

GRANT SOLICITATION

OFF-ROAD MOBILE AGRICULTURAL EQUIPMENT TRADE-UP PILOT PROJECT IN THE SAN JOAQUIN VALLEY (TRADE-UP PILOT PROJECT)

FISCAL YEAR 2016-17 AIR QUALITY IMPROVEMENT PROGRAM (AQIP) INVESTMENTS

California Air Resources Board
Mobile Source Control Division
April 6, 2017

California Environmental Protection Agency

 **Air Resources Board**

OFF-ROAD MOBILE AGRICULTURAL EQUIPMENT TRADE-UP PILOT IN THE SAN JOAQUIN VALLEY (TRADE-UP PILOT PROJECT)

Table of Contents

- I. PROJECT SUMMARY 1
- II. BACKGROUND..... 2
- III. FUNDING 2
- IV. PROJECT TIMELINE 3
- V. ELIGIBLE GRANTEES..... 3
- VI. SCOPE OF WORK..... 4
 - A. Trade-Up Pilot Project Development and Implementation 5
 - B. Participant Survey on Satisfaction with Equipment 6
 - C. Evaluation of Incentive Feasibility and Cost Effectiveness..... 6
 - D. Recommended Program Implementation Guidelines..... 6
 - E. Project Kick-off Meeting and Ongoing Coordination..... 6
 - F. Quarterly Reports..... 7
 - G. Final Report..... 7
 - H. Establish and Maintain Project Records..... 8
- VII. DEFINITIONS..... 9
- VIII. APPLICATION INSTRUCTIONS 11
- IX. APPLICANT TELECONFERENCE..... 12
- X. REQUIRED ELEMENTS 13
- XI. APPLICATION EVALUATION AND SCORING 13
 - A. Application Completeness..... 14
 - B. Applicant Qualifications 14
 - C. Proposed Budget 15
 - D. Project Implementation Plan 16
 - E. Applicant Resources to Implement the Project 17
- XII. NOTIFICATION 17
- XIII. ADMINISTRATION..... 17
 - A. Cost of Developing Application 17
 - B. Errors 18
 - C. Immaterial Defect..... 18
 - D. Disposition of Applicant’s Documents 18
 - E. Applicant’s Admonishment..... 18

F. Agreement Requirements 18
G. No Agreement Until Signed..... 19
H. No Modifications to the General Provisions 19

Appendices

PROJECT APPLICATION.....Appendix A

Attachment 1: Applicant Qualifications

Attachment 2: Proposed Budget

Attachment 3: Project Administration Plan

Attachment 4: Applicant Resources to Implement the Project

Attachment 5: Conflict of Interest Declaration

SAMPLE GRANT AGREEMENT.....Appendix B

Exhibit A: Grant Provisions

Exhibit B: Work Statement

Exhibit C: Grant Solicitation

Exhibit D: Grantee Application Package

I. PROJECT SUMMARY

The California Air Resources Board (CARB or Board) is soliciting a Grantee to administer the Off-Road Mobile Agricultural Equipment Trade-Up Pilot Project in the San Joaquin Valley (Trade-Up Pilot Project) for Fiscal Year (FY) 2016-17. The solicitation includes the option, at CARB's sole discretion, to award a Grant Agreement for the following fiscal year (FY 2017-18). Funding of up to \$3,000,000 for this project was approved by the Board in October 2016 as part of the FY 2016-17 Funding Plan for Low Carbon Transportation Investments and the Air Quality Improvement Program (AQIP). The Trade-Up Pilot Project is funded entirely through the Air Quality Improvement Program, which is a voluntary incentive program administered by CARB that funds clean vehicle and equipment projects targeted to reduce criteria pollutants and air toxics, often with greenhouse gas emission reduction co-benefits.

