

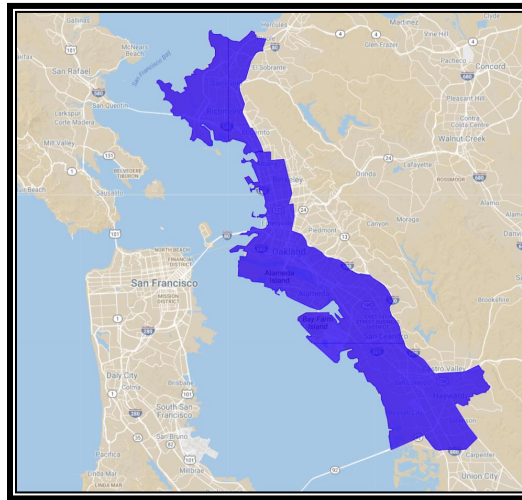


# Bay Area Air Quality Management District

*Application Guidance for the*

## **West Oakland Zero-Emission Grant Program**

*To support the adoption of zero-emissions equipment and vehicles operating at the Port of Oakland and in areas in proximity to the West Oakland community.*



*Funding for this program is provided by a grant from the Reformulated Gasoline (RFG) Settlement Fund. Created as a result of an antitrust class action, the purpose of the RFG Fund is to achieve clean air and fuel efficiency benefits for California consumers.*

[www.baaqmd.gov/WestOaklandZEV](http://www.baaqmd.gov/WestOaklandZEV)

Applications received by 4 PM September 19, 2019 will be evaluated competitively and applications received afterwards will be evaluated on a first-come, first-served basis until funding is exhausted.

Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105

Issued August 29, 2019

Please read this guidance document completely before filling out an application; incomplete applications will be rejected.  
The Air District reserves the right to modify this solicitation at its sole discretion.

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## Background Information

### BAY AREA AIR QUALITY MANAGEMENT DISTRICT (AIR DISTRICT)

The Bay Area Air Quality Management District (Air District) is the public agency entrusted with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties.

The California Legislature created the Air District in 1955 as the first regional air pollution control agency in the country, recognizing that air pollution transcends political boundaries. The nine counties of the Bay Area form a regional air basin, sharing common geographical features and weather patterns, and therefore similar air pollution burdens, which cannot be addressed by counties acting on their own.

The Air District employs a variety of strategies to reduce air pollution in the region that include planning, regulations, measurement, enforcement, outreach, and incentives. In 2019, over \$100 million in grant funding will be awarded to support projects that improve air quality in the Bay Area, with most of this funding being prioritized for projects in communities that experience disproportionately higher concentrations of air pollution.

### BAY AREA CLEAN AIR FOUNDATION (BACAF)

The Bay Area Clean Air Foundation (BACAF) was established by the Air District's Board of Directors as a nonprofit public benefit corporation in September 2008. The purpose of the BACAF is to provide financial, administrative, and programmatic support to the Air District. As part of its charter, the BACAF serves to fund air pollutant emissions reduction efforts, including educational and service programs and other projects, to support the mission of the Air District.

### REFORMULATED GASOLINE (RFG) SETTLEMENT FUND

The Reformulated Gasoline Settlement Fund was created as a result of a judgment issued in Reformulated Gasoline (RFG) Antitrust and Patent Litigation, MDL Case No. 05-1761 CAS (VBKx) (U.S. District Court Central District of California) to provide grants to achieve clean air and fuel efficiency benefits for California consumers.

On September 25, 2017, the U.S. District Court approved a grant in an amount not to exceed \$1,300,000 under the Open Grants Program whereby the BACAF, contracting with the Air District, will provide financial incentives for the adoption of zero and near-zero emissions equipment and vehicles operating at the Port of Oakland and in areas in proximity to the West Oakland community; collect data to measure environmental, economic and operating benefits of grant-funded equipment and vehicles; publish a White Paper describing the program, benefits, and lessons learned; and disseminate the White Paper to local governments, air districts and other entities with an interest in implementing similar programs.

## Program Overview

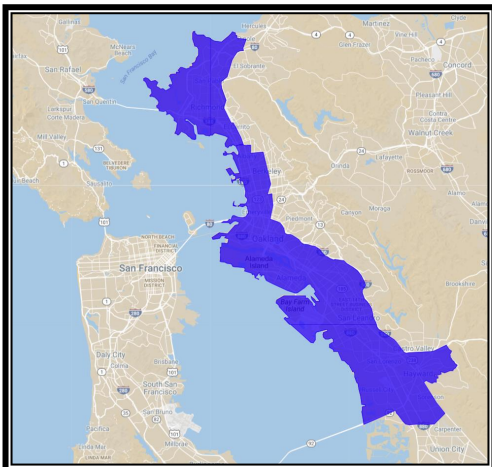


Figure 1: Eligible Area

While air pollution has steadily continued to decrease in the Bay Area, communities located near high pollution sources, such as freeways, busy distribution centers, and large industrial facilities, experience relatively higher levels of pollution.

