

## **ATTACHMENT 1**

### **STATEMENT OF WORK NAME OF CONTRACTOR**

This Contract is intended to reduce emissions from diesel equipment used for goods movement along California's trade corridors as part of the Proposition 1B - Goods Movement Emission Reduction Program (Program). The project involves the replacement of in-use, older diesel equipment with lower or zero emission equipment, as specified in Table 1.

[For Heavy-Duty Truck Projects Only]

The replacement truck must be equipped with an engine that is certified by the California Air Resources Board (CARB) through an Executive Order indicating meeting the 2010 emissions level of 0.20 grams per brake-horsepower hour (g/bhp-hr) or less NOx (FEL and CERT values) and 0.01 g/bhp-hr or less PM (CERT value).

Accordingly, CONTRACTOR agrees to purchase the lower or zero emission equipment specified in Table 1 and surrender the old equipment to an SCAQMD-approved dismantler for scrapping within 30 calendar days after the Program-funded equipment is placed into operation unless selected for a reuse program.

Notwithstanding the above, CONTRACTOR is responsible for determining that the equipment to be purchased complies with all Program requirements and applicable federal, state, and local air quality rules and regulations. Each replacement equipment shall be subject to the terms and conditions set forth in Tasks 1 through 6 of this Attachment, the due dates specified in Attachment 1A, as well as all other provisions of the Contract. The project is expected to generate the emission reductions identified in Table 1.

MAXIMUM CONTRACT AWARD \$ \_\_\_\_\_

**Table 1: Approved Project List**

Heavy-Duty Diesel Truck Projects:

Project ID#	Old Truck		Replacement Truck							
	Last 7 Digits of VIN	Engine MY (Old Truck)	Weight Class	Engine Duty Cycle	Engine Model Year	Required Emission Levels	Expected NOx Reductions (lbs./5 year)	Expected PM Reductions (lbs/5 year)	% Operation in CA *	Prop 1B Award Per Truck (\$)
			Class 6,7, or 8	HHDD or MHD	2015 or Newer	2010 emission levels <sup>1</sup> or Low NOx <sup>2</sup> , Hybrid <sup>3</sup> , OR Zero-emission <sup>3</sup>			90%	\$**

\* All replacement trucks funded by the SCAQMD Proposition 1B – Goods Movement Program shall operate in California for 100% of the time, unless Table 1 specifies at least 90% operation in California for the replacement truck. Dual plated and out-of-state registrations are prohibited, except for trucks that carry goods across the California/Mexico border and are required to be dual plated (California/Mexico only).

\*\* This Prop. 1B award is based on the purchase of a “new” replacement truck. A new truck is defined as a truck with an engine model year of 2015 or newer and has not been previously owned (see also the definition in Task 1.7). If you decide to purchase a “used” replacement truck, the engine model year must be 2011 or newer, and the truck must have less than 500,000 miles for a Class 8 truck or 250,000 miles for a Class 7 truck, with odometer verification by SCAQMD at the time of post-inspection. The Prop. 1B award amount will be reduced to \$40,000 for a Class 8 truck or \$35,000 for a Class 7 truck.

<sup>1</sup> Diesel and alternative fuel engines must meet the 2010 emission levels of 0.20 grams per brake-horsepower hour (g/bhp-hr) or less NOx (FEL and CERT values) and 0.01 g/bhp-hr or less PM (CERT value).

<sup>2</sup> Optional Low NOx engines must meet the NOx standard of 0.02 g/bhp-hr or less NOx and be certified/verified (as applicable) by CARB.

<sup>3</sup>Hybrid and zero emission engines must be 2015 or newer and certified/verified (as applicable) by CARB. A hybrid truck is a vehicle with an electric drive system powered by an on-board generator and qualifies for funding by CARB’s Air Quality Investment Program (AQIP). A hybrid zero emission mile truck is a hybrid truck capable of zero emission miles.

