County of Santa Clara
Facilities And Fleet Department
Intragovernmental Support Services
Fleet Management

FAF09 062409

Prepared by: Dave Snow
Fleet Manager

Reviewed by: Caroline Judy
Manager, Intragovernmental Support Services

DATE: June 24, 2009

TO: Board of Supervisors

FROM: David C. Kronberg
Interim Facilities & Fleet Director

SUBJECT: Bay Area Electric Vehicle / Alternative Fuel Regional Project Competitive Grant Application

RECOMMENDED ACTION

Consider recommendations relating to Bay Area Electric Vehicle / Alternative Fuel Regional Project.

Possible action:

a. Approve delegation of authority to Director, Facilities and Fleet, or designee, to submit Santa Clara County's Grant application to the Bay Area Air Quality Management District (BAAQMD), to accept grant funds, and to negotiate, execute and terminate any necessary contracts, amendments, annual renewals or extensions in an amount not to exceed $1,500,000 for period July 1, 2009 through June 30, 2012, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire June 30, 2012.

b. Ratify the regional grant applications submitted to BAAQMD as part of a regional grant application for the following competitive grants: American Recovery and Reinvestment Act (AARA) - Department of Energy, Clean Cities Area of Interest 4, DE-PS26-09NT01236 -00. AARA - California Energy Commission, 2009 Cost Share Alternative and Renewable Fuel and Vehicle Technology Program, P09 -08 -010.

FISCAL IMPLICATIONS

There is no impact to the General Fund with approval of this recommended action. The matching fund requirements for vehicles will be incorporated into the FY 2011 recommended vehicle replacements. The matching fund requirements for infrastructure will be funded from the Fleet Management Operating Fund, Superior Fund Center 0135, Cost Center 2321. The Compressed Natural Gas Fueling Station and Electric Vehicle Charging Stations will produce revenue for the County from sales to the public.

CONTRACT HISTORY

There is no contract history associated with this grant opportunity.

REASONS FOR RECOMMENDATION

On April 5, 2005, the Board of Supervisors approved a countywide process for grant applications. Requests for grant applications more than $250,000 must be made to the Board of Supervisors. Departments are required to seek retroactive approvals for grant applications that are in the process of submission when deadlines conflict with Board meeting dates. The Acting County Executive presented a status report on efforts to secure AARA funding at the Board of Supervisors Meeting on April 21, 2009, Agenda Item #33. Information in this report relates to the Department of Energy (DOE) and California Energy Commission (CEC) competitive grant funding opportunities.

The AARA funding related to transportation was released on March 19, 2009. On April 1, 2009, the Bay Area Electric Vehicle Initiative met with representatives from the Bay Area Air Quality Management District (BAAQMD) to review competitive grant opportunities. DOE Clean Cities Area of Interest 4 required regional efforts by the Clean Cities program managers to present applications to represent a majority of stakeholders within the jurisdiction. BAAQMD offered to coordinate the regional application for the DOE grant. On May 19, 2009, BAAQMD confirmed the CEC would accept grant applications pertaining to the DOE projects outlined in the regional grant application to defray Federal matching funds requirements.

The goal of the Bay Area Electric Vehicle / Alternative Fuel Regional Project is to reduce greenhouse gas emissions and to provide immediate alternative fuel infrastructure in strategic locations throughout the bay area. The opportunity includes funding for infrastructure, equipment and construction, as well as incremental costs associated with Air Resource Board certified alternative fuel technology vehicles. Santa Clara County is applying for a compressed natural gas dispensing station, 40 electric vehicle charging stations, five Hybrid sedan plug-in electric conversions, three compressed natural gas sedans and one compressed natural gas security bus.

BACKGROUND

The AARA provides opportunity for the County to replace aged vehicles with lower polluting alternative fuel vehicles. Staff recommends a variety of alternative fuel vehicles for use in the County fleet to match the needs of user departments. The AARA provides a unique opportunity to streamline the construction and development of electrical charging stations and compressed natural gas dispensing stations. This infrastructure is intended to support the alternative fuel infrastructure efforts of neighboring jurisdictions in order to support the needs of the County fleet and the

general public.

As noted in the draft Emissions Inventory Report, the County fleet produced approximately 22,500 metric tons of carbon dioxide emissions in 2005. This accounts for nearly 17% of the County carbon dioxide emissions. The Board of Supervisors has set goals to stop increasing greenhouse gas (GHG) by 2010 and to reduce GHG 10% every five years until 2050. Strategies to reduce GHG associated with the County fleet include reducing the size of the fleet, reducing vehicle miles traveled and incorporating into the fleet alternative fuel vehicles. Infrastructure to support alternative fuel vehicles will facilitate the use of a greater numbers of these vehicles in the County fleet.

