

**SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT**

HEAVY-DUTY TRUCK PROGRAM

PROGRAM GUIDELINES

The San Joaquin Valley Air Pollution Control District (District) is currently accepting applications from truck owners for the replacement of eligible trucks according to the terms and conditions described in these guidelines. The goal of this program is to reduce emissions from diesel engines in heavy-duty trucks that operate at least 50% of the time within the District boundaries (see page 13 for map). **Funds are provided on a first come, first served basis and applicants must obtain approval and have a signed, executed contract from the District prior to the purchase or transfer of any equipment. Any equipment purchased or transferred prior to contract execution is ineligible as this is not a rebate program.** For additional information, assistance or to receive program materials, please contact:

**San Joaquin Valley Air Pollution Control District
Strategies and Incentives Department
1990 East Gettysburg Avenue
Fresno, CA 93726-0244**

You may also contact us by phone, e-mail, or visit our website at:

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CHAPTER 1 - Standard Replacement

I. PROJECT CATEGORIES

Projects must include commercially available technologies certified by CARB to be cleaner than the baseline engine. The following project type and category is eligible.

- A. Vehicle Replacements of Heavy-Duty Trucks: The replacement of an older, dirtier vehicle with a newer, cleaner one.
1. Eligible Heavy-duty diesel trucks are those with a gross vehicle weight rating (GVWR) greater than 14,000 pounds (lbs.). Replacement trucks must have an engine/motor certified to 0.02 grams per brake horsepower-hour (g/bhp-hr) nitrogen oxide (NOx) and 0.01 g/bhp-hr particulate matter (PM) standards or cleaner.

II. FUNDING

Funding amounts are determined based on the information provided for each individual project. The final eligible incentive amount is determined by **assessing the 3 factors** (Funding Limit, Cost –Effectiveness, and Funding Percentage) **detailed below**. In addition, the funding amounts are also subject to eligibility and usage requirements as listed in Chapter 1 of these guidelines.

- A. **Funding Cap** – The maximum dollar amount below represents a funding cap, or the maximum funding available for the project, based on the weight classification of the project and the new truck option selected.
1. The weight classification is determined by the weight class of the existing or new truck, whichever is less. *For example: old truck is a class 6, new truck is a class 5, and funding cap would be based on the class 5.*
 2. If a project is co-funded, or stacked, with other State funds, the funding cap represents the maximum amount of funds from all State sources that can be applied.

New Truck Options	HHD – Class 8	MHD – Class 6-7	LHD – Class 4-5
Zero Emission	\$410,000	\$180,000	\$170,000
Low-NOx - 0.02 g/bhr-hr NOx or cleaner	\$160,000	\$120,000	\$70,000
Low-NOx – 0.05 g/bhr-hr NOx	\$80,000	\$60,000	\$50,000
Low-NOx – 0.10 g/bhr-hr NOx	\$70,000	\$50,000	\$40,000

- B. **Cost Effectiveness (C/E)** – The maximum amount of funding available to a project is limited by a cost-effectiveness limit, in addition to the funding caps. Cost-Effectiveness is a measure of the dollars provided to a project for each ton of emission reduction. The annual mileage and model year of a truck directly affect the C/E.

New Truck Options	C/E Limit (\$/ton)
Zero Emission	\$500,000
Low-NOx - 0.02 g/bhr-hr NOx or cleaner	\$200,000
Low-NOx – 0.05 g/bhr-hr NOx	\$109,000
Low-NOx – 0.10 g/bhr-hr NOx	\$109,000

- C. **Maximum Funding Percentage** – For fleets with 10 or fewer vehicles over 14,000 lbs GVWR, the funding amount cannot exceed 80% of the new vehicle cost (excluding taxes and fees). For Fleets with more than 10 vehicles, the funding amount cannot exceed 50% of the new vehicle cost (excluding taxes and fees). Eligible project costs include the cost of the cab and chassis including parts that are integrated into the vehicle, excluding taxes and fees.

