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Carl Moyer Incentive Program

Grant Acceptance Agreement

The following items are included in this Agreement. The offer of Grant funds is valid for only thirty (30) days from the date the offer letter was signed by District Air Pollution Control Officer. Signed agreements only take effect after signature by both parties.

- ❖ **Contents:** One page. *Initial the upper right corner.*
- ❖ **Agreement:** Six pages. *Initial each page in the spaces provided; complete Section H, Instructions for Payment; and sign the last page of the Agreement.*
- ❖ **Attachment 1, Project Summary:** One or more pages. Includes Summary Table showing project details as proposed by District, funded-equipment price quote, and original project application. *Initial each page.*
- ❖ **Attachment 2, Special Conditions:** One or more pages. *Initial each page.*
- ❖ **Attachment 3, Statements and Certifications:** Three pages. *Engine/motor supplier signs first page. Initial and sign where indicated.*
- ❖ **Attachment 4, Reimbursement Instructions:** Two pages. *Initial each page.*
- ❖ **Attachment 5, Instrucions for Use Reports:** One page. *Initial the page.*
- ❖ **Attachment 6, Extension Request:** One pages. *Initial the page.*



Carl Moyer Incentive Program

Agreement

Between the
Monterey Bay Unified Air Pollution Control District
and
Company Name, Inc.

The Monterey Bay Unified Air Pollution Control District (hereafter referred to as "District") hereby agrees to reimburse [Company Name, Inc.] (hereafter referred to as "Grantee") for eligible costs to repower [describe project], owned and operated by Grantee, in an amount not to exceed [\$ _____] in Carl Moyer Program funds.

A. Definitions

1. *Annual Use Report*: Annual report of project use, prepared by Grantee in accordance with this Agreement, as described in Attachment 5.
2. *Average Annual Use*: Annual use, measured in hours, gallons or miles, specified in this Agreement Attachment 1, Summary Table, which was used to calculate cost-effectiveness of emission reductions for each grant-funded project over the term of this Agreement.
3. *Baseline*: A "baseline" engine/motor(s), equipment and/or retrofit(s) are the original engine/motor(s), equipment and/or retrofit(s) to be repowered, replaced, and/or retrofitted.
4. *Completion/Post Inspection*: District inspection of the grant-funded equipment finding that the project was completed (i.e. is operational) by Grantee in a manner satisfactory to District.
5. *Expiration Date*: The end date of the Term.
6. *Grant-Funded Equipment*: Any equipment, or vehicle, or parts, or engine/motor(s), equipment and/or retrofit(s) purchased and reimbursable or reimbursed under this Agreement.
7. *Payback formula*: The Agreement grant amount for a project, times the ratio of: Average Annual Use for that project times the Project Life in years, less total qualifying use to date, divided by Average Annual Use times Project Life in years.
Payback Formula:
$$\frac{(\text{Ave. Annual Use} \times \text{Project Life}) - \text{Total Use to Date}}{\$ \text{ Grant Amount} \times \text{Average Annual Use} \times \text{Project Life}}$$
8. *Completion Date*: Last date all projects funded under this Agreement pass a Completion Inspection.
9. *Completion Phase*: The Completion Phase begins at the Start Date and ends one hundred eighty (180) days thereafter, on the date of Completion/Post Inspection. All grant-funded equipment shall be ordered, delivered and installed during this phase.
10. *Implementation Phase*: Starts on the Completion Date and ends on latest of the Project Lives shown in Attachment 1, Summary Table for each project funded under this

Agreement. Grantee shall operate and maintain the grant-funded equipment according to the terms of this Agreement for this phase.

11. *Project Life*: The maximum number of years Grantee shall operate and maintain grant-funded equipment starting from the Completion Date. The Project Life is listed in this Agreement, Attachment 1, Summary Table.
12. *Start Date*: The last date this agreement is signed by either party.
13. *Project*: is an activity or action(s) associated with Grantee's performance that is funded in accord with the terms of this Agreement. A project could include any of the following:

Repower Project: The replacement of an in-use existing/baseline engine with a newer emission-certified engine.

Replacement Project: The replacement of older, higher-polluting equipment with newer, lower-polluting equipment.

Retrofit Project: The installation of a verified diesel emission control system on an existing engine to reduce emissions. Examples include, but are not limited to, diesel particulate filters and diesel oxidation catalysts.

13. *Term*: The period from the Start Date to end of all Implementation Phase(s).

