

**SAN JOAQUIN VALLEY  
AIR POLLUTION CONTROL DISTRICT**

**HEAVY-DUTY  
ENGINE PROGRAM**

**OFF-ROAD VEHICLE COMPONENT**

**AGRICULTURAL TRACTOR / MOBILE EQUIPMENT REPLACEMENT  
OPTION**

**ELIGIBILITY CRITERIA AND APPLICATION GUIDELINES**

The San Joaquin Valley Air Pollution Control District (SJVAPCD) is currently accepting applications requesting monetary incentives to replace existing off-road agricultural tractors and mobile equipment (equipment) with new reduced-emission replacement equipment, according to the terms and conditions described in these guidelines. For additional information, assistance or to receive application materials, please contact:

**San Joaquin Valley Air Pollution Control District  
Strategies and Incentives Department  
1990 East Gettysburg Avenue  
Fresno, CA 93726-0244**

You may also contact us by phone, email, or visit our website:

**(559) 230-5800  
weberip@valleyair.org  
www.valleyair.org**

**PROGRAM REQUIREMENTS**

❖ **General Information and Eligibility Criteria:**

- The SJVAPCD Agricultural Off-Road Tractor/Equipment Replacement Program is **not** a co-funding program. You are not eligible to participate in the SJVAPCD’s program if you are currently under contract to receive funding from any other local, state, or federal agencies for the equipment you intend to submit application.
- Projects will be funded based on a dollar per advertised horsepower basis, based on the advertised horsepower of the engine in the new replacement equipment, not to exceed 80% of eligible costs. Please review the following table for eligible funding amounts. Please note that only wheel loaders have a separate funding allowance.

Wheel Loaders (advertised horsepower rating)	SJVAPCD Incentive
All Horsepower Ratings	\$450/hp
All other Tractors and Equipment (advertised horsepower rating)	SJVAPCD Incentive
25-109	\$200/hp
110-149	\$250/hp
150 +	\$350hp

- The maximum eligible incentive amount is calculated up to the cost-effectiveness limit and may not necessarily reflect the maximum funding amount based on the aforementioned funding table.
  - Eligible incentive amounts may be reduced after the claim for payment has been finalized, depending on all eligible items invoiced.
- The replacement of two (2) or more old, like equipment with one (1) new replacement equipment is eligible for funding. Each of the old equipment and the new replacement equipment must comply with all appropriate program criteria.
- In the event that the program is severely over-subscribed, the District reserves the right to limit funding to \$250,000.00 per entity per fiscal year.
- Submission of a program application **does not** guarantee funding.
- ARB is providing flexibility that allows the applicant to opt-out of the default retrofit requirement for equipment not subject to an approved in-use regulation. Applicants will be required to sign a waiver acknowledging whether or not they wish to opt-out of the retrofit requirement or choose to request funding to purchase and install a currently verified retrofit device on their new replacement equipment.

**❖ The existing (old) equipment must:**

- Be mobile, self-propelled off-road agricultural in-use equipment with a compression-ignition (CI) engine greater than or equal to 25 horsepower. Examples of eligible equipment include, but are not limited to; wheel tractor, wheel loader, harvester, baler, combine, grader, and forklifts.
- Agricultural use is defined as follows:

**“Agricultural operations”** is defined from the California Air Resources Board’s (ARB) Regulation for In-Use Off-Road Diesel Vehicles (Title 13 CCR § 2449): and means (1) the growing or harvesting of crops from soil (including forest operations), and the raising of plants at wholesale nurseries, but not retail nurseries, or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution, or (2) agricultural crop preparation services such as packinghouses, cotton gins, nut hullers and processors, dehydrators, and feed and grain mills. Agricultural crop preparation services include only the first processing after harvest, not subsequent processing, canning, or other similar activities. For forest operations, agricultural crop preparation services include milling, peeling, producing particleboard and medium density fiberboard, and producing woody landscape materials.

- Have an uncontrolled (Tier 0) or Tier 1 engine. This must be documented in the application and will be verified through an inspection process conducted by SJVAPCD staff.
- Been owned and operated in California for the previous two (2) years. If selected for funding, the participant must submit supporting documentation (see page 5).
- Be in operational condition at the time of application submission **and** SJVAPCD inspections. If selected for funding, the participant must submit documentation demonstrating that the old equipment has been in operational condition for the previous year (see page 5).
- Must be destroyed or rendered permanently in-operable after the new equipment is placed into operation. Destruction of the old equipment must be performed by a participating dismantler contracted with the SJVAPCD. Participant is required to refer to “Payment Procedures” document for full destruction requirements.

