



**SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT**

**SMALL FARMER CERTIFIED
PRE-OWNED AGRICULTURAL
EQUIPMENT PILOT PROGRAM**

PRE-OWNED AGRICULTURAL EQUIPMENT REPLACEMENT OPTION

**ELIGIBILITY CRITERIA AND APPLICATION
GUIDELINES**

The San Joaquin Valley Air Pollution Control District (SJVAPCD) is currently accepting applications requesting monetary incentives to replace existing off-road agricultural tractors and mobile equipment (equipment) with certified pre-owned reduced-emission replacement equipment, according to the terms and conditions described in these guidelines. For additional information, assistance or to receive application materials, please contact:

**San Joaquin Valley Air Pollution Control District
Strategies and Incentives Department
1990 East Gettysburg Avenue
Fresno, CA 93726-0244**

You may also contact us by phone, email, or visit our website:

(559) 230-5800
grants@valleyair.org
www.valleyair.org

PROGRAM REQUIREMENTS

❖ General Information and Eligibility Criteria:

- The SJVAPCD Small Farmer Certified Pre-Owned Agricultural Equipment Pilot Program is **not** a co-funding program. You are not eligible to participate in the SJVAPCD's program if you are currently under contract to receive funding from any other local, state, or federal agencies for the equipment you intend to submit application.
- The funding is available for **small** farmers only and will be funded based on the total acreage of all of the applicant's agricultural operations in the Valley, as detailed in the table below:

Size of Operations	Total Acreage of All Agricultural Operations in the Valley (acres)	SJVAPCD Incentive
Small	1 – 100	80% of eligible equipment costs

*Incentive cannot exceed 80% of the eligible equipment costs

- The maximum eligible incentive amount is calculated up to the cost-effectiveness limit and may not necessarily reflect the maximum funding amount based on the aforementioned funding table.
 - Eligible incentive amounts may be reduced after the claim for payment has been finalized, depending on all eligible items invoiced.
- The replacement of two (2) or more old, like equipment with one (1) replacement equipment is eligible for funding. Each of the old equipment and the replacement equipment must comply with all appropriate program criteria.
 - Horsepower ratings will not be combined, instead the lower rating of the two will be used
- In the event that the program is severely over-subscribed, the District reserves the right to limit funding to \$250,000.00 per entity per fiscal year.
- Submission of a program application **does not** guarantee funding.
- CARB is providing flexibility that allows the applicant to opt-out of the default retrofit requirement for equipment not subject to an approved in-use regulation. Applicants will be required to sign a waiver acknowledging whether or not they wish to opt-out of the retrofit requirement or choose to request funding to purchase and install a currently verified retrofit device on their replacement equipment.

❖ The **existing (old) equipment** must:

- Be mobile, self-propelled off-road agricultural in-use equipment with a compression-ignition (CI) engine greater than or equal to 25 horsepower. Examples of eligible equipment include, but are not limited to; wheel tractor, articulated wheel loader, harvester, baler, combine, grader, and forklifts.

- Agricultural use is defined as follows:

“Agricultural operations” is defined from the California Air Resources Board’s (CARB) Regulation for In-Use Off-Road Diesel Vehicles (Title 13 CCR § 2449): and means (1) the growing or harvesting of crops from soil (including forest operations), and the raising of plants at wholesale nurseries, but not retail nurseries, or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution, or (2) agricultural crop preparation services such as packinghouses, cotton gins, nut hullers and processors, dehydrators, and feed and grain mills. Agricultural crop preparation services include only the first processing after harvest, not subsequent processing, canning, or other similar activities. For forest operations, agricultural crop preparation services include milling, peeling, producing particleboard and medium density fiberboard, and producing woody landscape materials.

- Have an uncontrolled (Tier 0), or Tier 1 engine. This must be documented in the application and will be verified through an inspection process conducted by SJVAPCD staff.
- Been owned and operated in California for the previous two (2) years. If selected for funding, the participant must submit supporting documentation (see page 6).
- Be in operational condition at the time of application submission **and** SJVAPCD inspections. If selected for funding, the participant must submit documentation demonstrating that the old equipment has been in operational condition for the previous year (see page 7).
- Must be destroyed or rendered permanently in-operable after the replacement equipment is placed into operation. Destruction of the old equipment must be performed by a participating dismantler contracted with the SJVAPCD. Participant is required to refer to “Payment Procedures” document for full destruction requirements.

