



7203 Jackson Road Ann Arbor MI 48103-9506  
Phone: (734) 761-6722 X 105 Fax: (734) 662-1686  
Web Site: [www.semircd.org](http://www.semircd.org)

*Serving Lenawee, Macomb, Monroe, Oakland,  
St. Clair, Washtenaw and Wayne Counties*

## **ASH UTILIZATION OPTIONS PROJECT REQUEST FOR PROPOSALS (RFP)**

### **PART A - PROGRAM ANNOUNCEMENT & GRANT GUIDELINES**

#### **BACKGROUND INFORMATION**

In every community across the nation, trees from streets, parks, backyards, and other public areas are removed due to old age, disease, and mortality from a variety of causes. Even though many of these trees are of grade lumber quality, most municipalities consider them a waste, and therefore a disposal problem. Chipping/grinding wood residues and transporting them to an incinerator or landfill is a common disposal method for much urban wood, regardless of the market value that these residues might otherwise have. Communities suffer in this situation because:

- They pay large fees for chipping, transporting, and disposing of wood.
- They receive no economic return for these trees that were bought and cared for with public funds.
- They still have to purchase wood products from other sources for municipal projects.

According to "*Utilizing Municipal Trees: Ideas From Across the Country*" (Stephen M. Bratkovich, U.S. Forest Service, 2001), approximately 200 million cubic yards of urban wood is generated annually in the United States. Of this, 15% is made up of unchipped logs. If processed, these logs could produce 3.8 billion board feet of lumber—or 30% of all hardwood lumber produced annually in the U.S. When invasive species, such as the emerald ash borer, kill millions of additional trees, the need for higher value recycling options becomes even more critical.

The emerald ash borer (EAB) is an invasive exotic beetle that aggressively attacks North American ash trees (*Fraxinus* species). The first recorded outbreak of this insect in the United States was in Michigan in the summer of 2002. It is estimated that the insect arrived undetected in North America in untreated wood packing materials from China in the early to mid-1990s. By 2005, an estimated 10-15 million ash trees had been identified as dead or dying in twenty-one counties in southeastern Michigan, all as a result of the beetle infestation. In addition, approximately 35 small outlier infestations have been identified in other areas of Lower Michigan. Regions of Ohio, Indiana, and Ontario have also reported significant EAB outbreaks.

The widespread destruction caused by the EAB has resulted in enormous costs to local communities due to the expense of removal, disposal, and replanting efforts. Additionally, the infestation has produced large quantities of ash wood residues in need of disposal. According to the Michigan Department of Agriculture, by the fall of 2005, over 300,000 tons of ash trees had been sent through grinders at state-run disposal sites alone. Although much of the ash has been removed already in some Michigan communities, millions of trees still remain standing and represent a large burden for removal and disposal. In partnership with the USDA Forest Service Wood Education and Resource Center (WERC), the Southeast Michigan Resource Conservation and Development Council (RC&D) is working to help communities find ways to instead recycle these removed trees into valuable products. This effort, the *Ash Utilization Options Project*, involves numerous research initiatives, demonstration projects, training programs, and outreach efforts.

## COMPETITIVE EAB UTILIZATION DEMONSTRATION GRANTS PROGRAM

The short-term goal of the *Ash Utilization Options Project* is to demonstrate how the woody material (logs, limbs, and bark) created in removing EAB-infested ash trees can be recycled into products. This transformation of wood residues into wood products both reduces the amount of material requiring disposal and adds value to the recycled material. Utilization reduces disposal cost and creates opportunities for revenue. The long-range goal of this project is to develop systems so that *all* of the woody residues created in caring for the region’s urban and suburban trees can be recycled.

Beginning in 2004, the RC&D implemented several programs to address these goals through funding from the USDA Forest Service Economic Action Programs. (Please see the project website ([www.semircd.org/ash](http://www.semircd.org/ash)) for more details.) Thanks to additional funding from the USDA Forest Service Wood Education and Resource Center, the RC&D is continuing this work by developing demonstration projects, trainings, research programs, and outreach efforts. A large portion of the funding received by the Council will be distributed throughout the community as grants designed to achieve the following:

- ❖ Promote innovative and entrepreneurial approaches for the use of the EAB-impacted ash resource from both the urban and rural areas within quarantined areas by partnering with businesses, entrepreneurs, and community organizations.
- ❖ Demonstrate ways to reduce local wood disposal costs while providing jobs for both rural and urban residents within the quarantine area.
- ❖ Develop working relationships between communities and businesses to recycle and reuse woody materials created by urban forestry or business activities within communities.
- ❖ Improve the economic viability of wood-based business as an enterprise within southern Michigan.
- ❖ Increase the demand for locally manufactured wood products.

