

DEPARTMENT OF  
**ECOLOGY**  
State of Washington

**FY 2012 Supplemental Statewide  
Stormwater Grant Program  
Funding Guidelines**

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## Publication and Contact Information

This report is available on the Department of Ecology's website at [www.ecy.wa.gov/biblio/1310022.html](http://www.ecy.wa.gov/biblio/1310022.html)

For more information contact:

Water Quality Program  
P.O. Box 47600  
Olympia, WA 98504-7600

Phone: 360-407-6600

Washington State Department of Ecology - [www.ecy.wa.gov](http://www.ecy.wa.gov)

- Headquarters, Olympia 360-407-6000
- Northwest Regional Office, Bellevue 425-649-7000
- Southwest Regional Office, Olympia 360-407-6300
- Central Regional Office, Yakima 509-575-2490
- Eastern Regional Office, Spokane 509-329-3400

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# **FY2012 Supplemental Statewide Stormwater Grant Program**

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## **Funding Guidelines**

Water Quality Program  
Washington State Department of Ecology  
Olympia, Washington

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# Table of Contents

|  | <u>Page</u> |
|--|-------------|
| Table of Contents .....                                      | iii         |
| Summary .....  | iv          |
| FY2012 Supplemental Statewide Stormwater Grant Program ..... | 1           |
| Evaluation Criteria .....                                    | 5           |
| Ecology's Project Management Team .....                      | 5           |
| Agreement Development .....                                  | 6           |
| Project Budget.....  | 6           |
| Bid Overruns .....   | 6           |
| Change Orders .....  | 7           |
| Bids below .....   | 7           |
| Disbursement of Funds .....                                  | 7           |
| Amendment Process.....                                       | 7           |
| Extensions .....   | 7           |
| Progress Reports .....                                       | 7           |
| General Terms and Conditions .....                           | 8           |
| Special Terms and Conditions .....                           | 8           |
| Equipment Purchase/Equipment Fees.....                       | 8           |
| Incurring Eligible Costs .....                               | 8           |
| Payment processing .....                                     | 8           |
| Performance Measures.....                                    | 9           |
| Program Schedule and Key Dates to Remember .....             | 9           |

## Summary

The 2012 State Legislature provided \$67M through appropriation provisions for statewide stormwater construction projects. The Department of Ecology (Ecology) made funding offers on May 1, 2012 to 117 grant applicants. For varying reasons, some applicants declined their funding offers or reduced the amount of funding for their projects. Ecology is providing the declined/deobligated funds in a new competitive funding opportunity called the FY2012 Supplemental Statewide Stormwater Grant Program. Eligible applicants may use the funds to:

- Construct retrofit projects of existing stormwater facilities.
- Design/construct retrofit projects of existing stormwater facilities.
- Implement low impact development techniques.

Ecology expects projects to be completed by June 30, 2015.

The amount available for the Supplemental Statewide Stormwater Grant Program is \$7.027M. Ecology is offering the funding through a competitive grant program to NPDES Phase I and II city, town, county, and port district municipal stormwater permittees.

### **How to Use These Guidelines**

These guidelines describe the process to apply for funds from the *FY2012 Supplemental Statewide Stormwater Grant Program*. The guidelines also explain what will be required of a local government once a grant is awarded. Ecology does not intend that the guidelines are a comprehensive listing and explanation of all rules and policies that may apply to funding. The guidelines provide initial information on the the grant approval process and the steps of administering a funded project.

# FY2012 Supplemental Statewide Stormwater Grant Program

## Funding Program Purpose

The *FY2012 Supplemental Statewide Stormwater Grant Program* provides funding to jurisdictions covered by the NPDES Phase I and II Municipal Stormwater permits for:

- Construction or Design/Construction retrofit projects of existing stormwater facilities in areas where stormwater is a significant source of contamination.
- Construction or Design/Construction projects that implement low-impact development (LID) techniques.
- Other eligible projects may include, but are not limited to:
  - New or retrofit construction of Vactor Waste Decant Facilities.
  - Installation of pre-treatment/oil control facilities upstream of existing drywells.
  - Stormwater quality treatment and flow control to reduce stormwater flows to combined sewers.

## Financial Assistance Provisions

### Eligible Applicants

This is a competitive grant process open to cities, towns, counties, and port districts covered by the Phase I, Western Washington Phase II, or the Eastern Washington Phase II Municipal Stormwater Permits.

