

SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT

HEAVY-DUTY ENGINE PROGRAM OFF-ROAD VEHICLE COMPONENT

AGRICULTURAL OFF-ROAD EQUIPMENT REPLACEMENT OPTION

PAYMENT PROCEDURES

This document is designed to provide participants in the Heavy-Duty Engine Program Off-Road Vehicle Component, Agricultural Off-Road Equipment Replacement Option with the required instructions and guidance for the successful completion of a Claim for Payment Packet for their project. **The participant has sixty (60) days following the expiration of the agreement completion phase to submit a complete Claim for Payment Packet.** Claim for Payment Packets must be received during this timeframe to be eligible for reimbursement.

San Joaquin Valley Air Pollution Control District (SJVAPCD) staff is available to answer questions and to provide assistance to participants regarding these procedures. It is advisable that you read the entire Payment Procedures document and your executed agreement in order to fully understand the grant requirements. All questions regarding payment procedures should be directed to:

Jeff Riding or
Ryan Buchanan

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

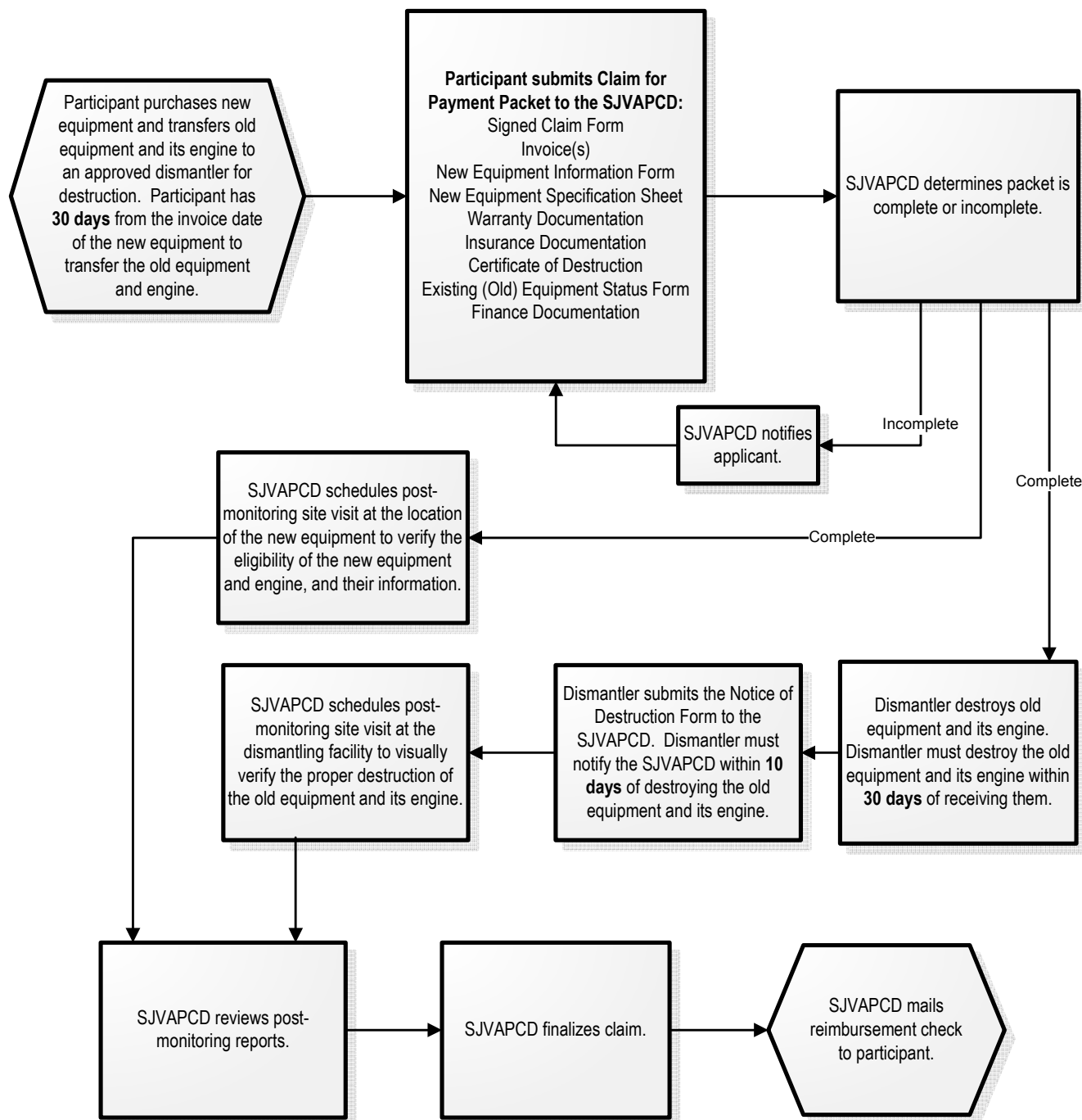
Telephone: (559) 230-5800

Fax: (559) 230-6112

Email: Jeff.Riding@valleyair.org
Ryan.Buchanan@valleyair.org

CLAIM FOR PAYMENT: STEP-BY-STEP FLOW CHART

The following is a step-by-step diagram of the entire claim for payment process for reimbursement. If you have any questions about the process, please feel free to contact program staff at (559) 230-5800.



EXISTING (OLD) EQUIPMENT DISPOSAL PROCEDURES & REQUIREMENTS

As part of the program provisions, the participant is required to have the existing (old) equipment and its engine properly destroyed according to SJVAPCD requirements and rendered permanently inoperable. The participant is required to submit the existing (old) equipment and its engine to a SJVAPCD approved dismantling facility for destruction.

The following section outlines the procedures and requirements for disposing the existing (old) equipment and its engine replaced through the SJVAPCD Heavy-Duty Engine Program Agricultural Off-Road Equipment Replacement Option. The disposal of the old equipment and its engine will be physically inspected and verified by SJVAPCD staff **prior** to the disbursement of any incentive funds.

❖ Procedures and Requirements

Participant Responsibilities:

1. The old equipment must be destroyed within **60 days** of being replaced as determined by the invoice date of the new equipment. Within **30 days** of the invoice date of the new equipment, the participant must transfer the old equipment and its engine to an approved dismantler for destruction.