**❖ The replacement (new) equipment must:**

- Have an engine meeting the most recent Model Year California emission standard.
  - The certification emission standard and/or Tier designation for the engine must be determined from the Air Resources Board (ARB) Executive Order issued for that engine. Executive Orders can be found at <http://arb.ca.gov/msprog/offroad/cert/cert.php> .
  - The engine must be certified to a NO<sub>x</sub> emission standard that is at least 15 percent lower than the emission standard(s) applicable to the existing engine and be certified to either the current applicable emission standard, or to a FEL NO<sub>x</sub> or NO<sub>x</sub>+NMHC level that is lower than the required emission standard.
  - If a specific type of equipment cannot be purchased with an engine meeting the most recent model year emission standard at the time the SJVAPCD obligates funds, then equipment with an engine meeting the previous model year emission standard may be

purchased. Documentation from the equipment manufacturer indicating that an eligible engine meeting the standard is not available will be required.

- Be mobile, self-propelled off-road equipment.
- Have a horsepower rating no greater than 125 percent of the original manufacturer rated horsepower (baseline horsepower) for the old equipment engine.
  - If the new equipment is not available in the old equipment horsepower range or the higher horsepower equipment will result in equal or less annual emissions, the SJVAPCD may approve a greater than 125 percent increase in horsepower on a case-by-case basis. In such cases, the funding amount will be on a horsepower rating not to exceed 125 percent of the baseline horsepower for the old equipment engine. Documentation from the manufacturer will be required.
- Not have been previously owned and be indicated as new by the dealer at the time of purchase. Used equipment is not eligible for funding as replacement equipment.
  - Equipment that served as rentals, were previously leased, or were floor/demonstration models may be eligible on a case-by-case basis determined by SJVAPCD staff prior to funding. Documentation from the dealer may be required.
- Serve the same function and perform the same work equivalent to the old equipment (i.e. replacement of an agricultural tractor with another agricultural tractor). This requirement may be waived on a case-by-case basis by the SJVAPCD and ARB for instances where general purpose farming equipment changes commodities.
- Be domiciled within the boundaries of the SJVAPCD (see page 15).
- Have only the minimum attachments normally sold with the original equipment as determined by SJVAPCD staff. Only eligible items will be considered for funding.
  - Implements or attachments on the new replacement equipment may be eligible for funding if the existing equipment was also similarly equipped, and the replacement equipment requires such implements or attachments to perform the same activities as the existing equipment. Such instances will be reviewed and approved on a case-by-case basis by the SJVAPCD.
- Have an operating hour meter to record annual usage in hours.

❖ The **Participant** must:

- **Not make purchase, make payments toward, and/or take possession of new equipment prior to receiving a fully executed contract from the SJVAPCD.**
- Remain the owner of the new equipment through the full term of the agreement.
  - If the new equipment is sold during the agreement term, then the new owner of the equipment must assume the agreement obligations with the SJVAPCD and comply with the terms and conditions outlined in the original agreement. The SJVAPCD must approve the equipment ownership change prior to its sale.
- Maintain the replacement equipment in accordance with manufacturer specifications.

