

Wood and metal finishing operations grant

Request for proposals (RFP)

FY 2019

This document describes the wood and metal finishing operations grant, including information on who may apply for funding, match requirements, activities eligible for funding, and other information that will help applicants submit an application. Applications are due no later than 4:00 pm Central Time on Monday, April 8, 2019.

The applicant should check the Minnesota Pollution Control Agency (MPCA) webpage for any updates, including questions, answers and addendums; sample grant agreement, grant application form, Affidavit of Noncollusion, and other documents can all be found at: <https://www.pca.state.mn.us/regulations/grants-finishing-operations>.

1. Overview

The MPCA is providing grant funding for small businesses and organizations to switch to alternative wood, wood composite, or metal finishing products that result in measurable reductions in volatile organic compound (VOC) and hazardous air pollutants (HAP) emissions in Minnesota. VOC and HAP air pollutants contribute to poor air quality where we live and work. These emissions can be reduced through the use of improved finishes such as wet-coat low-VOC, low-HAP, high solids, and water-based products; dry, powder coating; ultraviolet (UV) or infrared (IR) cured products; liquid plastic coating products; and other non-wet coat finishes. Existing wet-coat finishing processes include the application of products such as primers, paints, topcoats, stains, varnishes, sealants, solvents, and component parts such as hardeners or catalysts. Applicants are encouraged to utilize funding to test and integrate alternative products and/or processes into existing business operations.

2. Funding

Approximately \$125,000 in funding is available. Funds must be spent by June 2021. Additional funding may become available or MPCA may choose not to award all funding. MPCA has authority to administer this RFP pursuant to Minn. Stat. § 115D.04.

Maximum award: The maximum grant award is \$15,000 per applicant.

Match requirement: The match requirement is 50%, meaning grant recipient will match \$1 for every \$1 in grant funds for eligible project expenses. Match funding may be cash, in-kind, loans, or other grants.

Please note: Some projects, such as equipment associated with UV or IR cured products, may exceed the maximum award amount available from this grant. The MPCA encourages these projects to consider the low-interest Small Business Loan program which is available year-round for capital equipment purchases only, <https://www.pca.state.mn.us/quick-links/low-interest-environmental-loans>.

Payment schedule

Grant funding for eligible costs will be paid on a reimbursement basis upon submission of approved invoices on an agreed-upon schedule between the grant recipient and MPCA.

3. Eligible and ineligible applicants

Eligible applicants

In order to be eligible, finishing operations must be integral to the manufacturing of final saleable products and you must be either of the below:

- A for-profit business located in Minnesota with under 500 employees
- A governmental entity, educational institution, or non-profit organization within Minnesota with any number of employees

Ineligible applicants

Individuals are ineligible. 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

Eligible projects

Eligible projects include the purchase and use of alternative finishing products, which consist of paints, primers, topcoats, stains, varnishes, sealants, solvents, and/or their component parts, such as hardeners or catalysts, or powder coating, and other non-wet coat finishes such as powder coat, liquid plastic coating, and IR or UV coatings, that result in lower VOC and HAP emissions. Alternative finishing or coating products must have a lower VOC and HAP emissions than those currently being used. The finishing products must be applied to wood, wood composites, or metal substrates; incidental coating of plastics with the same finishing product is allowed.

- a. All alternative products purchased must be for the full or partial replacement of a current product and cannot be in addition to the use of current product.
- b. Not all finishing products used in operations must be replaced with an alternative product. For example, projects may target one or more existing manufacturing line or process, higher VOC- and HAP-emitting finishing products, or most consumed finishing products at the business.
- c. Equipment purchases that support the application of alternative product use may be considered for funding, such as new spray guns, hoses, cups, materials, etc.
- d. The MPCA recognizes that the projects proposed may require professional or technical expertise, training, and testing of alternative finishing products. Awarded grantees will be allowed up to 25% of their grant award for professional and technical consulting fees to identify which products to consider and training fees for how to apply the new products or use equipment.

Ineligible projects

Projects that do not result in air emissions reductions resulting from a switch to lower VOC or HAP products through the use of alternative wood or metal finishes.

Projects that increase business capacity and do not reduce the business's overall air emissions in comparison to the current product/equipment or processes used.

5. Application submission instructions

All applicants must submit the following:

- Grant application form (must be submitted in Word format)
- Wood and metal finishing operations emissions calculator (must be submitted in Excel format)
 - All product information must be included in both tabs, Step 1. Current Product and Step 2. Alternative Products or the application will be considered ineligible.
- Safety Data Sheets (SDS) sheets, if applicable
- Affidavit of Noncollusion

Applications must be received electronically by the MPCA **no later than 4:00 pm Central Time** on Monday, April 8, 2019. The email properties header will reflect the date and time submissions are received. Application submissions received after the deadline will not be considered eligible. Email applications to grants.pca@state.mn.us with the subject line: **“FY19 Wood and metal finishing operations grant”**. The MPCA is not responsible for any errors or delays caused by technology-related issues.

6. Application questions

We are obligated to be transparent in all aspects of our grant work. To meet our obligation, all questions must be submitted in the same manner and answers are only provided via the following website: <https://www.pca.state.mn.us/regulations/grants-finishing-operations>. It is the applicant’s responsibility to check the MPCA website for the most recent updates about an open RFP, including questions and answers and addendums.

