

Blue Skyways Collaborative and CenSARA Request For Proposals (RFP)

****Deadline Extended****

Agency Name: The Central States Air Resource Agencies Association.

Funding Opportunity Name: Blue Skyways Collaborative Subawards

Announcement Type: Initial Solicitation

Summary Eligibility Information; Activities and Entities Eligible for Funding: Only States/Locals/Tribes, etc. eligible for CAA '105 funding will be considered for funding. (See Section III. Eligibility Information on page 6 of this announcement for more specific information).

Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act Section 103. Submittals must be for "research, investigations, experiments, demonstrations*, surveys, and studies." Proposals must somehow generate new knowledge that is useful for the states/locals in implementing their responsibilities under the Clean Air Act. (See Section III. Eligibility Information on page 6 of this announcement for more specific information.)

Closing Date: All applications must be submitted electronically by *Deadline Extended* to May 2, 2008, at 6:00 pm, CT. If an applicant cannot submit an electronic application, please contact Kathryn Burke (405-378-7377) for alternative submission methods.

Overview

Air quality is a major concern in the Blue Skyways Collaborative area (AR, IA, KS, LA, MN, MO, NE, NM, OK, and TX) and reducing emissions is one of the most important challenges facing us. The Collaborative is striving for cleaner air by promoting emission reductions related to non-road and agricultural equipment; on-road vehicles; fuels; air, water and rail ports; and energy efficiency/renewable energy.

Diesel emissions account for 6.3 million tons of Nitrogen Oxides (NO_x) and 305,000 tons of Particulate Matter (PM) in the national mobile emissions inventory (2004). The emissions are from a variety of onroad and nonroad vehicles, such as those used in freight, ports, transit, construction and agriculture.

Even with more stringent heavy-duty highway and nonroad engine standards set to take effect over the next decade, millions of diesel engines already in use will continue to emit large amounts of nitrogen oxides, particulate matter and air toxics, which contribute to serious public health problems. Exposure to diesel exhaust can cause lung damage, trigger respiratory problems, exacerbate asthma and existing allergies, and it can be correlated to premature mortality and other acute and chronic health effects. Long term exposure is thought to increase the risk of lung cancer. Children and the elderly are at higher risk for health problems.

Of the 51 million people living in the Blue Skyways 10-state area today, 49.6 million live within 10 miles of a railroad, 4.4 million live within 10 miles of a water port, 38.7 million live within 10 miles of an interstate and 16.3 million live within 10 miles of an airport.

Traffic and pollution in the Collaborative area are expected to increase dramatically. This growth increases the potential for negative health impacts resulting from human exposure to air pollutants. The Collaborative promotes voluntary emissions reductions that will have a positive impact on air quality and health in the Blue Skyways region. For this reason, the Blue Skyways Collaborative/CenSARA is soliciting proposals on a competitive basis for emission reduction research, investigations, experiments, demonstrations, surveys, and studies within the 10-state

*The Office of General Counsel has determined that "demonstrations generally must involve new or experimental technologies, methods, or approaches, where the results of the project will be disseminated so that others can benefit from the knowledge gained in the demonstrations project. A project that is accomplished through the performance of routine, traditional or established practices, or a project that is simply intended to carry out a task rather than transfer information or advance the state of knowledge, however worthwhile the project might be, is NOT a demonstration.

region including Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, New Mexico, Oklahoma and Texas.

Funds will be awarded pursuant to Section 103 of the Clean Air Act, 42 U.S.C §7403. Funding will be in the form of subawards for innovative projects that reduce diesel emissions and protect human health and the environment.

For a more detailed overview of the Blue Skyways Collaborative, please see www.blueskyways.org.

Important Dates:

Announcement Posting: February 15, 2008

Proposal Due **Deadline Extended**** to:** May 2, 2008

Applicant Notification - Also Extended: May 30, 2008

Final Award: August 1, 2008

The above dates (other than the proposal submission due date) are anticipated dates and may be subject to change.

