

# Dry Cleaner Cost Share for PERC alternatives

## Request for Proposals (RFP) FY 2022-2024

Proposals are requested from eligible applicants for dry cleaner cost share awards. This RFP will remain open, and applications will be accepted on a rolling basis until all dedicated funds have been dispersed or until **4:00 pm Central Time on May 31, 2024**, whichever occurs first.

**Projects must be completed by June 30, 2024**, to be eligible for reimbursement.

The rolling application form, sample grant agreement, and other relevant documents are on the [MPCA Dry Cleaner Cost Share webpage](#). Applicants should check the [MPCA Dry Cleaner Cost Share webpage](#) for funding updates, including questions, answers and addendums.

## 1. Overview

Minnesota banned the use of Perchloroethylene (PERC) as a dry-cleaning solvent starting in 2025. ([Minnesota Legislature HF 91, Section 4](#)). The legislature set aside funds to help businesses transition. This is a onetime appropriation and is available until June 30, 2024.

This cost share opportunity provides up to \$20,000 in funding for projects that eliminate PERC with an alternative dry-cleaning product that is technically viable and environmentally preferable. Projects that decommission a PERC machine without a replacement, with plans to become a dry facility (a facility no longer cleaning on site), are also eligible.

## 2. Funding

\$335,000 in funding is available. Awards to eligible applicants will be made on a first come, first serve basis until all funds have been awarded or until May 31, 2024, whichever occurs first. Awardees have until June 30, 2024 to complete their projects and utilize funding.

**Maximum award:** \$20,000 per application.

**Matching funds:** No match is required to receive this funding. However, any costs exceeding the maximum award must be secured by the applicant. Other grants administered by MPCA are not allowed as a match. MPCA loan funding is allowed. Applicants should consider loan funding such as [MPCA's Small Business Environmental Improvement Loan program](#). This program offers 0% interest loans to Minnesota small businesses for capital equipment purchases to help the companies meet or exceed environmental regulations. The loan interest rate is subject to change.

### Reimbursement schedule

Cost share funds will not be distributed up front. Reimbursements for eligible costs will be paid upon completion of the approved project. Grantees must submit MPCA approved invoices and documentation of proper disposal of PERC, as applicable.

\*Not to exceed reasonable demand estimates up to the year 2040. If estimated design flow rate is unknown, current flow rates will be used.

### 3. Eligible and ineligible applicants

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#### Eligible applicants

Eligible applicants include owners or operators of dry cleaning facilities in Minnesota that use or are eliminating PERC (per [Minnesota Legislature HF 91, Section 4](#)).

Entities that do not meet the eligibility criteria above. The MPCA may also deem an applicant ineligible because of, but not limited to environmental enforcement issues, labor standard violations, or tax status.

Entities that are currently suspended or debarred by the State of Minnesota and/or the federal government are ineligible applicants.

### 4. Eligible and ineligible projects

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#### Eligible projects

Dry cleaners that are eliminating PERC from their facility or transitioning from PERC to alternative solvents.

#### Ineligible projects

Projects that do not eliminate PERC are ineligible. Also, any proposed project that replaces PERC with a dry-cleaning agent that is not technically viable and environmentally preferable is ineligible. Projects already completed are ineligible.

### 5. Application submission instructions

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All applicants must submit the Rolling Application Form. Applications must be received electronically by the MPCA **no later than by 4:00 pm Central Time on May 31, 2024**. The email properties header will reflect the date and time submissions are received. Application submissions received after the deadline will be ineligible. Email applications to [grants.pca@state.mn.us](mailto:grants.pca@state.mn.us) with the subject line: **“Dry Cleaner Cost Share Rolling Application”** The MPCA is not responsible for any errors or delays caused by technology-related issues.

MPCA may choose not to award all funding. This RFP does not obligate the State to award a grant, and the State reserves the right to cancel this solicitation if it is considered to be in its best interest.

### 6. Application questions

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The MPCA is obligated to be transparent in all aspects surrounding grant work. To meet this obligation, all questions must be submitted in the same manner. Applicants who have any questions regarding this RFP must email questions to [grants.pca@state.mn.us](mailto:grants.pca@state.mn.us), subject line: **“Dry cleaner cost share rolling application question.”**

Answers to questions will be posted frequently on the [MPCA Dry Cleaner Cost Share webpage](#).

### 7. Application review process

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Applications received by the grant deadline will be reviewed by MPCA staff based upon the Application Assessment score sheet in Exhibit A. Applicants must meet all requirements to be considered for funding.

Applications will be reviewed on a rolling basis as they are received and awarded on a first come, first served basis.

All applicants will be notified of their award status by MPCA staff within approximately 60 days of application submission. Applicants selected for funding will be contacted concerning the next steps in the award process, including execution of the grant agreement.

## 8. Eligible and ineligible costs

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### Eligible costs

Any cost directly related to the project, such as equipment, cost of decommissioning old equipment, and not deemed ineligible below or by MPCA staff, are eligible costs.

### Ineligible costs

Ineligible costs include costs that are not directly related to the project. The following costs, including but not limited to, and even if they are directly related to the project, are ineligible:

- Any expenses incurred before the contract is fully executed, including applicant's expense for preparing the eligibility and cost applications or any expenses incurred during work plan application and final work plan development.
- Bad debts, late payment fees, finance charges or contingency funds, interest, and investment management fees.
- Attorney fees.
- Employee worksite parking.
- Lobbying, lobbyists and political contributions.
- Mark-up on purchases and/or subcontracts.
- Taxes, except sales tax on eligible equipment and expenses.
- Activities associated with permit fees.
- Activities addressing enforcement actions or that involve a financial penalty.
- Memberships (including subscriptions and dues).
- Food (other than staff per diem), alcoholic refreshments.
- Entertainment, gifts, prizes and decorations.
- Merit awards and bonuses.
- Donations and fundraising.
- Computer(s), tablets, and software, unless unique to the project and specifically approved by the MPCA as a direct expense.
- Purchase or rental of mobile communication devices such as cell phones, unless unique to the project and specifically approved by the MPCA as a direct expense.

## 9. Grantee responsibilities

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**Awardees are required to be a registered vendor in SWIFT.** To register, go to the Supplier Portal webpage of [SWIFT](#) and click on the *Register for an Account link and then Register as a Supplier*.

### Grant agreement

Each grantee must enter into an agreement and will sign the grant agreement using DocuSign. The agreement will address the conditions of the award, including implementation of the project. Once the agreement is signed, the recipient is expected to read and comply with all conditions of the agreement.

A sample State of Minnesota agreement can be found on the [MPCA Dry Cleaner Cost Share webpage](#) for your reference. Much of the language reflected in the agreement is required by statute.

### Reporting requirements

Grantees will be required to submit a final report and invoices at project completion.

## Public data

Applications are private or nonpublic until opened. Once the applications are opened, the name and address of the applicant and the amount requested is public. All other data in an application is private or nonpublic data until all agreements are fully executed. After all agreements are fully executed, all remaining data in the applications is public with the exception of trade secret data as defined and classified in Minn. Stat. § 13.37. A statement that the application is copyrighted or otherwise protected does not prevent public access to the application (Minn. Stat. § 13.599, subd. 3).

## Conflict of interest

The MPCA will take steps to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per [Minn. Stat. § 16B.98](#) and [Conflict of Interest Policy for State Grant-Making](#).

Organizational conflicts of interest occur when:

1. A grantee or applicant is unable or potentially unable to render impartial assistance or advice to the department due to competing duties or loyalties;
2. A grantee's or applicant's objectivity in carrying out the awarded project is or might be otherwise impaired due to competing duties or loyalties.

In cases where a conflict of interest is suspected, disclosed or discovered, the applicants or grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the award or termination of the agreement.

## Applicant bidding requirements

Grantees that are non-governmental organizations (NGO's) must follow:

Any grant-funded services and/or materials that are expected to cost:

- Between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two verbal quotes or bids or awarded to a targeted vendor.

For grant-funded projects that include construction work and have a total project cost of \$25,000 or more, prevailing wage rules apply per; [Minn. Stat. §§ 177.41](#) through [177.44](#). The bid request must state the project is subject to *prevailing wage*. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:

- [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#);
- Metropolitan Council's Targeted Vendor list: [Minnesota Unified Certification Program](#); and
- Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: [Central Certification Program](#).

The grantee must maintain:

- Written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts;
- Support documentation of the purchasing and/or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.

The grantee must not contract with vendors who are suspended or debarred in Minnesota:

<https://mn.gov/admin/osp/government/suspended-debarred/>.

Grantees that are municipalities must follow:

- The contracting and bidding requirements in the Uniform Municipal Contracting Law as defined in Minn. Stat. § 471.345;
- The requirements of prevailing wage for grant-funded projects that include construction work and have a total project cost of \$25,000 or more, per [Minn. Stat. §§ 177.41 to 177.44](#). The bid request must state the project is subject to *prevailing wage*. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals.

The grantee must not contract with vendors who are suspended or debarred in Minnesota:

<https://mn.gov/admin/osp/government/suspended-debarred/>.

Pursuant to Minnesota Statutes [§§ 177.41](#) through [177.44](#) and corresponding Minnesota Rules 5200.1000 to 5200.1120, this contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, all contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties.

## Audits

Per [Minn. Stat. § 16B.98, subd. 8](#), the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the award or transaction are subject to examination by the awarding agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## Affirmative action and non-discrimination requirements

- A. Race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified. [Minn. Stat. § 363A.02](#). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.
- B. The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. [Minn. R., pt.5000.3500](#).
- C. The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

## Voter registration requirement

The grantee will comply with [Minn. Stat. § 201.162](#) by providing voter registration services for its employees and for the public served by the grantee.

# Exhibit A: Application assessment score sheet

Applicants must meet the following to be considered for funding:

Requirements	Meets/Does not meet
Eligible applicants: <ul style="list-style-type: none"><li>• Owners or operators of dry cleaning facilities in Minnesota that use or are eliminating PERC (per <a href="#">Minnesota Legislature HF 91, Section 4</a>)</li></ul>	
Eligible projects: <ul style="list-style-type: none"><li>• Dry cleaners that are eliminating PERC from their facility or transitioning from PERC to alternative solvents that are technically viable and environmentally preferable, with plans for proper decommissioning of old equipment;</li><li>• Dry cleaners that decommission a PERC machine without a replacement, with plans to become a dry facility.</li></ul>	