

# LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

## GOVERNING BOARD

Tom Neely, Chairman  
Jason Ingram, Vice Chairman  
Curtis Bortle  
Chris Gallagher  
Patrick Parrish  
Mendy Schuster

## Staff

Erik Edholm  
*Air Pollution Control Officer*  
Jeff Sterling  
*Air Quality Specialist*  
Sarah Dacosta  
*Administrative Staff Assistant*

# LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING SPECIAL BOARD MEETING

City Council Chambers  
66 N. Lassen Street, Susanville, CA 96130

**Agenda**  
**Tuesday, September 10, 2024**

**1:00 p.m.**

## **ADDRESSING THE BOARD**

- \* Any person desiring to address the Board shall first secure permission of the presiding officer.
  - \* Matters under the jurisdiction of the Board, and not on the Agenda, may be addressed by the Public at the time provided in the Agenda under Public Comment.
  - \* The Board of Directors will not take action on any subject that is not on the Agenda.
- 

**A. CALL TO ORDER**

**B. ROLL CALL OF BOARD OF DIRECTORS**

**C. AGENDA APPROVAL**

**D. PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS**

Any person may address the Council at this time upon any subject for discussion during Closed Session.

**E. CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: one potential case.

**F. APPROVAL OF MINUTES FOR THE MEETINGS OF: APRIL 30, 2024 & May 21, 2024**

**G. BOARD MEMBER ISSUES/REPORTS**

**H. CORRESPONDENCE**

**I. PUBLIC COMMENT**

(Any person may address the Board at this time to comment on any subject not on the agenda. However, the Board may not take action other than to direct staff to agendaize the matter at a future meeting).

**J. MATTERS FOR BOARD CONSIDERATION**

- 1. Subject:** Update to Carl Moyer and Community Air Protection Incentives Policies and Procedures  
**Recommendation:** Discussion Only

**K. ADJOURN**

NEXT SCHEDULED GOVERNING BOARD MEETING OCTOBER 8, 2024.

**UNAPPROVED MINUTES  
LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT  
GOVERNING BOARD  
APRIL 30, 2024**

The Board convened in special session at 1:30 P.M. in City of Susanville Council Chambers, located at 66 N. Lassen St., Susanville, CA, with; Chairman Neely, Vice Chairman Ingram, Directors Bortle, and Schuster present. Also present were Erik Edholm, Air Pollution Control Officer (APCO), Jeff Sterling, Air Quality Specialist, and Sarah DaCosta, Administrative Staff Assistant. Directors Gallagher and Parrish were absent.

**C. AGENDA APPROVAL**

Motion to approve the agenda by Vice Chairman Ingram, second by Director Schuster. Motion carried. Directors Gallagher and Parrish were absent.

**D. APPROVAL OF MINUTES:**

Motion for approval of the minutes for the meeting of March 12, 2024, by Vice Chairman Ingram, second by Director Schuster. Motion carried. Directors Gallagher and Parrish were absent.

**E. BOARD ISSUES / REPORTS:**

Vice Chairman Ingram presented to the Board that he has been in discussions with LMUD and their Board of Directors about providing a high-speed boosting station to bolster tourism in the City. The project should come in at about \$180,000 to \$190,000 and LMUD has \$100,000 for it already. He would like to warm the Board up to possibly apply some District funds toward this project in the future. The project is most likely to go into the old Bank of America parking lot. The project would involve an app that would put Susanville on that map as having a high-speed charging station and LMUD would be the ones to operate and maintain it.

Director Schuster stated that she would like to make sure that the station is not placed in the more ideal parking spots but toward the back of the parking lot.

**F. CORRESPONDENCE:**

NO CORRESPONDENCE

**G. PUBLIC COMMENT:**

No public comments but Mr. Edholm introduced the District's new Air Quality Specialist, Jeff Sterling.

## **H. MATTERS FOR BOARD CONSIDERATION:**

### **1. Carl Moyer State Reserve 26<sup>th</sup> Cycle Funding**

Mr. Edholm introduced this funding, explaining that it can be used for electric vehicle purposes, electric landscape equipment, forklifts, etc. The District has about \$400,000 of this funding currently. The District would like to get input from the community as to how this money should be spent.

Chairman Neely suggested to expand the Woodsmoke Reduction Program to include those who didn't previously qualify.

Director Bortle suggested somehow expanding the geothermal system to benefit the public.

Motion to approve Resolution 24-09 committing the District to participate in the Carl Moyer State Reserve Program by Vice Chairman Ingram, seconded by Director Bortle. Motion carried. Directors Gallagher and Parrish were absent.

### **2. 24/25 Budget Review**

Mr. Edholm presented the budget and explained what has changed and what can be expected for the 2024/2025 fiscal year.

Motion to approve Resolution 24-10 adopting the Fiscal Year 2024-2025 Budget by Director Bortle, seconded by Director Schuster. Motion carried. Directors Gallagher and Parrish were absent.

### **3. Amendment to Agreement 18-25-CMP-06 With Lassen County Fair**

Mr. Edholm explained that the previous invoice for Lassen County Fair was low as it was missing the cost of the loader. The policy states that if the previous equipment had a loader, that a new loader could be funded. It has been confirmed that the previous equipment did have a loader.

Motion to approve Resolution 24-11 authorizing the APCO to execute amendment No. 1 to Agreement 18-25-CMP-06 increasing the grant amount to \$47,277.11 by Vice Chairman Ingram, seconded by Director Bortle. Motion carried. Directors Gallagher and Parrish were absent.

**I. ADJOURN 2:00 P.M.**

Motion to adjourn the April 30, 2024, Lassen County Air Pollution Control District Governing Board Meeting by Director Bortle, seconded by Director Schuster. Motion carried. Directors Gallagher and Parrish were absent.

**UNAPPROVED MINUTES  
LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT  
GOVERNING BOARD  
MAY 21, 2024**

The Board convened in special session at 2:30 P.M. in City of Susanville Council Chambers, located at 66 N. Lassen St., Susanville, CA, with; Chairman Neely, Vice Chairman Ingram, Directors Bortle, Gallagher and Schuster present. Also present were Erik Edholm, Air Pollution Control Officer (APCO), Jeff Sterling, Air Quality Specialist, and Sarah DaCosta, Administrative Staff Assistant. Director Parrish was absent.

**C. AGENDA APPROVAL**

Motion to approve the agenda by Director Gallagher, second by Director Schuster. Motion carried. Director Parrish was absent.

**D. APPROVAL OF MINUTES:**

NO APPROVAL OF MINUTES

**E. BOARD ISSUES / REPORTS:**

Director Gallagher stated that the recent Green Waste Project for Westwood was canceled due to snow, and he is not sure when they are going to reschedule that.

Director Ingram asked if there is still budget for the Green Waste Program and Mr. Edholm confirmed that there is.

**F. CORRESPONDENCE:**

NO CORRESPONDENCE

**G. PUBLIC COMMENT:**

NO PUBLIC COMMENT

**H. MATTERS FOR BOARD CONSIDERATION:**

**1. AB 617 Community Air Protection Incentives Grant Agreement  
Year 5**

Mr. Edholm explained that years ago when the District entered this program, the resolution was going to carry through for the entirety of the program but recently, the rules have changed and a new resolution is required with each grant agreement.

Mr. Edholm also briefly explained the program and discussed projects such as filtration systems for schools, EV charging stations, and upgrading tractors. The goal of the program is to get public input on how these funds should be spent.

Chairman Neely asked if it would be possible to use these funds to supply the schools with vans or Suburbans to transport children for less emissions and lower costs. Mr. Edholm said that he would look into this.

Motion to approve Resolution 24-12 approving the District's participation in the FY 21-22 Community Air Protection Program by Vice Chairman Ingram, seconded by Director Gallagher. Motion carried. Director Parrish was absent.

**2. 24/25 Budget Review**

Motion to approve Resolution 24-13 approving the District's participation in the FY 22-23 Community Air Protection Program by Director Schuster, seconded by Director Bortle. Motion carried. Director Parrish was absent.

**3. Amendment to Agreement 18-25-CMP-06 With Lassen County Fair**

Motion to approve Resolution 24-14 approving the District's participation in the FY 23-24 Community Air Protection Program by Director Bortle, seconded by Vice Chairman Ingram. Motion carried. Director Parrish was absent.

**4. Carl Moyer Rural Assistance Program Grant Award, Pat Oilar**

Motion to approve Resolution 24-15 authorizing the APCO to execute grant agreement 18-26-RAP-01 in the amount of \$100,000 to Pat Oilar and amend FY 23/24 budget by Director Gallagher, seconded by Director Schuster. Motion carried. Director Parrish was absent.

**I. ADJOURN 2:50 P.M.**

Motion to adjourn the May 21, 2024, Lassen County Air Pollution Control District Governing Board Special Meeting by Director Gallagher, seconded by Director Schuster. Motion carried. Director Parrish was absent.





**LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD**

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Meeting of September 10, 2024

To: Governing Board

From: Erik Edholm, APCO

Subject: Update to Carl Moyer and Community Air Protection Incentives Policies and Procedures

The district is required to keep an up to date policies and procedures for both the Carl Moyer Program and the Community Air Protection Incentives programs. District staff has elected to attach the Community Air Protection Policies and Procedures to the Carl Moyer Policies and Procedures as an exhibit as allowed by the program.

Some notable other changes to the Carl Moyer Policies and Procedures are the addition of Infrastructure and Lawn and Garden Equipment Policies and Procedures of which the district has received state reserve grants funding for the programs.

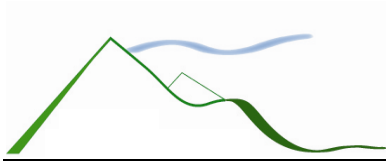
Recommendation:

Discussion only

Respectfully Submitted,

Erik Edholm  
Air Pollution Control Officer





**Lassen County Air Pollution Control District**

66 N Lassen Street

Susanville, CA 96130

Phone: (530) 252 - 4247 \* Fax: (530) 257-1057

# **CARL MOYER PROGRAM POLICIES AND PROCEDURES**

## **YEAR 26 – 2017 CARL MOYER PROGRAM GUIDELINES**

Adopted \_\_\_\_\_, 20\_\_

**LASSEN COUNTY  
 AIR POLLUTION CONTROL DISTRICT  
 CARL MOYER PROGRAM POLICIES AND PROCEDURES  
 YEAR 26 - 2017 CMP GUIDELINES**

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# **Lassen County Air Pollution Control District Policies and Procedures for Administration of the Carl Moyer Memorial Air Quality Standards Attainment Program Year 26 Funds**

## **1. Purpose**

The purpose of this Policy and Procedures Manual is to explain District policies and provide staff guidance on how to implement the California Air Resources Board's (CCARB) Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) to ensure fair and consistent decision-making, project selection, management, and tracking.

The requirements of the 2017 Carl Moyer Program Guidelines and updates are also incorporated by reference into this manual.

## **2. Background**

The Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) was established in 1998, as a grant program to fund the incremental cost of cleaner-than-required heavy-duty engines, equipment, and emission reduction technologies. Originally targeted to reducing oxides of nitrogen (NOx) emissions, the program now includes reduction of particulate matter (PM) emissions and reduction of reactive organic gases (ROG). Legislative modifications enacted in 2004, expanded the program to include projects that reduce emissions from agricultural sources, light-duty vehicles, and on-road fleet modernization making them eligible for Carl Moyer Program funding. These legislative modifications also created a new incentive program aimed at previously unregulated agricultural sources, the Agricultural Assistance Program.

The Carl Moyer Program is implemented as a partnership between the California Air Resources Board (CARB) and local air districts. CARB provides overall administration and guidance for the program, with funding and implementation of projects conducted by the local air districts. The approved Carl Moyer Program Guidelines, published by CARB in April 2017, provide the minimum requirements under which the Carl Moyer Program is administered by CARB and the districts. The Carl Moyer Program Guidelines are based on requirements specified in the state Health and Safety Code, Chapter 9. The Guidelines are updated, when necessary, to reflect significant additions or changes to the program. In addition, CARB staff issues Technical Advisories to provide further clarification on specific areas, and to reflect changes in regulations.

The Carl Moyer Program Guidelines require that each participating district establish Policies and Procedures for administration of the Carl Moyer Program. This document contains Policies and Procedures intended to provide an explanation of district policies about local implementation of the Carl Moyer Program. It also contains procedures for the Lassen County APCD's (District's) day-to-day operation of the Program to meet the requirements of the Health and Safety Code, Carl Moyer Program Guidelines, CARB Technical Advisories, and district policies and procedures.

The District policies and procedures do not replace the Carl Moyer Program Guidelines but are intended to provide direction and procedures for the district's implementation of the Carl Moyer Program. The Exhibits to these policies and procedures include samples of pertinent documents, forms, and specific district policies as referenced in this document. District staff should reference

the Carl Moyer Program Guidelines for detailed descriptions of CARB’s Carl Moyer Program procedures and requirements.

### **3. Program Timeline**

CARB has established a consistent timeline for each year’s funding and reporting cycle.

This timeline allows for award, obligation, and expenditure of State funds to meet State fiscal requirements. State fiscal policy allows up to two years for districts to execute contracts and encumber funds, and an additional two years for districts to fully liquidate those funds.

The timeline for each year of funds is as follows:

**By end of January:** CARB solicits applications from the air districts.

**By end of March:** Air districts apply to CARB for funds.

**By end of April:** CARB notifies districts of final awards.

**By end of May:** Air districts return signed grant agreements.

**By end of August:** Districts’ yearly reports due to CARB.

**June 30 of following year:** 50% of project funds under executed contract.

**June 30 of second year:** 100% of projects under executed contract and 50% of project funds liquidated.

**June 30 of third year:** 75% of funds liquidated.

**June 30 of fourth year:** 100% of grant funds liquidated.

### **4. Carl Moyer Program Implementation**

The CARB determines the tentative awards for each year in accordance with the formula identified in Health & Safety Code Section 44299.2(a). The formula provides a minimum allocation of \$200,000 to participating districts. Awards that exceed the minimum allocation of \$200,000 are calculated based on district population, severity of the air quality problems and the historical funding awards under the Carl Moyer Program.

The CARB solicits district applications for the local programs by sending solicitation packets to the APCO at each district in mid-September. The application packet must be completed and submitted by the posted deadline, which is 60 days from the date of the solicitation. The application packet must include the completed application with original signature, documentation for the match commitment, Board resolution, an implementation plan for obligating the grant award, and documentation of commitment and expenditure of previous grant awards. Detailed requirements

for each of these items are included in the Carl Moyer Program Guidelines, in the Program Administration section. Staff prepares the application for the Air Pollution Control Officer's signature. The APCO prepares the staff report and resolution for the Air Pollution Control Board.

The CARB oversees issuing Carl Moyer Program guidelines and will provide guidance on project-specific questions when requested. The Carl Moyer Program guidelines (and advisories) developed by the CARB serve as the minimum requirements that a district must use to structure its local implementation of a Carl Moyer Program funding program. An air district may elect to set local standards that are more stringent than those developed by CARB but in no case shall the district policies and procedures be less stringent than those established by CARB. Districts may fund only those projects that meet the Carl Moyer Program guidelines and eligibility criteria, or those projects approved on a case-by-case basis by CARB staff. Current guidelines and advisories can be found at: <http://www.CARB.ca.gov/msprog/moyer/moyer.htm>

The CARB determines the final awards for each district. These awards are incorporated into a Grant Award and Authorization form, which specifies the amount of the award for projects, and outreach funding. Two original copies are sent to the District. The APCO signs both copies. Funds are accepted after the resolution is approved by the Air Pollution Control Board and submitted to the CARB. One is retained in District files and the other is returned to CARB. April 30 of each year is the deadline for acceptance of a grant award. As required in the grant award, the District meets all application stipulations to accept an award. From June 30 following the full execution of the agreement, the district has 36 months to commit funds and 48 months to extend the grant award. Any funds not expended within 48 months must be returned to CARB (Health and Safety Code sections 44287(k) and 44299.2(c)). Unexpended funds are returned to the CARB.

Following execution of the Grant Award and Authorization, the District must submit a Grant Disbursement Request to CARB to obtain funding. Prior to receiving the initial disbursement, the District must submit documentation of the commitment and expenditure of previous years' Carl Moyer Program funding and match funding. Grant awards and disbursements are further described in the Carl Moyer Program Guidelines, Program Administration section. Any Carl Moyer Program funds provided by the State of California that are deposited in interest bearing accounts must be reported to CARB. The interest income must be used to fund projects that meet the current Carl Moyer Program Guidelines.

The APCO requests the grant disbursement. The funds are placed in interest-bearing account and fiscal personnel track the funds. Fiscal personnel maintain these files for the life of the projects funded.

The Lassen County Air Pollution Control Board has authorized staff to solicit project proposals for retrofits, off-road vehicle repowers, on-road vehicle repowers, and agricultural pump repowers, and infrastructure improvements.

The Carl Moyer Rural Assistance Program is a program that was put into place to expend grant awards that air districts are unable to oblige. The California Air Pollution Control Officers Association (CAPCOA) receives applications and selects the projects. The Lassen County APCD implements the program post-project selection in the same manner as the standard Moyer fund



## **5. Match Funding**

Districts participating in the Carl Moyer Program are required to provide \$1 in match funding for every \$2 of state Carl Moyer Program funding awarded by CARB, with a cap on statewide match funds at a total of \$12 million.

The Air Pollution Control Officer determines the amount of District matches each year. The source of match funds come from AB 2766. Currently the District continues to apply for minimum funding of \$200,000, which does not require any match funding.

## **6. Outreach Funds**

CARB sets aside up to 12.5% of the total Carl Moyer Program annual funding for local air district outreach to implement the local program. These funds are distributed to each district based on the annual allocation of project funds that a district receives. Administrative funds may be used for direct costs associated with the tasks outlined in the Program Administration section of the Carl Moyer Program Guidelines and must be documented by district staff.

All District staff note time spent on the Carl Moyer Program on computerized District daily time reports. The data base files are maintained by fiscal staff and are kept indefinitely.

## **7. State and Matching funds Commitment**

Each funding year, CARB specifies the amount of matching funds the District must provide. The District uses motor vehicle registration fees if available, to satisfy this requirement. Any mitigation program funds available to the district may also be used for matching funds. To count as matching funds, motor vehicle registration fees must be used on motor vehicle projects as defined in the Guidelines, which also include self propelled equipment like tractors and forklifts. Motor vehicle registration fees (AB 2766 - \$3 DMV fees) may not be used for stationary sources. Up to 15 percent of the match requirement may be provided through un-reimbursed “in kind services” (i.e., the cost of District staff time over and above the amount reimbursed by program administration funds). See additional details on matching fund requirements in the Program Administration chapter of the state Carl Moyer Guidelines.

## **8. Project Solicitation and Outreach**

The Carl Moyer Program allows District discretion in how projects are solicited. Lassen County Air Pollution Control District has elected to employ open application solicitation, verbal contact with sources and suppliers, web page announcements, and direct mail to individuals who have inquired. Districts are not required to fund all eligible categories and may target specific categories. The District solicits on-road, off- road, and ag projects. A sample solicitation is included in the Exhibits. The Air Pollution Control Board must approve the Carl Moyer Program structure and funding, and any delegation of authority to the APCO. The Air Pollution Control Board approves all projects at a public meeting and the APCO signs all project agreements.

All applications must include a disclosure statement, identifying if the applicant has applied to other entities for funding and identification of the potential funding source(s). In addition, the applicant must certify that no other funding has been received for the project. Sample application forms, including funding certification, for each funding category are included in the appendix to this manual.

The District has a commitment to outreach to all sectors, including environmental justice communities if Lassen County has these areas and small businesses. This is accomplished through public workshops and meetings, one-on-one meetings, district mailing lists, and through the District website. Third-party engine suppliers are used for outreach along with District contacts involved with the permitting process. The District will keep records of outreach efforts.