To complement the Air District's other efforts that work to reduce this disparity, the Air District's West Oakland Zero-Emission Grant Program (Program) was developed to augment other available funding sources in order to help expedite the adoption of new on- and off-road zero-emission vehicles, infrastructure, and other mobile or stationary equipment that will be operated and installed in West Oakland or the adjacent Air District designated [Community Air Risk Evaluation \(CARE\)](#) areas of Richmond and Western Alameda County. Through this Program approximately \$740,000 has been

awarded to eligible projects and *approximately \$450,000 is remaining and available for award*.

Figure 1 shows the Eligible Area, which is further described in Appendix A: Map of Eligible Area. Other grant funding opportunities may be available for applicants who are interested in projects outside of these areas; some examples are listed in the Additional Funding Opportunities section.

The Air District will review, evaluate, and rank all eligible applications received by 4 pm on September 19, 2019, and awards will be issued to the highest ranked applications. Afterwards, the Air District will continue to accept applications and these will be reviewed on a first-come, first-served basis until funding has been exhausted.

Applicants who are selected for award must commit to operate funded vehicles and equipment in the Eligible Area for a minimum of five years.

**Applicants and projects must meet all program requirements included in this Application Guidance document (“Guidance”). Incomplete applications will be rejected. Please read this guidance document completely before submitting an application.**

The Air District reserves the right to modify this solicitation at its sole discretion.

## Pre-Application Webinar and Webinar Schedule

Applicants are strongly encouraged to attend a pre-application webinar before submitting an application.

Please note that registration is required to participate in a webinar and early registration is encouraged as **each webinar will be held online and is limited to 100 attendees**. The webinars will cover program requirements, application process, evaluation criteria, and grantee/project sponsor’s administrative requirements, and provide an opportunity for Q&A. The following webinars have been scheduled:

- September 6, 2019 from 1PM to 2PM PDT ([register](#))
- September 12, 2019 from 10AM to 11AM PDT ([register](#))
- October 3, 2019 from 11AM to 12PM PDT ([register](#))

Based on demand, additional webinars may be scheduled in the future. Information on and registration links for the webinars will be posted to the Program’s Website ([www.baaqmd.gov/WestOaklandZEV](http://www.baaqmd.gov/WestOaklandZEV)), and interested parties are encouraged to sign up for the Air District’s emailing list at <http://www.surveymonkey.com/r/tfcaemails> or check the Program’s website regularly for updates.

## Eligibility Criteria

### BASIC ELIGIBILITY REQUIREMENTS

- **Projects must be located or operate in the Eligible Area.** This is shown as the shaded area in Figure 1 in the Program Overview section and in Appendix A: Map of Eligible Area. Only projects that are located or that operate within the Eligible Area will be considered for award. Projects that involve vehicles that travel and operate outside of the Eligible Areas are potentially eligible for funding; however, only the portion of the operation and usage that occurs within the Eligible Area will be used by the Air District to determine the potential award amount based on the project’s potential to reduce petroleum and improve air quality.
- **Projects must not start before the full execution of the funding agreement:** Program funding is not retroactive, and any vehicles or equipment that are ordered, purchased, or installed before a Notice to Proceed is issued AND Funding Agreement has been fully executed by both the Air District and the Project Sponsor are not eligible.
- **Projects must be ready:** After the funding agreement has been executed, Project Sponsors must order all funded vehicles and equipment within three months, i.e., evidence of a paid invoice or purchase order, and place the funded vehicles and equipment into service within 12 months. The Air District may consider requests from applicants who provide sufficient evidence that a longer implementation period is needed if their vendor for the vehicles or equipment or associated construction or installation of new equipment timeframes will take longer than 12 months.

- **Projects must be voluntary and surplus:** Vehicles or equipment are not eligible if they are required to be purchased or installed by a regulation, local ordinance, or other legal obligations (e.g., legal settlement, condition of lease agreement or use permit), or have previously received full funding from other grants.
- **Applicants must be the legal owner of the funded vehicles or equipment and existing vehicles and equipment, if any.** For equipment owned by a company or organization, the applicant is the company or organization. A company official authorized to sign legal documents or incur financial obligations for the organization must be listed in the application.
- **Applicants must be in “good standing” with the Air District:** “Good standing” means that the applicant is in compliance with all Air District, State, and Federal air quality regulations. Applicants who are in compliance with those laws, rules and regulations, but who have pending litigation or who have unpaid civil penalties owed to the Air District, may be eligible for funding following a review and approval by the Air District. Additionally, applicants who were previously awarded an Air District grant must be in compliance with all contractual obligations of that grant and must not have failed a fiscal audit in the past five years.