- Maintain replacement value insurance for the replacement equipment through the full term of the agreement.
- Operate at least seventy-five percent (75%) of the new replacement equipment's annual hours within California and fifty percent (50%) within SJVAPCD boundaries (see page 15).
- Purchase a minimum of a one-year or 1,600 hours power and drive train warranty for the replacement equipment.
  - Warranty must cover parts and labor.
  - Documentation must be provided to the SJVAPCD when submitting a claim for reimbursement.
  - Warranty costs are not eligible for funding.
- Ensure the old equipment is destroyed or rendered permanently in-operable. Destruction must be performed by a participating dismantler contracted with the SJVAPCD. Refer to "Payment Procedures" document for full destruction requirements.
- Submit annual reports to the SJVAPCD through the full term of the agreement.
- Install and maintain an operational hour meter on the new equipment. Future annual hours of equipment operation for determining emission reductions must be based only on readings from an installed and fully operational hour meter.
  - The cost of an hour meter is eligible for incentive funding and should be included in the quoted price if the equipment does not have a functioning meter at the time of the project.
  - If during the project life, the hour meter fails for any reason, the hour meter must be repaired or replaced as soon as possible at the owner's cost.
- If selected for funding, TWO of the items from the following list showing ownership for the previous two (2) years (24 months):
  - Bill of Sale for the old equipment
  - Tax depreciation logs
  - Property tax records
  - Equipment insurance records
  - Bank appraisals for the equipment
  - Maintenance/service records specific to the old equipment
  - General ledgers
  - Fuel records specific to the old equipment (must identify equipment owner)
  - Other documentation approved by the SJVAPCD and ARB on a case-by-case basis
- If selected for funding, provide ONE of the following documents showing operational status of the old equipment for the previous one (1) year:
  - Maintenance/service records specific to the old equipment

- Revenue and usage records that identify operation, standby, and down hours for the old equipment
- Routine inspections which document the operating condition of the old equipment (OSHA or workplace required)
- Other documentation approved by the SJVAPCD and ARB on a case-by-case basis

❖ **Annual Usage Documentation:**

- If selected for funding, the participant may be required to provide documentation showing annual usage for the old equipment(s) for the previous two (2) years (24 months). Acceptable documentation is as follows:
  - Hour meter reading log collected at minimum of once per year from an installed and fully functioning hour meter or historical fuel usage documentation specific for the old equipment. Documentation must include fuel logs, purchase receipts or ledger entries.

OR

At least TWO items from the following list proving old equipment is being used by the fleet:

- Revenue and usage records that identify operational, standby, and down hours for the equipment
- Employee timesheets with hours linked to specific equipment use
- Preventative maintenance records tied to specific hours of equipment use (hour meter reading)
- Repair work orders specific to equipment that indicate hours of use (hour meter reading)
- Six months of tracking normal equipment usage with a functional, tamper proof hour meter with prior SJVAPCD approval
- Other documentation approved by the SJVAPCD and ARB on a case-by-case basis

❖ **Equipment/Engines Ineligible** for funding:

- Equipment currently receiving funding to be replaced under any other local, state or federal programs including the NRCS EQIP Cig (b) Program.
- Equipment that is **NOT** self-propelled such as, but not limited to; pull behind sprayers, PTO driven equipment, tub grinder, pull behind hay baler, and irrigation pump motors. Other funding opportunities may be available for these types of equipment.
- New replacement equipment engines that are compression ignition (CI) or diesel engines that:
  - Are participating in the averaging, banking, and trading program that are certified to family emission limits higher than the applicable emission standards, as designated on the ARB Executive Order.
  - Are participating in the "Tier 4 Early Introduction Incentive for Engine Manufacturers" program. The ARB executive order for these engines reference that the engines are certified under this citation.
- Additional attachments that are not normally sold with the original equipment, as determined by the SJVAPCD.

- Warranty, setup, document preparation fees, and freight costs.

Maintenance or repair costs. The participant is solely responsible for ensuring that the equipment is in operational condition throughout the agreement period.

## **APPLICANT RESOURCE WEB PAGE**

To assist applicants participating in the SJVAPCD's Heavy-Duty Engine Program, the SJVAPCD has developed an Applicant Resource Web Page. This page contains links to engine manufacturers, distributors, and local dealers familiar with the requirements of the program.

The information and contacts within these links can assist you in obtaining all of the information necessary to fulfill the requirements of the program. Additionally, this page contains links to the California Air Resources Board website where you can obtain a list of eligible engines, vehicles, associated Executive Orders and other technical information.

When preparing an application, we ask that you utilize the information presented within the links on this page. By submitting complete application packets with accurate information, we can reduce the amount of time and resources necessary to process your application.

Please note that the manufacturers, distributors, and dealers represented on this page have not been "approved" by the SJVAPCD nor do they represent an exhaustive list of available resources. If you are an engine manufacturer, distributor, or dealer and you wish to be included on the Applicant Resource Web Page, please contact the SJVAPCD's Strategies and Incentives Department.