2. **Destruction of the existing (old) equipment and its engine by the participant will render the project ineligible for funding.** A comprehensive list of approved dismantlers is included with your executed agreement, or participants may contact staff in the Strategies and Incentives Department at (559) 230-5800, or by email at weberip@valleyair.org, to obtain a list of program approved dismantlers.
3. It is the participant's responsibility to ensure the old equipment and its engine are submitted to the dismantling facility in a timely manner which would allow the dismantler ample time to properly destroy both parts within the 60 days time frame. Participant is responsible for contacting his/her selected dismantler to coordinate the destruction efforts.
4. Upon transfer of the old equipment and its engine, the participant must obtain a SJVAPCD Certificate of Destruction Form from the dismantling facility. The form must be filled out completely and signed by an employee of the dismantling facility. The participant must submit the SJVAPCD Certificate of Destruction Form with the Claim for Payment Packet.
5. Participant must certify on the Existing (Old) Equipment Status Form (page 11) that the old equipment was in similar operational condition as in pre-inspection, with no parts stripped, prior to transferring it to an approved dismantler.
 - Participant may extract equipment fluids or remove parts, such as tires, off of the old equipment prior to transferring it to the dismantler if the dismantler's standard process of receiving the equipment for destruction requires it.

Dismantler Responsibilities:

1. The dismantler must destroy the old equipment and its engine according to the terms and conditions of its agreement with the SJVAPCD within **30 days** receipt of both parts.
2. The dismantler must provide the participant with a completed, signed SJVAPCD Certificate of Destruction form indicating the date the dismantling facility received the old equipment and its engine. The SJVAPCD Certificate of Destruction form must include all necessary information as required by the dismantler's agreement with the SJVAPCD.
3. The old equipment and its engine shall be physically destroyed by the dismantler in such a manner to eliminate the possibility of future use.
 - The old equipment must be rendered permanently inoperable with the equipment's structure compromised. At a minimum, the transmission casing **AND** axle housing must be permanently destroyed. Both pieces may be

