



Diesel Mitigation Trust Fund Grants 2018 Responses to Questions

Agency Contacts for this Program

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Ohio EPA is offering the first application opportunity for the [Diesel Mitigation Trust Fund](#) grant program, with \$15 million in funding available for projects to replace or repower eligible on-road vehicles and off-road fleets and equipment in 26 Ohio priority counties. The [Request for Proposals](#) (grant application guidelines) was widely released on June 4, 2018, with an online application form available in Ohio EPA's [Customer Support Center](#). The deadline to submit applications is 3:00 p.m. on August 3, 2018.

The Ohio School Boards Association hosted a webinar for interested school districts on June 6th. The slide presentation from that webinar is posted on the [program website](#), and questions and answers from that session are included below along with questions received more recently.

Ohio EPA hosted webinars for interested grant applicants, June 20, 2018, at 10:00 a.m. and June 26, 2018 at 1:00 p.m. You can listen to the recorded webinar on our YouTube Channel at: <https://www.youtube.com/watch?v=3PCTFNkDvjA&feature=youtu.be>
You can access the PowerPoint presentation in our Training Catalog in the Customer Support Center at: https://ohioepa.custhelp.com/app/answers/detail/a_id/2967/kw/2967

The webinar slides have also been posted to the [program website](#), along with these answers to questions received.

Ohio EPA will offer an information session and opportunity to ask questions of program staff on July 10, 2018, at 10:00 a.m. at the Ohio Department of Transportation, 1980 West Broad Street, Columbus, OH 43223. No pre-registration is necessary for that session.

Ohio EPA will continue to update this document throughout the application period.

Previously Posted Questions and Resources for this Grant Cycle

Question 1: Can we print the Powerpoint?

Response 1: Yes, the slides from the June 6th webinar for school districts are posted on the [Ohio School Boards Association website](#) transportation section, and on Ohio EPA's VW [program website](#).

Question 2: If we miss the August 3rd due date, are you going to be offering this program again in 2019?

Response 2: Yes, Ohio EPA expects to offer another grant application cycle for fleet projects in June 2019 and in June 2020, with applications due in August.

Question 3: The DMTF RFP (Page 3, section 1.2) and the link below suggest reading the “Grant Application Guidelines” before applying for the DMTF. Can you please help me find the “Grant Application Guidelines”?

Response 3: “Grant Application Guidelines” refers to the [2018 Request for Proposals](#) posted on the DMTF program [web page](#)

Question 4: Is there a checklist of required documents in the RFP instructions?

Response 4: The electronic application form will automatically prompt applicants to upload each required attachment, based on the category of applicant and type of project being proposed. Ohio EPA has posted a list of the attachments required on the [program website](#), just below the RFP.

Question 5: Can you please send me the vehicle quotes for the VW Grant?

Response 5: The applicant should approach at least one vendor or dealer of the kind of vehicle you are interested in purchasing, and request a dated, detailed price quote specifying engine type and model year. The vendor does not have to be located within Ohio. You may also use a quote for new vehicles from a state term contract that is still in effect, or from some other group purchasing contract that your district or agency may participate in for purchase of new vehicles, so long as the pricing will still be in effect at the point in time when you expect to make the vehicle purchases if a grant is awarded. Check with Ohio EPA if you have questions about the applicability of the group purchasing contract. A quote is one of the attachments that will need to be uploaded to your online grant application. You will also enter the total amount for all the vehicles you intend to purchase into the budget part of your grant application.

You will also need to upload a quote from the dealer or salvage company you expect to scrap the old vehicles, estimating how much they expect to allow you for the scrap value of the old vehicles.

Question 6: Is it important for us to hire a grant writer to apply for this grant?

