



AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

STATE ENERGY PROGRAM



MARKET TRANSFORMATION & TECHNOLOGY DEPLOYMENT: TRANSPORTATION FUNDING OPPORTUNITY ANNOUNCEMENT

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September 1, 2010

MISSISSIPPI DEVELOPMENT AUTHORITY
Market Transformation & Technology Deployment: Transportation
Funding Opportunity Announcement

I. PROGRAM OVERVIEW

The Mississippi Development Authority-Energy Division (MDA-ED) received approximately \$40 million in American Recovery and Reinvestment Act (ARRA) funding from the U. S. Department of Energy (DOE). DOE has made a formula distribution of these funds to each state to expand the State Energy Program (SEP) for the purpose of:

- Stimulating the creation or increasing the retention of jobs and encouraging economic development;
- Reducing energy produced from fossil fuels;
- Increasing the energy generation from renewable sources;
- Reducing greenhouse gas (GHG) emissions and other pollutants;
- Providing a public benefit; and
- Implementing a project that could be replicated around the state.

MDA-ED has allotted \$250,000 of SEP funds to promote fuel economy and clean air through alternative fuels vehicles and hybrid technology. Proposals are solicited from Applicants seeking to add alternative fuel vehicles (AFV) and hybrid electric vehicles (HEV) to existing fleets. These funds may be used to help reduce the incremental cost for the purchase of new Original Equipment Manufacturers (OEM), AFV and HEV; the conversion of petroleum or diesel operated conventional vehicles to run on an alternative fuel; and for education related to alternative fuel use for fleets.

Funding is only being considered for on-road, highway-certified vehicles. SEP funds must be allocated quickly; therefore, projects that may be started and completed in a timely manner will be favored.

Funding for this program is for light and medium-duty alternative fuel vehicles and hybrid electric vehicles. Dedicated, dual fuel and bi-fuel vehicles that will operate on the following Energy Policy Act (EPA) recognized alternative fuels are eligible: ethanol, propane, natural gas, and electric.

The submission of an application does not constitute an award. Projects may not begin prior to full execution of grant agreement. MDA-ED reserves the right to accept, reject, or negotiate any or all applications received. The final decision to award funds rests solely with MDA-ED.

The original and six (6) copies of the application package as described on Page 10 shall be signed and submitted in a sealed envelope or package. The envelope or package shall be marked “Sealed Application ARRA Transportation FOA #EN-09012010” in the lower left hand corner.

Applications must be received no later than 3:00 P.M. Central Time on September 1, 2010. Timely submission of the application is the responsibility of the Applicant. No applications received after this deadline will be accepted, for any reason. Applications received after the specified time shall be rejected and returned to the Applicant unopened.

Successful Applicants will receive written notice from program staff if the grant application has been approved by MDA. Applicants must not begin work prior to executing a grant agreement with MDA. Grants will not be awarded or paid for projects that began or were completed prior to grant agreement execution.

APPLICANT ELIGIBILITY

State government agencies, local and municipal governments, universities, community and junior colleges, and non-profit transit systems serving the state of Mississippi will be eligible for funds under this FOA.

Priority will be given to Applicants located in a potential nonattainment area as defined by current Environmental Protection Agency (EPA) standards as of the date of this FOA publication (see Appendix B, map of potential nonattainment counties).

Multi-jurisdictional/Partnership Applications

Eligible entities may choose to partner with other eligible entities in their application in order to boost project capacity. There shall be one lead Applicant and all other partner entities must be identified. Partners should also submit a letter on letterhead committing to the project. An entity may not apply on behalf of itself and also as a part of a multi-jurisdictional/partnership application.

NOTE: This is a competitive grant and not all Applicants will receive funding.

The ultimate responsibility for adherence to the grant agreement, ARRA regulations, and all other applicable state and federal laws and regulations lies solely with the applicant awarded funds. The grantee will bear all responsibility for ARRA reporting requirements throughout the grant period.

