

**The Arizona Department of Environmental Quality  
Water Quality Improvement Grant Program**

*Through funding by*  
**The United States Environmental Protection Agency**

*Presents...*

**Watershed Improvement Plan  
Grant Manual 2008**



*The Future Depends on What We Do In the Present.* -- Mahatma Gandhi

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*"No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving EPA assistance on the basis of race, color, national origin, or on the basis of sex in any program or activity receiving EPA assistance under the Federal Water Pollution Control Act, as amended, including the Environmental Financing Act of 1972"*

**Cover:** Blue River in Arizona

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# Watershed Improvement Plan Grants

## Water Quality Improvement Grants

The Arizona Department of Environmental Quality's (ADEQ) Water Quality Improvement Grant Program (Grant Program) administers funds from the United States Environmental Protection Agency (EPA) for implementation of nonpoint source management projects. The distribution of grant funds from EPA is provided pursuant to Section 319(h) of the Clean Water Act.

This new competitive grant will develop and initiate implementation of targeted watershed improvement plans. It will complement two other types of 319 grants: on-the-ground improvement project grants and education grants.

### **Nonpoint Source Pollution**

Nonpoint source pollution is polluted runoff from many different sources and remains Arizona's largest source of water quality problems. Nonpoint source pollution occurs when rainfall, snowmelt, or irrigation runs over land picking up pollutants and depositing them into streams and lakes or percolates into ground water. Agriculture, forestry, grazing, recreational activities, urban runoff, construction, and physical changes to stream channels are examples of potential sources of nonpoint source pollution. Frequently riparian area habitat degradation reduces the ability of these areas to naturally filter out pollutants, and therefore, increases pollutant loadings to surface water.

A large portion of nonpoint source pollution originates from "people pollution" because it can be caused by collective impacts of individuals interacting with the land. Some examples of human caused pollution include the use of fertilizers, pesticides and other lawn chemicals; the seemingly benign act of washing a car in a driveway; or failure to remove dog wastes. Storm water can transport pollutants to surface waters or contaminate ground water. The erosive potential of storm water is increased when plants are reduced due to activities such as construction, increased impervious surfaces (urbanization), or grazing. This can lead to stream bank instability, channel cutting, sedimentation, and aquatic habitat destruction.



**Impacts of Recreation on Salt River**

## Investing in Watershed Improvement Plans

Targeted Watershed Improvement Plans (WIPs) are needed to identify and prioritize water quality improvement projects critical to restore water quality. These plans are targeted at specific pollutants causing impairments within a targeted drainage area. The goal of plan implementation is to reduce pollutant loads from nonpoint sources causing surface waters to be listed as “impaired” or “not attaining,” or causing ground water to not meet drinking water quality standards.

The objective of this grant is to focus future on-the-ground Water Quality Improvement Grants on priority projects identified in the plan, so that in the near future an impaired water will meet water quality standards.

These grants will fund a two-year two-phased process to develop and implement targeted plans:

Phase I – Plan development (first year)

Phase II – Initial plan implementation (second year)

Additional time for plan development would need to be justified in the application. Implementation of all priority projects is expected to require additional phases and on-the-ground grant funds.

Similar to other Water Quality Improvement Grants, an applicant must provide at least 40 percent of the total project costs as non-federal match.

ADEQ will provide technical assistance throughout the development and implementation of these watershed improvement plans. However, this is a community-based planning process. Stakeholders will be asked to serve on a Watershed Improvement Council (WIC) to direct the planning process and prioritize projects. Active community involvement in project identification and implementation is the goal. ADEQ will assist in plan development by bringing in interdisciplinary technical expertise needed to evaluate and advise the WIC about watershed conditions and restoration projects.

### **Outcome Based Selection Criteria**

Proposals will be evaluated based on the following set of desired outcomes (further details are included in the section titled: *Components of the Planning and Implementation Process*):

- Community (the WIC and the general public) becomes knowledgeable about pollutants of concern and potential restoration methods, especially methods that the general public can implement
- Community involvement in science-based identification of critical sites and potential projects;
- Community-based prioritization of projects;
- Development of resources and community desire to implement priority projects and management practices or mitigation methods
- Identification of funding sources and opportunities to leverage funds
- Initiate implementation of projects identified in the plan to obtain pollutant of concern load reductions



## Scope and Scale

Targeted plans will be developed for watershed drainage areas contributing pollutant loadings causing impairments. The scope and scale of the plan will vary depending on characteristics of the pollutant and characteristics of the watershed (pollutant fate and transport, hydrologic flow, soils, slope, etc).

### Priority Watersheds

For this cycle, ADEQ has selected the following watersheds as priority for development of targeted plans because of the known pollutant impairments and potential community support:

- Oak Creek drainage area from its headwaters to Spring Creek and the Spring Creek drainage, in the Sedona area. Pollutant of concern: *E. coli* bacteria.
- San Francisco River drainage area, primarily from the Blue River to Limestone Gulch, near Clifton. Pollutant of concern: *E. coli* bacteria.
- Granite Creek from headwaters to Watson Lake, in the Prescott area. Pollutants of concern: nutrients and *E. coli* bacteria. (Note: Although not “impaired” for *E. coli* bacteria, recent monitoring to identify nutrient sources has shown *E. coli* bacteria exceedances.)



**Slide Rock on Oak Creek**



**Watson Lake**

### Supporting Information

ADEQ's draft 2006 *Status of Ambient Surface Water Quality in Arizona – Arizona's Integrated 305(b) Assessment and 303(d) Listing Report* provides information about surface waters that are classified as “impaired” or “not attaining” and pollutants causing these impairments that may be useful in developing a grant proposal. This report and the status of TMDL development can be downloaded at ADEQ's website: [www.azdeq.gov/environ/water](http://www.azdeq.gov/environ/water).

Watershed plans have been developed by the Nonpoint Source Education for Municipal Officials (NEMO) for most of Arizona's 10 watershed planning areas. These plans provide information on water quality issues and mitigation methods that should be considered. The NEMO website also has an interactive mapping capability that might be useful in developing grant proposals. NEMO's website is: [www.srnarizona.edu/nemo](http://www.srnarizona.edu/nemo).

# Components of the Planning and Implementation Process

A successful proposal to develop and implement a Watershed Improvement Plan would contain the components listed below. EPA requires that such plans contain the nine key elements which are highlighted in the list below. Further information concerning the nine elements is provided in EPA's *Handbook for Developing Watershed Plans to Restore and Protect our Waters*, Chapter 2, which can be downloaded at: [www.epa.gov/nps/watershed\\_handbook/#contents](http://www.epa.gov/nps/watershed_handbook/#contents).