Response 6: It is not necessary to hire a grant writer. The online application is designed to adapt to the type of project requested, and applicants are not required to generate emissions estimates for their projects. The application includes links and suggestions to where required documents such as the certificate of conformity for new engines can be found, e.g., from the vehicle dealer or the U.S. EPA or California Air Resources Board Websites. Someone familiar with the engines in the existing vehicles will

need to fill out the Fleet Data spreadsheet. Ohio EPA staff members are happy to answer questions. A number of consulting firms and a non-profit (Clean Fuels Ohio) are also able to assist applicants

Vehicle Eligibility

Question 7: How much life do the buses have to have left to qualify?

Response 7: There is no specific requirement of remaining useful life in this program. Class 4-8 school buses of engine model year 2009 or older are eligible for replacement or repower with grant funds. Applicants must certify that all the old vehicles proposed for repower or replacement are currently in good working condition. Grant recipients will be required to properly maintain and operate new vehicles/engines for at least five years within the Ohio priority counties.

Question 8: If we want to replace an old school bus entirely with a new bus, the old bus must be 8-10 years old? Or was that only if you wanted to retrofit them with a new engine?

Response 8: School buses of engine model year 2009 or older are eligible for replacement or repower with grant funds.

Question 9: I am reaching to know more about the \$3 million for an electric school bus pilot project. Is this separate from other school bus applications?

Response 9: Ohio EPA will issue a separate request for proposals later in 2018 for an electric school bus demonstration project. All-electric school buses are not eligible in this DMTF grant cycle. "All-electric" means buses powered exclusively by electricity provided by a battery, fuel cell, or the grid. Hybrid electric vehicles are those that combine an internal combustion engine with a battery and electric motor. Those are eligible in many categories this cycle. Check with Ohio EPA if you have questions about the eligibility of a particular vehicle type.

Scrapping Used Vehicles

Question 10: Does the whole vehicle need to be scrapped, or just the engine? There are some components to the buses that could be salvaged and reused in the fleet if possible. Can we salvage components such as the turbo, alternator, etc.?

Response 10: When replacing an entire school bus, a three inch by three-inch hole must be drilled in the engine block, and the chassis rails must be broken. Ohio EPA strongly encourages the reuse of other components, and that these be removed from the old bus prior to scrapping. Grant applicants should include a quote from a salvage dealer estimating the scrap value of the old bus. When grant recipients request reimbursement for the purchase of new vehicles, the actual scrap value received for the old bus will be deducted from the reimbursement.

Question 11: Does the engine need to be destroyed BEFORE approval/delivery of a new bus?

Response 11: No, the requirement is that the old vehicle engine be destroyed within 90 days of taking delivery of the new vehicle or new engine. Ohio EPA will approve requests from grant recipients who may wish to destroy the old vehicle engine earlier, before the new vehicles arrive, as long as the grant contract has already been executed.

Fueling Stations

Question 12: I understand that this grant program will not pay for CNG fueling stations or electric vehicle charging stations for funded fleets. Are there any other programs available for fueling stations?

Response 12: The Ohio Development Services Agency offers a low interest loan program for Alternative Fueling Stations, https://development.ohio.gov/bs/bs_altfueltrans.htm

New Questions and Answers from June 20 Webinar (Updated June 25, 2018)

Question 13: Are Class 4 shuttle buses operated by private fleets eligible? Typical applications include airport parking, senior living center shuttles and corporate shuttles.

Response 13: Yes, Class 4 shuttle buses as outlined in Section 4.2 of the Request for Proposals (RFP) are eligible. The maximum funding allocation for shuttle buses is \$100,000 per vehicle.

Question 14: Is there a detailed breakdown of the "points" or point ranges for the scoring system used?

