



REQUEST FOR PROPOSALS (RFP) 2020

Kansas Clean Diesel Program for Nonroad Diesel Equipment¹

Section 1. Opportunity for Nonroad Equipment = \$2,000,000

The Kansas Department of Health and Environment (KDHE) has received funding for nonroad equipment and engine replacements. Owners and operators of nonroad equipment stationed in Kansas are eligible to apply for funding. For the purposes of this award nonroad mobile construction type equipment will be considered for total replacement or engine replacement.²

Applicants may apply to KDHE beginning August 13, 2020. Applications must be submitted via e-mail by October 13, 2020.

The Environmental Protection Agency (EPA) awarded funds in 2019 to Kansas and other states as part of the on-going National Diesel Emissions Reduction Act (DERA) State Grant Program. KDHE will provide partial reimbursement for projects involving the replacement of diesel-fueled nonroad engines and or the replacement of diesel-fueled nonroad equipment in the manner below:

1.1 Engine replacement (new engine replaces and old diesel engine in an existing piece of nonroad diesel-fueled equipment)

- Up to 40% of the cost (labor and equipment) of replacing a diesel engine with a 2019 model year or newer engine certified to EPA emission standards. Previous engine model year engines may be used if the engine is certified to the same emission standards applicable to the engine in EMY 2019. Nonroad engine emission standards are on EPA's website at: <https://www.epa.gov/emission-standards-reference-guide/epa-emission-standards-nonroad-engines-and-vehicles>
- Up to 60% of the cost (labor and equipment) of replacing a diesel engine with a zero-tailpipe emissions power source.

1.2 Equipment replacement (new piece of nonroad equipment replaces and old piece of nonroad diesel-fueled equipment)

- Up to 25% of the cost of replacing nonroad equipment powered by a 2019 model year or newer engine certified to EPA emission standards. Previous engine model year engines may be used if the engine is certified to the same emission standards applicable to EMY 2019. Nonroad engine emission standards are on EPA's website at: <https://www.epa.gov/emission-standards-reference-guide/epa-emission-standards-nonroad-engines-and-vehicles>
- Up to 45% of the cost of a new, zero tailpipe emissions nonroad piece of equipment.

1.3 This is a reimbursement program.

Applicants that receive an award under this RFP must initially pay the vendor for the entire project. After all requirements are verified, KDHE will reimburse the applicant for up to the amount stated in the resulting written agreement.

¹ This opportunity is for equipment replacement and engine only replacement. This opportunity includes funds from the VW trust allocation for the State of Kansas (DERA-VWEMT-2).

² Construction equipment such as but not limited to cranes, crawlers, excavators, loaders, scrappers, backhoes, sweeper/scrubbers.

1.4 Financial Match Requirement

Per federal requirement, financial match is required for all projects for both types of entities. The difference between the total cost of a proposed project and the amount the applicant is to be reimbursed is the match amount.

Section 2. Who is eligible to apply?

This opportunity is available to owners and operators of nonroad diesel fleets based in Kansas that are involved in construction activities. Eligible entities include government entities and private companies. Entities, companies or individuals who have been debarred, suspended or otherwise excluded from participation in federal assistance programs under Federal Register Executive Order 12549 “Debarment and Suspension,” are not eligible to receive an award from the Kansas Clean Diesel Program. The applicant is required to certify that said applicant is eligible to participate.

Section 3. Award amounts and maximum?

- **Award amounts:** There is \$2,000,000 total for awards through this opportunity. \$1,000,000 for government entity projects and \$1,000,000 for private company projects. More funding could be allocated to either type of entity if the \$1,000,000 maximum for awards is not requested.
- **Award maximum per entity/company:** Award maximum is \$500,000 per entity. Maximum of one application per entity/company.

Section 4. Funding eligibility for equipment and engine replacements per EPA

- **Operating hours:** No funds awarded under this program can be used to replace nonroad engines/equipment that operates less than 500 hours per year.
- **Established maximum engine model year (EMY) age by horsepower (HP):** No funds awarded under this program shall be used to replace a nonroad engine that is
 - 50 HP or less and EMY 2005 or older, or
 - between 51-300 HP and EMY 1995 or older, or
 - 301 HP or greater and EMY 1985 or older.

Refer to Tables 1 and 2 for guidance on eligible project HP and EMY, pages 3 and 4.

4.1 Engine Replacement: No funds awarded under this program shall be used to replace nonroad engines with Tier 3 or lower compression ignition (CI) engines. **See Table 1 for a list of eligible projects.**

4.2 Equipment Replacement: No funds awarded under this program shall be used to replace nonroad equipment with equipment powered by unregulated, Tier 1, or Tier 2 CI engines. Vehicles/equipment powered by Tier 3 and Tier 4 interim (4i) CI engines are allowed when Tier 4 final CI engines are not yet available from the OEM for 2019 model year vehicles/equipment under the Transition Program for Equipment Manufacturers (TPEM). **See Table 2 for a list of eligible projects.**

4.3 Fueling Infrastructure:

No funds awarded under the program shall be used for fueling infrastructure, such as that used for the production and/or distribution of biodiesel, compressed natural gas, liquefied natural gas, and or other fuels.³

4.4 Awards must reduce emissions and cannot not be for fleet expansion:

Funding under this program cannot be used for the purchase of engines or equipment to expand a fleet. Engine and equipment replacement projects are eligible for funding on the condition that the following criteria are satisfied:

- To be eligible for replacement, the engine or equipment must be fully operational and in current, regular service.
- The replacement engine or equipment will continue to perform similar function and operation as the engine or equipment that is being replaced.
- The replacement engine or equipment will be of similar type and horsepower as the engine or equipment being replaced.
 - Horsepower increases of more than 25 percent will require specific approval by EPA prior to purchase, and the applicant may be required to pay the additional costs associated with the higher horsepower equipment.
- Destruction is required for engine/equipment being replaced - The goal of this project is to reduce diesel emissions from diesel fleets. Per federal requirement, the equipment, and/or engine being replaced must be scrapped or rendered permanently disabled within ninety (90) days of being replaced. Cutting a three-inch by three-inch hole in the engine block (the part of the engine containing the cylinders) is the preferred scrapping method. Disabling the chassis may be completed by cutting through the frame/frame rails on each side at a point located between the front and rear axles.

Table 1. Nonroad engine replacement projects

Current Engine Horsepower	Current Engine Model Year (EMY) and Tier	Engine Replacement: EMY 2019+*	
		Eligible Compression Ignition Engine Tiers	Zero Emission
		Tier 4	
0-50	2006 and Newer; Unregulated – Tier 2	Yes (eligible project)	Yes (eligible project)
51-300	1996 and Newer; Tier 0 – Tier 3	Yes (eligible project)	Yes (eligible project)
301-750	1986 and Newer; Tier 0 – Tier 3	Yes (eligible project)	Yes (eligible project)
751+	1986 and Newer; Tier 0 – Tier 2	Yes (eligible project)	Yes (eligible project)

*Previous engine model year engines may be used for engine replacement if the engine is certified to the same emission standards applicable to EMY 2019.

³ If the project involves charging from the grid, charging infrastructure associated with the project is an eligible project cost.

