



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

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**TO:** Colorado Water Conservation Board Members

**FROM:** Cole Bedford P.E., Chief Operating Officer  
Michael Regan, CWCB Budget & Policy Analyst

**DATE:** March 13-14, 2024

**CONSENT AGENDA ITEM: CA3 Clerical Update and Clarification on Technical Assistance  
and Local Capacity Grant Guidelines**

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**Staff Recommendation**

Staff recommends the Board approve the clerical update and clarification on the Technical Assistance and Local Capacity Grant Guidelines as redlined in the attached document.

**Discussion**

House Bill 22-1379 was signed into law in May 2022. Utilizing funds from the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF), it established \$5.0 million for capacity building grant programs to allow the CWCB to support local entities through contract technical assistance (\$2.5 million) and direct local capacity grants (\$2.5 million) to develop applications for federal Infrastructure Investment and Jobs Act (IIJA) or other federally available funding to advance priorities outlined in Colorado's Water Plan.

Guidelines for the disbursement of these funds via a technical assistance and local capacity grant program was adopted by the board in July 2022. These guidelines have been effective at conveying to potential applicants the eligible applicant types, eligible tasks, matching fund requirements, evaluation criteria, the application cycle, and grant administration requirements. However, that the primary objective of the grants is to produce a federal grant application, is not clearly conveyed. The clerical update and clarification detailed in the attached redlined version of the guidelines seeks to make that objective clearer.

**Attachment:** Infrastructure Investment and Jobs Act Technical Assistance and Local Capacity Grants Guidelines (adopted July 2022 with recommended updates)





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**Infrastructure Investment and Jobs Act  
Technical Assistance and Local Capacity Grants  
Grant Guidelines  
Approved July 2022  
Updated March 2023**

**Infrastructure Investment and Jobs Act Technical Assistance and Local  
Capacity Grant Guidelines**

**Introduction**

House Bill 22-1379 was signed into law in May 2022. Utilizing funds from the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF), it established funding for capacity building grant programs to allow the CWCB to support and empower local entities to develop applications for federal Infrastructure Investment and Jobs Act (IIJA) or other federally available funding to advance priorities outlined in Colorado's Water Plan. Local governments and nonprofits are eligible to apply for funding to hire support or to utilize CWCB contractors to apply for IIJA funded projects.

The purpose of the Technical Assistance and Local Capacity Grants is to provide technical assistance and administrative support to entities applying for federal IIJA or other federally available funding. The projects must be in alignment with the Colorado Water Plan and can include aging infrastructure projects. Tasks supported by this funding include, but are not limited to: preliminary project planning and design, preliminary permitting, development of estimated project costs, navigation of available federal opportunities, grant writing, and federal grant application submittal.

The primary goal of Technical Assistance and Local Capacity Grants is the development and submission of new federal grant applications. For all Grants, the submission of at least one new federal grant application is a required component of the Grant's Statement of Work. Staff may also allow as eligible Technical Assistance and Local Capacity Grant applications that seek funding for ongoing projects that have previously submitted federal aid applications and/or previously received federal funding but require support to advance in the process.

Priorities areas outlined in Colorado's Water Plan Funding include:

- Water Storage and Supply Projects
- Conservation & Land Use Projects
- Engagement & Innovation Activities
- Agricultural Projects
- Watershed Health & Recreation Projects

A summary of federal funding opportunities can be found in the [Water Funding Opportunity Navigator - Federal Funding Opportunities tab](#).

**Eligible Applicants include:**

- Governmental entities - municipalities, districts, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities. Covered Entities as defined in Section 37-60-126, C.R.S., are eligible if the applicant has adopted an approved water conservation plan.
- Private entities - mutual ditch companies, non-profit corporations, and partnerships.

**Examples of eligible tasks:**

- Project development - site assessments, data research and collection necessary for project design, coordination with stakeholders, permitting, design assistance, cost estimating, securing matching funds for project, and other technical work required to develop an application for federal IIJA funding
- Grant writing - researching federal grant opportunities, outreach to funding programs prior to submitting an application, review of Federal guidelines and application requirements, and development of the application and required documents, including letters of support.

**Matching Fund Requirements**

A minimum of 25% match is required for all Technical Assistance and Local Capacity Grants. Project costs may consist of a combination of in-kind and cash match, but no more than half (12.5%) of the match may be in the form of in-kind services. Applicants should identify match as pending or secure and provide evidence of matching funds (such as an award letter).

**Cash Match:**

Actual expenditures paid directly with cash funds (based on contractual arrangements) from the grantee to a vendor. Examples are supplies, services, and necessary equipment purchase or rental.

