

SAN JOAQUIN VALLEY  
AIR POLLUTION CONTROL DISTRICT

**AG TRACTOR  
REPLACEMENT PROGRAM**

OFF-ROAD VEHICLE COMPONENT

**AGRICULTURAL TRACTOR/MOBILE EQUIPMENT REPLACEMENT OPTION**

**PAYMENT PROCEDURES**

This document is designed to provide participants in the Ag Tractor Replacement Program Off-Road Vehicle Component, Agricultural Tractor / Mobile Equipment Replacement Option with the required instructions and guidance for the successful completion of a Claim for Payment Packet for their project. **The participant has sixty (60) days following the expiration of the agreement completion phase to submit a complete Claim for Payment Packet.** Claim for Payment Packets must be received during this timeframe to be eligible for reimbursement.

San Joaquin Valley Air Pollution Control District (District) staff is available to answer questions and to provide assistance to participants regarding these procedures. It is advisable that you read the entire Payment Procedures document and your executed agreement in order to fully understand the grant requirements. All questions regarding payment procedures should be directed to:

**Incentives Staff**

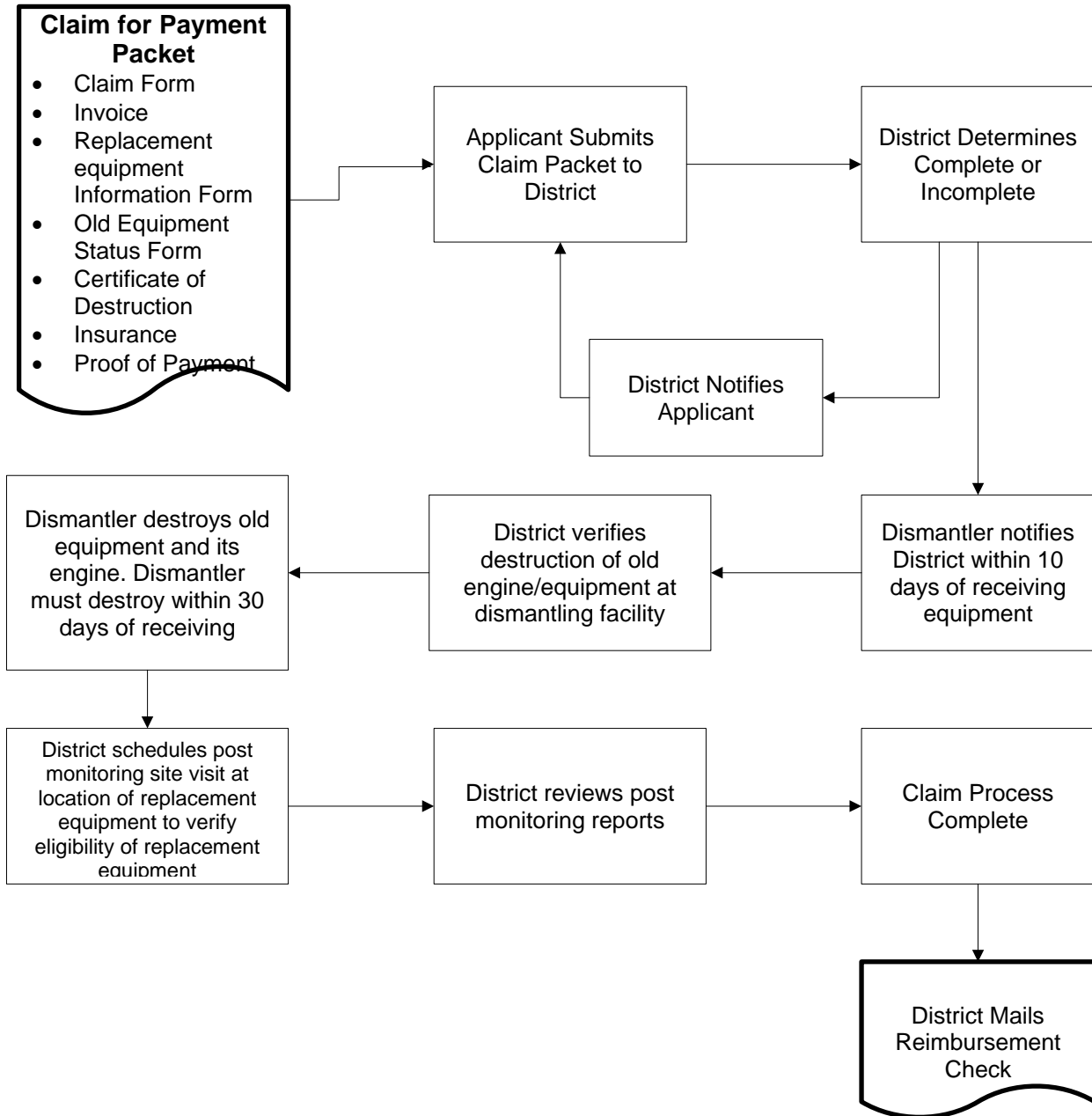
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1990 East Gettysburg Avenue  
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## CLAIM FOR PAYMENT: STEP-BY-STEP FLOW CHART