Fleet Size	% Cap
1 – 10 trucks (small fleet)	80%
11 or more trucks (large fleet)	50%

- D. **Example Incentive Amounts** – The examples below represent the estimated incentive amount for each example scenario. *Actual incentive amounts will vary based on the actual project information.*
1. **Class 8 truck with a 2013 diesel engine operating 60,000 miles per year being replaced with a class 8 truck.**
 - i. Small fleet – \$160,000 Low NOx CNG or \$360,000 Zero Emission
 - ii. Large Fleet - \$125,000 or \$225,000 Zero Emission
 2. **Class 7 truck with a 2013 diesel engine operating 30,000 miles per year being replaced with a class 7 truck.**
 - i. Small fleet - \$77,000 Low NOx CNG or \$180,000 Zero Emission
 - ii. Large Fleet - \$62,500 Low NOx CNG or \$150,000 Zero Emission
 3. **Class 5 truck with a 2013 diesel engine operating 15,000 miles per year being replaced with a class 5 truck.**
 - i. Small fleet - \$30,300 Low NOx CNG or \$81,400 Zero Emission
 - ii. Large Fleet - \$30,300 Low NOx CNG or \$81,400 Zero Emission

III. CURRENT (OLD) TRUCK ELIGIBILITY

- A. **Engine Model Year** that is 6 or more years of age prior to the current calendar year. *For example, projects funded in the calendar year of 2022 must have an engine model year that is 2016 or older (2022 – 6 = 2016).*
- B. **Gross Vehicle Weight Rating (GVWR)** of 14,001 or more pounds (Class 4 - Class 8).
- C. **Annual Usage** – Grant amounts will be based on the lowest total usage of two (2) 12-month periods within California from the previous 30 months. Calculations shall be based on historical annual mileage.

1. For example: One 12-month period totals 60,000 miles of usage and the second 12-month period totals 50,000 miles, the grant will be calculated using the 50,000 mileage total.
 2. Fleet averages cannot be used to calculate annual usage.
 3. Engine hours cannot be used to calculate annual usage and fuel use records can only be considered on a case-by-case basis.
- D. Currently operate on diesel or alternative fuel such as compressed natural gas (CNG).
- E. Registered with the ARB Truck Regulations Upload and Compliance Reporting System (TRUCRS) (if applicable).
- F. Be in **compliance** with all State and Federal regulations. Applicants will be screened for regulatory compliance, outstanding violations, open cases, and previous project funding. A copy for the following compliance documents will be required for a complete application:
1. A copy of the TRUCRS Fleet List located on the "Vehicle Info" tab showing the compliance option each vehicle in the fleet is using, and
 2. A copy of the TRUCRS "General Fleet and Compliance Information Summary" showing compliance located on "Compliance Status" tab ("Meets Small Fleet Option" will specify "yes" if the fleet is using the Small Fleet option), and
 3. A copy of the Compliance Certificate printed from TRUCRS, or other reporting database, if applicable.
- G. Old truck must be owned by the applicant for the past 24 months.
- H. Currently registered and have been registered (California base-plated or International Registration Plan) in the state of California for the past 24 months prior to the application submission date.
- I. Operate at least fifty percent (50%) of the time within the District boundaries (page 13) and at least seventy five percent (75%) of the time within the state of California for the past 24 months prior to the application submission date.
- J. Be in operating condition at the time of application submission.
1. Operating condition will be determined through an inspection process conducted by Dealership staff or District staff prior to issuing a contract. Trucks found to be non-operational during the inspection process will be deemed ineligible for the Program.

IV. REPLACEMENT TRUCK ELIGIBILITY

- A. Must be one of the following advanced technology vehicles:
1. Zero Emission Electric (battery or hydrogen fuel cell) with:
 - i. All-electric range of at least 35 miles or
 - ii. All-electric range of at least 20 miles with fast charge capability
 2. Low NOx (0.02 g/bhp-hr NOx)
- B. **Replacement vehicle can be new or used.** Used replacement vehicles must meet the following criteria:
1. A used HHD (class 8) vehicle must have less than 500,000 miles on the odometer
 2. A used MHD (class 6-7) vehicle must have less than 250,000 miles on the odometer

3. A used LHD (class 4-5) vehicle must have less than 150,000 miles on the odometer
- C. **Weight Class Range** - The replacement vehicle must be in the same weight class as the existing vehicle (either LHD, MHD, or HHD as defined in Appendix B). An MHD vehicle can replace an HHD vehicle if they both have the same axle configuration (e.g., an existing HHD vehicle with two axles can be replaced with an MHD vehicle with two axles) but the funding amount must be at the MHD funding level.
- D. **Horsepower** - The replacement engine or zero-emission vehicle horsepower must be no more than 25 percent (25%) greater than the existing engine horsepower. Increases in horsepower beyond the 25% limit may be considered on a case-by-case basis.
- E. **Engine Class**: The engine's primary intended service class must match the replacement vehicle's weight class as outlined below. Exceptions may be made for vocational purposes if the GVWR is within 10% of the engine's intended service class. Any exceptions must be approved by the District prior to contract execution.

