



**MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY
REQUEST FOR APPLICATIONS 12-004 (RFA 12-004)**

FOR

Rural Healthcare - Energy Efficient Upgrades

**UNDER THE
AMERICAN RECOVERY AND REINVESTMENT ACT
(ARRA)**



RECOVERY.GOV

Energy Efficiency and Conservation Block Grants (EECBG)

**Release Date:
January 19, 2012**

Important Dates

Release of RFA 12-004 Announcement and Packet	January 19, 2012
Questions and Answer period	
Questions taken	through January 31, 2012
Answers posted by	February 3, 2012
Grant applications received by deadline	February 17, 2012
Applications Reviewed for Completeness	February 22, 2012
Completed Applications Forwarded to Review Team	February 22, 2012
Evaluation Process Completed by.....	February 27, 2012
Final Selections.....	February 28, 2012
Sign Award Agreements and begin projects.....	March 16, 2012
Reporting	Monthly and Final
Project Completed	August 2012

Introduction

The source of the funding for this grant is the Energy Efficiency and Conservation Block Grant (EECBG) program with funds appropriated under the American Reinvestment and Recovery (ARRA) program through the Department of Energy. The Department of Environmental Quality will award grants for energy efficient upgrades to rural healthcare facilities through a competitive process. The total amount of funding available is \$325,000, and a maximum of \$25,000 per grant will be awarded. An estimated thirteen projects will be funded.

Matching funds are not required; however additional scoring points will be given for cash matches. Your local utility may be able to assist with incentives or rebate programs to increase the amount of funding available for the proposed project.

In-direct costs are not allowed as part of the budget.

Applicants must demonstrate that the savings incurred because of the proposed energy-efficient upgrades will equal the cost of the funded project within an estimated fifteen years.

Requirements for Eligibility

Eligible applicants include Montana rural healthcare clinics, hospitals and nursing homes. The county in which the healthcare facility resides must be classified as a 'frontier county' - county population of 6 or fewer persons/sq. mile. For eligibility determination, see <http://quickfacts.census.gov/qfd/states/30/30035.html>.

Funding Period

The grant period will begin as soon as the Award Agreements are negotiated and contracts signed by all parties: but no later than March 16, 2012. The grant period will end when the project has been completed. The funding must be expended by August 31, 2012.

Eligible Projects

Funded projects may include energy-efficient upgrades to air systems, insulation, lighting, water systems, HVAC systems, appliances (such as washers/dryers or dishwashers), and boilers. Other energy-saving measures will also be considered.

Ineligible Projects

The Recovery Act prohibits the use of funds for any activities prohibited by federal law. In addition ARRA funding cannot be used for swimming pools, gambling establishments, aquariums, zoos, or golf courses. Any activities at facilities that are adjacent to any of the prohibited establishments and benefit any of the prohibited establishments are also prohibited.

ARRA Funding Requirements

Davis-Bacon Provision

Prevailing wage rates must be applied to employment hours paid with ARRA funding. Laborers and mechanics employed by all contractors and subcontractors shall be paid the higher of the Federal or State prevailing wage as determined by the Secretary of Labor of the United States Department of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code (Davis-Bacon and related acts). Contractors shall be required to comply with all provisions of the Davis-Bacon and Related Acts include maintaining and submitting certified payroll records.

Contractor and subcontractors are required to obtain wage determinations from the DOL and comply with DOL guidance and regulations implementing wage rate requirements applicable to Recovery Act funds. Federal prevailing wage rates for Montana are available online at <http://www.wdol.gov/>. State prevailing wage rates are available online at <http://erd.dli.mt.gov/labor-standards/state-prevailing-wage-information/current-prevailing-wage-rates.html>. DEQ anticipates that applicable job categories for these projects will fall under the heading of Building Construction. Because funding may be awarded

for projects throughout the state, DEQ recommends that applicants visit the online sites noted above to determine the applicable prevailing wage for their area.

