

City of Scottsbluff, Nebraska

Monday, August 17, 2015

Regular Meeting

Item Reports2

Council to consider an agreement with the Nebraska Department of Environmental Quality for the receipt of \$100,000 of grant funds to be used to purchase a wheel loader and mulch screen.

Staff Contact: Annie Folck, City Planner

Agenda Statement

Item No.

For meeting of: August 17, 2015

AGENDA TITLE: Council to consider an agreement with the Nebraska Department of Environmental Quality for the receipt of \$100,000 of grant funds to be used to purchase a wheel loader and mulch screen

SUBMITTED BY DEPARTMENT/ORGANIZATION: Public Works

PRESENTATION BY:

SUMMARY EXPLANATION: The City was awarded \$100,000 from the Waste Reduction and Recycling Incentive fund through the Nebraska Department of Environmental Quality. The funds are to purchase a new loader and screen to improve the City's mulch operation, better utilizing our wood waste. In order to be eligible to receive these funds, the City must agree to match the grant with \$65,000 of City funds that will go towards the purchase of the equipment and \$15,000 of staff time that will be spent on creating mulch out of wood waste. The staff time committed is similar to the amount of staff time that is spent grinding trees and disposing of wood waste currently.

BOARD/COMMISSION RECOMMENDATION:

STAFF RECOMMENDATION: Staff recommends approval of the grant agreement

EXHIBITS

Resolution Ordinance Contract Minutes Plan/Map

Other (specify) _____

NOTIFICATION LIST: Yes No Further Instructions

APPROVAL FOR SUBMITTAL: _____
City Manager

Rev 3/1/99CClerk

GRANT AGREEMENT
Between the
Nebraska Department of Environmental Quality
And
City of Scottsbluff
Regarding the Implementation of the
Waste Reduction & Recycling Incentive Grant Application Project (Project)
Reference Number: 2015-38245299

THIS GRANT AGREEMENT (Agreement) is made and entered into by and between the Nebraska Department of Environmental Quality (NDEQ) and the City of Scottsbluff (Grantee)

WHEREAS, the Grantee agrees to utilize funds which have been made available to NDEQ pursuant to the Nebraska Waste Reduction and Recycling Incentive Act; and

WHEREAS, grant funds in an amount up to \$100000 and a match of at least \$80000 are to be used to implement the workplan as outlined in Attachment A.

NOW, THEREFORE, the parties do hereby agree to the terms and conditions of this Agreement as follows:

I. TERM OF AGREEMENT

This Agreement will go into effect July 1, 2015 and will remain in effect until all identified tasks are completed for the workplan as outlined in Attachment A unless terminated under P. of this Agreement, but will not remain in effect past June 30, 2016 unless extended by amendment.

II. PROJECT DESCRIPTION

This Agreement encompasses the project described in Attachment A.

III. CONDITIONS OF AGREEMENT

A. General Conditions

1. The Grantee agrees to submit quarterly performance reports to the NDEQ within 30 days after the end of each calendar quarter. A final project report will be submitted as required in section III.A.7. These reports shall address project activity for the previous calendar quarter, and contain the following components:
 - a. Progress to date;
 - b. Financial report of money spent for each approved activity element by grant and match;
 - c. Certification that any equipment and supplies purchased with grant funds or match were used only for grant purposes;
 - d. Significant findings or events; and
 - e. Corrective actions taken to resolve any problems that are encountered.
2. The Grantee agrees that if indirect costs are authorized, as specified in the approved plan, they will be charged at the approved indirect rate.
3. Other than any contract, interagency agreement, sub-agreement, and/or procurement of equipment identified in Attachment A, the Grantee agrees that any contract,

interagency agreement, or sub-agreement under this grant for a value of \$5000 or more, must receive NDEQ approval prior to expenditure of funds associated with those transactions.