B. General Agreements

1. The California Air Resources Board (ARB) is an intended third-party beneficiary of this Agreement, and has the right to enforce the terms of the contract at any time during the contract term to ensure emission reductions are obtained (see *Carl Moyer Guidelines, Approved Revision 2008*; Part III, Program Administration; Section 29, Minimum Contract Requirements; subsection (k)(4)).
2. Both parties shall execute this Agreement before Grantee may incur any reimbursable expenses.
3. The project shall be completed and operational within one hundred eighty (180) days of Start Date. Should Completion be further delayed, Grantee may submit, within that 180-day period, a request for extension to District, using the form provided in Attachment 6, documenting that the delay was not caused by action or inaction by Grantee.
4. The District, in its sole discretion, may extend that period for Completion if a request for extension is submitted within the initial 180-day period.
5. All grant-funded equipment shall fully conform to the description specified in this Agreement, Attachment 1, Summary Table.
6. Any grant-funded equipment shall NOT otherwise be required by any local, state, and/or federal rule, regulation or MOU currently in effect.
7. To be reimbursed, expenses incurred by Grantee shall meet all requirements of the ARB's Carl Moyer Program Guidelines and criteria and shall meet all program requirements for the full contract term (see *Carl Moyer Program Guidelines, Approved Revision 2008*; Part III, program Administration; Section 29, Minimum Contract Requirements; subsection (f)).



8. Rights to the emissions reductions shall not be claimed by Grantee as emissions reduction credits or in an averaging, banking, or trading program.
9. At the sole option of the District, Grantee shall place, or allow the District to place, a logo on a prominent location of the grant-funded vehicle, vessel, or equipment. The logo design, style, color and placement are the exclusive property of the District.
10. All programs funded by the District must conform to the Equal Employment Opportunity Guidelines adopted by the District. Failure to follow these guidelines may result in termination of the Grant Agreement at District Board discretion. Current guidelines are available from the District upon request.

C. Grantee Responsibilities

1. The person signing this Agreement affirms his or her legal authority to bind Grantee to the terms of this Agreement, understands and agrees to operate the vehicle, equipment, and/or engine according to the terms of the Agreement (see *Carl Moyer Guidelines, Approved Revision 2008*; Part III, Program Administration; Section 29, Minimum Contract Requirements; subsection (k)(1), and to not sell or gift that equipment to any other party, without prior written consent of District until the Expiration Date of this Agreement, or the Project Life, whichever is longer.
2. Grantee shall execute this Agreement within thirty (30) days of [November 2, 2010].
3. Grantee hereby acknowledges and agrees that the purchase of project grant-funded equipment is an informed and voluntary act and that both District and ARB have made no representation or guarantee regarding quality, condition, safety or proposed use of any grant-funded equipment purchased or installed under this Agreement.
4. Grantee shall cooperate with District and the ARB in implementation, monitoring, enforcement, and other efforts to ensure emission benefits are real, quantifiable, surplus and enforceable.
5. Grantee shall install, maintain and operate that equipment in accordance with its manufacturer(s) specifications and intended use, for the duration of the Project Life.
6. Grantee shall operate grant-funded equipment at least 75% of the time in California, and/or ten miles of the California coast.
7. Grantee agrees that District, ARB, or their designee(s) may:
 - Conduct a fiscal audit of the project
 - Inspect the project engine/motor(s), equipment and/or retrofit(s) and associated records during the contract term.
 - Inspect hour meter/device(s) on grant-funded equipment
 - Perform exhaust emissions test(s) of the grant-funded equipment in a manner acceptable to District, and
 - Enforce this Agreement's termsat any time during the term of this Agreement.
8. Grantee shall not tamper with engines or any grant-funded equipment.
9. Grantee agrees to maintain an hour meter on each funded engine/motor(s), equipment and/or retrofit(s) for the Project Life, for projects for which hours of operation were used to calculate emission reductions and cost-effectiveness. If such an hour meter, odometer, or other recording device fails, Grantee shall immediately notify the District and

- promptly repair or replace the non-operating meter/device. During any lapse in meter/device operation, Grantee shall be responsible to validate any use not recorded by the meter/device until a new one is installed.
10. Grantee shall comply with all applicable District, federal, state and local laws and regulations, and shall obtain all permits, approvals or clearances required to implement the project, including any necessary District permits.
 11. Grantee shall defend, indemnify, and hold District, its officers, agents, employees and volunteers harmless from any and all losses, costs, damages, fines or expenses (including attorney fees, court costs and expert witness fees) or liability of any kind or character to any person or property arising from, or alleged to arise from, any breach of responsibilities required of Grantee by this Agreement, or which are related in any way to grant-funded equipment purchased under this Agreement.
 12. Grantee shall invoice reimbursable expenses under this Agreement as described in Attachment 4, and provide supporting documentation for all expenditures in a manner and form satisfactory to District staff, said invoice to be delivered within the Implementation Phase, unless this period is extended in writing by District.
 13. Grantee shall record and submit annual use of grant-funded equipment under this Agreement in accordance with the instructions in Attachment 5.

