

U.S. EPA, Region 6 & 7 Blue Skyways Collaborative Clean School Bus Request For Proposals (RFP) FY 2006

AGENCY NAME: U.S. Environmental Protection Agency, Region 6 & 7,
Office of Air & Radiation

FUNDING OPPORTUNITY NAME: Region 6 & 7 Blue Skyways, Clean School Bus
USA

RFP NO: EPA-R7ARTD-06-008

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NO: 66.036
– Clean School Bus USA.

DATES

- The grant period for all applicants applying under this assistance solicitation is anticipated to begin on December 15, 2006, and expire no later than December 14, 2008.
- The closing date and time for receipt of proposals under this announcement is September 26, 2006, 6:00 p.m. Central time. Proposals submitted via electronic - mail (email) or through grants.gov must be received by this date and time (See Section IV for further information).

SUMMARY: The U.S. Environmental Protection Agency (EPA) is accepting proposals from local and state governments, nonprofit organizations, and local and federally recognized Indian Tribal Governments, for retrofit and/or replacement projects that reduce pollution from school buses within the Blue Skyways Collaborative states of Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, Oklahoma, and Texas, as well as New Mexico, through the use of EPA verified or certified and/or California Air Resources Board verified pollution reduction technologies. There is a 5% cost-share required for these projects.

I. FUNDING OPPORTUNITY DESCRIPTION

A. Background

Diesel exhaust has health implications for everyone. EPA is working aggressively to reduce pollution from new heavy duty diesel engines, by requiring them to meet tougher emission standards in the future. The current standards took effect in 2004, with an even more stringent set of standards to take effect in 2007. At that time, new heavy duty vehicles will be up to 95 percent cleaner than those engines manufactured before 2004. However, diesel engines are durable and long-lasting. It will take a long

time for new vehicles to replace the heavy duty buses currently on the road.

Children are especially sensitive to air pollution because their respiratory systems are still developing and they have a faster breathing rate. More than 24 million children ride a bus to and from school everyday, spending roughly 3 billion hours on school buses each year. Recent studies suggest that children's school bus commutes potentially expose children to significantly higher concentrations of pollutants than what is measured in a community's outdoor air. Statistics show that school buses are the safest way to transport children. EPA wants to ensure that they are also the cleanest way to transport children.

The Clean School Bus USA program is designed to reduce children's exposure to diesel exhaust from school buses. There are about 450,000 school buses on the road today, of which approximately 390,000 are diesel. Older technology buses produce as much as six times the pollution as a new school bus. About one-third of these buses were manufactured before 1990. These buses are the heaviest polluters and should be replaced. The remaining two-thirds of the school buses were manufactured between 1990 and 2003. These buses can be made much cleaner by retrofitting them with devices designed to reduce pollution and switching to cleaner fuels. EPA's Clean School Bus USA initiative has three primary goals: 1) reduce school bus idling; 2) retrofit existing buses with devices and/or cleaner fuels that reduce pollution, and 3) replace the oldest buses with new, cleaner buses. By providing assistance funding for successful approaches to reducing pollution from school buses, EPA is making available an important tool for school districts in Region 6 and 7 to implement clean school bus projects.

Replacement, retrofit and/or cleaner fuels projects for school bus fleets will all be considered for this grant competition.

For examples of clean school bus projects, see EPA's Clean School Bus USA web site's Demonstration Projects page:
(http://www.epa.gov/otaq/schoolbus/demo_projects.htm)

B. Project Summary

EPA is soliciting grant applications to assist school districts in their efforts to reduce pollution from diesel powered school buses through the use of EPA verified or certified, or California Air Resources Board (CARB) – verified, pollution reduction technology.

Applicants are advised that retrofit and/or replacement technologies must be verified or certified technologies through EPA's verification program or another EPA certification program or CARB verified. A list of EPA verified technologies is available at: <http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm>. CARB listed technologies may be found at <http://www.arb.ca.gov/diesel/verdev/verdev.htm>.

Applicants may propose to establish a subgrant program to multiple school districts and fleets. If so, the applicant must indicate in their proposal a process by which they will award subgrants to other school districts. The evaluation criteria for this subgrant

process may be modeled on this RFP's evaluation criteria. Note that applicants may include letters of support from possible subgrantees, along with their appropriate fleet information.

Applications will also be accepted from applicants that propose to establish subcontracts with the commercial school bus company(ies) providing their student transportation service to retrofit or replace buses owned by the commercial company(ies). Participation in such a subcontract program or an award by EPA and acceptance by the school district of program funds are not intended to establish any property rights or affect any liability with respect to any equipment purchased or modified under the program.