New Truck Weight Class	Eligible Engine Service Class
HHD (Class 8)	HHD
MHD (Class 6-7)	MHD
LHD (Class 4-5)	LHD

1. Replacement vehicles must be powered by an engine or motor certified to the applicable heavy-duty intended service class as shown on the engine or zero-emission vehicle certification Executive Order. However, the following cases may be allowed:
- MHD engines or motors may be installed in Class 8 vehicles with GVWR up to 36,300 lbs. (ten percent higher than 33,000 lbs. GVWR) with written warranty verification by the engine and chassis manufacturer.
 - HHD engines or motors may be installed in Class 6-7 vehicles if necessary for vocational purposes but only if the GVWR are within ten percent of the HHD intended service class (i.e., GVWR of 29,701 lbs. or greater).
 - In cases of zero emission replacement vehicles where the GVWR is not within 10 percent of the baseline engine's weight class and there is no zero-emission vehicle replacement available within 10 percent of the baseline vehicle's weight class that can perform the same or equivalent level of work of the baseline vehicle, all of the following requirements must be satisfied:
 - Confirmation that the intended use of the replacement vehicle would remain the same as that of the existing vehicle.
 - Justification for the deviation in GVWR not being within 10 percent and a description of the weight difference between the battery electric powertrains of the existing and replacement vehicles (e.g., the zero-emission vehicle specification sheet).
 - How the ZE replacement vehicle will safely accommodate the equivalent level and scope of work that the existing vehicle performs (e.g., a letter from

the manufacturer confirming the replacement vehicle can safely operate in the same degree as the old vehicle without adversely impacting its durability).

- F. **Body and Axel Configuration** - The replacement vehicle must have the same axle and body configuration as the existing vehicle. Slight changes based on the latest technology may be approved on a case-by-case basis. In the case of zero-emission replacement vehicles differing from the existing vehicle's axle and/or body configuration, the following must be provided when possible:
1. Confirmation that the intended use of the replacement vehicle would remain the same as that of the existing vehicle.
 2. Justification for the deviation in GVWR not being within 10 percent and a description of the weight difference between the battery electric powertrains of the existing and replacement vehicles (e.g., the zero-emission vehicle specification sheet).
 3. How the zero-emission replacement vehicle will safely accommodate the equivalent level and scope of work that the existing vehicle performs (e.g., a letter from the manufacturer or certified statement from the applicant confirming the replacement vehicle can safely operate in the same degree as the old vehicle without adversely impacting its durability).
 4. Changes must be requested and approved prior to the purchase of the replacement vehicle.
- G. **Used Replacement Vehicles:** must adhere to the following mileage requirements:
1. Class 8 (HHD) – Less than 500,000 on the odometer
 2. Class 6-7 (MHD) – Less than 250,000
 3. Class 4-5 (LHD) – Less than 150,000
- H. **All Electric Range:** Electric vehicles must demonstrate an all-electric range of at least 35 miles. Those with fast charge capability must demonstrate an all-electric range of at least 20 miles.
- I. **Eligible Cost** –Eligible project costs include the cost of the cab and chassis including parts that are integrated into the vehicle. The cab and chassis cost may include but is not limited to the following:
1. Engine or motor and Frame
 2. Transmission, Steering system and Suspension system
 3. Electrical system, Cooling System, Emission system, and Fuel system
- J. **Leasing is NOT allowed:** If financing is necessary, the vehicle purchase must be financed with a conventional purchase loan.
- K. **% Operation** - at least fifty percent (50%) of the time within the District boundaries (page 13) and at least seventy five percent (75%) of the time within the state of California during the project life.
- L. **DMV Registration** - Vehicle must be registered within the District boundaries (page 13) during the life of the project.
- M. **Purchase of New Truck:** Must be purchased through a licensed dealership.
1. The new truck must have California based registration or California based IRP
 2. If you are purchasing from an out-of-state dealership you must verify that the new replacement truck has been certified for sale in California with a CARB approved engine.

