

RESOLUTION NO. 86- 165

WHEREAS, the Department of Natural Resources, Florida Marine Patrol has offered St. Johns County a grant for the removal of one (1) derelict vessel from the reaches of Matanzas Bay; and

WHEREAS, the grant application has been submitted by St. Johns County and accepted by the Department of Natural Resources; and

WHEREAS, the Department of Natural Resources has requested a resolution from St. Johns County to accept this proffered grant;

NOW THEREFORE BE IT RESOLVED, by the Board of County Commissioners of St. Johns County, Florida as follows:

That the County will accept the grant as offered by the Department of Natural Resources; and

That the County will administer the bidding, contracting, and removal of the derelict vessel in accordance with legal requirements governing these actions; and

That the County will expend the necessary funds to accomplish this work and apply for reimbursement from the Department of Natural Resources; and

The Department of Natural Resources will reimburse St. Johns County within the time limits specified in the Grant Agreement (55 days); and

That this resolution shall take effect immediately as provided by law.

Passed and adopted this 28 day of October, 1986.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By: Francis M. Bubecker
Chairman

ATTEST: Carl "Bud" Markel, Clerk

By: Cheryl Kent
Deputy Clerk

DERELICT VESSEL REMOVAL GRANT AGREEMENT

THIS GRANT AGREEMENT is entered into this 15th day of September, 1986 between the State of Florida, Department of Natural Resources, hereinafter referred to as the Grantor, and St. Johns County, hereinafter referred to as the Grantee.

WITNESSETH:

WHEREAS, the Grantor and Grantee do hereby mutually agree as follows:

1. Conditions of Agreement

The Grantee hereby agrees to comply with all conditions contained in this Agreement, as well as those detailed in Appendix A titled "Standard Conditions of Agreement" and Appendix C titled "Grants and Contracts Accountability Policy" attached hereto and incorporated herein by reference.

2. Definition, Scope and Quality of Grant Services

- a. The Grantee shall administer the removal and disposal of the designated derelict vessel as an independent governmental authority and not as an agent or representative of the Grantor.
- b. The vessel shall not be eligible for removal and disposal by the Grantee, unless and until, said vessel has been designated as a derelict vessel by the Florida Marine Patrol.
- c. Authorized disposal site for the derelict vessel shall be limited to permitted artificial reef sites and permitted landfill locations. Exceptions to this requirement must be approved in writing by the Executive Director of the Department of Natural Resources.
- d. No grant monies for the removal and disposal of the derelict vessel shall be paid to the grantee until said vessel has been legally removed and disposed of and such removal and disposal properly documented by the Grantee.
- e. The Grantee shall be responsible for obtaining all state, local and federal permits and licenses required for the removal and disposal of the designated derelict vessel.
- f. Any pollutant found to be contained within the derelict vessel shall be removed and properly disposed of by the Grantee prior to the removal of said vessel.

- g. The Grantee shall be entitled to the salvage value of the grant designated derelict vessel or any part(s) or accessories thereof, excluding the hull, not used in the construction of a permitted artificial reef site. All such salvage activities not essential to the physical removal of the derelict vessel shall be accomplished after the vessel has been removed from public waters. The salvage value of the vessel shall be considered by the Grantee in determining the projected removal and disposal costs for the derelict vessel.
- h. The Grantee shall not be entitled to payment from grant funds for the designated derelict vessel for which the removal and disposal of same was accomplished prior to the award of the grant or subsequent to the close of the grant period established by the Grantor.
- i. The Grantee shall maintain such insurance coverage, either through a self-insurance program or purchase of coverage from an authorized insurer, as will protect it from any and all claims, including pollutant spillage and death, which may arise from operations under this Agreement. The Grantee shall require any subcontractor to carry such insurance coverage as will be necessary to protect the subcontractor and Grantee from any and all claims arising out of the subcontractor's participation in activities related to this program. Certificates of such insurance shall be subject to the approval of the Grantor for adequacy of protection.
- j. The Grantee shall provide the Grantor with a monthly written status report within thirty (30) days of the end of each calendar month. This report shall indicate the actions being taken or taken to complete the grant project.
- k. The Grantor's performance and obligation to pay under this Agreement are contingent upon an annual appropriation by the Florida Legislature.
- l. An awarded Derelict Vessel Removal Grant shall be subject to pre-audit and post-audit by the Grantor or its representative. All records and documents of the Grantee pertaining to this Grant shall be maintained by the Grantee for a minimum of three fiscal years following the end of the fiscal year in which final grant payment is made by the Grantor to the Grantee. Said records and documents shall be made available to the Grantor or its representative upon request thereof.

m. The Grantee shall not have derelict vessel 08062 physically removed from the water prior to December 1, 1986 in order to allow the identified known owner the legal opportunity to remove said vessel. Based on the actions of the known owner, the Grantor reserves the right to extend this date or cancel this grant. Such extension or cancellation shall be made to the Grantee in writing.