Response 14: The scoring is not based on a 'points' system. As explained in Section 7 of the Request for Proposals, the primary factors considered will be (a) the projected emission reductions of oxides of nitrogen (NOx), reported in tons per year; and (b) cost-effectiveness of the emission reductions: the DMTF-funded share of the total project cost described in the application will be divided by the estimated total emission reduction of NOx to determine the cost-effectiveness of the project, in dollars per ton of reduced emissions. Ohio EPA will use US EPA's [Diesel Emissions Quantifier](#) tool to estimate potential emission reductions of proposed projects. Secondary criteria considered by Ohio EPA in making grant awards will include:

1. The cost-effectiveness of projected emission reductions of particulate matter (PM2.5), carbon monoxide, hydrocarbons and other air pollutants;
2. promoting project and fleet diversity, by supporting the most cost-

- effective projects in all eligible categories; and
3. promoting geographic funding diversity, by supporting the most cost-effective projects within the identified priority counties in all targeted regions of the state.

Question 15: **How are applicants who are located in the primary and secondary counties affected/enhanced by the scoring system?**

Response 15: The VW program will use the same review and scoring process that has worked very well for the past ten years in Ohio's Diesel Emission Reduction Grant program, to provide a good balance geographically and Between sectors. In each grant cycle for on- and off-road vehicle projects, Ohio EPA will use U.S. EPA's [Diesel Emissions Quantifier](#) tool to rank all applications submitted based on the cost effectiveness of the NOx emission reductions likely to be generated. Within each category, Ohio EPA will consider the most cost-effective applications from first priority counties first, and then consider the proposals that ranked very closely or the same in terms of cost effectiveness, selecting projects based on the amount of funding available in each category that grant cycle, and the distribution of funding among different regions of the state. A very cost-effective proposal likely to result in significant emission reductions in a secondary priority county would be a better investment than some other projects in a first priority county that provide far less emission reduction benefits.

Question 16: **How do you account for idling in large emergency vehicles?**

Response 16: The Diesel Emissions Quantifier (DEQ) takes into account the estimated number of hours a vehicle idles per year when calculating emission reductions. The Fleet Data Spreadsheet to be filled out by the applicant requests information on the estimated hours per day a vehicle idles and the estimated number of days per year the vehicle operates.

Question 17: **For government contracts that have been awarded for transit vehicles, what documentation is needed to demonstrate the procurement meets the requirements of the RFP?**

Response 17: Ohio EPA will recognize multi-year contracts currently in place that were competitively bid, providing the pricing will still be in effect at the likely point in time in which a new grant recipient would receive authorization to proceed with the purchase. Grant applicants should upload the agreed-to pricing as the quote for the project, along with information about how the contract was competitively awarded.

Question 18: **If I am a local government interested in replacing a couple trucks, should I put both on the same application? Can one be awarded and not the other if they are on the same application?**

Response 18: Yes. Applicants may combine multiple vehicles, multiple vehicle types and multiple fleets in the same proposal. Ohio EPA may award partial funding

to some proposals based on the cost effectiveness of the various project components.

Question 19: Does it have to be a fleet or can an owner with a couple trucks apply?

Response 19: The owner of one or more vehicles may apply as long as they meet the eligibility requirements outlined in the Request for Proposals (RFP).

Question 20: For governmental organizations, what is required for proof of funds to be submitted with the application?

Response 21: Government applicants should explain in the text box the funding source to be used to purchase or repower vehicles prior to receiving reimbursement from the grant, e.g., agency operating budget, levy funds, another grant, etc.

Question 22: Can autonomous bus shuttles be requested in this cycle?

Response 22: Not in this grant cycle.

Question 23: Class 4-8 trucks have long lead times from date of order. If awarded, when are the grant funds received?

Response 23: Projects are expected to be completed within no more than 24 months from the date when the grant contract is executed. Ohio EPA will consider on a case by case basis requests for a longer project period, if the applicant provides a reasonable explanation and documentation from the vendor who is providing a quote to submit with the application.

Question 24: Can a class 4 vehicle be replaced by a class 3 vehicle? Or does it have to remain the same class category?

Response 24: No. Ohio's program will only consider directly corresponding replacements/repowers in the same weight category performing the same functions.

Question 25: For school buses that are used by school district but owned by a third party, is that a "non-government" or government owned? Other states are treating as government since used exclusively by/for the county.

