North Dakota Department of Health

Division of Air Quality

918 E. Divide Ave., Bismarck, ND 58501

**State Clean Diesel Grant Program**

**Application and Guidelines**

Date of Issue: November 7, 2018

The North Dakota Department of Health will administer competitive grant applications and awards to eligible agencies for the purchase of new, diesel powered vehicles and equipment in order to reduce the public’s exposure to diesel emissions.

**APPLICATION DEADLINE December 21, 2018, 4:00 PM CENTRAL TIME1.0 INTRODUCTION AND BACKGROUND**

North Dakota Department of Health (NDDoH) is pleased to release the annual State Clean Diesel Grant Program application and guidelines. The North Dakota Department of Health, through the US Environmental Protection Agency (EPA), will issue approximately $274,000 in awards to be used for the purchase of new diesel powered vehicles, equipment and school buses throughout the state of North Dakota. The grant allocates funds to reduce diesel emissions under the Diesel Emissions Reduction Act (DERA) of the Energy Policy Act of 2010.

NDDoH will administer competitive grant applications and awards to eligible entities for the purchase of new, diesel powered vehicles and equipment in order to reduce the exposure of the public to diesel emissions.

NDDoH plans to issue awards to cities, counties, schools or other government agencies that conduct work for the benefit of the public that requires diesel powered vehicles and equipment. If funds are available after all successful applications have been awarded, the NDDoH may consider applications submitted by associations or industry groups.

The funds will target the replacement of older, dirtier diesel powered school buses, medium heavy-duty and heavy-duty, on-road and non-road vehicles and equipment that are used in various operations (including, but not limited to, dump trucks, snow plows, emergency response, solid waste management, construction equipment, etc.).

The awards will be used to fund the partial cost of a new, cleaner vehicle or piece of equipment powered by a 2017 or newer model year certified engine, up to 25% of the cost.

**2.0 SOLICITATION OF APPLICATIONS/APPLICATION CONTENTS**

NDDoH encourages all eligible entities to submit applications for State Clean Diesel Grant funds. The goal is to award funds to agencies that maximize efforts to preserve and enhance air quality across the state of North Dakota through the reduction of diesel emissions. Applicants must follow instructions carefully and submit all required documents. Incomplete applications will not be considered for funding. Applications must have appropriate signatures as required on the application form.

**3.0 POINT OF CONTACT**

Point of contact for this request for applications is Keith Hinnenkamp, North Dakota Department of Health, Division of Air Quality, 918 East Divide Ave., Bismarck, ND 58501, Telephone: 701.328.5188, Email: [khinnenk@nd.gov](mailto:khinnenk@nd.gov).

**4.0 APPLICATION DEADLINE**

**Applications must be received by December 21, 2018, 4:00 PM Central Time.**

Applications may not be delivered orally, by facsimile transmission, by other telecommunication or electronic means. Applicants assume the risk of the method of dispatch chosen. NDDoH assumes no responsibility for delays caused by any delivery service. Postmarking by the due date will not substitute for actual application receipt by NDDoH. An applicant’s failure to submit its application prior to the deadline will cause the application to be rejected. Late applications or amendments will not be opened or accepted for evaluation.

**5.0 SCHEDULE OF EVENTS**

The following represents the State’s estimate of the schedule of events for implementing the program.

|  |  |
| --- | --- |
| Application Deadline | December 21, 2018, 4:00 PM Central Time |
| Application Evaluation Process | December 2018-January 2019 |
| NDDoH Notifies Recipients of Award | January 2019 |
| Project and Budget Period | February - September 30, 2019 |
| End Date | September 30, 2019 |

**6.0 CLEAN DIESEL GRANT PRIORITIES**

The principle objective of the State Clean Diesel Grant program is to achieve significant reductions in diesel emissions in terms of tons of pollution produced, and reductions in diesel emissions exposure from vehicles, engines and equipment operating in areas designated as poor air quality areas.