## Phase I

1. Provide education and outreach to enhance public understanding of the pollutants of concern and the planning process to encourage their early and continued participation in selecting, designing, and implementing management measures (element 5)
2. Establish and educate the Watershed Improvement Committee of stakeholders (element 5). Education would include:
  - a. Characteristics and typical sources of the pollutant and associated pollutants
  - b. Potential pollutant impacts on wildlife, human health, and other uses of the water
  - c. Conditions in the watershed and watershed-specific information about the pollutants of concern
  - d. Actions already being taken to reduce the pollutant loadings within the watershed
3. Develop and implement a watershed survey to identify potential restoration projects and mitigation methods to reduce pollutant loading (elements 1 and 3)
  - a. Use a combination of modeling and land use knowledge to focus the survey in areas of highest risk for pollutant discharges
  - b. Develop a survey plan to identify:
    - i. Critical sites with measurable deterioration or discharges.
    - ii. Reference sites that demonstrate target conditions to be obtained through improvements
    - iii. Opportunities for restoration projects, mitigation measures, or other point or nonpoint source improvements needed to reduce pollutant loadings.(Plan must be approved by ADEQ before implementation.)
  - c. Identify and train volunteers to conduct the survey
  - d. Obtain land owners' permission prior to surveying
  - e. ADEQ assisted survey data interpretation and presentation of information to the WIC
4. WIC prioritization of potential projects, including Best Management Practices (BMPs) and other mitigation measures (element 5)
  - a. Assist in identifying costs and benefits of methods to reduce pollutant loadings (effectiveness, technical difficulties, costs per unit, etc)
    - i. Grantee will work with WIC to develop proposals and cost/benefit comparisons of proposals
    - ii. ADEQ will bring interdisciplinary teams to potential project sites to evaluate potential effectiveness of proposals. Information will be presented to WIC
  - b. Potential funding sources and leveraging opportunities
  - c. Land owner's desire, ability, legal authority, and commitment to implement and maintain improvements
  - d. Potential education and outreach components needed to encourage public participation in implementation

5. Develop the Watershed Improvement Plan document
  - a. Describe the planning process
  - b. Identify and map information showing pollutant sources in terms of land uses (element 1)
  - c. Describe management measures or actions to be implemented to reduce pollutant loadings (e.g. Best Management Practices – BMPs) at each priority project site. Include:
    - i. Locations of improvements (e.g., fences, plantings, improved wastewater facilities, storm water retention areas, etc). (element 3)
    - ii. Estimated load reductions (element 2)
    - iii. Costs to implement (element 3)
    - iv. Potential sources of funding (element 4)
    - v. Technical assistance needed and potential sources of assistance (element 4)
    - vi. Schedule for implementation (element 6)
    - vii. Measurable milestones for implementation progress (element 7)
    - viii. Criteria to determine that management methods are effective at reducing pollutant loads (element 8)
    - ix. Effectiveness monitoring plan (element 9)
  - d. Information and education needed to encourage implementation of management measures (element 5)

## Phase II

6. Implement priority projects (as far as this initial funding allows)
  - a. Identify where projects will be implemented and provide ADEQ with required supporting documentation and approvals
  - b. Identify groups and individuals willing to be involved in project implementation and effectiveness monitoring. Provide training needed
  - c. Keep the public aware of actions being taken to reduce pollutant loadings and how they can be involved in implementation
  - d. Develop effectiveness monitoring plan and do at least the pre-implementation monitoring
7. Assist interested parties in applying for applicable grants and identifying additional resources needed to implement priority projects and mitigation measures identified in the plan



San Pedro River 1984



San Pedro River 1997  
Riparian improvement after cattle removal



## Technical Support and Partnerships

This planning process will require a coalition of agencies and talented people who have an interest in improving water quality. Even developing the grant pre-proposal will require assembling people who are willing to commit to leading steps in this process. Existing watershed partnerships are not expected to have the resources necessary to complete this type of grant on their own.

ADEQ staff will provide technical support throughout the grant process; however, the Grantee will be the lead on facilitating meetings, plan preparation, and plan implementation.

ADEQ's Grant Program has contracted with the University of Arizona's Cooperative Extension Service to provide technical support and training opportunities. These existing contracts will cover the cost of some assistance, but additional funding may be necessary depending on the level at which these resources are utilized.

Applicants may choose to take advantage of this opportunity or may work with other entities to obtain technical support and training.

### **NEMO**



The Nonpoint Source Education for Municipal Officials (NEMO) Program can provide technical support in the development of these plans, such as modeling, GIS assisted mapping, and information concerning applicable Best Management Practices (BMPs). For more information contact Kristine Uhlman at 520-621-5951 or [kuhlman@ag.arizona.edu](mailto:kuhlman@ag.arizona.edu). Information about NEMO can be found at [www.arizonanemo.org](http://www.arizonanemo.org).

### **Master Watershed Stewards**



The Master Watershed Stewards Program can design classes tailored to the water quality concerns of your watershed. They can also provide basic watershed hydrology classes as needed to educate members of the WIC and may be able to provide training for volunteers involved in the survey work. For information, contact Candice Rupprecht at 520-621-5308 or [candicer@cals.arizona.edu](mailto:candicer@cals.arizona.edu). Information about Master Watershed Stewards can be found at: [cals.arizona.edu/watershedsteward/](http://cals.arizona.edu/watershedsteward/).

# The Grant Process

This grant is a two-phased two-year grant. Projects may exceed the two-year period if justification is provided.

## **Grant Application Process**

The Water Quality Improvement Grant Process can be defined by a series of steps:

- A. Request for Grant Applications
- B. Meetings with interested applicants
- C. Pre-proposal
- D. Grant application
- E. Project selection
- F. Special condition agreements
- G. Execution of grant agreements
- H. Site visits and evaluations

**A. Request for Grant Applications** –The first step is the distribution of a Request for Grant Applications, which will be sent to everyone on ADEQ's Grant Program's distribution list. The request announces the approximate amount of funds available, final date for scoping meetings, pre-proposal submittal due date, final application due date, anticipated date awards will be made, and other pertinent information specific to a grant cycle. Information is also on the Water Quality Improvement Grant Program's Web site at [www.azdeq.gov/environ/water/watershed/fin.html](http://www.azdeq.gov/environ/water/watershed/fin.html).

**B. Scoping Meetings** - Interested applicants are *expected* to schedule a scoping meeting with Water Quality Improvement Grant staff to discuss the planning process and desired outcomes prior to pre-proposal submittal. These meetings should include individuals responsible for leading different aspects of the project. Although these targeted projects are new for this state, Grant staff will provide examples of similar projects developed in other states.

In lieu of workshops, the Grant staff will use scoping meetings to help interested applicants in the development of an effective grant proposal that is focused on water quality improvements.

The Grant Coordinator contact information for scheduling this meeting is provided on the inside cover of this manual.

**C. Pre-proposal** - Each applicant *must* submit a pre-proposal. Following receipt of the pre-proposal, grant staff will again meet with the applicant to provide further feedback on the strengths and weaknesses of the project and technical assistance in the development of the grant application. The pre-proposal is required rather than recommended to encourage the development of viable grant proposals for this new grant.

The pre-proposal form and requirements are shown in Appendix A. All pre-proposals must follow the format provided in the appendix; therefore, an official electronic pre-proposal form and requirements can be downloaded at ADEQ's Web site: [www.azdeq.gov/environ/water/watershed/fin.html](http://www.azdeq.gov/environ/water/watershed/fin.html).

The pre-proposal should be no more than six (6) pages in length. Your complete pre-proposal package should include:

- One (1) original paper copy of the application with original signature.
- One (1) electronic copy

Mail or deliver the pre-proposal package (one original and the electronic copy) in a sealed envelope or package, clearly marked with the following information: "Watershed Improvement Plan Pre-proposal" with the deadline date and time. See example below. ADEQ cannot accept applications via fax or e-mail.