**At this time, the RC&D Council is accepting applications for three grant opportunities:**

- *Grant Opportunity #1 – Community Project*

Funding will be distributed to an organization, business, or municipality to show how removed municipal trees can be used directly within a community to address that area’s specific local needs. For example, urban wood could be used in the production of low-income housing for local residents (through Habitat for Humanity or other similar programs), used as building supplies for various service organizations (scouting groups, student programs, AmeriCorps, etc.), or used in efforts to restore public buildings. Local urban trees could be used to provide biomass energy for public buildings. Funding could also be used to organize a cooperative to assist local wood industries in accessing removed municipal trees and finding suitable markets. The funded project(s) should be highly visible within a community and will be used in a number of media outreach and/or educational events. Grant requests up to \$30,000 will be accepted. [Please note: Funding cannot be used directly for construction projects. However, construction efforts, paid for with non-federal funding, may be used as match.]

- *Grant Opportunity #2 – Kiln Assistance*

To date, few local operations have the capability to kiln dry wood products, therefore limiting the secondary processing opportunities available for urban wood resources. Funding will be administered to a local organization, business, or municipality to support the purchase of a dry kiln. The recipient(s) will demonstrate how additional processing capabilities can greatly increase the market opportunities and overall profitability for urban wood products. Grant requests up to \$20,000 will be accepted.

- *Grant Opportunity #3 – Wood Product Show*

Funding will be made available to present an art/wood products show to display pieces made from a variety of urban wood resources. This exhibit will successfully showcase the value inherent in woody “waste” materials, while providing needed exposure to the region’s craftspeople. Ideally, a series of public educational events outlining the devastation of invasive species and the need for sustainable management of urban forest resources would be presented alongside the exhibition. Grant requests up to \$5,000 will be accepted.

The RC&D Council is cooperating with USDA and MDNR to ensure the effective coordination of this program within the EAB quarantine area. The competitive grants program emphasizes – but does not limit – assistance to forest products businesses and interested communities within the EAB quarantine area.

Funded programs must work in compliance with all ash wood quarantine restrictions. The Michigan Department of Agriculture (MDA), in partnership with the USDA Animal and Plant Health Inspection Service (APHIS), is primarily responsible for implementing the state’s EAB eradication program. This program mandates that the movement of all ash woody material be regulated and prohibits the movement of untreated/unprocessed items from inside designated quarantined areas to outer regions (see map in appendix). Movement of ash products from infested areas can only occur legally with a compliance agreement from MDA and/or APHIS. For more information about quarantine restrictions, please visit [www.michigan.gov/mda](http://www.michigan.gov/mda) and choose “emerald ash borer” in the Quick Links section.

Funds for any project approved under this program are granted using a 1:1 matching ratio. That means for every \$1 granted by the RC&D Council, \$1 must be provided to the project by the grant recipient in the form of cash holdings, in-kind services, or other outside, non-federal and non-RC&D Council funds. Applications with greater match amounts are encouraged and will receive higher scores in that category. A table explaining items acceptable for matching funds is enclosed with this application.

## **EVALUATION CRITERIA & SELECTION PROCEDURES**

Parties seeking funding under this grant program must submit a completed application packet (as called for in this RFP) for funding consideration. A Review Committee appointed by the RC&D Chairman will review each application thoroughly based on the following review criteria:

1. Impact of proposed project on value-added use of the ash resource within the quarantine area
2. Potential for reducing disposal costs for communities in the quarantine area
3. Scientific or technical merit of project
4. Economic need of the applicant & ability to secure non-RC&D Council funds
5. Role in serving as a pilot or demonstration facility
6. Opportunity to save or create jobs and/or bring economic benefits to communities
7. Amount of local match (*Greater match amounts will receive higher consideration.*)
8. Past commitment to conservation, pollution prevention, or sustainable forestry issues
9. Background in managing grants and successfully completing grant funded project

Applications will be reviewed by the Committee and ranked based on the evaluation criteria. The Committee selects proposals to be funded, and determines the total amount of funds allocated to each grant recipient.

