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# Bay Area Air Quality Management District

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## **Grant Opportunity Announcement for Public School Bus Replacement Projects**

Lower-Emission School Bus Program

Public School Districts  
and  
Joint Power Authorities  
are eligible to apply

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*Bay Area Air Quality Management District  
939 Ellis Street, San Francisco, CA 94109*

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## Introduction

The Lower-Emission School Bus Program (LESBP) provides financial incentives to replace older public school buses, replace on-board compressed natural gas (CNG) fuel tanks on public school buses, and retrofit in-use school buses with emission control devices to reduce the exposure of school children to harmful emissions.

**The Bay Area Air Quality Management District (Air District) is currently accepting LESBP grant applications to replace model year 1993 and older public school buses** that operate within the Air District's jurisdiction. *The LESBP provides funding only for replacement of existing buses, not fleet expansion.*

Up to \$165,000 is available for the purchase of each new diesel-fueled bus and up to \$170,000 is available for the purchase of each new alternative-fueled or hybrid bus. Grantees do not need to provide the \$25,000 in match funding required by the LESBP since this funding is provided by the Air District on their behalf. Up to an additional \$14,000 per bus is also available for the installation of alternative-fuel infrastructure.

**Funds will be awarded to qualifying projects on a first-come, first-served basis until all funds are allocated.** Applications for alternative-fueled and hybrid buses are strongly encouraged.

This document provides an overview of the program requirements. Applicants are encouraged to review the program Guidelines at <http://arb.ca.gov/bonds/schoolbus/guidelines/2008lesbp.pdf> and advisories at <http://www.arb.ca.gov/bonds/schoolbus/advisory/advisory.htm> in their entirety prior to preparing and submitting a grant application.

## Who Can Apply

Public school districts in California that own their own buses, including under the provisions of a Joint Powers Agreement (JPA), are eligible to apply for bus replacement funding.

School transportation contractors, non-profit agencies, private schools, and other private companies are **not** eligible for LESBP school bus replacement funds.

## ARB Regulation Affecting School Buses

ARB's Truck and Bus regulation requires existing on-road diesel vehicles including school buses that operate in California to be upgraded to reduce emissions. More information regarding this rule and compliance can be obtained by calling ARB's diesel hotline at (866) 6DIESEL (866-634-3735) or by visiting <http://www.arb.ca.gov/msprog/onrdiesel/documents/fsschoolbus.pdf>.

**It is the school bus owner's responsibility to understand the requirements of the ARB regulation and how the regulation affects their fleet.** *The awarding of a LESBP grant in no way extends any regulatory compliance deadline.*

## Schedule

**Grant applications are currently being accepted.**

Replacement buses must be in service and, if applicable, any associated infrastructure work completed no later than nine months after the award contract execution date. The final payment request must be submitted to the Air District no later than eleven months after the award contract execution date.

## Replaced Bus Requirements

1. Any bus with a model year 1993 and older engine may be eligible for replacement.<sup>1</sup> To demonstrate compliance with this requirement, applicants must submit *a copy of the bus' engine tag* (preferably in electronic format).
2. Model year 1993 and older buses, including those repowered with newer engines, may be eligible for replacement.
3. The bus' Gross Vehicle Weight Rating (GVWR) must be greater than 14,000 pounds (lbs). To demonstrate compliance with this requirement, applicants must submit *a copy of the bus' data tag* (preferably in electronic format).
4. Each bus must have a current California Highway Patrol (CHP) safety certification (Form 292) and continuous certification from the two previous years (either CHP Form 292, 343 or 343A). Applicants must submit *copies of these CHP Forms for each bus*. If there has been a lapse in the bus' certification in this time frame, applicants must provide a written explanation for that lapse and a description of how often the bus is currently used (e.g., how many times per month). Buses with a lapse in certification will be considered on a case-by-case basis.
5. Public school districts/JPAs must demonstrate bus ownership. Applicants must submit *a copy of the Department of Motor Vehicles (DMV) registration for each bus*.
6. Each bus replaced under this program must be dismantled, and the engine scrapped, within 60 days of receipt of the new replacement bus. For each replaced bus, *the following documentation must be submitted as proof of proper disposal*:
  - a. A copy of the DMV Dismantlers Notice of Acquisition/Report of Vehicle to be Dismantled (REG42) or a copy of the DMV registration indicating that the bus was junked; and
  - b. A letter signed and dated by a representative of the entity that dismantled the bus that includes the method used to dismantle the engine and non-engine part of the school bus, the Vehicle Identification Number, engine serial number, and the date the engine and non-engine portion of the bus were dismantled.

