

***Announcing South Coast Air Quality Management District's
Funding for Alternative Fuel School Bus Replacement Program
(Eligibility restricted to public school districts and joint power authorities)***

South Coast AQMD's Lower-Emission School Bus Program

Program Announcement & Application

PA2021-02

October 2, 2020

Depending upon the number of applications received and availability of funding, the South Coast AQMD Board retains discretion to make full awards, partial awards, or no awards at all under this Program Announcement. If the choice to make a partial award causes any bidder to withdraw, the funds that would have been awarded to that bidder will be re-allocated to the other bidders or allocated pursuant to a new program announcement. South Coast AQMD also reserves the right to change any criteria such as the schedule, qualifications, grant provisions and selection criteria outlined in this Program Announcement & Application.

INTRODUCTION

The South Coast Air Quality Management District (South Coast AQMD) is pleased to announce this funding opportunity for public school districts to replace older diesel school buses with cleaner bus technologies, including near-zero emission and zero emission bus technologies. The Lower-Emission School Bus Program (LESBP) is designed to reduce diesel air pollution and children's exposure to the harmful emissions from diesel school buses. This Program Announcement applies to all public school districts, including those participating under a Joint Powers Authority agreement (JPA) in the South Coast Air Basin.

BACKGROUND

Since 2001, South Coast AQMD has expended a total of \$325 million in state, local and federal funds and replaced over 1,800 highly polluting diesel school buses with new alternative fuel or zero emission buses and retrofitted nearly 3,400 diesel buses with particulate traps. Over 50 percent of these funds have focused on reducing diesel air pollution in disadvantaged and/or low-income communities. This program has enabled thousands of school children to commute in some of the cleanest and safest school buses in the South Coast AQMD jurisdictional area.

PROGRAM ELIGIBILITY CRITERIA

Applicant Eligibility

Only public school districts and Joint Power Authorities (JPAs) within the geographical boundaries of the South Coast AQMD are eligible to apply.

School Bus Eligibility

Existing School Bus Requirements:

South Coast AQMD is seeking applications from public school districts to replace older diesel school buses (Type A, C, or D) that are a minimum of 20 years old (including MY2000 or older), and with a Gross Vehicle Weight Rating (GVWR) of over 14,000 lbs. At a minimum, applicants will need to provide information identifying each of the school buses proposed for replacement, as well as documentation demonstrating current DMV registration and continuous CHP certification for the past three years. The school buses proposed for replacement must be crushed/dismantled as required by the LESBP Guidelines.

Given that funds may be limited, the program will prioritize funding awards to each school district with consideration for the older school buses and/or school buses with the highest accumulated mileages first. Applicants are encouraged to list their oldest diesel school buses first and/or buses with the highest cumulative mileages. Depending upon the number of applications received and availability of funding, all the requests may not be funded in their entirety. Be aware that there is a possibility that due to program priorities, cost effectiveness or funding limitations (i.e., caps), applicants may be offered only partial funding, and not all applications meeting the eligibility criteria may be funded. South Coast AQMD retains discretion to make full awards, partial awards, or no awards.

Table 1, below, provides a summary of the key eligibility requirements for the existing school buses proposed for replacement.

Table 1: Existing School Bus Requirements
1) Diesel Fueled
2) Type A, C, or D
3) Model Year that is a minimum of 20 years old (Pre-2001)
4) GVWR > 14,000 lbs
5) Currently registered with the DMV
5) Maintained continuous CHP Certificates for at least the past 3 years
6) Must be willing to crush/dismantle existing school bus once replaced

Replacement School Bus Requirements:

For replacement of Pre-2001 diesel school buses, applicants will have the option to purchase near-zero and zero emission school buses, including propane, compressed natural gas (CNG), and/or battery-electric school bus technologies. If applicants choose to purchase a new CNG or propane fueled replacement bus, then the replacement engine must be CARB-certified to the Optional Low NOx Standard of 0.02 g/bhp-hr or cleaner. As another option, applicants may choose to purchase a zero-emission school bus that is certified or approved by CARB, including zero emission school buses that are eligible through the state’s Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP). Documentation verifying CARB certification/approval is not required if the zero emission school bus technology is listed by HVIP. Table 2, below, provides an itemized summary of the key eligibility requirements for the replacement school buses.

