

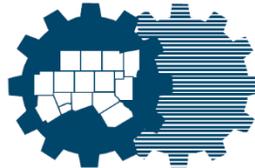
**CLEAN FLEETS NORTH TEXAS**

**2019 CALL FOR PROJECTS**

**NOVEMBER 2019 – FEBRUARY 2020 APPLICATION ROUND**

**GUIDELINES**

North Central Texas Council of Governments  
616 Six Flags Drive  
Arlington, TX 76011  
817-704-2508  
[www.nctcog.org/aqfunding](http://www.nctcog.org/aqfunding)  
[AQgrants@nctcog.org](mailto:AQgrants@nctcog.org)



**North Central Texas  
Council of Governments**

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## INTRODUCTION

The North Central Texas Council of Governments (NCTCOG), using funds received through the Environmental Protection Agency's (EPA) Clean Diesel Funding Assistance Program Fiscal Year (FY) 2017 and 2018, as well as the Texas Commission on Environmental Quality Supplemental Environmental Project Program, is offering grant funding through the Clean Fleets North Texas 2019 Call for Projects (CFP). This CFP will fund replacement of existing diesel-powered heavy-duty vehicles or equipment operating in the Dallas-Fort Worth (DFW) ten-county ozone nonattainment area.

Ten counties in the North Central Texas region were reclassified from moderate to serious nonattainment in August 2019 under the 2008 ozone National Ambient Air Quality Standards (NAAQS). This means ground-level ozone pollution levels in these counties are higher than the level that EPA has identified as safe for human and environmental health. Ozone is formed when nitrogen oxides (NO<sub>x</sub>) and volatile organic compounds mix in the presence of sunlight and heat. Breathing ground-level ozone can result in several health effects that are observed in broad segments of the population. Observational studies indicate that higher daily ozone concentrations are associated with increased hospital admissions and other markers of morbidity.<sup>1</sup> In addition to threatening human health, high ozone concentrations pose a risk to the environment, wildlife, agriculture and manufactured structures in the region. Ozone nonattainment can also cost the region economically, as funding to build new roadways could be placed at risk, and businesses could become subject to more strict regulations (e.g. requirements to install emission control devices).

Programs to reduce NO<sub>x</sub> emissions from mobile sources (e.g. cars and trucks), which contributes approximately 76 percent of ozone-forming pollutants, are an important element of working toward ozone attainment. Despite exponential population growth, which results in more vehicle miles traveled in the DFW nonattainment area, ground-level ozone concentrations have improved substantially in the past twenty years. On October 26, 2015, the EPA lowered the 8-hour ozone NAAQS to  $\leq 70$  parts per billion<sup>2</sup> (2015 ozone NAAQS). Under the 2015 ozone NAAQS, nine counties were designated marginal nonattainment. With the adoption of the 2015 ozone NAAQS, it is important to continue implementing emissions-reductions projects to work toward lower and lower ozone levels. For additional information about ozone emissions and efforts to improve air quality in North Central Texas, visit [www.nctcog.org/airquality](http://www.nctcog.org/airquality).

## CONTACT INFORMATION

Please submit any questions or comments to:

Email: [AQgrants@nctcog.org](mailto:AQgrants@nctcog.org)

Website: [www.nctcog.org/aqfunding](http://www.nctcog.org/aqfunding)

NCTCOG Project Staff:

Amy Hodges  
Air Quality Planner  
817-704-2508  
[ahodges@nctcog.org](mailto:ahodges@nctcog.org)

Lori Pampell Clark  
Program Manager  
817-695-9232  
[lclark@nctcog.org](mailto:lclark@nctcog.org)

## SCHEDULE

Applications will be accepted and reviewed on a competitive basis. See the “Application Process” section for more details.

