

Answers to Frequently Asked Questions Kansas Clean Diesel Program 2012, Round 4

March 28, 2012 update (newest questions answered at the end)

Since we are receiving quite a few questions similar to those previously asked, we may combine or group them according to category for easier reading next time.

Questions have been submitted to KDHE from people interested in a Kansas Clean Diesel Program grant opportunity. KDHE strives to maintain an impartial and non-biased interaction with all businesses, fleet owners and anyone interested in submitting a grant application. Personal interactions and guidance are kept to a minimum during the application process. Please read thoroughly all application documents and the following questions and answers. If you still have questions after reading those documents, please send your question or concern by email to jbarrett@kdheks.gov. The topic of your inquiry and a response will be probably be added to the list of Frequently Asked Questions on the Kansas Clean Diesel Program website www.kdheks.gov/bar/air-monitor/dieselgrant. The questions and answers are updated at the first of each week, and more often if needed.

Question 1: Does a school district that receives a grant get paid the money up front?

Answer 1: No this is a reimbursement grant. The school district will need to pay for the cost of the bus and be reimbursed up to \$36,000 once KDHE has verified delivery of the new bus and destruction of the old bus.

Question 2: The term “substantially complete” is used throughout the RFP. Please define what this means in terms of completing the project and receiving our reimbursement if our district receives a grant.

Answer 2: Substantially complete means that the following workplan items must be complete in order to receive and extension to the listed deadline –

- Contract agreement must be in place between KDHE and the school district
- The district must have at least 2 bids for the project
- The district must have the order placed using their chosen dealership’s bid
- The district must have a paid invoice from the dealership where the bus was purchased
- The dealership must state a reasonable delivery date to the school district if the bus cannot be delivered by September 15, 2012

Question 3: Our district would like to apply for funding for a bus that has already been ordered. Would it be eligible for this grant?

Answer 3: No, a bus that has been ordered prior to this grant award would not be eligible.

Question 4: Our fleet is already equipped with fuel operated heaters. Can we take the unit off the bus we plan to retire and place it on the new bus if we receive the grant?

Answer 4: Yes as long as it is in good working order. Please explain situations such as this on the application’s Project Summary.

Question 5: Destruction of the engine makes sense as one of the goals of the grant is to reduce engine emissions, however what about the rest of the bus? Our district uses seats and panels off of old buses. Would we still be able to do this with a bus that was retired as a result of receiving the grant?

Answer 5: A bus may be kept for spare parts as long as the engine has been destroyed and the chassis cut. Seats, panels, seat covers and the like can be kept by a district as spare parts. If the grant is awarded to your school, a workplan for your project will be developed. Your plans for what your district is going to do with the old bus can be detailed in said workplan.

Question 6: The bus our district would like to replace is a spare, older bus that is not used for daily service. Is it eligible for replacement under this grant?

Answer 6: No, it would not be eligible for replacement in this grant funding. The terms of this grant round state that the bus to be replaced must still be actively used as part of the daily student routes or as part of frequent transport of students for activities such as sporting or music events. (See page 2 of grant documents, bullet #1 under Early Vehicle Replacements.)

Question 7: Buses with what fuel types are eligible for funding under this grant? Could our district replace an old gas-powered bus with a new diesel bus?

Answer 7: No, the vehicle being removed from use must be a diesel-powered bus, since the goal of this EPA grant is to reduce diesel emissions.

What is eligible?

- Old diesel to new diesel powered bus
- Old diesel to a new hybrid bus
- Old diesel to a new bus using alternative fuels like compressed natural gas/propane

Question 8: What portion of the new school bus cost must our district pay, and how much will the grant pay?

Answer 8: The district must pay at least 50% of the total cost of the new bus, and the grant will pay up to \$36,000 to the district for the cost of the bus. (See page 6, section E, Project Budget).

Question 9: Will the scoring of the applications give preference to schools in urban areas with greater air pollution?

Answer 9: No, all schools within each separate KDHE district will have equal weight in the scoring of applications, and one winner will be selected from each KDHE district. For this grant round no emphasis will be placed on a district's location in terms of air pollution. The goal is to remove old diesel-powered buses from active use and replace them with new less-polluting diesel or alternative-fuel buses throughout the state (see page 3, Section 6, Restrictions).

Question 10: Who must drill the hole in the block and cut the chassis in half?

Answer 10: Someone in your district could destroy the old bus. If the district doesn't have anyone to do it, then the work would need to be hired out.

Question 11: How should our school prove the old bus has been destroyed?