4. If specific equipment was part of the approved application and the grantee purchases the equipment using the lowest responsible bid, the grantee is approved to purchase the equipment. If the grantee proposes to buy equipment which is different from the equipment identified in the lowest responsible bid, the grantee will only be reimbursed up to the amount of the lowest responsible bid. Any such purchased equipment shall be retained by the NDEQ upon Agreement end date unless otherwise authorized in writing by the NDEQ, except that grantee may continue to utilize the equipment during its expected service life if the grantee makes effective and efficient use of the equipment. If the grantee does not make effective and efficient use of the equipment during its expected service life, as determined by the department, the grantee must surrender such equipment to the department. When the equipment has reached the end of its expected service life, as determined by the department, the department relinquishes all interest in the equipment.
5. A Quality Assurance/Quality Control plan must be approved by NDEQ prior to expending any funds for environmental data collection. Any environmental data collected must be provided to NDEQ.
6. The Grantee agrees to recognize funding from the NDEQ on all published materials and news releases related to their NDEQ funded programs or activities.
7. A final project report must be submitted to NDEQ within 45 days after completion of the project or the termination date, whichever is earlier.
8. The requirements of the Waste Reduction and Recycling Incentive Grants Program Guidelines are hereby incorporated in this agreement. (Attachment B)
9. The requirements of Title 199 – Waste Reduction and Recycling Incentive Grants Program, effective June 27, 2011 are hereby incorporated in this agreement.
10. The Grantee must provide NDEQ proof of coverage under an insurance policy which covers the department's investment in personal property with a purchase value greater than \$5,000 or real property as it pertains to the Waste Reduction and Recycling Incentive Grant funds.
11. Special Conditions: Not Applicable

B. Statement of Costs

Grantee may submit a reimbursement request quarterly with reports required pursuant to Section III.A.1. The Grantee shall submit an invoice with supporting documentation. For goods or services documentation must include itemized invoices and cancelled checks (electronic bank copies are sufficient). For personnel costs actual time records or equivalent is required.

C. Disbursements

1. Grants will be funded on a reimbursement basis. Reimbursements will be made for actual expenditures. Reimbursement requests can be made no more often than quarterly.
2. Payments will be made only if required reports have been provided to the department.
3. The department will make payments on a timeline consistent with the Prompt Payment Act.

D. Work Description and Schedule

Grantee agrees to complete the objectives and work items as described in Attachment A.

E. Amendments

This agreement may be amended in writing at any time by mutual agreement of the parties, except insofar as any proposed amendments are in any way contrary to applicable law or requirements of the NDEQ.

F. Forfeiture, Repayment, and Delays in Disbursement of Funds

Violation of any of the conditions of this Agreement by the Grantee or failure of the Grantee to complete and maintain the project in the manner described in Attachment A which have been properly approved by the NDEQ, may result in recovery of any or all funds disbursed by the NDEQ. Any funding expended for an unapproved activity shall be forfeited.

G. Remedies Not Exclusive

The use by either the Grantee or the NDEQ of any remedy specified herein for the enforcement of this Agreement is not exclusive and shall not deprive the party from using such remedy, or limit the application of any other remedy provided by law.

H. Assignment

No assignment or transfer of this agreement or any part hereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by the NDEQ and made subject to such reasonable terms and conditions as the NDEQ may impose.

I. Waiver of Rights

The Grantee or NDEQ may from time to time waive any of their rights under this Agreement. However, any waiver of rights with respect to a default of any condition of this Agreement shall not be deemed to be a waiver with respect to any other default.

J. Applicable Rules and Regulations

Both parties shall abide by all applicable rules and regulations of the NDEQ including any that may be adopted subsequent to the effective date of this Agreement, except those that would invalidate or be inconsistent with the provisions of this Agreement.

K. Inspection of Books, Records, and Reports

The duly authorized representative of either party shall have the right to inspect and make copies of any books, records, or reports of the other party pertaining to this Agreement or related matters during regular office hours. Each party shall maintain and make available for such inspection accurate records of all of its costs, disbursements, and receipts with respect to its activities under this Agreement.

L. Independent Contractor

The Grantee is and shall perform this Agreement as an independent contractor and as such shall have and maintain exclusive control over all of its employees, agents, and operations. Neither the Grantee nor any person employed by the Grantee shall act, propose to act, or be deemed the NDEQ's agent, representative, or employee. The Grantee assumes full and exclusive responsibility for the payment of all premiums,

contributions, payroll taxes, and other taxes now or hereafter required by any law or regulation, and agrees to comply with all applicable laws, regulations, and orders relating to social security, unemployment compensation, OSHA, affirmative action, equal employment opportunity, and other laws, regulations, and orders of like nature. For any work hereunder subject to the Veterans Readjustment Assistance Act of 1974, or the Rehabilitation Act of 1973, the parties hereto shall comply with all provisions thereof, together with all applicable rules, regulations, and orders of the Department of Labor, and the notices required pursuant to 41 CFR 60-1.4, 60-250.4 and 60-741.4 which are hereby incorporated by reference into this Agreement.