Applicants may be asked to modify objectives, work plans, or budgets prior to final approval of each proposal. Applicants may also be asked to complete additional application forms or other documents, as necessary. Subsequent grant and/or contract procedures will be in accordance with all RC&D Council policies and procedures. A summary statement of the review and evaluation by the committee will be provided to each applicant.

## GRANT PERIOD & PROGRESS REPORT

Grant recipients will be notified by mail and will have until December 1, 2006 to successfully implement the project. Grant awards will be disbursed in thirds, with the first two payments in advance of the project expenditure and the final payment as a reimbursement of project costs. [Note: The completion deadline should NOT prevent applicants with long-term projects from applying for *Grant Opportunity #1 – Community Assistance*. In fact, projects that will have a lasting impact on local communities are specifically encouraged. However, the extended timeline on such projects must receive approval in advance and adequate progress must be made according to said timeline by the December 1<sup>st</sup> deadline or funding may be withdrawn.]

Brief progress reports will be required of all awardees after one month and three months of grant award. If adequate progress is not being made toward proposed goals, the Council reserves the right to rescind the grant funds and to redistribute them to another qualified applicant. When the project is completed and all related measures implemented, the grant recipient must submit a final report to the RC&D Council on the status of funds spent and the goals met as a result of the grant award. In addition, the sub-grantee is asked, but not required, to write a brief testimonial of the positive affects that the award has had on the business and how you feel about your partnership with the RC&D Council.

## ELIGIBILITY FOR GRANTS

Any natural resource or wood products business, municipality, institution, or organization is eligible to submit an application for funding under the grants program, provided that the group can demonstrate that its proposal will serve to add value to the use of the EAB-impacted ash resource and will assist businesses, agencies, and units of government deal with the EAB quarantine more effectively and efficiently.

Applicants do not have to be located in the RC&D Council area, but applicants from the RC&D Council area will receive additional consideration when their application is reviewed.

## REQUIRED MATERIALS FOR THE GRANT APPLICATION

Grant application materials can be recreated on your computer as long as they follow the exact format as the enclosed forms. Handwritten application materials will not be accepted. Additional copies of the application (either electronic or paper) can be obtained by contacting the RC&D Office. The following materials must be submitted to the RC&D Council as a complete package for consideration under this program:

- ❖ Completed application, with appropriate signatures - PART B
- ❖ Completed budget sheets - PART C
- ❖ Completed business plan - PART D\*
- ❖ Three (3) references or recommendations - PART E
- ❖ A specific plan for the utilization of the grant funding by the applicant - PART F\*
- ❖ Financial statement (independent audit, tax return) verifying the fiscal health of applying business must accompany all applications.

*\* = If additional space is needed, please attach and label appropriately. Audio/visual media, or samples of goods produced can accompany applications.*

## DEADLINES

All grant application materials must be received by the RC&D Council no later than 5:00 p.m. on **March 31, 2006**. Complete applications may be mailed, faxed, or e-mailed as an MS Word attachment.

The Review Committee will not evaluate incomplete applications. Make sure your application package is complete! Please use the RFP Grant Application Submittal Checklist on the bottom of page 7 to be sure all required components are included with your application.

Applicants will be notified by mail of their grant status within 4 weeks of the application deadline.

### SEND THE COMPLETED GRANT APPLICATION PACKAGE TO:

Jessica Simons  
Southeast Michigan RC&D Council  
7203 Jackson Road  
Ann Arbor, MI 48103-9506

Phone: (734) 761-6722 ext. 105  
Fax: (734) 662-1686  
E-mail: [jessica.simons@semircd.org](mailto:jessica.simons@semircd.org)

### *About us --*

---

The Southeast Michigan Resource Conservation and Development Council is a non-profit organization that helps the people of southeast Michigan care for, conserve, and protect their natural resources in a way that will improve the community's economy, environment, and quality of life. RC&D provides a framework for partnerships between local citizens, governments, and technical experts to solve resource concerns and to manage and utilize resources wisely.

Although Resource Conservation and Development Councils exist nationwide, each one is organized and directed by local people to meet local needs. The Southeast Michigan RC&D Council is made up of representatives appointed by 18 sponsor organizations within the council area: Lenawee, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties.

More information about the Ash Utilization Options Project may be found on the Council's website at: [www.semircd.org/ash](http://www.semircd.org/ash). The website also features a link to sign up for the project's periodic e-newsletter.

