

2016-17 GRANT SOLICITATION

Low Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investments and Air Quality Improvement Program (AQIP)

CLEAN VEHICLE REBATE PROJECT

Mobile Source Control Division
California Air Resources Board
October 3, 2016



California Environmental Protection Agency

 **Air Resources Board**

California Air Resources Board
Air Quality Improvement Program (AQIP)

CLEAN VEHICLE REBATE PROJECT

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I. SUMMARY

The California Air Resources Board (ARB or the Board) is soliciting a Grantee to implement and administer the Clean Vehicle Rebate Project (CVRP) and Increased Incentives for Public Fleets in Disadvantaged Communities (Public Fleet Pilot Project) for Fiscal Year (FY) 2016-17. The solicitation includes the option for new Grant Agreements for each of the following two fiscal years (FY 2017-18 and FY 2018-19). Contingent upon Board approval to implement the modifications to the FY 2016-17 Funding Plan for the Low Carbon Transportation Investments and Air Quality Improvement Program (Funding Plan), the current funding available for the FY 2016-17 CVRP and the Public Fleet Pilot Project is up to \$81 million. The inclusion of the Public Fleet Pilot Project is specifically contingent upon the Board allocating up to \$3 million to the Public Fleet Pilot Project.

CVRP is intended to encourage and accelerate zero- and near-zero emission, on-road light-duty vehicle deployment and technology innovation. This project currently provides rebates for California purchasers and lessees of up to \$6,500 for fuel cell electric vehicles (FCEVs), up to \$4,000 for battery-electric vehicles (BEVs), up to \$3,000 for plug-in hybrid electric light-duty vehicles (PHEVs), and up to \$900 for zero-emission motorcycles (ZEMs) on a first-come, first-served basis. These rebate amounts have not been updated to reflect recently adopted legislation and are subject to change. In addition, the Public Fleet Pilot Project provides increased incentives for public fleets located in or serving disadvantaged communities. Rebates offered to public fleets located in or serving disadvantaged communities are up to \$15,000 for FCEVs, \$10,000 for BEVs, and \$5,250 for PHEVs.

This project benefits the citizens of California by providing immediate air pollution emission reductions and stimulating development and deployment of the next generation of zero-emission and plug-in hybrid electric light-duty vehicles necessary to meeting California's clean air goals. This project will be administered and implemented through a partnership between ARB and a Grantee, selected via a competitive ARB Grant solicitation. Applications are due to ARB no later than **5:00 p.m. (PST), November 4, 2016.**

II. BACKGROUND

In 2007, Governor Schwarzenegger signed into law the *California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007* (AB 118, Statutes of 2007, Chapter 750). AB 118 created the Air Quality Improvement Program (AQIP), a voluntary incentive program administered by ARB, to fund clean vehicle and equipment projects, air quality research and workforce training.

As required in Health and Safety Code (HSC) Section 44274(a), the Board adopted regulatory guidelines in 2009 for AQIP. The Guidelines for the AB 118 Air Quality

Improvement Program (Guidelines)¹ define the overall administrative requirements, and policies and procedures for program implementation based on the framework established in statute. Central to the Guidelines is the requirement for a Board-approved annual funding plan developed with public input. The funding plan is each year's blueprint for expending AQIP funds appropriated to ARB in the annual State Budget. The funding plan focuses AQIP on supporting development and deployment of the advanced technologies needed to meet California's longer-term, post 2020 air quality goals.

In 2012, the legislature passed and Governor Brown signed into law three bills – AB 1532 (Pérez, Chapter 807), Senate Bill (SB) 535 (de León, Chapter 830), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39) – that established the Greenhouse Gas Reduction Fund (GGRF) to receive Cap-and-Trade auction proceeds and to provide the framework for how the auction proceeds will be administered to further the purposes of AB 32. Cap-and-Trade auction proceeds have been appropriated to ARB for Low Carbon Transportation projects that reduce greenhouse gas (GHG) emissions, with an emphasis on investments that benefit the State's disadvantaged communities. Per statute these funds must be used to further the purposes of Assembly Bill 32 (AB 32; Nunez, Chapter 488, Statutes of 2006). The Low Carbon Transportation investments build upon and greatly expand existing advanced technology and clean transportation programs, which provide mobile source incentives to reduce criteria pollutant, air toxic, and GHG emissions.