Contents of Full Text Announcement

- I. Funding Opportunity Description
- II. Award Information
- III. Eligibility Information
- IV. Application Information
- V. Application Review Information
- VI. Award Administration Information
- VII. Contacts
- VIII. Other Information

**CenSARA/ Blue Skyways Collaborative
Request for Proposals (RFP)
Full Text of Announcement**

I. Funding Opportunity Description

A. Summary

The Blue Skyways Collaborative is announcing the availability of funding assistance for emission reduction research, investigations, experiments, demonstrations, surveys, and studies that will demonstrate effective emissions reductions in the Blue Skyways 10-state region (Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, New Mexico, Oklahoma and Texas). Funding will be in the form of subawards.

On-road and Non-road projects may include, but are not limited to, innovative approaches to a variety of diesel emissions reductions solutions such as: add-on pollution control technology, vehicle replacement, engine replacement, idle reduction technologies or strategies, or cleaner burning fuel use. Cleaner burning fuel use may include, but is not limited to, renewable fuel types such as biodiesel, alternative fuels, and early introduction of low or ultra-low sulfur diesel for non-road applications. Funding available under this RFP may be used to cover the cost differential between the clean fuel and diesel fuel.

Non-road projects may include, but are not limited to: determination of baseline emissions for idle versus work time of various equipment; testing lubricity properties of fuels; providing cost analysis and environmental benefits of retrofits, re-powers and/or replacements; test fuels in construction equipment.

On-Road projects may include but are not limited to: testing new technologies such as hybrid electric, hydraulic assist and hydraulic hybrid; conducting a trucking inventory; feasibility studies to address locally-committed diesel traffic; conduct evaluation of Particulate Matter and/or Nitrogen Oxides mechanical traps, filters, etc.

Fuels projects may include, but are not limited to, a variety of studies including: research to establish Nitrous Oxide (NO_x) levels in biodiesel, addressing biodiesel fuel quality.

Energy projects may include, but are not limited to: feasibility studies of truck stop electrification using totally renewable power; benefits of replacing diesel-powered generators with hydrogen fuel cells; feasibility studies of alternatively-fueled/renewable-powered remote power systems;

Air/Water/Rail Projects may include, but are not limited to: designing and demonstrating the effect of lightering and barge emissions in the Gulf of Mexico; conduct a survey of the age, condition and location of locomotives. Air/Water/Rail projects also can include the reduction of diesel emissions from ships and/or equipment used at the ports.

As part of the Blue Skyways Collaborative, projects will demonstrate effective emissions reductions through a variety of strategies, including but not limited to, emissions control technologies, vehicle and engine replacement, cleaner burning fuels and idling reduction strategies.

Any funds used for emissions reduction equipment or engines under this announcement must be used for either verified emissions reduction equipment and/or certified engine configurations under EPA or the California Air Resources Board. Technologies that EPA has verified are listed on EPA's Verified Technologies List, which may be found at <http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm>. CARB listed technologies may be found at <http://www.arb.ca.gov/diesel/verdev/verdev.htm>.

B. Alignment with EPA's Strategic Plan

All proposals must support Goal 1 of EPA's 2003-2008 Strategic Plan, Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air, which states, "Through 2010...[EPA will]...protect human health and the environment by attaining and maintaining health-based air quality standards and reducing the risk from toxic air pollutants." (www.epa.gov/ocfo/plan/2003sp.pdf).

Projects funded under this RFP must lead to reduced emissions, thereby reducing local and regional air pollution.

C. Statutory Authority

The Blue Skyways Collaborative and CenSARA grants are awarded under the statutory authority of Section 103 of the Clean Air Act, 42 U.S.C §7403. Awards under Section 103 are limited to supporting short-term projects aimed at conducting and promoting research, investigations, experiments, demonstrations, surveys, and studies relating to the causes, effects (including health and welfare effects), extent, prevention, and control of air pollution. While it is true that the Section 103 authority is intended for short-term, discreet projects, it does preclude those short-term projects whose primary purpose is to implement the Clean Air Act mandate to improve air quality, i.e., in the case of this competitive announcement, emission reductions. Implementation projects are funded under a different authority.

Therefore, any subawards made under the Blue Skyways Collaborative competition by CenSARA must have as their primary purpose the creation of new knowledge through research, investigations, experiments, demonstrations, surveys, or studies, knowledge that will be useful to the States/Locals/Tribes in the Blue Skyways region as they implement their responsibilities under the Clean Air Act. Subawards may not be made to projects that are not authorized under Section 103 of the Clean Air Act.