Response 25: Buses owned by a private company qualify as non-government- owned for purposes of this program, regardless of their contracted use.

Question 26: I understand that you are not funding CNG fueling stations but the plan includes funding for EV charging. Is Ohio more interested in funding electric than CNG vehicles?

Response 26: Ohio EPA welcomes applications for repower or replacement of vehicles with all the eligible fuel types allowed by the VW settlement in the different categories, which may include new clean diesel, CNG, propane, diesel-

electric hybrids, and all-electric powered by electricity provided by a battery, fuel cell or the grid. Ohio's program is not funding fleet-specific fueling or charging infrastructure for any of the eligible class 4-8 *medium- and heavy-duty* on-road vehicles or off-road equipment. The VW Settlement listed fueling/charging infrastructure for *light duty* (e.g. passenger automobiles) zero emission vehicles as an allowable use of the funds, not to exceed 15% of the total state allocation. Ohio EPA included this use in the state's Beneficiary Mitigation Plan, and will be funding that through a separate RFP process.

Question 27: **How does one acquire the new engine certifications issued by U.S. EPA or the California Air Resources Board?**

Response 27: This is explained in Section 5.1 of the RFP, with links to both agencies' websites. Grant applicants may also request a copy from the vendor who is providing a quote to include with the application.

Question 28: **I am not reading anything regarding Buy America or Altoona testing in the VW Plan documents. Do the regular FTA regulations apply to this grant even though they may not be stated?**

Response 28: Ohio EPA does not apply either requirement as a condition of a DMTF award for transit bus replacements or repowers. Transit systems should comply with other federal requirements that may be applicable, particularly if using more than one funding source on a project.

Question 29: **Can you help me find the "Grant Application Guidelines?"**

Response 29: The DMTF 2018 [Request for Proposals](#) constitutes the grant application guidelines for this cycle.

Question 30: **Are forklifts being funded under the airport GSE/port cargo handling allowance?**

Response 30: Ohio's program will fund forklifts with greater than 8,000 pounds' lift capacity that are operating outdoors in Ohio airports, ports and [intermodal facilities](#). Forklifts in warehouses and distribution centers do not meet the eligibility criteria in the VW trust agreement.

New Questions & Answers from the June 26, 2018 Seminar (Updated July 5, 2018)

Question 31: **Are fire trucks included in the allowable categories?**

Response 31: Ohio EPA will consider applications for replacement of heavy duty emergency equipment such as fire trucks and heavy rescue trucks in the truck categories, providing they travel enough miles and operate enough hours to be a cost effective way to reduce emissions. On the Fleet Data Spreadsheet, be sure to include the estimated number of idling hours per day and average number of days per year the vehicle is in use. If the

existing vehicle has an hour meter on it so that you can provide hard data on the number of hours the engine operated in the most recent year, please enter this data in the spreadsheet and indicate in the application text box about how the vehicle operated, that you entered an actual measurement from the hour meter rather than an estimate of idling hours.

Question 32: **How do we determine if fire equipment travels enough annual miles to be cost-effective?**

Response 32: For on-road vehicles the DEQ considers the model year of the existing vehicle, number of miles traveled, the estimated number of idling hours, and the amount of fuel consumed, all on an annual basis when calculating emission reductions. While there is no specific minimum figure in the parameters mentioned above that guarantees a cost-effective project, the program is unlikely to fund any vehicles that travel fewer than 5,000 miles annually.

Question 33: **Are ambulances covered?**

Response 33: Ambulances with diesel engines and Gross Vehicle Weight Ratings of 14,001 pounds or greater are eligible for repower or replacement, subject to the same considerations outlined in Response #31 and #32 above.

Question 34: **Do we need to know current emission data from vehicles we intend to decommission?**

Response 34: No. The Fleet Data spreadsheet to be filled out by the applicant will provide the necessary information about the existing & new vehicle to make it possible for Ohio EPA to conduct a quantitative NOx emissions analysis using US EPA's Diesel Emissions Quantifier (DEQ) tool.

