

## EXHIBIT A

### Grant Provisions

#### 1. GENERAL

- 1.1 The parties agree to comply with the requirements and conditions contained herein for the Air Quality Improvement Program (AQIP) and Low Carbon Transportation Investments from the Greenhouse Gas Emission Reduction Fund (GGRF) Rural School Bus Pilot Project.
- 1.2 The California Climate Investments logo and name serves to bring under a single brand the many investments whose funding comes from the GGRF. The logo represents a consolidated and coordinated initiative by the State to address climate change by reducing greenhouse gases, while also investing in disadvantaged communities and achieving many other co-benefits. The Grantee agrees to acknowledge the California Climate Investments program as a funding source from CARB's Low Carbon Transportation program whenever projects funded, in whole or in part by this Agreement, are publicized in any news media, websites, brochures, publications, audiovisuals, or other types of promotional material. The acknowledgement must read as follows: 'This publication (or project) was supported by the "California Climate Investments" (CCI) program. Guidelines for the usage of the CCI logo can be found at [www.arb.ca.gov/ccifundingguidelines](http://www.arb.ca.gov/ccifundingguidelines).'



- 1.3 Grant Summary and Amendments (if applicable)

**Project Title:** Air Quality Improvement Program and Low Carbon Transportation Greenhouse Gas Reduction Fund Investments Rural School Bus Pilot Project

**Total Grant Amount<sup>1</sup>:**     **\$10,000,000.00**

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<sup>1</sup> Assembly Bill 134 (Committee on Budget, Chapter 254, Sec.1 item 3900-101-3228, schedule (1))

## 2. GRANT PARTIES AND CONTACT INFORMATION

2.1 This Grant is from the California Air Resources Board (hereinafter referred to as CARB or the Board) to the North Coast Unified Air Quality Management District (hereinafter referred to as the Grantee).

2.2 The CARB project representative is Gerald Berumen. Correspondence regarding this project must be directed to:

Gerald Berumen  
California Air Resources Board  
Mobile Source Control Division  
Post Office Box 2815  
Sacramento, California 95812  
Phone: (916) 324-2035  
Email: [gerald.berumen@arb.ca.gov](mailto:gerald.berumen@arb.ca.gov)

2.3 The Grantee representative is Erin Squire. Correspondence regarding this project must be directed to:

Erin Squire  
Special Projects Coordinator  
North Coast Unified Air Quality Management District  
707 L Street, Eureka, CA 95501  
Phone: (707) 443-3093 ext. 111  
Email: [esquire@ncuagmd.org](mailto:esquire@ncuagmd.org)

## 3. TIME PERIOD

3.1 Performance of work or other expenses billable to CARB under this Grant may commence after full execution of this Grant by both parties.

3.2 Performance on this Grant ends once the Grantee has submitted three years of reports for the last school bus delivered or if this Grant is terminated, whichever is earlier.

3.3 Grantee must submit a final report (See Section 7.2) to CARB and submit a final request for Payment no later than **April 1, 2021**.

## 4. DUTIES AND REQUIREMENTS

4.1 This section defines the respective duties and requirements of CARB and the Grantee in implementing the Rural School Bus Pilot Project (herein, "Rural School Bus Pilot Project" or "Pilot Project").

## 4.2 California Air Resources Board

CARB is responsible for the following:

- a. Designating the types of school buses eligible for grant award funding pursuant to the Rural School Bus Pilot Project approved by CARB as part of the Fiscal Year 2017-18 Funding Plan for Low Carbon Transportation Investments and the Air Quality Improvement Program (FY 2017-18 Funding Plan), as specified in Exhibit B, Rural School Bus Pilot Project Requirements.
- b. Determining the Rural School Bus Pilot Project grant award funding amounts for eligible school buses and providing this information to the Grantee.
- c. Participating with the Grantee to discuss project refinements and guide project implementation.
- d. Reviewing and approving project elements provided by the Grantee, such as the application, contract with the eligible selected applicant, semi-annual reports, final report, and on-going usage reports.
- e. Reviewing and approval all Grant Disbursement Request Forms and distribute the Rural School Bus Pilot Project grant award funds to the Grantee.
- f. Providing project oversight and accountability (in conjunction with the Grantee).
- g. Calculating greenhouse gas benefits of the Rural School Bus Pilot Project.

## 4.3 The Grantee

The Grantee is responsible for implementation of the Rural School Bus Pilot Project Pilot Project, described in this Grant Agreement and in Exhibits B and D. This Pilot Project provides new school buses for eligible school districts and other selected applicants who own school buses for replacement or, if zero-emission, for fleet expansion.

The Grantee is fully responsible for the on-the-ground project administration, implementation, and distribution of payments for eligible school buses to eligible selected applicants. Grantee tasks include, but are not limited to, the following:

- a. Preparing outreach and educational materials and conducting outreach necessary for the project to be successful.
- b. Establishing and maintaining records (See Section 8 for more information).

- c. Storing all records in a secured and safe storage facility that maintains confidentiality and provides reasonable fire and natural disaster protection. Grantee agrees to maintain records for a minimum of three years after the term of this Grant is completed. (See Section 8 for more information).
- d. Developing and maintaining a method to collect the necessary Rural School Bus Pilot Project data from selected applicants, especially the information needed for the semi-annual and final reports.
- e. Developing and enforcing security measures to safeguard the Rural School Bus Pilot Project data.
- f. Ensuring selected applicants meet all applicable Rural School Bus Pilot Project requirements described in this Grant and in Exhibit B.
- g. Distributing the Rural School Bus Pilot Project grant award funding to eligible selected applicants.
- h. Tracking and reporting school buses and selected applicants obtaining the Rural School Bus Pilot Project grant award funding.
- i. Developing and maintaining accounting procedures to track and report expenditures by grant award, fiscal year, and funding sources.
- j. Supporting three-year ownership requirements by keeping and reporting records of selected applicants.
- k. Contacting selected applicants that have sold, or will potentially sell, their school bus early, to request repayment of the prorated grant award funding amount.
- l. Establishing a process for returned Rural School Bus Pilot Project grant award funds as a result of prorated returns, cancellations, etc.
- m. Providing data in reports to CARB. (See Section 7).
- n. Providing CARB with all project records including but not limited to copies of grant award funding checks upon request (See Section 8).
- o. Meeting applicable requirements of statutes and regulations, the FY 2017-18 Funding Plan, the Rural School Bus Pilot Project Grant Agreement with CARB (this grant agreement), and any future updates and revisions to this Grant Agreement during the grant term.
- p. Complying with Project Milestones and Disbursement Schedule, and Project Schedule (See Exhibit D, Attachments II and III).

