NORTH TEXAS FREIGHT TERMINAL ELECTRIFICATION
2019 CALL FOR PROJECTS

GUIDELINES

North Central Texas Council of Governments
616 Six Flags Drive
Arlington, TX 76011
817-704-2508
www.nctcoq.org/agfunding

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INTRODUCTION
The North Central Texas Council of Governments (NCTCOG), under the Environmental Protection Agency’s (EPA) Clean Diesel Funding Assistance Program, is offering approximately $1 million in grant funding through this Call for Projects (CFP) for projects that reduce idling from transport refrigerated units (TRUs) of heavy-duty diesel trucks and trailers. Specifically, grant funding will be used to assist in construction and installation of EPA-verified electrified parking spaces (EPS) at truck terminals and distribution centers in the Dallas-Fort Worth (DFW) ten-county ozone nonattainment area that will be used to power TRUs while heavy-duty trucks and trailers are on stand-by or currently loading or unloading. NCTCOG will provide grants to cover up to 30 percent of eligible project unit costs; recipients must provide 70 percent of total project costs through non-federal funding.

Ten counties in the North Central Texas region are classified as moderate nonattainment under the 2008 ozone National Ambient Air Quality Standards (NAAQS). This means ground-level ozone pollution levels in these counties exceed the EPA’s ozone NAAQS. Ozone is formed when nitrogen oxides (NOx) 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. Evidence from observational studies indicates that higher daily ozone concentrations are associated with increased hospital admissions and other markers of morbidity. 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 businesses may be subject to more strict regulations, such as requirements to install emission control devices. It can also put funding to build new roadways at risk.

Programs to reduce NOx emissions from mobile sources, which comprise 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 ≤70 parts per billion (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.

CONTACT INFORMATION
Please submit any questions or comments to:
Email: AQgrants@nctcog.org

NCTCOG Project Staff:
Huong Duong  Jason Brown
Air Quality Planner  Principal Air Quality Planner
817-704-5678  817-704-2514
hduong@nctcog.org  jbrown@nctcog.org

Website: www.nctcog.org/aqfunding
SCHEDULE
Applications will be accepted and reviewed on a competitive basis. See the “Application Process” section for more details.

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Estimated Timeframe</th>
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<tbody>
<tr>
<td>Call for Projects Application Opens</td>
<td>September 17, 2019</td>
</tr>
<tr>
<td>Call for Projects Application Deadline</td>
<td>December 13, 2019</td>
</tr>
<tr>
<td>Proposals Evaluated</td>
<td>Approximately 4 months after application deadline</td>
</tr>
<tr>
<td>Awarded Projects Announced</td>
<td>April 2020</td>
</tr>
<tr>
<td>All Approved Projects Must Be Completed</td>
<td>March 1, 2021</td>
</tr>
</tbody>
</table>

Project Dates
Projects must be implemented, and final reimbursement request submitted by March 1, 2021. NCTCOG expects notifying grant recipients of award within four months of the application deadline.

ELIGIBLE APPLICANTS & PROJECT AREA
Eligible applicants include any entity which owns and/or operates private freight terminal or distribution center with TRU fleets that primarily receives heavy-duty truck TRUs and trailer TRUs and located in the ten counties currently classified as nonattainment for the pollutant ozone; this includes Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant, and Wise counties. Exhibit 1 displays all eligible counties. Project activities located within environmental justice and freight oriented development areas within the ozone non-attainment counties will receive scoring consideration for this grant.
PROJECT ELIGIBILITY & APPLICATION REQUIREMENTS
Projects that demonstrate an emission reduction, especially of nitrogen oxides (NOx), and implementation feasibility will be considered favorably for grant award.

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.

Eligible Project Types:

**Electrified Parking Spaces:**
Construction and installation of EPA-verified EPS systems at truck terminals and distribution centers in the ozone non-attainment area as illustrated in Exhibit 1. All projects must implement an EPA-verified EPS system which is listed on the SmartWay Verified Idle Reduction Technologies website at [www.epa.gov/verified-diesel-tech/smartway-verified-list-idling-reduction-technologies-irts-trucks-and-school](http://www.epa.gov/verified-diesel-tech/smartway-verified-list-idling-reduction-technologies-irts-trucks-and-school). Projects must be designed to provide power to only eTRUs of heavy-duty trucks and trailers working in freight goods movement.