3. Identification, Removal and Disposition of Derelict Vessel

The following derelict vessel shall be removed and disposed of by the Grantee in accordance with the provisions of this Agreement:

<u>FMP ID# of Vessel</u>	<u>Approx. Length of Vessel</u>	<u>Maximum Allowable Reimbursement for Vessel Removal/Disposal</u>	<u>Designated/Permitted Disposal Site</u>
DV08062	113'	\$38,763.00	Tillman Ridge (County Landfill)

4. Payment of Grant Monies

a. The Grantor shall pay, on a reimbursement basis, to the Grantee, grant funds not to exceed the projected dollar amount for the vessel as reflected in Paragraph 3 of this Agreement. Payment requests and expenditure documentation shall be submitted in accordance with and on the forms included in the Grants and Contracts Accountability Policy attached to and made a part of this Agreement as Appendix C. However, reimbursement to the Grantee shall be net of salvage as referenced in Paragraph 2. g. Salvage recovery must be documented.

b. Verification of compliance with the grant terms and conditions will be completed by the Grantor and payment will be authorized within 30 days after receipt by the Grantor of the required "Disposition Certification," Appendix B, and proper invoice with supporting schedules and documentation.

5. Period of Grant

The grant period shall begin on September 15, 1986, and end no later than June 30, 1987. The Grantee understands and agrees that the derelict vessel removal and disposal requirements of this Agreement must be satisfactorily completed on or before June 30, 1987.

6. Force Majeure

Notwithstanding anything in this Agreement to the contrary, the Grantee shall have no liability hereunder in the event of outbreak of war, restraint of Government, Princes or People of any nation or of the United Nations, riots, civil commotion, Acts of God or of the public enemy or for any other cause of the same or other character beyond the control of the Grantee which prevents the Grantee from performance of the terms and conditions set forth in this Agreement.

7. Modification of Agreement

This Agreement and incorporated Appendices represent the entire Agreement of the parties. Any alterations, variations, changes, expanded scope, modifications, or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing, duly signed by each of the parties hereto and attached to the original of this Agreement.

8. Hold Harmless Indemnification

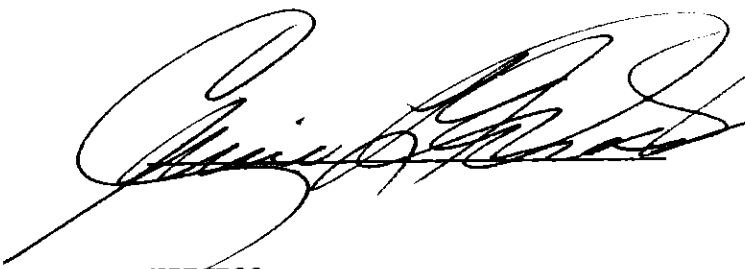
The Grantee shall save and hold harmless and indemnify the Grantor against any and all liability claims, judgments or costs of whatsoever kind and nature for injury to or death of any person or persons and for loss or damage to any property occurring in use, service, operations or performance of work under the terms of this Agreement, resulting in whole or in part from the negligent acts or omissions of Grantee, subcontractor, or any employee, agent or representative of Grantee or subcontractor.

9. Grantor Management of Agreement

The agreement manager for the Grantor shall be the Deputy Director for Marine Patrol Support Services. Said individual shall serve as liaison with the Grantee and shall approve all invoices prior to payment.

IN WITNESS WHEREFORE, the parties have caused these above mentioned
at Tallahassee, Florida.

WITNESS:



WITNESS:

Cheryl W. Coker

BY Elton J. Gissendanner
Dr. Elton J. Gissendanner
Executive Director
Florida Department of
Natural Resources
3900 Commonwealth Boulevard
Tallahassee, Florida 32303

Approved as to form and legality:

BY Ally
Attorney for the Department of
Natural Resources

Francis N. Brubaker

WITNESS:

Cheryl Kent

Richard L. Healy
Agreement Manager
Deputy Director for
Marine Patrol Support Services

Albe Jones
Agreement Administrator

BY Francis N. Brubaker
Official Representative of Grantee

Chairman, Board of County
Commissioners, St. Johns County
Title

P. O. Drawer 300
St. Augustine, FL 32085
Address of Grantee

(904) 824-8131 - EXT. 500
Telephone Number of Grantee

APPENDIX A

STANDARD CONDITIONS OF AGREEMENT

This Agreement is subject to all of the conditions listed below. Waiver of any of these conditions must be upon the express written approval of the Grantor, and such waiver shall be a part of this Agreement.

1. Allowable Costs

Only those eligible costs indicated in Appendix C of this Agreement shall be allowable. All minor details necessary for the proper completion of the work herein specified shall be accomplished by the Grantee without additional expense to the Grantor.

2. Termination of Agreement

This Agreement may be terminated by the Grantor or Grantee by giving thirty (30) days written notice to the other party; said notice shall be sufficient if it is delivered to the other party personally or mailed by certified mail to its specified mailing address.

3. Monitoring

The Grantee shall permit the Grantor, or its duly authorized representative, to monitor the removal and disposal of derelict vessels covered by this Agreement as deemed necessary by the Grantor.

4. Compliance With Laws

The Grantee shall fully comply with all applicable laws, ordinances, and codes of state, federal and local governments which are applicable to the work accomplished pursuant to the attached Agreement. Full responsibility for such compliance shall rest with the Grantee. The Grantor shall assume no liability for failure thereof.

