



REQUEST FOR APPLICATIONS FOR EARLY REPLACEMENTS OF SCHOOL BUSES

Section 1 Summary

The Missouri Department of Natural Resources plans to combine Diesel Emission Reduction Act (DERA) grant money received from the U.S. Environmental Protection Agency (EPA) with Missouri's Volkswagen Trust Funds to implement a clean diesel program in Missouri. This request for applications (RFA) solicits projects for early replacements of school buses. Owners of diesel school buses stationed in Missouri and serving a Missouri school district are eligible to apply for funding.

This RFA is open to both public and private fleets. **The deadline to submit applications to the department is Sept. 14, 2018.** To be eligible for reimbursement of a project through this program, the fleet owner must start and complete the project (all costs incurred) during the project period, which will begin Oct. 1, 2018, and end June 30, 2019. Section 2 "Eligible Entities" outlines the information about applicant eligibility requirements. Section 3 "Eligible Replacement Projects" outlines all of the project eligibility requirements. Section 5 "RFA Amounts" provides information about the RFA award amounts.

This is a reimbursement program. Once an applicant is chosen for an award under this RFA, the applicant initially must fund the entire project. Once the department verifies completion of the project, the applicant will receive reimbursement for up to 25 percent of the total cost of the new school buses as specified in the award agreement for selected projects. The maximum amount of funding that applicants may request through this funding opportunity is \$22,000 per bus. For applicants that plan to purchase new diesel buses, the maximum number of buses they can include on an application is three. For applicants that plan to purchase new alternative fuel or all-electric buses, the maximum number of buses they can include on an application is 10.

Section 2 Eligible Entities

Any owner of a fleet of diesel-powered school buses stationed in Missouri and serving a Missouri school district is eligible to apply for funding. This includes charter, private, and faith-based schools. Both public and private fleets are eligible. For the purposes of this RFA, a diesel-powered

school bus owner is defined as any commercial, public or institutional entity that owns and uses diesel-powered school buses. A diesel-powered school bus shall mean a traditional yellow-style school bus powered by diesel fuel with a gross vehicle weight rating greater than 14,000 pounds and used to transport students to and from school or school-related activities.

Vans and charter-style buses are not eligible vehicles under this RFA even if they are used to transport students to and from school or school-related activities. Likewise, traditional yellow-style school buses not used to transport students to and from school or school-related activities are not eligible vehicles under this RFA.

Unless exempt from these requirements under OMB guidance at [2 CFR Part 25](#) (e.g., individuals), applicants must:

Provide their DUNS numbers on each application or proposal they submit to the agency. Applicants can receive a DUNS number, at no cost, by calling the dedicated toll-free DUNS number request line at 1-866-705-5711 or by visiting the D&B website at: <http://www.dnb.com>.

If the department selects an application to receive funding, but the applicant fails to comply with these requirements, it will affect their ability to receive awards.

Section 3 Eligible Replacement Projects

Diesel-powered school buses are the only type of vehicles eligible for early replacement projects under this RFA. The gross vehicle weight rating (GVWR) of the school bus must be at least 14,000 pounds to be eligible. Only school buses with engine model years in the following model year range are eligible for replacement under this RFA: 1995 – 2006.

Early replacements of school buses must meet the following criteria to be eligible: The new school bus must be similar in size as the school bus that it is replacing, and the new bus must perform the same type of task as the old bus (transporting students to and from school or school-related activities). For the purposes of this RFA, “similar in size” means that the GVWR of the new school bus is no more than 125 percent of the old school bus’s GVWR. In addition, the school bus the applicant is replacing must be currently in operation and must not be due for replacement. A school bus scheduled for replacement or retirement through normal attrition before the year 2022 is not eligible for replacement through this grant opportunity. Applicants must use the funding from this grant must for replacements only, and may not use funding to increase the size of their fleet. One school bus must be taken out of service for each replacement school bus purchased through this project. Successful applicants must report as program income any funds received through the sale of a disabled engine, vehicle chassis, or salvaged parts from the old school bus for scrap metal or other purposes. The department may deduct program income from the award amount or allow the applicant to apply the program income towards the applicant’s portion of the match required for the new school bus.

