



Clean Fleets North Texas 2020 Call for Projects Frequently Asked Questions



Q: Can I combine Texas Volkswagen Environmental Mitigation Program funds with grant funds from this opportunity?

A: No; combining these funds is not allowed due to different emissions reductions implications of the two funding programs.

Q: On the application, why does NCTCOG require mileage/hours or fuel?

A: NCTCOG prefers both fields but requires either 1) mileage/hours for vehicles or equipment, respectively, or 2) fuel usage to accurately compute cost per ton of NO_x reduced. Providing one of the fields will allow staff to estimate the other field to calculate emissions benefits.

Q: On the application, what is the difference between default and actual values for mileage/hours or fuel, and how will it affect the grant award?

A: Default values do not accurately reflect the organization's real-world usage, especially if the activity idles longer because of its vocation or has a power takeoff unit. The emissions benefits contribute to 75 percent of the total project score, which is further defined under "Selection Criteria" in the Guidelines document.

Q: Are airport ground support equipment and backhoes eligible for funding?

A: Yes. The equipment could be eligible if owned by a local government or a private company that is under contract to a local government and are within the eligible engine model years.

Q: What are considered eligible costs of a replacement vehicle/equipment?

A: Eligible costs includes the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional. For example, air conditioning on a school bus replacement would be considered an eligible cost. However, sledgehammers for a firetruck replacement would not be considered an eligible cost.

Q: Are vehicles eligible for funding if the organization has already ordered them?

A: No. Reimbursable activities may not start until after there is an executed agreement between the Applicant and NCTCOG.

Q: At a high level, what are the property management requirements associated with federal grant money?

Grant recipients must maintain grant-funded vehicles/equipment in a manner consistent with the original grant scope and federal property management requirements in 2 CFR 200.312. This means that grant recipients must maintain grant-funded vehicles/equipment in good working order and operate them in a manner consistent with the grant until the fair market value is \$5,000 dollars or less, or as long as needed, whether or not the program or project continues to be supported by the Federal award. The grant recipient must contact NCTCOG for further instructions regarding disposition. Grant recipients will be allowed to either use grant-funded vehicles/equipment as a trade-in or sell the property and use proceeds to offset the cost of replacement property. Vehicles/equipment may not be sold, scrapped or otherwise disposed of until written approval is received from NCTCOG. Sale, scrap or another disposal without NCTCOG approval or when fair-market value exceeds \$5,000, could result in a partial return of grant funding.

Q: If the organization receives a grant-funded vehicle through this Call for Projects, may the vehicle be used as trade-in later if the replacement vehicle will be used for the same purpose as the original grant-funded vehicle?

A: When no longer needed for the original project or for other activities currently or previously supported by a Federal awarding agency, disposition instructions must be requested of the Federal awarding agency. In other words, NCTCOG must be contacted and staff will in turn ask the EPA for disposition instructions. The instructions are as follows:

- 1) If the fair market value of the equipment is \$5,000 or less, the equipment may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.
- 2) If the Federal awarding agency fails to provide requested disposition instructions within 120 days and the fair market value of the equipment is greater than \$5,000, the equipment may be retained or sold. Either way, the Federal awarding agency is entitled to an amount calculated by multiplying the current market value by the Federal percentage of participation in the cost of the original purchase. So, if the current market value is \$20,000 and the Federal share is 25 percent, the Federal awarding agency is entitled to \$5,000. If the equipment is sold, the Federal awarding agency may permit \$500 or 10 percent of the proceeds, whichever is less, to be retained for selling and handling expenses.
- 3) The title to the equipment may be transferred to the Federal Government or to an eligible third party.
- 4) If disposition actions are not taken, the Federal awarding agency may direct you to take disposition actions.

To protect NCTCOG's interest in the project, NCTCOG shall have a security interest in the grant-funded equipment.

- For on-road, must have a conditional title, so NCTCOG will be a lien holder
- For non-road, NCTCOG will be designated in a Uniform Commercial Code-1 financing statement (UCC-1)
- The grant-funded equipment cannot be used as collateral and there can be no other lien holder without NCTCOG's approval.

- The grant-funded equipment must be used in the project for which it was acquired as long as needed.
 - During the time it is used in the project, it can be replaced as a trade-in or sold, and the proceeds can be used to offset the cost of the replacement that will be used in the project. (200.312(C)(4))
- Certain information will be reported annually to NCTCOG, such as description, VIN/Serial Number, Location, Condition, etc.

The organization should contact NCTCOG prior to replacing or disposing of any grant-funded equipment to ensure that proper documentation is completed.

Q: For private companies, can the contract be with Texas Department of Transportation (TxDOT)?

A: No. TxDOT is not considered a local governmental entity; TxDOT is a state agency.

Q: Is a school district considered to be a local government for this Call for Projects?

A: Yes, a “local government” means a county, including all district and precinct offices of a county, municipality, public school district, appraisal district, or any other special-purpose district or authority.

Q: Is a school district eligible for funding if its boundary is partly in the nonattainment area and partly out of the nonattainment area?

A: Eligibility is based upon the geographic area in which the vehicle/equipment to be replaced operates. If the requested project is to replace an eligible vehicle/equipment that operates primarily in the nonattainment area (that is, the routes are in the nonattainment area), and the newly purchased vehicle/equipment will stay on the same routes, then yes, it is eligible.

Q: How do I find the engine family code?

A: The engine family code (name) is a 12-character number/letter designation that can be found on the engine nameplate. A good resource on finding the engine family name is <https://www.epa.gov/importing-vehicles-and-engines/locating-vehicle-emissions-label>.