❖ The **replacement equipment** must:

- Be Tier 3 or cleaner and must have a functional hour meter with between 501-10,000 hours recorded on the hour meter.
 - Be purchased through an original equipment manufacturer (OEM) dealer.
 - Replacement equipment is not required to meet the warranty requirements for off-road replacement equipment within the Carl Moyer Program Guidelines. Instead, replacement equipment must pass an eligibility evaluation by the dealer. This evaluation must cover the components described below. If any components are found to be in critical condition, repairs must be made before the equipment is deemed eligible for funding.
 - The OEM dealer must certify that they have evaluated the equipment to ensure that all emission control components are in working condition and have not been tampered with.
 - The engine in the replacement equipment must be certified to a NOx emission standard that is at least 15 percent lower than the emission standard(s) applicable to the existing engine and

be certified to either the current applicable emission standard, or to a FEL NOx or NOx+non-methane hydrocarbons (NMHC) level that is lower than the required emission standard.

- Equipment manufactured under the “Flexibility Provisions for Equipment Manufacturers”, as detailed in California Code of Regulations, title 13, section 2423(d) are eligible for funding as replacement equipment, provided the equipment meets the Tier 3 or cleaner level. Eligible equipment produced under the flexibility provisions whose reference engine family is certified to an FEL are also subject to the provisions of section (1) or (2) above. Equipment manufactured under the “Flexibility Provisions for Equipment Manufacturers,” with an engine whose reference engine family meets a standard, Tier or FEL less stringent than Tier 3 standard (or Tier 2 standard for engines less than 50 horsepower or greater than 750 horsepower), are ineligible for funding.
- The certification emission standard and/or Tier designation for the engine must be determined from the Executive Order or United States Environmental Protection Agency Certificate of Conformity (for federally preempted engines) issued for that engine. CARB Executive Orders for off-road engines may be found at <http://www.arb.ca.gov/msprog/offroad/cert/cert.php>
- Be mobile, self-propelled off-road equipment.
- Have a horsepower rating no greater than 125 percent of the original manufacturer rated horsepower (baseline horsepower) for the old equipment engine.
 - If the replacement equipment is not available in the old equipment horsepower range or the higher horsepower equipment will result in equal or less annual emissions, the SJVAPCD may approve a greater than 125 percent increase in horsepower on a case-by-case basis. In such cases, the funding amount will be based on a horsepower rating not to exceed 125 percent of the baseline horsepower, or the cost of an engine/equipment whose horsepower is no higher than 125 percent of the existing engine horsepower. Documentation from the manufacturer will be required.
 - The applicant must pay the additional costs associated with the higher horsepower engine, and the emission reduction calculation must be based upon the funded (higher horsepower) engine.
- Serve the same function and perform the same work equivalent to the old equipment (i.e. replacement of an agricultural tractor with another agricultural tractor).
- Equipment must have between 501-10,000 hours at the time of sale.
- Be domiciled within the boundaries of the SJVAPCD (see page 15).
- Have only the minimum attachments normally sold with the original equipment as determined by SJVAPCD staff. Only eligible items will be considered for funding.
 - Implements or attachments on the replacement equipment may be eligible for funding if the existing equipment was also similarly equipped, and the replacement equipment requires such implements or attachments to perform the same activities as the existing equipment. Such instances will be reviewed and approved on a case-by-case basis by the SJVAPCD.

- Have an operating hour meter to record annual usage in hours.
- Participant agrees to have the “Funded in part by the Valley Air District” sticker attached to the hood of the replacement equipment (sticker will be provided and attached by a SJVAPCD inspector during the post-inspection prior to incentive reimbursement). Funding will not be dispersed if the aforementioned sticker is not attached and visible for the post-inspection pictures. See below for a picture of the 4”x5” sticker:



❖ The **Participant** must:

- **Not make purchase, make payments toward, and/or take possession of the replacement equipment prior to receiving a fully executed contract from the SJVAPCD.**
- Remain the owner of the replacement equipment through the full term of the agreement.
 - If the replacement equipment is sold during the agreement term, then the new owner of the equipment must assume the agreement obligations with the SJVAPCD and comply with the terms and conditions outlined in the original agreement. The SJVAPCD must approve the equipment ownership change prior to its sale.
- Maintain the replacement equipment in accordance with manufacturer specifications.
- Maintain replacement value insurance for the replacement equipment through the full term of the agreement.
- Operate at least seventy-five percent (75%) of the replacement equipment’s annual hours within California and fifty percent (50%) within SJVAPCD boundaries (see page 15).
- Ensure the old equipment is destroyed or rendered permanently in-operable. Destruction must be performed by a participating dismantler contracted with the SJVAPCD. Refer to “Payment Procedures” document for full destruction requirements.
- Submit annual reports to the SJVAPCD through the full term of the agreement.

- If during the project life, the hour meter fails for any reason, the hour meter must be repaired or replaced as soon as possible at the owner's cost.

❖ **Ownership Documentation:**

- If selected for funding, provide ONE of the items from the following list showing ownership for the previous two (2) years (24 months):
 - Bill of Sale for the old equipment (preferred)
 - Tax depreciation logs
 - Property tax records
 - Equipment insurance records
 - Bank appraisals for the equipment
 - Maintenance/service records
 - General ledgers
 - Fuel records specific to the existing equipment that identify the equipment owner
 - Other documentation approved by the SJVAPCD and CARB on a case-by-case basis

❖ **Annual Usage Documentation:**

- If selected for funding, provide ONE of the following documents showing operational status of the old equipment for the previous one (1) year:
 - Revenue and usage records that identify operation, standby, and down hours for the existing equipment
 - Routine inspections which document the operating condition of the existing equipment (OSHA or workplace required)
 - Employee timesheets linked to specific equipment use
 - Preventative maintenance/service records tied to specific hours of equipment use
 - Repair work orders specific to the equipment
 - Other documentation approved by the SJVAPCD and CARB on a case-by-case basis

❖ **Equipment/Engines Ineligible** for funding:

- Equipment currently receiving funding to be replaced under any other local, state or federal programs including the NRCS EQIP Cig (b) Program.
- Equipment that is **NOT** self-propelled such as, but not limited to; pull behind sprayers, PTO driven equipment, tub grinder, pull behind hay baler, and irrigation pump motors. Other funding opportunities may be available for these types of equipment.
- Replacement equipment engines that are compression ignition (CI) or diesel engines that:
 - Are participating in the averaging, banking, and trading program that are certified to family emission limits higher than the applicable emission standards, as designated on the CARB Executive Order.

- Additional attachments that are not normally sold with the original equipment, as determined by the SJVAPCD.
- Extended warranty costs.
- Maintenance or repair costs. The participant is solely responsible for ensuring that the equipment is in operational condition throughout the agreement period.

❖ Dealer Responsibilities

- Must provide an itemized quote for the certified pre-owned replacement equipment.
- Must evaluate and ensure that all emission control components of the certified pre-owned replacement equipment are in working condition and have not been tampered with.
- Must complete an Eligibility Evaluation Criteria form.
 - The equipment must have no “critical”, or C Status areas.
 - If any components are found to be in critical condition, repairs must be made before the equipment is deemed eligible for funding.
- Must agree not to sell, allow the applicant to make payment towards, and/or take possession of the certified pre-owned replacement equipment prior to them receiving an executed contract from the SJVAPCD.
- Dealers are required to a conduct an inspection of the certified pre-owned replacement equipment.
 - All photographs must be clear, and all vehicle identification numbers (VIN) and engine serial numbers must be legible

APPLICATION PACKET GUIDELINES

- ❖ Fill out the application completely and as accurately as possible. Do not leave any fields blank, as it lengthens the processing timeframe associated with the application and delays funding. All fields are required unless otherwise indicated.
- ❖ A copy of the following items must be submitted in order for the application packet to be deemed **complete**:
 - Completed Application, which includes:
 - If applicable, completed Third Party Information section
 - Completed and signed Applicant Certification Form
 - Provided Ownership and Usage Documentation
 - Completed and signed Disclosure of Funds Form
 - Completed and signed Eligibly Evaluation Criteria for the Replacement Equipment
 - Completed and signed Dealer Certifications Form
 - Completed Inspection of the certified pre-owned Equipment Replacement

- IRS Form W-9
- Dated and itemized dealer quote for the certified pre-owned replacement equipment (previously owned equipment is not eligible).
- If applicable, DOORS documentation

Located in the **Application** packet (page 6) is a comprehensive detailed checklist of the abovementioned items. For guidance purposes, please refer to the checklist in the Application packet when submitting all required items.

