

Electric School Bus RFP Bidders' Conference

December 16, 2024



Welcome & Agenda



Introduction

RFP Overview

- Green Bank Financing
- DEEP Grant Funding

Federal GGRF Requirements

- Davis-Bacon and Related Acts
- Build America, Buy America Act
- Disadvantaged Business Enterprises

Q&A



Mission & Vision



Connecticut Green Bank is the nation's first state level green bank. Established in 2011 as a quasi-public agency, the Green Bank uses limited public dollars to attract private capital investment and offers green solutions that help people, businesses and all of Connecticut thrive.

Our mission is to confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities.



RFP for Electric School Buses



Funding Availability

1. Up to \$6 million in Supplemental Grant Funds, provided by CT DEEP
2. Up to \$40.8 million in low-interest financing, provided by CT Green Bank

Project Eligibility

1. Federal Awards → DEEP Grants, Green Bank low-interest financing
2. State Awards → Green Bank low-interest financing
3. Future Projects → Outline needs for state grant + low-interest financing support

RFP for Electric School Buses



- **December 6, 2024 – RFP Posted**
- **December 16, 2024 – DEEP Notice of Funding Availability Posted, Bidders' Conference**
- **December 20, 2024 – Proposer Questions Due**
- **December 23, 2024 – Question Responses Due**
- **January 7, 2025 – Submissions Due**

Investment Opportunities

Hardware

- Buses
- Charging Stations
- Make-ready Infrastructure

Working Capital + Bridge Loans

- 45W Tax Credit
- 30C Tax Credit
- State Grant Awards

Electric School Buses



Up to 10 years

Charging Equipment



Up to five years

Electric System Upgrades



Up to 20 years

Forms of Investment



- Senior and Subordinate loans, such as:
 - Bridge loans
 - Construction (work in progress) loans
 - Term loans
 - Working capital loans
- Loan loss reserves
- Loan guarantees
- Other forms of credit enhancement
- Participation in other lenders' loans
- Equity

RFP – Proposed Project Budget



Proposed Project Budget	
Electric School Buses, #	
Electric School Bus Cost, \$/bus	
CT Sales Tax, \$/bus	
Total Upfront Fleet Cost, \$	
Federal Rebate (if any), type	
Federal Rebate (if any), \$/bus	
State Awarded Rebate (if any) ⁹ , type	
State Awarded Rebate (if any) ⁹ , \$/bus	
Electric Vehicle Supply Equipment (EVSE), type	
Upfront EVSE Cost, \$	
Make-Ready Infrastructure, type	
Make-Ready Infrastructure Cost, \$	
Other Expenses, type	
Other Expense Cost, \$	
45W Tax Credit (if applicable), \$	
30C Tax Credit (if applicable), \$	
Total Project Cost, pre-Connecticut contribution, \$	

RFP – Proposed Financing Sheet



Respondents are highly encouraged to submit 3 scenarios of varying financing/grant terms (e.g. what level of grant funding will be required if financing is secured at x, y, or z interest rate).

Proposed Financing Sheet	Scenario 1	Scenario 2	Scenario 3
<i>Green Bank Financing Requested</i>			
Electric School Bus, \$			
Interest Rate ¹⁰ , %			
Loan Tenor			
EVSE, \$			
Interest Rate ¹⁰ , %			
Loan Tenor			
Make-Ready Infrastructure, \$			
Interest Rate ¹⁰ , %			
Loan Tenor			
<i>DEEP Grant Funding Requested</i>			
Electric School Bus, \$			
EVSE, \$			

¹⁰ Minimum 1.00% for buses, EVSE, and infrastructure for Priority Communities and 2.00% for all others

Federal ESB Awards



Federal Awards				
Agency	Program	School District	Applicant Organization	# of Buses
EPA	Clean Heavy-Duty Vehicles	Branford	Branford Public Schools	21
EPA	Clean School Bus	Branford	Zum Services, Inc	25
EPA	Clean School Bus	Bridgeport	Van Pool Transportation Llc	25
EPA	Clean School Bus	CTECS	Dattco Inc	25
EPA	Clean School Bus	CTECS	Dattco Inc	25
EPA	Clean School Bus	East Hartford	Dattco Inc	2
EPA	Clean School Bus	Fairfield	First Student, Inc.	10
EPA	Clean School Bus	Hartford	Dattco Inc	25
EPA	Clean School Bus	Ridgefield	First Student, Inc.	7
EPA	Clean School Bus	Shelton	New York Bus Sales Llc	15
EPA	Clean School Bus	West Hartford	First Student, Inc.	22

