



2014

AQUATIC HABITAT GRANT PROGRAM HANDBOOK

**Michigan Department of Natural Resources
Fisheries Division / Grants Management Section**

MICHIGAN DEPARTMENT OF NATURAL RESOURCES MISSION STATEMENT

"The Michigan Department of Natural Resources is committed to the conservation, protection, management, use and enjoyment of the State's natural resources for current and future generations."

NATURAL RESOURCES COMMISSION STATEMENT

The Natural Resources Commission, as the governing body for the Michigan Department of Natural Resources, provides a strategic framework for the Michigan DNR to effectively manage your resources. The NRC holds monthly, public meetings throughout Michigan, working closely with its constituencies in establishing and improving natural resources management policy.

To find out more information on the Natural Resources Commission see
http://www.michigan.gov/dnr/0,4570,7-153-65134_65145---,00.html

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For information or assistance on this publication, contact Grants Management, Michigan Department of Natural Resources, PO Box 30425, Lansing MI 48909-7925.

This publication is available in alternative formats upon request.

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SCHEDULE FOR AQUATIC HABITAT GRANT PROGRAM

Request for Proposals Begin.....	February 1, 2014
Grant Application Due.....	March 15, 2014
DNR Review & Selection Process Completed-Awards Announced by Director.....	April 15, 2014
Project Period Begins.....	Upon execution of Grant Agreement
Project Schedule.....	Follows work plan in “Appendix A” of Project Agreement
Project Period Ends.....	October 12, 2015
Final Project Report Due.....	December 12, 2015

INTRODUCTION

The Aquatic Habitat Grant Program (AHGP) began in October 2013 and will operate each year that funding is available. A total of \$1,000,000 will be available for the Fiscal Year 2014 grant cycle from the Game and Fish Protection Fund. The AHGP's purpose is to improve fish and other aquatic organism populations by protecting intact and rehabilitating degraded aquatic habitat by funding targeted habitat projects by federal, tribal, local and state units of government, non-profit groups and individuals that focus on the controlling processes not the symptoms of the problem. To facilitate the success of these efforts, the program will provide technical assistance to grantees. The AHGP is administered by the Michigan Department of Natural Resources (DNR) through a cooperative effort between Fisheries Division and Grants Management.

APPLYING FOR AN AQUATIC HABITAT GRANT

Grant applicants should work with the Fisheries Division Management Unit staff for the project area to ensure the formulation of a high quality project and proper completion of the grant application. Refer to the map and contact information, in Appendix "A", at the back of this handbook to locate the appropriate management unit.

GRANT PROGRAM ELIGIBILITY AND REQUIREMENTS

Eligible Grant Applicants

Any local, state, federal and tribal unit of government, non-profit groups, or individuals in Michigan may apply for an Aquatic Habitat Grant.

Grant Limits and Match Requirement

The minimum grant amount is \$25,000.00 and the maximum grant amount you can apply for is the amount of funds available in a given fiscal year. Multiple year projects are eligible for funding. Projects on the same watershed addressing the same habitat and process issues and needs can be bundled into a single grant proposal package to reach the minimum grant amount. It is expected that applicants will be able to demonstrate financial means to provide for long-term maintenance on any proposed protection or rehabilitation measures.

The applicant must commit to provide at least 10 percent of the total project cost in the form of local match. The match may be in any of the following forms:

- ❖ cash
- ❖ donations of materials, equipment or services
- ❖ grantee's force account labor, equipment, or materials.

Scores for projects with matching funds will be increased based upon the amount of match provided.

Program Goals

This program is designed to address the following Department's and Fisheries Division's combined goals:

- Protect intact and rehabilitate degraded aquatic resources;
- Ensure sustainable fish and aquatic organism communities that enable long-term recreational use and enjoyment and facilitate natural resource based economies; and
- Develop strong relationships and partnerships with respect to aquatic habitat protection and recovery.

The **objectives** of the Aquatic Habitat Grant Program are to:

- Protect intact and fully functioning waters with self-sustaining aquatic communities from future impairment;
- Rehabilitate waters whose key physical process that control aquatic habitat and fish production are impaired, where key process include: hydrology; connectivity; material recruitment and movement; geomorphology; and water quality.

Processes are defined in this grant program as follows:

- **Hydrology** is the flow of water into, through and out of a watershed or individual waterbody. Every watershed or individual waterbody has an expected pattern for water flow through it. Any project that affects how water moves through, into or out of a watershed or individual waterbody is eligible project for this grant. For example, a project that improves the operation of a dam and restores expected seasonal flows to downstream reaches would be an eligible project.
- **Connectivity** is how individual watersheds and waterbodies are attached to other waters. Any project that increases the attachments and connections between watersheds and individual waters would be an eligible project. Projects that attempt to influence natural fragmentation, i.e. waterfalls, will not be eligible.
- **Material recruitment and movement** is the movement into and transport of sediment and woody debris (i.e. trees and limbs) into a waterbody. Each waterbody has an expected delivery of sediment and woody debris that is then stored for period of time in the waterway and surrounding riparian zone and is transported downstream at an expected rate. Any project that affects these processes and moves them into the expected range for an individual waterbody or watershed is eligible. For example, a project that adds whole trees to waters that do not have sufficient large woody debris would be an eligible project. Other eligible examples would be a project to reduce excessive sediment run-off from an urbanized area which would help move the sedimentation rate back into the expect range for the system as would be the restoration of a sea-walled lakeshore to a natural shoreline.
- **Geomorphology** is the bottom shape of a waterbody. Each waterbody has an expected bottom shape that depends on the slope, hydrology, surface geology, and material recruitment and movement. Streams and rivers have an expected bottom shape along with a ratio of pools to riffles. Lakes have an expected bottom shape that will change naturally with time with the natural and normal deposition of sediment. Projects that move waterbodies and watersheds back to their expected shape are eligible. For example, a project that restores a channelized stream back into its original channel would be an eligible project as would a project that removes of excessive sediments from a legacy housing project that have unnaturally filled in a lake.
- **Water quality** includes water temperature, dissolved oxygen and other chemical parameters needed to maintain aquatic life. Any project that restores a watershed's or waterbody's water quality parameters back into the expect range would be an eligible project. For example, a project that protects riparian vegetation that prevents the unnatural warming of a waterway would be an eligible project. Another example project would be a project that prevents direct inputs of non-point urban or agricultural run-off that would reduce the dissolved oxygen of a waterbody to below saturation values.

