FEDERAL RECREATIONAL TRAIL PROGRAM

EQUIPMENT GRANTS

2014 Program Manual

In Partnership With

Minnesota Recreational Trail Users Association

Revised 12/18/2013
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I. PROGRAM INTRODUCTION

The Moving Ahead for Progress in the 21st Century Act (MAP-21), enacted in July 2012, continued the Recreational Trail Program as part of Federal surface transportation funding. This program provides financial assistance for the development and maintenance of recreational trails and trail-related projects. MAP-21 provides funding from the Federal Highway Trust Fund in acknowledgment of off-road recreational fuel use.

Grants are awarded for nearly any trail related project, including purchasing trail maintenance equipment that is solely located within the state of Minnesota. The priorities for each year are developed by the Minnesota Recreational Trail Users Association (MRTUA) and vary from one grant round to the next. The priorities for the current year are included in section IV of this manual. The eligible project categories are included in section III of this manual.

This program is unique in that, legislatively it is specified that the funds must be expended for projects that are strictly motorized as well as projects that are strictly non-motorized, while at the same time encouraging the development of projects that provide for both. The law specifies that 30 percent of the funds must be used for motorized projects, 30 percent for non-motorized, and 40 percent for projects that can be utilized by both.

Private non-profits and other trail organizations are encouraged to work with Federal, State, and local government agencies to develop applications. The goal of the State and MRTUA is to foster cooperative efforts between these groups for long-term development, enhancement and management of recreational trails in Minnesota.

This program was first funded in 1991 through the Intermodal Surface Transportation Efficiency Act (ISTEA) and was called the National Recreational Trails Fund. Since that time, this program has funded 469 trail projects in Minnesota.

Contact Information:
Minnesota Department of Natural Resources
Division of Parks and Trails
500 Lafayette Road, Box 39
Saint Paul, MN 55155

Traci Vibo, Grant Coordinator
traci.vibo@state.mn.us or (651) 259-5619
II. IMPORTANT ITEMS YOU NEED TO KNOW

- **NEW**: Equipment purchases at or above $75,000 require a 50% match and those purchases below $75,000 require a 25% match.
- Funding for 2014 is approximately $1.7 million.
- **All applications must be received electronically by February 28th, 2014.**
- Applications are to be submitted electronically in a “.pdf” format by the due date above. Paper submission of applications will no longer be accepted unless specifically arranged in advance of the due date with program staff. To submit the application, email a pdf version of the application and attachments to Trailgrants.DNR@state.mn.us. Please format the entire application, including all attachments, as one pdf document with all pages 8 ½” by 11” in dimension. After submission, make sure you have received a confirmation email that your application has arrived in a useable form by the due date. Applications submitted in an unusable format will NOT be considered for funding. If there are any questions about submitting the application please contact the program staff.
- The application is available in Word format on the internet at [http://www.dnr.state.mn.us/grants/recreation/trails_federal.html](http://www.dnr.state.mn.us/grants/recreation/trails_federal.html)
- Grant awards will be announced by June 2014.
- Funds will first be available no earlier than November 1, 2014. This means projects funded in this grant round will not have a contract in place before November 1st and thus equipment funded with these grants cannot be purchased prior to this date.
- All Local units of government (typically cities, counties, and townships) are eligible to apply. Also user groups and/or trail organizations may apply, but only in coordination with a local unit of government.
- The maximum permissible request is $150,000. Each piece of equipment cannot exceed $75,000. The minimum is $1,000.
- These grants are 75/25 “cash match” reimbursement grants. That means the grantee must complete the project and fully pay for it, produce documentation that shows actual expenditures. They will receive 75% of what was spent up to their grant award or equipment purchases at or above $75,000, 50% of what was spent up to the grant award.
  - **Neither this funding source, nor the match can be used for in-house labor services and/or to meet existing payroll.**
  - Only contract services, materials, and supplies are reimbursable.
  - If pre-approved, in-kind match including unpaid unskilled volunteer labor at a rate of $16.00 per hour, or materials, services, or skilled labor donated to the project at no charge are eligible. See in-kind match section of this manual.
- All projects awarded through this grant round must be completed by June 30, 2016 and immediately available for use to the general public.
- All equipment that are funded through this program also require a commitment from the applicant that the equipment will be maintained and used for the purpose outlined on the application for its useful life or until its value is less than $5,000. Future trade-in of
equipment purchased with these funds are possible as long as the replaced equipment will be used for the same purpose. Any future trade-in must be pre-approved by the DNR.

- All equipment funded will be required to give an annual update to the DNR. A letter will go out annually with information to meet this requirement.
- Each proposal must specifically and directly address each requirement and criterion to qualify and receive consideration. If one section of the application is not addressed, the application will not be reviewed for consideration.
- All pages and attached maps must be 8 1/2 X 11 inches ONLY and can be in color, as long as they are reproducible in black and white.
- When identifying recreation use for your project, make sure to only mark those uses that will actually use the trail. Your selections affect if your project will be classified as motorized, non-motorized, or joint motorized/non-motorized. Secondary usage to be considered must meet the following criteria:
  - For the equipment to be considered to have a secondary use it must be used on trails designated and benefitting that secondary use, and should include a letter of support from the recognized user group indicating that the equipment would have significant benefit to their user group.
III. PROJECT ELIGIBILITY

A. Eligible Program Projects

- Construction of trails on federal (with limitations), state, county, municipal or private lands where a twenty year easement for the purpose of the project can be obtained.
- Development of urban trail linkages near homes and workplaces.
- Contracted maintenance of existing recreational trails.
- Development of permanent trailside and trailhead facilities (e.g., drainage, crossings, stabilization, parking, signage, controls, open-sided shelters, water, and sanitary facilities).
- Provision of features that facilitate access and use of trails by persons with disabilities.
- Land acquisition from willing sellers, where value is established by a licensed and certified federal appraiser (and whose conclusions of value are certified by the State), and only if twenty-year easements for recreation trail purposes is conveyed to the state. See land acquisition and appraisal section on page 7.
- **Purchase of equipment (e.g., snowmobile trail groomers). This manual is for purchases of equipment only.**

B. Eligible Reimbursement Costs

- Advertising costs solely for (1) Recruitment of personnel; (2) Solicitation of bids; and (3) Disposal of scrap materials
- Capital and labor expenditures for facilities, equipment and other capital assets
- Materials and/or supplies
- Freight transportation expenses
- Professional services and Project administration costs provided that they do not exceed 20 percent of the total cost of the project
- In-kind match, including unpaid skilled volunteer labor at a rate of $16.00 per hour, or materials, services, or skilled labor donated to the project at no charge. These are only eligible for in-kind match and not for reimbursement.
- Any cost not defined as an eligible cost or not included in the approved Application shall not be paid from funds committed to the project, unless the Department has provided written authorization.
C. Non-eligible Projects
Non-eligible projects include but are not limited to the following:

- Condemnation of any kind, including costs associated with, or reimbursement for projects associated to condemnation.
- Construction of trails within federally designated wilderness areas (with some exceptions).
- Upgrading, expanding, or otherwise facilitating motorized use or access to trails predominantly used by non-motorized trail users on which motorized use is either prohibited or has not occurred.
- Construction of ordinary sidewalks.
- Construction of new snowmobile trails that are NOT already within the state Grant-in-Aid program.
- Planning projects that are preliminary to construction of any trail projects.
- Improvements on highways or other roadways, including but not limited to, lighting, striping, and shoulder work.

D. Non-eligible Reimbursement Costs
Including all costs not defined as eligible costs, but not limited to the following:

- Any expenditure that occurs outside of the operating dates established in the contract.
- Fund raising
- Taxes, except sales tax on goods and services
- Insurance, except title insurance
- Attorney fees
- Loans, grants, subsidies to persons or entities for development
- Bad debts, interest or contingency funds
- Lobbyists or political contributions
- Land acquisition appraisals
IV. MRTUA’S PRIORITIES

The Minnesota Department of Natural Resources (DNR) has been designated by the Governor to oversee distribution of these funds. The DNR is advised in the distribution of these funds by the state’s trail advisory board, the Minnesota Recreational Trail Users Association (MRTUA).

The Board is made up of thirty members. There are three representatives from each of the ten identified trail user groups (hiking, bicycling, mountain bicycling, in-line skating, horseback riding, cross-country skiing, snowmobiling, off-highway motorcycling, all-terrain vehicle riding, four-wheel drive truck driving). The Board meets three times annually to discuss project funding, updates to existing grants, priorities for future grant rounds, and other relevant trail issues.

This year’s priorities for funding are as follows:

- Projects that accommodate both motorized and non-motorized uses, including same-season access corridors.
- Projects that involve urban youth corps workers such as Conservation Corps Minnesota will be given special consideration.
- For all-terrain vehicle, off-highway motorcycle, off-road 4x4 vehicle, and snowmobile projects, priority will be given to trail acquisition and purchase of permanent easements, then to trail development and trail linkages to existing systems over equipment purchases. Equipment grants shall not exceed $75,000.
- For all horse, in-line skate, cross-country ski, hike, and bicycle, priority will be given to trail linkages and restoration to existing trail systems, necessary trail facilities, trail signage to improve safety, and trail grooming equipment.
- For mountain bicycle projects, the development of new single track trail systems, located in areas of high user demand, in partnership with city, county, and state land managers will be given priority.
V. IN-KIND MATCH REQUIREMENTS

In-kind match is allowed to count toward the grant project’s total cost if properly documented and pre-approved.

In-Kind Match
Individuals, organizations, or businesses may contribute costs donated to the equipment purchase at no charge toward the in-kind match. To receive credit for this type of donation, the donor must provide an invoice for the costs with a notation on the invoice identifying the value of the donation. Each donation invoice must be recorded on the Billing Data Sheet and a copy of the invoice must be included with each reimbursement request.
VI. FEDERAL PURCHASING REQUIREMENTS

Please read through the following requirements, which mandate policy for the Federal Highway Administration when purchasing equipment for federal funds. Especially take note of the Disposition Section, which outlines what will occur, in the event that the grantee’s organization decides to ultimately sell or trade the piece of equipment at some point in the future.

(d) Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the grantee or sub grantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) Disposition. When original or replacement equipment acquired under a grant or sub grant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(1) Items of equipment with a current per-unit fair market value of less than $5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(2) Items of equipment with a current per unit fair market value in excess of $5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

(3) In cases where a grantee or sub grantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or sub grantee to take excess and disposition actions.
(f) **Federal equipment.** In the event a grantee or sub grantee is provided federally owned equipment:

(1) Title will remain vested in the Federal Government.
(2) Grantees or sub grantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.
(3) When the equipment is no longer needed, the grantee or sub grantee will request disposition instructions from the Federal agency.

(g) **Right to transfer title.** The Federal-awarding agency may reserve the right to transfer title to the Federal Government or a third party named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:

(1) The property shall be identified in the grant or otherwise made known to the grantee in writing.
(2) The Federal-awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow Sec. 18.32(e).
(3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.
VII. SAMPLE RESOLUTION

WHEREAS, the City of Sunnybrook supports the grant application made to the Minnesota Department of Natural Resources for the Federal Recreational Trail Program. The application is to construct five (5) miles of paved trail for the Sunnybrook Recreational Trail System. The trail system is located within 30 acres of Sunnybrook Park, and

WHEREAS, the City of Sunnybrook recognizes the twenty-five (25) percent match requirement for the Federal Recreational Trail Program, and has secured the matching funds

NOW, THEREFORE, BE IT RESOLVED, if the City of Sunnybrook is awarded a grant by the Minnesota Department of Natural Resources, the City of Sunnybrook agrees to accept the grant award, and may enter into an agreement with the State of Minnesota for the above referenced project. The City of Sunnybrook will comply with all applicable laws, environmental requirements and regulations as stated in the grant agreement, and

BE IT FURTHER RESOLVED, the City Council of the City of Sunnybrook names the fiscal agent for the City of Sunnybrook for this project as:

Jane Doe
Director of Finance/Treasurer
City of Sunnybrook
1111 Happy Trails Avenue
Sunnybrook, MN 59985

BE IT FURTHER RESOLVED, the City of Sunnybrook hereby assures the grooming equipment acquired through this grant will be maintained for no less than twenty (20) years or until such time as appropriate disposition actions are approved by the Minnesota Department of Natural Resources.


______________________________
JOHN DOE - MAYOR

ATTEST:

________________________________
MARY DOE - CITY CLERK
VIII. OTHER PROGRAM REQUIREMENTS

A. Grants and Public Information

Under MN Statute 13.599, responses to a request for proposal are nonpublic until the application deadline is reached. At that time, the name and address of the grantee, and the amount requested becomes public.

After the application evaluation process is completed, data (except trade secret data) becomes public. Data created during the evaluation process is nonpublic until the negotiation of the grant agreement with the selected grantee(s) is completed.

MN Statute 13.44 categorizes estimated or appraised value of real property prior to purchase and sale as confidential data on individuals or protected nonpublic data. See also Minnesota Government Data Privacy Act for more information. This information, along with corresponding budget information, will be redacted from the applications before making them public.

B. Reporting Requirements

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all of the terms in the grant agreement have been met. A progress report form will be provided by program staff. Grant payments shall not be made on grants with past due progress reports unless program staff have given the grantee a written extension.

C. Monitoring Requirements

It is the policy of the State of Minnesota to conduct at least one monitoring visit per grant period on all state grants of over $50,000 and to conduct at least annual monitoring visits on grants of over $250,000.