The FY 16-17 Trade-Up Pilot Project is a sequential and necessary step in assessing the feasibility of a new type of incentive for "Mobile Agricultural Equipment," including its "Cost Effectiveness" on a larger scale (see definitions in Section VIII), and the procedures and processes that are needed for trade-up transactions to result in emission reductions that are creditable under the State Implementation Plan (SIP). If viable, the project may expand beyond the pilot stage in future years. This type of incentive is limited to owners of high-emitting mobile agricultural equipment in the "San Joaquin Valley Air Basin" (see definition in Section VIII), that may not qualify for existing voluntary incentive funding (i.e., Carl Moyer Program, Environmental Quality Incentives Program, etc.), and for which new equipment purchases are infeasible. The Trade-Up Pilot Project is a multi-step transaction in which an owner of an older, high-emitting piece of mobile agricultural equipment agrees to scrap that equipment in exchange for a previously used and reconditioned piece of equipment with a cleaner diesel engine at little or no out-of-pocket cost. The owner of the used equipment is incentivized to purchase new equipment that employs the cleanest, commercially available technology. The Trade-Up Pilot Project objectives include:

Objective 1: Assess the feasibility of a multi-step, trade-up incentive, and further evaluate the near-term and potential long-term cost effectiveness of a large-scale program in the San Joaquin Valley Air Basin. Further develop a long-term vision or goals to sustain the program in future years and use adaptive management to streamline and enhance the current program.

Objective 2: Build upon the current project implementation plan, including expanded participant outreach to ensure equitable access. Refine methodology to quantify potential emission reductions and requirements needed for trade-up transactions to achieve maximum SIP-creditable emission reductions.

Objective 3: Implement procedures and processes necessary to facilitate the multi-step, trade-up transactions.

Objective 4: Assess the owner/user experience and acceptance of new and used equipment acquisitions resulting from trade-up transactions.

This solicitation is open only to California public entities. One Grantee will be selected via a competitive solicitation process. Applications are due to CARB no later than **5:00 p.m., April 21, 2017**.

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* (Assembly Bill 118, Statutes of 2007, Chapter 750). AB 118 created AQIP, a voluntary incentive program administered by CARB to fund clean vehicle and equipment projects, air quality research, and workforce training.

Emissions from mobile agricultural equipment contribute to air pollution in the San Joaquin Valley Air Basin, and reducing these emissions is necessary to meet federal health-based air quality standards. Local, state, and federal incentive programs and regulations are already reducing emissions from a wide variety of diesel engines in the San Joaquin Valley Air Basin, however, a continuing transition to the cleanest technologies is needed in order to meet federal attainment standards. Agricultural equipment incentives are currently helping growers purchase new equipment in exchange for scrapping old equipment. This pilot trade-up incentive for incrementally cleaner, used equipment could offer a new incentive pathway for agricultural growers with high-emitting equipment that are not able to take advantage of current programs.

III. FUNDING

The Trade-Up Pilot Project was presented to the Board in the Proposed FY 2016-17 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program¹ on October 20, 2016. The Board approved the FY 16-17 Funding Plan, along with the \$3,000,000 Trade-Up Pilot Project, through passage of Resolution 16-7. The \$3,000,000 in grant funding is broken out as follows:

- Up to \$300,000 (ten percent) of the total grant amount is allocated to administration costs;
- Up to \$150,000 (five percent) of the total grant amount is allocated to outreach costs; and
- A minimum of \$2,550,000 (eighty-five percent) of the total grant amount is allocated to equipment and other project-related costs.

¹ Fiscal Year 2016-17 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program. Approved October 20, 2016.

The Grantee is required to match a minimum of \$750,000 (25 percent), of the total grant amount in the following manner:

- A minimum of \$300,000 must be a cash commitment by the Grantee (exclusive of providing in-kind contributions), to extend funding for equipment and other project-related expenses.
- A minimum of \$450,000 may be through some combination of in-kind contributions such as labor, facilities use, equipment transportation, or other funding sources.

Federal, State (non-AB 118), local, or private funding may be leveraged as either cash match or in-kind contributions, but not both, and will only be considered in the project scoring if the funding results in a direct benefit to the Trade-Up Pilot Project. Match contributions must be identified in the proposed project budget.

