

## AM NO. 13-181 (C5)

MEMO TO: City Council

FROM: John Marchione, Mayor

DATE: November 5, 2013

SUBJECT: **APPROVAL OF COORDINATED PREVENTION GRANT FOR RECYCLING PROGRAM**

### **I. RECOMMENDED ACTION:**

Authorize the Mayor to execute on behalf of the City of Redmond, the attached Grant Agreement for Washington State Department of Ecology Coordinated Prevention Grant funding.

### **II. DEPARTMENT CONTACT PERSONS:**

Ron Grant, Interim Director of Public Works	425-556-2742
Jon Spangler, Natural Resources Director	425-556-2823
Jerallyn Roetemeyer, Environmental Quality Supervisor	425-556-2824
Stacey Auer, Solid Waste Program Administrator	425-556-2832

### **III. DESCRIPTION:**

Redmond's Recycling Program is eligible to receive \$99,571 of Coordinated Prevention Grant funds from the Washington State Dept. of Ecology for July 1, 2013, through June 30, 2015. The City of Redmond is required to match this grant in the amount of \$33,190.33.

These funds will be applied toward; the printing and distribution of brochures, and purchasing supplies for the City's Recycling & Collection events, consultant services for outreach and technical assistance to businesses for recycling and waste reduction, purchase of new recycling receptacles for City facilities, purchase of new recycling bags for multi-family residents, development and distribution of residential EcoKits for conservation, and public battery recycling drop-off stations and collection.

#### **IV. IMPACT:**

##### **A. Service/Delivery:**

##### **Recycling & Collection Events**

The City will print and mail brochures for the July and October 2013, April, July, and October 2014, and April 2015, special collection events as an insert in Focus. The City will purchase signage, protective clothing, and equipment for event staff and volunteers.

##### **Commercial Recycling and Waste Reduction Outreach and Technical Assistance**

The City will help businesses in Redmond reduce waste and recycle more through outreach and technical assistance, such as news articles, site assessments and recommendations, training, educational materials, and sharing success stories. Additionally the purchase of new recycling receptacles for City facilities and recycling bags for multi-family residents will encourage increased, and proper, recycling.

##### **EcoKit Development and Distribution**

The EcoKit is a kit developed within the city for distribution to residents via mail. The kit includes both tools (reusable water bottle, reusable shopping bag, etc.) and literature that will help citizens recycle more, reduce waste and toxics, and reduce greenhouse gases. To receive a kit, residents take a conservation pledge online at [www.impactredmond.com](http://www.impactredmond.com). Participants agree to take a follow-up survey to measure success.

##### **Battery Recycling**

Battery collection is provided for the public at City Hall, the Senior Center, the MOC (Parks and Public Works), the Teen Center, the Old Redmond School House, The Redmond Library, Fire Station 11, and the Public Safety Building. Batteries are collected by All Battery Service. Over the 18-month grant period approximately 6 tons of batteries are expected to be collected and recycled.

##### **B. Fiscal:**

Maximum eligible expenditures under this grant from July 1, 2013, to June 30, 2015, are \$132,761.33. The Washington State Department of Ecology supplies 75% (\$99,571) and the City of Redmond must supply the 25% match (\$33,190.33) from the Recycling Program Fund.

**V. ALTERNATIVES:**

The City Council can choose not to accept the Coordinated Prevention Grant funds and use 100% of City funds for the recycling collection events, the commercial recycling outreach and technical assistance program, the EcoKit, and the battery recycling programs.

**VI. TIME CONSTRAINTS:**

The City must spend all of the Coordinated Prevention Grant funds by June 30, 2015.

**VII. LIST OF ATTACHMENTS:**

A. Grant Agreement

\_\_\_\_\_/s/  
Ronald D. Grant, Interim Director of Public Works

10/17/2013  
Date

Approved for Council Agenda \_\_\_\_\_/s/  
John Marchione, Mayor

10/22/2013  
Date



DEPARTMENT OF  
**ECOLOGY**  
State of Washington

**COORDINATED PREVENTION GRANT (CPG) AGREEMENT**

**BETWEEN THE**

**STATE OF WASHINGTON DEPARTMENT OF ECOLOGY**

**AND THE**

**CITY OF REDMOND**

**Grant No. G1400195**

This is a binding agreement entered into by and between the State of Washington Department of Ecology, hereinafter referred to as the "DEPARTMENT" or as "ECOLOGY", and the City of Redmond hereinafter referred to as the RECIPIENT, to carry out the activities described herein.

**JURISDICTION:** City of Redmond  
**MAILING ADDRESS:** PO Box 97010; MS: 2NPW  
**CITY, STATE, ZIP:** Redmond, WA, 98073

**RECIPIENT GRANT COORDINATOR:** Stacey Auer  
**TELEPHONE:** 425-556-2832  
**E-MAIL:** slauer@redmond.gov

**RECIPIENT BILLING/INVOICE COORDINATOR:** Michelle Ayers  
**TELEPHONE:** 425-556-2149  
**E-MAIL:** mayers@redmond.gov

**ECOLOGY:** Diana Wadley  
**TELEPHONE:** 425-649-7056  
**E-MAIL:** Diana.wadley@ecy.wa.gov

**FUNDING SOURCE** Local Toxics Control Account  
**MAXIMUM ELIGIBLE COST** \$132,761.33  
**STATE GRANT SHARE** \$99,571  
**LOCAL SHARE** \$33,190.33  
**STATE MAXIMUM GRANT PERCENT** 75 %  
**FEDERAL TAX IDENTIFICATION NO.** 91-600-1492

