stream. **Eligible stream practices for DWR funding consideration are those listed in the most recent version of the *EQIP/RCPP Guidelines for Natural Stream Channel Work* (See Attachment 1). Any practices not listed in Attachment 1, except for exclusion fencing, shall be considered non-eligible purposes.**

**Exclusion fencing ([NRCS Practice 382](#)) may be considered an eligible stream practice for the ecological benefits it provides to stream and riparian areas when appropriately implemented.** In addition to the requirements outlined in NRCS Conservation Practice Standard 382, the following requirements shall all apply in order for this practice to be considered eligible for DWR funding: fencing must be located within the riparian area but no closer than 10 feet from the top of streambank; grazing and mowing between the fence and top of streambank is not allowed. Observed/documentated evidence of riparian area access or encroachment by livestock or machinery shall be remediated within 30 days of observance. A minimum 10-year maintenance period is also required. In the event of noncompliance with these requirements (including NRCS Practice Standard 382) the Co-Grantee shall be required to reimburse DEQ for a portion of, or the entire amount of grant funds expended for fencing based on the final approved NRCS-CPA-1245 forms and submitted invoices.

**Other non-eligible purposes include projects directly associated with meeting an existing environmental permit requirement (i.e., NPDES Phase I and Phase II Stormwater) or regulatory enforcement action, generating nutrient credits and small watershed projects of the NRCS (reviewed by the N.C. Soil and Water Conservation Commission). **Compensatory mitigation projects and the generation of compensatory mitigation credits for impacts to aquatic resources per the Federal Mitigation Rule (33 CFR Part 332) are non-eligible purposes.** However, compensatory mitigation projects can be located directly adjacent to an eligible project for the purposes of achieving maximum ecological benefit. Session Law 2020-18, Section 12.(a) prohibits Applicants from applying for funding to this grant**

program if they also receive funding from the North Carolina Land and Water Fund, formerly known as the Clean Water Management Trust Fund.

**Application Deadlines:** Applications are received throughout the year for two standard grant application cycles. The current Fall 2023 application cycle ends on December 31, 2023. The next Spring 2024 application cycle begins January 1 and ends on June 30, 2024. **Any application submittals that are not received or are not complete by these dates may not be eligible for review and funding for this application review cycle.**

**Maximum Award Calculation:** NRCS-EQIP stream restoration projects are funded at an estimated 50% Federal cost and 50% non-Federal cost. Projects in North Carolina, which have been approved by the NRCS for Federal funding, are eligible for up to 100% funding by the State of the estimated 50% non-Federal cost. Essentially, **DWR can provide up to a maximum 1:1 cost-share based on the federal cost estimate of implementing eligible stream restoration practices reported on the project-specific Conservation Plan/Schedule of Operations (NRCS-CPA-1155/1156 Forms).**

**Example Award Calculation:**

Total Estimated Project Cost: \$400,000

Federal Estimate (50%): \$200,000

Nonfederal Estimate (50%): \$200,000

**Maximum DWR Grant Amount for this example: \$200,000** (100% of Nonfederal Estimate)

**Grant awards are a maximum grant award, not a guaranteed payment amount – if actual project costs are less than estimated, DWR will only pay out the difference between the actual cost and the federal payment.** Actual Project Costs are the sum of all invoices submitted for the project and approved by DWR. **Applicants are encouraged to keep Administrative costs at or below 10% of the total project budget based on our limited annual funding availability.**

**Pre-Application Site Visits**

As part of the application review process, a pre-application site visit shall be scheduled with the DWR Grant Administrator (or designee) to gather additional information regarding the project area to assist the DWR in determining if the project meets this grant’s review criteria. **This site visit shall be scheduled with DWR prior to the end of the grant application cycle. Scaled versions of the most recent NRCS Practice Code Map and/or restoration plan map shall be provided to the DWR Grant Administrator prior to this site visit.** A member of the project team who is familiar with the project area and conceptual restoration plan shall join DWR staff for this site visit. **Potential applicants who intend to submit grant applications for the same sites to other state grant programs are strongly encouraged to submit a list of potential overlapping projects to the DWR Grant Administrator (or designee) as soon as this information becomes available for more efficient use of collective staff time, resources and taxpayer dollars. WRDG review of projects for funding consideration will remain independent and be based on the existing WRDG review process.**

The primary objectives of this site visit are: 1) for the DWR Grant Administrator (or designee) to address any questions or concerns the project team may have about this grant program; 2) for the project team to share with the DWR Grant Administrator (or designee) information about the conceptual restoration plans associated with a proposed project, and 3) for the DWR Grant Administrator (or designee) to photo-document the project area for application review purposes.

## **Application Submittal**

An application for Water Resources Development Grant funding shall include information about the five items listed below and the required supplementary forms that have been signed by the appropriate reviewing officials listed in *Attachment 2* to be considered complete. Additional supplementary documentation (reports, photos, etc.) are not required but can be provided as separate attachments via email. All required forms and grant information can be found at the following website: <https://deq.nc.gov/about/divisions/water-resources/water-resources-grants/water-resources-development-grant-program>. Please check this website frequently for updates.

**I. Application Spreadsheet (MS Excel)** - The most recent version of the application spreadsheet shall be used. All applications should include the appropriate project information in the designated sheets including contacts, general information, narratives, stream treatment amounts, benefits, budget and in-kind budget notes. Detailed instructions about how to complete this application are provided on the *Instructions* sheet of this spreadsheet.

