



Bay Area Air Quality  
Management District

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**Grant Opportunity Announcement  
for  
On-Board Compressed Natural Gas Tank  
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  
375 Beale Street, Suite 600, San Francisco, CA 94105*

**July 2016**

## TABLE OF CONTENTS

	Page
Introduction.....	1
Who Can Apply.....	1
ARB Regulation Affecting School Buses.....	1
Schedule.....	1
Old Tank Requirements.....	2
New Tank Requirements.....	2
Eligible Expenses.....	2
Matching Fund Requirement.....	2
Authorizing Resolution Requirement.....	2
Contract, Reporting and Record Retention Requirements.....	3
Payment of Funds.....	3
Grant Application Instructions.....	4
Grant Application Form.....	5-7

## 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 on-board CNG tanks on public school buses that are between fourteen (14) and sixteen (16) years old.**

Up to \$20,000 per bus is available to cover the costs of the new CNG tanks and associated installation.

**Funds will be awarded to qualifying projects on a first-come, first-served basis until all funds are allocated.**

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 CNG fuel tank replacement funding.

School transportation contractors, non-profit agencies, private schools, and other private companies are **not** eligible for LESBP CNG tank 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.**

While CNG buses are exempt from ARB's regulation, the U.S. Department of Transportation (DOT) requires that CNG buses be removed from service once the on-board CNG tank has reached the manufacturer's service life, typically 15 years.

## Schedule

**Grant applications are currently being accepted.**

All work must be completed and buses must be returned to service no later than six months after the award contract execution date. The final payment request must be submitted to the Air District no later than eight months after the award contract execution date.

### Old Tank Requirements

1. CNG-powered public school buses with a chassis at least fourteen (14) years old but no older than sixteen (16) years old are eligible for tank replacement funding.
2. An application may be submitted within eighteen (18) months of the tank's expiration date.
3. Public school districts/JPAs must provide documentation of expiration dates, serial numbers, and inspection dates of the tanks to be replaced. *For each bus, copies of in-house tank inspection forms from the last 15 years (i.e., inspections conducted by the grantee every three years as required by DOT), the current California Highway Patrol (CHP) 292 Form, and photos of the tanks that show the tank expiration date and serial number must be submitted along with the application (preferably in electronic format).*
4. Public school districts/JPAs must demonstrate bus ownership. *For each bus, a copy of the Department of Motor Vehicles (DMV) registration must be submitted along with the application.*

### New Tank Requirements

1. Upon completion of the tank installations, *the grantee must provide photos of the tank labels showing the tank expiration date, manufacturer, model, and serial number.*
2. Once the tanks are replaced and before the bus returns to service, the bus must receive a safety inspection by the CHP. For each bus, *a copy of the following documentation must be submitted:*
  - a. *a copy of one of the following CHP safety inspection forms:*
    - CHP Form 292 – Inspection Approval Certificate,
    - CHP Form 343 – Safety Compliance Report/Terminal Record Update, or
    - CHP Form 343A – Vehicle/Equipment Inspection Report Motor Carrier Safety Operations, and
  - b. *a copy of the completed in-house tank inspection form.* and
3. **Buses receiving CNG tank replacement funding 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 such buses must occur within the geographical boundaries of the Air District.** The Air District may require repayment of grant funds if a grantee sells or otherwise discontinues use of a bus funded under this program.

### Eligible Expenses

The Air District will pay up to \$20,000 per bus to the costs of the new CNG tanks and associated installation.

### Matching Fund Requirement

Although matching funds are not required, grantees are responsible for any costs over \$20,000 per bus.

### 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 tank replacement project.

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

Applicants will be notified of awards by mail. If approved for a grant award, grantees must enter into a contract with the Air District and adhere to all contract requirements, including project milestones.

**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.**

Upon contract execution, *the grantee must provide a copy of a completed [IRS Form W-9](#) and purchase order (PO) for the new tanks* to the Air District.

**Grantees must retain all project-related records for the contract term plus two years, including inspection records for each tank replaced.**

### **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 after all the tanks on each bus are replaced. Itemized invoices along with copies of the new tank's in-house tank inspection form and CHP Form 292, 343 or 343A and photographs of the tank labels on the new tanks must accompany each payment request.

**Grant Application Instructions**

To apply for LESBP CNG tank 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
  - Copies of the in-house tank inspection records** covering the last 15 years (i.e., the inspections conducted by the grantee every three years as required by DOT);
  - A copy of the current CHP 292 Form**;
  - Photo of the tank tag** on each of the tanks that will be replaced (*preferably in electronic format*); and
  - A copy of the DMV registration**.
- Part C of the Grant Application Form**, including
  - Price quote(s)** including details of the tanks being requested (i.e., tank kit manufacturer, tank model); and
  - Letter of approval from the bus manufacturer stating** that the proposed replacement tanks and mounting brackets are approved as alternatives for the original tanks and mounting brackets.
- A Board resolution**

Application forms must be mailed or delivered to:  
Lina Patel  
Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105

For assistance in completing a grant application or for more information about 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  
On-Board Compressed Natural Gas Tank Replacement Grant 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 fleet in compliance with the [ARB Truck and Bus Regulation](#)?

- Yes, our entire fleet is currently in compliance
- No, at this point \_\_\_\_% of our fleet is currently in compliance

**FUNDING REQUESTED INFORMATION**

- *Total number of buses requiring new tanks:* \_\_\_\_\_
- *Total number of tanks requested:* \_\_\_\_\_
- **TOTAL FUNDING REQUESTED:** \$ \_\_\_\_\_

**NATURAL GAS FUELING DISPENSERS INFORMATION**

Funding may be available for improvements to deteriorating natural gas fueling dispensers operated by a public school district/JPA. If funding were available would you be interested in receiving such funding, limited to \$500/dispenser?  Yes  No

**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
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Print Name	E-mail Address	Phone Number
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**Lower-Emission School Bus Program  
On-Board Compressed Natural Gas Tank Replacement Grant Application Form**

**Part B  
INFORMATION ON BUSES REQUIRING TANK 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			
Bus Storage Location (Address, City, zip code)			
Engine Manufacturer			
Engine Model			
Engine Model Year			
Engine Family Number			
Engine Displacement			
Engine Serial Number			
Engine Horsepower			
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			



**Part B (continued)  
INFORMATION ON BUSES REQUIRING TANK REPLACEMENT**

		BUS #1	BUS #2	BUS #3
<b>TANK SPECIFIC INFORMATION:</b>				
Tank Manufacture Date	Front Left (FL)			
	Front Right (FR)			
	Rear Left (RL)			
	Rear Right (RR)			
Tank Expiration Date	FL			
	FR			
	RL			
	RR			
Tank Serial Number	FL			
	FR			
	RL			
	RR			
Last CHP Inspection Date				

Applicant must also provide for each bus (1) copies of in-house tank inspection forms from the last 15 years (i.e., inspections conducted by the grantee every three years as required by DOT), (2) copy of the current CHP 292 form, (3) photos that show the tank expiration date and serial number (preferably in electronic format), and (4) a copy of the DMV registration. **Attach additional pages, as needed.**

**Part C  
INFORMATION ON NEW TANKS**

		BUS #1	BUS #2	BUS #3
Tank Manufacturer				
Tank Model	FL			
	FR			
	RL			
	RR			
Tank Service Life				
Tank Model Year				
Length of labor warranty				
Length of tank warranty				
Is the tank installer approved by the bus manufacturer? (Yes/No)				

Applicant must provide (1) a vendor quote and (2) an approval letter from the bus manufacturer. **Attach additional pages, as needed.**