



Rules of
Department of Natural Resources
Division 80—Solid Waste Management
Chapter 9—Solid Waste Management Fund

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**Title 10—DEPARTMENT OF
NATURAL RESOURCES**

**Division 80—Solid Waste
Management**

**Chapter 9—Solid Waste Management
Fund**

**10 CSR 80-9.010 Solid Waste Management
Fund—Planning/Organizational Grants**
(Rescinded October 30, 2007)

AUTHORITY: sections 260.225 and 260.335, RSMo Supp. 1990. Emergency rule filed Aug. 15, 1991, effective Aug. 25, 1991, expired Dec. 13, 1991. Original rule filed Aug. 15, 1991, effective Feb. 6, 1992. Emergency amendment filed Sept. 15, 1993, effective Sept. 25, 1993, expired Jan. 22, 1994. Amended: Filed Sept. 15, 1993, effective May 9, 1994. Rescinded: Filed Jan. 5, 2007, effective Oct. 30, 2007.

**10 CSR 80-9.020 Solid Waste Management
Fund—Solid Waste Management Areas**

*Original rule filed March 17, 1992.** Emergency rescission of the 1992 rule filed March 19, 1997, effective April 1, 1997, expired Sept. 27, 1997. Rescission of the 1992 rule filed April 3, 1997, effective Aug. 30, 1997.*

***The Missouri Supreme Court in Missouri Coalition for the Environment, et al., v. Joint Committee on Administrative Rules, et al., Case No. 78628, dated February 25, 1997, ordered the secretary of state to publish this rule. The Missouri Department of Natural Resources subsequently filed an emergency rescission of this rule as well as a proposed rescission on this rule which became effective August 30, 1997. See the above authority section for filing dates.*

10 CSR 80-9.030 Scrap Tire Grants

PURPOSE: This rule provides a statewide plan for the use of moneys received under section 260.273, RSMo.

(1) Statewide Plan.

(A) General. In combination with 10 CSR 80-9.035 Scrap Tire Cleanup Contracts, this is a statewide plan to implement section 260.273, RSMo.

(B) Goals. The goals of the statewide plan are to reduce the number of scrap tires produced and encourage sustainable scrap tire markets for reuse, remanufacturing, and reprocessing of scrap tires; divert the stream of scrap tires from being landfilled or illegal-

ly dumped; and mitigate the adverse public health, welfare and environmental impacts of illegal scrap tire sites.

(2) Grant Types. The department may provide grants not to exceed forty-five percent (45%) of the monies received under section 260.273, RSMo, for the following grant types subject to financial resources, appropriations, eligibility requirements, and application priorities:

(A) Demonstration grants may be available to pay testing costs required to demonstrate the technical and economic feasibility of utilizing scrap tire materials in the manufacture of a product, as tire-derived fuel, or as a fuel supplement. Grants may also be available for end use as shock absorbing scrap tire playground, running track material, or other eligible end uses as approved by the department; and

(B) Capital expenditure grants may be available for equipment to convert/modify existing facilities for the purpose of using scrap tires as a fuel or fuel supplement; or for equipment to convert or modify existing facilities to manufacture products made from scrap tires.

(3) Eligibility.

(A) This rule applies to any person located in Missouri involved in any activity funded under section (2) of this rule.

(B) Applications for activities that, in the department's professional judgment, would cause a public nuisance or environmental, safety, or health hazards, will be disqualified.

(C) Grants will only be awarded for an activity which uses at least forty percent (40%) of its tires from Missouri scrap tire sites, retailers processors, or residents. The burden of proof shall be on the applicant to show that the eligibility requirements have been met.

(D) Grants will not be awarded to activities for projects that result in the landfilling of scrap tires.

(4) Application Requirements for Grants. An application shall—

(A) Be completed on forms provided by the department and include all required documentation;

(B) Be received by the deadline established by the department to be eligible for funding; and

(C) Include documentation to the department's satisfaction that the use being proposed is an eligible use as described in sections (2) and (3) of this rule.

(5) Application Review and Evaluation.

Applications will be reviewed for completeness and ranked according to the evaluation criteria established by the department with the advice of the Scrap Tire Advisory Group and in light of the goals as set forth in subsection (1)(B) of this rule.

(6) Grant Awards.

(A) Prior to award of funding, the recipient shall—

1. Provide verification to the department that all applicable federal, state, and local permits, approvals, licenses, or waivers required by law to implement the activity have been obtained or applied for; and

2. Enter into a financial assistance agreement issued by the department.

(B) Funds awarded by the department must be disbursed in accordance with the financial assistance agreement, the department's general terms and conditions, special terms and conditions (if applicable), and applicable contracts.

(7) Costs and Record Keeping.

(A) All general and special terms and conditions of the department applicable to the activity will be applicable to recipients of awards made available by this chapter; and

(B) Persons eligible to receive grants through this rule shall comply with the department's reporting requirements, financial assistance agreements and contracts, general and special terms and conditions, as well as any applicable federal, state, and local laws, permits, approvals, licenses, or waivers necessary to implement the activity.