## 5. FISCAL ADMINISTRATION

### 5.1 Budget

- a. The maximum amount of this Grant is **\$10,000,000.00** (See Budget Summary, Exhibit D, Attachment I). The maximum amount of this Grant may be increased contingent upon CARB receiving additional Rural School Bus Pilot Project grant award funds and at CARB's sole discretion. The Grantee understands and agrees that there is no guarantee that additional Rural School Bus Pilot Project grant award funds will become available. Under no circumstance will CARB disburse more than this amount to the Grantee. A written Grant Agreement amendment is required whenever there is a change to the maximum amount of this grant.
- b. Grant disbursement requests for the Rural School Bus Pilot Project grant award funds must not exceed the maximum grant amount.
- c. At CARB's sole discretion, the Rural School Bus Pilot Project grant award funding may be reallocated to another administrator in the event that the Grantee can no longer administer the Pilot Project or does not meet the expenditure requirement in Section 5.6.
- d. Subject to prior written approval from CARB, line item shifts of up to ten percent of the grant total may be made over the life of the grant. Line item shifts greater than ten percent require a formal amendment to the grant. Line item shifts may be proposed by either the State or the Grantee and must not increase or decrease the total grant amount. All line item shifts must be approved in writing by CARB within 10 business days of approval for inclusion in the grant folder. If the grant is formally amended, all line item shifts must be included in the amendment.

### 5.2 The Rural School Bus Pilot Project Grant Award Funding

- a. The Rural School Bus Pilot Project grant award funds can be spent on eligible school buses and taxes for new eligible school buses purchased by eligible selected applicants for eligible projects; incremental costs associated with the purchase of renewable fuels, electric school bus infrastructure costs, and project implementation costs.
- b. The Rural School Bus Pilot Project selected applicants may not receive more grant award funds than the eligible project costs, as stated above, whether funded solely with the Rural School Bus Pilot Project grant award funds or funded with multiple funding sources (i.e. no double-dipping).

### 5.3 Pilot Project Eligible Costs

- a. Technology costs. Technology costs include costs associated with vehicles, equipment, and infrastructure that is either used to demonstrate the ability of the technology to achieve emission reductions or to deploy technology to an end user (i.e. business, consumer, etc.) for the purpose of achieving emission reductions.
- b. Project implementation funds must be used for the Rural School Bus Pilot Project implementation. Project implementation costs may not exceed five percent of the total grant amount and include:
  - i. The Grantee's personnel costs and fringe benefits.
  - ii. Operating costs (including rent, supplies, and equipment)
  - iii. Indirect costs (e.g. general administrative services, office space, and telephone services)
  - iv. Travel expenses and per diem rates set at the rate specified by California Department of Human Resources (CalHR)<sup>2</sup>
  - v. Overhead, subcontractor fees (if pre-approved by CARB)
  - vi. Printing, records retention, and mailing.
- c. Project implementation costs should be detailed such that they include all necessary staff and tasks to implement the Rural School Bus Pilot Project. If appropriate, this includes activities such as outreach and education, and research, data management, reporting, and subcontractor(s). In no event shall administrative costs, which are included within the project costs, exceed five percent of the total grant amount. Administrative costs are indirect costs, which are not tied directly or solely to the project, such as distributed administration and general administrative services; non-project related contracts or subscriptions; rent and office space, phones and telephone services, printing, or mailing services not associated with staff working on the project; or any other costs that are not directly and fully incurred to support the grant.
- d. To justify project implementation funds from CARB, invoices must provide documentation in accordance with Section 5.77 for work expenses completed in the following categories:

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<sup>2</sup>CARB will only reimburse travel expenses and per diem rates that are set by CalHR. The Grantee will be responsible for travel expenses and per diem rates that exceed CalHR rates.

- i. Labor expenses (including total staff time and labor costs).
  - ii. External subcontractor fees for completed work (if applicable).
  - iii. Printing, mailing, travel, educational outreach and other outreach expenses.
  - iv. All travel must be documented. Any reimbursement for necessary travel and per diem must be at rates not to exceed those amounts paid to the State's represented employees. No travel outside the State of California will be reimbursed unless prior written authorization is obtained from CARB. CalHR's travel and per diem reimbursement amounts may be found online at <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement must be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee.
- e. Additional invoices may be provided to CARB if warranted. Documentation of all costs must be maintained by the Grantee and provided to CARB upon request, as described in Section 5.77 and Section 8.
- f. Advance Payment (This section only applies to California Air Districts)
- i. Consistent with the Legislature's direction to expeditiously disburse grants, CARB is providing advance payments of grant awards in a timely manner to support project initiation and implementation with a focus on mitigating the constraints of modest reserves and potential cash flow problems. Recognizing that appropriate safeguards are needed to ensure grant monies are used responsibly, CARB has developed the grant conditions described in Section 5.3 subsection f.ii. to establish control procedures for advance payments.
  - ii. Should advance payment be needed for this Grant, the following grant protections shall apply:
    - a) The Grantee must complete and submit to CARB for review and approval, an Air District Advance Payment Request Form, along with each grant disbursement that is requesting advance payment. The Air District Advance Payment Request Form is attached as Exhibit E.
    - b) The advance payment is appropriate for the effective implementation of grants to local air districts. CARB may provide an advance of the direct project costs of the grant, if the program has moderate reserves and potential cash flow issues. Advance payments will not exceed the Grantee's interim cash needs.

- c) The Grantee assumes legal and financial risk of the advance payment.
  - d) Grantee shall place funds advanced under this section in an interest-bearing account. Grantee shall track interest accrued on the advance payment. Interest earned on the advance payment shall only be used for eligible grant-related expenses as outlined in the Grant Provisions, Exhibit A or will be returned to CARB.
  - e) Grantee shall report to CARB the value of any unused balance of the advance payment and interest earned and submit semi-annual fiscal accounting reports consistent with Section 7. Reporting of this Grant Agreement.
  - f) See also Section 5.8, Earned Interest, subsection h.
- iii. Grantee shall remit to CARB any unused portion of the advance payment and interest earned by the end of the Fiscal Grant Term of this Grant Agreement, April 23, 2022.

