

AGENCY: ENVIRONMENTAL PROTECTION AGENCY (EPA)

TITLE: CLIMATE SHOWCASE COMMUNITIES

ACTION: Request for Proposals (RFP)

RFP: EPA-OAR-CPPD-10-09

CFDA: 66.041

SUMMARY: Formal Agency responses to questions regarding the subject RFP

DATE: June 28, 2010

Process and Legal Questions

Q1. Is the EPA money provided as a reimbursement or as grant money provided up front?

A1. Climate Showcase Communities grants will be on an advance basis, provided that grantees maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee. Please be advised that grant recipients will be subject to Cost Principles outlined in OMB Circular A-87 (2 CFR Part 225).

Q2. What is the time frame of the project, when does the money have to be expended by?

A2. The estimated project period for awards resulting from this solicitation will begin February 1, 2011. Proposed project periods may be up to three years.

Q3: How common was partial funding of proposals last year?

A3. In most cases, EPA fully funded proposals. In appropriate circumstances, EPA reserves the right to partially fund certain proposals by funding discrete portions or phases of proposed projects. If EPA 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 was evaluated and selected for award, and therefore maintains the integrity of the competition and selection process.

Q4. How much funding did past Climate Showcase Communities recipients receive? Is a project more or less likely to get funded if they ask for less/more money?

A4. All proposals will receive equal consideration regardless of the amount of funding they are requesting. Award amounts for the 2009 Climate Showcase Communities (CSC) 21 projects awarded so far are as follows:

EPA Grantee: CSC 2009	State	EPA CSC 2009 grant funding
Gila River Indian Community	AZ	\$ 262,124.00
City of El Cerrito	CA	\$ 497,488.00
Sacramento County	CA	\$ 486,668.00
City and County of Denver	CO	\$ 491,156.00
City & County of Honolulu	HI	\$ 499,363.00
City of Chicago	IL	\$ 500,000.00
City of Springfield	MA	\$ 491,067.00
City of Baltimore	MD	\$ 190,500.00

Northern Cheyenne Tribe	MT	\$ 200,000.00
Land of Sky Regional Planning Council	NC	\$ 499,500.00
Durham City-County	NC	\$ 500,000.00
Township of Cherry Hill	NJ	\$ 500,000.00
Central New York Regional Planning & Development Board	NY	\$ 497,813.00
City of Cincinnati	OH	\$ 500,000.00
City of Eugene	OR	\$ 104,126.00
West Chester Area School District	PA	\$ 149,992.00
City of Warwick	RI	\$ 497,492.00
Salt Lake City	UT	\$ 368,554.00
James City County	VA	\$ 303,828.00
City of Bremerton	WA	\$ 400,000.00
City of Bellingham	WA	\$ 349,384.00

Q5. Will regional diversity be taken into account in the selection process? If awards were given in our geographic area last round, will this hurt us?

A5. All applications will be scored independently of geographic location. In making the final funding decisions, the Approving Official may also consider the geographic diversity of applicants. Please refer to Sec. V.C. of the RFP for more information regarding ‘Other Factors’.

Q6. Can one entity submit multiple proposals? And can the dollar amounts requested from EPA differ?

A6. Yes. There is no restriction on the number of applications a single entity can submit. Similarly, for entities submitting multiple applications, the RFP does not limit the dollar amount requests per each application.

Q7. Can applicants partner with universities, non-governmental agencies, non-profits, etc?

A7. Yes. It is the sole responsibility of applicants to organize and set up any partnership arrangements. An applicant can partner with a third-party organization to provide support or other contributions to assist in carrying out the grant. If a proposed partner offers to share in the costs of the grant, contributions to the cost share are governed under 40 CFR 31.24. Grantees may award financial assistance to partner organizations that are eligible subgrantees in accordance with 40 CFR 31.37. Partnerships should not be confused with contractual relationships. A grantee must contract to procure goods and services for its benefit. Grantee procurement is governed by the regulations at 40 CFR 31.36. Please refer to Section IV.D of the RFP for more information.

Q8. Can a locality apply for the grant “on behalf of” another entity and if the locality received the award turn the money over to that entity?

A8. Please consult Sections IV D and E of the RFP for more information about subawards. It is up to the applicant to make a case for why this arrangement is fully responsive to the RFP. If selected for funding, the applicant would be legally accountable to EPA for the proper expenditure of funds. Recipients may not use subawards to transfer or delegate their responsibility for successful completion of their EPA assistance agreement and subawards may not be used to circumvent procurement requirements or EPA competition policies.