Retrofit, Replacement and Cleaner Fuels Options

This federal assistance funding program is for school districts to help modernize diesel fleets to lower diesel emissions. Strategies to be considered under this program include the retrofit or replacement of existing buses and switching to cleaner fuels:

- 1. Retrofit:** After-treatment emissions control technology options include diesel particulate filters, diesel oxidation catalysts, closed crankcase systems and electronic control module (ECM) reprograms, among others. It should be noted that diesel particulate filters need to be used in conjunction with ultra low sulfur diesel fuel, which will be available for on-highway use by October 15, 2006. In addition, filters may not be appropriate for all duty cycles and vehicles; datalogging of some vehicles by vendors must take place in order to assure that filters are an appropriate application for the particular fleet. The purpose of the datalogging is to determine which technology will work; the applicant should provide information about plans for datalogging if filters are the chosen technology. Datalogging is routinely provided by vendors and should not be included in the project budget. EPA will provide up to 100 percent of the costs for these retrofit technologies.
- 2. Engine upgrades for cleaner emissions:** Some engines may be able to be upgraded to newer certified configurations or even verified cleaner versions using manufacturer recommended upgrades or kits to certified or verified configurations. These upgrades may include the addition of newer, cleaner technologies, recalibrations, and/or other parts to reduce the emissions from the engines. If engine upgrades are proposed, then it is advised that the applicant provide background information that suggests that the applicant has investigated applicability of upgrading a particular engine. EPA will provide up to 50 percent of the cost of an engine repower or upgrade, including the addition of verified after-treatment devices. Applicants and their project partners will be responsible for the remainder of the cost.
- 3. Cleaner Fuels:** These include biodiesel, compressed natural gas, propane, and emulsions verified by EPA or listed by CARB. EPA will pay for the cost differential between the cleaner fuel and the standard diesel fuel. Ultra Low Sulfur Diesel fuel is not eligible, since it will be required for use in October 15, 2006.

- 4. Replacement:** Both buses and engines can be replaced under this program. For both bus replacement and engine replacement, the application must show plans to scrap the old engines. Evidence of scrappage must be provided to EPA in the final report. “Scrapped” is defined as a permanently disabled engine, no longer suitable for use in a vehicle, such as a hole drilled in the block. The school district may retain possession of the scrapped engine and/or chassis. Applicants may propose an alternative to scrappage, such as remanufacturing an engine to meet newer standards for emissions. EPA will consider such requests on a limited case-by-case basis.
- a. Bus Replacement:** EPA recommends the replacement of the oldest buses in the nation, especially those predating 1977 (the newest year of manufacture to be considered for replacement is 1992). EPA will pay a range of the percentage of the cost of a new cleaner emissions bus, with the top of the range between 30 and 45 percent. Applicants and their project partners will be responsible for the remainder of the cost.
 - b. Engine Replacement:** Older engines may be replaced with newer engines under this program that meet the 2007 engine standards. Applicants should provide information in their application to show the feasibility of an engine replacement strategy, as engine and vehicle design differences may make some engine replacements difficult. As noted in the above paragraph, the replaced engines must be scrapped. EPA will pay for up to 50 percent of an engine replacement. Applicants and their project partners will be responsible for the remainder of the cost.

NOTE: It is not EPA’s intention to fund replacement projects that would have occurred through the normal attrition of vehicles and equipment or to provide funds for expanding a fleet. Therefore, applicants must provide documentation in their applications that the replacement activity would not have occurred without the financial assistance provided by the agency.

C. Statutory Authority

The statutory authority for this action is the Department of the Interior, Environment and Related Agencies Appropriations Act of 2006, H.R. 2361, which became Public Law 10954 on August 2, 2005.

D. Alignment with EPA’s Strategic Plan

All proposals must support Goal 1 of EPA’s 2003-2008 Strategic Plan, Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air, which states, “Through 2010...[EPA will]...protect human health and the environment by attaining and maintaining health-based air quality standards and reducing the risk from toxic air pollutants” (www.epa.gov/ocfo/plan/2003sp.pdf)

E. Measuring Environmental Results

Measuring Environmental Results: Outputs and Outcomes

Pursuant to EPA Order 5700.7, “*Environmental Results under EPA Assistance Agreements*,” EPA requires that all grant applicants and recipients adequately address environmental outputs and outcomes. Outputs and outcomes differ both in their nature and in how they are measured. Applicants must discuss environmental outputs and outcomes in their proposed workplan.

1. **Outputs:** The term “output” means an environmental activity, effort, and/or associated work products related to an environmental goal and objective, that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period.

Expected *outputs* from the projects funded under this solicitation may include but are not limited to the following: numbers of retrofitted engines/vehicles, annual pounds or tons of PM_{2.5}, NO_x, CO and/or VOCs reduced, and cost effectiveness of project (in \$/ton or \$/lb).

To estimate *some* of the anticipated **outputs** of your proposal, EPA highly encourages you to use the following models where possible. Other methodology used must be described in detail in your application:

- To quantify estimated emissions reductions for the proposals, please use the National Mobile Inventory Model (<http://www.epa.gov/otaq/nmim.htm>). For technical assistance regarding this tool, please email mobile@epa.gov
- To quantify emissions reductions for biodiesel projects, please use EPA’s biodiesel calculator (<http://www.epa.gov/otaq/retrofit/techlist-biodiesel.htm>). For technical assistance with this tool, please contact John Brock at brock.john@epa.gov or 415-972-3999.

If you are unable to use either of the above mentioned calculators, please describe your methodology in detail. The Carl Moyer Program Guidelines (<http://www.arb.ca.gov/msprog/moyer/guidelines/revisions05.htm>) Appendix B and Appendix C provide potential emissions factors and calculation methodology, respectively.

For general questions about these tools, please contact Barry Feldman at feldman.barry@epa.gov or 214-665-7439.

2. **Outcomes:** The term “outcome” means the result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be environmental, behavioral, health-related or programmatic in nature, but must be quantitative. They may not necessarily be achievable within an assistance

agreement funding period.