### ELIGIBLE VEHICLES AND EQUIPMENT

- **All funded vehicles and equipment must be new. Used vehicles and equipment are not eligible for funding.**
- **Projects must deploy zero-emission equipment and vehicles, i.e., those that do not use diesel, gasoline, propane, natural gas, or any other type of petroleum fuel and demonstrate the potential to reduce or prevent fuel consumption.** Only potential fuel reductions that would occur within the Eligible Area will be evaluated.
  - Vehicles must be certified by the California Air Resources Board as zero-emission.
  - New equipment must not consume hydrocarbon fuel or produce any toxic or criteria exhaust emissions.

The following are *examples* of eligible vehicles and equipment:

- ✓ Battery electric and hydrogen fuel cell vehicles, including passenger cars, buses, medium- and heavy-duty trucks;
- ✓ Fully electric lawn & garden equipment;
- ✓ Zero-emission Transportation Refrigeration Units (TRUs);
- ✓ Battery storage units and hydrogen fuel-cell technology to replace diesel generators;
- ✓ Battery electric or hydrogen fuel cell off-road equipment, such as cargo handling and airport ground support equipment; and
- ✓ Electric vehicle charging stations and hydrogen fueling stations.

Other types of zero-emission vehicles and equipment may also be eligible if they can meet all program requirements.

### PROJECT SPONSOR OBLIGATIONS

Project Sponsors must agree to and do all the following:

- Complete all required milestones within the timeframe as described in this Guidance including, but not limited to:
  - Sign (Execute) the Funding Agreement and return to the Air District within 30 days of receiving it.
  - Place orders for all funded vehicles and equipment and submit copies of the purchase orders or signed vendor agreements to the Air District within three months from the date the Funding Agreement is executed.
  - Place into service all funded vehicles and equipment or complete construction and installation of new equipment within 12 months from the date the Funding Agreement is executed, unless a longer timeframe was approved by the Air District.
- Pay for all project costs up-front and provide match funding to cover all costs in excess of the grant amount (see Project Funding and Eligible Costs section for more information);
- Obtain all applicable permits, approvals, and certifications to operate and/or install the vehicles and equipment;

- Operate and maintain each funded equipment or vehicle in good working order for a minimum period of five years (Operational Phase).
- Obtain and maintain liability and any other necessary applicable insurance for the duration of the Operational phase;
- Operate and maintain each funded equipment or vehicle such that it achieves its approved Usage requirement. The Usage requirement describes the number of hours or miles that a funded vehicle or equipment must be operated, or amount of kWh of electricity or kg of hydrogen delivered during the Operational phase.
- Submit the following reports and data to the Air District:
  - **Progress Reports** every 6 months during the Implementation Phase;
  - An **expenditure report** and **request for reimbursement** of up to 85% of grant funds after all equipment or vehicles are placed into service or all construction or installation work has been completed; and
  - **Operational Reports** every month during the Operation Phase for the first six months, then annually thereafter, detailing usage of the funded vehicles and equipment.
- Acknowledge the Air District and the RFG Settlement Fund as a funding source by affixing the Air District logo on the vehicles and equipment and including an acknowledgement in any printed and electronic materials describing the project, such as brochures, handbooks, announcements, newsletters, and news releases. The acknowledgement should include both the Air District logo and the following text: "The project was made possible by a grant from the Reformulated Gasoline Settlement Fund. Created as a result of an antitrust class action, the purpose of the Fund is to achieve clean air and fuel efficiency benefits for California consumers." Air District logos will be provided to the Project Sponsor;
- Maintain all project records in a centralized location for a minimum of three additional years after the end of the Operational Phase. Project records include, but are not limited to records relating to project performance (e.g., insurance, reports, operational records) and financial documents (e.g., expenses incurred, proof of payment, paid invoices); and
- Allow Air District staff and its authorized representatives to inspect the project and conduct financial audits.

## *Scrapping Requirements for Replacement Projects*

Applicants that propose to scrap and replace existing internal combustion vehicles and equipment may qualify for higher levels of funding than projects that propose to only purchase new vehicles and equipment as a fleet expansion.

To qualify as a replacement project, the existing vehicles and equipment must meet all of the requirements listed below:

- ***The existing vehicles or equipment must be in compliance with all applicable rules and regulations;***
- ***If the project is selected for award, the project sponsor must scrap (destroy) the old existing vehicles or equipment after receiving approval from the Air District and within 60 days of placing the new vehicles or equipment into service. A hole must be put 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. A section of the oil pan flange must be removed as part of the hole or have a line cut through it that connects to the hole; and***
- Applicants must provide documentation of ownership and operational history described below:

### **For equipment only:**

- The applicant must currently own and must have owned and operated the equipment for a minimum of the previous 24 months; applicants must submit documentation to show ownership, equipment operation history and usage (e.g. logbooks, maintenance records, tax records, etc.).