D. District Rights and Responsibilities

1. In consideration of Grantee's performance under this Agreement, District shall reimburse eligible project expenses invoiced by Grantee in accordance with the terms of this Agreement, said reimbursement being limited to the maximum grant amount specified on page 1 of this Agreement.
2. District shall monitor Grantee implementation of the project for up to five (5) years, or the Project Life, whichever is less.
3. Should District determine that Grantee's use of grant-funded equipment did not comply with the locations agreed to by the parties and specified in Attachment 1, Summary Table; and Attachment 2, Special Conditions District may demand that Grantee reimburse to District all or a portion of the grant, based on the payback formula defined herein in section A. 6. Payback Formula, and adjusted to reflect over or under use.
4. District may withhold payment if Grantee has unmet obligation(s) under this Agreement.
5. District staff shall respond promptly to any Grantee questions regarding this Agreement.
6. District shall make payment within ten (10) working days of District's approval of the invoice submitted by Grantee.
7. Should Grantee be found to be noncompliant with the terms of this Agreement, ARB and/or the District may seek relief by any remedies available under law, including a right to cancel the Agreement and/or demand that Grantee reimburse to District all or a portion of the grant, based on the payback formula defined herein.
8. The Moyer program guidelines state, "The contract must inform the owner that ARB and the District have the authority to fine the owner or seek other remedies available under the law for noncompliance with Carl Moyer Program requirements and nonperformance with this Agreement. District may consider unforeseen circumstances beyond the owner's control in assessing damages and remedies for nonperformance.

E. Project Schedule

1. Grant funds shall be expended and invoiced in accordance with this Agreement, and by the dates specified in this Agreement.
2. Unless the Agreement term is extended in writing by the District, any obligation to reimburse any costs incurred by the Grantee under this Agreement shall lapse and become void after [May 30, 2011].

F. Correspondence

1. All notices, invoices, or correspondence between the parties to this Agreement shall be sent via First Class Mail, using the addresses shown below, which may be changed only by prior written notice to the other party.

For all Invoices, District:

Richard Stedman, APCO
Accounting Division (Moyer Invoice)
MBUAPCD
24580 Silver Cloud Court
Monterey, CA 93940

For all other items, District:

Richard Stedman, APCO
Attention: Nathan Pierce
MBUAPCD
24580 Silver Cloud Court
Monterey, CA 93940
Tel (831) 647-9418 x234; Fax (831) 647-8501; dfair@mbuapcd.org

Grantee:

First Last Name
Company Name, Inc.
Street or PO Box
City Name, CA Zip#
Tel (831) 000-0000; Fax (831) 000-0000

G. Instructions for Payment

Check One:

- Grantee requests payment to be made by 1-party check, said check to be payable only to Grantee.

- Grantee requests payment to be made by 1-party check, said check to be payable only to the vendor designated below:

Vendor:

Name: _____

Address: _____

City, State, Zip code: _____ Telephone: _____

- Grantee requests payment to be made by 2-party check, said check to be payable to Grantee and the vendor designated below:

Vendor:

Name: _____

Address: _____

City, State, Zip code: _____ Telephone: _____

H. Assignment and Delegation

1. This Agreement and any benefits associated herewith may not be assigned without the prior written agreement of District.
2. Grantee may not delegate any duty or obligation to render performance under this Agreement, or assign payment of funds due under this Agreement, except as provided herein, without prior written permission of District.

I. Severability

If any clause or term of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Agreement shall remain in full force and effect.

J. Entire Agreement

1. This Agreement and Attachments 1, 2, 3, 4, 5 and 6 contain the entire Agreement and all rights and obligations of the parties.
2. Any amendment to this Agreement may be proposed in writing by either party and shall be signed and dated by both parties before it becomes effective. Oral representations by either party or their representatives shall have no binding force or effect.

K. Termination

1. Unless otherwise agreed in writing between the parties to this Agreement, this Agreement shall expire at the end of all Implementation Phase(s) or upon approval of Grantee's final report, whichever is later.
2. District may issue a Stop Work Notice which would require Grantee to stop work within three (3) working days, should any of the following occur:
 - a) Breach, or failure to abide by any term or condition of this Agreement;
 - b) Assignment of any benefits of this Agreement, or delegation of any duties due under this Agreement to a third party;
 - c) Bankruptcy, or dissolution of Grantee;
 - d) If Grantee is a sole proprietor, death of Grantee;
 - e) Failure by Grantee to perform duties and responsibilities due in a timely, professional or competent manner;
 - f) Failure by Grantee to make reasonable progress toward implementing this Agreement.
3. Stop Work Notice
 - a) Upon receipt of a Stop Work Notice from District, Grantee shall stop work by the notice's stop-work date, on all activities for which grant funding was reimbursable under this Agreement.
 - b) If so specified in the Stop Work Notice, Grantee shall be permitted to incur eligible expenditures through the Stop Work Notice date to safeguard air quality emissions reductions.