- Examples of environmental outcomes from the projects to be funded under this announcement may include, but are not limited to, the following: increased understanding of the environmental or economic effectiveness of the demonstrated technology, reduced particulate matter pollution, improved ambient air quality, and health benefits achieved (i.e., numbers of illnesses, health care costs, or missed work/school days avoided, etc...).

II. AWARD INFORMATION

A. Amount of Funding Available

EPA Regions 6 & 7 anticipates awarding approximately a total of \$1.14 million under this announcement. The number of grants and/or cooperative agreements EPA will fund as a result of this announcement will be based on the quality of project proposals received and the availability of funding. The amount of funding associated with individual awards is anticipated to average between \$50,000 to \$200,000, with approximately 6 to 22 awards expected to be made.

B. Funding Type

The funding mechanism for selected projects will be in the form of a grant or cooperative agreement. A grant is an assistance agreement that is used when the recipient is responsible for project performance with little Agency involvement. A cooperative agreement is an assistance agreement that is used when there is substantial federal involvement with the recipient during the performance of an activity or project. EPA will award cooperative agreements for those projects in which it expects to have substantial technical interaction with the recipient throughout the performance of the project. For such projects, EPA may review and approve project phases, review and approve proposed subgrants and contracts, collaborate with the recipient on the scope of work and mode of operation of the project, closely monitor the recipient's performance, approve any proposed changes to work plan and/or budget, approve qualifications of key personnel, and review and comment on reports prepared under the assistance agreement.

C. Start Date/Project Duration

All projects should have an anticipated start date of December 15, 2006. Proposed project periods may be up to two years. It is expected that projects will be completed by December 14, 2008.

D. Partners, Contracts and SubAwards

EPA awards funds to one eligible applicant as the "recipient" even if other eligible applicants are named as "partners" or "co-applicants" or members of a "coalition" or "consortium". The recipient is accountable to EPA for the proper expenditure of funds.

Funding may be used to acquire services or fund partnerships, provided the recipient follows procurement and subaward or subgrant procedures contained in 40 [CFR](#) Parts 30 or 31, as applicable. For profit organizations are not eligible for subawards or subgrants under this announcement but may enter into procurement contracts with recipients.

Successful applicants must compete contracts for services and products and conduct cost, price and value analyses to the extent required in 40 CFR Parts 30 or 31, as applicable, as well as any regulations covered by state or local procurement requirements. The regulations also contain limitations on consultant compensation. Applicants are not required to identify contractors or consultants in their application. Moreover, the fact that a successful applicant has named a specific contractor or consultant in the application EPA approves does not relieve it of its obligations to comply with competitive procurement requirements as well as any regulations covered by state or local procurement requirements.

Subgrants or subawards may be used to fund partnerships with nonprofit organizations and governmental entities, or to provide financial assistance for retrofitting commercial school bus fleet operators. Successful applicants cannot use subgrants or subawards to avoid requirements in EPA grant regulations for competitive procurement by using these instruments to acquire commercial services or products to carry out its cooperative agreement. The nature of the transaction between the recipient and the subgrantee must be consistent with the standards for distinguishing between vendor transactions and sub-recipient assistance under Subpart B Section 210 of OMB Circular A133, and the definitions of “subaward” at 40 CFR 30.2 (ff) or “subgrant” at 40 CFR 31.3, as applicable.

E. Miscellaneous

Funding for these projects is not guaranteed and is subject to the availability of funds and the evaluation of proposals based on the criteria in this announcement. EPA reserves the right to partially fund proposals/applications by funding discrete activities, portions, or phases of proposed projects. If EPA decides to partially fund a proposal/application, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the proposal/application, or portion thereof, was evaluated and selected for award, and that maintains the integrity of the competition and selection process. Award of funding through this year’s competition is not a guarantee of future funding.

EPA reserves the right to make additional awards under this announcement (after the original award selections are made) if additional funding becomes available. Any additional selections for awards will be made no later than 6 months after the original selection decisions. The additional selections must be made in accordance with the terms of this announcement and EPA policy.

EPA reserves the right to reject all applications and make no awards under this

announcement, or make fewer awards than anticipated.

III. ELIGIBILITY INFORMATION

A. Who May Apply?

EPA is soliciting proposals from state and local governments (e.g., school districts), nonprofit organizations, and local and federally recognized Indian Tribal Governments.

Successful applicants must use a competitive process for obtaining contracts for services and products and conduct cost and price analyses to the extent required by federal, state or local procurement requirements. All contracts and the purchase of supplies and equipment must be conducted in a manner providing free and open competition, to the maximum extent practicable. As such, applicants should refrain from mentioning specific technology producers in their proposals unless they are sole source providers.

B. Cost-Sharing or Matching

All recipients must contribute a minimum of 5 percent of the total project cost. The cost-share may be provided in the form of cash or an “in-kind” contribution. An in-kind contribution is the reasonable value of property and services which benefit the project. Proposals which do not demonstrate how this minimum cost share requirement will be met will not be considered for funding. Matching funds must meet the requirements of EPA’s Uniform Administrative Requirements for Grants and Agreements, 40 C.F.R. 30.23 (for non-profit organizations) or 40 C.F.R. 31.24 (for governmental agencies).