Eligible port districts may apply for funding for port-operated facilities. Projects that are located at lessee-operated facilities on port property and are necessary to meet an industrial stormwater permit requirement are not eligible for funding.

Eligible applicants may partner on projects with non-eligible communities or entities. Ecology will consider the eligible applicant the lead agency on the agreement; the lead agency must collaborate and coordinate with the partners.

**NOTE:** The *FY2012 Supplemental Statewide Stormwater Grant* funds may not be used to augment funding on projects that received stormwater grant funds through the *FY2011 SWRLID* or *FY2012 Statewide Stormwater Grants* or *Provisos*. This funding opportunity is to be used on new project proposals not previously funded through Ecology.

### Available Funding and Ceiling Amounts

Ecology will distribute a total of \$7,027,000 as grant awards under this program.

The maximum grant award amount for individual projects is \$1,000,000 of total eligible costs. Multiple departments from one jurisdiction may apply for funding. An eligible jurisdiction may

not receive more than \$5,000,000 in grant amounts for all projects offered funding within the *FY2012 Supplemental Statewide Stormwater Grant Program*.

### **Match Requirement**

Recipients are required to provide a 25 percent cash only match. In-kind contributions are not eligible for this program.

### **Application Process**

Potential applicants may request an application packet, including the application form and these guidelines. Application materials are also available electronically on Ecology's Web site at:

<http://www.ecy.wa.gov/programs/wq/funding/FundingPrograms/OtherFundingPrograms/StWa12a/FY12aStWa.html>

### **The application has two parts:**

**Part 1** requires the applicant to provide general applicant information, project location, and the amount of funds requested.

**Part 2** is the scored portion of the application and requires the applicant to provide detailed information about the project and the water quality results envisioned. Ecology staff will use the answers in Part 2 of the application for the evaluation process.

### **Application Submittal:**

1. Mail one hardcopy with original signature, two additional photocopies, and an electronic copy on a CD. Include a MS-WORD version of the complete application on the CD.
2. All application materials must be received at Ecology headquarters prior to 5:00 p.m., Friday, June 14, 2013. **Application packets received after the deadline date and time will not be considered for funding.**
3. Faxed or emailed submittals will not be accepted.

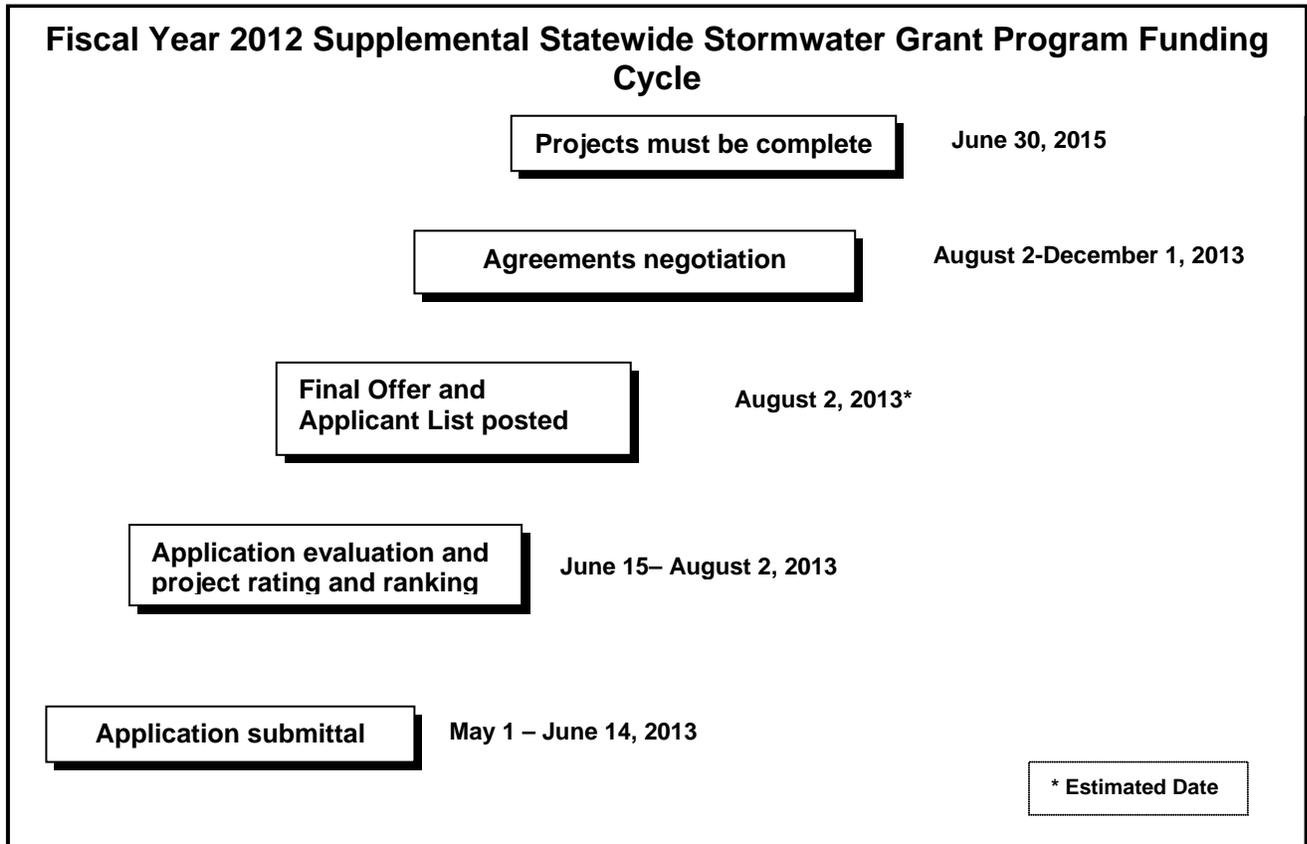
### **Submit original signed paper version and copies to:**

