

**SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT**

**LOWER-EMISSION SCHOOL BUS
PROGRAM**

REPLACEMENT AND RETROFIT COMPONENTS

PAYMENT PROCEDURES

The Lower-Emission School Bus Program will assist the San Joaquin Valley Air Pollution Control District (SJVAPCD) in efforts to reduce the harmful effects of diesel particulate matter from school buses within the SJVAPCD. The program offers funding for the purchase of new lower-emission school buses to replace qualified, in-use diesel and gasoline school buses and funding to retrofit qualified school buses.

This guidance document is designed to provide Lower-Emission School Bus Program grantees with the required instructions and guidance for the successful completion of their project.

Upon execution of a contract with the SJVAPCD, all grantees will receive a copy of the final executed contract and this guidance document. This document outlines reimbursement procedures and annual reporting requirements necessary to complete a project.

SJVAPCD staff is available to answer questions and to provide assistance to grantees regarding these procedures. You should read the entire document and contract in order to fully understand the requirements. All questions should be directed to:

Deu Moua or
Ashley Burrow

Email: deu.moua@valleyair.org or
ashley.burrow@valleyair.org

San Joaquin Valley Air Pollution Control District
Emission Reduction Incentive Program
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244

Telephone: (559) 230-5800

Fax: (559) 230-6112

Email: weberip@valleyair.org

REIMBURSEMENT

The grantee shall be reimbursed, as per contract, after receipt and verification of a properly supported financial claim. Any compensation which is not expended by the grantee pursuant to the terms and conditions of the contract shall revert to the SJVAPCD. The following steps must be taken:

❖ Request for Payment (Reimbursement Only)

The grantee must submit a request for payment using the SJVAPCD Lower-Emission School Bus Program Claim for Payment Form. The Claim for Payment Forms for both retrofit and replacement projects are included in this guidance document for your use. All Forms must be signed and dated by the appropriate signing authority or they will be returned to the grantee. The Claim for Payment Form must be submitted with an **original signature**; no faxes will be accepted. All subsequent copies of the Claim for Payment Form must also be submitted with original signatures.

Concurrent with the submission of the Claim for Payment Form, grantee shall provide invoices, receipts, and other documents as stated in this document to indicate that the new bus/retrofit has been purchased and the old bus has been properly disposed (replacement component only). The SJVAPCD will not provide advances to grantees or pay third parties, but may issue a two-party check if requested by grantee. The contract specifies (Section 8 in Replacement Contract and Section 6 in Retrofit Contract) that the grantee must provide the SJVAPCD with proof of insurance in types and amounts approved by the SJVAPCD prior to any payment of funds. Please submit a copy of your insurance policy along with any claims for payment.

To ensure that the SJVAPCD does not exceed the \$20,000 funding cap per school bus retrofitted, the SJVAPCD will process claims in the following manner:

- Claims submitted for spare filters, electrical infrastructure, data-logging, and cleaning machines prior to any claims submitted for completed retrofits will be held until the school district submits a claim for one or more completed retrofits. At that time, the eligible items will be funded up to the Infrastructure amount stated on Exhibit B for those school buses claimed. The remaining balance for eligible items will be paid as additional retrofits are completed and claimed. This will ensure that the SJVAPCD does not exceed the funding cap per school bus retrofitted.
- Claims submitted for spare filters, electrical infrastructure, data-logging, and cleaning machines after all contracted retrofits have been claimed will be paid up to the amount stated in section 3 (A) of the contract. Funding may be reduced for these items if any of the contracted retrofits are cancelled.

❖ Contract Extensions

If a grantee is unable to complete the contract before the contract expiration date, a contract extension must be requested. The SJVAPCD Executive Director/APCO has discretion in approving contract extensions. Contract extensions shall not exceed twelve (12) months without SJVAPCD Governing Board approval. All contract extensions must be submitted within sixty (60) days prior to the contract termination date. However, there is no guarantee that a contract extension will be granted. All new replacement school buses funded with California Air Resources Board (ARB) Lower-Emission School Bus Program funds must be delivered and in operation no later than April 1, 2012 regardless of any extension granted by the SJVAPCD.