L. Acceptance

The undersigned authorized representatives of the parties to this Agreement do hereby agree to abide by all the terms and conditions of this Agreement:

For Grantee:

For District:

First Last
Company Name
Date: _____

Richard A. Stedman
Air Pollution Control Officer
Date: _____

Grantee is an (check one):

- Individual
 Corporation or other business entity



ATTACHMENT 1 - PROJECT SUMMARY
Carl Moyer Incentive Program

Type of Project: Replacement Repower Retrofit Fleet Modernization

Number of Motor/Engines: Number of Retrofits: Number of Vehicles: .

Equipment type:

Irrigation Pumps

Marine Vessel

Ground Support Equipment / Forklift

Off-Road Equipment

On-Road HD Truck

Locomotive

Fleet Modernization

Other _____

- A. The attached Summary Table of the project on the following page(s) supersedes any conflicting data and calculations in the original grant application, a copy of that application being included in this Attachment. The Summary Table describes the baseline and project grant-funded equipment funded under this Agreement, and the cost-effectiveness (C/E) of each project, using the current ARB Carl Moyer Program method.
- B. The grant-funded equipment will be as described on district-approved dealer invoice(s) submitted by Grantee with Grant Invoice, and the description will supersede that in this Agreement, if different.

Attachment 1 Summary Table and original application are on following page(s)



ATTACHMENT 2 - SPECIAL CONDITIONS

Carl Moyer Incentive Program

The following are any special conditions applicable to this Agreement. These special conditions supersede any conflicting terms and conditions found elsewhere in this Agreement.

[For projects that must be complete by end of year (for Project Life per regulation compliance date):]

1. The grant amount may be reduced if this project is completed after December 31, 20XX.

[For Stationary/Portable Ag Pump Engines (Remotely-Located):]

[NOTE: Include in Attachment 1 a location map where the grant-funded engine/motor(s), equipment and/or retrofit(s) may be used.]

2. For the term of Project Life used to calculate this grant (as shown in Attachment 1, Summary Table), each grant-funded engine/motor(s), equipment and/or retrofit(s) must remain in the same site(s) and location(s) as the engine it replaces (as shown in the location map in Attachment 1).
3. Each Grant Invoice (Reimbursement Request) for funded diesel agricultural engine(s) 50 hp or greater, shall include evidence that Grantee has paid the fee to register the funded engine under the District Agricultural Diesel Engine Registration Rule (220) adopted May 16, 2007.

[For All Marine Vessels:]

4. An application for a Carl Moyer grant for a marine vessel shall not be considered complete unless it includes a marine survey of the subject vessel that has been conducted within the prior twenty-four months, by a marine surveyor who has been accredited by the Society of Accredited Marine Surveyors (SAMS) or the National Association of Marine Surveyors (NAMS), and the original marine survey is attached to the grant application. The applicant shall have an obligation to disclose to the District any accidents or other intervening events after completion of the survey, which may affect the seaworthiness of the vessel.
5. A Carl Moyer grant for a marine vessel shall be contingent upon the Grantee obtaining a policy of marine insurance that has been issued by an insurance company that is licensed to issue certificates of insurance on marine vessels in the State of California and that is also in good standing with the California State Insurance Commissioner. The District shall be named as an additional insured on such policy, and the Grantee shall maintain insurance on the marine vessel in an amount sufficient to reimburse the MBUAPCD the full amount that would be due from the Grantee for failure to fully comply with the terms of the Grant Agreement. The policy shall remain in effect for the full term of the Grant Agreement and the Grantee shall provide to the District a certificate of insurance showing that the District has been named an additional insured as set forth herein. No reimbursements of any grant-eligible expenditures shall be made until such certificate is provided to the District.
6. If, for any reason, the owner of a marine vessel that has received a Carl Moyer grant by the MBUAPCD is awarded proceeds of any insurance policy (described under B, above), for an incident or event that precludes the Grantee from performing its obligations under

the terms of the Grant Agreement, the Grantee or successor in interest shall reimburse MBUAPCD the full amount due in accord with the terms of the Grant Agreement within thirty days of receipt of the referenced proceeds.

