

Minnesota Diesel Replacement Program

Frequently Asked Questions (FAQ) as of 6-25-18

VW Settlement: Phase 1 School Bus

Questions	Answers
Questions received as of 6-26-18	
Instead of conducting an individual RFP to purchase a bus or buses through this grant program, can a school use a cooperative contract to purchase them?	There are no restrictions on how buses are purchased.
Do replacement buses have to be ordered before application deadline?	This is a reimbursement grant. Applicants who are selected to receive funds will have to sign a grant agreement. After signing the grant agreement, an invoice for the new bus and proof of old bus destruction is required before payment can be made. No payment will be made for buses purchased prior to signature of the grant agreement. See page 2 of the Request for Proposal (RFP).
Once the grant is awarded, is there a timeline for when the new bus must be purchased (within 2 years for example)? We are wondering for budgeting purposes.	These will be 2-year grant agreements. All buses must be purchased prior to the grant agreement expiration date. No payment will be made for buses purchased prior to signature of the grant agreement.
I had a school district ask me if they are not in the 40% free and reduced lunch should they still bother to fill out the application. It appears that school district may be eligible just maybe for not as much as if you are a 40% free and reduced lunch???	Yes. All districts are eligible to apply. Districts that have at least 40% of the students eligible to receive free or reduced lunch can apply for \$20,000 per bus, everyone else can apply for \$15,000 per bus.
The Transportation Director and I are working on the grant and we are wondering what defines benefit for people with disability? Does the bus have to have a wheelchair lift? We have students who ride our regular buses too who have a disability. We also have group homes located in route areas. Looking for clarification to answer number 6 of Environmental Justice Information.	The bus does not have to have a wheelchair ramp to answer "yes" to this question. If the new bus will carry or otherwise serve people with disabilities you may answer "yes" and provide your written explanation of how the bus will benefit that community.
Can you use the funds for a lease to own program or does it need to be an outright purchase of the bus?	This grant is for purchase reimbursement.
I have a question regarding the 2018 VW Settlement: Phase 1 School Bus Grant Program. How long will awardees have to deploy new vehicles funded through this program? Is there a deadline for deployment?	These will be 2-year grant agreements. All buses must be purchased prior to the grant agreement expiration date. No payment will be made for buses purchased prior to signature of the grant agreement.

I just checked with the Dept. of Ed. our F and R is at 51.75% for last year, yet we are not on your list of schools? Please explain.	We will use the information provided to us by the Minnesota Department of Education to verify if a school district is eligible for the additional grant amount. All Fixed and Reduced lunch determinations will be based on school district percentages, not individual school percentages.
Could you give an example of the scoring?	Please see page 9 of the RFP for scoring information.
Why do the old buses have to be destroyed?	This program was set up by the federal government due to diesel tampering by VW which resulted in increased NOx pollution. All old buses must be destroyed under this program to reduce overall emissions of NOx.
Questions received since 6-14-18	
Can districts apply if they do not have at least 40% of their students eligible for free or reduced lunch?	Yes. All districts are eligible to apply. Districts that have at least 40% of the students eligible to receive free or reduced lunch can apply for \$20,000 per bus, everyone else can apply for \$15,000 per bus.
Do we need to buy 2018 or newer model year buses to replace the old diesel bus?	Yes. All buses purchased with any VW funds must be 2018 or newer.
If my school districts is not on the list of districts that have 40% or more of their students eligible for free or reduced lunch but I know that my district has more than 40% of their students eligible, can we apply for the \$20,000?	We will use the information provided to us by the Minnesota Department of Education to verify if a school district is eligible for the additional grant amount.
Questions from Training on 6-13-18	
What comes first, the grant or ordering the bus?	This is a reimbursement grant. Applicants who are selected to receive funds will have to sign a grant agreement. After signing the grant agreement, an invoice for the new bus and proof of old bus destruction is required before payment can be made. No payment will be made for buses purchased prior to signature of the grant agreement. See page 2 of the Request for Proposal (RFP).
As a contractor, should I apply for each company separately, or all on one application?	Contractors must submit one application per contractor. Therefore, all bus replacement projects must be on the same application. See page 2 of the RFP.
Is the grant all or nothing so you get the full amount or nothing?	Yes. Selected applicants will receive either \$15,000 or \$20,000 per bus.
If we apply are we obligated at that point or if we are approved can we change our mind and decide not to buy the new bus this year?	You may cancel your grant agreement any time prior to reimbursement. To receive the funds you must purchase your bus within the timeframe agreed in the grant agreement (2 years).
Is this something where we have a list of buses, you want to see every possible bus that we want to apply up front, or do you want us to hold off on some for future years?	You can apply for as many buses you want this year.