Buy American Requirement

In accordance with Section 1605 of the American Recovery and Reinvestment Act of 2009 (ARRA) the construction, alteration, maintenance, or repair of a public building or public work requires that all iron, steel and manufactured goods used in the project be produced in the United States. Projects funded as a result of this RFA will require applicants to submit documentation to DEQ that purchased materials are in compliance with that section. Applicants should, therefore, be familiar with the terms and conditions.

Montana Environmental Policy Act (MEPA) and National Environmental Policy Act (NEPA) Review

It is prohibited to use federal funds for projects under this grant that would have an adverse effect on the environment. Projects will undergo a MEPA/NEPA review and requirements and recommendations must be followed.

State Historic Preservation Office (SHPO) Review

Proposed projects will be required to notify the Montana State Historic Preservation Office if a project affects directly or indirectly any historic property. Projects will be required to directly contact other appropriate agencies, Indian Tribes or local preservation offices when required.

Projects will undergo a SHPO review and requirements and recommendations must be followed.

Procedures for this Grant

The provisions below describe some of the more significant administrative procedures and requirements for the Healthcare grants. All procedures and requirements that the award recipient must comply with will be set forth in the Award Agreement.

Energy Tracking

Funded projects will be required to submit a utility release to DEQ.

Payment

Payment for approved expenses will be on a reimbursement basis. To request payment on expenses, the Awardee shall submit a Request for Payment with supporting documentation (invoice, receipt, etc.). DEQ will determine, at its sole discretion, whether supporting documents for a Request for Payment are sufficient and adequate to approve reimbursement.

In situations where project costs cause a financial hardship for an awardee; advance payment on projects deliverables may be negotiated. DEQ will work with the awardee to develop payment criteria to meet awardee needs as part of the contracting process.

Reporting Requirements/Project Monitoring

Awardees will be required to submit monthly progress and expenditure reports in accordance with the requirements of the grant Award Agreement. DEQ reserves the right to perform site inspection(s) in order to monitor the Awardee's compliance with the terms of Award Agreement, including but not limited to verification of services performed, equipment installed, monitoring of funds and adherence to NEPA, SHPO and Davis Bacon regulations.

Public's Right to Know

Applications that are funded are subject to disclosure, in response to requests received under provisions of the Montana Constitution (Art. II, § 9). Information that could reasonably be considered to be proprietary, privileged, or confidential in nature should be identified as such in the initial application. DEQ will maintain the confidentiality of that information only to the extent permitted by law.

Compliance with Laws

The Applicant must certify that the proposed project complies with all state, federal, and local laws, ordinances, and regulations - including any necessary environmental review - and that all permits, licenses, etc., required to perform the project have either been obtained or will be obtained no later than 30 days from the date of the signed Award Agreement, unless the Awardee can demonstrate, to the satisfaction of DEQ, a reasonable basis for the delay in obtaining necessary review or approval.

Dissemination of Information/Technology Transfer

Awardees will be contractually required to allow DEQ access to the project site and the ability to obtain, publish, disseminate, or distribute any and all information obtained from the project (except any data or information that has been negotiated as being confidential or proprietary) without restriction and without payment or compensation by DEQ.

Scoring

Proposals will be scored on:

1.	Prior grant management experience	5 points
2.	Description of the Healthcare Facility	5 points
3.	Description of energy conservation measure	15 points
4.	Calculation of energy saved	15 points
5.	Calculation of payback time	20 points
6.	Budget	10 points
7.	Cash match	5 points
8.	Hours employed by project	5 points
9.	Waste Minimization and Control	10 points
10.	Scope of Work	<u>10 points</u>

Total points possible 100 points

Details on what should be included for each scored item are included in the "Instructions for Submitting Proposal" section.