IV. OPTION FOR NEW GRANT AGREEMENT FOR FY 2018-19

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

V. PROJECT TIMELINE

FY 2016-17 Trade-Up Pilot Project funds must be encumbered by June 30, 2017, and funds must be fully expended within two years of execution of the Grant Agreement. **All work, including final deliverables, under the Grant must be completed no later than April 1, 2019.**

VI. ELIGIBLE GRANTEES

This competitive solicitation is open to California-based public entities. The Grantee (Applicant) may subcontract with public, private, or California-based non-profit organizations. Grantee and Subcontractor relationships must be disclosed in the application and the Grant Agreement.

The selected Grantee will be required to submit a resolution of its governing board prior to execution of the Grant Agreement that commits the agency/organization to:

- Comply with the requirements of the Trade-Up Pilot Project grant agreement;
- Accept the Grant funds from CARB; and
- Allocate cash and in-kind match funding that the Grantee has committed to be

part of its project application.

It is recommended that the resolution allow for grant amendments without governing board approval, if possible. If the Grantee for the application does not have a governing board, then a binding written commitment from an official of the organization who has authority to enter into contractual obligations to commit to the above requirements will be required to fulfill the above commitments.

VII. SCOPE OF WORK

The scope of work below describes the anticipated minimum duties and requirements once a Grant Agreement is fully executed for a project. The scope of work does not prescribe a specific project approach. CARB is intentionally seeking innovative proposals that may employ different approaches to meeting the project objectives and minimum duties and requirements. The Applicant is responsible for identifying any changes or additions to the minimum duties and responsibilities and all such changes are subject to CARB's sole approval and will be reflected in the Grant Agreement.

Minimum duties and requirements include:

- Conduct a project kick-off meeting and maintain ongoing project coordination with the CARB Project Liaison;
- Further develop and implement the trade-up incentive project in the San Joaquin Valley Air Basin;
- Survey and document trade-up participants' satisfaction with and acceptance of the new and used equipment acquisitions resulting from trade-up transactions;
- Evaluate the feasibility and cost effectiveness of implementing a large-scale program;
- Develop recommended program implementation guidelines, including expanded participant outreach to ensure equitable access;
- Refine methodology to quantify potential emission reductions and requirements needed for trade-up transactions to achieve maximum SIP-creditable emission reductions;
- Oversee the project budget and funds used for match requirements;
- Submit quarterly status reports and Grant disbursement requests to CARB; and
- Submit a Final Report.

A. Trade-Up Pilot Project Development and Implementation

The Grantee's scope of work (proposal) must address the following key project elements:

Mobile Agricultural Equipment Eligibility: The Grantee must review and refine current eligibility criteria for three equipment categories: 1) new equipment for incentivized purchase, 2) used equipment for trade-up, and 3) high-emitting equipment for scrap. Criteria may differ among categories, and may include, but not be limited to, defining allowable off-road diesel engine tiers for equipment in each category, specifying allowable equipment type(s), horsepower rating(s), equipment age/usable life/hours of use, establishing allowable expenditure caps for new and used equipment, etc. The eligibility criteria established for each equipment category (e.g., new, used and scrap), should serve the goal of maximizing the Trade-Up Pilot Project's capacity to achieve cost-effective emission reductions (see Section VIII for definition of cost effectiveness).

Participant Eligibility: The Grantee must develop eligibility criteria for 1) purchasers of new, incentivized mobile agricultural equipment; and 2) recipients for used, trade-up equipment. Criteria may include, but not be limited to, residency in the San Joaquin Valley Air Basin, qualifying as "Agricultural Operations" (see definition in Section VIII), owning eligible equipment for scrap or trade, etc.

Procedures and Processes: In addition to equipment and participant eligibility, the Grantee must evaluate measures to streamline and enhance other essential processes developed for the FY 15-16 Trade-Up Pilot Project, including the flow of administrative actions and approvals necessary for completing successful equipment transactions. Examples may include, but are not limited to:

- a. Expand project outreach to ensure equitable access to potential participants;
- b. Refine process and timing for matching eligible participants with equipment;
- c. Refine process for service and assessment of used equipment for trade-up;
- d. Automated tracking of incentive payments;
- e. Participant requirements (e.g., annual reports, install equipment hour meters, etc.);
- f. Potential to expand role of dealerships in the project;
- g. Developing and maintaining accounting procedures to track expenditures by Grant Agreement number, fiscal year and funding source; and
- h. Implementing provisions to protect against fraud, and to identify, respond to, and report fraud if it has occurred.