M. Nondiscrimination

The Nebraska Fair Employment Practice Act prohibits contractors to the State of Nebraska and their subcontractors from discriminating against any employee, or applicant for employment in the performance of such contracts, with respect to hire, tenure, terms, conditions, or privileges of employment because of race, color, religion, sex, disability, or national origin. The Grantee's signature is a guarantee of compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The Grantee shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.

N. Drug Free Workplace

The Grantee by executing this Agreement certifies and assures that it operates a drug free workplace as addressed in the State of Nebraska Drug Free Workplace Policy of July 7, 1989.

O. Publication Rights

All parties shall have publication and reproduction rights for all reports and materials which are produced as a result of this Agreement.

P. Termination

This agreement may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given:

1. Not less than ten (10) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate, and
2. An opportunity for consultation with the terminating party prior to termination.

Q. Hold Harmless

The Grantee agrees to hold NDEQ harmless for loss or damage sustained by any person as a direct result of the negligent or willful acts by the Grantee, its employees, subcontractors, or agents in the performance of this agreement, including all associated costs of any defending action.

R. Conflict of Interest

The Grantee certifies that it will not employ any individual known by the Grantee to have a conflict of interest. The Grantee certifies that there does not now exist any relationship

between the Grantee and any person or entity which gives the appearance of a conflict of interest.

S. Americans with Disabilities Act

The Grantee shall comply with all applicable provisions of the Americans with Disabilities Act.

T. New Employee Work Eligibility Status

The Grantee and any contractor or subcontractor of the Grantee is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of the new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United State Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Grantee is an individual or sole proprietorship, the following applies:

1. Grantee must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at http://das.nebraska.gov/lb403/attestation_form.pdf
2. If the Grantee indicates on such attestation form that he or she is a qualified alien, the Grantee agrees to provide the U.S. Citizenship and Immigration Services documentation required to verify the Grantee's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) program.
3. The Grantee understands and agrees that lawful presence in the United States is required and the Grantee may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. Sec. 4-108.

U. Project Managers

The Project Manager for each party to this agreement shall be as follows. The Project Manager may be changed by any agency by providing written notification.

NDEQ

City of Scottsbluff

Steve Danahy
Federal Aid Administrator
Waste Management Division
Planning and Aid Unit
402-471-0273

Contact Name: Full Name
Contact Title: _____
Contact Phone: Phone

IV. SIGNATORIES

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

BY: Dennis Burling TITLE: Acting Deputy Director

DocuSigned by:
Dennis Burling
EDB2FB1F771D42C...

DATE: 7/31/2015

City of Scottsbluff

BY (Print): Full Name TITLE: _____

(Signature): _____ DATE: _____

Nebraska Department of Environmental Quality
Waste Reduction and Recycling
Grant Application

Grant Information

Application Number: 570
Award Year: 2015
How are you applying? Political Subdivision
Program: Waste Reduction & Recycling Incentive
Program Category: Disposal Fee
How many years are you applying for?

Total Grant Funds Requested: \$100,000.00
Total Matching Cash Funds: \$80,000.00
Total Matching Non-Cash Funds: \$0.00

Applicant Information

Title: Ms
First Name: Annie
Last Name: Folck
Position: Planner
Organization Name: City of Scottsbluff
Address: 2525 Circle Drive
City: Scottsbluff
County: Scotts Bluff
State: NE
Zip: 69361
Telephone: (308) 630-6244
Email: afolck@scottsbluff.org

Contact Information

Title: Ms
First Name: Annie
Last Name: Folck
Position: Planner
Address: 2525 Circle Drive
City: Scottsbluff
State: NE
Zip: 69361
Telephone: (308) 630-6244
Email: AFOLCK@SCOTTSSBLUFF.ORG

Funding

Personnel Expenses

Items such as wages, employer's share of taxes, health insurance, pension costs, workers comp, other (specify)