## **9. Project Categories**

Detailed Project Criteria for all project categories are contained in the state CMP Guidelines and are hereby considered part of these Policies and Procedures. Additional District policies and procedures are listed below along with notable state restrictions and other general information.

### **A. Stationary Agricultural Engines**

These engines power booster pumps and water well pumps. They are regulated by CARB's stationary engine ATCM. Compliance deadlines began to take effect on December 31, 2010. These pumps may be repowered with as little as a one-year project life, as described in the CMP Guidelines.

Trailer-mounted pumps are considered stationary as described in the January 25, 2008, letter to air districts from Robert D. Fletcher, Chief of CARB's Stationary Source Division. Engines owned by rental companies are not eligible.

Pump repowers will be funded using Moyer Program funds through the project selection process. Verified diesel emission control systems (VDECS), such as diesel particulate filters, are not required.

Maximum funding for agricultural pump repower projects with new diesel engines shall be 85 percent of the cost of the necessary equipment and related parts, installation, and labor.

Maximum funding for agricultural pump repower projects with electric motors shall be 85 percent of the cost of the equipment, related parts, and installation costs including labor.

### **B. Off-Road Compression Ignition Repowers, Retrofits and Replacements**

This category includes construction equipment such as dozers, scrapers, graders, and loaders, as well as farm tractors and harvesters. VDECS are required on all funded repowers unless infeasible due to technology, safety, or cost. Funding is approved through the project selection process described in Section 11. Opportunities for funding to repower construction equipment are limited, especially equipment that is part of a "large" fleet, which is defined as a fleet that exceeds 5,000

total horsepower. The highest Tier engine available must be used. Maximum funding ranges for repowers ranges from 75 percent to 85 percent of the cost of the project. VDECS are funded at 100 percent. The maximum funding for replacements is 80 percent of the cost of the project not to exceed \$50,000.

### C. **On-Road Heavy Duty Vehicle Repower, Retrofit, and Replacements**

There are limited funding opportunities because CARB has adopted many fleet rules that affect on-road heavy-duty diesel-fueled vehicles. The following categories may be eligible for funding:

**Repower Existing Vehicle:** Repower an engine which is currently in the vehicle with a new or newer engine. The statewide truck and bus regulation required the installation of VDECS in 2010 and 2017 and accelerated engine or vehicle replacement from 2012 to 2022. Small fleets with three or fewer vehicles and school buses have different requirements and compliance dates. Carl Moyer will only fund repowers to engines or systems that provide emission reductions that are surplus to the reductions associated with the regulation. Because of the surplus benefit requirement, along with technological constraints presented with the newer technology engines fitting into older chassis, CARB has determined that funding opportunities will be limited.

**Retrofit Purchase:** The installation of a VDECS. VDECS are required by or proposed for all on-road heavy-duty diesel vehicles in California. Retrofits that provide early or extra emission reductions to the regulations may be eligible for funding, although such opportunities will be limited.

Up to \$10,000 of a VDECS cost is eligible for Carl Moyer Program funding. VDECS for on-road heavy-duty vehicles that are not subject to a current on-road fleet regulation and provide a minimum three-year project life may be eligible for funding. As of December 31, 2008, retrofit projects will only be considered by CARB on a case-by-case basis. Funding is approved through the project selection process described in Section 11.

### D. **Infrastructure**

The infrastructure option provides funding for the installation of fueling and energy infrastructure to fuel or power covered sources. These fuel and power covered sources include but are not limited to on-road and off-road, agricultural emission sources. Each of the project types may have infrastructure components, if requested.

The District shall follow the guidelines set forth in The Carl Moyer Program Guidelines 2017 Revisions Vol.1, Chapter 10: Infrastructure, and any revisions thereafter. See Exhibit T for District Infrastructure Policies and Procedures.

### E. **Lawn and Garden Equipment Replacement**

The lawn and garden equipment replacement option provides funding for toward the replacement of existing combustion lawn and garden equipment with cordless, zero-emission lawn and garden

equipment. The emission reductions are surplus because zero-emission lawn and garden equipment is not currently required by end users.

The District shall follow the guidelines set forth in The Carl Moyer Program Guidelines 2017 Revisions Vol.1, Chapter 9: Lawn and Garden Equipment Replacement, and any revisions thereafter. See Exhibit U for District Lawn and Garden Equipment Program Policies and Procedures.

#### **10. Correspondence and Coordination with CARB**

CARB has assigned a staff liaison for each district. The current liaison assigned to this district is Nancy Myint H. Win, (279) 208-7280, Myint.Win@CARB.ca.gov. Carl Moyer Program duties are performed by the District staff. Carl Moyer fiscal duties are performed by the fiscal staff. District staff shall document any correspondence with CARB staff regarding CARB interpretations, clarification, guidance, or possible deviations from the Carl Moyer Program Guidelines. All documentation shall be kept in the Carl Moyer Program project files, CARL database, program year binders and program year Carl Moyer computer files. Carl Moyer Program project files and program year binders are kept in the APCD office and are retained for a minimum of two years after the submittal of the Final Report for that funding cycle to CARB.

The CARB holds Carl Moyer Program Incentive Program Implementation (IPI) team meetings once a quarter, or as needed. These meetings give the District the opportunity to be involved in the formation of Technical Advisories and guideline modifications, to keep informed about other local district Carl Moyer Program activities, and to be informed on related CARB activities.

CARB has developed a centralized database for all CMP projects. All districts will be required to use this database. CARB will provide training to district staff in the use of the database.

#### **11. Project Selection**

In accordance with Health & Safety Code section 44288(a), the districts must review all applications for completeness upon receipt and notify the applicants in writing within five working days of application receipt if the application is not complete.

District staff reviews project applications for completeness. Applicants are notified by letter of any deficiencies. The project selection is generally made by the District staff within two months' time. Additional time of up to two months may be required to schedule an Air Pollution Control Board meeting and obtain signed contracts.

All projects must meet the minimum requirements as stated in the Carl Moyer Program Guidelines and CARB Technical Advisories.

Funds will be awarded based on complete application receipt date and cost effectiveness. Projects will be funded starting with the most cost-effective to the least cost-effective projects during any initial application process. In the event that applications are submitted on the same day and rank the same for cost effectiveness, projects will be funded in the order they are received until funds

are exhausted. If there are any funds left over after the initial application process, projects will be funded on a first-come, first-serve basis to all applications that meet the criteria and requirements, while program funds are available. Selected projects must be entered into the District's (or CARB's) database.

Districts will enter application data into CARB's database before awarding project contracts.

## **12. Commitment of Funds to Projects**

Once the final selection of projects to receive awards has been completed and approved by district management, commitment of funds can take place. The Lassen County Air Pollution Control Board approves the distribution of funds and authorizes the APCO to sign the project grant agreements. The fully signed agreements are sent by the District to the participants. The District is required to commit state funds two years from June 30 of the year the District receives its initial Grant Award and Authorization Form.

## **13. Contract Development (Grant Agreements)**

CARB requires that all Carl Moyer Program project contracts contain the following provisions: party names and date; contract term, including project completion and projection implementation/life; payment provisions, including maximum contract amount, the requirement for itemized invoices, funding disclosure and non-compliance terms; Carl Moyer Program compliance requirements; requirement for maintenance of engine/vehicle; project specifications and performance expectations, repercussions for non-performance, on-site inspections; records retention, reporting and auditing; insurance requirements; notices; and signature blocks for both parties.

Carl Moyer Contracts are developed under the direction of the APCO. They are reviewed by the CARB liaison during the Policies and Procedures review. District Legal, reviews each contract before signatures of the parties.

## **14. Expenditures: Project Invoice and Payment**

The project may be paid for once District staff conducts a post inspection as described in Section 15 below, contract is signed, and the District receives an invoice from the participant as well as a copy of an itemized invoice from the participant's supplier. A supplier invoice must include enough detail to ensure only eligible project costs are being reimbursed.

Costs on repower projects are only eligible for funding if they are required to ensure the effective installation and functioning of the new engine but are not part of typical vehicle or equipment maintenance or repair. Ineligible repower costs include tires, axles, paint, brakes, and mufflers.

In order to be eligible for Carl Moyer Program funding, labor expenses must be included in the project invoice and must detail the number of hours charged and the hourly wage.

Taxes, installation costs for eligible hardware, and transport costs for eligible hardware are eligible for Carl Moyer Program funding with the following exceptions. Installation labor cost incurred by a grantee's own employees is not eligible for funding.

A potential grantee may not order or make a down payment on a new engine, piece of equipment, or vehicle prior to contract execution. Dealers ordering engines, equipment, or vehicles prior to district approval of grant applications assume all financial risk and are in no way ensured program funds. A grantee may not receive engines, equipment, or vehicles, nor may work begin on a repower or retrofit project, until the project contract is fully executed.

Payments shall be made directly to the grantee.

For all on-road projects, if a compliance check was not previously completed, the district shall verify with its CARB district liaison that there are no outstanding violations prior to payment.

For projects where the participant must comply with an CARB regulation early to receive funding, invoices may not be paid until the project participant has provided documentation that early compliance has been achieved. A project participant may demonstrate early compliance via a detailed letter signed by the vehicle or equipment owner or legal representative or, if the regulation requires CARB to certify compliance, through CARB certification.

Invoices received after a project post-inspection has been completed must be evaluated for consistency with the project post-inspection report, the contract and the supplier's invoice.

The District shall maintain copies of all invoices and documentation of payment in the project files. Project files will be kept for an additional two years after the project is completed.

Once District staff has completed the post inspection and determined that the project has met the contract requirements, the APCO reviews the applicant invoice for correct amounts, approves it, and submits it to the fiscal staff for payment. Fiscal staff prepares a City of Susanville Claim/Authorization for Release of Funds and submits it to the City of Susanville Finance Department for payment. A copy of the claim is kept by fiscal staff and the invoice is kept in the program file for the life of the project. The Finance Department will issue the payments and send the checks to the District office. District staff will keep copies of issued checks in the file and disperse payments to applicants. Please note no payment process will begin until after the post-inspection of the equipment has been completed.

## **15. Project Inspections**

Pre-, post-, and salvage inspections must be completed prior to funding a project, when applicable. An Inspection Report shall be used to document such inspections. All inspection reports and photos will be maintained in the project file. Digital photos will be stored on District server.

### **A. Pre-Inspection**

The pre-inspection process includes, at a minimum, collecting the serial number of the baseline engine and verifying the information in the application about the baseline engine

(make, model, model year, horsepower). The pre-inspection shall also verify the engine is operational (with a start up) and that the engine is working as described in the application (document function and use). “Operational” means that the engine must start and be able to perform its intended purpose. The photos must show the engine in the vehicle/equipment and the engine serial number. A Carl Moyer inspection form shall be used to document the pre-inspection. This form is included in the Exhibits to this Policy and Procedures Manual.

Pre-project inspections are conducted by the District staff. This inspection occurs before the contracts are taken to the Air Pollution Control District Officer for signature.

## **B. Post-Inspection and Salvage Inspection**

Post-inspection occurs after installation is complete but prior to the District’s final reimbursement for the engine. The post-inspection verifies that the engine listed in the contract was installed, or equipment was purchased. Information to be recorded includes serial number, make, model, model year, and horsepower. The engine or equipment must be operational in the equipment or vehicle as stated in the contract. “Operational” means that the engine must start and be able to perform its intended purpose. Inspecting District staff shall visually witness all engines start-up and mobile projects operating as intended. Vehicle/engine information shall be documented with photos. If applicable, the post-inspection shall verify that the baseline engine or vehicle is destroyed or otherwise rendered non-operational.

Depending on the method of destruction, District staff must see the destroyed engine or witness the engine destruction and take photos of the destroyed engine. The photos shall include the name of the owner and serial number of the engine. For engines with a complete, fully visible, and legible engine serial number, District staff must see the destroyed engine or the receipt from the qualified vehicle salvage yard. For engines without a complete, visible, and legible serial number, District staff will photograph and personally verify engine removal from the project vehicle or equipment and the subsequent engine destruction. Engine and equipment destruction shall be consistent with the latest version of the Carl Moyer Guidelines and only after it is determined that the serial number matches the serial number on the contract. If the engine does not have a legible serial number, the District will use a number permanently stamped in the engine block to identify the engine.

A Carl Moyer inspection form shall be used to document the post-inspection. This form is included in the appendix to this Policy and Procedures Manual.

The destruction of the engine must be documented by district staff. District staff must verify either in-person or through photographic or video evidence that the destroyed engine serial number matches that on the project contract.

District staff conducts the post inspection. Photos are taken of the new engine/equipment and the destroyed engine/equipment.

## **16. Project Tracking, Monitoring, Auditing, and Actions on Non-performing Projects**

Grantees are required (as a condition of the Grant Agreement) to submit annual reports for the life of the project. The annual reports are designed to give the District an understanding of how the equipment funded is being used and performing, and where this activity is occurring. Lassen County APCD will mail reporting forms to each grantee each year during the anniversary month of completed project installation. Lassen County APCD will mail a second form to grantees that do not complete the first form within two months of mailing. Grantees who do not comply with the reporting requirements are subject to District auditing as specified in the State Carl Moyer Program Guidelines. A copy of an annual reporting form is attached.

Staff shall conduct audits of all Year 10 and later projects that fail to submit the annual reporting form (including the last reporting form required at the end of the term of the grant agreement) within six months of the reporting deadline.

Staff shall conduct audits of at least 5 percent for Year 10 and later projects that have been funded for at least one year and are also within two years of contract expiration. Staff shall also conduct audits on at least 5 percent of Year 10 and later projects at the end of their contract term and all Year 10 and later projects that were found to be more than 30 percent below the contracted activity level during any previous audit.

Audits shall include verifying that the funded engines are still operational in the same equipment and meet the mileage, fuel usage, or hours of operation indicated on the executed contract. This shall be completed by checking the serial number of the engine; witnessing the engine operate; and checking the odometer, hour meter/usage device, fuel receipts, or EMU.

The Air Pollution Control Officer may review the audits.

**Non-performing Projects:** All grant agreements contain a provision that the grantee may be excused from its provisions by requesting the termination of the Grant Agreement and returning funds on a pro rata basis. If annual reports indicate that project activity is more than 30 percent below the level of use committed to in the grant agreement, the District shall extend the reporting term, attempt to recover funds, or consult with CARB to determine what, if any, action must be taken to ensure the emissions benefits are realized and captured. In addition, the District shall audit all the other engines owned by the same participant and included in the same Carl Moyer Program funded project.

The level of effort Lassen County APCD takes to recover funds may be guided by circumstances such as 1) The existence of fraud or intentional misuse of funds, 2) The amount of Carl Moyer program funding involved, and 3) The ability of the applicant to repay the funds.

The district may recalculate a project's cost-effectiveness based on the reported decrease in usage. Based on this recalculation, if the project is still below the cost-effectiveness cap, consistent with the cap in effect on the date of contract execution and prior to the end of the contract, the air district must continue to monitor the project over the next year to determine if additional actions are necessary. A waiver is not required in this event.



## **17. District Reporting to CARB**

Staff shall enter all project data into the CARL database. The CARL database is capable of generating the Initial Reports, Final Reports, and Status Reports required by CARB. Staff shall generate and submit those reports as directed by CARB.

District reporting to the CARB is done by the District staff. All fiscal information is generated by District staff with assistance from fiscal staff. All reports are approved by the APCO.

## **18. Waiver**

Grant a waiver, without penalty, to the grantee for a defined time period. The grantee must demonstrate to the air district Air Pollution Control Officer's satisfaction that the engine, vehicle, or equipment is not being underutilized in favor of operating other, higher-polluting equipment and the underutilization was due to unforeseen conditions beyond the grantee's control.

1. The conditions under which a waiver may be issued include, but are not limited to, the following:
  - a. A decrease in usage due to the economic recession.
  - b. Unforeseen fluctuations in water allocations or pumping needs for agricultural irrigation pump engines; or
  - c. Significant land fallowing for off-road agricultural equipment and agricultural irrigation pump engines.
2. To be considered for a waiver, the grantee must provide a written request to the air district along with documentation that substantiates the need for the waiver and verifies that higher-polluting equipment is not consequently receiving more use. The types of acceptable documentation must be clearly defined and incorporated into each air district's policies and procedures manual and will be subject to CARB approval at CARB's request. Such documentation may include, but is not limited to, documentation from appropriate governmental agencies regarding surface water deliveries and fallow land, relevant logs regarding the amount of groundwater pumped in lieu of surface water deliveries, agricultural pump engine registration or permit information, records that show that idled vehicles or equipment are still owned by the grantee, relevant information from CARB's Diesel Off-Road On-Line Reporting System, or other pertinent records. Additional forms of documentation that are not included in an air district's policies and procedures manual can be evaluated and approved by CARB on a case-by-case basis.
  - a. The air district must specify the length of time for which the waiver is valid. The waiver will not exempt the grantee from any contract requirement to provide annual usage reports.
  - b. The waiver must be documented in writing, signed by the Air Pollution Control Officer or designer, and be included in the project file. Appropriate notations to indicate that a waiver

has been granted must also be included in the “comments” field of the CARL database for each relevant project, if applicable.

3. Recalculate a project’s cost-effectiveness based on the reported decrease in usage. Based on this recalculation, if the project is still below the cost-effectiveness cap, consistent with the cap in effect on the date of contract execution and prior to the end of the contract, the air district must continue to monitor the project over the next year to determine if additional actions are necessary. A waiver is not required in this event.

## **19. Project File Set-Up and Maintenance**

The Lassen County APCD maintains documentation of solicitation and project selection by fiscal year, as well as program project and fiscal files.

Project files are set up and maintained by District staff. All project files are a combination of paper based and computerized. The CARB database is used for determining project cost effectiveness and selection. Each project file contains the application, contract, and inspection reports. Photos and copies of contracts are kept in computerized files. Computer files of Initial Pictures (folder) and Final Pictures (folder) are kept on the shared drive of our computer system under specific project years. Each picture is identified with the specific project name and engine serial number or other permanent engine marking.

The fiscal staff maintains fiscal files. The fiscal files contain individual project amounts and accounting information for the overall Carl Moyer Program. All files are retained for the life of the projects.

## **20. CARB Oversight**

As part of their oversight responsibilities, CARB staff performs desk reviews of District CMP, on-site monitoring, and audits. Audit of a District’s program may involve other state agencies, such as the Department of Finance and State Bureau of Audits. Audits may be fiscal, programmatic, or both.

An audit situation would involve District staff, fiscal staff, and the Air Pollution Control Officer.

## **21. Fiscal Management**

- (a) Allowable Costs. Carl Moyer Program administrative funds shall be used only for Carl Moyer Program administration and outreach including District staff time; printing, mailing, and travel costs; project monitoring and compliance expenses; and indirect costs such as general administrative services, office space, and telephone services.
- (b) Required Documentation. The District shall maintain the following documentation of Carl Moyer Program funds used for administration and outreach:

- (1) Personnel documentation shall make use of the district's time accounting database.
- (2) Personnel labor cost shall be the hourly rate as established by District Rule 2:11, Permit Fees, which includes wages, benefit costs, and indirect costs of District operations as approved by the Lassen County Air Pollution Control District Board of Directors (Board).
- (c) The above documentation, records, and referenced materials shall be made available for review during CARB or other State agency monitoring visits and audits. These records shall be retained for a minimum of two years after submittal of the Final Report for that funding cycle to CARB.
- (d) Carl Moyer Program staff shall maintain expenditure spreadsheets that document the current state of commitments and expenditures for each program year. Spreadsheet expenditures shall be updated each time a payment request memorandum is sent to the fiscal department. Commitments shall be updated in CARL each time the Board approves a new grant agreement.

## **22. Interest Earned on Carl Moyer Program Funds**

Any interest accrued on Carl Moyer Program funds provided by the State that are deposited in interest bearing accounts must be reported to CARB. The interest income must be expended on projects that meet the current Carl Moyer Program Guidelines in accordance with the timelines in the Guidelines. Projects funded by interest earned shall be entered into the CARL database.

