



COLORADO
Department of Public
Health & Environment

Pre-Application Conference Meeting Minutes

Pollution Prevention Advisory Board
Assistance Committee

Thursday, February 4, 2016

9:00 AM – 10:55 AM

CDPHE, Cleere Room

Attending: Cary Bush, Shirley Garcia, Wolf Kray

Staff: Eric Heyboer, Maria Marquez

Overview

Cary welcomed everyone on the phone and in the room. She reviewed the meeting's agenda.

The committee and staff introduced themselves.

Cary explained that this is the ninth annual grant cycle for the RREO Grant Program. The program was created from the passage of HB 07-1288 and extended through 2026 as a result of SB 13-050. The grant program is funded through the state's Solid Waste User Fee at a rate of \$0.14 per cubic yard of waste that is landfilled.

Cary described how questions will be answered. The committee will start by reading the questions and answers submitted prior to today's meeting. Questions will then be taken from the audience, starting first with a question in the room followed by a question from someone on the phone. Questions will be taken on an alternating basis until all questions have been answered. Cary noted that all questions and answers will be posted on the department's website by February 8, 2016 at <https://www.colorado.gov/pacific/cdphe/recycling-grants>.

Cary stated that applicants may ask additional questions after today's meeting. Questions will be answered through 3:00 PM on February 18, 2016. Questions asked and answered after today's meeting will be posted on the department's website on February 22, 2016.

Eric reviewed the department's invoicing procedures. The grant program functions on a reimbursement-only basis. Applicants must have capital up front to make purchases. Reimbursements may take as long as 30 days to receive. No work completed or purchases made prior to the project's official start will be reimbursed. The department requires the use of a standardized invoice template when submitting reimbursement requests. Supporting documentation must be attached to all reimbursement requests. Grantees will receive an email from the department's fiscal officer officially announcing the project start date, which will be July 1, 2016 or later.

The application schedule listed in the Request for Applications document (RFA) was reviewed.

Timeline for the 2016-2017 RREO Grant Program

| Solicitation Activity Timeline | Time | Date |
|--|-------------|-------------------|
| Minutes from pre-application conference published on https://www.colorado.gov/cdphe/recycling-grants-and-rebates | 5:00 PM MST | February 8, 2016 |
| Deadline for Applicants to submit questions not addressed at the pre-application conference. | 3:00 PM MST | February 18, 2016 |
| Answers to written inquiries published on https://www.colorado.gov/cdphe/recycling-grants-and-rebates | 5:00 PM MST | February 22, 2016 |
| Application submittal deadline | 3:00 PM MST | March 4, 2016 |
| Estimated Notification of Award | N/A | May 2, 2016 |
| Estimated contract start date | N/A | July 1, 2016 |

Links

Eric reminded attendees that resources are available on the department's website.

Final reports from previous grant recipients are posted online at:

<https://www.colorado.gov/cdphe/recycling-grants-and-rebates>

And applicants interested in the Hub-and-Spoke recycling system can learn more at:

<https://www.colorado.gov/pacific/cdphe/hub-and-spoke-recycling-model>

Q&A Session

Cary began reading the questions and answers submitted prior to today's meeting. The complete list can be viewed

at: https://www.colorado.gov/pacific/sites/default/files/DEHS_RREO_RFA2542_SubmittedQuestionsPriorToMtg_2016.pdf

Cary began taking questions from meeting attendees.

Q1: Would equipment for onsite water recycling be eligible? The machine would pre-treat water before being released to the sanitary sewer.

A1: This project appears to be outside the solid waste and materials management scope of this funding opportunity.

Q2: Could the same vehicle used for a mobile drop-off that serves two different communities count as two spoke locations?

A2: Answer to-be-determined.

Q3: Can grant funds be re-granted to another entity?

A3: Yes. We will look for details in the project work plan that explains what work the sub-grantee will be obligated to complete. We view sub-grantees the same as sub-contractors.

Q4: We are a mountain community with a population of low-income residents. Can grant funds be used to purchase curbside recycling bins and subsidize the cost of residential service?