In order to be eligible the school bus listed for replacement in the application must meet the requirements of an “early replacement.” Specifically, school bus owners must be able to attest to the following statements in order for the early school bus replacement project to be eligible:

- The school bus they are replacing under the grant is currently in use in their fleet and they do not expect to replace the bus until 2022 or later if they do not receive federal funding through this grant opportunity.
- The applicant has not previously scheduled a replacement for the school bus they are replacing prior to 2022 under normal attrition scheduling.
- The applicant currently uses the school bus they are replacing to transport students to and from school and school-related activities. If awarded, the new school bus will perform these same functions.
- The new school bus will NOT serve to expand the applicant's fleet.
- The fleet owner commits to operating and maintaining the new school bus in the fleet through at least Sept. 30, 2022.

Section 3.1 Old-Bus Disabling Requirements

This program requires applicants to disable the engine in any bus they replace through this program. At a minimum, applicants must create a 3-inch hole through the engine block and they must cut the chassis of the school bus in half to ensure they cannot resell it to another consumer for operational use. Crushing or shredding the bus and engine, as numerous metal salvage and scrap yards perform, will also be acceptable scrapping methods. The department may allow other scrapping methods but any other methods will require the department's written approval. Applicants must provide photographic documentation to prove they have disabled the old bus and engine per the grant requirements prior to the release of funds from this grant opportunity. Additionally, school bus owners must allow observation by department representatives during the disabling process.

Section 3.2 Certified Engine Requirements

All new buses purchased through this grant must be powered by a 2017 or later model year engine, that is certified to conform to all EPA emission regulations. All entities requesting funding for early school bus replacements must also acquire the approval of the department before they will be deemed eligible for an award.

To gain approval for an early school bus replacement, an applicant must provide the department pictures of the old bus including vehicle profiles, VIN tags, and engine tags (applicants do not need to provide these pictures with their applications, only applicants the department selects for an award will need to provide the pictures). Applicants must also provide the department with the specs for the new bus they plan to purchase including the vehicle make, vehicle model, vehicle model year, gross-vehicle weight rating, engine make, engine model, engine model year, horsepower, and EPA engine family name. The EPA engine family name is an alphanumeric sequence typically found on the engine label of the engine. Engine manufacturers should be able to provide the EPA engine family name of an engine if requested.

Section 4 Project Period

The project period for applications funded through this RFA will begin Oct. 1, 2018. No costs incurred before this date will be reimbursable to applicants under this RFA. Applicants must initiate the project by no later than March 31, 2019. The department considers the issuance of the purchase order for the new school bus as project initiation. Applicants must complete their project with the

new school bus purchased and the old school bus disabled per the award agreement requirements by June 30, 2019.

Section 5 RFA Amounts

The maximum amount of funding that an eligible entity may apply for is \$22,000 per bus replacement, not to exceed 25 percent of the total cost of the new bus. The maximum amount of buses that applicants may include on an application depends on the type of fuel that will power the new buses that applicants purchase through the program. If the new buses use diesel fuel, then applicants may include a maximum of three buses on their application. If the new buses use alternative fuel or if they are all-electric, then applicants may include up to ten buses on their application.

For the purposes of this RFA, alternative fuel shall mean a fuel different from or in addition to gasoline, ethanol, diesel, or biodiesel. This includes, but is not limited to compressed natural gas, liquid natural gas, propane, and diesel-electric hybrid. For vehicles powered by gasoline, ethanol, diesel, or biodiesel fuel, the use of pretreatment or fuel additives generally will not qualify the bus as using alternative fuel.

For the purposes of this award category, all-electric shall mean powered exclusively by electricity provided by a battery, fuel cell, or the grid.

Through the DERA grant and VW matching funds, the department anticipates awarding funds for 29 early school bus replacements (between 3 and 29 applicants depending on how many buses the selected applicants include in their applications). The department reserves the right to reject all applications submitted and make no awards under this announcement due to lack of eligible applications or funds. The department also reserves the right to fund only a portion of the asking price included in applications if deemed necessary due to partial application eligibility or lack of funds.

In addition to the 29 school bus replacements the department plans to fund through the DERA grant, the department has dedicated funding from Missouri's portion of the VW Trust to award funds for 40 - 45 additional bus replacements this fiscal year, with funding for more bus replacements in future years. For any applications the department does not fund this year through the DERA program, the department may offer those applicants funding from the VW Trust to implement their projects this year or in the future.