The project narrative should begin with a statement outlining the overall project scope (what is being proposed). This shall be followed by the project justification (why it is being proposed) and how the proposed stream treatments will mitigate the documented stream impairments. **Information about proposed riparian buffers (minimum/maximum or average proposed widths) and stream crossings shall also be provided.** The Federal Contribution listed on the Budget sheet of the Application shall be equal to the sum of all eligible stream restoration practices reported on the approved NRCS-CPA-1155/1156 forms that has been signed by both reviewing officials. **If the Total Contract Payment (TCP) amount listed on the NRCS 1155/1156 forms includes estimated costs for non-eligible stream restoration practices, then an *Eligible Stream Practices* spreadsheet must be completed that breaks out the estimated costs of the eligible and non-eligible practices listed on the NCRS 1155/1156 forms.**

**The application budget will serve as the basis for the financial administration of the grant contract and reimbursement requests for projects that are awarded funding.** Applicants shall list all sources of funding contributions (including federal and nonfederal funding) on the application's Budget Sheet to minimize the potential for duplicative funding for identical work activities associated with a single project. Based on Session Law 2020-18, Section 13.(a) permitting costs shall be listed on the budget sheet. The complete application will be included in the DEQ contract documentation; therefore it is very important that its contents are accurate and complete.

**II. Project Plan and Location Maps** – Scaled versions of the most recent *NRCS Practice Code Map* and associated *Conservation Plan Map* shall be provided and must clearly depict the conceptual restoration plan as well as any additional stream treatments such as livestock exclusion fencing or stream crossings. **30% restoration design drawings shall also be provided when available.** At least one map should show the entire project length.

**III. Official Resolution** - The Applicant shall include a resolution adopted by its governing board stating the amount of state aid requested and accepting the Applicant's responsibilities. A representative of the Applicant with signatory authority shall sign this Resolution. For projects involving a Co-Applicant, the Co-Applicant shall provide DWR with a signed document affirming/adopting the terms of this Resolution so that it can be included with the final DEQ contract documentation. A form-fillable Official Resolution template can be downloaded from our grant [website](#). In most circumstances the responsibilities listed below shall be included in the Official Resolution. However, this resolution template can be adapted to fit the unique circumstances of a specific project. **Written justification shall be provided to DWR for any responsibilities listed below that are not included in the Official Resolution.**

The following responsibilities shall be included in the Official Resolution:

1. Assume full obligation for payment of the balance of project costs.
2. Obtain all necessary state and federal environmental permits.
3. Comply with all applicable laws governing the award of contracts and the expenditure of public funds by local governments.
4. Supervise construction of the project to assure compliance with permit conditions and to assure safe and proper construction in accordance with approved plans and specifications.
5. Obtain appropriate easements, rights-of-way or suitable spoil disposal areas that may be necessary for the construction and operation of the project without cost or obligation to the State.
6. Hold the state harmless for any damages that may result from the construction, operation, and maintenance of the project.
7. Accept responsibility for operation and long-term maintenance of the completed project.
8. *When there is a Co-Applicant:* Applicant identifies Co-Applicant as a responsible party and grants them authority to operate on the Applicant's behalf as project administrator, project fiduciary, etc.

**IV. No Conflict of Interest Forms** – The Applicant shall provide a certification that the Applicant, Applicant's subordinates and any person or persons designated to act on behalf of the Applicant do not have an actual or apparent conflict of interest with respect to the project. A representative of the Applicant with signatory authority shall sign this certification. For projects involving a Co-Applicant, both the Applicant and the Co-Applicant shall sign and submit their own separate forms. A fillable Certification form can be downloaded from our [website](#).

**As per NCGS §143C-6-23(b), all Applicant's and Co-Applicants must file a copy of their conflict of interest policy with DEQ.** This is separate from the above-referenced Conflict of Interest Certification and need only be filed once with DEQ unless changes or updates are made to the policy. The policy must address situations in which any of the Applicant's/Co-Applicant's management employees and the members of its board of directors or other governing body may directly or indirectly benefit (except as the Applicant's/Co-Applicant's employees or members of its board or other governing body) from the Applicant's/Co-Applicant's disbursing of State funds. The policy must also include actions to be taken by the Applicant's/Co-Applicant's or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. A policy form template can be downloaded from our [website](#).

**V. Supplementary Documentation** – Applicants or Co-Applicants shall provide the complete set of the most recently approved NRCS Conservation Plan Schedule of Operations (Forms NRCS-CPA-1155 or NRCS-CPA-1156. Additional supplementary documentation (reports, photos, etc.) is not required but can be provided as separate attachments via email.

**Application submittal documents shall be emailed to [amin.davis@deq.nc.gov](mailto:amin.davis@deq.nc.gov) by the close of business of the last day of the application cycle in order to be considered for grant funding during the current application cycle.** If a project includes a Co-Applicant, a representative of both the Applicant and Co-Applicant should be included on the email application submittal. **The submittal shall consist of an Excel version of the completed application spreadsheet, at least two Adobe pdf documents labeled as *Map(s)* and *Signed Documents* (resolution, conflict of interest forms, signed/notarized no overdue tax statement etc.). A third pdf labeled as *Supplementary Documents* (reports, data, photos, etc.) can be provided, or uploaded to a secure filesharing website, but is not required.**

**\*\* A summary of potential required forms is provided as *Attachment 2* near the end of this document.**

**Notes: It is the Applicant's/Co-Applicant's responsibility to ensure their application is accurate and complete at the time of submission to DWR. Application submittals with four or more errors or omissions will not be accepted for funding consideration. Corrections to all application errors or**

modifications must be submitted by the Applicant to DWR within 30 calendar days of the end of the application cycle in which the application was submitted. Erroneous or incomplete application information can also lead to significant delays with the issuance of a DEQ Contract should the project be recommended for grant funding.

## **Grant Application Review and Approval**

**The following criteria will be used to approve, approve in part, or disapprove grant applications:**

1. The economic, social, and environmental benefits to be provided by the projects;
2. Regional benefits of projects to an area greater than the area under the jurisdiction of the local sponsoring entity;
3. The financial resources of the local sponsoring entity;
4. The environmental impact of the project;
5. Any direct benefit to State-owned lands and properties.