D. Measuring Environmental Results: Outputs and Outcomes

Funding for all subawards under this announcement originates from an EPA cooperative agreement with CenSARA, in representation of the Blue Skyways Collaborative. As a result, all subawards must comply with the same requirements as the original award. Pursuant to EPA Order 5700.7, "Environmental Results under EPA Assistance Agreements," EPA requires that all assistance agreement recipients adequately address environmental outputs and outcomes. Outputs and outcomes differ both in their nature, and in how they are measured.

- 1. Outputs:** The term "output" means an environmental activity, effort and/or associated products related to an environmental goal and objective that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period. Proposals must include a description of how assistance agreement recipients will track progress towards the environmental goal throughout the project period.

Expected outputs from the projects to be funded under this solicitation may include but are not limited to the following: number of retrofitted engines/vehicles/equipment, annual pounds or tons of fine particulate matter, nitrogen oxides, greenhouse gases and/or volatile organic compound reduced and cost effectiveness of project (in \$/ton or \$/lb).

- To estimate some of the anticipated outputs of your proposal, (e.g. pollution reduced), EPA encourages you to use the Diesel Emissions Quantifier found at <http://cfpub.epa.gov/quantifier>.
 - Another tool is the National Mobile Inventory Model (<http://www.epa.gov/otaq/nmim.htm>). This tool must be used for State Implementation Plan calculations. For technical assistance regarding this tool, please contact EPA directly at the following email address: mobile@epa.gov.
 - If you are unable to use these models, please describe your methodology for estimating or measuring outputs in detail.
- 2. Outcomes:** The term "outcome" means the result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be environmental, behavioral, health-related (health benefits achieved may be measured by numbers of illnesses, health care costs, or missed work/school days avoided) or programmatic in nature, but

must be quantitative. They may not necessarily be achievable within an assistance agreement funding period. Proposals must include a description of project outcomes resulting from the project outputs.

Expected outcomes from projects funded under this solicitation may include but are not limited to the following:

- Short term outcomes such as increased understanding of the environmental or economic effectiveness of the demonstrated technology; dissemination of the increased knowledge via list serves, websites, journals, and outreach events; and fine-tuned and improved use of the demonstrated technology.
- Medium term outcomes such as widespread adoption of the demonstrated technology in the Blue Skyways region; documented emissions reductions from these and other sources of diesel emissions; or acceptance of new technology by users and manufacturers.
- Long term outcomes such as reductions in the number of children with asthma or documented improved ambient air quality.

II. Award Information

A. Amount of Funding Available

CenSARA anticipates awarding in the name of the Blue Skyways Collaborative a total of approximately \$200,000 under this announcement. The number of cooperative agreements the Collaborative will fund as a result of this announcement will be based on the quality of the project proposals received and the availability of funding. CenSARA anticipates awarding approximately 1-4 subawards under this announcement.

B. Funding Type

The funding for selected projects will be in the form of a subaward. The term “subaward” means an award of financial assistance (money or property) made under an EPA grant or cooperative agreement by a recipient to an eligible subrecipient or by a subrecipient to a lower tier subrecipient. The term includes financial assistance when provided by any written legal agreement, but does not include procurement purchases, nor does it include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Also, the term does not include assistance, such as a fellowship or other lump sum award, which is excluded from the definition of “award” under EPA’s grant regulations (see 40 CFR 30.2(ff) and 40 CFR 31.3).

C. Start Date/Project Duration

All projects should have an anticipated start date of August 1, 2008. The cooperative agreements funded under this program will have a 1-2 year project period. It is expected that projects will be completed by December 31, 2009.

D. Additional Funding Information

Funding for these projects is not guaranteed and is subject to the availability of funds and the evaluation of proposals based on the criteria in this announcement. In appropriate circumstances, CenSARA, in the name of the Blue Skyways Collaborative, reserves the right to partially fund proposals by funding discrete portions or phases of proposed projects. If CenSARA decides to partially fund a proposal, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the proposal, or portion thereof, was evaluated and selected for award, and therefore maintains the integrity of the competition and selection process. Award of funding through this year’s competition is not a guarantee of future funding.

