

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

### INTRODUCTION

Connecticut's Regional Performance Incentive (RPI) program provides financial assistance to regional councils of governments (RCOGs), two or more municipalities acting through an RCOG, regional economic districts, or any combination thereof, for projects or related planning studies designed to provide cost saving service(s) to municipalities on a regional basis, or for shared information technology services. Eligible applicants may submit proposals to the Office of Policy and Management (OPM) for funding of projects.

This manual has been prepared to assist in the submission of proposals for regionalized service(s) utilizing funds from the *Regional Planning Incentive Account*.

Please call Sandra Huber, RPI Program Coordinator, at (860) 418-6293 or e-mail at: [sandra.huber@ct.gov](mailto:sandra.huber@ct.gov) with any questions regarding the RPI Grant Program.

### QUESTIONS AND ANSWERS RELATED TO THE REGIONAL PERFORMANCE INCENTIVE PROGRAM

1. **What statute provides for the Regional Performance Incentive Program?** Connecticut General Statutes Section 4-124s, as amended by Section 253 of Public Act 13-247, provides for the Regional Performance Incentive (RPI) Program.
2. **What entities may apply for RPI Grant funding?** Any of the RCOGs, two or more municipalities acting through an RCOG, regional economic districts or combinations thereof, may submit proposals for RPI funding.
3. **If an organization submits a proposal, are all member towns required to participate?** No, the towns have the option of whether to participate or not.
4. **What do towns that elect to participate in the proposed regional service have to do to be included in the proposal?** Each town must obtain a resolution from their legislative body endorsing the proposal.
5. **Is an affirmative vote by the Board of Selectman sufficient to qualify as "a resolution by the legislative body" when a town wishes to participate in the regionalized service?** Yes. For purposes of the RPI Program, "legislative body" includes "board of selectmen, town council, city council, board of alderman, board of directors, board of representatives, or board of the mayor and burgesses of a municipality".
6. **Is there a limit to the amount of funding that an organization can apply for?** No, but each proposal must be submitted on a separate proposal form.
7. **What is meant by "economies of scale"?** For purposes of the RPI Program, "economies of scale" generally refers to the potential cost savings and other operational efficiencies that can result when certain government services are performed on an inter-municipal or regional basis, as opposed to on an individual municipality basis.
8. **What is meant by "cost benefit analysis"?** Cost benefit analysis is a discipline used to assess the case for a project or proposal. Such assessments should include costs and benefits that are less easily expressed in monetary terms, (for example, environmental

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

- impact), as well as those that can be expressed in monetary terms. The analysis consists of weighing the total expected costs with the total expected benefits in order to choose the best option.
9. **How does a proposal qualify for funding?** The proposed project must:
- o Be new (on a regional basis);
  - o Demonstrate cost savings;
  - o Not result in loss of any services; and
  - o Demonstrate how it will be sustainable on a regional basis, once established.
10. **Can an applicant submit more than one (1) proposal?** Yes. Each proposal should be submitted separately and each will be judged on its merits by OPM.
11. **When should proposals be submitted?** All RPI proposals, including those related to the Nutmeg Network described in #32 must be submitted to OPM by December 31, 2014. OPM will accept municipal resolutions until March 31, 2015.
12. **Where should proposals be submitted?** RPI Project proposals should be addressed to:
- State of Connecticut  
Office of Policy and Management  
Intergovernmental Policy Division  
450 Capitol Ave., MS#54ORG  
Hartford, Ct 06106-1379  
Attention: RPI Program**
13. **How are grant awards to be determined?** Grant awards will be based upon the merits of the proposal and availability of funding. OPM must give priority to proposals submitted by an RCOG which include participation of all member municipalities and which
14. may increase their purchasing power or provide cost savings. Priority must also be given to proposals submitted by any economic development district.
15. **When will grant awards be announced?** Grant awards will be announced periodically as funds become available.
16. **When will funding be awarded?** Funding will be generated from specific tax revenues and will have to be accumulated. It will be distributed when available and as determined by OPM.
17. **When does the applicant receive funding?** Grant funding will be made available after the execution of the Notice of Grant Award form.
18. **When does a project begin?** A project begins the day that the Notice of Grant Award is fully executed by all parties.
19. **When does a project end?** A project ends on the end date indicated on the executed Notice of Grant Award.
20. **What should a grantee do if they are unable to complete the proposed project by the end date in the Notice of Grant Award?** OPM may grant an extension of the end date of the project provided it receives a written request for an extension within sufficient time of the end date, containing an explanation why the deadline cannot be met.
21. **What should a grantee do with surplus grant funds if a project comes in under budget?** The grantee may request a change of scope to enhance the project or to transfer the funds to another approved project that may have experienced cost overruns or

