

REQUEST FOR APPLICATIONS

Division of Air Quality

Clean Fuel Vehicle Technology Grant and Loan Application Request Guidance Document

Date of Issue: October 15, 2009

Division of Air Quality
Department of Environmental Quality

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I. INTRODUCTION

The Utah Division of Air Quality (DAQ), an agency of the Utah Department of Environmental Quality, is soliciting proposals from businesses, non-profits, and local government entities for projects that can benefit from funds provided by the Utah Clean Fuels and Vehicle Technology Grant and Loan Program (CFV Program).

II. BACKGROUND

As the government entity for air quality regulation for the State of Utah, DAQ is interested in providing additional tools and opportunities to private businesses, non-profits, and government entities to develop and implement strategies that reduce vehicle emissions and improve air quality. One of these opportunities is the CFV Program.

The CFV Program, funded through the Clean Fuels and Vehicle Technology Fund, provides:

- grants and loans for the purchase, conversion, or retrofit of clean fuel vehicles;
- State matching grants and loans for the purchase of clean fuel refueling equipment; and,
- grants and loans as a State match for federal or non-federal grants for these technologies.

III. AWARD LIMITATIONS

DAQ will make available \$250,000 for grants and \$250,000 for loans each year. Grants may not exceed half the cost of the project, minus the amount of the tax credit received. Applicants seeking loans are eligible for funds to cover 50% of the cost of a vehicle retrofit, conversion or original equipment manufacture (OEM), minus any tax credit. Applicants seeking loans for refueling equipment are eligible for up to 100% of the project cost, minus any tax credit. Awards for applicants applying for both grant and loan funds will not exceed the actual cost of the approved project, minus the amount of any tax credit claimed.

The minimum award for any project is \$5,000. The maximum award for any project is \$100,000. This applies to both public and private entities. For grant awardees, the maximum number of vehicles purchased, converted, or retrofitted cannot exceed 100.

IV. ELIGIBILITY

Entity: Eligibility is extended to any government, business, or non-profit.

Equipment: New OEM vehicles, converted vehicles, retrofits, and refueling equipment dispensing clean fuels are all eligible; hybrid electric vehicles are not eligible.

Certification: Converted vehicles using clean fuel must demonstrate emissions reductions defined in the statute (19-401 Utah Code annotated). Retrofitted vehicles must demonstrate emissions reduction defined in statute and use listed EPA verified technology.

Application: Must be completely filled out and submitted before the deadline (December 15, 2009).

Match: Matching funds are not required.

V. **PROPOSAL SUBMISSION CRITERIA**

Proposals will be evaluated and ranked by a selection committee. Attachment A is a sample of the grant score sheet each committee member will fill out on each proposal received. Attachment B is a sample of the loan score sheet each member will fill out.

In order to score each applicant thoroughly, DAQ is requesting that applicants include Work Plan details in their applications. The Work Plan information will not be scored, but is essential in helping the committee understand the details of the project. Please include an answer for each section of the Work Plan.

Work Plan.

Please prepare a detailed Work Plan which includes the following:

- Project Description
- Budget and Cost Breakdown for the Project
- Milestone Chart that also lists when Project Deliverables will be ready

For the 2010 award year, committee members will score each of the following categories. (Refer to Attachment A and B for specific score amounts). The following criteria¹ will be considered when prioritizing and awarding grants. This information will be scored. Please include all requested information below:

Feasibility and Practicality.

Please answer or address the following:

- Is there a market for the proposed project?
- What kind of technology has been selected?
- Is the cost of this technology/approach relative to that of competing technologies/approaches in the market?
- What is the life-cycle duration of the project (the period of time over which project benefits will accrue)?

Financial Need.

Please answer or address the following:

- Financial condition of your business or organization.
- Financial need of your business or organization.
- Availability of other grants, rebates, or low-interest loans available to fund the project.

¹ DAQ reserves the right to stop the selection process at any time if it is considered to be in the best interest of the Division. The Division also reserves the right to reject any or all proposals submitted.

Available Match.

Please answer or address the following:

- Are the funds requested being used as a State match to a federal or non-federal grant?
- To what extent will DAQ funds be used as a match?
- How, and to what extent, will your funding be leveraged (ie., Combined with other funding sources to maximize the amount of funding available)?
- Is the project dependent upon Clean Fuels and Vehicle Technology Grant and Loan funds?

Environmental and Community Benefit.

Please answer or address the following:

- What are the environmental benefits to the State and local community where the project will take place?
- What are the pollution reduction benefits attributable to the project?
- How will your project make a difference to the community?
- Why is the location you've chosen for your project more feasible or practical than another location?
- What is the ratio of the total project cost to the environmental and other benefits attributable to the project?
- For refueling infrastructure projects only: what is the accessibility and openness of the facility to the general public?

