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<b>Date:</b> April 4, 2013	
<b>Subject:</b> Control Study Budget Estimate and Summary of Potential Funding Source Approaches	

In response to Task 4 of the 319(h) grant, MEI is providing this memorandum with estimates control study budgets and summaries of potential funding source approaches. This memo includes an estimated budget for recent, ongoing, and proposed future control studies. This information has been discussed with NPS Workgroup members and is consistent with similar information provided in the NPS Workgroup's control study workplan.

## Control Study Cost Estimates

The anticipated budget for control studies estimated by Regional Board staff as seen in Appendix C of the TMDL staff report and summarized in **Table 1**. The cost of recent and proposed control studies that are relevant are also provided for comparison. Cost factors, considerations, and components *not* included in the TMDL Staff Report include:

- Hydrology
- Multiple time scales (diurnal variability and annual cycling)
- Control sites
- Beneficial use assessment
- Cost-benefit analysis

**Table 1. Control study cost estimates in the TMDL Staff Report compared to current and proposed studies.**

Source Type	Total Cost Estimate in TMDL Staff Report	Total Cost Estimate by NPS Workgroup	
		In Progress	Proposed
Wetlands	\$730,000 – \$4,700,000	\$3 million	\$3 million
Irrigated Agriculture	\$290,000 – \$1,400,000	\$1.6 million	\$225,000

# Funding Strategies

Various funding sources that could contribute towards study, monitoring and implementation costs include:

- Developing a project for consideration as a Supplemental Environmental Project;
- Offset credits for mercury, carbon sequestration, nutrients, or other pollutants;
- State or federal grants;
- Single-purpose appropriations from federal or State legislative bodies;
- Targeted funds under state bond propositions;
- Surcharge on water deliveries to lands contributing to a MeHg and/or inorganic Hg discharge;
- *Ad Valorem* tax on lands contributing to a MeHg and/or inorganic Hg discharge;
- Taxes and fees levied by a water district created for the purpose of drainage management; and
- USDA Agricultural Stabilization and Conservation Service.

Potential external sources of funding are summarized in **Table 2**. The information contained in this table is intended to help identify potential funding sources for NPS dischargers to study or control MeHg production and loads. Most of these funding sources are competitive and support many pollutants, sources, MPs, and TMDLs other than mercury. Some sources are more appropriate for future implementation of methylmercury management practices or education programs rather than for control studies.

**Table 2. Potential External Funding Sources for Nonpoint Source Controls and Control Studies**

Name	Description / Eligibility Criteria	Amount	Contact Information	Notes
Federal Nonpoint Source Implementation [319(h)] Grant Program	Both planning and implementation grants, both of which have been used to conduct control studies; implementation grants can also be used to implement MPs	<\$125K for planning; <\$1M for implementation	Holly Grover <hgrover@waterboards.ca.gov>	Work with the Regional Water Board on developing projects to be competitive;  Total funding is \$4.5 M for all TMDLs Statewide;  Delta MeHg TMDL is highly eligible, but funding is limited and there are many TMDLs competing.
Clean Water State Revolving Fund; 604(b)/205(j)	Implementation of NPS projects or programs; development and implementation of estuary comprehensive conservation and management plan.  Eligible Applicants include any city, town, district, or other public body created under state law	Continuous application low-interest loan program with >\$5B/year nationwide for WW & SW, plus \$200M for NPS projects, such as land conservation, agricultural BMPs, and clean-up of contaminated sites.	cleanwatersrf@waterboards.ca.gov or (916) 327-9978; <a href="http://www.epa.gov/owm/cwfinance/cwsrf/">http://www.epa.gov/owm/cwfinance/cwsrf/</a> Wennilyn Fua, SWRCB, 916-341-5375, wfua@waterboards.ca.gov General info.: <a href="http://www.waterboards.ca.gov/water_issues/programs/grants_loans/#funding_programs">http://www.waterboards.ca.gov/water_issues/programs/grants_loans/#funding_programs</a> expanded use: <a href="http://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/expanded_use.shtml">http://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/expanded_use.shtml</a>  See Watershed Academy Webcast "Using the Clean Water Act State Revolving Fund for Nonpoint Source and National Estuary Projects" <a href="http://www.epa.gov/watershedwebcasts">www.epa.gov/watershedwebcasts</a>	The federal appropriation bill that supplies funds to the Regional Water Board from USEPA may include provisions allowing "principal forgiveness" on the loan making it similar to a grant.  This could be a good possibility.
Prop. 84	Encourages development of integrated	>\$1 billion	<a href="http://www.water.ca.gov/irwm/">www.water.ca.gov/irwm/</a>	DTMC could provide inter-regional