Priority counties and areas identified for the State Clean Diesel Grant program include:

* Areas of non-attainment or maintenance of national ambient air quality standards for ozone and/or PM2.5
* Areas with toxic air pollution concerns as identified from the National Air Toxics Assessment data
* Designated Federal Class I areas
* Areas accepted to participate in EPA’s Ozone Advance or PM Advance Programs

In addition, priority should be given to projects located in areas that receive a disproportionate quantity of air pollution from diesel fleets, including:

* Truck stops
* Ports
* Rail yards
* Terminals
* Construction sites
* School bus depots/yards

**7.0 PROGRAM REQUIREMENTS**

NDDoH will administer competitive grant applications and awards to eligible entities for the purchase of new school buses and new, diesel powered vehicles and equipment in order to reduce the exposure of the public to diesel emissions.

This program is intended to develop interest in replacing existing older, dirtier diesel powered vehicles and equipment with new, cleaner diesel powered vehicles and equipment. Applications will be reviewed in order to select grantees.

Awards will be issued to eligible entities which include cities, counties, schools or other government agencies that conduct work for the benefit of the public. If funds are available after all successful applications have been awarded, the NDDoH may consider applications submitted by associations or industry groups.

Applicants may submit an application for more than one vehicle or piece of equipment per agency.

Each applicant must submit their own application on their behalf. In order to be consistent with EPA’s acceptance of DERA materials, application submittals consisting of several agencies or schools per singular application will no longer be allowed.

The applicant shall receive approval from their governing body to apply, and make use of the funding under this program.

Applications must be complete and follow all instructions contained in the guidelines, or the application will not be considered.

The funds will be used to fund the incremental cost of a new, cleaner vehicle or piece of equipment powered by a 2017 or newer model year certified engine, up to 25% of the cost.

Preference points will be awarded to new vehicles and equipment that are equipped with EPA verified devices which reduce engine idling or other EPA or CARB verified pollution control devices that reduce diesel emissions.

Preference points may be awarded to qualifying eligible agencies or schools that have not previously received a North Dakota State Clean Diesel Grant.

This program requires the replacement of an older diesel powered vehicle or piece of equipment with a new diesel powered vehicle or piece of equipment; the use of these funds for the expansion of an existing fleet is prohibited.

The new replacement vehicle or piece of equipment will be of the same type, same job duty, and similar gross weight and horsepower as the old item being replaced. The new, replacement vehicle may not be in a larger weight class than the vehicle it is replacing. (Class 5, 6, 7, or 8). Also, the new engine’s primary intended class must match the replacement vehicle’s weight class.

Applicants must submit a minimum of three competitive estimates or bids for each item being replaced. If three are not obtainable, a brief written explanation shall be submitted with the application.

Recipient agrees that funds under this award cannot be used to replace a transit bus, school bus, medium-duty, or heavy-duty highway vehicle with engine model year 1994 and older or 2010 and newer, or replace engine model year 2007-2009 with other than all-electric (zero emission). Vehicles and school buses must be currently in operation and not on a replacement (retirement) schedule.

Replacements that would have occurred through normal attrition within 3 years of the project period start date are considered to be the result of normal fleet turnover and are not eligible for funding under this program. Normal attrition of the vehicle or fleet is typically defined by the vehicle or fleet owner’s budget plan, operating plan, standard procedures, or retirement schedule. For example, if a school bus fleet typically retires vehicles after 20 years, a bus that is currently in its 18th or 19th year of service is not eligible for replacement. A bus that is currently in its 17th year of service and has 3 years of useful life remaining (as defined by the fleet’s retirement schedule) is eligible for replacement. All eligible projects must be early attrition projects. Early attrition refers to a project where a vehicle/engine is replaced well BEFORE that vehicle/engine is scheduled to be replaced.

Proposals which include replacements must include a detailed discussion of the fleet owner’s normal attrition schedule and must explain how the proposed emission reductions are not a result of vehicle/equipment replacements that would have occurred through normal attrition/fleet turnover within three years of the project start date.