B. Participant Survey on Satisfaction with Equipment

The Grantee must survey and document feedback from Trade-Up Pilot Project participants on their satisfaction with the new and used mobile agricultural equipment resulting from trade-up transactions. Parameters may include, but not be limited to, equipment performance, in-field fuel use, time and cost associated with servicing and maintenance, and any issues or problems encountered with the equipment or multi-step transaction process. Details of the approach, including parameters, timeframe, and method(s) of contact will be finalized during the project kick-off meeting with the Grantee and CARB Project Liaison. The Grantee must include a section in the Final Report that describes and summarizes feedback obtained from project participants on their satisfaction with the new and used mobile agricultural equipment resulting from trade-up transactions.

C. Evaluation of Incentive Feasibility and Cost Effectiveness

The Grantee must evaluate the feasibility of a multi-step, trade-up incentive, including the near-term and potential long-term cost effectiveness of a large-scale program in the San Joaquin Valley Air Basin. The evaluation must also include a vision or goals that would be needed to streamline matches and sustain funding for the program in future years. The Grantee must include this evaluation in the Final Report.

D. Recommended Program Implementation Guidelines

The Grantee must provide CARB with recommended program implementation guidelines, including expanded participant outreach to ensure equitable access, refined methodology to quantify potential emission reductions, and required processes and procedures for trade-up transactions to achieve SIP-creditable emission reductions. The Grantee must include these guidelines as a section of the Final Report.

E. Project Kick-off Meeting and Ongoing Coordination

Before initiating work on the project, a one-time kick-off meeting will be held between the Grantee and CARB project management staff. The purpose of this meeting is to discuss items such as the proposed work plan, details of task performance, identify equipment transaction data of interest for reporting, select parameters for a survey of participants' satisfaction with new and used equipment acquired from trade-up transactions, and issues needing clarification or resolution prior to initiating work. The Grantee will coordinate with the CARB Project Liaison on the agenda and presentation materials. Ongoing Grantee coordination and review meetings with the CARB Project Liaison to discuss project status will be held as needed, but typically monthly. Additional meetings may be scheduled at the discretion of the CARB Project Liaison.

These meetings may be conducted by phone if deemed appropriate by the CARB Project Liaison. Project coordination and review meetings are the responsibility of the Grantee and should contain:

- Agenda for the meeting with conference call information;
- Project status update;
- Discussion of any difficulties encountered since the last project update meeting;
- Discussion of project milestones and upcoming deliverables;
- Notification of any pending disbursement requests; and
- Scheduling the next project update meeting.

Site visits by CARB staff may be required at CARB's sole discretion. A final meeting, or conference call pending CARB Project Liaison approval, will be held at the conclusion of the project.

F. Quarterly Reports

The Grantee must submit quarterly status reports to CARB beginning three months after full grant execution and continuing through the end of the project. These reports may also be used to accompany grant disbursement requests. Reports may be submitted electronically and, at a minimum, must include:

1. Project Status Report number, title of project, name of Grantee, date of submission, and project grant number;
2. Summary of work completed and in progress since the last progress report, noting progress toward completion of tasks and milestones identified in the work plan;
3. Summary of completed equipment transactions (format and data parameters to be discussed during project kick-off meeting);
4. Identified problems or concerns and proposed solutions, if applicable;
5. Grant funds remaining and expended; and
6. Itemized invoice showing all costs for which reimbursement is being requested.

G. Final Report

The Grantee must submit a draft Final Report by March 1, 2019 and the Final Report by April 1, 2019. At a minimum, the Final Report must include the following:

1. Accounting summary of funds expended (grant and match funding for project and administrative costs);
2. Overview of the Trade-Up Pilot Project from inception through project end, including background, partnerships, funding sources, outreach efforts, challenges, successes, and suggestions moving forward;
3. Summary and description of each trade-up equipment transaction (new equipment purchase and used equipment acquisition);
4. Participant survey questions and survey results on satisfaction with equipment;
5. Evaluation of incentive feasibility and program cost effectiveness;
6. Recommended program implementation guidelines;
7. Table of milestones and narrative of how the milestones have been met; and
8. Other data and analysis as developed in coordination with CARB.

