



## WaterSMART Environmental Water Resource Projects Funding Opportunity Frequent Asked Questions

### Project Eligibility

**Q: How do I know my project is at the right level of design and development to be competitive for an award under the WaterSMART Environmental Water Resources Projects (EWRP) funding opportunity?**

The WaterSMART Environmental Water Resources Projects funding opportunity is intended to support the implementation of on-the-ground water conservation, water management, infrastructure, restoration, or nature-based solution projects with clear ecological benefits. Projects should be in an advanced stage of design and ready to proceed to final design and construction at the time of award. Projects that are at a conceptual or preliminary stage of development will not score well under the criteria of this funding opportunity and should instead consider applying to the WaterSMART Planning and Project Design Grants funding opportunity if funding support to complete design work is needed.

**Q: My project involves the treatment or removal of invasive species. Is that component eligible for funding under EWRP?**

Yes- but with specific conditions. All projects that involve removal of invasive species (vegetation or other taxa) must have a CLEAR nexus to water resources or water resources management. Additionally, Reclamation will only provide funding for invasive species removal one time to geographic footprint (further removal is considered normal operations and maintenance and is not eligible). Removal of invasive vegetation must include revegetation with native species at the removal site, or a clear explanation as to why revegetation is not necessary must be provided. Removal of non-vegetative taxa of invasive species must be coupled with measures to prevent revegetation (fencing, fish barriers, etc.).

A project with a scope of work that solely entails removal of invasive species may not score well under this funding opportunity. Applicants submitting a project involving invasive species are encouraged to explain the necessity of the work, and how the removal contributes to an overall restoration strategy.

**Q: My project has multiple components, but only one has clear ecological benefits. Should I still apply under EWRP?**

Yes, however, your application should make it clear to the Application Review Committee why disparate components of work are considered together as one project, and the overall aim of the project must clearly be to provide ecological benefits. For example, a grant application that includes a



## WaterSMART Environmental Water Resource Projects Funding Opportunity Frequent Asked Questions

stream channel and bank restoration component and an upgrade to a headgate may be eligible for funding if the new headgate is essential to accomplish the ecological goals of the project. A solid application could explain the circumstances and why the headgate installation is essential for providing ecological benefits and the success of the projects as a whole. A project where the only component is to upgrade a headgate purely to improve water delivery is not eligible under this funding opportunity.

**Q: I would like to apply for funding for a water conservation project where the conserved water will be put toward the local riparian ecosystem. How can I ensure my project addresses the requirement for having a mechanism for dedicated in-stream use?**

We understand that the mechanism for ensuring water remains instream for ecological benefit may differ based on what State a project is located in. Suitable mechanisms include an instream water right or a Memorandum of Understanding between applicable water rights holders and stakeholders. If neither of these mechanisms work for your project, please contact us before applying to discuss alternative options.

**Q: My project involves forest management. Is this work eligible under EWRP?**

Some forest management activities, including forest thinning, is eligible for funding under EWRP provided the activities are to protect watershed health and the overall project has a clear nexus to water resources or water resources management. Forest management activities may occur only once per geographic footprint. Use of prescribed burning for forest or vegetation management is NOT eligible under this funding opportunity.

**Q. Can funding available under this funding opportunity be used to secure a conservation easement or lease or purchase water?**

No. A project that proposes using Federal funding for the purchase or lease of water, a water right, land, or to secure a conservation easement, is not eligible under this funding opportunity.

However, if a project requires an instream water right or Memorandum of Understanding (MOU) to ensure conserved water is dedicated to instream use, Reclamation may pay for the costs associated with securing the right or formulating the MOU. Securing of an instream water right or MOU must be one component of a larger project proposed for funding. If you have additional questions, please contact the program office to discuss this provision before applying.



## WaterSMART Environmental Water Resource Projects Funding Opportunity Frequent Asked Questions

### Program Administration and Award Timing

#### **Q: When will I know if my project has been selected for funding?**

Individuals will be notified of the status of their application approximately five-months following the close of an application period. For up-to-date information on the status of application reviews, please refer to the Schedule Tracker on the home page of each distinct WaterSMART funding opportunity. For EWRP status, access the home page here: [WaterSMART Environmental Water Resources Projects | Bureau of Reclamation \(usbr.gov\)](#)

#### **Q: My project was selected for funding. When will I have the funding in hand?**

Successful applicants can expect their financial assistance award to be fully executed approximately five months after notification of selection. Applicants can help avoid delays in the award process by ensuring their SAM.gov and ASAP accounts remain active during the selection period, and by communicating in a timely manner with the Program Staff and Reclamation Grants Management Specialists if they are asked to provide scope or budget clarifications or support.

### Application Guidance

#### **Q: How do I decide between applying for the Environmental Water Resources Projects (EWRP) funding opportunity or the Aquatic Ecosystem Restoration Projects (AERP) Funding Opportunity?**

Though some of the eligible project activities overlap between the programs, there are significant differences in scale, funding size, and intent between the EWRP and AERP funding opportunities. The WaterSMART Environmental Water Resources Project funding opportunity supports a broader scope of project types, provided they meet the common objective of providing significant ecological benefits and have a direct connection to water resources. The WaterSMART Aquatic Ecosystem Restoration Projects funding opportunity has a narrower scope, which is to fund projects that benefit the health of aquatic ecosystems and fish passage, including through the removal or modification of dams or diversion structures.

Because of these distinctions, uplands restoration projects with a nexus to water resources management, and water conservation or efficiency projects dedicating water to instream flows fit best with the Environmental Water Resources Projects funding opportunity. Both funding opportunities support riparian and instream restoration work, fish passage, and nature-based solutions projects.



