

Request for Applications (RFA)

Application due:

March 29, 2024, by 5 p.m. PST

Nevada Department of Agriculture

Resilient Food System Infrastructure Grant ProgramDivision of Administrative Services

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Introduction

The U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS), has entered into a cooperative agreement with the Nevada Department of Agriculture (NDA) to administer the Resilient Food Systems Infrastructure (RFSI) cooperative agreement. The overall goal of RFSI is to create better processing options for local and regional producers across specialty crops, dairy, grain (for food), and other sectors by targeting gaps and opportunities in the pandemic assistance, Food Systems Transformation programs, and existing USDA grant programs that support the agricultural supply chain. Nevada has received \$2,214,973 for this program from USDA AMS. This amount is to be split to support the state through grant funding and technical support to help build resilience in the middle of the supply chain. This program aims to provide better markets to small farms and food businesses, support the development of value-added products for consumers, fair prices, and fair wages; and create new and safe job opportunities. The NDA, in cooperation with USDA, will conduct a competitive solicitation to award approximately \$1,200,000 in RFSI funds to projects that maintain and improve food and agricultural supply chain resiliency.

Projects should support infrastructure in the middle-of-the-supply-chain for Nevada food and farm businesses and other eligible entities. The food supply chain involves the following stages:

- 1. Production
- 2. Processing
- 3. Aggregation and Distribution
- 4. Markets and Consumers

Middle-of-the-supply-chain refers to stages 2) Processing and 3) Aggregation and Distribution. This program supports food system crops and products meant for human consumption, excluding meat and poultry products.

There are two types of awards being offered with this funding, Infrastructure Grants and Simplified Equipment-Only Grants. Applicants are only eligible to receive one grant.

Infrastructure Grants

The minimum federal award amount for Infrastructure Grants is \$100,000 and projects must be completed by May 24, 2027. An Infrastructure Grant applicant is required to contribute 50% of the total proposed project cost as a match to funding received, unless the applicant qualifies for reduced match. For historically underserved farmers, ranchers, or small businesses as defined by the Small Business Administration (SBA), the required match is reduced to 25% of the total proposed project cost. Match may consist of cash match, in-kind contributions, or any combination thereof. Funds from other federal grant programs may not be used as match for RFSI grants. Funds from state grants may be used as matching funds, so long as those funds do not originate from a federal pass-through grant and are not committed elsewhere as matching funds. Projects that may be eligible for RFSI Grant funding include, but aren't limited to:

• Expanding processing capacities, including adding product types, increasing production volumes, and supporting new wholesale/retail product lines.



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- Modernizing equipment or facilities through upgrades, repairs, or retooling; (e.g., adapting product lines for institutional procurement or adding parallel processing capacity).
- Purchasing and installing specialized equipment, such as processing components, sorting equipment, packing, and labeling equipment, or delivery vehicles.
- Modernizing manufacturing, tracking, storage, and information technology systems.
- Enhancing worker safety through adoption of new technologies or investment in equipment or facility improvements.
- Supporting construction of a new facility.
- Increasing packaging and labeling capacities that meet compliance requirements under applicable laws (e.g., sealing, bagging, boxing, labeling, conveying, and product moving equipment).
- Increasing storage space, including cold storage.
- Developing, customizing, or installing climate-smart equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA's climate action goals.
- Modernizing equipment or facilities to ensure food safety, including associated Hazard, Analysis, and Critical Control Points (HACCP) consultation, plan development, and employee training.
- Training on the use of equipment purchased under the grant and associated new processes.

Simplified Equipment-Only Grant

The Simplified Equipment-Only Grant is for on-site middle-of-the-supply-chain equipment. For example, an awardee can acquire a walk-in cooler or special purpose equipment. The minimum award amount for the Equipment-Only Grants is \$10,000 and the maximum award amount is \$100,000. There is no match required for the Equipment-Only Grants.

As this is the first of potentially many years of an RFSI, this RFA is subject to be amended to consistently align itself with USDA AMS and any new or existing requirements presented by the federal or state government. Questions may be sent to the RFSI Team by emailing RFSI@agri.nv.gov.

Applications are due March 29, 2024, by 5:00 p.m.