**Power Monitoring Equipment:**
Installation of an electric power monitoring equipment per site. Monitoring equipment shall monitor the usage at EPS specifically.

**Electric Power Kits:**
Installation of connection equipment that aids transport refrigeration units to connect receptacles and pedestal in order to keep refrigerated trucks and trailers operating
during standby operations, loading, and unloading without having to run the diesel engine.

Replacement of diesel truck TRUs or trailer TRUs will not be funded. All funded systems, equipment and kits must remain in use for at least four years from the date of deployment. This four-year period is referred to as the Activity Life.

**Minimum Allowable Grant Award:**

NCTCOG will not award on a project unless the project activities meet a minimum requirement of $100,000 in grant funds using the Cost Eligibility table below.

**Cost Eligibility:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Maximum Funding Levels</th>
<th>Estimated Unit Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrified Parking Spaces</td>
<td>30% up to $3,600/space</td>
<td>$12,000</td>
</tr>
<tr>
<td>Power Monitoring Equipment</td>
<td>30% up to $1,800/equipment</td>
<td>$6,000</td>
</tr>
<tr>
<td>Electric Power Kits</td>
<td>30% up to $900/kit</td>
<td>$3,000</td>
</tr>
</tbody>
</table>

**Eligible Costs** include equipment, construction, and installation costs of EPS systems required for completion of the project. Grant funding will pay for up to 30 percent of the estimated unit cost. Grant recipients will be responsible for cost-sharing at least 70 percent of eligible project costs with non-federal funding sources.

**Ineligible Costs** include:

- Fees associated with Buy Boards or financing.
- 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 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:** Applicants must submit a cost estimate, which will be the basis for determining the maximum grant award amount based on applicable funding thresholds. Applicants are advised to consult multiple vendors, if applicable, to ensure that estimated costs are as accurate and realistic as possible. Awarded applicants will be required to abide by procurement procedures which are consistent with federal funding requirements as described in a later section.
APPLICATION PROCESS
Application forms are available through www.nctcog.org/aqfunding; click on the box called “Funding for Other Strategies That Improve Air Quality” and select the link titled “North Texas Freight Terminal Electrification 2019 Call for Projects”. Applications must include original signatures from the applicant’s Authorized Official on the certification statements in the application. As part of applying, applicants must also complete a Risk Assessment Questionnaire, which is available at: https://www.surveymonkey.com/r/NTFTE19.

Applications must be received “in-hand” by 5 pm Central Time on December 13, 2019. Applications for the North Texas Freight Terminal Electrification 2019 Call for Projects will be accepted on a competitive basis. Mailed applications which are postmarked by this time but have not yet been received are not considered “in-hand” and will be classified as a late submittal. Late submittals will not be accepted under any circumstances. Mail will be returned, unopened. 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
North Texas Freight Terminal Electrification 2019 Call for Projects
Attention: Huong Duong
616 Six Flags Drive
Arlington, TX 76011

Applicants are encouraged to submit in advance of the submission deadline to allow staff time to review for completeness. Supplemental information which is material to the application will not be accepted after the application deadline. Non-material omissions will not constitute an incomplete application.

Applicants are strongly encouraged to also email the application file in Excel format, to 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 of the items listed below must be complete and “in hand” by the application deadline for a project to be deemed complete.
  - Submit Risk Assessment Questionnaire (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.
Property Management Requirements:
Grant recipients must maintain grant-funded assets in accordance with federal property management requirements. This means that grant recipients must maintain grant-funded assets 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. At the end of the four-year Activity Life, or upon transfer of ownership, a written certification of disposition must be submitted documenting the continued use and condition of the equipment, fair market value, remaining useful life, and any actual or anticipated improvements that may increase the value of the equipment. 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 Number & SAM Registration:
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/. Applicants can receive free SAM registration at 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% Services

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 or upon agreed-upon disposition, whichever occurs first.