5. Competent Employees and Modern Equipment To Be Utilized

The Grantee agrees that all work shall be performed by competent employees experienced and qualified to do the work specified in the attached Agreement, and that all work will be performed in accordance with the best commercial practices and without unnecessary delays. The Grantee and its subcontractors must use suitable, modern equipment necessary for the satisfactory execution of the Agreement.

6. Delinquent Payment by Grantor

In accordance with Chapter 215.422, Florida Statutes, interest at a rate of one (1) percent per month or portion thereof shall be paid to

the Grantee if a warrant in payment of an invoice is not mailed by the Grantor within 45 days after receipt of a correct invoice and receipt, inspection, and approval of the goods and/or services. The Grantor shall have 10 days from its receipt of notice required by Appendix B of this Agreement before said 45 day period begins. The Grantor requires such 10 days for its inspection of the vessel site(s).

7. Public Access to Documents

This agreement may be cancelled by the Grantor without prior notice for refusal by the Grantee to allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the Grantee in conjunction with this Agreement.

8. Utilization of Prison Rehabilitative Industries & Diversified Enterprises, Inc.

It is expressly understood and agreed that any articles which are the subject of, or required to carry out this Agreement shall be purchased from the Corporation identified under Chapter 946, F.S., in the same manner, and under the procedure set forth in Section 946.15(2),(4), F.S., and for purposes of this Agreement the Grantee shall be deemed to be substituted for the Grantor insofar as dealing with such Corporation.

The "Corporation identified" is PRISON REHABILITATIVE INDUSTRIES & DIVERSIFIED ENTERPRISES, INC. (P.R.I.D.E.).

In accordance with Chapter 946, Florida Statutes, as amended by the 1984/85 Legislature, this requirement is hereby made a part of this Agreement. Information and cost on products and/or services available from P.R.I.D.E. may be obtained by contacting P.R.I.D.E., 611 Druid Road East, Suite 715, Clearwater, Florida 33516, Att: James McDonie, Tel. 813/441-1950.

APPENDIX B

FLORIDA DEPARTMENT OF NATURAL RESOURCES
3900 Commonwealth Boulevard
Tallahassee, Florida 32303

Disposition Certification for Derelict Vessels

I hereby certify that the derelict vessels listed below were properly and legally removed/disposed of at the permitted disposal sites or locations indicated below:

<u>FMP I.D. # of Vessel</u>	<u>Brief Description of Vessel</u>	<u>Disposal Site/ Location</u>	<u>Date of Disposal</u>	<u>Signature, title, and telephone no. of Disposal Site/Location Official</u>
1				
2				
3				
4				
5				
6				
7				
8				

Authorized Signature of Representative
for Grant Recipient

Date

Title

Telephone No.

APPENDIX C

PROPOSED
RULES
OF THE
DEPARTMENT OF NATURAL RESOURCES
16A-11
GRANT AND CONTRACT ACCOUNTABILITY POLICY

- 16A-11.001 Purpose and Applicability
- 16A-11.002 Definitions
- 16A-11.003 Individual Program Supplement
- 16A-11.004 Disbursement of Funds
- 16A-11.005 Contract Negotiation
- 16A-11.006 Contract Classification
- 16A-11.007 Eligible Costs, Supporting Documentation, and
Billing Guidelines
- 16A-11.008 Services Provided by Affiliated Agencies
- 16A-11.009 Progress Reports
- 16A-11.010 Record Retention and Audits
- 16A-11.011 Forms

16A-11.001 Purpose and Applicability

The "Grant and Contract Accountability Policy" establishes uniform guidelines and procedures to be utilized in accounting for grant and contract funds disbursed by the Department of Natural Resources. This policy sets forth principles for determining eligible costs of programs, supporting documentation and minimum reporting requirements. This policy shall apply to all individuals, firms, and governmental agencies who are receiving funds through established grant programs, or performing contractual services for the Department, except that this policy

shall not apply to the non-mandatory land reclamation program administered under the provisions of Chapter 378, F.S., or to the acquisitions of land as provided for in Section 253.025, F.S. This policy shall also apply to the federally funded grant programs administered by the Department except that the provisions of this policy shall not authorize the payment of any costs prohibited by Federal laws or regulations relative to such grant programs or that conflict with other Federal contractual requirements. This policy shall not apply retroactively to agreements in effect at the time of adoption. Waiver or modification of eligible costs, supporting documentation or reporting requirements may be made by the Department's Executive Director, or his designee, provided the approval for any such changes shall be evidenced by an appropriate provision in the project agreement, or amendment thereto.

Specific Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.002 Definitions

(1) **Affiliated Agencies or Companies:** Subunits or divisions of the same governmental agency; private entities effectively controlled by another or associated with others under common ownership or control.

(2) **Amendment:** A formalized modification of an existing project agreement. Such amendments shall be executed by both the Department and grantee. Department personnel may execute amendments in accordance with the approved delegation of authority in effect at the date of such amendment.

(3) **Contractual Service:** The rendering by a contractor of its time, effort, and expertise rather than the furnishing of specific commodities. Contractual services shall include but are

not limited to evaluations, consultations, maintenance, research and development studies, professional, technical, and social services, and shall apply only to those services rendered by agencies, institutions, individuals or firms who are independent contractors.