## Replacement Bus Requirements

1. New diesel-fueled, alternative-fueled and hybrid buses with a GVWR greater than 14,000 lbs are eligible for funding.<sup>2</sup>
2. Program funds can only be used to purchase new buses that are equipped with standard equipment. Applicants must *submit a copy of the bus vendor quote(s) including a list of the equipment being requested*.
3. New buses must meet the following emission criteria:
  - Particulate matter (PM): 0.01 grams per brake horsepower-hour (g/bhp-hr)
  - Nitrogen oxide family emission limit (NO<sub>x</sub> FEL): 0.2 g/bhp-hr
4. Applicants must obtain a copy of the ARB certification Executive Order (EO) for the engine of the new bus and *submit a copy of the EO*.

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<sup>1</sup> If a bus was retrofitted or repowered within the last five years with LESBP or other grant funds from the Air District, a prorated repayment to the Air District may be required.

<sup>2</sup> Alternative-fueled buses may be powered by natural gas, liquefied petroleum gas (LPG) or propane, electricity, methanol, or ethanol fuels.

5. Applicants who are requesting infrastructure funds must *submit an explanation about the need for this infrastructure (including the current alternative-fuel infrastructure on-site, the number of alternative-fuel vehicles on-site and the distance to the nearest alternative-fuel station) and a cost quote*. These funds cannot be set aside and spent at a later date.
6. Each new bus purchased under this program must receive a safety inspection by the CHP before that bus is put in service. For each bus, *a copy of the following documentation must be submitted*:
  - a. CHP Form 292 – Inspection Approval Certificate;
  - b. CHP Form 343 – Safety Compliance Report/Terminal Record Update; or
  - c. CHP Form 343A – Vehicle/Equipment Inspection Report Motor Carrier Safety Operations.
7. Once the new bus funded by this program has been registered with the DMV, *a copy of the registration must be submitted*.
8. **New buses funded by this program must be operated and maintained according to the manufacturer’s warranty specifications. In addition, these buses must be owned and operated by the grantee for a minimum of five years and at least 90% of the operating hours or mileage of all new buses must occur within the geographical boundaries of the Air District.** Repayment of grant funds may be required if a grantee sells or otherwise discontinues use of a bus funded by this program prior to the end of the contract term.

### **Eligible Expenses**

The Air District will pay:

- up to \$165,000 to purchase a new diesel-fueled bus and up to \$170,000 for an alternative-fueled or hybrid bus.
- up to an additional \$14,000 per new alternative-fueled bus to fund the purchase and installation of new alternative-fuel infrastructure *when no local or existing facilities are adequate to meet the needs of the new bus*.

### **Matching Funds Requirement**

Agencies that participate in the Air District’s LESBP do not need to provide the \$25,000 in match funding as required by the LESBP since this funding is provided by the Air District on their behalf. Grantees are responsible for any costs over the Air District’s award.

### **Authorizing Resolution Requirement**

Applications must include a copy of a resolution from the school district governing board (or a duly authorized official with authority to make financial decisions) authorizing the submittal of the application and identifying the individual authorized to implement and administer the bus replacement project and, if requested, infrastructure project.

### **Contract, Reporting and Record Retention Requirements**

Applicants will be notified of awards by mail. If approved for a grant award, the grantee must enter into a contract with the Air District and adhere to all contract requirements, including project milestones. In addition, if applicable, grantees must report to the Air District upon contracts entered into for, and completion of, any funded alternative-fuel infrastructure.