H. Establish and Maintain Project Records

As further described below, records include, but are not limited to, Grantee financial and project records, including Trade-Up Pilot Project participant data. All project records must be retained during the Grant period, and for a minimum of three years after final payment under the Grant, or for a longer period as directed by CARB. Upon completion of the third year of record retention, the Grantee must submit all project records to CARB.

1. Grantee Record:

The Grantee must retain all Trade-Up Pilot Project files containing:

- a. Original executed copy of the Trade-Up Pilot Project Grant Agreement and Grant Agreement Amendments, if applicable;
- b. Copies of Grant Disbursement Request Forms;
- c. Documentation of earned interest generation and expenditures; and
- d. Project document and records pertaining to equipment and participant eligibility, where the Grantee must identify "Confidential Information" (see definition in Section VIII), and develop measures to maintain this data safely and securely.

2. Financial Record:

Without limitation of the requirement to maintain project accounts in accordance with generally accepted accounting principles, the Grantee must:

- a. Establish an official file for the Trade-Up Pilot Project which must adequately document all significant actions relative to the pilot project;
 - b. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Trade-Up Pilot Project;
 - c. Establish separate accounts which will adequately and accurately depict all income received that is attributable to the Trade-Up Pilot Project
 - d. Establish an accounting system that will adequately depict final total costs of the Trade-Up Pilot Project, including both direct and indirect costs.
3. Other project records include all deliverables required under Exhibit B, Attachment II, of this Grant Agreement.

VIII. DEFINITIONS

Descriptions offered below are for the purposes of this solicitation only.

“Agricultural Operations” means (1) the growing or harvesting of crops from soil (including forest operations) and the raising of plants at wholesale nurseries (but not retail nurseries), or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution, or (2) agricultural crop preparation services such as packing houses, cotton gins, nut hullers and processors, dehydrators, and feed and grain mills. Agricultural crop preparation services include only the first processing after harvest, not subsequent processing, canning, or other similar activities. For forest operations, agricultural crop preparation services include milling, peeling, producing particleboard and medium density fiberboard, and producing woody landscape materials. Defined in the Regulation for In-Use Off-Road Diesel-Fueled Fleets (California Code of Regulations, title 13, § 2449(c)(1)).

“Cash Match” means funds contributed by the Grantee to the Trade-Up Pilot Project to fund the purchase or servicing of equipment, or other aspects of the project.

“Confidential Information” means any information that identifies or describes an individual, including, but not limited to, his or her name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual. It does not include publicly available information that is lawfully made

available to the general public from federal, state, or local government records. “Confidential information” may also include trade secret or confidential business information as allowed by the Public Records Act (Government Code section 6250 and following).

“**Cost Effectiveness**” means the amount of incentive funding expended per ton of emissions reduced, as described by the 2011 Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) guidelines and any subsequently approved Carl Moyer Program guidelines.

“**In-Kind Contributions**” means resources or services contributed by the Grantee to manage the project but not charged to the Trade-Up Pilot Project (e.g., staff time, infrastructure, etc.).

“**Mobile Agricultural Equipment**” means diesel-fueled, self-propelled, off-road equipment or vehicles with greater than 25 horsepower that are used in agricultural operations. Defined in the State Implementation Plan Credit from Mobile Agricultural Equipment Regulation (California Code of Regulations, title 13, § 2428(c)(14)).

“**San Joaquin Valley Air Basin**” means the region in California that includes the entire counties of Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare, and the western portion of Kern County. Defined in Rule 9610 and the State Implementation Plan Credit from Mobile Agricultural Equipment Regulation (California Code of Regulations, Title 13, § 2428).

“**SIP-Creditable Emission Reduction**” means reductions of emissions achieved through incentive programs that are Surplus, Quantifiable, Enforceable, and Permanent, as those terms are defined in Rule 9610 (State Implementation Plan Credit for Emission Reductions Generated Through Incentive Programs). Rule 9610 was adopted by the San Joaquin Valley Air Pollution Control District’s governing board on June 20, 2013.

