

APPENDIX A

**APPLICATION FOR PART 1,
LOWER-EMISSION SCHOOL BUS REPLACEMENT PROGRAM
FOR CALIFORNIA SCHOOL DISTRICTS**

AND

GRANT AWARD AND AUTHORIZATION FORM

Issued by the California Air Resources Board

April 2001

LOWER-EMISSION SCHOOL BUS REPLACEMENT PROGRAM

School District Application

Fiscal Year 2000-2001

Issued by the California Air Resources Board

April 2001

TO: CALIFORNIA PUBLIC SCHOOLS

We are pleased to announce the Lower-Emission School Bus Program. More than forty-four percent of school districts' buses are older than 13 years. Twelve percent of the school bus fleet is over 23 years old and was built before federal safety standards went into effect. These older buses were manufactured before more stringent oxides of nitrogen (NOx) engine standards were implemented and before any particulate matter (PM) engine standards were implemented. They emit 60 to 70 times more smog-forming pollutants and hundreds of times more toxic air contaminants than today's passenger cars. Replacing older school buses will result in improved public health and safety.

In the fiscal year 2000-2001 State budget, Governor Gray Davis provided \$50 million to implement programs to help school districts replace and retrofit school buses with particulate filters. The California Air Resources Board (ARB or Board) will oversee the programs and develop program guidelines. Twelve and a half million dollars will be used by the ARB to implement Part 2, the School Bus Particulate Matter Retrofit Program. Part 1, the \$37.5 million Lower-Emission School Bus Replacement Program, will be administered by the State Energy Resource Conservation and Development Commission (Commission or CEC) or by participating local air districts. From the \$37.5 million, \$12.5 million will be allocated to purchase intermediate diesel school buses and \$25 million for alternative fuel school buses and associated infrastructure. This document is an application for funding. School districts may apply for funding for school bus replacements and alternative fuel fueling stations.

School districts must send applications for school buses and infrastructure to the administering agency in their jurisdiction. This includes the South Coast Air Quality Management District (AQMD), Bay Area AQMD, Monterey Bay Unified Air Pollution Control District (APCD), Ventura County APCD, San Diego County APCD, or Sacramento Metropolitan AQMD, if your school district is located in one of these air districts. If your school district is not located in one of these districts, then the applications should be sent to the California Energy Commission.

This application explains the program and the criteria used to evaluate applications. We encourage you to carefully read the information explaining the program.

TABLE OF CONTENTS

I.	INTRODUCTION.....	A-5
II.	TIMETABLE.....	A-5
III.	GRANT PROVISIONS.....	A-6
IV.	FUNDING ALLOCATIONS.....	A-7
V.	PROJECT IMPLEMENTATION.....	A-9
VI.	APPLICATION FORMS FOR BUS REPLACEMENT.....	A-11
VI.	APPLICATION FORM FOR FUEL INFRASTRUCTURE.....	A-14
VI.	GRANT AWARD AND AUTHORIZATION FORM.....	A-15

INTRODUCTION

In the fiscal year 2000-2001 state budget, Governor Gray Davis provided \$50 million to implement a program to help school districts replace and retrofit school buses. The ARB will oversee the program and develop program guidelines. The \$37.5 million school bus replacement program directs \$25 million to fund alternative fuel buses and \$12.5 million to fund intermediate diesel buses, and will be administered by the Commission or by participating local air quality agencies. This document is an application for funding for school districts that wish to apply for funding for school bus replacements and alternative fuel fueling stations. School districts will apply for funding to the Commission or the air district; whichever is administering the program in the school's jurisdiction. The final document and its amendments, Lower Emission School Bus Program Guidelines, as approved by the Air Resources Board on December 7, 2000, are available at <http://www.arb.ca.gov/msprog/schoolbus/schoolbus.htm>.

TIMETABLE

December 7, 2000	ARB Board approves of guidelines
September 1, 2002	Final status reports on replacement awards due to ARB from administering agencies, i.e., CEC and local air pollution control agencies implementing replacement program.

