



Air Pollution Control District
San Luis Obispo County

REQUEST FOR PROPOSALS School Bus Replacement Program

January 22, 2020

SECTION 1 - INTRODUCTION

School Bus Replacements Program (Program)

The purpose of the program is to reduce emissions from old, high-emitting public school buses by replacing them with new, low-emitting buses. All projects must be completed in accordance with the terms and conditions described in either the most recent Lower Emission School Bus Program Guidelines and associated Advisories or the current Carl Moyer Program Guidelines and applicable Carl Moyer Program Mail-outs and Advisories (Moyer Guidelines) issued by the CARB. The Program will provide funding for the purchase of a 2013 or newer lower-emission or zero-emission school bus to replace an older bus.

The contents of this document are subject to modification. Any significant program modifications will be posted on the APCD website at:
www.slocleanair.org/programs/grants.php. Applicants are responsible for complying with all information contained in this document and proposals must adhere to all requirements.

For additional information, assistance, or to receive application materials, please see the APCD School Bus Replacement Program web page:
<https://www.slocleanair.org/community/grants/schoolbus.php>

or contact:

San Luis Obispo County Air Pollution Control District
Attention: Vince Kirkhuff
3433 Roberto Court
San Luis Obispo, CA 93401
vkirkhuff@co.slo.ca.us
(805) 781-4247 phone
(805) 781-1002 fax

SECTION 2 - BACKGROUND

The ARB designated particulate matter (PM) from diesel-fueled engines and vehicles as a toxic air contaminant in 1998. School buses expose children riding the buses and the public to harmful emissions, such as PM. The School Bus emission reduction programs were created to reduce school children's exposure to cancer-causing and smog-forming pollution. By reducing exhaust emissions from old diesel school buses, the risk to our most sensitive groups (children and elderly) will be greatly reduced.

SECTION 3 – ELIGIBILITY

School Bus Replacement Projects

Pursuant to Guidelines and Advisory # 08-006 (MSC#09-01), public school districts that own their own buses are eligible to receive funding; this also includes Joint Power Authorities (JPAs) formed by several public school districts where the JPA holds ownership of the school buses. School transportation contractors are **not** eligible to apply for school bus replacement funding. Also, school buses purchased by non-profit agencies, private schools, and other private companies are **not** eligible for funding.

The Program offers grant funding for the replacement of old, high-emitting in-use diesel or gasoline school buses with new emission-certified school buses that meet emission criteria as outlined in the Guidelines and associated advisories. While diesel-fueled buses are primarily targeted for replacement, gasoline-fueled buses that do not include an original-equipment catalytic converter are also eligible. Existing school buses to be replaced must be dismantled within 60 days of receipt of the new bus as described in the Guidelines.

The eligibility criteria for **existing school buses** to be replaced are as follows:

- The existing school bus must have a current California Highway Patrol (CHP) safety certification as outlined in the Guidelines. The period of certification must include the time a school district is awarded funding to replace the buses.
- The bus must be currently registered with the Department of Motor Vehicles.
- The existing school bus must have a manufacturer's Gross Vehicle Weight Rating (GVWR) greater than 14,000 pounds and be equipped with a heavy-duty engine.
- Only replacement school buses will be considered for funding. Fleet expansion school buses are not eligible for funding.
- Diesel school buses and pre-1977 chassis model year school buses will receive funding priority for replacement. Heavy-Duty gasoline school buses that do not include an original-equipment catalytic converter may be considered for replacement.

The eligibility criteria for **new replacement school buses** are as follows:

- The new replacement school bus must be equipped with a 2013 or newer model year diesel-fueled or alternative-fuel engine that meets or exceeds the following certified emission levels: 0.20 g/bhp-hr for nitrogen oxides (NOx) and 0.01 g/bhp-hr for particulate matter (PM). Alternative-fueled school buses may be powered by natural gas, liquefied petroleum gas

(LPG or propane), electricity, methanol, ethanol fuels, fuel cells or other advanced technologies that do not rely on diesel fuel and have been certified by CARB.