The District maintains a segregated trust account that tracks revenues, expenditures, and interest. Interest calculation for all fiscal programs, including the Carl Moyer Program, is performed by the Assistant to City Administrator based on average daily balance. The District receives quarterly interest apportionment from the Assistant to City Administrator.

Interest is easily and separately identifiable. The District segregates its Carl Moyer Program funds into separate accounts for program administration and Carl Moyer Program projects.

The District uses all interest earned in the project account to fund eligible Carl Moyer Program projects and may use interest earned in the program administration account for either Carl Moyer Program administration or Carl Moyer Program projects.

The District tracks and reports on earned interest using the Funding Cycle Method.

## **23. Rural Assistance Program Funds**

Should RAP projects be awarded in Lassen County APCD the District will first get Board approval then send the required paperwork to CARB accepting the grant monies. The District will collaborate with the participants to verify application data, perform pre-inspections, and put

contracts in place. The District will monitor the projects during their contract life and get annual reports from the participants that reflect project status.

If project funds are not completely expended the District will contact CAPCOA and CARB for advice as to how to manage the remaining funds. The District will either find new projects that qualify and can meet the deadlines or will return the leftover funds.

## **EXHIBIT A – Application for 2024 (Year 26)**

### **OFF-ROAD HEAVY-DUTY EQUIPMENT APPLICATION**

**Please fill out one application for each engine or piece of equipment. All information necessary for completing this application is available in the Carl Moyer Program Guidelines. This document can be viewed at <http://www.CARB.ca.gov/msprog/moyer/guidelines/current.htm>. Please print clearly or type all information on this application.**

#### **Eligibility Criteria**

To be eligible for funding, projects must meet the criteria described in the 2017 Carl Moyer Program Guidelines and the 2017 Carl Moyer Program Advisories. These criteria include but are not limited to the following:

- Emission reductions obtained through Carl Moyer Program projects must not be required by any federal, state, or local regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legal mandate.
  - Projects must meet a cost-effectiveness of \$17080 per weighed ton of NOx + ROG + twenty times combustion PM10 reduced, calculated in accordance with the cost-effectiveness methodology discussed in the Guidelines.
  - No emission reductions generated by the Carl Moyer Program shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity.
  - No project funded by the Carl Moyer Program shall be used for credit under any federal or state emission averaging banking and trading program.
  - Funded projects must have at least 75 percent of their operations take place in California.
  - All engines in new vehicle purchases and repower projects must be certified by the CARB for sale in California and must comply with durability and warranty requirements.
-

**Funding Disclosure**

Has the engine or vehicle in this application been awarded funding from another public agency or being considered for funding?

- Yes
- No

If "yes," provide the following information:

Agency applied to \_\_\_\_\_  
Date of application submittal \_\_\_\_\_  
Funding amount requested \_\_\_\_\_  
Baseline engine serial number \_\_\_\_\_  
Status of application \_\_\_\_\_

**A. APPLICANT INFORMATION (required)**

1. Company or organization name:		
2. Business type:		
3. Contact name and title:		
4. Person with contract signing authority (if different from above):		
5. Contact mailing address and information:		
Street:		
City:	State:	Zip code:
Phone: ( )	Fax: ( )	
E-mail:		
6. Project location address (if different from above):		
7. How many engines are being applied for?		
8. Total funding amount requested for this engine/equipment:		

**I hereby certify that all information provided in this application and any attachments are true and correct.**

Printed name of responsible party:	Title:
Signature of responsible party:	Date:

### Third Party Certification

I have completed the application, in whole or in part, on behalf of the applicant.

Print name of third party:	Title:
Signature of third party:	Date:
Amount paid to third party:	Source of funding to third party:

#### A. PROJECT DESCRIPTION (required)

1. Project name:
2. Total annual hours of operation and/or annual gallons of fuel consumed (specify which):
3. Percent operation in California:
4. Port or rail yard in which the equipment operates (if applicable):
5. Counties in which the equipment operates <u>and</u> percent of total operation in each county:

#### B. EQUIPMENT INFORMATION (required)

1. Equipment type and function:
2. Equipment make:
3. Equipment model:
4. Equipment model year:
5. Equipment serial number:
6. Number of main engines on this equipment:
7. Number of auxiliary engines on this equipment:

**D. REPLACEMENT PROJECTS.**

Equipment Description:	
1a. Engine family:	
b. Engine make:	
c. Engine model:	
d. Engine serial number (if applicable):	
2. Engine Horsepower:	
3. Engine tier:	
4. Fuel type:	
5. Baseline equipment cost:	6. New equipment cost:

**E. REPOWER PROJECTS**

1. Number of main engines to be repowered:	
<u>Baseline Engine:</u>	<u>Reduced Emission:</u>
2a. Baseline engine make:	3a. Reduced emission engine make:
b. Baseline engine model:	b. Reduced emission engine model:
c. Baseline engine year:	c. Reduced emission engine year:
d. Baseline engine horsepower:	d. Reduced emission engine horsepower:
e. Baseline engine tier:	e. Reduced emission engine tier or electric motor:



f. Baseline engine serial number:	f. Reduced emission engine serial number (if available):
g. Baseline fuel type:	g. Reduced emission engine fuel type:
4. Baseline annual gallons of fuel consumed or annual hours of operation:	h. Reduced emission engine family:
5. Baseline engine rebuild cost:	6. Reduced emission engine cost:

**F. RETROFIT PROJECTS (if applicable)**

1a. Engine make:	b. Engine model:	c. Engine year:
d. Engine horsepower:	e. Engine serial number:	f. Engine tier:
2. CARB – Verified retrofit device name:		
3. Retrofit device CARB executive order number:		
4. Retrofit device verification level: <input type="checkbox"/> LEVEL 1 <input type="checkbox"/> LEVEL 2 <input type="checkbox"/> LEVEL 3		
5. Retrofit device serial number (if available):		
6a. CARB – Verified NOx reduction (%):		
b. CARB – Verified PM reduction (%):		
c. CARB – Verified ROG reduction (%):		
7a. Cost of retrofit device:	b. Cost of retrofit device with installation (optional):	
c. Total cost of retrofit device maintenance over life of project (optional):		

**APPLICANT INFORMATION:**

Organization/Company/Individual Name:					
Business Type:					
Person with Contract Signing Authority:					
Contact Name & Title, if different than above:					
Office Phone:		Mobile Phone:			
Fax Number:		Email Address:			
Mailing Address:					
City:		State:		Zip:	

**CONTRACTOR INFORMATION:**

Contractor Name:		Office Phone:			
Company Name:		Mobile Phone:			
Email Address:		Fax Number:			

**PROJECT DESCRIPTION:**

Project Name:					
Project Address:					
City:		State:		Zip:	
Project Type:	<input type="checkbox"/> Battery Charging Station <input type="checkbox"/> Alternative Fueling Station <input type="checkbox"/> Stationary Agricultural Pump Electrification				
Will this project be publicly accessible?				<input type="checkbox"/> Yes <input type="checkbox"/> No	
Does this project include solar or wind power systems? <i>At least 50% of the energy provided to covered sources must be generated from solar or wind.</i>				<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is the applicant a Public or Private entity?				<input type="checkbox"/> Public <input type="checkbox"/> Private	
Is the applicant the Property Owner?				<input type="checkbox"/> Yes <input type="checkbox"/> No	
If you are not the Property Owner, do you have a lease on the property that allows you to install the infrastructure?				<input type="checkbox"/> Yes <input type="checkbox"/> No	

Does this project include solar or wind power systems? <i>At least 50% of the energy provided to covered sources must be generated from solar or wind.</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is the applicant a Public or Private entity?		<input type="checkbox"/> Public <input type="checkbox"/> Private	
Is the applicant the Property Owner?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
If you are not the Property Owner, do you have a lease on the property that allows you to install the infrastructure?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Total Project Cost:		Total Funding Amount Requested:	Maximum Eligible Other: \$ _____
Estimated Annual Use: <i>(e.g., charging events, gallons of fuel used)</i>			

**\* Include Quote when submitting the application.**

**PROPOSED INFRASTRUCTURE PROJECT:**

Description or Proposed Project:
Proposed Project Startup and Timeline:

**IF POWER LINE IS PROPOSED:**

Will the power line be run above or below ground?	<input type="checkbox"/> Above ground <input type="checkbox"/> Below ground		
Length of Power Line to be run:		Cost per Foot to install line:	

**ADDITIONAL INFORMATION:**

Feel free to include information relevant to the project not already covered in this application:

**FUNDING DISCLOSURE:**

Has any equipment listed in this application been applied for or awarded Carl Moyer Program grant funds, or any other incentive funding?	Yes No
--	-----------

*If "Yes," complete the following for each piece of equipment:*

Agency Applied To:	
Date of Agency Solicitation:	
Funding Amount Requested or Awarded:	
Status of Funding:	
Please list any other incentive, including tax credits or deductions, grants, or other public financial assistance for the new equipment:	

**ACKNOWLEDGMENT:**

*By signing below and submitting this application, I understand and acknowledge the grant requirements and I hereby certify under penalty of perjury that all information provided in this application and any attachments are true and correct.*

---

Printed Name of Authorized Representative:		Authorized Representative's Title:	
Signature of Authorized Representative:		Date:	

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**APPLICATION CHECKLIST:**

Please submit your application packet with all of the documents listed below:

- 1. Signed Application
- 2. Itemized Quote for the Infrastructure Project, signed and dated by the Contractor
- 3. Map showing proposed location of infrastructure project, including the start and end points of any proposed power (e.g., a Google Map)
- 4. Documentation that demonstrates applicant either owns the land on which the project will be located, or controls it through a long-term lease, easement, or other legal arrangement, for the duration of the project (i.e., for at least three years).
- 5. Co-Funding Information, if applicable

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**EXHIBIT B**

**CONTRACT FOR 2024-2025 (YEAR 26)**

**Agreement Number \_\_\_\_\_**

**LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT  
CARL MOYER HEAVY-DUTY LOW EMISSION INCENTIVE PROGRAM AGREEMENT**

This Agreement (Agreement) is between the Lassen County Air Pollution Control District (District), a public agency of the State of California, and \_\_\_\_\_ (Participant).

**1.0 Recitals**

- 1.1 The District is in nonattainment of the state air quality standards for particulate matter and is impacted by the effects of toxic air contaminants, including diesel particulate matter and other pollutants from mobile sources.
  - 1.2 On December 11, 2007, the District Governing Board approved Resolution No. 18-07-CMP-10, authorizing the District's participation in the CCARB Carl Moyer Program which is a Heavy-Duty Low Emission Vehicle Incentive Program (Program), which is hereby incorporated by reference and made part of this agreement.
  - 1.3 On September 23, 2004, Governor Schwarzenegger signed Assembly Bills 923, 1394, and 2128 which made major changes to the Carl Moyer Program and projects funded using Department of Motor Vehicles Surcharges, expanding the Program to include light-duty vehicles, Fleet Modernization, and agricultural assistance projects.
  - 1.4 To implement mobile source emission reduction projects, the Program provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, and agricultural water pumps.
  - 1.5 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Agreement and represents that the purchase is not required by any local, state, and/or federal rule, regulation, memorandum, or other legally binding agreement, with the exception of certain agricultural projects described in Health and Safety Code sections 41081(d)(2)(ii), 41802 and 44275.
  - 1.6 The Participant has read and agreed to all requirements of the Program application and guidelines which are hereby incorporated into this Agreement.
  - 1.7 This Agreement is a voluntary act intended to accelerate the introduction of low-emission vehicle and engine technology designed to reduce emissions of oxides of nitrogen, particulate matter, reactive organic gases, toxic air contaminants, and oxides of cCARB on within Lassen County.
-

- 1.8 This Agreement was approved for use by the District's Board of Directors on December 14, 2010.
- 1.9 On \_\_\_\_\_, The District Governing Board authorized making this contract with Participant.

## Terms and Conditions

### 2.1 Definitions

2.1.1 "Applicable emission standards" are defined as the emission standards for oxides of nitrogen (NOx), particulate matter (PM), hydrocARBons, and cCARBOn monoxide established by the California Air Resources Board (CCARB) or the United States Environmental Protection Agency (USEPA) for a model year vehicle or engine. For "phase-in" or "interim" engines the following standards apply:

Engine Model Year	Power Rating	NOx Standard	PM Standard
2007-2009 On-Road	All On-Road Heavy-Duty Diesel Engines	1.2 g/bhp-hr	0.01 g/bhp-hr
2012-2013 Off-Road	56 – 129 kW (75 – 174 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)
2011-2013 Off-Road	130 – 560 kW (175 – 749 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)

- 2.1.2 "Agricultural water pump" is defined as a stationary or portable device designed to move water used for agricultural purposes.
- 2.1.3 "Certified" is defined as a motor vehicle or engine that is certified by CCARB or the USEPA to an emission standard or standards.
- 2.1.4 "Experimental Permit" is defined as an Executive Order issued by CCARB for the experimental use of a non-certified or non-verified engine, fuel, or engine retrofit in California.
- 2.1.5 "Fleet Modernization" is defined as the transaction in which an older on-road motor vehicle or piece of off-road mobile equipment is destroyed and replaced with a similar motor vehicle or piece of equipment certified to a lower emission standard.
- 2.1.6 "Motor vehicle" is defined as a self-propelled device by which any person or property may be propelled, moved, or drawn upon a highway, excepting a device moved exclusively by human power or used exclusively upon stationary rails or tracks.

- 2.1.7 “Off-road equipment” is defined as a self-propelled device not intended for operation on a highway and is powered by an engine certified to off-road or non-road emission standards.
- 2.1.8 “Repower” is defined as the process in which an old engine is replaced with a new engine.
- 2.1.9 “Retrofit” is defined as the installation of a device designed to reduce emissions from an engine.
- 2.1.10 “Tier 3” is defined as the emission certification of an off-road compression ignition engine to the Tier 3 emission standards as described in §2423(b)(1) of the California Code of Regulations.
- 2.1.11 “Verified” is defined as a device, fuel, or system that is verified by CCARB or the USEPA to reduce emissions from a mobile source by a verified amount.

2.2 Participant Obligations – the Participant will:

- 2.2.1  Participant agrees that the original engine(s) to be replaced by this program is the same as the engine(s) stated in Participant’s application and restated in Exhibit A. Said engine(s) will be destroyed immediately or otherwise rendered unusable immediately after new engine installation or new equipment is placed in service. Participant agrees that the District may directly observe the Participant’s destruction of the engine and/or be provided proof of destruction or nonuseability within 30 days of new engine installation or new equipment service initiation. Engine destruction may include but is not limited to salvage receipt (with serial number), placing a hole (at least five inches in diameter) in the engine block (with accompanying photos with serial numbers visible in said photos), welding the cylinder(s) to prevent any re-use, or any other means acceptable to the District.

N/A - Retrofit

- 2.2.2 Purchase, invoice the District, and operate the equipment described in Exhibit A by **Day/Month/Year**. Participant may submit a written request to extend this Section if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.
- 2.2.3 Ensure that a functioning hour meter is installed on the equipment described in Exhibit A for the life of the project.
- 2.2.4 Operate the equipment described in Exhibit A in Lassen County during the term of this agreement in accordance with the requirements in Exhibit B. In addition to
-



meeting the operating requirements established in Exhibit B, 75% of the vehicles' total operation must occur within California. Agricultural water pumps are required to operate 100% within Lassen County.

2.2.5 Maintain the minimum level of required insurance described in Exhibit C during the term of this Agreement and ensure that the District is named as an additional insured under the policy.

2.2.6 Comply with applicable Airborne Toxic Control Measures and District Rules as determined by the APCO.

## 2.3 **Payment**

2.3.1 The District will reimburse the Participant up to \$\_\_\_\_\_ towards the cost of the vehicle(s) or equipment identified in Exhibit A within 60 days of receipt of an itemized invoice.

2.3.2 Any payments made under this Agreement are subject to the provisions and limitations of Health and Safety Code. The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the Health and Safety Code or any other local, state, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the Health and Safety Code or any other local, state, or federal law.

2.3.3 After pre-inspection of the old equipment and post-inspection of the new equipment have been completed, and upon receipt of an invoice for the new equipment, payment will be approved for 50% of the grant. Payment will be approved for the remainder of the grant after District staff confirms, by inspection, that the old equipment is destroyed. All payments will be issued to the applicant. Two party checks may be issued to both the applicant and dealer if requested by the parties.

2.3.4 Payment of compensation shall be made by the District to Participant within sixty (60) days after receipt by District of statement of charges and completion of final inspection. Such statement shall be checked and approved by a person, or persons designated by the District.

2.3.5 Payments made under this Agreement are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.

## 2.4 **General Program Requirements**

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2.4.1 The Participant warrants that the vehicle(s)/engine(s) covered under this Agreement meets all the eligibility requirements described in the Program application and guidelines. The Participant further agrees to operate the vehicle(s)/engine(s) in a manner that is consistent with the eligibility requirements in the guidelines and the goals and objectives of the Program.

2.4.2 The Participant cannot apply for or receive additional incentive funds, including but not limited to the state Carl Moyer Program inter-district fund or any other air district fund, including those funds used as matching funds, for any equipment listed in Exhibit A of this Agreement. This requirement may be waived by District staff on an individual basis. If the District discovers that the Participant has applied for or received funds from these sources, the District will terminate this Agreement and require that any funds paid under this Agreement be returned to the District.

2.4.3 The Participant agrees to operate the equipment described in Exhibit A within the manufacturer's specifications including all maintenance and fueling requirements. An operational odometer, hour meter, or other District-approved usage measuring device must be installed on all projects and maintained for continuous operation. Under no circumstances may the Participant make any modifications to or tamper with the vehicle, equipment, engine, emission control system(s), or any recording devices on the vehicle or equipment prohibited under CCARB and USEPA regulations. The Participant also agrees to operate the vehicle, engine, and/or equipment in compliance with all local, state, and federal rules, laws, and regulations.

2.4.4 Participant shall cooperate with the District and CCARB in implementation, monitoring, enforcement, and other efforts to assure the emission benefits from the project are real, quantifiable, surplus, and enforceable.

2.5 Engine Repower and Retrofit Requirements – This Agreement is  or is not  subject to the following requirements:

2.5.1 The low-emission engine or engine retrofit must be either:

- (i) CCARB Certified; or
  - (ii) CCARB Verified; or
  - (iii) Under an experimental permit issued by CCARB; or
  - (iv) In cases where federal law preempts state requirements, approved for use by the USEPA
-

Engines certified to a level that is less stringent than the standard applicable to the replaced engine for any pollutant are ineligible for funding under this agreement.

2.5.2 Any engine retrofit funded under this Agreement must reduce either oxides of nitrogen or particulate matter emissions by a minimum of 25% for either pollutant.

2.5.3 If the Participant is replacing or repowering an engine, the Participant must either:

- (i) Destroy the replaced or repowered engine in a manner acceptable to the District. If the engine is destroyed, the Participant must permit the District to inspect the destroyed engine; or
- (ii) Implement a District approved destruction alternative. The District may approve a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact to air quality.

2.6 New Low-Emission Vehicle Purchase – This Agreement is  or is not  subject to the following requirements:

2.6.1 New low-emission vehicles must be certified by CCARB to an oxides of nitrogen emission levels below the applicable standard for that motor vehicle or piece of off-road mobile equipment. Low-emission vehicle or engine technology under an experimental permit from CCARB are also eligible for funding under the Program.

2.6.2 The low-emission vehicle or engine technology funded under Section 2.6.1 must achieve at least a 30% reduction in oxides of nitrogen emissions as compared to the applicable baseline emission standards for the specific model year and power rating.