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IRWMPs	regional strategies for management of water resources			forum for the many overlapping IRWM planning areas, particularly for coordinated mercury monitoring, control studies, and pilot projects. The existing structure of the SRWP/DTMC and the Sacramento Valley IRWM regional working group (coordinated by the CABY IRWM group) shows considerable capacity for undertaking regional communication and coordination. The regional nature and high level of funding makes this a good opportunity.
Cleanup and Abatement Account	Public agencies authorized to cleanup or abate waste can request funds for projects. May be better used for source control (mines, sediment removal).	Varies, from judgments, fines and administrative civil liabilities	Janis Cooke, 916-464-4672, Janis.Cooke@waterboards.ca.gov	The first step is to get a Regional Water Board resolution supporting the project. Projects under \$100,000 can be approved by the State Board Deputy Director. Projects over \$100,000 must be approved by the State Water Board. Regional Board is pursuing this source of funds.
104(b)(3)	USEPA provides money to "water pollution control agencies, interstate agencies, municipalities, Indian tribes and other nonprofit institutions to promote the prevention, reduction and elimination of pollution."		Tina Yin, (415) 972-3579	Must contact Regional Coordinator (see contact) for more information. Regional Board can apply for these funds. Most suitable for the Mercury Exposure Reduction Program.
Ecosystem Restoration Program PSP or Directed Action	Would need to meet priorities of any released PSP or for directed action need to work with staff	Variable depending on budget & priorities	<a href="http://www.dfg.ca.gov/ERP/grants_directed_action_psp.asp">http://www.dfg.ca.gov/ERP/grants_directed_action_psp.asp</a> <a href="http://www.dfg.ca.gov/ERP/grants_directed_action_proposal_template.asp">http://www.dfg.ca.gov/ERP/grants_directed_action_proposal_template.asp</a>	Work with staff; for mercury work with Carol Atkins (catkins@dfg.ca.gov)
Farm Bill -Environmental Quality	EQIP –payments up to 75% of the incurred cost and income foregone of certain conservation measures.	Varies by project and Program	EQIP: <a href="http://www.nrcs.usda.gov/programs/EQIP">www.nrcs.usda.gov/programs/EQIP</a>	EQIP is the only likely possibility. Others are for habitat acquisition and improvement, but check into CRP for

Name	Description / Eligibility Criteria	Amount	Contact Information	Notes
Incentives Program (EQIP), -Wildlife Habitat Incentives Program (WHIP), -Wetlands Reserve Program (WRP), -Conservation Reserve Program (CRP)	<p>WHIP – The NRCS provides both technical and up to 75% of cost-share assistance to establish and improve fish and wildlife habitat.</p> <p>WRP –assistance (up to 100% of the cost of easement or cost-share restoration agreements) to farm owners who want to “protect, restore, and enhance wetlands on their property.”</p> <p>CRP –assistance (technical/monetary) for farmers/ranchers to “address soil, water, and related natural resource concerns on their lands in an environmentally beneficial and cost-effective manner.”</p>		Tim Beard, (202) 690-2621 WHIP: <a href="http://www.nrcs.usda.gov/programs/whip">www.nrcs.usda.gov/programs/whip</a> Albert Cerna, (202) 720-9358 WRP: David Howard, (202) 720-1067 CRP: Patricia Engler, (202) 720-1836	ag workgroup members. Best opportunity is to incorporate MeHg control BMPs into others’ future projects.
Prop. 50	Managed jointly between the Department of Water Resources (DWR) and State Water Resources Control Board, Proposition 50 provides funding for projects to “protect communities from drought, protect and improve water quality, and reduce dependence on imported water (in California).”	Originally \$380 million	<a href="http://www.water.ca.gov/irwm/">www.water.ca.gov/irwm/</a> , but need to contact grantees SWRCB lead: Leslie Laudon, 916-341-5499, <a href="mailto:Leslie.Laudon@waterboards.ca.gov">Leslie.Laudon@waterboards.ca.gov</a>	rollover funds to grantees; SWRCB has some funds left
CA Dept. Fish & Wildlife grants (Fisheries Restoration Grant Program)	Projects are funded based on the premise that they “restore, enhance, or protect anadromous salmonid habitat in the coastal watersheds of California.”	Approximately \$15 million	**Tim to ID contact; <a href="http://www.dfg.ca.gov/fish/Administration/Grants/FRGP/Solicitation.asp">http://www.dfg.ca.gov/fish/Administration/Grants/FRGP/Solicitation.asp</a>	Potentially for habitat only, not contaminants. Best opportunity is to incorporate MeHg control BMPs into others’ future projects.
Department of Fish and Game Habitat Conservation Planning	Provides for the conservation, protection, restoration, and management of fish, wildlife, and native plants and to preserve and restore the ecosystems (including ecological processes) on which they depend for use and enjoyment by the public		<a href="http://www.dfg.ca.gov/habc/on/">http://www.dfg.ca.gov/habc/on/</a>	Primarily for endangered and threatened species habitat, not for contaminants. Best opportunity is to incorporate MeHg control BMPs into others’ future projects.
US EPA Source Reduction	Money is provided to support source reduction and resource conservation	\$130,000 per Region	EPA Region 9: Jessica Counts-Arnold	Managed through Region 9 EPA P2 Program Office; minimal funding