In 2016, the Legislature passed and Governor Brown signed into law SB 859 (Committee on Budget and Fiscal Review, Chapter 368), which directs ARB to make a number of changes to CVRP. Beginning November 1, 2016 and ending July 1, 2017, the bill:

- Limits CVRP participation to consumers whose gross annual income does not exceed: \$150,000 for single filers; \$204,000 for head-of-household filers; and \$300,000 for joint filers. The cap does not apply to fuel cell electric vehicle purchases.
- Increases rebate payment for low-income applicants by \$500.
- Limits CVRP eligibility for plug-in hybrid electric vehicles to vehicles with an electric range of at least 20 miles.

III. AVAILABLE FUNDING

In June 2016, ARB approved the FY 2016-17 Funding Plan², providing up to \$230 million in funding for CVRP and the Public Fleet Pilot Project. However, this was

¹ The Guidelines for the AB 118 Air Quality Improvement Program are available at: <http://www.arb.ca.gov/msprog/aqip/regdocs.htm>

² The approved FY 2016-17 Funding Plan is available at: <http://www.arb.ca.gov/msprog/aqip/fundplan/fundplan.htm>

contingent upon legislative appropriation. Subsequently, AB 1613 (Committee on Budget, Chapter 370) appropriated only \$133 million for CVRP, of which \$55 million was incorporated into the FY 2015-16 grant to cover the waitlist. Contingent upon Board approval for the Public Fleet Pilot Project, up to \$3 million in funding from GGRF may be available for public fleets located in or serving disadvantaged communities. In total, and contingent upon Board adoption, this solicitation is comprised of up to \$81 million - \$78 million for CVRP and up to \$3 million for the Public Fleet Pilot Project. There is no minimum match funding requirement, but voluntary match or in-kind funding will be considered in scoring the application. Funding is to be broken down as follows:

- A. Rebates to eligible vehicle purchasers and lessees.
- B. Grantee's rebate processing fee (fee shall not exceed seven percent of total project funding).

In the event that additional funding is provided for CVRP, these funds will be administered under this solicitation.

IV. OPTION FOR NEW GRANT AGREEMENT FOR FY 2017-18 AND FY 2018-19

ARB, in its sole discretion, may award a new Grant Agreement each following year for FY 2017-18 and FY 2018-19, under the same terms and conditions. The Grantee understands and agrees that there is no guarantee that the subsequent FY 2017-18 and FY 2018-19 Grant Agreements will be awarded.

V. ELIGIBILITY

This solicitation is open to federal, state or local government entities or agencies, and California nonprofit organizations with expertise implementing a grant program and general knowledge of ARB's clean vehicle programs. Specific requirements for the Grantee are described in this solicitation, the Draft Sample Terms and Conditions for the Clean Vehicle Rebate Project (Sample Terms and Conditions) (Appendix B), the Draft Sample Implementation Manual for FY 2016-17 Clean Vehicle Rebate Project (Sample Implementation Manual) (Appendix C), and the Clean Vehicle Rebate Project Draft Sample Grant Agreement for FY 2016-17 (Sample Grant Agreement) (Appendix D).

Eligible applicants must meet all applicable requirements of State law, the AQIP Guidelines, the FY 2016-17 Funding Plan, and this solicitation. To be considered for the grant award, applicants must fully complete the GGRF/AQIP Application (Appendix A) and demonstrate that they meet the Required Elements (see Section X of this solicitation). ARB may request clarification regarding application responses during the application review process.

VI. SCOPE OF WORK

The Grantee is responsible for on-the-ground project implementation of distributing rebates for eligible vehicles, including, but not limited to the following tasks:

- A. Throughout the grant term and in consultation with ARB, update and finalize both the CVRP Terms and Conditions and the Implementation Manual.
- B. Prepare outreach and educational materials in consultation with ARB and conduct the statewide public outreach necessary for the project to be successful. The Grantee shall clearly identify an outreach plan that contains, at a minimum:
 - 1. The types of outreach planned (e.g., printed materials, web-based, and social media).
 - 2. An approximation of the number of community events and the geographic location that will be attended to promote clean vehicle technology (including technology demonstration).
 - 3. A strategy to support organizations and groups that are representative of disadvantaged communities, and that are connected to a network of similar organizations and culturally-relevant institutions and community service providers to provide education, technical assistance, ride and drive opportunities, etc. Such groups and programs include, but is not limited to; the PEV Collaborative, Energy Upgrade California, Drive California, utility groups, community colleges, community centers, community events, smog check stations, and labor unions with low-wage members.
 - 4. A strategy to engage lower-income and disadvantaged communities through activities relevant to the community being served, and through the use of language-specific and culturally-appropriate outreach and education materials.
 - 5. A strategy to support dealerships and manufacturers for reaching sales staff and consumers.
 - 6. Outreach materials, such as fact sheets, infographics, and other multimedia tools, such as videos, readily accessible on the website.
- C. At the discretion of ARB, define, develop, and implement a prequalification mechanism to allow consumers the option to receive the appropriate incentive for an eligible vehicle as close to the time of purchase as possible.
- D. At the discretion of ARB, conduct consumer surveys and provide a summary of responses which includes survey statistics.