The Blue Skyways Collaborative, through CenSARA, reserves the right to make additional awards under this announcement (after the original award selections are made) if additional funding becomes available. Any additional selections for awards will be made no later than 6 months after the original selection decisions. The additional selections must be made in accordance with the terms of this announcement and the appropriate EPA policy.

The Collaborative reserves the right to reject all applications and make no awards under this announcement.

E. Partnerships

CenSARA, in the name of the Blue Skyways Collaborative, awards funds to one eligible applicant as the “recipient” even if other eligible applicants are named as “partners” or “co-applicants” or members of a “coalition” or “consortium”. The recipient is accountable to Blue Skyways for the proper expenditure of funds.

Funding may be used to provide subgrants or subawards of financial assistance to fund partnerships provided the recipient complies with applicable requirements for subawards or subgrants including those contained in 40 CFR Part 31, as appropriate.

Successful applicants must compete contracts for services and products and conduct cost and price analyses to the extent required by the procurement provisions of the regulations cited above. The regulations also contain limitations on consultant compensation. Applicants are not required to identify contractors or consultants in their proposal. Moreover, the fact that a successful applicant has named a specific contractor or consultant in the proposal Blue Skyways approves does not relieve the applicant of its obligations to comply with competitive procurement requirements. Please note that applicants may not award sole source contracts to consulting, engineering or other firms assisting applicants with the proposal based on the firm’s role in preparing the proposal.

Successful applicants cannot use Subgrants or subawards to avoid requirements in EPA grant regulations for competitive procurement by using these instruments to acquire commercial services or products from for-profit organizations to carry out its assistance agreement. The nature of the transaction between the recipient and the subawardee or subgrantee must be consistent with the standards for distinguishing between vendor transactions and subrecipient assistance under Subpart B Section .210 of OMB Circular A-133, and the definitions of “subaward” at 40 CFR 30.2(ff) or “subgrant” at 40 CFR 31.3, as applicable. Neither CenSARA nor the Blue Skyways Collaborative will be a party to these transactions.

III. Eligibility Information

A. Eligible Entities

Due to the restrictions inherent to CenSARA’s original award from EPA, only proposals from States, local governments, territories, Indian Tribes, and possessions of the U.S. that are current or past recipients of a CAA ‘ 105 award, or have been designated by their respective governor as the entity responsible for the respective Implementation Plan will be considered eligible for award under this announcement.

B. Funding Restrictions and Requirements

Matching/Leveraged Resources: There is no applicant requirement for matching contributions. However, please note that voluntary matching and leveraged funds will be considered as an evaluation criterion during the selection process. Applicants can also include written commitments for leveraged funds from other organizations. The matching contribution may be provided in the form of cash or an “in-kind” contribution. An in-kind contribution is the reasonable value of property and services which benefit the project. In-kind contributions may not include costs that would normally be incurred by the applicant during routine operation (e.g. normal fuel costs for a fleet). They may, however, include costs specifically incurred from the project (e.g. cost differential between normal fuel used for the fleet and cleaner fuel proposed in the project). Additional information on voluntary matching funds and leveraged funds is described below:

Voluntary Matches: A recipient is legally obligated to come up with any voluntary matching share for the project that is included in the approved project budget. This match must be met by eligible and allowable costs and is subject to the match provisions in the assistance agreement regulations. A recipient who fails to provide any voluntary matching share that is included in the approved project budget is in breach of the assistance agreement and CenSARA can take the appropriate actions authorized by the assistance agreement regulations.

Leveraged funds: In contrast to voluntary matches, leveraged funds are not included in the approved budget for the project. Costs for leveraged funds need not be eligible and allowable. The Blue Skyways Collaborative expects our funds to generate additional resources but the recipient does not breach the agreement if the expected funds do not

materialize. Blue Skyways Collaborative can evaluate the strength of the leveraging commitment and award points based on that evaluation. If an applicant proposes some form of leveraging and is evaluated on it, but then does not come through with the leveraging they proposed, that could affect how they are evaluated under future competitions that include the programmatic capability criterion and/or other past performance related criteria.

