

Meeting Date: 8/20/2013

Report Type: Consent

Report ID: 2013-00573

Title: Grant Agreement: Sacramento Emergency Clean Air and Transportation (SECAT) Program and Sacramento Metropolitan Air Quality Management District (SMAQMD) Program

Location: Citywide

Issue: Accepting and executing the recommended grant will provide funding to reimburse the City for a portion of the cost of replacing existing diesel vehicles with alternative fuel vehicles to lower vehicle emissions.

Recommendation: Pass a Resolution 1) authorizing the acceptance and execution of Sacramento Emergency Clean Air and Transportation (SECAT) Program grant No. VET-13-0143 administered by the Sacramento Metropolitan Air Quality Management District (SMAQMD) and the Sacramento Area Council of Governments (SACOG) in the amount of \$281,888 to provide funding for 20 alternative fuel vehicles; 2) establishing a grant project for the SECAT VET-13-0143 grant (G13004210); 3) establishing revenue and expenditure budgets in the amount of \$212,950 in the Operating Grants Fund (Fund 2702) in G13004210; and 4) transferring \$68,938 from available fund balance in the Solid Waste Fund (Fund 6007) and establishing an expenditure budget in G13004210.

Contact: Keith Leech, Fleet Manager, (916) 808-5869, Department of General Services

Presenter: None

Department: General Services

Division: Fleet Management Admin

Dept ID: 13001311

Attachments:

1-Description/Analysis

2-Resolution

3-Grant VET130143

City Attorney Review

Approved as to Form
Kourtney Burdick
8/13/2013 1:13:07 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
8/2/2013 9:57:01 AM

Approvals/Acknowledgements

Department Director or Designee: Reina Schwartz - 8/8/2013 12:49:09 PM

Description/Analysis

Issue Detail: The objective of the SECAT Program is to accelerate the modernization of the existing heavy-duty vehicles in the Sacramento Ozone Nonattainment Region through financial incentives that will encourage the voluntary purchase of heavy-duty vehicles using newer, lower-emitting technology or alternative fuels, and the retrofitting of existing heavy-duty vehicle engines with technology that lowers engine emissions. The Department of General Services, Fleet Management Division will use this grant to reimburse a portion of the cost to replace 20 diesel vehicles with 19 compressed natural gas (CNG) vehicles and one diesel/electric hybrid vehicle.

Policy Considerations: The recommendations in this report are in accordance with the Sustainability Master Plan adopted by City Council on December 18, 2007 (Resolution No. 2007-944), and the Fleet Sustainability Policy adopted by City Council on February 16, 2010 (Resolution No. 2010-083).

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA):) No environmental review is necessary because the recommendations in this report involve the administrative activity of accepting grant funding to offset a portion of the cost of replacement vehicles and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA guidelines.

Sustainability: The recommendations in this report are in accordance with the Sustainability Master Plan adopted by City Council on December 18, 2007 (Resolution No. 2007-944), and the Fleet Sustainability Policy adopted by City Council on February 16, 2010 (Resolution No. 2010-083).

Commission/Committee Action: None

Rationale for Recommendation: By executing the recommended grant, the City will receive funding to reimburse a portion of the cost of replacing 20 diesel vehicles with 19 CNG vehicles and one diesel/electric hybrid vehicle to lower vehicle emissions.

Financial Considerations: The recommended grant will provide funding to reimburse the City for a portion of the cost of replacing existing diesel vehicles budgeted for replacement in FY2012/13 and FY2013/14 with alternative fuel vehicles to lower vehicle emissions. The amount of reimbursement received will vary by vehicle depending on the exact engine specifications for each vehicle, and will range from \$5,232 to \$27,480.

Revenue and expenditure budgets in the amount of \$212,950 shall be established in the Operating Grants Fund (Fund 2702) in G13004210.

SMAQMD and the City have determined that a prior SECAT grant (grant project G13012000) has not met the required mileage standards. Under the terms of the prior

grant agreement, SMAQMD is imposing a penalty in the amount of \$68,938. SMAQMD is therefore amending the terms of grant No. VET-13-0143 by imposing this penalty to reduce the maximum actual reimbursement from \$281,888 to \$212,950.

The vehicles that did not meet the mileage standards under the prior grant are owned by the Solid Waste Fund. Reimbursement will be made from the Solid Waste Fund (Fund 6007) by transferring \$68,938 from available fund balance to establish an expenditure budget in grant project G13004210.

The replacement vehicles will be purchased from the Department of General Services operating budget (Fleet Fund, Fund 6501) and charged to the customer department multi-year operating projects (MYOP) for replacement vehicles and equipment. The grant reimbursements will be credited to the customer department MYOPs. More detailed information is provided in the following tables.

FY2012/13 Budgeted Replacements					
Customer Department	Fund Name	Fund No.	MYOP No.	No. of Vehicles	Max. Grant Reimbursement Amount
Public Works	General Fund	1001	I06013150	2	\$34,958
Utilities	Water Fund	6005	I06013140	3	\$18,130
Utilities	Sewer Fund	6006	I06013141	1	\$6,609
			Total	6	\$59,697

FY2013/14 Budgeted Replacements					
Customer Department	Fund Name	Fund No.	MYOP No.	No. of Vehicles	Max. Grant Reimbursement Amount
Utilities	Sewer Fund	6006	I06013141	4	\$70,405
General Svcs	Solid Waste Fund	6007	I06013142	10	\$82,848
			Total	14	\$153,253

Emerging Small Business Development (ESBD): No goods or services are being purchased as a result of this report.