#### **U.S. Postal Mailing Address:**

Department of Ecology  
Water Quality Program  
Financial Management Section  
P.O. Box 47600  
Olympia, WA 98504-7600

#### **Overnight Mail or Hand Delivery Address:**

Department of Ecology  
Water Quality Program  
Financial Management Section  
300 Desmond Drive  
Lacey, WA 98503



## Application Requirements

The following requirements apply to all applicants applying for funding through the *FY2012 Supplemental Statewide Stormwater Grant Program*. The grant program is for construction and design/construction projects that retrofit an existing stormwater facility or implement LID techniques. Planning and design projects without construction of the facility are not eligible for this funding opportunity.

Ecology will accept applications for projects where State Environmental Policy Act (SEPA) and Cultural Resources review are not yet complete. However, applicants that have completed SEPA and Cultural Resources review for their projects at the time of application will score more points in the application review process for *Readiness to Proceed*. **Grant recipients must complete** Environmental and Cultural Resource reviews prior to beginning any ground disturbing activities on the project.

All construction stormwater projects must meet the following requirements prior to receiving grant funding:

- State Environmental Policy Act (SEPA).
- Cultural Resource Review coordinated through Ecology with the Department of Archeology & Historic Preservation (DAHP) and affected tribes to comply with the Governor's Executive Order 05-05.

- If federal funding (e.g. Washington State Water Pollution Control Revolving Fund) is used as match for a stormwater project, the applicant must complete the State Environmental Review Process (SERP) prior to signing a funding agreement.

## **Bid Package Requirements**

Construction projects funded under this program must include the state specification insert in their bid packages. Applicants can obtain the specification inserts from Ecology regional offices.

## **Growth Management Act Compliance**

Ecology does not require applicants to comply with the Growth Management Act (GMA) prior to applying for or receiving funding from this program. However, Ecology strongly encourages GMA compliance, because other funding sources may require it to be eligible for funding. Ecology will use compliance with GMA as one factor when evaluating the applications for available funding.

## **Ineligible Projects or Project Components**

Ineligible projects or project components may include, but not be limited to:

- Projects previously awarded funding through the FY2011 SWRLID or FY2012 Statewide Stormwater Grants or Provisos.
- Projects without water quality or hydrologic benefits.
- Construction for new development or redevelopment; construction projects for potential growth.
- Construction projects solely on industrial, commercial, or private properties.
- Projects located at lessee-operated facilities on Port property, which are necessary to meet the lessee's industrial permit requirements.
- Flood control projects.
- Stream restoration projects.
- Land acquisition.\*
- Non-stormwater related portions of large projects that have a stormwater component.
- Vehicle wash down areas.
- Contaminated soil or sediment removal.
- Equipment purchase will be considered on a project-by-project basis.
- Treatment of process water (e.g. Projects where process water and stormwater are combined).
- Installation of new technologies that are going through the TAPE (Treatment Assessment Protocol – Ecology) for Pilot Level Use Designation (PULD) or Conditional Use Level Designation (CULD).
- Monitoring of emerging technologies in TAPE or going through the TAPE process.