Question 35: **Of trucks to be decommissioned, do they have to be of certain diesel engine type, make, model?**

Response 35: Section 4 of the RFP outlines the eligible model year and class or weight rating in each category allowed for replacement or repower with grant funds.

Question 36: **Will you provide this power-point deck for reference to WEBEX participants?**

Response 36: The recorded webinar is available at:
<https://youtu.be/B1t6bC47ECc>
The slide presentation is posted at:
https://ohioepa.custhelp.com/app/answers/detail/a_id/2967/kw/2967
The slides are also posted on Ohio EPA's VW program web page,
<http://epa.ohio.gov/oeo/#131365122-vw-mitigation-grants>.

Question 37: **Regarding Section 2.3 - Advertising and Bid Procedures ... Are we able to use the State Purchasing contracts to provide a price quote**

for the application and would this prevent those on State Purchasing from bidding on the vehicles? Can we use the numbers on the state purchasing website or do we need to get a quote from one of those vendors? Can that vendor still bid on the actual project?

Response 37: In lieu of a quote from a vendor, applicants may use pricing from an existing state term contract or other competitively bid contract *if* that pricing will still be effective at the time when a grant recipient is likely to be authorized to proceed with the purchasing process (likely very early in 2019 for this grant cycle). When using a state term contract, please print out and upload information specific to make, model year and price from that contract as an attachment to your grant application. The vendor would be allowed to bid on the actual project if a grant is awarded.

Question 38: **Is the \$10M DERG later this year in addition to the \$15M for the transit system that is within the Tier 1 and 2 areas?**

Response 38: Yes, there will be a separate DERG application cycle in the fall of 2018 for transit systems. We do not know yet whether there will be a DERG cycle in 2019-2020. The \$15 million allocated for transit buses in Ohio's VW Beneficiary Mitigation Plan is divided into \$5 million in 2018, \$5 million in 2019 and \$5 million in 2020.

Question 39: **If the vehicle in need of replacement changes status as a "spare", can it still be listed according to its recent use before spare status?**

Response 39: This program is designed to reduce emissions by replacing or repowering vehicles actively in use. We will consider each vehicle based on the actual miles it travelled in the most recent year. Applications to replace vehicles that travel fewer than 5,000 miles per year will generally not rank well in terms of cost effectiveness and not be selected to receive funding.

Question 40: **Will urban and rural transit systems be separate in the application competitive process? Or together?**

Response 40: The program does not distinguish between urban and rural transit systems. Applications from public transit systems will be considered based on the first or second priority county in which they are located. Two or more transit systems may submit a joint application if they choose.

Question 41: **If our Township would like to apply for the VW Mitigation grant for 2 different trucks, should we apply with one application or 2? If we apply using 1 application, is it possible that one truck could receive grant money and not the other or is it all or nothing?**

Response 41: Please review Response #18 above.

Question 42: **Just to be clear, eligible project is replacement/expansion of buses only?**

Response 42: Eligible projects are defined in the RFP and include both replacements and repowers (engine replacements) in all categories of on-road vehicles,

and most categories of off-road equipment.

Question 43: Does it matter that a truck order takes 12-14 months before delivery?

Response 43: Please review Response #23 above.

Additional Questions Received by Ohio EPA (updated July 5, 2018)

Question 44: Is it acceptable to provide general scrap value information for similar vehicles that have been scrapped previously in lieu of a formal quote?

Response 44: It is acceptable to upload documentation of scrap values paid by a vehicle or salvage dealer dated during the most recent 12 months for the same model vehicle.

Question 45: Is a public school district classified as government or non-profit?

Response 45: Public school districts are classified as government for purposes of the grant program.

Question 46: Do switcher locomotives have to meet Tier 4 or can they meet Tier 3 emission standards?

Response 46: Tier 3 is the current US EPA emission standard for switcher locomotives.