Important Notes

- The project may not begin until an Award Agreement is signed by both parties.
- Energy CAP energy-efficiency software will be used to track energy savings. Energy CAP is a free service offered by DEQ. The healthcare facility will be required to allow DEQ to access two years of utility account information. Energy CAP is publicly available on-line, and training will be provided by DEQ on how to use this software.
- The recipient of a funded project must submit a monthly activity report. Standard forms will be made available to funded projects.
- Grant recipients must offer public acknowledgement to the Montana DEQ and the American Recovery and Reinvestment Act for the grant assistance.
- Projects must be completed by August 31, 2012 and a final report submitted to DEQ by September 28, 2012.
- A Model Award Agreement is attached for the applicant's review only. **Do not** sign and return the Model Award Agreement with the application packet.

Single Point of Contact

Once RFA 12-004 is released and until such time as the awarded projects are announced, applicants must not communicate with any State staff or officials regarding this RFA, except at the direction of Vicki Woodrow, the Procurement Officer for the RFA. Unauthorized contact may disqualify the applicant from further consideration. The single point of contact information is:

Vicki Woodrow
P 406-444-3101
F 406-444-1804
VWoodrow@mt.gov

INSTRUCTIONS FOR SUBMITTING APPLICATION

Structure the proposal in the format outlined. This information will be used by the review team during the evaluation process. Verify that the information provided clearly describes the project. The evaluation will be guided by the information that is provided.

The narrative section must be single spaced, minimum 12-point font size, maximum eight single-sided sheets or four double-sided sheets, and printed on 8.5"x11" recycled-content paper. NO binders or folders.

FORMAT THE PROPOSAL AS OUTLINED BELOW – 1 through 11

Complete and sign a *Grant Application Form, Attachment I*

1. Prior Grant Management Experience.

5 points possible

- Detail past performance managing grant agreements. List experience and expertise as well as grant begin and end dates, dollar amounts, and contact information.
- One point for each listed project up to a total of 5 points.

2. Describe the Healthcare Facility for which the project is being planned.

5 points possible

- What type of Healthcare Facility is applying for funding;
- What county is the Healthcare Facility in;
- When was an energy audit done and by whom;
- Describe the location of the facility and what population served;
- Describe the age, condition, and square footage of the building;
- Describe any laundry and kitchen facilities and age of appliances;
- Describe heating system and fuel used; and
- List the hours of operation.

Attach copies of utility statements from the past two years.

3. Describe the proposed Energy Conservation Measure(s) (ECM.)

15 points possible

- Describe the current situation and then provide detail on the proposed ECM.
- Describe how the ECM will improve the facility's performance.
- Examples of possible energy projects may include:
 - Installation of insulation;
 - Upgrade to more efficient lighting;
 - Upgrade to more efficient heating, ventilating, and air conditioning (HVAC);
 - Weather sealing;
 - Replacement of appliances (washers/dryers or dishwashers) to energy-efficient models;
 - Installation of high-efficiency shower/faucet upgrades; and
 - Drinking water and waste water efficiency upgrades (pumps, motors, lighting, etc).

This is not a comprehensive list - projects other than those listed above **WILL be considered!**

4. Energy saved by the project.

15 points possible

- Projects must demonstrate an energy savings (electrical, natural gas, propane, or fuel oil.)
- Calculate the energy savings for the project using information from the audit. Provide estimates for the number of KWh saved, dekatherms, gallons saved, etc.

- Explain how these energy savings were calculated.

Helpful resources include local utilities, building contractors, EPA's Energy Star Website http://www.energystar.gov/index.cfm?c=business.bus_index, and the MT DEQ' website which has information specific to Montana <http://www.energizemontana.com>

5. Estimate the payback time for the proposed project.

20 points possible

- As an example – if insulation is upgraded at a cost of \$25,000 and generates natural gas and electrical savings of \$ 2,000 per year, then the energy savings payback is 12.5 years.
- Point breakdown – 20 pts for 1-5 years, 15 pts for 5-10 years, 10 pts for 10-15 years, and 5pts for 15-20 years.