C. Eligibility Screening Requirements: Threshold Criteria

Proposals must meet the following threshold criteria to be eligible for funding consideration under this announcement. Failure to meet any of the following criteria in the proposal will result in the automatic disqualification of the proposal for funding consideration. Ineligible applicants will be notified within 15 calendar days of the determination that they are ineligible based on the threshold criteria.

1. Proposals must support Goal 1 of EPA’s Strategic Plan by reducing diesel emissions.
2. Proposals must not be used for the purposes of routine program implementation, implementation of routine environmental protection or restoration measures, meeting any legal mandate (such as federal, state or local regulations or settlement agreements), land acquisition, purchase of vehicles, or completion of work that should have been completed under a prior grant or cooperative agreement.
3. Proposals (except as noted in items 6 and 7 below) must substantially comply with the submission instructions and requirements set forth in this announcement or else they will be rejected. In addition, where a page limit is expressed in Section IV with

respect to the proposal and/or parts of the proposal, pages in excess of the page limitation will not be reviewed. If a single spaced proposal is submitted, it will only be reviewed up to the equivalent of the eight page double spaced page limit; excess pages will not be reviewed. Further, proposals must be received by the EPA or through Grants.Gov on or before the closing date and time published in Section IV of this announcement. Proposals received after the published closing date and time will be returned to the sender without further consideration.

4. Projects must be located in one or more of the following Blue Skyways' states: Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, Oklahoma, or Texas. Projects located in New Mexico will also be accepted.
5. All projects, regardless of applicant type, must be for the direct benefit of a school district.
6. Proposals must include a Fleet Information Table, as described in Section IV, Part B, Subpart 3a.
7. Proposals must include an applicant cost share of at least of 5% of the total project cost, as described in Section III, Part B.
8. Strategies to be considered under this program must include at least one of the four options in Section I, Part B: retrofit, replacement, upgrade, or cleaner fuels.
9. Retrofit technologies or engine replacements must be either verified or recognized under EPA's Retrofit Program, certified by another EPA program, verified by the California Air Resources Board (CARB), or involve the application of a verified technology in an unverified application. Idle reduction technologies, which are not verified under EPA's programs, are exempt from having to meet the verification requirement.

Technologies that EPA has verified are listed on EPA's Verified Technologies List (<http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm>). CARB listed technologies may be found at <http://www.arb.ca.gov/diesel/verdev/verdev.htm>.

In cases where an applicant would like to use EPA verified technologies in applications that have not yet been verified, applicants should discuss or explain the reasoning used to determine that the technology will function properly in this application and their rationale for any estimated emissions reductions.

IV. APPLICATION AND SUBMISSION INFORMATION

A. General

Proposal workplans, as described in Part B below, must be limited to eight, double spaced pages including the cover page. Attachments for the Fleet Information and

Budget sections will not count toward the eight page limit. In addition, resumes and other supporting documentation such as letters of support can be submitted as attachments and will not count toward the eight page limit. If a single spaced proposal is submitted, it will only be reviewed up to the equivalent of the eight page double spaced page limit; excess pages will not be reviewed. All proposals must be formatted for 8 ½" x 11" paper, double-spaced, using legible and easily readable font and size, with 1" margins as **one** Microsoft Word, Word Perfect or Adobe Acrobat file.

Please do not zip the file-it will not be considered.

It is recommended that confidential business information not be included in your proposal. (see Section F. below)

B. Proposal Work Plan Elements

Each proposal workplan should include the following components:

- 1. Cover Page:** Include the following information:
 - a. Project Title:**
 - b. Project Manager:** Identify who will serve as the principal party responsible for accomplishing the activities outlined in the work plan, including phone number and email address.
 - c. Total Project Cost:** Specify total amount requested from EPA, as well as any resources or funding from any other sources that are contributing support.
 - d. Project Period:** Provide anticipated beginning and ending dates. Funds will only be available to begin project/program activities on or after December 15, 2006 and end no later than December 14, 2008.
 - e. Summary Statement:** One to two sentence summary of proposal describing the number of busses affected by the retrofit and/or replacement project and technology to be implemented. If a bus or engine replacement project is proposed, provide assurance that the replacement activity would not have occurred without the financial assistance provided by the agency.
 - f. School Districts:** List of affected school district(s) including school district(s) mailing and superintendent contact information.

- 2. Narrative Workplan:** The narrative work plan must explicitly describe how the proposed project meets the guidelines established in Sections I-III, including the threshold eligibility requirements in Section III, Part C, and address each of the evaluation criteria disclosed in Section V, Part B. (Evaluation Criteria).
 - a. Project Description:** Provide a brief project description including:
 - (i) a well supported statement or needs assessment describing the tasks and activities that will be conducted to accomplish the objective of reduced diesel emissions within the Blue Skyways Collaborative and New Mexico; (ii) specify the problem to be addressed which demonstrates the reason your proposal should receive funding support, including local conditions such as non-attainment status, sensitive populations or environmental justice areas and

geographical areas of impact; and (iii) estimated timeline or schedule of expected target dates and milestones to achieve specific tasks and accomplishments during the budget and project period.

NOTE: It is not EPA's intention to fund replacement projects that would have occurred through the normal attrition of vehicles and equipment or to provide funds for expanding a fleet. Therefore, applicants must provide documentation in their applications that the replacement activity would not have occurred without the financial assistance provided by the agency.