**EFFECTIVE DATE OF THE AGREEMENT:** 07-01-2013  
**EXPIRATION DATE OF THE AGREEMENT:** 06-30-2015

**PART 1: SCOPE OF WORK**

The task(s) set forth below summarize the RECIPIENT'S activities to be performed under this agreement. Costs are limited to those approved by ECOLOGY as outlined in the current scope of work and budget. The RECIPIENT must complete all deliverables by the expiration date of this agreement, including delivery of purchases, unless otherwise stated in the scope of work or approved by ECOLOGY in writing.

Note: The term "task" as used in this agreement is interchangeable with the term "project" as used on the online Solid Waste Information Clearinghouse and "element" as used on payment request forms.

The "Maximum Eligible Cost" is the maximum amount of eligible costs incurred by a RECIPIENT that ECOLOGY can reimburse at a rate of 75 percent under this grant.

RECIPIENT shall identify the work plan and activities by "Quarter." A quarter is defined by calendar year and begins with the first three months of the grant period. The RECIPIENT may negotiate changes to the work plan with the ECOLOGY grant officer. ECOLOGY shall document mutually agreed changes to the plan in writing.

Expenses relating to the collection and recycling of mercury containing lights shall be eligible for CPG reimbursement until such time that the Mercury Light Recycling program is fully implemented or the grant agreement expires, whichever is the earliest date.

**CATEGORY: Waste Reduction and Recycling**

**1. TASK TITLE: Recycling Collection Events - Residential**

**Maximum Eligible Task Cost:** \$ 31,200

**Task Description:** The RECIPIENT will continue to sponsor a "Recycling & Collection Day" event three times each year (April, July and October). Recycling & Collection Day events are a public/private partnership. Materials residents can bring to the event for reuse and/or recycling include household goods, bicycles/tricycles, skateboards, lead acid batteries, household batteries, laser cartridges, cell phones, tires, refrigerators, appliances and scrap metal, concrete, asphalt, ceramic plumbing fixtures, and untreated lumber. The RECIPIENT will verify with vendors collecting recyclables that the items are actually recycled.

Four weeks prior to each event, the RECIPIENT will advertise the event in its official magazine "Focus on Redmond," which is directly mailed to each residential postal patron in the City. The events are open from 9:30a.m. to 4:00p.m. and require up to 90 paid staff and unpaid volunteers to set up at the site, greet participants, direct traffic, unload and load, transport collected materials, and clean the site after the event. Returning event workers will be asked to reuse durable safety equipment when possible.

*Note: costs for disposal of non-recyclable or non-reusable components are not grant-eligible unless they are a direct and unavoidable byproduct of a recycling activity (e.g. emptied jugs used for waste motor oil or antifreeze).*

**Goal Statement:** The goal is to provide area residents with regular, dependable, convenient opportunities to recycle items that have a market for reuse or recycling, but are too difficult or costly to collect through curbside programs. This keeps those materials from being landfilled or disposed of improperly.

**Outcome Statement:** Over the 24-month year grant period, the RECIPIENT expects to divert 630 tons of recyclable materials from the landfill and process over 5,840 vehicle loads. Approximately 52,000 residents will be contacted.

**Workplan, Deliverables, and Timeline:**

<u>GRANT- YEAR 1</u>		<u>GRANT- YEAR 2</u>	
<b>Jul- Sep</b>		<b>Jul- Sep</b>	
Print and distribute event brochures. Hold event.		Print and distribute event brochures. Hold event.	
<b>Oct- Dec</b>		<b>Oct- Dec</b>	
Hold event.		Hold event.	
<b>Jan-Mar</b>		<b>Jan-Mar</b>	
Print and distribute event brochures.		Print and distribute event brochures.	
<b>Apr -Jun</b>		<b>Apr -Jun</b>	
Print and distribute event brochures. Hold event.		Print and distribute event brochures. Hold event.	

**Method of Evaluation:** The RECIPIENT will track the number of residents reached with media (contacted), the vehicle trips to each event (participants), and the tonnage of each material collected (in the categories of reuse and/or recycling, organics, or moderate risk waste).

2. **TASK TITLE:** Commercial Education and Outreach – Waste Reduction and Recycling

**Maximum Eligible Task Cost:** \$ 70,509.33

**Task Description:** The RECIPIENT will help businesses in Redmond reduce waste and recycle more through outreach and technical assistance. The RECIPIENT will promote its technical assistance program in a branded fashion called “Refresh Your Recycling”. Assistance and outreach may include news articles, site assessments and recommendations, training, educational materials, and sharing success stories.

The RECIPIENT will utilize a consultant to promote a memorable brand for its Business Recycling and Resource Conservation Program. The RECIPIENT will conduct outreach to businesses in many ways, such as utility bill messages, mailings, and articles. All businesses in Redmond will receive information/education about recycling. Follow up and technical assistance may include:

- Performing site assessments and providing recommendations for improvements
- Researching options to help increase waste prevention or recycling activities
- Delivering education/training materials
- Providing staff training
- Developing an overall waste prevention implementation plan
- Recommending opportunities for business recognition
- Discussion of ways to prevent contamination

Recycling bins for city facilities as well as recycling bags for multifamily properties will be bought and distributed to encourage increased and proper recycling.

