



Conservation Excellence Grant Program

Administered by the State Conservation Commission in cooperation
with the Lancaster County and York County Conservation Districts.

Conservation Excellence Grant (CEG) Program

What is the CEG Program?

- The Conservation Excellence Grant Program (CEG Program) was created in 2019 as part of Pa's Farm Bill initiative.
- The CEG Program provides financial and technical assistance for the implementation of best management practices (BMPs) on agricultural operations in high-priority locations within the Commonwealth.
- Financial assistance is available through grants under the CEG Program
 - loans and tax credits (e.g. REAP) may be used in combination with a grant.
- A single grant awarded to an eligible applicant may not exceed \$250,000.
- Small grants are also available for any BMP project under \$25,000.
- Grants will be awarded based on priority criteria established in guidelines by the Commission.

Conservation Excellence Grant (CEG) Program

- The State Conservation Commission will be partnering with the Lancaster and York county conservation districts for local implementation of the pilot start-up for the CEG Program.
- Applicants can apply for a CEG Program grant at their County Conservation District
- Grants will be awarded by the County Conservation District

CEG Program Priority Criteria

- In approving applications for eligible projects under the CEG program, the Commission and the conservation district will give priority to complete applications based upon the following criteria:
 1. Location
 2. 'Priority' Best Management Practices (BMPs)
 3. Project Status
 4. Funding Mix

Location

- Priority consideration of an application will be given to those received in high priority counties designated by the Pa Department of Environmental Protection as part of Pennsylvania's Chesapeake Bay Phase III Watershed Implementation Plan.
 1. Tier 1 (Lancaster and York)
 2. Tier 2 (Bedford, Centre, Cumberland, Franklin and Lebanon) and,
 3. Tier 3 (Adams, Bradford, Clearfield, Clinton, Columbia, Fulton, Huntingdon, Juniata, Lycoming, Mifflin, Northumberland, Perry, Schuylkill, Snyder, Susquehanna and Tioga)
 4. All Other Counties

Note: FY2020-2021 funding is only available for Lancaster and York county applicants!

'Priority' Best Management Practices (BMPs)

In no particular order-

- Livestock exclusion fencing.
- Stream-side buffers.
- Streambank restoration.
- Barnyard and feedlot runoff abatement.
- Stream crossings.
- Off-stream watering.
- Manure storage facilities.
- Nutrient management plans and manure management plans.
- Conservation plans or agricultural erosion and sedimentation plans.
- Cover crops.
- Any other priority practices approved by the commission.
 - These practices (BMPs) may include those BMPs currently identified in the *CEG/REAP Best Management Practice* list provided by the Commission.

Project Status

- The level and extent of planning and technical assistance - have the following been completed in preparation for implementation of the project :
 - Inventory and evaluation,
 - Design work,
 - Permits and similar types of assistance
- Technical assistance should allow for accurate estimates of project costs and for completion of the project in a timely fashion.

Funding Mix

- The extent to which an applicant is willing to accept a reasonable mix of grants (e.g. CEG or other), loans (e.g. AgriLink or other commercial loan) and tax credits (e.g. REAP) or to supply nongovernmental matching funds for the project.

Funding Mix Examples

1: Farmer Joe applied for CEG and was approved to install a Heavy Use Area Protection and a Waste Storage Facility totaling \$375,000 (**\$345,000 construction costs + \$30,000 engineering and planning costs**). CEG awarded **\$250,000** for the project. Farmer Joe has **\$125,000** out-of-pocket expenses, which he has a low interest AgriLink loan. Farmer Joe also applies the \$125,000 to REAP and receives \$62,500 in tax credits. **Total Out-of-Pocket= \$62,500 after tax credits**

2: Farmer Stan applied for CEG and was approved to install a Waste Storage Facility, Storm Water Control and a Diversion totaling \$220,000 (**\$200,000 construction costs + \$20,000 engineering and planning costs**). CEG awarded **\$170,000** for the project. Farmer Stan has **\$50,000** out-of-pocket expenses that he obtains a loan for. Farmer Stan applies the \$50,000 to REAP and receives \$25,000 in tax credits. **Total Out-of-Pocket= \$25,000 after tax credits**

Application

- Lancaster and York County applicants may apply to their corresponding conservation districts for a grant for an eligible project under the CEG program.
- Applications must be submitted as a hard copy in order to “date stamp” and give the assurance of an original signature.

Note: Applications may be submitted by email but they will not be “date stamped” until hard copy is received.