Watershed Improvement Plan Pre-proposal  
Deadline: *Month/day/year, Time of day*  
Attention: Grant Coordinator  
1110 W. Washington St.  
Phoenix, AZ 85007

***Late pre-proposals will not be accepted.***

**D. Grant Application** - The grant application form and application requirements are shown in Appendix B. When submitting a grant application, follow these guidelines:

- All applications *must* use the format provided in this appendix; therefore, an official electronic grant application can be downloaded from ADEQ's Web site at: [www.azdeq.gov/envIRON/water/watershed/fin.html](http://www.azdeq.gov/envIRON/water/watershed/fin.html).
- Submit one (1) original, five (5) copies, and one (1) electronic version of the grant application package. Your package must be submitted in a sealed envelope or package.
- The original copy of the application should be clearly labeled "original" and must include the original grant Application Form with an original ink signature by a person who is legally authorized to enter into an agreement on behalf of the applicant.
- Include all required schedules and attachments pertinent to your pre-proposal or grant application. Failure to include requested information in the final grant application may result in the rejection of your application or may have a negative impact on the evaluation of the application.
- *ADEQ will not provide any reimbursement for the cost of developing or presenting applications.*
- Mail or deliver the grant application package (one original, five copies, and the electronic copy) in a sealed envelope or package, clearly marked with the following information: "Watershed Improvement Plan Grant Application" with the deadline date and time. See example below. ADEQ cannot accept applications via fax or e-mail.

Watershed Improvement Plan Grant Application  
Deadline: *Month/day/year, Time of day*  
Attention: Grant Coordinator  
1110 W. Washington St.  
Phoenix, AZ 85007

- ***Late applications will not be accepted.***

**Eligible Applicants** - Anyone can apply for a grant. Applications have been accepted from individuals, tribal authorities, universities, government entities, environmental groups, and watershed partnerships.

### **Budget Information**

Non-federal Match Requirement - All applications must provide a minimum 40 percent (40%) non-federal match.

- Non-federal match funds may include cash, in-kind services, donated labor, office space, equipment usage, existing building usage, and base salaries of non-federal employees.
- Match sources and activities must be pertinent to the proposed project.
- Match amounts must be fully identified in the proposed budget.
- Entity providing match and associated cost must be identified.
- Federal agencies must be able to provide matching funds from non-federal sources.

*Note: All matching fund contributions or expenditures must occur within the effective dates of the Grant Agreement. ADEQ has the right to disallow contributions determined inappropriate or unreasonable.*

Administrative costs - Administrative costs associated with the project must not exceed 10 percent (10%) of the requested funding.

Reimbursements - Payments are made on a cost reimbursement basis. Grantees must provide assurance that the work has been completed (receipts, invoices, etc.) in order to receive reimbursement. A grant must be awarded and a grant agreement executed before a project can be started; therefore, costs incurred before execution of the grant will not be reimbursed.

Equipment - Equipment purchased as part of the project may remain with the grantee at the end of the project period unless it is determined in writing that the equipment should be returned to ADEQ.

**E. Project Selection** - The review and selection process begins after the grant application submittal deadline. During review, your application will be held confidential. Grant staff will first review your application to ensure that it is eligible for funding and all required components are present. ADEQ will notify applicants if the eligibility requirements are not met.

An evaluation committee will review all applications and recommend for funding. Grants that most closely meet the Program's priorities and are most likely to successfully achieve ADEQ's desired outcomes will be recommended. In addition, past grant management performance will be considered. During the evaluation process, additional information may be requested and applicants may also be asked to revise their application based on the new information submitted.

Awards are limited by the amount of funding available; therefore, all qualifying projects may not be funded.

Applicants will be notified as to whether or not they received a grant award after the evaluation process is completed. After evaluations are completed, all applications and the



associated evaluations will be made available to the public upon request. If you believe that any of the information contained in your application should be held confidential, you must designate that information as "confidential" in your application and provide an explanation as to why it should be held confidential.

If an applicant does not receive a grant award, the applicant may request a meeting with the Water Quality Improvement Grant Program Manager to discuss the application and evaluation. Applicants also have the right to protest the award decision. A letter of protest should be written within 30 days from the date of notification receipt. Protest letters must be sent to the ADEQ Water Quality Division Director along with a copy to the Water Quality Improvement Grant Program Manager to the following address:

Arizona Department of Environmental Quality  
1110 West Washington Street  
Phoenix, Arizona 85007

The Water Quality Division Director will review the protest and the grant file and provide a written decision on the protest.

**F. Special Condition Agreements** - In the contracting phase, ADEQ may identify special conditions specific to each project. Special Conditions supplement the general Grant Agreement Terms and Conditions and are specific to each grant.

During the contracting phase, applicants will receive a list of technical questions to elaborate on federally required information. All applicants will be required to provide the requested information within 60 days of contract execution. Implementation of projects that reduce nitrogen, phosphorous, or sediment will be required to provide load reduction estimations as needed and at the end of the project.

**G. Grant Execution** - Once Special Conditions have been developed and agreed upon, ADEQ will issue two copies of the Grant Agreement to the applicant (now referred to as the grantee). The grantee must sign both copies of the Agreement and return them to the WQIG Program within 30 days of receipt. In signing the Grant Agreement, the grantee agrees to all Terms and Conditions as listed in Appendix C. The WQIG Program will execute the Grant Agreement and return an original to the grantee.

The grantee is required to do the following after they are notified of a grant award:

- Submit a Certificate of Insurance (Appendix C, clause 6.2).
- Set up a project file to maintain a record of all correspondence, receipts, invoices, and copies of all reports and documents associated with the project (Appendix C, clause 3.5).
- Establish a separate bank account for the deposit of grant funds, carrying the name and number of this project
- Be aware of and comply with the *Disadvantaged Business Requirements* located at the end of Appendix C. If you will be using sub-contractors to perform work under a Grant Agreement, you must make an effort to recruit disadvantaged businesses, document those efforts, and report this information to ADEQ annually.

Please note: Work cannot be started on a project until both the Grant Agreement is executed and a Certificate of Insurance is submitted to ADEQ.

**H. Site Visits and Evaluation** - Shortly after award, the grantee will be contacted by phone or e-mail by an assigned ADEQ Project Manager. The Project Manager will serve as their primary contact throughout the duration of the grant. Project managers make sure that the grantee is complying with the terms and conditions of the grant, administer the grant by approving all required documentation, provide technical assistance and support when needed, and conduct ongoing site visits and a final site evaluation of implemented projects.



**Granite Creek Improvement Site**



**Three-Links Farm Cutbank on San Pedro River**



**Santa Cruz River after Storms**

## **Grant Administration**

In order to meet all grant administration requirements, the grantee is responsible for providing the following deliverables:

- Quarterly progress reports and budget reports
- Requests for reimbursements
- Records of all costs incurred (available upon request)
- Final Impairment Mitigation Plan (end of Phase I)
- Final report (end of Phase II)

**Quarterly Reports and Budget Reports** – Quarterly reports are submitted on a calendar quarterly basis and must be received by ADEQ no later than 30 calendar days after the close of the quarter. Reports shall be in electronic format, except for reimbursement requests. Quarterly reports include (at a minimum):

- Budget report – Track the approved budget, showing expenditures for both the grant and matching funds. Report for the current period and cumulatively.
- Narrative progress report – Discuss progress in completing approved projects steps and milestones. Discuss any delays or problems that might delay completion or affect the timetable.