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

could be expanded through the availability of additional funds.

*The change of scope or transfer cannot be implemented without prior approval from OPM. Any unexpended funds remaining after the completion of a project must be returned to OPM in the absence of a change of scope or budget granted by OPM.*

22. **Is there a margin within which increases/decreases in budget line items can be made without a formal request to OPM?** Yes an adjustment of up to 10%, to a maximum of \$500 can be made without pre-approval by OPM. Any such changes must still be reported to OPM as part of the quarterly grant reporting requirements.
23. **If the grantee requires a budget line item adjustment greater than 10% or \$500, what is the procedure?** The grantee must request such changes in writing to OPM with an explanation of why the change is necessary.
24. **Can a town be added to the list of participating municipalities once the Notice of Grant Award has been fully executed?** Yes, if the project can be completed within the budget and time constraints.
25. **Can a town withdraw from a project once the Notice of Grant Award has been fully executed?** Yes, OPM should be notified if and when such a withdrawal occurs; but note that it could result in the reduction of project funding or nullification of the project contract if its withdrawal renders the project ineligible for the program.
26. **Can the grantee use sole-source bidding to award contracts to sub-grantees?** No, the process should be

open and competitive, showing no preferences. Current State bid for equipment or commodities can also be utilized.

27. **How should the ownership of equipment or other assets be handled?** Towns will need to establish an inter-local agreement which delineates roles and responsibilities during the implementation and after the project is completed. Policies regarding ownership of equipment or other assets including maintenance, insurance, liability and succession will have to be developed by the participating towns with guidance from their municipal attorneys.
28. **What project costs are eligible?**  
Consulting Fees, Design Fees, Engineering Fees, Construction Costs, Equipment Lease and or Purchase, Equipment Rental, Legal Expenses, Operating Expenses, Salaries & Benefits, Supplies, and Utilities.  
  
Meals and refreshments are not eligible project costs. Note also that supplanting operating expenses with grant funding is prohibited by the *General Grant Conditions*.
29. **What kind of documentation is required for substantiation of expenses?** Detailed invoices and cancelled checks are required as substantiation of expenses charged to the project. All costs associated with an eligible project are subject to prior review and post payment audit by the Office of Policy and Management.
30. **Is this a permanently established program?** Yes, funding is to be generated by a portion of the hotel tax and the rental car tax. Initial funding

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

will have to accrue before any advances of funds can occur.

- 31. What is the role of the applicant organization once the project is completed and funds are expended?** After the completion of the project and final reports are submitted, there will be no State oversight of the project.

Any on-going role for the original applicant organization will have to be defined by the organization and its member municipalities and memorialized by executed, written agreements or memoranda of understanding.

- 32. Are there any other requirements that applicants should be aware of?** Yes, the proposed project must be consistent with the State Plan of Conservation and Development. See also items 14 and 15 of the Special Grant Conditions which relate to proposals involving the development of proprietary software.