STEP-BY-STEP APPLICATION GUIDE

This section outlines the information requirements for each field of the application. If you need additional assistance, please contact the Strategies and Incentives Department and a staff member will assist you.

SECTION 1 – APPLICANT INFORMATION

ORGANIZATION INFORMATION

1. Organization, Company, or Proprietor's Name

The legal name of the organization that will enter into agreement with the SJVAPCD. The information entered into Section 1 of the application must be **identical** to the information on Form W-9, as this information will be used to generate all binding documents and be used to report incentive funding to the IRS.

2. - 5. Address

The physical address where the organization is located, including: number and street name, city, state, and zip code.

6. - 9. Mailing Address

The mailing address used by the organization. If the physical and mailing addresses are the same, write "Same." All correspondence generated by the SJVAPCD, including the agreement, checks, and annual reports, will be sent to the mailing address.

10. Total Acreage of All Agricultural Operations in the San Joaquin Valley

Projects will be funded based on the total acreage of all of the applicant's agricultural operations in the San Joaquin Valley.

11. Would you have scrapped your existing vehicle/equipment and purchased a replacement vehicle/equipment without funding from this program?

Check whether you would you have scrapped your existing vehicle/equipment and purchased a replacement vehicle/equipment without funding from this program.

12. Have you applied to any other grant programs for this piece of equipment?

Check whether additional grant funding was applied for any equipment in this project other than grant funding through this program. If yes, please explain and provide the name of the agency

SECTION 2-CONTACT INFORMATION

PRIMARY CONTACT INFORMATION**1. First and Last Name**

The first and last name of the person who will serve as the primary contact to the SJVAPCD through the full term of the agreement. All questions related to your project will go this individual.

2. Title

The job title of the primary contact.

3. Phone Number

The main phone number, including area code, for the primary contact.

4. Fax Number

The fax number, including area code, for the primary contact.

5. Alternate Contact Number

The alternate phone number, including area code, where the primary contact can be reached.

6. Email

The email address of the primary contact.

CONTRACT SIGNING AUTHORITY INFORMATION**7. First and Last Name**

The first and last name of the person, designated by the organization that will enter into binding agreement with the SJVAPCD, to sign on the organization's behalf.

8. Title

The job title of the person designated to sign on the organization's behalf.

9. Phone Number

The main phone number, including area code, for the primary contact.

10. Fax Number

The fax number, including area code, for the primary contact.

11. Alternate Contact Number

The alternate phone number, including area code, where the signing authority can be reached.

12. Email

The email address of the signing authority.

SECTION 3 – EXISTING EQUIPMENT ACTIVITY INFORMATION

Note: The replacement of two or more old, like equipment with one replacement equipment is eligible for funding. If more than one old equipment will be included in the application, a copy of Section 3 and Section 4 must be completed for each old equipment.

1. - 3. Equipment Address

The physical location (street address, city, and zip code) where the equipment is domiciled.

4. County of Operation

Check in which county or counties the equipment operates.

5. Equipment Type

Indicate the type of the equipment: agricultural equipment, articulated wheel loader, baler, forklift, combine, etc.

6. Type of Ag Operation

Indicate the type of agricultural operation the entity performs: growing or harvesting crops, raising of animals for the purpose of making profit, the raising of plants at wholesale nurseries, etc.

7. Applicant Designated Fleet Number for Equipment

If applicable, the number designated to the equipment by the applicant.

8. Annual Operation

The equipment's annual operation in hours. If the project is selected for funding, you may be required to submit documentation as specified on pages 5 and 6 of this document.

9. Percentage Use in Agricultural Operations

The equipment must be used in agricultural operations 51% of the time or greater. If the equipment is used between 51% and 99% of the time in agricultural operations, the applicant must provide DOORS documentation showing that the equipment is designated as "agricultural". If the equipment is used in agricultural operations less than 51% of the time, then it is ineligible for funding.

