

April 6, 2016

## FY 2018-19 Biennial Budget Request (BBR) Frequently Asked Questions (FAQs)

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This FAQ will be updated on a weekly basis through Friday, April 15, 2016 if new questions are received. If you have a question that you do not see here, please contact your Board Conservationist or send it to Jeff Hrubes at [Jeff.Hrubes@state.mn.us](mailto:Jeff.Hrubes@state.mn.us) for inclusion in an update of this document.

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### General/Miscellaneous

#### **Q1. How does the BBR help BSWR?**

**A1.** In recent years local conservation needs have been underfunded partly because local government priorities are not factored into the front end of the State budgeting process. In the past, the State budget process did not take into account local government priorities until after funds are appropriated by the Legislature. The BBR is intended to ensure that local government water management priorities are considered before funds are appropriated. In addition, the BBR will:

- Serve as the required Soil and Water Conservation District form for requesting Program and Operations Grants.
- Support local government water management planning and project development; and
- Improve State and local coordination of funds used by local governments for project and activity implementation.

#### **Q2. How will the BBR improve operations for local governments?**

**A2.** A key goal of the BBR is to improve the information available for budget preparation and project development, while continuing to keep administrative costs as low as possible. However, with increasing State funds come increasing requirements for transparency and accountability. The BBR, along with associated changes to BWSR grant programs will maintain or improve overall efficiency as follows:

- Serve as the Soil and Water Conservation District request for Program and Operations Grants
- The BBR will be developed once every two years instead of annually as required for the documents and process it will replace;

#### **Q3. Why can't BWSR use eLINK reports for the information that will be provided through the BBR?**

**A3.** eLINK reports only provide information on what has been accomplished in the past. The BBR module in eLINK will collect information on projects and activities that may be funded with *future* State appropriations.

#### **Q4. What programs should the BBR include?**

**A4.** BWSR is using the BBR as a way to address the needs of all State funds that are appropriated to fund local conservation work and local water management plan activities This includes Program and Operations Grants from BWSR that are principally funded by General Funds, Competitive project grants that are funded with Clean Water Funds appropriated to BWSR

, and state funds from other agencies such as the DNR, MPCA, MDA and MDH that could be used to implement planned water management activities such as monitoring, habitat improvements wellhead protection or nutrient management . Water management plan budgets that have an estimated amount and source of funds can be used as a guide to enter activities in the FY 16-17 biennium BBR.

**Q5. When and how are LGU's informed that their project or activity was ranked eligible or ineligible?**

**A5.** "Eligibility" as such is not a primary evaluation for the FY 16-17 BBR, Projects or activities that seem to contravene state statute or rule or are unlikely to be permitted for construction during the FY 2018-19 biennium, may require further explanation. The BBR is not intended to be a list of all things in the water management plan, but those things planned for and able to be accomplished in the biennium. An evaluation of local capacity, scope of project, etc. to complete the listed activities with available and requested resources may be considered. LGUs should be in contact with their Board Conservationist or Clean Water Specialist as they develop their BBR.

**Q7. How will the information provided in the BBR be packaged and presented to the Governor?**

**A7.** BWSR will review the BBRs submitted by individual local governments and bundle the information for planned projects and activities submitted via the BBR. Summaries of estimated budgets, Activity types, water plan category and watershed location will be used to convey the types of activities local governments are prepared to undertake and where the projects are located. Projects and activities pertaining to other agency funding will be shared with those agencies as well.

**Q8. What is the incentive for a WMO or Watershed District or City that typically receives no program money from BWSR, to complete the BBR?**

**A8.** Local governments other than SWCDs and Counties are not required to prepare a BBR, but all LGUs who may apply for or seek to use BWSR Clean Water Funds or other state agency funds to address local water management priorities are encouraged to complete and submit a BBR. Submitting a BBR will ensure that state agencies have the most complete data possible on local projects that can be implemented, at least in part, with State funds. In addition, while our plans are still under development, BWSR intends to use the BBR data in our FY2018-19 grant programs.

**Q9. How specific does the connection to a TMDL implementation plan need to be? Does the individual project need to be in the plan or will it be sufficient if the TYPE of project is listed in the plan?**

**A9.** As always, the more specific the connection between the project or activity listed in a BBR and the plan, the better. However, it is sufficient if the type of project is listed in the plan, it is also sufficient if a project or activity is not listed in a plan, but can reasonably be expected to address the water quality concern identified in that plan. As with local water management plans, information in the BBR is not intended to capture all possible activities identified in the TMDL plan, but should include those priority activities that could be accomplished in the FY 18-19 biennium.