*Promotion specifically targeted to increasing the volume of offsite-composting of organics is not eligible during this grant cycle. However, materials or programs addressing contamination in food and yard waste carts is eligible.*

This task also includes development and distribution of promotional and educational materials in a variety of formats to encourage participation. Please see page 50 of the CPG Program Guidelines for the 2013-2015 cycle for information on how to credit Ecology on grant-supported publications.

The RECIPIENT is advised to contact its Ecology grant officer for prior approval of promotional giveaway items. See page 49 of the 2013-2015 CPG Guidelines for further information.

**Goal Statement:** The goal is to help businesses in Redmond reduce waste, recycle more, and recycle correctly through outreach and technical assistance.

**Outcome Statement:** Over the 24-month grant period, the RECIPIENT hopes to increase recycling in the city by an additional 25 cubic yards of commercial recycling collected each month. (Roughly equivalent to 2,500 lbs per month or 30,000 lbs per year or 30 tons over 24 months.) All businesses in Redmond (about 2,000) will receive information/education about recycling, and at least 25 businesses will be offered on-site technical assistance.

**Work Plan, Deliverables, and Timeline:**

GRANT- YEAR 1		GRANT- YEAR 2	
Jul- Sep		Jul- Sep	
Targeted Commercial Outreach and Technical Assistance. Drop-in Commercial Outreach and Technical Assistance. Manage collateral.		Targeted Commercial Outreach and Technical Assistance. Drop-in Commercial Outreach and Technical Assistance. Manage collateral.	



Project Management and Reporting.		Project Management and Reporting.	
<b>Oct- Dec</b>		<b>Oct- Dec</b>	
Same as previous quarter.		Same as previous quarter.	
<b>Jan-Mar</b>		<b>Jan-Mar</b>	
Same as previous quarter, but also purchase recycling bins for city facilities and recycling bags for multifamily residents.		Same as previous quarter.	
<b>Apr -Jun</b>		<b>Apr -Jun</b>	
Same as previous quarter.		Same as previous quarter.	

**Method of Evaluation:** The RECIPIENT will track the number businesses offered technical assistance, as well as the changes in containers (increases in recycling, decreases in garbage) to estimate increased recycling tonnage. Levels of contamination will be tracked via site visit(s), visual inspection and discussion, and comparison with follow up site visits.

3. **TASK TITLE:** Public Education and EcoKit Distribution

**Maximum Eligible Task Cost:** \$ 13,052

**Task Description:** The RECIPIENT will provide educational tools and brochures to the public in the form of "EcoKits." EcoKits will help citizens recycle more, reduce waste and toxics, and reduce greenhouse gases. In addition to printed/digital materials, advertisements that promote the EcoKits and other waste reduction/recycling programs will be produced. EcoKits will include a pledge to participate in resource conserving behaviors, as well as an agreement to participate in a follow up survey. Citizens will send in the pledge, or complete it online, and in return will be sent an EcoKit.

Though coordinated through the solid waste and recycling program, the EcoKit is a good tool for combining resource conservation messages and outreach. As of early 2013, EcoKits include the following. Items might change as a result of the survey.

From Solid Waste

- Reusable bag
- Reusable stainless steel water bottle
- Remember your bag window cling
- Yes/No Recycle sheet
- Residential Recycling options brochure
- Organics brochure
- Toxic reduction brochure

From Cascade

- Water Faucet aerator

- Bookmark
- Other brochures

From R-Trip

- Recycled paper post-it notes
- Blinker for safe walking
- R-trip brochure
- Buy Local – Think Redmond brochure
- Orca card application
- 

From Stewardship

- Puget Sound Starts Here brochure

The EcoKit includes a pledge to participate in resource conserving behaviors, as well as an agreement to participate in a follow up survey. The program manager will offer the EcoKit as an outreach tool to other resource conservation staff in the city (water conservation, pollution prevention, etc). *Note, however, that the only portions of the EcoKit eligible under this grant are those relating specifically to solid and hazardous waste management.*

**Goal Statement:** The goal is for residents to reduce waste through actions such as using reusable water bottles and reusable bags, and to have the knowledge and inspiration to recycle more and reduce contamination.

**Outcome Statement:** Over the 24-month grant period, the RECIPIENT expects to contact 20,000 residents and distribute 500 EcoKits.

<b>GRANT- YEAR 1</b>		<b>GRANT- YEAR 2</b>	
<b>Jul- Sep</b>		<b>Jul- Sep</b>	
Run ad(s) in Redmond Reporter, print materials as needed, distribute EcoKits		Run ad(s) in Redmond Reporter, print materials as needed, distribute EcoKits	
<b>Oct- Dec</b>		<b>Oct- Dec</b>	
Run ad(s) in Redmond Reporter, print materials as needed, distribute EcoKits		Run ad(s) in Redmond Reporter, print materials as needed, send EcoKit Survey	
<b>Jan-Mar</b>		<b>Jan-Mar</b>	
Run ad(s) in Redmond Reporter, print materials as needed, distribute EcoKits		Run ad(s) in Redmond Reporter, print materials as needed	
<b>Apr -Jun</b>		<b>Apr -Jun</b>	
Run ad(s) in Redmond Reporter, print materials as needed, distribute EcoKits		Run ad(s), print materials as needed, Purchase new EcoKit materials.	