(4) Date of Completion: The date when all work is completed (to include submission of a final report, if required) or the date specified in the project agreement, or any amendment thereto, whichever occurs first.

(5) Department: The Department of Natural Resources.

(6) Direct Costs: Costs that can be specifically identified as being incurred for the accomplishment of a particular project.

(7) Disallowed Costs: Reported project costs which are subsequently disallowed by the Department due to noncompliance with Federal or State laws, rules, regulations, or the project agreement.

(8) Donated Materials, Property and Services: Materials, property, or services contributed or provided from others at no cost to the grantee. The values of such donated materials, property or services are not eligible costs for State reimbursement; nor may they be used, except for real property, as costs of the grantee where the grantee is required to fund a certain percentage or amount of the total cost. The value of donated real property may be used as costs of the grantee for certain projects where the grantee is required to fund a certain percentage or amount of total cost. Authorization by the Department for such use of donated real property and the method of establishing the value for such property shall be evidenced by appropriate provisions in the project agreement or amendment thereto.

(9) Eligible Costs: Costs identified by Federal or State laws, rules or project agreement as being reimbursable with Federal or State funds.

(10) Grantee: Any state agency, county, city, university, special district, or other governmental agency, as well as, private entities or persons receiving grant or contract funds from the Department.

(11) Grant and Contract: Obligation of funds by the Department for the accomplishment of a specified project or performance of specified services or activities by a grantee.

(12) Indirect Costs: Costs incurred for common or joint purposes that cannot be readily identified as being incurred solely for the accomplishment of a particular project.

(13) In-kind Services: The grantee's utilization of inhouse resources (labor, equipment, or materials) to accomplish a specific project. Donated materials, property, or services are not included within the definition of in-kind services.

(14) Plans and Specifications: Detailed working drawings and technical specifications necessary to describe the scope of the project and provide a firm basis for competitive bidding and contractual obligations.

(15) Professional or Technical Services: Services requiring specialized skills or knowledge. This shall include but not be limited to the following types of services: legal, engineering, architectural, surveying, research and consulting.

(16) Project Agreement (Contract): A written contract executed by the Department and grantee setting forth in detail the mutual obligations of both parties. Department personnel may execute such agreements in accordance with the approved delegation of authority in effect at the date of execution.

(17) Project Administrator: The official designated by the grantee to serve as a liaison agent in routine matters and

provide direct project supervision and administration. The appropriate Bureau Chief or other designated person shall serve as the Department's project administrator, also known as contract manager.

(18) Project Costs: All necessary and reasonable costs incurred by a grantee in accomplishing the objectives of a project during the project period.

(19) Project Engineer: A professional engineer registered in the State of Florida pursuant to Chapter 471, Florida Statutes.

(20) Project Financial Officer: The official who is primarily responsible for maintaining the financial and accounting records of the grantee.

(21) Project Period: The specified period of time during which all contracted work must be accomplished.

(22) Termination: The cancellation of a grant or contract, by either the Department or grantee at any time prior to the date of completion with written notification, or by the Department for reasons of noncompliance with Federal or State laws, rules, regulations, or the project agreement.

Specific Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.003 Individual Program Supplement

This rule has been established as general policy for the administration, control, and standardization of the various grants and contracts of the Department. Specific requirements of individual grant programs shall be established in separate rules and be made available to grantees. Should any provision of this rule authorize the payment of any costs specifically prohibited by Federal or State laws and rules governing a particular grant

program administered by this Department, then such provision shall be null and void with the remainder of this rule continuing in effect.

Specific Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.004 Disbursement of Funds

Grant and contract funds shall be disbursed by the Department in accordance with good cash management principles. Grant and contract funds may be disbursed on a reimbursement, percentage of completion, unit of production, project installation or other equitable method, including the advancement of funds to the grantee when warranted and provided for by law. Funds will not normally be disbursed to a grantee more frequently than monthly. In most circumstances, the Department shall retain a specified percentage (10% minimum) of its obligation until final completion and approval of the project. The amount retained may be modified or waived with justification and formal approval by Department personnel who are authorized to execute the project agreement or amendments. Disbursement terms shall be negotiated prior to execution of the project agreement and be clearly identified in the agreement between the Department and grantee.

Specific Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.005 Contract Negotiation

(1) All contracts between the Department and grantee shall be negotiated in accordance with the applicable provisions of Chapter 287, Florida Statutes and related Rules of the Florida

Administrative Code in effect at the time such purchases are made. This may require informal or formal competitive bidding, competitive negotiation, advertising, or authorization for emergency or single source contracts.

(2) If the grantee is a governmental agency, all purchase of goods and/or services for the accomplishment of the project shall be negotiated, at a minimum, in accordance with the provisions of Chapter 287, Part I, Florida Statutes and related Rules of the Florida Administrative Code in effect at the time such purchases are made unless waived by the Executive Director of the Department, except that single source or emergency purchases shall be subject to authorization by the Department's project administrator in lieu of the Department of General Services. The selection and awarding of subcontract by grantees may be subject to the approval of the Department if specified in the project agreement.