## ATTACHMENT 1 (CONT.)

### PROJECT REQUIREMENTS:

Tasks necessary to implement this project are as follows:

#### **Task 1: Inspections**

- 1.1 CONTRACTOR shall make all equipment to be replaced available to SCAQMD staff or its designee(s) for inspection prior to destruction in accordance with Clause 16-Inspections of this Contract. If a pre-inspection has not yet been completed on the equipment to be replaced and it is stolen or destroyed such that it cannot be repaired, then such equipment is not eligible for funding under this Contract.
- 1.2 CONTRACTOR shall be disqualified from receiving Program funds if the pre-inspection by SCAQMD reveals a discrepancy with the application submitted by CONTRACTOR that would affect the project's ranking or eligibility status with respect to the Program Guidelines.
- 1.3 CONTRACTOR shall make all new equipment available to SCAQMD staff for inspection after delivery in accordance with Clause 16-Inspections of this Contract. A CARB Executive Order for the replacement equipment (or approval in the case of zero-emission equipment) shall be provided by CONTRACTOR to SCAQMD at the time of post-inspection.
- 1.4 For truck projects, CONTRACTOR may pre-order the replacement truck(s) prior to contract execution at CONTRACTOR's risk, but the replacement truck can only be purchased after CONTRACTOR receives pre-inspection approval from SCAQMD, and the contract is executed.
- 1.5 For TRU projects, the new replacement TRU can only be ordered or purchased once the existing equipment has been pre-inspected and the contract is signed between the equipment owner and SCAQMD.
- 1.6 For truck projects, the maximum vehicle miles traveled for a used truck shall be less than 500,000 miles for a Class 8 truck or less than 250,000 miles for a Class 7 truck, with odometer verification by SCAQMD at the time of post-inspection. Class 6 replacement trucks must be new, not used or pre-owned.
- 1.7 If you are purchasing a "new" replacement truck, the new truck must be a vehicle constructed entirely from new parts that has never been the subject of a retail sale, or registered with the California Department of Motor Vehicles, or registered with the appropriate agency or authority of any other state, District of Columbia, territory or possession of the United States, or foreign state, province, or country. (Cal. V.C. § 430.)

## **Task 2: Procurement of Equipment**

- 2.1 After receipt of the pre-inspection approval pursuant to Task 1.4, CONTRACTOR shall procure the replacement equipment meeting the specifications and emission levels identified in Table 1. Notwithstanding this requirement, CONTRACTOR is responsible for determining that the equipment to be purchased complies with all Program requirements and applicable federal, state, and local air quality rules and regulations.
- 2.2 CONTRACTOR shall provide documentation of procurement of the replacement equipment meeting the specifications and emission levels in Table 1, in addition to the CARB Executive Order or approval as described in Task 1.3. This documentation shall include, at a minimum: (1) equipment information such as the manufacturer; price of the equipment, including any taxes, delivery fees and other costs; identification of the vehicle/equipment make, model, model year and fuel type; and (2) engine information, including model year, manufacturer, model number, and engine family name.
- 2.3 CONTRACTOR shall provide proof of equipment warranty for the Program-funded equipment. For truck projects, a minimum of 1-year or 100,000-mile major component engine warranty that covers parts and labor and the diesel particulate filter (if the truck is no longer under warranty or has less than 1 year of warranty) is required for the replacement vehicle.
- 2.4 CONTRACTOR shall not replace the old truck with a salvage, glider kit or repowered vehicle.

## **Task 3: Global Positioning System Electronic Monitoring Unit**

- 3.1 CONTRACTOR shall install an on-board Electronic Monitoring Unit (EMU) on Program-funded equipment at any time during the Contract term, if requested by the SCAQMD. EMU shall be installed pursuant to a separate contract between an EMU installation contractor and the SCAQMD or CARB.

## **Task 4: Operation of Vehicle/Equipment**

- 4.1 CONTRACTOR shall place the Program-funded equipment meeting the required emission levels in Table 1 into regular service.
- 4.2 For truck projects, CONTRACTOR shall operate the Program-funded equipment within California for the minimum percentage of time specified in Table 1 for the term of the Contract. The project life is a minimum of 5 years or 500,000 miles for a Class 7 or Class 8 truck, whichever comes first, or 5 years or 300,000 miles for a Class 6 truck, whichever comes first.
- 4.3 For TRU projects, the project life is a minimum of 5 years or 10,000 hours, whichever comes first.