### **For vehicles only:**

- The applicant must currently be the sole owner of the existing vehicle, documented through a copy of the existing vehicle title.
- The applicant must have owned the vehicle for the previous 24 months.
- The applicant must submit documentation to show vehicle operation history and usage (e.g., fuel logs or receipts, odometer readings, etc.) for the previous 24 months.
- The vehicle must be in operational or roadworthy condition, as determined through a California Highway Patrol (CHP) Biennial Inspection of Terminals (BIT) or equivalent Air District-approved method, such as:
  - The vehicle owner may submit a completed CHP 90-Day Safety Inspection Form documenting an inspection that occurred within 90 days of the application date; or
  - The applicant may submit other documentation demonstrating the vehicle meets this requirement.

## *Project Funding and Eligible Costs*

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### **MAXIMUM AND MINIMUM AWARD AMOUNTS AND MATCH FUNDING**

- **Minimum award amount: \$10,000.** Projects must qualify for at least \$10,000 in Program funding. Project Sponsors who modify their project's scope of work post-award such that their award is reduced to below \$10,000 will have their entire award cancelled.
- **Maximum award amount: \$500,000.** However, at this time, there is only approx. \$450,000 remaining. Any award that exceeds the amount of funding remaining will have a portion of the proposed project placed on a contingency list in case additional program funds become available.
- **Match Funding:** Applicants may apply for up to 50% of the total Eligible Project Costs (see below). Applicants are responsible for providing match funding to cover all remaining costs. The Project Sponsor is responsible for assuring that their acceptance of Program funds and any match funding used for their project does not conflict with federal, state, local, or other requirements. Project Sponsors are also responsible for ensuring that their funding sources allow the use of matching with Program funds.
- **Determination of award amounts:** The Air District will be evaluating each application to determine the amount of petroleum that would be reduced as a result of the project being implemented. Applications that meet all of the Program requirements may be eligible for an award based on a formula that provides up to \$19 in Program funding for every gallon of petroleum reduced per year (or gasoline gallon equivalents for CNG, LNG, LPG and other forms of Natural Gas).

### **REIMBURSEMENT PROCESS**

Program funds will be paid to Project Sponsors on a reimbursement basis after all costs have been incurred and payment to all vendors have been made by the Project Sponsor. Reimbursements will be released in two installments and requests typically take the Air District up to 60 days to process.

- Up to 85% of the award amount may be requested after the vehicles and equipment are purchased and placed into service;
- The remaining 15% of the award may be requested after the vehicles and equipment have completed six months of operation and the project has met at least 10% of the Usage requirement.

### **ELIGIBLE PROJECT COSTS**

Program funds may only be used to reimburse the following costs of items that are directly related to the implementation of the project:

- Vehicles and equipment, including tax and delivery costs;
- Installation costs, including permit fees, labor and materials, e.g., trenching, wiring, conduit, and signage.

## INELIGIBLE COSTS

Program funds may not be used to reimburse for any costs not specified under *Eligible Project Costs*. The following are examples of ineligible costs:

- Planning, architectural and engineering design, and consultant fees;
- Maintenance, repairs, and operations, such as cost of fuel (hydrogen or electricity) and network fees;
- Administrative costs, including, but not limited to, audits, accounting for Program funds and fulfilling contractual obligations, such as reporting and record-keeping requirements specified in the Funding Agreement.

## ADDITIONAL FUNDING OPPORTUNITIES

Below is a list of grant funding sources that provide funding for similar types of projects. In some cases, these funds may be used as match for this Program and Project Sponsors are responsible for assuring that their acceptance of Program funds and any match funding used for their project does not conflict with this funding source, or with federal, state, local, or other requirements. Project Sponsors are also responsible for ensuring that their funding sources allow the use of matching with Program funds.

- **Carl Moyer Program** provides vouchers or grants for public or private fleets to replace trucks and buses, repower engines, convert power (fuel) systems, and install battery-charging or fuel infrastructure for on-road equipment. Projects incorporating Carl Moyer Program funding may be subject to fiscal audits. More information about the Carl Moyer Program is available at <http://www.baaqmd.gov/moyer>.
- **Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)** provides vouchers for purchasers and lessees of hybrid and zero-emission trucks and buses on a first-come, first-served basis. In addition, HVIP provides increased incentives for zero-emission trucks and buses located in disadvantaged communities. *Note: All HVIP funding for 2019 has been exhausted and a waitlist is in effect. Additional HVIP funding is expected to be available starting in January 2020.* More information about the HVIP is available at <https://www.californiahvip.org/>.
- **Transportation Fund for Clean Air (TFCA)** provides funding to eligible entities for the implementation of Clean Air Vehicle and Trip Reduction projects that reduce emissions from on-road motor vehicles in the Bay Area. **TFCA funding is available as match funding to applicants of this Program who propose projects that deploy new on-road zero-emission vehicles.** Examples of eligible on-road vehicles include motorcycles, passenger cars/SUVs, light-, medium-, and heavy-duty trucks, transit and school buses. TFCA funding cannot be used for any other types of vehicles or equipment that may be eligible under this grant program, such as off-road vehicles and stationary equipment, cargo handling equipment and diesel generators. **Applicants interested in TFCA funding are encouraged to contact us at [grants@baaqmd.gov](mailto:grants@baaqmd.gov).**

The Air District may release additional grant solicitations for funding to accelerate the adoption of zero-emission technologies in the future. Interested parties are encouraged to periodically check our website at [www.baaqmd.gov/grants](http://www.baaqmd.gov/grants) and sign up for email notifications at <http://www.surveymonkey.com/r/tfcaemails> to receive alerts if and when these opportunities become available.