<b>Milestone</b>	<b>Estimated Timeframe</b>
Call for Projects Opens	November 15, 2019
Project Application Deadline	February 14, 2020, at 5 pm Central Time
Proposals Evaluated & Selected	Within 60 Days of Application Deadline
Awarded Projects Announced	Within 60 Days of Application Deadline
Awardees to Receive Executed Agreements and Approval to Purchase	Within 60 Days of Award Announcement
All Approved Projects Must Be Implemented	March 31, 2021

### **Project Dates**

Projects must be implemented, and final reimbursement request submitted by March 31, 2021. NCTCOG expects notifying grant recipients of award within 60 days of the application deadline.

## ELIGIBLE APPLICANTS & PROJECT AREA

This CFP is open to local governments, or private companies that contract with local governments, that own heavy-duty diesel vehicles or equipment operating in the ten counties currently classified as nonattainment for the pollutant ozone under either the 2008 or 2015 ozone standards. This includes Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant, and Wise counties.

Further, in order to be eligible, all applicants must have adopted a policy which is consistent with the Regional Transportation Council (RTC) Clean Fleet Policy prior to the application submittal. To meet this requirement, the policy should include goals or elements which meet the following objectives:

- 1) Reduce emissions from fleet activities;
- 2) Reduce fuel consumption among fleet vehicles and equipment;
- 3) Support partnership with the NCTCOG and DFW Clean Cities Coalition; and
- 4) Educate fleet personnel on air quality and fuel consumption efforts.

Additional information, including a template policy, guidance documents and details on what these four objectives entail, can be found at [www.nctcog.org/fleetpolicy](http://www.nctcog.org/fleetpolicy).

## PROJECT ELIGIBILITY & APPLICATION REQUIREMENTS

**All projects must reduce NO<sub>x</sub> emissions from existing diesel-powered vehicles or equipment, and fit one of the following categories:**

**Project Type 1:**

**Vehicle Replacement** – replacement of an older diesel on-road vehicle with a newer model year on-road vehicle.

**Table 1: Replacement of Diesel On-Road Vehicle Eligibility Details**

Current Gross Vehicle Weight Rating (GVWR)	Eligible Old Engine Model Years**	Eligible New Vehicle	Maximum Funding Levels
16,001 and Up	1996 – 2006	2018 or Newer Diesel or Alternative Fuel Vehicle	45% Cost if New Is Electric 35% Cost if New is Powered by Engine Certified to CARB* optional Low-NO <sub>x</sub> Standards 25% Cost for All Others
	1996 - 2009	2018 or Newer Zero Emission Vehicle	

\*CARB=California Air Resources Board; a list of currently available engines certified to CARB Low-NO<sub>x</sub> standards are available at: <https://www.arb.ca.gov/msprog/onroad/optionnox/optionnox.htm>

\*\*1995 engine model years eligible on case-by-case basis

**Project Type 2:**

**Non-Road Equipment Replacement** – replacement of an older diesel non-road equipment that operates 500 or more hours per year, with a newer model year non-road equipment. Non-road equipment includes vocations such as construction, agriculture, and industrial uses and manufacturers such as Caterpillar, Volvo, John Deere, Komatsu, New Holland, etc. Eligible equipment includes items such as tractors, backhoes, graders, and other heavy equipment used off-road.

**Table 2: Replacement of Diesel Non-Road Vehicle and Equipment Eligibility Details**

Current Engine Horsepower	Eligible Old Engine Model Year and Tier**	Engine Model Year 2018 or Newer		Maximum Funding Levels
		Eligible New Compression Ignition Tier	Eligible New Spark Ignition Tier	
0 - 50	2006 and Newer; Unregulated – Tier 2	Tier 4 final or All-Electric	Tier 2	45% Cost if New Is Electric
51 - 300	1996 and Newer; Tier 0 – Tier 2	Tier 3, 4 interim, Tier 4 final or All-Electric		35% Cost if New is Powered by Engine Certified to CARB* optional Low-NO <sub>x</sub> Standards
51 - 300	1996 and Newer; Tier 3	Tier 4 final or All-Electric		25% Cost for All Others
301+	1986 and Newer; Tier 0 – Tier 2	Tier 3, 4 interim, Tier 4 final or All-Electric		
301+	1986 and Newer; Tier 3	Tier 4 final or All-Electric		