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Nevada's Tentative RFSI Timeline

Activity	Tentative Date
Application period begins	February 28, 2024
Applications are due	March 29, 2024, 5:00 p.m. PT
Grant Proposals sent to USDA for approval	April 19, 2024
Awarded projects will be announced	By Fall 2024
Projects will close or complete	May 24, 2027

Funding Priorities

The funding priorities for Nevada have been established based on feedback from surveys, outreach, and previous data collection. The following priorities have been determined to support the State's agricultural needs:

- Expanded capacity for processing, aggregation, and distribution of agricultural products to create more and improved markets for producers, while following food safety protocols;
- Improvements to infrastructure on farms and within aggregation centers, including: coolers, dry storage areas, and produce wash/pack facilities;
- Construction of a new facility or new buildings at existing facilities;
- Equipment for processing and distribution businesses.

Based on the priorities that have been identified, projects aligned with the needs of the state are encouraged to apply.

How to Apply

Applicants are required to submit their application via email to the RFSI Grant Coordinator at RFSI@agri.nv.gov with the subject line "Infrastructure Grant Application [last name or entity name]" or "Simplified Equipment-Only Grant Application [last name or entity name]".

You must use the required dynamic PDF template(s) and forms to apply, refer to RFSI Checklist for more detail. It is strongly encouraged to include all invoices, bids, or other documentation for the review committee to thoroughly understand direct costs being requested for both Infrastructure and Simplified Equipment-Only Grants.

Eligible Entities

Entities eligible for RFSI Grants are listed below:

- Agricultural producers or processors, or groups of agricultural producers and processors
- Nonprofit organizations operating middle-of-the-supply-chain activities
- Local government entities operating middle-of-the-supply-chain activities
- Tribal governments operating middle-of-the-supply-chain activities
- Institutions such as schools, universities, or hospitals bringing producers together to establish cooperative or shared infrastructure or to invest in equipment that will benefit multiple producers' middle-of-the-supply-chain activities.



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All applicant businesses and organizations must be domestically owned, and applicant's facilities must be physically located within Nevada. Middle-of-the-supply-chain activities refers to activities in the processing and/or aggregation and distribution stages.

Priority will be given to entities who conduct solely middle-of-the-supply-chain activities. During the application process, a thorough description of the entity and all activities is encouraged.

RFSI Activities

As the grant opportunities are extensive, the lists below are not exhaustive to the options that are allowable under this grant. However, they should serve as guidelines of what can be accomplished. To ensure an entity can align themselves with the RFSI Program, please refer to the list below, as it is meant to provide clarity for "middle-of-the-supply-chain" entities and their eligible activities:

- Hiring term-limited personnel to assist with project implementation
- Purchasing special purpose equipment, defined in AMS General Terms and Conditions
- Analyzing potential facility upgrades and changes that meet regulatory requirements, obtaining design or architectural services, etc.
- Planning for Hazard Analysis Critical Control Points (HACCP) or other food safety or worker safety measures or equipment recommendations
- Packaging, including grading, sorting, and labeling
- Processing, canning, preserving, or pasteurizing crops
- Extraction of juice, oil, nut meat, etc. from crops
- Processing crops, such as chopping, washing, peeling, drying, hulling, milling, shelling,
 etc.
- Creating value-added products via cooking, baking, juicing, fermenting, distilling, processing, etc.
- Processes or activities involving tracking, storage, cold storage, warehouse, and/or distribution of crops and/or products
- Enhancing worker safety and/or education in the above or similar activities
- Modernizing, developing, or expanding equipment or facilities used for the above or similar activities
- Upgrades or new facilities for processing specific agricultural products such as:
 - o On-farm post-harvest processing, preservation, and storage/cold storage
 - o Post harvest cleaning and grading
 - o Aggregator warehouse and storage, including cooperatives
 - o Purchase of freezing equipment, freezer, or cold storage
 - o Processing, canning, preserving and pasteurization
 - Preparation and packing
 - o Drying, hulling, shelling, and milling
 - o Cooking, baking, juicing, distilling, and fermenting

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Unallowable Activities under the Infrastructure Grant

- Acquiring real property (including land purchases), or any interest therein
- Projects focused on meat and poultry processing or other ineligible agricultural products
- Activities that have received a Federal award from another Federal award program
- Claim expenses that have been or will be reimbursed under any Federal, State, or local government funding
- Projects which have already received funding from another Federal grant or subaward program, unless funds will be used to build on the successes of prior funding, such as the USDA Regional Food Business Centers Business Builder subawards, to fund subsequent activities

Equipment-Only Grant Activities

Allowable activities under the Equipment-Only Grant includes the purchasing/renting and shipping of Special purpose equipment to achieve projected outcomes for the entity's proposal. Special purpose equipment have technical use and have a useful life of more than one year. Equipment needs to be tangible and nonexpendable while being used only for technical activities that bolster the middle-of—the-supply-chain activities. Equipment that will be used by multiple producers or entities is allowable and should be noted in the application. Examples of special purpose equipment include, but aren't limited to:

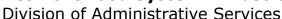
- Canners
- Hulling processors
- Reverse osmosis systems
- Roasters
- Packing and labeling equipment
- Delivery vehicles
- Wash tables

The purchase of general equipment is not allowed under this award. General equipment is considered not technical or specific enough for the use of RFSI program activities, such as general use motor vehicles, office furniture, printers, or copiers.