#### 5.4 Grant Disbursements

- a. CARB will release disbursements from the Rural School Bus Pilot Project grant award after the Grantee submits the following to CARB:
  - i. A fully executed Grant Agreement; and
  - ii. A resolution from the Grantee's Governing Board (or other documentation signed by an authorized official) that authorizes the Grantee to accept the total grant award and commits the Grantee to administer those funds in accordance with this Grant Agreement; and
  - iii. Grant Disbursement Request Form; and
  - iv. Completed Air District Advance Payment Request Form(s), as applicable; and
  - v. Payee Data Record (STD. 204)  
<http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>
- b. Requests for payment shall be made with the Grant Disbursement Request Form (Form MSCD/ISB-90). Grant payments shall be made only for reasonable costs incurred by the Grantee and (with the exception of the first disbursement of project implementation funds) only when the Grantee has submitted a Grant Disbursement Request Form, milestones stipulated in the Budget Summary have been accomplished, and documentation of in the form of the semi-annual report have been provided to CARB. CARB will have sole discretion to accelerate the timeline for allowable disbursements of project implementation funds and technology funds identified in the Exhibit D

Attachment II - Project Milestones and Disbursement Schedule (with the exception of the final project implementation disbursement), necessary to assure the goals of the project are met.

- c. With the exception of advance payment, grant payments are subject to CARB's approval of semi-annual report (see Section 7). A payment will not be made if the CARB project representative deems that a milestone has not been accomplished or documented, a deliverable meeting specification has not been provided, claimed expenses are not documented, not valid per the budget, or not reasonable, or the Grantee has not met other terms of the grant.
- d. The Grantee must obtain an electronic copy of the Grant Disbursement Request Form from the CARB project representative and mail Grant Disbursement Requests to CARB.
- e. CARB will withhold payment of ten percent of project implementation funds until completion of all work and submission of a Final Report to CARB. It is the Grantee's responsibility to submit a Grant Disbursement Request for this final disbursement of funds.
- f. CARB must disburse grant award funds in accordance with the California Prompt Payment Act, Government Code, Section 927, et seq.

#### 5.5 Suspension of Payments and Grant Termination

- a. CARB reserves the right to issue a grant suspension order in the event that a dispute should arise. The grant suspension order will be in effect until the dispute has been resolved or the grant has been terminated. If the Grantee chooses to continue work on the project after receiving a grant suspension order, the Grantee will not be reimbursed for any expenditure incurred during the suspension in the event CARB terminates the grant. If CARB rescinds the suspension order and does not terminate the grant, CARB will reimburse the Grantee for any expenses incurred during the suspension that are reimbursable in accordance with the terms of the grant.
- b. CARB reserves the right to terminate this Grant upon a 30 day written notice to the Grantee. In case of early termination, the Grantee will submit a semi-annual report covering activities up to, and including, the termination date and following the requirements specified herein and in Section 7 of these provisions and immediately return remaining the Rural School Bus Pilot Project grant award funds.
- c. The CARB Executive Officer retains the authority to terminate or reduce the dollar amount of the Rural School Bus Pilot Project Grant if by October 1, 2019, 50 percent of the total grant amount has not been spent on project

implementation or technology costs and 90 percent has not been committed by contract with selected applicants. In the event of such termination, the provisions of this section apply.

- d. CARB reserves the right to immediately terminate this Grant in accordance with Section 11.25.
- e. Upon termination, Rural School Bus Pilot Project grant award funds that have not been committed or spent on project implementation or technology costs must be immediately returned to CARB.
- f. CARB may transfer any funds not committed or spent by December 31, 2019, to another air district that can implement the Rural School Bus Pilot Project or use on other projects at its sole discretion.

#### 5.6 Contingency Provision

- a. In the event this Grant is terminated for whatever reason, the CARB Executive Officer or designee reserves the right in his or her sole discretion to award any remaining Rural School Bus Pilot Project grant award funds to another administrator. If CARB is unable to award a grant under these circumstances, CARB may award a grant to other pilot projects.

#### 5.7 Documentation of Project Implementation Funds

- a. The Grantee must maintain documentation of all Rural School Bus Pilot Project implementation funds used for administration and outreach, including the following:
  - i. Personnel documentation must make use of timesheets or other labor tracking software. Duty statements or other documentation may also be used to verify the number of staff and actual hours or percent of time staff devoted to the Rural School Bus Pilot Project implementation and outreach.
  - ii. Implementation funds for external subcontractors must be documented with copies of the subcontractor contract and invoices.
  - iii. Printing, mailing, records retention, and travel expenses must be documented with receipts and/or invoices.
  - iv. If administrative costs are used to document grant award funds for the Rural School Bus Pilot Project implementation, the Grantee must have an official written policy regarding calculation of these costs. The Grantee must maintain documentation for all costs referenced in the administrative cost calculation formula.

- b. The above documentation, records, and referenced materials must be made available for review during monitoring visits and audits by CARB, or its designee. The Grantee must maintain records for a minimum of three years after the term of this Grant is completed.
- c. The above documentation must be provided to CARB in semi-annual reports and in the final report.

## 5.8 Earned Interest

- a. "Earned interest" means any interest generated from the Rural School Bus Pilot Project grant award funds provided to the Grantee and held in an interest-bearing account.
- b. The amount of interest earned, interest spent on projects, and interest spent on project implementation costs must be provided to CARB in semi-annual reports and in the final report.
- c. At least 98 percent of the interest earned on the Rural School Bus Pilot Project grant award funds, including both project implementation funds and technology funds, must be reinvested in the Rural School Bus Pilot Project to fund additional eligible school buses.
- d. No more than two percent of the interest earned may be used for additional project implementation costs.
- e. The Grantee is responsible for reporting to CARB on all school buses and selected applicants funded with interest earned on the Rural School Bus Pilot Project grant award funds.
- f. All interest income on advance payment must be reinvested in and used by the project or returned to CARB. Interest earned that is reinvested in the project is not included as part of the Total Grant Amount from CARB. Grantee is responsible for reporting to CARB all project expenditures funded with interest earned on advanced funds.
- g. The Grantee must maintain accounting records (e.g. general ledger) that tracks interest earned and spent on the Rural School Bus Pilot Project grant award funds, as follows:
  - i. The calculation of interest must be based on an average daily balance or some other reasonable and demonstrable method of allocating the proceeds from the interest-generating account back into the program.

- ii. The methodology for calculating earned interest must be consistent with how it is calculated for the Grantee's other fiscal programs.
  - iii. The methodology for tracking earned interest must ensure that it is separately identifiable from interest earned on non- Rural School Bus Pilot Project grant award funds.
  - iv. Earned interest must be fully spent, or returned to CARB if it is not used on project implementation costs or technology costs, by **April 1, 2021**.
- h. Documentation of interest earned and spent on the Rural School Bus Pilot Project grant award funds must be retained for three years after the final expenditure date of **April 1, 2021** or until the end date of the Project Performance Period of Grant Agreement, whichever is later.