The County regional grant application contains the following projects:

Electric Vehicle Charging Station Project:

Santa Clara County Plug In Electric Drive Program Total cost - $352,000. Amount of ARRA funds requested - $176,000, matched 50% by County Federal agency/program. The County of Santa Clara is proposing to purchase and install Coulomb 120/240V Electric Vehicle Charging Station Gateway and Slave stations at four County Locations. These projects involve the installation of multiple electric vehicle (EV) charging stations for County and public access. The County of Santa Clara would contract out these projects totaling an estimated $352.000. Given their characteristics, these projects will generate one-time employment impact. The purpose of this project is to reduce vehicle emissions and dependence on fossil fuels by providing 24/7/365 access in designated areas for recharging electric vehicles that will be open to the public and government agencies. The availability of these charging stations also will accelerate the County's Climate Action Plan Early Actions by providing resources necessary to adopt additional electric vehicles. The County of Santa Clara is an active participant with the Bay Area Electric Vehicle Initiative.

With our current project plans this would give us 40 designated fast charge (4 hrs) stations. The County of Santa Clara plans to expand the Alternative Fuel Vehicle fleet to include more Electric Vehicles in an effort to reduce the number of petroleum fueled vehicles the County operates. We intend to utilize this project to create public awareness of these stations in an effort to encourage local business, private individuals and other government agencies to adopt electric vehicles. The County is proactive in emissions reductions. Supporting electric vehicles will benefit the environment and will model behavior for our community. The County of Santa Clara has voluntarily adopted standards of California State AB 32 and has Board of Supervisors policies that promote the acquisition of fuel efficient, reduced emissions vehicles. Electric vehicle charging stations will produce revenue from the public access use of the stations.

Vehicles

Santa Clara County is requesting funds for (5) Toyota Prius Plug-In Electric conversions. The County currently has neighborhood electric vehicles within the 9% alternative fuel vehicle fleet. Funding for plug-in conversions on existing County vehicles will allow for a demonstration project for various County departments so they become more familiar with electric vehicle infrastructure, range, and fuel economy. The Board of Supervisors passed a resolution supporting policies that promote the development and commercialization of plug-in electric or hybrid electric vehicles on October 16, 2007 Agenda Item #19. Cost for (5) conversions is approximately $50,000. Amount of AARA funds requested - $25,000, matched 50% by County Federal agency/program).

Santa Clara County is requesting funds for the incremental cost related to the purchase of a compressed natural gas (CNG) security bus to be utilized by the Office of the Sheriff for security transportation. Total vehicle cost $216,262.50. Amount of funds requested - $36,000.00. Routes assigned to this vehicle range between Sacramento to the north and

Monterey County to the south, and include multiple locations throughout Santa Clara County. CNG will allow for demonstration of alternative fuels to law enforcement performing mandated functions, while displacing diesel fuel demand. This vehicle will be utilized to move staff resources for crowd control during local events and could receive media coverage throughout the year. Staff predicts approximately 30% of the 34 bus Fleet will require replacement within five years.

Santa Clara County is requesting funds for incremental costs associated with mid-sized CNG sedans. The County currently operates (2) Honda CNG sedans in the general pool. Many departments have expressed interest in utilizing CNG. These (3) vehicles would be assigned to various departments that perform services throughout the County. Purchase cost of sedans $75,000.00. Amount of AARA funds requested - $30,000.00 as incremental cost.

Infrastructure

Santa Clara County is requesting funds for a Compressed Natural Gas dispensing station. Amount of ARRA funds requested - $500,000 matched 50% by County Federal agency/program. This station would be a two-house dispenser that would be publicly accessible. The station would have a fueling rate of seven gasoline gallon equivalent (GGE) per minute, filling buses with 24 GGE in under 5 minutes each. The County would assume revenue and pass through tax rebates hosting the dispensing station providing public access sales.

The San Jose Airport has approximately 100 cabs operating on CNG and they prefer to fill at the Airport, however Pinnacle's two other sites in San Jose still dispense between 100 and 300 GGE to cabs daily. It is predicted that this station at the North East corner of the airport would also service AT&T vehicles. AT&T expects a significant amount of the 20,000 U.S. vehicles to be located in the Bay Area. Concord's CNG infrastructure services 20 AT&T vehicles.

The County requested Pinnacle to provide the ability to support dispensing hydrogen for vehicles with this infrastructure as future expansion. There are four public access locations for CNG in the County of Santa Clara: PG&E site with limited hours that requires PG&E revolving account, Waste Management offering limited hours, and San Jose Unified School District yard with limited hours. The San Jose Airport location is the only seven-day/24 -hour access point. When the station experiences technical issues or systematic upgrades, customers are significantly limited for CNG in the area. CNG sedans have approximately a 200-mile range. Refueling outside the area as contingency significantly limits the ability to encourage this alternative fuel development.

CONSEQUENCES OF NEGATIVE ACTION

The County of Santa Clara will withdraw the regional grant application to pursue alternative fuel vehicles and infrastructure.

STEPS FOLLOWING APPROVAL

Forward an approved copy of this transmittal to the Facilities and Fleet Department (attention: David Snow, Fleet Manager) and to the Office of Budget and Analysis (attention: Jeannie Nguyen).