PROGRAM ADMINISTRATION

The Project Implementation Phase begins as soon as the contract is executed and can vary from project to project. School districts are to notify the SJVAPCD upon order and delivery of new buses and installation and CHP inspection of retrofit devices. In addition, the following issues must be addressed:

❖ Purchase Order Agreement – Replacement Component

The grantee shall submit a copy of the purchase order agreement between the new bus distributor/vendor and the grantee to the SJVAPCD. The purchase order agreement must be submitted prior to any payment of funds. Failure to comply with this requirement will result in the funds for your project being reallocated to another project.

For replacement projects, the purchase order **must** include the following liquidated damages clause:

“Time is of the essence in these contracts for the purchase of new school buses to replace older, higher-polluting buses. Failure to timely deliver the new school buses will result in harm to the implementing agency, school districts, schoolchildren, and air quality in the affected school and air districts. Further, every day in which delivery of a new school bus has been delayed may result in additional costs to the implementing agency and school district to rent or lease an equivalent bus or otherwise mitigate the damages from the delay; such costs are definite but unquantifiable at the time of execution of the contract. Therefore, the parties acknowledge and agree to pay liquidated damages for failure to timely deliver the new school buses, as specified below:

For every day after April 1, 2012 in which a bus has not been delivered as specified in the contract, the school bus distributor/vendor shall be liable to the school district for liquidated damages in the amount of \$100 per day per bus purchased with funds from the Lower-Emission School Bus Program.”

❖ Annual Report

The grantee shall submit an annual report on vehicle operation, annual mileage, maintenance, and any other pertinent information requested by the SJVAPCD. The annual report is used to verify that the vehicle is in operation. Included in this guidance is a Lower-Emission School Bus Program Annual Report Form for your use (page 12).

❖ Grant Closeout

The grantee shall submit all final claims within sixty (60) days following the Project Completion Phase. Grantee shall also complete annual reports for the first five (5) years of the Project Implementation Phase and provide them to the SJVAPCD annually. In the event that grantee does not complete the minimum five (5) years operating period in accordance to contract requirements, grantee shall refund the SJVAPCD a pro-rated amount of one-fifth the amount specified in the contract for each year less than the required five year period.

CONTRACT MILESTONE CHECKLIST

This section outlines the contract milestones contained in the contract. **Grantees must complete all contract milestones in order to receive reimbursement.** Contract milestones for both replacement and retrofit components are listed below:

SCHOOL BUS REPLACEMENT COMPONENT

- Purchase order **must** have liquidated damages clause as stated in this document.
- The new school bus must be delivered within ten (10) months from the contract execution date.
- The old school bus **must be dismantled within sixty (60) days** from the delivery date of the new school bus and the Verification of Vehicle Destruction Form (page 9) must be signed by the dismantler.
- The new school bus must be inspected by the California Highway Patrol within one (1) year from the contract execution date. A copy of the Inspection Approval Certificate (CHP form 292) will be required at time of claim.
- Claim for Payment may be submitted up to sixty (60) days after the contract expiration date.

SCHOOL BUS RETROFIT COMPONENT

- The new retrofit device must be installed within ten (10) months from the contract execution date.
- The new retrofit device must be inspected by the California Highway Patrol within one (1) year from the contract execution date. A copy of the Safety Compliance Report/Terminal Record Update (CHP form 343) or a copy of the Vehicle/Equipment Inspection Report Motor Carrier Safety Operations for (CHP form 343A) will be required at time of claim.
- Claim for Payment may be submitted up to sixty (60) days after the contract expiration date.