AUTHORITY: sections 260.225, 260.273, and 260.276, RSMo 2016. Emergency rule filed Oct. 5, 1992, effective Nov. 4, 1992, expired March 3, 1993. Original rule filed Oct. 5, 1992, effective June 7, 1993. Amended: Filed April 16, 1997, effective Dec. 30, 1997. Amended: Filed Jan. 2, 2007, effective Sept. 30, 2007. Amended: Filed April 13, 2018, effective Feb. 28, 2019.*

**Original authority: 260.225, RSMo 1972, amended 1975, 1986, 1988, 1990, 1993, 1995, 2015; 260.273, RSMo 1990, amended 1995, 1999, 2005, 2009, 2014; and 260.276, RSMo 1990, amended 1995, 2005, 2009.*

**10 CSR 80-9.035 Scrap Tire Cleanup
Contracts**

PURPOSE: This rule complies with section 260.276, RSMo which allows for any person, firm, corporation, state agency, charitable, fraternal, or other nonprofit organization to bid on a contract for resource recovery or



nuisance abatement activities authorized under this section.

(1) General. This rule applies to any person involved in the activities set forth in this rule. The department shall fully or partially bid, in accordance with the terms and conditions of the state of Missouri Office of Administration's bid process, contracts for removing and properly disposing of scrap tires that are stored in violation of the Solid Waste Management Law and implementing rules and/or to those that pose a public nuisance or a threat to the health or welfare of the public.

(A) Bid applications will be reviewed and ranked in accordance with the state of Missouri Office of Administration's bid procedure authorized in Chapter 34, RSMo.

(B) Bids for cleanups will be awarded in accordance with state of Missouri Office of Administration's contract award procedures authorized in Chapter 34, RSMo.

(C) Awarded bids will be ranked pursuant to the criteria set forth in section (3) of this rule.

(D) Cleanup Contract Payment and Records. Contractors shall be paid and records kept in accordance with the state of Missouri Office of Administration's bid document terms and conditions.

(E) All cleanup contracts are subject to the department's funding availability and appropriation.

(F) All scrap tire site cleanups must adhere to Best Management Practices (BMPs) for water pollution control as follows:

1. Erosion and sediment control.

A. Stabilize all high traffic areas, including entrance and exit areas, to minimize vehicle tracking.

B. Minimize run-on from adjacent properties through the use of diversion dikes, berms, or equivalent.

C. Trap sediment at down-gradient locations and outlets serving unstabilized areas. This may include filter fabric fences, sediment traps, vegetated swales or strips, diversion structures, retention/detention basins or equivalent;

2. Oil and grease.

A. Maintain equipment to prevent leaks and spills.

B. Use drip pans or other containment under equipment or around petroleum storage areas.

C. Have materials such as absorbent pads easily accessible to clean up spills and leakage.

3. Application of fertilizers, pesticides, and herbicides.

A. Observe all applicable federal,

state, and local regulations when using these products.

B. Strictly follow recommended applications rates and methods (i.e., do not apply in excess of vegetative requirements).

C. Have materials such as absorbent pads easily accessible to clean up spills.

D. Properly dispose of all containers.

E. The use of petroleum products for vegetative control is prohibited;

4. Maintenance.

A. Conduct inspections of BMPs.

B. Perform preventative maintenance as needed on BMPs;

5. Provide employee training on proper handling and maintenance practices; and

6. Discharges shall not cause violations of the general criteria in the Water Quality Standards in 10 CSR 20-7.031(3).

(2) Eligibility. Any person, firm, corporation, state agency, charitable, fraternal, or other nonprofit organization may bid on a contract for each resource recovery or nuisance abatement activity.

(A) Vender Preference. In letting contracts for the performance of any job or service for the removal or cleanup of scrap tires under this chapter, the Department of Natural Resources shall follow sections 34.073, 34.076, and 260.279, RSMo.

(3) Nuisance Abatement and Resource Recovery Activities.

(A) The department shall give first priority to cleanup of illegal scrap tire sites owned by persons who present satisfactory evidence that such persons were not responsible for the creation of the nuisance conditions or any violations of sections 260.270 through 260.278, RSMo at the site. In evaluating whether a site qualifies for cleanup under this subsection, the department may consider:

1. The degree of responsibility or culpability of such persons for the creation or maintenance of the scrap tire site;

2. The extent to which such persons profited from the hauling, disposal, and/or storage of the scrap tires;

3. The extent to which such persons took steps to stop the illegal deposition of tires on the property;

4. The nature of such persons' interest in the property on which the scrap tires were deposited; and

5. The degree of cooperation that such persons provide to the department in abating the scrap tire violations, including the willingness of such persons to allow timely access to the property to conduct any nuisance abatement or resource recovery activities.

(B) The department shall conduct resource recovery or nuisance abatement activities designed to reduce the volume of scrap tires or alleviate any nuisance condition at any site if the owner or operator of such a site fails to comply with the regulations under sections 260.270 through 260.278, RSMo, or if the site remains in violation of such statutes and rules. The department reserves all rights to recover all or a portion of the costs of cleanup from the property owner and any other parties responsible for creation of the scrap tire site except where the property owner presents evidence that such persons were not responsible for the creation of the nuisance conditions or any violations of sections 260.270 through 260.278, RSMo at the site.

(4) Any charitable, fraternal, or other nonprofit organization that voluntarily cleans up land or water resources may be reimbursed for properly disposing of scrap tires collected in the course of such cleanup. Funds will be allocated each year for these types of activities. The amount of funds allocated will depend on funding availability and amount of appropriations.

