

Applying for VW Environmental Mitigation Trust Funds – Phase 3



DNREC Division of Air Quality
Pre-bid Meeting
Solicitation: NAT20002-VWEMTFP
April 6, 2020

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Overview of VW Environmental Mitigation

- RFP Purpose
- Eligible Environmental Mitigation Actions
 - Mitigation Examples
- Project Selection
- Proposal Requirements
- Estimated Timeline
- Important Dates
- Questions



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RFP Purpose

- Projects that reduce NOx emissions in areas of poor air quality for Phase 3
 - Volkswagen Environmental Mitigation
 - Replace a vehicle or a vehicle engine
 - Complete a Certificate of Destruction
- Distribute Funds in 2021
 - Up to \$2 M – all eligible mitigation action categories
 - Up to \$2 M – school bus replacements (under contract)



Eligible Environmental Mitigation Actions

- Eligible Mitigation Actions defined in Settlement (D-2)
 - 8 Eligible Actions
 - Class 8 Local Freight and Port Drayage Trucks
 - Class 4 School Bus, Shuttle bus, or Transit Bus
 - Freight Switchers
 - Ferries/Tugs
 - Ocean Going Vessels
 - Class 4-7 Local Freight Trucks
 - Airport Ground Support Equipment
 - Forklifts and Port Cargo Handling Equipment



Mitigation Example 1

Garbage Truck

- Class 4-7 Local Freight Truck
- Replace as CNG
- Registered as Model Year 2005
- Engine Model Year 2004 (original engine)
- Meets eligibility requirements @ cost share of 25%

Cost Share

Each eligible mitigation action and activity is associated with the following cost share:

Eligible Mitigation Action	Activity	VW Cost Share	Applicant Cost Share
Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks) & Class 4-7 Local Freight Trucks (Eligible Medium Trucks)	Engine replacement with new diesel or alternate fueled engine	40%	60%
	Engine replacement with new all-electric engine	60%	40%
(Engine Model Year 1992 – 2009)	Vehicle replacement with new diesel or alternate fueled vehicle	25% (50% for Drayage)	75% (50% for Drayage)
	Vehicle Replacement with all-electric vehicle	45%	55%



Mitigation Example 2

School Bus Replacement

- Class 4 School bus
- Replace as propane
- Registered as Model Year 2007
- Engine Model Year **2013**
- **NOT Eligible** because **ENGINE Model Year MUST be between 1992-2009**



Cost Share

Each eligible mitigation action and activity is associated with the following cost share:

Eligible Mitigation Action	Activity	VW Cost Share	Applicant Cost Share
Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks) & Class 4-7 Local Freight Trucks (Eligible Medium Trucks) (Engine Model Year 1992 – 2009)	Engine replacement with new diesel or alternate fueled engine	40%	60%
	Engine replacement with new all-electric engine	60%	40%
Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses) (Engine Model Year 1992 - 2009)	Vehicle replacement with new diesel or alternate fueled vehicle	25% (50% for Drayage)	75% (50% for Drayage)
	Vehicle Replacement with all-electric vehicle	45%	55%



Project Selection

- Review /Selection Committee will select projects based on:
 - NOx Reduced (Diesel Emission Quantifier)
 - Project Budget (cost share)
 - Project Location
 - nonattainment area/disparate community
 - Project Timeline
 - Replication throughout the state
 - Collaboration with other entities
 - Economic Development

Application Scoring Matrix

Project Award Criteria	Score	Score Possible
Measurable, verifiable reduction in NOx emissions - The project will produce a net reduction in NOx emissions in the State and result in a measurable, verifiable reduction in NOx per ton of emissions using the Diesel Emission Quantifier. - Projects must meet eligibility requirements of the VW Mitigation Plan		Up to 30 points
Project Budget -The proposed budget is thorough, robust, realistic, and cost effective. - The applicant must show a detailed budget with all cost shares explained.		Up to 15 points
Proposed Project Location - The project is sited near a major highway or transportation corridor, shipping route, or near a shipping logistics center. - This project will address an environmental justice (EJ) area or related location that receives a disparate proportion of environmental impacts. - The project avoids environmentally sensitive areas or areas containing critical habitats. -Priority will be given to projects in non-attainment and air quality maintenance areas.		Up to 15 points
Project Timeline The proposed project must define when the project will commence and will end.		Up to 15 points
Ability to be Replicated throughout the State - The proposed project has the ability to be replicated throughout the state.		Up to 15 points
Collaboration with other Entities in the State - The project includes collaborative efforts between the applicant and project team (an anchor fleet or fleets, utility/fuel provider, vehicle dealer, or manufacturer).		Up to 10 points
Economic Development - The project creates and/or retains local jobs for Delawareans. - The project serves as an economic development engine for local Delaware based companies.		Up to 5 points
Total Points		100 Maximum



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Proposal Requirements

- Vendor Cover Letter
- One (1) paper and (1) electronic copy of bid response paperwork
- One (1) completed Scope of Work Application to include pricing - Appendix B1 (**all project categories**) OR Application B2 (**school buses**)
- One (1) completed, signed and notarized copy of non-collusion agreement (Attachment 2)
- One (1) completed RFP Exception Form (Attachment 3)
- One (1) completed Profile and Capabilities Form (Attachment 4)
- One (1) completed Confidentiality Form (Attachment 5)
- One (1) completed Business Reference Form (Attachment 6)



Proposal Requirements (continued)

- One (1) completed and signed Subcontractor Information Form, if applicable (Attachment 7)
- One (1) completed Office of Supplier Diversity Application, optional, if applicable (Attachment 10)
- Copies of Business License and Required Insurance Certificates
- Copies of the Title/Registration for each vehicle being replaced, if applicable
- Failure to provide all appropriate information may deem the submitting vendor as “non-responsive” and exclude the vendor from further consideration.



Estimated Timeline

- Jun. 1, 2020 – Application Deadline
- Jul. 2020 - Award letters issued
- Jul. to Sept. 2020 – Contracts issued (legal review)
- Oct. to Dec. 2020 – Contracts to be signed/executed
- Jan. to Sept 30, 2021 – Project Implementation (All purchases must be made by 9/30/21)
- Sept. to Dec. 2021 – Vehicle/equipment Destruction
- Sept. to Dec. 2021 – Reimbursements (upon receipt of required documentation)
- Dec. 31, 2021 – Phase 3 ends



Important Dates

April 6, 2020

Pre-Bid Meeting
10:00 a.m.

April 20, 2020

Written Questions
due by
Close of business

May 4, 2020

Written Responses
provided on
OMB website

June 1, 2020

Proposals Due
4:00 p.m.

July – December 2020

Award Notification
with Contract
issued in the
fall

Reimbursement
of funds upon
project
completion in
2021



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Questions?

- Written comments may be submitted to the DAQ
- Deadline: April 20, 2020 @ 4:30 p.m.

Email: Deanna.morozowich@Delaware.gov



DNREC

Division of Air Quality – State Street Commons

100 W. Water Street, Suite 6A

Dover, DE 19904

Attn: VW Environmental Mitigation Trust Fund Project

Sign up for listserv:

join-vwmitigation@lists.state.de.us



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