Infrastructure Cost & Matching Requirements

Infrastructure grant recipients are required to contribute 50% of the total proposed project cost as a match to federal funding. This applies to all applicants except those who qualify for the reduced match described in the next section. Match may be a culmination of cash, in-kind contributions, or a combination of funds to complete a project's cost requirement.

In-kind contributions, when used as a cost share or match for a grant, are defined as the value of goods or services provided for the benefit of the grant program, where no funds transferred hands. All matching contributions must be committed or secured at the time an applicant is recommended for an award, funds committed to another federal grant agreement cannot satisfy a cost sharing or match requirement for the RFSI Grant Program. Program income or any other Federal funds are an ineligible source of match or cost share. For infrastructure applications you





must provide an in-kind contribution per year, and total in-kind match that must be broken down into the following categories:

- Salaries (employee names, titles, duties, pay rate, and amount matched every year)
- Items/Activities (fair market value per unit, how value is determined, and the amount matched every year)
- An explanation of how each type of match will correspond to the budget or be used by the applicant

Direct and Indirect Costs

In proposed budgets for infrastructure grants, grantees are responsible for presenting direct and indirect costs appropriately and consistently on the application. Ensure that all associated costs are presented once in either direct cost or indirect cost, never both.

Entities that have never received a negotiated indirect cost rate agreement, or NICRA, may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely. For more information refer to 2 C.F.R. §§ 200.413 and 414.

Direct costs are costs that can be identified specifically with a particular award, project, or program service, or other organizational activity or that can be directly assigned to such an activity relatively easily with a high degree of accuracy. Typically, direct costs include, but are not limited to, compensation of employees who work directly on the award to include salaries and fringe benefits, travel, equipment, and supplies directly benefiting the grant supported project or program.

Indirect Costs, according to <u>2 C.F.R.</u> § 200.1 are "facilities and administrative costs" and include costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Indirect costs may count toward the Infrastructure Grant Applicant's match. Indirect costs will only be needed for the infrastructure application, not for the Equipment-Only Grant. The salaries of the administrative staff should be treated as indirect costs. However, assigning these as direct costs may be appropriate if all the following conditions are met:

- Administrative or clerical services are integral to a project or activity.
- Individuals involved can be specifically identified with the project or activity.
- Costs are explicitly included in the budget or have the prior written approval of the federal awarding agency.
- The costs are not recovered as indirect costs.

Reduced Fund Matching

For historically underserved farmers, ranchers, and small businesses that qualify under the Small Business Administration (SBA) including small, disadvantaged businesses, women-owned businesses, and veteran-owned businesses, that match requirement is reduced to 25% of the total project cost.

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- To learn more about the USDA definition of historically underserved and socially disadvantaged producers, please click here.
- To learn more about the historically underserved and socially disadvantaged middle of the supply chain businesses and organizations as defined by the Small Business Administration (SBA), please click here.
- Proposals must align with requirements in the Resilient Food System Infrastructure Program Scope and Requirements, which can be <u>found here</u>.

To qualify under U.S. Small Business Administration categories the required match funding contribution or cost share is reduced to 25 percent of the project cost. Applicants must self-certify in their Infrastructure Grant application as being eligible for this reduced match. See tables below using 50 and 25 percent match requirements:

RFSI Match Calculator 50 F	Percent Match Requirement
Total Project	\$200,000
Federal Funds Requested	\$100,000
Matching Funds/In-kind Amount Required	\$100,000

RFSI Match Calculator 25 F	Percent Match Requirement
Total Project	\$133,333.33
Federal Funds Requested	\$100,000
Matching Funds/In-kind Amount Required	\$33,333.33

Top Table: RFSI Match Calculator 50 Percent Match Requirement

Total Project \$200,000

Federal Funds Requested \$100,000

Matching Funds/In-kind Amount Required \$100,000

Bottom Table: RFSI Match Calculator 25 Percent Match Requirement

Total Project \$133,333.33

Federal Funds Requested \$100,000

Matching Funds/In-kind Amount Required \$33,333.33

Infrastructure Evidence of Critical Resources

Evidence of Critical Infrastructure is required if critical resources and/or infrastructure are necessary for the completion of the proposed Infrastructure Grant project. The NDA requires applicants to submit evidence, using the required form, that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. Land, structures, and other critical resources must be in place and in working condition at the time of application submission.