10. Percentage Use in SJVAPCD

The percentage of annual operational hours within the SJVAPCD boundaries (see page 14).

11. Percentage Use in California

The percentage of annual operational hours within California.

12. Have you owned and operated the equipment in California for the previous two (2) years?

Check whether or not this equipment has been owned and operated for the previous two (2) years. If yes and if the project is selected for funding, you are required to submit documentation as specified on page 6 of this document. If no, the equipment is ineligible for funding.

13. Is this equipment operational?

Check whether or not the equipment is currently operational. If yes and if the project is selected for funding, you are required to submit documentation as specified on pages 6 and 7 of this

document. Non-operational equipment are ineligible for funding. If no, the equipment is ineligible for funding. The equipment must be operational at the time of inspection.

SECTION 4 – EXISTING/OLD EQUIPMENT INFORMATION

1. - 2. **Equipment Make and Model**

Provide the make and model of the equipment. For example, Ford (manufacturer) FC215M (model).

3. **Equipment Model Year**

The OEM model year in which the equipment chassis was manufactured.

4. **Equipment Identification Number**

The Vehicle Identification Number (VIN) or Product Identification Number (PIN) listed on the equipment.

5. - 6. **Engine Make and Model**

Provide the make and model of the existing engine. For example, Cummins (make) 6BTA5.9C (model).

7. **Engine Model Year**

The year the engine model was manufactured.

8. **Advertised Horsepower Rating**

The advertised horsepower of the engine.

9. **Engine Serial Number**

The serial number listed on the engine.

10. **US EPA Engine Family Name**

The engine family name assigned by EPA (if available). This information would typically be listed on the engine date plate or can be made available through your engine dealer. You may also visit CARB's website at <http://www.arb.ca.gov/msprog/offroad/cert/cert.php> to obtain the information. If this information is not available, write "N/A".

11. **Engine Tier**

Check the appropriate tier designation of the engine. Only Uncontrolled (Tier 0) and Tier 1 engines are eligible for funding.

12. **Fuel Type**

Check the appropriate fuel type that is currently being used in the equipment. Gasoline or propane powered equipment are ineligible for funding.

SECTION 5 –REPLACEMENT EQUIPMENT INFORMATION

1. - 2. Equipment Make and Model

Provide the make and model of the replacement equipment

3. Equipment Model Year

The year the equipment model was manufactured.

4. Equipment Identification Number

The Vehicle Identification Number (VIN) or Product Identification Number (PIN) listed on the equipment.

5. - 6. Engine Make and Model

Provide the make and model of the existing engine. For example, Cummins (make) 6BTA5.9C (model).

7. Engine Model Year

The year the engine model was manufactured

8. Advertised Horsepower Rating

The advertised horsepower rating of the replacement engine.

9. Engine Serial Number

The serial number listed on the engine.

10. US EPA Engine Family Name

The engine family name assigned by EPA. This information would typically be listed on the engine date plate or can be made available through your engine dealer. You may also visit CARB's website at <http://www.arb.ca.gov/msprog/offroad/cert/cert.php> to obtain the information.

11. Engine Tier

Check the tier level of the replacement engine. Must have a current model year emissions engine or best available technology.

12. Fuel Type

Check the appropriate fuel type that is currently being used in the equipment. Gasoline or propane powered equipment are ineligible for funding.

13. Total Cost of Replacement Equipment

The total cost of the replacement equipment per dealer's quote.

14. Tax Rate

Provide the county tax rate, as a percentage, for the replacement equipment per dealer's quote.

15. Engine Hour Meter Reading

Record the hour meter reading at the time of replacement equipment inspection.

SECTION 6 – REPLACEMENT EQUIPMENT DEALER INFORMATION

1. Dealership Name

The name of the business where you will be purchasing the replacement equipment associated with this application.

2. - 5. Address

The physical address where the dealer is located, including: number and street name, city, state, and zip code.

6. Contact Name

The first and last name of the person at the dealership the SJVAPCD can contact regarding the purchase of the replacement equipment.

7. Phone Number

The phone number, including area code, of the contact person.

8. Fax Number

The fax number, including area code, of the contact person.