Key Objectives and Priorities

The key objectives and priorities addressed by this program are:

- ❖ Protect intact and rehabilitate degraded aquatic resources of the State of Michigan.
- ❖ Increase desirable fish populations, both in biomass and in self-sustainability.
- ❖ Protect all processes essential to maintaining intact systems with self-sustaining aquatic communities including the processes of: connectivity; geomorphology; hydrology; material recruitment and movement; and water quality.
- ❖ Remediate and remove impairments to the above identified watershed processes and move degraded waters toward intact status that have self-sustaining aquatic communities.
- ❖ Increase direct public involvement in watershed issues.
- ❖ Increase high quality and self-sustaining aquatic resources.

Eligible Projects

- ❖ Projects that protect currently intact waters with fully functioning system processes and self-sustaining aquatic communities. Priority will be given to those areas identified in the State Wildlife Action Plan (https://www.michigan.gov/dnr/0,4570,7-153-10370_30909---,00.html) as landscape features, those identified in the 2010 National Fish Habitat Assessment (www.fishhabitat.org and <http://ecosystems.usgs.gov/fishhabitat/>) as being at a low risk of degradation with a special emphasis to those near urban areas, and critical aquatic habitat as identified in the Fisheries Division River Assessments (http://www.michigan.gov/dnr/0,4570,7-153-10364_52259_19056-46270--,00.html).
- ❖ Projects that address aquatic habitat issues on public waters. Public waters are those: a) with direct public access through public lands or public access sites; b) with a permanent inflow or outflow to other waters; or c) that have been stocked with fish from Department of Natural Resources (or its predecessors) hatcheries. Priority will be given to projects on public waters with direct public access.
- ❖ Projects that improve degraded watershed processes. Priority will be given to waters with lower numbers of degraded processes with a special emphasis to those near urban areas.
- ❖ Projects that test and evaluate new and innovative methods to improve degraded watershed processes. Priority will be given to those that can serve as demonstration projects to determine applicability of new methods to other Michigan waters.
- ❖ Evaluation of existing and new aquatic habitat improvement projects that will lead to improved decisions for future aquatic habitat projects.
- ❖ Projects that inventory or assess watershed functions that will immediately lead to protection or remediation projects.

Eligible Costs

Only those costs directly associated with completing the project and incurred during the project period with the exception of engineering, design and design administration costs, are eligible for reimbursement or as "credit" toward local match. Categories of eligible costs include:

- ❖ Salaries/wages (including fringe benefits) for paid labor costs.
- ❖ Donated services/volunteer labor (credited at minimum wage).
- ❖ Materials (purchased or donated).
- ❖ Contractual services (must be competitively bid if \$10,000 or more).
- ❖ Engineering and design (no more than 15% of project cost).
- ❖ Project administrative costs (no more than 10% of project cost).
- ❖ Equipment (donated or rented).

- ❖ Project signs.
- ❖ Permit application fees for permits required for the project. Contact regulatory agencies well in advance of applying for a grant to determine “permit-ability” of the proposed project and to avoid delays if the project is funded.
- ❖ Engineering, design and design administration costs incurred up to 6 months prior to the project period specified in the project agreement or amendment. **(Note: These costs are at your own risk and will not be reimbursed if a grant is not awarded.)**

Ineligible Projects

Projects with scope of work outside the grant focus area are not eligible for Aquatic Habitat Grant support. Within the focus area, the following types of projects are also not eligible:

- ❖ Activities that do not protect intact or rehabilitate degraded waters.
- ❖ Development of public access or other recreation sites.
- ❖ Routine maintenance activities.
- ❖ Projects on private waters that include: isolated waterbodies without direct public access; waters without permanent inflows or outflows to other waterbodies; and waters that have never been stocked with fish from DNR (or its predecessors) hatcheries.

Ineligible Costs

For all projects, the following items are ineligible for reimbursement with grant funds or as part of the local match contribution:

- ❖ Costs incurred outside of the project period specified in the project agreement or amendment.
- ❖ Maintenance and operation.
- ❖ Salaries/wages not directly related to the project.
- ❖ Costs related to conferences including meals, lodging, mileage, conference fees and speaker fees.

APPLICATION PROCESS

Application Due Date

Provide two (2) copies of each grant application packet to the DNR, Grants Management Section, AHGP. Applications must be postmarked or date stamped no later than March 15, 2014 close of business. Late applications will not be considered for funding.

Application Forms

Grant applications must be submitted on a current DNR form for the AHGP. Forms may be obtained from any of the Fisheries Division Management Unit offices or downloaded from the Michigan DNR website at www.michigan.gov/dnr-grants or at www.michigan.gov/fishing. If submitting more than one project for funding consideration, complete a separate application form and include all required information for each project.

Application Assistance

Applicants are strongly encouraged to seek assistance from Fisheries Division staff in preparing their application. Contact the Fisheries Division Management Unit Supervisor in the office where the project is located. See Appendix "A" for office locations. With assistance from the DNR, applicants should be able to prepare an application without the cost of professional consulting services.

INSTRUCTIONS FOR COMPLETING APPLICATION (PR1973)

Part I: General Information

The Authorized Representative is a person that represents the applicant, is able to answer questions regarding the application, and will oversee project administration if a grant is awarded.

The Federal Employer Identification Number is required and allows the DNR to make grant payments to the Grantee. Please provide the employer ID number for the applicant organization. Individuals applying for a grant must provide their social security number.

