§ 27-0503. State aid.

1. The commissioner may, in the name of the state, make or contract to make, within the limitation of appropriations therefor, a state grant for the payment to any municipality of not more than fifty percent of the eligible cost of collection system development programs, preparation of contract documents, and implementation feasibility projects.

2. The commissioner shall enter into a grant agreement pursuant to this title only upon a finding that the municipality has given due consideration to the items listed below or that such consideration will be given through the fulfillment of the terms of the proposed grant agreement. Pursuant to section 27-0505 of this title, the commissioner shall adopt guidelines relative to the criteria for making such finding. These guidelines shall require at least that relative to the proposed facility, system or actions which are to be the subject of the proposed grant agreement, due consideration shall be given to:

(a) any relevant, prior solid waste management study or report;

(b) reasonable alternatives which would achieve the same or similar objectives, including opportunities for utilizing:

(i) existing solid waste management-resource recovery alternatives;

(ii) existing facilities of the secondary materials industry;

(iii) source separation programs and recycling centers, composting programs; and

(iv) multi-municipal or regional arrangements for resource recovery and solid waste management;

(c) effects on the use, conservation and production of energy; and

(d) effects on employment.

3. Payments authorized pursuant to this title shall be made in three apportionments in accordance with the following:

(a) the first payment, not to exceed fifty percent, less retained percentages, of the total grant shall be payable when acceptable documents, as required to be prepared by the grant agreement, are approved by the commissioner. In the case of collection system development programs and implementation feasibility projects, such documents shall include a report containing recommended actions and a

time schedule for taking such actions. In the case of preparation of contract documents, such documents shall include construction plans and specifications, bid advertisements, requests for proposals, or evaluation reports of bids or proposals containing recommended actions.

(b) the balance of the grant, less retained percentages, shall be payable:

(i) in the case of collection system development programs or implementation feasibility projects, when the municipality officially acts upon the recommendations contained in the approved report; and

(ii) in the case of preparation of contract documents, when contracts are awarded or when construction begins, whichever occurs first.

(c) the final payment shall be made after appropriate audit.

(d) the department shall oversee the use of the grant to assist the municipality.