

# REQUEST FOR PROPOSALS

## SAN LUIS OBISPO COUNTY COMMUNITY AIR PROTECTION INCENTIVE PROGRAM

Version 2.0, September 28, 2022

### **INTRODUCTION**

The San Luis Obispo County Air Pollution Control District (APCD) Community Air Protection Program (CAP Incentives) 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. The CAP Incentives are administered by the APCD and funded with APCD Board approved monies, which include Assembly Bill 617 (AB 617) Community Air Protection Incentive Program funds. The CAP Incentives were 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: [slocleanair.org/community/grants/caap.php](http://slocleanair.org/community/grants/caap.php). Applicants are responsible for complying with all information contained in this document and proposals must adhere to all requirements.

All projects funded with Community Air Protection Incentive Program funds under this RFP must comply with the applicable guidelines published by the California Air Resources Board (CARB), including the current [Community Air Protection Incentives Guidelines](#), the [Funding Guidelines for Agencies that Administer California Climate Investments](#), and the [Carl Moyer Program Guidelines](#). 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 listed categories contain additional eligibility criteria and are found on the following webpage: [www.slocleanair.org/community/grants/caap](http://www.slocleanair.org/community/grants/caap);
- At least 80% of the project funds shall be used for projects located in an [AB 1550 low-income community](#);
- The balance of project funds can be used for project located in areas outside of AB 1550 communities but inside the [SLOCOG's Disadvantaged Communities Map](#)<sup>1</sup>;
- Zero or near zero-emission projects;

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<sup>1</sup> The San Luis Obispo Council of Government's Disadvantaged Communities Assessment created a regional definition of disadvantaged communities defined as disproportionately burdened areas that are economically distressed and/or historically underrepresented as a part of the local government process. More information on the map and the wide range of socioeconomic and population factors can be found [here](#).

- Provide direct, meaningful, and assured benefits to low-income households or individuals living in low-income communities; and  
After 1 year, if funds are not all committed, projects outside of the above prioritization areas will be considered for funding.

### **Eligible Project Categories**

- **Battery Charging/Alternative Fuel Infrastructure**  
This category provides funding to help install fueling or energy infrastructure, prioritizing zero emission technologies. Funded components may include (but are not limited to) vehicle chargers, underground wiring, conduit and utilities, transformers, and dispensing equipment.
- **Transit Bus Replacement**  
This category provides funding for zero or near zero-emission transit buses.
- **Agricultural Tractor and Engine Replacement**  
This category provides funding for agricultural equipment and irrigation engines, prioritizing 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 Incentives 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.
- 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.
- Infrastructure installations are considered public works projects and labor quotes should reflect prevailing wage rates. Contractor must provide a statement (on the quote or otherwise) that prevailing wage law will be honored.
- EV infrastructure installers must comply with P.U.C. 740.20 regarding Electric Vehicle Infrastructure Training Program (EVITP) certification and EVITP certification numbers must be provided prior to the start of work.
- 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 (e.g., 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.
- 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 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 the project, but will generally include:
  - Costs of engines, vehicles, equipment or mechanical items necessary for project completion;
  - Cost 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 \$300,000 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 meet the Tier 4 final emission standards will have a maximum award of 65% of eligible expenses.
  - Eligible 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: Ashley Goldlist  
3433 Roberto Ct.  
San Luis Obispo, CA 93401  
[agoldlist@co.slo.ca.us](mailto:agoldlist@co.slo.ca.us)

**ADDITIONAL REFERENCE INFORMATION**

APCD Phone: 805-781-5983

For more information on the CAP Incentives, please visit the CARB [website](#).

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

[ww3.arb.ca.gov/msprog/cap/capfunds.htm](http://ww3.arb.ca.gov/msprog/cap/capfunds.htm)

[www.arb.ca.gov/msprog/moyer/guidelines/current.htm](http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm)

[ww2.arb.ca.gov/resources/documents/ci-funding-guidelines-administering-agencies](http://ww2.arb.ca.gov/resources/documents/ci-funding-guidelines-administering-agencies)