The following is a step-by-step diagram of the entire claim for payment process for reimbursement. If you have any questions about the process, please feel free to contact program staff at (559) 230-5800.



## EXISTING (OLD) EQUIPMENT DISPOSAL PROCEDURES & REQUIREMENTS

As part of the program provisions, the participant is required to have the existing (old) equipment and its engine properly destroyed according to District requirements and rendered permanently inoperable. The participant is required to submit the existing (old) equipment and its engine to a District approved dismantling facility for destruction.

The following section outlines the procedures and requirements for disposing the existing (old) equipment and its engine replaced through the District Ag Tractor Replacement Program Off-Road Vehicle Component, Agricultural Tractor / Mobile Equipment Replacement Option. The disposal of the old equipment and its engine will be physically inspected and verified by District staff **prior** to the disbursement of any incentive funds.

### ❖ Procedures and Requirements

#### Participant Responsibilities:

1. Participant must provide proof that you have owned the old equipment specified in Exhibit B within District boundaries for the previous two years (24 months) and actively operated it for the previous year (12 months). The documentation you provide must be specific to and clearly identify the current equipment in the project. Payment will be withheld until District staff approved documentation has been received.
  - A. Examples of frequently used documentation for Ownership are as follows:
    - i. Bill of sale for the old existing equipment (preferred)
    - ii. Tax depreciation logs
    - iii. Property tax records
    - iv. Equipment insurance records
    - v. Bank appraisals for the equipment
    - vi. Maintenance/service records
    - vii. General ledgers
    - viii. Fuel records specific to the existing equipment that identify the equipment owner
  - B. Examples of frequently used documentation for Usage are as follows:
    - ix. Revenue & usage records that identify operational, standby, & down hours for the equipment
    - x. Routine inspections which document the operating condition of the existing equipment (OSHA or workplace required)
    - xi. Employee Timesheets linked to specific equipment use
    - xii. Preventative maintenance/service records tied to specific hours of equipment use
2. The old equipment must be destroyed within **60 days** of being replaced as determined by the invoice date of the replacement equipment. Within **30 days** of the invoice date of the replacement equipment, the participant must transfer the old equipment and its engine to an approved dismantler for destruction.
3. ***Destruction of the existing (old) equipment and its engine by the participant will render the project ineligible for funding.*** A comprehensive list of approved dismantlers is included with your executed agreement, or participants may contact staff in the Incentives Department at (559) 230-5800, or by email at [grants@valleyair.org](mailto:grants@valleyair.org), to obtain a list of program approved dismantlers.