Q9. What does Substantial Federal Involvement mean as it pertains to “approving qualifications of key personnel?” Will USEPA review qualifications of current employees or contractors? May USEPA as a result of that review request or require that individuals not meeting qualification be re-assigned or dismissed? Does this involvement apply to current employees/contractors or to employees/contractors that will be hired with the funding?

A.9. The EPA project officer may review the qualifications of the key personnel. Key personnel may be current employees or contractors or may be employees or contractors that will be hired with the grant funding. Such reviews of qualifications of key personnel are discretionary. EPA is deemed to have approved the qualifications of key personnel at the time of award if the key personnel were identified in the grant application. If the recipient wants to change key personnel, then under the substantial involvement term and condition and 40 C.F.R. 31.30(d)(3), the recipient must receive prior approval for the personnel change from EPA. Please keep in mind that not every grantee employee is "key". For this grant program, “key personnel” includes the project manager identified in the grant forms. Recipients should contact their EPA project officer if they have questions regarding what personnel are considered "key". As stated in the RFP, EPA will not select employees or contractors employed by the award recipient.

Q10. Will this grant program and its application be subject to this review by state under E.O. 12372?

A10. Executive Order 12372, Intergovernmental Review of Federal Programs may be applicable to awards, resulting from this announcement. Applicants selected for funding may be required to provide a copy of their application to their State Point of Contact (SPOC) for review, pursuant to Executive Order 12372, Intergovernmental Review of Federal Programs. This review is not required with the Initial Proposal and not all states require such a review. A listing of State Point of Contacts (SPOC) may be viewed at: www.whitehouse.gov/omb/grants/spoc.html

Q11. Can grant funds be used as cash incentives to nonprofit organizations playing a key role in rolling out and replicating initiatives locally? For example, motivating nonprofits to put groups together and then providing a charitable donation to the nonprofit for each person who completes the initiative?

A. 11. The example provided is not an allowable use of funds. Contributions or donations, including cash, property, and services, made by the grantee, regardless of the recipient, are unallowable. Grantees can subgrant to non-profit organizations that carry out allowable activities with the funds.

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Q12. Can proposals be submitted directly to EPA **OR** through grants.gov, or do they have to be submitted to both?

A12. Proposals may be submitted either directly to EPA (hard copies only) **OR** electronically through grants.gov. Please be sure to follow the instructions provided in Section IV of the RFP for submission.

Q13. Should costs associated with quarterly reporting, generation of final report, and preparing the application be included in the proposed project budget?

A13. Administrative or personnel costs associated with reporting and other grant requirements may be built into the budget at the applicant’s discretion. The RFP does not restrict the percentage or amount of grant funds that may be allocated toward applicant/recipient staff time or administrative costs.

Costs associated with preparing the application would generally fall outside of EPA's policy on pre-award costs which is as follows: Recipients may incur pre-award costs 90 calendar days prior to award provided they include such costs in their proposal, the costs meet the definition of pre-award costs and are approved by the EPA Project Officer and EPA Award Official. The definition of pre-award costs are those costs incurred prior to the effective date of the award directly pursuant to the negotiation and in anticipation of the award where such costs are necessary to comply with the

proposed delivery schedule or period of performance and are in conformance with the appropriate statute and cost principles.

Q14. Does this solicitation require Buy American for lighting products and water conservation products?

A14. No. There are no Buy American requirements for any Climate Showcase Communities projects.

Q15. How should applicants complete the "Application Filing Name" box on grants.gov?

A15. Please use the following format to complete the "Application Filing Name" box. The filing name may not exceed 40 characters:

Organization name (abbreviate if needed), fiscal year (FY10), and the grant category (CSC or Climate Showcase). For example: City Name-FY10-Climate Showcase

Eligible Applicants Questions

Q1. Are public universities, private universities, or other institutions of higher education eligible under this grant program?

A1. No, Universities, whether public or private, are not considered eligible to apply under this RFP. See Section III.A. Eligible Entities of the RFP for more information.

Q2. Are current Climate Showcase Communities grantees (awarded funds in 2009) eligible to apply in 2010 if the proposal is focused on different topic? Would they be a lower priority?

A2. Current Climate Showcase Communities are eligible applicants. Proposals will be reviewed, evaluated and scored based on the individual application submitted.