Table 2. Nonroad equipment replacement projects

Current Engine Horsepower	Current Engine Model Year (EMY) and Tier	Equipment Replacement: EMY 2019+		
		Eligible Compression Ignition Engine Tiers		Zero Emission
		Tier 3-4i	Tier 4	
0-50	2006 and Newer; Unregulated – Tier 2	No (not an eligible project)	Yes (eligible project)	Yes (eligible project)
51-300	1996 and Newer; Tier 0 – Tier 2	Yes (eligible project) **	Yes (eligible project)	Yes (eligible project)
51-300	1996 and Newer; Tier 3	No (not an eligible project)	Yes (eligible project)	Yes (eligible project)
301+	1986 and Newer; Tier 0 – Tier 2	Yes (eligible project) **	Yes (eligible project)	Yes (eligible project)
301+	1986 and Newer; Tier 3	No (not an eligible project)	Yes (eligible project)	Yes (eligible project)

**Tier 3 and Tier 4 interim (4i) allowed for equipment replacement only when Tier 4 final is not yet available from OEM for 2019 model year equipment under the Transition Program for Equipment Manufacturers (TPEM).

Section 5. Other information

- For the purposes this award, construction type equipment and engine within include but are not limited to: Cranes, crawlers, excavators, loaders, scrappers, backhoes, sweeper/scrubbers. Please ask if item in questions is not listed. A photo of the equipment in question sent via e-mail will be helpful.
- If awarded destroyed engine and chassis may be sold as scrap. Any payment received for scrap must be applied toward the entities match amount. The amount of the payment must be reported to KDHE but will not affect the amount of the award to the entity.
- Prior to destruction of the old engine/equipment, items such as blades, shovels, scoops, mirrors, windows, seats, wheels may be removed and retained by the entity. Please ask if item in questions is not listed.
- Photographic evidence of destruction is required as part of the verification process. The verification process will be performed by Kansas Clean Diesel Program staff and involves e-mail exchange of documentation and or site visits that are planned in advance.⁴

Section 6. Application and Project Information

6.1 Application and Project Due Dates

START AND END DATES: Government entities and private companies may apply to KDHE beginning August 13, 2020. Applications must be submitted via e-mail by October 13, 2020. KDHE will provide confirmation via e-mail that the application has been received. Applicants will be notified whether or not they have been selected to receive an award.

⁴ If an onsite visit is required program staff will adhere to required health precautions associated with COVID-19.

KDHE reserves the right to provide partial awards for applications if deemed necessary to maximize the number of awards KDHE can provide.

6.2 Application Details

The application must be submitted to KDHE by e-mail. It is in the form of an Excel document. **All information must be included for the application to be considered eligible.** The application is located on the Kansas Clean Diesel Program website: <http://www.kdheks.gov/bar/air-monitor/dieselgrant.html>

There are four tabs on the Excel document.

Tab 1 – Introduction: Instructions for the applicant to use in filling out the other sheets.

Tab 2 – Applicant Information: Enter contact and proposed project information here.

Tab 3 – Fleet Information: Enter proposed project fleet information here. This information is used to calculate emission reductions. Please be as accurate as possible.

Tab 4 – Certification Statement: Provide name and date here.

The information requested will enable the Kansas Clean Diesel Program staff members to evaluate each application and determine eligibility and emission reductions. **Please provide all requested information.**

Questions regarding the RFP or the application form may be directed to KDHE by sending an e-mail to the following e-mail address: kathleen.waters@ks.gov. Questions and answers will be posted on the Frequently Asked Questions page on the KDHE KS Clean Diesel webpage.

Section 7. Selection Criteria

The Kansas Clean Diesel program staff members will review and score all eligible applications according to established criteria. Emissions reduced after implementation, match above and beyond the federal requirement, cost effectiveness and application completeness will receive points.

Section 8. Programmatic and Administrative Conditions

Applicants that are selected for awards will complete a written agreement with KDHE. The agreement will outline all of EPA's Programmatic and Administrative Conditions associated with the acceptance of funds. Subjects in the Programmatic and Administrative Conditions include, but are not limited to, competitive bidding, invoice and payment documentation, vehicle and equipment scrappage, reporting, coordination responsibilities, onsite visits, photographic requirements, and equipment use. To see the EPA Assistance Agreement that contains all Programmatic and Administrative Conditions pertaining to this grant please visit the following webpage: <https://www.epa.gov/grants/grant-terms-and-conditions>.