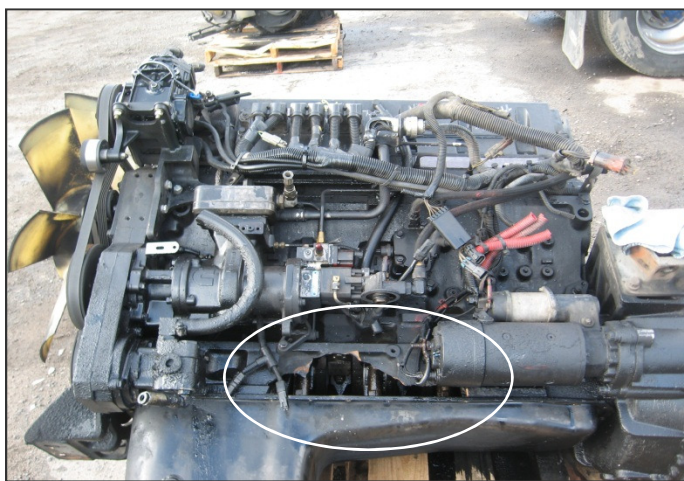
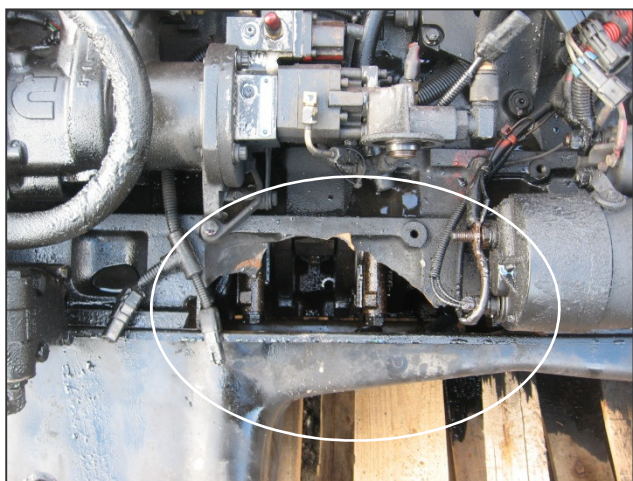
- destroyed by puncturing significantly sized holes with serrated and uneven edges, as deemed appropriate by SJVAPCD staff, in each.
- The old equipment and its engine may be sheared or crushed only after SJVAPCD has visually verified the proper destruction of the engine, transmission casing, and axle housing.
 - The old equipment's engine block must be punctured with a minimum six inch diameter serrated, uneven hole which should include a portion of the oil pan rail (sealing surface).
 - The old equipment and its engine must have a complete, visible, and legible serial number, or the SJVAPCD project number that was stamped or marked on the equipment and/or engine at the time of pre-inspection by a SJVAPCD inspector. If the serial number or the project number cannot be located, the equipment and/or its engine cannot be scrapped or destroyed until notification is made to SJVAPCD staff for assessment.
 - Dismantler must avoid destroying any identifying numbers when performing the destruction of the equipment and engine to ensure SJVAPCD staff can verify the information during the site visit.
4. The dismantling facility must notify SJVAPCD staff by mailing, emailing, or faxing a completed Notice of Destruction Form (page 12) within **10 days** of the destruction of the old equipment and its engine. A SJVAPCD inspector will then schedule a site inspection and verify the proper destruction of the equipment and its engine.

It is both the participant's and dismantler's responsibility to ensure the disabled equipment and engine are permanently removed from service. If either the disabled equipment and/or engine are found to be operational at any time after inspection, the participant and/or dismantler will be subject to enforcement action by the SJVAPCD, including repayment of incentive funds, civil penalties, and any other legal action deemed appropriate.