**The Applicant Resource Web Page can be found at [www.valleyair.org](http://www.valleyair.org) under the "Grants and Incentives" tab.**

## APPLICATION PACKET GUIDELINES

- ❖ Fill out the application completely and as accurately as possible. Do not leave any fields blank, as it lengthens the processing timeframe associated with the application and delays funding. All fields are required unless otherwise indicated.
- ❖ All required signatures must be in **BLUE ink**, as a way to identify them as original.
- ❖ A copy of the following items must be submitted in order for the application packet to be deemed **complete**:
  - Completed Application, which includes:
    - If applicable, completed Third Party Information section
    - Completed and signed Certifications section with original signature
    - Completed and signed Agricultural Operations Certification Form with original signature
    - Completed and signed Off-Road Retrofit Waiver Form with original signature
  - IRS Form W-9
  - ARB Executive Order for the new equipment engine
  - Dated and itemized dealer quote for the new equipment
  - If applicable, DOORS documentation

Located in the **Application** packet (page 8) is a comprehensive detailed checklist of the abovementioned items. For guidance purposes, please refer to the checklist in the Application packet when submitting all required items.

## STEP-BY-STEP APPLICATION GUIDE

This section outlines the information requirements for each field of the application. If you need additional assistance, please contact the Strategies and Incentives Department and a staff member will assist you.

### SECTION 1 – APPLICANT INFORMATION

#### ORGANIZATION INFORMATION

##### 1. **Organization, Company, or Proprietor's Name**

The legal name of the organization that will enter into agreement with the SJVAPCD. The information entered into Section 1 of the application must be **identical** to the information on Form W-9, as this information will be used to generate all binding documents and be used to report incentive funding to the IRS.

##### 2. **Business Type**

The classification of the organization that appears in the "Organization, Company, or Proprietor's Name" field of the application. Check the appropriate box.

##### 3. **Tax ID**

The Taxpayer Identification Number (TIN) or Social Security Number (SSN) entered in the Form W-9. **The organization's name and tax ID will be used to report incentive funding to the**



**IRS.** The SJVAPCD cannot give tax advice, as such, please contact a tax professional or the IRS to determine the tax consequences associated with receiving incentive funding.

**4. - 7. Address**

The physical address where the organization is located, including: number and street name, city, state, and zip code.

**8. - 11. Mailing Address**

The mailing address used by the organization. If the physical and mailing addresses are the same, write "Same." All correspondence generated by the SJVAPCD, including the agreement, checks, and annual reports, will be sent to the mailing address.

**12. Have you applied to any other grant programs for any equipment in this project?**

Check whether additional grant funding was applied for any equipment in this project other than grant funding through this program. If yes, please explain and provide the name of the agency.

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**SECTION 2-CONTACT INFORMATION**

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**PRIMARY CONTACT INFORMATION**

**1. First and Last Name**

The first and last name of the person who will serve as the primary contact to the SJVAPCD through the full term of the agreement. All questions related to your project will go this individual.

**2. Title**

The job title of the primary contact.

**3. Phone Number**

The main phone number, including area code, for the primary contact.

**4. Fax Number**

The fax number, including area code, for the primary contact.

**5. Alternate Contact Number**

The alternate phone number, including area code, where the primary contact can be reached.

**6. Email**

The email address of the primary contact.

**CONTRACT SIGNING AUTHORITY INFORMATION**

**7. First and Last Name**

The first and last name of the person, designated by the organization that will enter into binding agreement with the SJVAPCD, to sign on the organization's behalf.

**8. Title**

The job title of the person designated to sign on the organization's behalf.

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**SECTION 3 – EXISTING EQUIPMENT ACTIVITY INFORMATION**

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**Note: The replacement of two of more old, like equipment with one new replacement equipment is eligible for funding. If more than one old equipment will be included in the application, a copy of Section 3 and Section 4 must be completed for each old equipment.**

**1. - 3. Equipment Address**

The physical location (street address, city, and zip code) where the equipment is domiciled.

**4. Applicant Designated Fleet Number for Equipment**

If applicable, the number designated to the equipment by the applicant.

**5. County of Operation**

Check in which county or counties the equipment operates.

**6. Equipment Type**

Indicate the type of the equipment: agricultural equipment, wheel loader, baler, forklift, combine, etc.

**7. Annual Operation**

The equipment's annual operation in hours. If the project is selected for funding, you may be required to submit documentation as specified on pages 5 and 6 of this document.

