

## SUSQUEHANNA RIVER BASIN COMMISSION CONSUMPTIVE USE MITIGATION GRANT

### FREQUENTLY ASKED QUESTIONS (FAQ)

The Susquehanna River Basin Commission is offering \$4-6 million in grants for the implementation of innovative pilot projects that improve water availability and watershed resilience during critical low flow periods and droughts throughout the Susquehanna River Basin. A copy of the Consumptive Use Mitigation Grant Program Guidelines may be downloaded from SRBC's Consumptive Use Mitigation Grant Program webpage (<https://www.srbc.net/our-work/grants/consumptive-use-mitigation-grant.html>). SRBC will administer the grant program through an online application process (<https://mdw.srbc.net/consumptive-use-mitigation-grant>). **Note: the application period will close on January 28, 2022.**

#### General

**1. Does SRBC anticipate spreading the \$4-\$6M evenly across the four project categories (Water Supply Alternatives, Project Operation Alternatives, Demand Modification Alternatives, and Environmental & Water Quality Alternatives)?**

No. In this first year of the grant program, funding has not been assigned to particular bins or weighted in any way. Our aim is to attract and fund projects that demonstrate the best approach to improving water availability and watershed resilience. In future years, SRBC may direct funding toward a certain project category or categories to address an identified need.

**2. When will the grant awards be announced?**

The plan is to announce grant awards in April 2022. For successful projects that are awarded funding, the next step would be to execute an agreement with terms and conditions so that awarded projects may begin on or after July 1, 2022. The grant agreement template can be found in the list of documents at <https://mdw.srbc.net/consumptive-use-mitigation-grant>.

**3. Is this anticipated to be a program that will have grants awarded every year?**

Our aim is to offer this grant program on an annual basis.

**4. Is SRBC scheduling pre-application meetings to discuss ideas for a grant proposal? Who do I contact with questions?**

SRBC will not conduct pre-application meetings to discuss specific projects. However, SRBC will assist applicants by answering general grant program questions. Please contact us with any questions you may have by email ([cugrant@srbc.net](mailto:cugrant@srbc.net)) or phone: (717) 238-0423, ext. 1017. Email is usually the most efficient way for the team to respond.

#### Eligibility

**5. Who is Eligible?**

Project sponsors, government agencies, colleges and universities, and non-profit organizations are eligible to apply. Although a proposed project generally must be located within the Susquehanna River Basin, adjacent projects may be eligible provided that the consumptive use mitigation will benefit watersheds and streams within the Basin. For-profit organizations that are not project sponsors should partner with an eligible party to submit a grant application.

**6. How is “Project Sponsor” defined ?**

A Project Sponsor is anyone, for profit or non-profit, that holds an approval from SRBC. The approval (or permit) may be a docket approval, grandfathering certificate, or general permit for a water withdrawal, diversion, or consumptive use.

**7. Are Non-Profit 501c6 Organizations Eligible?**

Yes. SRBC is encouraging a broad group of applicants to consider this grant program.

**Grant Funds**

**8. Is this Federal Funding?**

No. These are Consumptive Use Mitigation funds that SRBC collects from approved projects that choose to mitigate their consumptive use through payment of a fee. The funding is a non-federal source.

**9. What can the funding be used to cover?**

Grant funds may be used to cover a variety of project costs, including but not limited to, the acquisition of land and construction of new or expansion of existing consumptive use mitigation projects. A more complete list of eligible uses of funds can be found in Section V-C of the grant program guidelines found on SRBC’s website. The funding is not intended to meet regulatory requirements for other permits.

**10. How will funds be distributed?**

There are two options for allocation of funding. Funds will be distributed either by specified advances or by direct reimbursement through submittal of paid invoices or receipts to the Commission. The successful recipient will select the preferred method of payment when the contract is executed.

Any expenses for the awarded project have to be incurred within the term defined in the executed grant agreement. SRBC will not reimburse any expenses before there is a signed agreement in place.

**11. What are the Cost Share Requirements? How does SRBC define Cash Match?**

According to the Consumptive Use Mitigation Grant Guidelines and the [Grant Agreement Template](#) (in list of documents at <https://mdw.srbc.net/consumptive-use-mitigation-grant>), an applicant is required to provide matching funds at a minimum of 10% of the total requested funds. The minimum must be satisfied by cash match only. The cash match must contribute to the outcome of the project, and be expended within the period of performance of the grant.

Examples of cash match that may be accepted by SRBC include:

- salary and benefits directly related to the project,
- non-SRBC grants funds, including federal and/or state government issued grants, and
- some direct expenditures for design or construction costs.

SRBC encourages other leveraged funding sources and/or in-kind match so that SRBC gets more out of its investment. Moneys paid toward in-kind services may be counted toward the matching fund total, but will not count against the minimum cash match requirement. A match above the minimum may improve the scoring of a proposal.

“In-kind services” should be defined in Attachment A, Scope of Work. In-kind services must be performed one year prior to the due date of grant applications (January 28, 2022), or later, in order to be eligible to be used as matching funds.

***12. Are Grants Offered By SRBC Considered Taxable Income? What about for State Purposes? For Federal Purposes?***

Generally, grant income is taxable for federal income tax purposes and is not taxable for state purposes. However, a grant recipient should consult with their tax professional.

***13. Does SRBC require competitive bids as part of any grant funding?***

For more information on use of subcontractors and/or purchase of professional services equipment and supplies, please see section XVI of the SRBC’s [Grant Agreement Template](#) located on our Consumptive Use Mitigation Grant Program webpage (<https://mdw.srbc.net/consumptive-use-mitigation-grant>).

## **Project Types and Criteria**

***14. What types of projects will be funded?***

SRBC is encouraging all eligible applicants to apply and will consider all eligible applications. The Consumptive Use Mitigation Grant Guidelines describe candidate projects for funding and applicants should make their case that ties outcomes and measured benefits to the descriptions of project type and evaluation criteria.

While some activities are explicitly listed to provide as examples, SRBC will consider other projects that will achieve its mitigation goals.

***15. Will SRBC consider applications that propose only studies or assessments?***

SRBC will prioritize proposals for project implementation (e.g., construction); however, SRBC will consider projects that include planning, site characterization, data collection, and design activities.

***16. Will SRBC accept projects outside of priority watersheds?***

There is a preference in the evaluation for projects located within or that directly benefit priority watersheds; however, SRBC will accept projects that are outside of those watersheds given other elements of the project may score well given other evaluation criteria.

***17. What are acceptable sources to use to define Environmental Justice areas?***

Applicants may use Environmental Justice areas defined by Maryland, New York and Pennsylvania, or those areas defined by the U.S. EPA coverages (e.g., U.S. EPA EJScreen).

## **Project Budget**

***18. If a proposed project is part of a larger project, should the applicant provide a budget for the proposed project or the larger project?***

The applicant should only provide a budget equal to the amount of requested funding. If a proposed project is part of a larger project, then explain its relationship and funding associated with the larger project in any project narrative documents.