REQUEST FOR PROPOSALS SLO COUNTY COMMUNITY AIR PROTECTION PROGRAM

Version 1.0, September 25, 2019

INTRODUCTION

The San Luis Obispo County Air Pollution Control District (APCD) Community Air Protection Program (CAP Program) is community-focused and builds on existing programs, such as the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), to improve air quality and public health by funding emission reducing projects. This CAP Program is administered by the APCD and funded with APCD Board approved monies, which include AB 617 Community Air Protection funds. The CAP Program was created in response to AB 617 and funds are appropriated from the state Greenhouse Gas Reduction Fund, so these funds must be spent according to the requirements of California Climate Investments (CCI). CARB has set guidelines targeting 80 percent of CCI funds for projects that are located in and provide direct, meaningful and assured benefits to residents of priority populations, including low-income AB 1550 communities.

The contents of this document are subject to modification. Any significant program modifications will be posted on the APCD website at: <u>slocleanair.org/community/grants/caap.php</u>. Applicants are responsible for complying with all information contained in this document and proposals must adhere to all requirements.

All projects funded with AB 617 Community Air Protection funds under this RFP must comply with the applicable guidelines published by the California Air Resources Board (CARB), including the current <u>Community Air Protection Incentives Guidelines</u>, the <u>Funding Guidelines for Agencies that</u> <u>Administer California Climate Investments</u>, and the <u>Carl Moyer Program Guidelines</u>. From this point forward, these guidelines will be referenced as the "Applicable Guidelines."

PROGRAM DETAILS, ELIGIBILITY CRITERIA AND FUNDING

Program Details

- The APCD is currently seeking proposals to fund qualified emission reduction projects for the various funding categories listed below.
- Grant applications for the below listed categories contain additional eligibility criteria and are found on the following webpage: www.slocleanair.org/community/grants/caap
- Grant project applications will be ranked and awarded based on a competitive ranking process. Projects that meet the following criteria will have funding priority:
 - Located in AB 1550 communities
 - Zero-emission
 - Prioritized by the community during outreach events

• Provide direct, meaningful, and assured benefits to AB 1550 communities More information about competitive ranking can be found on the following webpage: <u>slocleanair.org/community/grants/caap.php.</u> To determine if your project is in a AB 1550 area, see the map at this web page:

https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm

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Eligible Project Categories

• Battery Charging/Alternative Fuel Infrastructure

This category provides funding to help install fueling or energy infrastructure, prioritizing zero or near zero emission technologies. Funded components may include (but are not limited to) vehicle chargers, underground wiring, conduit and utilities; transformers, and dispensing equipment.

• School Bus Replacement This category provides funding for public school buses, prioritizing zero or near zero emission technologies.

- **Transit Bus Replacement** This category provides funding for zero or near zero emission transit buses.
- Off-Road/Agricultural Tractor & Irrigation Engines This category provides funding for agricultural equipment and irrigation engine replacement, prioritizing zero and near zero emission technologies.

General Eligibility Criteria

To be eligible for funding, projects must meet the criteria described in the Applicable Guidelines. These criteria include but are not limited to the following:

- Applicant must sign a Grant Agreement (contract) with the APCD.
- Program participant must have a physical address in San Luis Obispo County.
- At least 75% of the operation of the old and the new equipment must be in California.
- The new engine/equipment must not have been ordered or purchased prior to the effective date of the signed Grant Agreement. No work on the project, including ordering engines, equipment or vehicles, can begin until the contract is signed by all parties.
- The new engine/equipment must remain in service for the project life and may be required to operate a minimum amount if specified in the Grant Agreement (e.g., engine hours).
- No emission reductions generated by the CAP Program shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity, nor shall they be used for credit under any federal or state emission averaging banking and trading program.
- Successful applicants must carry liability insurance, property loss and damage insurance on the new equipment, and workers' compensation insurance as required by law.
- If required by the Applicable Guidelines, infrastructure projects must be solicited and selected through the following competitive bid process:
 - Applicant will develop impartial bidding specifications and objective supplier selection criteria with a reasonable deadline to bid and share this information with potential suppliers and APCD.
 - Applicant must submit copies of all eligible suppliers' bids to APCD, with a statement of reason for the bid selected.
- Engine and Equipment Replacement projects are subject to these additional requirements:
 - The old engine/equipment must be in operating condition and in regular use.
 - If required by CARB regulation, the old equipment must be reported to the CARB in the appropriate format (e.g. DOORS), and the fleet must be in compliance with all applicable rules and regulations, including the CARB Off-Road Regulation. All stationary or portable agricultural diesel engines 50 horsepower or more must be registered with or permitted by the APCD.

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- The old engine must be a minimum of 25 horsepower.
- The old engine/equipment must be destroyed and disposed of as scrap (except for retrofit-only projects). This destruction must be documented by APCD staff.
- Eligible stationary engines must be located in San Luis Obispo County.
- All replacement engines must be certified by the CARB for sale in California and must comply with durability and warranty requirements.

Project Funding and Caps

- Expenses that are eligible for grant funding vary slightly depending on the project type and the specifics of your project, but will generally include:
 - Costs of engines, vehicles, equipment or mechanical items necessary for project completion;
 - Costs of the installation labor to complete the project;
 - Cost of sales tax; and
 - Reasonable delivery cost of materials.
- APCD grants do not pay for spare filters or maintenance for emission control systems.;
- Replacement, repower or retrofit projects must not exceed the cost-effectiveness threshold in the Applicable Guidelines (cost per weighted ton of reduced emissions).
- Except for public entities (as defined in the Moyer Guidelines), each fleet under common ownership and control (as defined in the CARB Truck & Bus Regulation) is limited to a maximum cumulative total award payout amount of \$500,000 for all active grant agreements at any time.
- Projects will be subject to the maximum category funding level allowed in the Applicable Guidelines except for the following:
 - Off-road equipment replacement or repower projects that exceed the Tier 4 final emission standards, will have a maximum award of 40% of eligible expenses.
- APCD reserves the right to distribute funding among eligible projects to expedite full expenditure.

SUBMISSION OF PROJECT PROPOSALS

Applications must be delivered by mail or electronically to:

San Luis Obispo County Air Pollution Control District Attn: Jacqueline Mansoor 3433 Roberto Ct. San Luis Obispo, CA 93401 <u>jmansoor@co.slo.ca.us</u>

ADDITIONAL REFERENCE INFORMATION

APCD Phone: 805-781-5912, Fax: 805-781-1002 For more information on the CAP Program, please visit the following CARB websites: ww2.arb.ca.gov/our-work/programs/community-air-protection-program

The CAP Program grant eligibility information presented here is a summary. The full CAP Program Guidelines are available from the CARB at:

ww3.arb.ca.gov/msprog/cap/capfunds.htm www.arb.ca.gov/msprog/moyer/guidelines/current.htm ww2.arb.ca.gov/resources/documents/cci-funding-guidelines-administering-agencies