You must be registered in the State's vendor system to receive funds. All grant funds will be paid by Electronic Funds Transfer (EFT). Once registered, it is up to you to maintain the information on the site, including the accurate Federal ID number, vendor name, bank account information, address, etc. To either register for the first time or update your account, please visit www.michigan.gov/budget and access the Contract and Payment Express site (on the lower left side of the screen).

Applicant must submit documentation of site control with a deed, lease, or easement; a copy of written landowner(s) consent letter, and a project location map. Work conducted on public lands requires a consent letter from the managing public agency or entity.

Assembling the information needed to submit a complete application package takes time—it is important to start the process as early as possible.

The project narrative is critical to the evaluation and scoring of your application. **Please be sure to address how the project meets the application scoring criteria.**

All location maps, site development plans, and other graphic information should be **8.5 inches by 11 inches** in size and clear, legible, detailed, and appropriately labeled. You may also submit larger versions of any or all of them. DNR staff use these materials to help evaluate your application and to find and evaluate your site.

REQUIRED CONTENT FOR ALL APPLICATION PACKETS:

- Aquatic Habitat Program Grant Application** (PR1973) – two (2) copies fully completed and signed;
- Application Narrative** – two copies;
- Site development plan** – two copies;
- Project location map** – two copies;
- Documentation of local match sources** – two copies (ie: monetary commitment letters, donation commitment letters, grant award letters, etc.)
- Photographs of the site** – two copies (digital images submitted on CDs or USB drives are preferred over paper photos)
- Draft access easement or other agreement**, (if applicable) – two copies
- Correspondence regarding regulatory permitting issues**, if applicable – two copies
- Deed indicating ownership** – two copies
- Property owner(s) consent letter**, if applicant is not the property owner – two copies

Part II: Estimated Costs and Site Plan

List all Project Scope Items; these are the basic elements of the project. Be sure that scope items are listed the same way (have the same name) and budget figures are consistent throughout the grant application.

The Itemized Budget provides the detailed costs for the project. Itemize the costs of each scope item and separate the costs into major budget categories (personnel costs, material and equipment, contractual items and “other”). Indicate which costs will be covered with grant funds and which will be part of the applicant’s match. Refer to the Example Budget shown below.

For equipment owned by local governments, an estimate of the cost for its operation can be obtained from the Michigan Department of Transportation (MDOT) Equipment Rental Rates, Schedule C, Report 375 booklet for the year in which the equipment was used. Booklets can be obtained from the MDOT Maintenance Division by calling 517-322-3303 (TTY/TDD: 711 Michigan Relay Center) or writing to them at 6333 Old Lansing Road, Lansing, MI 48917,

www.michigan.gov/documents/mdot/2013_Schedule_C_Rental_Rates_432702_7.pdf. Volunteer labor should not be valued greater than minimum wage unless a professional is performing work in their field of expertise (for example, an electrician doing electrical work). Donated materials should be valued at their current market value and supported by receipts or other verification. If a grant is awarded, the methods of valuing donations are subject to DNR review and approval prior to the donations being approved as match for the grant.

Project Site Plan and Drawings; be sure to include all elements of the project’s scope.

Example budget is shown below.

PLEASE ROUND ALL NUMBERS TO THE NEAREST \$100

Example Budget

BUDGET CATEGORY			Total Project Cost
A. PERSONNEL COSTS:			
SALARIES/WAGES			
<i>(# of workers x rate per hour x total hours)</i>			
10	x	10 x 200	\$20,000
PERSONNEL COSTS SUBTOTAL			\$20,000
B. MATERIAL & EQUIPMENT: (List each piece of equipment, rate/hour, material and cost/quantity)			
<i>Equipment</i>		<i>Rate/Hour</i>	
Backhoe (200 hrs)		\$100	\$20,000
Truck (100 hrs)		\$ 65	\$6,500
<i>Qty</i>		<i>Material</i>	<i>Cost</i>
500	Stone (cu yd)	\$10/cu yd	\$5,000
MATERIAL & EQUIPMENT SUBTOTAL			\$31,500
C. CONTRACTUAL ITEMS: (List by Bid Item)			
Natural Channel Design			\$2,000
CONTRACTUAL SUBTOTAL			\$2,000
D. OTHER:			
MDEQ permit application fees			\$500
OTHER SUBTOTAL			\$500
TOTAL ESTIMATED PROJECT COST			\$54,000

Part III: Work Plan

The Work Plan should reflect a tentative schedule for the completion of the project and indicate the estimated amount of work that will be accomplished in each quarter of the grant period. This information will also serve as the basis for the grant payment schedule if the project is approved for funding. Projects should be completed within the schedule timeframe. If the project is likely to require additional time to complete, provide an explanation in this section of the application.

Part IV: Need and Benefit

This section is important for the DNR's evaluation and scoring of the project. Be sure to relate the proposed project to the overall objectives of the AHGP and the Fisheries Division Management Unit objectives. Briefly explain any coordinated efforts within the project area or watershed, and how the public will benefit by completion of the project.

Part V: Certification:

A person authorized to represent the agency or organization applying for a grant must sign here. Be sure to clearly print or type the person's full name and title.

GRANT SCORING CRITERIA

DNR APPLICATION REVIEW PROCESS

The DNR reviews all grant applications and determines their eligibility. For eligible project proposals, DNR scores applications using the following scoring criteria which reflect the goals and objectives of the program.