For specific information on the replacement requirements for vehicles and pieces of equipment, please see <https://www.epa.gov/sites/production/files/2017-06/documents/dera_fy_17_state_program_terms_and_conditions.pdf>.

Vehicle and equipment replacements require that the engine and vehicle being replaced are scrapped and/or rendered permanently disabled.

Scrappage Requirement: Scrappage is defined by EPA as permanently disabling the engine and chassis so they are no longer suitable for use. The preferred method of scrappage can be completed by shredding, or by permanently disabling the vehicle/equipment by drilling a 3” by 3” hole in the engine block and cutting the frame rails of the chassis. The NDDoH recommends disabling the vehicle after driving it to an approved recycling facility.

* To be considered a replacement, the purchase of a new diesel powered vehicle or piece of

equipment must be accompanied by the scrappage of an old diesel powered vehicle or piece of equipment.

* The vehicle or piece of equipment being replaced must be scrapped with the engine and chassis disabled, and documented in writing. Also required is the old vehicle or piece of equipment’s identification number (VIN) and engine serial number.
* Successful applicants must complete a Certificate of Engine/Chassis Destruction Form. The form will be provided by the NDDoH.
* Documentation on how the replaced item was disabled (scrapped) will be required along with photographs of the disabled item prior to receiving reimbursements.

**The photos required are as follows:**

**1. Side profile of vehicle being scrapped**

**2. VIN plate of the vehicle being scrapped**

**3. Engine tag of the vehicle being scrapped showing the engine serial number and EPA engine family name**

**4. Chassis rail cut in half**

**5. Engine block prior to hole being drilled**

**6. Engine block after hole has been drilled**

Photos must be submitted as jpeg files. Do not submit black and white photos or pdf scans of the photos.

Submit only the requested photos. Do not submit extras.

Name the jpeg files with the specified names (sideprofile.jpg, VINjpeg, enginetag.jpeg, chassis.jpeg, engineblockpriorjpeg, engineblockafter.jpeg)

The successful applicant will have a number of options in meeting the scrappage requirement:

Option 1: The successful applicant may use a recycling facility when scrapping their old vehicle or piece of equipment. A list of known North Dakota scrap metal recycling facilities can be found at <https://deq.nd.gov/Publications/WM/ScrapMetalAndAutoRecyclersList.pdf>. Not all the facilities listed accept all items or they may have requirements regarding certain items, so please check with the facility you decide to use prior to taking it there.

Option 2: The successful applicant may use the old vehicle or piece of equipment as a trade-in, provided the dealer can provide proof that the requirements in the scrappage section will be followed and applied to the item that is being traded in by the award recipient. A Certificate of Disposal is required to be signed by the authorized agent, and dealer and returned to NDDoH.

Option 3: The successful applicant may use an innovative scrapping method as approved by the NDDoH. The submittal of the Certificate of Disposal is still required.

Option 4: The successful applicant may retain possession of the old vehicle or piece of equipment provided they provide proof the requirements of the scrappage section were followed. The submittal of the Certificate of Disposal is still required.

The scrapping is done at the expense of the applicant and any funds received from scrapping are considered program income and must be documented. As funds are considered program income, they may be used to finance the non-Federal share of the project including the mandatory cost-share.

All services or work carried out within the award agreement must be completed within the scope, time frames and funding limitations specified by the award. Upon signature and execution of the award agreement by NDDoH, a copy of the executed award will be returned to the applicant, at which time the project will be considered awarded.

Applications selected for funding must meet eligibility requirements. All vehicle and equipment replacements must comply with the Federal and North Dakota standards for on-road or non-road use.

Funds spent before the awards are issued are not reimbursable.

Purchase of a vehicle or piece of equipment may not occur prior to both parties signing the agreement under this award.

A cost may not be considered incurred until the replacement vehicle or piece of equipment has been received and accepted by the award recipient.

Any awards in response to this solicitation are subject to the applicable regulatory provisions in 40 CFR Chapter 1, Subchapter B, the terms and conditions of each award, and any attachments from EPA and the U. S. Office of Management and Budget (OMB) with respect to the DERA.