<u>Personnel</u>	<u>Grant Funds Requested</u>	<u>Matching Cash Funds</u>	<u>Matching Non Cash Funds</u>
Steve Schlager, Solid Waste	\$0.00	\$7,500.00	\$0.00

Equipment Operator John Isom, Solid Waste Equipment Operator	\$0.00	\$7,500.00	\$0.00
Totals	\$0.00	\$15,000.00	\$0.00

Supplies

Supplies Total - Office Supplies, film processing, audio/visual supplies, educational training materials, promotional materials, other (specify)

<u>Grant Funds Requested</u> \$0.00	<u>Matching Cash Funds</u> \$0.00	<u>Matching Non-Cash Funds</u> \$0.00
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Notes:

Operating Expenses

Items such as telephone, utilities, internet, advertising, promotional expenses, rent, insurance, professional fees, other (specify)

<u>Operational Activity</u>	<u>Grant Funds Requested</u>	<u>Matching Cash Funds</u>	<u>Matching Non Cash Funds</u>
Totals	\$0.00	\$0.00	\$0.00

Travel

Items such as airfare, hotel, ground transportation, registration, meals away from home, mileage

<u>Travel Activity</u>	<u>Grant Funds Requested</u>	<u>Matching Cash Funds</u>	<u>Matching Non Cash Funds</u>
Totals	\$0.00	\$0.00	\$0.00

Contractual Services

Estimate only. Bids/price quotes not needed until notified of award.

<u>Contractual</u>	<u>Grant Funds Requested</u>	<u>Matching Cash Funds</u>	<u>Matching Non Cash Funds</u>
Totals	\$0.00	\$0.00	\$0.00

Equipment

Estimate only. Bids/price quotes not needed until time of award.

<u>Equipment</u>	<u>Grant Funds Requested</u>	<u>Matching Cash Funds</u>	<u>Matching Non Cash Funds</u>
Totals	\$100,000.00	\$65,000.00	\$0.00

Narratives

Describe the project and what the project will accomplish.

The City of Scottsbluff currently accepts yard waste into its compost facility. We currently have a tree pile with an estimated volume of 6,000 cubic yards. Some of this wood waste will be chipped and mixed into the compost as a bulking agent; however, there is far more wood waste available than is necessary for the composting process. In the past, this wood waste has been burned, but in recent years, the City has been either stockpiling it or using it for composting purposes. We would like to obtain the necessary equipment to create a good mulch product that could be used in City landscapes or provided to the public. The City has recently purchased a new chipper and trommel screen for the composting process. While this equipment works well for creation of compost, it does not work as well for creating wood mulch. An additional trommel screen is needed to create mulch that would be of a satisfactory consistency for use in landscaping. Also, an additional loader is needed to allow the facility to process an increased amount of wood waste. This will ensure that the existing stockpiles of wood waste as well as any wood products brought into the yard waste facility in the future will be processed into a beneficial product for reuse, rather than sent to the landfill.

Provide a timeline with specific tasks to be accomplished at each milestone date during the 1 year grant term.

September 1, 2015- obtain three bids for necessary equipment
 January 1, 2016- Equipment delivered to compost facility
 April 1, 2016- Mulch provided to City parks department and/or the public

What is your service area? You may include a map or other materials.

The City of Scottsbluff currently accepts yard waste from the Cities of Scottsbluff and Gering (combined population of about 25,000) as well as from the public. Most of the material that comes from the public comes from local landscapers and arborists.

Explain how your project will benefit the area defined for your project.

This project will allow the City to accept increasing amounts of wood waste and turn it into a beneficial product that can be used by the City or made available to the public. Once the mulch process is refined to create a high-quality wood mulch, we could consider expanding the amount of wood waste we accept. Currently, most mulch in the area is shipped in from Colorado at a minimum retail price of about \$25 per cubic yard.

How was the need for this project determined?

The City has been purchasing mulch for landscaping projects would like to find a way to process the wood waste that is taken to our compost facility into a product that could replace the mulch we are currently purchasing. Instead of paying for mulch to be hauled from out of state to put on our parks, we could produce our own out of a material that heretofore has been considered a waste product.

What mechanism will be used to measure/analyze program effectiveness?

We will track the number of cubic yards of mulch that is created from wood waste and keep records of how much of it is used on City property or provided to the public.