\*CARB=California Air Resources Board; a list of currently available engines certified to CARB Low-NO<sub>x</sub> standards are available at: <https://www.arb.ca.gov/msprog/onroad/optionnox/optionnox.htm>

*\*\*1985, 1995, and 2005 engine model years eligible on case-by-case basis*

The following requirements will apply to all grant recipients under this program. NCTCOG reserves the right to withhold grant payment or request return of funds if these requirements are not met and/or not sufficiently documented. Potential applicants should consider these conditions carefully when evaluating whether to submit a grant application.

**Minimum Allowable Grant Award:**

- NCTCOG will not award less than \$50,000 per applicant. Project activities must meet a minimum requirement of \$50,000 in grant funds using the funding thresholds listed in Tables 1 and 2. This may be achieved through multiple small activities or a few large activities qualifying for a combined total of at least \$50,000 in grant funds. Example scenarios are:

**Table 3: Example Scenarios to Meet Minimum Grant Award**

<b>Project Description</b>	<b>New Vehicle Cost</b>	<b>Funding Threshold</b>	<b>Grant Amount</b>	<b>Minimum Award Met?</b>
Replace 1 Large Truck with New Diesel Truck	\$400,000	25%	\$100,000	<b>Yes</b>
Replace 1 School Bus with New Propane School Bus	\$135,000	35%	\$47,250	<b>No</b>
Replace 2 School Buses with Propane School Buses and 1 Box Truck with New Diesel Box Truck	School Buses: \$100,000 each Box Truck: \$160,000	School Buses: 35% Box Truck: 25%	School Buses: \$70,000 Box Truck: \$40,000 Total Award: \$110,000	<b>Yes</b>

**New Equipment for Replacement:**

- New vehicles/equipment must perform the same function, be of the same type, and have a similar gross vehicle weight rating (GVWR) or horsepower as the vehicles/equipment being replaced. Specific advance approval must be obtained from NCTCOG if:
  - For on-road vehicles, the GVWR does not stay within 10 percent of the engine’s intended service class.
  - For non-road equipment, the horsepower does not stay within 25 percent of the old engine.
- New vehicles/equipment must remain operational in the DFW ozone nonattainment area for at least six years.
- Funding will not be awarded to replacement projects that would have occurred within three years of the project start date based on normal fleet turnover (attrition) as defined in the equipment or fleet owner’s budget plan, operating plan, standard procedures, or

retirement schedule. Normal attrition does not include replacements that must occur due to a State or Local mandate. Replacement projects must include a detailed discussion of the fleet owner's normal attrition schedule and must explain how the proposed emission reductions are above and beyond what would have occurred through normal fleet turnover within three years of the project start date.

### **Cost Eligibility:**

#### **Eligible Costs**

- Limited to purchase costs of new equipment.
- Applicants must notify NCTCOG of the value of any existing financial incentives that directly reduce the cost of the proposed activity, including tax credits or deductions, other grants, anticipated scrap value, or any other financial assistance, to allow for accurate calculation of incremental cost.
- Any funds received for scrapped vehicle/equipment will be treated as program income, which will be recorded as part of the applicant's required cost share.

#### **Ineligible Costs**

- Administrative costs and other internal costs of the grant recipient including, but not limited to, personnel expenses, internal salaries, indirect costs, and travel.
- Fees for a third-party consultant or dealer hired to coordinate the application or manage and administer grant-funded activities, including coordination of the work and submission of reports and paperwork. This restriction is not intended to limit the ability of the equipment supplier or installer to include reasonable and necessary costs for managing the work to be performed in the price of the engine, equipment, or installation services. Per the Uniform Grant Management Standards, the cost-plus-percentage-of-cost method of contracting for professional services shall not be used.