- E. Develop program related user-friendly public webpages (that may be hosted at ARB's discretion on the Grantee's webpages), ARB webpages, or an ARB-approved third party webpage. Webpages must include, at a minimum:
1. The list of eligible vehicles and each vehicle's rebate amount.
 2. Ability to submit online rebate applications.
 3. Ability to track the total CVRP funds, both available and expended, in real time.
 4. Ability to provide information on CVRP rebates disbursed based on query parameters such as vehicle type, location, and consumer type.
 5. Ability to provide a visual representation of where rebates are being disbursed with a mapping tool.
 6. Ability to provide user survey data to display information such as demographics, dealer experience, motivations to purchase, decision-making process, etc.
 7. Applicable documents and forms related to the project.
- F. Develop a policies and procedures document and flow chart that describes the Grantee's administrative action for processing rebates. Examples include, details on acceptable supporting documentation, practice for correcting erroneous VIN data entry errors, protocols for recording ARB case-by-case approvals.
- G. Establish and maintain rebate records (see Section M (2) of the Sample Grant Agreement).
- H. Store all records in a safe and secure storage facility that maintains confidentiality and provides fire and natural disaster protection (see Section M in the Sample Grant Agreement). Files shall be retained during the term of the Grant Agreement plus three years. Upon completion of the third year of record retention, the Grantee must submit all project records to ARB. Hardcopy of electronic records are suitable. Acceptable forms of electronic media include hard drives, CDs, DVDs, and flash drives. Other forms of electronic media may be allowed based on prior written concurrence from ARB.
- I. Develop a systematic process and schedule to back-up CVRP database(s) each day at a minimum.
- J. Meet and adhere to all Information Security Requirements described in NIST Special Publication 800-53 r4.

- K. Ensure purchasers and lessees meet all applicable CVRP requirements, including, but not limited to:
 - 1. Implementation of income eligibility requirements.
 - 2. Development of protocols for income verification.
 - 3. Enforcement of program requirements.
- L. Conduct random sample checks developed by ARB and the Grantee to determine compliance with the maximum number of rebates for individuals and businesses requirement.
- M. Income verification shall include an evaluation on a sliding scale of up to 100 percent of total rebate applications received per month. This sliding scale will be at ARB's sole discretion considering periodic operational updates received from the Grantee. Verification will be conducted randomly and systematically to ensure compliance with project requirements.
- N. Support 30-month ownership and lessee requirements by identifying and reporting at-risk rebate recipients to ARB.
- O. Track and report vehicle resale inquiries to ARB.
- P. Contact rebate recipients that have, or will potentially sell their vehicle early, to request repayment of the prorated rebate amount (see Section C (4) of the Sample Implementation Manual).
- Q. Use the criteria in the Implementation Manual to review and approve or disapprove rebate applications and document this process in each project file.
- R. Maintain copies of all disapproved applications.
- S. Maintain copies of all correspondence with disapproved applications, beginning with the cancellation notice sent to applicant.
- T. Distribute rebate payments to eligible vehicle purchasers and lessees.
- U. Develop and maintain accounting procedures to track expenditures by grant award and all CVRP funding sources (AQIF, GGRF, CEC, etc.).
- V. Establish a process for returned rebate funds as a result of uncashed rebate checks, prorated returns, cancellations, etc.
- W. Track rebates per funding source issued in disadvantaged communities in a manner directed by ARB (e.g. AQIF, GGRF, CEC, etc.).