Explain how your program will achieve demonstrable direct result.

After one year, the City will have an effective process for creating mulch from wood waste. It is our goal to produce, at a minimum, enough mulch for all of our City properties so that we can utilize our own mulch instead of buying it elsewhere. Once this process has been established, the City will be able to announce to the public that we have a beneficial use for tree waste and we can consider expanding the program. If enough product is available, we can consider selling the final product either directly to the public or selling it wholesale to local landscape companies, which will help to cover ongoing operating and maintenance costs.

Are there other providers or entities that provide similar services as this project? if so, please explain how this project is different.

Currently, there are no other local entities that provide similar services. The nearest entity that has a similar program that we are aware of is in Sidney, about 75 miles away.

Are there other entities that would partner with this project? Who are they?

We will continue our partnership with the City of Gering to accept their yard waste as part of this project.

Will this project be on-going after the funding has ended?

This project will be on-going after the funding has ended. The City will be accepting and processing yard waste for the foreseeable future.

Explain how your program promotes end-markets for recycled materials and/or the purchase of products made or recycled materials.

This program will promote the use of wood mulch that is locally sourced, rather than shipped in from other states. It will encourage the end-users (both the City and the public) to consider where their mulch comes from, and to favor products that do not have to be shipped over long distances for end use, reducing fuel usage and emissions, while also diverting material from the landfill.

Does the project create end-use markets for recyclables in Nebraska? If yes, explain.

Yes. The focus of this project is for the City, and eventually the public, to use a mulch product that is created from locally sourced wood waste. It will encourage the public and local landscapers to bring wood waste to the City's yard waste facility to be processed into mulch rather than burning it or disposing of it in other ways.

Will the value or marketability of the recycled materials be increased? If yes, explain.

Yes. The goal of this project is to create a wood mulch that is comparable in value to the kind that can be purchased commercially. This will add a great amount of value to the wood waste that is currently stored at the yard waste facility.

Identify the markets you have secured for all recyclable materials that will be collected or processed with grant funds.

The wood waste will be collected from the Cities of Scottsbluff and Gering as well as from the public, primarily from local arborists and landscapers.

Authorization

I certify have authority under the laws of the State of Nebraska to sign this grant application and that the information submitted is, to the best of my knowledge and belief, true, accurate and complete.

Applicant Full Name

Annie Folck

Date

2/5/2015

Attachment B

Nebraska Department of Environmental Quality

Waste Reduction and Recycling Incentive Grant Program Guidelines

The **Waste Reduction and Recycling Incentive Grants Program Guidelines** will assist you in administering your Waste Reduction and Recycling Incentive Grants Program award. **Please review this information and contact your Department grant administrator at (402) 471-3457, or (877) 253-2603 if you have questions.**

GUIDELINE TABLE OF CONTENTS

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Rev. 5/14

I. Grant Program Rules and Regulations

Grant recipients are required to follow grant program rules and regulations stated in Title 199 - Waste Reduction and Recycling Incentive Grants Program. A copy of Title 199 can be found on the Department web site at <http://deq.ne.gov/>. You are strongly encouraged to review these rules and regulations. Please contact the Department if you need a copy of Title 199 or have any questions.

II. Quarterly Performance Reports

Grant recipients are required to submit a complete Quarterly Performance Report for each quarter of the approved grant period. It is important that you submit your Quarterly Performance Reports by the stated due dates. **The Department will not send out reminder notices.** Quarterly Performance Reports are due during the grant period even when an applicant has not expended program funds during the quarter.

Your grant period is stated on your Grant Agreement. It is critical that you are aware of the approved grant period during the administration of the program. Prior to your first quarterly report, the Department will provide instructions on the process for submitting quarterly reports.

Please be sure to submit a **complete** Quarterly Performance Report for each quarter of your grant period. (Title 199, Chapter 8, Sections 001 and 002). A complete Quarterly Performance Report will include the following information.

1. A summary of the activities for the quarter including detailed descriptions of grant program activities and accomplishments for the quarter.
2. Detailed report of expended grant funds for the quarter
3. Detailed report of matching cash and in kind funds for the quarter
4. A detailed report of expenses for the quarter
5. Equipment Inventory submitted only if equipment was purchased during the quarter

Please refer to Sections III.E and VI.D for additional information regarding the purchasing of equipment and the submission of receipts.