\*NOTE: Proposed land acquisition must be solely for the stormwater collection, flow control, or treatment area. Ecology may consider land acquisition on a project-by-project basis for the sole purpose of stormwater collection, flow control, or treatment.

## Evaluation Criteria

- Scope of Work – Overall quality of project proposed (25 percent)
- Project Budget (10 percent)
- Water quality protection, restoration, improved hydrology, and other positive impacts. (30 percent)
- Project Team (5 percent)
- Project Development, Prioritization, and Partnering (5 percent)
- Readiness to proceed (15 percent)
- Early adopters of new regulations and effective new technology (5 percent)
- Hardship communities (5 percent)

## Ecology's Project Management Team

The funding agreement is the formal written contractual arrangement signed by authorized representatives of the recipient and Ecology. The agreement includes at a minimum: an approved scope of work, total project costs, a budget, and performance schedule. Ecology assigns a Project Management Team to each funded project. The team consists of:

- A **project manager** from the regional office nearest the recipient (primary contact for technical assistance and day-to-day questions).
- A **financial manager** from the Lacey headquarters office.
- A **project engineer** from either Lacey headquarters or the regional office.

The **financial manager** reviews and approves payment requests and helps the project manager negotiate agreements and track performance. The **project manager** is the point of contact for all project related questions and works with the financial manager to resolve payment or eligibility issues if they arise.

Ecology will assign a **project engineer** to provide engineering technical assistance, conduct engineering review and approvals, and determine eligibility of project components. The engineer may also serve as the project manager.

## Environmental Review Requirements

### SEPA and State Environmental Review Process

All recipients must comply with State Environmental Policy Act (SEPA). The recipient must complete SEPA requirements prior to receiving state funds. Additionally, recipients must comply with all other applicable state and federal environmental statutes, regulations, and executive orders, if federal funding is used as match.

If the Washington State Water Pollution Control Revolving Fund is used as match the recipient must complete the State Environmental Review Process (SERP). In addition, if other funding agencies are involved, the applicant needs to coordinate with those other funding agencies to avoid duplication of SERP or the National Environmental Policy Act review process. For further information on SERP the applicant should contact Ecology's regional project manager.

## **Historic and Cultural Resources Review**

Many projects have the potential to significantly impact culturally or historically important locations or artifacts. Ecology is working with the Department of Archeology and Historic Preservation (DAHP) to meet all state or federal requirements regarding cultural and historic preservation. All projects that disturb soils from their natural state must comply with the corresponding state or federal law. Staff from Ecology's Water Quality Program will help grant recipients follow the appropriate steps to work with DAHP and corresponding tribes to determine if a site has the potential of disturbing or significantly impacting cultural or historic resources.

Recipients should contact their Ecology Project and Financial Managers for detailed information, guidance, procedures, and other related resources. Information is also available on the DAHP website: <http://www.dahp.wa.gov/>

## **Agreement Development**

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 with a clearly defined project proposal that includes measurable objectives and an accurate budget.

To speed development and processing, Ecology standardizes much of the funding agreement content with boilerplate language that includes general and special terms and conditions and other requirements that are necessary because of state and federal laws. Ecology incorporates these requirements as attachments to the agreement.

After the agreement is developed, Ecology's Project Management Team will complete a quick funding program review. The financial manager will then send the funding agreement to the applicant for signature. The applicant will send the funding agreement back to Ecology for the final signature by the Water Quality Program Manager or the authorized designee. The agreement becomes effective once signed by Ecology's program manager. A fully signed original will be returned to the recipient. Note that the applicant becomes the recipient once the agreement is signed.

## **Project Budget**

The funding agreement must include a project budget that establishes eligible costs for task elements or budget objects. The budget will also detail funding sources, amounts, and type of matching requirements. Ecology's financial manager will help answer questions about budget development during project negotiations.

## **Bid Overruns**

Depending on funding availability:

- If the low responsive responsible construction bid(s) exceeds the engineer's estimate of construction costs, the department may approve funding increases for up to ten percent of the engineer's original estimate.
- Requests for increases will be decided on a case-by-case basis.
- Requests for increases will be considered on a first-come-first-serve basis.

- Project ceiling amounts apply.

## **Change Orders**

Depending on funding availability:

- Ecology may approve funding for change orders for up to five percent of the eligible portion of the low responsive responsible construction bid(s).
- Requests for increases will be decided on a case-by-case basis.
- Requests for increases will be considered on a first-come-first-serve basis .
- Project ceiling amounts apply.