## Solicitation Process and Program Timeline

### PROGRAM TIMELINE

The table below summarizes the key Program milestones and deadlines for each of the phases of the Program. Additional information about the Program phases and associated activities is further discussed later in this section.

PROGRAM PHASE	ACTIVITY	TENTATIVE DATE
Application Phase	Solicitation opens; Program Guidance released	August 28, 2019
	Solicitation period	Until Funding is Exhausted
Evaluation and Award Phase	Competitive application deadline	September 19, 2019
	Awards issued for eligible projects that qualify for awards less than \$100,000	After the initial deadline, within 60 calendar days after the application has been deemed complete
	Funding award recommendations of \$100,000 or more are submitted to the Air District's Board of Directors for consideration	After the initial deadline, within 90 calendar days after an application has been deemed complete
	Proposed funding agreements are sent to awardees for signature	Within 30 calendar days after an award has been issued
	All funding agreements executed	Within 30 days from the date the Air District receives the funding agreement signed by awardee
Implementation Phase	Orders must be placed for all approved project vehicles and equipment.	Within three months of agreement execution
	Last deadline for Project Sponsors to place all approved project vehicles and equipment into service	To be specified in the funding agreement. Generally, projects should complete the Implementiaon Phase within 12 months from the date a funding agreement has been executed, unless the Air District has approved a longer lead time in advance.
Operation Phase	Project Sponsors submit monthly Operation Reports to the Air District	By the 1st of every month for the first six months of this phase
	Air District releases second installment (15% of award) to Project Sponsors	After six months of successful operation
	Project Sponsors submit annual Operation Reports to the Air District	Every March 1 after the first six months of the Operation Phase
Record Retention Phase	Project Sponsors maintain all Project records in a centralized location <b>for three additional years after the end of the Operation Phase.</b>	

\*Awards for projects found eligible will be brought to the next available Air District's Mobile Source Committee meeting for approval. Following committee approval, the award will be brought to the next available full Board of Directors meeting for approval.

### APPLICATION PROCESS

Applicants are encouraged to thoroughly review all Program materials and attend a pre-application webinar before applying. The online application is available on the Program website at: [www.baaqmd.gov/WestOaklandZEV](http://www.baaqmd.gov/WestOaklandZEV).

**Applicants must complete and submit an application online and by mail, and the following documents and information must be submitted in the application:**

1. **A Project Description.** Applicants must provide a narrative summary (approx. 150 to 500 words) that provides sufficient detail to help the evaluators understand the scope of the proposed project.

Below are three examples of a Project Description that satisfy this requirement:

Sample 1: Scrapping and replacing four propane forklifts with four new fuel-cell electric forklifts

[Organization] is applying for \$80,000 in Program funds to scrap and replace four propane forklifts with four new fuel-cell electric forklifts of comparable size and lift capacity. The forklifts will be operating 50% of the time at our Oakland warehouse facility and 50% at our San Jose logistics center – therefore we are estimating 50% of the total equipment operations will occur within the eligible area. The new forklifts would be used to transport, stack, and store freight and loaded pallets at the facility. The existing propane forklifts are all 1998 [make and model]. Fuel use and hours of operation records for the propane forklifts for the last three years have been attached with this application. [Organization] expects the fuel-cell forklifts to operate the same number of hours per year on average as the existing propane forklifts have (2,500 hours each) over the last three years.

[Organization] does not intend to install any hydrogen fueling infrastructure as part of this project; instead, [Organization] will be contracting with a local hydrogen fuel supplier who will refuel the hydrogen tanks for the equipment on an as needed basis. Each fuel-cell forklift is estimated to cost \$50,000 for a total project cost of \$200,000 (see attached quote and budget). Matching funds, in the amount of \$120,000 will be provided by [Organization].

Sample 2: Scrapping and replacing a diesel backup generator with a battery storage unit

[Organization] is proposing to scrap and replace five 100-kW diesel backup generator at the local high school with a 300-kW-hr lithium ion battery pack manufactured by [manufacturer]. Each of the existing diesel backup generators operate for an average of 50 hours each per year for maintenance, testing, and emergency operations and consume approximately 5 gallons of diesel per hour. These generators create local diesel emissions near the school, which the electric battery would completely eliminate. Maintenance, fuel and usage logs for the last five years for each existing diesel generator have been included with this application. The high school is located within the eligible area, so 100% of the operation of the equipment will be located in the eligible area. The estimated cost of the battery pack plus installation is \$100,000 and [Organization] is applying for \$50,000 in Program funds. The installation of the battery would include a top-off charging unit that ensures the battery is at full-charge when not in-use. The cost of the charging unit is included in the total cost of the battery pack and its installation.

