

# GRADE

Grants to Replace Aging Diesel Engines

## Frequently Asked Questions for GRADE

July 2018

- 1. How are projects selected for funding?** After your application is received, the pollution reductions will be calculated by air quality staff and ranked according to pollution reduced per grant dollar spent. The most cost effective projects will rank the highest, but there will be an effort to distribute the grants throughout the region and to the greatest number of organizations possible. An awards selection committee comprised of air quality professionals and environmental advocates representing the region will make the final selections on projects.
- 2. Once a project is approved, when will I receive the money?** GRADE is a reimbursement program. A funding agreement between the grant recipient and Mecklenburg County will be signed. The project can then be completed and paid for by the recipient. The money does not get disbursed until all contract documents are signed and returned, the new equipment has been purchased, old equipment scrapped and copies of all supplier & contractor invoices are submitted to Mecklenburg County for final approval. Most reimbursements are made within three to four weeks of submitting *all* necessary reimbursement paperwork. In other words, the grant recipient pays for the project upfront out of their capital expense fund and then gets a rebate in the approved amount from Mecklenburg County.
- 3. Can I sell my old equipment to offset the cost of new equipment?** No. The old equipment must be permanently destroyed. You may send it to a scrap yard and the scrap payment will be deducted from the total project cost.
- 4. Why is the funding agreement with Mecklenburg County?** Mecklenburg County is the only local government with a fully staffed Air Quality department. Mecklenburg County, on behalf of the eight counties within the Charlotte Maintenance region, applied to NC DOT for grant money to improve local air quality. The award was made directly to Mecklenburg County Air Quality to be sub-granted out for projects.
- 5. How long will I have to complete the project?** Most projects take four to six months to complete from the time awards are made.
- 6. How much funding can I receive?** Eligible projects may receive funding up to 25% of cost for on-road heavy-duty vehicles and non-road equipment replacement.
- 7. Is a match required?** Yes. The awarded applicant must incur (pay) a minimum of 75% of the project cost for complete vehicle and equipment replacements.
- 8. Am I eligible to receive a grant?** Grant eligibility depends on several factors which are outlined in the Project Guidelines. Some of those factors are: the old equipment must be in working order and have operated within the 8-county Charlotte region 75% of the time for the past year, non-road equipment must be used to construct highways within the Charlotte Region, on-road vehicles must be heavy-duty diesel vehicles. Please see the "Project Guidelines" document on the GRADE website at

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[www.GRADEplus.net](http://www.GRADEplus.net) for more eligibility requirements, or contact Air Quality staff if you have any questions.

- 9. Will I be eligible for replacement cost reimbursement if I finance my equipment?** Yes, financing is a purchase option that will be eligible for reimbursement funding should a grant be awarded. Additional documentation will be necessary to complete the funding agreement for candidates using this option.
- 10. Will I be issued an IRS form 1099 if I accept grant money?** Yes, Mecklenburg County will issue an IRS form 1099 if any vendor/recipient is paid \$1,500 or more. Please consult your tax advisor to properly report any grant money received.
- 11. I have several pieces of equipment I would like to replace or repower; can I submit multiple applications?** Yes, you may submit an application for each piece of equipment you would like to replace. Multiple applications do not guarantee your project(s) will be selected. Projects are ranked on an individual basis, and only the most competitive equipment will be selected to receive funding. Air Quality staff can help you evaluate which of your equipment replacement projects may be most competitive.
- 12. Can I sell the piece of equipment I purchased through the GRADE program?** No, you may not sell the GRADE-funded equipment during the activity life of the project. The activity life is specified on the application and included in the funding agreement. If GRADE-funded equipment is sold, traded, disposed, transferred to another owner, or transferred to another operational location outside of the eligible counties during the activity life specified in your funding agreement, Mecklenburg County will be entitled to a return of a pro rata share of the reimbursement grant funds.
- 13. What is the “Buy America” requirement?** This GRADE funded is provided by the Federal Highway Administration (FHWA) through Congestion Mitigation and Air Quality (CMAQ) funding. The FHWA requires that CMAQ funding only be used to purchase materials or equipment that are made in America. However, the GRADE program has received a Buy America waiver which reduces this requirement from made in America to *final assembly in America*. Final assembly should be completed in America for new equipment or engines purchased through this GRADE cycle.
- 14. Who can I call for help with the application?** If a particular question and answer is not listed above or if additional help is needed to complete an application, contact the GRADE Grant Administrator Jennifer Fickler at 704-336-5430 or by email at: [Jennifer.Fickler@MecklenburgCountyNC.gov](mailto:Jennifer.Fickler@MecklenburgCountyNC.gov)

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