- X. Provide real-time rebate statistics, including rebates issued, dollars awarded by funding source, location of rebates, and other statistics as defined by ARB.
- Y. Ensure that the most current list of eligible vehicles is being used.
- Z. Establish a waiting list if the project becomes oversubscribed and ARB determines a waiting list is appropriate (see Section B (9) of the Sample Implementation Manual).
- AA. Respond to public inquiries regarding CVRP.
- BB. Administer vehicle owner surveys to rebate recipients (see Section C (2) of the Sample Implementation Manual).
- CC. Assess the influence of incentives on clean vehicles.
- DD. Provide data updates to ARB upon request.
- EE. Provide periodic data summaries to the public in response to data requests.
- FF. Provide Status Reports to ARB detailing rebates redeemed for purchased and leased vehicles (see Section K (1) of the Sample Grant Agreement for more detail).
- GG. Provide ARB with a CVRP Final Report that summarizes and evaluates total fund expenditures (including match and in-kind funds), vehicles funded, outreach efforts, implementation challenges, and recommended potential program improvements (see Section K (2) of the Sample Grant Agreement for more details).
- HH. Provide ARB with all project records including but not limited to copies of rebate checks upon request (see Section M of the Sample Grant Agreement for more detail).
- II. Develop a project transfer plan in a manner directed by ARB that includes the following tasks:
 - 1. Process rebates for all of FY 2016-17.
 - 2. Complete all tasks associated with the FY 2016-17 CVRP closeout (see Section K (2) of the Sample Grant Agreement).
 - 3. Process rebates for the following fiscal year for up to three months after closeout.

4. If applicable, transfer CVRP data and website to a new Grantee/administrator selected by ARB according to the agreed upon transfer plan (see Section N of the Sample Grantee Agreement).
- JJ. Provide information, upon request, to individuals or organizations that wish to appeal a rebate denial to ARB.
- KK. Upon request, provide ARB with all webpage(s), software, or other intellectual property developed or purchased by the Grantee for the purposes of administering or implementing CVRP (see Section N (1) of the Sample Grant Agreement).
- LL. Meet applicable requirements or statutes, the AB 118 AQIP Guidelines, the FY 2016-17 Funding Plan, this solicitation, the CVRP Grant Agreement with ARB, the Terms and Conditions, and the Implementation Manual.

All information, data, and webpages received or generated under this solicitation is the property of ARB. No information or data received or generated under this agreement shall be released without ARB's approval. See the Sample Grant Agreement (Appendix D) for a more complete description of the duties and responsibilities of the Grantee and ARB.

VII. DEFINITIONS

Refer to Section D of the Sample Implementation Manual (Appendix C).

VIII. APPLICATION INSTRUCTIONS

This application packet contains the forms and information necessary for submittal of a complete application. ARB will select a Grantee in compliance with the AQIP Guidelines and applicable State law. The Grantee selection will be based upon the scoring criteria identified in this solicitation.

If you need this document in an alternate format or language, please contact Ms. Sara Dastoum at (916) 323-1696 or sara.dastoum@arb.ca.gov. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

One (1) signed original, four (4) copies, and one (1) CD of the application, including all the required documents, must be received at the ARB headquarters at 1001 I Street, Sacramento, California 95814.

Applications submitted by U.S. Postal Service mail must be postmarked no later than **November 4, 2016**. Items delivered in person, by UPS, Express Mail, Federal Express, or another delivery service provider (other than U.S. Postal Service) must be received by the delivery service provider no later than **5:00 p.m. (PST) on November 4, 2016** (delivery service provider tracking number may be used to verify date of receipt).

Applications submitted by a delivery service provider (UPS, Express Mail, Federal Express, etc.) must be mailed to the following address:

Sara Dastoum
 Air Resources Board
 Mobile Source Control Division
 1001 I Street, Post Office Box 2815
 Sacramento, California 95812

Applications submitted in person may be delivered to the following address:

Sara Dastoum
 Air Resources Board
 Mobile Source Control Division
 1001 I Street
 Sacramento, California 95814

Please send an email to Ms. Sara Dastoum at sara.dastoum@arb.ca.gov, indicating that you have submitted an application once the application has been mailed. Sending this email secures one of the five points provided for Application Completeness as outlined in Section XI (G) of this solicitation and lets ARB staff know that your formal application is on its way. ARB will send a confirmation email to the applicant once the hard-copy of the application has been received.

No applications may be submitted by fax or email.

Format Requirements

ARB strongly encourages applications to be accurate, brief, and clear. Applications will be initially screened for completeness. Applications must include all of the required elements identified in Section X of this solicitation. An incomplete application may be rejected.