STEP-BY-STEP CLAIM FOR PAYMENT GUIDANCE

This section outlines the information required for each field of the Claim for Payment Form. Once the fields listed below have been completely filled out, the contract signing authority must **sign and date** the Form. This will complete the Claim for Payment Form. Please individually list each new school bus purchased or retrofit installed while under agreement on the Claim for Payment Form for which you are seeking reimbursement. For additional spaces, please make a copy of the Claim for Payment Form or obtain an additional copy of the Form from www.valleyair.org. **Only originally signed Forms are accepted**; therefore, subsequent copies of Claim for Payment Forms must also have original signatures from the contract signing authority. If you need additional assistance, please contact the Emission Reduction Incentive Program and a staff member will assist you. **Do not write in the shaded areas of the form.**

❖ Project Number

The number the SJVAPCD assigned to your project; this information can be found in your agreement.

❖ Payee/Grantee

The organization, company, or proprietor's legal name that entered into agreement with the SJVAPCD. This information was entered into Section 1 of the Application and must be **identical** to the information on the Form W-9.

❖ Address, City, State, and Zip

The mailing address used by the organization, including the city, state, and zip code. Reimbursement checks from the SJVAPCD will be mailed to the address provided here.

❖ Check Box

Check the classification of the organization that is listed under payee.

❖ Federal Tax I.D. # or Social Security

The Taxpayer Identification Number (TIN), entered in Section 1 of the Application, in the form of an employer identification number, or a social security number. **The organization's name and TIN or SSN will be used to report incentive funding to the IRS.** The SJVAPCD cannot give tax advice; please contact a tax professional or the IRS to determine the tax consequences associated with receiving incentive funding.

❖ Telephone

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

❖ Fax

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

TWO-PARTY CHECK INFORMATION

Please provide the vendor/dealer information if you would like the reimbursement check to also be made payable to the vendor/dealer. Please note, the reimbursement check will only be mailed to the payee/grantee mailing address. **A reimbursement check will not be mailed to the vendor/dealer.** Participating in the two-party check option may expedite the claims process.

❖ Vendor/Dealer

The name of the vendor/dealer where the new school bus or retrofit device was purchased.

❖ Address, City, State, and Zip

The mailing address used by the vendor/dealer; including city, state, and zip code.

NEW SCHOOL BUS INFORMATION FOR REPLACEMENT CLAIM FOR PAYMENT FORM**❖ Date**

Document the date on the invoice from the purchase of the new school bus.

❖ Vehicle Identification Number

Provide the Vehicle Identification Number (VIN) of the new school bus.

❖ New Vehicle Make and Model

Provide the make and model of the new school bus.

❖ Amount Paid

Document the total amount paid for the new school bus as it appears on the invoice. If there is more than one invoice for the cost of the new school bus, document the sum of all the invoices in the field.

RETROFIT INFORMATION FOR RETROFIT CLAIM FOR PAYMENT FORM**❖ Date**

Document the date on the invoice from the purchase of the retrofit or other eligible expense.

❖ Retrofit Make and Model

Provide the make and model of the retrofit.

❖ Serial Number

Provide the serial number of the retrofit.

❖ Amount Paid

Document the total amount paid for the retrofit as it appears on the invoice. If there is more than one invoice for the cost of the retrofit, document the sum of all the invoices in the field.

To claim additional eligible expenses, such as spare filters, cleaning machines, and infrastructure costs, please use additional lines on the Claim for Payment Form as needed. Include the date of the invoice, a description of the item being claimed on the retrofit make and model line, and the amount paid.

CLAIM FOR PAYMENT PACKET CHECKLIST

When submitting a request for payment, submit a **complete** Claim for Payment Packet. An incomplete Claim for Payment Packet will lengthen the processing time and delay reimbursement of funding. Please include the following items in the packet:

- Completed and **signed** SJVAPCD Lower-Emission School Bus Program - **Claim for Payment Form**. The same individual who signed the contract with the SJVAPCD must also sign the Claim for Payment Form. All Forms submitted must have original signatures.
- Dated and itemized vendor/dealer **Invoice(s)** for the cost of the new school bus or retrofit device and eligible expenses.
- Copy of the **CHP form 292** for the replacement component, or the **CHP form 343** or **343A** for the retrofit component.
- Copy of **Certificate of Insurance**. The Certificate of Insurance must indicate a current policy period.