6. Include a line-item budget form for the proposed project.

10 points possible

- Provide documentation of assistance and/or rebates available from the local utility provider.
- Any item for which funding is requested should be justified in project description.
- Complete and attach the budget form (**Attachment II**) with the costs associated with the project.
- List project personnel position and hours.
- List equipment purchases.
- List other direct project costs (no in-direct costs are allowed.)
- Expenses must be necessary to the project.
- The budget must be complete and accurate.

7. Cash Match

5 points possible

- A cash match is not required to apply for funding.
- One point will be given for each 20% of grant request up to a maximum of 5 points, or 100% match.

8. Employment created or maintained by of the project.

5 points possible

- Employment hours will be used to install the components of the energy upgrade projects. Facility personnel, contractor and sub-contractor hours must be documented and reported. Describe in the application employment hours that will be necessary to execute the proposed project.
- Explain if this project will result in employment hours continuing after the project is in place, such as equipment maintenance.
- Davis-Bacon Provision* - Federal and State prevailing wage rates and related regulations apply to projects funded under this grant.

** Federal wage rates and related regulations apply to projects funded under this RFQ. All laborers and mechanics employed by Contractor or subcontractors shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor of the United States Department of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code (Davis-Bacon and related acts).*

Contractor and subcontractors are required to obtain wage determinations from the DOL and comply with DOL guidance and regulations implementing wage rate requirements applicable to Recovery Act funds. Prevailing wage rates for Montana are available online at <http://www.access.gpo.gov/davisbacon/mt.html>, or from the DOL.

9. Describe the Waste Minimization and/or Control Techniques that will be used on this project.

10 points possible

- The application review team will be looking for information on products that are being purchased and how these are installed. Additionally, what types of wastes are generated and how are these wastes going to be handled. It is expected that projects that include lighting upgrades will detail how mercury containing ballasts and tubes will be handled. Any project that generates waste metals will ensure that the metals are recycled. Surplus materials with value and how they will be reused should be explained. For any project that requires construction/renovation, it is required that an asbestos inspection be conducted and that asbestos regulations be followed. For wastes that are generated and need to be disposed of; describe how they will be transported and where they will be land filled.

10. Scope of Work

10 points possible

- Provide a detailed and complete Scope of Work (SOW) for your project.
- The SOW shall list the following:
 - Project Title and description
 - Energy Conservation Measure(s)
 - Task(s) needed to implement ECM
 - Costs
 - Timeline
 - Output/Deliverables.
 - Plan for waste handling.

See **Attachment III** for a Sample Scope of Work

Assemble the Application Packet as Follows:

1. Grant Application Form (Attachment I)
 2. Include scored items 1-10 from the "Instructions for Submitting Proposal." This section must be single spaced, minimum 12-point font size, maximum eight single-sided sheets or four double-sided sheets, and printed on 8.5"x11" recycled-content paper. No binders or folders; stapling the sheets together will suffice.
 3. Budget Sheet (Attachment II)
 4. Supporting documentation if necessary.
-

Date that Application is Due

Application packets must be received in the Metcalf building at 1520 East 6th Avenue, Helena by **5:00 pm on February 17, 2012**. Mail or deliver one original **Application Packet and two copies along with an electronic copy on a compact disc (CD) or universal serial bus (USB) flash drive in Microsoft Word or portable document format (PDF)** in a sealed envelope to the address below. On the outside of the packet write "ARRA Healthcare Applications

Late applications will not be considered.

Mail Delivery

Montana Department of Environmental Quality
Office of Financial Services, Room 3 Metcalf Bldg
Attn: Vicki Woodrow, Procurement Officer
PO Box 200901
Helena, MT 59620-0901

Hand Delivery

Montana Department of Environmental Quality
Office of Financial Services, Room 3 Metcalf Bldg
Attn: Vicki Woodrow, Procurement Officer
1520 East Sixth Avenue
Helena, MT 59620