## **Plans and the BBR**

**Q1. We are in the middle of updating our water management plan, and will be identifying high priority, targeted activities through this update, but the plan won't be adopted until after this spring's BBR. How will BWSR address activities that do not have a current plan connection?**

**A1.** It is expected that projects and activities included in a BBR will be able to demonstrate a connection to an eligible plan. A connection may be general, but the projects and activities identified in the BBR give context to the scope and budget for those activities within the FY2018-19 biennium. See question 9 under General/Miscellaneous in this FAQ.

**Q2. Can I submit a project or activity in the BBR and apply for the same thing in the FY17 competitive grants?**

**A2.** Yes. Projects and activities that are ready to go when the BBR is submitted can be applied for under the FY2017 Competitive Grants Program. The BBR submittal period is March 1 to April 15, 2016 and the projected FY2017 Competitive Grant Application period will open later this year.

**Q3. If I am a local government, and a member of a joint powers board, is there a benefit to putting my eggs in their basket or keep my eggs in my own basket?**

**A3.** A project or activity should be in the BBR of the entity that will be responsible for implementing the project or activity. Therefore if your local government will be the implementer, the project or activity should be in your BBR. A project or activity that includes more than one local government may be included in the joint powers board BBR if an agreement and plan for implementation is in place.

**Q4. How much detail should be provided in a BBR?**

**A4.** In general, more detail is better than less when it comes to having a planned course of action for identified projects and activities. However, there are limits to the amount of specific detail and precision that can be included for activities in the next biennium. There is generally a 3500 character limit for narrative entries in the BBR.

**Q5. Should a local government include an activity in a TMDL study that hasn't been funded traditionally?**

**A5.** See Question 5 in the General/Miscellaneous section of this FAQ. There are a wide range of potential state funding sources identified in the BBR that may be available. As long as the activity does not run counter to state or local laws, rules and ordinances and is able to be permitted it could be included in the BBR. Technical difficulty and permitting complexity may influence whether the project is capable of being implemented during the FY 18-19 biennium.

**Q6. Are flood mitigation projects eligible in the BBR?**

**A6.** See Question 5 in the General/ Miscellaneous section of this FAQ. There is a planning component to the BBR for SWCDs as well as a budget request. Disaster response funds already in hand may influence the workload and time available for other types of projects. If present, those funds should more likely be considered equivalent to program grants tied to a specific purpose. Flood mitigation projects that are included in a local water management plan may be included in the BBR.

**Q7. How are emergency projects or unanticipated opportunities and needs addressed?**

**A7.** The state funds that are characterized by the BBR are generally not suited for emergencies or unanticipated opportunities. The basis of the BBR is the local water management plan under which local governments establish priorities and target where projects and activities can be most effective in addressing a water management concern. See Question 6 above regarding Disaster Response funds already in hand.

**Q8. If a landowner decides not to do a project funded via the BBR process, will the LGU be required to return funds?**

**A8.** Projects will not be *funded* via the BBR. An LGU can apply for funding for a program, project or activity via the Competitive Grants Program or use other available funds such as the State Cost Share Program that will be offered after funds are appropriated by the Legislature. Fund distribution and use at that time will be guided by statute, BWSR policy and grant agreement language.

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**Q9. Do I need to have my board approve the BBR before submitting?**

**A9.** There is not a requirement that the BBR be approved by the board prior to submittal. However, the elected or appointed boards are essential organization members with responsibilities identified in statute. Good business practice says that the board should know what the BBR contains and how it relates to the relevant long-term plan that the LGU is operating under. It may also be useful to have a record of the BBR at the local level for reference. No funds are awarded directly from the BBR, since the appropriations that will be available for grants are unknown at this time. For estimating purposes, the current appropriation amounts distributed during FY 16 & 17 are provided. Those amounts are estimates and may change. The BBR does not contain enough information to award competitive grants. The BBR time frame was developed to allow at least one board meeting during the process for information and action if desired locally.