SCORING SUMMARY	MAXIMUM SCORE
1. LOCATION	65
2. WATERSHED EFFECTS	130
3. AQUATIC COMMUNITY CONDITION	30
4. INVESTMENT RETURN	50
5. PROJECT METHODS	80
6. PROJECT MANAGEMENT	90
7. PUBLIC INVOLVEMENT	20
8. COMMUNITY BENEFITS	35
TOTAL MAXIMUM SCORE	500

1. LOCATION - (65 MAXIMUM SCORE)	MAXIMUM SCORE
<p>A. Water Classification - Is the project located on a State Designated Natural River, Federal Wild and Scenic River, State Wildlife Plan - Landscape Feature, a critical aquatic habitat identified in Fisheries Division River Assessments (http://www.michigan.gov/dnr/0,4570,7-153-10364_52259_19056-46270--00.html) or an area of low degradation risk as determined in the 2010 National Fish Habitat Assessment (www.fishhabitat.org and http://ecosystems.usgs.gov/fishhabitat/)?</p> <ul style="list-style-type: none"> • 25 = Yes • 10 = Likely to be listed as a feature • 0 = No 	25
<p>B. Public Access – Is the project located on a public water with direct public access or on a public water that is permanently connected to other public waters without direct public access or has been stocked with fish from DNR (or its predecessors) hatcheries?</p> <ul style="list-style-type: none"> • 20 = Project is on a public water with direct public access • 10 = Project is on a public water that is permanently connected to other public waters without direct public access. • 5 = Project is on a water not permanently connected to other waters but has been stocked with fish from DNR (or its predecessors) hatcheries. • 0 = Project is not located on a public water with direct public access or on a public water that is permanently connected to other public waters without direct public access or has never been stocked with fish from DNR (or its 	20

predecessors) hatcheries.	
<p>C. Project Influence - Will the project have a positive effect on one or more notable ecological features (e.g., a key or significant fishery, endangered species habitat, species of special conservation need, significant landscape feature, protected conservation land, or key migratory fish habitat)?</p> <ul style="list-style-type: none"> • 20 = Project will positively affect > 5 notable ecological features • 15 = Project will positively affect 2-5 notable ecological features • 10 = Project will positively affect 1 notable ecological feature • 0 = Project will positively affect 0 notable ecological features 	
Maximum Possible Score (A + B + C)	65
2. WATERSHED CONDITION AND EFFECTS (130 MAXIMUM SCORE)	MAXIMUM SCORE
<p>A. Scale of Effect (project may only be scored under one of the following two categories)</p> <p>1. If on a tributary of a major Great Lakes tributary (i.e. Muskegon River, USGS Hydrologic Unit Code (HUC) 8 watershed), what percentage of the sub-watershed (i.e. Hersey River, USGS HUC 12 watershed) will be improved by this project?</p> <ul style="list-style-type: none"> • 20 = 75 – 100% • 15 = 50 - 74% • 10 = 25 - 49% • 5 = 1 - 24% 	20
<p>2. If on a mainstream river, what percentage of a major Great Lakes tributary-sized watershed (i.e. Muskegon River, the HUC 8 watershed) will be improved by this project?</p> <ul style="list-style-type: none"> • 20 = 75 - 100% • 15 = 50 - 74% • 10 = 25 - 49% • 5 = 1 - 24% • 0 = 0% 	20
<p>B. Intact or Impaired Water - Does the project address protecting intact waters or remediating impaired waters?</p> <ul style="list-style-type: none"> • 60 = Project protects intact and fully functioning water in an urban area • 40 = Project protects intact and fully functioning water • 20 = Project remediates processes in an impaired system • 0 = Project neither protects or addresses system functions 	60
<p>C. Number of system process affected - How many system processes (i.e. connectivity, hydrology, geomorphology, water quality, material recruitment and movement) are addressed by the project?</p> <ul style="list-style-type: none"> • 50 = 8 or more • 40 = 5 -7 • 30 = 3 - 4 • 20 = 1 - 2 • 0 = 0 	50
Maximum Possible Score (A + B + C)	130

3. AQUATIC COMMUNITY CONDITION (30 MAXIMUM SCORE)	
<p>A. Current Aquatic Community Condition - What is the current condition of the aquatic community based on Michigan Department of Environmental Quality (DEQ) Procedure 51 (P51) scores (http://www.michigan.gov/deq/0,1607,7-135-3313_3686_3728-32369--,00.html), DNR Fisheries and other environmental survey information?</p> <ul style="list-style-type: none"> • 15 = Excellent rating • 12 = Good rating • 8 = Acceptable • 4 = Below average • 0 = Poor or unknown 	15
<p>B. Expected Aquatic Community Condition - What is the expected condition of the aquatic community with the implementation of the project based on expected Michigan DEQ Procedure 51 (P51) scores, DNR Fisheries, and other environmental survey information?</p> <ul style="list-style-type: none"> • 15 = Excellent rating • 12 = Good rating • 8 = Acceptable • 4 = Below average • 0 = Poor or unknown 	15
Maximum Possible Score (A + B)	
30	
4. INVESTMENT RETURN (50 MAXIMUM SCORE)	
<p>A. River Assessment Consistency - Is there a DNR River Assessment completed for this river system and is the project consistent with the assessment/investment strategy? (completed river assessments can be found at: http://www.michigan.gov/dnr/0,4570,7-153-10364_52259_10951_19056-46270--,00.html)</p> <ul style="list-style-type: none"> • 50 = DNR River Assessment completed, project or process identified as a priority, and proposed project consistent with plan • 40 = DNR River Assessment completed and proposed project consistent with plan • 30 = System without DNR River Assessment but project consistent with overall DNR goals and objectives • 20 = Other resource agency plan completed for system, project a priority and project consistent • 10 = Other resource agency plan completed for system and project consistent with that plan • 0 = Project inconsistent with DNR River Assessment and/or no plan completed 	50
Maximum Possible Score (A)	
50	