III. Accounting and Recordkeeping

Grant recipients are required to keep financial records pertaining to the expenditure of grant, interest/dividend, and matching cash and in-kind funds. (Title 199, Chapter 8, Section 005).

The following are some bookkeeping guidelines included for your assistance:

Separate Records: Keep separate accounting records for your grant award.

Commingling Funds: For accounting purposes, it is best not to commingle grant funds with other program funds, i.e. general cash funds, cash donations, other grant funds, etc.

Separate Checking Account: It may be easier for some to have a separate checking account for only grant funds.

Use Checks: Grant related expenditures should be paid by check.

Canceled Checks: If requested, obtain canceled checks from your bank as opposed to the carbon-copy check system.

Invoices/Receipts: Retain invoices and/or receipts for all grant related expenditures, both grant funds and matching funds, encumbered during the grant period.

Document all Matching Funds: Documentation must be maintained for all matching funds (cash match and in-kind match) reported during the grant period.

The following definitions and/or descriptions are provided to assist grant recipients in creating and maintaining financial records.

A. Encumbered versus expended

Expenditure of funds before beginning of grant period

Grant funds cannot be used for reimbursement of costs which were encumbered or expended before the beginning of a grant period. Matching funds encumbered or expended before the beginning of the grant period are not an eligible match.

Reporting

A grant recipient may encumber or incur grant expenses during a grant quarter without actually paying those expenses during the quarter. These types of expenses are considered encumbered expenses and should not be reported to the Department until the quarter in which grant funds are actually expended. This distinction between encumbered versus expended should be applied in reporting grant, interest/dividend, and matching funds.

End of grant period

The grant period shall be a set period of time designated by the Director based on activities approved for grant funding. All grant funding must be encumbered during the grant period.

Funds encumbered during the grant period must be expended within 45 days after the end of the grant period. The final Quarterly Performance Report is the one time that encumbered funds may be reported. Funds not expended during such time will revert back to the Department. **Return of unexpended funds is the grant recipient's responsibility.** (Title 199, Chapter 3, Section 001)

B. Interest/dividends

All interest or dividends earned from grant funds are considered a part of the grant and are subject to the same restrictions and requirements as grant funds. **Interest or dividends may be used in any of your approved grant budget categories.** The Department strongly suggests that grant recipients place grant funding in an interest bearing account. (Title 199, Chapter 3, Section 002)

C. Department financial review

All grant recipients are subject to a review of grant, interest/dividends, and matching cash and in-kind funds. The Department will contact the grant recipient prior to the Department review. The Department requires each grant recipient to establish and maintain financial records for the expenditure of grant funds, interest/dividends earned on grant funds, and matching cash and in-kind funds.

(Title 199, Chapter 8, Section 006)

D. Matching funds

Grant recipients are required to report matching cash and in-kind funds contributed to the program on Quarterly Performance Reports. During a financial review, the expenditure of matching funds, both cash and in-kind will be verified. The Department strongly encourages grant recipients to establish and maintain financial records to include cash and in-kind funds contributed to the program. Including this information with records of grant funding expenditures will assist in the completion of Quarterly Performance Reports and in the financial review process. (Title 199, Chapter 8, Section 005)

E. Receipts

Grant recipients are required to include a copy of all receipts for expenditures of grant funds and interest/dividends earned on grant funds with the Quarterly Performance Reports. Your financial records for grant fund expenditures, interest/dividends, and matching cash and in-kind should include the original copy of the receipt or documentation of expenditure for review purposes. **Receipts are required for personnel expenditures.** Receipts/documentation for matching cash and in-kind funds will be verified during a Department financial review. (Title 199, Chapter 8, Section 002.02)

If equipment is purchased with grant funds, you must include a copy of the receipt for the purchase with the appropriate Quarterly Performance Report. The receipt should include the name and address of buyer and seller, equipment model number and serial number, description of equipment, date of purchase, unit price and total price of purchase, and any other pertinent information regarding the equipment purchased.