“**Western Portion of Kern County**” means that portion of Kern County which lies west and north of a line described as follows: beginning at the Kern-Los Angeles County boundary and running north and east along the northwest boundary of the Rancho La Libre Land Grant to the point of intersection with the range line common to R. 16 W. and R. 17 W., San Bernardino Base and Meridian; north along the range line to the point of intersection with the Rancho El Tejon Land Grant boundary; then southeast, northeast, and northwest along the boundary of the Rancho El Tejon Land Grant to the northwest corner of S. 3, T. 11 N., R. 17 W.; then west 1.2 miles; then north to the Rancho El Tejon Land Grant boundary; then north- west along the Rancho El Tejon line to the southeast corner of S. 34, T. 32 S., R. 30 E., Mount Diablo Base and Meridian; then north to the northwest corner of S. 35, T. 31 S., R. 30 E.; then northeast along the boundary of the Rancho El Tejon Land Grant to the southwest corner of S. 18, T. 31 S., R. 31 E.; then east to the southeast corner of S. 13, T. 31 S., R. 31 E.; then north along the range line common to R. 31 E. and R. 32 E., Mount Diablo Base and Meridian, to the northwest corner of S. 6, T. 29 S., R. 32 E.; then east to the southwest corner of S. 31, T. 28 S., R. 32

E.; then north along the range line common to R. 31 E. and R. 32 E. to the northwest corner of S. 6, T. 28 S., R. 32 E., then west to the southeast corner of S. 36, T. 27 S., R. 31 E., then north along the range line common to R. 31 E. and R. 32 E. to the Kern-Tulare County boundary. Defined in the State Implementation Plan Credit from Mobile Agricultural Equipment Regulation (California Code of Regulations, Title 13, § 2428).

IX. APPLICATION INSTRUCTIONS

This application packet contains the forms and information necessary for submittal of a complete application. CARB will select one Grantee based upon the scoring criteria identified in this solicitation. All information and data submitted as a response to this solicitation are the property of CARB and will become a public record once a Grantee is selected and a Grant Agreement is signed.

If you need this document in an alternate format or language, contact Ms. Erin Uchida at (916) 323-0002 or Erin.Uchida@arb.ca.gov. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Include in the application package: (1) one signed original; (2) four copies, each copy three-hole punched; and (3) one compact disk (CD) of the application and all required documents. Applications submitted via U.S. Postal Service, United Parcel Service (UPS), Express Mail, Federal Express, or another delivery service provider must be dispatched with enough time so that they are received by CARB **no later than 5:00 p.m. on April 21, 2017** (delivery service provider tracking number may be used to verify date of receipt). Applications received after 5:00 p.m. April 21, 2017, may be rejected and not scored. Mail to the following address:

Erin Uchida
Air Resources Board
Mobile Source Control Division
Post Office Box 2815, Mail Stop 3B
Sacramento, California 95812

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

Erin Uchida
Air Resources Board
Mobile Source Control Division
1001 I Street
Sacramento, California 95814

Please send an email to Ms. Erin Uchida, Erin.Uchida@arb.ca.gov, confirming the application has been mailed or hand-delivered to CARB. Sending this email secures one of the five points provided for Application Completeness and alerts CARB that the

application package is on its way. CARB 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.

CARB strongly encourages applications to be complete, concise, accurate and clear. Applications will be initially screened for completeness. Applications must include all the Required Elements identified in Section XI or the application may be rejected.

Table 1: Solicitation Timeline*

<u>Key Actions</u>	<u>Dates</u>	<u>Time</u>
Public Release of Solicitation	April 6, 2017	N/A
Applicant Question Deadline	April 13, 2017	No later than 5:00 p.m.
Applicant Teleconference	April 14, 2017	10:30 – 11:30 a.m.
Application Deadline	April 21, 2017	No later than 5:00 p.m.
Review/Rating of Applications	April 24 through April 28, 2017	N/A
Grantee(s) Selected	May 1, 2017	N/A
Return Signed Grant Agreement to CARB	Within 10 calendar days of receipt	

