



MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

AGRIENERGY AND SUSTAINABLE FARMING

REQUEST FOR PROPOSALS

Issue Date: January 13, 2023

Response Due: Rolling until May 31, 2023

**Michigan Department of Environment, Great Lakes, and
Energy
525 West Allegan Street
Lansing, Michigan 48933**

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AGRIENERGY AND SUSTAINABLE FARMING PROGRAM REQUEST FOR PROPOSALS

PART I GENERAL INFORMATION

I-A Purpose

The Michigan Department of Environment, Great Lakes, and Energy (EGLE), Energy Services is offering matching grants for projects that improve the efficiency of farms, agribusinesses (crop and food processing or other related businesses) and businesses that provide assistance/services to agribusinesses. Implementation of innovative solutions to agriculture energy issues, such as solar paired with storage for irrigation systems, are of special interest to this program. The MI Healthy Climate Plan includes a goal to leverage innovative strategies to support climate-smart agriculture. This program will support the MI Healthy Climate Plan goal by investing in the agriculture industry to implement energy efficient technologies to reduce the climate impact of the industry.

I-B Grant Award

A total of \$75,000 in funding is expected to be available. Applicant(s) must provide a complete Budget using the [Approved Budget Form](#) (See Section IV-B). Budgets must be itemized and be accompanied by a budget narrative which adequately describes each budget category. The grant(s) awarded from this Request for Proposals (RFP) will be subawards of the State's federal award from the U.S. Department of Energy's State Energy Program (SEP). As such, the grant will adhere to all federal grant requirements.

All applicants must provide a **minimum 50 percent (1:1) match** of the total requested grant funds (a.k.a., "State share"). Applicants may use cash, bond proceeds, tax-exempt leasing and/or Michigan SAVES financing for some or all of their match, and those that do will receive favorable consideration. This may result in different match/funding scenarios if desired, in order to increase the percentage of leveraged funds and/or incentivize larger projects. The sum of the State share plus the Recipient share of allowable costs will equal the total allowable project cost (see Section IV-B).

Energy Services will award funds to applicants that agree to the terms set forth in this RFP and the [Grant Agreement](#). Energy Services, which is an entity within the Department of Environment, Great Lakes, and Energy (EGLE), will be the primary contact with applicants and grantees and negotiate the scope of work, budget, reporting periods, report format, and reporting content. All other requirements are non-negotiable. Funds must be expended by **August 31, 2024**.

I-C Eligibility Requirements

Applicant must be an agriculture, or related, entity (farm, crop processing, food processing, etc.) that is physically located in Michigan is eligible to apply (See Sections III-G, III-H, and the Grant Agreement for additional requirements). Also

eligible are organizations that provide assistance/services to the eligible applicants listed.

I-D Issuing Office and Point of Contact

This Request for Proposals (RFP) has been issued by Energy Services. Questions that arise as a result of this RFP must be submitted to Energy Services by **email only**. Telephonic questions cannot be answered. All questions must be submitted on or before 5:00 p.m. (ET), January 31, 2023. All questions regarding this solicitation should be directed to:

Jake Wilkinson

WilkinsonJ8@Michigan.gov

I-E Changes to the RFP and Responses to Questions

Written answers to questions, changes, and/or clarifications will be posted at: <https://www.michigan.gov/egle/about/organization/materials-management/energy/rfps-loans/agriculture-and-rural-businesses-energy-incentive-program> by February 1, 2023.

I-F Pre-proposal Conference

No pre-proposal conference will be held for this RFP. Any inquiries should be submitted as outlined in Section I-D.

I-G Proposals

To be considered, *applicants must submit a complete response to this RFP, addressing the Work Statement provided in Part III, and using the format and attachments provided in Part IV. Each proposal must be submitted online through Survey Monkey. Proposal must be original and cannot be funded in part or whole by another entity without Energy Services' consent.* For this RFP, the proposal must remain valid for at least 60 calendar days.