(3) If Federal monies are being used to fund a project with another governmental unit then the agreement between the Department and the grantee shall contain the following provision. If the grantee/contractor is subject to the provisions of the Office of Management and Budget (OMB) Circular #A-128, then the grantee/contractor shall furnish a copy of the independent financial and compliance audit (required by A-128) to the Department within 30 days after furnishing the original audit to the Office of Management and Budget.
Specific Authority 370.021(1) F.S.
Law Implemented 370.021(1) F.S.
History New _____.

16A-11.006 Contract Classification

One of the following types of project agreements (contracts) shall be executed whenever it is in the best interest of the

State. A change in contract classification may be approved by Department personnel who are authorized to execute project agreements or amendments, anytime prior to the first disbursement of funds to the grantee.

(1) Fixed Contract - Grantee is paid a fixed dollar amount or lump sum for accomplishing the project or performing the service or activity required by the Department.

(2) Hourly Contract - Grantee is paid a fixed dollar amount per hour worked in accomplishing the project or performing the service or activity required by the Department.

(3) Actual Cost Contract - Grantee is paid or reimbursed for eligible costs (or a specified portion) incurred in accomplishing the project or performing the service or activity required by the Department.

Specify Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.007 Eligible Costs, Supporting Documentation and Billing Guidelines

The type of project agreement or contract (16A-11.006) executed between the Department and grantee establishes the eligible costs, supporting documentation, and billing requirements for each particular grant or contract. In general, it is the Department's intent that grant and contract funds be obligated for work not yet undertaken, rather than paying for work that has already commenced or been completed. In unusual circumstances, exceptions may be made by Department personnel in accordance with approved delegations of authority after receipt of written justification for the payment of retroactive or preagreement costs. Any payment for such retroactive or preagreement costs shall be clearly identified in the project

agreement. Costs connected with the solicitation or receipt of grant funds shall be the responsibility of the grantee and not eligible for reimbursement.

(1) Fixed Contract.

(a) Eligible Costs - Grantee is paid a fixed dollar amount or lump sum which is negotiated in advance for performing a service or accomplishing a specific project. Therefore, specific identification of eligible costs is not applicable to these contracts as the grantee shall be paid the specified amount upon satisfactory completion of the project.

(b) Supporting Documentation - Satisfactory evidence of project completion, or a portion thereof in the case of progress payments, as required by the project agreement with acceptance and approval by the Department shall be the only supporting documentation necessary for fixed contracts. A certification of completion by a registered architect, engineer, or by both the grantee's and Department's project administrator shall be required prior to the final disbursement of funds.

(c) Billing - The grantee shall submit billing request forms as may be required by Federal or State laws and regulations governing such grant funds. In the absence of such specified forms, the grantee shall submit an invoice or invoices to the Department specifying the work accomplished or performed for the payment requested. Such invoices shall contain a certification by the grantee's project administrator that all work required by the project agreement for such payment has been satisfactorily completed. Progress payments shall be made, if provided for in the agreement, upon approval of the Department's project administrator. The grantee's invoice for final payment shall be clearly identified as such and require approval by the Department's project administrator.

(d) Record Retention - When specified in the agreement the grantee shall retain all documentation necessary to support compliance with terms and conditions of the agreement.

(2) Hourly Contract.

(a) Eligible Costs - Grantee is paid a fixed dollar amount (negotiated in advance) per hour worked in performing a service or accomplishing a specific project. Different hourly rates may be established for various levels of personnel to be assigned to a project. These contracts may be negotiated on an "All Inclusive Rate" or an "Hourly Rate Plus Specified Expenses" (such as travel costs). Only those hourly rates and specified expenses contained in the project agreement shall be considered eligible costs.

(b) Supporting Documentation.

1. Hours of Work - Grantee shall maintain individual time records, project activity report, or other types of operational costs reports to document the hours that grantee personnel worked on the project. These records must be signed at a minimum by the project foreman and approved by the project administrator. These records must relate the actual dates and hours worked on the project to general categories of work performed.

2. Specified Expenses - Grantee must maintain appropriate supporting documentation as required for the specific expense categories identified in Actual Cost Contracts, Section 16A-11.007(3)(b) of this rule.

(c) Billing - The grantee shall submit billing request forms as may be required by Federal or State laws and regulations governing such grant funds. In the absence of such specified billing forms, the grantee shall submit the Hourly Contract Payment Request, DNR Form 15-030(16), or other form approved by the Department and set forth in the agreement, for all billings

under Hourly Contracts. This payment request shall be accompanied by Hourly Contract Labor and Travel Schedule, DNR Form 15-031(16), or other form approved by the Department and set forth in the agreement, and other schedules as required for specified expenses. A certification of completion by a registered architect, engineer, or by both the grantee's and Department's project administrators shall be required prior to the final disbursement of funds. Progress payments shall be made upon approval of the Department's project administrator, if provided for in the agreement. Final requests for payment shall be identified as such and require approval by the Department's project administrator.

(3) Actual Cost Contract

(a) Eligible Costs - To be eligible for reimbursement under a particular grant or contract program, costs must be necessary and reasonable for the effective and efficient accomplishment of such project or activity and be directly allocable thereto pursuant to Federal or State laws, rules, and regulations. Costs must be incurred and work performed within the project period with the exception of preagreement costs specifically identified within the project agreement. Costs cannot be allocable to or included as a cost of any other Federal or State financed program unless clearly specified in the project agreement. Costs must be net of all applicable credits such as purchase discounts, allowances, sales of scrap, and income from incidental services. The following paragraphs identify eligible and ineligible costs for reimbursement under actual cost contracts subject to any limitations of Federal or State law.