A4: Yes.

Q5: When including matching or in-kind funds, if money is invested prior to the official start date, can these funds be included?

A5: No. In the project budget table, grant and in-kind expenditures are limited only to those purchases made during the grant cycle, July 1, 2016 through June 30, 2017.

Q6: If in-kind or matching funds are invested prior to the official project start date, can this be explained in the budget narrative instead of the budget table?

A6: Yes. Applicants should be aware, however, that this is a competitive grant program and there is some risk in investing in-kind or matching funds into a project prior to being notified of a grant award.

Q7: Please define "spoke" in a hub-and-spoke network. We recycle scrap metal. We have a customer with several roll-offs who regularly sends us their scrap metal. Would this customer be considered a spoke? If I were to provide a roll-off for scrap metal at a construction site, would that be considered a spoke?

A7: A spoke is a simple collection center within a defined geographic area that serves as a recycling drop-off center that is available for all residents to use. The materials collected at a spoke are funneled to a "hub" for processing, consolidation, and storage. From what you describe, these scenarios would not be considered spokes under our definition since they appear to be project-specific collection sites and not open to the general public on a regular basis.

Q8: We have a customer who collects scrap metal from residents in their community and brings the material to us. They also allow residents in the area to drop-off their scrap metal for recycling at their facility. There are two other companies who also collect scrap metal using this model. Would each company be considered a spoke?

A8: Yes, each company would be considered an individual spoke, even if they are all in the same town. If you work with multiple spokes in a variety of regions, it would be helpful to explain in the application narrative how many spokes are in each town so that we have an idea of the geographic spread of the hub-and-spoke network.

Q9: Is it required that I have some level of financial investment in the spokes in my network if I am applying as a hub?

A9: No.

Q10: If a municipality has several enterprise funds, can grant funds be used for one enterprise fund to purchase a building owned by a program operating under a different enterprise fund?

A10: No.

Q11: Please explain how the economic benefits of a project play into the review process.

A11: Job creation is factored into the review process. Projects that create more jobs will score more favorably. Please reference page 20 in the RFA to see the list of review criteria. The economic impacts of a project will play a significant role in how well the proposal scores.

Q12: How should we quantify the number of jobs in our application?

A12: The number of jobs created must be based on a full-time-equivalent of 40 hours per week. Applicants may create full-time, part-time, or hourly positions. When describing the number of jobs created, one job is equal to one full-time-equivalent (FTE).

Q13: We operate a public drop-off at our hub facility. Does that count as a spoke, too?

A13: No.

Q14: We have more than one drop-off center in town. Does each one count as a spoke?

A14: Yes. Note that the intent of a spoke is that it be located in an area that didn't have access to recycling previously.

Q15: When securing letters of commitment, could that include existing customers? How many letters are required?

A15: We are looking to ensure that a commitment between the hub and spoke(s) exists. If that business relationship already exists, that is acceptable. We review the letter of commitment to better understand the nature of that business relationship. Note that for this year we have loosened the requirements on what is required in a letter of commitment. We do not consider these letters to be legally binding documents. We seek letters of commitment to better understand what other partners may contribute to the implementation of the project should a grant award be given. We use letters of commitment as evidence that shows the applicant has been having conversations with other business partners and that thought has been given as to the role and responsibilities of each party.

Q16: I operate a recycling center in town and I will need to expand my storage capacity before I can open several new spokes. I don't have the room at my existing facility, but I have a plot of land a mile

down the road that I could use for storage. Would the storage facility count as a spoke or would it be included as an extension of my hub?

A16: We would consider it an extension of the hub.

Q17: We participate in a toilet recycling program to divert porcelain from the landfill. This program provided a rebate to entities who collected old toilets for recycling. This rebate program has since ended, but we have heard that many other entities continue to stockpile old toilets for recycling. Can grant funds be used to ensure these toilets are recycled?

A17: Yes, this falls under the parameters of this funding opportunity as a Tier 2 project.

