



Upper Peninsula Power Company
1002 Harbor Hills Drive
Marquette, MI 49855
www.UPPCO.com

BOND FALLS MITIGATION AND ENHANCEMENT FUND

The Mitigation and Enhancement Fund (MEF) is a mechanism set up through the Bond Falls Settlement Agreement (BFSA) to fund habitat improvement projects and assessment in the Ontonagon River watershed. These guidelines are intended to provide background and guidance to applicants regarding the MEF goals, annual application process, proposal format, contact information, eligibility, annual selection, reporting requirements and fund disbursement. The Bond Falls Implementation Team (BFIT) is available as a resource to applicants, and is responsible for the development and application of these guidelines and the selection of projects for funding.

All applicants are required to contact BFIT Resource Agency Representatives (see Consultation section) early so technical assistance can be provided and project can be developed in alignment with MEF goals.

- 1. Goal:** The goal of the MEF is to provide tangible, measurable improvements to the aquatic and terrestrial environments in the Ontonagon River watershed. While a primary goal of the MEF is to implement habitat improvements, the MEF may be used for studies to help determine the need for future improvements or the benefits of previous improvements.

- 2. Consultation:** Early in the development of a proposal, applicants are required to contact a BFIT Resource Agency Representative (below) with their project idea or draft proposal so that technical assistance can be provided, and questions may be answered:
 - Trevor Hahka, District Ranger, U.S. Forest Service- trevor.hahka@usda.gov
 - Scott Hicks, Field Office Supervisor, U.S. Fish and Wildlife Service- 517-351-6274 or scott_hicks@fws.gov
 - Elle Gulotty, Resource Analyst, Michigan Department of Natural Resources- 906-282-8300 or GulottyE@michigan.gov
 - Eric Wegleitner, Fisheries Biologist, Wisconsin Department of Natural Resources- 715-356-5211 ext 246 or Eric.Wegleitner@Wisconsin.gov
 - Gene Mensch, Fisheries Biologist, Keweenaw Bay Indian Community- 906-524-5757 x12 or gmensch@kbic-nsn.gov

BFIT Resource Agency Representatives may direct applicants to consult with subject matter experts as appropriate. For example, MDNR will recommend all fisheries or

aquatic-focused projects be developed in close consultation with the local Management Unit staff.

3. MEF Details:

- For specific questions regarding project coverage under MEF guidelines, please refer to [Section 7 of the BFGA](#) (link).
- Upper Peninsula Power Company (UPPCO) is required to maintain a MEF to mitigate for unavoidable impacts from project operation and to provide for the enhancement of other resources. A portion of the MEF can be set aside at the BFIT’s discretion in the form of grants.
- The amount of money made available will be based on funds remaining after the completion of license required projects. The BFIT can commit funds only as they are available; BFIT cannot fund projects on a deficit basis.
- All projects must be accompanied by a 25% match (in-kind, financial, or material). In-kind contributions for equipment must be prorated for the life of the project and may not be claimed at full value. (i.e. \$1,000 binoculars with an expected life span of 50 years (2,600 weeks), used 10 weeks on project, can be claimed for \$3.85, or 10/2600 of value).
- A single line item for administration costs shall be provided in the project budget. Administration costs include but are not limited to: Any non-study productive time or wages, time or wages for developing the study proposal, or any time or wages for developing and submitting progress reports.
- Volunteer wages shall be given the standard rate of \$15/hour in the project budget.
- Decisions regarding the use of the MEF will be the responsibility of the BFIT.

4. Annual Project Selection:

If funding is available, UPPCO will distribute a Request for Proposals (RFP) in December, annually, to solicit proposals. The general MEF timeline is as follows:

UPPCO to advertise Request for Proposals	August 15 (by)
Pre-Proposals Due	October 15
Pre-Proposal Review completed. Requests for full proposals sent to selected projects.	November 30
Deadline for Full Proposal Submittals	February 15
Distribution of proposals to BFIT	February 22
BFIT proposal review	Annual Meeting TBD
BFIT decision on MEF proposals	Annual Meeting TBD
Notification of Selection	Following Annual Meeting
Earliest start date for selected projects	April 30

Completed proposals should be sent via E-mail (or alternately U.S. mail) to UPPCO:

bfitmefgrants@uppc.com

Upper Peninsula Power Company
ATTN: Environmental Services
800 Greenwood Street
Ishpeming, MI 49849

After distribution of proposals the BFIT will meet to discuss the proposals. The meeting should be scheduled early enough to allow sufficient time for additional fact-finding and clarification of the proposals if needed and to reach a decision on selection. UPPCO will notify the project manager in writing as soon as practical after funding decisions are made.