State ESB Awards



State Awards				
Agency	Program	School District	Applicant Organization	# of Buses
DEEP	DERA	ACES	ACES	1
DEEP	Volkswagen	Ansonia	STA	6
DEEP	Volkswagen	Griswold	STA	2
DEEP	Volkswagen	Middletown	Dattco	6
DEEP	Volkswagen	New Britain	Dattco	4

DEEP Supplemental Grant Program

Background

- Public Act 22-25 gave DEEP the authority to utilize up to \$20 million “in order to maximize federal funding for the purchase or lease of zero-emission school buses and electric vehicle charging or fueling infrastructure.”
- \$20 Million is bonded funding. DEEP has been authorized to use \$6 million thus far.
- Federal Funding for School Buses Comes From a Variety of Sources
 - EPA Clean School Bus Grants (4 Rounds)
 - Diesel Emission Reduction Act Funding
 - EPA Medium and Heavy Duty Vehicle Grants
 - Etc.
- To date, 181 buses have been funded through the EPA Clean School Bus Program, with a recent award through the EPA MHD Grants.

DEEP Supplemental Grant Funding

DEEP Notice of Funding Opportunity (NOFO)

- DEEP has been working with the Green Bank to determine how to braid DEEP and CGB funding to maximize the benefit to projects currently funded through federal programs.
- DEEP will be releasing a Notice of Funding Opportunity (NOFO) in the next few days that will make those funds available. The NOFO will be posted on DEEP’s [Clean School Bus Website](#).
- It will also be announced via the Air Bureau’s SIPRAC [mailing list](#).
- The form has been simplified to work with the Connecticut Green Bank process to reduce duplication of effort.
- There is no set funding level, please see CGB Exhibit B for more information as to why.

Original Vehicle								
Make	Model	Vehicle Class	Fuel Type	Engine Model Year	Remaining Life (years)*	Annual Fuel Usage (gal)	Annual Miles Traveled	Vehicle Annual Idling Hours

NOFO Criteria and Additional Information

Evaluation Criteria

- DEEP's mission is to reduce air quality impacts from mobile sources, including school buses, as such, much of the form is directed at gathering information necessary to determine air quality benefits.
- Criteria #1: Has your project secured federal funding?
- Additional Criteria:
 - What is the air quality benefit of the project?
 - What is cost per ton reduction of the project?
 - Does the project meet DEEP's policy objectives?
- If you do not know what your specific replacement vehicles will be, please provide an estimate of the replacement year at the very least. That will help DEEP determine air quality benefits.

Greenhouse Gas Reduction Fund (GGRF)



Authorized by the 2022 Inflation Reduction Act

3 Competitions:

- **\$14B National Clean Investment Fund (NCIF)**
- **\$7B Solar for All (SFA)**
- \$6B Clean Communities Investment Accelerator (CCIA)

**Over \$100 million in federal GGRF funds
awarded to Connecticut**

**Zero-emissions transportation projects
(+ enabling infrastructure) is one of
NCIF's priority project categories**



Key GGRF Compliance Requirements



This presentation covers:

- Davis-Bacon and Related Acts (DBRA)
- Build, America, Buy America (BABA)
- Utilization of Disadvantaged Business Enterprises (DBE)

See the RFP materials in Exhibit A (Federal Compliance Requirements) for more information



Disclaimer: The information contained in this presentation and the topics discussed today are based on our current knowledge of the program parameters. This presentation should not be taken as legal or regulatory advice and you should consult with your own counsel as appropriate. Thank you for your patience as we digest, translate, and disseminate new information on GGRF compliance requirements as it continues to become available.