2.6.3 The low-emission vehicle or engine technology funded under Section 2.6.1 must not be certified to particulate matter, hydrocARBons, and/or cCARBOn monoxide levels above the applicable baseline emission standards for the specific model year and power rating.

2.6.4 The Participant must submit copies of invoices from service providers that confirm:

- (i) Installation of digital odometer/hour meter; and
- (ii) Vehicle finance documents

Each invoice must include vehicle identification number, engine serial number, odometer reading, and date service was provided.

2.6.5 The Participant agrees to the following motor vehicle title requirements:

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- (i) The Participant will provide a copy of the replacement vehicle's title to the District, demonstrating that the District is named as a lien holder for the vehicle.
- (ii) The Participant must be the legal owner of the replacement vehicle throughout the length of this Agreement.
- (iii) If the replacement vehicle is financed, the Participant will list both the District and the Finance Company as lien holders for the vehicle.
- (iv) If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, the Participant must ensure that the District remains a lien holder on the replacement vehicle through the end date listed in Section 2.9.1.
- (v) If the replacement vehicle is repossessed by the finance company, the Participant must reimburse the District in accordance with the termination formula in Section 2.7.
- (vi) Any changes to the replacement vehicle's title must be approved in writing by the District.

2.7 Upon termination of this Agreement, if the vehicle/engine fails to fulfill the minimum required operation, the Participant shall return to the District an amount based on the difference between the required operation amount and the actual amount operated according to the following formula:

$$A = I * [(O*L) - C] / (O*L)$$

A = Amount Owed to the District

I = Total Incentive Award

O = Annual Operational Requirement (miles, hours, or gallons)

L = Length of the Agreement in Years

C = Actual Operation (miles, hours, or gallons)

The APCO may, at his or her sole discretion, relieve this obligation to return the funds after considering the circumstances leading to the failure to fulfill the minimum performance requirements. Additionally, the APCO may, at his or her sole discretion, require full reimbursement of all funds paid to the Participant as outlined in Section 2.9.10.

2.8 The parties acknowledge that this Agreement will be funded by incentive fund revenues being transferred to the District; however, the District may terminate this Agreement if: (i) it does not receive all or a portion of the revenues, or (ii) funds are not specifically appropriated for this Agreement in the District's final budget prior to the expiration of the Agreement and any Agreement extensions. If the District terminates this Agreement

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under this paragraph, it will serve notice of the action on the Participant within 10 working days.

## 2.9 General Requirements

2.9.1 This Agreement shall begin upon execution by all parties and terminate on **Day/Month/Year**. No work may begin on this project until this Agreement is executed by all parties. For this Agreement, the timeframe indicated by the execution of this Agreement and the afore-mentioned termination date shall serve as the contract term including both the project completion and project implementation/life periods.

2.9.2 Except as specified in Section 2.9.2(ii), the receipt of funds and performance under this Agreement prohibits application for any form of emission reduction credit for the life of the contract term outlined in Section 2.9.1.

(i) This prohibition includes, but is not limited to all attainment, nonattainment, criteria and noncriteria pollutants, Application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.

(ii) For projects involving the replacement of a stationary diesel agricultural water pump with an electric water pump in conjunction with the Pacific Gas & Electric Company's (PG&E) PUC-approved discounted AG-ICE electric rate program, PG&E may retain all of the cCARBOn dioxide credits and a portion of the remaining emission credits for reductions generated through this Agreement. The portion of the remaining emission credits retained by PG&E will be the difference in emissions between a Tier 3 diesel engine and the emissions associated with generating electricity for the electric pump.

2.9.3 The District, CCARB, or their designer may conduct an audit of the Participant's operations to verify that the Participant is complying with the Agreement terms.

(i) As a condition of accepting funds, the Participant agrees to designate CCARB as a third-party beneficiary with full auditing, inspection, and enforcement rights throughout the entire term of the Agreement.

(ii) Any audits will be conducted at a reasonable time and with reasonable notice to the Participant. The Participant agrees to provide the District and CCARB with on-site access to the vehicle(s)/equipment described in Exhibit A.

2.9.4 The Participant shall defend, indemnify, and hold harmless District, CCARB, its officers, agents, employees, and volunteers from any and all losses, costs, damages, fines, or expenses (including attorney fees, court costs and expert fees)

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or liability of any kind or character to any person or property arising from, or alleged to arise from, any breach of the responsibilities required of the Participant by this Agreement or which are related in any way to the vehicle(s)/equipment, including any and all liability for general, special, consequential, or other damages resulting from the use of the vehicle(s)/equipment by the Participant, for which financial assistance or other incentives are received from the District by the Participant.

2.9.5 **This section 2.9.5 shall survive the termination of this Agreement for three years following the end date listed in Section 2.9.1.** Participant shall complete and return all requested information and surveys sent from the District, yearly, on **June 1** of each year, for at least **three years** from the commencement of operation. Noncompliance with the reporting requirements shall require on-site monitoring or inspection by the District. The Participant shall keep the following records from the beginning of operation of the equipment described in Exhibit A through the end of the term described in Section 2.9.1 and for three years following the end date listed in Section 2.9.1. It is the responsibility of the Participant to maintain records adequate to document the subsequent information. The District may request these records at any time during the term of this Agreement, including:

<b>For On-Road Projects</b>	<b>For Off-Road Projects</b>
1. Copies of all driver logbook entries for the preceding year	1. Hours operated.
2. Miles traveled.	2. Fuel consumed.
3. Fuel consumed.	3. Fuel cost.
4. Fuel cost.	4. Engine downtime
5. Vehicle downtime	5. Type and cost of maintenance performed
6. Type and cost of maintenance performed	

2.9.6 The Participant shall maintain in force at all times during the term of this Agreement and any extensions or modifications thereto, insurance in accordance with Exhibit C. In the event the Participant does not have the required certificate of insurance, or if the required insurance lapses, this Agreement shall be terminated immediately.

2.9.7 No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by both parties.

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- 2.9.8 The Participant shall observe and comply with all applicable federal, state and District statutes, ordinances, regulations, rules, directives, and laws. This Agreement shall be deemed to be executed within the State of California and construed in accordance with and governed by the laws of the State of California. If a provision of this Agreement violates any applicable law or regulation, that provision will be stricken from the Agreement, and all other provisions will remain in full force. Any action or proceeding arising out of this Agreement shall be filed in a state court or federal court located in Lassen County, California.
- 2.9.9 No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If the Participant assigns any of its rights or obligations under this contract, all the terms and conditions of this contract shall apply to the Participant's assignee.
- 2.9.10 The Participant will submit written documentation of performance towards the requirements outlined in Exhibit B to the District by December 31 of each year until termination of this Agreement. The District may request additional performance documentation at its discretion.
- 2.9.11 This agreement may be terminated by the District upon 30-day 'notice if the Participant fails to meet any of the obligations established in this Agreement or outlined in the Carl Moyer Program guidelines or the Health and Safety Code. If the Agreement is terminated, the Participant will refund the entire incentive paid by the District. The APCO may, at his or her discretion, waive the refund or allow the Participant an opportunity to cure its failure to meet the Agreement obligations. Additionally, the District and/or CCARB may seek all available remedies for breaches of any Agreement provisions, Carl Moyer Program requirements, or Health and Safety Code.
- 2.9.12 The Participant may not sell or encumber the equipment described in Exhibit A without the written consent of the District.
- 2.9.13 The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the low emission vehicle and engine technology funded under this Agreement or the effects of such technology on the normal operations of the Participant.
- 2.9.14 If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:
- (i) The Participant suffers a catastrophic loss; or
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- (ii) The Participant files for bankruptcy; or
- (iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.

2.9.15 This Agreement will bind the successors of the District and Participant in the same manner as if they were expressly named.

2.9.16 Correspondence between the District and Participant should be addressed to the following:

To District	To Participant
Lassen County Air Pollution Control District 66 N Lassen Street Susanville, CA 96130 Phone: (530) 252-4247 Fax: (530) 257-1057	

The address and/or contacts may be changed only by written notice to the other party. Such written notice may be given by mail or personal service.

2.9.17 This Agreement consists of the following:

- (i) Participant Agreement
- (ii) Exhibit A – Vehicle and Engine Information Page
- (iii) Exhibit B – Performance Requirements
- (iv) Exhibit C – Insurance Requirements



**DISCLOSURE AGREEMENT:** The undersigned representative of Participant affirmatively states that neither they nor any other representative of Participant will submit another application or sign another contract for the same engine(s), equipment, and/or vehicle(s) detailed in Exhibit A with any other source of funds, including but not limited to other air districts or multidistrict funding under the Carl Moyer Program.

Any owner or owner's designee who is found to have submitted multiple applications or signed multiple contracts for the same engine(s), equipment, and/or vehicle(s) shall, at a minimum, be disqualified from funding for that engine(s) from all sources, may be required to reimburse the public agencies for any monies received, and may also be banned from submitting future applications to any and all Carl Moyer Program solicitations. In addition, as a violation of law, including but not limited to the Health and Safety Code and Business and Professions Code, CARB and the districts may levy fines and/or seek criminal charges.

The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Agreement and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Agreement.

**Approved by Participant**

\_\_\_\_\_ **Date:** \_\_\_\_\_

**Approved by the Lassen County Air Pollution Control District**

\_\_\_\_\_ **Date:** \_\_\_\_\_  
Erik Edholm  
Air Pollution Control Officer

**Approved to as form:**

\_\_\_\_\_ **Date:** \_\_\_\_\_  
Greg Einhorn  
District Counsel

\_\_\_\_\_

# EXHIBIT C

## Vehicle / Equipment Information Form

**Vocation(s)** (Please list all vehicle/equipment uses):

**Equipment:**

**Project Type:**

### Counties Vehicle Currently Operates

Lassen County	
Main Location of Operation (include cross streets)	

### Annual Vehicle/Equipment Usage Information (be able to prove hours)

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Miles/Hours			

### Existing Vehicle Information

Make:	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

### Existing Engine Information

Make: Detroit Diesel	Model:	Model Yr:	Serial Number:	HP:	Hour Meter:
Fuel Type:					

### New or Replacement Vehicle Information

Make:	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

### New Engine or Retrofit System Information

Make:	Model:	Model Yr:	Serial Number: TBD	HP:	NOx Cert:
Fuel Type: Electric					

## EXHIBIT D – PERFORMANCE REQUIREMENTS

The below listed vehicle(s)/engine(s) must meet the minimum performance requirements shown to avoid reimbursement according to Section 2.7 of this Agreement.

Vehicle and Engine Year Make & Model*	Vehicle and Engine Serial Numbers*	Minimum Usage (hours)	Anticipated Annual NOx Reduction (tons)	Payback Requirement per Hour	Maximum Incentive Amount
<b>Total</b>					

\* The District will fill in information upon verification of project completion.

## EXHIBIT E – INSURANCE REQUIREMENTS

### INSURANCE

The contractor agrees to maintain any and all insurance required for the term of this contract. Limits of liability and coverage details are pursuant to the District's insurance requirements specification. The following insurance coverage is required:

- COMMERCIAL/GENERAL LIABILITY
- BUSINESS AUTOMOTIVE LIABILITY
- PUBLIC ENTITIES/SELF-INSURED STATUS
- PROFESSIONAL LIABILITY INSURANCE
- WORKERS COMPENSATION and EMPLOYERS LIABILITY

CONTRACTOR shall furnish the DISTRICT with certificate(s) of insurance or self-insurance and/or original endorsement(s) and/or insurance binder(s) affecting coverage required below. The certificates, endorsements, and/or binders for each insurance policy are to be signed by a person authorized by the insurer to effect coverage on its behalf. The certificates, endorsements, and/or binders are to be received and approved by the DISTRICT before work commences. The DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time. If CONTRACTOR provides self-insurance, it shall, at intervals specified by the APCO, provide financial statements sufficiently detailed so as to allow the APCO to assess CONTRACTOR'S capability of providing such self-insurance. The APCO may reject self-insurance coverage where he finds that sufficient coverage will not be afforded to the DISTRICT.

During the term of the Agreement, CONTRACTOR shall, at its sole expense, obtain and maintain in full force and affect the type and limits of liability requirements as follows:

- I. A. **COMMERCIAL/GENERAL LIABILITY:** Bodily Injury and Property Damage for premises and operations; Personal Injury and Advertising for premises and operations; Independent Contractors (if any basis); Incidental Contracts; Contractual Liability; and Products and Completed Operations.

"Claims made" policies are unacceptable.

Minimum Limits: \$1,000,000 combined single limit, on an occurrence policy form.

**BUSINESS AUTOMOBILE LIABILITY:** Protection against loss of a result of liability to others caused by an accident and resulting in bodily injury and/or property damage, arising out of the

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ownership or use of any automobile. If CONTRACTOR has no owned automobiles, then only hired and non-owned automobile coverage are required.

Minimum Limits: \$1,000,000 per occurrence for bodily injury or property damage, combined single limit.

**Public Entities/Self-Insured Status:** CONTRACTOR shall maintain status as a legally self-insured public entity for general liability and shall maintain a self-insured retention of three hundred thousand dollars (\$300,000) per occurrence.

- B. **Professional Liability Insurance** (when the contract involves professional services such as engineering, architectural, legal, accounting, instructing, and consulting, professional liability insurance is required. If not contracting for professional services, delete this paragraph.) Professional liability insurance covering professional services shall be provided in an amount of at least \$1,000,000 per occurrence or \$1,000,000 on a claim made basis. However, if coverage is written on a claim made basis, the policy shall be endorsed to provide at least a two-year extended reporting provision.

- II. **Workers Compensation and Employers Liability:** CONTRACTOR shall carry full Worker's Compensation insurance coverage for all persons directly employed or volunteers, in conducting the work under this contract, in accordance with the "Worker's Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof. Employer's Liability statutory limits will apply. If the CONTRACTOR has no employees, no Worker's Compensation coverage is required. If the CONTRACTOR hires subcontractors to perform under this agreement, the CONTRACTOR shall assure that the subcontractor carries workers compensation insurance for all its employees, who are required to be covered by applicable law.

- B. **Notice of Cancellation.** Each insurance policy shall be endorsed, and evidence of such endorsement shall be provided to the DISTRICT, that coverage is not suspended, voided, canceled, reduced in coverage or in limits, or material change in coverage, except after thirty (30) days prior written notice has been given to the DISTRICT. Ten-(10) days prior written notice of cancellation for non-payment of CONTRACTOR's insurance premium is permissible.

- IV. **Additional Insured:** It is mandatory that all of the above insurance policies (except workers' compensation) shall include the DISTRICT as additional insured. The DISTRICT, its officials, trustees, agents, employees, and volunteers are to be covered as additional insured as respects liability arising out of activities performed by or on behalf of the CONTRACTOR.

- V. In addition, it is understood and agreed that the following be made a part of this Agreement.

- A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.
- B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of
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liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.

- C. **Contractors' Insurance as Primary:** The CONTRACTOR's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be in excess to the CONTRACTOR's insurance and shall not contribute with it.
  
  - D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII or be an equivalent program of self-insurance.
  
  - E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT'S Risk Manager.
-

## **EXHIBIT F**

### **Notice of Availability of Funds**

The Lassen County Air Pollution Control District (District) has grant funds available under the Carl Moyer Program to assist Lassen County individuals and businesses in reducing pollutants from diesel engines by repowering or retrofitting them with newer, cleaner technologies. Grants will be made available to qualified applicants subject to the requirements of the program.

Applications may be obtained by calling the District at 530-252-4247 or logging on to the Lassen County APCD website at [www.lassenair.org](http://www.lassenair.org).

Applications will be considered based on the cost effectiveness of the project(s) and on date of application receipt. Applications should be submitted to Lassen County APCD, 66 N Lassen Street, Susanville, CA 96130

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## **EXHIBIT G**

### **Application Cover Letter**

Date

Participant

Address

City, State Zip Code

RE: Carl Moyer Application Package

Dear Mr.       :

Thank you for your interest in the Carl Moyer Program. Please find enclosed an Application Package from the Lassen County Air Pollution Control District. We are now accepting applications.

Projects will be ranked based on cost-effectiveness and will be funded starting with the most cost-effective to the least cost-effective until available funds are exhausted. The deadline to turn in an application is June 30, 2013.

Submit your application to the Lassen County Air Pollution Control District by mail or hand delivery only. **NO FAXES WILL BE ACCEPTED** or processed.

Also, please submit along with your application the enclosed Payroll Data Record (PDR) form if you have not previously submitted one. The District is required to send out 1099 forms to all participants in the Carl Moyer Program.

Additional copies of the Carl Moyer application forms are available at the District office.

If you have any questions concerning the Carl Moyer Program, please do not hesitate to give us a call at 252-4247.

Sincerely,

Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District  
Enc: Carl Moyer Application Packet  
PDR form

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**EXHIBIT H**

A completed copy of this template document is given to each applicant either in person when the application is submitted by hand, or by mail or fax if the application is not submitted in person. The applicant will be notified within five (5) working days of application submission.

**Application Completeness**

Date:

Your application for funding from the Carl Moyer Program Year 21 (2019-2020) has been received and deemed:

Complete

Incomplete

by the Lassen County Air Pollution Control District. This document indicates if the application is complete. *This is not a guarantee for funds.* When funds are available for dispersal all qualified applicants will be notified by telephone.

If your application has been deemed Incomplete, the following must be amended:

Thank You

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Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District

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**EXHIBIT I**

**This document is the template used for confirmation that a participant is officially withdrawing their project from possible Carl Moyer funding for that project year.**

DATE

NAME

ADDRESS

CITY, CA, ZIP

**APPLICATION WITHDRAWAL**

This letter is an official response to your request to withdraw your application from the Lassen County Carl Moyer Program. By signing and returning this letter you are denying your pre-qualified Carl Moyer funds for this year. By signing this letter, you are not excluding yourself from future opportunities to qualify for future Lassen County Carl Moyer funds. If you have any questions, please call or e-mail. **\*PLEASE SIGN AND RETURN THIS DOCUMENT WITHIN 30 DAYS IN THE ENCLOSED ENVELOPE.**

Thank you for your time and promptness,

Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District

*I, \_\_\_\_\_, (please print) do officially deny Lassen County Carl Moyer funds for this year and am aware that I can still be considered for future Carl Moyer Program funding.*

\_\_\_\_\_  
*(Participant signature and title)*

\_\_\_\_\_



**EXHIBIT J**

**Carl Moyer Program  
Inspection Form  
Off Road Equipment Replacement**

**Type of Inspection:**

<b>Existing Equipment:</b> <input type="checkbox"/> Pre-Inspection <input type="checkbox"/> Salvage Inspection
<input type="checkbox"/> <b>New Replacement Equipment Post-Inspection</b>
<b>Legible Pictures:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Applicant Information**

<b>COMPANY NAME:</b>	<b>INSPECTION LOCATION:</b>
Owner Name:	
Address:	
City, State, Zip:	
Phone No:	

**Equipment and Engine Information**

**EXISTING EQUIPMENT**     **NEW REPLACEMENT EQUIPMENT**

<b>EQUIPMENT INFORMATION:</b>			
Equipment Make:	Equipment Model:	Equipment Model Year:	
Equipment Serial Number:	Hour Meter Reading:	Date of Manufacture:	
Equipment operational? <input type="checkbox"/> Yes <input type="checkbox"/> No			
<b>ENGINE INFORMATION:</b>			
Engine Make:	Engine Model:	Engine Model Year:	Date of Manufacture:
Serial Number:	Engine Family Number:		Horsepower:
Engine operational? <input type="checkbox"/> Yes <input type="checkbox"/> No		Fuel used? <input type="checkbox"/> Diesel <input type="checkbox"/> Other:	

**\*\*Operational Equipment must be able to start, move in all directions, and have all operational parts.**



### Salvage Inspection

<b>Engine destroyed?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Equipment Destroyed?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Engine Destruction</b>  i.      A hole in the engine block with a diameter of at least three inches at the narrowest point. The hole must be irregularly shaped (i.e. no symmetrical squares or circles) and ii.     A section of the oil pan flange must be removed as part of the hole or have a line cut through it that connects the hole.	
<b>Equipment Destruction</b>  The destruction method of the equipment will vary depending on the structure of the equipment:  i.      Equipment with permanent frame rails running the length of the equipment: complete cuts of both frame rails between the front and rear axles. ii.     Equipment with removable/bolt-on frame rails: structural damage, with cuts or otherwise, that renders the main body of the equipment inoperable and unrepairable. iii.    Equipment without frame rails: structural damage, with cuts or otherwise, that renders the main body of the equipment inoperable and unrepairable. iv.    Articulated equipment: damage, cuts or otherwise, to the articulation joints of front and rear halves of the equipment so that neither half can be joined. v.     Other equivalent methods of destruction are acceptable if approved by the air district.	