- 4.4 For truck projects, CONTRACTOR agrees to operate the Program-funded equipment with at least 50% of travel within the four California trade corridors, as identified in the Program Guidelines.
- 4.5 CONTRACTOR shall provide operational information for the equipment sufficient to establish compliance with Task 4, upon reasonable notice, to SCAQMD or CARB staff.
- 4.6 CONTRACTOR shall continue to haul goods a majority of the time (>50%).
- 4.7 For truck projects, CONTRACTOR shall not remove equipment from service in California during the project life.
- 4.8 All vehicles funded under this Contract shall maintain California base-plated or California IRP registration at all times during the project life. Dual plated and out-of-state registrations are prohibited, except for trucks that have selected the 90% California operation option (see Table 1) and carry goods across the California/Mexico border and are required to be dual plated (California/Mexico only).
- 4.9 CONTRACTOR shall certify that there are no outstanding CARB violations and maintain compliance with all applicable CARB regulations associated with the equipment or the owner. CONTRACTOR shall also correct any outstanding CARB equipment violations associated with the owner's entire fleet(s) prior to contract execution and throughout the project life.

**Task 5: Destruction of Old Equipment**

- 5.1 CONTRACTOR shall surrender the old diesel equipment for scrapping in accordance with the Program requirements, unless selected by SCAQMD for a vehicle reuse program as specified in Task 5.9. The old diesel equipment must be in operable working condition and legal for use in California at the time of the pre-inspection by SCAQMD and upon receipt by the dismantler or dealership.
- 5.2 If CONTRACTOR elects to receive the grant funds through a reimbursement option, CONTRACTOR shall deliver the old equipment to a SCAQMD-approved dismantler within 30 calendar days after the replacement equipment is placed into operation.
- 5.3 Under the reimbursement payment option, CONTRACTOR will not be paid until and unless CONTRACTOR has delivered the old equipment to the dismantler in accordance with Task 5.2, and submitted to the SCAQMD a valid invoice with the top one-half portion of SCAQMD's Certificate of Replaced Vehicle(s)/TRU Receipt and Destruction (Attachment 3) completed for each equipment. Attachment 3 shall be signed by an authorized representative of the DMV-licensed dismantler as proof of delivery of the old equipment to the dismantler.

- 5.4 If CONTRACTOR elects for SCAQMD to make the payment(s) directly to the dealer, CONTRACTOR shall deliver the old equipment to the dealer prior to (but within 30 calendar days of) receipt of the fully operational replacement equipment. Dealer will not be paid until and unless the dealer has agreed not to endorse the SCAQMD check until the dealer has physical custody of the old equipment and has agreed to ensure that the old equipment will be delivered to an SCAQMD-approved dismantler within 30 calendar days of the issuance of the check. The replacement equipment shall be fully operational within 30 calendar days of issuance of the SCAQMD check.
- 5.5 CONTRACTOR must ensure that the old equipment is delivered to an SCAQMD-approved dismantler within 30 calendar days of receipt of the fully operational replacement equipment. The dismantler must cut a three inch by three inch hole in the engine block of each equipment that was replaced and cut each equipment's frame rails completely in half within 60 days of receipt of the replaced vehicle. The following digital photos must be taken and labeled for submittal by dismantler:
- a. Truck view from front angle capturing entire truck with readable license plate or existing TRU view from front angle, whichever applies.
  - b. Truck Vehicle Identification Number (VIN) printed by manufacturer found inside cab or on vehicle's frame rail (this does not apply to TRUs).
  - c. Engine tag with serial number, engine family number, and engine model year.
  - d. Destroyed engine block either inside or outside truck body (this does not apply to TRUs).
  - e. Side truck view capturing the entire truck showing the severed frame rails (this does not apply to TRUs).
- 5.6 CONTRACTOR shall ensure that the dismantler provides to SCAQMD the digital photographs on a CD and colored copies referenced above and a fully completed Attachment 3 signed by an authorized representative of the dismantler. The photos and Attachment 3 must be submitted to SCAQMD within 10 calendar days of the dismantler destroying the equipment as described above.
- 5.7 CONTRACTOR shall ensure the dismantler files a VIN hold with the DMV, and submits either Reg 488C "Non-Repairable Vehicle Certificate" or Reg 42 "Notice to Dismantler" to the DMV, and submits a copy of this documentation to SCAQMD within 10 calendar days of destruction of the old vehicle (this does not apply to TRUs).
- 5.8 Any costs to destroy the equipment pursuant to this Contract shall be paid by CONTRACTOR.
- 5.9 Notwithstanding Section 5.1 through 5.8, under the Program, CONTRACTOR's old vehicle with MY2007-2009 engine may be selected by SCAQMD or CARB for a vehicle reuse program, in lieu of the scrapping requirement. If designated