#### 5.9 In-Kind Services

- a. The Grantee is encouraged to contribute in-kind services to improve the Rural School Bus Pilot Project effectiveness. "In-kind services", for the purposes of the Rural School Bus Pilot Project, means payments or contributions made in the form of goods and services, rather than direct monetary contributions.

#### 5.10 Grantee Match Funding

- a. Match funding from the Grantee is encouraged, and may include funding from other State, federal, non-profit, or private revenue sources. All match funding sources and amounts must be reported to CARB in semi-annual reports and in the final report.

### 6. PROJECT MONITORING

#### 6.1 Meetings with CARB (and subcontractors)

- a. Initial meeting: A meeting will be held between key project personnel and CARB staff before work on the project begins. The purpose of the first meeting will be to discuss the overall plan, details of performing the tasks, the project schedule, and any issues that may need to be resolved.
- b. Project review meetings: Project review meetings to discuss progress may be held beginning three months after the initial meeting. Additional meetings may be scheduled at the discretion of either CARB or the Grantee. Such meetings may be conducted by phone, if deemed appropriate by either CARB or the Grantee.

- c. Site visits: Site visits may be established by the CARB during the term of this grant.

## 6.2 Technical Monitoring

- a. Any changes in the scope or schedule for the project require the prior written approval of CARB and possibly a written Grant Agreement Amendment.
- b. The Grantee must notify CARB project representative in writing, immediately if any circumstances arise (technical, economic, or otherwise), which might place completion of the project in jeopardy. The Grantee must also make such notification if there is a change in key project personnel.
- c. In addition to Reports (see Section 7), the Grantee must provide information requested by CARB that is needed to assess progress in completing tasks and meeting the objectives of the project.
- d. Any change in budget allocations, re-definition of deliverables, or extension of the project schedule must be requested in writing to the CARB project representative and approved by CARB, at its sole discretion.

## 7. REPORTING

### 7.1 Semi-annual Report

- a. The Grantee must submit semi-annual reports at a minimum of six-month intervals, as agreed upon by CARB and the Grantee. The semi-annual reports must be provided in a format agreed upon between CARB and the Grantee and must meet the requirements specified herein. CARB may specify an electronic format for semi-annual reporting.
- b. The Grantee must provide a semi-annual report to CARB detailing the school buses, selected applicants, and associated funding amounts committed and spent to date. The semi-annual report must include, at a minimum, the following components:
  - i. Excel spreadsheet of:
    - a) **Old School Bus Information**: including manufacturer, model, model year, engine serial number, engine manufacturer, engine model, engine model year, school bus type, gross vehicle weight rating (GVWR), fuel type, license plate number, mileage at retirement, California Highway Patrol (CHP) safety certification date, and date of old school bus dismantling, if new school bus has an internal combustion engine.

- b) **New School Bus Information:** manufacturer, model, model year, engine serial number, engine manufacturer, engine model, engine model year, school bus type, GVWR, fuel type, mileage at time the new school bus is put into service, purchase price of the school bus, taxes, fees, total price of school bus; the school bus purchase order date, school bus delivery date, date of purchase reimbursement, address where school bus is domiciled, census tract, and air district in which the vehicle is to be domiciled, and renewable fuel incremental costs paid for with grant award funding.
  - c) **New School Bus Usage and Renewable Fuel Purchase Information:** new school bus mileage at 12, 24, and 36 months after date the new school bus is put into service; and, for internal combustion engine school buses, the renewable fuel purchase information including amount of fuel purchased and the cost of the fuel purchased.
  - d) **Grant Award Funding Information:** dollar amount of the grant award funding (Rural School Bus Pilot Project grant award amounts) and co-funding amount to show all funds needed to complete the purchase.
  - e) **Selected Applicant Information:** name of air district that the selected applicant is located in, selected applicant name, address, city, zip code, and census tract.
- ii. Summary report of:
  - a) Program participation rates.
  - b) Description of remedy for selected applicants that did not keep school buses for the three-year term.
  - c) Remaining Rural School Bus Pilot Project grant award funds available.
  - d) Summary of projects that ultimately did not receive any grant award funding (including applicant information, old school bus information, and project type and technology requested).
- iii. Copies of any reports from Grantee subcontractors concerning the performance of the program, if appropriate.
- iv. Total expenditures of Rural School Bus Pilot Project grant award funds per source of funding and fiscal year, including both project implementation funds and technology funds.
- v. The value of any unused balance of the advance payment and interest earned. These balances must be reported separately and labeled accordingly.
- vi. Identified problems or concerns and proposed solutions, if applicable.

- c. The semi-annual report must be submitted at least every six months, but may be provided on an as-needed basis to justify additional Rural School Bus Pilot Project grant award funds from CARB. The first semi-annual report must be submitted six months after the Grant Agreement is fully executed, as agreed upon by CARB and the Grantee, or when requesting additional disbursements from the Rural School Bus Pilot Project grant award, whichever is sooner.

## 7.2 Final Report

- a. The Grantee must submit a final report to CARB after all the Rural School Bus Pilot Project grant award funds have been spent or by **April 1, 2021** whichever comes earlier. The final report must include the following components:
  - b. The final report must include, at a minimum:
    - i. Total Rural School Bus Pilot Project grant award fund expenditure documentation (including but not limited to project implementation funds, technology funds, match and in-kind funds).
    - ii. Excel spreadsheet of all Rural School Bus Pilot Project grant award funded school buses and data listed in Section 7.1 for the period covered by the Grant Agreement.
    - iii. Total expenditures of Rural School Bus Pilot Project grant award funds per source of funding and fiscal year, including both project implementation funds and technology funds.
    - iv. Remaining Rural School Bus Pilot Project grant award funds.
    - v. Earned interest.
    - vi. Outreach efforts.
    - vii. Implementation challenges.
    - viii. Recommendations for potential program improvements.
- c. A draft final report must be submitted to CARB, no later than February 1, 2021, in an appropriate format agreed upon between CARB and the Grantee. The final report must meet the requirements specified herein. Upon approval of the draft final report by CARB, the Grantee must provide either a hard copy or an electronic file of the final version.

### 7.3 Ongoing Usage Reports

- a. Grantee must continue to report data requested in Section 7.1, subsection b.i.c and Section 7.1, subsection b.i.e on funded school buses that have not been in service for at least 36 months by the time of the final report.

## 8. PROJECT RECORDS

8.1 As further described below, project records include but are not limited to Grantee, financial records, and selected applicant records. All project records must be retained for a period of three (3) years after the last school bus is purchased or until June 30, 2024, whichever is earlier. All project records are subject to audit pursuant to Section 11.4 of this Grant Agreement. Upon completion of the third year of record retention, the Grantee must submit all project records to CARB. Hardcopy of electronic records are suitable. Acceptable forms of electronic media include hard drives, CDs, DVDs, and flash drives. Other forms of electronic media may be allowed based on prior written concurrence from CARB.