Sample 3: Purchase and operation of five battery-electric terminal tractors

The project proposes to purchase five new battery-electric terminal tractors to expand [organization]'s current fleet of terminal tractors at its container storage facility at [facility address]. The five units will be operated for 2,000 hours each per year, which is based on the average utilization of other terminal tractors owned by [Organization] – documentation of the estimate of hours of operation has been included with the application submittal. The terminal tractors will be maneuvering empty containers around the facility from 8am to 5pm each weekday. Each new unit is estimated to cost \$215,000 before incentives are applied. [Organization] expects to apply to HVIP as match funding for this project. The vehicles are needed to meet an increase in demand expected as the Port predicts more container throughput over the next five years. The terminal tractors will operate 100% of the time at the facility, which is located entirely within the Program's eligible area. As part of the project, [Organization] will also be installing five fast charging electric vehicle charging stations to refuel the terminal tractors. Each electric charger is estimated to cost \$25,000 and those costs have been included in the overall project budget of \$1,175,000. [Organization] is applying for an award of Program funding of \$400,000.

2. The following information must be provided if vehicles or equipment will be purchased:

a. **For the new, zero-emission vehicles or equipment being purchased:**

- i. Specifications, including engine/vehicle model year, horsepower or kilowatt, gross vehicle weight rating (GVWR);
- ii. Planned use/operation of the new vehicles or equipment (mileage, hours of operation) including route maps for vehicles operating in a fixed-route service, and percentage in the Eligible Area;

- iii. If the project will not be operated entirely within the Eligible Areas, provide an explanation and supporting documentation for the estimated percentage of operation in Eligible Area provided above;
      - iv. Fuel consumption data for comparable petroleum- or natural gas-fueled vehicles or equipment.
    - b. **Additionally, for projects scrapping and replacing old vehicles, documentation for the vehicles being scrapped, including:**
      - i. Specifications, including vehicle model year, horsepower, gross vehicle weight rating (GVWR), and a copy of the Executive Order for the engine (see: <https://www.arb.ca.gov/msprog/onroad/cert/cert.php>);
      - ii. Odometer readings, annual vehicle miles travelled and hours of operation for the previous 24 months or fuel consumption logs;
      - iii. Documentation of California DMV title/registration:
        - The title must show no active lienholders;
        - If the existing vehicle title is not available, then all three of the following must be used as alternative documentation until a duplicate title is received from the California DMV: 1) a copy of the current and valid vehicle registration, 2) a copy of the DMV Vehicle Registration Record (printout), and 3) a copy of the DMV receipt for duplicate title request. A copy of the duplicate title must be received by the Air District before contract execution.
        - If the title does not show sole ownership for the previous 24 months, the applicant must be listed as one of the owners or shown as a registered owner on registration documentation for the previous 24 months.
      - iv. Documentation showing the vehicles are in operational or roadworthy condition such as CHP Biennial Inspection of Terminals (BIT) documentation or a request for an Air District pre-inspection.
    - c. **Additionally, for projects scrapping and replacing old equipment, documentation for the equipment being scrapped, including:**
      - i. Specifications, including engine model year, horsepower, and a copy of the Executive Order for the engine if available (see: <https://www.arb.ca.gov/msprog/onroad/cert/cert.php>);
      - ii. Documentation as proof of ownership;
      - iii. Operational logs, maintenance record, or fuel consumption logs.
3. For Project Sponsors applying for on-road medium or heavy duty vehicle projects, evidence that the Project Sponsor is in compliance with California Air Resources Board (CARB) on-road regulations via the Truck Regulation Upload, Compliance and Reporting System (TRUCRS) [https://ssl.arb.ca.gov/ssltrucrctb/trucrctb\\_reporting/login.php](https://ssl.arb.ca.gov/ssltrucrctb/trucrctb_reporting/login.php).

For other vehicle categories, Project Sponsors must provide a signed statement of their fleet's compliance with applicable CARB regulations.
4. Budget and funding information
  - a. A budget, including a line-item estimate for each vehicle or piece of equipment with delivery date. A cost quote from a dealer or vendor must be provided for each piece of equipment/vehicle. The dealer quote must also show the estimated date for delivery, and or installation.
  - b. The amount of funding being applied for and whether the applicant is willing to accept a lower award.
  - c. The amount and source(s) of match funds and documentation confirming that match funds have been secured.
5. A detailed timeline or schedule for the Project and evidence that the project can be completed within the required deadlines. Applicants may request an extension to the 12-month deadline by providing evidence to substantiate the need for a longer time to manufacture, construct, or install their proposed project.

**6. Evidence of Authority to Implement the Project:**

- a. a signed letter of commitment from the applicant's representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or
- b. a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).

