



REQUEST FOR APPLICATIONS

Title: Resilient Food Systems Infrastructure Program Award# 23RFSIGU0052-00

Agency: Guam Department of Agriculture (DOAG)

Action: Announcement of Request for Applications to fund projects designed to expand capacity and infrastructure in the middle-of-the-supply chain of the local food system

Posting: <https://doag.guam.gov/resource/>

Request for Applications: Posting April 1, 2024

Deadline for Submissions: 11:59 P.M. Chamoru Standard Time (CHST) on April 30, 2024

Notice of Awards: AUGUST 2024 (Estimate)

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The Guam Department of Agriculture does not discriminate on the basis of race, color, sex, national origin, age, or disability, or any other class as protected under applicable federal or state law, in administration of its programs, or activities, and, the Department of Agriculture does not intimidate or retaliate against any individual or group because they have exercised their rights to participate in actions protected, or oppose action prohibited, by 40 C.F.R. Parts 5 and 7, or for the purpose of interfering with such rights.

I. Introduction

DOAG is currently accepting applications for grant projects under the Resilient Food Systems Infrastructure (RFSI) program. Funds for the program were awarded by the U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) to DOAG. The funds will be subgranted to food and farm businesses and other eligible entities in Guam to finance competitive projects designed to expand capacity and infrastructure in the middle-of-the-supply chain of the local food system. The intent is to create more economic opportunities for communities, and allow them to retain more of the value chain dollar.

The RFSI program is an important component of USDA's framework to transform the food system to benefit consumers, producers, and rural communities by providing more options, increasing access, and creating new, more, and better markets for small and mid-size producers. The coronavirus pandemic and recent supply chain disruptions have revealed the perils of a national food system that depends on capacity concentrated in a few geographic areas and requires many steps for food products to get from farm to table. To be more resilient, the food system of the future needs to be more diversified, distributed, and local.

The goal of the RFSI program is to expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of targeted local and regional agricultural products. This program is intended to support food system crops and products meant for human consumption. *Ineligible products include meat and poultry products, which are funded through other USDA programs; wild caught seafood; animal feed and forage products; fiber; landscaping products; tobacco; and dietary supplements.*

Two grant opportunities are currently available. The Infrastructure Grant Program will offer up to \$500,000 in funding and the Simplified Equipment-Only Grant Program will offer up to \$100,000. Applicants may select either one type of grant offering. Infrastructure grants range in value from a minimum award of \$100,000 to a maximum award of \$500,000. Simplified Equipment-Only grants range in value from a minimum award of \$10,000 and a maximum award of \$100,000 (no matching requirement).

Applications must address all information requested in the RFA to be considered for funding. Incomplete applications and/or hand written applications will not be reviewed. Projects will be evaluated and scored based on feasibility and the potential impacts the project will have on the community and the regional economy in Guam, all in accordance with the criteria set forth in the RFA. The USDA encourages projects that benefit underserved farmers and ranchers, new and beginning farmers and ranchers, veteran producers, and processors and other middle-of-the-supply chain businesses owned by socially disadvantaged individuals, as defined by the Small Business Administration (SBA).

The closing date and time for receipt of applications under this RFA is 11:59 P.M. CHamoru Standard Time (CHST) on April 30, 2024.

Any and all costs incurred by the applicant in preparing or applying shall be the applicant's sole responsibility whether or not any award results from this solicitation. The State shall not reimburse such costs.

II. Eligibility

All applicant businesses and organizations must be domestically owned, and applicants' facilities must be physically located within Guam.

Eligible applicants for grants under this RFSI program include the following:

- Agricultural producers or processors, or groups of agricultural producers and processors;
- Nonprofit organizations operating in the middle of the supply chain activities such as processing, aggregation, or distribution of targeted agricultural products;
- For-profit entities operating middle of the supply chain activities such as processing, aggregation, or distribution of targeted agricultural products, whose activities are primarily focused for the benefit of local and regional producers, and that meet the eligibility requirements of the SBA small business size standards.
 - For-profit entities must meet the eligibility requirements of the SBA small business size standards matched to industries described in the North American Industry Classification System (NAICS). For more information on these size standards, please visit SBA's Size Standards webpage. For a quick check on whether your business qualifies, please use the Size Standards Tool.
- Local government entities and tribal governments operating middle of the supply chain activities such as processing, aggregation, or distribution of targeted agricultural products;
- Institutions such as schools, universities, or hospitals bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers middle of the supply chain activities such as processing, aggregation, or distribution of targeted agricultural product.