PROJECT ELIGIBILITY

Funds may be used to cover 100% of incremental cost difference to purchase an alternative fuel vehicle or hybrid electric vehicle, to convert a conventional vehicle to accept alternative fuels, and/or for staff/driver education as to new vehicles purchased or converted. Incremental cost difference for AFV/HEV and conversion is defined below. Funding is only being considered for on-road, highway-certified vehicles. Eligible activities are restricted to the following:

1. **New OEM Purchases:** Incremental cost shall be calculated based on the difference between the cost of the AFV or HEV and the cost of a comparable conventional model, verified by manufacturer estimate, after all other applicable manufacturer and cash equivalent incentives are applied. Those AFVs and HEVs with no conventional model

must be compared to a model of the same manufacturer with similar specifications. This conventional model must be verified by the manufacturer.

2. **Repower/Recharge/Retrofits/Conversions:** For vehicle conversions, the incremental cost shall be based on the cost of the new fuel system plus installation and labor after all other applicable rebates and cash equivalent incentives are applied. Vehicle retrofits are limited to EPA compliant vehicle systems. Funds are not available for non-fuel system upgrades such as transmissions and exhaust systems. Incremental costs of a plug-in hybrid electric only include the costs of adding the plug-in option to a hybrid electric car. Plug-in hybrid does not require EPA certification.
3. **Education/Campaign:** Funds under this category may be combined with Activities 1 or 2 but may not be a stand-alone project. This category may be used to provide education and training to drivers and other responsible parties on the proper maintenance, installation and operations of any new equipment. Funds may also be used for public outreach regarding the benefits of alternative fuel vehicles. Drivers should be aware of the options to use alternative fuels, why the decision has been made, and to guarantee that new or converted vehicles will receive a consistent supply of alternative fuels. A proposal in this area should reflect how this project will contribute to a sustainable alternative fuel market in the community.

ELIGIBLE VEHICLES

1. **New OEM Purchases:**
 - Alternative Fuel Vehicles - Dedicated or bi-fuel light duty vehicles operating on Energy Policy Act alternative fuels. Acceptable alternative fuels are: propane, natural gas, ethanol (e85 blend), and electricity.
 - Hybrid Electric Vehicle - Light duty vehicles that use the electric motor as sole source of propulsion for low-speed, low-acceleration driving.
2. **Repower/Recharge/Retrofits/Conversions:**
 - Application for conversion must include vehicle systems that are EPA certified. EPA also accepts California Air Resources Board (CARB) certifications. Documentation must be submitted with application. Acceptable alternative fuels/technology are: propane, natural gas, ethanol (e85 blend), hybrid electric and plug- in electric.

AWARD AMOUNTS

The maximum award per grantee is **\$50,000**. The minimum award amount is \$15,000. There is no maximum request under Activities 1 and 2 respectively, as long as the total request is under \$50,000. The allotment for Activity 3: Education/Campaign is capped at 10% of the total request. All activities combined cannot exceed the \$50,000 grant maximum. The maximum award for a multi-jurisdictional project is \$80,000.

LEVERAGING

There is no matching or cost sharing requirement under this FOA; however, applications that leverage grant funds with other committed sources of funding (cash or in-kind) are encouraged in order to maximize the total energy related benefits resulting from the program. Applications that

include leveraging will be awarded additional points during the review process. Funding must be committed at the time of application.

For this FOA, matching funds will mean those funds contributed in excess of the total project cost and any additional funding for an education/campaign project. This includes any additional funds over and above the cost to purchase or retrofit/modify vehicles, and perform education/campaign.

In-kind contributions are non-cash contributions to the project that satisfy the following:

- They are verifiable from the recipient's records;
- They are not included as contributions for any other federally-assisted project or program;
- They are necessary and reasonable for proper and efficient accomplishment of the project or program objectives;
- They are provided for in the approved budget; and
- They conform to other provisions of this program, as applicable.