- The new replacement school bus must have a GVWR greater than 14,000 pounds.
- Commercially available hybrid school buses may be eligible for funding.
- Funding may not cover the entire cost of a new replacement bus, depending on type selected. School buses selected for replacement with clean diesel technology may be eligible for up to \$165,000 for the cost of the new replacement school bus. Zero-emission buses may be eligible for additional funding. The cost cap is applicable to the cost of the replacement school bus only, including tax. Funding for infrastructure to support alternative fueled and hybrid-electric school buses is available in addition to the cost cap.

Project Selection and Awards Process

Each school district that completes the application process and has eligible projects will be ranked in accordance with the following criteria:

1. Each completed and eligible application received by the application deadline will be ranked according to several factors, which may include:
 - a. Age of the bus;
 - b. Emissions of the bus (grams per hour or grams per mile);
 - c. Emissions of the bus (grams per year) (Considers the annual usage of the bus);
 - d. Previous funding received by the school district for retrofits and replacements;
 - e. School district fleet compliance status (with regard to state and local regulations, including the Truck & Bus Regulation).
2. Priority will be given to alternative fuel buses including electricity.

SECTION 4 – PROGRAM APPLICATION PROCESS

The application and program participation process is as follows:

1. Program applications are available on the APCD website at:
<http://www.slocleanair.org/community/grants.php>. A copy of the application can also be mailed out to the applicant per request. Please contact APCD staff at (805) 781-4247 for more details.
2. Application is submitted to the APCD:

San Luis Obispo County Air Pollution Control District
Attn.: Vince Kirkhuff
Lower Emission School Bus Program
3433 Roberto Court
San Luis Obispo, CA 93401

3. The application is reviewed by APCD staff upon receipt. If the application is deemed incomplete, the applicant will be notified by email and will have the opportunity to correct and re-submit their application.

4. Complete applications will be reviewed to determine that program criteria and requirements have been met.
5. Applications that are complete and meet all program requirements will be ranked for funding as described above.
6. Applicants chosen for funding will be sent application Part B, to be submitted to APCD with all requested documentation.
7. Applicant will receive a Grant Agreement by email which must be signed by the appointed project signing authority and returned to the APCD office in San Luis Obispo, California. The signing authority is the person authorized by the school district board as the person who can act on behalf of the school district. Once received by the APCD, the Grant Agreement will be routed for APCD management signatures and returned to the applicant as a final executed Grant Agreement.
8. Upon receiving an executed Grant Agreement from the APCD, applicant purchases the new bus as authorized in the Agreement. The new bus must be placed into service as specified in the Grant Agreement. For school bus replacement projects, the old bus must be properly destroyed as required by the Grant Agreement. **(Note – the new bus cannot be ordered before the Grant Agreement is signed by all parties).**
9. Applicant submits a request for reimbursement to the APCD (see requirements in Section 6). The APCD will review the information to ensure compliance with all Grant Agreement requirements.
10. Applicant will receive reimbursement after a complete claim for payment is received by the APCD with verification that the new replacement bus is in operation and all the program criteria have been met, including the proper destruction of the old bus, if required.
11. The applicant will be required to submit annual reports for the life of the project (typically at least three (3) years from the date the new bus is placed into service). The APCD will maintain the right to audit and monitor the project during this time period.

SECTION 5 – PROGRAM REQUIREMENTS

Successful project applicants must enter into a Grant Agreement with the APCD setting forth specific performance criteria to ensure compliance with statute and audit requirements. The Grant Agreement at a minimum will contain requirements as outlined in the Guidelines. The term of the Grant Agreement will be at least three (3) years from the date that the new school bus is put into service, and will require the applicant to perform record keeping and reporting.