I-H Response Date

Proposals will be accepted by EGLE Energy Services on a first come first served basis until all funding is expended, or May 31, 2023, whichever comes first, at the discretion of Energy Services and program priorities.

I-I Oral Presentation

Applicants may be required to make an oral presentation of their proposal to the State. These presentations provide opportunity for the applicant to clarify the proposal to ensure thorough mutual understanding. The Issuing Office will schedule these presentations, as necessary.

I-J Project Clarifications/Revisions

During the proposal review process, applicants may be contacted for clarification and for the purpose of negotiating changes in project activities, timetables, and budgeted costs. The Issuing Office reserves the right to award funds for an

amount other than that requested and/or request changes to, or clarification of, the proposed project.

I-K Rejection of Proposals

Energy Services reserves the right to reject any and all proposals received as a result of this RFP or to negotiate separately with any source whatsoever in any manner necessary to serve the best interest of the State and Energy Services. Energy Services will not pay for the information solicited or obtained as a result of a consultant/vendor's response to any RFP.

I-L Acceptance of Proposal Content

The contents of this RFP and the proposal of the selected applicant become grant obligations if a grant award ensues. Failure of the selected applicant to accept these obligations shall result in cancellation of the award.

The successful applicant(s) will be required to accept all terms and enter into a Grant Agreement with the State within 45 calendar days of being notified of funding availability. The Agreement consists of standard contract language, applicant's work plan, timetable, and budget information, a compensation clause that adheres to guidelines in this solicitation, and terms and conditions that outline additional requirements.

I-M Incurring Costs

The State is not liable for any costs incurred by an applicant prior to issuance of a Grant Agreement.

I-N Economy of Preparation

Proposals should be prepared simply and economically, providing a straightforward, concise description of the applicant's ability to meet the requirements of the RFP. Professional bindings, colored displays, promotional materials, and so forth, are not desired. Emphasis should be on completeness and clarity of content.

I-O News Releases

News releases (including promotional literature and commercial advertisements) pertaining to the Grant or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.

I-P Disclosure of Proposal Contents

All information in a bidder's proposal and any Grant resulting from this RFP is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, *et seq.*

I-Q Davis-Bacon Act Requirements

The Davis-Bacon Act requires that all laborers and mechanics, which are non-

government employees, receive prevailing wages. This requires that the Department of Labor (DOL) wage rate report is included with agreements that are affected by the Davis-Bacon Act requirement. If applicable, all positions that are related to an agreement subject to the Davis-Bacon Act must be classified accordingly. Weekly time reporting requirements and necessary forms are listed in the Grant Agreement, Addendum to Part II. Detailed information about the Davis-Bacon Act can be found at the [U.S. Department of Labor Website on Federal Contracts-Working Conditions](#).

I-R Copyrighted Materials

See Section 3.1 of the Grant Agreement for a summary of intellectual property provisions.

I-S Prime Applicant Responsibilities

The selected applicant will be required to assume responsibility for all grant activities offered in the proposal whether or not that applicant performs them. Further, the State will consider the selected applicant (Recipient) to be the sole point of contact with regard to grant matters, including but not limited to payment of any and all costs resulting from the anticipated grant. If any part of the work is to be subcontracted, the Recipient must notify Energy Services and identify the subcontractor(s), including firm name and address, contact person, complete description of work to be subcontracted, descriptive information concerning subcontractor's organizational abilities, Federal Employer Identification Number (FEIN), DUNS/UEI number, and/or state license number. The State reserves the right to approve subcontractors for the project and to require the Recipient to replace subcontractors found to be unacceptable. The Recipient is totally responsible for adherence by the subcontractor to all provisions of the Grant. For additional information, see Section 2.2 of the Grant Agreement for a summary of delegation provisions.

I-T Partner Responsibilities

Organizations partnering with selected applicant(s) must comply with the requirements of the solicitation and will be held to the same standards as prime applicants (See Section I-S).