### **Applicant/Co-Applicant Obligation – Environmental Permitting**

All proposed stream restoration projects are subject to environmental review and permitting under applicable federal and state laws. It is the Applicant's/Co-Applicant's responsibility to prepare, provide and remain in compliance with all applicable environmental permitting requirements associated with project implementation.

### **Review Decisions**

**This is a competitive grant program due to limited funding availability. The grant's review criteria are contained within the *Benefits & Evaluation Criteria* sheet of the application form. A multi-agency review team comprised of various subject-matter experts reviews each application to assist the DWR Grant Administrator and Division Director with establishing funding priorities. Applications that receive a total cumulative review team score of less than 50% will not be recommended for funding.**

Review decisions and notifications for applications received during the spring application cycle are generally made in October. Review decisions and award notifications for applications received during the fall application cycle are generally made in April of the next calendar year. However, unforeseen circumstances such as legislative, policy or funding allocation changes may delay award notifications.

### **Projects Not Awarded Funding**

Applicants/Co-Applicants who are not awarded funding within one calendar year from the end date of the grant cycle in which their application was originally submitted may be required to complete and submit a new application to DWR if they wish to re-apply for funding consideration. A new application will also be required if there have been any changes to the project scope or budget. The spring grant cycle ends on June 30th and the fall cycle ends on December 31st of each year.

## **Post Grant Funding Award**

Acceptance of a grant award will require the Applicant to enter into a grant contract with the DEQ. A DEQ grant contract is considered 'fully-executed' once it has been signed by a signatory authority of the Grantee and the Co-Grantee, if applicable, and DEQ Financial Services. A copy of the fully-executed contract shall be provided to both the Grantee and Co-Grantee by DEQ. **No portion of reimbursable work or expenditure of reimbursable funds for the project, plan or services shall begin prior to receiving a fully-executed contract from DEQ.** Contracts are generally valid for two years from the date the grant contract document is fully-executed by DEQ and the grantee.

### **Contract Modifications**

**Any changes to the scope of the project or project budget after submission of a grant application will require the written approval of the DEQ and may also require a DEQ contract amendment. Any contract amendment requests shall be submitted to the DWR Grant Administrator at least 30 days prior to the DEQ contract expiration date.** Typical changes that require a contract modification are listed below.

**Project Scope/Budget Changes:** The minimum information that shall be supplied to DEQ for consideration includes a brief written narrative on official letterhead containing the justification for any proposed changes, and a revised scope of work description. A revised project plan/map to scale, completed Revision of Plan/Schedule of Operations or Modification of a Contract (NRCS 1156 Form) and revised budget sheet submitted as an Excel file shall also be submitted if applicable. Unapproved changes to the project scope or budget shall not be eligible for, and may result in additional reductions to, cost-share funding or reimbursement.

**Extension Requests:** Grant recipients can submit an extension request for one additional year beyond the grant expiration date if progress toward project completion can be sufficiently documented. An extension request shall be submitted in a cover letter on official agency letterhead. This request shall include a justification statement, current project status update and anticipated project schedule moving forward.

Any documentation associated with a contract modification should be submitted electronically to [amin.davis@deq.nc.gov](mailto:amin.davis@deq.nc.gov). If a project involves a Co-Grantee, a representative of both the Grantee and Co-Grantee shall be included with the email modification submittal.

### **Grant Reimbursement Payments**

The grant award amount is the maximum possible reimbursement amount (Contract Amount). **Allowable expenditures incurred which are associated with eligible stream practices and the contract budget after the start date of the DEQ contract are eligible for reimbursement.** Allowable expenditures are expenditures associated with the work performed for a specific invoicing cycle that are in accordance with the most recent version of the DWR-approved budget sheet and *Reimbursement Instructions* (see Attachment 3). **All project-related invoices, receipts, and/or supporting documentation, including contractor construction invoices related to the grantee's matching funds listed in the most recent DEQ-approved project budget, shall be submitted and should generally reflect total project costs at project close out. Reimbursement requests may be submitted no more frequently than monthly but shall be submitted at least every three months (quarterly).** DEQ will normally pay the Grantee or co-Grantee electronically or by mailed check within 30 days of receipt of a complete reimbursement payment request, provided the expenses are in accordance with the budget/contract information, or as amended. **If the grant recipient decides that significant changes to a project's scope from that in the original application are necessary, the grant recipient must send a request in writing to the DWR Grant Administrator and receive approval of those changes from the DWR and DEQ. Unapproved changes will not be eligible for state cost-sharing.**

The Cumulative State Disbursement (CSD) of grant funds to a grant recipient shall be done in a manner consistent with the approved DWR Application Package, fully-executed DEQ Contract and the following provisions:

- e. The Grantee and Co-Grantee shall submit invoices to the Department's Contract Administrator at least quarterly, but not more frequently than monthly.
- b. Invoices shall be on either the Grantee or Co-Grantee's letterhead and include, at a minimum, (i) the total amount spent on the project to date and the amount of the reimbursement request, (ii) the names of any contractor(s) or vendor(s) responsible for the work performed during the relevant invoicing cycle, (iii) the contact information for such contractor(s) or vendor(s), (iv) a list of task(s) completed

during the invoicing cycle and the cost associated with each task, and (v) copies of all invoices related to tasks in item (iv) for contractors and vendors under item (ii). All invoices are subject to approval by the Department and shall be signed by both the Grantee and Co-Grantee. Invoices submitted by subcontractors to the Grantee or Co-Grantee must be on the subcontractor's letterhead/invoice form and be included as an attachment to the invoice that is submitted to DWR.

