



Jeb Bush
Governor

Department of Environmental Protection

Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Colleen M. Castille
Secretary

TO: Cities, Counties, and Other Interested Parties
FROM: Ron Henricks, Administrator
Waste Reduction Section
DATE: September 18, 2006
SUBJECT: FY 2007-08 Innovative Recycling/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/Contact**

The purpose of this memorandum is to present and **explain policies and procedures for the next round of Innovative Grants** (to be awarded in FY 2007-08). We urge interested applicants to please **read our official Request for Proposals closely** before submitting a proposal to us, though **this memorandum contains the main elements of what will be in the RFP**. We plan to post our RFP on our web site by no later than September 19.

(1) Changes Since Last Year

The biggest change since last year's round of grants is that for the first time we are **removing the cap** on how much money a grant applicant can request and **how many proposals** a grant applicant can submit. We have also somewhat modified the grant application review criteria and scoring in response to feedback we received from counties, cities, and other stakeholders during the public meeting we held in Orlando in July.

(2) Innovative Grants Statutes

In FY 1997-98, the Legislature initiated the Innovative Grants for recycling and waste reduction, continuing to fund them for four years, followed by two years of no funding (FY 2001-02 and 2002-03). During its 2002 session, the Legislature passed House Bill 851, which reinstated the grants effective FY 2003-04. House Bill 851 also directed that **the Legislature, not DEP, is to make the final determination as to what specific proposals will be funded**. The grants program is described in detail in Section 403.7095, Florida Statutes (F.S.) as follows:

- (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 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, or that overcome obstacles to recycling 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.

Section 403.7095, F.S., requires the funding for this grant program to be used only for “recycling and reducing the volume of municipal solid waste [MSW], including waste tires requiring final disposal.” Grants cannot be awarded for recycling projects that do not involve MSW or MSW generators. **MSW is defined in Section 403.706(5), F.S., as:**

any solid waste, except for sludge, resulting from the operation of residential, commercial, governmental, or institutional establishments that would normally be collected, processed, and disposed of through a public or private solid waste management service. The term includes yard trash but **does not include solid waste from industrial, mining, or agricultural operations**. [Emphasis added.]

(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

As in the last round of Innovative Grants, **it will be the Legislature, not DEP, who will make the final determination as to which proposals are funded. That determination will be made during the 2007 legislative session and will be effective for FY 2007-08 (starting July 1, 2007).**

In its 2006 session, the Legislature funded all eight of the proposals that were submitted to DEP, amounting to approximately \$1.6 million. (For a list of those proposals, see: <http://www.dep.state.fl.us/waste/categories/recycling/pages/InnovativeGrants2006-07.htm>). At this writing, we have no idea how much money the Legislature will allocate for FY 2007-08. 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

In previous years of the program, DEP has set maximum funding amounts for individual Innovative Grants projects. However, for this coming round, we are placing **no caps** on the grant proposals.

Also, in past years we have limited the number of proposals per applicant to no more than two. For this round, there will be **no limit to 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**

Before getting into a detailed discussion of each criterion, some background might be useful. Based on feedback from various stakeholders, we have revised the criteria compared to what we used in the last round. We welcome any suggestions for improvement.

Also, some past grant applicants have commented that the criteria should include **consideration of demographics**, because what is innovative in a rural area might not be all that innovative in a large urban area. We agree. Please note that criterion (a), Technologies or Processes, includes such consideration.

Finally, please note that **if a proposal does not address MSW as defined in statute, it will be disqualified from further consideration.** The definition of MSW in “Innovative Grants Statutes” Section of this memorandum is not totally and unambiguously clear about what is considered MSW. There are some gray areas and room for interpretation. **If you have any question as to whether your project will address what DEP considers to be MSW, please call us before you get too far along in your proposal.** Please do not wait until the last minute to ask us for such a determination, because there is no guarantee that we will be able to give you an answer as quickly as you need it.

Following is a more detailed discussion of each proposed criterion.

(a) (20 Points) Technologies or Processes: *Demonstrate technologies or processes that (1) are not in common use in Florida, that (2) represent a novel application of an existing technology or process, or that (3) 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, up to 15 points for meeting two, and up to 20 points for meeting all three:

- **Not in common use in Florida:** The proposal should provide information via survey, literature review, or some other means to support its assertions that the proposed technologies or processes are not in common use in Florida or in areas of similar size or demographics in Florida.

- **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.

(b) **(10 Points) Targets:** *Demonstrate innovative processes to collect and recycle or reduce materials targeted by the department and the recycling industry. 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**:

- **Construction and demolition debris.** This item, along with the commercial/institutional sector listed next, have the greatest potential for increasing the state's overall recycling rate.
- **Commercial/institutional sector.**
- **Waste tires.** They are specifically listed in Section 403.7095, F.S., as a focus for the grants.

New targets this year:

- **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.
- **Pay-As-You-Throw.** There are currently very few communities who have implemented Pay-As-You-Throw systems in Florida. Such systems have the potential to substantially increase residential recycling rates.

Please note that just because a targeted material/sector is included in a grant application does not mean the full 10 points will automatically be awarded. If the material/sector is only a small part of the overall proposed project, 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

- 09/19/06 Request for Proposals posted on DEP's 2007-08 Innovative Recycling/Waste Reduction Grants web site (<http://www.dep.state.fl.us/waste/categories/recycling/pages/InnovativeGrants2007-08.htm>). (That web site may be open before that date.)
- 11/17/06 Proposals due at DEP. Fourteen (14) hard copies and one electronic version in Microsoft Word format. **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. **(We have disqualified applicants in the past for not following formatting requirements.)** 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 or sectors 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.**
- 12/08/06 (Tentative date.) DEP Review Committee meets to do preliminary ranking of applications. DEP will decide if any additional information is needed from any applicants. DEP will also decide whether to recommend that any applicants combine efforts or cooperate more closely with other applicants.
- 12/20/06 (Tentative date.) DEP Review Committee meets to finalize ranking of applications.
- 01/08/07 (Tentative date.) DEP Review Committee forwards the final ranking of applications to DEP upper management for review and approval.
- 01/20/07 (Tentative date.) DEP submits finalized ranking of applications to Governor and Legislature.
- 05/05/07 (Tentative date) Legislature decides what proposals will be funded.

- 05/09/07 (Tentative date.) DEP notifies applicants selected to receive Innovative Recycling/Waste Reduction Grants. Grantees must check with their DEP district office and local environmental permitting agencies on compliance issues regarding proposed project work.
- 06/07/07 (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#).
- 07/06/07 (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 2007-08 Innovative Grants, will be available via this web page, which **should go live no later than September 19**:
<http://www.dep.state.fl.us/waste/categories/recycling/pages/InnovativeGrants2007-08.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, please feel free to contact the Innovative Recycling/Waste Reduction Grants program manager, **Shannan Reynolds** (Shannan.Reynolds@dep.state.fl.us; 850-245-8716 / Suncom 205-8716). Also, I can be contacted at: Ron.Henricks@dep.state.fl.us; 850-245-8717 / Suncom 205-8717.