**Please note that no work is to be done and no equipment is to be ordered until a fully-executed contract (i.e., signed by both the grantee and the Air District) is in place.**

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Upon contract execution, *the grantee must provide a copy of a completed [IRS Form W-9](#) and purchase order for the new bus(es) and alternative-fuel infrastructure (if applicable)* to the Air District.

**Grantees must retain all project-related records for the contract term plus two years.**

### **Payment of Funds**

Grantees can only be reimbursed for eligible project costs incurred after the contract is fully executed.

The Air District will make payments on a reimbursement basis following the delivery of at least one bus. Itemized invoices must accompany each payment request. A copy of the CHP 292 for the new bus and proof of destruction of the replaced bus must accompany the associated bus replacement payment request. If applicable, the Air District will pay for infrastructure after the infrastructure has been installed and placed into service and after at least one new bus is delivered.

**Grant Application Instructions**

To apply for LESBP school bus replacement funds, applicants must complete and submit:

- Part A of the Grant Application Form**, including
  - The signed **Grant Application Form** (*signed by the School Superintendent or a designee*).
- Part B of the Grant Application Form**, including for each bus to be replaced
  - A photo of the **bus' data tag** (*preferably in electronic format*);
  - A photo of the **bus' engine tag** (*preferably in electronic format*);
  - A copy of the **current CHP 292 Form and either Form 292, 343 or 343A** showing continuous safety certification from the previous two years. If there has been a lapse in certification, provide a written explanation for the lapse and a description of how often the bus is currently used (e.g., how many times per month); and
  - A copy of the **DMV registration**.
- Part C of the Grant Application Form**, including for each bus
  - Dated and itemized vendor quote** including list of equipment;
  - The **ARB EO for the bus' engine**;
  - If requesting an alternative-fueled bus**, information on refueling capability and delivery of fuel by bus delivery date, and
  - If requesting infrastructure**, provide an explanation of the need (including the current alternative-fuel infrastructure on-site, the number of alternative-fuel vehicles on-site and the distance to the nearest alternative-fuel station) and a cost quote.
- Part D of the Grant Application Form**, including
  - Fleet Inventory Spreadsheet**
  - A Board resolution**

Application forms must be mailed or delivered to:

Lina Patel  
Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, CA 94109

For assistance in completing a grant application or for answers to any questions regarding the LESBP, please contact Lina Patel at (415) 749-5117 or [lpatel@baaqmd.gov](mailto:lpatel@baaqmd.gov).

Application forms can be found at <http://www.baaqmd.gov/LESBP>.

**Lower-Emission School Bus Program  
School Bus Replacement Application Form  
Part A – SUMMARY INFORMATION**

**APPLICANT INFORMATION**

**SCHOOL DISTRICT/ JPA:** \_\_\_\_\_

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

City: \_\_\_\_\_ County: \_\_\_\_\_ Zip \_\_\_\_\_

**CONTACT PERSON:**

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

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

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

**ARB TRUCK AND BUS REGULATION INFORMATION**

Is your entire fleet in compliance with the [ARB Truck and Bus Regulation](#)?

Yes, our entire fleet is in compliance

No, \_\_\_% of our fleet subject to the rule is currently in compliance

**FUNDING REQUEST - NEW BUS and INFRASTRUCTURE INFORMATION**

*Total number of buses requested:* \_\_\_\_\_, *as follows:*

*# of natural gas:* \_\_\_\_ *# of diesel:* \_\_\_\_ *# of hybrid/electric:* \_\_\_\_ *# of propane:* \_\_\_\_

**Total cost of bus(es) requested (including taxes):** \$ \_\_\_\_\_

*Total cost of alternative-fuel infrastructure requested for alternative-fueled buses (if applicable, not to exceed \$14,000 per bus):* \$ \_\_\_\_\_

**TOTAL FUNDING REQUESTED:** \$ \_\_\_\_\_

**AUTHORIZATION**

I understand that this application is for evaluation purposes only and does not guarantee project funding. I certify that to the best of my knowledge, the information contained in this application and in any documentation accompanying this application or submitted in furtherance of this application is true and accurate. I certify that I have the legal authority to apply for funding on behalf of the applicant entity and that I am authorized to sign this application on behalf of applicant.