**8. Annual Fuel Usage**

The amount of fuel used per year, in gallons, for the equipment.

**9. Percentage Use in SJVAPCD**

The percentage of annual operational hours within the SJVAPCD boundaries (see page 14).

**10. Percentage Use in California**

The percentage of annual operational hours within California.

**11. Have you owned and operated the equipment in California for the previous two (2) years?**

Check whether or not this equipment has been owned and operated for the previous two (2) years. If yes and if the project is selected for funding, you are required to submit documentation as specified on page 5 of this document. If no, the equipment is ineligible for funding.

**12. Is this equipment operational?**

Check whether or not the equipment is currently operational. If yes and if the project is selected for funding, you are required to submit documentation as specified on page 5 of this document. Non-operational equipment are ineligible for funding. If no, the equipment is ineligible for funding. The equipment must be operational at the time of inspection.

**13. When would this equipment be available for operational inspection?**

Check the time(s) and day(s) the equipment will be available for inspection by SJVAPCD staff. This information may be used for scheduling purposes; however it does not guarantee your inspection on a specific day or time. SJVAPCD staff will contact you to set up an inspection appointment.

**SECTION 4 – EXISTING/OLD EQUIPMENT INFORMATION**

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**Note: A copy of this section must be completed for each old equipment being replaced.**

**1. - 2. Equipment Make and Model**

Provide the make and model of the equipment. For example, Ford (manufacturer) FC215M (model).

**3. Equipment Model Year**

The OEM model year in which the equipment chassis was manufactured.

**4. Equipment Identification Number**

The Vehicle Identification Number (VIN) or Product Identification Number (PIN) listed on the equipment.

**5. - 6. Engine Make and Model**

Provide the make and model of the existing engine. For example, Cummins (make) 6BTA5.9C (model).

**7. Engine Model Year**

The year the engine model was manufactured.

**8. Advertised Horsepower Rating**

The advertised horsepower of the engine.

**9. Engine Serial Number**

The serial number listed on the engine.

**10. US EPA Engine Family Name**

The engine family name assigned by EPA (if available). This information would typically be listed on the engine date plate or can be made available through your engine dealer. You may also visit ARB's website at <http://www.arb.ca.gov/msprog/offroad/cert/cert.php> to obtain the information. If this information is not available, write "N/A".

**11. Engine Tier**

Check the appropriate tier designation of the engine. Only Uncontrolled (Tier 0) and Tier 1 engines are eligible for funding.

**12. Fuel Type**

Check the appropriate fuel type that is currently being used in the equipment. Gasoline or propane powered equipment are ineligible for funding.

**SECTION 5 – NEW REPLACEMENT EQUIPMENT INFORMATION**

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**1. - 2. Equipment Make and Model**

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Provide the make and model of the new equipment

**3. Equipment Model Year**

The year the equipment model was manufactured.

**4. - 5. Engine Make and Model**

Provide the make and model of the engine in the new equipment.

**6. Engine Model Year**

The year the engine model was manufactured

**7. Fuel Type**

Indicate the fuel type that will be used in the new equipment.

**8. Advertised Horsepower Rating**

The advertised horsepower rating of the new engine.

**9. US EPA Engine Family Name**

The engine family name assigned by EPA. This information would typically be listed on the engine date plate or can be made available through your engine dealer. You may also visit ARB's website at <http://www.arb.ca.gov/msprog/offroad/cert/cert.php> to obtain the information.

**10. Engine Tier**

Check the tier level of the new engine. The tier rating of the new engine must be Tier 3 or cleaner to be eligible.

**11. Total Cost of New Equipment**

The total cost of the new equipment per dealer's quote.

**12. Tax Rate**

Provide the county tax rate, as a percentage, for the new equipment per dealer's quote.

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**SECTION 6 – NEW REPLACEMENT EQUIPMENT DEALER INFORMATION**

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**1. Dealership Name**

The name of the business where you will be purchasing the new replacement equipment associated with this application.

**2. - 5. Address**

The physical address where the dealer is located, including: number and street name, city, state, and zip code.

**6. Contact Name**

The first and last name of the person at the dealership the SJVAPCD can contact regarding the purchase of the new equipment.

**7. Phone Number**

The phone number, including area code, of the contact person.