Recipients are required to maintain documentation of all matches, especially in-kind matches. For example, if a recipient is providing one half-time employee, that person must keep a log of time spent working on the project.

C. Eligibility Screening Requirements: Threshold Criteria

In addition to the applicant eligibility criteria in Section A, proposals must also meet the threshold criteria. Failure to meet any of the following criteria in the proposal will result in the automatic disqualification of the proposal for funding consideration. Ineligible applicants will be notified within 15 days of the finding that the applicant was not eligible for award consideration based on the threshold criteria.

1. All projects must be located in one or more of the following geographic areas of US EPA Region 6 - Arkansas, Louisiana, New Mexico, Oklahoma and Texas, Region 7 - Iowa, Kansas, Missouri and Nebraska, and Region 5 Minnesota, including Tribal lands belonging to the federally recognized tribes in these regions.
2. Proposals must not be used for the purposes of routine program implementation, implementation of routine environmental protection or restoration measures, meeting any legal mandate (such as federal, state or local regulations or settlement agreements), land acquisition, purchase of vehicles, or completion of work which was to have been completed under a prior grant or cooperative agreement.
3. Proposals must substantially comply with the submission instructions and requirements set forth in this announcement or else they will be rejected. However, where a page limit is expressed in Section IV with respect to the proposal and/or parts of the proposal, pages in excess of the page limitation will not be reviewed. Proposals must be received via email to kburke@blueskyways.org, or by another previously approved method (see Section IV, C. Submission Requirements), on or before the closing date and time of this announcement. Proposals received after the published closing date and time will be returned to the sender without further consideration. A confirmation email will be sent for each submitted proposal; a confirmation is the only way to guarantee the proposal was submitted on time.
4. Proposals in which the applicant is requesting assistance funds in excess of \$200,000 or below \$50,000 will not be reviewed.
5. All technologies, such as diesel oxidation catalysts and diesel particulate filters, must be verified through EPA or the California Air Resources Board (CARB). If there is no verified retrofit device for a specific application, a retrofit device verified for another application may be used. For example, if there are no verified diesel particulate filters for a given horsepower range for a non-road piece of equipment, a verified on-road device may be used. In cases where an applicant would like to use EPA verified technologies in applications that have not yet been verified, applicants should discuss or explain the reasoning used to determine that the technology will function properly in this application and their rationale for any estimated emissions reductions.

Technologies that EPA has verified are listed on EPA's Verified Technologies List (<http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm>). CARB listed technologies may be found at: <http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm>.

IV. Application Information

A. General

The Statement of Work, or work plan, must be limited to 5 pages, excluding a cover page. Attachments will not

count toward the 5 page limit. All applications must be formatted for 8 ½" x 11" paper using no smaller than 11 point Times New Roman font with 1" margins as one Microsoft Word or Adobe Acrobat file.

Closing Date and time: ****Deadline Extended**** to May 2, 6:00 pm, Central Time.

All applications must be submitted electronically.

If an applicant cannot submit an electronic application, they must contact Kathryn Burke (405-378-7377) for alternative submission methods.

B. Applications

Applicants must follow these instructions carefully and submit all documents and forms on appropriate due dates. The following application materials are required:

1. Application Form: The application form is the one-page form based on the Standard Form (SF)-424, Application for Federal Assistance. It is available for download from www.blueskyways.org. The form requires general information about the applicant and proposed project. It asks for the estimated funding amount for the entire project, including requested Blue Skyways Collaborative funds, any proposed matching funds and the source of these funds, project start and end dates, and primary contacts. Please note that matching funds are different than leveraged funds. (See discussion of matching and leveraged funds above).

2. Work Plans and Attachments: The Statement of Work, also called a work plan or narrative, is an important requirement of all grant applications. The Statement of Work must include the following:

- a. An air quality description of the area served by the project;
- b. A project description, including:
 - A description of the innovative approach(es) or technology that qualify the project for funding under the CAA '103 authority.
 - Any certified engine configurations, verified technologies, or emerging technologies to be used or funded by the eligible entity;
 - The means by which the project will achieve a significant reduction in emissions;
- c. An evaluation of the quantifiable and unquantifiable emissions reduction benefits from the proposed project (grant applicants can use the Diesel Emissions Quantifier tool found at the National Clean Diesel Campaign website at: <http://cfpub.epa.gov/quantifier/view/index.cfm>);
- d. An estimate of proposed project costs;
- e. A description of the age and expected lifetime of the equipment used or funded by the eligible entity;
- f. Provisions for the monitoring and verification of the project;
- g. Other information that may be relevant to the review process, such as partnerships, sustainability, environmental justice impacts, past performance and programmatic capability.