### **Cost Estimate:**

- As part of the application, Applicants must submit a price analysis for each project type, that will be the basis for determining the maximum grant award amount based on applicable funding thresholds. Applicants are advised to consult multiple sources to ensure that estimated costs are as accurate and realistic as possible. Awarded applicants will be required to abide by procurement procedures that are consistent with federal funding requirements as described in the next section.

### **Property Management Requirements:**

- 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 200.313. 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 other disposal without NCTCOG approval or when fair-market value exceeds \$5,000, could result in a partial return of grant funding.

**DUNS & SAM Number:**

- Applicants are required to provide a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number, and a current registration with the System for Award Management (SAM). Applicants can receive a DUNS number at no cost by calling the toll-free DUNS Number request line at 1-866-705-5711, or visiting the D&B Website at [www.dnb.com/us/](http://www.dnb.com/us/). Applicants can receive free SAM registration at [www.SAM.gov](http://www.SAM.gov). If a DUNS number or SAM has not yet been assigned, please include the date the applicant requested a number.

**Emissions Credit:**

- Applicant must surrender all emissions reductions to NCTCOG to meet air quality requirements and goals. The recipient may not utilize emissions reductions to satisfy other air quality commitments unless otherwise agreed to by NCTCOG.

**Voluntary Reductions:**

- Projects must be voluntary in nature and not required by any local, state, or federal law, rule, regulation, memorandum of agreement, or other legally binding document.

**Minority/Women's Business Enterprise Participation:**

- Applicants must use good faith efforts to contract with Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) as part of this program. As part of the EPA Clean Diesel Funding Assistance Program, NCTCOG has the following DBE/MBE/WBE Fair Share Objectives and Goals:

MBE: 7.34% Construction; 19.37% Supplies; 12.98% Services; and 19.57% Equipment  
WBE: 10.60% Construction; 14.15% Supplies; 23.70% Services; and 19.64% Equipment

If an applicant is unable to identify contracting opportunities consistent with the goals outlined above, applicants must document their good faith efforts. Documentation of good faith efforts consist of:

- (a) Ensuring MBE/WBEs are aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities.
- (b) Making information on forthcoming opportunities available to MBE/WBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by MBE/WBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
- (c) Consider whether large contracts could be divided into subcontracts with MBE/WBEs.
- (d) Encourage contracting with a consortium of MBE/WBEs when a contract is too large for one of these firms to handle individually.
- (e) Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- (f) Grant Recipients' must report to NCTCOG expenditures related to MBE/WBE contract opportunities.

## APPLICATION PROCESS

Application forms are available through [www.nctcog.org/aqfunding](http://www.nctcog.org/aqfunding); click the “Clean Fleets North Texas 2019 Call for Projects” link. Applications must include original signatures from the applicant’s Authorized Official on the certification statements in Part 4 of the application. As part of applying, applicants must also complete a Risk Assessment, which is available at: <https://www.surveymonkey.com/r/7BCSTYK>.

Applications for the Clean Fleets North Texas 2019 Call for Projects will be accepted on a competitive basis. **NCTCOG must have the submitted applications “in hand” at 5 p.m. on Friday, February 14, 2020. Evaluation will be based on the selection criteria outlined on pages 8-9.** Mailed applications which are postmarked by this time but have not yet been received are not considered “in hand.” Applications must be in a sealed envelope with a return address on the outside. Faxed applications will not be accepted.

**Applications should be mailed or delivered to the following address:**

**North Central Texas Council of Governments  
Transportation Department  
Clean Fleets North Texas 2019 Call for Projects  
Attention: AQ Grants  
616 Six Flags Drive  
Arlington, TX 76011**

Applicants are strongly encouraged to also email the application file in Excel format, to [AQgrants@nctcog.org](mailto:AQgrants@nctcog.org). Applicants are encouraged to submit in advance of the submission deadline to allow staff time to review for completeness.