### 8.2 Grantee Record

The Grantee must retain a project file for Rural School Bus Pilot Project containing:

- a. Original executed copy of the Rural School Bus Pilot Project Grant Agreement and grant agreement amendments (if applicable).
- b. Copies of Grant Disbursement Request Forms.
- c. Documentation of earned interest generation and expenditure (See Section 5.88 for more information).
- d. Copies of all submitted funding applications.

### 8.3 Financial Records

Without limitation of the requirement to maintain project accounts in accordance with generally accepted accounting principles, the Grantee must:

- a. Establish an official file for the Rural School Bus Pilot Project, which must adequately document all significant actions relative to the project.
- b. Establish separate accounts, which will adequately and accurately depict all amounts, received and spent on the Rural School Bus Pilot Project.

- c. Establish separate accounts, which will adequately and accurately depict all income, received which is attributable to the Rural School Bus Pilot Project.
- d. Establish an accounting system, which will adequately depict final total costs of the Rural School Bus Pilot Project, including both direct and indirect costs.
- e. Document interest earned on project grant funds, and their expenditure or return to CARB.
- f. Documentation of Grantee fund expenditures:
  - i. All fund expenditures must be documented.
  - ii. Personnel costs documentation must make use of timesheets or other labor tracking software. Duty statements or other documentation may also be used to verify the number of staff and actual hours or percent of time staff devoted to project implementation and outreach.
  - iii. Fees for external consultants must be documented with copies of the consultant contract and invoices. All external consultants and fees must be pre-approved by CARB.
  - iv. Printing, mailing, records retention, education classes, and travel expenses must be documented with receipts and/or invoices.
  - v. Indirect costs methodology must be documented.

#### 8.4 Selected Applicant Records

Grantee is required to establish and maintain grant award funding records, which must include, at a minimum:

- a. The Rural School Bus Pilot Project grant award funding application and supporting documentation including the resolution authorizing the submittal of the application, CHP safety certification, vehicle registration, and engine certification for internal combustion engine new school buses.
- b. The Rural School Bus Pilot Project contract with the selected applicant.
- c. Copy of grant award funding check(s).
- d. Documentation on any deviations from the normal processing of grant award funds (examples include enforcement action, CARB case-by-case approvals).
- e. Itemized invoices provided by the selected applicant.

- f. Documentation of the old school bus being dismantled if dismantling is required (See Exhibit B, Section 9, subsection g (vii)). Dismantled means the old school bus is permanently and irreversibly incapable of functioning as originally intended.
- g. CHP safety inspection documentation of the new school bus.
- h. Reported school bus mileage at 12, 24, and 36 months after date the new school bus is put into service and for internal combustion engine school buses, the renewable fuel purchase information including amount of fuel purchased and the cost of the fuel purchased.

## **9. OVERSIGHT AND ACCOUNTABILITY**

- 9.1 The Grantee must comply with all oversight responsibilities identified herein.
- 9.2 CARB or its designee may recoup the grant award funds which were received based upon misinformation or fraud, or for which a Grantee, school bus manufacturer, technology provider, or selected applicant is in significant or continual non-compliance with the terms of this Grant Agreement or State law. CARB also reserves the right to prohibit any entity from participating in the Rural School Bus Pilot Project due to non-compliance with project requirements.
- 9.3 If the Grantee detects any actual and/or potentially fraudulent activity by a school bus dealer, selected applicant, or lessee, it must notify CARB as soon as possible and work with CARB to determine an appropriate course of action.

## **10. INTELLECTUAL PROPERTY**

- 10.1 Any webpage(s), software, databases, project data, or other intellectual property developed or purchased by the Grantee with grant award funding for the sole purposes of administering or implementing the Rural School Bus Pilot Project are the property of CARB. The Grantee will maintain ownership of any pre-existing webpage(s), software, database, or other intellectual property used to administer the Rural School Bus Pilot Project including but not limited to changes or modifications to our existing programs or databases. Should a different grantee be selected to manage the Rural School Bus Pilot Project in subsequent funding years, the Grantee will be responsible for turning over this property and information to CARB and the new grantee and provide all reasonable and necessary assistance needed to ensure a smooth transfer. It is CARB's intention that funding access be seamless to eligible selected applicants as the Rural School Bus Pilot Project transfers to each new fiscal year.

## 11. GENERAL PROVISIONS

- 11.1 **Amendment:** No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.
- 11.2 **Assignment:** This Grant is not assignable by the Grantee, either in whole or in part, without the consent of CARB.
- 11.3 **Availability of Funds:** CARB's obligations under this Grant Agreement are contingent upon the availability of funds. In the event funds are not available, the State shall have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Grant Agreement.
- 11.4 **Audit:** Grantee agrees that CARB, the Department of General Services, Department of Finance, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all State funds received. Grantee agrees to maintain such records for possible audit for a minimum of three years after the term of this Grant is completed, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include similar right of the State to audit records and interview staff in any Grant or contract related to performance of this Agreement.
- 11.5 **Compliance with Law, Regulations, etc.:** The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements.
- 11.6 **Computer Software:** The Grantee certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Grant Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- 11.7 **Confidentiality:** No record which has been designated as confidential by CARB, or is the subject of a pending application of confidentiality, shall be disclosed by the Grantee.
- 11.8 **Conflict of Interest:** The Grantee certifies that it is in compliance with applicable State and/or federal conflict of interest laws.

The Grantee may have no interest, and shall not acquire any interest, direct or indirect, which will conflict with its ability to impartially complete the tasks described herein. The Grantee must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties throughout the grant term. CARB may consider the nature and extent of any actual, apparent, or potential conflict of interest in the Grantee's ability to perform the grant.

The Grantee must immediately advise CARB in writing of any potential new conflicts of interest throughout the grant term.

- 11.9 **Disadvantaged Communities:** The Grantee, for the purposes of this program, will designate disadvantaged communities as identified by the California Environmental Protection Agency (CalEPA).<sup>3</sup>
- 11.10 **Disputes:** The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management may work in good faith with CARB staff or management to resolve any disagreements or conflicts arising from implementation of this Grant Agreement. However, any disagreements that cannot be resolved at the management level within 30 days of when the issue is first raised with CARB staff shall be subject to resolution by the CARB Executive Officer, or his designated representative. Nothing contained in this paragraph is intended to limit any rights or remedies that the parties may have under law.
- 11.11 **Environmental Justice:** In the performance of this Grant Agreement, the Grantee shall conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income populations of the State.
- 11.12 **Fiscal Management Systems and Accounting Standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.
- 11.13 **Force Majeure:** Neither CARB nor the Grantee shall be liable for or deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts of God,

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<sup>3</sup> The identified disadvantaged community census tracts are available at: <http://www.calepa.ca.gov/EnvJustice/GHGInvest/> .

enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, etc.