Comments:

I certify under penalty of perjury that: (1) the information provided above is accurate, (2) the pictures are of the inspected Equipment, (3) the pictures clearly depict the inspected Equipment, and (4) that I understand that this inspection form is incorporated in the agreement with the Lassen County Air Pollution Control District.

Signature:	Date:
Authorized Name:	
Air District / Dealership: LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT	
Address: 720 SOUTH ST	
City, State, Zip: SUSANVILLE, CA 96130	
Phone No: 530-257-1041	



### Required Photographs

Digital photos should be clear images with a minimum of 640x480 capture resolution. The Air District will specify the digital media format required to save the pictures on.

(Check the boxes/circles of pictures taken)

Pre-inspection	Post-inspection
<ul style="list-style-type: none"> <li><input type="checkbox"/> Right side – hood down</li> <li><input type="checkbox"/> Front – hood down</li> <li><input type="checkbox"/> Left side – hood down</li> <li><input type="checkbox"/> Equipment serial number</li> <li><input type="checkbox"/> Diesel Off-Road Online Reporting System (DOORS) Equipment Identification Number (EIN), if applicable</li> <li><input type="checkbox"/> Rear</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Full equipment</li> <li><input type="checkbox"/> Equipment Serial Number</li> <li><input type="checkbox"/> Engine Serial Number and engine information</li> <li><input type="checkbox"/> Retrofit (if available)</li> <li><input type="checkbox"/> Hour Meter Reading</li> </ul>
Salvage Inspection	
<ul style="list-style-type: none"> <li><input type="checkbox"/> DOORS EIN, if applicable</li> <li><input type="checkbox"/> Equipment serial number</li> <li><input type="checkbox"/> Engine serial number either stamped on the block or on the tag</li> <li><input type="checkbox"/> Destroyed components</li> <li><input type="checkbox"/> Other views dependent on the method of equipment destruction</li> </ul>	

*\*If engine tag is missing, additional manufacturers documentation verifying engine make, model and family number associated with the photographed ESN stamped on the engine block must be submitted.*



## **EXHIBIT K**

**A copy of this survey sheet is sent to each Carl Moyer Program “Participant” still under the terms of the contract for the duration of the project.**

### **Carl Moyer Program Mandatory Yearly Survey**

Dear Carl Moyer Recipient,

As is stated in our Agreement, you are receiving this annual survey form from the Lassen County Air Pollution Control office to collect data for the Carl Moyer Program on your particular engine(s). Please fill in all the information requested and return it to our office within 30 days of receipt of this notice. Please include current proof of insurance. We appreciate your information and help in maintaining this successful program. To ensure your continued participation and to validate your Agreement, your information is vital, and your timely response is appreciated.

Thank you,

Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District

Project Name: \_\_\_\_\_

Carl Moyer Year: \_\_\_\_\_

Engine Make and Model: \_\_\_\_\_

Engine Serial Number: \_\_\_\_\_

Engine Location: \_\_\_\_\_  
(Draw a map on the back if you have moved the engine from its original location)

Number of hours on Meter: \_\_\_\_\_  
Does usage vary by more than 30% from contract?

If so, why? \_\_\_\_\_

Fuel Usage: \_\_\_\_\_

Miles (On-road only): \_\_\_\_\_

% Equipment Operate in California: \_\_\_\_\_

Note any changes, problems, concerns, or questions below or call the Lassen County Air Pollution Control District at (530) 252-4247.

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## **EXHIBIT L**

This letter is a template for the final information request form used for each contract expiration (project life) year.

### **FINAL INFORMATION REQUEST**

#### **Carl Moyer Program Final Information Request**

Dear Carl Moyer Program Participant,

The Carl Moyer Program Year 8 (2008) contract, entered between yourself and the Lassen County Air Pollution Control District, is approaching expiration. One of the contractual obligations requires you to submit the number of hours the contracted engine/motor was used as of 2013 (Five years from the contract signing). If the total hours on the engine meet the requirements stated in the contract, the contract is considered successfully executed and we will send you an exit letter from the program. If the hours have not met the contractual obligations and if emissions reduced are still surplus, the District may choose to extend the contract until the hours reach the requirement. Please return this form by mail or fax, or you may call or e-mail the hours information to the District within 30 days. If you have any questions or concerns, please call us.

Thank you for your time and promptness,

Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District

#### **Carl Moyer Program Year 8 Final Information Request**

<b>Contract Date</b>	
<b>Project Name</b>	
<b>Engine Make and Model</b>	
<b>Engine Serial Number</b>	
<b>Total Hours on meter</b>	



## **EXHIBIT M**

This letter informs the “Participants” of their options when their Carl Moyer contract has expired but the hours requirement has not been satisfied.

DATE

### **Carl Moyer Program Contract Modification or Prorated Payment**

Dear Carl Moyer Program Participant,

The Lassen County Air Pollution Control District (District) appreciates your response to the “Final Information Request” sent to you. As stated in the contract (2.7), entered into with the District in 2008, if the total hours have not met the contractual obligations, the District may choose to require a prorated amount to be returned to the District, or relieve this obligation in another manner. The obligation may be relieved by extending the contract until the hours satisfy the contractual requirements or recalculating the cost effectiveness of the project using the decreased operating hours. We will be contacting you about a time and date when we can schedule an appointment for contract modification or prorated payment. If you have any questions please call or e-mail me,

Regards,

Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District

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## **EXHIBIT N**

This document is a template contract extension used to extend the contract lives of projects that have yet to meet their hour requirements.

### **THE CARL MOYER PROGRAM**

#### **CONTRACT EXTENSION**

As stated in item 7 of the Lassen County Air Pollution Control District (LCAPCD) Carl Moyer Program "Year 08" contract:

7. "Participant" agrees that each vehicle or engine will operate a minimum amount as shown in Exhibit "B" – Performance Requirements during the term of this Agreement. Upon termination of this Agreement if the vehicle/engine fails to fulfill the minimum required operation, "Participant" shall return to the Lassen County Air Pollution Control District an amount based on the difference between the required operation amount and the actual amount operated times the payback factor as shown in Exhibit "B." "Participant" understands that the Air Pollution Control Officer may relieve this obligation to return the funds depending on the circumstances.

This document is exercising the right of the Air Pollution Control Officer to relieve the obligation of the "Participant" to repay the prorated amount referenced above. To relieve this obligation the LCAPCD has chosen to extend the original contract term \_\_\_\_\_ years from today's date to fulfill the usage requirements.

With the signing of this document "Participant" agrees that all the original contract requirements still apply, including maintaining the usage hours originally applied for. "Participant" agrees that the contract status will be evaluated yearly (if applicable) and will be reevaluated at the termination of this extension for project completeness.

Approved: \_\_\_\_\_  
"Participant" (Title)

Date: \_\_\_\_\_

Approved: \_\_\_\_\_  
Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District

Date: \_\_\_\_\_

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## **EXHIBIT O**

This letter is a template that is sent to all Carl Moyer participants' whose contractual requirements have been met and whose project life has expired.

### **The Carl Moyer Program Exit Letter**

Dear Carl Moyer Participant,

The Lassen County Air Pollution Control District would like to thank you for your participation in the Carl Moyer Memorial Incentive Program. Your Carl Moyer Program Year 08 contractual obligations have been completed. We appreciate your cooperation and support with regards to this extraordinarily successful program over the past five years. We, the district, are open to any suggestions you may have regarding the implementation of this program, please contact us if you have any questions or comments.

Thank you again,

Erik Edholm  
Air Pollution Control Officer  
Lassen County Air Pollution Control District

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## **EXHIBIT P**

### **Annual Usage Deficiency Notice**

Date

Participant Name

Address

**RE: Annual Usage Deficiency Notice, Agreement <<Project Number>>**

Dear Mr.

Based on the annual usage information you have provided in the annual report(s) for your Lassen County Air Pollution Control District (LCAPCD) Agreement <<**Project Number**>>, staff has determined that your grant award has been affected by the low usage of your engine(s) or equipment. Using the information you have reported, the grant award was recalculated and has been reduced by **\$XX,XXX.XX**. This is the total amount you must refund to the LCAPCD. Please review the enclosed Annual Usage Audit Form for a breakdown of your usage deficiencies. The Annual Usage Audit Form must be completed and returned to the LCAPCD with your refund.

The LCAPCD understands that unforeseen circumstances beyond your control may have adversely affected the annual usage of the engine(s) or equipment in your project. Under such circumstances, the LCAPCD provides an allowance for applicants to apply for a usage waiver if sufficient justification can be provided. If your waiver is granted, you may not be required to pay back the LCAPCD any grant funds you have received for your project. **To request an Annual Usage Waiver, please complete Section 2 of the Annual Usage Audit Form and mail the Form to our Office at 66 N Lassen Street, Susanville, CA 96130.**

The LCAPCD requests a response to this notification at your earliest convenience. If you have any questions regarding this notice or require assistance completing the Annual Usage Audit Form, please contact our office at (530) 252-4247.

Sincerely,

Erik Edholm  
Air Pollution Control Specialist

Enclosure

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**EXHIBIT Q**

**Lassen County Air Pollution Control District CARL MOYER**

**ANNUAL USAGE AUDIT FORM**

Project/Agreement Number: <<Project Number>>  
 Project Name: <<Project Name>>  
 Contract Signing Authority: <<Contract Signing Authority Name>>  
 Project Type: <<Project Type>>

**Section 1: Summary of Annual Usage Deficiencies**

Engine/Equipment Information	Engine/Equipment Serial Number	Contracted Annual Usage	Average Reported Annual Usage	Original Grant Award	Grant Amount to be Refunded
2011 Caterpillar D9	9CK0257	1,000 hrs	150 hrs	\$20,000.00	\$15,000.00
Total Grant Amount to be Refunded to the LCAPCD:					<b>\$15,000.00</b>

**Section 2: Options to Resolve Usage Deficiencies**

Please select one of the following options to resolve the usage deficiencies in your project:

- I elect to refund the full amount owed for the usage deficiencies in my project. Enclosed is a check for the total grant amount to be refunded to the LCAPCD.
  - Please make checks payable to the LCAPCD Air Pollution Control District and remember to reference your project number.
  - Checks can be mailed to 720 South St, Susanville CA 96130
  
- I would like to request an Annual Usage Waiver.
  - Please include a written request including:
    - Reason for annual usage deficiency
    - Statement that higher polluting equipment is not receiving more use in place of equipment under contract.
  - **Applying for a waiver does not guarantee a waiver will be granted.** If your request for a waiver is denied, you may still be required to pay the total grant amount to be refunded to the LCAPCD.

\_\_\_\_\_  
 Contract Signing Authority Signature

\_\_\_\_\_  
 Date



**EXHIBIT R**

**LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT  
CARL MOYER PROGRAM  
ANNUAL USAGE WAIVER RECOMMENDATION FORM**

An Annual Usage Waiver Application was submitted for the following project:

- Project/Agreement Number:**
- Project Name:**
- Project Type:**
- Total Grant Amount Owed:**

Whereas the following case narrative summarizes the reason(s) for the usage deficiency:

Based on the information provided in the application and the supporting documentation submitted, Carl Moyer staff recommends the following for the Air Pollution Control Officer consideration:

- Usage waiver should be granted because applicant has provided properly supported evidence which explains and demonstrates that the usage deficiency was due to reasons beyond the control of the applicant. Additionally, applicant has clearly demonstrated that the equipment for which the waiver is being requested was not being underutilized in favor of operating other, higher-polluting equipment.
- Usage waiver should **not** be granted because the applicant's usage deficiency has been evaluated to be within the control of the applicant. Staff recommends the following remedy for the usage deficiency:

Extend applicant's project agreement with the LCAPCD by adding the following number of years to the project life.

Allow transfer of ownership of the vehicle or equipment to an entity committed to comply with the contract terms, including the annual usage requirements.

Recalculate the project's cost-effectiveness based on the reported decrease in usage. Based on this calculation, if the project is still below the cost-effectiveness cap a waiver may be granted.

Request the return of project funds in proportion to the loss in emissions reductions, totaling in the amount of:

- Other:

Date: \_\_\_\_\_

\_\_\_\_\_  
Erik Edholm  
Air Pollution Control Officer

\_\_\_\_\_



**EXHIBIT S**

Date:

Participants Name

Address

Re: Usage Waiver

Dear Mr. \_\_\_\_\_

Based on the information provided in your Annual Usage Waiver Letter addressed to the Lassen County Air Pollution Control District, your request for a waiver for the usage deficiencies in your project, Agreement Number, has been:

**Granted for the full term of your agreement.** You do not have to pay back any grant funds for the current usage deficiencies in your project. You are no longer required to meet the minimum annual usage requirement stated in your agreement for the equipment for which the waiver was applied. Although a waiver has been granted for the usage deficiencies, other penalties, including repayment of grant funds, may still be enforced should you not be able to meet the remaining terms and conditions of your agreement with the LCAPCD.

**Granted for Year(s) of your agreement.** You do not have to pay back any grant funds currently. You do not have to meet the minimum annual usage requirement stated in your agreement for Year(s) of your agreement for the equipment in which the waiver was applied. This waiver is only granted for Year(s) of your agreement; you are required to meet the minimum annual usage requirements for the remaining year(s) of your agreement for the equipment. Although a waiver has been granted for the usage deficiencies, other penalties, including repayment of grant funds, may still be enforced should you not be able to meet the remaining terms and conditions of your agreement with LCAPCD.

A waiver for the usage deficiencies in the aforementioned agreement is hereby granted by:

\_\_\_\_\_  
Erik Edholm  
Air Pollution Control Office

Date: \_\_\_\_\_

\_\_\_\_\_

## EXHIBIT T

Lasson County Air Pollution Control District  
Carl Moyer Program Policies and Procedures  
**INFRASTRUCTURE PROGRAM**

This chapter provides project criteria for selecting and funding infrastructure projects that enable emission reductions in meeting State and local air quality goals. All infrastructure projects must be used to fuel or power a covered source as defined by Health and Safety Code section 44275(a)(7). These covered sources include but are not limited to on-road, off-road, and agricultural sources. Statute does not require infrastructure projects to meet a cost-effectiveness threshold. This document expands upon the minimum requirements of Chapter 10 (Infrastructure) of the state CMP Guidelines and the District's CMP Policies and Procedures Manual.

### **A. Project Eligible for Funding**

The following infrastructure projects may be eligible for funding.

- 1. Battery Charging Station.** New, conversion of existing, and expansion to existing non-residential battery charging stations. (e.g. workplace charging, direct current fast chargers along freeway roadway corridors, long-term charging at destination areas such as airports and shopping centers and charging at distribution centers and warehouses). For battery charging stations for electric school buses, please see the District's On-Road Equipment Replacement Program.
- 2. Hydrogen Fueling Station.** New, conversion of existing, and expansion to existing hydrogen fueling stations.
- 3. Stationary Agricultural Pump.** Pump electrification. This project category is part of the District's Off-Road Equipment Replacement Program.

To be eligible to partner with other funding sources or programs, the project must not be in progress, completed, nor invoiced and paid. The Air District must evaluate the co-funded project prior to approval and verify the co-funded project with CARB. All requirements of the Moyer program must be met for co-funded projects.

### **B. Maximum Eligible Funding Amounts**

- 1.** Table 1 summarizes the maximum eligible funding for each project type as a percentage. The maximum grant amount per project is \$100,000 unless a higher grant amount is approved by the Governing Board. Projects funded with Community Air Protection Incentives are eligible for an additional 10% in funding levels.

**Table 1**  
**Maximum Percentage Eligible for**  
**Moyer Program Infrastructure Projects**

Infrastructure Project	Maximum Percentage Eligible (not to exceed \$100,000 per project)
All Eligible Projects	<b>50%</b>
Publicly Accessible Projects	<b>60%</b>
Projects with Solar/Wind Power Systems (>50% powered)	<b>65%</b>
Publicly Accessible Projects with Solar/Wind Power Systems (>50% powered)	<b>75%</b>
Public School Bus Projects	<b>100%</b>

**C. Project Life**

(A) Table 2 summarizes the maximum project life.

**Table 2**  
**Maximum Project Life**

Type	Project Life
Stationary Agricultural Pump Electrification Projects	10 years
All Other Infrastructure Projects	15 years

(B) The maximum project life does not consider regulatory requirements that may shorten the eligible project life. Regulatory requirements may reduce actual project lives below these maximum values.

(C) The minimum project life allowed is three years.

**D. Project Criteria**

The qualifications for infrastructure projects are listed below. All projects must also conform to the District’s Policies and Procedures Manual and the state CMP Guidelines.

**1. General Criteria:**

(A) The project must be permanently installed and located in California.



- (B) The project must comply with all applicable federal, State, local laws and requirements including environmental laws, and State building, environmental and fire codes. For instance, air districts may need to perform CEQA review and obtain approval prior to funding a project.
- (C) Infrastructure projects with on-site wind or solar power generation and publicly accessible infrastructure projects must be solicited and selected through a competitive bidding process. State and local public agencies may piggyback from state public contract awards that have been selected through a competitive bidding process.
- (D) Work must be performed by contractors and/or electricians that meet all required licensing, certification, and statutory requirements for the eligible project type.
- (E) Publicly accessible station must be accessible to the public 24-hours a day or as many hours as allowed by local ordinance.
- (F) Equipment and parts must be new. Remanufactured or refurbished equipment and parts are not eligible.
- (G) Except for stationary agricultural pump projects, a completed Uniform Commercial Code-1 Financing Statement Form must be submitted by the air district to the California Secretary of State for infrastructure projects with a grant funding amount of \$50K or greater. The financing statement must list the air district as the secured party.
- (H) The applicant must be able to demonstrate to the air district that the applicant can obtain all required land use permits from agencies needed to install and operate the station.
- (I) For a publicly accessible station, the applicant must provide a description of the geographic location, including an aerial map (i.e. satellite view from an internet-based map or city/county map) and specific street address of the proposed station.
- (J) Applicants must demonstrate that they either own the land on which the project will be located, or control it through a long-term lease, easement or other legal arrangement, for the duration of the project life. For a proposed project where the land is not owned by the applicant, an executed lease agreement or letters of commitment lasting for the duration of the project life must be signed by property owners/authorized representatives and must be submitted with the application.
- (K) Applicants must be able to provide documentation that power or fuel is being, or will be, provided to the site (e.g. application, payment to the local utility company for power installation, or contract).

## **2. Eligible Costs:**

- (A) Cost of design and engineering, (i.e., labor, site preparation, Americans with Disabilities Act accessibility, signage).
- (B) Cost of equipment (e.g., charging/fueling units, electrical parts, energy storage

- equipment, materials).
- (C) Cost of installation is directly related to the construction of the station.
- (D) Meter/data loggers.
- (E) On-site power generation system that fuels or powers covered sources (i.e., solar and wind power generation equipment).
- (F) Federal, sales, and other taxes.
- (G) Shipping and delivery costs.
- (H) Fees incurred pre-contract execution (i.e., permits, design, engineering, site preparation), license fees, environmental fees, commissioning fees (safety testing), and onsite required safety equipment.