After taking possession of their new equipment, participants should transfer their old equipment and engines to their selected approved dismantler for destruction prior to submitting a complete Claim for Payment Packet to the SJVAPCD for reimbursement. Participants are allowed to pay for, take possession, and utilize the new equipment as long as they have received an executed agreement from the SJVAPCD; participants do not have to wait until the old equipment and its engine have been destroyed to utilize the new equipment. However, **the disbursement of any incentive funds will not be made to the participant until SJVAPCD staff has deemed that the new equipment purchased is program eligible and the destruction of the old equipment and engine have met program requirements.**

Site Visits (Post-Inspection)

All participants will undergo two post-monitoring site visits by SJVAPCD staff prior to any reimbursement. The purposes of the site visits are: 1) to verify the new replacement equipment has been placed into service and is eligible as a replacement, and 2) to ensure the existing (old) equipment and its engine were properly destroyed in accordance with the terms of the agreement. Furthermore, SJVAPCD staff will take photographs during the site visits and complete a monitoring report for each visit. The submission of a complete Claim for Payment Packet by the participant and the Notice of Destruction Form by the dismantler triggers the site visits. Both site visits must be completed and deemed by staff to meet program requirements before incentive funds can be released. The SJVAPCD retains the right to hold additional site visits **at any time** during the life of the project.

EXAMPLES OF PROPERLY DISABLED ENGINE BLOCKS

CLAIM FOR PAYMENT PACKET CHECKLIST

To initiate the reimbursement process, the participant must submit a properly supported Claim for Payment Packet to the SJVAPCD. Reimbursement takes place **after** the Claim for Payment Packet has been deemed complete and acceptable, the new replacement equipment is purchased, and the existing (old) equipment and its engine are verified to be properly destroyed. Submitting an incomplete Claim for Payment Packet will delay reimbursement.

A **COMPLETE** Claim for Payment Packet will include **all** the following:

☐ **Claim for Payment Form**

- Only the SJVAPCD Heavy-Duty Engine Program Claim for Payment Form will be accepted. A Claim for Payment Form is included on page 9 of this document for your use.
- All Forms must be signed and dated by the project contract signing authority or they will be returned to the participant. The contract signing authority is the same individual who signed the Agreement with the SJVAPCD.
- The Form, and any subsequent copies of the Form, must be submitted with the contract signing authority's original wet signature in **BLUE** ink. Photocopies and/or faxes will not be accepted.

☐ **Invoice(s)** for the cost of the new replacement equipment. The invoice(s) must be dated and should clearly identify the following:

- The participant/organization name and address.
- The new equipment vendor/dealer name and address.
- The make, model, model year, and vehicle/product identification number of the new equipment.
- The make, model, model year, horsepower rating, serial number and US EPA-Certified Engine Family Name of the engine in the new equipment.
- A detailed breakdown of all invoiced costs which will include, but is not limited to, the following: new equipment, equipment options that are additional to the base model (i.e., loader packages, cab, etc.), freight costs, setup fees, document fees, tire tax costs, warranty costs, sales tax (with percentage rate indicated), and license fees. Please list all additional costs in a line item format.

☐ **New Equipment Information Form**

- A copy of the New Equipment Information Form is included on page 10 of this document. Please have your dealer complete and sign the Form.

☐ **Warranty Documentation**

- Please submit all warranty documents pertaining to the new equipment.
- Participant must purchase, **at their own expense**, power and driver train warranty on the new replacement equipment. Please refer to your Agreement with the SJVAPCD for minimum warranty requirements.

☐ **Equipment Specification Sheet** for the new replacement equipment.

- Participants may obtain equipment specification sheets from their dealers.

☐ If applicable, **finance documentation** for the purchase of the new tractor.

*****Continued On Next Page*****

☐ **Insurance Documentation (ACORD Form 25)**

- A Certificate of Insurance must be submitted and must indicate a current policy period which covers the new replacement equipment.

☐ **Certificate of Destruction Form**

- Provided to the participant by an approved program dismantler certifying the existing (old) equipment has been permanently destroyed.

☐ **Existing (Old) Equipment Status Form**

- A copy of the Existing (Old) Equipment Status Form is included on page 11 of this document for your use.

As a matter of policy, the SJVAPCD **does not** provide advance payments to participants or third parties. Approximately one year after incentive funds have been issued, the participant will receive an Internal Revenue Service (IRS) Form 1099. For information about the tax implications related to receiving incentive funds, please consult your tax advisor, as the SJVAPCD does not provide tax advice.

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

STEP-BY-STEP CLAIM FOR PAYMENT FORM GUIDANCE

This section outlines the information required for each field of the Heavy-Duty Engine Program 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. **Only originally signed Forms will be accepted**; therefore, subsequent copies of Claim for Payment Forms must also have original signatures from the contract signing authority. If you need additional assistance to complete the form, please contact program staff.