**Request for Reimbursement** – Requests for reimbursements can be made at any time during the course of the grant. *Reimbursements will only be made if ADEQ has received:*

- The current narrative progress report and updated budget report has been submitted and is complete, including the status on all project steps and milestones
- An original signed Request for Reimbursement Form

**Records of Costs Incurred** – The grantee must maintain all records and supporting documentation adequate to demonstrate the costs claimed have been incurred, are applicable to the grant, and comply with applicable cost principles for five (5) years. For any budget expenditures (grant and matching funds), the following documentation must be available to ADEQ upon request:

- Itemized per diem rates, equipment rental or usage rates, etc.
- Copies (or originals) of time sheets for employees and volunteers. Time sheets must be signed by employees and a supervisor and show dates, hours, and projects worked
- Copies (or originals) of logs and schedules for equipment usage
- Signed statements noting fair market value for any in-kind donations or materials or supplies
- Copies of originals of invoices for materials, supplies, equipment, etc.
- Fringe benefit details and explanations

**Final Documents** – A final document must be approved by ADEQ at the end of each phase.

**End of Phase I** – The Impairment Mitigation Plan or TMDL Implementation Plan. Submit three (3) hard copies and one (1) electronic copy to ADEQ. To conserve resources, the plan should be made available for public use electronically.

**End of Phase II** – A final narrative and budget report. Three (3) hard copies and one (1) electronic copy must be submitted to ADEQ. The final report would include (at a minimum):

- A summary of the project goals and objectives
- Project results and outcomes
- Aspects of the project that worked well and aspects that did not
- Summary of public involvement and coordination
- Description of all management practices implemented, including maps, photos, and location information
- Recommendations for subsequent effectiveness monitoring

ADEQ will not disburse final payment until the final report is approved and all requirements of the Grant Agreement have been fulfilled.

The Grantee needs to maintain a project documentation file for a minimum of five (5) years after the final report is submitted. The file must include all relevant records of this project.



# Appendix A

## Targeted Watershed Improvement Plan

### Pre-proposal

<b>Arizona Department of Environmental Quality Water Quality Improvement Grant Program Pre-proposal Form</b>
<b>Targeted Watershed Plan Scope and Scale</b> - Watershed area and pollutants of concern.
<b>Authorizing Agency</b> - Name of person, agency, company, tribal authority who is applying for the grant.  <b>Name:</b> <b>Address:</b>  <b>Brief description of the agency:</b>
<b>Agency Contact</b> – Primary contact for preliminary discussions and meeting arrangements. Meetings will be scheduled either at ADEQ's offices in Phoenix or via telephone conferencing.  <b>Name:</b> <b>Address:</b>  <b>Title:</b> <b>Phone:</b> <b>E-mail:</b> <b>Fax:</b> <b>Other contact information:</b>

## Appendix A

### Pre-proposal Content

The pre-proposal should be no more than 6 pages in length. The pre-proposal should be concise and contain the following information. This information is also requested in the grant application; however, less detail would be expected in the pre-proposal.

#### 1. Project Summary:

Provide a synopsis of the proposal, including the following information, if applicable:

- Indicate the scope and scale of the watershed involved (extent of the watershed and pollutants of concern).
- If including pollutants not specifically included in the impaired water listing, indicate why.
- Attach a topographical map that defines the extent of the watershed.
- If addressing ground water, attach evidence that water quality is not meeting drinking water standards or will soon not meet standards (data, well locations, etc).

*Provide synopsis (use as much space as needed)*

#### 2. Citizen Participation:

Describe methods to get active and broad citizen participation in different aspects of the planning process. Describe how the information will be available for public use.

*Describe methods (use as much space as needed)*

#### 3. Watershed Improvement Council

Describe how the WIC will be created so that all groups affected by plan implementation in the watershed are represented.

*Describe the Watershed Improvement Council (use as much space as needed)*

#### 4. Management Practices and Criteria for Application (Phase II)

Describe applicable management practices. List on-the-ground practices (e.g., Best Management Practices – BMPs) to be implemented in Phase II. Note that costly and technically difficult practices would wait for later phases.

*Describe applicable management practices (use as much space as needed)*

### **5. Key Personnel and Support:**

Provide evidence that personnel are proficient in managing and implementing project goals and desired outcomes. Technical support and collaboration with other agencies and parties is strongly encouraged.

- Relevant experience of the organization requesting funds and key personnel
- Existing community support for completing and implementing a targeted plan
- Identify the partners who will be responsible for each aspect of the planning process.  
(Meeting facilitation, education, document preparation, technical assistance, on-the-ground work, etc.)

*Key personnel and support (use as much space as needed)*

# Appendix B

## Targeted Watershed Improvement Plan

### Grant Application

<p align="center"><b>Arizona Department of Environmental Quality</b>  <b>Water Quality Improvement Grant Program</b>  <b>Grant Application Form</b></p>	
<p><b>Targeted Watershed Plan Scope and Scale</b> - Watershed area and pollutants of concern.</p>	
<p><b>Authorizing Agency</b> - Name of person, agency, company, tribal authority who is applying for the grant.</p> <p><b>Name:</b>  <b>Address:</b></p>	<p><b>Authorized Agency Contact</b> – Person who will accept responsibility for the terms and conditions of the Grant Agreement. This person must sign the signature page.</p> <p><b>Name:</b>  <b>Title:</b>  <b>Phone:</b>  <b>E-mail:</b>  <b>Fax:</b></p>
<p><b>Project Manager</b> – Person who will have the day-to-day knowledge of the project and should be contacted if clarification is required.</p> <p><b>Name:</b>  <b>Address:</b></p> <p><b>Title:</b>  <b>Phone:</b>  <b>E-mail:</b>  <b>Fax:</b></p>	
<p><b>Project Period</b>  <input type="checkbox"/> 0-1 year   <input type="checkbox"/> up to 2 years</p>	
<p><b>Project Costs</b></p> <p><b>Funds Requested</b> (max 60%):      \$</p> <p><b>Matching Funds</b> (min 40%):      \$</p> <p><b>Total Project Costs:</b>      \$</p>	
<p><b>Are you or your organization currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity?</b>   <input type="checkbox"/> Yes   <input type="checkbox"/> No</p>	



## Appendix B

### Authority Signature Page

The undersigned hereby offers and agrees to perform in compliance with all terms, conditions, specifications, and scope in this grant application. Signature certifies understanding and compliance with the application attached hereto. ADEQ may approve the grant application and modifications to scope, methodology, and schedule, final projects, and/or budget.

Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Company/Agency/Tribal Authority \_\_\_\_\_

This Grant Application Form must be signed by the individual legally authorized to act on behalf of the applicant in conducting all official business relating to the project. Signing this form and submitting a grant application package, certifies that the applicant has authority to enter into the agreement, accept funding, and fulfill the terms of the proposed project if approved. Applicant is required to read the Water Quality Improvement Grant Agreement Terms and Conditions and be legally authorized to enter into an agreement with ADEQ.

## Appendix B

### Grant Application Content

The application for a targeted watershed improvement plan grant should be concise and contain the following information:

#### 1. Project Summary:

Provide a synopsis of the proposal, including the following information, if applicable:

- Indicate the scope and scale of the watershed involved – extent of the watershed and pollutants of concern.
- If including pollutants not specifically included in the impaired water listing, indicate why.
- Attach a topographical map that defines the extent of the watershed.
- If ground water, attach evidence that water quality is not meeting drinking water standards or will soon not meet standards (data, well locations, etc).

*Provide synopsis (use as much space as needed)*

#### 2. Citizen Participation:

Describe methods to get active and broad citizen participation in different aspects of the planning process. Describe how the final document will be available for public use.