- c. Prior to the final invoice and payment, the Department shall reimburse the Grantee or Co-Grantee one hundred percent (100%) of each invoice submitted for actual allowable expenditures, up to a cumulative reimbursement total equal to ninety percent (90%) of the Contract Amount. "Allowable expenditures" are expenditures associated with the work performed for a specific invoicing cycle that are approved by the Department in accordance with the Agency Guidelines. The final ten percent (10%) of the Contract Amount will not be paid until a close-out site visit has been completed and the project has been approved for close-out by DWR staff.
- d. The final invoice shall contain the remaining balance of project costs not submitted to the Department previously for allowable expenditures, in addition to the applicable NRCS-CPA-1245 forms. The total of all approved invoices shall be the Actual Project Cost. The final invoice, including the applicable NRCS-CPA-1245 and all other project closeout information required under the Agency Guidelines, must be received by the Department thirty (30) days prior to the date on which termination or expiration of the DEQ grant contract becomes effective. Failure to submit a final invoice demonstrating project compliance before the conclusion of such timeframe may result in a zero-dollar (\$0) total for the CSD, and the Grantee and Co-Grantee will be invoiced for the overpayment by the Department. Similarly, amended or corrected invoices must be received by the Department prior to the date on which termination or expiration of the DEQ grant contract becomes effective. Any invoice received thereafter shall be returned without action.
- e. The CSD amount under this grant program shall be calculated as follows:  
  
Actual Project Cost – (Total NRCS-CPA 1245 distribution amount) = \$X  
If \$X is greater than or equal to the Contract Amount, CSD = \$Contract Amount  
If \$X is less than the Contract Amount, CSD = \$X
- f. Upon the completion of all required project-related work and the Department's receipt and acceptance of all reports/deliverables and the final invoice, the final payment amount, which shall include the ten percent (10%) retainage, will be calculated as follows:

CSD – Total of all prior disbursements = Final Payment Amount  
If the final payment amount is a negative figure, the Grantee and Co-Grantee will be invoiced for the overpayment.

**\*\* Reimbursement Instructions are provided as Attachment 3 at the end of this document.**

**\*\* An example reimbursement summary table is provided as Attachment 4 at the end of this document.**

**Reimbursement requests shall include:**

- 1) A Cover Memo/Letter signed and dated on the Grantee's or Co-Grantee's official letterhead that lists:
  - a) DEQ Contract Number
  - b) the amount of the reimbursement request
  - c) actual cost (expenses) by approved budget categories
  - d) total amount spent on the project to date
- 2) Copies of invoices or other documentation for materials, services and other project costs.
- 3) A completed *Reimbursement Tracking Summary* spreadsheet.



The reimbursement request and supporting documentation should be submitted electronically to [amin.davis@deq.nc.gov](mailto:amin.davis@deq.nc.gov).

### **Requests For Additional Funding**

Grant recipients may submit a request for additional funding consideration to DWR for a maximum of 25% of the total project costs reflected in the current grant budget, not to exceed \$100,000. This request shall be submitted by the Grantee's or Co-Grantee's primary contact on a cover letter with official letterhead via email. The following information shall be submitted by the Grantee or Co-Grantee to DWR for additional funding consideration:

- a narrative describing the circumstances/need for an increased funding award, summary of current project status and anticipated project implementation schedule.
- copies of all subcontractor invoices for design, permitting, surveying, construction, construction oversight and project administration.
- copies of the most recent version of all NRCS-CPA-1156 forms (*Revision of Plan/Schedule of Operations or Modification of a Contract*) associated with the specific project in which additional funding is being requested.

DWR will review this information and respond to the Grantee and Co-Grantee with a decision regarding increased funding within 30 calendar days. Funding increases are subject to the availability of funds and to DWR's actual cost reimbursement policy. **DWR may not be able to grant requests for additional funding caused by inaccurate or incomplete information in the application or project budget provided by the Grantee/Co-Grantee.**

### **Project Close-Out**

**A project is considered completed and eligible for close-out by DWR when all project work, including plantings, have been completed and the final version of all NRCS-CPA-1245 forms (Practice Approval and Payment Application) have been signed by all parties.** If there is a Remaining Assignment Balance listed on the 1245 form and the project is complete, then the Grantee or Co-Grantee shall provide a written explanation of this balance to the DWR Grant Administrator. This explanation shall be included in the cover letter for the final reimbursement request.

Either the Grantee or Co-Grantee shall provide the DWR Grant Administrator with the completed *NRCS-CPA-1245* forms, *Western NC Stream Initiative Pre & Post Project Checkout Forms* (if applicable) and the most recent version of scaled as-built, record or red-line drawings electronically in an Adobe PDF format. These scaled drawings shall have the name and signature of the engineer responsible for preparing them as well as the date the drawings were signed or completed. **A *WRDG Close Out Checklist spreadsheet* shall also be completed in accordance with Session Law 2020-18, Section 13.(a) and submitted prior to the close-out inspection.** Upon notification of project completion to DWR, either the Grantee or Co-Grantee will arrange a close out inspection of the completed project with the DWR Grant Administrator or their designated representative. DWR reserves the right to substitute its personnel with that of other state or federal agencies that are located closer to the project area, or provide reasonable alternatives to a close out inspection on a case-by-case basis.

This inspection will verify that the project was implemented in accordance with the information provided in the grant application, DEQ contract (including amendments, if applicable) and approved plans and specifications. The grant recipients shall address any remedial or compliance actions identified during this close out inspection prior to DWR final project approval. After the project has been inspected and approved,



DWR will review the project's accounting statements and request DEQ pay the final 10% of DEQ's share of the nonfederal cost, if a balance remains after applying DEQ's actual cost reimbursement formula.

**Applicable Policies**

As per Session Law 2017-57 and G.S.143-215.70-.73, upon the execution of a contract, the policies contained within these guidelines shall control for the duration of a project, only subject to change for compliance with a requirement of State or federal law or regulation, or upon agreement by the Grantee and Co-Grantee. The applicable version of these guidelines shall be included in every grant contract. These guidelines are subject to review or revision prior to issuance of any grant contract or award.