ATTACHMENTS

- Bay Area Electric Vehicle / Alternative Fuel Regional Project Competitive Grant Application

Clean Cities FY09 Petroleum Reduction Technologies Projects for the Transportation Sector Area Interest #4 – Abridged*:

The Bay Area Air Quality Management District ("BAAQMD") ("applicant") is preparing an application to the Department of Energy (DOE) for funding to support the Bay Area's effort to expand the use of alternative fueled vehicles and advanced technology:

Anticipated Notice of Selection and Award Dates:

- ***May 1, 200, 4 pm*** – Application/Attachments "*Alternative Fueling Stations/Sites*" and "*Alternative Fuel Vehicles*" due to BAAQMD. **All supplemental materials must be received no later than by May 18th.**

  Complete applications will be reviewed and accepted in the order they are received.
- ***Week of May 25*** – BAAQMD submits regional application to DOE.
- ***August 2009*** – *Month* DOE anticipates notifying applicants selected for award. **Awards by September 2009.**
- ***October 2009*** – Month BAAQMD anticipates entering into contracts with participants if selected for award

Special preference shall be for "Shovel Ready" applications that can rapidly implement vehicles and/or supporting fueling infrastructure projects while accelerating job creation and economic benefit. These "Shovel Ready" projects are expected to be well understood and mature, with design completed, sites ready for activation, and all permits approved. For projects that are in less mature design phases, proposals shall include realistic schedules required to complete the project within the project period of performance.

COST SHARING: The non-federal cost share must be at least 50% of the total allowable costs of the project.

PERIOD OF PERFORMANCE is 4 years: * "Period of Performance for the total project is up to 4 years, with the final 2 years available for data collection, after vehicle deployment and infrastructure development has been completed within the first 2 years.

DOE reserves the right, without qualification, to reject any or all applications received in response to this announcement and to select any application, in whole or in part, as a basis for negotiation and/or award.

FUNDING RESTRICTIONS Cost Principles Costs must be allowable in accordance with the applicable Federal cost principles referenced in 10 CFR part 600. The cost principles for commercial organization are in FAR Part 31.

Pre-award Costs Recipients may charge to an award resulting from this announcement pre-award costs that were incurred within the ninety (90) calendar day period immediately preceding the effective date of the award, if the costs are allowable in accordance with the applicable Federal cost principles referenced in 10 CFR part 600. Recipients must obtain the prior approval of the contracting officer for any pre-award costs that are for periods greater than this 90 day calendar period. ***Pre-award costs are incurred at the applicant's risk. DOE/BAAQMD are under no obligation to reimburse such costs if for any reason the applicant does. Additionally, other funds intended for matching may have more stringent funding restrictions (e.g. TFCA, AB 118)***

Participants receiving funds must certify in writing that all laborers and mechanics on projects funded directly by or assisted in whole or in part by and through funding appropriated by the Act are paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by subchapter IV of Chapter 31 of title 40, United States Code (Davis Bacon Act). For guidance on how to complete this provision, see http://www.dol.gov/esa/whd/contracts/dbra.htm.

*This document was created to assist participants in the Bay Area Air Quality Management District's jurisdiction with their submittal of project information for the BAAQMD application to the DOE for funding. The BAAQMD does not assume any responsibility or risk for your use of this document in place of the complete application instructions: *Complete application instructions for Area Interest #4: Clean Cities FY09 Petroleum Reduction Technologies Projects for the Transportation Sector are available at:* http://apply07.grants.gov/apply/opportunities/instructions/oppDE-PS26-09NT01236-04-instructions.pdf

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Contacts at BAAQMD: Patrick Wenzinger, Air Quality Technician, pwenzinger@baaqmd.gov (415) 749-4934
Karen Schkolnick, District Grant Programs Manager, kschkolnick@baaqmd.gov (415) 749-5070

A. Overview of BAAQMD's Application to DOE:

Each Participant/Project Sponsor must provide sufficient information about their project so that the BAAQMD may successfully compile the region's information and address the following:

- An assessment of the BAAQMD's ability to rapidly initiate this project.
- A detailed description of the project team and partnering arrangement (related technical expertise and experience, roles and responsibilities of parties, etc.).
- Expected number of sites and vehicles that will be included in the project.
- Estimate of the vehicle and fuel use or degree of use of the project
- Estimate of the petroleum reduction (energy security) benefits and emissions reductions that will be achieved by this project.
- Description of how the project will be sustainable without Federal assistance after the completion of the term of the grant
- Plans and budget to participate in DOE merit reviews, performance audits and other forums aimed at ensuring that the information and knowledge gained by participants in the pilot program are accurate and transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications. This also may involve contributing information for publication.
- Status of site agreements for associated infrastructure as well as licensing, permitting, and the use of safety listed equipment
- Availability of required vehicle and/or infrastructure equipment (Written commitments from partners required along with statements indicating that equipment meets required safety and/or emissions regulations)
- Status of partnerships (Written partnering commitment required including type of technical or financial support)
- Project schedules to include key activities:

o Design/Procurement Specifications Complete
o Permitting/NEPA Complete
o Vehicles and/or Fueling Equipment Ordered/Procured
o Vehicles and/or Fueling Equipment Delivered to project site(s)
o Fueling Infrastructure Development Complete (if applicable)
o Training/Education Completed
o Vehicle and/or Fueling Equipment Operational
o Marketing/Outreach Activities
o Vehicle and/or Fueling Site Data Collection
o Project Completion

B. General Requirements (noted if this information will be generated the BAAQMD):

1. **(BAAQMD)** shall identify jobs directly created or retained as a result of this project (e.g. construction workers) as well as those indirectly created in industries or services that support the project (e.g. workers in factories that provide alternative fuel vehicle equipment or supplies, operating and maintenance services, and training related to these jobs and skill sets). Speculation on potential indirect jobs that may occur as a result of this project shall not be included (e.g. jobs associated with traditional retailers such as grocery stores, real estate, etc).

