

Annex I: FAM Part 6 - Watershed Cooperative Agreement Program

CHAPTER 6-100 WATERSHED COOPERATIVE AGREEMENT PROGRAM

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6-100-00 What does this chapter do?

This chapter gives you an overview of our Watershed Cooperative Agreement Program (WCAP). It explains the objectives of the program, what kinds of groups and projects we support, and how you can use funds you receive in a WCAP agreement from us, the Office of Surface Mining Reclamation and Enforcement (OSMRE).

6-100-10 What is the purpose of the WCAP?

WCAP partners with other funding sources to assist groups such as small watershed organizations to complete local acid mine drainage (AMD) reclamation projects.

6-100-20 Is your organization eligible for WCAP funding?

You must meet the following criteria to be eligible to apply for funds under the WCAP.

- A. You must be a not-for-profit organization that is tax exempt under 26 U.S.C. 501(c)(3) of the Internal Revenue Code.
- B. You must have other partners, contributing either funds or in-kind services to the project. Your partners must reflect broad-based support for the project.

6-100-30 What type of project can we fund under the WCAP?

- A. You may use WCAP funds only for AMD problems from abandoned coal mining operations.
- B. Because WCAP money comes from the Abandoned Mine Land (AML) Fund, projects must meet AML eligibility criteria.
 - 1. Section 404 of the Surface Mining Control and Reclamation Act (SMCRA) says that lands and water are eligible for AML funding only if they were mined for coal or were affected by such mining, and were abandoned prior to August 3,

1977, and there is no continuing reclamation responsibility under state or other Federal laws.

2. The appropriate state, or our legal authority, must issue a legal opinion that your site is eligible.
- C. The project must have documented public support.
 - D. The state has no opposition to the project.
 - E. You must have written, measurable goals for the project, receiving stream and watershed. You must have a plan to address ongoing operational and maintenance needs for the project. The plan must identify how you will monitor and assess the ongoing effectiveness of the project, and respond to treatment problems. Our program personnel must review and approve your plan.
 - F. You should secure all other needed funding before you request funding from us. Our WCAP funding should be the final amount necessary for the project to proceed with construction.
 - G. If your total project costs include in-kind donations of services or materials, you must provide documentation that you properly valued those services or materials.
 - H. The project normally should be completed within two years of when we award funds. However, we may extend the performance period if you provide adequate justification.
 - I. You must secure access to the site and use of the property through a written agreement before you request funding under WCAP.

6-100-40 What are our project funding limitations?

- A. Normally, our funding does not exceed \$100,000 per approved agreement. We are looking for a matching ratio of at least 2.5 to 1 in dollars contributed by other project partners to WCAP dollars.
- B. We may approve an exception to these funding limits if you adequately justify it. We will evaluate the following issues to determine whether to approve a higher funding amount or a lower match ratio.
 1. You have made every reasonable effort to secure the additional funds from other sources.
 2. The proposed project will be impacted if we do not provide the additional funds.

3. The project has a broad partnership in funding. The project has local participating individuals, companies or organizations.
 4. The project has the potential for greater than usual benefits in stream and watershed improvements.
 5. The project is part of a comprehensive watershed restoration plan. Other partners have a substantial investment of time and funding in this plan.
 6. Our contribution is being leveraged by a substantial contribution from other partners.
 7. The technology and design selected for the project have a high likelihood of success in treating the water quality and quantity without the need for frequent and expensive system renovations.
- C. If your original cooperative agreement did not exceed these funding limits, but you later need more funding that would exceed the limits, you must send us an amendment application with all the information we need to make a decision on your request. When we review your application, we will evaluate the same issues for your amendment exception request as we would for a new project award, as listed above.
- D. If a problem develops with a WCAP project after it has been completed and we have officially closed the cooperative agreement, you can submit a new WCAP application to cover the problem areas. Your new application must comply with all requirements placed upon other new WCAP projects, including new matching funds.

6-100-50 What costs can you pay with WCAP funds?

- A. WCAP funds are for the remediation of AMD and sources of AMD. Projects can include installation of “passive” or active water treatment systems, including repairs and renovations. Projects can include reclamation of lands that are contributing sediment or acid forming materials to streams.
- B. The following costs could be allowable under a WCAP agreement if they are necessary and reasonable for your approved project.
1. Administrative costs directly associated with the approved project, such as financial and program administration of the cooperative agreement, preparing reports, traveling to the project site for monitoring purposes, and supply and laboratory costs for water quality sampling. You must keep proper expense records documenting costs including staff time and salary.
 2. Construction costs directly associated with the approved project.

3. Final design and design modifications associated with the actual project construction. Stand-alone project designs are not allowable.
 4. Pre- and post-construction water quality and quantity monitoring of an approved project. The post-construction monitoring must not require an extension of the performance period of your cooperative agreement.
 5. Contract inspection and administration.
- C. The following costs are not allowable under a WCAP project.
1. Indirect costs under an approved indirect cost rate.
 2. Overhead.
 3. Liability insurance.
 4. Public relations.
 5. Project ground breakings or dedications.
 6. Payments to an organization or individual that owes the Federal government money or is in violation of Federal regulations.
- D. To ensure that funds you award to a contractor are allowable, you must check our Applicant Violator System (AVS) and the System for Award Management (SAM) to verify that the contractor is eligible before you award any contract. If you award a contract to any contractor listed on either system as ineligible, any Federal funds you pay them will be unallowable expenses. You must notify us of your AVS and SAM checks in your next performance report. You must document your AVS and SAM checks in your files.
- E. You can find requirements for land acquisition under a WCAP project in FAM [Chapter 2-200](#).