ADDITIONAL DOCUMENTS FOR REPLACEMENT COMPONENT:

- Completed and **signed** SJVAPCD Lower-Emission School Bus Program – **Verification of Vehicle Destruction Form**. The same individual who signed the contract with the SJVAPCD must also sign the **Verification of Vehicle Destruction Form**. All Forms submitted **must have original signatures**.
- Dated **purchase order** for all items claimed. Please note that the purchase order **must have the liquidated damages clause** on it as previously stated in this document.
- Completed and **signed** SJVAPCD Lower-Emission School Bus Program -- **Replacement School Bus Information Form**. This Form must be completed for each new school bus listed on the Claim for Payment Form. All Forms submitted must have original signatures.
- Copy of all **crushing/dismantling receipts**. Receipt must be dated **no later than sixty (60) days** after the delivery of the new school bus. Receipt **must also include the Vehicle Identification Number (VIN)** of the dismantled school bus.
- Copy of the Department of Motor Vehicles Dismantlers Notice of Acquisition/Report of Vehicle to be Dismantled (**REG 42**). Only licensed automotive dismantlers can submit REG 42's to the Department of Motor Vehicles.
- Copy of the **registration** for the new school bus.

Please retain a full copy of the completed Claim for Payment Packet for your own records.



San Joaquin Valley Air Pollution Control District

Lower-Emission School Bus Program - Claim for Payment

School Bus Replacement

Project Number:

Payee/Grantee : _____

Address : _____

City: _____ State: _____ Zip: _____

Please check one of the following :	<input type="checkbox"/>	Corporation
	<input type="checkbox"/>	Partnership
	<input type="checkbox"/>	Sole Proprietor
	<input type="checkbox"/>	Government

Federal Tax I.D. # : _____

Social Security # : _____

Telephone # : _____

Fax # : _____

For a two party check please complete the following information

Vendor/Dealer : _____

Address : _____

City: _____ State: _____ Zip: _____

Date	Vehicle Identification Number <small>(List each vehicle separately)</small>	New Vehicle Model	Amount Paid	Grant Amount
Total Claim				

Signature of Signing Authority Date

For District Use Only

<u>For District Use Only</u>	
SJVUAPCD Approval _____	Date _____
<u>Administrative Services Use Only</u>	
Audited By _____	Date _____
Reviewed By _____	Date _____

Division	CY = 1	Account	Sub	Amount
Abbr.	#	Number	Acct.	
	91			
Total				

Vendor Number : _____

San Joaquin Valley Air Pollution Control District

Lower-Emission School Bus Program - Claim for Payment

School Bus Retrofit

Project Number:

Payee/Grantee : _____

Address : _____

City: _____ State: _____ Zip: _____

Please	<input type="checkbox"/>	Corporation
check one	<input type="checkbox"/>	Partnership
of the	<input type="checkbox"/>	Sole Proprietor
following :	<input type="checkbox"/>	Government

Federal Tax I.D. # : _____

Social Security # : _____

Telephone # : _____

Fax # : _____

For a two party check please complete the following information

Vendor/Dealer : _____

Address : _____

City: _____ State: _____ Zip: _____

Date	Retrofit Make and Model <small>(List each device separately)</small>	Serial Number	Amount Paid	Grant Amount
Total Claim				

Signature of Signing Authority Date

For District Use Only

<u>For District Use Only</u>	
SJVUAPCD Approval _____	Date _____
<u>Administrative Services Use Only</u>	
Audited By _____	Date _____
Reviewed By _____	Date _____

Division		CY = 1	Account	Sub	Amount
Abbr.	#	PY = 2	Number	Acct.	
	91				
Total					

Vendor Number : _____

VERIFICATION OF VEHICLE DESTRUCTION FORM

School Bus Replacement Program Component

Please submit this form with your Claim for Payment. Payment will be issued upon verification that the existing bus has been permanently removed from service through dismantling. The grantee and dismantler must provide copies of all dismantling receipts, DMV Notice of Acquisition/Report of Vehicle to be Dismantled (REG 42), and any other documentation required by the SJVAPCD.