## WaterSMART Environmental Water Resource Projects Funding Opportunity Frequent Asked Questions

Environmental Water Resources Projects are also smaller in total cost. In general, applicants can request up to \$3 million in Federal funding for projects with total project costs less than \$6 million, with a 25% non-Federal cost share required. Projects should be able to be completed within three years. Aquatic Ecosystem Restoration Projects (for Task B: Construction) start at a Federal request of \$3 million and cap out at a request of \$20 million, with a 35% non-cost share required. Projects should be able to be completed within five years.

Watershed groups, as defined in Section 6001(6) of the Cooperative Watershed Management Act, can request up to \$5 million in Federal funding under the Environmental Water Resources Projects funding opportunity, with no total project cost limitation. Projects should be able to be completed within five years.

### **Q: How can I account for inflation in my project's budget?**

Inflation should be accounted for in any cost estimate that is 6 months or older. The best and most appropriate way to account for inflation is not by using a construction contingency, but by using a cost inflation factor. Contingency costs are estimates that are used "in case of emergency" and are not supported by substantive data whereas Escalation Factors are supported by industry data and show what the costs are now and what the costs will be based on previous years. Contingency can be allowed in the budget, but we do not support anything more than 10% of construction costs and there is a caveat in how we address the use of contingency in the budgets. Escalation factors are supported increases and can easily be part of the budget.

Using the Consumer Price Index as a factor will generally allow and substantially support a 3-5% increase PER YEAR on any estimates older than 1 year. It is the most readily available tool as it is free to use through the Bureau of Labor Statistics (BLS) and is the simplest to use, by simply adding 3-5% on to the individual estimates. However, construction costs have varied widely over the past 5-10 years (anywhere from 25%-150% increases in costs). Using BLS will allow for some increase, but not what you are likely to see over the life of the agreement or what you might get from a bid today. Robert Snow Means (RS Means) is an online cost estimating tool for construction projects and is widely accepted as industry standard information. RS Means uses actual cost data from the past decades to create cost increase indices. These indices can be used to increase your estimates based on the exact month and year your estimate was from, to the most current industry prices. It will allow for the most comprehensive escalation of your construction costs allowable without going to bid. This service is not free, and a subscription must be purchased to use the information. Additionally, there is a calculation provided on how to increase the costs based on the indices and is a little more complicated than the standard 3-5% for CPI, however your budget will be increased more accurately and likely will result in a more accurate estimate.



## WaterSMART Environmental Water Resource Projects Funding Opportunity Frequent Asked Questions

Additional escalation factors or cost indices may be used but will be subject to some scrutiny during budget review to ensure that it meets some industry standard.

### **Q: Can costs incurred prior to grant award be eligible for reimbursement?**

Costs incurred prior to the posting date of the funding opportunity are NOT eligible for reimbursement or for inclusion in the project budget. Eligible costs associated with the proposed project may be eligible as pre-award costs if they are incurred after the posting date of the funding opportunity and are limited to costs related to the planning and design of the project including, but not limited to engineering and design, modeling, environmental and cultural studies, and permitting. Under no circumstances are costs associated with on-the-ground work (e.g., biological surveys, water quality monitoring, installation of gauging equipment, construction, installation) eligible as pre-award costs. If the proposed project is selected, the pre-award costs will be reviewed to determine if they are consistent with program objectives and are allowable in accordance with the authorizing legislation. Proposed pre-award costs must also be compliant with all applicable administrative and cost principles criteria established in 2 CFR Part 200 and all other requirements of this funding opportunity. Note: Any incurrence of costs in the performance of the project prior to the issuance of a financial assistance award is at the applicant's own risk. No legal liability on the part of Reclamation for any payment may arise until funds are made available, in writing, by a Reclamation Grants Officer.

### **Q. How should the recipient plan for Environmental and Cultural Resources compliance?**

All projects funded with Federal funding, including those funded under this funding opportunity, require compliance with Federal environmental and cultural resources laws (e.g., National Environmental Policy Act, Endangered Species Act, National Historic Preservation Act). As the Federal funding agency, Reclamation is responsible for signing off on the completion of environmental and cultural resource compliance. However, depending on project specifics, a recipient may be required to complete work associated with compliance or hire a contractor to complete compliance activities.

Some of the projects funded under this funding opportunity typically incur high compliance costs (e.g., between \$30,000 and \$200,000 per project). It is highly recommended that perspective applicants reach out to their local Reclamation office to discuss the possible compliance requirements for their proposed project. Based on these conversations, include Reclamation's estimated costs associated with compliance activities and costs associated with any compliance activities that will need to be completed by a contractor in your budget. It is anticipated that these compliance costs will be cost shared like all other project costs between Reclamation and the recipient. Selected applicants will work with Reclamation's regional and area offices to complete compliance on their project. If you



## WaterSMART Environmental Water Resource Projects Funding Opportunity Frequent Asked Questions

are uncertain who to contact, please contact the Reclamation Program Coordinator identified in Section G. Agency Contacts of the funding opportunity, to be directed to the appropriate Reclamation office.

### **Q. How do I determine whether my proposed project fits under this funding opportunity?**

If you are unsure if this funding opportunity is a fit for your project, it is recommended that you reach out to the Reclamation Program Coordinator identified in Section G. Agency Contacts of the funding opportunity.

### **Q. Can Reclamation staff review or comment on draft application materials?**

No, under no circumstances can Reclamation staff review or comment on draft application materials.

### **Q. If I submitted a proposal for funding in previous years that was not selected for funding, can I re-submit that proposal under the fiscal year 2024/2025 funding opportunity?**

Yes. However, it is recommended that you review the fiscal year 2024/2025 funding opportunity and related guidance to ensure that your proposal meets the mandatory requirements and program objectives, including the evaluation criteria.