

Solvent and Coating Emission Reductions Grant

Request for proposals (RFP)

FY 2020

This document describes the Solvent and Coating Emissions Reductions 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 Wednesday, April 22, 2020**.

The applicant should check the Minnesota Pollution Control Agency (MPCA) webpage for any updates, including questions, answers and addendums: <http://www.pca.state.mn.us/voc>.

Sample Grant Agreement, Grant Application form, Affidavit of Non-collusion, and other documents can all be found at: <http://www.pca.state.mn.us/voc>.

1. Overview

The MPCA is providing grant funding for small businesses, governmental agencies, educational institutions and nongovernmental organizations to switch to alternative solvents and coatings that result in measurable reductions in volatile organic compounds (VOCs), or to purchase equipment that reduces the use of VOC-containing solvents and coatings. VOCs contribute to poor air quality where we live and work. Opportunities to reduce VOCs exist and changes may reduce costs related to permitting, licensing or disposal. However, businesses may need a cost-share incentive to make these changes. The MPCA is offering up this grant funding to help these organizations take the leap and improve their environmental stewardship.

2. Funding

Approximately \$25,000 in funding is available. 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 \$3,000 per application.

Match requirement: The match requirement is 50%, meaning the grant recipient will match \$1 for every \$1 in grant funds for eligible project expenses. Matching funds must be cash.

Applicants are encouraged to consider the [Small Business Environmental Improvement Loan program](#) for the purchase of equipment that may be used with proposed product purchased through grant funding or used with current product to reduce emissions. The loan program offers 0% interest loans to Minnesota small businesses for capital equipment purchases that help the company meet or exceed environmental regulations.

Payment schedule

Reimbursements for eligible costs will be paid upon completion of the approved project with MPCA approved invoices and documentation.

3. Eligible and ineligible applicants

Eligible applicants

Eligible applicants include: businesses with under 500 employees, governmental agencies, educational institutions, tribes, or nongovernmental organizations (e.g., nonprofit or industry association).

Eligible operations or processes **include but are not limited to**:

- Automotive repair
- Auto body
- Manufacturing
- Coating operations
- Wood working and finishing
- Painting

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 of equipment that reduces the use of VOC-containing solvents or coatings and/or the purchase and use of alternative solvent or coating product(s), including paints, primers, topcoats, stains, varnishes, liquid plastic coating, caulk, ink, adhesive and sealants that result in lower VOC emissions. Alternative solvent or coating products must have lower VOC emissions than the product currently being used and the full project must result in a reduction of VOC emissions.

Examples of eligible projects **include but are not limited to**:

- Replacing a petroleum solvent-based parts washer with an aqueous parts washer
- Purchasing high volume low pressure paint guns or other equipment that reduces the use of a VOC-containing product
- Switching to an alternative liquid or powder product with low - or no-VOC
- Converting from solvent to waterborne or powder painting equipment

Ineligible projects

Any project that does not fit the description above of an Eligible project.

5. Application submission instructions

All applicants must submit the Grant Application form and Affidavit of Noncollusion.

Applications must be received electronically by the MPCA **no later than 4:00 pm Central Time on Wednesday, April 22, 2020**. The email properties header will reflect the date and time submissions are received. Application submissions received after the deadline will be considered ineligible. Email applications to grants.pca@state.mn.us with the subject line: **"FY20 Solvent and Coating Emission Reductions RFP."** The MPCA is not responsible for any errors or delays caused by technology-related issues.

6. Application questions

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 and answers are only provided via the [MPCA website](#). 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: **"Solvent and Coating Emission Reductions grant question"**. Answers to questions will be posted frequently on the [MPCA website](#).

Additional information

7. Application review process

Applications received by the grant deadline will be reviewed based upon the Application evaluation score sheet in Exhibit A. 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 work plan 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.
- 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

Awardees are required to be a registered vendor in SWIFT and will sign the grant agreement using DocuSign. 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 [MPCA website](#) for your reference. Much of the language reflected in the agreement is required by statute.

Reporting requirements

Grantees are required to submit invoices after project completion. It is the preference of the MPCA for grantees to allow MPCA staff 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

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.

If a project is awarded a grant, grantee will be required to comply with bidding and other requirements for any grant funded services and/or materials. These requirements will be incorporated in the grant agreement.

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

<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 A: Application evaluation score sheet

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:

<p>1. Cost-effectiveness: Grant dollars requested divided by the annual VOC lbs. reduced</p> <ul style="list-style-type: none"> • \$0 - \$4,999/ton --- 30 points • \$5,000 - \$14,999/ton --- 20 points • \$15,000 - \$29,999/ton --- 10 points • More than \$30,000/ton --- 0 points 	30
<p>2. Environmental Justice: Points will be assigned based on the address where the facility is located.</p>	30
<p>3. Percentage of hazardous waste reduced</p> <ul style="list-style-type: none"> • 75% - 100% --- 20 points • 50% - 74% --- 15 points • 25% - 49% --- 10 points • 1% - 24% --- 5 points • 0% --- 0 points 	20
<p>4. Organization size: Based on number of employees (including parent companies and all business operations)</p> <ul style="list-style-type: none"> • Under 100 employees --- 10 points • 100 - 500 employees --- 0 points 	10
<p>5. Organization type Small businesses that can show proof of being veteran-owned economically disadvantaged or a targeted group business 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 10 points. Please reference additional information here: https://mn.gov/admin/business/vendor-info/oep/sbcp/.</p>	10
<p>Total</p>	100