Creditworthiness. (For business and non-profit applicants only)

DAQ requires a credit report for businesses and non-profits submitting applications for funding. DAQ will procure the report. You will not see a creditworthiness section in the application, but please provide detailed information on pages 10-12 for the following:

- balance sheet in the application; and,
- include copies of deferral and State income tax returns for the last two years for the corporation and the applicant.

VI. PROOF OF PURCHASE/PAYMENT

Monies will be awarded as reimbursements for completed purchases. DAQ will make payment upon receipt of the following items which demonstrate proof of purchase:

- Receipts including VIN, Manufacturer, and Model Numbers
- Inspection/Emission Certification
- Technology Certification

VII. LOAN SERVICING and REPAYMENT

Loan repayment schedules shall not exceed 10 years. There will be no interest rate for government entities. Businesses and non-profits will accrue an interest rate equal to the annual return earned in the Public Treasurer's Investment Fund (PTIF) as determined by the month prior to the closing date of the loan. The PTIF is the interest rate that State

investments accrue. While it changes from month to month, it is continuously lower than rates charged by other financial institutions. Current interest rates can be found by going to <http://www.treasurer.utah.gov/ptifrate.html>.

VIII. SUBMISSION OF APPLICATIONS

Six (6) copies of your application will be accepted until **5:00 PM** on December 15, 2009 at the Division of Air Quality, ATTN Mat Carlile, 1950 West 150 North, Salt Lake City, Utah 84116. No applications will be accepted after the closing date and time.

The application is to have **Clean Fuel and Vehicle Technology Grant and Loan** clearly marked on the outside of the package.

When considering the grant and loan applications, DAQ may modify the dollar amount or project scope for which a grant or loan is awarded. DAQ reserves the right to modify the proposal submission criteria from year to year to meet requirements of updated rules or statutes. Criteria will not be changed once an application process begins.

The DAQ has discretion to require an application fee; however, at this time no fees will be charged for the application.

IX. PROJECTED SCHEDULE FOR THE APPLICATION PROCESS

The Division reserves the right to modify the following schedule at their discretion:

<u>Activity</u>	<u>Date</u>
Final Day to Submit Questions	December 1, 2009
Response to Questions Posted	December 7, 2009
Application Due Date	December 15, 2009
Committee Meeting	TBA
Anticipated Notice to Proceed	March 17, 2010

X. QUESTION SUBMISSION

Applicants are encouraged to submit their questions in writing to Mat Carlile, mcarlile@utah.gov. Questions may be submitted until the deadline, which is December 1, 2009 at 5:00 pm. All questions received will be posted online with their responses by December 7, 2009. All applicants providing an e-mail address will receive a link to the question and answer page.

XI. OTHER INFORMATION

More information about the CFV Program, including all related rules and statutes, can be found at: http://www.airquality.utah.gov/Planning/Mobile/Grant_and_Loan.htm.

See below for Attachments.

Attachment A

Grant Proposal Review Score Sheet

CLEAN FUEL AND VEHICLE TECHNOLOGY GRANT AND LOAN PROGRAM

Firm Name: _____

Proposal Evaluation Criteria	Weight	*Rating	Weighted Rating
Feasibility and Practicality	8	X _____ =	_____
Financial Need	1	X _____ =	_____
Available Match	1	X _____ =	_____
Environmental and Community Benefit	6	X _____ =	_____
TOTAL	16	GRAND TOTAL	_____

Maximum score possible is 80

<u>*Rating</u> 5 Excellent 4 Good 3 Acceptable 1-2 Poor 0 Unacceptable

Committee Member

Date

This Score Sheet corresponds with Section V of the RFP Clean Fuel and Vehicle Technology Grant and Loan Program Guidance Document. Please refer to Section V for complete description of the criteria.

This score sheet is a confidential protected record.

Attachment B
Loan Proposal Review Score Sheet
CLEAN FUEL AND VEHICLE TECHNOLOGY GRANT AND LOAN PROGRAM

Firm Name: _____

Proposal Evaluation Criteria	Weight	*Rating	Weighted Rating
Feasibility and Practicality	8	X _____ =	_____
Financial Need	1	X _____ =	_____
Available Match	1	X _____ =	_____
Environmental and Community Benefit	6	X _____ =	_____
Creditworthiness	4	X _____ =	_____
TOTAL	20	GRAND TOTAL	_____

Maximum score possible is 100

<u>*Rating</u> 5 Excellent 4 Good 3 Acceptable 1-2 Poor 0 Unacceptable

 Committee Member

 Date

This Score Sheet corresponds with Section V of the RFP Clean Fuel and Vehicle Technology Grant and Loan Program Guidance Document. Please refer to Section V for complete description of the criteria.

This score sheet is a confidential protected record.