Attachments: The following section should be included as attachments to the work plan and will not count as part of the page limit. There is no page limit for this attachment.

- a. Budget: Please provide a detailed budget and a budget narrative.

C. Submission Requirements

The electronic submission of your proposal/application must be made by an official representative of your institution who is authorized to sign applications.

If an applicant cannot submit an electronic application, please contact Kathryn Burke (405-378-7377) for alternative submission methods.

D. Confidential Business Information

1. In accordance with 40 CFR 2.203, applicants may claim all or a portion of their application/proposal as confidential business information. Blue Skyways Collaborative will evaluate confidentiality claims in accordance with 40 CFR Part 2.

2. Applicants must clearly mark applications/proposals or portions of applications/proposals they claim as confidential. If no claim of confidentiality is made, Blue Skyways Collaborative is not required to make the inquiry to the applicant otherwise required by 40 CFR 2.204(c) (2) prior to disclosure. It is recommended that confidential business information not be included in your proposal.

E. Proposal/Application Communications and Assistance

In accordance with our obligation to comply with EPA grant policies and regulations, Blue Skyways Collaborative staff will not meet with individual applicants to discuss draft proposals, provide informal comments on draft proposals, or provide advice to applicants on how to respond to ranking criteria (EPA Order 5700.5A1).

Applicants are responsible for the contents of their applications. However, Blue Skyways Collaborative will respond to questions in writing (to kburke@blueskyways.org) from individual applicants regarding threshold eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement. Please type "Blue Skyways RFP question" in the subject line of your email. All questions and answers will be posted on the website (www.blueskyways.org) no later than 5 business days after they are received.

F. Funding Restrictions

Blue Skyways Collaborative funds may only be used for the purposes set forth in the assistance agreement, and must be consistent with the statutory authority for the award. Assistance agreement funds may not be used for matching funds for other federal grants, lobbying, or intervention in Federal regulatory or adjudicatory proceedings, and may not be used to sue the Federal government or any other government entity.

Any modifications to the work plan that require changes in the budget will be negotiated. No changes that affect the conditions of the competition will be accepted.

Successful applicants must use a competitive process for obtaining contracts for services and products and conduct cost and price analyses to the extent required by federal, state or local procurement requirements. All contracts and the purchase of supplies and equipment must be conducted in a manner providing free and open competition, to the maximum extent practicable. As such, applicants should refrain from mentioning specific technology producers in their proposals unless they are sole source providers.

Applicants must ensure that the costs of proposed activities are allowable according to Office of Management and Budget (OMB) Circulars A-87 "Allowable Costs." This should be reviewed in conjunction with 40 CFR Parts 31 and 35. OMB defines allowable costs as those costs that are "eligible, reasonable, necessary, and allocable." For a cost to be eligible, the cost must not be prohibited by the statute, and must be incurred during the budget period. Additionally, costs should be judged in context to determine that they are reasonable and necessary and detailed budgets must include appropriate budget categories and funds must be allocated appropriately. Recipients need to ensure that proper documentation is in the file to meet the procurement regulation requirement in 40 CFR Part 31 and or State procurement rules. All grant expenditures are subject to audit for the final determination of allowability of costs.

V. Proposal Review Information

Each eligible proposal will be evaluated according to the criteria set forth below. Applicants should directly and explicitly address these criteria as part of their proposal submittal. Each proposal will be rated under a points system, with a total of 100 points possible.

A. Selection Criteria

1. Sufficient level of detail and completeness: 5 pts. Applications must contain all the required information, signatures, and attachments. The budget figures and work plan, as well as all other documents in the application package, should be consistent. The work plan should explain the applicant's planned activities and should provide detailed cost estimates.