*Solicitation Timeline**

| <u>Key Actions</u> | <u>Dates</u> | <u>Time</u> |
|--|------------------------------------|--------------------------------|
| Public Release of Solicitation | October 3, 2016 | N/A |
| Preliminary Teleconference Applicant Question Deadline | October 10, 2016 | No later than 5:00 p.m. |
| Preliminary Applicant Teleconference | October 11, 2016 | 10:00 a.m. |
| Final Teleconference Applicant Question Deadline | October 24, 2016 | No later than 5:00 p.m. |
| Final Applicant Teleconference | October 25, 2016 | 10:00 a.m. |
| Application Deadline | November 4, 2016 | No later than 5:00 p.m. |
| Review/Rating of Applications | November 7– 17, 2016 | N/A |
| Grantee Selected | November 18, 2016 | N/A |
| Return Signed Grant to ARB | Within 10 calendar days of receipt | |

*Timelines are subject to change at ARB's sole discretion.

IX. APPLICANT TELECONFERENCES

ARB will hold two Applicant Teleconferences, at which time staff will be available to answer questions potential applicants may have regarding eligibility, application completion, and other requirements. The first teleconference is to address preliminary questions. The second teleconference will confirm Board approval of the inclusion of the Public Fleet Pilot Project and address any other final questions.

Preliminary Applicant Teleconference

Date: October 11, 2016
Time: 10:00 a.m. to 12:00 p.m. (PST)
*Call-In Number: 888-946-4714
*Passcode: 69739

Final Applicant Teleconference

Date: October 25, 2016
Time: 10:00 a.m. to 12:00 p.m. (PST)
*Call-In Number: 800-369-3314
*Passcode: 51271

*Note: Call-in numbers and passcodes may change. Should a change occur, the new call-in number and passcode will be listed on ARB's webpage at <http://www.arb.ca.gov/msprog/aqip/meetings.htm>. Potential applicants are encouraged to confirm the call-in number and passcode by visiting the listed website prior to each teleconference.

The Applicant Teleconferences will be open to all interested entities. The intent of an Applicant Teleconference is to provide potential project applicants with an opportunity to ask clarifying questions regarding general application or applicant requirements, and terminology definitions. Written questions submitted before the Applicant Teleconference will be given priority. Questions may be emailed to Ms. Sara Dastoum at sara.dastoum@arb.ca.gov. Written questions must be submitted by 5 p.m. (PST) one day prior to the Applicant Teleconference. The questions and answers from both Applicant Teleconferences and any questions received via email will be posted on the ARB website at <http://www.arb.ca.gov/msprog/aqip/solicitations.htm>, no later than **5:00 p.m. (PST) on October 28, 2016**; this date may be extended at ARB's sole discretion. ARB will not respond to questions regarding this solicitation after the Final Applicant Teleconference has taken place. Any verbal communication with an ARB employee concerning this solicitation does not bind the State and shall in no way alter a specification, term, or condition of the solicitation.

X. REQUIRED ELEMENTS

The application is included as Appendix A of this solicitation and includes the following required elements:

Appendix A: GGRF/AQIP Application

Attachment 1: Applicant Qualifications

Attachment 2: Budget

Attachment 3: Project Implementation Plan

Attachment 4: Applicant Resources to Implement the Project

Attachment 5: Conflict of Interest Declaration

Attachment 6: STD. 204 Payee Data Record

XI. EVALUATION AND SCORING

ARB will evaluate each application based on the criteria described below. The maximum score is 100 points. The qualified applicant with the highest overall score will be selected as the Grantee. The selected applicant will be required to sign a Grant Agreement with ARB to fulfill the duties as Grantee (see Appendix D for a Sample Grant Agreement). ARB reserves the right, in its sole discretion, to cancel this solicitation and re-solicit for a CVRP Grantee or to direct funding to another project listed in the most current Funding Plan, or not fund any projects.