Question 47: Are there any annual reports due?

Response 47: Yes, states are required to report semiannually to the VW Trustee, so recipients of DMTF grants will be required to provide progress reports to Ohio EPA June 30 and December 30 each year until the project is completed, and submit a closing activity and fiscal report. As noted in the Applicant Certification Statement, non-government fleets must submit an annual report for five years after completion of the project confirming that DMTF-funded vehicles or equipment are being operated in eligible Ohio counties in accordance with the requirements defined in the Program Request for Proposals. Ohio EPA will post the reporting forms on the program website before the first grant contracts are awarded.

Question 48: If we are planning to replace 15 units over 3 years, should we ask for 5 in a separate application each year, or 15 in the first application?

Response 48: We recommend submitting an application for the entire project and explain the schedule of how many vehicles would be purchased each year in the text boxes, with a request for a longer project period than 24 months in order to cover the third year vehicles.

Question 49: In the RFP guidelines, section 4.7 refers to cargo handling equipment that “operates outdoors within Ohio ports and intermodal facilities”, since this term is not defined in the Consent Decree (it

defines “intermodal Rail Yard” in relation to drayage trucks), would that include commercial distribution and warehousing centers?

Response 49: Ohio’s program will not fund cargo handling equipment operating in warehouses and distribution centers. A list of Ohio intermodal facilities is maintained by the Ohio Rail Development Commission, <http://www.dot.state.oh.us/Divisions/Rail/Documents/Ohio's%20Intermodal%20Railroad%20Terminals.pdf>

Question 50: **Is it intended that whatever equipment being replaced must be replaced with equipment that does the same job or performs the same function, even if it is slightly different but similar equipment?**

Response 50: Ohio’s program will only consider directly corresponding replacements/repowers in the same weight category performing the same functions.

Question 51: **The Applicant Certification Statement requires grant recipients to have in place at the time of grant award an emission reduction program, such as an anti-idling program, to reduce air emissions. Could that requirement be met by our staff training procedures?**

Response 51: Yes, that could be met by policies and training procedures directing employees to limit engine idling, and to fuel and operate vehicles in accordance with manufacturer specifications.

Question 52: **Our school district wishes to lease to buy buses over the next four years. Could we do that through this grant?**

Response 52: Yes, though you would need to justify a timeline longer than 24 months for the project, and reimbursements from the grant would only be paid out as actual purchases of the new vehicles are completed and documentation of invoice payment by your district is provided to Ohio EPA with a Request for Payment form.

Question 53: **Can yard tractors that are registered in Ohio for on-road operation apply as class 8 local freight trucks, instead of as cargo-handling equipment? These tractors do not have odometers but have engine operating hour meters.**

Response 53: Ohio regards the Class 8 Local Freight Trucks and Port Drayage Trucks Category as intended for vehicles with odometers operating primarily on public roads. Moreover, the VW settlement clearly includes yard hostlers and yard tractors within the Forklifts and Port Cargo Handling Equipment category. Consequently, Ohio’s program will consider applications for yard tractors only within the Forklifts and Port Cargo Handling Equipment category.

Question 54: **We have a five-year contract for the purchase of new propane transit vehicles. We order them as the funding comes in. We just had some vehicles ordered but not delivered yet – could we apply for**

those? Could we apply for vehicles that haven't been ordered yet, using this existing contract pricing?

Response 54:

As noted in section 2.1 of the RFP, DMTF funds may not be used to reimburse grant recipients for any grant expenses, including equipment purchased, prior to execution of the grant agreement and obtaining Ohio EPA authorization to proceed with the purchase, based on the grant recipient's proposed competitive advertising and bid procedures.

For vehicles that have not yet been ordered, *if* the current contract was competitively bid, and *if* the pricing will still be in effect when Ohio EPA might be expected to authorize purchases for this cycle (probably early 2019), the applicant could use the existing contract pricing in lieu of a new quote, to be submitted with the application.