5. PROJECT METHODS AND PRACTICES (80 MAXIMUM SCORE)

<p>A. Project Methods (project may only be scored under one of the following two categories)</p> <p>1. Does the project use proven approaches, or demonstrate new remediation techniques with an evaluation component?</p> <ul style="list-style-type: none"> • 50 = Proven approaches with an evaluation component or evaluating existing remediation project • 40 = New restoration techniques with an evaluation component • 20 = Proven approaches without any evaluation • 5 = New approach without a clear evaluation component • 0 = Unclear approach 	50
<p>2. Does the proposed system process inventory or evaluation use proven methods and will it clearly guide project planning?</p> <ul style="list-style-type: none"> • 50 = Proven inventory or evaluation approach with a clear indication that information will be used to guide immediate project planning • 40 = New inventory or evaluation approach with a clear indication that information will be used to guide immediate project planning • 30 = Proven inventory or evaluation approach with a clear indication that information will be used to guide project planning in the future • 20 = New inventory or evaluation approach with a clear indication that information will be used to guide project planning in the future • 10 = Either proven or new inventory or evaluation approach with no indication on how or when information will be used to guide project planning • 0 = Unclear inventory or evaluation approach 	50
<p>B. Best Management Practices - Does the project incorporate best management practices that address the spread of invasive species, innovations to identify methods that adapt to climate change, and use the most current science and technology</p> <ul style="list-style-type: none"> • 30 = Project addresses all components listed above • 20 = Project addresses 2 of 3 of the components listed above • 10 = Project addresses 1 of the components listed above • 0 = Project does not address the all three components listed above or it is unclear. 	30
Maximum Possible Score (A + B)	80

6. PROJECT MANAGEMENT (90 MAXIMUM SCORE)

<p>A. Matching Funds - What are the available secured match funds?</p> <ul style="list-style-type: none"> • 30 = Applicant has > 70% eligible matching funds • 25 = Applicant has 51-70% eligible matching funds • 20 = Applicant has 31-50% eligible matching funds • 15 = Applicant has 21-30% eligible matching funds • 10 = Applicant has 11-20% eligible matching funds • 0 = Applicant has 10% eligible matching funds 	30
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<p>B. Project Team - What is the Applicant and project team's collective experience and capacity to lead the proposed project?</p> <ul style="list-style-type: none"> • 30 = Applicant and team fully capable of project with clear demonstrated experience in area • 20 = Applicant and team likely capable of the project although they may have limited experience • 10 = Applicant and team's ability is unclear or may have limited ability without assistance to complete project • 0 = Applicant and team is unlikely to have the ability to complete project 	30	
<p>C. Requested Funding - Is the project funding sufficient to complete the proposed work?</p> <ul style="list-style-type: none"> • 30 = Project funding is completely sufficient to complete proposed work • 20 = Project funding is likely sufficient to complete proposed work • 10 = Unclear if project funding is sufficient to complete proposed work • 0 = Project funding inadequate to complete proposed work 	30	
Maximum Possible Score (A + B + C)		90
7. PUBLIC INVOLVEMENT (20 MAXIMUM SCORE)		
<p>A. Cooperators - What is the number of cooperative parties/entities, other than applicant, that are providing funding, materials and/or services for this project?</p> <ul style="list-style-type: none"> • 20 = 10 or more • 10 = 5 - 9 • 5 = 1 - 4 • 0 = 0 	20	
Maximum Possible Score (A)		20
8. PROJECT BENEFITS (35 MAXIMUM SCORE)		
<p>A. Regional or Community - Does the project provide additional regional or specific community benefits (e.g., regional or community economic revitalization, new fisheries)?</p> <ul style="list-style-type: none"> • 10 = Project provides additional community benefit • 0 = Project provides unknown or no additional community benefit 	10	
<p>B. Extreme Weather Events - Will the project provide protection or reduce potential damages from extreme weather events?</p> <ul style="list-style-type: none"> • 15 = Yes • 0 = No 	15	
<p>C. Demonstration Project – Will the project serve as a demonstration project for new techniques or methods of habitat protection or rehabilitation that will be applicable to other Michigan waters.</p> <ul style="list-style-type: none"> • Yes = 10 • No = 0 	10	
Maximum Possible Score (A + B + C)		35

Ineligible Applications

Ineligible applications are those which: are submitted after the due date or those that provide insufficient match. Applications not submitted on the proper form, or that are incomplete may also be considered ineligible for funding assistance.

Applications are ranked based on the final scores. Projects are recommended for funding, based on a combination of scoring criteria, project type, ownership type, and geographic location, dependent upon funds available for the program. A list of the projects recommended for funding is approved by the

Fisheries Division Management Team and presented to the DNR Director for approval. Following approval, all applicants are sent notification of the outcome.

SPECIAL NOTES

Grant projects must comply with all applicable natural resource and environmental protection laws, state and local building codes, and state and federal barrier-free requirements, including the Americans with Disabilities Act (ADA) of 1990.

Grantees are responsible for obtaining all necessary local, state and federal permits for the completion of projects approved for funding through the AHGP. Contact regulatory agencies well in advance of applying for a grant to determine “permit-ability” of the proposed project and to avoid delays if the project is funded. Apply for permits prior to any anticipated construction activities. This can be done upon DNR grant award notification for the project or as otherwise directed by the DNR. Award of a grant by the DNR in no way ensures or implies that all applicable permits will be issued.

Local agencies may include:

- ❖ County Health Department
- ❖ County Road Commission
- ❖ County Drain Commissioner
- ❖ Local Zoning Administrator
- ❖ Building Inspector

State agencies may include:

- ❖ State Historic Preservation Office (MSHDA) (www.michigan.gov/mshda)
- ❖ Michigan Department of Environmental Quality (www.michigan.gov/deq)
- ❖ Michigan Department of Natural Resources (www.michigan.gov/dnr)
- ❖ Michigan Department of Community Health (www.michigan.gov/mdch)
- ❖ Michigan Department of Transportation (www.michigan.gov/mdot)
- ❖ Michigan Department of Agriculture and Rural Development (www.michigan.gov/mda)

Tribal governments may include any federally recognized tribe.