Project Number:	
Contact Name:	
Phone: ()	Fax: ()

PLEASE PROVIDE INFORMATION FOR EACH BUS REPLACED

Engine Serial Number: _____

VIN: _____

Method used to dismantle the engine: _____

Date engine was dismantled: _____

Method used to dismantle the non-engine portion of the bus: _____

Date non-engine portion of the bus was dismantled: _____

I hereby certify that the vehicle and engine was dismantled in accordance with the following definition: "To punch, crush, stamp, hammer, shred, or otherwise render permanently and irreversibly incapable of functioning as originally intended, any vehicle or vehicle part" and that all information provided on this form and any attachments are true and correct to the best of my knowledge.

Printed Name of Grantee:	Title:
Signature of Grantee:	Date:
Dismantler:	
Printed Name of Authorized Representative of Dismantler:	Title:
Signature of Authorized Representative of Dismantler:	Date:

REPLACEMENT SCHOOL BUS INFORMATION FORM

****Please complete a separate form for each replacement school bus.****

School District: _____ **Project Number:** _____

Date Delivered: _____ **Bus Number:** _____ **Replacement for Bus Number:** _____

1. Vehicle Location

Vehicle Location (address):

2. Vehicle Information

Vehicle ID Number:	License Plate Number:
Vehicle Manufacturer:	Vehicle Model:
Vehicle Model Year:	GVWR:
Bus Type: C (Conventional) D (Transit Style) Special Education	

3. Engine Information

Engine Manufacturer:	Engine Model (Engine Family for International):
Engine Model Year:	Engine Horsepower Rating:
Engine Family Name (Emission Family for International):	
Engine Serial Number:	Engine Displacement:
Fuel Type: Diesel LNG LPG NG	

I hereby certify that all information provided above is true and correct to the best of my knowledge.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party: (Must sign in BLUE INK ONLY)	Date:

LOWER-EMISSION SCHOOL BUS PROGRAM ANNUAL REPORT

Please submit your first annual report **one-year** after placing the engine(s)/vehicle(s)/retrofit(s) into service. When returning the annual report, please attach a copy of evidence of **insurance** for the engine/vehicle/retrofit. Please complete a separate Annual Report for each engine/vehicle/retrofit in your project.

Report Year:		Date:		Project Number:	
Organization:					
Primary Contact Name:					
Street/Mailing Address (including city, state, and zip code):					
Phone Number:		Fax Number:		Email Address:	
Engine/Motor/Vehicle Address:					
Vehicle Make:	Vehicle Model:	Vehicle Model Year:	Vehicle Identification Number:		
Engine Make:	Engine Model:	Engine Model Year:	Engine Serial Number:		
Retrofit Make:	Retrofit Model:	Retrofit Model Year:	Retrofit Serial Number:		
Provide the following information for the past year:					
% Miles Traveled within the District: _____ Total Miles Traveled: _____					
Amount of Fuel Consumed During the Past Year:				Type of Fuel Used:	
Identify any maintenance performed on the engine/vehicle/retrofit:					
Identify any conditions that significantly affected the annual usage:					
Other Comments:					

Please return this form to:

Emission Reduction Incentive Program (ERIP)
 San Joaquin Valley Air Pollution Control District
 1990 East Gettysburg Avenue
 Fresno, CA 93726-0244

Internal Use Only		
Reviewed By (Initial & Date):		
Follow-up Action Required?	Yes	No