Awards cannot be used to fund infrastructure. This includes tanks, pumps, etc. for the distribution of alternative fuels.

Any accessories or optional equipment not required by the State of North Dakota, or any other item considered as optional in the minimum specifications for diesel powered vehicles and equipment, must be 100% paid for by the applicant, using their own funds.

The applicant will use the funding under this program for the specific purposes defined in the Program Description.

The applicant will not use funding under this program to purchase diesel powered vehicles or equipment for which the applicant has received, or will receive, payment from another source or under another program.

The applicant should use ultra-low sulfur diesel (ULSD) fuel, or fuel as recommended by the manufacturer, in any new vehicles or equipment purchased under this program, and shall operate pollution control devices if the new vehicles or equipment are so equipped.

Where applicable, the applicant will follow North Dakota State Law and procedures to procure the products and services funded under this project. Award recipients agree to follow the good faith efforts whenever procuring equipment. Records documenting compliance with the good faith efforts shall be retained. <http://www.epa.gov/osbp/dbe_efforts.htm>.

Where applicable, the applicant is in compliance with the Federal Drug-Free Workplace Act of 1988 (41 USC Section 701, et seq.); state ethics laws and conflict of interest laws; and state regulations covering non-discrimination in hiring and affirmative action (ORC 125.111). Successful applicants must follow specific performance criteria to ensure compliance with statutory and audit requirements.

All successful applicants must be able to provide status or progress updates regarding achieving the work plan goals to the NDDoH upon request.

All project “work” i.e. transactions, billings, scrapping of the old vehicle or piece of equipment, **and** delivery of the new vehicle or piece of equipment must be completed and have documentation submitted to the NDDoH no later than September 30, 2019. Final documentation will include: completed Certificate of Disposal, pictures of old/scrapped vehicle or piece of equipment, and a copy of the dealer invoice for the new item. Failure to do so may result in termination of grant award and/or the NDDoH not providing reimbursement for the equipment/vehicle purchased.

**8.0 RIGHT OF REJECTION**

The NDDoH reserves the right to reject any grant applications, in whole or in part. The NDDoH may reject any application that is not responsive to all the material, terms, conditions and performance requirements of the application.

**9.0 APPLICATION PROCESS**

**Please provide a narrative of how your agency will accomplish each of the criteria listed below.**

Applicants will be evaluated on each narrative response below, based on the maximum number of points indicated for each section.

Plan for Project: 20 Points Maximum

Applicants will be evaluated on how the project plan will show a successful completion, including a budget, reasonable timeline, and equipment information. Discuss how you plan to implement the proposed project. Describe tasks and activities you plan to do to accomplish the objectives of the project.

Funding Contribution: 5 Points Maximum

Each award will be used towards the purchase of a new diesel powered vehicle or piece of equipment, up to 25% of the cost. The recipient is required to pay the remaining cost of the item. Describe your agency’s ability and readiness to provide the additional funding that is required.

Public Health Benefits/Air Quality: 25 Points Maximum

Applicants must describe how the project will reduce environmental risks and health risks to the public. Applicants will be evaluated on operating practices that positively affect the air quality where the vehicle or equipment will be used. Preference will be given to projects where diesel engine idling reduction practices and policies have been established and are followed.

Detail and Completeness: 20 Points Maximum

The project description and proposed activities must be consistent throughout the application. The application must be complete and contain all required information.

Cost Effective: 20 Points Maximum

Applicants will be evaluated on the degree to which the project is cost effective and involves vehicles or equipment that have a long expected useful life. If possible, describe your agency’s

vehicle/equipment maintenance and service program.

Preference Points: 10 Points Maximum

Applicants will be awarded preference points if the proposed new vehicles or pieces of equipment are equipped with EPA-approved devices which reduce engine idling, or other pollution control devices that reduce diesel emissions. (5 points)

Eligible applicants that have never been the recipient of a North Dakota State DERA Clean Diesel grant may receive preference points if a qualifying application is submitted. (5 points)

##### **\*\*Please also complete and submit the forms on the following pages\*\***

**North Dakota Department of Health**

**STATE CLEAN DIESEL GRANT PROGRAM**

**Contact Information for Applicant**

Instructions for Completing: Please complete the following information and submit with application.