Section 6 Restrictions

Federal funds, such as federal grants awarded under previous or current DERA funding may not be used to satisfy the 75 percent matching requirements of this RFA, nor may any funds obtained from the VW Trust.

This grant may not be used to fund any portion of the following costs:

- Retrofit equipment of any kind, including emission control, idle reduction, aerodynamic technology, or low rolling resistance tires unless the technology comes included with the purchase of the new vehicle, or this type of equipment is included as an option in the specifications for the new bus.

- Administrative costs
- The cost of towing or decommissioning the replaced vehicle or equipment
- The cost of operating or maintaining the new bus
- Any luxury options for new vehicles and equipment, including but not limited to, chrome plating, custom tire rims, and other luxury custom options
- The incremental cost of alternative fuels or infrastructure for the fueling, dispensing or blending of alternative fuels

Section 7 Application Process

Applications must be emailed or postmarked by Sept. 14, 2018. The department may request clarification of applicants if needed to determine applicant/project eligibility. The deadline by which clarification must be received is Sept. 21, 2018. The department will not review any applications or clarification received after their respective deadlines. The department will hold a random drawing that will include all applications the department deems to meet the requirements of this RFA. The drawing is scheduled to occur in late-September 2018. The department will offer funding for the application drawn first. The department will draw additional applications and continue offering funding for applications pursuant to the drawing order until there is no available funding remaining. The department will draw applications and give each application a corresponding place in line. If projects drop out or become ineligible, then the department may offer funds to applicants next in line.

Note: No entity may submit multiple applications. In addition, the department reserves the right to fund only a portion of the asking price if deemed necessary due to partial application eligibility or lack of funds.

Section 8 Application Information

The applicant submittal package must include the completed application and the proof of location of the old bus, which may be either a copy of the vehicle title or a current vehicle registration. The department may also accept other forms of proof of location if the applicant receives prior authorization from the department. Applicants may submit their application packages via email to the following email address: mark.leath@dnr.mo.gov, or they may mail the application package to the following address:

Attn: Mark Leath
 Air Pollution Control Program
 Department of Natural Resources
 P.O. Box 176
 Jefferson City, MO 65102-0176

Applicants may direct questions about the application form or other required materials to mark.leath@dnr.mo.gov. Please include in the subject line of the email, 2018 School Bus Application Question.

The deadline for the department to receive applications for this grant is Sept. 14, 2018. The department is not responsible for any applications delayed or lost in the mail or applications delayed or failed to be delivered via email. It is the applicant's responsibility to ensure the department

receives their application by the deadline. Applicants should expect to get a confirmation email from the department that confirms receipt of their application.

In addition to submitting the application package to the department, applicants must register for an account with the department's online funding opportunities portal:
<https://modnr.force.com/CommunityCustomLoginPage>

The department is currently in a transition period with the funding opportunity portal. Therefore, although applicants will need to create an account through the portal, they will submit the application packages via mail or email as described above.

Applicants may direct any questions about the department's funding opportunity portal to Brenda Wansing at Brenda.wansing@dnr.mo.gov. Please include in the subject line of the email, DNR Funding Opportunity Portal Question.

Section 9 Use of Unfunded Applications for Future Funding Opportunities

The department has dedicated additional funding from the VW Trust to fund school bus replacements. The department plans to use \$1 million from the VW Trust to fund applications the department determines meet the requirements of this RFA that did not receive funding through the DERA grant. Therefore, a total of 70 – 75 bus replacements submitted on applications through this RFA may receive funding this fiscal year, which ends June 30, 2019. If there are still applications the department determines meet the requirement of this RFA remaining after the department awards all of the DERA grant funds and the additional \$1 million in VW Trust funds, the department plans to offer these applications first chance to receive funding from Missouri's VW Trust in a future fiscal year.

Section 10 Terms and Conditions

Once the department has selected an applicant to receive funding, the applicant will receive an award agreement from the department. The subgrant agreement will outline all of the terms and conditions associated with the acceptance of funds. Subjects included in the terms and conditions include, but are not limited to, procurement of new buses; invoice and payment documentation; vehicle and engine scrappage; reporting; coordination responsibilities; onsite inspections; photographic requirements; and vehicle use.