**Method of Evaluation:** A follow up survey of participants will be conducted to see if citizens have changed their behaviors due to the literature and tools they received in the EcoKit. Success will be measured in three ways, with hope of the following.

1. At least 50 % of the EcoKits will be requested and distributed before the first survey.
2. At least 50% of participants will respond to the follow up survey.
3. At least 50% of surveyed participants will change one or more behaviors in response to the kit.

**CATEGORY: Moderate Risk Waste**

4. **TASK TITLE:** Battery Recycling – Residential Drop-off Sites

**Maximum Eligible Task Cost:** \$ 18,000

**Task Description:** The RECIPIENT will provide public drop-off locations for household batteries. This battery recycling program has been in place for almost five years. In 2012, 6 tons of batteries were recycled.

Battery collection is offered at nine sites in the city including City Hall, the Senior Center, the Maintenance and Operation Centers, both Parks and Public Works, the Teen Center, the Old Redmond School House, the Redmond Library, Fire Station 11, and the Public Safety building.

The average monthly cost for battery collection and recycling is \$750. Battery collection and recycling is currently provided by All Battery Sales & Service (and will likely continue to be provided by All Battery).

**Goal Statement:** The goal of this task is to provide residents with convenient locations to recycle household batteries, thus keeping them out of the waste stream.

**Outcome Statement:** Over the 24-month grant period, the RECIPIENT expects citizens to recycle approximately 12 tons of household batteries at the fixed sites listed above.

**Work Plan, Deliverables, and Timeline:**

<u>GRANT- YEAR 1</u>		<u>GRANT- YEAR 2</u>	
Jul- Sep		Jul- Sep	
Battery pickup and recycling.		Battery pickup and recycling.	
Oct- Dec		Oct- Dec	

Same as previous quarter.		Same as previous quarter.	
<b>Jan-Mar</b>		<b>Jan-Mar</b>	
Same as previous quarter.		Same as previous quarter.	
<b>Apr -Jun</b>		<b>Apr -Jun</b>	
Same as previous quarter.		Same as previous quarter.	

**Method of Evaluation:** The RECIPIENT will track the tons of batteries recycled via the data on each invoice (the location of battery pick up and the amount of batteries collected for recycling). This information is compiled into an ongoing spreadsheet.

**PART 2: BUDGET**

Budget Information by CATEGORY/TASK	Maximum Eligible Cost	State Grant Share
<b>CATEGORY: Waste Reduction and Recycling</b>	<b>\$ 114,761.33</b>	<b>\$ 86,071</b>
1. Recycling Collection Events - Residential	\$ 31,200	\$ 23,400
2. Commercial Education and Outreach – Waste Reduction and Recycling	\$ 70,509.33	52,882
3. Public Education – EcoKit Distribution	\$ 13,052	\$ 9,789
<b>CATEGORY: Moderate Risk Waste</b>	<b>\$ 18,000</b>	<b>\$ 13,500</b>
4. Battery Recycling – Residential Drop-off Sites	\$ 18,000	\$ 13,500

<b>TOTAL GRANT BUDGET</b>	
TOTAL MAXIMUM ELIGIBLE COST	<b>\$ 132,761.33</b>
STATE GRANT SHARE (75%)	<b>\$ 99,571</b>
LOCAL CASH MATCH (25%)	<b>\$ 33,190.33</b>
INTERLOCAL COSTS (0%)	<b>\$ - 0 -</b>

**PART 3: BUDGET CONDITIONS**

- A. ECOLOGY requires the RECIPIENT to provide a match of 25 percent of the maximum eligible cost with cash or interlocal costs. Interlocal costs are the only type of in-kind contributions the RECIPIENT may use as match.
- B. If parties are contributing to the local share of task costs (match) through interlocal-in kind contributions, the RECIPIENT shall negotiate a memorandum of understanding or other written agreement confirming the contribution between the parties. These agreements shall specify the exact work to be accomplished and be signed by all parties contributing to the local match of this task. Copies of these agreements shall be made part of the RECIPIENT'S grant file and submitted to ECOLOGY.
- C. Overhead is eligible at a rate up to 25 percent of staff salaries and benefits for actual time spent on tasks outlined in this agreement. Salaries and benefits to administer the grant agreement are eligible (excluding time spent to write a CPG grant application).
- D. RECIPIENT must submit a written request to ECOLOGY to amend budgets between grant tasks, to modify a scope of work, or for a budget increase or decrease. To increase or decrease the agreement's total maximum eligible cost or change the scope of work for any tasks as outlined in this grant agreement, ECOLOGY requires a formal amendment.
- E. RECIPIENT must provide ECOLOGY with an updated Spending Plan when requested by ECOLOGY.
- F. Any work performed or costs incurred prior to the effective date or after the expiration date of this agreement will be at the sole expense of the RECIPIENT.