F. Personnel

The following documentation for personnel expenses is required:

- Copy of paycheck stubs itemizing all withholdings and the number of hours worked for each employee
- Contractual labor: a copy of the cancelled check

IV. Unauthorized Use of Grant Funds

Grant funds cannot be used for unauthorized expenditures. (Title 199, Chapter 7)

Examples of expenses not allowed by the Department include, but are not limited to:

- Any expenditure incurred outside the grant period.
- Beautification expenses such as painting or other building enhancement projects, seeds, trees, flowers, planters, and other landscaping items.

- Recognition expenses such as prizes, plaques, awards, certificates, or trophies.
- Food, snacks, or beverages.
- Reimbursement to employees for travel and other expenses greater than those rates and conditions of reimbursement approved for Department employees.
- Landfill closure assessment, closure, monitoring and remediation.

The Department will allow grant funds to be used for appropriate bank service charges related to ‘maintaining’ your grant bank account. Bank service charges should be expended from the ‘Operating Expenses’ budget category, but only if your approved budget includes funding under that category.

V. Program Modifications

Workplan and budget modifications or grant period extensions may be necessary for the successful completion of a program. The Department has established a process for all grant recipients to follow when proposing program modifications.

A. Workplan and budget modifications are required when:

- Grant recipient has been awarded partial funding (if applicable), OR
- Grant recipient requests to modify an existing workplan and/or budget.

During a grant period a program may undergo changes that will require modifications to the existing program. **The grant recipient must submit written notification outlining the proposed workplan and/or budget modifications to the existing program.** The Department requires that proposed modifications remain within the scope of the original proposal.

Written notification should include:

- A completed Workplan/Budget Modification Request form (**Attachment B**).

Exception to Budget Modification Requests:

Grantees may expend 10% over or under their originally approved budget categories without requesting a budget modification. As an example, the grantee over expends in the Personnel category and under expends in the other approved categories. A possible scenario follows:

<u>Budget Category</u>	<u>Originally Approved Budget Amount</u>	<u>Actual Expenditure</u>	<u>Percent Change</u>
Personnel	\$10,000	\$10,320	3.2%
Supplies	\$ 225	\$ 205	8.8%
Operating Expenses	\$ 1,100	\$ 1,000	10.0%
Travel	\$ 1,680	\$ 1,515	9.8%
Other	\$ 350	\$ 315	10.0%
Total	\$13,355	\$13,355	

In this scenario, you will notice that none of the categories changed by more than 10%, therefore, a budget modification request is not required.

As a reminder, this 10% flexibility is only on the originally approved budget amount identified on your Grantee Notification Form.

B. A grant period extension is required when:

- The approved grant period does not provide sufficient time for the completion of the grant program activities.

If an approved grant period does not provide sufficient time for the completion of the grant program, a grant recipient may request, in writing, an extension of the grant period. The request must include an explanation as to why the extension is necessary.

All proposed program modifications and grant period extensions must be presented to the Department during the approved grant period. The Department must approve modifications and grant period extensions to the grant program. The Department will notify the grant recipient, in writing, regarding approval or denial of program modifications. (Title 199, Chapter 8, Section 003)

VI. Department Funded Equipment

(Title 199, Chapter 9)

A. Usage

Equipment purchased, in whole or in part, with Department funding shall be used only for the purchases approved by the Department during the expected service life of the equipment.

B. Equipment Identification

Any piece of equipment purchased, in whole or in part, with Department funding and costing \$500.00 or more is required to be permanently identified. When the grant obligations have been met and the grant is being closed-out, a tag will be forwarded to the grant recipient for each piece of equipment requiring identification. It is the grant recipient's responsibility to place the identification tag on the piece of equipment as directed by the Department. During site visits, Department staff will verify that equipment is identified as required.

C. Expected Service Life

The Department will assign an expected service life to all equipment purchased in whole, or in part, with Department funds that has a value of \$500 or more. Equipment worth less than \$500 may be assigned an expected service life on a case-by-case basis. Expected service life of equipment will be determined on a quarterly basis upon receipt of Quarterly Performance Reports and Equipment Inventory Forms. The Department's acknowledgement of equipment purchased with grant funds includes the determination of expected service life and an identification tag for each piece of equipment.

D. Ownership

The Department shall maintain an ownership interest of all equipment purchased with grant funds during the expected service life of the equipment. The grant recipient shall gain unrestricted ownership after the expected service life period expires.