- b. Specific Environmental Outputs:** Identify the specific outputs in terms of number of engines retrofitted, anticipated emissions (PM_{2.5}, NO_x, CO and/or VOCs) reduced (in tons or lbs/year), and the cost effectiveness (in \$/lb or \$/ton), and how you will measure whether you are achieving the outputs. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period.
- c. Desired Environmental Outcomes:** Specify the quantitative and qualitative outcomes of the project, including what measurements you will use and how you will measure and evaluate the results of your project. These may include, but are not limited to, increased understanding of the environmental or economic effectiveness of the demonstrated technology, reduced particulate matter pollution, improved ambient air quality, and health benefits achieved (i.e., numbers of illnesses, health care costs, or missed work/school days avoided, etc...).
- d. Collaborations or Partnerships:** Identify all proposed partnerships and stakeholder groups that will be involved in the project and what each of the groups' roles will be in project staffing, funding, design and implementation.
- e. Environmental Results Past Performance and Programmatic Capability:** Submit a list of federally funded assistance agreements that your organization performed within the last three years (no more than 5, and preferably EPA agreements) and for each agreement describe (i) how you documented and/or reported on whether you were making progress towards achieving the expected results (e.g., outputs and outcomes) under those agreements; if you were not making progress, please indicate whether, and how, you documented why not (ii) whether and how you were technically able to successfully carry out and manage those agreements and (iii) your history of meeting the reporting requirements under those agreements including submitting acceptable final technical reports. In evaluating applicants under these factors in Section V, EPA will consider the information provided by the applicant and may also consider relevant information from other sources, including information from EPA files and from current and prior Federal agency grantors (e.g., to verify and/or supplement the information provided by the applicant). If you have no relevant or available past performance or reporting history, please indicate this

in the proposal, and you will receive a neutral score for these factors under Section V.

In addition, provide information on your organizational experience and plan for timely and successfully achieving the objectives of the proposed project, and your staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.

The proposal narrative should also include, to the extent not otherwise covered above, any information necessary to address the factors in Section V.

3. Attachments: The following two sections should be included as attachments to the workplan and will not count as part of the eight page limit. There is no page limit for these two attachments.

a. Fleet Information: Provide a fleet summary, including the number of buses in the targeted fleet(s), the number of students riding the fleet, the number of students in the entire district, the fleet replacement rate, the type of retrofit technology that may be used, and the number of buses or engines that may be retrofitted or replaced. Also indicate what entity owns the buses, operates the buses, and maintains the buses, and any other general information about the fleet and its history. Bus and engine replacement projects should provide supporting documentation in the application that the replacement activity would not have occurred without the financial assistance provided by the Agency.

In addition, provide a Fleet Information Table listing each bus in the fleet, including the identification number, the chassis manufacturer, bus type (A, B, C or D), chassis model year, engine manufacturer, engine model number and year, annual vehicle miles traveled and/or annual hours of operation, annual fuel usage and retrofit or replacement option selected. Please see <http://www.epa.gov/cleanschoolbus/busidtable.pdf> for an example format.

b. Budget: Provide a detailed itemized budget proposal using the example below, justifying the expenses for each of the following categories being performed within the grant/project period. Indicate what portion of the cost will be paid by EPA, and what portion will be paid by the applicant or other partners as part of the minimum 5% match requirement.

1. **Personnel:**
2. **Fringe Benefits:**
3. **Travel:**
4. **Equipment:**
5. **Supplies:**
6. **Contractual:**
7. **Other:**

8. **Total Direct Charges:**
9. **Total Indirect Costs:**
10. **Total Cost:**

C. Application Instructions

Regardless of the mode of submission, all applicants are required to submit an Application for Federal Assistance (SF-424) and the Budget Information for Non-Construction Programs (SF-424A) form with their application in order to be considered. Forms can be found and downloaded at <http://www.epa.gov/ogd/AppKit/application.htm>. Applicants are encouraged to apply electronically via email or online using the Grants.gov website with an electronic signature. Please only use one method. For those applicants who lack the technical capability to apply either by email or through Grants.gov, please contact Alan Banwart (913-551-7819 and/or banwart.alan@epa.gov) for alternative submission methods. The closing date and time for receipt of proposals under this announcement (regardless of submission method) is **September 26, 2006 at 6:00 pm central time**. Proposals, regardless of submission method, must be received by EPA or through grants.gov by this date and time.

1. Instructions for Email Submissions

Proposals must be emailed to r7-p2assist@epa.gov. The title of the email should read “2006 Clean School Bus”. The proposal should be **one** attached file prepared as described in Section IV, Parts A and B above. Please do not zip the attached file. If you do not receive an email confirmation within five business days, please call Alan Banwart at 913-551-7819.

2. Instructions for Submissions Using Grants.Gov

With Grants.Gov, you will be able to submit your entire proposal package on line with no hard copy or computer disks. Please be sure to view the additional instructions that are available for download on Grants.gov for this announcement and which are included as Appendix A to the announcement. If you have any technical difficulties while applying electronically, please refer to <http://www.grants.gov/Customersupport> or call the toll free Contact Center at 1-800-518-4726. You may also contact Alan Banwart at 913-551-7819.

Be sure to download and read the instructions and the application package at the Grants.Gov web site which is also included as Appendix A to this announcement.

D. DUNS

All applicants applying for funding, including renewal funding, must have a Dun and Bradstreet Universal Data Numbering System (DUNS) number. Applicants who do not already have a DUNS number may find instruction for obtaining one at the following website: <http://www.Grants.Gov/GetStarted>. A DUNS number may also be obtained by calling 1-866-705-5711.