Additionally, the USDA defines the middle of the food supply chain as activities that take place after the production of the agricultural product but before the product is sold to consumers. These activities include the processing, aggregation, and distribution of agricultural products between leaving the field and entering the marketplace. Therefore, grant funds cannot be used for cultivations, harvest, or retail marketing of eligible food products.

III. Responsibility of Applicants

Applicants are advised that in order to be awarded a contract under this solicitation, they must be compliant with all laws governing entities doing business on Guam including the chapters and pursuant to:

1. 5 GCA PROCURMENT LAW
 - a. § 5008.1. Policy in Favor of Native or Grown-in-Guam Horticultural Products.
 - b. § 5008.2. Policy in Favor of Renewable Energy Purchase of Service
 - c. § 5008.3. Energy Efficient Products Mandate.
 - d. § 5011. Policy In Favor of Service-Disabled Veteran Owned Businesses.
 - e. § 5012. Qualifications of a Service-Disabled Veteran Owned Business.
 - f. § 5013. Policy In Favor of Women-Owned Businesses
2. 11 GCA FINANCE & TAXATION: CH. 26 BUSINESS PRIVILEGE TAX LAW
3. 22 GCA BUSINESS REGULATIONS CH. 5 GUAM EMPLOYMENT RELATIONS ACT
4. 22 GCA BUSINESS REGULATIONS CH. 9 WORKER'S COMPENSATION

IV. Funding Considerations

Priority Project Beneficiaries

DOAG will require as a basis for eligibility that applicants attest that their projects address at least one of the following criteria:

- Underserved farmers and ranchers;
- New and beginning farmers or ranchers;
- Veteran producers; and
- Processors and other middle-of-the-supply businesses owned by socially disadvantaged individuals.

Priority Project Attributes

Following the outreach conducted by the DOAG in early 2024 to engage with interested parties and identify funding considerations, DOAG will also require as a basis for eligibility that applicants specify in their applications that their projects address at least one of the following criteria:

1. Projects that foster the creation of value-added products through training and/or the establishment of processing facilities, aiming to enhance and expand locally produced goods available to community members.
2. Projects that enhance agricultural practices by providing training opportunities to address challenges posed by climate change and optimize farm operations.
3. Projects that enhance capabilities for adequate storage, transportation, processing, aggregation, and distribution of agricultural products.
4. Projects promoting water conservation amidst climate change that enhance entities' ability to meet both local and federal food safety regulations.
5. Projects that build wastewater management facilities to help mitigate the financial obstacle tied to water meter installation within infrastructure.
6. Projects that offer training to stimulate entity growth, diversification, and/or expansion, along with projects aimed at acquiring and modernizing processing and manufacturing equipment.
7. Projects that offer training to enhance operations, including safe food handling, accurate record-keeping, and business formalization.

IV. Grant Project Guidelines

RFSI program grants will fund projects that expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of targeted agricultural products. Examples include:

- Modernization of processing, manufacturing, and storage facilities and equipment, including investments in tools, automation, and other technologies that enhance worker safety and skills;
- Construction and/or renovation of existing aggregation, processing, and storage facilities, with a focus on increasing capacity and efficiencies to achieve economies of scale;
- Construction and/or renovation of on-farm infrastructure to support post-harvest washing, packaging and storage capacity, with a focus on reaching underserved farmers;
- Development of new food hubs, agricultural cooperatives, and not-for-profit intermediaries in remote and underserved areas across the state that currently do not have access to these resources;

- Investment in technology and training to improve and reduce the cost of compliance with federal, state, and local food safety requirements;
- Expanding processing capacities, including adding product types, increasing production volumes, and supporting new wholesale/retail product lines;
- Purchase and installation of specialized equipment, such as processing components, sorting equipment, packing, and labeling equipment, or delivery vehicles;
- Modernizing manufacturing, tracking, storage, and information technology systems;
- 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;
- Develop, customize, or install 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;
- Modernize equipment or facilities to ensure food safety, including associated Hazard, Analysis, and Critical Control Points (HACCP) consultation, plan development, and employee training; and
- Training on the use of all equipment purchased under the grant and associated new processes.

Examples of Eligible Project Activities

Allowable activities or tasks that could be part of such projects may include:

Buildings and Land—

- **Construction and/or Renovation** - Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, alterations, or construction on an existing building or facility. The construction of new buildings at an existing facility and of wastewater management structures. This also includes construction and construction-related materials, which may include, but are not limited to, the purchase of building materials such as wood, nails, concrete, asphalt, roofing, gravel, sand, paint, insulation, drywall, or plumbing;
- **Equipment** - Purchases of special purpose equipment (such as, canners, hulling processors, reverse osmosis systems, egg packing machines, flotation tanks, roasters, or other processing equipment, packing and labeling equipment, or delivery vehicles) are allowable when approved in the agreement budget or with prior written approval. All equipment purchases must meet the following criteria:
 - Equipment is necessary for the technical activities of the agreement and is not otherwise reasonably available and accessible. Equipment is normally charged as a direct cost by the organization and is acquired in accordance with organizational practices.
 - Equipment must be used solely to meet the purpose of the program and objectives of the agreement.
 - Equipment is subject to the full range of acquisition, use, management, and disposition requirements under 2 CFR § 200.313 as applicable.
- Hiring term-limited personnel to assist with project implementation activities;
- Purchasing special purpose equipment, including the purchase of special purpose equipment for institutions or others that will benefit multiple producers through middle of the supply chain activities such as processing, aggregation, distribution of targeted agricultural product;

- Analyzing potential facility upgrades and changes that meet regulatory requirements, obtaining design and/or architecture services, etc. (to the extent these costs are directly related to the project);
- Planning for Hazard Analysis Critical Control Points (HACCP) or other food safety or worker safety measures or equipment recommendations;
- Upgrades or new facilities for processing specific agricultural products, such as on-farm post-harvest processing, preservation, and storage/cold storage;
- Post-harvest cleaning and grading;
- Aggregator warehouse and storage, including cooperatives;
- Purchase of drying equipment, freezing equipment, freezer, or cold storage;
- Processing, canning, preserving, and pasteurization;
- Preparation and packing;
- Drying, hulling, shelling, and milling; and
- Cooking, baking, juicing, distilling, and fermenting.

Examples of Ineligible Project Activities

The following activities are not eligible for funding:

- **Meat and Poultry** - Projects focused on meat and poultry, wild-caught seafood, exclusively animal feed and forage products, fiber, landscaping products, tobacco, or dietary supplements.;
- **Equipment** - Purchases of general-purpose equipment (e.g., general use motor vehicles, office furniture, office air conditioners, printers, and copiers) or lease agreements to own (i.e., lease-to-own or rent-to-own).
- **Compensation for Damage** - Compensation for injuries or damage to property arising from project activities.
- **Purchases of Land, Buildings, and Facilities** - Purchase of land, new buildings, and new facilities.
- **Marketing Costs** - Recipients to use funds for marketing their product(s)/services(s) or organization.
- Activities that have received a federal award from another federal grant program;
- Claiming expenses that have been or will be reimbursed under any federal, state, or local government funding; and
- While projects which have already received funding from another federal grant or subaward programs may not receive funding for the same activities through a RFSI grant, RFSI grants may build on the successes of prior funding.

V. Infrastructure Grants

Infrastructure Grants will range in value from a minimum award of \$100,000 and a maximum award of \$500,000. The total amount available is \$1,259,532.89. Funds will be disbursed no earlier than November 1, 2024, and projects must be completed by March 24, 2027. Costs must be identified as either direct or indirect costs and the specific budget category identified in the grant application.

Direct Costs

Direct costs are costs that can be identified specifically with a project 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.

Indirect Costs

Indirect costs are any costs that are incurred for common or joint objectives that cannot be readily identified with an individual project, program, or organizational activity. They generally include facilities operation and maintenance costs, depreciation, and administrative expenses. If an Infrastructure Grant recipient has a Negotiated Indirect Cost Rate Agreement (NICRA), DOAG is required to honor that negotiated rate, and a copy of the NICRA must be submitted with the Infrastructure Grant application. Otherwise, applicants may elect to charge a de minimis rate of 10 percent of modified total direct costs (MTDC).

MTDC are defined as all direct salaries and wages, applicable fringe benefits, materials, and supplies, services, travel, and up to the first \$25,000 of each Infrastructure Grant. MTDCs exclude equipment, rental costs, and the portion of each Infrastructure Grant more than \$25,000. No documentation is required to justify the 10% de minimis cost rate.

Costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both.

More information on direct and indirect costs can be found at [2 C.F.R. 200.413](#) and [2 C.F.R. 200.414](#). MTDC is defined in [2 C.F.R. 200.1](#).

For funded grant projects associated with the purchase of iron, steel, manufactured products, and construction materials permanently installed, awardees must follow the [Build America, Buy America \(BABA\) Act](#).

Matching Fund Requirement

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. For [historically underserved farmers and ranchers](#), or for other businesses that qualify under [SBA categories](#) of small, disadvantaged business, women-owned small business, or veteran-owned small business, the required match funding contribution or cost share is reduced to 25% of the project cost. DOAG will require that applicants self-certify in their Infrastructure Grant applications to be eligible for this reduced match.

