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TO: Cities, Counties, and Other Interested Parties
FROM: Charles F. Goddard
Chief, Bureau of Solid and Hazardous Waste
DATE: May 29, 2007
SUBJECT: FY 2008-09 Innovative Recycling and Waste Reduction Grants Update

Introduction

This memorandum discusses the following topics:

- (1) **Changes Since Last Year**
- (2) **Innovative Grants Statutes**
- (3) **Applicants**
- (4) **Funding**
- (5) **Grant Caps**
- (6) **Criteria and Scoring**
- (7) **Timeline**
- (8) **Web Site**
- (9) **Questions/Comments/Contact**

The purpose of this memorandum is to present and **explain proposed policies and procedures for the next round of Innovative Grants** to be awarded **after July 1, 2008** for FY 2008-09. *We are asking for comments from interested parties by **June 20**. We plan to finalize and post our Request for Proposals on our web site by no later than **June 27**.*

(1) Changes Since Last Year

The 2007 Legislature made significant statutory revisions that will result in a wider variety of projects being eligible for funding:

- (a) **Focus on all solid waste:** In the past, eligible projects were limited to focusing on municipal solid waste (MSW) as defined by statute, which excluded solid waste from industrial, mining, or agricultural operations. *That limitation no longer applies.* The focus henceforth will be on all solid waste, not just MSW.
- (b) **Geography of “innovative”:** In the past, grant applicants were directed by statute to “demonstrate technologies or processes that are not in common use in Florida.” DEP interpreted that wording to also apply to areas of similar size or demographics in Florida (e.g. urban vs. rural). However, with the 2007 statutory changes, *a grant applicant will now have to show only that the process, technology, or activity has not previously been implemented in*

the jurisdiction of the applicant. In other words, if a similar activity has *not* already been done in your city or county, it's eligible.

Additionally, DEP is making some changes:

- (a) **Criteria:** We have slightly modified the first grant application review criterion because of statutory changes. We are open to modifying any of the criteria based on feedback we receive by **June 20**.
- (b) **Grant Application submittal deadline:** We have moved up the deadline from our traditional early to mid-November date to **September 4**. We would have set the deadline for September 1, but that falls on a Saturday this year, and the following Monday is Labor Day. For subsequent years, we are planning to use September 1 as the deadline.

(2) Innovative Grants Statutes

During its 2007 session, the Legislature made statutory revisions via Senate Bill 2052. Those changes affect Section 403.7095, Florida Statutes (F.S.) as follows (underlined words are additions to the statute; strikethroughs are deletions):

- (1) The department [DEP] shall develop a competitive and innovative grant program for counties, municipalities, special districts, and nonprofit organizations that have legal responsibility for the provision of solid waste management services. For purposes of this program, "innovative" means that the process, technology, or activity for which funding is sought has not previously been implemented within the jurisdiction of the applicant. The applicant must that:
 - (a) Demonstrate technologies or processes ~~that are not in common use in Florida~~, that represent a novel application of an existing technology or process to recycle or reduce waste, or that overcome obstacles to recycling or ~~and~~ waste reduction in new or innovative ways;
 - (b) Demonstrate innovative processes to collect and recycle or reduce materials targeted by the department and the recycling industry; or
 - (c) Demonstrate effective solutions to solving solid waste problems resulting from waste tires, particularly in the areas of enforcement and abatement of illegal tire dumping and activities to promote market development of waste tire products.Because the Legislature recognizes that input from the recycling industry is essential to the success of this grant program, the department shall cooperate with private-sector entities to develop a process and define specific criteria for allowing their participation with grant recipients.
- (2) The department shall evaluate and prioritize the annual grant proposals and present the annual prioritized list of projects to be funded to the Governor and the Legislature as part of its annual budget request submitted pursuant to chapter 216, ~~beginning with fiscal year 2003-2004~~. Potential grant recipients are encouraged to demonstrate local support for grant proposals by the commitment of cash or in-kind matching funds.

Prior to 2007, proposals had to focus on MSW to be eligible for funding. [Section 403.706(5) , F.S. defines MSW as excluding sludge as well as solid waste from industrial, mining, and

agricultural operations.] However, in 2007 the Legislature broadened that focus beyond MSW, per Section 403.709(1)(e):

A minimum of 40 percent [of the Solid Waste Management Trust Fund] shall be used for funding a competitive and innovative grant program pursuant to s. 403.7095 for activities relating to recycling and ~~waste reduction reducing the volume of municipal solid waste,~~ including waste tires requiring final disposal.

In other words, proposals can focus on any solid waste, not just MSW.

(3) Applicants

This grants program is open to those entities having legal responsibility for the provision of solid waste management services, which may include counties, municipalities, special districts, and nonprofit organizations. Counties and municipalities have statutory authority to provide various solid waste management services. Special Districts may be created by general or special laws. An example is the Palm Beach County Solid Waste Authority. Nonprofit organizations may be granted the responsibility to provide solid waste management services through an interlocal agreement as provided in Section 403.709(19), F.S., an example being the New River Solid Waste Association. Just because a nonprofit agency might happen to have legal *authority* under its charter to provide solid waste services to some group of people does not mean it has the legal *responsibility* to provide those services, at least not in the context of these grants.

(4) Funding

The Legislature, not DEP, will make the final determination as to which proposals are funded. That determination will be made during the 2008 legislative session and will be effective for FY 2008-09 (starting July 1, 2008).

In its 2007 session, the Legislature funded all 19 of the proposals that were submitted to DEP, amounting to approximately \$2.9 million. (For a list of those proposals, see: <http://www.dep.state.fl.us/waste/categories/recycling/pages/InnovativeGrants2007-08.htm>). At this writing, we have no idea how much money the Legislature will allocate for FY 2008-09. It could allocate more than last year, less, or none at all. **DEP's performance and obligation to award grants is contingent upon an appropriation by the Legislature.**

(5) Grant Caps

DEP set maximum funding amounts for individual Innovative Grants projects until FY 2007-08, when we removed the cap. For this coming round, we are continuing the policy of **no cap on the dollar amount of grant proposals.**

Also, we limited the number of proposals per applicant until FY 2007-08, when we removed that limitation. For FY 2008-09, we are continuing the policy of **no limit on the number of proposals per applicant.**

Please note: if we receive **two or more similar proposals**, we reserve the right to **request the applicants to collaborate** in revising their proposals per our direction regarding proposal elements and costs.

(6) Criteria and Scoring

These are the criteria and points allocation we propose using to review grant applications:

- **20 points** **Technologies or Processes**
- **10 points** **Targets**
- **25 points** **Benefits/Cost-effectiveness**
- **25 points** **Sustainability**
- **10 points** **Transferability**
- **10 points** **Local Support**
-
- **100 points** **Total**

Please note: because of statutory changes during the 2007 legislative session, we have slightly revised criterion (a) compared to what we used in the last round. We welcome any suggestions by June 20 for revisions to any of the criteria.

Following is a more detailed discussion of each proposed criterion.

(a) (20 Points) Technologies or Processes: *Demonstrate technologies or processes that represent a novel application of an existing technology or process, or that overcome obstacles to recycling/waste reduction in new or innovative ways.*

Discussion: The range of scoring is between 0 and 20 points, with up to 10 points for meeting one of the following subcriteria and up 20 points for meeting both subcriteria:

- **Novel application of an existing technology or process:** The proposal should provide documentation showing how the existing technology or process is novel.
- **Overcome obstacles to recycling/waste reduction in new or innovative ways:** The proposal should spell out what obstacles are being addressed, explain how the proposal would overcome those obstacles, and provide documentation supporting the newness or innovation of the ways in which the proposal will address those obstacles. **Please note: “innovative” means that the process, technology, or activity for which funding is sought has not previously been implemented within the jurisdiction of the applicant.**

(b) (10 Points) Targets: *Demonstrate innovative processes to collect and recycle or reduce materials targeted by DEP. Demonstrate effective solutions to solving solid waste problems resulting from waste tires, particularly in the areas of enforcement and abatement of illegal tire dumping and activities to promote market development of waste tire products.*

Discussion: Proposals focusing on the following items will be eligible for **up to 10 points**:

- **Waste tires.** They are specifically listed in statute (Section 403.7095, F.S.) as a focus for the grants.
- **Construction and demolition debris.** This item, along with commercial/institutional waste listed next, have the greatest potential for increasing the state's overall recycling rate.
- **Commercial/institutional waste.**
- **Hurricane debris.** Projections indicate increased hurricane activity for the next several years, resulting in massive amounts of hurricane debris, of which very little is currently recycled.

Please note that just because a targeted material is included in a project proposal does not mean the full 10 points will automatically be awarded. If the targeted material is only a small part of the focus of the overall proposal, then less than 10 points will be given.

For example: if a proposal covers yard trash and C&D, but the majority of the proposal is focused on yard trash rather than C&D, then the proposal will receive less than the maximum 10 points available under the targets criteria.

(c) (25 Points) Benefits/Cost-effectiveness: *Demonstrate the potential benefits and cost-effectiveness of the proposed program.*

Discussion: There are three components for this criterion:

- **(5 Points) Environmental benefits:** Under which we will consider two parameters:
 - **Methodology:** Source reduction and resource conservation rate higher than material reuse which rates higher than recycling and composting programs. A combination of these approaches rates somewhere in between.
 - **Toxicity:** Programs that reduce (a) exposure to or (b) release of hazardous or toxic materials which pose a threat to public health.
- **(5 Points) Economic benefits:** This will include, but not necessarily be limited to, such things as more jobs or increased marketability of a product.
- **(15 Points) Cost-effectiveness:** This will include, but not necessarily be limited to, consideration of such issues as:
 - How the results of the program could potentially result in a substantial **reduction in the cost** of recycling/waste reduction.

- How long the **payback period** is for program costs. Shorter paybacks rate higher than longer paybacks.
- How the program will make the most **cost-effective** use of vendors, subcontractors, products, and other program resources to complete the project.

(d) (25 Points) Sustainability: Demonstrate sustainability of the proposed program.

Discussion: Programs that are designed to continue after the grant ends are more desirable than programs that die with the end of grant funds.

(e) (10 Points) Transferability: Demonstrate transferability of technology and processes used in the program and specify how the program will promote transferability.

Discussion: There are basically two sub-criteria here:

- **(5 points) Transferability of technology and processes:** whether other local governments will be able to gain from the completion of the project, and whether the technology or process will apply to a broad audience. If a project is transferable to areas with demographics or situations substantially different than its home base, then that project will get more points than a project that is transferable to areas with more limited demographics or situations.
- **(5 points) How the program will promote that transferability:** the greater the proposed effort to promote transferability, the greater the points. For example, projects that plan and budget for mentoring counties or communities with similar demographics in Florida will score higher than those who simply propose to write an article or give a presentation.

(f) (10 Points) Local Support: Demonstrate local support for the proposed program by the commitment of cash or in-kind matching funds.

Discussion: Either public or private sector contributions may count as match. Points for either cash or in-kind matching funds will be allocated per the following:

- 0 points 0% up to and including 1% of total project cost
- 1 points Greater than 1% up to and including 10% of total project cost
- 2 points Greater than 10% up to and including 20% of total project cost
- 3 points Greater than 20% up to and including 30% of total project cost
- 4 points Greater than 30% up to and including 40% of total project cost
- 5 points Greater than 40% up to and including 50% of total project cost
- 6 points Greater than 50% up to and including 60% of total project cost
- 7 points Greater than 60% up to and including 70% of total project cost
- 8 points Greater than 70% up to and including 80% of total project cost
- 9 points Greater than 80% up to and including 90% of total project cost

- 10 points Greater than 90% up to and including 100% of total project cost

For example, a project's total cost will be \$100,000 with \$50,500 of that covered by in-kind match while the other \$49,500 will be covered by an Innovative Recycling/Waste Reduction Grant. This is a 50.5% match, resulting in 6 points under this criterion. Here are the steps to use in calculating the percentage match:

1. Total grant requested + Total local match = Total project cost
2. (Total local match / Total project cost) x 100 = Percentage match

Proposals should clearly state (a) the amount of matching funds and (b) the percentage of matching funds as part of total project costs.

Please note that the above excerpt and example calculation is based on the percentage match of **total project cost**, not **total grant requested**. If it had been based on percentage of total grant requested, the example calculation would have resulted in a 102% match, giving the proposal 10 points under this criterion. We will correct any calculations done in that manner.

(7) Timeline

- 06/27/07 Request for Proposals posted on DEP's 2008-09 Innovative Recycling/Waste Reduction Grants web page (<http://www.dep.state.fl.us/waste/categories/recycling/pages/InnovativeGrants2008-09.htm>). **Please read the RFP closely when preparing proposals, as there may be changes in it compared to what is in this memorandum, depending on what feedback we receive by June 20.**
- 09/04/07 Proposals due at DEP. Seven (7) hard copies and one electronic version in Microsoft Word format. (Six copies are for our Review Team members, one copy is for our official archives.) **No binders or covers, just plain paper. Margins no less than 0.5 inches. Font no smaller than 12 points.** Review the RFP for any additional formatting details. Additional requirements include:
- In multi-applicant collaborative proposals, **each applicant's share of the proposal budget** should be explicitly identified. Also, the **lead applicant should be identified** for administrative and project management purposes.
 - No more than **one page** for **applicant contact information** on **applicant's official letterhead**.
 - No more than **20 lines of text** for **abstract**.
 - No more than **one page** for project **description**.
 - No more than **one page** describing how the project will demonstrate or utilize uncommon or novel or innovative **technologies or processes**.
 - No more than **one page** for **materials targeted** by DEP.
 - No more than **one page** for **benefits (economic/environmental) and cost-effectiveness**.
 - No more than **one page** for **sustainability**.
 - No more than **one page** for **transferability**.

- No more than **one page** for **local support**.
- No more than **one page** for the **project's budget**.
- **Proposals failing to implement the requirements above will be disqualified.**

09/25/07 (Tentative date.) DEP Review Committee finishes reviewing and ranking the grant applications. During the review period, (September 5 - 25), the Committee will decide if any additional information is needed from any applicants. The Committee will also decide whether to recommend that any applicants combine efforts or cooperate more closely with other applicants.

09/27/07 (Tentative date.) DEP Review Committee forwards the final ranking of grant applications to DEP upper management for review and approval.

10/11/07 (Tentative date.) DEP submits finalized ranking of applications to Governor and Legislature.

05/02/08 (Tentative date) Legislature decides what proposals will be funded.

06/02/08 (Tentative date.) DEP notifies applicants selected by Legislature to receive Innovative Recycling and Waste Reduction Grants. Grantees must check with their DEP district office and local environmental permitting agencies on compliance issues regarding proposed project work.

06/16/08 (Tentative date.) Scope of Service (SOS) and Environmental Certification Form due. SOS shall contain applicable amendments to the proposal along with final timeline (dates), deliverables (work), itemized costs of each deliverable (budget) and applicant contact details (i.e. Project Manager address, phone, e-mail, and FEID#).

07/07/08 (Tentative date.) DEP sends Grant Agreements to applicants for signatures.

(8) Web Site

The Request for Proposals, and all other information connected with the FY 2008-09 Innovative Grants, will be available via this web page **no later than June 27**:

<http://www.dep.state.fl.us/waste/categories/recycling/pages/InnovativeGrants2008-09.htm>.

For information about past Innovative Grants, please go to this web site:

<http://www.dep.state.fl.us/waste/categories/recycling/pages/grants.htm>.

(9) Questions/Comments/Contact

If you have any questions or comments, please contact the Innovative Recycling and Waste Reduction Grants program manager, John Labie (John.Labie@dep.state.fl.us; 850-245-8731/Suncom 205-8731) or Shannon Reynolds at Shannon.Reynolds@dep.state.fl.us; (850) 245-8716/Suncom 205-8716.