9. Email

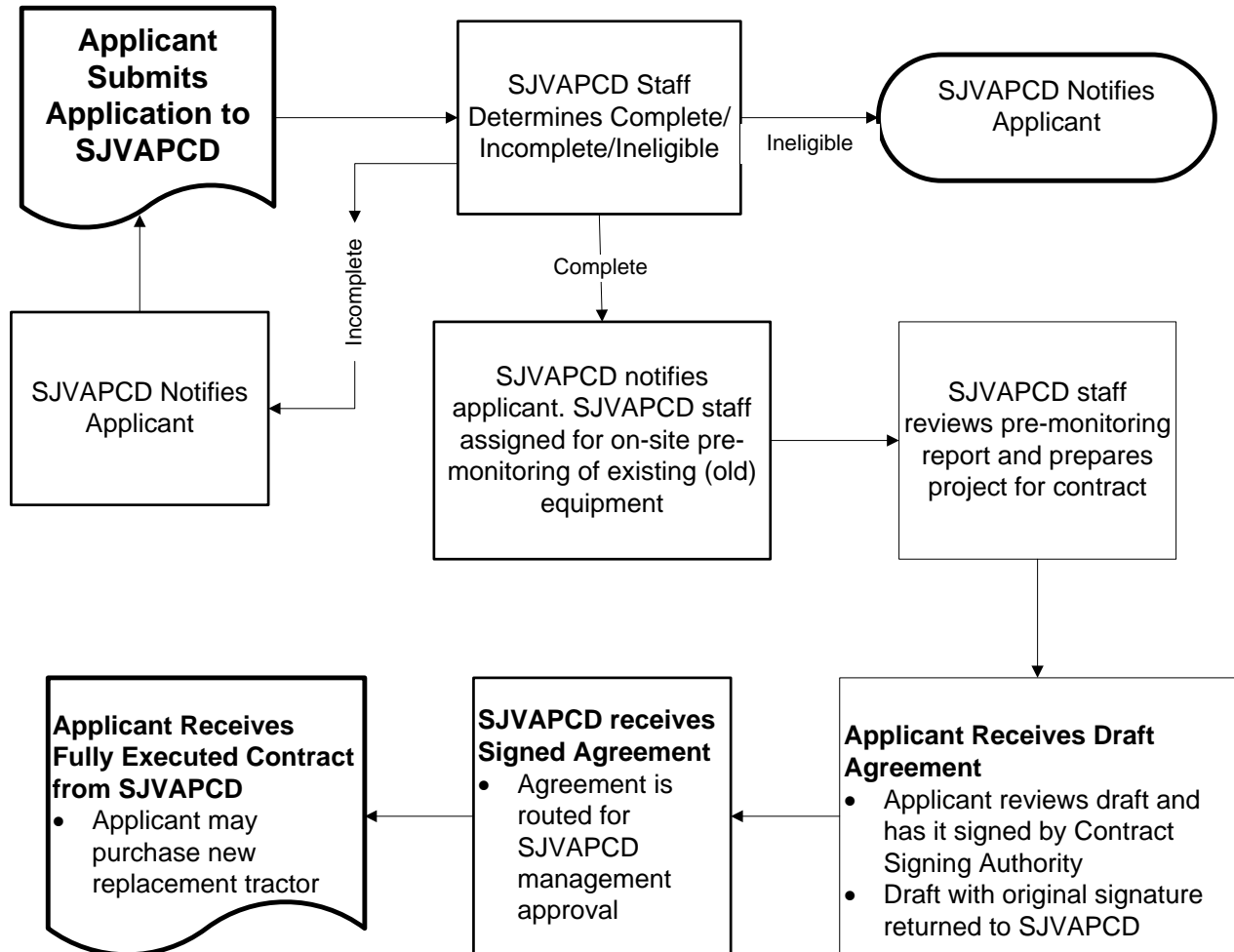
The email address of the contact person.

THIRD PARTY INFORMATION

- ❖ This section must be completed if any part of the application was filled out on your behalf by a third party.

APPLICATION PROCESS: STEP-BY-STEP FLOW CHART

The following is a step-by-step diagram of the entire application process, up to when a contract is awarded to the applicant. If you have any questions about the process, please feel free to contact program staff at (559) 230-5800



MAP OF THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT BOUNDARIES