Grant Agreement preparation will begin upon APCD approval of a project. The following list describes some program requirements:

- The school district and its school bus(es) shall be based and operate within the geographic boundaries of San Luis Obispo County.
- The school district shall submit current DMV registration for each school bus to be replaced and for each new school bus purchased.
- The school district shall submit copies of the California Highway Patrol Inspection Approval Certificate (CHP form 292) for each school bus to be replaced in accordance with the Guidelines.
- The school district shall submit an original Internal Revenue Service (IRS) Request for Taxpayer Identification Number and Certification Form W-9.
 - The information entered into Section A 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.
- The school district shall make every school bus replaced available for APCD staff to inspect and photograph.
- For school bus replacement projects, the school district shall ensure that all existing old school buses shall be dismantled in accordance with definition of “dismantle” set forth in the Guidelines and provide proof and written documentation to demonstrate disposal. All school buses replaced under the program must be dismantled within 60 days of receipt of the new replacement bus. Proof of new vehicle delivery and dismantling of the replaced vehicle must be provided before payment is made by the APCD.
- The program funds can only be used to purchase a replacement school bus that is equipped with essential or standard equipment.
- The school district shall submit a copy of the CARB certification Executive Order for the engine of the new replacement school bus.
- The school district shall submit annual reports for the term of the Grant Agreement. The reports shall include such information as vehicle miles traveled and details regarding maintenance.
- The school district shall return a pro-rated portion of the funds to the APCD if the school bus does not complete the term of the Grant Agreement.
- The school district agrees that any emission reductions associated with this program will be retired by the APCD in the interest of air quality improvement for the residents of San Luis Obispo County. School district waives, for all time, the right to claim emission reduction credits which may accrue during the life of the Grant Agreement as a result of this program, and agrees not to apply to the APCD or any other agency for such credits.
- The school district shall submit evidence of applicable insurance coverage for the new replacement bus prior to reimbursement by the APCD.

- The school district shall have a fuel management process in place to prevent mis-fueling of the funded school buses.
- The school district acknowledges that the criteria and program requirements may be reviewed, as new information becomes available, and can be revised at the discretion of the APCD's Air Pollution Control Officer as needed.
- If requested by the APCD, the school district shall submit a resolution from the school district governing board (or a duly authorized official with authority to make financial decisions) authorizing the submittal of the application and identifying the individual authorized to implement the lower-emission school bus project.
- For the term of the Grant Agreement, the new replacement school bus must not be sold or transferred without prior approval from the APCD.

Grant Agreement Extensions

The APCD has discretion in approving Grant Agreement extensions in cases where the procurement of vehicles is delayed due to factors out of the control of the school district.

SECTION 6 – CLAIMS FOR PAYMENT

Prior to receiving any grant funds, the school district must provide the APCD with the following claim documents for verification:

- 1. Invoices/Purchase Agreements.** Include copies of all final invoices, receipts, purchase orders, and cancelled checks relating to the project.
- 2. Verification of Vehicle Destruction.** For school bus replacement projects, provide a copy of DMV Dismantlers Notice of Acquisition/Report of Vehicle to be Dismantled for the old school bus.
- 3. CHP Inspection Forms.** Provide a copy of the CHP Inspection Approval Certificate (CHP form 292), or the Inspection Report Form 343 or 343A for each replacement school bus
- 4. DMV Registration.** Provide a copy of the DMV registration for each replacement school bus.
- 5. Proof of Insurance.** Include verification of all insurance requirements identified in the Grant Agreement. If self-insured, a letter from a risk manager will be acceptable.
- 6. Emission Reduction Documentation.** A copy of the Executive Order for the engine of the new replacement school bus.

NOTE: The APCD's School Bus Program is not a rebate program. Applicants must obtain approval and have a signed, executed Grant Agreement from the APCD prior to

purchase of a replacement school bus. Any replacement school bus purchased prior to Grant Agreement execution is ineligible for funding.

SECTION 7 - AUDIT PROCEDURES

Any entity that receives funds may be subject to an audit by the APCD and CARB, at any time during the project life. Audit procedures will be fully outlined in school district's final executed Grant Agreement with the APCD.

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