



Air Pollution Control District
San Luis Obispo County

REQUEST FOR PROPOSALS School Bus Replacement Program

January 26, 2022

SECTION 1 – INTRODUCTION

School Bus Replacement Program (Program)

The purpose of this Program is to reduce emissions from old, high-emitting public school buses by replacing them with new, zero or near zero-emission buses. The Program will provide partial funding for the purchase of a new bus to replace an older bus, which must be scrapped. All projects must be completed in accordance with the terms and conditions described in the applicable Program Guidelines issued by the California Air Resources Board (CARB). Depending on the source of funds, this may include one or more of the following:

- The most recent [Lower Emission School Bus Program Guidelines](#) and associated Advisories
- The current [Carl Moyer Program Guidelines](#)
- The current [Community Air Protection Incentives Guidelines](#)
- The [Funding Guidelines for Agencies that Administer California Climate Investments](#).

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 Program web page: 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

SECTION 2 – BACKGROUND

CARB 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 or eliminating 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 Program Guidelines, public school districts that own their own buses are eligible to receive funding; this also includes public charter schools, county Offices of Education and Joint Power Authorities (JPAs) formed by several public school districts where the JPA holds ownership of the school buses. 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, in-use diesel or gasoline school buses with new zero or near zero-emission certified school buses. 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 Program Guidelines.

The eligibility criteria for **existing school buses** to be replaced include:

- The existing school bus must have a current California Highway Patrol (CHP) safety certification and demonstrate at least a two-year history of certification as outlined in the Program 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 (DMV).
- The existing bus must be equipped with a heavy-duty engine at least 20 years old.
- The existing school bus must have a manufacturer’s Gross Vehicle Weight Rating (GVWR) greater than 14,000 pounds.
- Only replacement school buses will be considered for funding. Fleet expansion school buses are not eligible for funding.
- Diesel 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.
- School bus fleets may be required to report to CARB in the TRUCRS database and demonstrate compliance with the state Truck & Bus Regulation.

The eligibility criteria for **new replacement school buses** include:

- The new replacement school bus must be equipped with a CARB certified, zero-emission propulsion system (battery electric or fuel cell) with a minimum range of 35 miles or a combustion engine meeting the optional low NOx emission standard of 0.02 g/bhp-hr.
- The new replacement school bus must have a GVWR greater than 14,000 pounds.

Project Funding

- APCD funding for zero-emission replacement buses is capped at 50% of the eligible portion of the purchase price up to \$200,000 per bus. Co-funding will be required and may be available through incentive programs from Central Coast Community Energy, through the California Hybrid and Zero-emission Truck and Bus Voucher Incentive Project (HVIP), or through other state or federal programs. Please note that not all funding sources allow “stacking” or combining with other funding sources. Confirm eligibility before committing funds.
- Funding for near zero-emission replacement buses (meeting the optional low NOx standard of 0.02 g/bhp-hr) is capped at \$200,000 per bus.
- Some APCD funding sources require that projects meet a cost-effectiveness threshold which may reduce the eligible award amount.
- The eligible portion of the purchase price includes items essential to the operation of the vehicle as allowed by the Program Guidelines and will typically include all equipment on the currently approved California piggyback bid. Extra cost options and extended warranty costs are not eligible for grant funding.
- APCD may have funding available for EV charging infrastructure to support electric school buses which would be above and beyond the cost caps stated here – see our infrastructure incentive web page at www.slocleanair.org/community/grants/altfuel.php to apply separately for an infrastructure grant.

Project Selection and Awards Process

Each complete and eligible application will be ranked according to several factors, which may include:

- Age of the existing bus;
- Emissions of the bus (grams per hour or grams per mile);
- Emissions of the bus (grams per year) (Considers the annual usage of the bus);
- Previous funding received by the school district for retrofits and replacements;
- School district fleet compliance status (with regard to state and local regulations, including the Truck & Bus Regulation).

SECTION 4 – PROGRAM APPLICATION PROCESS

The application and Program participation process is as follows:

1. Program applications are available on the APCD website at: www.slocleanair.org/community/grants/schoolbus.php. A copy of the application can also be mailed out to the applicant upon request. Please contact APCD staff at 805-781-5912 for more details.

2. Application is submitted to the APCD via email to:

vkirkhuff@co.slo.ca.us

or to:

San Luis Obispo County Air Pollution Control District
Attn.: Vince Kirkhuff
School Bus Replacement 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. Applications that are complete and meet all Program requirements will be ranked for funding as described above.
5. Applicants chosen for funding will be sent application Part B, to be submitted to APCD with additional requested documentation.
6. APCD will perform a pre-inspection of the old bus to verify its eligibility for the Program.
7. Applicant will receive a Grant Agreement by email which must be signed by the school district signing authority and returned to the APCD. 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.
Note – the new bus must not be ordered before the Grant Agreement is signed by all parties.
8. Upon receiving the executed Grant Agreement from the APCD, applicant will purchase the new bus as authorized in the Agreement.
9. Upon delivery, APCD will inspect the new bus to verify its eligibility for the Program. The new bus must be placed into service as specified in the Grant Agreement.
10. The school district will deliver (or arrange for delivery of) the old bus to an APCD-approved salvage yard for destruction. A list of approved salvage yards is available on the APCD web site at: www.slocleanair.org/community/grants/schoolbus.php. The APCD will inspect the destruction of the old bus at the salvage yard.
11. Applicant will receive reimbursement after a complete claim for payment is received by the APCD (see Section 6) 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.
12. The applicant will be required to submit annual reports for the life of the project (typically three to five 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. 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 may be required to 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. The 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 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.
- The school district agrees to maintain records regarding the grant project and make them available for audit, if requested.

SECTION 6 – CLAIMS FOR PAYMENT

Payments are typically made to the school district as a reimbursement after the school district has completed the purchase of the new bus. At the school district’s request, and with the bus dealership’s approval, APCD may make payment directly to the dealership. The following documents must be provided to the APCD for verification prior to payment:

1. A copy of the completed and signed DMV Report of Sale (DMV form Reg. 397) or other registration documentation (vehicle title, registration, or DMV printout) for the new bus.
2. An invoice from the grantee (or from the dealership, if arrangements were made to pay them directly) to the APCD requesting payment in the amount of the grant award. Please use the following description on your invoice: “Payment of grant project ID# (project ID number), for purchase of a (year, make) bus, VIN: (VIN).”
3. A copy of the sales invoice or bill of sale for the grant-funded bus showing the VIN (not required if APCD is paying dealership directly).

4. Insurance certificates, as outlined in the Grant Agreement, showing the APCD as additionally insured, loss payee and a certificate holder, where applicable.
5. A copy of the CHP Inspection Approval Certificate (CHP form 292), or the Inspection Report Form 343 or 343A for each replacement school bus.

NOTE: The APCD's School Bus Replacement 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.

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