[For Fishing Vessels:]

7. During the term of this agreement, Grantee shall use this vessel only for fishing. Using the vessel for any other purpose, including any purpose that would subject the vessel to the current California Air Resources Board's Regulations for Commercial Harbor Craft, is prohibited. Using the vessel in a way that would subject this vessel to the ARB's Regulations for Commercial Harbor Craft may require a shorter Project Life, resulting in Grantee payback to District of all or a portion of the grant, based on the payback formula defined herein.

[For Excursion Vessels:]

8. Grantee shall annually submit to District, copies of those use reports required to be submitted to ARB in its Regulations for Commercial Harbor Craft, until the date of Expiration Date of this Agreement.

[For On-Road Public-Owned Equipment Repowers AND/OR Retrofits:]

9. Grantee shall annually submit to District, copies of those use reports, as required to be submitted to ARB, pursuant to the Fleet Rule for Public Agencies and Utilities, until the date of Expiration Date of this Agreement.

[For Off-Road Equipment Repowers AND/OR Retrofits:]

10. Grantee shall annually submit to District, copies of those use reports required to be submitted to ARB in its Regulation for In-Use Off-Road Diesel Vehicles, until the date of Expiration Date of this Agreement.

[For Off-Road Retrofits AND/OR Replacements (if retrofitted):]

11. In accordance with California Code of Regulations, Title 13, Section 2449.2(a)(2)(A)2., each retrofit funded and installed under this contract may only generate a single credit toward regulatory compliance.

[For Off-Road Equipment Replacement:]

12. The replacement equipment must serve the same function and perform the same work equivalent as the old equipment (i.e. replacement of an agricultural tractor with another agricultural tractor). This requirement may be waived, but only with prior written approval from District and/or ARB for instances where general purpose farming equipment changes commodities.
13. If a CARB-verified diesel emission control system (VDECS) is not installed as part of this Agreement, existing or future regulations may require Grantee to install one on the funded equipment at Grantee's own cost.
14. Grantee shall annually submit to District, copies of those use reports required to be submitted to ARB in its Regulation for In-Use Off-Road Diesel Vehicles, until the date of Expiration Date of this Agreement.

15. Grantee shall ensure that the Dealer provides to the District certification that the dealer will cause the existing equipment to be destroyed within 30 days.
16. Grantee shall deliver the existing equipment to the Dealer and ensure that the Dealer or Dismantler makes each destroyed component available for District inspection in order for the District to certify such work has been done properly.
17. In accordance with the Carl Moyer Program Guidelines Section IV.(d)(1) on page VII-9, the existing equipment must be destroyed within 30 days of being replaced. The existing equipment must be destroyed or rendered useless by destroying the engine block as described in Carl Moyer Program Guidelines Part III, Section 31 and the District's Off-Road Replacement Plan, and by compromising the structural integrity of the equipment. The latter may be achieved by cutting the structural components of the equipment or some other manner approved by the District. Documentation of the equipment's destruction must be provided to the District within 10 days of destruction.
18. A Carl Moyer grant for a off-road equipment replacement shall be contingent upon the Grantee obtaining a policy of insurance that has been issued by an insurance company that is licensed to issue certificates of insurance on marine vessels in the State of California and that is also in good standing with the California State Insurance Commissioner. The District shall be named as an additional insured on such policy, and the Grantee shall maintain insurance on the equipment in an amount sufficient to reimburse the MBUAPCD the full amount that would be due from the Grantee for failure to fully comply with the terms of the Grant Agreement. The policy shall remain in effect for the full term of the Grant Agreement and the Grantee shall provide to the District a certificate of insurance showing that the District has been named an additional insured as set forth herein. No reimbursements of any grant-eligible expenditures shall be made until such certificate is provided to the District.
19. If, for any reason, the owner of an off-road replacement equipment that has received a Carl Moyer grant by the MBUAPCD is awarded proceeds of any insurance policy (described under B, above), for an incident or event that precludes the Grantee from performing its obligations under the terms of the Grant Agreement, the Grantee or successor in interest shall reimburse MBUAPCD the full amount due in accord with the terms of the Grant Agreement within thirty days of receipt of the referenced proceeds.
20. UCC-1 Form: In addition to all other requirements specified in the Grant Agreement Grantee shall provide documentary evidence to the District that a UCC-1 form has been filed with the California Secretary of State against the equipment being funded by this Grant Agreement, said UCC-1 filing having perfected the District's security interest in the New Equipment in an amount equal to the grant funding to be reimbursed to Grantee under the Grant Agreement cited in this paragraph. Grantee shall also provide an affidavit, signed under penalty of perjury, that Grantee has no personal knowledge of any fact concerning any lien against the subject Grant-funded equipment or any lien in the process of being filed. Delivery to the District of evidence that the aforementioned UCC-1 filing has been made, as well as the aforementioned affidavit, shall be a condition precedent to reimbursement of any grant funding provided by the Grant Agreement.