Q3. Does a climate showcase community have to be a single jurisdiction (e.g. city, village or township)? Or can it be a group of such jurisdictions operating a program in concert with each other?

A3. Yes, a consortium of local governments may apply, but there must be one entity that formally signs the application. If selected that same entity would be the entity EPA enters into grant agreement and be legally responsible for federal funds. Also, please be advised that each collaboration would be limited to the maximum dollar amount of \$500,000 (e.g. you could not ask for a million dollars using the argument that you are 2 governments applying jointly).

Q4. Are foreign entities eligible?

A4. No, foreign entities are not eligible. In order to be eligible you must meet the definition of eligible entities as defined in Section III.A. Eligible Entities of the RFP.

Q5. Are applicants who applied and did not receive funding last year eligible to re-apply?

A5. Yes, all eligible entities are eligible to apply.

Q6. What is the eligibility status for Puerto Rico, the District of Columbia and US Territories?

A6. The statutory authority for this program specifically states that "communities" are eligible entities. As a matter of policy, EPA has defined "communities" to include local governments (as defined in 40 CFR 31.3), federally recognized Indian tribal governments, and intertribal consortia.

The District of Columbia, Puerto Rico, and any territory or possession of the U.S. fall within the definition of "State" in 40 CFR 31.3 and do not constitute local governments.

However, counties, municipalities, cities, towns, townships, local public authorities, school districts, special districts intrastate districts, council of governments, and any other regional or interstate government entity, or any agency or instrumentality of the 50 States, the District of Columbia., Puerto Rico, or U.S. Territories do fall within the definition of local governments

and, therefore, are eligible to apply under this RFP. Please refer for Section III.A. of the RFP for more information.

Q7. Are Joint Power Authorities eligible entities?

A.7. Yes. Joint Power Authorities are two or more public agencies joined together as permitted under applicable State law and fall within the definition of “local government” in 40 CFR 31.3.

Q8. Are special districts established by state law eligible entities?

A8. Yes.

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Q9. Does a multi-jurisdictional solid waste authority incorporated under state law meet the eligibility requirements?

A9. Yes.

Q10. Are Catholic Schools (K-12) eligible?

A10. For a school to be eligible for a Climate Showcase Community grant, the school must fall within the definition of “local government” in 40 CR 31.3. Whether a school is a local government will depend on whether the school can be considered an agency or instrumentality of a local government. Schools interested in applying for CSC assistance should have counsel for the local government contact climateshowcaseinquiries@epa.gov with information justifying that the school is an agency or instrumentality of the local government.

Supporting information should include: (1) whether the school is funded by local government appropriations; (2) whether the school’s management answers to the local government; (3) whether the local government is liable for torts committed by the school and its employees; (4) whether the school employee’s are part of the local government’s pension system; and (5) whether local government’s personnel laws apply to the employees.

School districts fall within the definition of “local government” and are eligible to apply.

Q11. Does “any agency or instrumentality of a local government” include a community college? We are public, and are funded through both the state and the county.

A11. In most circumstances, community colleges, like other institutions of higher education are not eligible under this grant program.

For a school to be eligible for a Climate Showcase Community grant, the school must fall within the definition of “local government” in 40 CR 31.3. Whether a school is a local government will depend on whether the school can be considered an agency or instrumentality of a local government. Schools interested in applying for CSC assistance should have counsel for the local government contact climateshowcaseinquiries@epa.gov with information justifying that the school is an agency or instrumentality of the local government.

Supporting information should include: (1) whether the school is funded by local government appropriations; (2) whether the school’s management answers to the local government; (3) whether the local government is liable for torts committed by the school and its employees; (4) whether the school employee’s are part of the local government’s pension system; and (5) whether local government’s personnel laws apply to the employees.

Q14. Does “councils of government” include Resource Conservation and Development Councils (RC&Ds) which are private non-profit councils made up of coalitions of counties, cities, tribes?

A14. No.

Q16. Would a state Association of Cities and Towns be an eligible lead applicant for the Climate Showcase Communities Grant if the IRS has determined that the Association is a “wholly owned instrumentality of its member municipalities which are political subdivisions of the State”. Is any special documentation of this legal status required as part of the grant application?