Multiple year projects selected by the BFIT will be funded as determined during the initial project selection process. Progress reports will be required for multiple year projects as directed by the BFIT. Funding for successive years of a multiple year project will be made only if acceptable progress is made in the preceding year(s) of the project. Acceptable progress will be determined by the BFIT.

If a project already underway is changed or modified for any reason, the project manager must notify the BFIT of the changes and the reason for the changes. Modifications may include: schedule, location, informational extent of project, goals, or performance measures. The revised project will be reviewed by the BFIT to verify that it still satisfies the selection criteria and that the funding of the project should be continued. If a project is not selected in one year, it may be resubmitted in subsequent years for reconsideration.

5. MEF Selection Criteria:

The BFIT will select projects by prioritizing them based on the likely value to the habitat of the Ontonagon River watershed, ability to achieve stated objectives, and cost effectiveness of the proposals. For questions about whether an idea you have for a project you are proposing is consistent with the MEF goals, or ways to improve proposal competitiveness, please reach out to the BFIT agency representatives listed in the consultation section of this document. The BFIT will also give priority to projects that are compatible with and identified as a management option in the MDNR's Ontonagon River Assessment.

THE SELECTION PROCESS IS UNDER THE DISCRETION OF THE BFIT

6. MEF Project Proposal Format:

MEF projects should be proposed using the format shown below. The BFIT will not accept late proposals. This format should be expanded to as many pages as necessary to provide details needed to help in the selection process.

Project proposals should include sufficient detail to allow the BFIT to determine the benefits and impact within the basin. The proposal should clearly state the goals of the project and performance measures linked to the goals. If the proposed project is multi-year, the project budget must include expected annual expenditures and the total project cost. If a project is or may be funded from multiple sources, the other

funding sources should be identified. The proposal must adequately describe the nexus between the project and the Ontonagon River Watershed Assessment:
<http://www.michigandnr.com/PUBLICATIONS/PDFS/ifr/ifrlibra/Special/Reports/sr46/SR46.pdf>

All information gathered, and conclusions reached by funded projects will become public information. No funded projects will be allowed to consider information or conclusions developed by the project as privileged information.

7. Project Follow-up Reports:

All funded projects must file reports that describe how the project is meeting, or has met, the performance measures, goals, and objectives outlined in the project proposal. An effective progress reporting schedule will be critical to having a proposal selected for funding. Proposals must include a schedule for progress reports and a final report. **At a minimum, progress reports shall be provided every 6 months after project initiation.**

Approved projects qualify for up to 75% up front funding, with a 25% (or balance) final payment following final report submittal and BFIT review.

Any delays must be explained in the progress report and any change in scheduled completion will need advance approval from the BFIT. **In addition to progress reports, a final report must be provided at project completion or by April 1 of the following year (the year after funding was received).**

For multiple year projects, the BFIT reserves the right to cancel project funding for multiple year projects that do not meet objectives, are not providing progress reports in a timely fashion, are significantly delayed, or are not performing to standards.

Examples of successful applications:

<https://www.uppco.com/wp-content/uploads/2019/03/MEF-PROJECT-EXAMPLE-MUSSEL-SURVEY-OF-ONF-1.pdf>

https://www.uppco.com/wp-content/uploads/2019/04/BFIT-2015-2016_Shackleford.pdf

PRE-PROPOSALS ARE DUE OCTOBER 15, 2022

MEF PROJECT PROPOSAL

PROJECT NAME: _____

CONTACT PERSON: _____

CONTACT ADDRESS: _____

PROJECT MANAGER:

Name: _____

Title: _____

Organization: _____

Phone number: _____

Fax number: _____

E-mail: _____

Please Include a Separate Document with the Following Information:

- PROJECT DESCRIPTION
- PROJECT GOAL OR OBJECTIVES
- GEOGRAPHICAL LOCATION
- PROJECT SCHEDULE
- PROPOSED SCHEDULE FOR PROGRESS AND FINAL REPORTS
- PROJECT BUDGET
- REQUESTED FUNDING FROM MEF
- ADDITIONAL SOURCES OF FUNDING OR IN-KIND SERVICES
- PERFORMANCE MEASURES
- AREAS OF PROJECT IDENTIFIED IN MDNR'S ONTONAGON RIVER ASSESSMENT