Federal agencies may include:

- ❖ U.S. Department of the Army, Corp of Engineers (www.lre.usace.army.mil)
- ❖ U.S. Environmental Protection Agency (www.epa.gov)
- ❖ U.S. Department of Interior, Fish and Wildlife Service (www.fws.gov)
- ❖ U.S. Department of Agriculture, Forest Service (www.fs.fed.us)
- ❖ U.S. Geological Survey (www.usgs.gov)

PROJECT PREPARATION FOR FUNDED APPLICATIONS

Once the DNR has completed the selection process, all applicants will be notified in writing of the outcome. Grantees whose projects are selected for funding will need to be in regular contact with the Michigan DNR Fisheries Division - AHGP Coordinator to ensure each step explained below is carried out in a coordinated manner.

PROJECT AGREEMENTS

After the selection process, the next step is to enter into a project agreement for the grant funding. The project agreement is prepared by the DNR and includes the following key provisions:

- ❖ Grantee authorized representative for the project.
- ❖ DNR Fisheries Division - AHGP Coordinator for the project.
- ❖ Project period; beginning and ending dates for completion of the project.
- ❖ Requirement that the project be completed as specified in the grant application.
- ❖ Indication of the grant amount and match contributing to the project.
- ❖ Obligations of the grantee to complete and maintain the project.

Project agreements must be signed by the grantee and returned to the DNR within ninety (90) days of the date of issue or the grant may be cancelled by the DNR. During this 90-day time period, the grantee is required to meet with the Fisheries Division – AHGP Coordinator to review the approved project and discuss the next steps. At this meeting, the work plan and project budget should be carefully reviewed to be sure they are current and correct. Changes to the work plan and/or budget need to be approved in writing as explained below.

PROJECT CHANGES AND EXTENSIONS

Any changes to the project, including changes to the work plan or budget, such as adding or deleting scope items or extending the project completion time period, require prior review and approval by the DNR. Grantees should make requests in writing to the Fisheries Division - AHGP Coordinator. Significant changes, including all project completion extensions, will require a written amendment to the project agreement.

CONTRACTING AND PROCUREMENT REQUIREMENTS

Purchase of materials and contracting for labor with an estimated cost of \$10,000 or more is required to be advertised and competitively bid. The contract must be awarded to the lowest qualified bidder. For purchases and contracts between \$2,500 and \$10,000, a minimum of three written quotes must be solicited, and award must be made to the source that submitted the lowest qualified quote.

Upon DNR approval of your plans, specifications and bid documents, the contract is advertised (if force account or volunteer labor is not being used) or solicitation for quotes begins. Once the bids have been opened, in most situations they cannot be altered, nor can negotiations take place; however, there are times when bids are received that are much higher than anticipated. There are a number of options that you can pursue in this situation, but you must be sure to keep the AHGP Coordinator informed of your actions. These options include:

1. Alter the plans and/or specifications and either re-advertise for bids or issue a post-bid addendum to all bidders.
2. Divide the contract into smaller contracts and re-advertise for bids. Remember that no more contracts than the number of scope items are generally allowed.
3. If you have sufficient time left in your project period, wait until market conditions are more favorable and re-advertise the bid.
4. If the bids are based on unit pricing, determine the low bidder following alteration of the plans and/or specifications. Using this method to manipulate the bid with the goal of awarding the contract to a specific bidder is unacceptable and will not be approved.

The DNR must concur with your choice of contractor/vendor when the contract/purchase exceeds \$2,499. The award must go to the lowest bidder. Use the Notification of Contractor/Vendor Selection and Bid Tabulation Approval form (PR1911-1) found in Appendix B. Submit a copy of the bid tabulation with the Notification of Contractor Selection form.

If you have reason to reject the lowest bid, you must submit your written justification with the *Notification of Contractor/Vendor Selection and Bid Tabulation Approval* form and receive written concurrence from the DNR prior to awarding a contract.

At times, you may receive a very low number of bids or fewer than three quotes. In this situation, you should re-bid the contract or solicit more quotes. If you believe there are circumstances that will prevent you from receiving better results, submit with the *Notification of Contractor/Vendor Selection and Bid Tabulation Approval* form written justification for awarding the contract, including a description of the efforts you took to advertise for bids or solicit quotes. You must receive concurrence from the DNR prior to awarding a contract.

PERMITS, BUILDING CODES AND AMERICANS WITH DISABILITIES ACT

The grantee is solely responsible for obtaining all necessary local, state and federal permits for the completion of the project, including any natural resource and environmental protection permits. Refer to the “Special Notes” in the previous section of this handbook for a list of possible agencies to contact. This list is not meant to be comprehensive and other agencies may need to be contacted depending on the nature of the project. Award of a grant by the DNR in no way ensures or implies that all applicable permits will be issued.

A copy of the certificate of compliance with building codes will be required as part of the final project report submitted to the DNR. Projects will be inspected by the DNR for compliance with the Americans with Disabilities Act (ADA) as well as applicable natural resource and environmental protection laws prior to the issuance of final grant payment. Compliance issues noted at the final inspection must be remedied by the grantee before the project is approved by the Fisheries Division – AHGP Coordinator for final payment. Any additional costs incurred by the grantee in order to meet permit requirements, or to bring the project into compliance after a grant is approved, will be the responsibility of the grantee.

AQUATIC HABITAT GRANT PROGRAM RECOGNITION

Grantees are expected to include recognition of assistance received from the AHGP in any promotional or informational materials produced about the project. Examples of these materials include descriptions of the project in newsletters, informational flyers or press releases regarding the project. In addition, signs giving credit to the AHGP are expected, wherever appropriate. Reasonable costs for signs are reimbursable through the grant if itemized in the approved project budget.

The following language is suggested for signs and written materials:

*This project has been funded in part with funds from the
Michigan Department of Natural Resources
Aquatic Habitat Grant Program*

The grantee should include a copy of written materials or photographs of signs that include program recognition language in the final project report.