2. **ELIGIBLE VEHICLE CATEGORIES/TYPES:**

Light Duty Vehicles:
Vehicles using alternative fuels recognized by Energy Policy Act (for a listing of authorized alternative fuels please see http://www1.eere.energy.gov/vehiclesandfuels/epact/about/epact_fuels.html)

- Fuel Cell Electric Vehicles.
- Electric Hybrid Vehicles
- Plug-in Hybrid Electric Vehicles
- •• Neighborhood Electric Vehicles (only if replacing full size on-road vehicles)
- •• Diesel Vehicles with 2009 MY or later compliant emissions (only if replacing gasoline powered vehicles and in conjunction with biodiesel fuel use)

Medium- and Heavy-Duty Vehicles:
Vehicles using alternative fuels recognized by Energy Policy Act (for a listing of authorized alternative fuels please see http://www1.eere.energy.gov/vehiclesandfuels/epact/about/epact_fuels.html

- Fuel Cell Electric Vehicles.
- Plug-in Hybrid Electric Vehicles
- Electric Hybrid Vehicles
- Hydraulic Hybrid Vehicles

Other Off-Road/Non-Road Commercial Work Alternative Fuel or Advanced Technology Vehicles

- Ground Support Vehicles at Public Airports that follow the guidelines above for Light, Medium and Heavy-Duty vehicles.
- Medium and Heavy duty freight loading and handling high fuel use vehicles at ports or intermodal freight operations that follow the guidelines above for Light, Medium and Heavy-Duty vehicles.
- For other off-road projects not identified above, off-road vehicles are only eligible for funding that are included in a project that primarily (i.e. greater than 75%) funds on-road vehicles/infrastructure (i.e. the off-road vehicles component complements the on-road vehicle portion of the project) and that follow the guidelines above for Light, Medium and Heavy-Duty vehicles.

NOT Eligible – Marine applications and locomotives are not eligible under this solicitation. Prototype or novelty vehicles, golf carts, snowmobiles, and other off road recreational or sport vehicles are not eligible.

3. All vehicles, including retrofits/conversion systems, must be certified/approved by the U.S. Environmental Protection Agency (EPA) and/or the California Air Resources Board (CARB) and meet the applicable Federal Motor Vehicle Safety Standards (FMVSS) in order to be eligible for funding. Documentation must be provided.
4. DOE funds are to be used to pay for the incremental cost to purchase new OEM vehicles or the retrofit/conversion/repower of new and/or used conventional vehicles (i.e., vehicles originally designed to operate using conventional diesel or gasoline) to run on authorized alternative fuels or utilize advanced technologies.

- **Incremental cost shall be calculated** on the difference between the cost of the AFV/Advanced Technology Vehicle and the cost of a comparable conventional model verified by manufacturer estimate, after all other applicable manufacturer and local/state rebates, tax credits, and cash equivalent incentives are applied.
- **For vehicle conversions**, the incremental cost shall be based on the cost of the new fuel system plus installation after all other applicable manufacturer and local/state rebates and cash equivalent incentives are applied.
- **Funds are not available** for non-fuel system upgrades such as transmissions and exhaust systems and should not be included in the incremental cost of the project to be supported under this announcement.
- **Neighborhood electric vehicles**, DOE funding limited to $2,000 per vehicle, not to exceed the actual cost.
- **Light duty hybrid vehicles, and light duty diesel vehicles**, DOE funding of incremental cost limited to $2,000 per vehicle, not to exceed the actual incremental cost.
- **Light duty fuel cell vehicles**, DOE funding of incremental cost limited to $500,000 per vehicle, not to exceed the actual incremental cost.
- **For all other light duty alternative fueled and advanced technology vehicles**, DOE funding of incremental cost limited to $50,000 per vehicle, not to exceed the actual incremental cost.
- **Medium duty and heavy duty alternative fueled and advanced technology vehicles**, DOE funding of incremental cost limited to $200,000 per vehicle, not to exceed the actual incremental cost (see below for special exceptions).
- **Medium/heavy duty electric vehicles, and/or medium/heavy duty hybrids/plug-in hybrids powered exclusively by alternative fuels**, DOE funding of incremental cost limited to $500,000 per vehicle, not to exceed the actual incremental cost.
- **Medium/heavy duty fuel cell vehicles,** DOE funding of incremental cost limited to $1,000,000 per vehicle, not to exceed the actual incremental cost.
- **For all off-road alternative fuel or advance technology vehicles**, DOE funding of incremental cost limited to $50,000 per vehicle, not to exceed the actual incremental cost.