Applicants who have any questions regarding this RFP must email questions to grants.pca@state.mn.us, subject line: “Wood and metal finishing operations RFP question”. Answers to questions will be posted frequently on the <https://www.pca.state.mn.us/regulations/grants-finishing-operations>.

MPCA personnel are not authorized to discuss this RFP with applicants outside of the question and answer forum. Contact regarding this RFP with any MPCA personnel may result in disqualification.

Additional information

7. Application review process

Applications received by the grant deadline will be reviewed by MPCA staff and community-based reviewer(s) based upon the Score Sheet in Exhibit 1. Late applications will not be considered for review.

All applicants will be notified by MPCA staff within approximately 60 days of application due date. Applicants selected for funding will be contacted concerning the next steps in the award process, including execution of the appropriate agreements and workplan submissions.

8. Eligible and ineligible costs

Eligible costs

Any cost that is directly related to the project and not deemed ineligible below or by MPCA staff.

Ineligible costs

Ineligible costs include costs that are not directly related to the project. The following costs, including but not limited to, 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.
- Engineering/consultant fees, except those as defined in section 4d above.
- 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).
- Reimbursement to non-staff stakeholders for their attendance at stakeholder participation meetings
- 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 pagers, cell phones, and personal data assistants (PDAs), unless unique to the project and specifically approved by the MPCA as a direct expense.

9. Grantee responsibilities

Awardees are required to be a registered vendor in SWIFT and will sign the grant agreement using SWIFT. To register, go to the Supplier Portal webpage [SWIFT](#) and click on the Vendor Registration Link.

Grant agreement

Each awardee must enter into a grant agreement. 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 Grant Agreement can be found at <https://www.pca.state.mn.us/regulations/grants-finishing-operations> for your reference. Much of the language reflected in the agreement is required by statute.

Reporting requirements

It is the preference of the MPCA for grantees to allow MPCA staff the option to view the grant-supported improvements in person and potentially work with awardees to educate others.

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 by a grantee 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

We 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:

- A grantee or applicant is unable or potentially unable to render impartial assistance or advice to the department due to competing duties or loyalties.
- A grantee's or applicant's objectivity in carrying out the grant 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 grant award or termination of the grant agreement.

Grantee bidding requirements

For grantees that are non-governmental organizations:

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 (2) verbal quotes or bids or awarded to a targeted vendor.

The grantee must take all necessary affirmative steps to assure that targeted vendors from business 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](#)
- 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.

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

<http://www.mmd.admin.state.mn.us/debarredreport.asp>

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 grant or transaction are subject to examination by the granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant 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 for all grantees

- A. The grantee agrees not to discriminate against any employee or applicant for employment because of 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.

10. Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant making. [The Policy on Rating Criteria for Competitive Grant Review](#) establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities.

This grant prioritizes:

- Communities with higher concentrations of low-income residents and people of color, including tribal communities.
- Diverse populations including but not limited to small businesses that are certified as veteran-owned, economically disadvantaged, or targeted group businesses in Minnesota based on the business's ownership by a woman, a minority, a person with a substantial physical disability, or by its location in an economically disadvantaged area. Please reference additional information here: <https://mn.gov/admin/business/vendor-info/oep/sbcp/>

Exhibit 1: Application evaluation score sheet for wood and metal finishing

Evaluation factors

A 100-point scale will be used to evaluate eligible applications and develop final recommendations.

Applications will be evaluated and ranked according to the following criteria:

1. Cost-Effectiveness:	Grant dollars requested divided by the estimated annual VOC and HAP air emissions reduced within the business's finishing operations.	50
	Each level will be determined by how the applicant's cost-effectiveness, in grant amount requested per pound of pollutant avoided, compares to other applicant's cost-effectiveness. Wood finishing and metal finishing projects will be compared separately.	
	<ul style="list-style-type: none"> • Top 20th percentile - 50 points • 60% to 79% - 40 points • 40 to 59% - 30 points • 20-39% - 20 points • 5-19% - 10 points • Less than 5% - 0 points 	
2. Environmental Justice:	Finishing facilities located in areas with higher concentrations of lower income residents and/or people of color or on tribal lands will receive 20 points. Click here to see if the project is located in an area of concern for Environmental Justice: http://mpca.maps.arcgis.com/apps/MapSeries/index.html?appid=f5bf57c8dac24404b7f8ef1717f57d00	25
	Finishing facilities located in areas of Minneapolis designated by the MPCA as targeted population centers for reduced air emissions by zip code will receive 5 points.	
3. Organization size: Based on number of employees	<ul style="list-style-type: none"> • Under 100 employees --- 20 points • 100 – 199 employees --- 16 points • 200 – 299 employees --- 12 points • 300 – 399 employees --- 8 points • 400 – 499 employees --- 4 points • 500 employees or above --- 0 points 	20
4. Organization type	Small businesses that are certified as veteran-owned, economically disadvantaged, or targeted group businesses in Minnesota based on the business's ownership by a woman, a minority, a person with a substantial physical disability, or by its location in an economically disadvantaged area will be awarded 5 points. Please reference additional information here .	5
Total		100