E. Intergovernmental Review

Applicants (except for Federally Recognized Indian Tribes and Tribal Consortia) must comply with the Intergovernmental Review Process and/or consultation provisions of Executive Order 12372. EPA's implementing regulations for this Executive Order can be found at 40 CFR §§29.129.13.

F. Confidential Business Information

In accordance with 40 CFR 2.203, applicants may claim all or a portion of their application/proposal as confidential business information. EPA will evaluate confidentiality claims in accordance with 40 CFR Part 2. Applicants must clearly mark applications/proposals or portions of applications/proposals they claim as confidential. If no claim of confidentiality is made, EPA is not required to make the inquiry to the applicant otherwise required by 40 CFR 2.204(c) (2) prior to disclosure. Note that under Public Law No. 105277, data produced under an award is subject to the Freedom of Information Act.

G. Pre-proposal/Application Communications and Assistance

In accordance with EPA's Competition Policy of January 11, 2005 (EPA Order 5700.5A1), EPA staff will not meet with individual applicants to discuss draft proposals, provide informal comments on draft proposals, or provide advice to applicants on how to respond to ranking criteria. Applicants are responsible for the contents of their applications.

However, EPA will respond to questions in writing (to mcquiddy.david@epa.gov) from individual applicants regarding threshold eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement. Please type "Clean School Bus Question" in the subject line of your email. All questions and answers will be posted on the website, www.blueskyways.org, no later than five business days after they are received

V. PROPOSAL REVIEW INFORMATION

A. Review and Selection Process:

Each proposal will be evaluated by an EPA Region 6 and 7 staff team chosen for their experience with a full range of transportation air quality matters. Proposals that meet all of the threshold eligibility factors identified in Section III will then be evaluated by a panel of Region 6 and Region 7 staff based on the evaluation criteria listed in Section V.B. below. Once the Evaluation Team has completed their evaluations, they will submit the top ranked proposals to EPA Region 6 and 7 management officials. In making the final funding recommendations to the Grants Award Official from among the top ranked proposals provided to them by the Evaluation Team, these officials will consider the rankings and may also consider the factor described in Section V.C below.

Regions 6 and 7 expect to complete the Evaluation/Selection process and make recommendations to EPA's grants offices during the Fall 2006. All applicants will be notified promptly after final selections regarding their proposal's status.

B. Evaluation Criteria:

Each eligible proposal will be evaluated according to the criteria set forth below. Applicants should directly and explicitly address these criteria as part of their proposal submittal. Each proposal will be rated under a points system, with a total of 100 points possible.

1. Environmental Results - Measurable or Quantifiable Outputs and Outcomes: 35 pts.

Evaluate the degree to which the applicant has provided an evaluative component to the project including an estimation of anticipated emissions (PM_{2.5}, NO_x, CO and/or VOCs) reductions (in tons or lbs/year), the cost-effectiveness of the project (in \$/lb or \$/ton), the health and/or environmental benefits (quantified or qualified), operational concerns or other barriers to applying the technologies, and any other measurements as requested in Section I, Part E, Measuring Environmental Results, in addition to how the applicant's success in achieving these outputs and outcomes will be measured.

2. Programmatic Capability and Environmental Results Past Performance: 25 pts.

Under this factor, the Agency will evaluate (i) the applicants past performance in successfully completing and managing federally funded agreements similar in size, scope, and relevance to the proposed project performed within the last 3 years, (ii) the applicants history of meeting reporting requirements under federally funded agreements similar in size, scope, and relevance to the proposed project performed within the last 3 years and submitting acceptable final technical reports under these agreements, (iii) the extent and quality to which the applicant adequately documented and/or reported on its progress towards achieving the expected results (e.g., outcomes and outputs) under federally funded agency assistance agreements performed within the last three years, and if such progress was not being made whether the applicant adequately documented and/or reported why not, (iv) the applicants organizational experience and plan for timely and successfully achieving the objectives of the proposed project, and (v) the applicants staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.

Note: In evaluating applicants under this factor, the Agency will consider the information provided by the applicant and may also consider relevant information from other sources including agency files and prior/current grantors (e.g., to verify and/or supplement the information supplied by the applicant). Applicants with no relevant or available past performance or reporting history (items i, ii, and

iii above), will receive a neutral score for those elements of this factor.

3. Collaboration/Partnerships and Leveraged Resources: 20 pts.

Degree to which the project proposes to work in partnership with a diverse set of stakeholders and leverage significant resources to implement the proposal. For example, applicants may collaborate or partner with other entities including, but not limited to, the Blue Skyways Collaborative, Midwest Clean Diesel Initiative, the US/Mexico Border Program, or other State/local/private partnership programs.

4. Diesel Emissions Reduction Plan: 10 pts.

Extent to which the proposal workplan to adequately describe how the completion of the project will accomplish the objective of reduced diesel emissions within Regions 6 & 7.

5. Budget Reasonableness: 10 pts.

Extent to which the budget for the project is reasonable and includes all required categories, including any leveraged resources.

C. Other Factors

Geographic Dispersion: In making the final funding recommendations to the Grant Award Official, the Selection Official described in Section V.A may consider the geographic dispersion of awards among each of the states comprising the Blue Skyways Collaborative, (Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, Oklahoma, and Texas) and New Mexico.