A. Applicant Qualifications (Appendix A, Attachment 1) – Maximum 20 points

Scoring will be based upon the applicant's ability to successfully act as the Grantee based upon its experience/expertise in and history of implementing similar incentive projects or working with vehicle manufacturers, dealers, fleets, and other stakeholders.

| Application Characteristics | Points Earned |
|---|-----------------------|
| Applicant lacks experience/expertise applicable to the project requested and/or lacks relevant experience handling similar sized funding projects. | 0 – 5 points |
| Applicant demonstrates experience/expertise to complete the tasks required of the CVRP Grantee and/or has some relevant experience successfully running similar sized funding programs. | 6 – 12 points |
| Applicant demonstrates extensive and strong experience/expertise required to effectively and successfully complete the tasks of the CVRP Grantee and significant relevant experience successfully running similar sized funding programs. | 13 – 20 points |

B. Budget (Appendix A, Attachment 2) – Maximum 25 points

Applicants must identify a budget for completing the tasks of CVRP, consistent with the

Sample Implementation Manual and Sample Grant Agreement, a Project Implementation Plan (included as part of the application), and the requirements of this solicitation. The budget must include the total rebate processing fee requested, which shall include costs to cover the implementation of FY 2016-17 and the closeout of FY 2016-17. Upon entering into a grant for either of the next two fiscal years, the Grantee will be required to provide an updated budget that includes the implementation of the next fiscal year, the closeout of that fiscal year, the beginning of the following fiscal year, and the costs to transfer all project data and website(s) to the next administrator. The rebate processing fee shall include a description of any applicable commitments for in-kind services and match funding. The rebate processing fee shall not exceed seven percent of the total project funding (note: any applications with a rebate processing fee greater than seven percent will be disqualified). At least 50 percent of the rebate processing fee must be used to support outreach activities as outlined in Section VI of this solicitation. For a complete description of rebate processing fees, see Section H (6) of the Sample Grant Agreement.

In-kind services refer to goods or services contributed by the Grantee, but not charged to CVRP, which help to more effectively and efficiently meet the goals of the program. Match funding refers to funds contributed by the Grantee to CVRP, in order to fund eligible vehicles. An applicant may propose that match funding be used to fund vehicles as part of CVRP in a specific California region (such as an air district). Match funding does not include in-kind match (i.e., funding for other incentive projects, even if for similar vehicles or technologies) (see Appendix A, Attachment 2-1 for a sample budget).

| Application Characteristics | Points Earned |
|--|-----------------------|
| Budget is unclear, inconsistent with the Sample Implementation Manual, the applicant's Project Implementation Plan, and the requirements of this solicitation, or are insufficient to successfully complete the project. No or limited match funding, or no or limited in-kind support is committed and the applicant is requesting the maximum allowable funding for the CVRP rebate processing fee. | 0 – 5 points |
| Budget is relatively clear, detailed, and consistent with the Sample Implementation Manual, the applicant's Project Implementation Plan, and the requirements of this solicitation, and is adequate to complete the project. Costs are represented clearly. The applicant's commitment for in-kind support will enable the program to be marginally more effective and efficient. | 6 – 15 points |
| Budget is very clear, detailed, and consistent with the Sample Implementation Manual, the applicant's Project Implementation Plan, and the requirements of this solicitation, and is adequate to complete the project. Costs are represented clearly, and are appropriate for the level and quality of work to be performed. Applicant commits to provide match funding and/or reduce allowable CVRP rebate processing fee in order to fund more eligible vehicles. The applicant's commitment for in-kind support will enable the program to be significantly more effective and efficient. | 16 – 25 points |

C. Project Implementation Plan (Appendix A, Attachment 3) – Maximum 25 points

Applicants will be evaluated based on the completeness of their plan for implementing CVRP, and the ability to complete the work in a timely manner. The Project Implementation Plan must address how the applicant will implement all of the tasks under the Scope of Work (see Section IV of this solicitation). Although included in the plan, the outreach component will be scored in more detail as outlined in Section XI (D) of this solicitation.

| Application Characteristics | Points Earned |
|--|-----------------------|
| Plan is unclear and/or does not provide the highest impact for the funding provided. | 0 – 5 points |
| Plan is complete, provides sound recommendations for effective and efficient project development, implementation and administration, and considers the budget. | 6 – 15 points |
| Plan is sound and well organized, tailors recommendations creatively and appropriately to successfully implement the CVRP, provides recommendations for effective and efficient project development, implementation and administration, recommends high-impact activities that maximize the budgets. | 16 – 25 points |