PART II
SELECTION CRITERIA

All proposals received shall be subject to an evaluation by Energy Services. The evaluation will be conducted in a manner appropriate to select the applicant(s) for the purpose of entering into a Grant Agreement to perform the proposed project within the established timeline. Initial screening of the applications will be conducted to ensure applicants and projects meet all eligibility requirements.

*Proposals failing to meet the eligibility requirements described in Sections I-C, III-G, and III-H that do not comply with the requirements of the Grant Agreement, and/or which are incomplete, **will be rejected automatically**.* Proposals meeting the eligibility requirements will be evaluated according to the scoring criteria and weighting factors below. Applicants may be asked to make oral presentations before a final decision is made.

Total maximum points are 100.

Project Scope & Objectives (25 Points)

Proposals will be evaluated based on the scope of work, its merit, and the quality of information submitted. The proposal problem statement, goals and objectives, and timeline are of especial interest.

Project Feasibility (25 Points)

Proposals will be evaluated on their likelihood of success and feasibility to achieve the purpose, outcomes, and tasks required by this RFP within the established timeframe.

Project Impact and Innovation (25 Points)

Proposals will be evaluated on their anticipated short and long-term impacts. Proposals will also be evaluated on the level of innovation of the project.

Experience of Organization/Project Team (15 Points)

Proposals will be evaluated on the experience and qualifications of the organization and project team in carrying out related projects.

Program Priorities (10 Points)

Proposals will be evaluated on the incorporation of the Energy Services AgriEnergy and Sustainable Farming program priorities (see Part III, Section III-F). Proposals will be evaluated on support of the MI Healthy Climate Plan.

PART III
WORK STATEMENT

III-A Purpose

The Michigan Department of Environment, Great Lakes, and Energy (EGLE), Energy Services is offering matching grants for projects that improve the efficiency of farms, agribusinesses (crop and food processing or other related businesses) and businesses that provide assistance/services to agribusinesses. Implementation of innovative solutions to agriculture energy issues, such as solar paired with storage for irrigation systems, are of special interest to this program. The MI Healthy Climate Plan includes a goal to leverage innovative strategies to support climate-smart agriculture. This program will support the MI Healthy Climate Plan goal by investing in the agriculture industry to implement energy efficient technologies to reduce the climate impact of the industry.

NOTE: The State reserves the right to award funds for an amount other than that requested and/or request changes to, or clarification of any and all proposals received as a result of this RFP.

III-B Problem Statement

Agriculture and rural customers have been underserved by energy programs in past years. Many of these businesses are considered essential and their continued operation is very important to the residents that these businesses serve. In times of crisis, such as the recent COVID-19 pandemic, these businesses become ever more important to the community. These businesses can be made more resilient and stable through energy efficiency and renewable energy implementation in those buildings and need support to invest in their facilities to ensure continued operation.

III-C Objectives

The objectives of the Agribusiness and Sustainable Farming Program, this RFP, and projects funded hereunder are:

1. Support innovative technologies to reduce onsite energy use and reduce climate impacts of the agriculture industry.
2. Improve energy efficiency of agriculture operations and small businesses in rural Michigan.
3. Increase onsite renewable generation at agriculture operations and small businesses in rural Michigan.
4. Improve access to energy programs in rural areas of Michigan
5. Improve resiliency of essential operations in Michigan through energy use reduction.
6. Maintain services to rural areas through investment in rural businesses.

III-D Tasks

Applicants must clearly and succinctly explain how they will accomplish each

required task below, which must be completed during the grant period. Applicants are encouraged to design additional tasks that address the expressed needs of the program and the State, but also capitalize on the strengths of the applicant.

1. Improve energy efficiency of applicants building(s).
2. Increase onsite renewable generation at applicant site
3. Improve organization resiliency through energy use/cost reduction

III-E Areas of Interest

1. Energy efficiency
2. Onsite renewable energy generation
3. Solar paired with storage on irrigation systems
4. Agriculture Operations
5. Rural Small Businesses

III-F Program Priorities

To better allow Energy Services to achieve the goals and requirements of the AgriEnergy and Sustainable Farming Program applicants are encouraged to consider and incorporate the following funding priorities within their proposals to the fullest extent possible:

1. Highlighting energy waste reduction and/or renewable energy as an affordable, reliable, adaptable, and environmentally protective solution for Michigan's energy future. Energy waste reduction, as defined in Public Act 342 of 2016, includes energy efficiency, load management, and energy conservation.
2. Driving down the installed cost/watt for renewable energy in Michigan.
3. Increasing accessibility to renewable energy and/or energy waste reduction and the associated benefits for a broad range of end-users.
4. Strategic deployment of renewable energy and/or energy waste reduction across the state that leverages regional strengths and opportunities.
5. Cultivating public-private partnerships and knowledge-sharing to expand the impact of renewable energy and/or energy waste reduction projects and related best practices.
6. Increasing opportunities for business investment, talent enhancement, state branding, and community vitality.
7. Support the goals of the MI Healthy Climate Plan.

NOTE: Energy Services reserves the right to award funds for the purpose of achieving an optimal range of energy waste reduction and/or renewable energy technology projects, and to assure projects demonstrate their unique contribution and are not duplicative, or effectively duplicative, of previously funded projects.

III-G Eligible Projects

For purposes of this RFP, the following types of entities are eligible to apply:

Agriculture, or related, entity (farm, crop processing, food processing, etc.). Also eligible are small businesses (non-manufacturing) with less than 500 employees worldwide. Eligible applicants must be located in rural Michigan as defined by the Federal Office of Rural Health Policy (FORHP) here and considered essential as defined in Executive Order 2020-21 here.

Eligible projects must involve/address energy efficiency or onsite renewable energy.

Impacted facilities must be occupied and have long range plans of continued use.

III-H Ineligible Projects

1. Projects deemed illegal under the law or inappropriate under contract management standards.
2. Projects considered scientifically unsound or significantly increase risks to workers and/or the public.
3. Projects that will not be conducted in Michigan.
4. Projects involving demonstration of non-commercially available equipment and technologies. This also includes projects involving the purchase of equipment to conduct research, development, or demonstration of energy efficient or renewable energy technologies that are not commercially available.
5. Projects not directed to or lacking significant onsite energy waste reduction and/or renewable energy benefits.
6. Projects that cannot be shared with or have restricted transferability to other entities in Michigan.
7. Projects requiring an environmental assessment study under the **National Environmental Policy Act (NEPA) of 1969** (42 U.S.C. Section 4321 *et seq.*) unless the applicant can show proof of the U.S. Department of Energy's approval of the project.

PART IV **INFORMATION REQUIRED FROM APPLICANTS**

Applicant(s) must complete the Online Application in Section IV-A and attach the materials listed below. Applicant(s) must submit one electronic copy of their application. Please note, no other facsimile will be accepted.

NOTE: The following information must be submitted by all applicants to be considered. *Failure to attach/include the requested information will result in the rejection of the proposal.*

1. **Online Application (see instructions below).**
2. **Approved Budget Form (see instructions below).**
 - a. If an indirect cost rate is used in the budget, the **Certificate of Indirect Costs** must be selected, signed, and submitted.
3. Detailed Timeline – timeline for successfully completing each required task,

including key sub-tasks and critical decision points to be undertaken during the grant.

4. An acknowledgement that the applicant has registered as a vendor with the State of Michigan on the SIGMA Vendor Self Service (VSS). If you are an existing vendor and have an account in [Sigma VSS](#), please verify that all your account information is correct. If not, please use the [Sigma VSS](#) to register. This Web site is for the exclusive use of the vendors and individuals intent on doing business with the State of Michigan and allows you to be paid in the event that you are awarded a contract. Your registration may take up to two weeks to be processed.
5. Most recent copy of the A-133 or outside audit (IF an A-133 or outside audit has been completed) OR the most recent financial statements (balance sheet and income statement).
6. [State Historic Preservation Office \(SHPO\) Section 106 Review Form](#) (see [instructions below](#)) [if applicable].
7. [National Environmental Policy Act \(NEPA\) Form](#) (see [instructions below](#)) [if applicable].
8. Additional information and comments [if applicable].