**PART 4: SPECIAL TERMS AND CONDITIONS**

**A. BILLING**

- 1. Unless otherwise approved in writing by ECOLOGY, the RECIPIENT shall submit a payment request to ECOLOGY at least quarterly (by calendar year), but no more often than once per month.
- 2. RECIPIENT must submit payment requests on approved State Invoice Voucher forms: A19-1A, B1/B2, C1/C2. Until there is a change in agency policy, the recipient must submit an A19-1A with an original signature in blue ink, signed by an authorized person. The B2 and C2 forms are acceptable in electronic format. The RECIPIENT must also include all backup documentation to support costs itemized on Form C1/C2. The budget is organized by task and therefore, the RECIPIENT shall itemize costs by task on Form C1/C2 and Form B1/B2. Forms B1 and C1 are used only when interlocal costs are used towards the 25% match.
- 3. Any income directly generated as a result of the activities funded by this grant shall be reported as a credit against the expenses of that activity, as defined by ECOLOGY'S *Administrative Requirements for Recipients of Ecology Grants and Loans*, Ecology Publication #91-18.

4. RECIPIENT shall submit supporting documents with each payment request. This includes copies of invoices, purchase receipts, payroll records, time and attendance records, contract award documents, and any document deemed relevant by ECOLOGY to establish the approval of an expense listed on Form C1/C2. Documentation shall be clear and legible and organized by task in the order in which it is itemized on Form C1/C2.
5. RECIPIENT shall maintain grant related material and supporting documents including invoice vouchers sent to ECOLOGY in a common file. The RECIPIENT shall keep all supporting documents for audit purposes for at least three years from the date the agreement is closed by ECOLOGY.

**B. REPORTING**

1. Progress reports and Final Performance Analyses must be submitted through the web-based database, the Solid Waste Information Clearinghouse. The RECIPIENT must submit a progress report with each payment request. If a quarterly payment request is not submitted, the RECIPIENT is still required to submit a progress report for that quarter. These reports shall include information that supports incurred costs identified on the corresponding C1 or C2 of the payment request, and provide a brief update in support of the outcomes and or method of evaluation in the grant agreement.
  - a) A Final Performance Analysis (FPA) report must be submitted for each task in a *Planning and Implementation* grant before ECOLOGY can process a final payment request.

**C. COMPENSATION**

Payment to RECIPIENT will be issued through Washington State's Department of Enterprise Services (DES). DES maintains a central vendor file for Washington state agency use to process vendor payments. This allows vendors to receive payments from all participating state agencies. RECIPIENTS must register as a state-wide vendor (SWV) by submitting a state-wide vendor registration form and an IRS W-9 form [http://www.ofm.wa.gov/isd/vendors/payee\\_registration.doc](http://www.ofm.wa.gov/isd/vendors/payee_registration.doc) to DES. If you have questions about the vendor registration process you can contact DES at the Payee Help Desk at (360) 664-7779 or email to [payeehelpdesk@ofm.wa.gov](mailto:payeehelpdesk@ofm.wa.gov).

**D. TRAINING**

RECIPIENT is expected to participate in any ECOLOGY recommended trainings related to managing a CPG agreement when feasible unless exempted by ECOLOGY in writing.

**E. PROCUREMENT AND CONTRACTS**

1. RECIPIENT must follow local procurement procedures or current state procurement procedures, whichever is stricter. A RECIPIENT with no formal procurement procedures must certify that they have complied with the "Standards for Competitive Solicitation" found in Part V of the *Administrative Requirements for Recipients of Ecology Grants and Loans – Yellow Book*, Ecology Publication #91-18.
2. Upon issuance, the RECIPIENT may submit a copy of all requests for qualifications (RFQs), requests for proposals (RFPs), and bid documents relating to this grant agreement to ECOLOGY'S grant officer to be placed in the file.

3. Prior to contract execution, the RECIPIENT may submit all draft documents and a copy of the draft proposed contract to ECOLOGY'S grant officer for review. The RECIPIENT assumes any risks associated with the failure to consult with the regional grant officer. Following the contract execution, the RECIPIENT shall submit a copy of the final contract to ECOLOGY's assigned grant officer to be placed in the file.
4. Unless a specific purchase of equipment or real property is already written into a task's scope of work, the RECIPIENT must submit a written request to ECOLOGY to purchase any equipment or real property (Property) with a single unit purchase price of \$5,000 or more. The request must include the justification for the purchase of the property, the total cost, the intended use, and the anticipated useful life of the property. The request must be approved in writing by ECOLOGY prior to the purchase.

#### **F. USE OF EXISTING CONTRACTS**

RECIPIENT may use existing contracts that conform to local adopted procurement procedures and applicable state laws. The RECIPIENT shall notify ECOLOGY if intending to use contracts entered into prior to the execution of the grant agreement for performance of grant-funded activities. The RECIPIENT shall submit a copy of the contract to its assigned ECOLOGY grant officer to be placed in the file. The grant eligibility of products or services secured by the RECIPIENT under existing contracts used to perform the scope of work in this agreement must be deemed allowable and reasonable by ECOLOGY prior to cost reimbursement.

#### **G. PROPERTY AND EQUIPMENT MANAGEMENT AND DISPOSITION**

For equipment or property purchased with a cost of at least \$5,000 per unit or functional system, the RECIPIENT must utilize an inventory control system, including physical inventory to document the ongoing use, a description of the item (including serial or vehicle identification number (VIN when possible) and location. The information shall be submitted to ECOLOGY upon request until final disposition is made. The RECIPIENT shall investigate, document, and report to ECOLOGY any loss, theft or damage upon discovery of such conditions. The RECIPIENT will follow manufacturer recommended maintenance procedures to keep the property in good operating condition.