Table 2: Replacement School Bus Requirements
1) Near-Zero or Zero Emission (Propane, Natural Gas, or Electric)
2) Type A, C, or D
3) Model Year 2020 and newer
4) GVWR > 14,000 lbs*
5) Maintain CHP Certificates during the term of contract
6) CNG/Propane School Bus: Replacement engine must be CARB certified at 0.02 g/bhp-hr NOx or cleaner
7) Zero Emission: Must be a zero emission school bus technology certified or approved by CARB including HVIP-listed zero emission school bus technologies.

MAXIMUM FUNDING AMOUNTS

Depending upon the number of applications received and availability of funding, all the requests may not be funded in their entirety. Be aware that there is a possibility that due to program priorities, cost effectiveness or funding limitations (i.e., caps), applicants may be offered only partial funding, and not all applications meeting the eligibility criteria may be funded. South Coast AQMD retains discretion to make full awards, partial awards, or no awards.

The maximum funding amounts are shown in Table 3. If a school district is approved to receive funding through HVIP for the same project, the maximum funding amount will be reduced by the HVIP voucher amount, except for zero emission school bus projects which may receive up to \$400,000 in total funding from the South Coast AQMD and HVIP.

Funding awards will be made based on several factors, including an equitable distribution of the program funds based on county population, benefits to disadvantaged and/or low-income communities, and project cost effectiveness. A school bus project will be considered as benefitting a disadvantaged or low-income community if it meets any one of the following: 1) it is domiciled within a disadvantaged or low-income community, 2) it will operate a majority of time in a disadvantaged or low-income community, or 3) makes at least one stop in a disadvantaged or low-income community census tract. The project's cost effectiveness will be determined using the methodology in the Carl Moyer Program and may be used to rank projects for the awards selection.

South Coast AQMD will be providing funds for this solicitation from the Carl Moyer Program AB 923 Program. Of the total Program funds available, the South Coast AQMD expects to allocate about 70 percent of the funds for near-zero emission bus technologies and 30 percent for zero emission school buses. The final allocation of Program funds will also be determined based on the funding requests submitted by the school districts, and subject to change at the time of the awards recommendation and upon consideration by the South Coast AQMD Governing Board.

South Coast AQMD will fund up to the maximum funding amounts shown in Table 3 for each school bus technology. To help offset the cost of zero emission school buses, schools may also apply for funding through the state's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), if available. The combined award amount from South Coast AQMD and HVIP cannot exceed \$400,000 for zero emission school buses.

Any match funding required by the Lower Emission School Bus Program Guidelines will be provided by the South Coast AQMD on behalf of the participant up to the maximum funding amounts shown in Table 3.

The maximum funding amounts shown in Table 3 include sales tax and the cost of fire suppression and gas detection systems, however school districts will have to pay for any additional discretionary options that they may choose to include on the school bus. Funding for fueling/charging infrastructure will also be available to school districts. Table 3, below, provides a summary of the potential funding amounts for each type of school bus technology and infrastructure options. Depending on the number of applications received, all the requests may not be funded in their entirety. Final funding amounts will be determined upon South Coast AQMD's Governing Board approval of the awards.

Table 3: Lower Emission School Bus Program Funding Amounts¹				
School Bus Type	Fuel Type	NOX Certification Level (g/bhp-hr)	South Coast AQMD Maximum Award	Infrastructure per School Bus
Type C	Propane	0.02 or lower	\$155,000	\$5,000
Type C or D	CNG	0.02 or lower	\$205,000	\$15,000
Type A	Zero Emission	0.00	\$325,000 ^{1,2}	\$20,000
Type C or D	Zero Emission	0.00	\$370,000 ^{1,2}	\$20,000

¹ The funding amounts shown in this table may be reduced if the project also receives HVIP funding.

² South Coast AQMD + HVIP = \$400,000 Maximum Award for zero emission buses

PROGRAM SCHEDULE

A tentative implementation schedule for the LESBP Program Announcement PA2021-02 is outlined below.

Tentative Schedule for School Bus Replacement Program

October 2, 2020	Issue the Program Announcement & Application PA2021-02
January 26, 2021	Applications due by 3 p.m. Applicants are encouraged to apply well before this deadline
April 2, 2021	South Coast AQMD Board to consider approval of the awards
July 1, 2021	All school bus orders must be placed with vendors by school districts. Copies of vendor quotes and purchase orders emailed to South Coast AQMD staff, Ms. Lily Garcia, lgarcia1@aqmd.gov
October 4, 2022	New buses delivered, and infrastructure completed by no later than this date
November 4, 2022	All requests for reimbursement submitted by school districts, along with evidence of buses crushed/dismantled.

APPLICATION SUBMITTAL

The applicant shall submit **three copies** (1 original and 2 copies) of the application, each marked “**Program Application PA2021-02.**” These three copies should be placed together in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the applicant, **no later than 3:00 p.m., Tuesday, January 26, 2021.**

The program announcement and application document PA2021-02 can also be accessed via the internet by visiting South Coast AQMD’s website at: <http://www.aqmd.gov/nav/grants-bids>

The application package must be addressed to:

Mr. Dean D. Hughbanks, Procurement Manager
Re: Program Application PA2021-02
Lower Emission School Bus Program
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

All applications must be **signed by the school’s superintendent.** (School superintendents shall not delegate this responsibility for signature to his or her deputy.)

The main objective of this program is to reduce diesel air pollution and children’s exposure to harmful emissions from diesel school buses. We look forward to receiving your application.

ADDITIONAL INFORMATION & ASSISTANCE

This Program Announcement and Application can be obtained by accessing the South Coast AQMD website at <http://www.aqmd.gov/nav/grants-bids>. South Coast AQMD staff members are available to answer questions during the application acceptance period. In order to help expedite assistance, please direct your inquiries to the applicable staff person, as follows:

- For **General, Administrative, or Technical Assistance**, please contact:

Yuh Jiun Tan
Air Quality Specialist
Technology Advancement Office
Phone 909-396-2463
Fax: 909-396-3252
ytan@aqmd.gov

- For **Questions on Invoices and Contracts**, please contact:

Lily Garcia
Contract Assistant
Technology Advancement Office
Phone: 909-396-2832
Fax: 909-396-3252
lgarcia1@aqmd.gov

PARTICIPATION GUIDELINES, REQUIREMENTS, & CONDITIONS:

GRANT PROVISIONS FOR SCHOOL BUS REPLACEMENT & INFRASTRUCTURE

Depending upon the number of applications received and availability of funding, all the requests may not be funded in their entirety. Be aware that there is a possibility that due to program priorities, cost effectiveness or funding limitations (i.e., caps), applicants may be offered only partial funding, and not all applications meeting the eligibility criteria may be funded.

Funding awards will be made based on several factors, including an equitable distribution of the program funds based on county population, benefits to disadvantaged and/or low-income communities, and project cost effectiveness. A school bus project will be considered as benefitting a disadvantaged or low-income community if it meets any one of the following: 1) it is domiciled within a disadvantaged or low-income community, 2) it will operate a majority of time in a disadvantaged or low-income community, or 3) makes at least one stop in a disadvantaged or low-income community census tract. The project's cost effectiveness will be determined using the methodology in the Carl Moyer Program and may be used to rank projects for the awards selection.

A. School Bus Replacement Criteria

Only public school districts within the jurisdiction of the South Coast AQMD that own and operate school buses, including under the provisions of a Joint Powers Authority, can apply for funding. The program is for the replacement of pre-2001 diesel school buses with new, low NOx alternative fuel or zero emission buses. The following criteria will apply:

1. Each pre-2001 diesel school bus must have continuous CHP certification for the previous 3 years, including 2018 to 2020.
2. The existing school bus must be currently registered with the Department of Motor Vehicles.
3. The existing and new replacement school buses must have a manufacturer gross vehicle weight rating (GVWR) of greater than 14,000 pounds. The existing bus must be diesel fueled and the proposed replacement bus must be equipped with a near-zero, alternative fuel engine or zero emission drivetrain.
4. The replacement school bus must be in the same weight class as the existing school bus, unless otherwise approved by the South Coast AQMD.
5. Only replacement buses will be funded. Fleet expansion buses (that fail to crush an existing school bus) will not be eligible for funding.
6. Only CARB certified near-zero engines and zero emission drivetrains that meet the following criteria will be eligible for funding:
 - Near-Zero (Low NOx): At least 0.02 g/bhp-hr NOx or lower, and 0.01 g/bhp-hr PM or lower for propane and CNG engines

- Zero-Emission: CARB certified zero emission technology, including HVIP-listed zero emission school bus technologies
7. Availability of fueling or charging infrastructure for the school bus replacement project must be documented. The school district can apply for fueling or charging infrastructure funds, as shown in Table 3.
 8. Priority may be given to replacement of the oldest school buses (or buses with the highest cumulative mileages) identified in a single application from a school district.
 9. Only Pre-2001 diesel school buses with current DMV registration and continuous CHP certificates for previous 3 years (2018-2020) are eligible for replacement.
 10. All Pre-2001 diesel school buses proposed for replacement must be in current use. These buses must have a current, valid CHP certificate at the time of application, and continuous CHP certification for the previous 3 years. The application form calls for specific information related to the existing school bus to be replaced. Additional information may be required as evidence that the existing school bus is in operation. If there is a break in documentation, please inform the South Coast AQMD staff Yuh Jiun Tan at ytan@aqmd.gov.
 11. Complete documents pertaining to the existing school bus to be replaced, proposed new school bus, vendor quotes, and proof of crushing must be kept in files for a period of seven (7) years after the date of removal of the existing school bus. Access to these files, and personnel involved in the transactions, shall be allowed in the event of an audit from either state or local authorities.
 12. Schools will need to provide the CARB Executive Order for the proposed school bus engine that will be ordered and specify which bid will be used to order the new school bus.
 13. Schools need to operate the new school buses for a minimum of fifteen (15) years from the date of the initial CHP certification.
 14. With the application, attach a copy of the TRUCRS Fleet List located on the Vehicle Info tab showing the compliance option each vehicle in the fleet is using and a copy of the TRUCRS General Fleet and Compliance Information Summary showing compliance located on the Compliance Status tab (“Meets Small Fleet Option” will specify “yes” if the fleet is using the Small Fleet option). The TRUCRS website can be accessed at: https://ssl.arb.ca.gov/ssltrucrsto/trucrs_reporting/login.php.

B. Infrastructure Criteria

1. Funding for fueling or charging infrastructure will also be available to school districts. The basis for the amount of funding requested for purchase and installation of alternative-fuel or electric charging infrastructure shall be documented in the application.
2. Depending on the fueling/charging infrastructure requested, school districts can get up to

\$5,000 per propane school bus, up to \$15,000 per CNG school bus, and up to \$20,000 per zero emission school bus.

3. If funds for infrastructure are needed, the applicant must make such request, and provide justification for the funds requested, including a disclosure of all funding sources that will be used for the purchase/installation of the infrastructure.
4. Requested funds may be used to offset the cost of procuring/installing new infrastructure equipment or expanding the capacity of an existing refueling/charging station.
5. Funding for expansion of an existing station must be related to the capacity needed by the new CNG, propane, or zero emission buses awarded through this program.
6. Applicants who apply for Electric Vehicle Supply Equipment (EVSE) infrastructure must indicate if co-funding from other sources, such as the local utility company, will be used.

FUNDING ALLOCATIONS

A. Amounts of Funding

There is a possibility that due to program priorities, cost effectiveness or funding limitations (i.e., caps), applicants may be offered only partial funding, and not all applications meeting the eligibility criteria may be funded.

Public school districts may rely on any legally valid piggy-back bid in the State of California to purchase the new replacement school buses. Examples include, but are not restricted to, the Waterford and Hemet bids. Funding requested for purchase of a bus shall be consistent with the prices on the legally valid piggy-back bid.

Depending on the replacement school bus technology chosen by the school district, South Coast AQMD will fund up to the maximum funding amounts in Table 3. To help offset the cost of zero emission school buses, schools may apply for the state's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) funds if available. The combined award amount from South Coast AQMD and HVIP cannot exceed \$400,000. The maximum funding amounts in Table 3 include sales tax and the cost of a fire suppression system, however school districts will have to pay for any additional discretionary options that they may choose to include on the school bus.