Please see instructions below for additional information:

IV-A Online Application

Complete the [Online Application](#) through Survey Monkey. Questions marked with an asterisk (*) require a response. Applicable materials listed in Section IV must be uploaded within the Online Application. Applicants can submit their completed Online Application by clicking the “Submit” button on the bottom of the application page.

NOTE: DO NOT CLOSE THE ONLINE APPLICATION PRIOR TO SUBMITTING OR ELSE ALL PROGRESS WILL BE LOST.

IV-B Approved Budget Form

1. Applicant(s) **must** use the [Approved Budget Form](#). All budget categories must be addressed. Please use “N/A” or “None” to indicate there are no costs associated with a given budget category.
2. The following costs are **disallowed**: sick pay, holiday pay, paid vacation time, payroll taxes, vehicles, computers, real property (e.g., land and buildings), parking, tuition reimbursement/remission, vehicle allowance, car rental, subscriptions, dues, memberships, and repair of buildings and structures.
3. All applicants must provide a **minimum 50 percent (50%) match** of the total requested grant funds (aka “State share”).
4. The sum of the State share plus the recipient share of allowable costs will equal the total allowable project cost.
5. Personnel – include all staff performing work on the project. For each staff person, provide their name, job title, annual salary/wages, and percent of time dedicated to the grant project. *NOTE: The state may require [Davis-Bacon Act](#) or prevailing wage rates to be paid.*
6. Fringe Benefits – allowable benefits typically include health insurance, dental

- insurance, and optical insurance. For each listed staff person, provide their fringe benefit rate, and confirm their annual fringe benefit cost. Note, applicant(s) will be required to detail/justify the fringe rates given in their proposed budget prior to an agreement being finalized. If fringe cost rates are approved by a federal agency, identify the agency and date of latest rate agreement, and include a copy of the rate agreement with the application. If fringe cost rates are not approved by a federal agency, explain how total fringe benefit costs were calculated. Your calculations should identify all rates used along with the base they were applied to (and how the base was derived), and a total for each (along with the grand total).
7. Contractual Services – include all anticipated service contracts required for the project. All sub-recipients, vendors, contractors, and consultants and their estimated costs should be identified. Provide the vendor or contract name, the service to be provided, and the dollar amounts to be paid using grant funds and/or matching funds. Use TBD if the entity is unknown. Include the basis of cost for each item (competitive, historical, quote, catalog, etc.).
 8. Supplies & Materials – include items costing less than \$5,000 per unit or a useful life expectancy of less than one year. Supplies are general consumed during the project performance. Supply items must be direct costs to the project and not duplicative of supply costs included in the indirect pool that is the basis of any indirect rate applied for this project. Provide the item, unit cost, and quantity of units. Confirm the matching funds amount, if applicable.
 9. Equipment – include items costing \$5,000 or more per unit and having a useful life of one year or more. Provide the item, unit cost, quantity of units, and the dollar amounts to be paid using grant funds, and/or matching funds. List all proposed equipment and briefly justify its needs as it applies to the objectives of this proposal. If the equipment is being proposed as cost match and was previously acquired, provide the value of its contribution to the project and a rationale for the estimated value shown. If it is new equipment that will retain a useful life upon completion of the project, provide a rationale for the estimated value shown. Also, indicate whether the equipment is being used for other projects or is 100% dedicated to this project.
 10. Other Direct Costs – include all other known direct costs not otherwise categorized or disallowed. Provide the title/name and the cost of each item/service listed.
 11. Travel – include all mileage, lodging, meals, and other known travel costs. Provide travel costs separately as mileage, lodging, meals, and other known travel costs. All listed travel must be necessary or beneficial to the performance of the proposed grant. State of Michigan travel rates must be used for all travel expenses and out-of-state travel must be directly related to the grant project and approved by the SEP Manager. Use the most recent State of Michigan Travel Rates posted by the [Michigan Department of Technology, Management & Budget](#).
 12. Indirect Rate – Provide the indirect rate (up to **10 percent de minimus**) used by applicant's organization as a percentage of total personnel and fringe benefits. Confirm the resulting dollar amount for grant funds. If the indirect

cost rate is over 10 percent and the applicant has been approved by a federal agency, identify the agency and the date of the latest rate agreement, and submit a copy of the agreement with the application. If the indirect cost rate has not been approved by a federal agency, provide the basis for computation of rates including the types of benefits to be provided, the rate(s) used and the cost basis for each rate. **Note: Applicant(s) will be required to detail/justify their indirect rate given in their budget prior to an agreement being finalized.** All applicants including an indirect rate must sign and submit the [Certificate of Indirect Costs](#).

13. Totals – confirm the total dollar amounts for each listed line item and each column.

Additional Budget Information:

1. At such time that proposals are approved by Energy Services, modifications of proposals may be necessary. If Energy Services does not award the total amount requested in the original proposal, selected applicant(s) will be required to submit a revised proposal for the purpose of entering into a Grant Agreement. For those receiving less than requested in their proposals, the proportion of direct costs to indirect costs will remain the same as in their original request. New line items to the revised budget are not allowed.
2. Selected applicant(s) assumes the responsibility for ensuring the grant project is performed within the established timeline.
3. Selected applicant(s) assumes the responsibility of ensuring all unexpended grant funds are returned to the State of Michigan at the end of the grant period.
4. If the entire State share of the grant award is expended, the entire in-kind and/or matched funds must be spent and supported by source documentation. If the entire State share of the grant award is not spent, the in-kind and/or matched funds may be reduced proportionately by the percentage of the grant award not spent.
5. Indirect costs *must be proportionately reduced* if the selected applicant(s) does not expend the entire grant award by the end of the grant term. The adjustment for the reduction shall be calculated by determining the percentage of the grant not spent. This percentage is the amount to be reduced from the indirect costs total. Indirect costs shall be based on a percentage of the budget line items listed under the State share column. Indirect costs must be utilized for this grant within the established timeline.
6. Selected applicant(s) may not commingle award funds with current or future awards received from the SEP. Financial assistance from each funding source must be managed, reported, and accounted for separately from all other funding sources.
7. Should selected applicant(s) cease business operations or dissolve the program established under the grant agreement, existing capital must be returned to the State of Michigan.
8. The State anticipates the grant period will start February 1, 2023, and will end on August 31, 2024.

IV-C State Historic Preservation Office (SHPO) Section 106 Review Form
If the applicant is conducting ground-disturbing activity or work on a building(s) that is/are at least fifty years of age or older, applicant must complete in full the **State Historic Preservation Office (SHPO) Section 106 Review Form**. The review process must be completed prior to the expenditure of federal funds. No project that results in an adverse effect to a historic property will be considered for funding. Projects may be modified to avoid adverse effects. **Submit this form with your proposal to Energy Services. Energy Services will review and forward to the State Historic Preservation Office, as necessary.**

IV-D National Environmental Policy Act (NEPA) Form
All activities undertaken with grant funds must comply with the **National Environmental Policy Act (NEPA) of 1969** (42 U.S.C. Section 4321 *et seq.*). It is the selected applicant's responsibility to acquire all necessary environmental permits to operate in the State of Michigan. If the applicant is conducting activities that require NEPA review, applicant must complete in full the **National Environmental Policy Act Form**. **Submit this form with your proposal to Energy Services for review.**

*NOTE: See the **NEPA Review Exclusions for the SEP** for further clarification on the type of projects excluded from NEPA review.*

IV-E Certificate of Indirect Costs
If an indirect cost is included in the proposed budget, it must be certified using the **Certificate of Indirect Costs**. The certificate must be signed on behalf of the organization by an individual at a level no lower than vice president or chief financial officer of the organization that submits the proposal. This certification is included within the Online Application and must be checked to certify.