Contact information for the applicant’s Authorizing Agent (person who is authorized to sign the award contract on behalf of the applicant).

|  |  |
| --- | --- |
| a. Complete Name of Applicant: |  |
| b. Federal Employer Identification Number (EIN): |  |
| c. Data Universal Numbering System  (DUNS number): |  |
| d. Mailing Address: |  |
| e. City: |  |
| f. State: |  |
| g. Zip Code: |  |
| h. County: |  |
| i. Authorizing Agent: |  |
| j. Telephone Number: |  |
| k. E-mail Address: |  |

Contact Information for Project Director (person who will oversee the purchase and implementation of the project).

|  |  |
| --- | --- |
| 1. Project Director (Primary Contact): |  |
| 1. Title: |  |
| 1. Mailing Address: |  |
| 1. City: |  |
| 1. State: |  |
| 1. Zip Code: |  |
| 1. Telephone Number: |  |
| 1. Fax: |  |
| 1. E-mail Address: |  |
| 1. Alternative or Additional Contacts  *(Name, Title, Telephone, Email)*: |  |

Contact Information for Fiscal Agent (person who will prepare financial reports of expenditures).

|  |  |
| --- | --- |
| a. Fiscal Agent: |  |
| b. Title: |  |
| c. Mailing Address: |  |
| d. City: |  |
| e. State: |  |
| f. Zip Code: |  |
| g. Telephone Number: |  |
| h. Fax: |  |
| i. E-mail Address: |  |
| j. Alternative or Additional Contacts  *(Name, Title, Telephone, Email)*: |  |

*For Office Use Only:*

*Application Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date Received: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

North Dakota Department of Health

STATE CLEAN DIESEL GRANT PROGRAM

Applicant Certification Statement

**Instructions for Completing**: The authorizing agent must read the Statement of Certification below and date and sign. The application **must** include this Certification Statement with an original signature.

#### Statement of Certification

I certify that to the best of my knowledge the information contained in this application and in the supplemental material is correct and complete. I certify that the funding requested satisfies the eligibility requirements for this program as represented in the Program Requirements and related materials. I certify that I understand that the funding under this program is subject to restrictions and other conditions listed in the Program Requirements.

* The applicant will use the funding under this program for the specific purposes defined in the Program Requirements.
* The applicant will not use funding under this program to purchase hardware or services for which the applicant has received, or will receive, payment from another source or under another program.
* The successful applicant shall be able to provide status or progress updates regarding achieving the work plan goals to the NDDoH upon request.
* The applicant shall not use this funding to expand a current fleet. The vehicle or piece of equipment being replaced is currently in operation, and is not on a retirement schedule.
* The applicant has received approval from their governing body, to apply and make use of the funding under this program.
* Where applicable, the applicant will follow North Dakota State Law and procedures to procure the products and services funded under this project. Award recipients agree to follow the good faith efforts whenever procuring equipment. Records documenting compliance with the good faith efforts shall be retained.
* Where applicable, the applicant is in compliance with the Federal Drug-Free Workplace Act of 1988 (41 USC Section 701, et seq.); state ethics laws and conflict of interest laws; and state regulations covering non-discrimination in hiring and affirmative action (ORC 125.111).

I authorize the North Dakota Department of Health to make any necessary inquiries to verify the information that I have presented. I acknowledge that the information in this application is not confidential and may be released as required by the program.

Applicant Certification Signature

|  |  |
| --- | --- |
| 1. Authorized Signature: |  |
| 1. Date: |  |
| 1. Typed/Printed Name: |  |
| 1. Title or relationship to applicant organization: |  |
| 1. Contact Information *(If different than the person identified in Table 1-1 of the Application)*: |  |

**North Dakota**

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**STATE CLEAN DIESEL GRANT PROGRAM**

**NEW Vehicle/Equipment Information**

**Instructions for Completing:** Please complete all information requested in the following table for **each** **NEW vehicle or piece of equipment** that is proposed to be purchased with funds from the State Clean Diesel Grant and submit with the application. For applicants that are applying for more than one item, the data should include all items to be purchased.