Q: Are only near-zero emissions engines eligible for the 35 percent funding level or are all CARB low-NOx engines eligible for the 35 percent funding level?

A: All CARB certified low-NOx engines are eligible for the 35 percent funding level. Currently, CARB has established three optional low NOx emissions standards: 0.1 g/bhp-hr, 0.05 g/bhp-hr and 0.02 g/bhp-hr. Vehicles/equipment powered by an engine that is CARB certified to these three optional low NOx emissions standards are eligible for the 35 percent funding level. The 0.02 g/bhp-hr standard is often referred to as near-zero. See https://ww2.arb.ca.gov/sites/default/files/classic/msprog/onroad/optionnox/optional_low_nox_certified_hd_engines.pdf.

Q: What does disposition mean and what are disposition requirements?

A: In general, disposition is rendering a vehicle and engine permanently inoperable by cutting the rails of the chassis completely in half and cutting or punching a 3"x3" hole in the engine block. Please refer to the Disposition section of the Guidelines document for the CFNT 2020 Call for Projects for all disposition details (www.nctcog.org/aqfunding).

Q: Are repowers eligible for funding in this Call for Projects?

A: No, only replacement projects are eligible for funding in the Clean Fleets North Texas 2020 Call for Projects.

Q: What heavy-duty vehicles are available that utilize CARB low-NO_x engines or electric motors?

A: A list has been posted on the Clean Fleets North Texas 2020 Call for Projects website, which can be accessed from www.nctcog.org/aqfunding.

Q: The organization has a retirement schedule for the fleet but does not follow it, so replacements are not considered scheduled retirement. How can the organization determine if a replacement is an early retirement?

A: If the organization has a retirement schedule and abides by it, NCTCOG will evaluate the proposed project based on the early retirement discussion in the Guidelines and per the organization's retirement schedule. If the organization does not follow a retirement schedule, staff will evaluate your proposed project based on justification provided by the organization on why the replacement is not a scheduled retirement.

Q: If the replacement vehicle will be converted to another fuel, will the organization need to wait for a period of time (or a number of miles) before getting the conversion completed for it to still be an eligible reimbursement?

A: No. Any needed conversion must be complete before the vehicle is placed into service and included in the reimbursement packet.

Q: Can I use HGAC, Buyboard or the State of Texas contracts to procure my vehicles/equipment?

A: NCTCOG will review the specific contract for procurement and determine if it complies with federal procurement requirements. If the contract complies, the organization will receive procurement approval from NCTCOG. If the contract does not comply, the organization will need to do a federally compliant RFP or quote process (depending on total project cost as stated in the Guidelines). To-date, NCTCOG has reviewed several cooperative purchasing contracts and determined that certain contracts on BuyBoard and

Sourcewell (formerly NJPA) purchasing cooperatives do meet federal requirements. However, this does not mean every contract under the aforementioned cooperatives have been approved for use and each individual contract must be reviewed by NCTCOG.

Q: Does the organization need to submit a copy of the quote for the new vehicle/equipment with the application?

A: Yes, per the Guidelines at least one price quote for each project type is required at time of application and will be the basis for determining the maximum grant award amount based on applicable funding thresholds.

Q: If the total cost of the new replacement vehicles is paid by the organization, how is NCTCOG going to be listed as First Lien Holder?

A: Although there would not be any outstanding financial obligation, NCTCOG has an interest in the vehicle beyond the financial transaction due to the use of federal funds and the requirement to monitor the condition and use of the asset (see the Grant Administration and Project Implementation Requirements section of the Guidelines and Article 2, Section 2.8 of the template Agreement). When submitting the application for Texas Title, the organization should name NCTCOG as the first lienholder.

Q: The organization's equipment operates for 500 hours each year but not all those hours are in the nonattainment area. Is the project still eligible for funding?

A: Yes, if the equipment operates for at least 500 hours per year and it operates in the nonattainment area at least 51 percent of the time, it is eligible. However, for competitive evaluation, NCTCOG will evaluate cost per ton based only on the hours used in the nonattainment area.

Q: Is there a limit for how many activities can be included in the application?

A: No. NCTCOG reserves the right to award funding to all, some, or only one of the activities requested.

Q: Can the organization implement fewer activities than the number of activities granted under an award?

A: Yes.

Q: In the online Risk Assessment, why is the congressional district requested?

A: The congressional district is requested because it is reported on some grants. Any awards of more than \$30,000 must be included in NCTCOG's and in the Federal Funding Accountability and Transparency Act (FFATA) reporting, which requires a congressional district for each subrecipient. In addition, as part of EPA's reports to Congress on the Clean

Diesel Funding Assistance Program, the amount of funds spent in the various congressional districts shows whose constituents benefit from the funds. NCTCOG can look up the district by address if the organization only uses one address.

Q: Will NCTCOG install an automatic vehicle location system (AVLS) device on the vehicle if the vehicle is purchased with a GPS device?

A: The agreement states that at NCTCOG's discretion, the organization must allow NCTCOG to arrange for an AVLS device to be installed on grant-funded vehicles/equipment. If the vehicle comes with an installed GPS device, NCTCOG will not install an AVLS device.

Q: Is there a special insurance requirement for a grant-funded vehicle?

A: Per Article 8, Section 8.1 of the template Agreement, each grant-funded vehicle/equipment is required to have enough property insurance for the repair or replacement of the vehicle.

Q: Is there a registration requirement for the vehicle being replaced?

A: The vehicle being replaced does not need to have been registered for any particular period of time; however, the vehicle must be in good operating condition and capable of performing the primary functions of the vehicle.