5. Priority will be given to applications that include a strategy to concentrate vehicles in activity centers or niche applications that maximize infrastructure utilization (e.g., airports, transit applications, taxi fleets, port vehicles, delivery fleets, school buses, etc.). Projects that contribute to a sustainable alternative fuel and advanced technology vehicle market with the potential for future growth without additional Federal funding and have documented fleet commitments for vehicle and/or fuel purchases will be ranked higher.
6. **Estimates of conventional fuel displacement shall be provided both per vehicle and in total, over the projected ownership period of the vehicles (not the vehicle lifetime).** Fuel displacement shall be based on the fuel consumption of a comparable conventional fuel/technology vehicle whether the new vehicles are replacing older

vehicles or are additions to the existing fleet. Preference will be given to projects that displace the greatest amount of petroleum. Vehicle proposals that exclusively use alternative fuels in dedicated vehicles will be ranked higher than those with bi-fuel capabilities.

7. **Project applications must include the number of vehicles to be purchased or retrofitted by each alternative fuel and/or advanced technology type proposed for the project.** Details regarding the type of vehicles to be purchased and/or converted must be identified. For conversions, the age of the vehicles and the projected future ownership periods must be identified. The requirements of the conversion must be detailed including a listing of the required equipment/components. Applicants must submit a project schedule and documentation of any vehicle certification or re-certification requirements.

8. **Refueling infrastructure that will be eligible under this area of interest is as follows:**
   - New dispensing facilities, or additional equipment or upgrades and improvements to existing refueling sites.
   - Upgrading or modifying private fueling stations to allow public and/or shared fleet access.
   - The purchase of equipment or to pay for specific turn-key fueling services by alternative fuel providers.
   - Facility upgrades or building modifications that are necessary to accommodate alternative fuels for fleet garages and other maintenance/service centers
   - Projects may be proposed that include multiple fuel types (e.g., electric and hydrogen or propane and biodiesel or E85 and natural gas, etc.) at the same location or at different locations.
   - Refueling infrastructure will be given extra consideration if the facilities are shared or have open access to multiple fleets and/or are accessible by the public.
   - Refueling equipment and infrastructure must be designed, installed and maintained as required by the existing recognized codes and standards and approved by the local/state Authority Having Jurisdiction (AHJ). Infrastructure projects must describe their plan to communicate/coordinate with the appropriate AHJs.
   - Eligible infrastructure costs must be limited to the development of the refueling capability and related service/support for alternative fuel and/or advance technology vehicles.
   - Infrastructure projects must dispense fuel into vehicles on site in order to be considered.
   - ***NOT ELIGIBLE:*** Bulk fuel production facilities and blending pumps (i.e. pumps that allow for fuel blends lower than E85 or B20).

9. E85 refueling infrastructure projects must include plans to add adequate labeling or signage that states: "1) Federal law prohibits the use of gasoline containing more than 10% ethanol in any motor vehicle or non-road engine that is subject to EPA regulations, other than flexible-fuel vehicles or engines, and 2) using this fuel in any vehicle or engine that is not a flexible-fuel vehicle or engine may damage the vehicle or engine and void its warranty."

10. Refueling sites that contribute to an infrastructure corridor development plan or regional strategy are desirable and should be clearly noted.

11. Publicly-available facilities that agree to display and advertise the availability and cost of alternative fuels in the same manner as conventional fuels will be ranked higher. Placement of clear and visible street-signage at the public fuel station advertising the type of renewable fuel blend offered and the prevailing price and strategic placement of signs to maximize visibility on public streets and highways advertising the availability of renewable fuel blends, taking into account state and local requirements for signage is preferred. A letter of commitment from station owners regarding this should accompany the application.

12. **(BAAQMD)** As appropriate, applicants are to include multiple refueling sites within a single application even if the proposed sites have a great geographic diversity or will dispense different fuels.

13. Operation and Maintenance costs are limited to no more than 5% of the total project cost. Eligible operation and maintenance costs are limited to costs specific to operating vehicles or fueling infrastructure for alternative fuel or advanced technologies (i.e. costs above and beyond those associated with operating conventional vehicles and/or fueling equipment). For example, funding cannot be used for fuel, tires, driver salaries, etc.

14. **(BAAQMD)** will be required to provide appropriate training for individuals associated with this project in partnership with their local Clean Cities coalition about the benefits of alternative fuel and advanced technology vehicles and provide them with strategies that will help them to maximize these benefits. This could include training for vehicle operators, first responders, public safety officers, and construction permitting officials in areas where alternative fuels are being introduced, among other target audiences.

15. **(BAAQMD)** Applicants will provide the specialized training and education necessary to ensure that these vehicles and related fueling equipment are installed, maintained, and operated in a safe and proper manner.

16. **(BAAQMD)** Proposals shall include a public awareness campaign aimed at educating the community in which the applicant is located about the project and its accompanying benefits. If publicly accessible facilities are included, the applicant must provide a marketing plan that includes any incentives and/or promotions to inform and educate the public on the availability and benefits of the fuel(s) being sold. Applicants should be prepared to create reports that identify efficiency improvements, energy cost savings, jobs created or saved, economic improvements, and environmental benefits achieved as result of this project. These reports shall be made available to the public subsequent to review by US DOE.

17. Participants receiving funding are required to display appropriate signage on vehicles and infrastructure stating that they are part of a US DOE Clean Cities Award. For example, application of a Clean Cities Logo to the vehicle and verbiage stating "This Vehicle Powered by [Fuel Type]" would fulfill this requirement. As a courtesy, the Clean Cities program will provide templates and/or appropriate signage.