1. Contractual Services

a. Eligible - Costs of work performed by private or independent contractors that are directly related to the accomplishment of the project for a grantee.

b. Ineligible - Costs for work performed by private or independent contractors pursuant to cost plus or contingency fee contracts.

2. Salaries and Wages

a. Eligible - Salaries and wages of employees for the performance of work directly related to the accomplishment of the project (if allowed under specific programs). Hourly wage rates shall be calculated by dividing the employee's regular gross annual salary for pay purposes by 2,080 gross annual work hours. Overtime charges for such employees shall be eligible costs provided they are necessary and approved by the grantee's project administrator. Overtime charges, when provided for in the agreement, shall be computed in accordance with the grantee's normal policy for payment of overtime to employees.

b. Ineligible - Salaries and wages of employees responsible for administration and general activities who do not perform work directly related to the accomplishment of the project. Salaries and wages of employees applicable to vacation, sick leave, or holidays. Salaries and wages of employees performing routine daily servicing of equipment including general maintenance and repair work except incidental repairs in field operations.

3. Employee Benefits

a. Eligible - A percentage of eligible salaries and wages of grantee employees shall be allowed as a reasonable reimbursement for benefits. The allowable percentage shall be calculated based on one of the following methods.

(1) A maximum of 15% of eligible salaries and wages of employees who accrue annual, sick and holiday leave from the grantee; plus a maximum of 25% of eligible salaries and wages of employees who receive other benefits (such as FICA

retirement, health and life insurance, and workers compensation) from the grantee; or

(2) The actual cost percentage incurred by the grantee for employee benefits, if greater than the maximum of 40% as in 3(a)(1) above, provided that the actual cost percentage can be documented by the grantee and is approved by the Department in advance.

b. Ineligible - employee benefits in excess of the rates as established by the above methods and approved by the Department.

4. Material and Supplies.

a. Eligible - All costs of materials and supplies consumed or expended in accomplishing the project including direct purchases as well as withdrawals from grantee's stock.

b. Ineligible - Costs of small tools (shovels, saws, hammers, drills, etc.) and clothing or uniforms worn by employees except that clothing worn for safety purposes may be eligible. Operating expendables or replacement parts purchased for grantee owned equipment used on the project.

5. Equipment

a. Eligible - all reasonable costs for equipment which is required to be used or to be kept available at the site for the accomplishment of the project.

(1) The actual cost incurred for the rental of equipment by the grantee from independent sources for the time such equipment is used or required to be available to accomplish the project.

(2) Rental rates as established hereinafter for the use of grantee owned equipment provided the use of each piece of equipment and applicable rental rate are agreed upon in writing by both the Department's and grantee's

project administrators prior to commencement of the project. The Department will establish a rental rate schedule for commonly used equipment. The schedule will be reviewed annually and adjusted for inflation and other cost factors. If the Schedule does not provide a rental rate for a piece of equipment, then the rental rate shall be established at the prevailing rental rate being paid for such equipment in the area where the project is located. The rental rate shall include all allowances for operating costs (fuels, lubricants, repairs and servicing) including insurance and depreciation. Other rental rates may be used when approved in writing by the Executive Director of the Department.

(3) The purchase of equipment when required for the accomplishment of the project and when specified in the agreement. All purchased equipment shall be the property of the Department and shall be transferred to the Department when the equipment is no longer needed for the project, or when the project is completed, or upon termination of the agreement, whichever is earlier, unless waived by the Executive Director of the Department.

b. Ineligible - Costs of repairs or servicing of grantee owned equipment. Rental charges subsequent to completion of the need for a piece of equipment for the project. Equipment purchases not authorized in the agreement.

6. Travel and Per Diem

a. Eligible - Travel and per diem expenses directly related to the accomplishment of the project or performance of specified work by grantee employees. Travel and per diem shall be reimbursed in accordance with Section 112.061, Florida Statutes, as may be in effect at the time the project is authorized.

b. Ineligible - Travel and per diem expenses of grantee employees incurred in efforts to obtain grant and contract funds. Travel and per diem expenses of grantee employees for attendance at professional or scientific seminars, conferences or conventions unless specifically approved by the Department and set forth in the project agreement.

7. Donated Services, Materials, Supplies, Equipment, or Property

a. Eligible - With written authorization by the Department's project administrator, as evidenced by the project agreement, the value of donated real property may be used in certain grant programs as all or part of the grantee's obligation. The project agreement shall clearly specify the methods for which values will be assigned to the donated real property.

b. Ineligible - Values assigned to any donated property, materials or services used in accomplishing the project except for real property as noted above.