VI. AWARD ADMINISTRATION INFORMATION

A. Award Notices:

EPA will notify both successful and unsuccessful applicant(s) in writing and electronic mail. Applicants selected for award may have an opportunity to negotiate elements of their work plan and budget and submit final applications, including all required assistance documents to Region 7 Grants Management Office.

Note: USEPA reserves the right to negotiate appropriate changes in work plans after the selection and before the final award consistent with EPA's Competition Policy (EPA Order 5700.5A1, Section 11). The notification, which advises that the applicant's proposal has been tentatively selected and is being recommended for award, is not an authorization to begin performance. The award notice signed by the Air and Radiation Division Director is the authorizing document and will be provided through postal mail. At a minimum, this process can take up to 60 days from the date of selection.

B. Administrative and National Policy Requirements.

1. A listing and description of general EPA Regulations applicable to the award of assistance agreements may be viewed at:

http://www.epa.gov/ogd/AppKit/applicable_epa_regulations_and_description.htm

2. Programmatic Terms and Conditions will be negotiated with the selected recipient.
3. Nonprofit applicants that are recommended for funding under this announcement may be subject to pre-award administrative capability reviews consistent with Sections 8.b, 8.c, and 9.d of EPA Order 5700.8, 'EPA Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards' which can be found at http://www.epa.gov/ogd/grants/award/5700_8.pdf. Nonprofit applicants that qualify for funding may, depending on the size of the award, be required to fill out and submit to the Grants Management Office the Administrative Capability Form, with supporting documents, contained in Appendix A of EPA Order 5700.8.

C. Reporting Requirement.

Quarterly progress reports and a detailed final report will be required. Quarterly reports summarizing technical progress, planned activities for next quarter and summary of expenditures are required. Applicants are further required to make a commitment to share all data collected with EPA for assessment on a regional level. The Final report shall be completed within 90 calendar days of the completion of the project period. The final report should encompass a complete overview/summary of all of the activities conducted within the grant project period; including any and all data results as well as a justification for impediments should be addressed. The schedule for submission of quarterly reports will be established by EPA, after applicant has been approved for an award.

While the Agency will negotiate precise terms and conditions relating to substantial involvement as part of the award process, EPA will not select employees or contractors employed by the recipient(s) and the final decision on the content of reports rests with the recipient(s).

D. Disputes.

Assistance agreement competition-related disputes will be resolved in accordance with the dispute resolution procedures published in 70 FR (Federal Register) 3629, 3630 (January 26, 2005) which can be found at: <http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/051371.htm>. Copies of these procedures may also be requested by contacting the Agency Contact listed in Section VII.

VII. AGENCY CONTACT

FOR FURTHER INFORMATION CONTACT:

Regional Contacts:

Alan Banwart
US EPA Region 7
Phone: 913-551-7819
banwart.alan@epa.gov

OR

Wes McQuiddy
US EPA Region 6
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Technical Information

Barry Feldman
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Phone: 214-665-7439
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Regional Competition Advocate

Robert Bukaty
US EPA Region 7
Phone: 913-551-7846
Bukaty.robert@epa.gov

VIII. OTHER INFORMATION

The EPA Award Official is the only official that can bind the Agency to the expenditure of funds for selected projects resulting from this announcement.

Blue Skyways Collaborative: Blue Skyways Collaborative is a collaboration of federal, state and local agencies, along with communities, nonprofit organizations and private companies working together to reduce emissions from diesel engines in the central corridor of North America. More information can be found at:
<http://www.blueskyways.org/>

Appendix A – Using Grants.gov to Submit the Proposal Package

If you wish to apply electronically via Grants.gov, the electronic submission of your proposal package must be made by an official representative of your institution who is registered with Grants.gov and authorized to sign applications for Federal assistance. For more information, go to <http://www.grants.gov> and click on “Get Started,” and then click on “For AORs” (Authorized Organization Representative) on the left side of the page. *Note that the registration process may take a week or longer to complete.* If your organization is not currently registered with Grants.gov, please encourage your office to designate an AOR and ask that individual to begin the registration process as soon as possible.

To begin the application process, go to <http://www.grants.gov> and click on “Apply for Grants.” Following the online instructions, download PureEdge Viewer software and enter the Funding Opportunity Number, EPA-R7ARTD-06-008 in the space provide to retrieve the application package. Then complete and submit the application package as indicated. You may also be able to access the application package by clicking on the button “How To Apply” at the top right of the synopsis page for this announcement on <http://www.grants.gov> (to find the synopsis page go to <http://www.grants.gov> and click on the “Find Grant Opportunities” button on the top of the page and then to go EPA opportunities).

Proposal Submission Deadline: Your organization’s AOR must submit your complete proposal package as described below electronically to EPA through Grants.gov (<http://www.grants.gov>) no later than September 26, 2006 (6 p.m. Central time).

Proposal Materials

The following forms and documents are required to be submitted by applicants using grants.gov under this announcement:

I. Standard Form (SF) 424, Application for Federal Assistance

Complete the form. There are no attachments. Please be sure to include organization fax number and email address in Block 5 of the Standard Form SF 424.

Please note that the organizational Dun and Bradstreet (D&B) Data Universal Number System (DUNS) number must be included on the SF 424. Organizations may obtain a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711.