*Describe methods (use as much space as needed)*

#### 3. Watershed Improvement Council

Describe how the WIC will be created so that all groups that might be affected by plan implementation in the watershed are represented.

*Describe the Watershed Improvement Council (use as much space as needed)*

#### 4. Management Practices and Criteria for Application (Phase II)

Describe applicable management practices. List on-the-ground practices (e.g., Best Management Practices – BMPs) to be implemented in Phase II. For each practice, indicate:

- Relative effectiveness
- Expected longevity and maintenance requirements
- Rough estimate of costs per unit implemented
- Criteria for determining where practices would be applied
- Monitoring methods for determining long-term effectiveness after implementation.

*Describe applicable management practices (use as much space as needed)*

### 5. Key Personnel and Support:

Provide evidence that personnel are proficient in managing and implementing projects goals and desired outcomes.

- Relevant experience of the organization requesting funds and key personnel
  - Existing community support for completing and implementing a targeted plan
  - Identify all partners and indicate how they will be actively involved in the planning process.
- Technical support and collaboration with other agencies and parties is strongly encouraged.

*Key personnel and support (use as much space as needed)*

### 6. Work Plan, Steps, and Milestones:

Develop a work plan with a series of steps and associated dates that are necessary to complete the plans. Each step must have a milestone that provides a description of what will be accomplished. For example, if the step is to establish Watershed Improvement Council, the milestone would be to bring together at least 10 people representing different groups that might be affected by plan implementation in the watershed and are committed to participating in plan development. A form is provided below.

WORK PLAN STEP	MILESTONE	DATE TO COMPLETE	ASSOCIATED COSTS

## 7. Budget

Develop a budget based on anticipated costs for completing the plan within the proposed time schedule. Show equipment, supplies, salaries, and education/training costs for the project components where possible. Use the "other" category where such breakdown is not practical.

Add more rows as needed.

GRANT FUNDS REQUESTED (60% of total cost maximum)		
	FUNDS	Additional Description and Comments
<b>Admin. Costs (10% maximum)</b>		
Project Admin.		
<b>Public Involvement, Watershed Improvement Council</b>		
<b>Watershed Survey</b>		
<b>Document Preparation</b>		
<b>Implementation of Management Practices</b>		
<b>Other</b>		
<b>Sub-totals</b>	<b>\$0.00</b>	

MATCHING FUNDS (40% of total cost minimum)		
	FUNDS	Description and Comments
<b>Administrative Costs</b>		
Project Admin.		
<b>Public Involvement, Watershed Improvement Council</b>		
<b>Watershed Survey</b>		
<b>Document Preparation</b>		
<b>Implementation of Management Practices</b>		
<b>Other</b>		
<b>Sub-totals</b>	<b>\$0.00</b>	<b>\$0.00</b>

<b>Total Expenditures (Requested + Match)</b>	<b>\$0.00</b>	<b>\$0.00</b>
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# Important Information Concerning the Grant Application

## **The Grant Package**

Your complete application package should include:

- One (1) original paper copy of the application with original signature.
- One (1) electronic copy
- Five (5) copies of the application

Maps and attachments should be included with each copy.

Mail or deliver the grant application package (one original, five copies, and the electronic copy) in a sealed envelope or package, clearly marked with the following information: "Watershed Improvement Plan Grant Application" with the deadline date and time. See example below. ADEQ cannot accept applications via fax or email.

Watershed Improvement Grant Application  
Deadline: *Month/day/year, Time of day*  
Attention: Grant Coordinator  
1110 W. Washington St.  
Phoenix, AZ 85007

## **If Grant is Awarded**

If your project is awarded, additional information will be needed.

- ADEQ must review and approve of the survey methods and/or monitoring plans during Phase I. Such documentation should be prepared following guidance in *A workbook for Developing Effective Monitoring Plans* (ADEQ, 2008). Although the guidance was developed to assist volunteer groups write an effective monitoring plan, it can easily be adapted for developing a watershed survey plan and methods document. The workbook can be downloaded from the Grant Programs website at:  
[www.azdeq.gov/environ/water/watershed/fin.html](http://www.azdeq.gov/environ/water/watershed/fin.html)
- Land owner permission may be needed to access areas for the survey work in Phase I. ADEQ suggests that you document and track approvals.
- Before initiating any on-the-ground activities in Phase II, Grantee will need to submit for approval detailed information, including:
  - A site plan (map, land ownership, latitude/longitude, current land use)
  - State Historic Preservation Office (SHPO) form (Appendix D)
  - Documentation of land owner and tenant desire, ability, legal authority, and commitment to implement and maintain improvements.
  - A monitoring plan to determine the long-term effectiveness of improvement project.
  - Revised budget form and work plan

## Appendix C

### Grant Agreement Terms and Conditions

#### Definition of Terms

- 1.1 **“Applicant”** means a person, firm, or other organization that submits or is considering submitting an application.
- 1.2 **“Application”** means a response submitted pursuant to a Request for Grant Applications (RFGA).
- 1.3 **“Days”** means calendar days unless otherwise specified.
- 1.4 **“Department”** means the Arizona Department of Environmental Quality (ADEQ).
- 1.5 **“Director”** means the Director of ADEQ.
- 1.6 **“Equipment”** means tangible, nonexpendable, personal property, including supplies, having useful life of more than one year and an acquisition cost of \$1,000 or more per unit.
- 1.7 **“Grant Agreement”** means a written document, signed by an authorized representative of both parties, including the RFGA (including the manual referenced in the RFGA) and the application (including any revisions requested by the Department) and any Grant Agreement Amendments.
- 1.8 **“Grant Agreement Amendment”** means a written document, signed by an authorized representative of both parties for the purpose of making changes to the Grant Agreement.
- 1.9 **“Gratuity”** means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.10 **“Grantee”** means an applicant that is awarded a Grant Agreement.
- 1.11 **“Manual”** means the Watershed Mitigation Plan Grant Manual.
- 1.12 **“Records”** means all books, accounts, reports, files and other records relating to this Grant Agreement.
- 1.13 **“Request for Grant Applications”** means the document the Department utilizes to request applications.
- 1.14 **“Subcontract”** means any contractual Grant Agreement, express or implied, between the Grantee and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Grant Agreement.

## Grant Agreement Interpretation

- 2.1 **Arizona Law.** This Grant Agreement shall be interpreted under Arizona law and, if applicable, under federal law. The Department is authorized to enter into Grant Agreements by Arizona Revised Statutes (A.R.S.) Title 49. The Department is soliciting grants using the process given in A.R.S. Title 41, Chapter 24.
- 2.2 **Implied Terms.** Each provision of law and any terms required by law to be in this Grant Agreement are a part of this Grant Agreement as if fully stated in it.
- 2.3 **Language and Marginal Headings.** Language as used in this Grant Agreement shall include the plural as well as the singular and the masculine, feminine and neuter genders. Marginal headings are included for ease of reading only and shall have no effect on the construction or interpretation of this Grant Agreement.
- 2.4 **Relationship of Parties.** Neither party to this Grant Agreement shall be deemed to be the employee or agent of the other party.
- 2.5 **Lobbying.** Grantee shall comply with federal lobbying requirements pursuant to 40 CRF 34.100 and Office of Management and Budget (OMB) Circulars A-87 and A-122. Federal grant funds may not be used to influence (or attempt to influence) a federal employee. If non-federal funds have been used to influence (or attempt to influence) a federal employee, the Grantee must submit Standard Form LLL ("Disclosure of Lobbying Activities").
- 2.6 **Severability.** The provisions of this Grant Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Grant Agreement.
- 2.7 **No Parol Evidence.** This Grant Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.
- 2.8 **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Grant Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

## Grant Agreement Administration and Operation

- 3.1 **Drug-free Workplace.** Grantees are required to certify that they maintain a drug-free workplace. By signing the Grant Agreement, the Grantee certifies that he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any grant-related activity.
- 3.2 **Administrative Costs.** Salaries, overhead, or indirect costs for administrative services provided and charged against activities and programs carried out with the grant shall not exceed 10 percent of the grant award.