Answer 11: If your school is awarded grant money, you will be required to provide photos (including identifying numbers) that clearly show what the old bus looked like before and after destruction. In addition, identifying photos of the new bus must be submitted.

Question 12: On the application it asks for a DUNS #. What is it and how do I get it?

Answer 12: Your school's business office should already have the DUNS # for your district. The number is required for all businesses having US Federal government contracts or grants.

Question 13: Our district has buses already ordered, but not yet delivered. Would it be possible to use an award from this grant to pay for one of the buses we have on order?

Answer 13: No, the grant money must be used to replace an older bus that the district would like to replace, but is still actively used as part of the fleet. It must have the potential to remain in active use for three or more years, but budget constraints might have prevented the school's replacing the older bus.

Question 14: We have an arrangement with the company from which we buy buses that allows us to cancel a bus we have ordered if we do so by a certain date. If we were to cancel an order for one of those buses, could we apply for funding from this grant, and if accepted for an award, re-order that bus that we canceled?

Answer 14: No, the bus to be purchased from this grant award must be a vehicle that the district was not already planning to replace. This grant funding is through EPA and the goal is to reduce diesel emissions through early school bus replacements. If a bus is already ordered then the bus that it is replacing is likely not being replaced early but through normal attrition.

Question 15: Our district needs to replace a current aging bus, but the original plan is to do a lease-purchase. Would this qualify or would we have to forgo the lease-purchase and buy the bus outright if we received the grant?

Answer 15: No, we couldn't authorize a lease-purchase arrangement. The bus purchase using the DERA grant award money must be finalized. A lease-purchase agreement would not satisfy the EPA requirements for the project to be completed by the closing of the grant funding period.

Question 16: Our district has a regular bus replacement policy that we follow each year. Could money from this grant be used toward paying for replacement of a bus that is already scheduled for replacement?

Answer 16: No, the grant stipulations say that the bus purchased using money from this award must go toward replacing a bus that was not already scheduled for replacement. (See Section 3, pages 1 and 2 of the guidance document on the website.)

Question 17: We have a bus that is nearly 24 years old and ready to be retired. Could our district apply to purchase a new bus to replace that bus?

Answer 17: No. This grant is for replacing buses that are retired early and are not part of the planned bus replacement for this year. For purposes of this grant award, early school bus replacement is replacing a **bus that the district had planned to keep in use at least 3 more years before being replaced.**

That being said, policies on school bus replacements vary from district to district. Some replace at the 25 year mark and some are earlier than 25 years. If your district has a policy stating at what age a bus is replaced then early school bus replacement will be at least 3 years prior to the specified age. **For example** if your district normally replaces bus at 15 years of service then early replacement for your fleet will be for buses that have 12 years of service or less.

Question 18: Can our district purchase a used bus that has the required 2010 EPA emission standards?

Answer 18: No. To be eligible the bus must be a new model.

Question 19: What type of information is required in the “Project Summary” section of the application?

Answer 19: The Project Summary should include a few sentences describing what your district plans to do for the grant project. Please see the sample application form that appears on our website for the grant; it gives a brief sample summary. The website is <http://www.kdheks.gov/bar/air-monitor/dieselgrant.html>.

Question 20: What is meant by annual idling hours and hours reduced?

Answer 20: This refers to how many hours the bus sits and idles (hours the driver runs the engine while parked to heat up the bus, run the air cooling system, or wait for students while parked). To calculate:

- Multiply the number of minutes the bus idles per day by the number of days per year the bus operates, and then divide that answer by 60 to find **annual idling hours**.

To answer the question on the application about “*idling hours reduced*,” you should calculate as well as possible how many fewer hours per year the new bus with a fuel operated heater will be expected to idle compared to the old bus.

Question 21: Our district does not plan to replace any of our buses at the current time. If we don't receive this grant, we would not be able to replace any of them. May we wait to obligate to purchase a bus until we know if we were selected from our region?

Answer 21: Yes, in fact districts **may not** use funds from this grant for buses that are already ordered.

Question 22: Do we go through the normal bidding process for a bus if we get the grant?

Answer 22: Yes, awardees are required to provide at **least 2 bids** and indicate which company they want to use.

Question 23: There is a detailed budget breakdown section on the application that asks about the type and cost of the new bus. Can we give an estimate that we could adjust when bids are actually obtained?

Answer 23: Yes. Your district should estimate as closely as possible the new bus cost, but you do not need to have formal bids at the time you submit the application.