Application Requirements

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

Project Cost Eligibility

- The following are considered eligible costs of a project:
 1. Project design, engineering and associated planning
Note: Lancaster and York counties, in consultation with the Commission, determined that up to 10% of the construction cost may be available for design and engineering costs and can be included in CEG Applications.
 2. Project construction or installation – including labor provided by the applicant
 3. Equipment, materials and other components of eligible projects
 4. Post construction inspections
- Any of the above costs for services that may be provided by a Conservation District or private sector technical service provider through a fee or charge are eligible costs and may be included in the CEG application.
- CEG Program Cost Share is determined by each individual county, in consultation with the Commission.
Note: Lancaster and York County has determined that grants for construction will be no greater than 75% of the estimated project cost.

Project Cost Eligibility Continued...

- The Commission or conservation district reserves the right to deny an application for any BMP for the following reasons:
 - *If the cost is not within reasonable and fair market value as determined by the Commission or the conservation district. (Prevailing wages will be considered on projects with construction costs over \$25,000.)*
 - *If the BMP does not meet the intent of the standards and guideline of the CEG Program established by the Commission.*
- Any costs that are not covered with CEG grant funds or other public funds may be eligible for REAP tax credits. These costs are eligible for tax credits up to 50% or 75% of “out of pocket” costs depending on the type of BMP.

Application Review

- The Commission or conservation district will review COMPLETE applications based upon the CEG Priority Criteria on an ongoing basis and in the order received.
 - Within 10 days of receipt of the application, applicants will be notified if their application is complete or incomplete
 - Each application will be scored based on both State and Local priorities

Application Approval

- The Commission or conservation district shall notify the applicant, in 60 days, of all the following:
 1. Whether the project is approved for grant funding under the CEG program.
 2. The total amount of grant funds approved for the project.
 3. The next steps to process the Grantee-District Agreement

Grantee-District Agreement

- When an application is approved, the applicant will be required to enter into an agreement with the conservation district for implementation of the approved projects.
 1. Approved project(s) must be completed by the applicant within the timeframe of the agreement, no longer than 2 years from signature of the agreement.
 2. The applicant shall provide and pay for all material, labor, equipment, tools, water, power, and other items necessary to complete the work.
 3. The applicant may be reimbursed for the cost of the project up to the allowable grant amount awarded under the CEG program.
 4. Due to unforeseen circumstances or approved changes, Grantee-District Agreements may be amended.

Project Inspection

- Projects funded under this program may be subject to inspection by the Commission or the conservation district.
 - An applicant shall permit the Commission, the Conservation District, or its authorized agents to enter the Project Location or premises to inspect and observe CEG Project activities.

Project Completion

- Upon completion of a project funded under the CEG Program, the applicant/grantee shall notify the Commission or conservation district of the completion of the project.
 - This notification can be completed by filling out the *CEG Program Certification Form*.
 - The *CEG Program Certification Form* is dual purposed and acts as the following:
 1. *Project Certification*
 2. *Cost Verification*
- Associated bills must be submitted to the conservation districts for review and verification of consistency with the project.

Project Certification

- The completed project must be certified by a qualified individual in order for payment of the grant funds allocated for the project. A qualified individual may be:
 - A. a registered professional engineer under the applicable laws of the Commonwealth;
 - B. a technical service provider or a conservation district staff person having the appropriate job approval authority assigned by USDA-NRCS, or
 - C. a person having appropriate training and expertise as approved by the Commission.

Other Program Conditions

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

Other Program Conditions Continued...

- Prevailing Wage
 - Construction projects (construction, reconstruction, demolition, alteration and or repair work other than maintenance work) financed by a public body (i.e state or local gov't funds) where the estimated construction cost is at least \$25,000 require the use of Pennsylvania prevailing wages established under the Pennsylvania Prevailing Wage Act.
 - For projects that total under \$25,000, prevailing wage does not apply.
 - For projects over \$25,000, prevailing wages must be considered as a cost to the project.
 - The grantee is responsible to register their project and to assure prevailing wages were applied.
- More information on Prevailing Wage can be found at this website: www.dli.state.pa.us

Program Timeline

- June 16-CEG Press Release and Applications became available at SCC and Conservation Districts
- July 1- CEG Applications eligible to be accepted by Conservation Districts
- No deadline to receive applications at this time

District Contacts

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Questions?

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Program guidelines and application are available at:

[StateConservationCommission/Conservation_Excellence_Grant_Program](#)