**D. Outreach and Education of Advanced Technologies and Incentives
– Maximum 15 points**

| Application Characteristics | Points Earned |
|--|-----------------------|
| The applicant does not have a clear, creative, and complete outreach plan (as identified in the Project Implementation Plan). Applicant does not demonstrate understanding and experience for effective collaboration with community based organizations. Applicant does not exhibit ability to maximize available funding to ensure partnerships. | 0 – 5 points |
| The applicant has a relatively clear, creative, and complete outreach plan (as identified in the Project Implementation Plan) that demonstrates an understanding of consumer adoption groups and the tools necessary to promote and further adoption goals. Applicant’s plan marginally demonstrates adequate understanding of collaboration with community based organizations to provide outreach tools for exposure and adoption of zero emission vehicles in disadvantaged communities. Applicant marginally exhibits ability to maximize available funding to ensure a range of partnerships. | 6 – 10 points |
| The applicant has a very clear, creative, and complete outreach plan (as identified in the Project Implementation Plan) that demonstrates an understanding of consumer adoption groups and the tools necessary to promote and further zero emission vehicle adoption goals. Applicant’s plan demonstrates understanding and experience in collaborating with community based organizations to provide appropriate outreach tools for exposure and adoption of zero emission vehicles in disadvantaged communities. Applicant exhibits ability to maximize available funding to ensure broad range of partnerships, including participation with local or regional, state, and/or national campaigns. | 11 – 15 points |

**E. Applicant Resources to Implement the Project (Appendix A, Attachment 4)
– Maximum 5 points**

Scoring will be based upon the applicant’s ability to successfully act as Grantee based upon demonstrable staffing, infrastructure, funding, and other available resources.

| Application Characteristics | Points Earned |
|---|----------------------|
| The applicant has clearly demonstrated sufficient staff, expertise, infrastructure and/or funding resources to effectively and successfully implement the CVRP. | 0 – 5 points |

F. Contribution to Regional Air Quality Improvements – Maximum 5 points

| Application Characteristics | Points Earned |
|--|----------------------|
| The applicant has a plan for and the ability to target CVRP outreach in areas which are classified or proposed by ARB to be classified as extreme non-attainment of the federal 8-hour ozone standard (i.e., the South Coast and San Joaquin Valley Air Basins). This will be scored based upon the applicant’s response to Attachments 3 and 4 of the application (Appendix A). | 0 – 5 points |

G. Application Completeness – Maximum 5 points

| Application Characteristics | Points Earned |
|--|----------------------|
| The application is clear, concise, and includes all of the required information. | 0-5 points |

XII. ADMINISTRATION

A. Cost of Developing Application

The applicant is responsible for the cost of developing an application, and this cost cannot be charged to the State. In addition, ARB is not liable for any costs incurred during environmental review (if applicable) or as a result of withdrawing a proposed award or canceling the solicitation.

B. Errors

If an applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in this solicitation, the applicant shall immediately notify ARB of such error in writing and request modification or clarification of the document. ARB shall not be responsible for failure to correct errors.

C. Immaterial Defect

ARB may waive any immaterial defect or deviation contained in an applicant's application. ARB's waiver shall in no way modify the application or excuse the successful applicant from full compliance.

D. Disposition of Applicant's Documents

On the date that the Grant Agreement is signed, all applications and related material submitted in response to this solicitation become a part of the property of the State and public record.

E. Applicant's Admonishment

This solicitation contains the instructions governing the requirements for funding projects submitted by interested applicants, including the format in which the information is to be submitted, the material to be included, the requirements that must be met to be eligible for consideration, and applicant responsibilities. Applicants must take the responsibility to carefully read the entire solicitation, ask appropriate questions in a timely manner, submit the application with all required responses in a complete manner by the required date and time, and make sure that all procedures and requirements of the solicitation are followed and appropriately addressed.

F. Agreement Requirements

The content of this solicitation and each grant recipient's application shall be incorporated by reference into the final agreement. See the Sample Terms and Conditions included in Appendix B of this solicitation.

ARB reserves the right to negotiate with applicants to modify the project scope, the level of funding, or both. If ARB is unable to successfully negotiate and execute a funding agreement with an applicant, ARB, at its sole discretion, reserves the right to withdraw the pending award and fund the next highest ranked eligible project. This does not limit ARB's ability to withdraw a proposed award for other reasons, including for no cause.

G. No Agreement Until Signed

No agreement between ARB and the successful applicant is in effect until the agreement is signed by the recipient and signed by the authorized ARB representative. Costs are only subject to reimbursement by ARB after execution; no costs incurred prior to execution of the agreement are reimbursable using ARB funds.