PAYMENT OF GRANT FUNDS

Payment Request Form

A project agreement must be executed before a grantee can receive any grant funds. The grantee is required to complete an Aquatic Habitat Grant Program Reimbursement Request (PR1975) and submit it to the Fisheries Division Management Unit Supervisor (see Appendix "A") for review and approval. Be sure to show all costs for the project to be covered by grant funds as well as the value of local match provided during the same time period. Provide documentation of all expenditures with the payment request form, as explained below.

Advance Payment

The grantee may request in writing up to 25% of the approved grant amount after a project agreement has been executed for the approved project.

Expenditure Documentation Requirements

The grantee is required to keep records of all expenditures including invoices and receipts as well as documentation of force account and labor donated contributions. This requirement applies to all project elements. The final 10% of reimbursable expenditures will be held by DNR until the final audit is completed.

The following documentation must be included with each request for reimbursement, as applicable:

Payment to Vendors, Suppliers, Contractors:

1. List signed by the grantee of all cash or check payments, indicating all of the following:
 - ❖ Description of the item purchased and from whom;
 - ❖ The amount of the payment; and
2. Copy of the invoice from vendor or supplier.
3. Copy of front and back of cancelled check(s) or a copy of the front of check and copy of the bank statement showing the check cleared the bank.
4. Provide a copy of the receipt for purchases or payment for services made in cash. Payments made in cash shall not exceed \$100.
5. Credit card information:
 - ❖ Copy of the invoice
 - ❖ Copy of the cancelled check
 - ❖ Copy of the credit card statement

Reporting Force Account Labor and Equipment

Salaries and Wages:

If the grantee is using their own employees to construct all or part of the project funded (force account labor), the following information must be submitted with the request for reimbursement:

1. A list which includes the following (see Exhibit B):
 - a. The name(s) of the employee(s)
 - b. The dates worked
 - c. The hourly pay rate
 - d. Number of hours worked
 - e. Total amount paid
 - f. The employees' classification/title and annual salary

2. Copies of time sheets for the pay periods indicated.
3. If you include fringe benefits, provide the rate used to determine the fringe benefit for each employee (for example, social security rate equals 7.65 percent of gross salary). Fringe benefits include only what is paid by the local unit on behalf of the employee (see Exhibit B).

Exhibit B. Report of Force Account Payroll

Salary: Payroll ending 08-05-13:

Name	Classification	Annual Salary	Hours Worked on Project/ Hourly Rate	Salary Costs Charged To Project
<i>Blair, John</i>	<i>Laborer</i>	<i>\$19,800/yr</i>	<i>8 hrs. @ \$ 9.54 =</i>	<i>\$ 76.32</i>
<i>Bratonia, Steve</i>	<i>Laborer</i>	<i>\$19,800/yr</i>	<i>8 hrs. @ \$ 9.54 =</i>	<i>\$ 76.32</i>
<i>Kennedy, Mike</i>	<i>Apprentice Lineman</i>	<i>\$19,600/yr</i>	<i>5 hrs. @ \$ 9.46 =</i>	<i>\$ 47.30</i>
TOTAL SALARIES				\$199.94

Fringe Benefits:

Benefit	Rate Used to Determine Benefit	Total Amount Charged to Project
<i>Social Security</i>	<i>7.65% of gross pay</i>	<i>\$XXXX</i>
<i>Retirement</i>	<i>XXXX</i>	<i>\$XXXX</i>
<i>Health Insurance</i>	<i>XXXX</i>	<i>\$XXXX</i>
TOTAL FRINGE BENEFITS		\$XXXX

Equipment:

If the grantee uses equipment they own, the following information must be submitted (see Exhibit C):

1. Date(s) of use
2. Equipment number, if applicable
3. Type of equipment
4. The Michigan Department of Transportation equipment number. The MDOT equipment number can be obtained from the MDOT *Equipment Rental Rates, Schedule C, Report 375* booklet for the year in which the equipment was used. (This booklet can be obtained from the Michigan Department of Transportation, Maintenance Division, 6333 Old Lansing Road, Lansing, MI 48917; 517-322-3303)
5. The rate charged for the equipment. Reimbursement for equipment usage will not exceed the rates published in the MDOT Equipment Rental Rates booklet
6. The number of hours used
7. The total cost for the equipment

Exhibit C: Report of Equipment Usage

Date	Grantee's Equipment Number	Equipment Type	Hourly Rate	Hours	Total Charged to Project	MDOT#
June 3, 2004	3	1994 Dodge Pickup	\$7.49	2	\$ 14.98	12.300 96.006
June 3, 2004	18	1989 Hough Front End Loader	\$41.90	4	\$167.60	47.405 96.006
June 3-5, 2004	20	International Backhoe	\$36.96	5	\$184.80	70.103 85.303 70.500
June 3-5, 2004	31	1990 Hough Front End Loader	\$41.90	8	\$335.20	47.405 96.006
June 3-5, 2004	36	1991 Ford Dump Truck	\$17.88	4	\$71.52	12.304
TOTAL EQUIPMENT					\$774.10	

Documenting Donations

Specific procedures for placing the value on donations from private organizations and individuals are set forth below:

1. Valuation of Volunteer Services: Volunteer services may be furnished by professional and technical personnel, consultants and other skilled and unskilled labor. Each hour of volunteered service may be counted as match if the service is an integral and necessary part of the project. Records of volunteer services submitted with a reimbursement request must include time sheets containing the signatures of the person whose time is contributed and of the supervisor verifying that the record is accurate.

Volunteer time must be valued at minimum wage unless the person is professionally skilled in the work being performed on the project (i.e., a plumber doing work on pipes, a mason doing work on a brick building). When a professional is volunteering professional services, the wage rate this individual is normally paid for performing this service may be charged to the project.
2. Valuation of Materials: Prices assessed to donated materials should be reasonable and should not exceed current market prices at the time they are charged to the project. Records of material donations included with a reimbursement request must indicate the fair market value by listing comparable prices and vendors.
3. Valuation of Donated Equipment: The hourly rate for donated equipment used on a project shall not exceed its fair-rental value. Hourly rates in the annual edition of *Rental Compilation*, *Rental Rate Guide*, or similar publications that provide the national or regional average rates for construction equipment may be used. Such publications are usually available from contractor associations. Records of equipment donations included with a reimbursement request must include schedules showing the hours and dates of use and the signature of the operator of the equipment, similar to Exhibit C.