for the vehicle reuse program, CONTRACTOR will be given notice of such designation, and SCAQMD will provide direction on how and where to deliver the old vehicle. Payment will be made after surrender of the old vehicle by CONTRACTOR and submittal of the invoice, in accordance with Attachment 2 – Payment Schedule.

**Task 6: Reporting**

- 6.1 CONTRACTOR shall provide annual reports, as described under Deliverables, Attachment 1B.

**ATTACHMENT 1A**

**PROJECT MILESTONES  
NAME OF CONTRACTOR**

<b><u>Milestone</u></b>	<b><u>Due Date</u></b>
Contract Signed By Contractor <u>and</u> Received By SCAQMD	June 30, 2016
Delivery and Acceptance Completed	December 15, 2016
All Program-funded Equipment in Service	December 15, 2016
Submittal of All Invoices (All invoices must be submitted no later than 30 days after the replacement equipment is placed into service, but not later than December 15, 2016, unless otherwise approved by SCAQMD)	December 15, 2016
Note: Post-inspection must be completed and approved by SCAQMD prior to any invoice paid by SCAQMD.	
Final Date to Expend Funds to CONTRACTOR	December 31, 2016
Annual Progress Reports	March 1, 2018 March 1, 2019 March 1, 2020 March 1, 2021
Final Annual Progress Report	March 1, 2022

## **ATTACHMENT 1B**

### **DELIVERABLES NAME OF CONTRACTOR**

CONTRACTOR shall submit annual progress reports (using Attachment 4 or other template that includes the required information) to the SCAQMD under this Contract for a period of at least five (5) years after the equipment is placed into service. Each submitted report shall be stapled, not bound, printed in black ink, double-sided type, on an 8-1/2 by 11 inch page, and shall include camera-ready originals.

CONTRACTOR shall provide two stapled copies of each progress report to be submitted annually for the term of the Contract. This document shall be considered in the public domain, in conformance with the California Public Records Act (Government Code Section 6250 et seq.). The annual report shall include, but not be limited to, the following for the equipment funded under this Contract:

- Reference to SCAQMD contract number, project number, and title of project.
- Name, address and phone number of the contact person.
- Project Completion Date (the date the Program-funded equipment was placed into service)

For truck projects, in addition to the above items, the following annual report information is required:

- Fleet size
- Proof of California registration for each piece of equipment. Either California base-plated registration or California IRP registration is acceptable. For replacement trucks that are allowed to operate up to 10% of the time outside of California (see Table 1), dual plated and out-of-state registrations are prohibited, except for trucks that carry goods across the California/Mexico border and are required to be dual plated (California/Mexico only).
- Certification of insurance.
- A description of the operation of the vehicle, including:
  - Current odometer reading and the date the odometer reading was taken.
  - Annual miles traveled per vehicle in service during the reporting period (including mileage/activity logs for documentation).
  - Discussion of equipment performance, including any inspections, repairs and/or maintenance performed.
  - Certification of at least 90% operation in California.
  - Certification and documentation of at least 50% of travel within the four Trade Corridors, as identified in the Program Guidelines.
  - Description of any significant problems encountered during the year and how they were resolved.
  - Certification that the equipment funded was operated in accordance with signed contract and that all information submitted is true and accurate.