SELECTION CRITERIA

NCTCOG will evaluate submitted applications based upon a competitive process focusing on cost-effectiveness, diesel emissions reduction effectiveness, and implementation feasibility/risk.

NCTCOG will evaluate and rank eligible applications based on the following criteria:

- **Quantitative Analysis: Cost Effectiveness and Emissions Reductions (75% of total score)**
  - Cost per ton of NO\textsubscript{X} reduced in the ten-county ozone nonattainment area

- **Qualitative Assessment: Project Location, Feasibility and Risk (25% of total score)**
  - Location of Emissions Reductions
    - Projects located within or near Environmental Justice areas of the eligible geographic area, which may result in emissions reductions which more effectively impact critical ozone monitors
    - Projects located in close proximity to freight corridors
  - 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), NCTCOG will conduct a risk assessment of all anticipated subrecipients prior to final selection. As part of the application process, 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 procurement, and the proposed procurement approach for this project
    - Results of previous audits (or review of financial statements)
    - Past performance on NCTCOG-related grants, if available

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 AND PROJECT IMPLEMENTATION REQUIREMENTS

Successful applicants will be notified of their selection and grant fund amounts awarded. Entities selected to receive grant funding will be required to execute an agreement with NCTCOG in order to receive grant funding. Services or work carried out under an agreement awarded as a result of this CFP must be completed within the scope of work, timeframe, and funding limitations specified by the agreement. **Under no circumstances will reimbursement be made for costs incurred prior execution of an Agreement.** Upon signature and execution of the agreement by NCTCOG, a copy of the executed agreement will be returned to the applicant.

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 equipment has been paid for by the grant recipient. Requests for reimbursement shall include documentation to show that the equipment has been received and expenses paid by the grant recipient. Reimbursement request forms are available at [www.nctcog.org/aqfunding/forms.asp](http://www.nctcog.org/aqfunding/forms.asp).

To further enhance the partnership and market emission reduction efforts, the grant recipient must agree to place a label on grant-funded assets if requested by NCTCOG.

Awarded applicants are obligated to fulfill agreement requirements including, but not limited to, achievement of monthly usage requirements, surrender of eligible emissions credits, and completion of reporting requirements to NCTCOG for the Activity Life of the project. Failure to comply with these requirements may result in return of all or a proportional share of the grant funds to NCTCOG.

NCTCOG will notify all applicants whether the project has been awarded and, if so, grant fund amounts awarded. The notification will be sent to all points of contact identified on the grant application. This notification, which informs the applicant that its application has been selected and is being recommended for award, is not authorization to begin work. Entities selected to receive grant funding will be required to execute an agreement with NCTCOG in order to receive 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
Third-Party Procurement Procedures document, which is available at www.nctcoq.org/AQfunding/forms.asp, 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 governmental cooperative purchasing programs
- For purchases over $150,000 total cost, NCTCOG must approve the recipient’s planned procurement process prior to moving forward with purchases.

Applicants are strongly encouraged to purchase through a federally compliant cooperative purchasing program, if able. 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 equipment and document fulfillment of this requirement prior to reimbursement being issued. The security interest may consist of 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 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 equipment has been paid for by the grant recipient. Requests for reimbursement shall include documentation to show that the equipment has been received and expenses paid by the grant recipient. 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.

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, 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 70 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: 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**: Grant recipients will be required to submit annual reports which will be available through the NCTCOG website at 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:
  - Usage Hours
  - Usage kilowatt/hour (if applicable)
  - Asset Condition
  - Location/Area of Operation

- **Geographic Area of Use**: All grant-funded equipment must be utilized predominantly in the ten-county DFW ozone nonattainment area, as outlined in the section ‘Eligible Applicants’, throughout the **four year** Activity Life.

- **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 equipment if requested by NCTCOG.
• **Notification of Changes:** Recipients must agree to notify NCTCOG of changes in the following during the Activity Life 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.

3. [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)