^{*}No match is required for the Simplified Equipment-Only Grants.

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NEPA Compliance with Infrastructure Grantees

The National Environmental Policy Act (NEPA), as amended (42 U.S.C. §§ 4321, et seq.), applies to Federal agency actions that have the potential to affect the quality of the human environment. It requires Federal agencies to conduct a review considering potential environmental impacts through a systematic and interdisciplinary approach, including the natural and social sciences in planning, evaluation, and decision-making. AMS and NDA are obligated to comply with NEPA regulations coordinated by the White House Council on Environmental Quality (CEQ) (40 C.F.R. Parts 1500-1508). These regulations outline Federal agency requirements under NEPA and provide specific procedures for preparing environmental documentation to comply with NEPA.

If the action is subject to NEPA review, then the environmental impacts must be documented at one of three levels of NEPA analysis by:

- 1. Applying a categorical exclusion (CE); (AMS does not have a NEPA implementing regulation with CEs)
- 2. Preparing an environmental assessment (EA), and, if appropriate, a Finding of No Significant Impact (FONSI)
- 3. Preparing an environmental impact statement (EIS) and Record of Decision (ROD)

AMS must decide if the proposed action affects the quality of the human environment. If AMS determines it would not significantly affect the quality of the human environment, then a Finding of No Significant Impact (FONSI) will be prepared and signed. Projects entered under the RFSI Program would be analyzed individually to determine the need for site-specific environmental reviews.

The environmental analysis for projects that may be funded include the following resources or features:

- Vegetation and wildlife
- Cultural resources
- Coastal barrier resource and coastal zones
- Wild and scenic rivers and Nationwide Rivers Inventory
- Wilderness areas and national natural landmarks
- Floodplains and wetlands
- Soils and other important land resources
- Water Quality
- Air quality
- Noise
- Socioeconomic conditions and environmental justice

Although the NDA isn't the agency determining FONSI status, it may be able to give guidance regarding NEPA compliance for an applicant's project.

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Build America, Buy America Act

Any public infrastructure project funded under this grant program must adhere to Build America, Buy America (BABA) guidance. For such projects, the recipient must comply with the Buy America Sourcing requirements outlined in the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act.

UEI Requirements

All applicants must be registered in the federal system for award management (www.SAM.gov) database and provide a UEI number. To receive a UEI number, visit the following www.SAM.gov to begin the process. All applicants must also have a TIN/EIN (Employer Identification Number) or if the applicant is the sole proprietor, a social security number. It is advised to begin the process to register for a UEI as soon as possible.

Awardee Requirements

Infrastructure Application Checklist

Those who are awarded grant funds under this program must:

- Agree to on-site visits from the RFSI team,
- Respond to communications from the RFSI team or NDA,
- Provide updates on project progress or as requested by the RFSI Team, and
- Submit annual reports using provided templates within the timeframe requested.

RFSI Checklist

IIIII asti acta	re Application encerns:
	UEI registration
	Infrastructure Application
	Match funds Verification Template
	Small business size standards verification
	Programmatic Environmental Assessment (NEPA's PEA)
	In kind match verification letter
	Evidence of Critical resources template
Equipment-0	Only Application Checklist
	UEI registration
	Equipment-Only Application
	Programmatic Environmental Assessment (NEPA's PEA)
	Small business size standards verification

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Table of Acronyms & Abbreviations AMS – Agricultural Marketing Service

ш	AND - Agricultural Marketing Service
	BABA - Build America, Buy America Act
	CEQ - Council on Environmental Quality
	CFR - Code of Federal Regulations
	CWA - Clean Water Act
	EA - Environmental Assessment
	EIS - Environmental Impact Statement
	EO - Executive Order
	EPA - Environmental Protection Agency
	ESA - Endangered Species Act
	FONSI - Finding of No Significant Impact
	MTDC - Modified Total Direct Cost
	NDA – Nevada Department of Agriculture
	NEPA - National Environmental Policy Act
	NICRA - Negotiated Indirect Cost Rate Agreement
	PEA - Programmatic Environmental Assessment
	RFA - Request for Application
	RFSI - Resilient Food Systems Infrastructure
	ROD - Record of Decision

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