3.3 **Project Period.** The Department agrees to reimburse Grantees for work activities performed during the project period as described in this Grant Agreement. The Department is not required to reimburse Grantee for any work activities initiated prior to execution of this Grant Agreement or after the project period has elapsed. The Grantee understands that the Department may terminate this Grant Agreement (see paragraph 9.5 of this Grant Agreement), if the project is not initiated within 3 months after entering into this Grant Agreement. The Department may extend the project period, if requested by the Grantee by executing a Grant Agreement Amendment (see 5.1, Grant Agreement Amendments).

3.4 **Points of Contact.** ADEQ designates the individual listed below as the Project Manager for budgeting, deliverable, and scheduling issues. Technical correspondence, invoices and reports from the Grantee shall be sent to the person below or a replacement identified by ADEQ.

**Northern Project Manager**

Arizona Department Environmental Quality  
1110 W. Washington St  
Phoenix, AZ 85007  
Phone: 602-771-4551, 1(800) 234-5677 Ext: 771-4551

**Southern Project Manager**

Arizona Department Environmental Quality  
1110 W. Washington St.  
Phoenix, AZ 85007  
Phone: (602) 771-4565, 1(800) 234-5677 Ext: 771-4565

3.5 **Grantee's Representatives.** The Grantee shall designate the individual listed in the application as "Project Manager" as its Representative. Any proposed changes that are requested for either project contacts or project team members for the awarded grant shall be requested in writing to ADEQ. Changes shall not be made without ADEQ approval.

3.6 **Reports.** A budget report and a narrative report shall be submitted on a calendar quarterly basis. Reports shall be sent to the Department no later than 30 calendar days after the close of the quarter. Reports shall be in electronic format (disk or e-mail). A paper copy of the reports shall be mailed to the Department in addition to the electronic submittal. The reports shall include, but are not limited to, budget expenditures, in-kind expenditures, and a narrative of the project's progress, as applicable. Grantee must obtain ADEQ Project Manager pre-approval before any funds are relocated from the original/approved budget. The Grantee is responsible for responding to any inquiries from the Department and/or the U.S. Environmental Protection Agency.

At the end of the project, a final budget report and a final narrative report must be submitted and approved by the Department. The final narrative report shall include at a minimum: a summary of the project goals and objectives, project results or outcomes (including any data or photos), aspects of the project that worked well and things that did not work well, any public involvement and coordination and future activity recommendations for the watershed. An electronic format of the final report is required to close out the project.

The Department will not disburse final payment until the final report and all requirements of the Grant Agreement have been fulfilled. All remaining grant funds or outstanding grant funds must be reconciled.

- 3.7 **Records and Audit.** Under A.R.S. § 35-214 and § 35-215, the Grantee shall retain and shall contractually require each subcontractor to retain all Records for a period of five years after the completion of the Grant Agreement. Upon request, the Grantee shall produce a legible copy of any or all such Records. All Records shall be subject to inspection and audit by the Department, and where applicable the Federal Government, at reasonable times.
- 3.8 **Printing Credit.** Items such as brochures, advertisements, videos, maps, and technical reports developed for the project must be approved by the ADEQ Project Manager prior to printing or displaying information. These items shall include the statement "Funded by a grant from the United States Environmental Protection Agency and the Arizona Department of Environmental Quality."
- 3.9 **Recycled Materials.** To the extent possible, printed materials shall be on recycled paper with the statement, "Printed on Recycled Paper," printed on the cover sheet.
- 3.10 **Nondiscrimination.** Code 40 of Federal Regulations (CFR) 7.30 prohibits discrimination under any program or activity receiving U.S. Environmental Protection Agency assistance on the basis of race, color, natural origin, gender, handicap, or age. The Grantee shall comply with State Executive Order No. 99-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- 3.11 **Inspection.** The Grantee agrees to permit access to its facilities and subcontractor facilities at reasonable times for inspection of the materials covered under this Grant Agreement.
- 3.12 **Advertising and Promotion of Grant Agreement.** The Grantee shall not advertise or publish information for commercial benefit concerning this Grant Agreement without the prior written approval of the Department.
- 3.13 **Ownership of Information.** Title to all documents, reports and other materials prepared by the Grantee in performance of this Grant Agreement shall rest in the Department, except for copyrighted material prepared in advance of this Grant Agreement by the Grantee at the expense of the Grantee. ADEQ and the U.S. Environmental Protection Agency shall have full and complete rights to reproduce, duplicate, disclose, perform and otherwise use all information prepared under this Grant Agreement, except for copyrighted material as provided in 6.1.2 of this Grant Agreement. The Grantee shall have full and complete rights to reproduce, duplicate, disclose, perform and otherwise use all information prepared under this Grant Agreement.
- 3.14 **Equipment.** Equipment purchased in whole or in part with grant funds should be itemized. Equipment that is purchased with grant funds may remain with the Grantee upon completion of the project unless the Department determines in writing that it is in the best interest of the State for the equipment to be returned to Department.
- 3.15 **Small, Women/Minority Owned Business Utilization.** Grantees are encouraged to make every effort to utilize subcontractors that are small, women-owned and/or minority

owned business enterprises. This could include subcontractors for a percentage of deliverables made under this and subsequent agreements. Grantees who are committing a portion of their work to such subcontractors shall do so by identifying the type of service and work to be performed by providing detail concerning your organization's utilization of small, women-owned and/or minority owned business enterprises. Emphasis should be placed on specific areas that are subcontracted and percentage of agreement utilization and how this effort will be administered and managed, including reporting requirements.

- 3.16 **Operation and Maintenance.** Any management practices (nonpoint source pollution control measures, remediation, etc.) implemented for the project must be properly operated and maintained for the intended purposes or as defined in the special conditions of the Grant Agreement. Operation includes the administration, management, and performance of non-maintenance actions needed to keep the completed practices safe and functioning as intended. Maintenance includes work to prevent deterioration of the practice, repairing damage, or replacement of the practice to its original condition if one or more components fail.
- 3.17 **Offshore performance of Work Prohibited.** Due to security and identity protection concerns, all services under this Contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.
- 3.18 **Federal Immigration and Nationality Act.** By entering into this agreement, the Grantee warrants compliance with the Federal Immigration of Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Grantee shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Office upon request. These warranties shall remain in effect through the term of the agreement. The Grantee and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U. S. Department of Labor's immigration and Control Act, for all employees performing work under the agreement.

## Grant Funding

- 4.1 **Use of Grant Funds.** Awarded grant funds shall be used solely for eligible purposes as approved by the Department. Line item funding is considered estimates of costs, however, the total project cost is considered exact and shall not be exceeded by the Grantee unless otherwise amended.
- 4.2 **Payment Processes.** The Department's payments for Grantees' contractors (excluding overhead) is limited to a maximum daily rate of \$513.60 and a maximum hourly rate of \$64.20. This amount does not include transportation and subsistence costs, in accordance with normal travel reimbursement practices. Grantees may pay consultants more than this amount, but the excess amount may not be paid with grant funds.