❖ Project Number

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

❖ Payee

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

The mailing address used by the organization, including the city, state, and zip code. Reimbursement checks from the District 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.

New Equipment Information:**❖ Date**

List the date the new equipment was purchased as indicated on the invoice.

❖ New Equipment Make and Model

List the make and model of the new equipment purchased through this project.

❖ Serial Number

List the serial number of the new equipment purchased through this project.

❖ Amount Paid

List the final amount paid for the new equipment as indicated on the invoice.

❖ Grant Amount

Please leave this field blank as it is intended for SJVAPCD use only.

Agricultural Off-Road Equipment Replacement

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Fax # :

Total Claim

Date _____

Vendor Number :

NEW EQUIPMENT INFORMATION FORM

The following information pertaining to the new equipment and its associated invoice are required to process your reimbursement request. **Please have your dealer complete and sign this form. The Form must be signed in blue ink, and only an original signed Form will be accepted.** If you or your dealer has any questions regarding the Form, please contact program staff.

Project Number:	
Dealership Name:	
Dealership Address:	
Contact Number: ()	Email:

Please provide the following information for the new equipment:

Equipment Make:	Equipment Model:
Vehicle ID # (VIN or PIN):	Equipment Model Year:
Engine Make:	Engine Model:
Engine Serial Number:	Engine Model Year:
US EPA Engine Family Name:	Manufacture Rated Horsepower:
Engine Tier:	Engine Hour Meter Reading (hours):

Please provide the following information pertaining to the invoice of the new equipment. The information provided here must accurately reflect invoiced costs.

New Equipment Base Cost:	\$	
Freight Cost(s):	\$	
Setup Fee(s):	\$	
Document Fee(s):	\$	
Tire Tax Fee(s):	\$	
Sales Tax:	Rate (%):	Total: \$
Warranty Coverage:	Year(s):	Hours:
Warranty Cost:	\$	
Please list any additional invoiced cost(s) below (i.e., equipment options, license fees, etc.):		
Item:	Cost: \$	
Item:	Cost: \$	

As the authorized dealer of the new equipment in this project, I hereby certify that all the information provided on this form accurately reflects the cost of the new equipment purchased through this project.

Authorized Dealer (Print Name):	Title:
Authorized Dealer Signature:	Date:

EXISTING (OLD) EQUIPMENT STATUS FORM

Please submit this form along with your Claim for Payment Packet. Supporting documentation related to the disposal of the existing (old) equipment and its engine must also be submitted. The contract signing authority for the project must sign the Form. **The Form must be signed in blue ink, and only original signed Forms will be accepted. Please fill out a separate Form for each piece of equipment.** For additional forms, please photocopy the Existing (Old) Equipment Status Form, or you may request an additional copy by contacting program staff. All subsequent copies of the Existing (Old) Equipment Status Form must also be signed and dated and submitted with original signatures. If you need additional assistance to complete the form, please contact program staff.

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

By signing this Form, participant certifies that the replaced existing (old) equipment and its engine, identified by the EIN and ESN below, have been permanently removed from operation by transferring the equipment and its engine to an approved SJVAPCD dismantling facility for destruction.

Existing (Old) Equipment Identification Number (VIN or PIN): _____

Engine Serial Number (ESN): _____

Additionally, participant certifies that the existing (old) equipment was in operational condition similarly to its condition during the SJVAPCD's pre-monitoring of the equipment, with no parts stripped, prior to transferring it to the dismantling facility. Only fluids and/or parts required by the dismantler to be removed before transfer of the equipment were performed. Documentation in the form of a receipt from the dismantling facility has been submitted which indicates the date the existing (old) equipment and its engine were transferred.

Dismantling Facility Name:		
Address (including street number and name, state, and zip code):		
Contact Name:		
Phone Number: ()	Fax Number: ()	Email:

I hereby certify under penalty of perjury that all the information provided on this form and any attachments are true and correct to the best of my knowledge.

Contract Signing Authority Name (Print):	Title:
Contract Signing Authority Signature:	Date: