

## CONSERVATION EXCELLENCE GRANT (CEG) PROGRAM

### Applicant Guidance and Expectations

#### Introduction

- Act 39 of 2019 created the Conservation Excellence Grant (CEG) Program. The purpose of the Program is to provide financial and technical assistance for the implementation of best management practices (BMPs) on agricultural operations in high-priority locations within this Commonwealth through grants, loans and tax credits, or a combination of all three.
- The program is administered by the State Conservation Commission (Commission). In FY 2020-21, the Commission will be partnering with the Lancaster and York county conservation districts for local implementation of the CEG program.
- A single grant awarded by the delegated district to an eligible applicant may not exceed \$250,000.

#### CEG Priority Criteria

In approving applications for eligible projects under the CEG program, the Commission and the conservation district will give priority to complete applications based upon the following criteria:

- I. Priority locations as follows and in this order:
  1. Tier 1 (Lancaster and York)
  2. Tier 2 (Bedford, Centre, Cumberland, Franklin and Lebanon) and Tier 3 (Adams, Bradford, Clearfield, Clinton, Columbia, Fulton, Huntingdon, Juniata, Lycoming, Mifflin, Northumberland, Perry, Schuylkill, Snyder, Susquehanna and Tioga)
  3. All Other Counties
- II. Priority best management practices as follows (in no particular order):
  1. Livestock exclusion fencing.
  2. Stream-side buffers.
  3. Streambank restoration.
  4. Barnyard and feedlot runoff abatement.
  5. Stream crossings.
  6. Off-stream watering.
  7. Manure storage facilities.
  8. Nutrient management plans and manure management plans.
  9. Conservation plans or agricultural erosion and sedimentation plans.
  10. Cover crops.
  11. Any other priority practices approved by the commission.
    - These practices (BMPs) may include those BMPs currently identified in the *CEG/REAP Best Management Practice* list provided by the Commission.
- III. The level and extent of planning and technical assistance, such as inventory and evaluation, design work, permits and similar types of assistance, already completed in preparation for implementation of the project. Technical assistance should allow for accurate estimates of project costs and for completion of the project in a timely fashion.
- IV. The extent to which an applicant is willing to accept a reasonable mix of grants ( e.g. CEG or other), loans (e.g. AgriLink or other commercial loan) and tax credits (e.g. REAP) or to supply nongovernmental matching funds for the project.

### **Application Requirements**

An applicant may apply to the Lancaster County or York County conservation districts for a grant for an eligible project under the CEG program.

The application must include the following project information:

1. The location of the project.
2. The type of the project.
3. The status of the project (e.g. planning and/or design).
4. The type and/or combination of funding requested for the project.
5. The total cost of the project.
6. Verification that one or more of the following plans has been developed and are available:
  - a. Agricultural Erosion and Sedimentation Plan, or a Conservation Plan;
  - b. A Manure Management Plan, or
  - c. A Nutrient Management Plan.
7. Any other information required by the Commission, including the source and amount of other funding sources utilized for the project.

### **Application Review, Approval, Project Cost Eligibility,**

The Commission or conservation district will review complete applications based upon the CEG Priority Criteria, stated above, on an ongoing basis and in the order received.

The Commission or conservation district shall notify the applicant, in 60 days, of all the following:

1. Whether the project is approved for grant funding under the CEG program.
2. The total amount of grant funds approved for the project.
3. The next steps to process the Grantee-District Agreement

The following are considered eligible costs of a project to which a grant may be applied:

1. Project design engineering and associated planning
2. Project construction or installation – including labor provided by the applicant
3. Equipment, materials and other components of eligible projects
4. Post construction inspections

Any of the above costs for services that may be provided by a Conservation District or private sector technical service provider through a fee or charge are eligible costs and may be included in the CEG application.

**Note: Lancaster and York County, in consultation with the Commission has determined to award cost share up to 75% of the estimated construction cost of the project. Engineering and associated planning cost for the project may also be included as an eligible cost of up to an additional 10% of the estimated construction cost.**

Any costs that are not covered with CEG grant funds or other public funds may be eligible for REAP tax credits. These costs are eligible for tax credits up to 50% or 75% of eligible costs depending on the type of BMP.

The Commission or conservation district reserves the right to deny an application for any BMP if the cost is not within reasonable and fair market value as determined by the Commission.

The Commission or conservation district reserves the right to deny an application for any BMP that does not meet the intent of the standards and guideline of the CEG Program established by the Commission.

When an application is approved, the applicant will be required to enter into an agreement with the Commission or conservation district for implementation of the approved projects.

1. Approved project(s) must be completed by the applicant within the timeframe of the agreement but, no longer than 2 years from signature of the agreement.
2. The applicant shall provide and pay for all material, labor, equipment, tools, water, power, and other items necessary to complete the work.
3. The applicant may be reimbursed for the cost of the project up to the allowable grant amount permitted under the CEG program.

#### **Project completion, Certification , Inspection and Other Program Conditions**

Upon completion of a project funded under the CEG Program, the applicant/grantee shall notify the Commission or conservation district of the completion of the project.

- This notification can be completed by filling out the *CEG Program Certification Form*.

The completed project must be certified by a qualified individual in order for payment of the grant funds allocated for the project. A qualified individual may be:

- a registered professional engineer under the applicable laws of the Commonwealth;
- a technical service provider or a conservation district staff person having the appropriate job approval authority assigned by USDA-NRCS, or
- a person having appropriate training and expertise as approved by the Commission.

Best Management Practices (BMPs) must be maintained and managed for the life span of the practice.

- Life spans established by the Commission for specific practices are found in the *CEG/REAP BMP List*.
- If the BMP is not maintained for the required period, the applicant/grantee may be required to return a portion or full amount of what was originally granted.
- If the applicant provides prior written notification to the Commission or conservation district that the applicant/grantee will be unable to maintain a BMP due to the sale of the property, cessation of an agricultural operation or other factors, the Commission or the conservation district may prorate the amount of the granted funds that shall be returned based on the remaining lifespan of the BMP in question.

Projects funded under this program may be subject to inspection by the Commission or the conservation district.

- An applicant shall permit the Commission, the Conservation District, its authorized agents, and public authorities who have interest in the successful completion of the work to enter the Project Location or premises to inspect and observe CEG Project activities,