B. Matching Fund Requirement

For the replacement of 2000 and older model year school buses, applicants will be required to pay the amount above South Coast AQMD's maximum funding amounts in Table 3, if applicable.

1. Any school district match funding required by the Lower Emission School Bus Program Guidelines will be provided by the South Coast AQMD on behalf of the school districts up to the maximum funding amount shown in Table 3.
2. If other grant funds will be used, all funding sources must be disclosed at the time of application and prior to invoice payment. The sum of all grants and other funds applied

toward the project shall not exceed the total project cost.

C. Authorizing Signature

The submitted application, including the copies, shall have the school district's superintendent's signature. Applications without authorizing signatures will not be accepted.

D. Disbursement of Funds

1. Following receipt of the fully executed grant from South Coast AQMD, the school district must provide a copy of the grant agreement and key attachments to the selected vendor(s). Per the provisions of the grant, a purchase order shall be placed without delay to allow for the prompt delivery of the buses.
2. Funds will be paid on a reimbursement basis to the vendor, following the delivery of the new school bus(es) to the applicant (and all supporting documents required by the grant have been submitted satisfactorily).
3. Vendors should be encouraged to directly invoice South Coast AQMD for South Coast AQMD's share of funds. Applicants shall cooperate fully with the vendor to provide the vendor with the various documents South Coast AQMD would need before reimbursing the vendor. These documents are listed in the grant agreement.
4. All buses must be physically delivered to the school district by no later than **October 4, 2022.**
5. Proof of vehicle delivery and supporting documents, as required in the grant, must accompany any request for reimbursement of approved funds. School district must identify any options purchased over and above those included in the base price. Besides the fire suppression and/or gas detection systems, other discretionary options must be paid by the school district. The receipt of vehicle should be signed by the Director of Transportation before submission to South Coast AQMD.
6. All requests for reimbursement along with proof of crushing must be received by **November 4, 2022.** Monies owed will be paid directly to the bus vendor.
7. Funds will be paid on a reimbursement basis at the time of completion of the infrastructure (i.e., the fueling or charging station). All infrastructure must be completed by **October 4, 2022.** Proof of completion shall accompany any request for reimbursement of approved funds. All requests for reimbursement must be signed by the transportation director and received by South Coast AQMD on or before **November 4, 2022.** Monies owed will be paid directly to the infrastructure provider.

PROJECT IMPLEMENTATION

A. Preferred List of School Bus Replacement

Applicants are encouraged to list their Pre-2001 (2000 and older) school buses in order of applicant preference. If a priority list is not provided by the applicant, South Coast AQMD will consider the oldest school buses or the school buses with highest cumulative mileage first.

B. Project Completion Deadlines and Penalties

1. School bus purchase orders must be placed no later than July 1, 2021.
2. New buses must be delivered **no later than October 4, 2022**. The business entity responsible for delaying the delivery of the buses may be subject to \$100 per day per bus penalty for buses delivered after October 4, 2022.
3. All requests for reimbursement for purchases submitted by school districts, along with evidence of school bus dismantling, and other documentation, should be submitted to South Coast AQMD by November 4, 2022.

C. Monitoring and Reporting

1. School districts must notify South Coast AQMD staff by email to ytan@aqmd.gov, when the school buses are ordered and again when the school buses arrive on site. Prior to reimbursement, an inspection by South Coast AQMD may be required.
2. School districts must notify South Coast AQMD staff by email to ytan@aqmd.gov when any equipment is ordered for the refueling or charging station, and when the equipment is operating. Prior to, or following reimbursement, an inspection by South Coast AQMD may be required.

ADDITIONAL GUIDANCE

If you need additional guidance or assistance on any of the information in this program announcement, South Coast AQMD staff members are available to answer questions during the application acceptance period. In order to help expedite assistance, please direct your inquiries to the applicable staff person, as follows:

- For **General, Administrative, or Technical Assistance**, please contact:
Yuh Jiun Tan, Air Quality Specialist
Phone 909-396-2463
ytan@aqmd.gov
- For **Questions on Invoices and Contracts**, please contact:
Lily Garcia, Contract Assistant
Phone: 909-396-2832
lgarcia1@aqmd.gov