Further guidance for state and local governments on allowable cost share is found at 10 CFR600.224.

BUDGET JUSTIFICATION

Applicants will be required to provide a narrative budget justification that includes quotes from manufacturers and /or retrofitters (see Page 10).

PROHIBITED EXPENDITURES

ARRA regulations prohibit the use of funds for the following:

- Construction, such as construction of mass transit systems and exclusive bus lanes, or for the construction or repair of buildings or structures;
- Use of funds for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool;
- Purchase of land, a building or structure or any interest therein;
- Research, development or demonstration of renewable energy techniques or advanced vehicle technologies not commercially available; and
- Supplanting of state or local funds already committed to projects.

PERIOD OF PERFORMANCE

In keeping with the intent of ARRA, funded projects must be initiated and completed expeditiously. The period of performance will begin upon the execution of a grant agreement and will end on or before January 31, 2012.

NOTE: Successful Applicants will receive written notice from MDA-ED if the application has been selected for an award. Grants will not be awarded or paid for projects that began or were completed prior to the execution of a grant agreement with MDA. The Applicant may not begin work on the proposed project unless in receipt of a fully executed grant agreement.

METHOD OF PAYMENT

Payment shall be made on a cost-reimbursement basis over the course of the grant. Only the cost of actual charges incurred and paid will be reimbursed by MDA-ED, and all payments will be made to the entity awarded funds. No payments will be made to Applicant sub-recipients, vendors, or project administrators. Requests for Payment may be submitted to MDA-ED as costs are incurred and must include supporting documentation.

FEDERAL REGISTRATION REQUIREMENTS

All Applicants under this FOA must have a **DUNS (Data Universal Numbering System) number**. To obtain a DUNS number, please visit: <http://fedgov.dnb.com/webform>.

In addition, all Applicants must have a current updated registration in the federal **Central Contractor Registration (CCR)** database. To register, please visit: <http://www.ccr.gov>. MDA-ED will be unable to issue an award to any entity that does not have a current DUNS number or CCR registration.

JOBS CREATED / RETAINED

The Applicant must furnish the estimated number of jobs created and jobs retained due to ARRA funding. The definitions of created and retained are found below. Please adhere to these definitions when arriving at these estimates. Indirect and induced jobs cannot be counted.

- A **job created** is a new position created and filled, or an existing unfilled position that is filled, that is funded by the Recovery Act.
- A **job retained** is an existing position that is now funded, in whole or in part, by the Recovery Act.

RESOLUTION REQUIREMENT

Those Applicants that are county or municipal governments must submit a Resolution authorizing the Applicant's submittal of the application and containing a commitment to implement the proposed project, if funded. In the case of a multi-jurisdictional/partnership application, a letter and separate Resolution is required from each jurisdiction involved in the application, or a single letter or Resolution signed by all jurisdictions.

See Appendix A for a sample Resolution.

NATIONAL ENVIRONMENTAL POLICY ACT REQUIREMENTS

All projects funded under this FOA are subject to environmental review under the National Environmental Policy Act (NEPA). Many projects can be deemed categorically excluded (CX) from further NEPA review, meaning that the implementation of these eligible activities is unlikely to have a harmful environmental impact. Based on DOE's review of this program, activities contained in this FOA have been categorically excluded.

WAGE REQUIREMENTS

ARRA requires that all laborers and mechanics working on projects funded in whole or in part by the Recovery Act be paid the prevailing wage as determined by the U.S. Department of Labor. If applicable, Awardees will be required to comply with the Davis-Bacon Act, Copeland “Anti-Kickback” Act, and the Contract Work Hours and Safety Standards Act.