In-kind contributions are defined, when used as a cost share or match for a grant, as the value of goods or services provided for the benefit of the grant program, where no funds transferred hands. For example, a partner, such as a tribal community member, may volunteer their professional expertise as a match contribution to the project. These contributions cannot satisfy a cost sharing or matching requirement for this grant program if they are used toward satisfying a match requirement under any other Federal grant agreement to which the applicant is a party.

All matching contributions must be committed or secured at the time an applicant is recommended for an award.

Each application must include the total amount of match and how it will specifically align with their requested funding. Additionally, applicants must submit one match verification

letter for each cash or in-kind resource signed by the matching organization using the Match Verification

Evidence of Critical Infrastructure

Evidence of Critical Infrastructure is required if critical resources and/or infrastructure are necessary for the completion of the proposed grant project. Applicants must submit evidence that critical resources and infrastructure necessary to support the initiation of completion of a project are in place. (Template will be provided). Critical resources and infrastructure can be facilities, land, structure, use of city street/parks, shared- used kitchen, and/or other resources that are essential for the proposed project activities. Land, structures, and other critical resources must be in place and in working condition at the time of application submission.

Applicants are required to submit a letter indicating the critical resources that are necessary for initiation and completion of the project and certify that they are in place and committed prior to the start date of the project using the **Evidence of Critical Resources and Infrastructure Template Letter** on the [Resources | DOAG \(guam.gov\)](#). The letter must be submitted with your application.

Adherence to Federal Environmental Laws and Regulations

Infrastructure Grant recipients must comply with the [National Environmental Policy Act \(NEPA\)](#), [National Historic Preservation Act \(NHPA\)](#), [Endangered Species Act \(ESA\)](#), and all other federal environmental laws and regulations. DOAG is required to review projects for NEPA compliance prior to the award of Infrastructure Grant subaward funds. DOAG may assist Infrastructure Grant recipients with obtaining any authorities, permits, easements or other approvals necessary for the implementation of the activities in accordance with applicable laws and regulations.

VI. Simplified Equipment-Only Grants

Simplified Equipment-Only Grants will range in value from a minimum award of \$10,000 and a maximum award of \$100,000 and do not require cost sharing or matching. The total amount available is \$1,000,000. The Simplified Equipment-Only Grant is a fixed price grant, meaning it will fund only equipment purchases (not associated facility upgrades, staffing, or other costs), and the amount awarded will be equal to the cost of the equipment up to \$100,000. Funds will be awarded no earlier than November 1, 2024, and project transactions completed by November 30, 2026.

Equipment Cost Documentation

Simplified Equipment-Only Grant applicants must submit documentation to substantiate the cost of each piece of equipment listed on their application. Documentation can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities. Paid invoices will be required for grant reporting. The cost of delivery and installation can be covered by the grant if they are listed in the official bid. When soliciting bids, please make sure they will be honored at the time of the grant funding which will be no earlier than November 1, 2024.

Equipment purchases must follow [USDA AMS General Terms and Conditions](#) and [RFSI Specific Terms and Conditions](#).

VII. Grant Project Expectations

Grant recipients will be expected to carry out their project, maintain clear and consistent communication with DOAG, keep detailed records, and report progress in a timely manner. The following reports are contractual requirements as part of the grant program.

Semiannual Reports (Infrastructure Grants Only)

Semiannual reports track and evaluate the project's activities, progress made in meeting the project's desired outcomes, and document expenditures. Semiannual reports are submitted every six months of the project's period of performance and are due 15 days after the end of each semiannual period.

Annual Reports (Infrastructure Grants Only)

Annual reports summarize the project's activities and progress every twelve months of the project's period of performance and are due 30 days after the end of each grant year.

Final Report

A final report is required after the completion of the grant project. Final reports summarize the project's activities and evaluate the project's ability to meet the desired objectives and outcomes. A final financial report is also required for the grant project. For Simplified Equipment-Only Grant projects, the final report is due January 30, 2027. For Infrastructure Grant projects, the final report is due July 24, 2027.

VIII. Application Process

The application window will be open from April 1, 2024, to April 30, 2024, to give applicants enough time to develop their projects. During the application window, DOAG will conduct outreach to promote the grant opportunity. DOAG staff are available to help answer questions about the application requirements but cannot assist in the writing of project applications.

IX. Competitive Review Process

Initial Screening

RFSI program grants will be awarded through a competitive review process. Once the application window closes, DOAG will screen all applications for administrative requirements, including timely submission by the posted deadline, confirmation the application is responsive to the program requirements and priorities, applicant eligibility, and submission of a complete application using the required application template.