- 11.14 Governing Law and Venue:** This Grant is governed by and shall be interpreted in accordance with the laws of the State of California. CARB and the Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.
- 11.15 Grantee's Responsibility for Work:** The Grantee shall be responsible for work and for persons or entities engaged in work, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contract for work on the Project, including but not limited to payment disputes with contractors, subcontractors, and providers of services. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work. The Grantee will pay out CARB funds to other entities on a reimbursement basis only.
- 11.16 Indemnification:** The Grantee agrees to indemnify, defend and hold harmless the State and the Board and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the Grantee, and out of the operation of equipment that is purchased with funds from this Grant Award.
- 11.17 Independent Contractor:** The Grantee, and its agents and employees, if any, in their performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees or agents of CARB.
- 11.18 Nondiscrimination:** During the performance of this Grant Agreement, the Grantee and its third party entities shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. The Grantee and its third party entities shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Grantee and its third party entities shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the

California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Grantee and its third party entities shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.

- 11.19 **No Third Party Rights:** The parties to this Grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking establish herein.
- 11.20 **Ownership:** All information, data, documents, intellectual property under this Grant is the property of CARB. No information, data, documents, intellectual property received or generated under this Grant must be released without CARB's approval.
- 11.21 **Personally Identifiable Information:** Information or data, including but not limited to all project records and supporting documentation that personally identifies an individual or individuals is confidential in accordance with California Civil Code sections 1798, et seq. and other relevant State or Federal statutes and regulations. The Grantee shall safeguard all such information or data which comes into their possession under this agreement in perpetuity, and shall not release or publish any such information, data, or project records.
- 11.22 **Prevailing Wages and Labor Compliance:** If applicable, the Grantee agrees to be bound by all the provisions of State Labor Code Section 1771 regarding prevailing wages. If applicable, the Grantee shall monitor all agreements subject to reimbursement from this Grant Agreement to ensure that the prevailing wage provisions of State Labor Code Section 1771 are being met.
- 11.23 **Professionals:** For projects involving installation or construction services, the Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.
- 11.24 **Severability:** If a court of competent jurisdiction holds any provision of this Grant Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.
- 11.25 **Termination:** In addition to the termination provisions in Section 5.5 of this Grant Agreement, CARB may terminate this Grant Agreement by written notice at any time prior to completion of this Grant Agreement, upon violation by the Grantee of any material provision after such violation has been called to the

attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant Agreement. Upon termination, the Grantee must immediately return unspent grant award funds to CARB.

11.26 **Timeliness:** Time is of the essence in this Grant Agreement. Grantee shall proceed with and complete the Pilot Project in an expeditious manner.

11.27 **Waiver of Rights:** Any waiver of rights with respect to a default or other matter arising under the Grant Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.

## **Rural School Bus Pilot Project Requirements**

The Rural School Bus Pilot Project provides new school buses for school districts and other eligible selected applicants who own school buses for replacement or, if zero-emission, for fleet expansion. The Grantee must ensure that the all projects reduce greenhouse gas emissions, furthering the purposes of AB 32, and include the following elements:

### **1. Eligible Applicants**

- a. Public school district in California
- b. Public charter school in California
- c. County Office of Education in California
- d. Joint Powers Authorities (JPAs) in California, where a JPA has been formed by several public school districts and the JPA holds ownership of the school buses
- e. Division of State Special Schools of the State Department of Education in California

### **2. Ineligible Applicants**

- a. Private schools
- b. Private transportation companies
- c. Non-profit agencies such as Head Start

### **3. Eligible School Bus Project Types**

- a. Fleet expansion for zero-emission (battery electric or fuel cell) school buses
- b. Replacement to hybrid or internal combustion engine school bus using renewable fuel

### **4. Requirements for the Old School Bus**

- a. Fuel type: any
- b. Chassis Age: 20 years old or older
- c. Gross Vehicle Weight Rating (GVWR): greater than 14,000 pounds GVWR
- d. Current CHP certification
- e. The old school bus is required to be dismantled when an internal combustion engine school bus is purchased. Dismantled means the old school bus is permanently and irreversibly incapable of functioning as originally intended.
- f. The old school bus is required to be designated as a back-up school bus when a zero-emission school bus is purchased. The old bus must be destroyed should the school elect to not retain the vehicle as a back-up

**5. Requirements for the New School Bus**

- a. New (current model year) zero-emission (battery electric vehicle or fuel cell)
- b. New (current model year) hybrid
- c. New (current model year) internal combustion engine school bus (diesel, compressed natural gas, propane) using renewable fuel and meeting 0.20 grams per brake horse power-hour (g/bhp-hr) oxides of nitrogen emission standard and 0.01 g/bhp-hr particulate matter standard.

**6. Requirements for Renewable Fuel Purchases**

Selected applicant must purchase renewable fuel in sufficient quantity to propel the funded internal combustion engine school bus or hybrid school bus for the mileage accumulated during three-year project life.

**7. Maximum Grant Award Funding Levels**

The Rural School Bus Pilot Project grant award funds can be spent on eligible school buses and taxes for new eligible school buses purchased by eligible selected applicants for eligible projects, incremental renewable fuel costs, and electric school bus infrastructure costs.

The maximum grant award funding amounts must not exceed the purchase price of the school bus, taxes, incremental renewable fuel costs, or infrastructure costs as listed in Table 1.

**Table 1: Maximum Funding Levels**

<b>New School Bus Technology</b>	<b>Maximum Funding Level</b>
Diesel or alternatively-fueled school buses and incremental renewable fuel costs	\$165,000 (includes school bus, taxes, and incremental renewable fuel costs)
Zero-emission school buses	\$400,000
Electric school bus infrastructure	\$5,000

The Rural School Bus Pilot Project selected applicant may not receive more funds than the eligible project costs, as stated above, whether funded solely with the Rural School Bus Pilot Project grant award funds or funded with multiple funding sources (i.e. no double-dipping).

**8. Outreach Requirements**

The Rural School Bus Pilot Project must target outreach to public school districts, public charter schools, County Offices of Education, JPAs, and the Division of State Special Schools of the State Department of Education that own school buses in California.