**Q10. We hired someone with the new capacity funds-Is that 1 FTE for the biennium or 2 fte (1 for each year of the biennium)?**

**A10.** Adding one new staff would increase your capacity by 1 fte. The funding estimate should reflect the total cost of that fte for the biennium.

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**State Grant Funds****Q1. How will this process safeguard current funds granted to local governments?**

**A1.** We believe that with better information on what local governments are doing with current funds, and what they will do with future funds, the Legislature is more likely to provide the funds necessary to implement these priorities. This is especially true for the Program and Operations Grants and the activities these funds support. The information that local governments will be providing through the BBR, will provide us with more detail than we have ever had before on

program (Wetland Conservation Act, Conservation Delivery, etc.) implementation costs. That detail can be useful to support current funding levels, and support requests for additional funding.

**Q2. If a local government has to submit the BBR two years in advance, will they also have to apply for grant funds all over again a year from now?**

**A2.** Yes, if the local government is interested in receiving State funds to finance the implementation of programs, projects or activities included in the BBR. BWSR will hold an application process later this year for the Competitive Grant Program. In addition, the current years' Program and Operations and NRBG Grants are anticipated to be awarded in the third quarter of 2016 similar to current processes and other state agencies may have different grant processes. These processes are driven by the need for different levels of detail in the BBR compared with a grant application and award process. BWSR believes that this two-prong approach to grants will ultimately minimize the amount of administrative burden on our local government partners.

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**Q3. We spend a fair amount of time on Aquatic Invasives and there isn't an AIS funding source from the Dept. of Revenue in the list of state funds. How should that be entered?**

**A3.** That was an oversight in developing the list of state funds. If AIS is a substantial part of your workload and you wish to include those activities in your BBR the following work-around can be used. Review of the BBRs submitted and processing the data will allow an opportunity to capture that information.

For AIS activities and budgeting, choose the Generic DNR funding source, and in the "How are you going to accomplish this in the next Biennium narrative entry--Make sure to put Dept. of Revenue in bold print or all caps to flag those activities. That information will be extracted and summarized during data review of the BBR.

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## Local Funds

**Q1. If the BBR will not be used to award grants, how can I get my county board to commit to providing match funds to dollars they do not know they are going to receive?**

**A1.** Local funds estimated as match or leverage are not funding commitments. Required match amounts will be identified in executed grant awards or as workplans associated with grant agreements during the FY 18-19 biennium. Estimates of the amount of funds available, based on the previous biennium are provided in the BBR module. Future grant agreements executed by BWSR and the LGU will specify grant amounts and required match. The BBR does request the amount of potential leveraging funds including required match. Local government funding commitments will need to be specified following appropriations as part of future grant agreements.

**Q2. Will the BBR be a vehicle for local governments to show the true cost of implementing a program (especially WCA)?**

**A2.** Yes. Local governments that track expenses programmatically will be able to provide total program cost information when completing the Natural Resources Block Grant and SWCD Funds BBR rows in the spreadsheets.

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## Completing the BBR in eLINK

**Q1. In the BBR, should I include a separate line for technical assistance?**

**A1.** Maybe. Technical/engineering assistance is included as a distinct activity in the Activity Category list in eLINK (and the BBR) but technical/engineering assistance is a component of many projects and activities and should be included in the requested budget amounts of the BBR for identified projects.

**Q2. What does BWSR mean by conventional water quality pollutants?**

**A2.** Conventional water quality pollutants are those that can be addressed by projects and activities initiated by local governments or private landowners. These pollutants can be the focus of a TMDL, identified as a stressor in a Watershed Restoration and Protection Strategy document or other local analysis. Waters impaired for Mercury are prevalent on the impaired waters map but those impairments are not likely to be solved as a result of action identified in a local water management plan. The instructions for the FY 2018-19 BBR provides direction on this issue. Choose “**yes**” if the water resource of concern is identified on the most current 303(d) list of impaired waters for pollutants or biotic indicators, other than mercury. Choose “**no**” if there is sufficient water quality data to indicate that the water resource of concern already meets relevant water quality standards, other than mercury. Choose “**unknown**” if there is insufficient water quality data for a complete assessment of impairment. “Choose “**not applicable**” for BBR activities containing Conservation Program and Operation (CPOG) grants included in the Natural Resources Block Grant and SWCD Program categories (Conservation Delivery, State Cost Share, etc.).”