## 2022 EQIP/RCPG Guidelines for Natural Stream Channel Work

### *580 – Streambank and Shoreline Protection – Bioengineered Scenario*

This is the most common 580 scenario that will be contracted when grading and installing woody vegetation on stream banks. This scenario would include bank grading, matting, and woody vegetation establishment (live stakes, plugs, rooted material, potted material, etc.) so do not plan 342 – Critical Area Planting *below the top of bank grading*. Also, do not plan 484 – Mulching where 580 is implemented since the cost of matting is included in the Financial Assistance (FA) rate.

584 – Channel Bed Stabilization - Structural scenario will be commonly contracted for in-stream structures alongside 580 Bioengineered. The 580 Bioengineered scenario includes any of the following:

- Benching/grading with Erosion Control Matting
- Tree Revetments
- Root Wads
- Vegetated Geogrids

The 580 Bioengineered scenario would not include the following:

- Structures in the channel (log or rock vanes, cross-vanes, wing deflectors, toe boulders, etc.). Contract 584 for in-stream structures.

This 580 Bioengineered scenario will be measured by the linear foot (LF) of bank treated. If both banks on a 100 LF reach of stream are treated then measure 200 LF of this practice. This can be applied on one or both banks.



## *580 – Streambank and Shoreline Protection – Structural Scenario*

This 580 scenario may be contracted when installing rock structures for bank protection that do not meet the requirements of NRCS Practice Standard 584 - Channel Bed Stabilization (do not alter channel dimension or profile). The 580 Structural scenario may include any of the following:

- Rock vanes
- Rock spurs
- Boulder toe
- Any structural bank protection measures that do not alter channel dimension or profile.

The 580 Structural scenario will be measured by the ton of rock installed, therefore wood structures are not measurable. This scenario can be applied on one or both banks. There is no conversion factor for FA quantities.

Do not apply 580 Structural on any section of stream where Practice 584 is planned. These two practices must not overlap.

Do not apply 580 Structural and 580 Bioengineered on the same linear footage of stream bank.





### *580- Streambank and Shoreline Protection – Wood Structures*

This 580 scenario may be contracted when installing toe wood or brush toe where dense woody material is installed and stabilized in the toe of a bank for enhanced roughness, bank protection, and habitat enhancement. This scenario may be planned, designed, and installed for banks in high shear stress locations such as the outside bank of meanders with lower radii of curvature. Payment for this scenario will not be made for low density wood installment where bare soil is exposed.

The 580 Wood Structure scenario will be measured by the linear feet of bank treated. This scenario cannot be planned along the same linear footage where any other 580 scenario is planned. 584 Channel Bed Stabilization may be planned in conjunction with this practice scenario.



Acceptable ↑



Not acceptable ↑

## 584 - Channel Bed Stabilization

### Structural - J-Hook, Cross-Vane, etc. Requiring Boulders Scenario

This practice may be used for installing rock or wood structures using natural stream channel design when the work meets NRCS Practice Standard 584 - Channel Bed Stabilization. To meet Practice Standard 584 channel dimension and profile will be altered in order to stabilize the system. This scenario does not include bank grading and woody vegetation establishment. Plan 580 Bioengineered or Wood Structure as described previously for bank grading, protection, matting, and vegetation establishment.

This scenario may only be contracted if the participant landowner owns both sides of the stream or if landowners of both banks of the stream are participating in NRCS programs.

The 584 Structural scenario may include any of the following boulder, log, or combination structures:

- J-Hooks
- Cross-vanes
- Step-pool sequences
- Wing Deflectors
- Brush runs
- Constructed riffle structures installed for the purpose of correcting dimension or profile

This scenario would not include bank grading and shaping, which is covered under 580 – Streambank and Shoreline Protection, therefore 580 may be planned according to this guidance document along the same footage of stream where 584 is applied.

This scenario will be measured by the linear foot of channel bed stabilized. Measurement will be from the upstream to downstream extent of the hydraulic effect of the structure(s) installed. Units are in stream length (do not double for both banks).

The length of 584 applied for a structure with up and/or downstream hydraulic influence and bank protection beyond grade control (J-Hook, Cross-Vane, Wing Deflector – downstream arm only, log vane, arch structure, some constructed runs, etc.) will be measured along the plan view as 1.5 times the length of the structure upstream and downstream plus the length of the structure itself along the bank. A series of structures may have overlapping effects and therefore will be measured from the upstream extent of the effect of the upstream structure to the downstream extent of the effect of the downstream structure. Constructed riffles (for the purpose of profile stabilization) and interlocking step-pool structures will be measured by the length of the actual structure with no upstream or downstream effect *no matter how far up or downstream the structure affects the water surface profile*.

FA is quantified by the cubic yard (CY). To convert from linear feet to cubic yards for this scenario, multiply the linear feet treated by 0.5 to get cubic yards. Example: 1,000 LF = 500 CY







### *395 – Stream Habitat Improvement – Rock and Wood Structures Scenario*

This practice may be planned where habitat enhancement features will be installed in the stream channel. The Rock and Wood Scenario would be the only scenario offered because the majority of this practice incorporates both materials.

395 may be contracted on the same linear feet of stream as 580 and 584 if the habitat enhancement features are *separate and distinct* from those features installed to stabilize the streambanks and channel bed. Habitat enhancement features shall be installed throughout the contracted reach with a minimum of one habitat enhancing feature in 50% of pools and/or riffles. Examples of habitat enhancement features include boulder clusters, cover logs, and other fish holding structures. Design report shall include applicable items found in current NRCS Conservation Practice Standard 395, PLANS AND SPECIFICATIONS section. Design drawings must show details and locations of planned enhancement features. Installation of habitat enhancement features may not be possible on smaller tributaries therefore should not be planned.

Payment will be calculated by the reach length x design riffle bankfull width. Reach length is defined from the most upstream enhancement structure to the most downstream enhancement structure if these structures are installed throughout the reach.

FA is quantified by the acre. To convert from linear feet to acres for this scenario, multiply the linear feet applied by the riffle bankfull width of the stream to get acres.