- **Steps to Apply:** All the items listed below must be “in hand” by the application deadline for a project to be deemed complete.
  - Submit Risk Assessment (including any required attachments)
  - Submit Application Form (including Part 1, Part 2, Part 3, and Part 4)

### **Use of Consultants:**

Private consultants may be available to assist in completing and submitting an application. These consultants do not represent NCTCOG, and NCTCOG neither encourages nor discourages the use of a consultant to assist with the application process. NCTCOG has no agreement with any consultant and applications submitted by a particular consultant will not receive any more favorable treatment than other applications. Fees charged by a consultant are the responsibility of the applicant and may not be charged to the grant, either directly or as an addition to the cost basis of the grant-funded equipment. Moreover, NCTCOG staff are available to field application questions as needed.

## SELECTION CRITERIA

NCTCOG will evaluate submitted applications based upon a competitive process using the following criteria:

- **Quantitative Analysis: Cost Effectiveness (75% of total project score)**

- Cost per ton of NO<sub>x</sub> reduced in the ten-county ozone nonattainment area per year.
- **Qualitative Analysis: Subrecipient Risk & Oversight (25% of total project score)**
  - In accordance with provisions under the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200)<sup>4</sup>, NCTCOG will conduct a risk assessment of all anticipated subrecipients prior to final selection. This assessment includes the following elements:
    - Financial/organizational capacity
    - History of performance for federal funds
    - Experience in carrying out a federally compliant procurements, and the proposed procurement approach for this project
    - Results of previous audits
    - Past performance on NCTCOG-related grants
  - NCTCOG is not obligated to fund a proposal from an applicant that has demonstrated marginal or unsatisfactory performance on previous grants or contracts with NCTCOG and/or other state or federal agencies.
  - NCTCOG is not obligated to fund a proposal from an applicant based on a determination of the risks, including the financial condition of the applicant and other risk factors as may be determined by NCTCOG.

NCTCOG may base funding decisions on factors associated with best achieving the purpose of the CFP and is not obligated to select a project for funding. Additionally, NCTCOG may select parts of an application for funding or offer to fund less than the amount requested in an application.

## **GRANT ADMINISTRATION & PROJECT IMPLEMENTATION REQUIREMENTS**

NCTCOG will notify all applicants whether the project has been awarded and, if so, grant amounts awarded. The notification will be sent to all points of contact identified on the grant application. *This notification is not authorization to begin work.* Entities selected to receive grant funding will be required to execute an agreement with NCTCOG in order to formally accept grant funding.

Applicants who receive a grant award will be required to meet with NCTCOG staff prior to implementing their project to explain all grant expectations. If awarded, the steps to implement generally are as follows:

### **Step 1: Sign Agreement with NCTCOG**

- No grant activities may begin until after the agreement between NCTCOG and the grant recipient is fully executed. "Grant activities" in this case includes vendor selection or placement of vehicle/equipment purchase orders. All activities must be on hold until execution of a grant agreement and procurement review and approval by NCTCOG.

### **Step 2: Conduct a Federally Compliant Procurement**

- **NCTCOG must approve the recipient’s planned procurement process prior to the subrecipient placing purchase orders or otherwise proceeding with any procurement steps.**
- Grant recipients are required to comply with federal procurement requirements regarding fair and open competition when making purchases. These requirements also impact the process through which a purchase can be made. Applicants should review NCTCOG’s Subgrantee Procurement Procedures document, which is available at [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms), to ensure understanding of these requirements. In summary, these procedures require that awardees:
  - Maintain a written code of conduct related to contract award and administration;
  - Maintain a contract administration system to ensure vendors and contractors perform according to the terms;
  - Conduct procurement transactions in an open, fair and competitive manner; and
  - Maintain written procurement procedures.
- The Third-Party Procurement Procedures provide guidance on the requirements for each type of procurement by dollar threshold. Projects under this proposal will fall under one of the following procurement methods:
  - Purchases under \$150,000: must obtain at least two competitive written quotes
  - Purchases over \$150,000: must follow requirements for one of the following:
    - Publicly Advertised Sealed Bid Process
    - Publicly Advertised Competitive Proposal Process
  - Public sector entities may make purchases through federally compliant governmental cooperative purchasing programs
- **Applicants are strongly encouraged to purchase vehicles and equipment through a federally compliant cooperative purchasing program.** 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.
- If the recipient chooses to follow a Request for Proposals process, NCTCOG must review and approve the Request for Proposals and proposed advertisements prior to the Request for Proposals being issued to ensure that federal and state terms and conditions are properly incorporated.