## **2. Battery Charging Stations:**

- (A) Charging equipment must be level 2 and higher.
- (B) Publicly accessible light-duty charging stations must use a valid and universally accepted charge connector protocol (e.g. Society of Automotive Engineers (SAE), CHAdeMO).
- (C) Charger must be certified by a Nationally Recognized Testing Laboratory (e.g., Underwriter's Laboratories, Intertek) located at <https://www.osha.gov/dts/otpca/nrtl/nrtllist.html>.
- (D) Equipment must have at least a one-year warranty.
- (E) Grantee must report all publicly available battery charging station installations to the Department of Energy Alternative Fuel Data Center located at <http://www.afdc.energy.gov/locator/stations/>.
- (F) Assembly Bill 841 (Ting, 2020) added Public Utilities Code (PUC) section 740.20, which requires Electric Vehicle Infrastructure Training Program (EVITP) certification to install electric vehicle charging infrastructure and equipment for work performed on or after January 1, 2022, subject to certain exceptions. Therefore, all electric vehicle charging infrastructure and equipment funded by this grant located on the customer side of the electrical meter shall be installed by a contractor with the appropriate license classification, as determined by the Contractors' State License Board, and at least one electrician on each crew, at any given time, who holds an EVITP certification. Projects that include installation of a charging port supplying 25 kilowatts or more to a vehicle must have at least 25 percent of the total electricians working on the crew for the project, at any given time, who hold EVITP certification. One member of each crew may be both the contractor and an EVITP certified electrician.

### **3. Hydrogen Fueling Stations:**

- (A) For hydrogen fueling stations, grantee must register and report to the Station Online Status System (SOSS) maintained by the California Fuel Cell Partnership ([www.cafcp.org](http://www.cafcp.org)). In addition, grantee must abide by the requirements of the reporting system.

### **E. District Administrative Requirements**

The District staff will implement the Infrastructure Program using the following administrative procedures:

1. The District releases Request for Proposals (RFPs) for the Carl Moyer Program annually per the District's Policies and Procedures Manual, however projects are generally ranked based on cost-effectiveness which precludes infrastructure projects. The District may release an infrastructure-specific RFP depending on available funding sources or direction from the District's Governing Board. Infrastructure projects are also eligible to apply during the RFP period for Community Air Protection (CAP) Incentives.
2. The District staff will work with applicants to complete the infrastructure application and may develop additional forms if necessary to collect all information, records, and price quotes necessary to evaluate the proposal and to populate the data fields in the CARB's Clean Air Reporting Log (CARL) database.
3. The District staff will evaluate each proposal to verify the eligibility in accordance with the CMP Guidelines. As part of the evaluation, staff will conduct a pre-inspection of the proposed location.
4. A Grant Contract will be executed for each infrastructure project that is approved by the District Air Pollution Control Officer. A sample Grant Contract is included in the District's Policy and Procedures Manual. An infrastructure-specific Grant Contract is under development and will include the contract requirements found in Chapter 10, Section I of the State Guidelines. Financing terms (if applicable) must be approved prior to the contract being signed.
5. The District will verify and document that each infrastructure project is operational. Inspections will include verification of operation by connecting a vehicle or equipment to the charging or fueling station, or in the case of an agricultural pump or shore power project, by connecting to the electrical grid. For projects that incorporate solar or wind power, the inspection will verify that infrastructure has been installed and connected to the power generation equipment (i.e. solar panels or wind turbines). The District will take photos of the equipment and keep photos in the project file. At the minimum, the photos must include equipment manufacturers, model number, and serial number. For Battery Charging Stations – the District will document the name of manufacturer, serial number and date of manufacture, amperage/voltage, and equipment recharge rate.
6. Payment will be processed once the District confirms the following:

- a. Approved pre-inspection
- b. Approved post-inspection – equipment installed and operational
- c. Approved invoices with warranty information
- f. Confirmed submittal of a W-9
- g. District listed as additional insured

All payments will be issued to the Program Participant. Two-party checks may be issued to both the Program Participant and Dealership if requested by the parties.

7. The District will require annual reporting from the Program Participant throughout the contract life.
8. Specific information about the District's administrative process can be found in the District's Policies and Procedures Manual.

#### **J. Additional Infrastructure Program Documents**

1. Infrastructure Sample Contract
2. Infrastructure Application

## **EXHIBIT U**

### **Lassen County Air Pollution Control District Carl Moyer Program Policies and Procedures LAWN AND GARDEN EQUIPMENT PROGRAM**

#### **Introduction**

The Carl Moyer Memorial Air Quality Standards Attainment Program (Moyer Program) provides monetary grants for the incremental cost of cleaner than required technology. The 2017 Moyer Program Guidelines provide minimum requirements for projects including eligible project source categories supported by the program. Lawn and Garden Equipment Replacement projects are addressed in Chapter 9 of the Moyer Program Guidelines. In 2023, CARB updated Chapter 9 to ensure a streamlined approach to reducing emissions from small off-road engines (SORE) by funding the replacement of zero-emission equipment. These updates support the goal to transition California to 100 percent zero-emission off-road vehicles and equipment by 2035 where feasible according to the Governor’s Executive Order N-79-20.

This document is an addendum to the Lassen County Air Pollution Control District (District) Carl Moyer Program Policies and Procedures Manual describing the implementation of the District’s Lawn and Garden Equipment (L&GE) Program consistent with Chapter 9 of the Moyer Program Guidelines. All projects and applicants must meet the minimum requirements stated in the 2017 Moyer Program Guidelines, CARB Technical Advisories, and District Carl Moyer Policies and Procedures to which this addendum is made.

#### **Program Goals and Objectives**

The L&GE Program offers incentives, when funding is available, toward the replacement of existing combustion lawn and garden equipment with cordless, zero-emission lawn and garden equipment. The emission reductions are surplus because zero-emission lawn and garden equipment is not currently required by end users. This program will include outreach and educational components to inform applicants about available technology and capabilities and the benefits of switching to zero-emission equipment.

The L&GE Program will provide vouchers to qualifying applicants for the purchase of cordless, zero-emission lawn and garden equipment from Participating Merchants. Funding sources and allocations as approved by the District Governing Board will govern if vouchers will be issued to Commercial entities, Residential individuals, or both.

#### **Project Eligibility**

##### Commercial Applicants

The following entities are eligible to apply for the Commercial component of the L&GE Program:

- a. California businesses that provide landscape maintenance services for residential, commercial, institutional, or public properties;
- b. Public agencies, businesses, or non-profit entities that conduct commercial-scale landscaping activities on their properties;
- c. Public agencies, businesses, or non-profit entities conducting forest management, land management, and fire hazard reduction activities.

For purposes of this Program, a “California business” means the individual and/or business applicant resides in California. A business resides in California if its principal place of business is physically located in California, and it has held a California business license for at least two (2) years.

Applicants must have owned and operated the existing combustion lawn and garden equipment for a minimum of two (2) years and intend to operate the replacement equipment within California for a minimum of 36 months from the date of purchase. The majority of use (greater than 50%) is intended to be in Lassen County. Additional eligibility requirements may be incorporated based on the source of funding (such as with Community Air Protection Incentives).

Additional funding opportunities may be available for small businesses through the State Clean Off-Road Equipment Voucher Incentive Project (CORE) program. To qualify, a small business must meet the CORE program's definition which is:

A small business means an independently owned and operated business that is not dominant in its field of operation, the principal office of which is located in California, the officers of which are domiciled in California, and which, together with affiliates, has 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or is a manufacturer, as defined in subdivision (c), with 100 or fewer employees. Commencing January 1, 2019, the average annual gross receipts threshold shall be fifteen million dollars (\$15,000,000). (Gov. Code § 14837(d)(1)(A)) ([Participate \(Landscape\) - Clean Off-Road Equipment Voucher Incentive Project \(californiacore.org\)](http://californiacore.org))

### Residential Applicants

When funding is available for Residential projects, individuals are eligible to apply if they reside in Lassen County. Applicants must have owned and operated the existing combustion lawn and garden equipment for a minimum of two (2) years and intend to operate the replacement equipment within California for a minimum of 36 months from the date of purchase. Additional eligibility requirements may be incorporated based on the source of funding (such as with Community Air Protection Incentives).

### Equipment

The Program supports the replacements of the following types of lawn and garden equipment:

- Chainsaws/Trimmers/Edgers/Brushcutters
- Leaf blowers/Vacuums
- Walk Behind Lawn Mowers
- Riding Lawn Mowers

Existing combustion lawn and garden equipment must be in operational condition at the time of application submission. This means the equipment must be able to start, move and has all operational parts intact. Applicant will certify this information on the application form and operational condition will be certified by Participating Merchants prior to destruction and recycling.

Destruction of the existing combustion equipment is required. Combustion equipment must be surrendered to the Participating Merchant within 30 days of purchase of the replacement lawn and garden equipment. The equipment must be in operational condition when delivered, and destroyed by the Participating Merchant or a scrap / recycling facility within 60 days of receipt.

Replacement Equipment must serve the same function and perform the same work as the existing equipment. New, cordless zero-emission electric equipment must be purchased from a Participating Merchant.

Equipment Merchants interested in participating in this program must agree to the terms and conditions of this program by signing an agreement with the District. Only Merchants who have signed an agreement with the District will be eligible to participate in the program.

**Vouchers**

The L&GE Program will provide vouchers to eligible applicants towards the purchase of eligible equipment. Eligible purchases include cordless, zero-emission electric lawn and garden equipment, batteries and/or charging cables to support the selected equipment. Purchases of batteries and/or charging cables without equipment is not eligible for funding. Voucher amounts must be less than or equal to 100% of the total eligible purchase costs. Co-Funding is allowed under the 2017 Moyer Program Guidelines, Chapter 2, Sections I, N, or O; however, the sum of all funds cannot exceed amounts set by Chapter 9, Table 9-1, shown below:

<b>Equipment</b>	<b>Maximum Residential Voucher Amount</b>	<b>Maximum Commercial Voucher Amount</b>
Chainsaws/Trimmers/Edgers/Brushcutters	\$300	\$700
Leaf Blowers/Vacuums	\$200	\$1,400
Walk Behind Lawn Mowers	\$330	\$1,500
Ride-on or Stand/Sit Mowers	\$2,000	\$15,000

Program Workflow

1. Prior to implementation, District will train Participating Merchants and execute a Merchant Agreement. The District will also coordinate with local scrap and recycling facilities to prepare a list of District authorized locations to perform the destruction required by this program. The District will conduct outreach to the public to announce the program opening and application solicitation.
2. Applicants will complete Voucher Application Form and submit along with supporting materials to the District.
3. Applications received by the District will be date stamped. District staff will review each application for completeness. If the application is not deemed complete, District Staff will contact the applicant within 30 days, identifying the information or documentation still needed to finalize the review of their application. District staff will document this notification in the application packet or file. Any application not completed after 30 days of District Staff’s notification will be deemed incomplete and removed from the pending application list.
4. Vouchers will be issued in the order the applications were originally received, with an expiration date of four (4) weeks from issuance.
5. Vouchers will be accepted by Participating Merchants at the time of sale and applied as a discount. Participating Merchants will notify the District of the sale once the customer has completed the purchase and received their new equipment.
6. Applicants will deliver their existing equipment to a Participating Merchant to be scrapped. Equipment must be verified as operational. If equipment is deemed inoperable, the facility will reject it. Participating Merchant will ensure and verify equipment is destroyed within 60 days of delivery.
7. Participating Merchants will be reimbursed within 30 days by the District once the purchase is completed, new equipment is received by applicant, existing equipment is scrapped, and all

required documentation is received. Required documents include a completed Voucher, Final Invoice, Voucher Tracking Form, and Equipment Destruction Form.

8. The District will maintain records and report to CARB as required by the Moyer Program Guidelines.

## **Agreements**

### Merchant Agreements

For equipment dealerships or retailers to participate in the Program, they must qualify, be trained on and agree to follow the Program policies and guidelines. At a minimum, the following requirements must be met:

1. Merchant must have had a valid business license issued in California for a minimum of the last two years.
2. Merchant must agree to allow the air district or CARB to inspect cordless, zero-emission electric L&GE or audit program records covered under this Agreement during normal business hours.
3. Merchant must agree to show the voucher amount on the final invoice or purchase receipt. The voucher amount will not lower the base price of the replacement equipment, nor will it reduce the tax basis of the equipment.
4. Merchant must agree that if it fails to show they are implementing the Program consistent with the Program requirements, the merchant shall return to the air district funds in proportion to any loss of emission reductions compared with the projected reductions of the agreement.

### Salvage, Disposal or Recycling Facility Agreements

The District may enter into agreements with salvage, disposal and/or recycling facilities to participate in the L&GE Program. Any agreement must comply with Moyer Program requirements for salvage and recycling facilities in addition to the following:

1. Statement agreeing to destroy the L&GE and engine within 60 days of receipt in a way that ensures the L&GE engine is no longer operable or repairable.
2. Agreement to notify the District that the combustion L&GE is destroyed by sending documentation indicating the number of L&GE destroyed.

Refer to the 2017 Carl Moyer Program Guidelines and Chapter 9 for a complete list of requirements and terms for the above contracts.



## **Recordkeeping and Reporting**

The District is responsible for maintaining project records and reporting to CARB on the status of the Carl Moyer Program annually. All Program materials will be maintained in accordance with the 2017 Carl Moyer Program Guidelines and will utilize the CARL online database to provide information to CARB on the implementation of the L&GE Program.

### **Attachments:**

**Commercial Lawn and Garden Voucher Application**

**Commercial Lawn and Garden Voucher**

**Carl Moyer Lawn and Garden Voucher Tracking Form**

**Carl Moyer Lawn and Garden Equipment Destruction Form**

**Carl Moyer Lawn and Garden Merchant Agreement**

*To be developed:*

*Residential Lawn and Garden Voucher Application*

*Residential Lawn and Garden Voucher*

# CARL MOYER LAWN AND GARDEN EQUIPMENT PROGRAM COMMERCIAL VOUCHER APPLICATION



The goal of the Carl Moyer Commercial Lawn & Garden Program is to provide vouchers to businesses and organizations to help offset the cost of new, zero-emission lawn and garden equipment while replacing older combustion equipment. This voucher application form can be used for replacement projects in Lassen County while funding lasts.

## **WHO CAN APPLY?**

Businesses that provide landscape maintenance services for residential, commercial, institutional, and public properties.

Public agencies, businesses, and non-profit entities that conduct commercial-scale landscaping activities on their properties.

Public agencies, businesses, and non-profit entities who conduct forest management, land management, and fire hazard reduction activities.

Residential use is not eligible through this Commercial Lawn & Garden Program.

## **WHAT ARE THE VOUCHER AMOUNTS?**

Equipment Type	Maximum Voucher Amount*
Chainsaws, Trimmers, Edgers, & Brush cutters Including charging cable & additional batteries	<b>\$700</b>
Leaf Blowers & Vacuums Including charging cable & additional batteries	<b>\$1,400</b>
Walk Behind Lawn Mowers Including charging cable & additional batteries	<b>\$1,500</b>
Ride-on or Stand/Sit Mowers Including charging cable & additional batteries	<b>\$15,000</b>
Total funding will be limited to \$40,000 per entity for each Program year.	

\*Maximum voucher amount not to exceed total cost of eligible purchase including taxes, fees, charging cord, and additional batteries.

## **IMPORTANT PROGRAM REQUIREMENTS**

- Older equipment must be owned and operated by the applicant and must still be operational.
- Replacement equipment must be new, cordless, zero-emission, and serve the same function as the older equipment being replaced.
- Retroactive purchases are not allowed. Vouchers can only be redeemed with Participating Merchants.

## **WHAT IS THE PROCESS?**

- 1.** Apply for one or more vouchers using this form and submit to your local Air District.
- 2.** If approved, your local Air District will issue you a voucher for each piece of equipment to be replaced.
- 3.** Turn in your voucher to the Participating Merchant of your choice and they will reduce the purchase price of the new equipment by the voucher amount.
- 4.** Within 30 days of purchasing new equipment, surrender old combustion equipment to the Participating Merchant to be scrapped.
- 5.** Use your new zero-emission lawn and garden equipment as normal.

**HOW TO APPLY**

- Complete & sign this application form.
- Include a photo of existing combustion equipment & engine plate (if available).
- Business License and/or IRS Form W-9 for Business or Organization.
- Submit the application form to your local Air District.

All sections of the Voucher Application Form (pages 3 and 4) must be completed. A copy should be retained by the Applicant for their records. The voucher program is not responsible for materials lost by mail. Please review the program terms prior to signing below.

**Mail, drop off, or email the completed package to:**

Lassen County Air Pollution Control District  
66 N Lassen Street  
Susanville, CA 96130  
[jsterling@cityofsusanville.org](mailto:jsterling@cityofsusanville.org)

**VOUCHER APPLICATION FORM**

**Applicant Information:**

Business / Organization Name (as it appears on IRS Form W-9) Employer/Tax Identification Number

Mailing Address City State Zip Code

Physical Address (if different) City State Zip Code

General Locations of Equipment Use (Counties, Cities, etc.)

Primary Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

**Existing Equipment to be Replaced:**

<input type="checkbox"/> Chainsaw/Polesaw <input type="checkbox"/> Trimmer <input type="checkbox"/> Brushcutter <input type="checkbox"/> Leaf Blower/Vacuum <input type="checkbox"/> Walk-Behind Mower <input type="checkbox"/> Ride-On/Stand Mower		
Manufacturer	Model Year (if known)	Engine Family (on engine plate)

<input type="checkbox"/> Chainsaw/Polesaw <input type="checkbox"/> Trimmer <input type="checkbox"/> Brushcutter <input type="checkbox"/> Leaf Blower/Vacuum <input type="checkbox"/> Walk-Behind Mower <input type="checkbox"/> Ride-On/Stand Mower		
Manufacturer	Model Year (if known)	Engine Family (on engine plate)

<input type="checkbox"/> Chainsaw/Polesaw <input type="checkbox"/> Trimmer <input type="checkbox"/> Brushcutter <input type="checkbox"/> Leaf Blower/Vacuum <input type="checkbox"/> Walk-Behind Mower <input type="checkbox"/> Ride-On/Stand Mower		
Manufacturer	Model Year (if known)	Engine Family (on engine plate)

<input type="checkbox"/> Chainsaw/Polesaw <input type="checkbox"/> Trimmer <input type="checkbox"/> Brushcutter <input type="checkbox"/> Leaf Blower/Vacuum <input type="checkbox"/> Walk-Behind Mower <input type="checkbox"/> Ride-On/Stand Mower		
Manufacturer	Model Year (if known)	Engine Family (on engine plate)

Use additional forms if needed for additional equipment.

Application continues on next page...

<b>District Use Only</b>	
Date Received: _____	Eligibility Verified By: _____
	Date: _____

**VOUCHER APPLICATION FORM (continued)**

**Total Number of New Equipment Requested By Category:**

Chainsaws/Polesaws: \_\_\_\_\_ Trimmers: \_\_\_\_\_ Edgers: \_\_\_\_\_ Brushcutters: \_\_\_\_\_

Leaf Blowers/Vacuums: \_\_\_\_\_ Walk-Behind Mowers: \_\_\_\_\_ Ride-On/Standing Mowers: \_\_\_\_\_

**Co-Funding Disclosure:**

Please list any other financial incentives, including tax credits or deductions, grants, or other public financial assistance for the proposed purchase of replacement lawn & garden equipment:

---

**APPLICANT CERTIFICATION:**

I certify the following:

- a. The business or organization completing this application resides in the State of California. A business resides in California if its principal place of business is physically located in California.
- b. The existing lawn & garden equipment to be replaced is currently owned and operated by the applicant, is operational, and has been owned and operated by the applicant for at least two years.
- c. The business or organization applying for voucher funding intends to own and operate the new, cordless zero-emission electric lawn & garden equipment in California for a minimum of 36 months and is not acquiring the replacement lawn & garden equipment for resale.
- d. The business or organization applying for voucher funding has disclosed all additional co-funding sources and discounts that will be applied to this purchase.
- e. The business or organization applying for voucher funding has not purchased replacement equipment that they are seeking funding for prior to applying to this program.
- f. I understand that if I qualify, I will receive a voucher for each eligible piece of equipment and a current list of Participating Merchants who will honor the voucher if it is submitted by the expiration date written on the voucher.
- g. I understand that I must receive an approved program voucher from the Air District prior to purchasing the new equipment or destroying the old equipment.
- h. I understand that an incomplete or illegible application may be immediately rejected, and I will be notified.
- i. I understand as an applicant that incentive programs have limited funds and shall terminate upon depletion of program funding.
- j. I understand that the existing combustion equipment must be surrendered to the Participating Merchant in operational condition within 30 days of the purchase of new equipment.
- k. I understand that I am responsible for paying the Participating Merchant for the purchase price of new equipment, less the voucher amount.
- l. The Air District issuing the voucher does not warranty any equipment purchased under this voucher program, including, but not limited to, the quality or functionality of the lawn & garden equipment.
- m. Applications will be treated in accordance with Public Records Act requirements. Certain information, subject to those requirements, may be publicly disclosed.