## *578 – Stream Crossing*

### *Low Water Crossing Scenario*

This 578 scenario should be planned where a standard cloth and gravel ford type crossing is needed, and is the preferred type of stream crossing for most projects. If the stream bed is coarse, cloth and gravel may not be needed in the stream bed portion of the crossing. If this is the case, do not count the square footage of the crossing in the stream bed toward the contract. This practice is measure by the square foot.

### *Culvert Installation Scenario*

This 578 scenario should be planned for any size and type of culvert unless the intent of the culvert is to meet the 396 Aquatic Organism Passage. If 396 is the goal please contact the Area Office staff for guidance. Quantity is based on diameter (inches) of the culvert x length (feet) of culvert; (ex. 30" culvert that is 40' long = 30 x 40 = 1200 in-ft.).

\* Note – Contact NRCS Area Office Staff if any barrier to aquatic organism movement exists (dam, perched culvert, etc.) to see if any practice scenario is applicable to remove the barrier.

## *572 – Spoil Spreading Scenario*

This practice may be planned when significant amounts of spoil are generated on projects with high banks. The practice is measured by the cubic yards of spoil generated from bank grading/benching that must be moved away from the stream corridor and stabilized. Do not plan this practice for any other earth moving activities other than bank excavation and spoil disposal. This practice is measured by the cubic yards of earth moved. Plan 342 Critical Area Planting along with this practice to stabilize the spoil.

Spoil spreading calculations must be presented to support payment quantities. Spoil quantities are excess spoil from bank grading that must be disposed of *on site*. Spoil material contracted may not be sold or hauled offsite.

## *342 – Critical Area Planting – Native and Introduced Vegetation – Moderate Grading Scenario*

This practice will be implemented to establish herbaceous cover over areas disturbed during construction activities. Do not plan this item below top of bank where 580 is applied. This practice is measured by the acre.

*612 – Tree/Shrub Establishment – Hand plant bare root hardwoods, no tubes Scenario*

This practice will be implemented to establish a woody vegetative buffer on the terrace/floodplain. Approximate planting spacing is 12'x12' grid. Do not plan this item below top of bank where 580 is applied. Use when a buffer with an average width of less than 35 feet will be established. This practice is measured by the acre.

*612 – Tree/Shrub Establishment – Hand plant bare root hardwoods, with tubes, 300 per acre Scenario*

This practice will be implemented to establish a woody vegetative buffer on the terrace/floodplain where wildlife or other concerns validate the need for tubes on the plantings. Approximate planting spacing is 12'x12' grid. Do not plan this item below top of bank where 580 is applied. Use when a buffer with an average width of less than 35 feet will be established. This practice is measured by the acre.

*391 – Riparian Forest Buffer – Bare root shrubs, 300 per acre, no tubes Scenario*

This practice will be implemented to establish a woody vegetative buffer on the terrace/floodplain where the **average width will be equal to or greater than 35 feet**. Approximate planting spacing is 12'x12' grid. Do not plan this item below top of bank where 580 is applied. This practice is measured by the acre.

*391 – Riparian Forest Buffer – Bare root hardwoods, 300 per acre, with tubes Scenario*

This practice will be implemented to establish a woody vegetative buffer on the terrace/floodplain where the **average width will be equal to or greater than 35 feet** and where wildlife or other concerns validate the need for tubes on the plantings. Approximate planting spacing is 12'x12' grid. Do not plan this item below top of bank where 580 is applied. This practice is measured by the acre.

### ***390 – Riparian Herbaceous Buffer – Pollinator Habitat***

This practice will be implemented to establish pollinator habitat enhancement as a component of the vegetated stream buffer. There is no minimum width unless this practice is implemented specifically to maintain or improve water quality (ex. filter from concentrated livestock area, excessive erosion from crop field, or other identified source of pollution). If the practice is installed primarily to maintain or improve water quality then minimum buffer width shall be increased to 2.5 times stream bank full width.

This practice is measured by the acre. Do not plan 342, 612, or 391 on the same acreage as this practice.

Additional requirements: A minimum of nine (9) species MUST be included in the planting specification. Only two (2) grasses may be included in the prescribed seeding mix. At least three (3) species shall have their primary blooming period during each of the following time frames: Period 1: April 1 – June 15; Period 2: June 15 – July 31; Period 3: August 1 – October 31. The Planting Specification Worksheet and Native Pollinator Seed List OR a list that has been developed by an appropriate experienced professional (e.g., wildlife biologist, biologist, WRC biologist, entomologist, etc.; if in question, please contact the NRCS State Biologist) can be utilized to identify appropriate species for the site.

### ***484 – Mulching – Erosion Control Blanket Scenario***

This practice may be planned with 612 – Tree/Shrub Establishment or 391 – Riparian Forest Buffer. This practice could be used to mulch around desirable trees planted after removal of invasive plants on a section of stream bank with stable cross-section dimensions. Do not plan this practice on the same footage where 580 is planned. Do not plan this practice for extensive matting installation on the floodplain. This practice is measure by the square footage of area treated.

