

REQUEST FOR APPLICATIONS

Division of Air Quality

Clean Fuel Vehicle Technology Grant and Loan Application Request Guidance Document

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Division of Air Quality
Department of Environmental Quality

TABLE OF CONTENTS

	<u>TITLE</u>	<u>PAGE NO.</u>
I.	INTRODUCTION	3
II.	BACKGROUND	3
III.	AWARD LIMITATIONS	3
IV.	ELIGIBILITY	3
V.	PROPOSAL SUBMISSION CRITERIA	4
VI.	REPORTING REQUIREMENTS	6
VII.	PROOF OF PURCHASE/PAYMENT	6
VIII.	LOAN SERVICING AND REPAYMENT	6
IX.	SUBMISSION OF APPLICATIONS	6
X.	PROJECTED SCHEDULE FOR THE PROPOSAL PROCESS	7
XI.	QUESTION SUBMISSION	7
XII.	OTHER INFORMATION	7
	ATTACHMENT A–Sample Grant Score Sheet	8
	ATTACHMENT B–Sample Loan Score Sheet	9

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;
- Loans and state-matching grants for the purchase of clean fuel refueling equipment.

III. AWARD LIMITATIONS

DAQ will make available \$250,000 for grants and \$250,000 for loans each year. Grants that cover the cost of converting vehicles to a cleaner burning fuel or the purchase of an OEM vehicle may not exceed half the cost of the vehicle conversion or the incremental cost, minus the amount of the tax credit received. 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.

A maximum of two years upon award date will be allowed to complete each project.

Equipment purchased or projects completed before the award date, March 13, 2014, will not be eligible.

For Infrastructure Projects: For grant awards, funds must be used as a match to a federal or nonfederal grant for the purchase of vehicle refueling equipment for a private sector business vehicle or a government vehicle.

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/certified technology.

Application: Must be completely filled out and submitted before the deadline (December 12, 2013).

Match: Matching funds are required for refueling equipment grant awards.

For Infrastructure Projects: Grant funds must be used as a match to a federal or nonfederal grant for the purchase of vehicle refueling equipment for a private sector business vehicle or a government vehicle. Applicants seeking loans for refueling equipment are eligible for up to 100% of the project cost.

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 only submit responses in the provided application form. The committee will not review any attachments that have not been requested.

Applicants must include a Work Plan detail 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 (i.e. work completed to date, general location of project, market studies, etc.)
- Budget and Cost Breakdown for the Project
- Milestone Chart that also lists when Project Deliverables will be ready (Note: Projects completed prior to upcoming award date, March 13, 2014, will not be eligible).

For the 2013-14 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:

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.

Feasibility and Practicality.

Please answer or address the following:

For infrastructure projects:

Is there a market for the proposed project?

How long do you plan to keep the equipment?

Why is the location you've chosen for your project more feasible or practical than another location?

For vehicle-related projects:

Why did you select the technology chosen?

How long do you plan to keep the project vehicles or equipment (please list mileage and time)?

Why is the location you've chosen for your project more feasible or practical than another location?

Financial Need.

Please answer or address the following:

***Note: In addition to providing the following information for this section, please make sure to complete pages 12 & 13 of the Preliminary Approval Application).**

- Describe the financial need of your business or organization.
- Can your project proceed without funds from the Clean Fuels and Vehicle Technology Grant? If not, what is the minimum amount of funding needed to complete the project?

Availability of Additional Funds.

Please answer or address the following:

- For all projects-are there other monies you will be using to complete your project? If so, please list the sources and amounts.

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?
- How will your project make a difference to the community?
- For refueling infrastructure projects only: what is the accessibility and openness of the facility to the general public?

Creditworthiness.

DAQ requires a credit report for businesses and non-profits submitting applications for funding. DAQ will procure the report.

In addition to the balance sheet information that must be filled out on pages 12-15 as of 12/31/2011 (pages 12-13) and as of 12/31/2012 (pages 14-15), please provide the following documents:

For business entities:

- Provide current audited financial statement reports or fill out the balance sheet information on pages 12-15 as of 12/31/2011 (pages 12-13) and as of 12/31/2012 (pages 14-15);
- Provide corporate federal and State income tax returns for the last two calendar years, 2011 and 2012. If the owner(s) has given personal guarantees to the corporation, individual federal and State income tax returns for the same years must also be attached to the application;
- Provide Income Statement and Cash Flow Statement for the last two full calendar years, 2011 and 2012.

For government entities:

- Provide current audited financial statement reports or fill out the balance sheet information on pages 12-15 for the respective year-end totals for the last two years.
- Please include your bond rating.

VI. REPORTING REQUIREMENTS

Reporting requirements will be included in the award notification/agreement documents.

VII. PROOF OF PURCHASE/PAYMENT

Monies will be awarded as reimbursements for completed purchases. DAQ will make payment upon receipt of the Clean Fuels and Vehicle Technology Grant and Loan Funds Reimbursement Request Form and required documentation (<http://www.cleanfuels.utah.gov/grants/grantsintro.htm>).

VIII. 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>.

IX. SUBMISSION OF APPLICATIONS

Six (6) copies of your application and one (1) copy of the requested financial documents will be accepted until **5:00 PM** on December 12, 2013, at the Division of Air Quality, Attn: Lisa Burr, 195 N. 1950 West, Salt Lake City, Utah 84116. No applications will be accepted after the closing date and time. Mailing address is Division of Air Quality, Attn: Lisa Burr, P.O. Box 144820, Salt Lake City, UT 84116.

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.

X. 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	November 27, 2013
Response to Questions Posted	December 5, 2013
Application Due Date	December 12, 2013
Committee Meeting	TBA
Anticipated Notice to Proceed	March 13, 2014

XI. QUESTION SUBMISSION

Applicants are encouraged to submit their questions in writing to Lisa Burr, lburr@utah.gov. Questions may be submitted until the deadline, which is November 27, 2013, at 5:00 pm. All questions received will be posted online at <http://www.cleanfuels.utah.gov/grants/grantsintro.htm> with their responses by December 5, 2013.

XII. OTHER INFORMATION

More information about the CFV Program, including all related rules and statutes, can be found at: <http://www.cleanfuels.utah.gov>. 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	3	X _____ =	_____
Available Match	1	X _____ =	_____
Environmental and Community Benefit	6	X _____ =	_____
Creditworthiness	2	X _____ =	_____
TOTAL	20	GRAND TOTAL	_____

Maximum score possible is 100

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

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	6	X _____	= _____
Financial Need	3	X _____	= _____
Available Match	1	X _____	= _____
Environmental and Community Benefit	6	X _____	= _____
Creditworthiness	6	X _____	= _____
TOTAL	20	GRAND TOTAL	_____

Maximum score possible is 100

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