For TRU projects, in addition to the first three items above, the following annual report information is required:

- Infrastructure and or equipment utilization.
- Annual hours of operation.
- Description of any equipment failure or other event that prevented TRUs from operating for more than one week.

CONTRACTOR shall provide supporting documentation for any information in the annual report if requested by SCAQMD.

## ATTACHMENT 2

### PAYMENT SCHEDULE NAME OF CONTRACTOR

CONTRACTOR shall be reimbursed for each equipment project in accordance with the Prop. 1B Award amount specified in Attachment 1, Table 1. The total cumulative amount of payments made under this Contract shall not exceed the Maximum Contract Award, as specified in Attachment 1 and Clause 22-Payment.

CONTRACTOR shall submit an invoice for each equipment project to the SCAQMD after a satisfactory post-inspection, as described in Clause 16-Inspections of this Contract.

- A. Invoices will not be paid by SCAQMD until after the satisfactory completion of a post-inspection pursuant to Clause 16-Inspections for each equipment project listed on the invoice and CONTRACTOR has demonstrated compliance with the California Air Resources Board's Truck and Bus Regulation, California Code of Regulation Title 13 Section 2025 or CARB's TRU Regulation, whichever is applicable.
- B. Payments under this Contract shall be sent to CONTRACTOR unless otherwise specified in the Contract or specifically requested by CONTRACTOR in writing. Funds paid under this Contract shall only be used to offset the capital cost of the equipment and shall reduce the principal owed by the CONTRACTOR to purchase the equipment. Program funds may only be used to reimburse equipment owners or other entities up to the amount of funds contributed in cash toward the purchase of the Program-funded equipment. Equipment project funds may not be applied toward administration costs.
- C. In addition to the information required in Clause 22.B. of the Contract, the invoice must also include the SCAQMD project identification number and other specific project information that may include but is not limited to: old truck Vehicle Identification Number (VIN), existing TRU ARBER Number, engine serial number, the replacement truck VIN, equipment manufacturer, price of the equipment including any taxes, delivery fees and other costs, identification of the equipment make and model, model year and fuel type.
- D. Program funds may only be used for eligible expenses. Eligible expenses are costs that are directly tied to the purchase of CARB-approved equipment projects. For replacement truck projects, eligible costs include the purchase price up to the maximum Prop 1B award per truck project.

**ATTACHMENT 3**



**South Coast Air Quality Management District  
Certificate of Replaced Vehicle/Transport Refrigeration Units (TRUs)  
Receipt and Destruction**

SCAQMD Contract No.: \_\_\_\_\_ Project ID#: \_\_\_\_\_

Equipment Owner's Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Equipment Owner Address: \_\_\_\_\_

**Equipment Information**

<b>Make:</b>		<b>Year:</b>	
<b>Model:</b>		<b>VIN or TRU ARBER #</b>	
<b>Odometer Reading: (Truck Only)</b>		<b>Date Odometer Recorded:</b>	
<b>Hour Meter Reading:</b>		<b>Date Recorded:</b>	

**Engine Information**

<b>Make:</b>		<b>Horsepower:</b>	
<b>Model:</b>		<b>Engine Family No.:</b>	
<b>Year:</b>		<b>Engine Serial No.:</b>	

**Name of DMV-Licensed Dismantler (Print):** \_\_\_\_\_

**Date Equipment Accepted for Dismantle:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

**This section shall be completed upon the permanent destruction of the equipment:**

**Date Equipment Destroyed:** \_\_\_\_\_ **All photos taken according to Program requirements (all photos to be submitted on CD to SCAQMD):** \_\_\_\_\_ (Initial)