Please note that after the application deadline, any changes to the specifications included in the project **must** be pre-approved by the North Dakota Department of Health.

Applicants are not expected to calculate emissions reductions for the proposed project. However, where possible, the vehicle/equipment description should include enough information such that the Division of Air Quality can calculate the emissions. Information requested is:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Manufacturer** | **Model** | **Model Year** | **Type** | **Fuel**  **(Diesel)** |
|  |  |  |  |  |

**NEW Vehicle/Equipment Information**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Gross Vehicle Weight** | **Annual**  **Proposed Miles** | **Estimated Average No. of Hrs. Idling Per Yr.** | **Estimated Hrs. of Operation Per Yr.** | **Tier Level**  **(non-road only)** | **Engine Family Name\*** |
|  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Engine Manufacturer** | **Engine Model and Horsepower** | **Engine Model Year** | **Estimated Purchase**  **Order Date** | **Price\*\*** |
|  |  |  |  | **$** |

\*The engine family name will be listed on the engine’s Certificate of Conformity, which should be available from your vendor for new vehicles/equipment.

\*\* All applicants: Please attach evidence of proposed purchase price including a copy of the dealer’s cost estimates or bid prices.

\*\* Award recipients will need to submit a copy of the final dealer invoice.

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**STATE CLEAN DIESEL GRANT PROGRAM**

**OLD (Scrapped) Vehicle/Chassis and Engine Information**

**Instructions for Completing:** Please complete all the requested information in the tables below for the **OLD vehicle or piece of equipment** that is proposed to be scrapped and submit with application. Please note that after the application deadline, any changes to the specific items included in the project **must** be pre-approved by the North Dakota Department of Health.

**Old Vehicle/Chassis Information**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Vehicle Type/Make** | **Model** | **Year** | **VIN #** | **Odometer Reading** |
|  |  |  |  |  |
| **Gross Vehicle Weight** | **Est. Hrs. of Operation Per Yr.** | **Est. Hrs. of Idling Per Yr.** | **Est. Annual Miles** |  |
|  |  |  |  |

**Old Engine Information**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Make** | **Model** | **Year** | **ID or Serial #** | **Horsepower** |
|  |  |  |  |  |

|  |  |  |
| --- | --- | --- |
| **Method of Disposal of OLD Vehicle/Equipment\*** | **Scrapping**  **Company/Dealer** | **Scrapping Company/Dealer**  **Contact Person** |
|  | Name | Name |
|  | Address | Telephone No. |
| City/State/Zip | E-mail |

\*The vehicle or piece of equipment taken out of service must be scrapped. If the item is “traded-in” the dealer is required to follow the EPA scrappage requirements by permanently disabling the engine and chassis. The dealer must provide written certification to the North Dakota Department of Health as to method and date of disposal.

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**STATE CLEAN DIESEL GRANT PROGRAM**

**Project Schedule Information**

**Instructions for Completing:** The purpose of this section is to provide the schedule for completing all major project items during the project period.

Some of the major milestones for the project are already listed in the Summary Project Schedule below. Please identify your expected completion dates for these items. In addition, you may choose to insert additional milestones and completion dates, as needed, using the blank rows provided. Please describe any scheduling issues that may prevent the project from being completed on schedule and submit with the application.

Summary Project Schedule

|  |  |
| --- | --- |
| **Project Milestone** | **Completion Date** *(Enter dates or number of days following approval of the application)* |
| Procure estimates or bids for replacement vehicle/equipment. |  |
|  |  |
| Award and purchase new vehicle/equipment. |  |
|  |  |
| Vehicle/equipment scrappage. |  |
|  |  |
| Submit final documentation to NDDoH by September 30, 2019. |  |
|  |  |