**In-Kind Match:**

In-kind match includes services and labor provided by the paid staff of the grantee to perform all or part of the approved project scope of work, including necessary project administration. This can include standard direct and indirect personnel fringe benefits. Volunteer services provided at no cost to the applicant by firms or individuals consistent with the approved scope of work will be valued for in-kind match at local prevailing wage rates. Costs that CAN NOT be considered include: general organization operating costs such as utilities, operating supplies and services, amortized costs or rental costs for buildings and equipment used for the general operation of the organization, and general property and liability insurance costs, nor will overhead per cent charges to cover such items be allowed. These business expenses are NOT reimbursable costs and may not be claimed as matching contributions.

## Application Process

Prior to submitting an application, interested parties must contact the CWCB to discuss potential projects. For more information, please email Michael Regan (michael.regan@state.co.us).

Application forms are available on the CWCB Loan and Grant Portal on the CWCB website (<https://cwcb.colorado.gov/>) under Funding.

All grants must include a scope of work, budget, project schedule, and must identify the relevant federal grants the grantee is likely to apply for.

## Evaluation Criteria

- Does the project further Colorado Water Plan or current Basin Implementation Plan goals, objectives, or actions? Priority will be given to applications seeking to secure financial and technical assistance for basin roundtable-identified projects or projects identified through collaborative watershed planning efforts such as stream/integrated watershed management plans.
- Does the project advance interstate, regional or watershed-scale water and natural resource management efforts and solutions?
- Does the project advance an innovative approach to water and natural resource management?
- Does the project have local community and diverse stakeholder support? Have relevant Federal, state and local government agencies provided input on the project?
- Does the project support a [Disadvantaged Community](#)? Priority will be given to projects that support communities that have a population of 10,000 or less and meet one of the following criteria:
  - Community Median Household Income (MHI) is equal to or less than 80 percent of the State MHI.
  - Community Median Home Value (MHV) is less than 100 percent of the State MHV.
  - County 24-month unemployment average is greater than the state average plus 1 percent OR a loss in number of jobs in the county over a 10-year period.
- Does the project result in the submission or advancement of at least one federal grant application?

## Documents Required for Contract Execution:

- Insurance Certificate of Liability (Government entities excluded)
- Secretary of State - Certificate of Good Standing
- W-9
- Electronic Funds Transfer (preferred)

The CWCB's review and approval process will include the following steps:

- CWCB staff will determine if the required documentation has been submitted. The application will be accepted once all documentation has been received.
- Upon the CWCB Director's approval of the applicant's request, funding can only be used on project components that begin after a grant contract is executed by the office of the state controller.

- The grant contracting estimate is 45 days from the receipt of the signed grant contract from the grantee.

### **Timeline**

- All Infrastructure Investment and Jobs Act Local Capacity Grants must be executed by December 30, 2024 and funds must be spent by December 30, 2026.
- Applications will be accepted on a rolling basis until all funds are obligated.

### **Grant Administration**

#### **Contracting:**

Successful applicants are expected to execute a contract with CWCB within 6 months of award. If a grant contract is not executed within this timeframe, CWCB staff may return the funds to support other grant applications if adequate progress is not made. All contracts/grant agreements entered into under this program must adhere to the SLFRF Grant Agreement Templates published on the Office of State Controller's American Rescue Plan website (link [here](#)). It is important for potential grantees or subrecipients to familiarize themselves with the requirements included in these draft grant agreements.

#### **Reporting Requirements:**

**Progress Reports:** The applicant shall provide the CWCB progress reports and expenditure reports every month, beginning from the date of issuance of a purchase order, or the execution of a contract. The progress report shall describe the status of the tasks identified in the statement of work, including a description of any major issues that have occurred and any corrective action taken to address these issues. The CWCB may withhold reimbursement until satisfactory progress reports have been submitted.

#### **Final Report:**

At completion of the project, the applicant shall provide the CWCB a Final Report that:

- Summarizes the work completed.
- Describes any obstacles encountered, and how these obstacles were overcome.
- Confirms that all matching commitments have been fulfilled.
- Includes engineering reports/designs.
- Includes a copy of the federal grant application.

Grantees must commit to reporting back to the CWCB the federal grant decision within 30 days of notification from the federal agency.

The CWCB will withhold disbursement of the last 10% of the budget until the Final Report is completed to the satisfaction of CWCB staff. Once the Final Report has been accepted, and final payment has been issued, the grant will be closed without any further payment.

#### **Payments:**

Payment will be based on actual expenditures invoiced by the grantee. Payments are limited by the proportionate grant percentage of the overall project. The request for payment shall include:

- Date of request
- Grantee's contact name, email address, physical address, and phone number
- Contract or purchase order number

- Description of the work accomplished by major task as presented in the approved budget
- Supporting documentation for items or services billed

Management of SLFRF Funds:

- US Treasury SLFRF Reporting and Compliance Guidance can be found [here](#).