Applicants are also required to mail in a copy of the above items and a W-9 Form. Please mail these items to:

Bay Area Air Quality Management District,  
ATTN: SID/West Oakland Zero-Emission Grant Program  
375 Beale Street, Suite 600  
San Francisco, CA 94105.

**EVALUATION AND AWARD PROCESS**

**Applicants are highly encouraged to submit their complete applications as early as possible to maximize the opportunity to receive funding for their project.**

The District will be evaluating all applications received by 4 PM September 19<sup>th</sup> on a competitive-basis considering the following factors: 1) amount of petroleum reduced relative to the amount of funding that might be awarded from this Program ("project cost-effectiveness"), 2) proximity to the Port of Oakland and West Oakland community, and 3) demonstration that the proposed project can be completed ahead of Program deadline requirements (e.g., be placed into service sooner than the allowed twelve month lead time during the Implementation Period). Applications for eligible projects will be ranked and awards will be proposed for the highest ranking projects. Any project that is eligible, but not selected for award initially will be placed on a contingency list and possibly awarded funds at a future date if additional Program funds becomes available.

The District will continue to accept applications on an ongoing basis after the competitive phase that ends on September 19<sup>th</sup>, and eligible applications received will be ranked based on the date the application is deemed completed. In the event that two or more applications are deemed complete on the same date and there is insufficient funding to award all eligible applications with the same ranking, the Air District will use the competitive criteria described above for a tie-breaker and recommend funding to the highest ranked project(s).

Applicants with projects that are eligible and selected for an award will be issued a **Notice of Proposed Award** and will receive a proposed Funding Agreement for signature. Once the Funding Agreement is fully executed (signed by both the Applicant/Project Sponsor and the Air District), a **Notice to Proceed** will be issued, at which point Project Sponsors may begin work on their approved project. *Applicants who have started any work on their project (e.g., sign purchase orders) prior to receiving the Notice to Proceed will have their project disqualified and cancelled.*

**IMPLEMENTATION PHASE**

During this phase, Project Sponsors implement their project by purchasing and installing approved vehicles and equipment and submitting the required reports to the Air District including evidence that they have placed orders, Progress Reports, and a request for reimbursement.

**Project Sponsors must place all approved project vehicles and equipment into service within 12 months from the date of the execution of the funding agreement or unless a longer timeframe has been approved by the Air District. Applicants may request an extension to the 12-month deadline by providing evidence in their applications to substantiate the need for a longer time to manufacture, construct, or install their proposed project.** Projects that do not comply with Program deadlines will be cancelled and funding will be awarded to the next project on the contingency list.

The Implementation Phase ends on the date that **ALL** funded vehicles and equipment are placed into service. Project Sponsors may request reimbursement for up to 85% of the award after the vehicles and equipment have been placed into service.

## **OPERATION PHASE**

Projects that are selected for award will be required to use and operate the new, zero-emission vehicles and equipment in the manner and amount that was described in the application to meet the usage requirement in order to achieve the calculated fuel saving and air quality benefits. Failure to do so may result in the Project Sponsor having to return funds to the Air District.

During this phase, Project Sponsors operate and maintain **ALL** funded vehicles and equipment for a minimum of five years and until the usage requirement is achieved, and submit required Operational Reports to the Air District.

During this phase, Project Sponsors must:

- Maintain required insurance and, for vehicles, the CA DMV registration;
- Submit Operational Reports every month for the first six months of this phase, then annually thereafter, to the Air District. These reports demonstrate that the vehicles and equipment are being used in the manner described in the funding agreement.
- Cooperate with the Air District and its designees on fiscal audits and inspections of the project.

Project Sponsors may request reimbursement for the remaining 15% of the award after the vehicles and equipment have successfully completed six months of operation in the manner described in the funding agreement.

## **RECORDS RETENTION PHASE**

Project Sponsors are required to maintain all Project records in a centralized location for three additional years after the end of the Operation Phase.

