Wisconsin Clean Diesel Grant Program – Guidelines & Instructions

THOROUGHLY READ THESE INSTRUCTIONS AND PROGRAM REQUIREMENTS.

Information and forms for this program can be found at: http://dnr.wi.gov/Aid/CleanDiesel.html

FUNDING SOURCE: The WDNR received grant funds from the U.S. EPA through the Diesel Emission Reduction Act (DERA). Approximately $125,000 is available in this program in 2014 to help fund school bus replacement projects in Wisconsin.

PARTICIPATION PROCESS OVERVIEW:

1. Only one application per fleet/applicant for a maximum request of $50,000.

2. Determine eligibility by reviewing the guidelines in this document.

3. From qualified vendors, obtain price quotes using the program's Price Quote Form and EPA or CARB engine emission certificate of conformity for all bus replacements.

4. Complete all required documents and use the Application Checklist form or call with any questions to ensure a complete application. **Incomplete applications may be rejected.** Applicants who submit incomplete applications before the deadline will be notified and have time to correct by the deadline. Required documents include:
   - ☑ *Application Worksheet* completed in Microsoft Excel
   - ☑ *Price Quote Form* completed by vendor
   - ☑ *EPA or CARB engine certificate of conformity* from vendor
   - ☑ *Evidence of early replacement* (see details on page 3 under *Application Instructions*)
   - ☑ *Certification Statement Form*
   - ☑ *Written approval from owner* - If the applicant is not the owner of the eligible bus(es), obtain written approval from owner acknowledging permission to participate in this project.

5. Submit forms and applicable supporting documents **postmarked by September 19, 2014** to:
   Wisconsin Department of Natural Resources
   Clean Diesel Grant Program – AM/7
   P.O. Box 7921
   Madison, WI 53707-7921

6. Grant applicants will be notified if selected for funding or not approximately 60 days after application deadline. If grant is awarded, recipients must review, complete, and submit Agreement and other required documents within 30 days of the award notification date.

7. After award documents are signed and returned, purchase the awarded buses. **Buses purchased before execution of award agreement will NOT be reimbursed.**

8. Submit a request for reimbursement with invoice(s) and other required documents by the date specified in the agreement (typically within 120 days of the agreement date).

9. Submit a Final report.

ELIGIBLE EQUIPMENT:

- Is a school bus (Class 3-8, Types A, B, C, and D)
- Bus being replaced operates on diesel fuel
- Is a model year 1991 - 2003
- In operational condition and in regular use
- Buses impacted with these funds must remain in your fleet for the remaining useful life

ELIGIBLE APPLICANT:

- Owns the bus(es) or, if leased, the applicant must provide a written statement from owner providing permission to replace the bus(es)
- Is headquartered in Wisconsin or has an operational base office in Wisconsin
- Is able to meet the minimum match requirements. Match is to be provided by actual cash outlay. Other federal or state grants *cannot* be used as match on this grant.
- Has an Affirmative Action Plan if requesting $50,000 or more, unless exempt, or will have one in place if awarded. The complete instructions for Affirmative Action Requirements can be downloaded from http://vendornet.state.wi.us\vendornet\contract\contcom.asp.

ELIGIBLE TECHNOLOGIES, COSTS, MATCH, AND OTHER REQUIREMENTS:

➔ **School Bus Replacement** - grant covers up to 25% of cost of new diesel or alternative-fuel school bus replacement up to a maximum amount of $50,000 per applicant (excludes match dollars)

- Eligible costs are for the costs of the vehicle technology and any applicable taxes
- For replacing 1991-2003 model year diesel school buses
- Purchase must be at least 3 years ahead of normal attrition schedule (must not have been planned to occur before September 30, 2017)
- Certified to model year 2013 or newer engine emission standards equipped with a particulate filter (or equipped with a catalyst if powered by compressed natural gas). EPA or CARB engine certificate of conformity must be included with application.
- Consider purchasing buses with an idle reduction device (direct fired heater) for even larger reductions in fuel and emissions. Device must be verified by EPA: http://www.epa.gov/smartway/forpartners/technology.htm#tabs-4
- Replacement must be of similar gross vehicle weight rating and horsepower may not be more than 10% higher than old engine
- Old engine and chassis must be disposed. The engine and bus being replaced must be permanently disabled (drilling 1/2" or bigger hole through engine block and manifold or running engine with sodium silicate solution *and* cutting chassis in half) *or* returned to manufacturer for remanufacturing to 2007 or newer engine standards. The old engine cannot be kept in fleet, traded or sold, but may be used for parts after disabling. If parts of the old bus are sold or funds received from salvage of equipment, any income received must be reported to DNR and will be subtracted from the total project cost.

INELIGIBLE COSTS:

- Purchase of additional buses. Grant is for replacements only, not additions.
- Buses purchased before execution of award contract
- Bus replacements that were planned to occur before September 30, 2017 as part of normal turnover (if it is due, scheduled, or will reach end of life by this date as determined by applicant's standard procedures, retirement schedule, operating plan, or budget). Evidence of early replacement is required with application. (see *Application Instructions*, p.3)
- Using grant to fund technologies to help meet any federally mandated emission requirements. If the reductions are required as part of any federal law, this grant cannot assist.
- Using these grant funds as "match" on another grant or combining this grant award with funds received under another grant program to fund the same project

- Replacing a bus that was acquired with previous grant funds
- Use of funds for back-up/stand-by/reserve buses. These funds are only intended for active buses in continuous service.
- Disposal costs for engine and bus replacements or any devices that are removed (old engine and chassis must be permanently disabled or returned to manufacturer to be rebuilt to cleaner standards)
- Operation and maintenance costs
- Infrastructure cost and optional accessories that are in addition to the basic unit

APPLICATION PROCESS:

- ***PLEASE READ FORM INSTRUCTION TAB ON APPLICATION WORKSHEET*. Applicants must fully complete the Application Worksheet and should use Microsoft Excel** to utilize the drop-down menus in some of the cells and to access the Form Instructions tab at the bottom of the Worksheet. This will ensure the form is properly completed using only the allowed selections. If unable to complete the form electronically, applicants may request or print a hard copy of the selections (available in the "DO NOT USE" tab at the bottom of the worksheet).
- Print Application Worksheet on legal sized paper (8.5"x14") or provide via email if legal size paper is unavailable.
- Applicants should only apply for projects up to the maximum award amount of $50,000 (excluding match). Please do not include projects in excess of this limit. The exact maximum award amount of $50,000 may be requested if applicant indicates in the Applicant Match portion of the application worksheet that they intend to exceed their match requirement and pay the difference between Total Project Cost and Funding Amount Requested.

APPLICATION INSTRUCTIONS (if you are an eligible applicant with eligible equipment):

- ☑ If leasing the bus(es), obtain written permission from owner(s) to replace the bus(es).
- ☑ Obtain written price quote(s) for the buses you wish to purchase under this grant using the Price Quote Form. *Award recipients must use a competitive process for obtaining products or services and conduct a price analysis to the extent required by Federal, State or local requirements and prudent business practices. Purchases must be conducted in a manner providing free and open competition to the maximum extent practicable.* This process should be used to obtain price quotes *before* applying to secure the best desired product/service at the lowest price.
- ☑ An EPA or CARB engine emission Certificate of Conformity must accompany quotes for bus replacements. Obtain from vendor.
- ☑ Evidence of early replacement must be submitted. Applicant must demonstrate that the replacement was not planned to occur within the next three years as part of their normal attrition (via standard procedures, retirement schedule, operating plan, or budget). Evidence should include a statement showing that the replacement would not have occurred before September 30, 2017 without this financial assistance. Verify statement with documentation of average similar bus turnover rates in your fleet, documentation of similar bus age ranges in the fleet, and/or copy of retirement schedule or standard procedures.
- ☑ Complete Application Worksheet electronically
- ☑ Sign Certification Statement
- ☑ **By September 19, 2014**, submit **1.)** Application Worksheet, **2.)** Signed Certification Statement, **3.)** Price Quote Form(s) (only submit the quotes of those buses you intend to purchase with grant), **4.)** Engine certificate of conformity, **5.)** Evidence of early replacement, and **6.)** Written permission from owner (for leased buses)**.**
    - If awarded, local government/school district recipients will be required to submit an Authorizing Resolution with the contract agreement to document which authorized representatives are handling each of the grant activities. Please consider routing Resolution for signatures now in preparation for potential award as the award documents will need to be returned promptly.

SELECTION PROCESS:

- Each bus will be scored individually. Preference will be given to projects that are the most cost-effective, occur in areas that will maximize health benefits, and conserve fuel.

REQUIREMENTS IF AWARDED:

- ☑ Sign Agreement with DNR and submit with a W-9 Taxpayer Identification Number Verification form and Affirmative Action Plan or exemption documents (for awards of $50,000 or more). An Authorizing Resolution is also required for local governments.
- ☑ Purchase buses
- ☑ Notify all bus operators on proper use of the buses or devices on the buses
- ☑ Within the time frame specified on the agreement, submit reimbursement request(s) with invoices and proof of payment (cancelled check). Proof of proper engine/vehicle disposal for replacements and proof of any income generated from disposal of replaced buses is also required at this time. **PLEASE NOTE: If recipient is delinquent in payment of Wisconsin taxes, their payments under this grant may be levied by the State of Wisconsin (**ss. 71.91 (4),(5) and (6), Wis. Stats)**.**
- ☑ Submit Final Report by date specified on the agreement using form supplied by the DNR
- ☑ Keep bus for the remainder of its useful life

Questions?

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