NCTCOG uses a Third-Party Procurement Review Checklist to determine whether awardees have complied with the procurement requirements. NCTCOG staff is available to assist awarded applicants with any questions. Applicants are encouraged to review these procedures carefully prior to applying

**Step 3: Complete Purchases in Accordance with Agreement and Scope Requirements**

- Grant recipients will be required to grant NCTCOG a security interest in any grant-funded vehicle/equipment and document fulfillment of this requirement prior to reimbursement being issued. The security interest may consist of:

- For on-road vehicles: listing NCTCOG as the first lienholder on vehicle titles.
- For non-road equipment: filing a Uniform Commercial Code -1 (UCC-1) financing statement or a performance bond that identifies NCTCOG as having an interest.
- NCTCOG shall relinquish such security interest when all federal interest in the grant-funded vehicles/equipment is fulfilled (generally, this occurs when fair market value falls below \$5,000).

#### **Step 4: Submit for Reimbursement**

- Grants will be made on a reimbursement basis for eligible expenses incurred and paid by the grant recipient. A cost may not be considered incurred until the grant-funded vehicle/equipment has been paid for by the grant recipient. Requests for reimbursement shall include documentation to show that the vehicle/equipment has been received, expenses paid by the grant recipient, and proper vehicle/equipment disposition has occurred. **All eligible expenses must be paid in full with cash on hand (not financed, etc.) in order to be reimbursed.** NCTCOG will only waive this requirement under specific circumstances on a case by case basis. Prospective applicants should discuss any potential requirement for flexibility with NCTCOG staff prior to applying. Reimbursement request forms are available at [www.nctcog.org/aqfunding/forms.asp](http://www.nctcog.org/aqfunding/forms.asp).
- Applicants must notify NCTCOG of the value of any existing financial incentives that directly reduce the cost of the proposed activity, including tax credits or deductions, other grants, anticipated scrap value, or any other public financial assistance, to allow for accurate calculation of incremental cost.
- Applicants must identify expected local match sources, which must fund at least 75, 65 or 55 percent of total replacement project cost depending on type of replacement vehicle/equipment. Matching funds should be sourced from cash in hand. **Applicants intending to use match other than cash in-hand should contact NCTCOG staff to discuss prior to applying.** Matching funds must not already be tied to emission reduction commitments (i.e. funding from the Texas Emissions Reduction Plan may not be used as matching funds).

#### **Step 5: Disposition**

- All vehicles/equipment being replaced must be rendered permanently disabled. Disabling the engine requires cutting, drilling, or punching a three inch by three inch (3" x 3") hole in the engine block. Disabling the chassis consists of cutting completely through the frame/frame rails on each side of the vehicle/equipment at a point located between the front and rear axles. Both the engine and chassis of each vehicle/equipment must be disabled for each replacement activity.
- Grant recipients must apply for a non-repairable vehicle title in advance of completing disposition.
- NCTCOG staff must be present to witness vehicle/equipment and engine destruction and to take the required photos. Grant recipients must schedule the destruction in coordination with NCTCOG to ensure staff attendance.
- Complete documentation of vehicle/equipment disposition must be included with the reimbursement request submitted for preliminary review. Documentation will include a standard form identifying the destroyed vehicle/equipment and a standard set of photos. The Vehicle/Equipment and Engine Disposition Form (available for download at