8. Indirect Costs

a. Eligible - 15% of the amount of eligible salaries and wages of grantee employees (not to include employee benefits) shall be allowed as a reasonable reimbursement for indirect costs of grantees who are governmental agencies. The Executive Director of the Department may approve a different indirect cost rate when evidence submitted by the grantee is sufficient to warrant it, or when a different rate is required for the administration of federally funded projects. Indirect costs include but are not limited to, general operating expenses (such as insurance, storage, office space, utilities, telephones, postage, office supplies, etc.) and general administrative services (such as Personnel, Purchasing, Fiscal, etc.). If the grantee is not a governmental agency, indirect cost rates which

would include provisions for profits, shall be determined through contract negotiation provisions as set forth in Section 16A-11.005(1). The provisions of this section will not invalidate the current indirect cost rate agreement between the Department and the State University system which will remain in effect until adjusted as provided for in this section.

b. Ineligible - Indirect costs in excess of the standard or approved allowance(s).

(b) Supporting Documentation

1. Contractual Services - Services provided for a grantee by private or independent contractors shall be evidenced by a formal agreement or contract executed by all appropriate parties specifying the exact terms and conditions. Competitive bid specifications and actual bids received shall be maintained by the grantee. The selection and awarding of such contractual services by the grantee shall be subject to the Department's approval if specified in the project agreement.

2. Salaries and Wages - Payroll registers or journals, payroll warrants, and other financial source documents shall be maintained to substantiate the rates of pay and actual payments to grantee employees. Hours of work reported for grantee employees shall be supported by individual time records, project activity reports, or other operational cost records signed at a minimum by the immediate field supervisor (foreman) and approved by the grantee's project administrator. These records shall reflect the general categories of work performed (e.g. spraying hyacinths - Lake Louise, constructing picnic tables - Lake Louise Park, etc.).

3. Employee Benefits - Calculations and supporting documentation used to determine the actual cost percentages incurred by the grantee for employee benefits shall be maintained by the grantee. However, if the percentages used do not exceed

the maximum set forth in 16A-11.007(3)(a)3., no specific supporting documentation need be maintained unless stipulated as a specific grant condition. The approved rate, if higher than the maximum percentages, and supporting documentation requirements must be stated in the agreement.

4. Materials and Supplies

a. Direct Purchases - Vendor invoices shall be maintained that include a description of the items and quantity purchased, unit cost and total cost, less applicable discounts. Invoices shall also contain the delivery date and signature of a grantee employee assigned to work on the project along with a description of the general use for such materials or supplies. Purchase orders, requisitions and competitive bid documentation as applicable, shall be maintained for such purchases. Cancelled warrants shall be maintained as evidence of payment for such purchases.

b. Grantee Stock - Materials or supplies taken from grantee's stock or inventory shall be supported by material requisitions or other job order/project cost records signed by the storekeeper and grantee employee assigned to work on the project. These source documents shall describe items in detail and identify the general use of such materials in the project. Appropriate records (i.e. vendor invoices, cancelled checks, etc.) shall be maintained to support unit costs of the materials based upon the grantee's inventory valuation. An inventory system with procedures and records in accordance with generally accepted accounting principles shall be maintained by the grantee. No warehouse or overhead charges added by the grantee shall be allowed.

5. Equipment - Equipment usage logs, project activity reports, or other operational cost reports shall be maintained to reflect the daily use of each piece of equipment.

These records shall reflect the general work performed and the name of the equipment operator as well as the actual dates and hours of use. These records shall be signed at a minimum by the immediate field supervisor (foreman) and approved by the project administrator. Invoices and other documentation such as cancelled checks and purchase orders shall be maintained to support charges for rental costs of equipment obtained from independent sources.

6. Travel and Per Diem - Travel and per diem costs must be supported by a completed State of Florida Voucher for Reimbursement of Travel Expenses, (Form C676); with appropriate receipts as required. The travel voucher must identify in detail the specific purpose of such travel and be allowed to the extent permitted by Section 112.061, Florida Statutes, at the time the project is authorized.

7. Donated Real Property - Appraisals or other documentation as required by the Department shall be maintained and submitted for review to support values established for donated real property.

8. Indirect Cost - No specific supporting documentation need be maintained for such costs, except when a rate other than the standard of 15% is required. The applicable rate shall be indicated in the project agreement.

(c) Billing - The grantee shall submit billing request forms as may be required by Federal or State laws and regulations governing such grant funds. In the absence of such specified billing forms, the grantee shall submit the Actual Cost Contract Payment Request, DNR Form 15-032(16), or other form approved by the Department and set forth in the agreement, to the Department for reimbursement of grant or contract costs. This payment request shall be accompanied by the documentation or schedules specified below for those costs that are to be reimbursed by the

Department. Progress payments, if provided for in the agreement, shall be made upon the approval of the Department's project administrator. Final requests for payment shall be identified as such and require approval by the Department's project administrator. A certification of completion by a registered architect, engineer, or by both the grantee's and Department's project administrators shall be required prior to the final disbursement of funds. If the grantee is a governmental agency requesting reimbursement for costs of materials and/or services, a certification shall be required prior to the final disbursement of funds by the Department, from the grantee's project administrator that all such purchases for the project were made at a minimum, in accordance with the provisions of Chapter 287, Part I, Florida Statutes, and applicable Rules of the Florida Administrative Code in effect at the time the purchases were made.

1. Contractual Services - The Contractual Services Purchases Schedule, DNR Form 15-037(16), or other form approved by the Department and set forth in the agreement, shall accompany payment requests for reimbursement of contractual services. The contractor's name, check or voucher number, contractor invoice number, and a general description of the services provided shall be reported to the Department.