The information provided in this application is true and correct and meets the minimum requirements of the Carl Moyer Commercial Lawn and Garden program.

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

**Title:** \_\_\_\_\_

**Applicant Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# CARL MOYER LAWN AND GARDEN EQUIPMENT PROGRAM COMMERCIAL VOUCHER



**Voucher Type:** \$700     Chainsaw     Pole saw     Edger     Trimmer     Brush cutter  
 \$1,400     Leaf Blower     Leaf Vacuum  
 \$1,500     Walk-Behind Mower  
 \$15,000     Ride-On Mower     Stand-On Mower

For District Use Only			
Voucher #		Date Issued	
Amount		<b>Expiration Date*</b>	

\_\_\_\_\_ Business / Organization Name

\_\_\_\_\_ Primary Contact Name

\_\_\_\_\_ Applicant Signature (sign before redeeming)

\_\_\_\_\_/\_\_\_\_/\_\_\_\_ Date

By signing above, you accept the Voucher Terms located on the back of this Voucher.

\*Voucher must be **redeemed** within four (4) weeks of date of issue.

To be completed by the Participating Merchant and returned to the District.

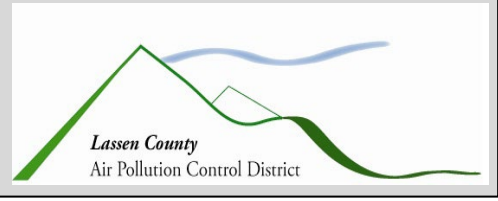
Participating Merchant:	Sales Contact:
Customer Name:	Customer Contact:
Date of Sale:	
Participating Merchant Signature:	Date:

For District Use Only

## Voucher Terms

- Eligible project costs include the cost of the new zero-emission lawn & garden equipment, sales tax, fees, charging cord, and additional batteries necessary to complete the same work as the replaced combustion equipment.
- The business or organization redeeming this Voucher resides in the State of California.
- This Voucher cannot be redeemed by the applicant for cash. It only can be used in conjunction with the purchase of a new qualified device from a Participating Merchant. A Voucher given to a non-participating merchant shall not be accepted and the Voucher amount will not be honored by the District.
- The Voucher is not valid until signed by the customer.
- This Voucher must be given to the Participating Retailer at the time of purchase of the new lawn & garden equipment. If you do not provide the original voucher to the Participating Merchant at the time of purchase, the Participating Merchant will not be obligated to give you the discount at the time of purchase or at a later time.
- Funding for the voucher program is first come, first served. The voucher will only be valid for four weeks from date of issuance.
- The District does not warranty any equipment purchased under this voucher program, including, but not limited to, the quality or functionality of the lawn & garden equipment.
- The existing combustion equipment must be surrendered to the Participating Merchant in operational condition within 30 days of the purchase of new equipment.
- This Voucher will be forfeited if false information is provided to the District.

# CARL MOYER LAWN AND GARDEN EQUIPMENT PROGRAM VOUCHER TRACKING FORM



This form is to be completed by the Participating Merchant and sent to the corresponding Air District (see Voucher for Issuing Air District). You may use this form for multiple vouchers if they are processed together.

Voucher Number(s): \_\_\_\_\_

Customer's Name: \_\_\_\_\_

Customer's Address: \_\_\_\_\_

## **Old Combustion Equipment**

Date old equipment delivered to Participating Merchant: \_\_\_\_\_

Please initial the following statements:

I certify that the old equipment was intact and appeared operational. \_\_\_\_\_ Yes

## **New Equipment Summary**

<b>Equipment Make/Model</b>	<b>Quantity</b>	<b>Number of Charging Cords</b>	<b>Number of Batteries</b>



Participating Merchant certifies that the information contained on this tracking form and other required forms are accurate and complete and that it has met the program requirements, which performance is a prerequisite to receiving reimbursement from the participating Air District.

Name of Participating Merchant Representative: \_\_\_\_\_

**Signature of Participating Member or Authorized Representative:**

\_\_\_\_\_ **Date:** \_\_\_\_\_

To ensure quick processing, please make sure you send all items listed.

**Checklist of Required Documents:**

- Signed original Voucher
- Equipment Destruction Form (can be used for multiple Vouchers)
- Photos of destroyed equipment if destroyed by Merchant
- Copy of final invoice(s) showing the final purchase price of all items
- This Voucher Tracking Form
- Invoice from Merchant to District for payment

**Mail, drop off, or email the completed package to:**

Lassen County Air Pollution Control District  
66 N Lassen Street  
Susanville, CA 96130  
[jsterling@cityofsusanville.org](mailto:jsterling@cityofsusanville.org)

# CARL MOYER LAWN AND GARDEN EQUIPMENT PROGRAM DESTRUCTION FORM



This form tracks the destruction of the older combustion equipment replaced through the voucher program. Replaced combustion equipment must be destroyed and rendered permanently unusable and irreparable within thirty days of receipt.

**Voucher Number(s):** \_\_\_\_\_  
\_\_\_\_\_

**Number of Units Included in this Batch.**

Chainsaws / Trimmers / Edgers / Brush cutters	Leaf Blowers / Vacuums	Walk-Behind Mowers	Ride-On / Standing Mowers

.....  
**Option 1: Equipment Destroyed by Participating Merchant**

Please include photos of the destroyed equipment.

I certify that the combustion equipment listed above was destroyed and rendered permanently unusable and irreparable.

Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_

.....  
**Option 2: Equipment Destroyed by Scrap / Recycling Facility**

*\*Note that equipment should be drained of fluids before delivering to scrap facility\**

Date Delivered to Scrap / Recycling Facility: \_\_\_\_\_

Name of Scrap / Recycling Facility: \_\_\_\_\_

**\*\*To be completed by Scrap / Recycling Facility\*\***

I certify that the combustion equipment listed above was destroyed and rendered permanently unusable and irreparable.

Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# CARL MOYER LAWN AND GARDEN EQUIPMENT PROGRAM MERCHANT AGREEMENT



**Parties:** This Merchant Agreement ("Agreement") is for services between the Lassen County Air Pollution Control District (DISTRICT"), and

\_\_\_\_\_  
("Subrecipient"), effective as of the date of the District signature. below.

**Subject Matter:** The subject matter of this Agreement is the Carl Moyer Lawn and Garden Program. Detailed services to be provided by the Subrecipient pursuant to this Agreement are described in the Carl Moyer Lawn and Garden Program ("Program") Merchant Provisions ("Merchant Provisions"), attached hereto and incorporated herein by this reference.

**Maximum Amount:** In consideration of the services to be performed, the DISTRICT agrees to pay Subrecipient a sum not to exceed the amount specified in the Merchant Provisions.

**Agreement Term:** The period of Subrecipient's performance begins upon date of execution, signified by the latest date of signature by the DISTRICT, and ends on June 30, 2026 or earlier if the parties agree that all project dollars have been spent, whichever occurs first.

**Amendment:** No changes, modifications, or amendments in the terms and conditions of this Agreement will be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the DISTRICT and Subrecipient.

**Termination:** This Agreement may be terminated with at least 30 days advanced written notice to the other parties.

**Contact persons:**

**Subrecipient (Merchant) Name:** \_\_\_\_\_

**Subrecipient Program Contact:**

**Subrecipient Fiscal Contact:**

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

Fax: \_\_\_\_\_

Fax: \_\_\_\_\_

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

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

City/St/Zip: \_\_\_\_\_

City/St/Zip: \_\_\_\_\_

\_\_\_\_\_  
Signature Subrecipient Date: \_\_\_\_\_

\_\_\_\_\_  
Signature Lassen County Air Pollution Control District Date: \_\_\_\_\_

I hereby certify that I understand the conditions and requirements for participation in the Carl Moyer Lawn and Garden Program and agree to fulfill the requirements and comply with the conditions in this Agreement that I am entering into with the DISTRICT.

### **District Contact**

**Lassen County Air Pollution Control District:**

Name: Jeffrey Sterling  
Phone: 530 - 252 - 4247 Ext 4004  
Fax: 530 - 257 - 4725  
E-mail: [jsterling@cityofsusanville.org](mailto:jsterling@cityofsusanville.org)

## Carl Moyer Lawn and Garden Program Merchant Provisions

1. Inform potential customers about Program requirements and timelines.
2. Determine if the customer is participating through a Commercial or a Residential Lawn and Garden Program.
3. Accept the voucher from the customer and apply the full voucher value as a discount towards the purchase price of the device.
  - a. New Replacement Lawn & Garden Equipment (L&GE) are valued at the following maximum funding amounts:

Equipment	Residential Voucher Amount	Commercial Voucher Amount
Chainsaws / Trimmers / Edgers / Brushcutters	\$300	\$700
Leaf Blowers / Leaf Vacuums	\$200	\$1,400
Walk Behind Lawn Mowers	\$330	\$1,500
Ride-on or Stand/Sit Mowers	\$2,000	\$15,000

- b. The total voucher amount may not exceed the maximum funding amounts above or exceed the total purchase cost of the new LG&E.
  - c. Total purchase costs for the new LG&E include only the new zero-emission unit, charging cable, extra batteries necessary to perform needed work, taxes, and fees.
4. Do not take a voucher from a customer if the customer does not purchase the L&GE or enter into a binding agreement to purchase new L&GE.
5. State the voucher amount on the replacement L&GE invoice or receipt. The receipt of voucher funds does not lower the base price of the L&GE nor does it reduce the tax basis of the L&GE but is an incentive to the L&GE owner that will result in a lower price paid by the participant.
6. Take delivery of the old combustion equipment from the Customer within 30 days of the purchase of the L&GE. Verify that the old equipment was intact and appeared operational.
7. Complete and sign the Carl Moyer Lawn and Garden Voucher provided by the customer for each L&GE purchased. Complete and sign the Carl Moyer Lawn and Garden Voucher Tracking Form for each customer (multiple Vouchers can be batched together).
8. Destroy the surrendered combustion equipment and submit a photo depicting the destruction OR deliver surrendered combustion equipment to a scrap or recycling facility for destruction. If delivered to a scrap or recycling facility, the old combustion equipment must be destroyed and rendered permanently unusable, and destruction certified by the facility within 60 days of receipt and before the DISTRICT can provide payment.
9. Complete and submit to the DISTRICT an Equipment Destruction Form (multiple Vouchers can be batched together).

10. Submit to the DISTRICT completed paperwork with an original invoice for reimbursement. Invoices submitted to the DISTRICT without the required paperwork are not payable until all documentation is submitted (No Exceptions). All paperwork must be submitted to the DISTRICT within thirty (30) days of the date of purchase. The following paperwork must be submitted with invoice and all forms must be fully completed:
  - a. Original Voucher's will only be accepted, Copies of the voucher will not be accepted.
  - b. Copy of purchase invoice(s) – The purchase invoice(s) must show all costs, discounts, and Vouchers as line items. The purchase invoice must be signed by the customer and list the manufacturer, and the type of L&GE purchased.
  - c. Voucher Tracking Form.
  - d. Equipment Destruction Form referencing the Voucher.
  - e. Photo of destroyed combustion equipment, if destroyed by Participating Merchant.
11. Participating Merchant, understands that the Carl Moyer Lawn and Garden Program must comply with State requirements within Chapter 9 of the 2017 Carl Moyer Program Guidelines incorporated herein and located here or available on request: <https://ww2.arb.ca.gov/guidelines-carl-moyer>.
12. Participating Merchant certifies that its place of business has carried a valid business license issued in California for a minimum of the last two years.
13. Participating Merchant understands that the District will not reimburse it for expired vouchers.
14. Participating Merchant agrees to indemnify, defend, and hold harmless the DISTRICTS and their employees, agents, and representatives against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of its performance under this Agreement, the destruction of combustion L&GE, the sale of replacement L&GE, and any other element of the replacement process.
15. Participating Merchant agrees to address and resolve unanticipated issues with the DISTRICT within 10 business days.
16. Participating Merchant agrees to provide the DISTRICT and the California Air Resources Board (CARB) access to its facilities and records during normal business hours to inspect for compliance with program requirements, if requested.

17. Participating Merchant understands the following: This Program involves funding from the state and, as a consequence, Merchants must comply with all applicable nondiscrimination statutes and regulations during the performance of this Program including but not limited to the following: Merchants and their employees, representatives, and Subcontractors must not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status; Merchants shall, unless exempt, comply with the applicable provisions of the Fair Employment and Housing Act (Government Code, Sections 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 7285.0 et seq.); and the applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations incorporated into this Program by reference and made a part hereof as if set forth in full. Merchants, by signing the Merchant Agreement, provide written notice of their obligations under this clause as required by law.
  
18. Participating Merchant understands that should it fail to demonstrate, upon request by the DISTRICT or CARB, that its implementation of this Agreement is consistent with L&GE replacement program requirements, the Participating Merchant must pay the District a pro rata portion of the funds received under this agreement that is proportionate to any loss of emission reductions compared with the projected reductions of the agreement.

EXIBIT V

Lassen County Air Pollution Control District  
Community Air Protection Incentives  
Policies and Procedures Manual

Approved for Amendment on Month, day, 2024 by the  
Lassen County Air Pollution Control District Governing Board



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## LCAPCD Community Air Protection Incentives Policies and Procedures

### **Incorporated Documents:**

Carl Moyer Program Policies and Procedures Manual

Woodsmoke Reduction Program Project Plan (pending approval)

### **Guidance Documents:**

Carl Moyer Program 2017 Program Guidelines

Community Air Protection Funds Supplement to the Carl Moyer Program 2017 Guidelines

Community Air Protection Incentives 2019 Guidelines

Community Air Protection Grant Agreements with CARB

Woodsmoke Reduction Program Guidelines

**I. Introduction**

Assembly Bill (AB) 617 (Chapter 136, Statutes of 2017) directed the California Air Resources Board (CARB), in conjunction with local air districts to establish the Community Air Protection (CAP) Program. AB 617 provides a community focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in the communities most impacted by air pollution. AB 617 calls for CARB and the air districts to actively engage with members of heavily impacted communities, follow their guidance, and address local sources of concern. AB 617 includes a variety of strategies to address air quality issues in impacted communities, including community-level monitoring, uniform emission reporting across the State, stronger regulation of pollution sources, and incentives for both mobile and stationary sources. To support the AB 617 effort, the California Legislature has appropriated incentive funding to support early actions to address localized air pollution in the most impacted communities.

CARB developed the CAP Incentives 2019 Guidelines which contain guiding principles, program administration requirements, and eligibility criteria for new incentives to address the new project categories identified in SB 856. These CAP Guidelines build upon 2018's CAP Funds Supplement to the Carl Moyer Program (CMP) 2017 Guidelines. The Lassen County Air Pollution Control District will use these two guiding documents, as well as CARB's Carl Moyer Program Guidelines, the District's Carl Moyer Program Policies and Procedures Manual, and the District's Woodsmoke Reduction Program Project Plan (pending approval) to guide the District's policies and procedures for CAP Incentives projects.

**II. Program Timeline (Target date unless required by grant agreement)**

Date	Goal
February	Conduct Community Outreach
March	Solicit for Proposals
April	Board Approval of Selected Projects
By May 1	Submit Grant Disbursement Request to CARB
By June 30	50% of the current year’s project funds are under contract. 100% of previous year’s project under contract. 100% of project funds from two years ago liquidated (refer to individual grant agreement with CARB).

**III. Eligible Project Categories**

**A. Carl Moyer Program Eligible Projects**

The Community Air Protection Funds Supplement to the CMP 2017 Guidelines provides the requirements and funding levels for funding Carl Moyer Program eligible projects using CAP Incentives. If selected, these projects will be administered using the District's Carl Moyer Program

Policies and Procedures Manual. Table 1 shows the maximum funding amounts for Carl Moyer Program eligible projects under the Community Air Protection Program.

**Table 1: Maximum Percentage of Eligible Cost and District Funding Caps for Projects funded with CAP Incentives.**

Category	Project Type		Community Air Protection	
			District Funding Cap	Maximum Eligible Grant
On-Road	Zero-Emission Replacements or Conversions	School Buses	None	100%
		Transit Buses	None	95%/90%/60%*
		HHD Vehicles	None	
		MHD Vehicles	None	95%/90%/60%*
	Conventional Diesel or Alternative Fuel Replacements	LHD Vehicles	None	95%/90%/60%*
		School Buses	None	\$165,000
		Transit Buses	None	\$25,000
		HHD Vehicles	None	\$60,000
		MHD Vehicles	None	\$40,000
	LHD Vehicles	None	\$30,000	
Emergency Vehicles		None	80%	
Off-Road	Repower (conventional or zero emission)		None	95%
	Mobile Equipment Replacement (conventional or zero-emission)		None	90%
	Portable Equipment Replacement (conventional or zero-emission)		None	90%
Infrastructure	Any Infrastructure Project		None	60%
	Projects with solar/wind power systems		None	75%
	Any Infrastructure Project Located at a Sensitive Receptor		None	100%
	Publicly Accessible Projects		None	70%
	Publicly accessible projects with solar/wind power systems		None	85%
	Public School Bus Battery Charging and Alternative Fueling		None	100%

\*Except for emergency vehicles, no more than 95 percent of vehicle cost for fleets with three or fewer vehicles, no more than 90 percent for fleets with more than three and ten or fewer vehicles, and no more than 60 percent of vehicle cost for fleets with greater than ten vehicles.

## 1. Heavy Duty Engine Replacement

The following engine replacement projects are eligible for CAP Incentives administered by the District provided that state and local requirements are met:

- Diesel or CNG on-road heavy-duty vehicle replacement;
- Diesel or spark ignited heavy-duty (>25 horsepower) off-road equipment replacement.

## 2. Zero Emission Infrastructure

The following infrastructure projects are eligible for CAP Incentives administered by the District:

- Battery charging infrastructure associated with an equipment replacement project.
- New battery charging station.

## B. Reducing Air Pollution in Schools

These project categories are designed to decrease exposure and address a range of outdoor and indoor air emissions sources that may potentially affect the health of school children. The District may fund a project or projects at schools in disadvantaged communities or low-income communities. These project categories will be administered by the Policies and Procedures Manual with guidance from Chapter 5 of the Community Air Protection Incentives 2019 Guidelines.

### 1. Air Filtration Systems

Air filtration reduces the concentration of particulate contaminants from indoor air and is an important component of a school's Heating Ventilation and Air Conditioning (HVAC) system. Reducing airborne particles (such as PM<sub>2.5</sub>) is important because particulate matter negatively impacts human health, especially for sensitive populations such as children. Older HVAC systems and basic air filtration used in some schools only remove a small fraction of particles in the air that are smaller than 0.3 microns (pm). More efficient HVAC air filters and standalone air cleaners are important for creating healthier air in school classrooms. Table 2 shows the maximum funding amounts for this project type.