Q18: We are working with four different cities to implement curbside recycling service. Can grant funds be used to subsidize the full cost of curbside service for residential participants?

A18: Yes, but we would need some assurance that the program would continue once grant funds were exhausted. We consider the long-term sustainability of a project when investing grant dollars in a project.

Q19: Where in the application narrative should we explain the long-term sustainability of the project?

A19: This discussion would ideally be located in the application narrative in the section titled, "Feasibility of Successful Implementation."

Q20: We are based in Denver but are looking to establish a new satellite collection center in northern Colorado. This new facility would have all the same capabilities to process and store materials. Would this new facility be considered a spoke to our Denver location or an entirely new hub?

A20: This facility would be considered a new hub. For this project to be considered Tier 1, at least two spokes would need to be established that would funnel material to this new hub.

Q21: What is the frequency of reimbursement?

A21: We ask that grantees submit no more than one reimbursement request per month.

Q22: We are working with a nonprofit organization who will likely commit funding to help us implement the project. Can in-kind funds originate from other partners or only from the applicant?

A22: If the nonprofit has the funds currently and is able to commit to funding the project, then these funds may be included in the project budget table as in-kind. If this funding will come from another grant that has yet to be secured, then those funds should not be included as in-kind in the project budget table.

Q23: When listing in-kind in the project budget table, would it be appropriate to list financial contributions from other partners?

A23: So long as the financial contributions are tied directly to the implementation of the project, then these contributions may be included as in-kind.

Q24: Are in-kind funds limited only to those spent during the grant cycle?

A24: Yes. These in-kind funds may be listed in the project budget table. If in-kind funds will be spent prior to the effective date of a contract, it would be helpful to explain this investment in the budget narrative section.

Q25: If the public drops-off their recyclables at our hub, would this still be considered a hub?

A25: Yes, hubs may also have an area for the public to drop-off their recyclables.

Q26: Our project will involve the processing of biosolids. We will need to purchase new equipment, but also will need to hire an engineer to incorporate the equipment into the existing system. Does the review committee have a preference on whether grant funds be spent on equipment or on subcontractors?

A26: The review committee prefers that grant funds be spent on equipment, though grant funds may also be allocated for engineering work.

Q27: Are spokes required to accept more than one recyclable material?

A27: On page 12 of the RFA, Section VII, it is asked that applicants explain what materials will be collected in their hub-and-spoke network. For this funding cycle, there is no restriction on the number of the types of materials included in a hub-and-spoke network, though proposals that include multiple materials in their scope will be looked on more favorably by the review committee.

Q28: Is there a point system the review committee uses to determine what is funded in a project proposal? If we include non-infrastructure costs in our project budget, will our application be viewed as less favorable?

A28: No such point system exists. It is the goal of this funding opportunity to build new infrastructure that leads to greater degrees of waste diversion in the state. If your proposal requires funding for consultants, subcontractors, or other direct costs to help realize this goal, then these line items in your project budget are justified. It will largely depend on how you frame your work plan and project budget. The review committee will not look favorably on a project budget that requests grant funds limited only to consultants or only to site preparation without any grant funds tied to supplies or equipment.

Q29: Please define "stakeholders".

A29: We define stakeholders as anyone who is impacted by the project or has a say in its implementation.

Q30: Can a spoke be located outside of Colorado?

A30: Grant funds could not be used to establish the spoke, but it may be within the scope of the project.

Q31: Are points allocated by the number of jobs created?

A31: The more jobs a project will create, the higher it will score for this particular sub-criteria. The review committee's internal score sheet establishes four different ranges of job creation. A proposal will be allocated points depending on where it falls in the designated ranges.

Q32: Is the review committee's internal score sheet accessible to potential applicants?

A32: No. The score sheet is used by the committee to help them assign points based on the review criteria shown on page 20 of the RFA. We feel the RFA provides adequate information to applicants regarding point allocations.

Q33: We currently have a part-time employee. If we receive a grant award, we would be able to increase their hours to 40 hours per week. Would this count as one new job created?