**Salvage Yard Statement:** I certify under penalty of perjury that within 60 days of the date I received this vehicle or TRU, the engine block was punched and destroyed in such a manner to eliminate the possibility of future operation and use of any components, including cutting a three-inch by three-inch (3" x 3") hole in the engine block. For truck project, the old vehicle frame rails were severed to ensure that the vehicle is rendered useless and to prevent repeated use. For TRU projects, I have ensured that the refrigerant was disposed of in accordance with refrigerant recycling requirements of Section 608 of the Clean Air Act of 1990. Photos of the destroyed vehicle or TRU that are required pursuant to Proposition 1B: Goods Movement Emission Reduction Program Guidelines are attached to this Certificate of Replaced Vehicle/TRU Receipt and Destruction. The engine parts and/or diesel emission control systems (particulate filters) from the vehicles participating in the Proposition 1B Program were not salvaged.

**Company:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Authorized Name (Print Name):** \_\_\_\_\_

**Authorized Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Attachment 4**  
**South Coast Air Quality Management District**  
**Proposition 1B Annual Report Form**

**Section 1: Contractor Information**

Name / Company:		Contact Name:
Business / Home Phone:	Cell Phone:	Email Address:
Current Home / Company Address:		

**Section 2: Vehicle/TRU Information**

Vehicle Identification Number (VIN): \_\_\_\_\_ License Plate Number: \_\_\_\_\_  
 TRU ARBER Number: \_\_\_\_\_ TRU Engine Serial Number: \_\_\_\_\_  
 Fleet ID #: \_\_\_\_\_ Current Odometer (for truck) or Hour Meter Reading (for TRU): \_\_\_\_\_ miles, or \_\_\_\_\_ hours  
 Date Odometer or Hour Meter Reading Was Recorded: \_\_\_\_\_ Fleet Size (for truck): \_\_\_\_\_

**Section 3: Vehicle/TRU Operation Data**

**Please answer the following questions regarding operation of the equipment identified above:**

- Number of miles traveled or hours operated during the Report Year: \_\_\_\_\_ miles (for truck), or \_\_\_\_\_ hours (for TRU)
- Percentage of total annual miles traveled or hours operated during the Report Year within the four Trade Corridors (Truck only):  
 Bay Area \_\_\_\_\_% Central Valley \_\_\_\_\_% LA/Inland \_\_\_\_\_% San Diego \_\_\_\_\_%
- \_\_\_\_\_ (initial) This vehicle was operated for at least  90% or  100% in California and no permits were utilized to make out-of-state trips (Truck Only).
- \_\_\_\_\_ (initial) This vehicle traveled at least 50% within the four Trade Corridors as identified in the Goods Movement Emission Reduction Program Guidelines (Truck Only).
- \_\_\_\_\_ (initial) This equipment was operated in accordance with my signed contract.

**Section 4: Maintenance and Inspections for Truck Project**

**Please indicate how the equipment was maintained/inspected during the Report Year (check ALL that apply):**

The equipment has been inspected every 90 days under the California BIT program

Other inspections (briefly describe): \_\_\_\_\_

Other maintenance (briefly describe): \_\_\_\_\_

**Section 5: Status of Truck or TRU**

**Please answer listed questions:**

- Is your vehicle listed above currently operational?  YES  NO  
 If NO, please check the reasons(s) why your vehicle/TRU is not operational (check all that apply):  
 Mechanical issues  Lack of work  Other (describe) \_\_\_\_\_
- Has this truck experienced any major downtime over the last year?  YES  NO  
 If YES, please briefly explain what caused the downtime, specify the dates of downtime, and how it was resolved:  
 \_\_\_\_\_
- For TRU project, did the equipment experience any failure or other event that prevented TRU from operating for more than one week?  
 YES  NO If YES, please describe: \_\_\_\_\_

**Section 6: Additional Required Documentation for Truck Projects**

**These documents are required: Please attach a copy of the following documentation to this Annual Report**

CA DMV registration from Report Year to current

Certification of insurance from Report Year (must list SCAQMD as an additional insured and certificate holder, show the insured value of the truck, and include the VIN and SCAQMD Contract Number)

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

Name / Title of Person Completing Report Form (Print) \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_