The UCC-1 lien rights established by recording the UCC-1, as specified herein, shall remain in effect until Grantee complies with all terms of the Agreement, including but not limited to, the use and reporting requirements specified in the Grant Agreement.

When Grantee's obligations under the Grant Agreement are fulfilled, the District shall file a lien release with the California Secretary of State within ten working days, thereafter.

The District's prior written consent shall be required before Grantee may sell any of the equipment funded by this Grant Agreement.

In addition to the record notice provided by the UCC-1 filing, Grantee shall provide actual written notice of the UCC-1 filing to any and all prospective purchasers of the grant-funded equipment and to any and all financial institutions who would file a lien against the equipment as a condition of lending funds.

In the event Grantee petitions for relief under bankruptcy law, Grantee shall notify the District within five (5) days of such filing.

[For all projects covering Retrofit Maintenance costs:]

21. Annually with each Use Report, Grantee shall submit to District copies of receipts showing payment for retrofit maintenance services up to the amount shown in Attachment 1 Summary Table. If receipts are not submitted or expenditures are less than the amount shown for retrofit maintenance expense in the Summary Table, Grantee shall pay back to the District the difference between grant funds received and documented Grantee expenses for maintenance of funded retrofits. No additional funds beyond the amount shown in Summary Table will be provided for retrofit maintenance services.

This concludes Attachment 2



ATTACHMENT 3 - STATEMENTS AND CERTIFICATIONS Carl Moyer Incentive Program

A. No FLEX or FEL ENGINE DECLARATION

(To be completed and signed by Manufacturer or Authorized Distributor/Dealer)

The following engines are ineligible for funding under this Agreement:

1. Engine(s) sold under the Averaging, Banking, and Trading (ABT) program with Family Emission Limits (FELs) higher than the applicable emission standards designated by Executive Order, or
2. Engines that are participating in the "Tier 4 Early Introduction Incentive for Engine Manufacturers" program, as detailed in Title 13, CCR, section 2423(b)(6), or
3. Engines manufactured under the "Flexibility Provisions for Equipment Manufacturers", as detailed in 40 CFR Part 89, AMS-FRL-5670-3 and Title 13, CCR, section 2423(d) and 2424(c).

For all projects funding new engines to repower equipment or to purchase new replacement equipment, I hereby attest and warrant the following engine(s) do not meet any of the three criteria above. I further warrant these engine/motor(s) were manufactured and sold meeting the current applicable EPA emissions tier stated below.

EPA Tier	MAKE	MODEL	Model Year
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

For the manufacturer or authorized distributor/dealer:

Signed: _____ Date: _____

Print name and title here: _____

Address: _____

Phone: (____) _____ - _____

**B. Disclosure of Funds Statement
(To be signed by Grantee)**

I certify that I shall not submit another application or sign another agreement or contract for the same specific engine/motor(s), equipment and/or retrofit(s) designated in this Agreement, with any other source of funds, including but not limited to other Air Districts or the ARB for a multi-district project.

I further acknowledge that the Carl Moyer Program Guidelines state “Any owner, designee, or other third party who is found to have submitted multiple applications without the disclosure required in Section 26(e)(1), or signed multiple contracts for the same specific project shall, at a minimum, be disqualified from funding for that project from all sources and may also be banned from submitting future applications to any and all Carl Moyer Program solicitations. ARB and the districts may also levee fines and/or seek criminal charges for such conduct.”

Grantee has received prior incentive funding for this project vehicle(s), engine(s), or equipment(s): Yes No

If yes:

Funding Source: _____ Amount:\$_____ Contract Term: _____ (years)

Grantee

Date

Print name and title: _____

**C. Base Motor/Engine Disposal Statement
(To be signed by Grantee)**

I hereby agree and accept the following:

1. Except as noted immediately below, the baseline engine/motor(s), equipment and/or retrofit(s) shall have a complete and fully visible and legible engine serial number.
2. Baseline engine/motor(s), equipment and/or retrofit(s) without a visible and legible serial number, may only be repowered if District staff or tags the engine block with the Carl Moyer Program project number and District staff personally verifies subsequent destruction of the same baseline engine/motor(s), equipment and/or retrofit(s).
3. For all repower projects, the baseline engine/motor(s), equipment and/or retrofit(s) shall be made inoperable by means of a hole broken (not drilled) in the engine/motor block(s) and documented by District inspection.
4. For all replacement projects the equipment shall be made inoperable by cutting the frame rails, and documented by District inspection.

Grantee

Date

Print name and title: _____

D. Conflict of Interest Certification
(To be signed by Grantee)

Consistent with Opinion No. 08-307, Edmund G. Brown Jr. Attorney General and Taylor S. Carey Deputy Attorney General, State of California, December 29, 2009:

I certify that no principal, director, or executive (“principal”) of Grantee is a member of the Board of Directors, Advisory Committee, Hearing Board, any other District committee, or staff member of District.

I further certify that no principal of Grantee has any economic relationship with a member of the Board of Directors, Advisory Committee, Hearing Board, or any staff member of District.

A membership or economic relationship with District is a breach of this Agreement and allows District to terminate the Agreement.

Grantee
Print name and title: _____

Date



**E. Affidavit for Replacement Projects
(To be signed by Grantee in presence of Notary)**

**State of California
County of Monterey**

BEFORE ME, the undersigned Notary, _____ [person], on this _____ [day of month] day of _____ [month], 20____, personally appeared _____ [name of affiant], known to me to be a credible person and of lawful age, who being by me first duly sworn, on _____ [his or her] oath, deposes and says:

That he has no personal knowledge of any fact concerning any other lien being filed against the subject Grant-funded equipment.

[signature of affiant]

[typed name of affiant]

[address of affiant, line 1]

[address of affiant, line 2]

**State of California
County of _____**

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____, by _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature _____ (Seal)

This concludes Attachment 3

ATTACHMENT 4 – REIMBURSEMENT INSTRUCTIONS

Carl Moyer Incentive Program

A. General. Grantee shall use the form on the following page (**1 page plus attachments**) to request reimbursement for expenses paid, or costs incurred for equipment ordered, installed, and operational under this Agreement. Requests for grant reimbursement (“Grant Invoice”) shall be approved by District staff prior to reimbursement. Grantee shall provide supporting documentation satisfactory to District staff. Grant Invoices shall include original, ink signature of Grantee, sent by U.S. Mail or hand delivered to District, marked “Attention: Accounting Division.”

B. Cover Letter. Use the form on the following page to submit your Grant Invoice. **Do not use white-out.**

C. Attachments to Grant Invoice. Include the following attachments to the cover letter (copies are acceptable):

1. Invoices must be itemized showing all costs. Include labor hours charged and the hourly wage, installation costs for eligible hardware, transport costs for eligible hardware and taxes.
 - If payment is solely to Grantee itemized receipts or invoices must be marked “Paid,” or attach cashed checks.
 - If payment is solely to vendor attach unpaid itemized invoices or Grantee’s purchase orders
 - If payment is by two-party check attach unpaid itemized invoices or Grantee’s purchase orders.
2. Manufacturer’s written certificate of warranty for all funded engine/motor(s), equipment and/or retrofit(s) covering parts and labor for at least one year or equivalent use.
3. “NO FLEX or FEL ENGINE DECLARATION” (Attachment 3.A) filled out by vendor/supplier.
4. Map showing location of grant-funded engine/motor(s), equipment and/or retrofit(s) and nearest highway, if requested by District (i.e. Projects within Environmental Justice areas).
5. Evidence of UCC-1 filing and signed Affidavit for Replacement Projects (Attachment 3.E) signed by grantee and notary stating no knowledge of other liens. (replacement projects only.)
6. Any other expenses or payment documentation as requested by District.

D. Invoice Processing. District shall pay the invoiced amount within 10 working days of the following conditions being met:

1. An original grant invoice signed by Grantee was delivered to District in accordance with this Agreement and was approved by District;
2. District has conducted a Completion/Post Inspection of grant-funded equipment and found all funded equipment installed and operational;
3. Base engine/motor(s), equipment and/or retrofit(s) for the project(s) have been made inoperable in accordance with this Agreement;
4. District has found that the Grantee has met all applicable terms and conditions and implemented grant-funded projects as described in this Agreement;

Request for Reimbursement: "Grant Invoice"

Mail To:

MBUAPCD
ATTN: Accounting Division
24580 Silver Cloud Court
Monterey, CA 93940
(831) 647-9411

This letter is to request reimbursement for the following project:

1. Project Identification

Grant Number: _____ Name/Title of Grantee: _____

Mailing Address: _____ Phone Number: _____

2. Description of Expenditures: (Itemize expenditures by each project engine, identify make/model, model year, horsepower rating and serial number)

3. Eligible Expenditures: (Eligible expenses are limited to: capital cost of project engine/motor, associated eligible equipment or devices needed for equipment operation, delivery, and taxes. Data logging for retrofit projects is also eligible.)