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

X. APPLICANT TELECONFERENCE

CARB will hold one Applicant Teleconference when CARB staff will be available to answer questions from potential applicants on the solicitation; it will occur on:

Date	Friday, April 14, 2017
Time	10:30 – 11:30 a.m. (Pacific)
Phone Number	1-877-934-7128
Passcode	56290

The Applicant Teleconference will be open to all interested parties. The intent is to provide potential project applicants with an opportunity to ask clarifying questions regarding general application requirements or terminology definitions. Written questions may be emailed to Ms. Erin Uchida at Erin.Uchida@arb.ca.gov up to 5:00 p.m. (Pacific), April 13, 2017.

Questions from the Applicant Teleconference, including questions received via email, and CARB's final responses to all questions will be posted on CARB's website, <http://www.arb.ca.gov/msprog/aqip/aqip.htm>, no later than 5:00 p.m. on April 21, 2017. Posting dates may be extended or the solicitation may be re-solicited at CARB's sole discretion. CARB will not answer questions regarding the solicitation after the Applicant Teleconference. Any verbal communication with a CARB employee concerning this

solicitation is not binding on the State and shall in no way alter a specification, term, or condition of the solicitation.

XI. REQUIRED ELEMENTS

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

- Attachment 1: Applicant Qualifications
- Attachment 2: Proposed Budget
- Attachment 3: Project Implementation Plan
- Attachment 4: Applicant Resources to Implement the Project
- Attachment 5: Conflict of Interest Declaration

XII. APPLICATION EVALUATION AND SCORING

CARB will evaluate each application based on the criteria described below; only one Grantee will be selected. The maximum score is 100 points and the highest overall scores will be considered for selection as Grantee; however, CARB is not required to award funds if CARB determines the proposed project does not satisfy the objectives of this solicitation. Up to \$3,000,000 is available in total for this solicitation. If an agreement with the highest scoring Grantee cannot be reached by the specified date established by CARB, then CARB may select the next highest scored project, and so on, until an agreement(s) is reached.

The selected Applicant will be required to sign a Grant Agreement with CARB to fulfill the duties of Grantee. CARB reserves the right, in its sole discretion, to cancel the solicitation, re-solicit, or direct funding to another project.

Table 2: Summary of Scoring Criteria for the Trade-Up Pilot Project

	Scoring Criteria	Point Value
A	Application Completeness	5
B	Applicant Qualifications	25
C	Proposed Budget	25
D	Project Implementation Plan	35
E	Applicant Resources to Implement the Project	10
	TOTAL	100

A. Application Completeness – Maximum 5 points

Evaluation of Overall Application Package	Points Earned
The application is complete and includes all the required elements and information. (Solicitation XI. Required Elements.)	0 – 5 points

**B. Applicant Qualifications (Appendix A, Attachment 1)
– Maximum 25 points**

Scoring will be based upon the Applicant’s ability to successfully act as Grantee and its experience, expertise, and history of administering similar incentive projects and working with CARB, the San Joaquin Valley agricultural community, and suppliers, manufacturers, and service providers of mobile agricultural equipment.

Evaluation of Applicant Qualifications	Points Earned
Applicant demonstrates little to no relevant experience and expertise applicable to the project.	0 – 5 points
Applicant demonstrates experience and expertise to complete the tasks required of the Project. Grantee has some relevant experience successfully running similar programs.	6 – 15 points
Applicant demonstrates extensive experience and expertise required to effectively and successfully complete the tasks of the Project. Grantee has significant relevant experience successfully running similar programs.	16 – 25 points

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

Applicants must identify their proposed budget for completing the tasks of the Trade-Up Pilot Project, consistent with the Sample Grant Agreement, the Project Implementation Plan (created by the Applicant and included as part of the application) and the requirements of this solicitation. Indicate the source of funding for each task, including the amount being requested from CARB, and the amount that is fulfilled with in-kind or cash match funding. Describe the current and pending sources for the required match funding.