**Q3: I can only see about 4 lines of text at a time when I enter narrative information in the BBR.**

**A3:** If you are using Mozilla Firefox or Google Chrome as your web browser, you should be able to grab a corner of the text box with your mouse and expand it horizontally or vertically to provide a larger viewing area. Versions of Internet Explorer prior to Version 11 support this feature as well. Alternatively, you may type the text in a word document and paste it into the eLINK text box. There is a 3500 character limit in the eLINK text box.

**Q4: Do I need to identify a water resource of concern for each activity?**

**A4:** No. You can enter the water resources of concern in the BBR Water Resource of Concern Summary once and the entire list of concerns will be available in the Activity Summary grid. Multiple activities can then be entered for each water resource of concern. When you choose Add a New Activity, you can choose the Water Resource of Concern. You do not need to go back to the beginning and enter the same Water Resource of Concern multiple times.

**Q5. Can a local government partially complete a BBR and save it, and come back to it another time and then submit it?**

**A5.** Yes

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**Q6. The county has delegated Water Planning and WCA to the SWCD. Should I include the water planning funds in the County or SWCD BBR?**

**A6.** The rule of thumb is to align the BBR with the grant agreement between BWSR and the LGU. County Local Water Planning, Shoreland, Wetland Conservation Act, and

Subsurface Sewage Treatment Systems are contained within the NRBG. These are all programs where the county has statutory authority for implementation. Locally, the county may delegate implementation of some of these programs to the SWCD, but is ultimately responsible for fulfilling the requirements of the grant agreement.

The SWCD BBR should reflect the State Cost Share and Conservation Delivery funds covered under the biennial grant agreement between the SWCD and BWSR.

In some cases, the SWCD and County Environmental Office have consolidated. Separate agreements for the NRBG and SWCD grants are still sent to those counties. A separate BBR should be submitted for each category of funds.

If you already are associated with the county in eLINK (e.g. you are an SWCD employee, but complete all or part of the NRBG reporting on behalf of the county), you should already be able to access the county's BBR. If not, you will need to contact BWSR at [eLINKsupport@state.mn.us](mailto:eLINKsupport@state.mn.us) to ask to be added as a contact type "NRBG contact" and specify the county.

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**Q7. I don't see Buffer Funds or SWCD Local Capacity Funds in the funding grid for SWCDs. Aren't those supposed to be regularly available? (Updated 3.21.16)**

**A7.** Buffer Implementation and SWCD Local Capacity Funds are contained within the list of Available State Funds in the module. Both of those funds came about as a result of 2015 legislative appropriations. Although there is language in the appropriation about the future availability of these funds, it will be up to future legislatures to make that determination. As of March 1, when BBR in eLINK launched, that situation had not changed. The planning aspect of the BBR provides an opportunity for SWCDs to include activities that utilize those funding sources. Remember that this is a biennial budget request and the amount requested should reflect a 2 year funding and activity plan.

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**Q8. What about TSAs? Do they need to fill out a BBR?**

**A8.** The TSA joint powers boards receive program funding through the Non-point Engineering and Assistance Program (NPEAP) as well as the additional capacity funding provided in FY 16. The host district for the TSA should fill out a BBR that, at a minimum, budgets twice the amount estimated to be available in FY 17 for the funding categories present in the Program Funding Grid for Technical Service Areas.

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**Q9. What happened to feedlot funds? I don't see them on the NRBG funding grid.**

**A9.** The Natural Resources Block Grant no longer includes feedlot program delivery funds. The Pollution Control Agency has taken responsibility for those grants.

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Delivery of the Feedlot Program identified in state statute and rule can use “Administration/Coordination”, “Regulations/Enforcement/Ordinances” or “Education/Information” as appropriate Activity categories and the MPCA as the funding source.

eLINK Activity category “Livestock Waste Management” should be chosen along with the anticipated funding source to indicate construction activities.

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**Q9. Is it ok to identify a funding request that is more than the estimated amount available for Natural Resource Block Grant Programs or SWCD Programs and operations grants?**

**A9.** Yes. The estimated amount provided in the program funding grid is based on FY 16-17 appropriations. That is the minimum amount that must be identified. If additional state funds are necessary to completely deliver the specific program responsibilities, you may enter that amount in the budget along with a proportional increase in the match funds. After all the BBRs are received, BWSR will tally the amount of additional funding requested for individual programs and include that amount in BBR summary information that is assembled.

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