II. Proposal Workplan

Prepare as described in Section IV, Parts A and B of the announcement.

All proposals must be limited to eight pages, formatted for 8 ½" x 11" paper, double-spaced, using legible and easily readable font and size, with 1" margins. If a single spaced proposal is submitted, it will only be reviewed up to the equivalent of the eight page double spaced page limit; excess pages will not be reviewed.

The proposal workplan should be readable in PDF, Word Perfect or MS Word for Windows and consolidated into a single file.

Submission Instructions

Documents I and II listed under Proposal Materials above should appear in the “Mandatory Documents” box on the Grants.gov Grant Application Package page.

For document I, click on the appropriate form and then click “Open Form” below the box. The fields that must be completed will be highlighted in yellow. Optional fields and completed fields will be displayed in white. If you enter an invalid response or incomplete information in a field, you will receive an error message. When you have finished filling out each form, click “Save.” When you return to the electronic Grant Application Package page, click on the form you just completed, and then click on the box that says, “Move Form to Submission List.” This action will move the document over to the box that says, “Mandatory Completed Documents for Submission.”

For document II, you will need to attach electronic files. Prepare your proposal workplan as described above in Section IV, Parts A and B of this announcement and save the document to your computer as an MS Word, Word Perfect or PDF file. When you are ready to attach your proposal workplan to the application package, click on “Project Narrative Attachment Form,” and open the form. Click “Add Mandatory Project Narrative File,” and then attach it (previously saved to your computer) using the browse window that appears. You may then click “View Mandatory Project Narrative File” to view it. Enter a brief descriptive title of your project in the space beside “Mandatory Project Narrative File Filename;” the filename should be no more than 40 characters long. If there other attachments that you would like to submit to accompany your proposal, you may click “Add Optional Project Narrative File” and proceed as before. When you have finished attaching the necessary documents, click “Close Form.” When you return to the “Grant Application Package” page, select the “Project Narrative Attachment Form” and click “Move Form to Submission List.” The form should now appear in the box that says, “Mandatory Completed Documents for Submission.”

Once you have finished filling out all of the forms/attachments and they appear in one of the “Completed Documents for Submission” boxes, click the “Save” button that appears at the top of the Web page. It is suggested that you save the document a second time, using a different name, since this will make it easier to submit an amended package later if necessary. Please use the following format when saving your file: “Applicant Name – FY06 – Assoc Prog Supp – 1st Submission” or “Applicant Name – FY 06 Assoc Prog Supp – Backup Submission.” If it becomes necessary to submit an amended package at a later date, then the name of the 2nd submission should be changed to “Applicant Name – FY06 Assoc Prog Supp – 2nd Submission.”

Once your application package has been completed and saved, send it to your AOR for submission to U.S. EPA through Grants.gov. Please advise your AOR to close all other software programs before attempting to submit the application package through Grants.gov.

In the “Application Filing Name” box, your AOR should enter your organization’s name (abbreviate where possible), the fiscal year (e.g., FY06), and the grant category (e.g., Assoc Prog Supp). The filing name should not exceed 40

characters. From the “Grant Application Package” page, your AOR may submit the application package by clicking the “Submit” button that appears at the top of the page. The AOR will then be asked to verify the agency and funding opportunity number for which the application package is being submitted. If problems are encountered during the submission process, the AOR should reboot his/her computer before trying to submit the application package again. [It may be necessary to turn off the computer (not just restart it) before attempting to submit the package again.] If the AOR continues to experience submission problems, he/she may contact Grants.gov for assistance by phone at 1-800-518-4726 or email at support@grants.gov or contact Alan Banwart at 913-551-7819 and/or email at banwart.alan@epa.gov.

Application packages submitted thru grants.gov will be time/date stamped electronically. If you have not received a confirmation of receipt from EPA (not from support@grant.gov) within 30 days of the application deadline, please send an email at banwart.alan@epa.gov. Failure to do so may result in your application not being reviewed.

If you have never used Grants.Gov before, here are some tips.

Most organizations have found Grants.Gov to be a user friendly system. The most frequent concern has occurred when an organization has delayed obtaining the unique electronic signature to the last minute.

Register for your electronic signature early! An electronic signature requires three levels of authorization before you can submit on line. You need to decide who will be the AOR, the caretaker of the electronic signature for your organization. At a university the Chief Grant Official generally signs all of the electronic grants for the entire institution. If all goes well, this process takes about a week, but some organizations have encountered internal and external delays; therefore the registration process can take longer.

Remember, you cannot submit your application online until your organization has e-authentication credentials. Here are the basic steps:

1. Obtain a Certified DUNS Number. You must first have a certified, unique Dun and Bradstreet Universal Data Numbering System (DUNS) number. Some organizations may have more than one DUNS number registered. Only one can be certified. This can lead to unanticipated delays.
2. Central Contractor Registry and Credential Provider Registration. Once you have your unique, approved DUNS number, you need to register with the Central Contractor Registry.
3. Grants.Gov Electronic Signature Authorization. Once steps A and B are complete, you will then need to contact Grants.Gov. The Authorized Organization Representative (AOR) will be assigned a password that will

enable him or her to sign the Grants.Gov applications electronically. The AOR must be an individual who is able to make legally binding commitments for the applicant organization. Organizations may designate more than one AOR.

Be sure to download and read the instructions and the application at the Grants.Gov web site