GRANT PROVISIONS

A. School Bus Replacement Criteria Overview

1. California public school districts that own and operate school buses, including school districts under provisions of a joint power authority, can apply for school bus funds. Specific information as to the school bus requested shall be provided in the application.
2. Only replacement buses will be funded. The funded bus must be owned and operated by the recipient school district for a minimum of five years. Fleet expansion buses are not eligible for funding.
3. All new and replacement buses must have a manufacturer's Gross Vehicle Weight Rating (GVWR) greater than 14,000 pounds and must be powered by a heavy-duty engine (ARB classification)
4. Heavy-duty alternative fuel engines must be certified to the ARB optional, reduced-emission NOx standard of 2.5 g/bhp-hr and a 0.03 g/bhp-hr PM level, or diesel engines to 3.0 g/bhp-hr NOx and 0.01 g/bhp-hr PM levels.
5. Replacement buses that operate on any fuel other than gasoline can be requested if required engine emissions standards are met. Diesel buses funded must operate on low-sulfur diesel fuel (maximum sulfur content of 15ppm by weight)
6. Availability of required fuels by delivery of the buses shall be documented. Provisions shall be made to avoid possible mis-fueling of any funded diesel buses.
7. Replacement of Pre-1987 Buses:

As a prerequisite, all new and replaced buses will be heavy-duty buses with a GVWR of 14,000 pounds or more. All buses to be replaced will be in-use and have a current California Highway Patrol (CHP) certification. Public school buses will be in general use. Then:

- a. Priority is given to the replacement of in-use pre-1977 model year school buses. First, each new purchase will replace any in-use diesel pre-1977 model year school buses in any given fleet, and the pre-1977 buses will be crushed.
- b. Next, any pre-1977 heavy-duty gasoline buses that did not include an original equipment catalytic converter will be replaced and the buses crushed.
- c. Where fleets contain too few or no pre-1977 buses, pre-1987 diesel buses can be replaced. The 1977-1986 model year replaced bus will be crushed, or, alternatively, replace a CHP-certified, in-use pre-1977 school bus in another

California bus fleet (not limited to public school bus fleets). Then this replaced bus must be crushed.

- d. Next, any 1977-1986 heavy-duty gasoline buses that did not include an original equipment catalytic converter can be replaced. The replaced bus will be crushed, or, alternatively, replace a CHP-certified, in-use, pre-1977 school bus in another California bus fleet (not limited to public school bus fleets). Then this replaced bus must be crushed

B. Infrastructure Criteria Overview

1. New fueling capacity requested will be directly related to the capacity needed by the new alternative fuel buses awarded through this program.
2. Need for alternative fueling infrastructure shall be documented as called for on the application.
3. Upon approval of the administering agency, awarded funding could be used to fund a slow-fill facility or to buy down the cost of a new school district-owned, public access, fast-fill facility. Funding may be used for purchase and installation of recharging equipment and new alternative fuel refueling equipment. Maintenance facility improvement costs are not eligible for funding.

C. Memorandum of Understanding

1. As soon as school districts are awarded buses, they shall enter into an agreement that specifies all conditions for the award of the grant. In the event that the school districts are located in the following air districts the agreement shall be with that district. These districts include South Coast AQMD, Bay Area AQMD, San Diego County APCD, Sacramento Metropolitan AQMD, Ventura County APCD, and Monterey Bay Unified APCD. All other school districts shall enter into an agreement with the Commission.

FUNDING ALLOCATIONS

A. Amounts of Funding

1. Buses do not have to be purchased off the state contract that lists prices of various school buses maintained by the State Department of General Services (DGS). However, funding requested for purchase of a bus shall be consistent with the prices and descriptions on this State contract (Local: 1-00-23-12-01 Revision: A). The school district is responsible for the cost of any options not included in the item prices in the contract with the exception of the purchase and installation of seat belts, the alternative fuel option, and particulate matter filters. Funding will include prorated state taxes and DGS contract fees.
2. The application shall document the basis for the amount of funding requested for purchase of alternative fuel refueling infrastructure. Amounts requested for funding shall be based on the cost of slow-fill stations. Awards will not exceed an amount equal to 10 percent of the new bus funding awarded to the applying school district.