---

Major funding for the Ash Utilization Options Project is provided by the Wood Education and Resource Center (WERC). Located in Princeton, WV, WERC is a USDA Forest Service facility with offices, training facilities, and a rough mill. The WERC mission is to facilitate interaction and information exchange with the forest products industry to enhance opportunities for sustained forest products production in the eastern hardwood forest region of the United States.

WERC's primary goals are to improve the knowledge, skills, and capacity of the forest industry management and workforce; increase communication, cooperation, and collaborative problem solving within the forest products industry; and improve efficiency in forest product manufacturing and wood utilization.

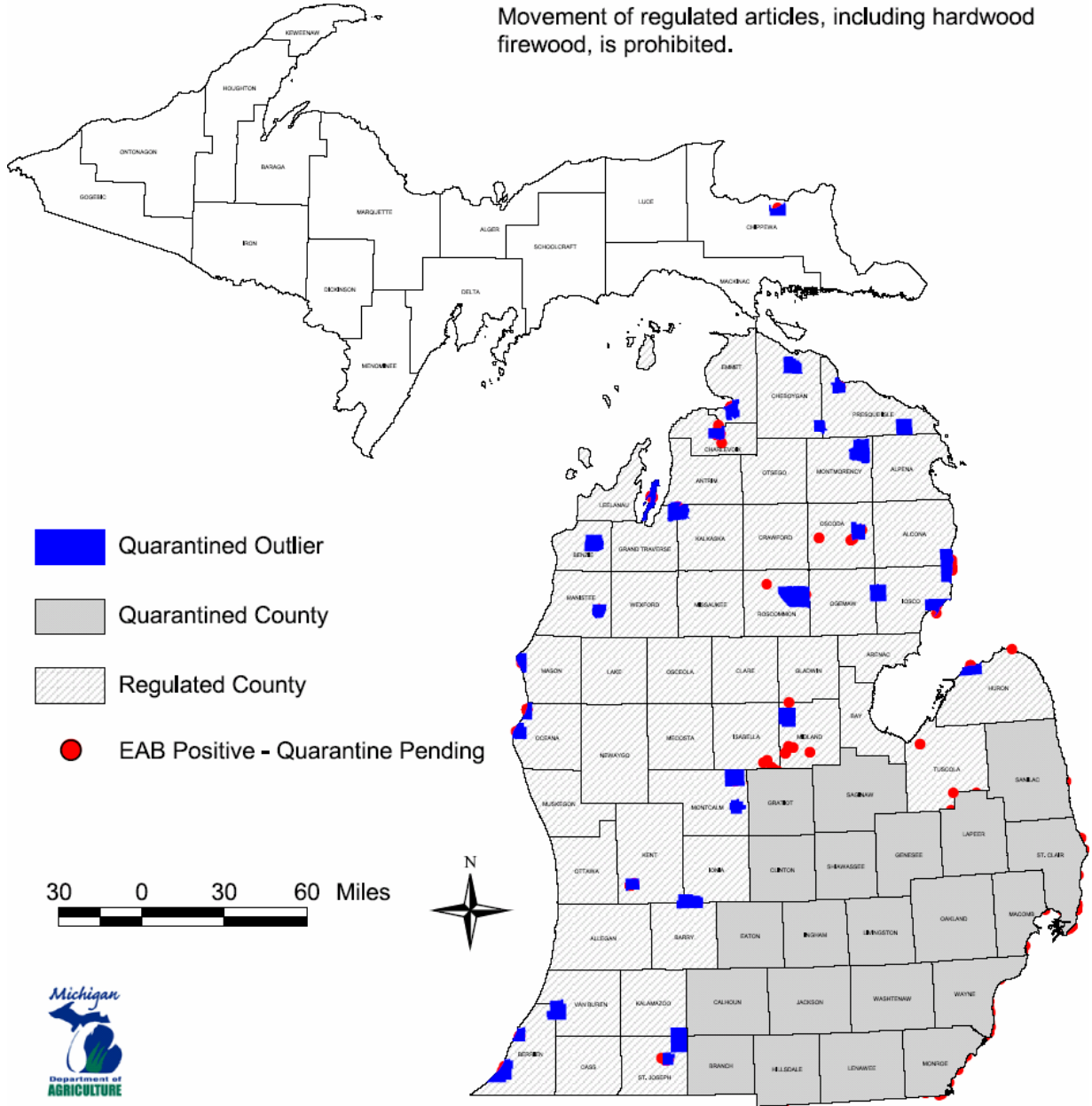
For more information, please visit: <http://na.fs.fed.us/ea/werc/werc.shtm>.