18. **(BAAQMD)** Applicants should include provisions in their proposal to participate in DOE merit reviews and other forums aimed at ensuring that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties and applicants.

19. **(BAAQMD)** The project team members must be identified and their relevant corporate qualifications must be described. Key project personnel for each participating organization, their role in the project, and their relevant qualifications must be identified. Applicants should also describe the partners' roles in ensuring significant vehicle and fuel usage.

20. Commitment letters from each of the project partners indicating the amount and type of technical and/or financial support being provided to the project, along with affirming their role/commitment to the project, must be included in the application. Commitment letters for each site should be provided. If a proposal includes public infrastructure, a letter indicating that the retailer will continue to sell the alternative fuel for a minimum of three years is desired. Commitment letters should be limited to project partners. Letters of support from other organizations (i.e. not project partners) interested in lending their support to the worthiness of the project will not be considered and should not be included as part of the application.

21. **(BAAQMD)** Applicants shall be limited to State or local governments or a metropolitan transportation authority, or combinations of these, and a designated Clean Cities Coalition in order to apply to the program funding. Designated Clean Cities Coalitions are defined as coalitions that have been officially designated by the US Department of Energy by the date of issue of Modification M003 to this FOA. Any of these four entities may be the lead applicant. The lead applicant must have the ability and resources to manage a project of the magnitude of this area of interest (e.g. must be able to establish contracts, coordinating funding with appropriate accounting systems, coordinate data collection, administrative reporting, etc.). Abilities to lead the project should be detailed in the proposal and accompanying Project Management Plan.

22. **(BAAQMD)** Teaming arrangements are required under this area of interest that include one or more active designated Clean Cities Coalition(s) (http://www.eere.energy.gov/cleancities/progs/coalition_locations.php) and relevant state agencies (e.g. state energy offices) and/or local agencies/organizations/MTAs. Other team members of high interest to the DOE are fuel suppliers, auto dealerships, petroleum retailers, public or private fleets, equipment manufacturers, energy marketers, and energy companies.

23. It is strongly preferred that all project sites be identified in the application and, if fueling infrastructure is included, it is highly recommended that the fuel retailer be identified. However, if this is not possible at the time of application submittal, applicants must identify the methodology and approach to be used to select the sites. In either case, the applicant is to include information on the expected number of project sites and fuel type, anticipated construction completion schedule, estimated monthly fuel sales, and the projected number of alternative fuel and/or advanced technology vehicles that will use each facility. A discussion of licensing and permitting requirements and environmental assessment needs is to be included. A project schedule is to be provided. Proposals that identify specific sites, have necessary permits in hand and include written commitments from actual project partners and fuel suppliers will be ranked higher than those that are speculative (with the intent to pursue potential partnerships and identify candidate sites in the future).

24. Participants receiving funding must make provisions for collecting and reporting to the BAAQMD who is required to report to the DOE certain types of data on a quarterly basis for two years after the vehicle and/or refueling infrastructure deployment is complete. The data to be reported must include the amount and average selling price of each type of alternative fuel sold, dispensed and/or used by project vehicles; estimated vehicle fuel usage and

vehicle miles traveled; etc. If an applicant proposes a project that involves refueling infrastructure for more than one qualified alternative fuel and/or advanced technology vehicle either at the same location or at different locations, the required reporting data must be tracked for each of the alternative fuels separately.

25. Administrative or project management costs are considered allowable as long as these costs are reasonable and directly associated with work being performed under the proposed project.

26. Applicants are cautioned that project sites which require extensive conversion and/or the installation of completely new infrastructure may require additional review and evaluation under the National Environmental Protection Act (NEPA) including an initial Environmental Assessment (roughly estimated to cost $5,000-$10,000) which would be considered a project cost and subject to cost sharing. Applicants proposing such conversion/installation activities should make appropriate consideration of NEPA compliance in all aspects of project planning, scheduling, and costing. In the event that a full Environmental Assessment is required for a specific site, the applicant will be requested to provide specified environmental data relative to that site.

27. For light-duty AFVs, State and alternative fuel provider entities covered by the Energy Policy Act of 1992's Alternative Fuel Transportation Program (10 CFR Part 490) are eligible for funding for only those AFVs in excess of their annual AFV acquisition requirements. Since medium and heavy duty AFVs are not covered by 10 CFR Part 490, state and fuel provider entities are eligible for funding for acquisition of any of those vehicles. Fuel Provider fleets and State fleets covered by EPAct State & Alternative Fuel Provider Program are eligible for infrastructure funding, however extra consideration will be given if the facilities are shared or have open access to multiple fleets and/or accessible to the public. Additionally, Fuel Provider fleets and State fleets covered by EPAct State & Alternative Fuel Provider Program must be in compliance with the EPAct alternative fuel vehicle acquisition rule in order to be eligible to be a project partner and receive funding. Finally, Federal fleets are not eligible for vehicle or infrastructure funding under this Area of Interest.