Are there extra points given to rural over the 40% free and reduced lunch schools?	No extra points are assigned in the application process for school districts with 40% or more students eligible for free or reduced lunch. The only advantage to the 40% free and reduced lunch school districts is the additional grant amount, (\$20,000 instead of \$15,000).
Will there be a user log-in followed by several days to submit prior to July 19 or do we need to submit it all at one time?	No. Applications are submitted by email so there is no user log-in required. All documents should be submitted at one time.
Does it need to be both 1,000 gallons per year and not scheduled for replacement for 3 years?	Yes, buses must meet both of those requirements. See page 3 of the RFP.
Is there a timeframe for when the buses need to be purchased?	These will be 2-year grant agreements. All buses must be purchased prior to the grant agreement expiration date.
Will the health criteria scoring results be released by county/zip code before the due date?	No. We are not going to release any scoring results until all projects are evaluated.
What does it cost to destroy a bus and where would the bus get disposed?	There are a variety of disposal options, including recycling. Costs will vary depending on process chosen.
Are you able to replace a Type A small bus with a Type C large bus?	Yes. You can replace a Type A with a Type C school bus.
When will operators be notified after the July 19 th deadline?	Within 45 days of RFP closing.
Why do old buses have to be destroyed?	This program was set up by the federal government due to diesel tampering by VW which resulted in increased NOx pollution. All old buses must be destroyed under this program to reduce overall emissions of NOx.
What verification process do you use for the 3 year remaining life requirement?	Stating your miles driven, fuel use, and age for each bus is the verification we will use.
Questions as of 6-07-18	
General	
How much money is available under this grant opportunity?	There is a total of \$2,115,000 available for school bus replacement under this grant opportunity.
How much money is available for each bus?	You can apply for \$15,000 or \$20,000 for each bus you intend to replace, depending on where those buses are operating.
How do you decide how much you can apply for?	All buses operating in school districts where at least 40% of the students are eligible to receive a free or reduced-cost lunch will be eligible for the larger amount. You can find a list of those school districts bus webpage .
Are there any match requirements?	The bus owner is responsible for all costs beyond the grant amount. There are no specific restrictions on where those additional funds come from under this grant program.
If my application is selected for funding, when will I receive the funds?	This grant is a reimbursement grant. Once you purchase your bus or buses, you will be able to submit your invoices to the Minnesota Pollution Control Agency (MPCA) as explained in your grant agreement, and you will be reimbursed the amount of your grant.