H. No Modifications to the General Provisions

Because time is of the essence, if an applicant at any time, including after Preliminary Grantee Selection, attempts to negotiate, or otherwise seeks modification of, the General Conditions (attached as Appendix D, Sample Grant Agreement Section O), ARB may reject an application or withdraw a proposed award. This does not alter or limit ARB's ability to withdraw a proposed award for other reasons.

I. Payment of Prevailing Wages

All applicants must read and pay particular attention to Appendix D, Sample Grant Agreement Section O (21) entitled "Prevailing wages and labor compliance." Prevailing wage rates can be significantly higher than non-prevailing wage rates. Failure to pay legally-required prevailing wage rates can result in substantial damages and financial penalties, termination of the grant agreement, disruption of projects, and other complications.

J. Solicitation Cancellation and Amendments

ARB reserves the right to do any of the following:

- Cancel this solicitation.
- Revise the amount of funds available under this solicitation.
- Amend this solicitation as needed.
- Reject any or all applications received in response to this solicitation.

K. Insurance Requirements

The Grantee must comply with all requirements outlined in the (1) General Provisions section and (2) Insurance Requirements section. No payments will be made under the grant until the Grantee fully complies with all insurance requirements.

1. General Provisions

- a. Coverage Term – Coverage needs to be in force for the complete term of the grant. If insurance expires during the term of the grant, a new certificate must be received by the State at least ten days prior to the expiration of this insurance. Any new insurance must comply with the original grant terms.
- b. Policy Cancellation or Termination & Notice of Non-Renewal – Grantee is responsible to notify the State within five business days of any cancellation, non-renewal, or material change that affects required insurance coverage. New certificates of insurance are subject to the approval of the Department of General Services and the Grantee agrees no work or services will be performed prior to

obtaining such approval. In the event that the Grantee fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate the grant upon the occurrence of such event, subject to the provisions of the grant.

- c. Premiums, Assessments and Deductibles – The Grantee is responsible for any premiums, policy assessments, deductibles or self-insured retentions contained within their insurance program.
 - d. Primary Clause – Any required insurance contained in the grant shall be primary, and not excess or contributory, to any other insurance carried by the State.
 - e. Insurance Carrier Required Rating – All insurance companies must carry an AM Best rating of at least “A–” with a financial category rating of no lower than VI. If the Grantee is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
 - f. Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
 - g. Inadequate Insurance – Inadequate or lack of insurance does not negate the Grantee’s obligations under the grant.
 - h. Use of Subcontractor – In the case of the Grantee’s utilization of subcontractors to complete the grant scope of work, the Grantee shall include all subcontractors as insured’s under the Grantee’s insurance or supply evidence of the subcontractor’s insurance to the State equal to policies, coverages, and limits required of the Grantee.
2. Grant Insurance Requirements – The Grantee shall display evidence of the following on a certificate of insurance. After the solicitation is awarded, failure to provide the certificate upon request will result in the termination of the grant. The following coverages must be evidenced on the certificate of insurance:
- a. Commercial General Liability – The Grantee shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. A “per project aggregate” endorsement is required. The policy shall

include coverage for liabilities arising out of premises, operations, independent Grantees, products, completed operations, personal and advertising injury, and liability assumed under an insured contract or grant. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to Grantee's limit of liability. **The policy must name the State of California, its officers, agents, and employees as additional insured, but only with respect to work performed under the grant.**

- b. Automobile Liability – If the Grantee will be using vehicles to complete the project or driving a vehicle onto State property, automobile liability insurance is required. The Grantee shall maintain motor vehicle liability with limits of not less than \$1 million per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles. At the request of ARB, the Grantee must show proof of automobile liability. Failure to provide proof upon request will result in the termination of the grant. The policy must name the State of California, its officers, agents, and employees as additional insured, but only with respect to work performed under the grant.
- c. Workers' Compensation and Employer's Liability – The Grantee shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the grant. In addition, employer's liability limits of \$1,000,000 are required. **A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must be attached to the certificate.**
- d. Crime Insurance – Coverage shall provide limits of up to \$81 million as determined by ARB. Coverage shall include but not be limited to employee dishonesty, theft, forgery or alteration, and inside/outside money and securities coverages including first and third party theft for state-owned or leased property in the care, custody, and/or control of the Grantee. The policy shall include as loss payee, the State of California.