E. Maintenance

Grant recipients are responsible for all necessary and reasonable maintenance of Department funded equipment and may be held liable by the Department for any loss, damage, neglect or unreasonable deterioration of the equipment throughout the expected service life. During site visits, Department staff will verify that grant recipients are acting in a responsible manner in maintaining equipment purchased with grant funds.

F. Reporting

Grant recipients who purchase equipment, in whole or in part, with grant funds are required to complete an Equipment Inventory Form with each Quarterly Report (**Attachment A, page 4**). A new Equipment Inventory Form should be used for each reporting quarter rather than adding on to Equipment Inventories from preceding quarters. This form is required only in quarters when equipment is purchased.

G. Disposition

Grant recipients must receive approval from the Department prior to the disposition of equipment purchased, in whole or in part, with Department funds throughout the expected service life of the equipment.

Approved Sale

Funds realized from the approved sale of equipment purchased with Department funds shall revert to the Department in an amount congruent with the grant-funded percentage of the equipment's original cost.

Redistribution

Any Department funded equipment which is no longer being used by the grant recipient for the approved purposes and intent for which it was obtained, may be redistributed by the Department to another eligible applicant

H. Equipment Titles

Grant recipients purchasing equipment, in whole or in part, with Department funds shall place the grant recipient's name on equipment titles.

I. Equipment Inventory Annual Updates

After the conclusion of the grant period, it is the responsibility of the grant recipient to maintain a listing of all equipment purchased with Department grant funds and to respond to Department requests for progress reports or annual updates during its expected service life. The Department will initiate all requests for progress reports or annual updates as needed.

VII. Department Recognition

(Title 199, Chapter 8, Section 007)

A. Newsletters and Pamphlets

Grant recipients should recognize funding from the Department on all published materials, such as newsletters and pamphlets, related to a Department funded program or activity. However, the grant should not be considered a "contribution" or a "donation" and the Department prefers not to be identified as a donor in any publication or acknowledgements from your organization. A sample of the Department of Environmental Quality's logo in a variety of sizes is included in this packet. Retain the page of logos as an original and make additional copies as needed.

In addition to utilizing the logo on newsletters and pamphlets, grant recipients should include the following phrase:

"Financing provided through the Waste Reduction and Recycling Incentive Grant Program, Nebraska Department of Environmental Quality."

B. Signs

In some instances, the Department will provide grant recipients with a project sign to be placed at site locations funded with Department grant funds. The project sign recognizes grant funds contributed to the program. Project signs will be placed at grant funded facilities including, but not limited to, the following: recycling collection sites; recycling centers; material recovery facilities; compost sites; wood chipping sites; solid waste transfer stations; and other collection and processing facilities. The sign should be placed in a location visible to the public utilizing the facility. The sign may be mounted or attached directly to the outside of the facility or on a pole near the grant-funded activity. It is the grant recipient's responsibility to place the sign in an appropriate place.

VIII. Department Site Visits

Department staff will schedule periodic site visits throughout the grant period and, if applicable, throughout the expected service life of equipment purchased with grants funds. During these site visits, Department staff will review the following:

- General appearance, working order, and Department identification of equipment;
- How the grant funded equipment has affected the grant recipient's overall ability to collect and/or process waste stream materials;
- Amounts of materials collected/processed with grant funded equipment;
- General accomplishments of the grant program;
- General appearance of site/facility;
- Problems or concerns;
- Future activities;
- Compliance with Department notification or permitting requirements; and
- Other information as deemed necessary by the Department.

Department staff normally will contact a grant recipient to set up the site visit. In addition to meeting with the grant recipients to discuss the status of the grant program, Department staff will view all grant funded equipment and facilities.

Staff will take photos, verify that grant funds were expended as approved and reported, and verify that equipment is identified as required by the Department. After the site visit, a follow-up letter is sent to the grant recipient acknowledging the Department's site visit and, if applicable, addressing any concerns with the grant program. (Title 199, Chapter 10)

IX. Grant Conditions and Penalties

Grant recipients are required to comply with grant conditions and program regulations. A violation of the regulations or grant conditions may result in withdrawal of grant funds, reimbursement of improperly expended funds, forfeiture of Department funded property, ineligibility for future funding, or any combination of the above. (Title 199, Chapter 10)