A16. Council of governments (whether or not incorporated as a nonprofit corporation under State law) are eligible to apply. Associations of Cities and Towns may constitute councils of governments. Such associations should submit a copy of their bylaws and/or enabling legislation to Climateshowcaseinquiries@epa.gov for further clarification. Other documentation of legal status could include documentation of IRS status or a letter from the associations’ counsel justifying why the association is a council of governments.

Cost-Match Questions

Q1. Will additional points be awarded for applicants who indicate matching funds beyond the amount required?

A1. No additional points will be awarded for providing more than the required match. The only criteria used for scoring are the criteria listed in Section V. of the RFP. If a cost-share above the requirement is indicated in the budget, the applicant will be responsible for providing those matching funds if they are awarded grant funding.

Q2. Can the cost of employee benefits be included as matching funds?

A2. Personnel/staffing costs, including fringe benefits, and volunteer hours may be counted toward the match requirement. Please refer to Section III.B. Cost Share or Matching of the RFP for more information.

Q3. Can the matching funds requirement be met with private funds from a public-private partnership?

A3. Yes. Please refer to 40 CFR 31.24(a) (7) for third party “in-kind” contributions.

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Q4. Are all federally recognized Tribes automatically exempt from the 50% cost share/match requirement for this grant?

A4. Yes

Q5. Can a community apply for the grant, and then, if they get it, go to the town for a bond to get the 50% matching money?

A5. There is some flexibility post-submission for applicants to finalize their match arrangements. However, the application should contain enough certainty about the community’s matching funds to allow for proper evaluation during the review period. Applicants recommended for funding must confirm to EPA the final match details when notified of their recommended status. EPA will not make any awards to applicants that cannot verify in writing their ability to comply with the match requirement at that time. Therefore, it is not possible for a community to start the bond process upon notification of selection.

Q6. Can a community use previously incurred costs as their match (such as previously purchased property or completed planning projects)?

A6. In some limited circumstances CPPD may grant pre-award cost approval, but generally these costs are of a limited scope and are incurred within 90 calendar days prior to award (expected award date is February 2011). The definition of pre-award costs are those costs incurred prior to the effective date of the award directly pursuant to the negotiation and in anticipation of the award where such costs are necessary to comply with the proposed delivery schedule or period of performance

and are in conformance with the appropriate statute and cost principles. The costs outlined above appear to exceed the EPA limitations on pre-award costs.

Q7. Can land acquisition be used as match for the project?

A7. It depends. Land can be considered a match only if the purchase of land is an allowable direct cost under the grant agreement. (See OMB Circular A-87 <http://www.whitehouse.gov/omb/rewrite/circulars/a087/a087-all.html> for a discussion of allowable costs).

Under CFR 40 31.24(f) if a grantee or subgrantee donates real property for a construction or facilities acquisition project, the current market value of that property may be counted as cost sharing or matching. If any part of the donated property was acquired with Federal funds, only the non-federal share of the property may be counted as cost sharing or matching. In some cases it will be necessary to establish the market value of land. In these cases, the Federal agency may require the market value be set by an independent appraiser, and that the value or rate be certified by the grantee. This requirement will also be imposed by the grantee on subgrantees.

Project Questions

Q1. As part of a local government application, can businesses receive Showcase funds? One example, could seed money for energy efficient purchases be offered?

A1. Money provided in the form of sub-grants, incentives, or rebates to businesses within the community for allowable activities is a permissible use of grant funds. Local governments may also use funds to enter into contractual agreements with businesses provided they follow all applicable procurement regulations, including 40 CFR 31.36. Generally, local governments must follow their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable federal law, the standards identified in 40 CFR 31.36, and if applicable, 40 CFR 31.38. Granting loans is not an allowable expense under this grant program.

Q2. The RFP lists "land use, transportation, or community master planning" as a priority area, which is typically a long-range strategy and may be difficult to document GHG emissions within the time frame of the grant. What are examples of projects focused on this area?

A2. Projects that achieve reductions after the term of the project are eligible and in line with EPA's strategic goals. Proposals will be scored on their potential to achieve ongoing reductions as well as how well the applicant documents short and long term outputs, outcomes, and measures of progress. Proposals where the predominant emissions occur after the project period must still include discussion and rationale of the expected reductions.

For examples of projects, please visit: <http://www.epa.gov/statelocalclimate/local/showcase>

Q3. How is innovation defined and how will it be evaluated?

A3. The Climate Showcase Communities grant program aims to develop a knowledge base of best practices local governments can implement to achieve greenhouse gas reductions. With this in mind, projects that go beyond simple implementation of existing technologies or practices are likely to receive higher scores under the RFP's section V. Evaluation criterion 1--Project Summary and Approach. Innovation may apply to the technology or policy being implemented, the way the applicant builds capacity or involves stakeholders, the linkages made with co-benefits, or whether the program has innovative ideas that can be replicated in other communities.

Q4. What factor does readiness play in the review, ranking & selection for award? Are you giving higher consideration/priority to communities that have established or adopted sustainability initiatives/ climate change programs?

A4. The Climate Showcase Communities grant program is seeking a diversity of community and project types. This includes funding projects from communities that are just starting to address

climate change as well as those that have long-standing programs. There are no specific prerequisites that an applicant must have in place to apply and receive funding.

Q5. What stage of development does a proposed plan need to be in to be considered eligible for the grant program? Can a plan be in the preliminary stages of development to be considered eligible for the grant program?

A5. Applicants may propose finalizing some aspects of their prospective grants following additional consulting and/or assessments. However, applicants in this category are strongly encouraged to propose a range of likely projects and areas of interest.

Q6. Is the extension of bike paths to reach more residents or neighborhoods an eligible and competitive idea? What would make the project more competitive?

A6. Please refer to Section I.B. of the RFP to find a description of priority areas, goals, and types of projects CPPD is authorized to consider for funding. It is up to each applicant to make the case to EPA in their proposal how their project best responds to the RFP. CPPD personnel will not pre-screen proposals before the deadline. For examples of projects, please visit:

<http://www.epa.gov/statelocalclimate/local/showcase>

Q7. Can these dollars fund electric vehicle charging stations at residences and commercial enterprises?

A7. Electric vehicle charging stations would be an allowable activity, provided a GHG reduction can be calculated and assuming that the proposal is fully responsive to the RFP. For examples of projects, please visit: <http://www.epa.gov/statelocalclimate/local/showcase>

Q8. Does renewable energy fit in the criteria for this grant?

A8. Renewable energy would be an allowable activity, provided a GHG reduction can be calculated and assuming that the proposal is fully responsive to the RFP. For examples of projects, please visit: <http://www.epa.gov/statelocalclimate/local/showcase>

Q9. Does developing a local food initiative, thereby reducing emissions from food transportation, qualify as an eligible project?

A9. This would appear to be an allowable activity, provided a GHG reduction can be calculated and assuming that the proposal is fully responsive to the RFP. For examples of projects, please visit: <http://www.epa.gov/statelocalclimate/local/showcase>

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Q10. How do I know if my project idea is an eligible activity?

A10. Please refer to Section I.B. of the RFA. There you will find a description of priority areas, goals, and types of projects CPPD is authorized to consider for funding. It is up to each applicant to make the case to EPA in their proposal how their project best responds to the RFA. As stated in Section IV. Part H. Pre-application/Application Communications and Assistance of the RFP, EPA staff will not “discuss draft applications, provide informal comments on draft applications, or provide advice to applicants on how to respond to ranking criteria. Applicants are responsible for the contents of their applications.”

Q11. Are new vehicles or retrofits of existing vehicles (to be used for public transportation) eligible under this grant? If so, is there an applicable cost share which is different than the stated cost share for the overall grant?

A11. Vehicle purchase or retrofits are eligible costs, provided a GHG reduction can be calculated and assuming that the proposal is fully responsive to the RFP. However, projects intended primarily to address criteria air pollutant emissions from diesel vehicles should be funded by EPA's Diesel Emissions Reduction Act grants. See: <http://www.epa.gov/otaq/diesel/grantfund.htm> for more details. The 50% cost-share requirement applies to all projects proposed by local governments. Only tribal governments and inter-tribal consortia are exempt from providing cost share.

Q12. Are projects to retrofit gas streetlamps with automated shut-off valves eligible?

A12. Please refer to Section I.B. of the RFP. There you will find a description of priority areas, goals, and types of projects CPPD is authorized to consider for funding. It is up to each applicant to make the case to EPA in their proposal how their project best responds to the RFP. CPPD personnel will not pre-screen proposals before the deadline. This would appear to be an allowable activity, provided a GHG reduction can be calculated and assuming that the proposal is fully responsive to the RFP.

Q13. Are landfill gas projects eligible?

A13. Landfill gas projects are an allowable activity, provided a GHG reduction can be calculated and assuming that the proposal is fully responsive to the RFP.