[www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms)) shows the highlighted fields to be completed by the grant recipient. NCTCOG will facilitate completion of this documentation through the destruction site visit. **NCTCOG will notify performing party of preliminary approval of reimbursement, and if disposition should proceed.**

- Alternative disabling methods must be approved by NCTCOG in advance on a case by case basis. If other, pre-approved scrappage methods are used, details and documentation must be submitted to NCTCOG. Disposition documentation requirements will apply and will be detrimental as part of the NCTCOG approval.
- Any funds received for scrapped vehicle/equipment will be treated as program income, which will be recorded as part of the applicant's required cost share. Applicants will be required to report scrap value when requesting reimbursement for implemented activities, or to retain scrapped equipment for internal use. Because the scrap revenue is applied as part of the recipient's cost share, the amount of program income does not reduce the amount of grant reimbursement.
- While NCTCOG does not endorse nor recommend any particular facilities, the Texas Commission on Environmental Quality maintains a list of dismantler and recycler facilities that participate in the AirCheckTexas Drive a Clean Machine program at [www.nctcog.org/nctcg/media/Transportation/DocsMaps/Quality/Air/AuthorizedDismantlers.pdf](http://www.nctcog.org/nctcg/media/Transportation/DocsMaps/Quality/Air/AuthorizedDismantlers.pdf). This list may be a useful reference for locating facilities who can ensure compliance with this grant program's requirements.

#### **Step 6: Reporting and Vehicle/Equipment Use**

- **Project Status Report:** Grant recipients must submit reports regarding project status on a monthly basis until final reimbursement is issued.
- **Annual Asset Management Reporting:** Grants recipients will be required to submit annual reports which will be available through the NCTCOG website at [www.nctcog.org/aqfunding/reporting](http://www.nctcog.org/aqfunding/reporting) until property management requirements are fulfilled. This report will also ensure compliance with 2 CFR 200.313. Required reporting will include, but is not limited to, the following information for each activity:
  - Hours/Mileage
  - Asset Condition
  - Location/Area of Operation
- **Geographic Area of Use:** All grant-funded equipment/engines must be utilized predominantly in the ten-county DFW ozone nonattainment area.
- **Automatic Vehicle Locator Service:** Grant recipients must allow NCTCOG to arrange installation of an automatic vehicle locator service (AVLS) device, from a vendor selected by NCTCOG, on all grant-funded equipment to facilitate required usage reporting. The AVLS device will track operating characteristics of the equipment, including but not limited to hours used, equipment speed (where relevant), and percentage of use within each of the ten ozone nonattainment counties.
- **Public Awareness:** To further enhance the partnership and marketing of emission reduction efforts, the grant recipient must agree to place a label on grant-funded vehicles/equipment if requested by NCTCOG.

- **Notification of Changes:** Recipients must agree to notify NCTCOG of changes in the following until all federal interest is fulfilled: termination of use, change in use or location, sale, transfer, or accidental or intentional destruction of grant-funded equipment/engines. Any sale, transfer, or decision to terminate use must be pre-approved by NCTCOG and may trigger repayment associated with property management requirements.

Awarded applicants are obligated to fulfill agreement requirements including, but not limited to, surrender of eligible emissions credits, and completion of reporting requirements to NCTCOG until all federal interest in the grant-funded vehicles/equipment is fulfilled. Failure to comply with these requirements may result in return of all or a pro-rata share of the grant funds to NCTCOG.

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1 <https://www.epa.gov/ozone-pollution-and-your-patients-health/health-effects-ozone-general-population>

2 <http://www.gpo.gov/fdsys/pkg/FR-2015-10-26/pdf/2015-26594.pdf>

3 [https://www.epa.gov/sites/production/files/2017-12/documents/tx\\_ltr\\_12\\_22\\_17.pdf](https://www.epa.gov/sites/production/files/2017-12/documents/tx_ltr_12_22_17.pdf)

4 [https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)