(A) A portion of the funds allocated will be available to any charitable, fraternal, or other nonprofit organization that wishes to clean up small, illegal, scrap tire sites in their area. These funds will be awarded under the following conditions:

1. On a first-come-first-served basis;

2. The organization(s) shall receive written approval from the department prior to conducting the cleanup, state where they will dispose of the tires, and estimate the number of tires, and the associated disposal costs for which the organization plans to seek reimbursement from the department; and

3. Reimbursement shall be for disposal costs only.

(B) Another portion of the funds allocated will be available for tires picked up as incidental wastes by nonprofit groups which voluntarily clean up land or water resources and collect scrap tires in the course of such cleanup. These funds will be awarded under the following conditions:

1. On a first-come-first-served basis;

2. The organization(s) shall receive written approval from the department prior to conducting the cleanup. The organization(s) shall state where they will dispose of the tires and shall estimate the number of tires and the associated disposal costs for which the organization plans to seek reimbursement from the department; and

3. Reimbursement shall be for disposal costs only.



(5) The department reserves the right to deny funding under section (4) to any charitable, fraternal, or other nonprofit organization if adequate funds are not available or if the requirements of this section are not met.

(6) The charitable, fraternal or other not-for-profit organization shall submit documentation (on forms provided by the department) of the number of tires picked up and disposed of before reimbursement will be approved or made.

AUTHORITY: sections 260.225, 260.273, and 260.276, RSMo 2016. Original rule filed April 16, 1997, effective Dec. 30, 1997. Amended: Filed Jan. 2, 2007, effective Sept. 30, 2007. Amended: Filed April 13, 2018, effective Feb. 28, 2019.*

**Original authority: 260.225, RSMo 1972, amended 1975, 1986, 1988, 1990, 1993, 1995, 2015; 260.273, RSMo 1990, amended 1995, 1999, 2005, 2009, 2014; and 260.276, RSMo 1990, amended 1995, 2005, 2009.*

10 CSR 80-9.040 Solid Waste Management Fund—Financial Assistance for Waste Reduction and Recycling Projects (Rescinded August 30, 2018)

AUTHORITY: sections 260.225 and 260.335, RSMo Supp. 1999. Emergency rule filed Aug. 4, 1992, effective Oct. 1, 1992, expired Jan. 28, 1993. Original rule filed Aug. 4, 1992, effective April 8, 1993. Amended: Filed Dec. 14, 1999, effective Aug. 30, 2000. Rescinded: Filed Dec. 29, 2017, effective Aug. 30, 2018.

10 CSR 80-9.050 Solid Waste Management Fund—District Grants

PURPOSE: This rule contains procedures and provisions for solid waste management districts to qualify for grant funds from the Solid Waste Management Fund as provided for in section 260.335.2, RSMo.

PUBLISHER'S NOTE: The publication of the full text of the material that the adopting agency has incorporated by reference in this rule would be unduly cumbersome or expensive. Therefore, the full text of that material will be made available to any interested person at both the Office of the Secretary of State and the office of the adopting agency, pursuant to section 536.031.4, RSMo. Such material will be provided at the cost established by state law.

(1) Definitions. Definitions for key words used in this rule may be found in 10 CSR 80-2.010. Additional definitions specific to this

rule are as follows:

(A) Allocated district funds. Monies from the Solid Waste Management Fund that are set aside to be disbursed to each district by the department;

(B) Competitive bid process. Procurement of goods or services that follows the guidelines outlined in 1 CSR 40;

(C) Disbursed district funds. District funds paid to each district or subgrantee;

(D) Disposal cost. Fees charged to collect, transport or deposit solid waste in a landfill, transfer station or other approved facility;

(E) District administrative grant. Planning and organizational grants disbursed by the department to each district prior to August 28, 2004;

(F) District carryover. Any remaining district funds of any completed grants that have been disbursed by the department to each district for district administrative grants, district operations grants, plan implementation grants or district subgrants;

(G) District funds. The revenue generated from the solid waste tonnage fee collected and deposited in the Solid Waste Management Fund and allocated to each district pursuant to section 260.335.2, RSMo, plus district carryover, interest income earned and state required local match funds;

(H) Executive board. The board established by each district's solid waste management council or by the alternative management structure chosen by a district as provided for in section 260.315.4(2), RSMo;

(I) Interest income. All interest earned by each district from the holding of revenue generated from the Solid Waste Management Fund;

(J) Project. All approved components of an organized undertaking described in a proposal, including any supporting documents as required by project type;

(K) Solid Waste Management Fund. The fund created in section 260.330, RSMo, to receive the tonnage fee charges submitted by sanitary and demolition landfills for waste disposed of in Missouri and transfer stations for waste transported out of state for disposal;

(L) State required local match funds. Funds committed by local governments to each district as match for district administrative grants; and

(M) Unencumbered district funds. District funds that have not been obligated by the executive board for goods and services in the form of purchase orders, contracts or other form of documentation.

(2) Eligibility.

(A) Applicability. This rule applies to the

members of the executive boards of all department-recognized solid waste management districts in Missouri.

(B) Projects. The district funds are to be allocated for projects in accordance with the following provisions:

1. Grant monies made available by this rule shall be allocated by the district for projects contained within the district's approved solid waste management plan. These funds will be used for solid waste management projects as approved by the department. However, no grant funds will be made available for incineration without energy recovery;

2. In the event that the district solid waste management plan has not been submitted to the department, any eligible projects approved by the district and allocated monies made available by this rule shall be included in the district's solid waste management plan prior to submission;

3. In the event that the district solid waste management plan has been submitted to the department, any eligible projects approved by the district and allocated monies made available by this rule, but not contained within the plan, shall be considered an addenda to the plan. The addenda will be evidenced in quarterly and final project reports required under subsection (6)(B) of this rule. Projects serving as addenda to the plan in this manner must be included in any documents required by the department to be submitted by the districts that update the plan or that verify implementation of the plan pursuant to section 260.325.5, RSMo;

4. District funds shall not be awarded for a project whose applicant is directly involved in the evaluation and ranking of that particular project;

5. District funds shall not be awarded for a project that displaces existing resource recovery services, unless the proposed project demonstrates how it will result in improvement or expansion of service; and

6. District funds shall not be awarded for a project that collects solid waste for disposal on a continuous basis.

(C) Grant Funds.

1. As determined by statute, an amount of the revenue generated from the solid waste tonnage fee collected and deposited in the Solid Waste Management Fund shall be allocated annually to the executive board of each officially recognized solid waste management district for district grants. Further, each officially recognized solid waste management district shall be allocated, upon appropriation, a minimum amount for district grants pursuant to section 260.335.2, RSMo.

2. The district shall enter into a financial



assistance agreement with the department prior to the disbursement of district funds. The financial assistance agreement shall, at a minimum, specify that all district funds will be managed in accordance with statute and this rule. Financial assistance agreements shall be provided to the districts by the department at the beginning of the state fiscal year.

3. Quarterly the department shall notify the executive board of each district of the amount of grant funds for which the district is eligible. Upon request, the department will provide to a district the reported tonnages and tonnage fees paid into the Solid Waste Management Fund.

4. Grant money available to a district under subsection (2)(C) of this rule within a fiscal year may be allocated for district operations, projects that further plan implementation and subgrantee projects of cities and counties within the district pursuant to section 260.335.2, RSMo.

5. Any district funds allocated to a district but not requested by the district following the procedures outlined in this rule within twenty-four (24) months of the end of the state fiscal year in which it was allocated may be reallocated by the department pursuant to section 260.335.2, RSMo.

6. At the end of a district's fiscal year, any district carryover funds and interest income in excess of twenty thousand dollars (\$20,000) shall be allocated for projects other than district operations in the district's next request for project proposals in accordance with section 260.335, RSMo, unless approved by the department.

7. A solid waste management district may elect to use more than one fiscal year's allocation of funds to finance a project. Prior to the department encumbering funds for this project, the district shall submit a request to the department for approval that provides justification and financial supporting documentation. Following the department's approval, the district may request that these funds be transmitted to the district. All interest income earned by the district shall be obligated to this project until the total amount needed is reached.

8. All district funds shall be used for implementation of a solid waste management plan, district operations, solid waste management, waste reduction, recycling and related services as approved by the district executive board and the department.

(D) Costs. In general, the following paragraphs list eligible and ineligible costs for district funds. Items not listed in this section or in subsections (3)(A) and (4)(B) should be discussed with the department.

1. Eligible costs. Applicants can request monetary assistance in the operation of eligible projects for the following types of costs. Eligible costs may vary depending on the services, materials and activities, as specified in the grant application:

- A. Collection, processing, manufacturing or hauling equipment;
- B. Materials and labor for construction of buildings;
- C. Engineering or consulting fees;
- D. Salaries and related fringe benefits directly related to the project;
- E. Equipment installation costs including installation, freight or retrofitting of the equipment;
- F. Development and distribution of informational materials;
- G. Planning and implementation of informational forums including, but not limited to, workshops;
- H. Travel as necessary for project completion;
- I. Overhead costs directly related to the project;
- J. Laboratory analysis costs; and
- K. Professional services.

2. Ineligible costs. The following costs are considered ineligible for district grant funding:

- A. Operating expenses, such as salaries and expenses that are not directly related to district operations or the project activities;
- B. Costs incurred before the project start date or after the project end date;
- C. Taxes;
- D. Legal costs;
- E. Contingency funds;
- F. Land acquisition;
- G. Gifts;
- H. Disposal costs, except for projects as indicated in paragraph (2)(B)6. of this rule;
- I. Fines and penalties;
- J. Food and beverages for district employees, board members or subgrantees at non-working meetings;
- K. Memorial donations for board members, district employees, or subgrantees;
- L. Office decorations, except as indicated in paragraph (3)(A)4. of this rule; and
- M. Lobbyists, pursuant to section 105.470, RSMo.

(3) District Operations.

(A) Eligible Costs. The department shall allocate funding for the costs that are reasonable and necessary for proper and efficient performance and administration of the district. District operations costs must be specifically for the purpose of district operations

and may include:

- 1. Salaries and related fringe benefits of employees;
- 2. Cost of materials and supplies acquired, consumed or expended;
- 3. Rental or leasing of office space;
- 4. Office decorations costing less than five hundred dollars (\$500) per year;
- 5. Equipment and other capital expenditures;
- 6. Travel expenses incurred;
- 7. The cost of utilities, insurance, security, janitorial services, upkeep of grounds, normal repairs and alterations and the like to the extent that they keep property at an efficient operating condition, do not add to the permanent value of property or appreciably prolong the intended life and are not otherwise included in rental or other charges for space;
- 8. Contracted services for eligible costs acquired through a competitive bid process;
- 9. Non-cash service awards which are reasonable in cost; and
- 10. Legal costs for contract review and other costs directly related to the district grant administration.

(B) Grant Application. Districts eligible to receive district operations grant funding shall submit a written request to the department, on forms provided by the department, that includes:

- 1. A completed district operations budget, containing such detail as specified by the department, that has been approved by the executive board, including an executive summary and list of tasks for the budget period.
- 2. Copies of any contracts in effect for district operations services.
- 3. If applicable, documentation of the bidding process used to procure district operations services.
- 4. The grant and budget period shall cover up to a one (1)-year time period, unless otherwise approved by the department.
- 5. Districts may apply for district operations funds at any time during the year, provided that all requirements outlined in this section are followed.

(4) Plan Implementation Projects.

(A) Projects. The department shall allocate plan implementation funds for projects in accordance with the following provisions:

- 1. Grant monies made available by this rule shall be allocated by the district for projects contained within the district's solid waste management plan or which enable the district to plan and implement activities pursuant to section 260.325, RSMo;
- 2. Projects shall be conducted by district staff or through a contract with the district.



Contracted services must be procured through a competitive bid process;

3. Projects should benefit the counties or cities who are members of the district; and

4. A project period shall be determined that allows for the purpose of the project to be accomplished and for adequate reporting of the results of the project to determine if the project met its intended goals. Project and budget periods may allow for up to a two (2)-year time period for project completion. A maximum of one (1) six (6)-month extension may be allowed beyond the two (2) years when approved by the executive board. Any extension of the project or budget periods beyond two (2) years and six (6) months must have the prior approval of the executive board and the department.

(B) Eligible Costs. Districts may request monetary assistance in the operation of eligible plan implementation projects for the types of costs listed in paragraph (2)(D)1. of this rule. Eligible costs may also include costs associated with revising the district's solid waste management plan.

(C) Grant Application. Districts eligible to receive plan implementation grant funding shall submit a written request to the department that includes copies of all plan implementation project proposals approved by the executive board as documented in meeting minutes. At a minimum, project proposals must include:

1. An executive summary of the project objectives and the problem to be solved, referencing the district's solid waste management plan component to which it applies;

2. The location of the project, project name, and the project number assigned by the district;

3. A work plan which identifies project tasks, the key personnel and their qualifications;

4. A timetable showing anticipated dates for major planned activities and expenditures, including the submittal of quarterly reports and the final report;

5. A budget that includes an estimate of the costs for conducting the project. Estimates shall be provided for all major planned activities or purchases by category;

6. Documentation that all required proposal content has been received and reviewed by the district executive board including cost estimates, verification that all applicable federal, state and local permits, approvals, licenses or waivers necessary to implement the project are either not needed or have been applied for, and demonstration of compliance with local zoning ordinances;

7. The type of waste and estimated tonnage to be diverted from landfills or other

measurable outcomes;

8. A description of the evaluation procedures to be used throughout the project to measure the success or benefit of the project;

9. For projects involving awards over fifty thousand dollars (\$50,000), supporting documentation must be provided to demonstrate technical feasibility, including a preliminary project design, preliminary engineering plans and specifications for any facilities and equipment required for a proposed project, if applicable; and

10. If requested by the department, copies of any or all approved project proposals and supporting documents.

(5) District Subgrantee Procedures.

(A) Notification by the Districts. The district executive boards shall request project proposals by giving written notification to the governing officials of each member county and city over five hundred (500) in population and by publishing a notice in a newspaper officially designated by the chief elected official of each member county, for public notices for every member county and city with a population over five hundred (500) within the district. The district executive board shall provide the written notification and newspaper notice at least thirty (30) days prior to when proposals are due. If the district executive board will request project proposals more often than annually, the district executive board may issue the written notification and newspaper notice annually specifying when the district will be accepting project proposals for the upcoming year.

(B) Proposal Content and Supporting Documents. The districts shall, as appropriate, require the proposals to include but not be limited to the following information:

1. An executive summary of the project objectives and the problem to be solved, referencing the district's solid waste management plan component to which it applies;

2. The location of the project and name, address and phone number of the official subgrantee recipient(s);

3. A work plan which identifies project tasks, the key personnel and their qualifications;

4. A timetable showing anticipated dates for major planned activities and expenditures, including the submittal of quarterly reports and the final report;

5. A budget that includes an estimate of the costs for conducting the project. Estimates shall be provided for all major planned activities or purchases by category and shall be supported by documentation showing how each cost estimate was determined. If the project includes matching

funds, the budget must delineate the percentages and dollar amounts of the total project costs for both district funds and applicant contributions;

6. Verification that all applicable federal, state and local permits, approvals, licenses or waivers necessary to implement the project are either not needed or have been obtained or applied for and will be obtained prior to an award;

7. Demonstration of compliance with local zoning ordinances;

8. A description of the evaluation procedures to be used throughout the project to quantitatively and qualitatively measure the success or benefit of the project;

9. Documentation that shows a commitment for the match, if applicable;

10. The following supporting documents for projects involving allocations over fifty thousand dollars (\$50,000):

A. To demonstrate technical feasibility, a preliminary project design, preliminary engineering plans and specifications for any facilities and equipment required for a proposed project, if applicable;

B. A financial report including:

(I) A three (3)-year business plan for the proposed project. For projects involving recycling and reuse technologies, the plan shall include a market analysis with information demonstrating that the applicant has secured the supply of and demand for recovered material and recycled products necessary for sustained business activity;

(II) A description of project financing, including projected revenue from the project; and

(III) A credit history; and/or up to three (3) years' previous financial statements or reports; or for governmental entities a bond rating;

11. Confidential business information and availability of information. Any person may assert a claim of business confidentiality covering a part or all of that information by including a letter with the information which requests protection of specific information from disclosure. Confidentiality shall be determined or granted in accordance with Chapter 610, RSMo. However, if no claim accompanies the information when it is received by the department, the information may be made available to the public without further notice to the person submitting it; and

12. In the event that more than one (1) solid waste management district proposes to participate in a project as joint subgrantees, each participating district's responsibilities will be outlined in the subgrantee Financial Assistance Agreement. One (1) of the participating districts must be designated as project



manager. The project will be administered as provided for in sections (5) and (6) of this rule.

(C) A project period shall be determined that will allow an adequate time period for the subgrantee to accomplish the purpose of the project and provide reporting of the results and accomplishments. Project and budget periods may allow for up to a two (2)-year time period for project completion. A maximum of one (1) six (6)-month extension may be allowed beyond the two (2) years when approved by the executive board. Any extension of the project or budget periods beyond two (2) years and six (6) months must have the prior approval of the executive board and the department.

(D) Proposal Review and Evaluation. The executive boards must review, rank and approve proposals as outlined in this subsection. The executive board may appoint a committee to review and rank proposals. The executive board shall make final approval.

1. Review for eligibility and completeness. For all proposals received by the deadline as established in their public notices to the media, the board shall determine the eligibility of the applicant, the eligibility of the proposed project, the eligibility of the costs identified in the proposal and the completeness of the proposal.

2. Notice of eligibility and completeness. If the district executive board determines that the applicant or the project is ineligible or incomplete, the board may reject the proposal and shall notify the applicant. A project may be resubmitted up to the application deadline.

3. Proposal evaluation. The executive board or their appointed committee shall evaluate each proposal that is determined to be eligible and complete. The board will develop a District Targeted Materials List to be used as one of the evaluation criteria. The evaluation method will include the following criteria, as appropriate per project category:

A. Conformance with the integrated waste management hierarchy as described in the *Missouri Policy on Resource Recovery*, as incorporated by reference in this rule;

B. Conformance with the District Targeted Materials List;

C. Degree to which the project contributes to community-based economic development;

D. Degree to which funding to the project will adversely affect existing private entities in the market segment;

E. Degree to which the project promotes waste reduction or recycling or results in an environmental benefit related to solid waste management through the proposed pro-

cess;

F. Demonstrates cooperative efforts through a public/private partnership or among political subdivisions;

G. Compliance with federal, state or local requirements;

H. Transferability of results;

I. The need for the information;

J. Technical ability of the applicant;

K. Managerial ability of the applicant;

L. Ability to implement in a timely manner;

M. Technical feasibility;

N. Availability of feedstock;

O. Level of commitment for financing;

P. Type of contribution by applicant;

Q. Effectiveness of marketing strategy;

R. Quality of budget; and

S. Selected financial ratios.

4. The executive board shall develop minimum criteria for the approval of grant funding.

(6) District Documentation.

(A) Subgrantee Proposals. The following documentation must be submitted by the district to the department as part of the grant application process:

1. A completed project request summary form provided by the department that includes, at a minimum, the following information:

A. Copies of the executive summaries of the eligible proposals submitted to the executive board, or narratives prepared by the district, that describe the location of project, project objectives, tasks and general timeline of each eligible proposal;

B. For each project approved for an award by the executive board indicate the name of the project, the project number assigned by the district and:

(I) The total amount awarded to each project, what amount is awarded from the current undisbursed allocation funding, any carryover from previous awards by the district and the source of the carryover, and any interest accrued by the district;

(II) The project budget by category;

(III) The type of waste and estimated tonnage to be diverted from landfills or other measurable outcomes;

(IV) The project start and stop dates; and

(V) Documentation that all required proposal content has been received and reviewed by the district;

2. The aggregate executive board rankings for each of the eligible proposals or doc-

umentation that the proposals meet the minimum criteria for funding set by the executive board using the evaluation criteria as described in paragraph (5)(D)3.;

3. If requested by the department, copies of any or all approved project proposals and supporting documents;

4. A copy of the notices given to the governing bodies and published in the newspapers within the district;

5. A copy of the subgrantee(s) financial assistance agreement between the district and subgrantee(s), any amendments made to the subgrantee(s) financial assistance agreement indicated in subsection (7)(H) of this rule and invoice; and

6. Documentation that the executive board discussions and votes for approved subgrants took place in open session, in accordance with sections 610.010 to 610.200 of the Missouri Sunshine Law.

(B) Quarterly Reports. On quarterly status report forms provided by the department, the district shall submit the following information to the department thirty (30) days after the end of each state fiscal year quarter:

1. Project status. For each plan implementation and district subgrantee project in progress the district shall provide:

A. The details of progress addressing the project tasks outlined in the plan implementation application or subgrantee financial assistance agreement;

B. Problems encountered in project execution;

C. Budget adjustments made within budget categories, with justifications;

D. The weight in tons of waste diverted for each type of recovered material utilized in the project for the most recent quarter following the implementation of the diversion activity or other measurable outcomes, as appropriate;

E. A copy of an amended subgrantee financial assistance agreement, if appropriate; and

F. Other information necessary for proper evaluation of the progress of the projects.

2. In the event that a time period for a project is less than a full year, only quarterly information appropriate to the project time period need be included in the district report.

3. Project financial summary. For each grant (district operations, plan implementation and district subgrantee project) the district shall provide:

A. The original award amount taken from the accrued allocation held by the department;

B. Any district carryover used to fund a project or district operations;



C. Any accrued interest income used to fund a project or district operations;

D. Total grant award for that project or district operation (total of subparagraphs (6)(B)3.A., B., and C. of this rule);

E. Cumulative amount of district disbursement of funds to each subgrantee or to the district during that reporting period;

F. Balance of that project or district operations during that reporting period;

G. Any carryover funding held by the district that has not been obligated for projects or district operations; and

H. Any accrued interest income held by the district that has not been obligated for projects or district operations.

4. Final project reports. The district shall submit to the department a final report for each plan implementation or district subgrantee project that shall contain the same information as described for project status in paragraph (6)(B)1. of this rule, as well as a comparison of actual accomplishments to the goals established and a description as to how goals were either met, not met or were exceeded.

5. District operations status:

A. The details of progress in completing the district operations tasks outlined in the district operations application;

B. Problems encountered in district operations;

C. Required budget amendments; and

D. Other information necessary for proper evaluation of district operations.

(C) District Annual Report. The district shall submit to the department within one hundred twenty (120) days of the end of the state fiscal year a report covering the following information for the state fiscal year:

1. Goals and accomplishments. A description of the district solid waste management goals, actions taken to achieve those goals and the goals that have been set for the upcoming state fiscal year;

2. Types of projects and results, including:

A. A summary of the projects that included goals to divert solid waste tonnage from landfills, including number and costs of projects, tons diverted and average cost per ton diverted, and other measurable outcomes achieved;

B. A summary of the projects that did not have waste diversion goals, including number and costs of projects, and measurable outcomes achieved; and

C. Separate statistics for items banned by statute from landfills and items that are not banned from landfills;

3. A description of the district's grant proposal evaluation process; and

4. A list of district council and executive board members, including their affiliation(s).

(7) Executive Board Accountability.

(A) The executive board shall comply with the department's reporting requirements, pursuant to section (6) of this rule.

(B) An executive board receiving funds from the Solid Waste Management Fund for district grants shall themselves maintain, and require recipients of financial assistance to maintain, an accounting system according to generally accepted accounting principles that accurately reflects all fiscal transactions, incorporates appropriate controls and safeguards, and provides clear references to the project as agreed to in the Financial Assistance Agreement. Accounting records must be supported by source documentation such as cancelled checks, paid bills, payrolls, time and attendance records, contract, and agreement award documents.

(C) The executive board shall adopt a conflict of interest policy regarding grants to subgrantees. This policy shall include a requirement that any non-governmental member of the executive board, or the business or institution to which the member is affiliated, who applies for district grants shall not review, score, rank or approve any of the subgrantee applications for the same grant call.

(D) Payments to grant recipients shall be on a reimbursement basis. The executive board shall retain fifteen percent (15%) of the funds from the recipient until the project is complete. A project shall be deemed complete when the project period has ended and the board gives approval to the grant recipient's final report and the final accounting of project expenditures. The district may make payment directly to a vendor instead of reimbursing the grant recipient provided the executive board approves the direct payment, goods or services being purchased by the grant recipient have been received, and the executive board retains fifteen percent (15%) of the funds until completion of the grant project. For reimbursements or direct payments, the district may release the fifteen percent (15%) retainage prior to completion of the grant project with prior approval of the executive board and the department.

(E) Retention and Custodial Requirements for Records.

1. The executive board shall retain all records and supporting documents directly related to the funds and projects for a period of three (3) years from the date of submission of the final status report and make them available to the department for audit or examination.

2. If any litigation, claim, negotiation,

audit or other action involving the records has been started before the expiration of the three (3)-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three (3)-year period, whichever is later.

(F) All general and special terms and conditions of the department applicable to the project will be applicable to recipients of awards made available by this chapter.

(G) The executive board shall address all deficiencies identified in a district's audit to the satisfaction of the department. Districts failing to adequately address deficiencies identified in the audit may have funds withheld or may be required to repay any and all disbursements of funds in accordance with section (9) of this rule.

(H) Funding for approved subgrants will be forwarded to the districts upon receipt of a completed, signed and dated invoice and subgrantee financial assistance agreement for each individual subgrant.

(I) Except as otherwise provided by law, within eighteen (18) months after the effective date of this rule, the executive board shall use a competitive bid process to obtain administrative services, office space rental, and other district operations services, except for employees who are directly employed by the district. Contracts shall not exceed five (5) years in duration.

(J) The executive board shall have their records audited by a certified public accountant or firm of certified public accountants pursuant to section 260.325, RSMo. Districts shall arrange to have the audit conducted and submit to the department a complete audit report prepared by the certified public accountant or firm of certified public accountants within one hundred eighty (180) days of the end of the period covered by the audit.

(K) For capital assets over five thousand dollars (\$5,000) purchased in whole or in part with district funds and in which a security interest is held, the executive board must maintain property records. At a minimum these records shall include a description of the equipment, a serial number or other identification number, the source of the property, the acquisition date, cost of the property, percentage of state funds used in the cost of the property, and the location, use and condition of the property.

(L) The executive board shall insure that a physical inventory is conducted of property purchased with district funds and the results reconciled with the property records at least once every two (2) years.

(M) For capital assets over five thousand dollars (\$5,000) purchased in whole or in



part with district funds, by the district or subgrantee, the executive board shall ensure that insurance is procured and maintained that will cover loss or damage to the capital assets with financially sound and reputable insurance companies or through self-insurance, in such amounts and covering such risks as are usually carried by companies engaged in the same or similar business and similarly situated.

(N) Pursuant to section 260.320.3, RSMo, the executive board shall appoint one (1) or more advisory committees and ensure that the advisory committee(s) meet annually, at a minimum.

(O) Planning Requirements. Pursuant to section 260.325, RSMo, the board shall review the district's solid waste management plan at least every twenty-four (24) months for the purpose of evaluating the district's progress in meeting the requirements and goals of the plan, and shall submit plan revisions to the department and council. At a minimum, the executive board shall submit plan revisions by April 1 of each odd-numbered year that include, but are not limited to:

1. An inventory of solid waste services in the planning area on forms provided by the department. Service information shall include:

- A. The solid waste collection services available to residential and commercial customers;

- B. The recycling services available to residential and commercial customers;

- C. The services available for management of items banned from Missouri landfills, pursuant to section 260.250, RSMo; and

- D. The services available for management of household hazardous wastes;

2. Pursuant to section 260.320.3, RSMo, a list of advisory boards, members of each and documentation of meetings; and

3. A description of illegal dumping identification, public education and household hazardous waste activities and programs established by the executive board, pursuant to section 260.320.3, RSMo.

(8) Awards.

(A) District Awards. All district grant awards are subject to the state appropriation process. District grant awards will be disbursed to the district as provided for in subsection (2)(C) of this rule within thirty (30) days of the receipt by the department of all applicable applications and documentation per sections (3), (4), and (6) of this rule from the executive board of the district. In the case of questions regarding specific costs contained in the district operations application,

the funds for costs not in question will be disbursed to the district.

(B) District Subgrantee Project Awards.

1. All district subgrantee grant awards are subject to the appropriation process.

2. Before the districts distribute awarded funds to a subgrantee, the subgrantee shall do the following:

- A. Obtain all applicable federal, state and local permits, approvals, licenses or waivers required by law and necessary to implement the project;

- B. Enter into a subgrantee financial assistance agreement, or an amended subgrantee financial assistance agreement if appropriate, issued by the district which is consistent with the Solid Waste Management Law and department rules and all terms and conditions of the district's financial assistance agreement; and

- C. Submit all required quarterly and final reports.

(9) Withholding of District Funds.

(A) The department may withhold or reduce district grant awards until the district is in compliance with the following:

1. Solid Waste Management Law and regulations;

2. Planning requirements pursuant to section 260.325, RSMo;

3. All general and special terms and conditions of the district's financial assistance agreement;

4. Audit requirements;

5. Resolution of significant audit findings and questioned costs; and

6. All reporting requirements and plan revisions indicated in this rule.

(B) The department shall provide written notice of noncompliance prior to the withholding of funds, unless the severity of a significant audit finding requires the immediate withholding of funds. Such notice shall allow a minimum of thirty (30) days for the district to submit the documentation or conduct other tasks as indicated in the department's notice.

(C) If a district fails to submit to the department a complete quarterly report, annual report or plan revision by the due date indicated in the department's notice of noncompliance, the department shall withhold and reallocate funds equal to one percent (1%) of the district's most recent quarterly allocation for each day past the notice due date, unless these provisions have been met:

1. The district has requested an extension prior to the notice due date and the department has granted an extension;

2. The district has submitted a complete report by the date indicated in the department approved extension; and

3. The department shall use the postmark date as the date submitted by the dis-

trict. If no postmark date is available, the department shall use the date the department receives the report.

(D) For questioned costs that the department determines to be inappropriate or unnecessary, the district shall repay the department or the department shall withhold from the district's allocation the amount of the cost, following the department's written request.

(E) For funds withheld from a district or repaid by a district, the department shall reallocate these funds to all districts that, at the time of the reallocation, are in compliance with all requirements and have addressed all deficiencies identified in a district's audit to the satisfaction of the department. The reallocation shall be made to districts in accordance with the allocation criteria pursuant to section 260.335, RSMo.

(10) Dispute Resolution. The district and the department shall attempt to resolve disagreements concerning the administration or performance of the district. If an agreement cannot be reached within ninety (90) days of the issuance of the notice of noncompliance, the department's Solid Waste Management Program director will provide a written decision. The Solid Waste Management Program director may consult with the Solid Waste Advisory Board prior to providing this decision. Such decision of the program director shall be final unless a request for review is submitted to the Division of Environmental Quality director within thirty (30) days of the receipt of the program director's decision. The division director shall provide a final decision within thirty (30) days of the receipt of the district's request. A decision by the division director shall constitute final department action. Such request shall include:

- (A) A copy of the program director's written decision;

- (B) A statement of the amount in dispute;

- (C) A brief description of the issue(s) involved; and

- (D) A concise statement of the objections to the final decision.

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**Original authority: 260.225, RSMo 1972, amended 1975, 1986, 1988, 1990, 1993, 1995 and 260.335, RSMo 1990, 1993, 1995, 2004, 2005.*