- 33. What types of RPI proposals have received funding to date?**  
*Animal Control Facility*  
*Economic Development Services*  
*Emergency Operations Center*  
*GIS Data Services*

*Website Development*  
*IT Development and Sharing*  
*Major Crime Squad Mobile Lab*  
*Online Property Survey Index*  
*Planning Studies*  
*Planning Collaborative*  
*Pre-Hospital Emergency Care Study*  
*Public Works Equipment Sharing*  
*Traffic Team*  
*Trail Maintenance Equipment Sharing*  
*Transfer Station Planning*

Interested applicants may contact OPM to discuss whether a proposal is eligible for consideration of funding.

- 34. What proposal form does an applicant use for funding for connection to and operating costs relating to the Nutmeg Network?** An individual municipality or RCOG applying for funding for connection to the Nutmeg Network must use the "Notice of Intent - Nutmeg Network Application Form RPI-2NN, specific to that purpose.

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

### **INSTRUCTIONS**

Only a COMPLETE RPI Program Proposal package will be acted upon by the Office of Policy and Management (OPM). A separate complete proposal form is required for each proposal. *Note that there is a separate form specific to proposals submitted for a grant to fund capital costs associated with connection to the Nutmeg Network.*

**An RPI Proposal Form** prescribed by OPM (see attached) must be completed by the applicant. All information required on the proposal form must accompany the proposal and be received by the Office of Policy and Management **no later than December 31, 2014. Municipal resolutions will be accepted until March 31, 2015.**

The Office of Policy and Management will review all proposals and make grant award determinations based on the merits of each proposal, giving weighted priority to proposals submitted by RPOs which include

participation by all member municipalities or by economic development districts, and which produce measurable economies of scale that will provide participating municipalities with desired or required services and lower the cost and tax burden of providing those services.

Once grant awards have been determined by the Office of Policy and Management, a Notice of Grant Award form will be forwarded to recipients for execution; once completed by the Grantee, the Notice of Grant Award form must be returned to the Office of Policy and Management for execution by the Secretary and a fully executed copy will be returned to the Grantee.

Grant payment will be remitted to the grantee after the Notice of Grant Award process has been finalized.

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

### Legislation providing for the Regional Performance Incentive Program

#### Excerpted from Public Act 13-247

Sec. 251. Section 4-66k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established an account to be known as the "regional [performance] planning incentive account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Secretary of the Office of Policy and Management in accordance with subsection (b) of this section for the purposes of [(1)] first providing funding to regional planning organizations in accordance with the provisions of subsections (b) and (c) of this section and then to providing grants under the regional performance incentive program established pursuant to section 4-124s, as amended by this act. [and (2) providing funding to the Voluntary Regional Consolidation Bonus Pool established pursuant to subsection (b) of section 4-124q.]

(b) For the fiscal year ending June 30, 2014, funds from the regional planning incentive account shall be distributed to each regional planning organization, as defined in section 4-124i, revision of 1958, revised to January 1, 2013, in the amount of one hundred twenty-five thousand dollars. Any regional council of governments that is comprised of any two or more regional planning organizations that voluntarily consolidate on or before December 31, 2013, shall receive an additional payment in an amount equal to the amount the regional planning organizations would have received if such regional planning organizations had not voluntarily consolidated.

(c) Beginning in the fiscal year ending June 30, 2015, and annually thereafter, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j, as amended by this act, in the amount of one hundred twenty-five thousand dollars plus fifty cents per capita, using population information from the most recent federal decennial census. Any regional council of governments that is comprised of any two or more regional planning organizations, as defined in section 4-124i, revision of 1958, revised to January 1, 2013, that voluntarily consolidated on or before December 31, 2013, shall receive a payment in the amount of one hundred twenty-five thousand dollars for each such regional planning organization that voluntarily consolidated on or before said date.