4. It is the participant's responsibility to ensure the old equipment and its engine are submitted to the dismantling facility in a timely manner which would allow the dismantler ample time to properly destroy both parts within the 60 day time frame. Participant is responsible for contacting his/her selected dismantler to coordinate the destruction efforts.
5. Upon transfer of the old equipment and its engine, the participant must obtain a District Certificate of Destruction Form from the dismantling facility. The form must be filled out completely and signed by an employee of the dismantling facility. The participant must submit the District Certificate of Destruction Form with the Claim for Payment Packet.
6. Participant must certify on the Existing (Old) Equipment Status Form (page 7) that the old equipment was in similar operational condition as in pre-inspection, with no parts stripped, prior to transferring it to an approved dismantler.
  - Participant may extract equipment fluids or remove parts, such as tires, off of the old equipment prior to transferring it to the dismantler if the dismantler's standard process of receiving the equipment for destruction requires it.

#### Dismantler Responsibilities:

1. The dismantler must destroy the old equipment and its engine according to the terms and conditions of its agreement with the District within **30 days** receipt of both parts.
2. The dismantler must provide the participant with a completed, signed District Certificate of Destruction form indicating the date the dismantling facility received the old equipment and its engine. The District Certificate of Destruction form must include all necessary information as required by the dismantler's agreement with the District.
3. The old equipment and its engine shall be physically destroyed by the dismantler in such a manner to eliminate the possibility of future use.
  - The old equipment must be rendered permanently inoperable with the equipment's structure compromised. At a minimum, the transmission casing **AND** axle housing must be permanently destroyed. Both pieces may be destroyed by puncturing significantly sized holes with serrated and uneven edges, as deemed appropriate by District staff, in each.
  - The old equipment and its engine may be sheared or crushed only after District has visually verified the proper destruction of the engine, transmission casing, and axle housing.
  - The old equipment's engine block must be punctured with a minimum six inch diameter serrated, uneven hole which should include a portion of the oil pan rail (sealing surface).
  - The old equipment and its engine must have a complete, visible, and legible serial number, or the District project number that was stamped or marked on the equipment and/or engine at the time of pre-inspection by a District inspector. If the serial number or the project number cannot be located, the equipment and/or its engine cannot be scrapped or destroyed until notification is made to District staff for assessment.
  - Dismantler must avoid destroying any identifying numbers when performing the destruction of the equipment and engine to ensure District staff can verify the information during the site visit.

4. The dismantling facility must notify District staff within **10 days** of the destruction of the old equipment and its engine. A District inspector will then schedule a site inspection and verify the proper destruction of the equipment and its engine.

**It is both the participant's and dismantler's responsibility to ensure the disabled equipment and engine are permanently removed from service. If either the disabled equipment and/or engine are found to be operational at any time after inspection, the participant and/or dismantler will be subject to enforcement action by the District, including repayment of incentive funds, civil penalties, and any other legal action deemed appropriate.**

After taking possession of their replacement equipment, participants should transfer their old equipment and engines to their selected approved dismantler for destruction prior to submitting a complete Claim for Payment Packet to the District for reimbursement. Participants are allowed to pay for, take possession of, and utilize the replacement equipment as long as they have received an executed agreement from the District; participants do not have to wait until the old equipment and its engine have been destroyed to utilize the replacement equipment. However, **the disbursement of any incentive funds will not be made to the participant until District staff has deemed that the replacement equipment purchased is program eligible and the destruction of the old equipment and engine have met program requirements.**

### **Site Visits (Post-Inspection)**

All participants will undergo two post-monitoring site visits by District staff prior to any reimbursement. The purposes of the site visits are: 1) to verify the replacement equipment has been placed into service and is eligible as a replacement, and 2) to ensure the existing (old) equipment and its engine were properly destroyed in accordance with the terms of the agreement. Furthermore, District staff will take photographs during the site visits and complete a monitoring report for each visit. The submission of a complete Claim for Payment Packet by the participant and the notification by the dismantler triggers the site visits. Both site visits must be completed and deemed by staff to meet program requirements before incentive funds can be released. The District retains the right to hold additional site visits **at any time** during the life of the project.