ADDITIONAL ARRA REQUIREMENTS

The receipt and expenditure of ARRA funds are subject to unprecedented transparency and reporting requirements. Awardees shall be required to report, on a monthly basis, a detailed list of all projects or activities for which Recovery Act funds were expended or obligated, including, but not limited to:

- Project name & description;
- An evaluation of the completion status of the project or activity;
- An estimate of the number of jobs created and the number of jobs retained;
- Amount of energy saved;
- Reduction in greenhouse gas emissions
- The amount of funds leveraged; and
- Other key metrics that will vary by project type per DOE guidance.

Prior to contracting, successful applicants must demonstrate that they have the necessary data, accounting, and management systems in place to meet these requirements under the Recovery Act. Applicant must also identify the individual who will serve as Grant Administrator throughout the project period.

MINIMUM EFFECTIVE PERIOD OF APPLICATION

All applications are required to remain in effect for at least six (6) months from the date submitted to MDA-ED.

DISPOSITION OF APPLICATIONS

All submitted applications become the property of MDA-ED.

PROPRIETARY INFORMATION DESIGNATION

Applicants may designate those portions of the application which may contain trade secrets or other proprietary data which may remain confidential in accordance with sections 25-61-9 and 79-23-1 of the Mississippi Code.

REJECTION OF APPLICATIONS

MDA-ED reserves the right to accept, reject, or negotiate any or all applications received. The final decision to award funds rests solely with MDA-ED. Applications may be rejected for reasons that include, but are not limited to, the following:

- The application contains unauthorized amendments to the requirements of the FOA;
- The application is conditional;
- The application is incomplete or contains irregularities which make the application indefinite or ambiguous;

- The application does not adequately meet the requirements of this program;
- The application is not received by the deadline;
- The application is not signed by an authorized representative of the applying entity; or
- The application contains false or misleading statements or references.

EXCEPTIONS AND DEVIATIONS

Applicants taking exceptions to any part or section of the FOA shall indicate such exceptions on the application and shall fully describe the exception. Failure to indicate any exception will be interpreted as the Applicant's intent to comply fully with the requirements as written.

Conditional applications, unless specifically allowed, shall be subject to rejection in whole or in part.

NON-CONFORMING TERMS AND CONDITIONS

An application that includes terms and conditions that do not conform to the terms and conditions in the FOA is subject to rejection in whole or in part. MDA-ED reserves the right to permit the Applicant to withdraw nonconforming terms and conditions from its application prior to a determination by MDA-ED of non-responsiveness based on the submission of non-conforming terms and conditions.

DEBARMENT

By submitting an application, the Applicant certifies it is not an entity currently debarred from submitting applications for contracts issued by any political subdivision or agency of the State of Mississippi or the Federal government.

FOA QUESTIONS

Questions concerning this FOA must be submitted in writing to: Mississippi Development Authority, Attn: Mike McCollough or Lynn Johnson Burris, ARRA Transportation FOA # EN-09012010, 501 North West Street, Woolfolk Building, Suite 1500, Jackson, MS 39201, via fax to (601) 359-5042 (Attn: Mike McCollough/Lynn Johnson Burris) or via email to transportation.foa@mississippi.org. Questions will be received through August 13, 2010, at 12:00 P.M. Central Time. No questions received after this date will be answered.

Applicants are cautioned that any statements made by the contact person that materially change any portion of this FOA shall not be relied upon unless subsequently ratified by a formal written amendment to this FOA.

ACKNOWLEDGEMENT OF AMENDMENTS

MDA-ED will provide written notice of all changes to this FOA in the form of an amendment to this FOA prior to response deadlines. Amendments will be provided to all known Applicant parties and posted on MDA's stimulus website, <http://stimulus.mississippi.org>, in the "Funding Opportunities and Announcements" section.

Applicants shall acknowledge receipt of any amendment to this FOA by signing and returning the amendment with the application. The acknowledgement must be received by MDA-ED by the time and at the place specified for receipt of applications.

APPLICATION SUBMISSION INSTRUCTIONS

The original and six (6) copies of the application package shall be signed and submitted in a sealed envelope or package. The envelope or package shall be marked “Sealed Application ARRA Transportation FOA #EN-09012010” in the lower left hand corner.