B. Matching fund requirement

1. School districts shall provide 25 percent of the total cost (total cost includes taxes and any DGS contract fees) for each bus purchased, up to a \$25,000 maximum per bus, except in cases where the school district qualifies for reduced match funding.
2. A school district can qualify for reduced match funding if its fleet is composed of at least 20 percent pre-1977 school buses and if at least one of its pre-1977 buses operates a minimum of 10,000 miles per year. Then the school district shall only provide 15 percent (including taxes and DGS fees) in match funding up to a maximum of \$15,000 per bus. The reduced match requirement applies only to a new bus replacing a pre-1977 bus. A list of school districts that may have at least 20 percent pre-1977 buses is included in Appendix C.
3. School districts shall attach copies of current California Highway Patrol (CHP) bus certificates to substantiate that the replaced bus qualifies as an in-use bus. Also, school districts that request reduced match funding shall attach CHP certificates that substantiate the annual mileage requirement for the reduced match.
4. Funds for alternative-fuel refueling infrastructure may be awarded to a school district. Awarded funds may only provide a portion of the necessary funds to complete the infrastructure project. School districts shall provide all funds required for completion of purchase and operation of alternative fuel infrastructure equipment. Funded infrastructure projects shall be operational no later than June 1, 2002.

5. The source of match funding for bus purchases and infrastructure shall be documented and attached to this application. If grant funds are being used as match funding, detailed information on required use of those funds shall be included.

C. Authorizing Resolution

1. A school board resolution authorizing submittal of the application and commitment of match funds shall be submitted with the application or within thirty calendar days after the release of the application.

D. Disbursement of Funds

1. The school bus program's share of the bus and infrastructure funding may be paid directly to the bus vendor via assignment of payment or other acceptable method and will include sales taxes and DGS contract fees. Amount of sales taxes paid for infrastructure costs will be based on the amount paid by this program.
2. Funds will be paid at the time of vehicle delivery to the school district. Proof of vehicle delivery must accompany any request for payment of approved funds. All requests for payment must include proof of destruction of a pre-1977, or pre-1987 bus, as applicable. Request for funds must be received no later than July 15, 2002
3. Funds will be paid at the time of completion of the alternative fuel refueling facility. Proof of completion shall accompany any request for reimbursement of approved funds. All requests for reimbursement must be received by July 15, 2002.

PROJECT IMPLEMENTATION

A. Project Selection and Award of Funds

1. Funding for eligible school buses will be awarded through a non-competitive process.
2. School districts applications received within thirty calendar days after the release of the application will be verified for funding eligibility.
3. A school board resolution authorizing submittal of the application and commitment of match funds shall be submitted with the application or within thirty calendar days after the release of the application. Awards will not be considered without a board resolution.

4. The applications will be separated into alternative fuel or intermediate diesel bus categories depending upon the school district preference.
5. Applications will be randomly chosen from each category up to the funding limits of geographic allocations or the pooled funds. Award selection shall be on a non-competitive basis.
6. A school district can request buses from either one or both types of fuel category

B. Project Completion Deadlines

1. For the first round of funding, school bus orders must be placed no later than July 15, 2001.
2. Contracts with providers of alternative fuel infrastructure must be executed by January 1, 2002.

C. Monitoring and Reporting

1. School districts must notify the administering agency when buses are ordered and again when the buses arrive on site.
2. School districts must notify the administering agency when any alternative fuel equipment is ordered or construction contracts signed, and then when the equipment is operating.
3. School districts receiving funding for diesel buses shall notify the administering agency when contracts are signed for the purchase of low-sulfur fuel. School districts shall provide the steps taken to store the low sulfur fuel as well as the mechanical methods to be used to avoid mis-fueling of the funded diesel school buses.
4. School districts must give the administering agency CHP certificates and proof of destruction of buses that are removed from service and crushed. This includes the method of disposal for any 1977-1986 buses that are not crushed and documentation of the crushing of the pre-1977 buses in another California fleet.