3. For assistance with verification, contact District staff with the following information on the truck engine prior to making any purchases:
 - a. Engine EPA Family Name or,
 - b. Engine make, model, model year, and horsepower
- N. **Warranty** - All participants must purchase a major component engine warranty for the replacement new or used vehicle or repowered engine. The warranty must cover parts and labor. If the purchase of a new or used replacement vehicle is in accordance with currently required warranty periods or warranty requirements for newer engine model years as specified in the Heavy-Duty Low NOx Omnibus Regulation then separate supplemental warranty is not required.
 1. Electric vehicles must have a minimum warranty period of 3 years or 50,000 miles. The warranty must cover the motor, drivetrain, battery or energy storage, and parts and labor.
- O. Not be a glider kit.

V. APPLICANT REQUIREMENTS

The applicant must meet the following eligibility requirements:

- A. Have owned the current truck for the past 24 months at minimum.
- B. Submit a completed application to the District.
- C. Not purchase, make down payments, or take possession of the replacement truck under funding consideration prior to the issuance of a contract—doing so will render a project ineligible.
- D. Be currently in compliance with the applicable California Air Resources Board's (ARB) Truck Regulations and submit documentation which indicates the fleet's selected compliance strategy.
- E. Fleet Compliance: The fleet must currently be in compliance with all applicable Federal, State and Local rules and regulations. For more information about truck regulations, visit <http://www.arb.ca.gov/msprog/truckstop/truckstop.htm>
 - a. Applicants will be pre-screened for regulatory compliance, outstanding violations, open cases, and previous project funding.
- F. Remain the owner of the replacement truck for the life of the project.
 1. If the truck needs to be sold during the life of the project, the District must approve the truck ownership change **prior** to its sale. The new owner of the truck must be willing to assume the Program obligations with the District and comply with the terms and conditions outlined in the Program guidelines.
- G. Maintain replacement value insurance for the replacement truck through the full project life.
- H. Demonstrate proof of applicable major component engine warranty for the replacement truck commencing on the day the new truck is purchased as indicated on the final invoice submitted for reimbursement.
- I. Demonstrate that the truck is domiciled within the boundaries of the District boundaries (page 13).

- J. Submit annual reports to the District through the full project life as well as comply with recordkeeping and audit requirements.
 - 1. Current truck registration and insurance documentation must be kept.
- K. Surrender the current truck to a District approved dismantler for scrapping. See page 11 of these guidelines for a description of the Dismantler requirements and approved method of destruction.
 - 1. The truck must be delivered to the dismantler in operating condition.
- L. Agree to allow the District or its representative(s) to inspect the replacement truck upon request any time for the duration of the project life.
- M. Properly maintain the replacement truck in good operating condition and according to manufacturer's recommendations.
- N. Certify that there are no outstanding ARB violations for equipment associated with the truck on the application.
- O. Agree to list the air district as co-lien holder on the title of the funded vehicle for the term of the agreement. A completed Uniform Commercial Code-1 Financing Statement Form must be submitted to the California Secretary of State, with a copy sent to the air district, within 30 days of the purchase of the new vehicle. The financing statement must have the San Joaquin Valley APCD as the secured party and the vehicle should be listed as collateral. More information can be found at: <https://bizfileonline.sos.ca.gov/forms/ucc>.
- P. **Military Service Provision:** If an applicant has been on active military duty at any time during the previous twenty four (24) months, documentation prior to deployment and covering the same length of time as the deployment period may be used to meet the title, registration, usage, and operation in California requirements. Applicant must submit a copy of DD Form 214, certificate of Release or Discharge from Active Duty, to verify military service during the deployment period.

VI. REQUIRED DOCUMENTATION

The following documentation must be submitted for each truck on application.

- A. Copy of **title**, free of any lien holders, on which the applicant is listed as the registered owner of the truck.
 - 1. Titles on which the lien holder has signed the release of interest for the truck will be accepted.
- B. **Usage Documentation** must cover each of two 12-month periods in the previous 30 months. Any gap between the two 12-month periods may be permitted for usage consideration if reasoning and supporting documentation demonstrating the need for the gap are provided for air district evaluation. The applicant must provide, at minimum, the following documentation to cover the two 12 month periods:
 - 1. At minimum, the following three (3) mileage records should be provided:
 - a. One (1) showing the current odometer reading (within 30 days of application submittal), **and**
 - b. One (1) mileage record showing odometer reading from at least 12 months ago, **and**

- c. One (1) mileage record showing the odometer reading from 24-30 months ago.
 2. Acceptable documentation includes, but is not limited to, maintenance records, Biennial Inspection of Terminals (BIT inspection), International Fuel Tax Agreement (IFTA) records, daily logs, etc. Documentation must clearly identify the truck by ID number, license plate, or VIN.
- C. Proof of **insurance** for the past 2 years
- D. Proof of where truck is **domiciled** – if DMV registered address is not within District boundaries
1. Address/location referenced on documentation must be within the SJVAPCD boundaries. Acceptable documentation includes, but is not limited to GPS data, insurance listing garage location, daily logs (1 per quarter/past 24 months), or other documentation showing domiciled location. Documentation must clearly identify the truck by unit number, VIN or license plate number.
- E. California **DMV Registration** for the past 24 months:
1. Current cab card plus past 24 months from date of application submittal
 2. California DMV Vehicle Registration Information Record printout may be substituted for past DMV Registration if expired cab cards are not available. The printout can be obtained online at <https://www.dmv.ca.gov/portal/dmv/detail/online/vrr> or by mail by submitting a Request for Driver Record Information form (INF 1125) to DMV.
 3. Partial Year Registration Exception: If the current truck operates seasonally, the registration must indicate partial year registration and must cover at least 3 months per 12 month period for the previous 24 months.
- F. Copy of a **quote**, for replacement truck:
1. Quote should represent the type and style of truck (GVWR and engine service class) you would like to purchase and should represent, as close as possible, to the truck you would like to purchase.

VII. PROGRAM PROCESS OVERVIEW

- A. Application Submission and Approval** - All applications received will be subject to a review process, which will include the following:
1. Verification of the truck owner's eligibility to participate in the Program.
 2. Verification that the proposed project is consistent with these Guidelines.
 3. If the application is incomplete, a letter and/or an email will be sent to the applicant indicating the reason(s).
 4. When the application has been deemed complete, a contract offer will be issued to the applicant via a DocuSign email.
 5. Ineligible applications will be canceled and a letter will be sent to the applicant indicating the reason(s).

Table 1: Application Submission and Approval

Process Step	Step Description
Submission	Submit an application to the District via either email, standard mail, fax, or hand delivery.
Supporting Documentation*	Submit, along with the application, the following support documentation: <ul style="list-style-type: none"> • Usage documents • Title • DMV Registration • Insurance • New truck quote • Compliance Certificate
Pre-Inspection	<ul style="list-style-type: none"> • Performed by District staff or Contracted Representative • Pictures taken and truck information verified by District staff
Staff Review and Assessment	<ul style="list-style-type: none"> • Supporting documentation and pre-inspection reviewed for eligibility determination. • Additional documentation is requested if needed
Project Approval and Offer	If deemed eligible, draft contract offer sent to the applicant to review, sign and return to the District.

* A detailed description of supporting documentation requirements is located in section VII of these guidelines

B. Contract Offer and Execution - Contracts will be offered on a first come, first served basis until program funds are exhausted.

1. The new truck may **NOT** be purchased as a lease to own. If financing is needed, it must be in the form of a traditional financing loan.
2. Projects that are awarded a contract will be subject to a **project life up to** seven (7) years commencing on the day the replacement truck is purchased, as indicated on the dealership's final sales invoice.
 - a. Applicants will be required to submit annual reports to the District for the life of the project. Annual reports will be provided by the District and mailed to applicants annually approximately one year from the date of the final sales invoice.

The following table outlines the steps for offering and executing a contract.

Table 2: Contract Offer and Execution

Process Step	Step Description
Signature	Participants sign the draft contract and return to the District for final signatures and contract execution
Fund availability	Funds are not guaranteed until a contract has been issued and executed.
Contract Expiration	The participant will then have a specified amount of time to purchase/take delivery of the new truck and surrender the old truck to an approved program dismantler.

C. Reimbursement (Claim for Payment) - Upon execution of the contract, the District provides the participant with a Claim for Payment Packet, which includes necessary forms and instruction on how to request reimbursement. The Payment process is as follows:



Table 3: Claim for Payment

Process Step	Step Description
Submission	Submit Claim Packet to the District via either email, standard mail, fax, or hand delivery.
Documentation	<ul style="list-style-type: none"> • Claim for Payment form (provided by the District) • Final Invoice from dealership • Proof of Payment • DMV Registration • Old Truck Status Form (provided by District) • Proof of Insurance • Copy of Warranty
Eligible Costs	All costs associated with the chassis, engine and applicable specialty body needed for the truck to be deployed
Ineligible Costs	<ul style="list-style-type: none"> • Fees associated with finance document preparation. • Other grants or incentives
Inspections	<ul style="list-style-type: none"> • Post Inspection of new truck • Dismantle of old truck
Staff Review and Assessment	<ul style="list-style-type: none"> • Supporting documentation & post-inspections reviewed for eligibility • Additional documentation is requested if needed
Payment	<ul style="list-style-type: none"> • Not to exceed 100% of eligible cost. • Payment issued in the form of a check directly to the participant. • A 2-party check (Participant & Dealership) can be requested by Participant.

VIII. GENERAL INFORMATION

- A. The District may consider projects that deviate from the guidelines on a case-by-case basis.
- B. Remedies for project non-performance may include, but are not limited to, the following:

1. Recovery of all or a portion of the Program funds.
 2. Other fiscal penalties on the truck owner based on the severity of non-performance.
 3. Cancellation of the contract.
 4. Prohibiting the truck owner from participating in future District incentive programs.
 5. Prohibiting a specific truck from participating in other District incentive programs.
- C. The amount of the contract will be reduced from the total purchase price of the truck. The receipt of grant funds does not lower the base price of the truck thus does not reduce the tax basis of the truck.
1. Grant funds cannot be applied to ineligible items. Ineligible items include interest accrued over the life of the loan. If the replacement truck is financed, the grant amount will only be based off a percentage of the financed principal, not the finance charge (interest).
 2. If financed, **the grant amount must not be subject to financing fees or interest accrued** over the life of the loan.
 3. Dealerships may **NOT** charge an applicant for the use of the grant in the form of loan fees, finance charges, interest, documentation prep fees or any other type of fee or charge associated with the value of the contract.
 4. Deviations from the above mentioned process will be considered on a case-by-case basis and must be brought to the District's attention prior to submitting a claim for payment.

IX. INSPECTIONS

The inspection of the current truck on application is required to complete the review of an application and an inspection of the new truck upon delivery is required to complete the review of the reimbursement request.

A. Inspection by **District**

1. Pre-Inspection - Upon receipt of a complete application, District staff will assign the project for pre-inspection.
 - a. A District inspector will contact the truck owner to schedule a time to perform the inspection
2. Post-Inspection - Upon receipt of a Claim for Payment, District staff will assign the project for post-inspection.
 - a. A District inspector will contact the truck owner to schedule a time to perform the inspection
3. A visual inspection of the operational condition of the truck along with photographs of the truck, VIN number, GVWR, and engine information will be obtained and reviewed.
 - a. The current truck must be in operational condition at the time of application submission **and** District inspection.

B. Inspection by a **Contracted Representative**

An optional inspection by a dealership or third party representative under contract with the District can be submitted along with the application and/or claim for payment in lieu of the District inspection. This is optional and dealerships or third party representatives are not required to provide this service. If a Dealership or third

party representative is interested in this option, please contact Truck Program Staff at 559-230-5800 for detailed requirements and responsibilities.

1. **Eligibility** - participation is an optional component of the Program and is only required if the Dealership or third party representative is going to conduct the inspection. Dealerships or third party representative opting into this feature of the Program are required to enter into an agreement with the District and meet the following qualifications:
 - a. Must enter into a contract with the District to be a participating contractor in the Program. If a company has more than one (1) location that will participate in the program, each location must enter into a separate contract.
 - b. Must maintain a minimum of one (1) employee that has successfully completed the training by the District regarding the terms, conditions and requirements of the Program.
 - If a participating company has more than one (1) contracted location, then each location must have at least one employee trained on the Program.

X. DISMANTLER REQUIREMENTS

The Program requires the current truck to be permanently destroyed. Destruction of the current truck's chassis and engine permanently removes the old, high-emitting truck from operation. This requirement has been established to ensure that emission reductions are real. It prevents the current truck from being moved into another locale to continue emitting high levels of pollutants. A list of participating dismantlers can be found at www.valleyair/grants/truck-replacement.htm that current trucks can be delivered to for destruction.