28. **(BAAQMD)** Applicants for vehicles will be required to complete an "Incremental Cost of Alternative Fuel Vehicles Information" form (Included as an attachment to the FOA) to provide a detailed description of the vehicle information and cost (See Attachment C)

29. **(BAAQMD)** Applicants for infrastructure will be required to complete a "Refueling Infrastructure for Alternative Fuels" form (Included as an attachment to the FOA) to provide a detailed description of the infrastructure site and cost. (See Attachment D).

30. **Participants receiving funding are advised that none of the funds appropriated or otherwise made available by this Act may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States.**

31. **Participants receiving funding are advised that the grant will include a requirement that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to this Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.**

C. If Applicable, Other Eligibility Requirements – (Contact BAAQMD to review prior to May 1, 2009)

Federally Funded Research and Development Center (FFRDC) Contractors.

FFRDC contractors are not eligible for an award under this announcement, but they may be proposed as a team member on another entity's application subject to the following guidelines:

Authorization for non-DOE/NNSA FFRDCs. The Federal agency sponsoring the FFRDC contractor must authorize in writing the use of the FFRDC contractor on the proposed project and this authorization must be submitted with the application. The use of a FFRDC contractor must be consistent with the contractor's authority under its award and must not place the FFRDC contractor in direct competition with the private sector.

Authorization for DOE/NNSA FFRDCs. The cognizant contracting officer for the FFRDC must authorize in writing the use of a DOE/NNSA FFRDC contractor on the proposed project and this authorization must be submitted with the application. The following wording is acceptable for this authorization.

"Authorization is granted for the _____ Laboratory to participate in the proposed project. The work proposed for the laboratory is consistent with or complimentary to the missions of the laboratory, will not adversely

impact execution of the DOE/NNSA assigned programs at the laboratory, and will not place the laboratory in direct competition with the domestic private sector."

Value/Funding. The value of, and funding for, the FFRDC contractor portion of the work will not normally be included in the award to a successful applicant. Usually, DOE/NNSA will fund a DOE/NNSA FFRDC contractor through the DOE field work proposal system and other FFRDC contractors through an interagency agreement with the sponsoring agency.

Cost Share. The applicant's cost share requirement will be based on the total cost of the project, including the applicant's and the FFRDC contractor's portions of the effort.

- FFRDC Contractor Effort:
- The FFRDC contractor effort, in aggregate, shall not exceed 20% of the total estimated cost of the project, including the applicant's and the FFRDC contractor's portions of the effort.

Responsibility. The applicant, if successful, will be the responsible authority regarding the settlement and satisfaction of all contractual and administrative issues, including but not limited to, disputes and claims arising out of any agreement between the applicant and the FFRDC contractor.

Initial Review Prior to a comprehensive merit evaluation, DOE will perform an initial review to determine that (1) the applicant is eligible for an award. (2)the information required by the announcement has been submitted (3) all mandatory requirements are satisfied and (4) the proposed project is responsive to the objectives of the FOA.

Budget for DOE/National Nuclear Security Administration(NNSA) Federally Funded Research and Development Center (FFRDC) Contractor

If a DOE/NNSA FFRDC contractor is to perform a portion of the work, you must provide a DOE Field Work Proposal in accordance with the requirements in DOE Order 412.1 Work Authorization System. This order and the DOE Field Work Proposal form are available at http://management.energy.gov/business_doe/business_forms.htm. Use up to 10 letters of the FFRDC name (plus .pdf) as the file name (e.g., lanl.pdf or anl.pdf), and click on "Add Optional Other Attachment" to attach.

SF-LLL Disclosure of Lobbying Activities

Participants receiving funding must complete form SF- LLL. Applicability: If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the grant/cooperative agreement, you must complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying." http://apply07.grants.gov/apply/opportunities/packages/oppDE-PS26-09NT01236-04.pdf

D. Scoring and Ranking Criteria

DOE will use the following criteria in their scoring and ranking of applications. DOE reserves the right, without qualification, to reject any or all applications received in response to this announcement and to select any application, in whole or in part, as a basis for negotiation and/or award.

Criterion 1: Probability of Project Success based on Technical approach and Work Plan/Statement of Project Objectives (30%)

- Responsiveness and relevance of the application to the programmatic goals and requirements identified in this announcement for this area of interest
- Likelihood of successfully completing the proposed project based on the adequacy and thoroughness of the approach to the proposed work including the technical feasibility, location, number, type, and size of the proposed infrastructure installations, and/or number, type, and size of the proposed AFVs and/or Advanced Technology Vehicles to be purchased and/or converted to successfully meet the project objectives
- Adequacy of the proposed data collection and reporting activities
- As appropriate, the adequacy and reasonableness of the methodology and approach for selecting sites that have not yet been identified
- Degree of public access to the proposed infrastructure installations
- Effectiveness of proposed marketing plan to increase public awareness of alternative fuels/advanced technology vehicles and for offering any incentives for purchasing alternative fuel/advanced technology vehicles

- The willingness of the station owner(s) to display the availability and price of the alternative fuel in a manner similar to its postings for conventional fuels
- Degree that approach develops and strengthens alternative fuel infrastructure on a local and/or regional basis
- Adequacy, reasonableness and soundness of the proposed Project Management Plan including the duration and sequencing of tasks and the scheduling of project milestones and decision points
- Adequacy, appropriateness, and reasonableness of the proposed work and budget distribution among the team members to accomplish the Statement of Project Objectives.