**8. Fax Number**

The fax number, including area code, of the contact person.

**9. Email**

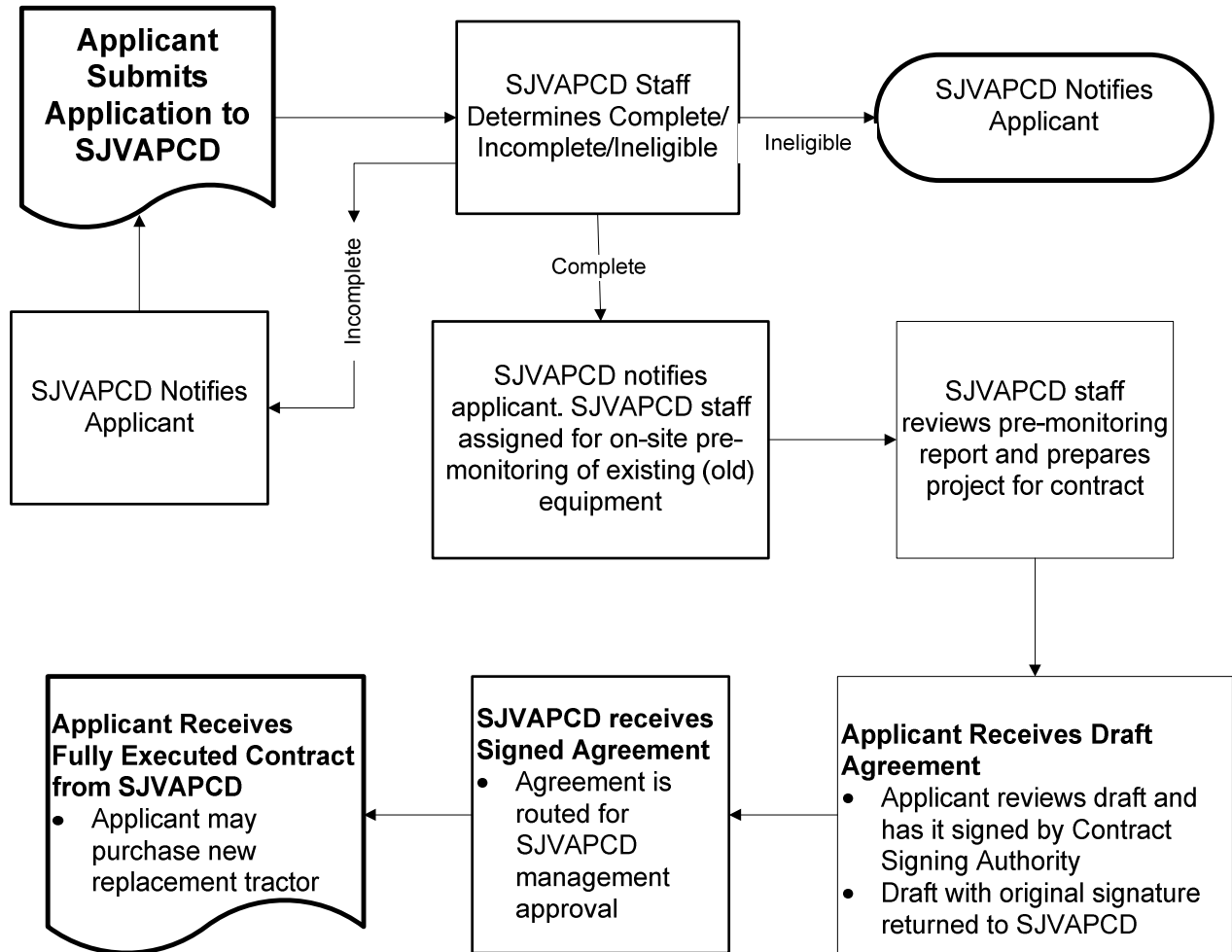
The email address of the contact person.

**THIRD PARTY INFORMATION**

- ❖ This section must be completed if any part of the application was filled out on your behalf by a third party.

**APPLICATION PROCESS: STEP-BY-STEP FLOW CHART**

The following is a step-by-step diagram of the entire application process, up to when a contract is awarded to the applicant. If you have any questions about the process, please feel free to contact program staff at (559) 230-5800



### MAP OF THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT BOUNDARIES