A33: No. When explaining new jobs created in your application narrative, you would subtract the number of hours the part-time employee works minus the standard 40-hour work week. For instance, if the part-time employee works only 20 hours per week and the grant project would allow the employee to work 40 hours per week, we would consider this a 0.5 full-time-equivalent (FTE) position being created since the position will increase the number of hours worked from 20 hours to 40 hours per week.

Q34: If existing volunteers were to begin receiving compensation for their work as a result of a grant project, would that count as new job creation?

A34: Yes.

Q35: When totaling the number of new jobs created, can we include direct, indirect, and induced jobs?

A35: The review committee will only consider jobs created directly as a result of the project.

Q36: In a Hub-and-Spoke proposal, can personal services be considered an in-kind expense?

A36: Yes.

Q37: Is a project that focuses on food donations eligible for funding?

A37: Yes, since you would be avoiding food waste. It would largely depend on how you structure your work plan and project budget, as well as if the project would be sustained long-term.

Q38: My project will focus on a material that cannot be recycled, but it can be reused. Would this be eligible?

A38: Yes. Since the material would be diverted from the landfill this would be eligible.

Q39: Can travel and training costs be included in a project budget?

A39: Yes. Note that only in-state travel costs can be reimbursed.

Q40: Our project will entail quite a bit of marketing to engage new customers. This will require us to attend conferences and trade shows. Would these activities be eligible for grant funding?

A40: Yes, but it will be important to explain how it will directly benefit the project. This could also be included as an in-kind expense.

Q41: Is there a limit on the number of letters of commitment that can be submitted?

A41: No, letters of commitment do not count toward the page limit in the application.

Q42: Please clarify what you mean by “fabrication” in Attachment #4. Should applicants assume that fabrication is limited to equipment? If a building needed fabrication, would these expenses need to be allocated under contractors?

A42: Yes, fabrication is limited to equipment, not entire buildings. Any costs related to retrofits or additions to a building would fall under the contractor budget category.

Q43: Are operating costs, such as fuel for our trucks on a curbside recycling route, eligible for grant funds?

A43: If the proposal is a Tier 2 or Tier 3 project, then grant funds may cover these expenses. Operation costs are not eligible for grant funds in a Tier 1 project, but may be included as in-kind expenses.

Q44: Can grant funds be used to purchase a warehouse?

A44: No, real estate cannot be purchased with grant funds. Grant funds could be used to build or retrofit a structure.

Q45: For Attachment #2, it states that local public health agencies are exempt from having to complete the risk assessment. Does this apply to other department’s within a County’s organization or is this limited solely to the public health agency?

A45: At this time, only local public health agencies are exempt from completing the risk assessment. All others must complete the questionnaire in its entirety.

Q46: We are a new company without much of a track record. What documentation can we submit to convince the review committee that we are successful and there is a strong likelihood of success?

A46: This program has a history of funding start-up companies. We look to letters of support and letters of commitment to ensure there is support for the project you are looking to implement.

Q47: We need to secure a permit to implement our project, but cannot receive it until we have grant funds to implement the project. Will it be required that we secure the permit prior to receiving grant funds?

A47: No, but the review committee will look to your application narrative to understand what permits are required to implement the project. Structure your work plan so that it mirrors the timeline for securing the permit.

Q48: How do we address confidential information in our grant application?

A48: It is the responsibility of the applicant to clearly mark or highlight which sections or paragraphs of the grant application are confidential or proprietary. Do not mark entire pages or the entire application as confidential.

Q49: Does the committee have recommended volume - to - weight conversion calculations?

A49: Yes, please refer to attachment #6.

Conclusion

Cary concluded the meeting by reminding everyone in attendance that the questions and answers discussed today will be posted on the CDPHE website in the near future. An email will be sent out notifying applicants the minutes are available for review. Questions will continue to be answered via email at cdphe.ppp2@state.co.us through February 18 at 3:00 PM.

The bidders meeting ended at 10:55 AM.