2. Eligible Projects and Use of Funds: 15 pts. Extent to which project is short-term and aimed at conducting and promoting research, investigations, experiments, demonstrations*, surveys, and studies relating to the causes, effects (including health and welfare effects), extent, prevention and control of air pollution.

3. Practical Application: 10 pts. Under this criterion, applicants will be evaluated on the extent to which an application proposes a project that funds the cost of : A) a retrofit technology (including any incremental costs of a repowered or new diesel engine) that significantly reduces emissions through development and implementation of a certified engine configuration, verified technology, or emerging technology for a diesel vehicle; B) programs or projects to reduce long-duration idling; or C) cleaner burning fuels. The innovativeness of the proposed approach and/or the technology will be evaluated as well.

3. Environmentally Significant Outputs and Quantifiable Outcomes: 20 pts. Under this criterion, applicants will be evaluated on the degree to which the project: a) has a clearly defined goal or objective purpose that will result in substantial immediate as well as future estimated emissions reductions; b) improves public health; and c) is cost-effective.

Applicants should provide quantitative estimates of emission reductions, fuel savings, and public health benefits. If quantitative estimates are not possible, a qualitative description should be provided. Applicants will also be evaluated on the degree to which they have provided an evaluative component and system for tracking progress towards achieving the outputs and outcomes of the project.

Note: For examples of cost effectiveness calculations, see EPA's report on the cost effectiveness of diesel retrofit technology at <http://www.epa.gov/cleandiesel/documents/420s06002.pdf>. See Section I, Part E, #1 for an explanation of how to quantify emission reductions.

4. Coherent Plan for Project: 15 pts. Under this criterion, applicants will be evaluated on the degree to which the project plan shows a logical path for successful completion, including a reasonable timeline, technology applicability, and a way to track and measure the project's progress toward achieving the expected outputs and outcomes identified in Section I of the announcement.

5. Partners and Leveraged Resources: 15 pts. Under this criteria, applicants will be evaluated based on the extent they demonstrate (i) how they will coordinate the use of Blue Skyways Collaborative funding with other sources of funds from partners to leverage additional resources to carry out the proposed project(s) and/or (ii) that Blue Skyways funding will complement activities relevant to the proposed project(s) carried out by the applicant with other sources of funds or resources. Applicants may use their own funds or other resources for a voluntary match or cost share if the standards at 40 CFR 30.23 or 40 CFR 31.24, as applicable, are met. Only eligible and allowable costs may be used for matches or cost shares. Other Federal grants may not be used as matches or cost shares.

6. Sensitive Populations/Environmental Justice: 5 pts. Under this criterion, applicants will be evaluated based on the extent to which the proposed project:

- a) will reduce environmental risks to sensitive populations.
- b) will reduce environmental risks to economically-disadvantaged and other populations with disproportionately high and adverse human health or environmental impacts.

One way to demonstrate that an area is economically disadvantaged is to cite data from the U.S. Census Bureau website (www.census.gov) concerning the percent of area residents living in poverty.

The Area Profile tool on this website can provide this statistic as can using the Bureau's Small Area Income and Poverty Estimates website (<http://www.census.gov/hhes/www/saie/saie.html>).

7. Air Quality: 15 pts. Under this criterion, applicants will be evaluated on air quality where the project will be located. Priority will be given to areas that have poor air quality (including nonattainment or maintenance of national ambient air quality standards for a criteria pollutant; Federal Class I areas; or areas with toxic air pollutant concerns); are in areas that receive a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers and/or affect an area that is in non-attainment for ozone or particulate matter (PM) standards.

Projects should also be regional in scope, having impacts across district, state, or national borders OR could be transferable across those borders. Projects should also include a diverse group of stakeholders.

B. Review Procedures/Final Proposal Evaluation

CenSARA will evaluate all proposals for threshold eligibility. Proposals that meet all of the threshold eligibility factors will then be evaluated by a panel from the Collaborative based on the evaluation criteria listed in this announcement. The review panel will score and rank proposals using these criteria. The review panel will provide these rankings to a selection committee who will develop the funding recommendations based on the review panel rankings and the following factors: 1) the geographic distribution of funds; 2) distribution of technology type. Final funding decisions will be made by the Central States Air Resources Agency Association based on the recommendation of the selection committee's review. In making the final funding decisions, CenSARA may also consider programmatic priorities.