RECIPIENT shall submit a written request to the ECOLOGY for any intent to change the use of the equipment as outlined in this grant agreement, including uses past the expiration date of this agreement. Disposition of the equipment shall be determined by ECOLOGY and documented in writing. A copy of the determination will be provided to the RECIPIENT upon ECOLOGY's closure of the grant agreement unless already identified in the task's scope of work.

- If the equipment is necessary for the continued operation of the project or other projects administered through ECOLOGY, the grant officer may instruct the recipient to retain the equipment with no further compensation to ECOLOGY.
- If the project has no further significant use for the equipment, the grant officer may instruct the recipient to retain or sell the equipment and pay ECOLOGY an amount equal to ECOLOGY's share of the current fair market value, sale proceeds or other price agreed upon by the grant officer.
- The grant officer may instruct the recipient to transfer title to ECOLOGY or to a third party named by ECOLOGY who is eligible under existing statutes.





**APPENDIX A**

**PART 5: GENERAL TERMS AND CONDITIONS**

**Pertaining to Grant and Loan Agreements of the Department of Ecology, SS-010 Rev. 04/04**

**A. RECIPIENT PERFORMANCE**

All activities for which grant/loan funds are to be used shall be accomplished by the RECIPIENT and RECIPIENT's employees. The RECIPIENT shall only use contractor/consultant assistance if that has been included in the agreement's final scope of work and budget.

**B. SUBGRANTEE/CONTRACTOR COMPLIANCE**

The RECIPIENT must ensure that all subgrantees and contractors comply with the terms and conditions of this agreement.

**C. THIRD PARTY BENEFICIARY**

The RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this agreement, the state of Washington is named as an express third-party beneficiary of such subcontracts with full rights as such.

**D. CONTRACTING FOR SERVICES (BIDDING)**

Contracts for construction, purchase of equipment and professional architectural and engineering services shall be awarded through a competitive process, if required by State law. RECIPIENT shall retain copies of all bids received and contracts awarded, for inspection and use by the DEPARTMENT.

**E. ASSIGNMENTS**

No right or claim of the RECIPIENT arising under this agreement shall be transferred or assigned by the RECIPIENT.

**F. COMPLIANCE WITH ALL LAWS**

1. RECIPIENT shall comply fully with all applicable Federal, State and local laws, orders, regulations and permits.

Prior to commencement of any construction, the RECIPIENT shall secure the necessary approvals and permits required by authorities having jurisdiction over the project, provide assurance to the DEPARTMENT that all approvals and permits have been secured, and make copies available to the DEPARTMENT upon request.

2. Discrimination. The DEPARTMENT and the RECIPIENT agree to be bound by all Federal and State laws, regulations, and policies against discrimination. The RECIPIENT further agrees to affirmatively support the program of the Office of Minority and Women's Business Enterprises to the maximum extent possible. If the agreement is federally-funded, the RECIPIENT shall report to the DEPARTMENT the percent of grant/loan funds available to women or minority owned businesses.

3. Wages and Job Safety. The RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.
4. Industrial Insurance. The RECIPIENT certifies full compliance with all applicable state industrial insurance requirements. If the RECIPIENT fails to comply with such laws, the DEPARTMENT shall have the right to immediately terminate this agreement for cause as provided in Section K.1, herein.

#### **G. KICKBACKS**

The RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this project to give up any part of the compensation to which he/she is otherwise entitled or, receive any fee, commission or gift in return for award of a subcontract hereunder.

#### **H. AUDITS AND INSPECTIONS**

1. RECIPIENT shall maintain complete program and financial records relating to this agreement. Such records shall clearly indicate total receipts and expenditures by fund source and task or object.

All grant/loan records shall be kept in a manner which provides an audit trail for all expenditures. All records shall be kept in a common file to facilitate audits and inspections.

Engineering documentation and field inspection reports of all construction work accomplished under this agreement shall be maintained by the RECIPIENT.

2. All grant/loan records shall be open for audit or inspection by the DEPARTMENT or by any duly authorized audit representative of the State of Washington for a period of at least three years after the final grant payment/loan repayment or any dispute resolution hereunder. If any such audits identify discrepancies in the financial records, the RECIPIENT shall provide clarification and/or make adjustments accordingly.
3. All work performed under this agreement and any equipment purchased, shall be made available to the DEPARTMENT and to any authorized state, federal or local representative for inspection at any time during the course of this agreement and for at least three years following grant/loan termination or dispute resolution hereunder.
4. RECIPIENT shall meet the provisions in OMB Circular A-133 (Audits of States, Local Governments & Non Profit Organizations), including the compliance Supplement to OMB Circular A-133, if the RECIPIENT expends \$500,000 or more in a year in Federal funds. The \$500,000 threshold for each year is a cumulative total of all federal funding from all sources. The RECIPIENT must forward a copy of the audit along with the RECIPIENT'S response and the final corrective action plan to the DEPARTMENT within ninety (90) days of the date of the audit report.