Evaluation of Proposed Budget	Points Earned
Budget is unclear and inconsistent with the Applicant’s Project Implementation Plan and the requirements of this solicitation, or is insufficient to successfully complete the project. The match funding requirements of the solicitation are not met.	0 – 5 points
Budget is relatively clear and consistent with the Applicant’s Project Implementation Plan. The match funding requirements of this solicitation are met. Costs for tasks are identified and match funding sources are described.	6 – 15 points
Budget is very clear, detailed, and consistent with the Applicant’s Project Implementation Plan, the requirements of this solicitation, and is adequate to complete the project. Costs by task are represented clearly, and are appropriate for the level and quality of work to be performed. The match funding requirements of this solicitation are met and funding sources are described.	16 – 25 points

**D. Project Implementation Plan (Appendix A, Attachment 3)
– Maximum 35 points**

Applicants will be evaluated based on the completeness of their Project Implementation Plan and ability to successfully meet the project objectives and tasks outlined under the Scope of Work (see Section VII) within the required timeline (see Section V).

Evaluation of Project Implementation Plan	Points Earned
Plan is incomplete or unclear, and does not provide a clear description of how the scope of work will be successfully completed. The project timeline is incomplete or presents unreasonable or unlikely milestones.	0 – 5 points
Plan is complete and provides a reasonable description of how the scope of work will be successfully completed. The project timeline presents reasonable milestones. The Applicant provides sound recommendations for effective and efficient project development, implementation, and administration.	6 – 17 points
Plan is detailed and well organized, and provides a clear description of how the scope of work will be completed. The project timeline is comprehensive and presents realistic milestones. The Applicant provides creative, practical and comprehensive recommendations for effective and efficient project development, implementation, and administration.	18 – 35 points

**E. Applicant Resources to Implement the Project
(Appendix A, Attachment 4) – Maximum 10 points**

Scoring will be based upon the Applicant’s ability to successfully act as the Grantee based on demonstrable staffing, infrastructure, funding, and other available resources. Applicants must provide a list of key project personnel, including title, qualifications, and role in the project. If a subcontractor will be used, include a description of the subcontractor’s role in the project and its relevant qualifications to completing the scope of work.

Applicant Resources to Implement the Project	Points Earned
The Applicant has not demonstrated sufficient resources to successfully implement the project.	0 points
The Applicant has demonstrated minimally adequate resources needed to implement the project.	1 – 5 points
The Applicant has clearly demonstrated sufficient staff, expertise, infrastructure and funding resources to effectively and successfully implement the project.	6 – 10 points

XIII. NOTIFICATION

The applications will be evaluated, and the successful Applicant will be notified in writing of its selection. Following notification of grant award, the successful Applicant will be required to promptly enter into a Grant Agreement with CARB. Prior to execution of the Grant Agreement, the Grantee will be required to submit a resolution of its governing board (or a binding written commitment from an authorized official if the Grantee does not have a governing board), that commits the agency/organization to: 1) accept the funds from CARB; 2) comply with the project requirements; and 3) allocate the cash and in-kind match funding committed as part of the project application.

CARB, in its sole discretion, may make minor changes to proposed milestones, work plan, or disbursement schedules in consultation with the Applicant, for inclusion in the Grant Agreement.

XIV. 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, CARB is not liable for any costs incurred

during environmental review 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 the solicitation, the Applicant shall immediately notify CARB of such error in writing and request modification or clarification of the document. CARB shall not be responsible for failure to correct errors.

C. Immaterial Defect

CARB may waive any immaterial defect or deviation contained in an Applicant's application. CARB'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 the successful Grantee's application shall be incorporated by reference into the final agreement. See the Sample Grant Agreement terms and conditions included in Appendix B of this solicitation.

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

G. No Agreement Until Signed

No agreement between CARB and the successful Applicant is in effect until the agreement is signed by the Recipient and signed by the authorized CARB representative. Costs are only subject to reimbursement by CARB after execution; no costs incurred prior to execution of the agreement are reimbursable using CARB 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 (included in Attachment B, the Sample Grant Agreement, as Exhibit A), CARB may reject an application or withdraw a proposed award. This does not alter or limit CARB's ability to withdraw a proposed award for other reasons, or for no cause.

I. Solicitation Cancellation and Amendments

CARB 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; and/or
- Reject any or all Applications received in response to this solicitation.