Conflict of Interest: Reviewers will be removed from the review of proposals if an actual or potential conflict of interest (that cannot be mitigated) exists.

VI. Award Administration Information

A. Award Notices

CenSARA will notify both successful and unsuccessful applicant(s) in writing and through electronic mail. Applicants selected for funding will have an opportunity to negotiate elements of their work plan and budget and submit final applications, including all required assistance documents to the Collaborative.

Note: CenSARA reserves the right to negotiate appropriate changes in work plans after the selection and before the final award. The notification, which advises that the applicant's proposal has tentatively been selected and is being recommended for award, is not an authorization to begin performance. The award notice signed by the CenSARA Official is the authorizing document and will be provided through postal mail.

B. Administrative Requirements

1. A listing and description of general EPA Regulations applicable to the award of assistance agreements may be viewed at: http://www.epa.gov/ogd/AppKit/applicable_epa_regulations_and_description.htm.
2. All costs incurred under this program must be allowable under the applicable OMB Cost Circulars. Copies of the circulars can be found at <http://www.whitehouse.gov/omb/circulars>.
3. To the extent required by federal, state, and local laws, successful applicants must abide by the competition requirements for all procurements under grants (this includes contracts for goods and services). Successful applicants must also conduct price and cost analyses to the extent required by federal, state or local procurement requirements before awarding any contracts.
4. Programmatic Terms and conditions will be negotiated with the selected recipient.

C. Reporting Requirement

Blue Skyways requires monthly progress reports on all deliverables, one hard copy and one electronic copy. Invoices shall be submitted monthly when totals exceed \$3,000.00. Should expenses be less than \$3,000, invoices must be submitted every other month. Each invoice submitted must identify any work completed by a small business (100 employees or less), minority- or woman-owned business.

If equipment is needed for this project, 100% of those costs can be advanced (50% with the verification of an actual purchase order and 50% upon verification of the delivery of the equipment). Other start-up costs can be negotiated but cannot equal the full amount of the award. Payment is generally provided within 30 days of the date the invoice is received.

VII. Contacts

For additional general information about this Request for Proposals contact:

Kathryn Burke
kburke@blueskyways.org
Blue Skyways Collaborative
10005 S. Pennsylvania, Suite C
Oklahoma City, OK 73159
Phone: 405-378-7377
Fax: 405-378-7379

PLEASE NOTE:

Blue Skyways Collaborative's hours of operations are 8:00 a.m. to 5:00 p.m. Central Time.

VIII. Other Information

Blue Skyways Collaborative and CenSARA Introduction and Background

Within the activities authorized by its charter, the CenSARA Board of Directors, composed of the Directors of the member States/Locals' air pollution control agencies, established an ad hoc work group in 2004, to explore the possibilities for the member states to participate in collaborative motor vehicle emission reduction programs. One initiative that evolved from these discussions was the pursuit of emission reductions from diesel engines along the I-35 corridor that tied together many of the CenSARA states. An outgrowth of that initiative was an EPA assistance agreement with CenSARA in 2006, which formalized and strengthened earlier efforts into the Blue Skyways Collaborative, and expanded them to encompass emission reductions from other energy sources as well.

The Blue Skyways Collaborative was created to encourage voluntary air emissions reductions in North America's heartland. With the help of CenSARA and EPA Regions 6 and 7, in a very short time the Collaborative has grown into a full-fledged program, through partnership with non-profit and environmental groups, private industries and international, federal, state, and local governments.

The Blue Skyways region of the Central United States incorporates ten states, representing more than 54 million people: Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, New Mexico, Oklahoma, Texas, and the corresponding area along the borders with Canada and Mexico. Fourteen non-attainment areas in the region do not meet EPA's health-based standards. Approximately 38 million people live within 10 miles of a major interstate highway, 49 million within 10 miles of a railway, and 16 million within 10 miles of a major airport. Traffic and population are expected to increase dramatically in the Blue Skyways states, including expected increases in trade-related transportation.