#### **I. PERFORMANCE REPORTING**

RECIPIENT shall submit progress reports to the DEPARTMENT with each payment request or such other schedule as set forth in the Special Conditions. The RECIPIENT shall also report in writing to the DEPARTMENT any problems, delays or adverse conditions which will materially affect their ability to meet project objectives or time schedules. This disclosure shall be accompanied by a

statement of the action taken or proposed and any assistance needed from the DEPARTMENT to resolve the situation. Payments may be withheld if required progress reports are not submitted.

Quarterly reports shall cover the periods January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be due within thirty (30) days following the end of the quarter being reported.

## **J. COMPENSATION**

1. Method of compensation. Payment shall normally be made on a reimbursable basis as specified in the grant agreement and no more often than once per month. Each request for payment will be submitted by the RECIPIENT on State voucher request forms provided by the DEPARTMENT along with documentation of the expenses. Payments shall be made for each task/phase of the project, or portion thereof, as set out in the Scope of Work when completed by the RECIPIENT and approved as satisfactory by the Project Officer.

The payment request form and supportive documents must itemize all allowable costs by major elements as described in the Scope of Work. Instructions for submitting the payment requests are found in "Administrative Requirements for Recipients of Ecology Grants and Loans", part IV, published by the DEPARTMENT. A copy of this document shall be furnished to the RECIPIENT. When payment requests are approved by the DEPARTMENT, payments will be made to the mutually agreed upon designee.

Payment requests shall be submitted to the DEPARTMENT and directed to the Project Officer assigned to administer this agreement.

2. Period of Compensation. Payments shall only be made for actions of the RECIPIENT pursuant to the grant/loan agreement and performed after the effective date and prior to the expiration date of this agreement, unless those dates are specifically modified in writing as provided herein.
3. Final Request(s) for Payment. The RECIPIENT should submit final requests for compensation within forty-five (45) days after the expiration date of this agreement and within fifteen (15) days after the end of a fiscal biennium. Failure to comply may result in delayed reimbursement.
4. Performance Guarantee. The DEPARTMENT may withhold an amount not to exceed ten percent (10%) of each reimbursement payment as security for the RECIPIENT's performance. Monies withheld by the DEPARTMENT may be paid to the RECIPIENT when the project(s) described herein, or a portion thereof, have been completed if, in the DEPARTMENT's sole discretion, such payment is reasonable and approved according to this agreement and, as appropriate, upon completion of an audit as specified under section J.5 herein.
5. Unauthorized Expenditures. All payments to the RECIPIENT may be subject to final audit by the DEPARTMENT and any unauthorized expenditure(s) charged to this grant/loan shall be refunded to the DEPARTMENT by the RECIPIENT.
6. Mileage and Per Diem. If mileage and per diem are paid to the employees of the RECIPIENT or other public entities, it shall not exceed the amount allowed under state law for state employees.
7. Overhead Costs. No reimbursement for overhead costs shall be allowed unless provided for in the Scope of Work hereunder.

#### **K. TERMINATION**

1. **For Cause.** The obligation of the DEPARTMENT to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of the DEPARTMENT, to perform any obligation required of it by this agreement, the DEPARTMENT may refuse to pay any further funds thereunder and/or terminate this agreement by giving written notice of termination.

A written notice of termination shall be given at least five working days prior to the effective date of termination. In that event, all finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the RECIPIENT under this agreement, at the option of the DEPARTMENT, shall become Department property and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Despite the above, the RECIPIENT shall not be relieved of any liability to the DEPARTMENT for damages sustained by the DEPARTMENT and/or the State of Washington because of any breach of agreement by the RECIPIENT. The DEPARTMENT may withhold payments for the purpose of setoff until such time as the exact amount of damages due the DEPARTMENT from the RECIPIENT is determined.

2. **Insufficient Funds.** The obligation of the DEPARTMENT to make payments is contingent on the availability of state and federal funds through legislative appropriation and state allotment. When this agreement crosses over state fiscal years the obligation of the DEPARTMENT is contingent upon the appropriation of funds during the next fiscal year. The failure to appropriate or allot such funds shall be good cause to terminate this agreement as provided in paragraph K.1 above.

When this agreement crosses the RECIPIENT's fiscal year, the obligation of the RECIPIENT to continue or complete the project described herein shall be contingent upon appropriation of funds by the RECIPIENT's governing body; provided, however, that nothing contained herein shall preclude the DEPARTMENT from demanding repayment of ALL funds paid to the RECIPIENT in accordance with Section O herein.

3. **Failure to Commence Work.** In the event the RECIPIENT fails to commence work on the project funded herein within four months after the effective date of this agreement, or by any date mutually agreed upon in writing for commencement of work, the DEPARTMENT reserves the right to terminate this agreement.

#### **L. WAIVER**

Waiver of any RECIPIENT default is not a waiver of any subsequent default. Waiver of a breach of any provision of this agreement is not a waiver of any subsequent breach and will not be construed as a modification of the terms of this agreement unless stated as such in writing by the authorized representative of the DEPARTMENT.

#### **M. PROPERTY RIGHTS**

1. Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property, the RECIPIENT may copyright or patent the same but the DEPARTMENT retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, recover or otherwise use the material(s) or property and to authorize others to use the same for federal, state or local government purposes.