\_\_\_\_\_  
Signature Title Date

\_\_\_\_\_  
Print Name E-mail Address Phone Number



**Lower-Emission School Bus Program  
School Bus Replacement Application Form**

**Part B**

**INFORMATION ON EXISTING BUSES PROPOSED FOR REPLACEMENT**

	<b>BUS #1</b>	<b>BUS #2</b>	<b>BUS #3</b>
Bus ID #			
License Plate #			
Vehicle Identification Number (VIN)			
Bus Manufacturer			
Bus Model			
Bus Model Year			
Bus Type (C/D/Special needs)			
Gross Vehicle Weight Rating (GVWR) (lbs)			
Mileage for last school year			
Total Mileage			
Fuel Type			
Bus Storage Location (Address, City, zip code)			
Engine Manufacturer			
Engine Model			
Engine Model Year			
Engine Family Number			
Engine Displacement			
Engine Serial Number			
<b>Engine Horsepower</b>			
Has the bus received Air District grant funding in the past? Yes/No			
If Yes, Air District Project #			
<b>FOR JPAS ONLY</b>			
Associated School District:			
% of time associated with School District:			

Applicant must also provide for each bus (1) photos of the engine tags and data tags (preferably in electronic format), (2) a copy of the current CHP 292 Form and Form 292, 343 or 343A showing continuous safety certification from the previous two years, and (3) a copy of the DMV registration. **Attach additional pages, as needed.**

**Lower-Emission School Bus Program  
School Bus Replacement Application Form**

**Part C**

**INFORMATION ON NEW REPLACEMENT BUSES**

	<b>BUS #1</b>	<b>BUS #2</b>	<b>BUS #3</b>
Bus Manufacturer			
Bus Model			
Bus Model Year			
Bus Type (C/D/special needs)			
Gross Vehicle Weight Rating (GVWR) (lbs)			
Fuel Type			
Engine Manufacturer			
Engine Model			
Engine Model Year			
Engine Displacement			
Engine Horsepower			
Engine Family Name			
Expected Date of Delivery			
Cost of the Bus			

Applicant must also provide (1) a vendor quote, (2) if requesting an alternative-fueled bus, information on refueling capability and delivery of fuel by bus delivery date, and (3) if requesting infrastructure funding, the reason for the need (including the current alternative-fuel infrastructure on-site, the number of alternative-fuel vehicles on-site and the distance to the nearest alternative-fuel station) and a cost quote. **Attach additional pages, as needed.**

**Part D**

**FLEET INVENTORY SURVEY**

*Please provide the following information about your fleet:*

If you were to replace all of the pre-1994 buses you are currently requesting replacement funding for, would there be any remaining *pre-1994* buses in your fleet (GVWR > 14,000 lbs)?

\_\_\_ Yes/No; if yes, how many pre-1994 buses would remain in your fleet? \_\_\_\_\_

Please indicate the total # of *1994 and newer* buses in your fleet \_\_\_\_\_, and this information by fuel type: # of diesel buses: \_\_\_ • # of CNG buses \_\_\_\_\_ • # of other fuel buses \_\_\_\_\_

Do you have a CNG refueling site at your facility? \_\_\_\_\_ Yes/No

*Provide an electronic fleet inventory with the following information about each bus in your fleet: Bus ID #, VIN, bus make and model year, engine make and model year, and odometer mileage. Provide a hard copy of an Excel worksheet of this inventory with the application and send an electronic version to Geraldina Grünbaum at [ggrunbaum@baaqmd.gov](mailto:ggrunbaum@baaqmd.gov).*