Criterion 2: Probability of Project Success based on Team Expertise and Prior Experience (20%)

- Ability to assemble a team necessary to successfully accomplish the objectives of the proposed project
- Qualifications, expertise, and experience of identified key personnel in areas relevant to the proposed work
- Corporate and individual experience and degree of success achieved in conducting projects of similar scope and nature
- Strength of partnerships and extent of active participation of Clean Cities Coalitions and state and local agencies and/or metropolitan transportation authorities
- Appropriateness of the planned assignment of responsibilities and level of effort among individuals and corporate team members

Criterion 3: Ability to Preserve or create Jobs through Rapid Project Implementation (20%)

- Adequacy of the applicant and/or team resources to successfully complete the proposed work
- Quality and strength of letters documenting technical and/or financial support and /or site availability from all team partners and station owners
- Adequacy of discussion and number of domestic construction, manufacturing, maintenance, service-support, or green work force jobs created or preserved in support of this activity
- Extent of domestic jobs created or preserved in support of this activity
- Ability of the applicant to initiate the project expeditiously.
- Ability of the applicant to identify specific sites, provide proof of necessary permits and include written commitments from actual project partners and fuel suppliers
- Adequacy of the discussion of potential safety compliance rules, best practices and other considerations such as permitting and codes & standards (including plans to coordinate projects with local safety & fire protection officials)
- Adequacy of the discussion of environmental considerations of the proposed project (i.e., licenses, environmental, safety, and construction permits, NEPA)
- Readiness to proceed with the project in terms of readiness for collaboration with required partners, equipment availability, permits and licenses, etc.
- Identification of implementation barriers and "timely" strategies for resolution
- Ability of project to provide skilled labor opportunities after project completion.
- Availability of the necessary vehicles and equipment to carry out the proposed project

Criterion 4: Energy Security and Environmental Benefits from Petroleum Displacement and Emissions Reduction (20%)

- Adequacy of the project to reduce the consumption of petroleum-based fuels and/or maximize the use of alt. fuels
- Reasonableness of the estimated quantity of alternative fuels to be dispensed and/or number of vehicles to be deployed during the operational phase of the project
- Feasibility of the overall proposed approach toward maximizing the amount of petroleum-based fuels displaced and/ or maximizing the use of alternative fuels, taking into consideration the age of any vehicle to be converted and the expected ownership period of the new or converted vehicles
- Reasonableness of the estimated quantity of petroleum fuels that will be displaced over the projected ownership period for each of the proposed vehicles
- Extent to which the project will contribute to a sustainable alternative fuel/advanced technology vehicle market

- Adequacy of plans for continued deployment of alternative fuel infrastructure and advanced technology vehicles beyond the proposed effort
- Probability that the project will lead to market transformation and bring about significant and sustainable use of alt. fuels and advanced technology vehicles. (Applicants should explicitly outline how the project will be expanded beyond the initial scope to lead to greater volumes of petroleum displacement and expanded vehicle use).
- Extent to which the funding for the proposed project will be maintained or expanded after Federal assistance under this part is completed
- Extent of air pollution emissions reduction estimates and reasonableness of calculation method used.

Criterion 5: Project Cost and Cost Share (10%)

- Reasonableness of the cost effectiveness of the project in terms of total number of vehicles and/or infrastructure to be purchased or converted as part of the project
- Reasonableness of the cost effectiveness of the project in terms of total project cost per gallon (or equivalent) of petroleum displaced per year during the operational phase of this project
- Reasonableness of the cost effectiveness of the project in terms of total project cost per gallon (or equivalent) of petroleum displaced per month during the expected period of ownership of the vehicles/infrastructure
- Financial commitment demonstrated by the applicant and/or team partners in providing any cost share for completing project activities

Other Selection Factors

- The Selection Official will consider the following Program Policy factors in the selection process. These factors, while not indicators of the Application's merit, e.g., technical excellence, cost, applicant's ability, etc., may be essential to the process of selecting the application(s) that, individually or collectively, will best achieve the program objectives. Such factors are often beyond the control of the applicant. Applicants should recognize that some very good applications may not receive an award because they do not fit within a mix of projects which maximizes the probability of achieving the DOE's overall research and development objectives. Therefore, the following Program Policy Factors may be used by the Selection Official to assist in determining which of the ranked application(s) shall receive DOE funding support:
- It may be desirable to select projects for award of less technical merit than other projects, if such a selection will optimize use of available funds by allowing more projects to be supported while not being detrimental to the overall objectives of the program.
- It may be desirable to select projects that collectively represent diverse types and sizes of applicant organizations. This includes, but is not limited to, limiting the number of applications selected within a given Area of Interest from one applicant organization.
- It may be desirable to select projects for award that represent a diversity of technology concepts and applications, as well as technical approaches.
- It may be desirable to select projects for award based on the Applicant's past Federal Award performance with respect to its potential effect on accomplishment of portfolio goals.
- It may be desirable to select projects for award with less technical merit than others, if such a selection will contribute to a greater number of employment opportunities in the United States and will not be detrimental to the overall objectives of the program, (only applicable to area of Interest 1-3).
- It may desirable to select projects that represent a broad geographic distribution of project sites.