CHAPTER 2 - Yard Truck Replacement

I. OVERVIEW

Please refer to the Yard Truck Replacement Guidelines located at <http://valleyair.org/grants/truck-replacement.htm> for a full description of this option's requirements.

- A. All applications received will be subject to a review process, which will include the following:
 - 1. Verification of the truck owner's eligibility to participate in the Program.
 - 2. Verification that the proposed project is consistent with these Guidelines.
- B. If the application is incomplete, a letter and/or an email will be sent to the applicant indicating the reason(s).
- C. If the application is ineligible, it will be canceled and a letter will be sent to the applicant indicating the reason(s).
- D. When the application has been deemed complete, the project will be assigned for inspection by District staff. A District inspector will contact the applicant to schedule the inspection
 - 1. If the applicant has selected a dealership for the purchase of the replacement truck, the dealership can perform the pre-inspection prior to application submittal to reduce the processing time.
 - 2. Dealerships must submit inspections on the Dealership Pre-Inspection Form, which can be obtained by contacting Program staff at 559-230-5800, along with digital pictures.
- E. Contracts will be issued on a first come, first served basis until program funds are exhausted.
- F. Payments from the District shall be made directly to the participant named on the contract upon receipt of a completed Claim for Payment packet submitted by the participant to the District.
- G. The new truck may be purchased as a lease to own as long as the applicant identifies to the District their intent to lease **prior** to receiving a contract.
- H. Projects that are awarded a contract will be subject to a **project life** up to five (5) years commencing on the day the replacement truck is purchased, as indicated on the dealership's final sales invoice.
 - 1. Applicants will be required to submit annual reports to the District for the life of the project. Annual reports will be provided by the District and mailed to applicants annually approximately one year from the date of the final sales invoice.

CHAPTER 3 - Voucher Incentive Program (VIP)

I. OVERVIEW

This option accepts applications on a limited basis. Please refer to the Program website located at <http://valleyair.org/grants/truck-replacement.htm> for information on open application timeframes and a full description of this option's requirements the VIP Guidelines.

- A. All applications received will be subject to a review process, which will include the following:
 - 1. Verification of the truck owner's eligibility to participate in the Program.
 - 2. Verification that the proposed project is consistent with these Guidelines.
- B. If the application is incomplete, a letter and/or an email will be sent to the applicant indicating the reason(s).
- C. If the application is ineligible, it will be canceled and a letter will be sent to the applicant indicating the reason(s).
- D. When the application has been deemed complete, the project will be assigned for inspection by District staff. A District inspector will contact the applicant to schedule the inspection
 - 1. If the applicant has selected a dealership for the purchase of the replacement truck, the dealership can perform the pre-inspection prior to application submittal to reduce the processing time.
 - 2. Dealerships must submit inspections on the Dealership Pre-Inspection Form, which can be obtained by contacting Program staff at 559-230-5800, along with digital pictures.
- E. Contracts will be issued on a first come, first served basis until program funds are exhausted.
- F. Payments from the District shall be made directly to the participant named on the contract upon receipt of a completed Claim for Payment packet submitted by the participant to the District.
- G. The new truck may be purchased as a lease to own as long as the applicant identifies to the District their intent to lease **prior** to receiving a contract.
- H. Projects that are awarded a voucher will be subject to a **project life** up to five (5) years commencing on the day the replacement truck is purchased, as indicated on the dealership's final sales invoice.
 - 1. Applicants will be required to submit annual reports to the District for the life of the project. Annual reports will be provided by the District and mailed to applicants annually approximately one year from the date of the final sales invoice.

CHAPTER 4 - Applicant Resources

I. WEB RESOURCES

To assist applicants participating in the District's incentive programs, the District has developed a Program Web Page. This page contains a list of certified dealerships that are contracted with the District to participate in this program. Additionally, this page contains links to the California Air Resources Board website where you can obtain a list of eligible engines, associated Executive Orders and other technical information.

The Applicant Resource Web Page can be found at www.valleyair/grants/truck-replacement.htm

When preparing an application, we ask that you utilize the information presented within the links on this page. By submitting complete application packets with accurate information, we can reduce the amount of time and resources necessary to process your application.

II. MAP OF DISTRICT BOUNDARIES