Applications must be received no later than 3:00 P.M. Central Time on September 1, 2010. Timely submission of the application is the responsibility of the Applicant. Applications received after the specified time shall be rejected and returned to the Applicant unopened. No applications received after the deadline will be accepted, for any reason.

Milestone	Date
Release of FOA	July 29, 2010
Deadline for Applicants to submit written questions to MDA-ED	12:00 p.m. Central Time, August 13, 2010
Deadline for MDA-ED to respond to questions submitted by Applicants	August 19, 2010
Application Due Date	3:00 p.m. Central Time, September 1, 2010

Applications and exhibits must be submitted to:

Mississippi Development Authority
Attn: Mike McCollough/Lynn Johnson Burris
ARRA Transportation FOA #EN- 09012010
Post Office Box 849
Jackson, MS 39205-0849

or

Mississippi Development Authority
Attn: Mike McCollough/Lynn Johnson Burris
ARRA Transportation FOA # EN- 09012010
501 North West Street
Woolfolk Building, Suite 1500
Jackson, MS 39201

II. APPLICATION PACKAGE CONTENTS

APPLICATION INSTRUCTIONS

The following items are required and must follow the format below. Failure to provide the required items may result in the disqualification of the application.

Six (6) copies of the Application Package are required.

1. Transmittal Letter

The transmittal letter should include the name, address, phone number, and email address for the point of contact for the application. Provide a brief overview of the project, including specific tasks and expected results. The transmittal letter should be signed by a representative of the applying entity who has the authority to bind the Applicant.

2. Transportation Application with Exhibits (see Application)

The Transportation application must be filled out in full. Failure to answer all questions may result in disqualification.

Exhibit A: Application Certification

Exhibit B: American Recovery and Reinvestment Act Submission Form

Exhibit C: EECBG-ARRA Certification

3. Budget Justification

Provide a narrative budget justification and attach quotes from manufacturers and/or retrofitters. Quotes should address emission reductions, fuel economy as well as cost of vehicle/retrofit which will be used to substantiate claims in application. Quotes for new OEM vehicles must include major features and/or specifications.

4. Environmental Protection Agency (EPA) Certification

Current EPA regulations require vehicle and engine conversion systems be covered by a certificate of conformity to gain a regulatory exemption from potential tampering charges. Documentation must be submitted showing that EPA certified vehicle conversion kits are available for all proposed vehicles, with the exception of plug-in hybrid vehicles. **This applies only to Activity 2 aftermarket vehicle conversions.**

5. Resolution (Appendix A)

For county or municipal Applicants, a Resolution must be submitted with this application.

III. APPLICATION EVALUATION AND SELECTION

EVALUATION PROCEDURE AND CONSIDERATIONS

Before receiving a notice of intent to award, the Applicant will be required to show that it has the necessary facilities, ability, and financial resources to complete the proposed activity. MDA-ED may make reasonable investigations deemed necessary and proper to determine the ability of the Applicant to perform the activities proposed, and the Applicant shall furnish to MDA-ED all information for this purpose that may be requested. MDA-ED reserves the right to reject any offer if the evidence submitted by, or investigation of, the Applicant fails to satisfy MDA-ED that the Applicant is properly qualified to carry out the obligations of the contract and to complete the activity described therein.

All proposal applications will be subject to the review and evaluation process as described below:

ELIGIBILITY REVIEW

Applications will be reviewed based on the following: eligibility of the Applicant; eligibility of the proposed activities; and completeness of the application. If MDA-ED determines that an application or proposed activities are ineligible, they will be removed from further consideration and the applicant will be notified. MDA-ED reserves the right to permit an Applicant to withdraw ineligible activities from an application prior to a final review.

TECHNICAL EVALUATION

After the initial eligibility review, applications will be reviewed by a selection committee. This committee will score and rank the applications using the following factors:

Project Evaluation and Sustainability

15 Points

- Demonstrated experience in alternative fuel vehicle purchasing or projects;
- Demonstrated ability to successfully complete project and history of successfully meeting deadlines;
- The degree to which the application consists of eligible activities; and
- Demonstrates a sound plan or policy to use alternative fuels in fleet and ensure future sustainability, which could include the following:
 - Central fueling station will carry alternative fuel; and/or
 - Can site local stations and will develop a policy to use alternative fuel when available locally.

Economic Impact

30 Points

- The ability to begin work on the project quickly following award;
- Demonstrates how project will impact or involve community; and
- Located in potential nonattainment area according to Environmental Protection Agency and/or the Department of Environmental Quality records (see Appendix B).

Environmental Benefit

35 Points

Demonstrates a reduction in environmental emissions: nitrogen oxide, carbon monoxide and other greenhouse gases (GHGs).

- 20-49% 5 pts
- 50-79% 10 pts
- 80-100% 15 pts

Demonstrates a significant amount of petroleum consumption that will be avoided.

- 20 to 24% 5 pts
- 25 to 49% 10 pts
- 50 to 74% 15 pts
- 75 to 100% 20 pts

Financial Analysis

15 Points

- The cost-effectiveness of the project;
- The submission of a feasible, justified project budget, broken down by category; and
- The project’s ability to obtain a positive return on investment over the lifetime of the project.

ARRA Compliance

5 Points

- The ability of the Applicant to comply and adhere to all reporting requirements and regulations mandated under ARRA.

TOTAL POSSIBLE POINTS: 100

Project Leveraging (up to 25 additional points)

Cost share or match is not required for grants made with Transportation funds (see page 5). However, extra points will be awarded to those projects that document leverage contributions in the total project cost. Cost share commitments to the total project from the applicant will be rated on a sliding scale basis as shown below:

Amount Leveraged	Possible Additional Points
10% to 24%	5
25% to 49%	10
50% or greater	25

SELECTION OF FINALISTS

MDA-ED will contact Applicants whose applications best meet evaluation criteria. MDA-ED may require Applicants to meet with the selection team. A site visit to the project location may be conducted.

AWARD

MDA-ED will contract with the Applicant to execute the activity. MDA-ED will fund the project through a grant under the American Recovery and Reinvestment Act.

NOTE: Applicants may not begin work until in receipt of a fully executed grant agreement.

APPENDIX A

Sample Resolution

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF [NAME], AUTHORIZING
THE CITY OF [NAME] TO APPLY FOR FUNDING UNDER THE ENERGY EFFICIENCY
AND CONSERVATION BLOCK GRANT PROGRAM

THE CITY COUNCIL OF THE CITY OF [NAME] HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the Mississippi Development Authority's Market Transportation and Technology Deployment provides funding for alternative fuel vehicles in the state of Mississippi to eligible cities and counties through funds made available under the American Recovery and Reinvestment Act of 2009; and

WHEREAS, the City Council of the City of [NAME] authorizes the City of [NAME] to apply for grant funds under this program; and

WHEREAS, the City Council of the City of [NAME] recognizes that the support of the City Council is fundamental to the success of any program;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of [NAME] will fully support the Transportation application and will fully comply with all ARRA regulations and requirements, including monthly reporting, Davis-Bacon wage requirements, Buy American

Act requirements, National Environmental Policy Act Requirements, and historical preservation requirements.

BE IT FURTHER RESOLVED that [NAME AND TITLE], is hereby authorized and empowered to execute in the name of the city of [NAME]; all necessary documents to implement and carry out the purpose of this resolution.

PASSED AND ADOPTED this _____ day of _____ 2010.

Mayor of the City of [NAME], MS

ATTEST:

City Clerk of the City of [NAME], MS

APPENDIX B

Nonattainment Areas – Mississippi

Mississippi Counties - 8-Hour Ozone > 70 ppb
2007-2009