## 9. Program Requirements

- a. Application Request Period: The Grantee must establish an application request period with a starting date and an ending date. The application request period is the designated time period that the Grantee will accept applications that can be considered for grant award funding. The application request must include the ranking criteria.
- b. Requirements for Applications from Eligible Selected Applicants:
  - i. Applications considered for grant award funding must be received during the application request period.
  - ii. Applications must include information needed to fulfill the reporting requirements in Exhibit A, Section 7.
  - iii. Applications must include a resolution from the school district governing board (or a duly authorized official with authority to make financial decisions) authorizing the submittal of the applications and identifying the individual authorized to implement the school bus purchase project.
- c. Application Ranking: Applications may contain requests for multiple school buses; each school bus must be ranked individually. Applications from eligible applicants located in small air districts must be considered for funding first, then applicants in medium air districts and then applicants in large air districts. (For a list of air districts see Exhibit C.)

School buses within the same sized air district must be prioritized by the age of the old school bus being dismantled or being designated as a back-up school bus. School buses in the same sized air district and having the same age must then be ranked by mileage, with the higher mileage school buses receiving priority over a school bus with fewer miles.
- d. Project Selection: Grantee must select one project per applicant for new internal combustion engine school bus purchase and up to three projects per applicant for zero-emission school bus purchases.
- e. Remaining Funds: If the initial application request period does not yield enough selected applicants and projects to spend all the direct project funds, then the Grantee must establish a subsequent applications period, with a starting date and an ending date, to receive additional applications that can be ranked and selected.
- f. Returned Funds: Awarded funds returned to the Grantee must be spent on project implementation costs and technology costs for eligible projects.

- g. Requirements for Contracts with Selected Applicants: The Grantee must utilize contracts with selected applicants. Those contracts must include the following minimum contract requirements.
- i. **Party Names and Dates:** The contract must include the Grantee and selected applicant names, signature blocks and dates.
  - ii. **Right to Enforce Contract and Audit Project:** Statements must be included in the contract regarding the ability to enforce the contract by the Grantee or CARB. In addition, the contract must state that the Grantee, CARB and Department of Finance are given access to review and copy records and documentation pertaining to the performance of the contract in accordance with Exhibit A, section 11.4.
  - iii. **Contract Term:** The contract term includes both the time to put the project in place (project completion) and the time to operate the completed project (project implementation). The contract must include a specified time frame for the project completion to occur to ensure grant award funds are spent in a timely manner. Project implementation must be three years or longer from the date the new school bus is put into service.
  - iv. **Funding Amount:** The contract must specify the amount of grant award funds granted to the funding recipient, not to exceed the funding levels in this Grant Agreement.
  - v. **Project Specifications:** The contract must describe the items being funded.
  - vi. **Date(s) of Delivery:** Contracts between Grantee and selected applicants must state the assumed date(s) of delivery for the new school bus.
  - vii. **Dismantling of Old School Buses:** The contract must specify that, unless the new school bus is zero-emission and retained as a back-up vehicle, the selected applicant must dismantle the old school bus within 60 days of the receipt of the new school bus by rendering the old school bus permanently and irreversibly incapable of functioning as originally intended.
  - viii. **Ownership Requirement:** The contract must specify that the selected applicant own and operate the school bus for three years or longer from the date the new school bus is put into service.
  - ix. **Pro-rating Funds:** Language included in the contract for all projects must stipulate that the school bus must operate for the length of the ownership requirement period or the school bus owner must promptly return a pro-rated amount of the awarded funds to the Grantee.
  - x. **Returned Funds:** Language included in the contract for all projects must stipulate that the selected applicant must return the awarded funds if a project is deemed ineligible.
  - xi. **Maintenance:** The contract must specify that the selected applicant maintain the school bus per the manufacturer's specifications.
  - xii. **Itemized Invoices:** The contract must specify that the selected applicant must provide itemized invoices to the Grantee.

- xiii. **Payments:** The contract must specify that no payments will be made unless:
- The contract is executed.
  - The itemized invoices are received.
  - Proof of Dismantling of the Old School Bus: Unless the new school bus is zero-emission and retained as a back-up vehicle, the old school bus must be dismantled within 60 days of the receipt of the new school bus and proof of dismantling must be provided before payment is made by the Grantee.
  - The school bus is delivered prior to February 1, 2021.
  - The school bus has been inspected by CHP and CHP has completed written documentation signifying that the school bus is safe to operate with children aboard.
  - Selected applicant has fulfilled all required California Environmental Quality Act (CEQA) review. This includes ensuring that all necessary permits and environmental documents are prepared and that clearances are obtained from the appropriate agencies.
- xiv. **Initial Reporting:** The contract must specify the reporting needed by the Grantee from the selected applicant including but not limited to old school bus information, new school bus information, funding information, selected applicant information and specify any supporting documentation needed such as engine serial numbers, data tag photos, engine certification executive orders, etc.
- xv. **On-going Recordkeeping and Reporting:** The contract must specify the reporting needed by the Grantee from the selected applicant and that the selected applicant must supply the required information annually and for three years, including the new school bus mileage at 12, 24, and 36 months after date the new school bus is put into service; and, for internal combustion engine school buses, the renewable fuel purchase information including amount of fuel purchased and the cost of the fuel purchased.
- xvi. **Record Retention:** The contract must specify that the selected applicant retain project documentation for the contract term plus three years.
- xvii. **Non-compliance Terms:** The contract must include terms to cancel contracts, withhold payment, or require repayment for non-compliance with the contract.
- xviii. **Indemnification:** The selected applicant agrees to indemnify, defend and hold harmless the Grantee, the State and CARB and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the applicant, and out of the operation of equipment that is purchased with funds from this Grant Award.
- xix. **Funding Source:** Selected applicant must acknowledge the California Climate Investments program as a funding source from CARB's Low Carbon Transportation program whenever projects funded, in whole or in

part by this Agreement, are publicized in any news media, websites, brochures, publications, audiovisuals, or other types of promotional material. The acknowledgement must read as follows: 'This publication (or project) was supported by the "California Climate Investments" (CCI) program. Guidelines for the usage of the CCI logo can be found at [www.arb.ca.gov/ccifundingguidelines](http://www.arb.ca.gov/ccifundingguidelines).

## **10. Audits**

CARB or its designee reserves the right to audit at any time during the duration of this Grant Agreement in accordance with Exhibit A, section 11.4.