***All NRCS practice standards and statements of work can be found on the [eFOTG](#).***

## Attachment 2 – DWR/DEQ Required Forms Checklist

Form	Form Name	Relevance	Applicability	Signatory
<a href="#">NRCS-CPA-1155</a>	Conservation Plan or Schedule of Operations	Contract support document outlining practice amounts and costs.	Grant Application	NRCS, Landowner
	EQIP Eligible Practices Spreadsheet	Needed if non-eligible stream restoration practices are included in the 1155 form.	Grant Application	N/A
<a href="#">NRCS-CPA-1156</a>	Revision of Plan/Schedule of Operations or Modification of a Contract	Contract support document for modifications to original project scope.	Submit TO DWR if completed by NRCS.	NRCS, Landowner
	Official Resolution	Adopted by the governing board stating the amount of state aid requested and accepting the Applicant's responsibilities.	Grant Application	Applicant (SWCD)
	Resolution Affirmation	Affirms terms/ conditions of adopted Official Resolution for contractual purposes.	Grant Application	Co-Applicant
	No Conflict of Interest Certification	Members of project team have no conflict of interest with respect to the project.	Grant Application	Applicant, Co-Applicant; sign separate documents.
	Applicant's No Conflict of Interest Policy	Applicant's written policies regarding conflicts of interest.	Grant Application	Applicant,
	Co-Applicant's No Conflict of Interest Policy	Co-Applicant's written policies regarding conflicts of interest.	Grant Application	Co-Applicant
<a href="#">W-9 Form</a>	IRS Request for Taxpayer Identification Number and Certification	For registration in NC <a href="#">E-Procurement</a> & State Accounting System	Electronic Reimbursement Payments	Applicant (SWCD)
<a href="#">MS&amp;NCD Form 0008</a>	State Grant Certification – No Overdue Tax Debts	Co-Grantee does not have any overdue tax debts.	DEQ Contracting	Co-Grantee
<a href="#">NRCS-CPA 1245</a>	Payment Application	Used to calculate actual DEQ total reimbursement amount.	Grantee submits to DWR prior to Project Close-Out.	NRCS, Landowner
	WRDG Close-Out Checklist	Used to obtain and confirm required grant close-out information	Grantee or Co-Grantee submit to DWR prior to Project Close-Out site inspection.	Grantee or Co-Grantee
	No Overdue Taxes	Used to confirm IRS tax status.	Grant Application	Co-Grantee





## Water Resources Development Grant Program

### **Reimbursement Request Instructions – State & Local and NRCS-EQIP**

Expenditures incurred after a fully-executed contract has been issued that are detailed in the grant contract budget are eligible for reimbursement. Allowable expenditures are expenditures associated with the work performed for a specific invoicing cycle that are in accordance with the most recent version of the DWR-approved contract scope of work and budget sheet for the project. Grantees/Co-Grantee's are required to track project expenses using the most recent version of our *Reimbursement Tracking Summary* spreadsheet. **All required reimbursement forms can be downloaded from our [website](#) under the *Reimbursement Requests* heading.**

#### **Reimbursement Timeframes**

Reimbursement requests can be submitted no more frequently than monthly but shall be submitted at least quarterly, or every three months once reimbursable project expenses are incurred. DEQ will normally reimburse the Grantee or Co-Grantee electronically or by mailed check within 30 days of receipt of a completed reimbursement payment request, provided the expenses are in accordance with the budget/contract information, or as amended. **Processing times may take longer for the following situations: 1.) if the information submitted by the Grantee/Co-Grantee is incomplete or erroneous; or 2.) during DEQ fiscal-year end financial closeout activities in June. Payments for reimbursement requests submitted after May 31 are generally not made to the Grantee/Co-Grantee until mid-July.** Per DEQ contract requirements, 10 percent of the grant award shall be retained until a close-out site visit has been completed and any remedial or compliance actions identified during this close out inspection have been fully addressed by the Grantee/Co-Grantee.

- **Effective For Spring 2021 Application Cycle projects and subsequent:** A quarterly status update shall be emailed to the DWR Grant Administrator once project expenses have been incurred during the grant contract period, for any quarterly cycle, or three-month period, in which a reimbursement request was not submitted. This brief update shall include what project activities have been completed during the most recent quarter(s), anticipated project activities for the next quarter(s) and anticipated timeframe for the next reimbursement request.

#### **Administrative Costs**

Reimbursable administration costs include only those reasonable costs of labor needed to comply with the general conditions of the DEQ grant contract such as the direct labor costs associated with preparing reimbursement requests and conducting overall project management. Additional reimbursable costs can include professional services contracted by the Grantee/Co-Grantee or compensation to the Grantee's/Co-Grantee's independent contractors (e.g., temporary office support), payable at the Grantee's/Co-Grantee's actual cost rate. **Costs not eligible for reimbursement include sales tax, audits, direct phone costs, direct postage costs, grant recipient's overhead (indirect) cost, including, rent, utilities, insurance costs, facility costs, general office, general phone and general postage costs.**

- **Effective For Spring 2021 Application Cycle projects and subsequent:** A completed *Administrative Statement of Time* form will be required to account for all administrative time for each reimbursement request.



### **In-Kind Contributions**

If the Grantee's contributions include "[In-kind](#)" expenses listed in the most recent version of the grant contract budget such as donated or volunteer time, materials or equipment completion of the documentation listed below is required.

- In-kind Statement of Time: for Grantee staff time: Individuals name, title, tasks, hourly rate, and number of hours
- In-kind Equipment & Materials: for Grantee materials: Quantity of materials, unit rate or equipment rental rate and number of hours. Invoices, receipts or other supporting documentation shall also be included with these sheets.
- Basis For Claimed Value of Land: completion of this form is required if an In-kind land amount for donated property is listed in the application budget. Once the land transfer has been completed an appraisal, HUD Settlement Statement and/or copy of recorded conservation easement shall be submitted prior to the final reimbursement request. See following three Land Transfer sections immediately below for additional information..

### **Land Transfers**

**Acquisitions & Donations:** Grant funding and reimbursements for land acquisitions are only eligible for Water-Based Recreation projects. DEQ will not reimburse any portions of land purchases that exceed 10% of the appraised land value but may reimburse up to a maximum of \$20,000 beyond the appraised land value. **The costs associated with land acquisition or donation for non-Water-Based Recreation projects can designated as an In-kind matching contribution for the project. Appraisals are required for land transfers if the total value of any given parcel exceeds \$100,000.** The appraisal shall be performed by an independent certified appraiser acceptable to, and consistent with regulations and/or policies of the State Property Office. The value of land/easements can be used as In-Kind match if donated for the project, not property currently owned by the local government or with easements currently in place.