D. Who can apply and where to apply?

1. School districts located in the following air districts shall submit their application to that district. These districts include South Coast AQMD, Bay Area AQMD, San Diego County APCD, Sacramento Metropolitan AQMD, Ventura County APCD, and Monterey Bay Unified APCD. All other school districts shall submit applications to the Commission.

**Grant Application Form For Bus Replacement
(Section 1)**

Lower-Emission School Bus Replacement Program

SCHOOL DISTRICT NAME: _____

Street Address: _____

City: _____ County: _____ Zip _____

BOARD RESOLUTION: (Attach)

Must include approval of participation in the program, name of a contact responsible for the program, and authorization to pay the matching funds.

AIR DISTRICT JURISDICTION: _____

IF CONSORTIUM: Yes ____ No ____ (Attach list of members)

CONTACT PERSON:

• Name/Title/Position: _____

• Phone Number: _____ FAX NUMBER: _____

• E-mail Address: _____

BUSES REQUESTED

• Bus type/number requested. Natural gas: _____ Intermediate diesel _____
Electric _____

• Total cost of bus(es) (including taxes and contract fees): _____

• Total funding requested: _____

SCHOOL DISTRICT MATCHING FUNDS

• From School District Budget: _____

• From Grants or other Sources: _____

(Attach documentation explaining in detail the source of matching funds and copies of California Highway Patrol certificates for the buses to be replaced.)

DO YOU QUALIFY FOR REDUCED MATCH FUNDING? YES ___ NO ___

(Attach documentation.)

ADDITIONAL INFORMATION :

Attach explanation on the availability of fuel and your refueling capability.

Grant Application Form For Infrastructure
(Section 2)

Lower Emission School Bus Replacement Program

Note: Please disregard this form if no infrastructure requested.

1. Local utility company name: _____
2. Request for facility upgrade: _____ or new fueling station: _____
3. Amount of infrastructure funds requested: \$ _____
4. Number of buses requested: _____
5. Distance to nearest CNG/elec fueling station (in miles): _____
6. Explain why you are unable to fuel off-site and why you need a fueling station: (use separate sheet)

EXISTING FUELING STATION:

7. Size of compressor or electric charger (in cfm/kw) _____
8. Alternative fuel storage capacity (gallons): _____
9. Number of alternative fuel buses presently on-site: _____
10. Number of CNG/elec fueling positions _____
11. Indicate gas pressure and voltage available at fuel site: _____
12. Is the station accessible to public? YES: ___ NO: ___

NEW FUELING STATION:

13. CFM capacity to accommodate requested buses: _____
14. Number of CNG posts (2 hoses) requested: _____
15. Is the station going to be accessible to the public? Yes: ___ No: ___
17. Is this an expansion of an existing fast-fill station? (Explain)
18. Buy down part of a new fast fuel station? . (Provide justification)

Lower-Emission School Bus Program

GRANT AWARD & AUTHORIZATION FORM

Fiscal Year 2000-2001 (Section 3)

Your fiscal year 2000-2001 application for funding under the Lower-Emission School Bus Program: Replacement Buses, has been approved as follows:

School District:
Grant Award:
Required Match Amount:
Grant Number:

You are authorized to administer a local program according to the requirements described in the following documents, which are attached and incorporated as part of this grant:

- For bus replacement: SECTION 1, 1A, and 1B
- For infrastructures: SECTION 2
- Grant Award and Authorization (Section 3), with Board Resolution attached

The undersigned parties agree to the terms and conditions as set forth in this grant. The undersigned parties certify under the penalty of perjury that they are duly authorized to bind the parties to this grant and that all information included in this application are true.

**California Energy Commission
 Or Air District**

School District:

Signature of Authorized Official

Signature of Authorized Official

Name:
 Title:

Name:
 Title:

Date: _____

Date: _____