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

Sec. 253. Section 4-124s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For purposes of this section:

(1) "Regional council of governments" means any such council organized under the provisions of sections 4-124i to 4-124p, inclusive;

(2) "Regional council of elected officials" means any such council organized under the provisions of sections 4-124c to 4-124h, inclusive;

(3) "Regional planning agency" means an agency defined in chapter 127;

(4) "Municipality" means a town, city or consolidated town and borough;

(5) "Legislative body" means the board of selectmen, town council, city council, board of alderman, board of directors, board of representatives or board of the mayor and burgesses of a municipality; and

(6) "Secretary" means the Secretary of the Office of Policy and Management or the designee of the secretary.

(b) There is established a regional performance incentive program that shall be administered by the Secretary of the Office of Policy and Management. [On or before December 1, 2011, any regional planning agency, any regional council of elected officials, any regional council of governments, any two or more municipalities, any economic development district or any combination thereof, may submit to said secretary a proposal for joint provision of a service or services that are currently provided by municipalities within the region of such agency or council or contiguous thereto, but not currently provided on a regional basis.] On or before December 31, 2011, and annually thereafter, any [such entity] regional planning agency, any regional council of elected officials, any regional council of governments, any two or more municipalities acting through a regional planning agency, regional council of elected officials or regional council of governments, any economic development district or any combination thereof may submit a proposal to the secretary for: (1) The joint provision of any service that one or more participating municipalities of such council or agency currently provide but which is not provided on a regional basis, [or] (2) a planning study regarding the joint provision of any service on a regional basis, or (3) shared information technology services. A copy of said proposal shall be sent to the legislators representing said participating municipalities.

(c) (1) An entity specified in subsection (a) of this section shall submit each proposal in the form and manner the secretary prescribes and shall, at a minimum, provide the following information for each proposal: (A) Service

# GUIDELINES

## 2014 Regional Performance Incentive (RPI) Program

description; (B) the explanation of the need for such service; (C) the method of delivering such service on a regional basis; (D) the organization that would be responsible for regional service delivery; (E) a description of the population that would be served; (F) the manner in which regional service delivery will achieve economies of scale; (G) the amount by which participating municipalities will reduce their mill rates as a result of savings realized; (H) a cost benefit analysis for the provision of the service by each participating municipality and by the entity submitting the proposal; (I) a plan of implementation for delivery of the service on a regional basis; (J) a resolution endorsing such proposal approved by the legislative body of each participating municipality; and (K) an explanation of the potential legal obstacles, if any, to the regional provision of the service.

(2) The secretary shall review each proposal and shall award grants for proposals the secretary determines best meet the requirements of this section. In awarding such grants, the secretary shall give priority to a proposal submitted by (A) any entity specified in subsection (a) of this section that includes participation of all of the member municipalities of such entity, and which may increase the purchasing power of participating municipalities or provide a cost savings initiative resulting in a decrease in expenses of such municipalities, allowing such municipalities to lower property taxes, and (B) any economic development district.

(d) On or before December 31, 2013, and annually thereafter, in addition to any proposal submitted pursuant to this section, any municipality or regional council of governments may apply to the secretary for a grant to fund: (1) Operating costs associated with connecting to the state-wide high speed, flexible network developed pursuant to section 4d-80, as amended by this act; and (2) capital cost associated with connecting to such network, including expenses associated with building out the internal fiber network connections required to connect to such network, provided the secretary shall make any such grant available in accordance with the two-year schedule by which the Bureau of Enterprise Systems and Technology recommends connecting each municipality and regional council of governments to such network. Any municipality or regional council of governments shall submit each application in the form and manner the secretary prescribes.

[(d)] (e) The secretary shall submit to the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding a report on the grants provided pursuant to this section. Each such report shall include information on the amount of each grant, and the potential of each grant for leveraging other public and private investments. The secretary shall submit a report for the fiscal year commencing July 1, 2011, not later than February 1, 2012, and shall submit a report for each

## GUIDELINES

### 2014 Regional Performance Incentive (RPI) Program

subsequent fiscal year not later than the first day of March in such fiscal year. Such reports shall include the property tax reductions achieved by means of the program established pursuant to this section.