2. Salaries and Wages - The Grantee Labor and Travel Cost Schedule, DNR Form 15-033(16), or other form approved by the Department and set forth in the agreement, shall accompany payment requests for reimbursement of salaries and wages of grantee employee. The following information shall be reported:

- a. Last name of employee and initials;
- b. Job classification and description of work performed;
- c. Project hours this billing;

- d. Rate of pay;
- e. Project labor cost this billing;
- f. Travel and per diem costs, if applicable.

State of Florida Voucher for Reimbursement of Travel Expenses (Form C676) shall be submitted for these costs.

3. Employee Benefits - Employee benefits shall be reported as a line item on payment requests.

4. Materials and Supplies

a. Direct Purchases - The Direct Material Purchases Schedule, DNR Form 15-034(16), or other form approved by the Department and set forth in the agreement, shall accompany payment requests for reimbursement of direct material purchases. The vendor's name, check or voucher number, vendor invoice number, cost, and a general description of items purchased shall be reported to the Department.

b. Grantee Stock - The Grantee Stock Material Cost Schedule, DNR Form 15-035(16), or other form approved by the Department and set forth in the agreement, shall accompany payment requests for reimbursement of materials utilized from grantee's stock or inventories. The material requisition date and number, general description of materials used, and applicable costs shall be reported to the Department.

5. Equipment - The Grantee Equipment Cost Schedule, DNR Form 15-036(16), or other form approved by the Department and set forth in the agreement, shall accompany payment requests for reimbursement of equipment rental costs or for utilization of grantee owned equipment. The type of equipment and general use shall be reported to the Department along with equipment hours, DNR Rates or rental costs, actual operating hours and operating allowances.

6. Travel and Per Diem - The Grantee Labor and Travel Cost Schedule, DNR Form 15-033(16), or other form approved

by the Department and set forth in the agreement, shall accompany payment requests for reimbursement of travel costs. State of Florida Travel Vouchers (Form C676) shall be submitted to support amounts reported on this schedule.

7. Donated Real Property - Values established for donated real property shall be reported on the payment requests only upon prior written consent of the Department. The grantee shall submit such documentation as required by the Department to support the values established for such property.

8. Indirect Costs - Indirect costs shall be calculated at the approved rate and shall be reported as a line item on payment requests.

(4) Alternate Billing Procedures

(a) The Department's project administrator may approve the use of other available accounting records in lieu of the specified Department forms, provided such alternate records contain the same detailed information as required above in Sections 16A-11.007(1), (2), and (3). The use of such alternate records must be set forth in the agreement.

(b) The grantee may request advance written approval of the Department's project administrator to engage independent Certified Public Accountants to provide a post audit and compilation of project costs presented in the same general cost categories as contained on the Actual Cost Contract Payment Request, DNR Form 15-032(16). Such statements shall be accepted in lieu of the other specified Department forms required above for actual cost contracts, Section 16A-11.007(3), only if payment requests are withheld by the grantee until completion of the project and submitted with the CPA's report. The additional costs incurred by the grantee for this alternate billing method shall not be eligible for reimbursement but shall be compensated through the allowance for indirect costs.

Specific Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.008 Services Provided by Affiliated Agencies

If the grantee obtains services or purchases materials from affiliated agencies or companies, such costs shall be supported and billed in the same manner as required for the grantee in Section 16A-11.006.

Specific Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.009 Progress Reports

The grantee shall submit detailed progress reports with each payment request or at minimum intervals of 90 days if payment requests are not made by the grantee within such specified time period. (This is applicable to those projects which, due to their nature, require progress reports and such reports are stipulated in the project agreement). The progress reports shall summarize the work accomplished, problems encountered, percentage of completion and other appropriate information. Photographs should be submitted when appropriate to further reflect actual work accomplished. The progress reports must be signed by the grantee's project administrator.

Specific Authority 370.021(1) F.S.

Law Implemented 370.021(1) F.S.

History New _____.

16A-11.010 Record Retention and Audits

(1) For all projects other than fixed price contracts the grantees shall retain all original records in support of the

project costs included in the payment requests for three fiscal years (grantee's) after the fiscal year in which final payment was made by the Department to the grantee, except that such records shall be retained until resolution of matters resulting from any litigation, claim or audit that started prior to the expiration of the three-year retention period.

(2) All records of the grantee in support of the project costs included in payment requests shall be subject to review by the Department, the Auditor General, State Comptroller, federal auditors or others who may be authorized to audit the records of the Department which involve the grantee. Records of the grantee shall be made available at a time and place specified by the reviewer.

16A-11.011 Forms

The following forms may be obtained from the Department's stockroom by request to the Department's project administrator.

Form 15-030(16)	Hourly Contract Payment Request
Form 15-031(16)	Hourly Contract Labor and Travel Schedule
Form 15-032(16)	Actual Cost Contract Payment Request
Form 15-033(16)	Grantee Labor and Travel Cost Schedule
Form 15-034(16)	Direct Material Purchases Schedule
Form 15-035(16)	Grantee Stock Material Cost Schedule
Form 15-036(16)	Grantee Equipment Cost Schedule
Form 15-037(16)	Contractual Services Purchases Schedule
Form C676	State of Florida Voucher for Reimbursement of Travel Expenses