**Small, Medium, and Large Air Districts**

**Small Air Districts**

Amador County  
Antelope Valley  
Butte County  
Calaveras County  
Colusa County  
El Dorado County  
Feather River  
Glenn County  
Great Basin Unified  
Imperial County  
Lake County  
Lassen County  
Mariposa County  
Mendocino County  
Modoc County  
North Coast Unified  
Northern Sierra Unified  
Northern Sonoma  
Shasta County  
Siskiyou County  
Tehama County  
Tuolumne County

**Medium Air Districts**

Eastern Kern  
Mojave Desert  
Monterey Bay Unified  
Placer County  
San Luis Obispo County  
Santa Barbara County  
Ventura County  
Yolo-Solano

**Large Air Districts**

Bay Area  
Sacramento Metro  
San Diego County  
San Joaquin Unified  
South Coast

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**Work Statement**

Budget Summary (Attachment I)

Project Milestones and Disbursement Schedule (Attachment II)

Project Schedule (Attachment III)

Key Project Personnel (Attachment IV)

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Budget Summary

Grantee: North Coast Unified AQMD

Grant No.: G17-LCTI-01

Project: Rural School Bus Pilot Project

Total Costs & Funding

Costs	Grant
	<b>Cash</b>
1. Technology Funds	\$9,500,000
2. Project Implementation Funds <sup>1</sup>	Up to \$500,000
<b>Total</b>	<b>\$10,000,000</b>

<sup>1</sup>A maximum of 5% of CARB-awarded funds may be used for project implementation purposes.

Disbursement of Funds:

Technology Funds

The Grantee shall receive funds in accordance with the Air Quality Improvement Program and Low Carbon Transportation GGRF Investments: Rural School Bus Pilot Project.

Project Implementation Funds

The Grantee shall receive project implementation funding in accordance with the Air Quality Improvement Program and Low Carbon Transportation GGRF Investments: Rural School Bus Pilot Project.

**EXHIBIT D, Attachment II**

**Project Milestones and Disbursement Schedule**

**Grantee: North Coast Unified AQMD**

**Grant No.: G17-LCTI-01**

**Project: Rural School Bus Pilot Project**

<b>Milestone</b>	<b>Milestone Description</b>	<b>Project Implementation Funds</b>	<b>Technology Funds</b>
	<b>Tasks</b>		
1.0	<b>Project Implementation</b>	Up to \$250,000	Up to \$950,000
1.1	Execute Grant Agreement with CARB		
1.2	Project Kickoff Meeting		
1.3	Finalize Scope of Work and Project Schedule		
1.4	Grantee to Solicit for Applications (includes outreach to potential applicants)		
1.5	Grantee Receives Applications During Application Request Period		
1.6	Grantee Application Ranking and Selecting Applicants to be Funded		
2.0	<b>Contracting and Reporting/Disbursements</b>	Up to \$200,000	\$8.55 Million
2.1	Semi-Annual Reports		
2.2	Submit Disbursement Request to cover selected applications per semi-annual report		
2.3	Generate Contracts for Selected Applicants		
2.4	Repeat Milestone 1.3 - 2.3 as needed if Unspent Direct Project Funds Remain		
2.5	Draft Final Report		
3.0	<b>Final Report submittal and Final Request for Payment</b>	\$50,000	
<b>Funds Total</b>		<b>Up to \$500,000</b>	<b>\$9.5 Million</b>

**Project Schedule**

**Grantee: North Coast Unified AQMD**

**Grant No.: G17-LCTI-01**

**Project: Rural School Bus Pilot Project**

Detailed Scope of Work and Project Schedule

Detailed Scope of Work and Project Schedule		
Work Task	Start Date	Completion Date
Term of Project Performance Period		Through June 30, 2024
Grant Execution with CARB		
Project Kickoff Meeting		
Solicit for Applications (includes outreach to potential applicants)		
Application Ranking and Selecting Applicants to be Funded		
Semi-Annual Reports	Every 6 months or when requesting additional funds, whichever is sooner, through completion of the project	
Submit Disbursement Request to cover selected applications per semi-annual report		
Generate Contracts for Selected Applicants		
Repeat Solicitation through contracts with selected applicants as needed if Unspent Direct Project Funds Remain		
50 percent of funds must be spent and 90 percent of funds must be committed		October 1, 2019
CARB may transfer any funds not committed or spent		December 31, 2019
School bus delivery deadline		February 1, 2021
Draft Final Report Due date		February 1, 2021
Final Report Due date		April 1, 2021
Final Request for Payment		April 1, 2021
Expenditure Deadline		April 1, 2021
Fiscal Grant Agreement End Date		June 30, 2021
Project Performance Period of Grant Agreement End Date		June 30, 2024

**EXHIBIT D, Attachment IV**

**Key Project Personnel**

**Grantee: North Coast Unified AQMD**

**Grant No.: G17-LCTI-01**

**Project: Rural School Bus Pilot Project**

Position	Role	Duties
Air Pollution Control Officer	Executive Officer	Executes the grant agreement, oversees the administration of the grant, approves progress and final report.
Division Manager	Supervisor	Reviews and approves program documents, oversees and assists staff as needed, and communicates with executive staff regarding progress of the grant.
Special Projects Coordinator	Lead	Reviews and approves program documents and communicates with management regarding progress of the grant.
Administration Support	Support	Reviews and approves program documents and communicates with management regarding progress of the grant, in a supporting capacity.

Sample Air District Advance Payment Request Form

Grantee: North Coast Unified AQMD

Grant No.: G17-LCTI-01

Project: Rural School Bus Pilot Project



Mary D. Nichols, Chair  
 Matthew Rodriguez, CalEPA Secretary  
 Edmund G. Brown Jr., Governor

**Air District Advance Payment Request Form**

<b>Air District:</b>		<b>Date:</b>
<b>Contact Name:</b>		<b>Phone:</b>
<b>Email Address:</b>		<b>Program:</b>

<b>Advance Amount Requested</b>	<b>\$</b>
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Please check box if small District.

**All Districts Certify:**

- The District shall have no outstanding material financial audit findings related to any of the Funds eligible for Advance Payment.
- The District shall not provide advance payment to any other entity.
- All unused funds shall revert back to the state if not liquidated within the timeline specified in the grant agreement.

**Large Districts must complete the additional information below and provide accompanying documents:**

- A Spending Plan shall be submitted to CARB for review of Advance Payment moneys requested. The Spending Plan includes:
  - o The District fund balance for all state grant programs
  - o The District approved list of projects and entities
  - o Project schedules, milestones and timelines
  - o Any and all other information requested by CARB
- The District shall report to CARB material changes to the Spending Plan within 30 days

I hereby certify that I am the duly appointed, qualified, and acting officer of the herein named California Air District and that the information provided is in all respects true and correct.

<b>Air District/Grantee Requester (Signature):</b>	<b>Date:</b>
<b>Printed Name:</b>	<b>Title:</b>
<b>CARB Approver (Signature):</b>	<b>Date:</b>
<b>Printed Name:</b>	<b>Title:</b>