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January 4, 2008

Topic #3: Time Extensions

Prepared and Presented By: Marguerite Austin

Approved by the Director:

A handwritten signature in black ink, appearing to read "Valen Cott", written over a horizontal line.

Proposed Action: Decision

Summary

Recreation and Conservation Office staff requests Recreation and Conservation Funding Board consideration of the time extension requests shown in Attachment A. Board action is required since these projects are more than four years old and are requesting an extension to continue the agreement beyond the four-year period established by policy.

Staff Recommendation

Staff recommends approval of the extension requests included in Attachment A, *Time Extension Requests for Board Approval – January 2008, Resolution #2008-02.*

Background

RCFB Manual #7, *Funded Projects: Policies and the Project Agreement*, outlines RCFB's adopted policy for progress on active funded projects. The policy requires staff to report all requests for time extensions and subsequent staff actions to the Board. Further, the policy states "All requests for extensions that would extend longer than the original four years are referred to the Board." In compliance with this policy, staff submits this report and recommendation.

Time Extension Requests – Director Approval

Between October 1, 2007 and December 31, 2007, the Recreation and Conservation Office received several requests to extend projects. Each request was reviewed to ensure compliance with established policies. After careful consideration, staff granted extensions to 25 projects.



Time Extension Requests Requiring Board Consideration

Time extension requests were also submitted for the projects listed in Attachment A. This document provides a brief update for Board review of the circumstances surrounding the requested extensions and the expected date of project completion.

Considerations for time extensions include:

- Date RCFB granted funding approval
- Original dates for project completion
- Revised milestones or timeline submitted for completion of the project
- Sponsor's reasons or justification for requesting the extension
- Conditions surrounding the delay
- Sponsor's progress on this and other funded projects
- Likelihood of sponsor completing the project within the extended period
- Reimbursements requested and approved, and
- Receipt of a written request for the time extension.

Attachments

- Resolution #2008-02
- Attachment A, *Time Extension Requests for Board Approval – January 2008*
- Attachment B, Excerpt from Manual #7, *Funded Projects: Policies and the Project Agreement*
- Attachment C, Excerpt from Manuals 10a, 10b, and 10f, *Washington Wildlife and Recreation Program: Policies and Project Selection*

RESOLUTION #2008-02
Time Extensions

WHEREAS, the Recreation and Conservation Funding Board (RCFB) adopted a project progress policy to address project terms, project progress, project extensions and project termination, and

WHEREAS, adopted policy requires Board review of all requests for time extensions that extend longer than the original four years, and

WHEREAS, three requests have been submitted for projects needing additional time beyond the four-year period, and

WHEREAS, the Board has reviewed the circumstances surrounding these extension requests; and

WHEREAS, adoption of this resolution furthers the Recreation and Conservation Office 2007-2011 Strategic Plan goal of achieving a high level of accountability in managing the resources and responsibilities entrusted to the Office (Goal 1);

NOW, THEREFORE BE IT RESOLVED, that the Recreation and Conservation Funding Board hereby approves the time extension requests for the projects listed in Time Extension Request for Board Approval Attachment A – January 2008, and

BE IT FURTHER RESOLVED, that the Director be authorized to execute any and all amendments necessary to facilitate implementation of extensions for each of these project agreements.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: January 15, 2008

**Attachment A
Time Extension Requests for Board Approval – January 2008
Resolution #2008-02**

PROJECT #	SPONSOR NAME	PROJECT NAME	GRANT PROGRAM	DATE BOARD FUNDED	EXTENSION REQUESTED	CIRCUMSTANCE OR REASONS FOR DELAY
02-1101A	Washington Department of Fish and Wildlife	Dungeness River Match	Washington Wildlife and Recreation Program – Critical Habitat	07/11/2003	06/30/2008	<p>This proposal was for acquisition of nearly 400 acres of riparian corridor as part of a multiple partner effort to protect and restore Dungeness River riparian habitat. Two of the original target properties were successfully acquired for a total of 13.97 acres within the original completion date of 1/30/05. Acquisition of the remaining original properties was unsuccessful.</p> <p>The Department of Fish and Wildlife identified a new target property in early 2007 which was approved as a scope amendment by the Recreation and Conservation Office. The scope amendment also included a time extension to 6/30/07. Fish and Wildlife requested a second time extension to 12/31/07 due to lengthy negotiations with the property owner. The second time extension was approved by the Recreation and Conservation Funding Board at its June 2007 meeting (Resolution #2007-15). This time extension was approved under the condition an option agreement be secured by 12/31/07.</p> <p>Washington Department of Fish and Wildlife is requesting a third time extension to complete the acquisition of the amended target property. The appraisal work is complete; however, no option agreement has yet been signed by the property owner. This project receives matching funds from the US Fish and Wildlife Service.</p> <p>Fish and Wildlife has also requested a reduction in the grant amount from \$1,227,862 to \$457,826 as no other target properties are viable at this time. If the Recreation and Conservation Funding Board approves the third time extension, staff will process the scope reduction request. If not approved, staff will request a final bill and close the project. Funds will then be redistributed to an eligible alternate(s). Reimbursement requests have been submitted for 5% of the grant amount.</p>

PROJECT #	SPONSOR NAME	PROJECT NAME	GRANT PROGRAM	DATE BOARD FUNDED	EXTENSION REQUESTED	CIRCUMSTANCE OR REASONS FOR DELAY
02-1109C	Washington Department of Fish and Wildlife	Western Pond Turtle Phase 3	Washington Wildlife and Recreation Program – Critical Habitat	07/11/2003	06/30/2008	<p>The objective of this project was to acquire 42 acres of critical habitat for the western pond turtle, a Washington state endangered species. The property was successfully acquired with one time extension through 6/30/2006.</p> <p>With funds remaining, the Washington Department of Fish and Wildlife requested and received approval for a scope change to include meadow and wetland enhancements to the recently acquired properties. Subsequently, Fish and Wildlife requested and received a second time extension to complete the habitat enhancement work.</p> <p>A second scope expansion and third time extension was requested and approved by the Recreation and Conservation Office to add an additional property acquisition to the project. Within this extended timeframe, Washington Department of Fish and Wildlife secured an option to purchase the property.</p> <p>The Department of Fish and Wildlife is requesting a fourth time extension to complete acquisition of the amended target property. The transaction will require a boundary line adjustment with Klickitat County and approval from the Columbia River Gorge Commission. Reimbursement requests have been submitted for 72% of the \$258,405 grant award.</p>
02-1047C	Town of Winthrop	Winthrop Community Park and Ice Rink	Washington Wildlife and Recreation Program – Local Parks	07/11/2003	07/31/2008.	<p>This project involved implementation of two long-term priorities for the Town of Winthrop – acquisition of new park land and construction of a permanent ice rink and outdoor sports court. Winthrop requested and received approval for scope modifications to include costs for site preparation, utilities, and a cover for the ice rink. Substantial progress has been made towards completion of the project. The property was acquired, construction of the ice rink has been completed, and all except for the interior work is finished at the restroom/storage building. The Recreation and Conservation Funding Board granted a six-month time extension at the June 2007 meeting.</p>

						<p>Early winter conditions has halted work on the parking area, accessible pathway, and landscaping. A cadre of volunteers worked nearly non-stop to get this project completed by December 31. However, with the onset of winter, the project was not completed. While the Town plans to open the ice rink for public use this winter, this extension would allow completion of the remaining support elements required per program policies.</p> <p>Reimbursement requests have been submitted for 66% of the \$375,000 grant award.</p>
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ATTACHMENT B

Excerpt from RCFB-SRFB Manual #7, Funded Projects: Policies and the Project Agreement

SECTION 2 – GENERAL POLICIES

3. Grant Time Limits & Extensions

Sponsors must complete funded projects promptly. For this reason, Office staff, with applicant assistance, will establish a timetable for project completion, including milestones and a project completion date. To avoid the risk of IAC-SRFB or the Director withdrawing the grant, and to help ensure reasonable but timely project completion, accountability, and the proper use of public funds, the following must be accomplished:

Application Phase:

- ▶ Applicants will only submit projects likely to be completed within a specified period of time after the grant award:
 - ▶ IAC projects – four years
 - ▶ SRFB projects – five years
 - ▶ FFFPP projects – two consecutive construction seasons; projects not completed will be re-evaluated and funding may be terminated.
- ▶ Applicants must provide reasonable assurance that the project can be completed within a reasonable timeframe, which does not exceed the board approved implementation period. For example, • property is in escrow, • sponsor has obtained a signed *Waiver of Retroactivity*, • appraisals and review completed, • option agreement(s) signed, • hazardous substances review completed, • environmental assessment completed, • permits in-hand, • bid documents prepared, etc.
- ▶ IAC and FFFPP projects: At least 30 days before the funding meeting, when requested by the Office, applicants must provide written certification of matching fund availability.

Post Approval Phase:

- ▶ Applicants must submit the post approval materials, described in the grant Application Manual 5, within 90 days of funding approval.
- ▶ With Office assistance, applicants must develop milestones, to be included in the Project Agreement, and a timeline that does not exceed:

- ▶ FFFPP – two years
- ▶ IAC projects – four years
- ▶ SRFB projects – five years.

Implementation Phase:

- ▶ The Office monitors critical project milestones (for example, ordering appraisals and reviews, starting construction, etc.). Unsatisfactory progress may be cause for project termination or other remedies (*Project Agreement—Termination and Other Remedies*). Any Office decision may be appealed to the IAC-SRFB.

- ▶ The Director may approve projects to a maximum of:

- ▶ FFFPP – two years
- ▶ IAC projects – four years
- ▶ SRFB projects – five years

Requests for extensions that would exceed these periods may be referred to IAC-SRFB for action.

- ▶ Extension requests must be in writing and provided to the Office not less than 30 days before expiration of the project's completion date. The request must (a) justify the need and (b) commit to a new set of specified milestones. (See the sample *Milestone Status Tracking Sheet* on page 22.

ATTACHMENT C

Excerpt from RCFB Manuals #10a, 10b, and 10f, *Washington Wildlife and Recreation Program: Policies and Project Selection*

Review of Proposed Project

A state or local agency that is applying for funds for acquisition of property shall review its proposed project application with the county or city with jurisdiction over the project area prior to submitting a grant application to IAC. The applicant must provide documentation that this review has occurred. The appropriate county or city legislative authority may, at its discretion, submit a letter to the IAC Board identifying the authority's position with regard to the acquisition project. The Board shall make the letters received available to the Governor and the legislature when the prioritized WWRP project list is submitted.

RCW 79A.15.110

PROJECT IMPLEMENTATION

Combination Projects

Combination projects involve land acquisition and facility development and/or renovation. To help ensure timely completion of projects without tying up grant funds for extended periods, applicants must secure the property by one of the methods listed below. This action must be complete at least one month before IAC considers approval of funding such projects.

1. Acquisition under Waiver of Retroactivity policies outlined in *Manual 3, Acquiring Land: Policies.*
2. Have property in escrow pending IAC grant approval.
3. Obtain an option on the property that extends past the IAC funding meeting. *Execution of the option must occur within 90 days after the IAC funding meeting.*
4. Provide draft copies of all leases or easements to the IAC for review. Execution of the leases or easements must occur within 90 days after the funding meeting.

Post Approval Requirements

After approval of funding, and prior to executing a Project Agreement, IAC's Director may request additional information. Applicants have 60 days, from the date the IAC Board approves funding, to submit any additional information requested. To expedite this process, IAC staff will request additional items *before* the IAC funding meeting.

After all post-approval materials have been supplied, the Agreement will be sent to the applicant, who is required to execute and return the signed agreement within 60 days.¹ The applicant becomes the project sponsor on execution of the Agreement. Each Agreement will be written and monitored for compliance by IAC staff (*Manual 7, Funded Projects: Policies & the Project Agreement*).

Progress Policy

By IAC policy, sponsors must complete funded projects promptly. To help ensure reasonable but timely project completion, accountability, and the proper use of funds, applicants will:

- ▶ Only submit projects that can be completed within four years of the grant award.
- ▶ Provide assurances that the project can be completed within a reasonable time frame, which does not exceed the Board approved implementation period.
- ▶ Provide written certification of matching fund availability before the IAC funding meeting.
- ▶ Submit the post approval materials required within 60 days of funding approval.
- ▶ Develop milestones and a timeline for project implementation that does not exceed four years.
- ▶ Begin project implementation quickly and aggressively so as to show measurable progress towards meeting project milestones. IAC may terminate projects that do not meet critical milestones established in the Agreement.

¹ IAC Board policy adopted April 2, 2004. Also see WAC 286-13-040(4).

By June 1st of each year, IAC staff will review the status of WWRP projects that remain incomplete three or more years from the date of funding approval. The sponsors of these projects will be asked to provide assurances that their projects will be completed and funds expended within the agreement period. Assurances may include:

- ▶ Purchase and sale agreements
- ▶ Proof of permitting approvals
- ▶ Construction contracts
- ▶ Other significant milestones listed in the grant agreement.

If satisfactory assurances are not provided, the agreement period will lapse or the Director will terminate the project. Additional information about the progress policy is found in Manual 7, *Funded Projects: Policies & the Project Agreement*.

Project Completion

When a project is completed, sponsors have 90 days to submit the final bill and supporting documents needed to close the project. If the bill and documentation is not submitted within six months of project completion, IAC's Board may terminate the project without payment.