**Prior To The Grant Application Submission:** If the land transfer was legally executed prior to the application submission, this transfer must have been executed no more than 14 months prior to the WRDG grant application date in order for the costs to be eligible for use as a matching contribution. A completed DWR *Basis For Claimed Value of Land Transfers* form and copies of land valuation and transfer documentation such as a current or recent certified appraisal, HUD Settlement Statement, conservation easement deed and official municipal GIS valuation showing the current property tax valuation assessed by the County Tax Assessor's Office is required as part of the application submittal.

**After The Grant Application Submission:** If the land transfer will be legally executed after the application submission but prior to the grant contract expiration date, the Grantee shall complete a DWR *Basis For Claimed Value of Land Transfers* form based on the best available documentation listed in the section directly above and include this form with the application submittal. After the transfer has been legally executed the Grantee shall submit the remaining documentation listed in the section above at some point during the reimbursement process, prior to the Grantee's final payment request and prior to the grant contract expiration date.

### **Invoices and Supporting Documentation**

Invoices should be submitted in accordance with the most recent version of the WRDG State & Local or NRCS-EQIP Guidelines. Invoices, receipts or other supporting documentation such as Applications and Certifications For Payment, WRDG Administrative/In-kind Statements of Time, another grant contract agreement or land transfer forms must be provided that support all contributions listed on the reimbursement tracking spreadsheet submitted for each reimbursement request. Invoices should reflect allowable expenditures associated with the work performed for a specific invoicing cycle that are approved by the Department in accordance with the Agency Guidelines and or most recent grant budget sheet. Invoices shall have the project name or DEQ contract number on them in order to be accepted as a matching contribution.

**DWR requests that a single document in Adobe PDF format be submitted for each reimbursement request that includes a cover letter and supporting documentation. Invoices shall be provided in the order they are listed in the tracking spreadsheet to facilitate more efficient review and processing of reimbursement requests.**

- **Effective For Spring 2021 Application Cycle projects and subsequent:** All project-related invoices, receipts, and/or supporting documentation such as another grant contract agreement, including that related to the Grantee’s matching funds listed in the most recent DEQ-approved project budget, shall be submitted and should generally reflect total project costs at project close out. **Any matching funds reported for an individual reimbursement request shall be supported by copies of invoices and cashed checks and/or other supporting documentation.** These matching funds must be for activities necessary for the completion of the project.

DWR understands that there may be situations where this may not be reflected, such as with larger projects that have multiple sources of local, state and federal funding, or if invoices reflect only a portion of materials purchased for the project. For those situations, the Grantee shall complete a *Grant Match Summary* sheet that clearly lays out the different funding sources tied to each invoice. Additionally, invoices that are tied to multiple grant funding sources, or that only have a portion of expenses that reimbursement from DEQ is being requested for, shall be annotated to clearly show the contribution (match) allocations.

### **Budget Changes**

If any changes to the approved grant contract budget or project scope are necessary, the Grantee shall email a request in writing to the DWR Grant Administrator. If the budget changes are approved by DWR, an amendment to the existing DEQ contract will be required if there are changes to the DWR award amount or total project costs. Unapproved changes may not be eligible for reimbursement.

### **Submission of Reimbursement Request**

A complete reimbursement request submittal shall include the information listed below. DWR requests that a single document in Adobe PDF format be submitted for each reimbursement request that includes a cover letter and project invoices, receipts or DWR statements.

- 1) A Cover Memo/Letter signed and dated on the Grantee’s official letterhead that lists:
  - a) DEQ Contract Number
  - b) total amount of the reimbursement request
  - c) actual cost (expenses) by approved budget categories
  - d) total amount spent on the project to date



## Water Resources Development Grant Program

**Note: a justification statement shall be included in this letter for all requests submitted after the DEQ contract expiration date.**

- 2) Copies of all subcontractor invoices, WRDG Administrative/In-kind Statements of Time, or other documentation for materials, services and other project costs. **Invoices shall include a brief description of the work performed for each budget category task.**
- 3) A completed *Reimbursement Tracking Summary* spreadsheet submitted in an Excel file, not in an Adobe PDF format. Please use the *Nonfederal* sheet for projects that do not include any federal funding. Please use the *Federal* sheet if the project involves federal funding. Please use the *NRCS-EQIP* sheet for stream restoration projects that include cost-share funding through this federal funding program. **The Total expenses reflected in the Cost & Invoicing documentation column should equal the total project costs at project close out.**

The reimbursement request and supporting documentation shall be emailed to:

NC Division of Water Resources  
Attn: Amin Davis  
1617 Mail Service Center  
Raleigh, N.C. 27699-1617  
[amin.davis@deq.nc.gov](mailto:amin.davis@deq.nc.gov)

## Attachment 4 - Grant Reimbursement Example

**Project Cost:** \$400,000

**Federal NRCS-EQIP Estimate:** \$200,000

**Nonfederal Cost Share:** \$200,000

**DEQ Maximum Grant Award:** \$100,000

**DEQ 90% Reimbursement:** \$90,000

Invoice #1	Administration	Design	Permitting	Construction Oversight	Construction
Amount	\$1,000.00	\$12,000.00	\$2,000.00		

DEQ Payment Amount	\$15,000.00

---

Invoice #2	Administration	Design	Permitting	Construction Oversight	Construction
Amount	\$3,000.00			\$2,000.00	\$50,000.00

DEQ Payment Amount	\$55,000.00

---

Invoice #3	Administration	Design	Permitting	Construction Oversight	Construction
Amount	\$2,000.00			\$2,000.00	\$26,000.00

DEQ Payment Amount	\$20,000.00
10% Retainage	\$10,000.00

---

Payments	Amount
#1	\$15,000.00
#2	\$55,000.00
#3	\$20,000.00
#4 (Post close-out inspection)	\$10,000.00
<b>Total DEQ Payment</b>	<b>\$100,000.00</b>