4. Amount of Reimbursement Request: _____

(State the exact amount requested for reimbursement. Invoices will not be paid above the grant amount.)

Less than grant amount? (yes/no): _____

Is this the final invoice? (yes/no): _____

5. Amount previously Reimbursed (if any): _____

6. Total Amount Spent on the Project: _____

(Total amount spent to implement the project including all parts and labor.)

7. Instructions for Payment: _____

(Submit documentation that all grant-eligible expenses, for which reimbursement is requested, have been paid.)

8. Is this a two-party check? (yes/no): _____

(Grantee must have specified in the Agreement, Section H.)

9. Payee Identification: _____

(Federal of State Employer Identification Number, or Social Security Number of Grantee AND, if two-party check is requested, the vendor/supplier.)

10: Signature:

I certify that all expenditures for which reimbursement is hereby requested, occurred for the purposes stated in this invoice.

Print Name

Grantee Signature

Date

This concludes Attachment 4

ATTACHMENT 5 - INSTRUCTIONS FOR USE REPORTS Carl Moyer Incentive Program

1. **Reporting period.** Except for projects using electric motors, annual reports are required as described below from Grantee to District for the entire Project Life or five (5) years, whichever is less.
2. **Reporting period for electric motor projects.** Grantee may report annually for the Project Life.
3. **Final report.** A final use Report is due at the District office no later than February 28th of the year following the end of the Project Life (Expiration Date of this Agreement).
4. **Schedule of Reports.** Grantee's first Annual Use Report shall cover engine/motor(s), equipment and/or retrofit(s) use through December 31, ____, and shall be due no later than February 28, ____. All annual reports cover a calendar year and are due at the District office no later than February 28 of the following year.
5. **Content of Reports.** Each Annual Use Report shall report use of grant-funded equipment as described herein, and shall include a narrative report of any events that prevented, or could prevent, Grantee from reaching the Average Annual Use in this Agreement for any funded project equipment. The narrative report shall describe any major repairs or modifications, malfunctions, and/or replacement of grant-funded equipment during the year. To document performance meeting Average Annual Use targets in this Agreement, Grantee shall report use of grant-funded equipment as follows:
 - a. For marine vessel projects, Grantee shall report use for grant-funded equipment in four categories:
 1. Fuel purchased within Monterey, San Benito or Santa Cruz Counties
 2. Fuel purchased within the rest of California
 3. Fuel purchased outside California
 4. Fuel used within 12 miles of the California coast.
 - b. For all other projects, Grantee shall report use for grant-funded equipment in three categories:
 1. Use within Monterey, San Benito, Santa Cruz Counties
 2. Use within the rest of California
 3. Use outside California.
6. **Units.** Report annual use of grant-funded equipment in gallons, hours, KW/Hr or other units shown in Attachment 1, Summary Table.
7. **How to report.** District shall mail to Grantee a blank Annual Use Report form for each project engine/motor(s), equipment and/or retrofit(s) during January of each year until the end of the reporting period. Grantee shall complete and return the form to District by the date shown on the form by mail or FAX, to the District office.
8. **Record Retention.** Grantee shall retain all use, repair, and maintenance records for a minimum of two (2) years after District receives a Final Report from Grantee. Fuel or electrical billing receipts, or records of these data shall be retained by grantee and made available for inspection on request by District throughout the entire Project Life and for two (2) years thereafter.
9. **Noncompliance.** Noncompliance with the reporting requirements shall require on-site monitoring or inspection(s).

This concludes Attachment 5

ATTACHMENT 6 – EXTENSION REQUEST Carl Moyer Incentive Program

Extension Request Form

Subsection B. 3, 4 of your Grant agreement specifies that the purchase, repower, retrofit, and/or replacement work specified in the Grant Agreement must be complete and operational within the timeframe specified in this Grant Agreement.

Please complete this form as a request for extension if you wish to request a time extension. Submit this completed form to the District no later than 15 days prior to the Completion Date as described in this Agreement.

The District may approve, in writing at its sole discretion, a grant time extension.

Date of Request: _____

Grant Number: _____

1. The new equipment was ordered on (date): _____
2. The old engine was removed from the vehicle, boat, or equipment on (date): _____
3. Installation of the new equipment began on (date): _____

Write reasons why the delay occurred: _____

Name of Grantee	Signature of Grantee	Date

Send completed form to:
 Monterey Bay Unified Air Pollution Control District
 Moyer Grant program
 24580 Silver Cloud Court
 Monterey, CA 93940
 (831) 647-9411
 Fax: (831) 647-8501

This concludes Attachment 6