4.3 ***Funding Disbursement.***

- 4.3.1 Transferred grant funds shall be deposited by the Grantee in a separate project account carrying the name and number of the project and the funds shall be expended from the account only as authorized under the terms of this Grant Agreement.
- 4.3.2 All matching fund contributions or expenditures must occur within the effective dates of the Grant Agreement.
- 4.3.3 All requests for reimbursement shall be accompanied by reasonable assurance (documentation, receipts, invoices, etc.) that the goods and services for which payment is requested were actually received and performed. The Department has the right to disallow contributions determined inappropriate or unreasonable.
- 4.3.4 Payments will be made upon approval by the Department.

4.4 ***Applicable Taxes.***

- 4.4.1 The Department shall reimburse only the rate and/or amount of taxes identified in the grant application and included in the costs within the approved budget or in any resulting Grant Agreement.
- 4.4.2 The Department is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the Grantee to remit. Failure to collect taxes from the buyer does not relieve the seller from the obligation to remit taxes.
- 4.4.3 Grantee and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Grantee. The Grantee shall require all subcontractors to hold the Department harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
- 4.4.4 In order to receive payment under any resulting Grant Agreement, the Grantee shall have a current IRS-W9 Form on file with the Department.

- 4.5 ***Non-Availability of Funds.*** Every payment obligation of the Department under this Grant Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not appropriated, allocated, or available for the continuance of this Grant Agreement, this Grant Agreement may be terminated by the Department at the end of the period for which funds are available. No liability shall accrue to the Department in the event this provision is exercised, and the Department shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

## Grant Agreement Changes

- 5.1 **Grant Agreement Amendments.** The Grant Agreement shall be modified only through a Grant Agreement Amendment. Unauthorized changes to this Grant Agreement shall be void and without effect, and the Grantee shall not be entitled to any claim under this Grant Agreement based on those changes.
- 5.2 **Subcontracts.** The Grantee shall not enter into any Subcontract under this Grant Agreement without consideration for impact on the project. Grantee shall report any Subcontract awards or changes as part of that calendar quarter's narrative report (see 3.4, Reports). The Subcontract shall incorporate by reference the terms and conditions of this Grant Agreement.
- 5.3 **Competition.** Pursuant to 40 CFR 31.36, the Grantee shall conduct all procurement transactions in a way that provides open and free competition. Purchases for projects must be made on a competitive basis to ensure that fair and reasonable prices are obtained for goods and services. Grantee shall document cost or price analysis in connection with every procurement action regardless of amount.
- 5.4 **Assignment and Delegation.** The Grantee shall not assign any right nor delegate any duty under this Grant Agreement without the prior written consent of the Department. The State shall not unreasonably withhold consent. Both parties agree that it is reasonable to withhold consent where the Department determines that an assignment or delegation would not be advantageous to the State of Arizona or would be contrary to the purposes of the Water Quality Improvement Grant Program.

## Indemnification and Insurance

- 6.1 **Indemnification Clause.** The parties agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the grantee for the vicarious liability of the State as a result of entering into this agreement. However, the parties further agree that the State of Arizona, its departments, agencies, boards, and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

*This indemnity shall not apply if the Grantee or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.*

The United States Federal Government, acting as a Grantee, does not have the authority to indemnify and hold harmless the State of Arizona from any and all claims, liabilities, losses damages, charges, etc. The State of Arizona does not have the authority to indemnify and hold harmless the United States Federal Government from any and all claims, liability, losses, damages, charges, etc. The State of Arizona will be responsible for errors, omission and negligence of its employees. The United States Federal Government will be responsible for the errors, omission and negligence of its employees to the extent provided by Congress under the Federal Tort Claims Act [28 U.S.C. 1346(b), 2401(b), 2671-2680, as amended by P.L. 89-506, 80-Stat.306].

- 6.1.1 **No Obligation in Excess of Appropriations.** Nothing in this Grant Agreement shall be construed as obligating the Department in the expenditure of funds or as involving the Department in any contract or other obligation of the future payment of money in excess of appropriations authorized by law and budgeted and approved by the Department.
- 6.1.2 **Patent and Copyright.** The Grantee shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Grant Agreement performance or use by the State of materials furnished or work performed under this Grant Agreement. The State shall reasonably notify the Grantee of any claim for which it may be liable under this paragraph. The United States Federal Government does not have the authority to indemnify and hold harmless the State of Arizona.
- 6.1.3 **Third Party Antitrust Violations.** The Grantee assigns to the State of Arizona any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Grantee, toward fulfillment of this Grant Agreement.
- 6.2 **Insurance Requirements.** The Grantee and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under his Grant Agreement, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Grantee, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Grant Agreement and in no way limit the indemnity covenants contained in this Grant Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Grantee from liabilities that might arise out of the performance of the work under this Grant Agreement by the Grantee, its agents, representatives, employees or subcontractors, and the Grantee is free to purchase additional insurance. Agencies of the United States Federal Government are self-insured, and shall submit a certificate of self-insurance (see 6.2.8.)

- 6.2.1 The Grantee shall provide coverage with limits of liability not less than those stated below.

6.2.1.1 **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

• General Aggregate	\$2,000,000
• Products – Completed Operations Aggregate	\$1,000,000
• Personal and Advertising Injury	\$1,000,000
• Blanket Contractual Liability – Written & Oral	\$1,000,000
• Fire Legal Liability	\$ 50,000
• Each Occurrence	\$1,000,000

The policy shall be endorsed to include the following additional insured language:  
*“The State of Arizona, its departments, agencies, boards, commissions, universities*

*and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor.”*

Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Grantee.

#### 6.2.1.2 **Worker's Compensation and Employers' Liability**

##### **Workers' Compensation**

##### **Employers' Liability**

Each Accident	<b>Statutory</b> \$ 500,000
Disease – Each Employee	\$ 500,000
Disease – Policy Limit	\$1,000,000

Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Grantee.

This requirement shall not apply to: Separately, each Grantee or subcontractors exempt under A.R.S. § 23-901, and when such Grantee or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

#### 6.2.2 The policies shall include, or be endorsed to include, the following provisions:

- The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Grantee, even if those limits of liability are in excess of those required by this Grant Agreement.
- The Grantee's insurance coverage shall be primary insurance with respect to all other available sources.
- Coverage provided by the Grantee shall not be limited to the liability assumed under the indemnification provisions of this Grant Agreement.

#### 6.2.3 **Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Grant Agreement shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the Department. Such notice shall be sent directly to the Department and shall be sent by certified mail, return receipt requested.

#### 6.2.4 **Acceptability of Insurers.** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Grantee from potential insurer insolvency.

#### 6.2.5 **Verification of Coverage.** The Grantee shall furnish the Department with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required



by this Grant Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the Department before work commences. Each insurance policy required by this Grant Agreement must be in effect at or prior to commencement of work under this Grant Agreement and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Grant Agreement, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Grant Agreement shall be sent directly to the Department. The ADEQ grant/project number and project description shall be noted on the certificate of insurance. The Department reserves the right to require complete, certified copies of all insurance policies required by this Grant Agreement at any time.