## *Additional Information and Questions*

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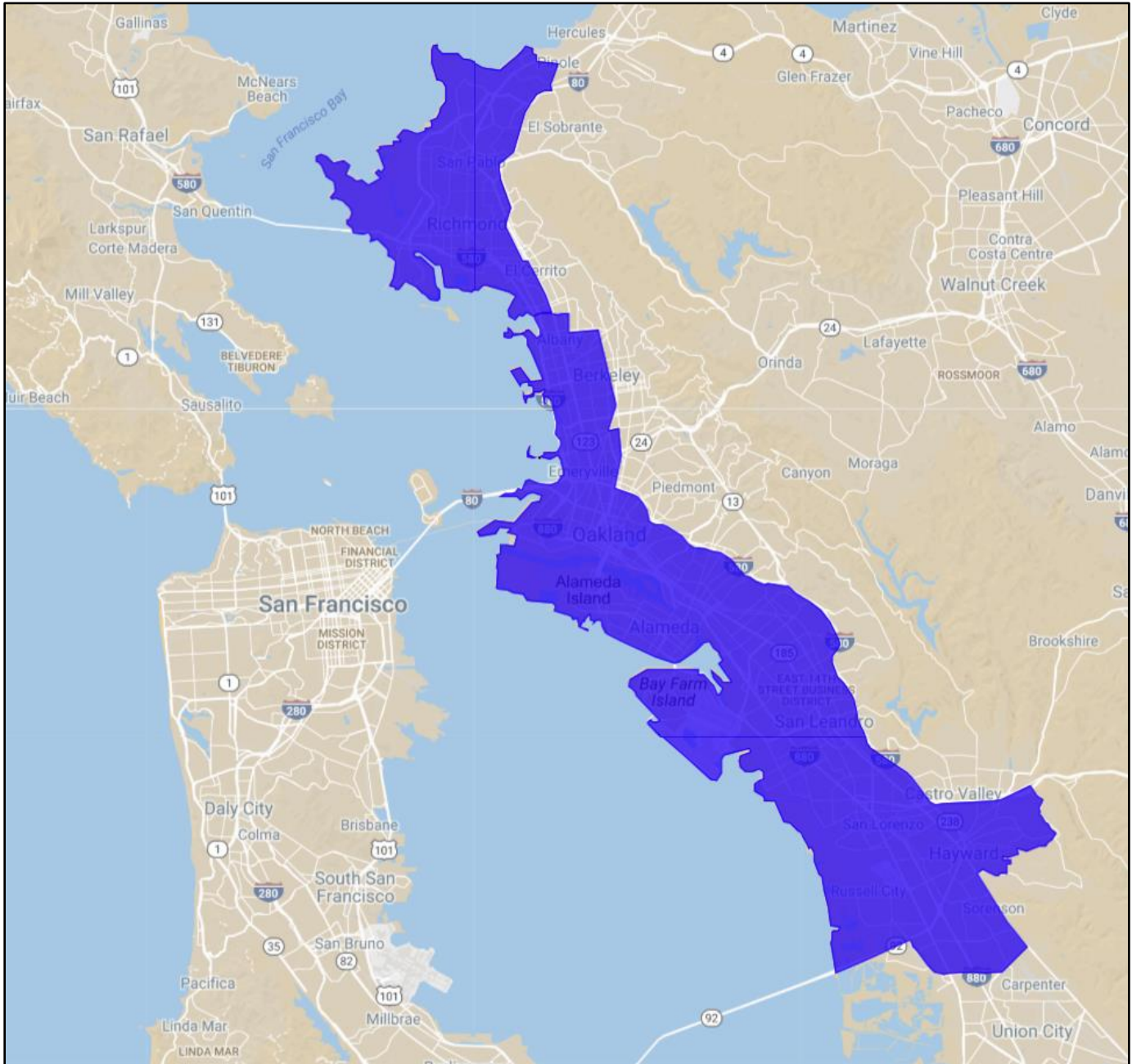
Responses to questions, program materials, and program updates will be posted on the Program website at: <http://www.baaqmd.gov/WestOaklandZEV>.

If you have questions, please contact us by email [grants@baaqmd.gov](mailto:grants@baaqmd.gov) or by mail to 375 Beale Street, Suite 600, San Francisco, CA 94105.

## Appendix A: Map of Eligible Area

Only projects that are located or that operate within the Eligible Area will be considered for award. Projects that involve vehicles that travel and operate outside of the Eligible Areas are potentially eligible for funding; however, only the portion of the operation and usage that occurs within the Eligible Area will be used by the Air District to determine the potential award amount based on the project’s potential to reduce petroleum and improve air quality.

Eligible Areas include the Western Alameda County (including West Oakland) areas west of Interstate 580; Berkeley west of Martin Luther King Road; and the Richmond area west of Interstate 80. An interactive version of this map can be found on the program website at [www.baaqmd.gov/WestOaklandZEV](http://www.baaqmd.gov/WestOaklandZEV) under the Resources section. For more information about the boundaries of these areas, please visit [www.baaqmd.gov/CARE](http://www.baaqmd.gov/CARE).



## *Appendix B: Insurance Guidelines*

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Project Sponsors who are selected for award must obtain and maintain the required insurance coverage for the duration of their Project's Term. The typical funding agreement requires that each Project Sponsor provide documentation showing that the Project Sponsor meets the following requirements for each of its projects.

- A. Liability Insurance with a limit of not less than \$1,000,000 per occurrence, of the type usual and customary to the business of the Project Sponsor, and to the operation of any portion of the Project.
- B. Property Insurance in an amount of not less than the insurable value of Project equipment funded under the Agreement, and covering all risks of loss, damage or destruction of such equipment.
- C. Vehicle Insurance, in accordance to State of CA.

Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

The Air District reserves the right to specify different types or levels of insurance in the funding agreement. The Air District may, at its sole discretion, waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance.