



# STATE AGENCY FLEET EMISSIONS REDUCTION (SAFER) PROGRAM Proposal Guidance

Arkansas Division of  
Environmental Quality

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## **I. Program Summary**

The State Agency Fleet Emission Reduction (SAFER) program is a competitive one-time funding opportunity for Arkansas state agencies seeking to repower or replace eligible medium trucks, heavy trucks, or buses with new lower-emitting technologies. The goal of the SAFER program is to reduce emissions of nitrogen oxides (NO<sub>x</sub>) from Arkansas state agency fleets. The Arkansas Division of Environmental Quality (ADEQ) has allocated \$1,109,790 to fund projects under the SAFER program.

The deadline for applications is February 28, 2020. Applicants must submit proposals for projects that comply with the content requirements specified in this guidance. After the close of the application period, ADEQ will score proposals for eligible projects based on the cost-effectiveness of the projects (dollars requested divided by tons of NO<sub>x</sub> emissions reduced).

Projects selected for award under this program will receive reimbursement for project costs upon completion of the project and receipt by ADEQ of all required documentation. No cost-share is required; however, ADEQ retains the right to partially fund projects. ADEQ will not award funds for projects completed prior to signature of a Memorandum of Agreement (MOA) between ADEQ and the project sponsor.

## **II. Definitions**

***All-Electric*** means a vehicle that is exclusively powered by electricity provided by a battery, fuel cell, or the grid.

***Alternative-Fuel*** means an engine, or a vehicle or piece of equipment that is powered by an engine, which uses a fuel different from or in addition to gasoline fuel or diesel fuel (e.g., CNG, propane, diesel-electric Hybrid). ***Certified Remanufacture System or Verified Engine Upgrade*** means engine upgrades certified or verified by the United States Environmental Protection Agency (EPA) or California Air Resources Board (CARB) to achieve a reduction in emissions.

***Class 4–7 Local Freight Trucks (Medium Trucks)*** means trucks, including commercial trucks, used to deliver cargo and freight (e.g., courier services, delivery trucks, box trucks, moving freight, waste haulers, dump trucks, concrete mixers) with a Gross Vehicle Weight Rating (GVWR) between 14,001 and 33,000 pounds (lbs.).

***Class 4–8 School Bus, Shuttle Bus, or Transit Bus (Buses)*** means vehicles with a GVWR greater than 14,001 lbs. used for transporting people.

**Class 8 Local Freight and Port Drayage Trucks (Heavy Trucks)** means trucks with a GVWR greater than 33,000 lbs. used for port drayage and/or freight/cargo delivery (including waste haulers, dump trucks, concrete mixers).

**Drayage Trucks** means trucks hauling cargo to and from ports and intermodal rail yards.

**Gross Vehicle Weight Rating (GVWR)** means the maximum weight of the vehicle, as specified by the manufacturer. GVWR includes total vehicle weight plus fluids, passengers, and cargo.

- Class 1: < 6000 lbs
- Class 2: 6001-10,000 lbs
- Class 3: 10,001-14,000 lbs
- Class 4: 14,001-16,000 lbs
- Class 5: 16,001-19,500 lbs
- Class 6: 19,501-26,000 lbs
- Class 7: 26,001-33,000 lbs
- Class 8: > 33,001 lbs

**Hybrid** means a vehicle that combines an internal combustion engine with a battery and electric motor.

**Memorandum of Agreement (MOA)** means the formal contract between ADEQ and the project sponsor that outlines the eligible expenses, allowable reimbursement amounts, reporting requirements, photographic evidence, records retention requirements, and additional documentation required for reimbursement of project costs.

**Normal Attrition** means that a replacement or repower of the existing vehicle or engine is scheduled to take place within three years of the project end date.

**Project Sponsor** means the organization that proposed a project that is selected by ADEQ for funding under the SAFER program.

**Repower** means to replace an existing engine with a newer, cleaner engine or power source that is certified by EPA and, if applicable, CARB, to meet a more stringent set of engine emission standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with diesel or a clean alternative fuel, diesel engine replacement with an electric power source (e.g., grid, battery), or diesel engine replacement with a fuel cell. All-electric and fuel cell repowers do not require EPA or CARB certification.

**School Bus** means a Class 4–8 bus sold or introduced into interstate commerce for purposes that include carrying students to and from school or related events. School buses may be Type A–D.

**Scrap Value** means income from selling salvaged vehicle components.

*Scrapped* means to render inoperable and available for recycle, and, at a minimum, to specifically cut a three-inch hole in the engine block for all engines. If any eligible vehicle will be replaced as part of a project, scrapped shall also include the disabling of the chassis by cutting the vehicle's frame rails completely in half.

### **III. Eligibility**

#### **A. Eligible Applicants**

Arkansas State Government Agencies listed on <https://portal.arkansas.gov/agencies/> are eligible to apply for funding assistance under SAFER.

#### **B. Eligible Vehicles**

Vehicles eligible for repower or replacement under this program include diesel-powered vehicles with an engine model year between 1992 and 2009 that fall into one of the following categories:

- Class 8 Local Freight Trucks and Port Drayage Trucks (Heavy Trucks)
- Class 4–8 School Bus, Shuttle Bus, or Transit Bus (Buses)
- Class 4–7 Local Freight Trucks (Medium Trucks)

#### **C. Eligible Project Types**

##### 1. Vehicle Repower Projects:

Vehicle repower projects must satisfy all of the following requirements:

- The eligible vehicle will be repowered to a new diesel or alternative-fueled engine or all-electric engine;
- The eligible vehicle will perform the same function after the repower project is completed;
- The eligible vehicle must be operational, registered, and used in Arkansas for the preceding two (2) years;
- The eligible vehicle or engine is not scheduled to be replaced under normal attrition;
- The horsepower of the replacement engine cannot be more than twenty-five percent (25%) greater than the horsepower of the original engine;
- The repowered vehicle will be operated in Arkansas for at least ninety-percent (90%) of the time it is operation;
- The repowered vehicle will be operated in Arkansas for at least five (5) years;
- The replacement engine must be EPA- or CARB-certified to the engine model year in which the repower project occurs or one engine model year prior. All-electric repowers do not require EPA or CARB certification.

- The engine being replaced must be scrapped. At a minimum, a three-inch hole shall be drilled in the engine block and manifold.

## 2. Vehicle Replacement Projects

Vehicle replacement projects must satisfy all of the following requirements:

- The eligible vehicle will be replaced with any new diesel, hybrid, alternative-fueled or all-electric vehicle;
- The replacement vehicle will perform the same function as the eligible vehicle that is being replaced;
- The eligible vehicle must be operational, registered, and used in Arkansas for the preceding two (2) years;
- The eligible vehicle is not scheduled to be replaced under normal attrition;
- The horsepower of the replacement vehicle cannot be more than twenty-five percent (25%) greater than the horsepower of the original vehicle;
- The replacement vehicle will be operated in Arkansas for at least ninety-percent (90%) of the time it is operation;
- The replacement vehicle will be operated in Arkansas for at least five (5) years;
- The replacement vehicle must be EPA- or CARB-certified to the engine model year in which the repower project occurs or one engine model year prior;
- The eligible vehicle being replaced must be scrapped. At a minimum, a three-inch hole shall be drilled in the engine block and manifold and the chassis shall be disabled by cutting the vehicle's frame rails completely in half; and
- Vehicle components that are not part of the engine or chassis from the unit being replaced may be sold as scrap. The scrap value must be reported to ADEQ and subtracted from the total project cost.

## IV. **Project Selection Process**

### A. **Proposal Submittal**

Please direct all questions regarding SAFER to Deiona McKnight at 501-682-0641 or ([mcknight@adeq.state.ar.us](mailto:mcknight@adeq.state.ar.us)).

ADEQ will accept proposals September 1, 2019 thru February 28, 2020

You may submit your proposal by mail (see address below), email ([mcknight@adeq.state.ar.us](mailto:mcknight@adeq.state.ar.us)), or fax (501-682-0880). All emails must be less than 10 megabytes. ADEQ is not responsible for server, fax, or other delivery delays.

Mail Address:

ATTN: Deiona McKnight, SAFER Program Coordinator  
Arkansas Division of Environmental Quality  
5301 Northshore Drive  
North Little Rock, AR 72118

## **B. Proposal Evaluation**

ADEQ will evaluate proposals to determine the cost-effectiveness of each project to determine the cost-effectiveness in terms of dollars per pound of NO<sub>x</sub> reduced. ADEQ calculates cost-effectiveness using the applicant-provided parameters required in the Proposal Content section of this Proposal Guidance. If an applicant submits a proposal including multiple projects, each project will be evaluated independently.

## **C. Project Selection**

ADEQ will select the most cost-effective projects to recommend for funding. If funds are still available after project selection is complete, ADEQ may establish a second proposal acceptance deadline.

## **D. Notifications**

ADEQ will notify all applicants by email once applications have been scored and projects have been selected for funding. Notifications to successful applicants will indicate that the evaluation process is complete and that SAFER funding assistance program staff recommends the applicant for award. The Agency will send the notification to the original signer of the proposal. **This initial notification, which advises that the applicant's proposal has been recommended for award, is not an authorization to begin the project. The formal notification of award, which will be a MOA, is the only document that authorizes commencement of the project.** The formal notification will be delivered by the US Postal Service and will require a signature from both the recipient and an ADEQ official. The MOA will outline the following: eligible expenses, allowable reimbursement amounts, reporting requirements, photographic evidence, record retention requirements, and additional documentation required for reimbursement.