- 6.2.6 **Subcontractor.** Grantees' certificate(s) shall include all subcontractors as insured under its policies or Grantee shall furnish to the Department separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.
- 6.2.7 **Approval.** Any modification or variation from the *insurance requirements* in this Grant Agreement shall be made by the Arizona Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Grant Agreement amendment, but may be made by administrative action.
- 6.2.8 **Exceptions.** In the event the Grantee or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the Grantee or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

## Warranties

- 7.1 **Key Personnel.** It is essential that the Grantee provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this Grant Agreement. The Grantee must assign specific individuals to the key positions. Once assigned to work under the Grant Agreement, Grantees shall not remove or replace key personnel without consideration for impact on the project.
- 7.2 **Compliance with Applicable Laws.** The materials and services supplied under this Grant Agreement shall comply with all applicable Federal, state and local laws. Grantee shall maintain and comply with all applicable licenses and permit requirements.
- 7.3 **Grantee's Representations and Warranties.** All representations and warranties made by the Grantee under this Grant Agreement and within the application shall survive the expiration or termination of the Grant Agreement.

If the Grantee is an agency of the federal government, it shall ensure the quality of workmanship on the project and that it will remain in good working order for the useful life of the improvement.

In addition, the parties acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, chapter 5.

## **Department's Contractual Remedies**

- 8.1 ***Right to Assurance.*** If the Department in good faith has reason to believe that the Grantee does not intend to, or is unable to perform or continue performing under this Grant Agreement, the Department may demand in writing that the Grantee give a written assurance of intent to perform. Failure by the Grantee to provide written assurance within the number of days specified in the demand may, at the Department's option, be the basis for terminating the Grant Agreement.
- 8.2 ***Non-exclusive Remedies.*** The rights and the remedies of the State under this Grant Agreement are not exclusive.

## **Grant Agreement Termination**

- 9.1 ***Conflict of Interest.*** The Grantee shall comply with standards of conduct pursuant to 40 CFR 31.36 to avoid conflict of interest. Recipients of federal funds may not participate in the selection, award, or administration of a contract if real or apparent conflict of interest would result.
- 9.2 ***Cancellation for Conflict of Interest.*** Pursuant to A.R.S. § 38-511, the State may cancel this Grant Agreement within 3 years after Grant Agreement execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Grant Agreement on behalf of the State is or becomes at any time while the Grant Agreement or an extension of the Grant Agreement is in effect an employee of or a consultant to any other party to this Grant Agreement with respect to the subject matter of the Grant Agreement. The cancellation shall be effective when the Grantee receives written notice of the cancellation unless the notice specifies a later time. If the Grantee is a political subdivision of the State of Arizona, it may also cancel this Grant Agreement as provided in A.R.S. § 38-511.
- 9.3 ***Gratuities.*** The Department may, by written notice, terminate this Grant Agreement, in whole or in part, if the Department determines the Grantee or a representative of the Grantee offered employment or a Gratuity to any officer or employee of the State of Arizona for the purpose of receiving favorable treatment, including the making of any determination or decision, concerning this Grant Agreement. The Department, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Grantee.
- 9.4 ***Suspension or Debarment.*** The State may, by written notice to the Grantee, immediately terminate this Grant Agreement if the State determines that the Grantee has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Execution of a Grant Agreement shall attest that the Grantee is not currently suspended or debarred. If the Grantee becomes suspended or debarred, the Grantee shall immediately notify the Department.

- 9.5 **Termination for Convenience.** The Department reserves the right to terminate the Grant Agreement in whole or in part at any time, when in the best interests of the State of Arizona without penalty or recourse. Upon receipt of written notice of termination, the Grantee shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the Department. In the event of termination under this paragraph, all documents, data and reports prepared by the Grantee under the Grant Agreement shall become the property of and be delivered to the Department. The Grantee shall be entitled to receive reimbursement for work completed and materials accepted before notification of termination. The Department is under no obligation to continue reimbursement for any work activities undertaken after notification of termination.
- 9.6 **Termination for Default.** The Department reserves the right to terminate the Grant Agreement in whole or in part due to the failure of the Grantee to comply with any term or condition of the Grant Agreement or to acquire and maintain all required insurance policies, bonds, licenses and permits. The Department shall provide written notice of the termination and the reasons for it to the Grantee.
- 9.7 **Continuation of Work Activities After Termination.** Termination of this Grant Agreement does not prohibit the Grantee from independently continuing work on the project, but any such independent continuation is solely the responsibility of the Grantee.
- 9.8 **Disputes.** The parties to this Grant Agreement agree to resolve all disputes arising out of or relating to this Grant Agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable state or federal statutes and law.

## Appendix D

### State Historic Preservation Office (SHPO) Form

Any ADEQ action, including grant projects paid in-part with ADEQ funds, on state, federal, or private lands that may impact historic properties (i.e., any prehistoric or historic-period district, site, building, structure, or object included in, or eligible for inclusion in the State Register of Historic Places) require consultation with the State Historic Preservation Office (SHPO) pursuant to the State Historic Preservation Act (ARS 41-861 to 864). ADEQ is legally responsible for making determinations and findings.

In order to make informed decisions and facilitate consultation with SHPO, ADEQ requires applicants to provide the project related information requested below. By working together, we can seek out ways that “the historical and cultural foundations of this state can be preserved as a living part of our community life and development” (State Historic Preservation Act).

#### **For Each On-the-ground Project Site in Phase II**

*Please prepare and answer the following questions pertaining to historic properties and preservation. Use multiple forms as needed. Add map(s), drawings and pictures where appropriate.*

#### **1. Project Location**

Indicate the location of the project sites, including:

- County,
- Township, range and section
- Nearest Town or City

Describe the conditions of the land in the project area. Attach a copy a USGS topographic map with the project area clearly marked. On the map, please specify the area(s) where impacts will occur.

*Provide project location information (use as much space as needed)*

#### **2. Project Description:**

Describe the buildings or structures within project area and their age. Describe any ground-disturbing activities. Indicate whether the proposed project could impact historical properties, should they be present.

*Provide project description (use as much space as needed)*

### 3. Steps Taken to Identify Historic Properties

- Indicate whether the project area has been previously surveyed to determine the presence or absence of historic properties? If it has, attach a report.
- Are buildings, structures, or objects 50 years old or older present in the project area? If yes, include description.
- Are any prehistoric or historic-period archaeological sites present? If yes, please list and briefly describe.
- What does the state or federal land manager, if any, say about historic properties present in the project area? Attach letter, if applicable.
- What efforts, if any, would be reasonable to determine the presence or absence of historic properties?

*Provide synopsis of steps taken to identify historic properties (use as much space as needed)*

### 4. Potential for Historic impacts

In the applicant's opinion, which determination listed below is appropriate for this project based on the information presented above:

- ☐ No impacts/ historic properties not present
- ☐ No impacts/ historic properties present. Describe how historic properties will be avoided or protected.
- ☐ Negative impacts to historic properties. Suggest treatment measures.
- ☐ Positive impacts to historic properties. Describe any positive impacts to historic properties that could be attributed to the proposed project.

*Describe how any negative impacts to historic properties will be avoided and describe potential positive impacts (use as much space as needed)*

### For SHPO Use Only - Record of Consultation

SHPO advises ADEQ on the completeness of identification effort, determination of effect, and any proposed treatment measures.

- \_\_\_ Concur with determination
- \_\_\_ Do not concur with determination
- \_\_\_ Request More Information
- \_\_\_ Recommend that the project area be surveyed to determine the presence or absence of historic properties by a qualified professional
- \_\_\_ Additional comments below:

Signed: \_\_\_\_\_ Date: \_\_\_\_\_