## **Bids below Engineer's Estimate**

Following a bid award to the low, responsible bidder, grant awards will be adjusted to comply with the ceiling and match requirements.

## **Disbursement of Funds**

Ecology will disburse funds on a cost-incurred basis.

## **Amendment Process**

Modifications and changes to the funding agreement may become necessary. The recipient and Ecology's project team must negotiate changes and execute a formal amendment to the funding agreement to reflect those changes.

## **Extensions**

- Time extensions are discouraged by Ecology.
- Recipients should request a time extension at least three months prior to the expiration date of the funding agreement.

## **Progress Reports**

Ecology requires recipients to submit progress reports on a regular basis. Progress reports that include a disbursement request must describe the Scope of Work item for which disbursement is requested. Unless specified in the funding agreement, recipients submit progress reports quarterly for the following periods:

- January 1 through March 31
- April 1 through June 30
- July 1 through September 30
- October 1 through December 31

Quarterly progress reports are due 15 days following the end of the quarter being reported.

## **General Terms and Conditions**

General Terms and Conditions are general requirements contained in all Ecology grant agreements and are not negotiable. The General Terms and Conditions are found in the *Administrative Requirements for Grants and Loans*, Publication No. 91-18, available at <http://www.ecy.wa.gov/biblio/9118.html>.

## **Special Terms and Conditions**

Special Terms and Conditions are written into an agreement to modify or clarify project elements that are specific to the project or the program guidelines. Special Terms and Conditions are consistent with the General Terms and Conditions but may be more specific or restrictive.

## **Equipment Purchase/Equipment Fees**

Equipment purchase will be considered on a project-by-project basis and must be approved by the Ecology Project Management Team. If equipment is owned by the recipient an appropriate use fee may be charged.

A use fee for equipment owned by the recipient or used through a valid interlocal agreement:

- Must be justifiable, fair, and reasonably attributed to the project.
- Must directly satisfy the project scope of work.
- Must be shown to be cost effective.
- Cannot exceed the acquisition cost of the equipment or facilities.
- Cannot exceed the rental rate or purchase price for comparable equipment or facilities in the recipient's market.

## **Incurring Eligible Costs**

The recipient can begin incurring costs as of the Offer List date.

## **Payment processing**

### **Payment holds or termination**

If a recipient does not satisfy conditions in the funding agreement, Ecology may terminate the agreement and request that the recipient repay all of the funds disbursed, withhold a payment, or decrease the payment by the amount proportionate to the costs associated to the incomplete work.

### **Submitting a payment request**

The recipient must submit a payment request at least quarterly, but no more frequently than monthly. The recipient must submit a completed A19 Invoice Voucher and all required forms to Ecology's financial manager. The recipient's authorized signatory must sign the A19 Invoice Voucher, preferably in blue ink. If the costs are eligible and project progress is acceptable, Ecology's financial manager will approve the request. If not, the financial manager and project manager will work with the recipient to resolve the issue.

## Payment requests forms

Payment requests must include the following forms:

- A State of Washington Invoice Voucher Form A19-1A
- Running Budget Summary Form B2 (ECY 060-7)
- Voucher Support Form C2 (ECY 060-9)
- Contractor Participation Report Form D (ECY 060-11)

Where applicable, payment requests should also include the following:

- Monthly Time Sheet Form E (ECY 060-12)
- Conversion to a Composite Hourly Billing Rate for an Employee Form H (F-21)

Ecology's financial manager may request additional documentation to support the costs reflected in a payment request at any time. Recipients must keep supportive documentation available in project files for the duration of the project and for five years following project completion.

## Performance Measures

### Water Quality Program Goals

- Prevent and clean up water pollution.
- Help communities make sustainable choices that reduce and prevent water quality problems.
- Provide water quality partners with technical and financial assistance to produce useful water quality information for the public and our partners.

## Program Schedule and Key Dates to Remember

1. **May 1– June 14, 2013:** Application Period
2. **June 15– August 2, 2013:** Application Review and Evaluation Period
3. **August 2, 2013:** Ecology responds to comments, Final Offer and Applicant List Posted, Offer Letters mailed
4. **August 2 – December 1, 2013:** Contract negotiations
  - a. Costs may be incurred as of the Offer List date, but are at the sole responsibility of the recipient until there is a fully negotiated and signed agreement.
  - b. The **expiration date** of an agreement is the last date on which costs may be incurred and be considered eligible. Any costs incurred after the expiration date are not eligible. **The expiration date of this program is June 30, 2015.**