Where federal funding is involved, the federal government may have a proprietary interest in patent rights to any inventions that are developed by the RECIPIENT as provided in 35 U.S.C. 200-212.

2. Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish information of the DEPARTMENT; present papers, lectures, or seminars involving information supplied by the DEPARTMENT; use logos, reports, maps or other data, in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to the DEPARTMENT.
3. Tangible Property Rights. The DEPARTMENT's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans", Part V, shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by the DEPARTMENT in the absence of state, federal statute(s), regulation(s), or policy(s) to the contrary or upon specific instructions with respect thereto in the Scope of Work.
4. Personal Property Furnished by the DEPARTMENT. When the DEPARTMENT provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to the DEPARTMENT prior to final payment by the DEPARTMENT. If said property is lost, stolen or damaged while in the RECIPIENT's possession, the DEPARTMENT shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.
5. Acquisition Projects. The following provisions shall apply if the project covered by this agreement includes funds for the acquisition of land or facilities:
  - a. Prior to disbursement of funds provided for in this agreement, the RECIPIENT shall establish that the cost of land/or facilities is fair and reasonable.
  - b. The RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses contemplated by this agreement.
6. Conversions. Regardless of the contract termination date shown on the cover sheet, the RECIPIENT shall not at any time convert any equipment, property or facility acquired or developed pursuant to this agreement to uses other than those for which assistance was originally approved without prior written approval of the DEPARTMENT. Such approval may be conditioned upon payment to the DEPARTMENT of that portion of the proceeds of the sale, lease or other conversion or encumbrance which monies granted pursuant to this agreement bear to the total acquisition, purchase or construction costs of such property.

**N. SUSTAINABLE PRODUCTS**

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is encouraged to implement sustainable practices where and when possible. These practices include use of clean energy, and purchase and use of sustainably produced products (e.g. recycled paper). For more information, see [www.ecy.wa.gov/sustainability](http://www.ecy.wa.gov/sustainability).

**O. RECOVERY OF PAYMENTS TO RECIPIENT**

The right of the RECIPIENT to retain monies paid to it as reimbursement payments is contingent upon satisfactory performance of this agreement including the satisfactory completion of the project described in the Scope of Work. In the event the RECIPIENT fails, for any reason, to perform obligations required of it by this agreement, the RECIPIENT may, at the DEPARTMENT's sole discretion, be required to repay to the DEPARTMENT all grant/loan funds disbursed to the RECIPIENT for those parts of the project that are rendered worthless in the opinion of the DEPARTMENT by such failure to perform.

Interest shall accrue at the rate of twelve percent (12%) per year from the time the DEPARTMENT demands repayment of funds. If payments have been discontinued by the DEPARTMENT due to insufficient funds as in Section K.2 above, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination. Any property acquired under this agreement, at the option of the DEPARTMENT, may become the DEPARTMENT'S property and the RECIPIENT'S liability to repay monies shall be reduced by an amount reflecting the fair value of such property.

**P. PROJECT APPROVAL**

The extent and character of all work and services to be performed under this agreement by the RECIPIENT shall be subject to the review and approval of the DEPARTMENT through the Project Officer or other designated official to whom the RECIPIENT shall report and be responsible. In the event there is a dispute with regard to the extent and character of the work to be done, the determination of the Project Officer or other designated official as to the extent and character of the work to be done shall govern. The RECIPIENT shall have the right to appeal decisions as provided for below.

**Q. DISPUTES**

Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement which is not disposed of in writing shall be decided by the Project Officer or other designated official who shall provide a written statement of decision to the RECIPIENT. The decision of the Project Officer or other designated official shall be final and conclusive unless, within thirty days from the date of receipt of such statement, the RECIPIENT mails or otherwise furnishes to the Director of the DEPARTMENT a written appeal.

In connection with appeal of any proceeding under this clause, the RECIPIENT shall have the opportunity to be heard and to offer evidence in support of this appeal. The decision of the Director or duly authorized representative for the determination of such appeals shall be final and conclusive. Appeals from the Director's determination shall be brought in the Superior Court of Thurston County. Review of the decision of the Director will not be sought before either the Pollution Control Hearings Board or the Shoreline Hearings Board. Pending final decision of dispute hereunder, the RECIPIENT

shall proceed diligently with the performance of this agreement and in accordance with the decision rendered.

**R. CONFLICT OF INTEREST**

No officer, member, agent, or employee of either party to this agreement who exercises any function or responsibility in the review, approval, or carrying out of this agreement, shall participate in any decision which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is, directly or indirectly interested; nor shall he/she have any personal or pecuniary interest, direct or indirect, in this agreement or the proceeds thereof.

**S. INDEMNIFICATION**

1. The DEPARTMENT shall in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.
2. To the extent that the Constitution and laws of the State of Washington permit, each party shall indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this agreement.

**T. GOVERNING LAW**

This agreement shall be governed by the laws of the State of Washington.

**U. SEVERABILITY**

If any provision of this agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this agreement which can be given effect without the invalid provision, and to this end the provisions of this agreement are declared to be severable.

**V. PRECEDENCE**

In the event of inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable Federal and State statutes and regulations; (b) Scope of Work; (c) Special Terms and Conditions; (d) Any terms incorporated herein by reference including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; and (e) the General Terms and Conditions.