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Assistance Grant Program (P2 program)	projects to reduce/eliminate pollution sources. Most appropriate to MP implementation projects.		(415) 972-3288 Email: counts-arnold.jessica@epa.gov	
Flood Protection Corridor Grant	The mission of the Flood Protection Corridor Program is to fund primarily nonstructural flood management solutions through direct expenditures and grants to local public agencies and nonprofit organizations. Funding under this Program is intended to be used for acquisition, restoration, enhancement and protection of real property while preserving sustainable agriculture and enhancing wildlife habitat in and near flood corridors throughout the state.	\$29 million (\$5 M per grant) from Prop. 84 and Prop. 1E	<a href="http://www.water.ca.gov/grantsloans/grants/corridor.cfm">http://www.water.ca.gov/grantsloans/grants/corridor.cfm</a> ; Earl Nelson, 916-574-1481, enelson@water.ca.gov. Proposition 13	Grants for flood protection and ecosystem benefits; next solicitation expected in Fall 2013. Best opportunity is to incorporate MeHg control BMPs into others' future projects.
FloodSAFE California (Proposition 84 and 1E)	FESSRO began operations in July 2009 to provide a focus for integrating environmental stewardship into DWR's FloodSAFE California initiative and related programs. The mission of FESSRO is: to implement integrated environmental stewardship and flood management statewide, through collaboration, sound science and innovative engineering. FESSRO includes three branches: Delta Levees and Environmental Engineering, Floodway Ecosystem Sustainability, and Environmental Restoration and Enhancement.		<a href="http://www.water.ca.gov/floodsafe/grants/">http://www.water.ca.gov/floodsafe/grants/</a>  Anitra Pawley, DWR, 916-651-7014, apawley@water.ca.gov	Good possibility to check into. Grants for flood protection and ecosystem benefits. See website for schedule. Best opportunity is to incorporate MeHg control BMPs into others' future projects.
NOAA Fisheries Restoration Center Grants	UNK		<a href="http://www.americanrivers.org/our-work/restoring-rivers/dams/background/noaa-grants-program.html">http://www.americanrivers.org/our-work/restoring-rivers/dams/background/noaa-grants-program.html</a>	This is primarily for habitat restoration. Best opportunity is to incorporate MeHg control BMPs into others' future projects.
NOAA Community-Based	UNK		<a href="http://www.nmfs.noaa.gov/habitat/restoration/funding_opportunities/funding_swr.h">http://www.nmfs.noaa.gov/habitat/restoration/funding_opportunities/funding_swr.h</a>	This is primarily for habitat restoration. Best opportunity is to incorporate MeHg control BMPs into others' future projects.

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Restoration Program Grants			tml	projects.
National Fish and Wildlife Foundation (NFWF) Charter Grant Programs	UNK		<a href="http://www.nfwf.org/AM/Template.cfm?Section=GrantPrograms">http://www.nfwf.org/AM/Template.cfm?Section=GrantPrograms</a>	This is primarily for habitat restoration.
NFWF Keystone Initiatives			<a href="http://www.nfwf.org/Content/NavigationMenu/GrantPrograms/ProgramsOverview/Keystones/default.htm">http://www.nfwf.org/Content/NavigationMenu/GrantPrograms/ProgramsOverview/Keystones/default.htm</a>	Don't know about this one. Best opportunity is to incorporate MeHg control BMPs into others' future projects.
San Francisco Estuary Partnership/Project	UNK		<a href="http://www.sfestuary.org/pages/home.php">http://www.sfestuary.org/pages/home.php</a>	Usually for monitoring research, not BMPs.
NRCS Conservation Innovation Grants	UNK		<a href="http://www.nrcs.usda.gov/technical/cig/">http://www.nrcs.usda.gov/technical/cig/</a>	Best opportunity is to incorporate MeHg control BMPs into others' future projects.
Wells Fargo & Company and National Fish and Wildlife Foundation	Environmental grant program aimed at nonprofit organizations and universities. Focused in the following areas: – sustainable agriculture and forestry; – conservation of land and water resources; – restoration of urban ecosystems; – clean energy infrastructure;	\$15 million	<a href="https://www.wellsfargo.com/about/csr/ea/environmental-giving">https://www.wellsfargo.com/about/csr/ea/environmental-giving</a>	awarding \$100 million by 2020 Worth finding out more. Best opportunity is to incorporate MeHg control BMPs into others' future projects.
Wildlife Conservation Board	UNK			Mostly for habitat. Best opportunity is to incorporate MeHg control BMPs into others' future projects.