What is the RFP?	The RFP is the Request for Proposal.
What is the difference between the RFP and the application?	The RFP is a document that explains the eligibility and criteria; the application is two pages that the bus owner or their representative would fill out if they are applying for a grant.
Is there a limit to the number of buses I can apply for under this grant?	No. You may apply to replace as many buses as you have that meet the requirements laid out in the RFP.
Will all buses within a single application be awarded grants?	Not necessarily. All buses will be evaluated individually, and ranked according to their cumulative score. Awards will be for each bus beginning with the highest ranked bus, regardless of how many buses were included in any one application.
What is a contractor?	For this grant, a contractor is any individual, group, company, or non-profit that applies for grants as a representative of at least three bus owners.
How will contractors be paid?	Each application includes an amount for the bus replacement, as well as an amount for any contractor, if applicable. In applications involving a contractor, the amount the contractor is asking for will be divided by the number of buses they are applying for, and the amount paid to the contractor will depend on the number of buses awarded under their application.
Is this the only school bus grant opportunity under the VW Settlement Program?	Not necessarily. The MPCA has only developed a plan for the first of three phases of VW funding. There may be opportunities to apply for school bus replacements in future phases of VW settlement funding. Additionally, if the MPCA does not receive sufficient applications to use all the funds available in this grant round, additional grant rounds may be opened during this phase.
Will there be any training available to answer questions and to help fill out the grant applications?	Yes. The MPCA intends to hold a one-hour training session on June 13, at 1:30 pm. This training will be available in person, through the internet, or via telephone. More information about the upcoming training is available on the MPCA VW website (www.pca.state.mn.us/vw).
Existing bus to be replaced	
Are all school buses eligible for replacement under this grant?	Only diesel school buses that are model year 1992-2009 are eligible for replacement under this grant.
What does “remaining life” mean?	Remaining life is an estimate of how many years the school bus would still be on the road if you didn’t replace it with this grant money. All school buses must have at least 3 years of remaining life to be eligible for this grant.
What does “actual miles in the last 12 months” mean?	This is the number of miles the old school bus operated in the previous 12 months. This information is used to calculate the overall emission reductions anticipated when replacing this bus with a new one.
What does “actual fuel used in the last 12 months” mean?	This is the number of gallons of diesel fuel the old bus used in the previous 12 months. This information is used to calculate the overall emissions reductions anticipated when replacing this bus with a new one.

What does “ZIP code of primary operation” mean?	This is where the new bus will primarily be operating. This information is used to help determine where air quality and health benefits from replacing the old bus will be experienced most directly. Here is a map of all the ZIP codes in Minnesota: http://mpca.maps.arcgis.com/apps/webappviewer/index.html?id=15c20fcc760c42e1b627f437754acb7
Do I need to “scrap” the old bus?	Yes. All old buses being replaced with new buses under this grant must be taken off of the road and scrapped. The bus engine must be destroyed by cutting a 3” hole in the engine block and the bus chassis must be cut in half at the frame to insure this high-polluting vehicle is not put back on the road in the future.
May I use any parts of the old bus once it is scrapped?	Yes. You may remove and reuse any component not related to the engine, exhaust or pollution control equipment. You may reuse things like tires, wheels, seats, ramps, etc.
New bus	
What does “anticipated fuel type of the new bus” mean?	New buses can be diesel, hybrid, propane, natural gas, or electric. The MPCA will use the new bus fuel type to help calculate the overall emissions reduction that will be achieved by removing the old diesel bus and replacing it with a new bus.
What does “anticipated miles for the next 12 months” mean?	This is the miles you anticipate your new bus to travel in the 12 months after you put it on the road. This information is used to calculate the overall emission reductions anticipated when replacing the old bus with this new one.
Criteria	
What are the evaluation criteria?	NOTE: A more detailed explanation of evaluation criteria can be found on the bus webpage . The evaluation criteria are a specific set of guidelines that will be used to evaluate all bus projects. All buses will be ranked according to their individual evaluation score, and the top scoring buses will be funded with this grant.
What is Environmental Justice and how is it used to evaluate projects?	The principle of Environmental Justice is to ensure that pollution does not have a disproportionate impact on any group of people. The MPCA uses mapping tools to identify areas of concern for Environmental Justice in Minnesota. Learn more about Environmental Justice on the MPCA’s webpage: www.pca.state.mn.us/ej . All applications will be evaluated for their environmental justice impact.
How are the health effects of diesel pollution considered in evaluating projects?	The MPCA worked with the Minnesota Department of Health to identify areas of the state that are disproportionately affected by the adverse effects of air pollution. All applications will be evaluated for their benefits in these areas.