## **V. Competitive Procurement Requirements**

Once an MOA has been signed, the project sponsor must complete a sealed competitive bidding process prior to committing to the goods and/or services of a vendor, as outlined by state

procurement law<sup>1</sup> and specified in the MOA unless the project sponsor will use a state contract<sup>2</sup> for purchasing the new equipment. If a state contract is utilized, the project sponsor must provide ADEQ with the outline agreement numbers (OA #) and vendor numbers (Vendor #) on all purchase orders.

**VI. Proposal Content**

Applicants should follow instructions carefully and submit all required documentation to ADEQ to ensure that their application is complete. ADEQ will not evaluate incomplete proposals. ADEQ may contact you for clarification and/or supplemental information. Applicants have ten (10) calendar days to respond to any such request. Proposals are subject to the Arkansas Freedom of Information Act.

Proposals must not be longer than ten (10) pages, single-spaced (excluding cover page), and must be typed using a 10–12 point font with pages numbered. The following information must be included in your proposal:

**A. Cover Page**

The cover page should include all of the information listed in VI.A.1–3 below:

1. Applicant Information

Organization Name Click to enter text.		
Mailing Address Click to enter text.		
City Click to enter text.	State Click to enter text.	Zip Code Click to enter text.

Project Contact Name Click to enter text.
Contact Email Address Click to enter text.
Contact Phone Number Click to enter text.

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<sup>1</sup> See Ark. Code Ann. § 19-11-229 for applicable state law for sealed competitive bidding.

<sup>2</sup> <https://www.dfa.arkansas.gov/state-contracts>

## 2. Project Summary

Provide the funding amount requested from ADEQ and the number of vehicles that your organization proposes to repower or replace.

## 3. Certification Statement and Signature

The proposal should include the following statements and a signature from the project contact listed under applicant information above.

I certify that I am an authorized representative of the applicant with authority to sign this application on the applicant's behalf. I further certify that there are no false statements in this application or other materials submitted to ADEQ as a part of this application.

### B. Project Details

The applicant should fill out the information requested in the table below for each eligible vehicle that they propose to repower or replace. Each vehicle that the applicant proposes to repower or replace should have its own Project ID number and table. Each project will be evaluated separately.

<b>Project ID</b> Insert Project ID #		
Project Type	<input type="checkbox"/> Repower	<input type="checkbox"/> Replace
Vehicle Category (The vehicle category must match one of the eligible vehicle types specified in Section III.B)	Click to enter text.	
Vehicle Type	Click to enter text.	
<b>Information about Vehicle to be Repowered or Replaced</b>		
Model Year of Vehicle to be Repowered or Replaced	Click to enter text.	
Make and Model of Vehicle to be Repowered or Replaced	Click to enter text.	
Engine Make and Model of Vehicle to be Repowered or Replaced	Click to enter text.	
Estimated Years for Early Retirement of Scrapped Vehicle or Engine (Years)	Click to enter text.	
Annual Miles of Vehicle to be Repowered or Replaced	Click to enter text.	
County (Counties) where the Vehicle to be Repowered or Replaced is Primarily Operated	Click to enter text.	
Primary Function of Vehicle to be Repowered or Replaced	Click to enter text.	
<b>Information about New Engine or Vehicle</b>		
Estimated Lifetime of New Engine or New Vehicle (Years)	Click to enter text.	

Fuel Type of New Vehicle (Eligible fuel types include diesel, compressed natural gas, propane, hybrid, and all-electric)	Click to enter text.
<b>Estimated Project Costs</b>	
Estimated Cost of New Engine or New Vehicle	\$ Enter Estimated Dollar Amount
Delivery and/or Transportation Costs	\$ Enter Estimated Dollar Amount
Installation Costs (Labor)	\$ Enter Estimated Dollar Amount
Costs to Remove and Dispose of Old Engine/Old Equipment	\$ Enter Estimated Dollar Amount
Other Costs Directly Related to the Project (Please Specify)	\$ Enter Estimated Dollar Amount
SUBTOTAL	\$ Enter Estimated Dollar Amount
Sales Tax	\$ Enter Estimated Dollar Amount
Total (Equals "Subtotal" plus "Sales Tax")	\$ Enter Estimated Dollar Amount
Scrap Value	\$ Enter Estimated Dollar Amount
Project Cost (Equals "Total" minus "Scrap Value")	\$ Enter Estimated Dollar Amount

### C. Project Management Plan

The applicant should fill out the information requested in the table below. If the applicant has submitted an application that proposes to repower or replace multiple vehicles, the applicant may fill out one project management plan table or fill out a table for each vehicle.

<b>Project Step</b>	<b>Estimated Date</b>
Solicit bids in newspaper of statewide circulation (If a state contract is being used for purchase of the new equipment, type "State Contract")	Click to enter text.
Bids awarded (If a state contract is being used for purchase of the new equipment, type "State Contract")	Click to enter text.
Vehicle(s) repowered/replaced	Click to enter text.
Old Equipment Scrapped	Click to enter text.
Final Report and Reimbursement Request Submitted to ADEQ	Click to enter text.