PROJECT COMPLETION AND FINAL REPORT

Upon completion of the project, the grantee must submit a final report that includes all of the following:

1. Aquatic Habitat Grant Program Reimbursement Request (PR1975) for remainder of project expenses. When combined with previous payment requests, includes documentation of the total project cost (grant and match) as listed under "Expenditure Documentation Requirements."
2. Narrative report that includes the following information:
 - ❖ Concise summary of the steps taken to complete the project
 - ❖ Concise summary of the final project scope
 - ❖ Statement signed by the grantee that the project has been completed according to the work plan and budget approved by the DNR
 - ❖ Copy of certificates of compliance with local building codes, if applicable
 - ❖ Concise summary of any post-completion activities to be carried out by the grantee (Note: Grantees are responsible for any on-going efforts needed to maintain the project after it is completed. The final report must describe how the project will be maintained.)

The grantee is required to submit the final report to the Fisheries Division - AHGP Coordinator within sixty (60) days following project completion or no later than 60 days following the end of the grant period. The DNR may conduct a final inspection to ensure that the project was completed according to the approved work plan and budget. Any discrepancies in the project or compliance issues noted at the inspection must be remedied by the grantee before the final payment is made. The cost of any remedial action required of the grantee may be the sole financial responsibility of the grantee. Once the final report has been reviewed and approved by the Fisheries Division - AHGP Coordinator, the request for final payment will be forwarded to Grants Management for processing.

**APPENDIX A:
FISHERIES DIVISION MANAGEMENT UNITS**



<p>STEVEN SCOTT, SUPERVISOR EASTERN AND WESTERN LAKE SUPERIOR MANAGEMENT UNITS 5100 STATE HIGHWAY M-123 NEWBERRY, MI 49868 TELEPHONE No.: 906-293-5131 EXT. 4070</p>	<p>JESSICA MISTAK, SUPERVISOR NORTHERN LAKE MICHIGAN MANAGEMENT UNIT 6833 HIGHWAY 2 GLADSTONE, MI 49837 TELEPHONE No.: 906-786-2351 EXT. 27</p>
<p>DAVE BORGESON, SUPERVISOR NORTHERN LAKE HURON MANAGEMENT UNIT 1732 M-32 WEST GAYLORD, MI 49735 TELEPHONE No.: 989-732-3541 EXT. 507</p>	<p>TODD KALISH, SUPERVISOR CENTRAL LAKE MICHIGAN MANAGEMENT UNIT 8015 MACKINAW TRAIL CADILLAC, MI 49601 TELEPHONE No.: 231-775-9727 EXT. 6070</p>
<p>JAMES BAKER, SUPERVISOR SOUTHERN LAKE HURON MANAGEMENT UNIT 503 S EUCLID AVE SUITE 9B BAY CITY, MI 48706 TELEPHONE No.: 989-684-9141 EXT. 8070</p>	<p>JAY WESLEY, SUPERVISOR SOUTHERN LAKE MICHIGAN MANAGEMENT UNIT 621 N 10TH ST BOX 355 PLAINWELL, MI 49080 TELEPHONE No.: 269-685-6851 EXT. 117</p>
	<p>ELIZABETH HAY-CHMIELEWSKI, SUPERVISOR LAKE ERIE MANAGEMENT UNIT WATERFORD DNR OFFICE 7806 GALE ROAD WATERFORD, MI 48327 TELEPHONE No.: 248-666-7443</p>

APPENDIX B: Notification of Contractor/Vendor Selection and Bid Tabulation Approval



Michigan Department of Natural Resources - Grants Management

NOTIFICATION OF CONTRACTOR/VENDOR SELECTION AND BID TABULATION APPROVAL

This information is required by Authority of Act 299, P.A. 1980 as amended, for reimbursement of project costs.

GRANTEE:	PROJECT NO:	PROJECT NAME:
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COMPLETE SECTIONS A. AND B. BELOW, AS APPLICABLE TO YOUR PROJECT

SECTION A

I propose to award contracts to the following contractors, after DNRE concurrence with this proposed selection and in accordance with the procedures specified in the *Development Project Procedures booklet* (IC1912).
Attached is a copy of the bid or quote tabulation.

Contractor/Vendor	Contract Amount	Project Scope Item	Proposed Award Date
1.	\$		
2.	\$		
3.	\$		
4.	\$		

SECTION B

Please check all that apply:

Fewer than three bids or quotes were received; attached to this Notification is written justification for the recommended award of the contract to the lowest bidder, including a description of the efforts taken to advertise for bids or solicit quotes.

I propose to award the bid to the second lowest bidder, upon concurrence by the DNRE; attached to this Notification is written justification for rejecting the lowest bid.

CERTIFICATION

I hereby certify that the contractor(s)/vendor(s) listed in A. above was chosen for selection according to the procedures outlined in the Development Project Procedures booklet and the Project Agreement. In accordance with those procedures, I have reviewed the qualifications of the recommended bidder, have accurately calculated the total bid price, and assert that the bidding was conducted as put forth in the specifications and bid documents approved earlier. Further documentation of the contractor selection process will be provided upon request.

_____ Grants'ee's Signature (REQUIRED) _____ Date

Return this completed notification along with all required attachments to:

**Grants Management
Michigan Department of Natural Resources
Po Box 30425
Lansing MI 48909-7925**

***Upon concurrence by DNR,
a copy of this approved
notification will be returned
to the Grantee***

FOR DNR USE ONLY

The Michigan Department of Natural Resources concurs with your recommendation to award the contract to the bidder(s) as specified in A. above

_____ DNR Grant Coordinator _____ Date