Technical Merit Review and Scoring

Applications which pass the initial screening process will be forwarded to all panel members in the Evaluation Committee (EC) that is appointed by the DOAG Director. For each application, panel members will assign a point value in an independent review process. Once all panel members have individually evaluated and scored each of the applications, the scores for each proposal will be averaged to determine an application's final raw score. Priority points will then be added to the final raw score to obtain the applications' Final Score for ranking purposes.

Final Scores will be listed in rank order from highest to lowest. Based on the total subaward budget, the EC will recommend a funding level for a project, which may be the same or less than the requested amount of funds. The EC will review the list, discuss, and confirm the

recommendation of the top scoring projects to the Director for approval and feedback. Upon completion of the state competition, DOAG staff will submit its award recommendations to the USDA-AMS for its review and final approval. Staff will also coordinate with awardees to make necessary adjustments to their applications to obtain final approval.

X. Evaluation Rubric

DOAG will use an evaluation rubric that includes RFSI program requirements and priorities. This numerical rubric conforms to state law and has received the approval of USDA-AMS as part of the Guam’s RFSI Program Plan. The rubric below illustrates how DOAG will ensure priority project beneficiaries and project attributes will be given due consideration in the evaluation process.

Evaluation Rubric for Infrastructure Grant		Evaluation Rubric for Equipment Grant	
Criteria	Points	Criteria	Points
Project Objectives Alignment and Intent	20	Project Objectives Alignment and Intent	20
Project Achievability and Work Plan	20	Project Achievability and Work Plan	20
Project Partners	10	Need/Use of Equipment Identified	10
Project Impact on Market and Community	10	Project Impact on Market and Community	10
Fiscal Plan and Resources	20	Fiscal Plan and Resources	20
Total Raw Score	80	Total Raw Score	80
Discretionary Priority Points added to Raw Score	20	Discretionary Priority Points added to Raw Score	20
Project impacts more than one targeted priority group (see section III priority project beneficiaries)	up to 5 pts	Project builds resilience in the middle of the supply chain.	up to 5 pts
Project demonstrates more than one priority attribute (see section III priority project attributes)	up to 5 pts	Project demonstrates enhancement/development of value-added products available to consumers	up to 5 pts
Project targets an institutional market (includes schools, hospitals, food banks, prisons, and care centers)	3	Project creates new economic opportunities in its community	3
Project demonstrates significant islandwide benefit	4	Project contributes to more and better markets for local producers or increased/improved access to markets	4
Project fulfills matching requirement with cash (excludes simplified equipment-only grants)	3	Project benefits underserved farmers/ranchers; new & beginning farmers/ranchers, veteran producers; processors and middle-of-the-supply-chain businesses owned by socially disadvantaged individuals as defined by SBA	3
Highest Possible Score	100	Highest Possible Score	100

XI. Other Relevant Information

Contact Information

Any inquiries on this RFSI Grant Program should be referred to the State Coordinator or designee at (671) 300-7965 or (671) 300-7973 or emailed to RFSI@doag.guam.gov.

Submission Procedure

Handwritten or incomplete applications will not be processed. A completed electronic copy of the relevant application (Infrastructure or Simplified Equipment-Only) must be emailed to RFSI@doag.guam.gov and received by the Department of Agriculture, Resilient Food Systems Infrastructure (RFSI) Program, no later than 11:59 P.M. CHamoru Standard Time (CHST) Tuesday, April 30, 2024. Applications received after the 12:00 A.M. deadline will not be processed or reviewed by staff.

Acknowledgement of Proposals

Receipt of applications is acknowledged by e-mail, whenever practical. Therefore, applicants should provide an e-mail address in their application.

Confidentiality

The names of applicants, the names of individuals identified in the applications, the content of applications, and the committee evaluations of applications will be kept confidential during the evaluation process, except to those involved in the evaluation and award process. Upon posting of award, all applications, both successful and unsuccessful, the contract, and the contract files shall be available for public inspection.

Protest

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers; and further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award for the contract.

Protest shall be submitted in writing to:

Guam Department of Agriculture
Office of the Director
RFSI Program
163 Dairy Road, Mangilao, Guam 96913

XII. Rights Reserved

The DOAG reserves the right to cancel this solicitation and reject any or all applications received in whole or in part; request additional information on project applications; recommend partial funding for applications, and link the release of project funds to completion of necessary, timely progress reports. All awards and contracts are subject to the availability and receipt of RFSI funds.