# Emerald Ash Borer Regulated Areas, Quarantined Areas, and Recent Detections in Michigan - January 6, 2006 -



Quarantine pending around identified EAB positives.

Movement of regulated articles, including hardwood firewood, is prohibited.



**ITEMS ACCEPTABLE FOR MATCHING FUNDS**

All items proposed as grantee match **MUST** be documented by an invoice, pay stub, cancelled check, or other form of traceable evidence of payment. In addition, matching items must be directly applicable to the funded project. Items purchased prior to the date on your grant acceptance notification letter **WILL NOT QUALIFY** for funding.

<b>Item</b>	<b>Explanation</b>
Salaries & Wages	Official payroll stubs and invoices marked "paid" are acceptable.
Fringe Benefits	Letter explaining benefits package must accompany documentation of salaries and wages
Consultants	Consultant Services
Construction Costs	If construction is to be farmed out to a contractor, copies of agreement, payment schedule and evidence of payment are required. Internal construction jobs must be documented including employee time dedicated to project, cost of supplies, materials, and overhead.
Travel	Copies of receipts/credit card reports/invoices marked "paid" for tickets, lodging; food and other incidentals must be submitted in well-organized manner.
Equipment	In accordance with USDA Forest Service regulations, equipment to be used as a match <b>CANNOT BE LEASED OR PURCHASED ON AN INSTALLMENT PLAN THAT LASTS LONGER THAN YOUR FUNDING PERIOD (1 YEAR)</b> . The <b>UNDEPRECIATED</b> value of owned equipment purchased prior to your funding period could be counted as a match. Owned equipment must be on a depreciation schedule in order to qualify as a match. Submit copies of invoices or titles to equipment used as match. Equipment purchases beyond those approved by the Grant Committee <b>WILL NOT QUALIFY</b> for a match or as an acceptable use of Federal funds. Approval by the RC&D prior to purchases is required.
Supplies & Materials	Copies of itemized receipts, cancelled checks, or invoices marked "paid" must be provided. The cost of existing supplies held by the grantee (i.e. lumber, piping, etc.) can be used for matching funds, but the cost of those supplies <b>MUST BE DOCUMENTED</b> by itemized receipts, cancelled checks or invoices marked "paid."
Indirect/Overhead	Examples include: Pro-rated management and administrative support salaries; rent and utility costs. Payment stubs, receipts and invoices marked "paid" must be provided for these services. If pro-rated salaries are used as a source of matching funds, the <b>METHODS</b> for pro-rating <b>MUST BE EXPLAINED</b> and <b>DOCUMENTED</b> in writing.
Training	Receipts, official payroll stubs or invoices marked "paid" are acceptable for employee training as long as training is part of the grant proposal funded by the SEMI RC&D.
Advertising/Marketing	Costs associated with advertising or marketing products must be directly related to the project funded by SEMI RC&D. Documentation in the form of itemized receipts, cancelled checks or invoices marked "paid" must be submitted to qualify for a match. Fractions of larger advertising campaigns that include some elements funded by the grant can be used for matching funds.
Other Items	All other items are examined on a case-by-case basis.

**RFP GRANT APPLICATION SUBMITTAL CHECKLIST**

Use this check-off list to be sure all required components are included with your RFP application before submittal.

- \_\_\_ RFP PART B – PROGRAM INFORMATION FORM
- \_\_\_ RFP PART C – PROJECT BUDGET & FUNDING SOURCES
- \_\_\_ RFP PART D – BUSINESS PLAN
- \_\_\_ RFP PART E – REFERENCES
- \_\_\_ RFP PART F – SPECIFIC PLAN FOR UTILIZATION OF GRANT FUNDS
- \_\_\_ CURRENT FINANCIAL STATEMENT (tax return, independent audit)

**RFP PART B - PROGRAM INFORMATION FORM**

<b>FOR RC&amp;D USE</b>  <hr/> <b>GRANT APPL. #</b>
---

Date: \_\_\_\_\_

Name of Company/Organization submitting application: \_\_\_\_\_

Name of Owner or Chief Operating Officer: \_\_\_\_\_

Contact Person (if different than above): \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_ County: \_\_\_\_\_

Daytime Business Telephone #: \_\_\_\_\_ Business Fax #: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Project Title or Purpose of Grant: \_\_\_\_\_

Amount Requested from RC&D Council: \$ \_\_\_\_\_

Amount of Matching Funds from Applicant: \$ \_\_\_\_\_

Total Project Costs (Grant + Match): \$ \_\_\_\_\_

Source of Matching Funds: \_\_\_\_\_

Project Start Date: \_\_\_\_\_ Project Completion Date: \_\_\_\_\_

Note: Any funds awarded from this grant program must be matched with funds from the applicant. (See grant guidelines for additional information on grant matching requirements). Please complete attached budget sheets and business plan sheets.

Authorized Signature: The signature below is that of the person authorized to testify as to the accuracy of this application.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR RC&D COUNCIL USE ONLY**

Date Reviewed: \_\_\_\_\_ Grant Approved: \_\_\_ Yes \_\_\_ No Grant Amount Approved: \$ \_\_\_\_\_

Signature of Review Committee Chairman: \_\_\_\_\_

Signature of RC&D Council Officer: \_\_\_\_\_

**RFP PART C - PROJECT BUDGET & FUNDING SOURCES**

Name of Company/Organization submitting application: \_\_\_\_\_

**Section 1: Project Budget Overview**

In the table below, indicate the amount of funds requested from the RC&D Council in each category. In the "Non-Federal Match" column, indicate the amount of funds your company/organization will provide to match RC&D Council funds.

The total amount of Non-Federal Matching funds should be at least the same (1:1) as those requested from the RC&D Council. Grant funds from this program cannot be used for construction. However, a grantee may use non-federal funds paid for construction as non-federal match.

<b>Expenditure Category</b>	<b>RC&amp;D Funds Requested</b>	<b>Non-Federal Match Funds</b>	<b>Total Project Cost</b>
Salaries & Wages	\$	\$	\$
Fringe Benefits	\$	\$	\$
Consultants	\$	\$	\$
Materials	\$	\$	\$
Travel	\$	\$	\$
Equipment	\$	\$	\$
Supplies/Materials	\$	\$	\$
Indirect/Overhead	\$	\$	\$
Training	\$	\$	\$
Construction	<b>No grant funds for construction.</b>	\$	\$
Other (specify)	\$	\$	\$
<b>TOTAL</b>	\$	\$	\$

**Section 2: Specific Project Budget**

List the specific items (Nyle 220 Kiln, Murphy's Web Design consultant, exhibit hall fee, outreach expenses, etc.) in the "Expenditure" column for which you are seeking funds that are summarized in Section 1. Provide an estimated cost for all requested items in the "RC&D" column. List the specific items for which you will match grant funds (owned equipment on a depreciation schedule, salaries of employees, etc.). Provide an estimated cost for matched items in the "Non-Federal" column. Total the columns to demonstrate specific requests and matching funds.

<b>Expenditure</b>	<b>RC&amp;D Funds Requested</b>	<b>Non-Federal Match Funds</b>	<b>Total</b>
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>TOTAL</b>	\$	\$	\$

**RFP PART D - BUSINESS PLAN**

Name of Company/Organization submitting application: \_\_\_\_\_

In the space below, summarize the short and long-term business goals (2-5 years) for your company/organization (in terms of sales, employment, marketing, growth, facilities development), and how you feel that funding from the RC&D Council Ash Utilization Demonstration Project can help you achieve those business goals. (If you need more space, attach and label additional pages.)

**NOTE:** ALL APPLICANTS MUST SUBMIT A FINANCIAL STATEMENT WITH COMPLETED APPLICATION (e.g. tax return, independent audit). These statements will be summarized for grant the Review Committee members; original documents will only be viewed by the RC&D Council Chairman or his assigns.

**RFP PART E - REFERENCES**

Name of Company/Organization submitting application: \_\_\_\_\_

Please list the names, addresses, and telephone numbers of three (3) non-related business, legal, or financial references:

Name: \_\_\_\_\_

Address: \_\_\_\_\_ City/State/Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_ City/State/Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_ City/State/Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

**RFP PART F - SPECIFIC PLAN FOR UTILIZATION OF GRANT FUNDS**

In the space below, indicate how your business/organization will use funds granted through this program. Will they be used for event planning, cooperative program development, technical studies, new equipment, new marketing strategies, etc.? Please provide as much detail as possible. (If you need more space, attach and label additional pages.)