Davis-Bacon and Related Acts (DBRA)



- First enacted in 1931 for public works projects
- Requires contractors to pay **locally prevailing wages and fringe benefits** to various classes of laborers and mechanics performing work at the site of work on a **weekly basis**
 - Applies to construction, alteration, and repair of a public building or public work financed in whole, or in part, from federal funds
 - **Covers subcontractors** as well
- “Site of work” does not include permanent office locations, plants, etc., which are established independently of the contract
- Contracts >\$100,000 require contractors to comply with overtime provisions of the Contract Wage Hours & Safety Standards Act (CWHSSA)
- Contractors are prohibited from inducing employees into giving up any part of their compensation

Federal Wage Determinations

- U.S. Dept. of Labor wage decisions on [SAM.gov](https://sam.gov) list a minimum basic hourly rate by county & construction type
 - (Residential, Building, Highway, and Heavy)
- Fringe benefits can include vacation and other paid leave, health insurance premiums, retirement contributions, life insurance, and bona fide training
- Fringe benefits may be paid to the worker in cash



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Wage Determinations

A wage determination (WD) is a set of wages, fringe benefits, and work rules that the U.S. Department of Labor has ruled to be prevailing for a given labor category in a given locality.

Help me find a wage determination

I know the WD number

Search by WD Number

e.g. DBA or SCA Identifier

☒ Show active only

I do not know the number

Start your search by selecting a category

Public Buildings
or Works



Wages rates for laborers and
mechanics

[Davis-Bacon Act \(DBA\)](#)

Service
Contracts



Wage rates for service
employees

[Service Contract Act \(SCA\)](#)

DBRA Contractor Requirements



Bid Process

- ✓ Respond to solicitations with accuracy
- ✓ **Incorporate required DBRA Terms & Conditions in all subcontracts**
- ✓ If applicable, identify any changes required to the wage determinations in the RFP and work with the Green Bank through the federal conformance process
- ✓ Ensure no subcontract is awarded to a debarred entity (check SAM.gov to confirm)



Implementation

- ✓ Pay workers covered by DBRA on a **weekly basis** while construction is undergoing
- ✓ Pay workers covered by DBRA fringe benefits “regularly”, and no less than quarterly
- ✓ Submit **weekly certified payroll submissions** to the Green Bank, **including on behalf of subcontractors**
- ✓ **Store payroll submissions** for at least 3 years after the work has been completed
- ✓ Post required DBRA signage

DBRA Green Bank Requirements



As the Contracting Agency, the Green Bank is required to:

Solicitation process

- ✓ Incorporate required DBRA Terms and Conditions in the contracts
- ✓ Include correct wage determinations in bid solicitations (Exhibit G)
- ✓ If applicable, work with the contractor(s) to make changes to the wage determinations in the RFP through the federal conformance process
- ✓ Ensure no contract is awarded to a debarred entity



Implementation

- ✓ Collect and spot-check weekly certified payroll submissions
 - ✓ Green Bank will contract with a third-party DBRA compliance solution provider
- ✓ Sort and store payroll submissions
- ✓ May conduct on-site interviews
- ✓ Aggregate contractor payroll submissions to provide regular reporting to EPA
- ✓ Report suspected violations to EPA and DOL

Build America, Buy America (BABA) Act



- First enacted under the 2021 Infrastructure Investment and Jobs Act
- Builds upon existing domestic sourcing requirements for federally-funded projects to apply to infrastructure projects
- Infrastructure is broadly defined: Any activity related to the construction, alteration, maintenance, or repair of infrastructure
 - Projects that meet the public function test, including public accommodation, are considered infrastructure

BABA applies to EV chargers installed at public school bus depots (considered public infrastructure)



BABA does not apply to electric school buses

Build America, Buy America (BABA) Act



Category	Definition	
Iron and Steel	Items made of at least 50% iron or steel or a combination of both. All manufacturing processes occurred in the U.S. <i>Examples: Manhole covers, nails, bolts, rebar, sheet piling</i>	
Manufactured Products	Items processed into a specific shape or form or combined with other articles, materials, or supplies to create a product with different properties. Must be produced in the U.S. and the cost of the product components that are mined, produced, or manufactured in the U.S. exceeds 55% of the total cost. <i>Examples: Electric vehicle charger, solar panels, heat pump, paint, bricks</i>	
Construction Materials	8 specifically listed materials: <ul style="list-style-type: none">• Non-ferrous metals• Plastic & polymer-based products• Glass• Fiber optic cable	<ul style="list-style-type: none">• Optical fiber• Lumber• Drywall• Engineered wood

A federal waiver request process is available, however, the ability to obtain a waiver is uncertain

BABA Applicability

BABA does not apply to the following materials:

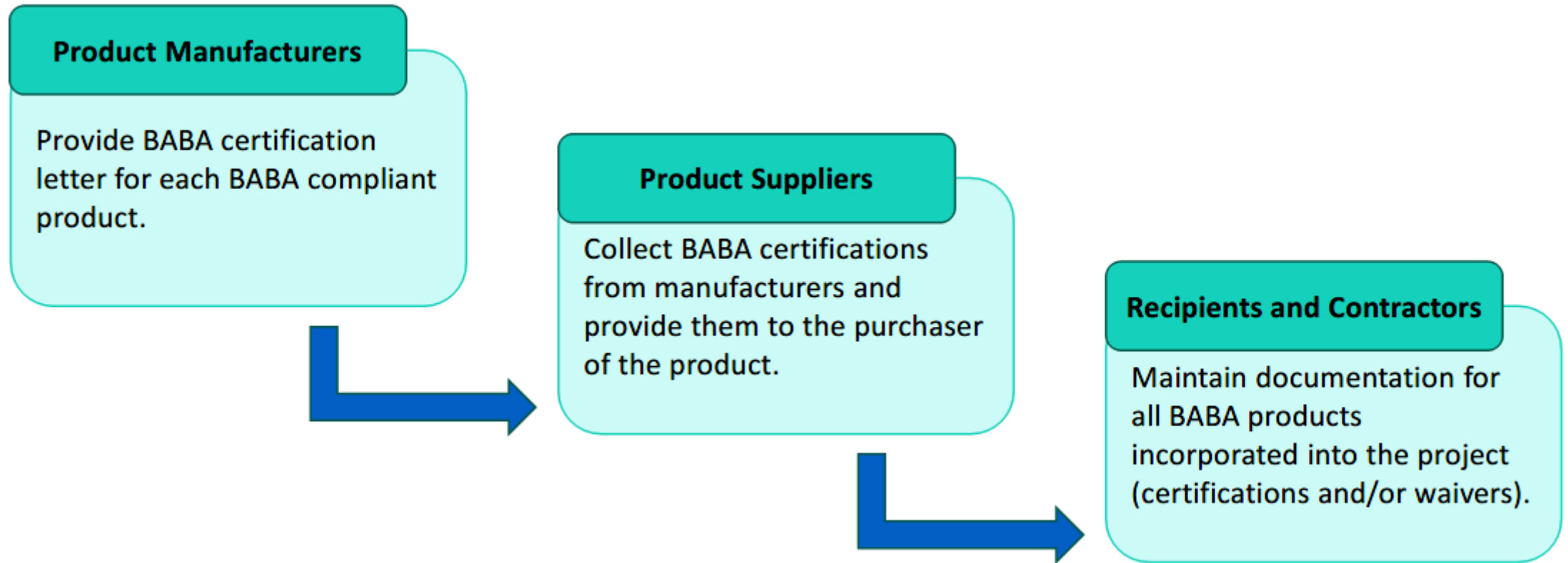
- Temporary items removed before project completion
- Services (e.g., planning/design/engineering studies, developing land use and zoning policies)
- Cement and cementitious materials
- Aggregates (e.g., stone, gravel, sand) and aggregate binding agents or additives



BABA Compliance Requirements



A signed certification letter of BABA-compliant materials is needed prior to installation



EPA Disadvantaged Business Enterprises (DBE)



To qualify as a DBE, an entity must establish that it is owned and controlled (i.e., at least 51% ownership) by socially and economically disadvantaged individuals who are of good character and citizens of the U.S.

EPA presumes Asian Americans, Black Americans, Disabled Americans, Hispanic Americans, Native Americans, and Women are socially and economically disadvantaged individuals.

For this RFP, contractors can demonstrate DBE eligibility through either:

- ❖ Minority Business Enterprise (MBE) certification through the Connecticut Dept. of Administrative Services' Supplier Diversity Program
- ❖ Women-Owned Small Business certification through the U.S. Small Business Administration
- ❖ Self-identification (additional documentation may be required)

DBE Six Good Faith Efforts



1. Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local and Government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, **whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.**
3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
5. Use the services and assistance of the SBA and the Minority Business Development Agency of the Department of Commerce.
6. **If the prime contractor awards subcontracts, require the prime contractor to take the steps 1 through 5.**

Questions & Answers

Questions? Use Q&A function

All RFP Proposer questions and requests are due by 4pm **Friday, December 20th**

- Responses posted **Monday, December 23, 2024**

RFP Submissions due by 4pm **January 7, 2025**

RFP Materials: <https://www.ctgreenbank.com/about-us/rfps/>

Contact: RFP@ctgreenbank.com



Thank you for attending!