## CLAIM FOR PAYMENT PACKET CHECKLIST

To initiate the reimbursement process, the participant must submit a properly supported Claim for Payment Packet to the District. Reimbursement takes place **after** the Claim for Payment Packet has been deemed complete and acceptable (this includes providing appropriate ownership and usage documentation as listed on page 3), the replacement equipment is purchased and inspected by District staff, and the existing (old) equipment and its engine are verified to be properly destroyed by an approved program dismantler. District mails the reimbursement check to the participant within sixty (60) working days of the most recent post-monitoring site visit. Submitting an incomplete Claim for Payment Packet will delay the inspection and reimbursement.

A **COMPLETE** Claim for Payment Packet will include **all** the following:

- Ownership and Usage Documentation** -Acceptable documentation as listed on page 3.
- Claim for Payment Form**
  - Only the District Ag Tractor / Mobile Equipment Replacement Program Claim for Payment Form will be accepted. A Claim for Payment Form is included at the end of this document for your use.
  - This form must be signed and dated by the project contract signing authority or it will be returned to the participant. The contract signing authority is the same individual who signed the Agreement with the District.
- Invoice(s)** for the cost of the replacement equipment.
  - Invoice name must match name on Agreement with District.
- Proof of Payment** such as finance documentation or copy of check.
  - Name on proof of payment must match name on Agreement with District.
- Replacement Equipment Information Form**
  - A copy of the Replacement equipment Information Form is included on **page 6** of this document. Please have your dealer complete and sign the Form.
- Existing (Old) Equipment Status Form**
  - A copy of the Existing (Old) Equipment Status Form is included on **page 7** of this document for your use.
  - This form must be signed and dated by the project contract signing authority or it will be returned to the participant. The contract signing authority is the same individual who signed the Agreement with the District. The dismantler does not sign this form.
- Certificate of Destruction Form**
  - Provided to the participant by an approved program dismantler certifying the existing (old) equipment has been permanently destroyed.
- Insurance Documentation (ACORD Form 25)**
  - A Certificate of Insurance must be submitted and must indicate a current policy period which covers the replacement equipment.

As a matter of policy, the District **does not** provide advance payments to participants or third parties. Approximately one year after incentive funds have been issued, the participant will receive an Internal Revenue Service (IRS) Form 1099. For information about the tax implications related to receiving incentive funds, please consult your tax advisor, as the District does not provide tax advice.

**Please retain a full copy of the completed Claim for Payment Packet for your own records.**

## REPLACEMENT EQUIPMENT INFORMATION FORM

The following information pertaining to the replacement equipment and its associated invoice are required to process your reimbursement request. **Please have your dealer complete and sign this form.**

Project Number:	
Dealership Name:	
Dealership Address:	
Contact Number: (        )	Email:

**Please provide the following information for the replacement equipment:**

Equipment Make:	Equipment Model:
Vehicle ID # (VIN or PIN):	Equipment Model Year:
Engine Make:	Engine Model:
Engine Serial Number:	Engine Model Year:
US EPA Engine Family Name:	Manufacture Rated Horsepower:
Engine Tier:	Engine Hour Meter Reading (hours):

Was the above equipment rented to the customer (program applicant) prior to contract execution? <input type="checkbox"/> Yes <input type="checkbox"/> No
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**Please provide the following information pertaining to the invoice of the replacement equipment. The information provided here must accurately reflect invoiced costs.**

Replacement equipment Base Cost:	\$	
Tire Tax Fee(s):	\$	
Sales Tax:	Rate (%):	Total: \$
Warranty Coverage:	Year(s):	Hours:
Warranty Cost:	\$	
<b>Please list any additional invoiced cost(s) below (i.e., equipment options, license fees, etc.):</b>		
Item:	Cost: \$	
Item:	Cost: \$	
Payment Type:	Cash <input type="checkbox"/> Check <input type="checkbox"/> Financed <input type="checkbox"/> Other <input type="checkbox"/> explain: _____	

**As the authorized dealer of the replacement equipment in this project, I hereby certify that all the information provided on this form accurately reflects the cost of the replacement equipment purchased through this project.**

Authorized Dealer (Print Name):	Title:
Authorized Dealer Signature:	Date:

**EXISTING (OLD) EQUIPMENT STATUS FORM**

Please submit this form along with your Claim for Payment Packet. Supporting documentation related to the disposal of the existing (old) equipment and its engine must also be submitted. **The contract signing authority for the project must sign the Form.** Please fill out a separate Form for each piece of equipment. For additional forms, please photocopy the Existing (Old) Equipment Status Form, or you may request an additional copy by contacting program staff. All subsequent copies of the Existing (Old) Equipment Status Form must also be signed and dated. If you need additional assistance to complete the form, please contact program staff.

Project Number:	
Project Contact Name (Print):	
Phone Number: (     )	Fax Number: (     )

By signing this Form, participant certifies that the replaced existing (old) equipment and its engine, identified by the EIN and ESN below, have been permanently removed from operation by transferring the equipment and its engine to an approved District dismantling facility for destruction.

Existing (Old) Equipment Identification Number (VIN or PIN): \_\_\_\_\_

Engine Serial Number (ESN): \_\_\_\_\_

Additionally, participant certifies that the existing (old) equipment was in operational condition similarly to its condition during the District's pre-monitoring of the equipment, with no parts stripped, prior to transferring it to the dismantling facility. Only fluids and/or parts required by the dismantler to be removed before transfer of the equipment were performed. Documentation in the form of a receipt from the dismantling facility has been submitted which indicates the date the existing (old) equipment and its engine were transferred.

Dismantling Facility Name:		
Address (including street number and name, state, and zip code):		
Contact Name:		
Phone Number: (     )	Fax Number: (     )	Email:

I hereby certify under penalty of perjury that all the information provided on this form and any attachments are true and correct to the best of my knowledge.

Contract Signing Authority Name (Print):	Title:
Contract Signing Authority Signature:	Date:

**DISMANTLING FACILITY DOES NOT SIGN THIS FORM**



# San Joaquin Valley Air Pollution Control District

## Heavy-Duty Engine Program - Claim for Payment Form

### Agricultural Off-Road Equipment Replacement

**Project Number:**

**Payee/Grantee :** \_\_\_\_\_

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

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

Please check one of the following :	<input type="checkbox"/> Individual/Sole Proprietor	<input type="checkbox"/> Trust/Estate
	<input type="checkbox"/> C Corporation (C Corp)	<input type="checkbox"/> Other _____
	<input type="checkbox"/> S Corporation (S Corp)	<input type="checkbox"/> Limited Liability Company (C=C Corp, S= S Corp, P=Partnership) ▶ _____
	<input type="checkbox"/> Partnership	

Federal Tax I.D. # : \_\_\_\_\_

Social Security # : \_\_\_\_\_

Telephone # : \_\_\_\_\_

Date of Invoice	New Equipment Make & Model (List each separately)	Serial Number	Amount Paid	Grant Amount

**Total Claim**

\_\_\_\_\_  
Signature of Signing Authority Date

### For District Use Only

For District Use Only

SJVUAPCD Approval \_\_\_\_\_ Date \_\_\_\_\_

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Administrative Services Use Only

Audited By \_\_\_\_\_ Date \_\_\_\_\_

Reviewed By \_\_\_\_\_ Date \_\_\_\_\_

Object	Fund	Year	Dept	Sub-Dept	Type	Program	Phase	Entity	Amount	1099 Code
		1	90	92	-					
					-					
					-					
					-					
Stipend					-					
Expense					-					
Table					-					
Vendor Number: _____									\$	