**Table 2: Funding Amounts for Air Filtration Systems**

Type of Equipment	Funding Amount
Air Filters (MERV 14+ or the best available applicable filter as determined by a current HVAC assessment)	Up to 100%
Standalone Systems (MERV 14+)	Up to 90%

## 2. Composite Wood Products

This project type pays a portion of the cost to replace damaged school furniture with furniture that contains composite wood made with no-added formaldehyde (NAF) glue or ultra-low emitting formaldehyde (ULEF) glue, thus decreasing the potential for formaldehyde emissions in classrooms. Table 3 shows the maximum funding levels for this project type.

**Table 3: Funding levels for Ultra/ No-Added Formaldehyde Composite Wood Products Used in Schools**

Type of Equipment Funded <sup>1</sup>	NAF Funding Percentage	ULEF Funding Percentage
Tables/Desks/Countertops	100%	90%
Chairs	100%	90%
Cabinets	100%	90%

## 3. Zero-Emission Lawn and Garden

The use of internal combustion lawn and garden equipment to maintain schoolyards and sporting fields exposes children and equipment operators to elevated levels of air toxins and criteria air pollution. This project type provides incentives to schools in disadvantaged communities or low-income communities and contractors servicing those public schools to purchase zero-emission L&GE less than 19 kilowatts (or 25 horsepower) such as lawn mowers, chainsaws, leaf blowers, trimmers, etc. Table 4 shows the maximum funding amount for this project type.

**Table 4: Eligible Zero-Emission Lawn and Garden Equipment Types and Funding Amounts.**

Equipment Type	Equipment Funding Amount	Funding Amount for Additional Batteries and/or Charger
Chainsaws/Pole saws, Edgers, Trimmers, Blowers/Vacuums	70 percent of purchase price up to \$400	70 percent of purchase price up to \$400
Walk-Behind Mowers	70 percent of purchase price up to \$750	70 percent of purchase price up to \$750
Ride-On or Standing Ride Mowers	70 percent of purchase price up to \$15,000	Not Eligible

## C. Woodsmoke Reduction Program Projects

Projects eligible under the most recently approved State Woodsmoke Reduction Program Guidelines will be eligible for CAP Incentive funding pending approval of the District's Woodsmoke Reduction Program Project Plan by CARB per Chapter 6 of the CAP Incentives 2019 Guidelines.

## **D. Other Stationary Source and Community-Identified Projects**

Chapter 6 of the CAP Incentives 2019 Guidelines gives Air Districts the flexibility to fund stationary projects that address air pollution after documenting community support for specific projects and submitting project plans to CARB for approval. Air Districts can also adapt existing approved project plans for use within their communities. A list of approved project plans is located at <https://ww2.arb.ca.gov/our-work/programs/community-air-protectionincentives/stationary-source-and-community-identified>.

## **IV. Project Selection**

The District will use the Guiding Principles included in the CAP Incentives 2019 Guidelines to help select projects that meet the goals of the Community Air Protection Program and AB 617. These Guiding Principles include:

- Reducing emissions in disadvantaged and low-income communities, with a goal of 70% of funds benefitting disadvantaged communities and 80% of funds benefitting low-income communities. FYI 9-20 & FY21-22 funds have a goal of 75% of funds benefitting disadvantaged communities and 90% of funds benefitting low-income communities.
- Considering toxic air contaminant, criteria air pollutant, and greenhouse gas reduction benefits.
- Engaging communities and providing support.
- Providing emission reductions in excess of laws and regulations.
- Prioritizing zero-emission technology and infrastructure.
- Considering special projects that protect sensitive receptors.
- Ensuring transparency in project selection and reporting.
- Considering both cost-effectiveness and relative exposure reduction in funding decisions.

### **A. Community Engagement**

The District will provide direct outreach to groups of potential applicants in disadvantaged and low-income communities to increase awareness of funding opportunities. The District may also conduct outreach in or near disadvantaged communities to seek input on important community needs from local residents and community-based organizations. Community outreach information will be documented for inclusion in disbursement requests and semi-annual reports. Priorities identified by community members and organizations will be documented and provided to the District's Governing Board. A community priority with the highest level of support will be considered a primary community need for the purposes project ranking. All other community priorities will be considered secondary community needs for the purposes of project ranking.

A map of Disadvantaged Communities (SB 535 (De Leon, Chapter 830, Statutes of 2012)) and Low income Communities (AB 1550 (Gomez, Chapter 369, Statutes of 2016)) is available at <https://webmaps.arb.ca.gov/PriorityPopulations/>

## **B. Project Solicitation**

The District will open a one-month solicitation period in the spring to accept project proposals. The District will make the required documents and guidelines available to the public on the District website as well as at the District office. Proposals will be reviewed, and the applicant will be notified within 30 working days of receipt of the completeness of the proposal. Proposals will be tracked in the CARL database as well as in an excel spreadsheet.

Outreach for project solicitation will include press releases to local media and outreach to the potential applicants and community groups involved in the community engagement process.

## **C. Project Ranking**

The District will prioritize eligible projects based on the following criteria (from highest priority to lowest priority):

1. Projects in disadvantaged communities addressing a primary community need as determined based on community engagement.
2. Projects in disadvantaged communities addressing a secondary community need as determined based on community engagement.
3. Projects in low-income communities addressing a primary community need as determined based on community engagement.
4. Projects in low-income communities addressing a secondary community need as determined based on community engagement.
5. Other eligible projects in disadvantaged communities progressing zero-emission technologies and benefitting sensitive receptors.
6. Other eligible projects in disadvantaged communities progressing zero-emission technology.
7. Other eligible projects in disadvantaged communities benefitting sensitive receptors.
8. Other eligible projects in low-income communities progressing zero-emission technologies and benefitting sensitive receptors.
9. Other eligible projects in low-income communities progressing zero-emission technology.
10. Other eligible projects in low-income communities benefitting sensitive receptors.
11. Other eligible projects in low-income communities.
12. Projects located outside of disadvantaged communities and low-income communities may benefit these communities.
13. Eligible projects located outside of disadvantaged communities and low-income communities.



CMP eligible projects & school lawn and garden projects within each priority level will be ranked based on cost-effectiveness. School composite wood and air filtration projects will be ranked based on the number of students to benefit from the project. Within each priority level, diesel to zero-emission equipment replacement projects will be prioritized over diesel to diesel or alternative fuel replacement projects.

#### **D. Government Board Approval of Projects**

The District will post a proposed list of projects on the District's website at least one week prior to the regular meeting of the District's Governing Board where projects will be proposed for approval. All applicants will be notified of the time, date, and location of the regular meeting of the District Governing Board.

#### **E. Award Notification**

The District will mail all applications a list of the approved projects. A list of approved projects and awardees will also be posted on the District's CAP webpage [www. lassenair.org](http://www.lassenair.org)

#### **F. Unallocated Funds**

If CAP Incentives funds from the current fiscal year or older remain unallocated after the project selection process, the APCO may approve identified eligible projects on a case-by-case basis using the criteria in IV.C (**Project Ranking**) as guidance.

### **V. Project Management**

#### **A. Pre-Inspection**

After selecting a potential project, the District will complete a pre-inspection prior to contract execution. Pre-inspections for CMP eligible projects will follow the District's CMP Policies and Procedures Manual.

The pre-inspection for school air filtration projects will include photos of the current in-use air filtration system, in-use filters, and the space to benefit from the project. The pre-inspection for composite wood product projects will include photos of existing furniture/furnishing to be replaced with manufacturer information, if on equipment. The pre-inspection for school lawn and garden equipment will include photos of the internal combustion equipment to be replaced.

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All pre-inspections will include other relevant information including, but not limited to, name of inspector, date of inspection, name of equipment owner, and location and area of operation of the equipment.

### **B. Contract Development**

Once pre-inspections are completed and the equipment is verified as being eligible for funding (if needed, through a compliance check with CARB), the District will develop a grant contract. Grant contracts for CMP eligible projects will be developed in accordance with the District's CMP Policies and Procedures Manual.

Contracts for school projects will include the general requirements included in Chapter 5 of the CAP Incentives 2019 Guidelines, party names and dates, contact information for both parties, requirements regarding co-funding, contract term, project completion date, funding amount, project specifications including information on existing and new equipment, compliance statements, maintenance requirements, reporting requirements, recordkeeping requirements, provisions to allow audits and inspections, and repercussions for nonperformance.

The applicant has sixty (60) calendar days after receiving the contract to review, sign, and return the contract with all requested supporting documentation. If a contract and associated supporting documentation is not returned within sixty (60) calendar days, funds may be allocated to another project. Written requests for an extension may be approved on a case-by-case basis by the APCO.

An applicant may not order or make a down payment on a new engine, piece of equipment, or vehicle prior to contract execution. Dealers ordering engines, equipment, or vehicles prior to air district approval of grant application awards assume all financial risk and are in no way ensured program funds.

Woodsmoke Reduction Program projects will use a voucher system per the District's Woodsmoke Reduction Program Plan (pending approval).

### **C. Post Inspection**

The District will gather and document post-inspection information on all projects funded with CAP incentives prior to payment to the grantee. Post-inspections for CMP eligible projects will follow the District's CMP Policies and Procedures Manual.

The post-inspection for air filtration projects at schools will verify the following information, as applicable: Air filter and/or system manufacturer, model, MERV rating, pollutant removal efficiency (percentage), usage life, size, and filter materials. The post-inspection for composite

wood product projects will include photos of new furniture/furnishing and the NAF/ULEF labels. The post-inspection for school lawn and garden projects will include photos of the new zero-emission equipment and destroyed combustion equipment. All post-inspections will verify that the new equipment is consistent with the grant contract.

#### **D. Project Completion**

The District will make payment for a project or equipment only after the post inspection finds the project or equipment in place and operational, and the air district receives an invoice itemized in sufficient detail to ensure that only completed and eligible project costs are reimbursed, and other sources and amounts of funding for the project are reviewed to ensure the sum of all project funds does not exceed the total project cost. For multi-stage projects, partial payments may be approved on a case-by-case basis and are described in the contract. The District will maintain a clear record of progress payment in the project file and in the administration fiscal database.

If any portion of the equipment purchase requires financing, the Program Participant shall provide the financing terms to the District before the District issues payment. A minimum of the full Contract amount shall be used to pay down any financing within 30 days of receiving payment from the District. Proof of payment is due to the District within 45 days of receiving payment from the District. The amount financed may not exceed the incremental cost of the project.

An applicant that is not a public entity must provide at least 15 percent of a project's Moyer eligible cost from non-public sources. The applicant cost share cannot be covered through in-kind contributions.

Completed Woodsmoke Reduction Program projects will result in payment to Participating Retailers per the District's Woodsmoke Reduction Program Plan (pending approval).

#### **E. Air District Audit of Projects**

The District will conduct audits of projects funded with CAP incentives. On an annual basis these audits will include five percent of active projects or 20 active projects (whichever is less). These conducted audits are to include any projects with unsatisfactory annual reporting.

#### **F. Nonperforming Projects.**

The District will work with nonperforming project grantees to ensure CAP Incentives project requirements are met and emissions reductions are achieved. Air districts may consider unforeseen circumstances beyond the grantee's control in determining repercussions for nonperformance.

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If the District is not successful in gaining grantee compliance with the usage and program requirements specified in a contract, the District will make all reasonable efforts to recapture CAP incentives from the grantee, in consultation with CARB. Recaptured funds will be reassigned to projects that achieve the shortfall in emissions reductions or usage. The District's efforts to recapture funds may be guided by circumstances such as suspected or actual fraud or misuse of funds, the amount of CAP incentives involved, or the ability of the grantee to repay the funds.

### **VI. Project Records**

The following items will be maintained in the project file(s) until three years after the contract term:

1. Applications and/or project proposals including receipt date;
2. Project ranking and selection criteria as applicable;
3. Correspondence;
4. Pre & post inspection forms;
5. Project invoices;
6. Annual reports;
7. Any usage waivers.

Administrative records, including project implementation costs, invoices, contracts, and personnel and payroll records will be retained for a minimum of five (5) years following the funds liquidation deadline for the grant.

Applications for unfunded projects must generally be kept a minimum of two (2) years following the solicitation period, or two years from receipt if there is not a specified solicitation period.

### **VII. Reporting**

#### **A. Annual Grantee Reporting**

The District will request annual reports commencing no later than 18 months after project post-inspection and continuing annually thereafter throughout the project implementation phase of the contract. The District will include the dates the grantee annual report is due. CMP eligible projects will use existing reporting templates included in the CMP Policies and Procedures Manual.

School air filtration projects will report the estimated hours of use and average number of people in the room during use. Reporting will also include a statement of any performance and maintenance issues. School composite wood product projects will report the approximate average class size as well as the number of hours the room is in use.

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The District will review the annual report for completeness, accuracy, and reported usage, and will maintain in the project file a copy of the report that is initialed and dated by the reviewing staff. If an annual report is incomplete, inaccurate or not received from the grantee on schedule, the air district will make a reasonable attempt to obtain a complete and accurate report from the grantee. If the air district is unable to obtain the report, the air district will identify the project for audit. Grantees that have not submitted complete required reports will not be granted funds for new CAP incentives projects until all reports are satisfactorily submitted.

Woodsmoke Reduction Program projects will not be subject to annual reporting unless required by the State Woodsmoke Reduction Program Guidelines.

### **B. District Reporting**

Twice a year the District will report to CARB. The District will submit a Yearly Report in the fall and a Mid-Cycle Report in the spring. CARB will provide instructions for both reports. The District will complete, certify, and submit these reports by the dates specified in Table 5 below.

**Table 5: Community Air Protection Incentives Reporting Dates**

<b>Date</b>	<b>Action</b>
May 31	Mid-Cycle Report (Projects Nov 1 – Apr 30) Due to CARB
June 30	CARB submits data to CCIRTS
November 29	Yearly Report (Project May 1 – Oct 31) due to CARB
December 31	CARB submits data to CCIRTS

The District will also report project information in the CARL database, either via CARL forms or batch import, sufficient to populate the required data fields and to calculate covered emissions reductions and cost effectiveness for source categories where required.

The District will ensure that information in CARL is complete, correct, and supported by documentation.

Reporting for CAP incentives projects may be updated to reflect program changes and California Climate Investments reporting requirements. In the event of a conflict, the California Climate Investments reporting requirements will take precedence. No later than six months after the District fiscal year ends, the air district will append to its Yearly Report financial statements displaying revenues and expenditures related to projects funded by CAP incentives, in formats consistent with GAAP.

## **VIII. Fiscal Administration**

CAP incentives must be accounted for as separate funds or have separate project IDs within the air district's general ledger following Generally Accepted Accounting Principles (GAAP). An air district receiving a total allocation of one percent or more of all fiscal year CAP incentives must use a Special Revenue Fund for CAP incentives accounting. Other air districts may use a Trust Fund. CAP Incentives grants are voluntary non-exchange transactions to the air district. As such the District should recognize revenues in the fiscal period when all eligibility requirements have been met and the resources are available. For reference see Governmental Accounting Standards Board (GASB) Statements 33 and 34.

### **A. Advanced Payment**

The District will place advance payment funds in an interest-bearing account and track interest accrued on the advance payment. Interest earned on the advance payment will only be used for eligible grant-related expenses or will be returned to CARB.

The District will report to CARB the value of any unused balance of the advance payment and interest earned. The District will remit to CARB any unused portion of the advance payment and interest earned within 90 days following the end date of the grant.

The District will complete and submit to CARB for review and approval, an Air District Advance Payment Request Form, along with each grant disbursement that is requesting advance payment.

### **B. Project Implementation Cost**

Allowable expenditures for administrative and implementation costs associated with the grant are divided into direct project costs and indirect project costs. Air districts must keep records of project implementation costs that include all necessary staff and tasks to implement the project. If appropriate, this includes activities such as outreach and education, research, data management, and reporting.

Direct project costs are the direct project labor and expenses associated with the project, and include, but are not limited to, the following: Personnel costs and fringe benefits, travel expenses, external consultant and third-party contract fees for direct support, Printing, records retention, and mailing associated with staff working on the project.

Indirect project costs are administrative costs not tied directly or solely to the project such as distributed administration and general administrative services; non-project related contracts or subscriptions; rent and office space, phones and telephone services, printing, or mailing services

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not associated with staff working on the project; or any other costs that are not directly and fully incurred to support the grant. Indirect project costs may not exceed 4 percent of the total grant amount.

### **C. Financial Statement**

Financial statements containing, at a minimum, the following account balances and transaction classes, as applicable, will be prepared at least annually:

1. Cash and Cash Equivalents (cash, investment pools, petty cash);
2. CAP Incentives Revenue Receivable (grant funding from CARB);
3. Recapture Revenue Receivable (recapture funds receivable from grant participants for unmet contractual obligations);
4. Accounts Payable (vendor invoices pending for CAP incentives projects);
5. Fund Balance (restricted for Projects and Administrative costs);
6. Revenue Subsidiary Ledgers;
7. CAP Incentives Project Revenue;
8. Administration and Operating Revenue;
9. Recapture Revenue;
10. Interest Revenue;
11. Project Expenditures (from CAP incentives grants, recapture, salvage, interest);
12. Administration and Operating Expenditures including indirect cost;
13. CAP incentives air district money returned to CARB for reallocation;
14. Transfer In/Out.

### **D. Intertest Revenue**

The District will maintain accounting records that tracks the grant's interest earned on CAP incentives separately from other incentive fund programs. The calculation of interest earned will be based on a daily balance or some reasonable and demonstrable method of allocating the proceeds from the interest-generating account back into the program; and will be consistent with how it is calculated for the District's other fiscal programs. Interest earned will only be used for eligible grant-related expenses as specified in applicable guidelines, including administration up to the portion provided for in the grant agreement, or be remitted to CARB.

Earned interest must be fully expended or returned to CARB if it is not used by the end of the grant performance period. The District will report in the Yearly Report interest earned on all CAP incentives during the previous fiscal year. Documentation of the interest earned must be retained for a minimum of three years following its generation and liquidation.

**IX. Coordination with CARB**

CARB has assigned a staff liaison for each district. The present liaison assigned to the District is Audrey Odwuor, PhD [audrery.odwuor@arb.ca.gov](mailto:audrery.odwuor@arb.ca.gov)

CARB CARLHELP: [carlhelp@arb.ca.gov](mailto:carlhelp@arb.ca.gov)

Start the email subject line with these words, "Liaison Question for Lassen County APCD."

District staff currently responsible for implementing the CAP Incentives program include: the APCO, the Air Quality Specialist, Administrative Staff Assistant. District staff will document any correspondence with CARB staff regarding CARB interpretations, clarification, guidance or possible deviations from the CAP Incentives 2019 Guidelines. All documentation will be kept in the CAP Incentives project files and should be retained for at least three (3) additional years after the last year of the District's participation of this program.

**X. CARB Oversight**

**A.** The District will comply with all oversight responsibilities identified in the CAP Incentives 2019 Guidelines, any future Program Advisories and Mail-Outs, and Grant Agreements.

**B.** CARB or its designee reserves the right to audit at any time during the duration of this grant the District's costs of performing the grant and to refuse payment of any reimbursable costs or expenses that in the opinion of CARB or its designee are unsubstantiated or unverified. The District will cooperate with CARB or its designee including, but not limited to, promptly providing all information and documents requested, such as all financial records, documents, and other information pertaining to reimbursable costs, and any matching costs and expenses.

**C.** CARB or its designee may recoup funds which were received based upon misinformation or fraud, or for which a District, manufacturer or project participant is in significant or continual non-compliance with the terms of this grant or State law.

**XI. APCO Approval**

As authorized by the Governing Board, this version of the Lassen County Air Pollution Control District's Policies and Procedures Manual for Community Air Protection Incentives is approved by:

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Erik Edholm  
Air Pollution Control Officer

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Date