Source Water Protection Grant Guidelines

Section 1452 of the federal Safe Drinking Water Act provides funds for source water assessment and protection. These funds are a potential source of support for drinking water protection projects in Idaho. Approximately $100,000 is available for project funding in federal fiscal year 2022 (FY2022). Maximum funding requested for a project should not exceed $10,000 for local projects and $15,000 for regional projects. Applicant and project eligibility and special conditions of these grant funds are described below.

**Applicant Eligibility**

Eligible applicants include the following:
- Idaho public water systems
- Local government units and subunits
- Special districts (e.g., water districts or conservation districts)
- Associations
- Nonprofit organizations
- Educational institutions
- Tribes

Owners of privately owned, for-profit public water systems where drinking water is not the main function of their business are not eligible for funding.

All applicants must have and maintain general liability insurance covering bodily injury and property damage. Insurance must include personal injury liability, blanket contractual liability coverage for the indemnity under the grant project, and products/completed operations liability. If the applicant does not have liability insurance, they may be required to obtain coverage before receiving grant funding and keep the coverage active for the duration of the grant contract.

**Project Eligibility**

Projects associated with source water protection measures are eligible for funding. Source water is defined as “any aquifer, surface water body, or watercourse from which water is taken either periodically or continuously by a public water system for drinking or food processing purposes” (Idaho Source Water Assessment Plan 1999).

Eligible activities include those that lead to reducing the risk of contamination of the drinking water source. Projects must contribute to improved protection of one or more public water supply sources. Projects will be expected to provide long-term benefits to source water quality.
Projects with measures to reduce the threat of contaminants that could impact a specific drinking water source or regional drinking water supply are eligible for funding:

- Contaminant source identification (research)
- Contaminant pathway removal (closure of abandoned or unused wells\(^1\))
- Contaminant removal (hazardous waste collection, pollution prevention, and waste reduction)
- Contaminant management (implement best management practices [BMPs] and structures to divert contaminated runoff from the source)
- Restoration and/or conservation of the ecological function of source water protection areas
- Education and information sharing (brochures, workshops, and media campaigns)
- Security measures to protect the source

Grants can be used to implement security measures as long as the project protects the source area. Projects that protect the physical extraction structure (e.g., well, spring, or intake structures) are eligible for funding:

- Fencing around wells or springs\(^2\). The fencing can include other buildings or tanks, as long as the fenced-in area is part of the source area.
- Gates for well and intake access roads and access control for those areas.
- Alarms, signs, cameras, locks, and lights for sources if they are clearly related to protecting the source water area.

Grant funds are intended to target activities that go beyond normal operation and maintenance standards and existing system infrastructure deficiencies. Funds are available for projects that concentrate on protecting a specific community public water supply system or aquifer/watershed wide-protection effort.

**Ineligible Projects**

Applications that do not meet the eligibility requirements are not considered for funding.

Projects specific to the treatment, transmission, distribution, consolidation, or storage of the drinking water system are not eligible for funding.

A grant cannot be used to fund personnel or purchase equipment associated with water system operation and maintenance, water treatment, purchasing land, system infrastructure upgrades, or improvements (including water meters). Drinking Water State Revolving loans may be available for system infrastructure upgrades or improvements and, under unique circumstances, land acquisition.

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\(^1\) Grant recipients who intend to abandon a well must meet the requirements of the *Idaho Rules for Well Construction Standards* (IDAPA 37.03.09).

\(^2\) Fences installed to protect source water from livestock must meet minimum setback requirements identified in *IDAPA 58.01.08*. The applicant must obtain a waiver from DEQ if they are unable to meet the setback requirements.
Projects that require long-term maintenance beyond the life of the grant are not eligible for funding.

Application Forms

There are two application forms depending on the applicant. The Public Water System (PWS) application should be completed by the owner of a public water system officially recognized by DEQ. All other applicants should complete the non-PWS application form.

PWS Application

Owners of public water systems officially recognized by DEQ can apply for grants to implement protection activities in existing source water protection areas, designated future source water protection areas, and in the associated communities using the PWS application form. A PWS has at least 15 service connections or regularly serves 25 or more people at least 60 days out of the year.

To be eligible for funding, the PWS must be current with drinking water fees, in accordance with IDAPA 58.01.08.010. The PWS must not be in disapproved status with DEQ (IDAPA 58.01.08.007); however, a PWS with disapproved status may be considered if the disapproval is reasonably outside the system’s control (e.g., a contamination event and the system is actively working on the solution). System owners that are under a consent order or a compliance agreement schedule must be current with all terms and conditions of the order to be eligible for source water protection grant funding.

Non-PWS Application

Eligible entities who are not a public water system can apply for funding for projects that are not specific to a PWS or supplier using the non-PWS application form. Source water protection projects may include multiple PWS sources, or may address a larger regional watershed or aquifer.

Grants are available to protect or promote source water quality, quantity, security or awareness. Projects should include activities that enhance cooperation among citizens, local government, businesses, and landowners.

General Project Requirements

- Projects must focus on protecting drinking water sources, not operation and maintenance of the system or water treatment.
- Although local match is not required, it is encouraged, and projects with match will be given preference. Match can be in the form of soft (“in-kind”), hard (cash), or a combination.
- Projects must be completed within 1 year, following award of the grant.
- Project costs and applied match must comply with federal guidelines for applicable cost principles (see OMB Uniform Grant Guidance [2 CFR 200]).
- Applications requiring a contractor (i.e., well abandonment and fencing) must include at least one project bid with the application.
- Grant recipients may be required to complete quarterly reports until project completion.
Final report and photos of completed projects may be required upon final payment.

**Selection Procedures/Process**

The following criteria are considered when ranking proposals:

**PWS Applications:**
- **Protection Plan:** Does the project consist of or fulfill some component of a current certified drinking water source protection plan, or a plan that will be developed or updated before this project is completed?
- **Contaminants:** Does the project address existing or potential contamination sources?
- **Proximity to Source(s):** Does the project address contamination sources within 500 feet of a well(s) or spring source, or within 1 mile of a surface water intake?
- **Priority Area:** Is the project located in an area of ground water quality degradation (nitrate priority area), sole source aquifer, total maximum daily load (TMDL), or sensitive resource aquifer?
- **Match:** Is the applicant providing match for the project (match can be cash or in-kind)?
- **Member of IDWARN:** Is the applicant a member of Idaho's Water and Wastewater Agency Response Network?
- **Quality of the Application:** Does the application clearly define the project, include a bid (if applicable), and demonstrate source water protection concepts and methods?
- **Ability to Complete the Project:** Does the applicant demonstrate a high likelihood of implementation and ability to complete the project on time?

**Non-PWS Applications**
- **Contaminants:** Does the project address existing or potential contamination sources?
- **Project Area:** Is the project area within or address a source water protection area of a public water system?
- **Priority Area:** Is the project located in an area of ground water quality degradation (nitrate priority area), a sole source aquifer, TMDL area, or sensitive resource aquifer?
- **Project Support:** Does the project have the support from local PWS, local jurisdictions, and other partners?
- **Match:** Is the applicant providing match for the project (match can be cash or in-kind)?
- **Quality of the Application:** Does the application clearly define the project, include a bid (if applicable), and demonstrate source water protection concepts and methods?
- **Ability to Complete the Project:** Does the applicant demonstrate a high likelihood of implementation and ability to complete the project on time?

Grant proposals are reviewed and scored by designated DEQ regional review teams and scored based on predefined evaluation criteria and point totals. Once the applications are scored, each regional review team selects the top scoring projects from each region to be reviewed by a statewide selection team. The statewide selection team is composed of one DEQ staff person from each region and the state office. After all projects have been reviewed, the team ranks the projects.
Total points are calculated and projects are awarded funding until the funding limit is reached. Selected projects are subject to final approval from the DEQ director and US Environmental Protection Agency.

**Proposal Submission**

The grant application period begins in May 2021 and ends July 30, 2021. DEQ staff will review and rank proposals in August, after which the DEQ director and EPA review and approve the proposals. Applicants will be notified and funds made available to begin projects in October 2021.

Applicants are required to submit a grant application electronically by email or mail to DEQ at the address provided below. Applications must be received or postmarked by July 30, 2021 to be considered for funding. Additional documents such as maps, bids, or photos can be submitted electronically with the application, or mailed to DEQ. Failure to furnish the information requested disqualifies the proposal.

Email or mail application to:

Idaho Department of Environmental Quality  
Attn: Rachael Smith - Source Water Program Coordinator  
1410 North Hilton  
Boise, Idaho 83706

Rachael.Smith@deq.idaho.gov  
(208) 373-0249