RESOLUTION NO. 2013-

Adopted by the Sacramento City Council

August 20, 2013

AUTHORIZING THE ACCEPTANCE AND EXECUTION OF A SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION (SECAT) PROGRAM GRANT

BACKGROUND

- A. The objective of the SECAT Program is to accelerate the modernization of the existing heavy-duty vehicles in the Sacramento Ozone Nonattainment Region through financial incentives that will encourage the voluntary purchase of heavy-duty vehicles using newer, lower-emitting technology or alternative fuels, and the retrofitting of existing heavy-duty vehicle engines with technology that lowers engine emissions.
- B. The Department of General Services, Fleet Management Division will use this grant to reimburse a portion of the cost to replace 20 diesel vehicles with 19 compressed natural gas vehicles and one diesel/electric hybrid vehicle.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Acceptance and execution of Sacramento Emergency Clean Air and Transportation (SECAT) Program grant No. VET-13-0143 administered by the Sacramento Metropolitan Air Quality Management District (SMAQMD) and the Sacramento Area Council of Governments (SACOG) in the amount of \$281,888 to provide funding for 20 alternative fuel vehicles is authorized.
- Section 2. Grant project G13004210 is established for the SECAT VET-13-0143 grant.
- Section 3. Revenue and expenditure budgets in the amount of \$212,950 shall be established in the Operating Grants Fund (Fund 2702) in G13004210

Section 4 \$68,938 shall be transferred from available fund balance in the Solid Waste Fund (6007) to establish an expenditure budget in G13004210.



Requires Council Approval: No YES Meeting: 8/20/2013
 Real Estate Other Party Signature Needed Recording Requested

General Information

Form with fields: Type: Commodity, PO Type, Attachment: No., Not to Exceed: \$281,888, Original Doc Number, Other Party: SECAT, Certified Copies of Document, Project Name: SECAT Grant VET-13-0143, Deed: None/Included/Separate, Project Number: NA, Bid Transaction #, E/SBE-%

Department Information

Department: General Services Division: Fleet Management
Project Mgr: Keith Leech
Contract Services: Debbie Reeder Director: Reina J. Schwartz
Phone Number: 808-4078 Org Number: 13001311
Comment: Original Contract Amount: \$

Review and Signature Routing

Department Signature or Initial Date
Project Mgr: [Signature] 7/10/13
Contract Services: [Signature] 7/10/13

City Attorney Signature or Initial Date
City Attorney: [Signature] 7/16/13

- Send Interoffice Mail to Reina J. Schwartz (12500)
Notify for Pick Up - Debbie Reeder 808-4078

Authorization Signature or Initial Date
Reina Schwartz
Director, General Services:
City Mgr: Yes [checked] No

For City Clerk Processing
Finalized: Initial: Date:
Imaged: Initial: Date:
Received: (City Clerk Stamp Here)

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract. (01-01-13)

Resolution No. / Date

Empty box for Resolution No. / Date



July 9, 2013

VET-13-0143 (U)

Keith Leech
City of Sacramento
5730 24th Street, Bldg 1
Sacramento, CA 95822

Dear Keith Leech,

Thank you for participating in the **Sacramento Emergency Clean Air & Transportation (SECAT) Program**, to help reduce pollution in the Sacramento region. This letter is to provide you with instructions to complete the funding process.

I have enclosed three (3) copies of the Agreement that you are required to sign, initial and return to our office within 30 days. Please read the Agreements carefully as they will explain your requirements and obligations as a condition of receiving SECAT funding.

Additionally, a funding adjustment memo is attached. Please sign and return all three (3) copies for processing along with the funding agreements.

If you agree with these terms, please initial and sign in the appropriate places and return all three original signed Agreements to our office within 30 days. It will take approximately 2-3 weeks for us to process the Agreements after receiving all three signed copies.

Once I receive signatures from SMAQMD and SACOG, I will return one original executed (fully signed) Agreement to you for your records. You may order the replacement vehicle(s) and complete the purchase transaction of the vehicle(s) after the executed Agreement is returned to you. Any replacement vehicle ordered or purchased before the Agreement is executed will not receive SECAT grant funds.

Thank you for helping to clean the air in the Sacramento region. Please don't hesitate to contact me at (916) 874-4892 or your dealer if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kristian Damkier".

Kristian Damkier
Air Quality Engineer
Sacramento Metropolitan AQMD

SACRAMENTO EMERGENCY CLEAN AIR TRANSPORTATION PROGRAM

TO: KEITH LEECH, CITY OF SACRAMENTO
FROM: MARK LOUTZENHISER
SUBJECT: VET-13-0143 FUNDING ADJUSTMENT TO CURE VET-05-0120 UNDERPERFORMANCE
DATE: JULY 9, 2013
CC: SMAQMD
RE: CITY OF SACRAMENTO, SECAT CONTRACT VET-05-0120

The City of Sacramento (City) has recently reached the end of the contract term for VET-05-0120, and Sacramento Metropolitan Air Quality Management District (District) staff determined – and the City concurs – that the City did not meet the performance obligation, triggering a \$68,938 pro-rated reimbursement requirement. The District is currently in receipt of an application for 20 additional vehicles under the SECAT program, which will be funded under agreement VET-13-0143.

To resolve the outstanding underperformance and repayment obligation under Agreement VET-05-0120, the City agrees that the District will deduct \$68,938 from the amount to be paid by the District to the City under new agreement VET-13-0143 and agrees that the performance obligation under that agreement will remain at the level associated with the fully funded contract. The deduction will be made by allowing reduced reimbursements for 5 vehicles, as delineated in Table 1 (based on Exhibit C of Agreement VET-13-0143).

Table 1

SMAQMD ID	Fleet ID	Class	VIN	Contracted Funding Level	Maximum Actual Funding*
SMQV004480	10626	MHDT	1FVACXCS97HX58291	\$10,917.00	\$10,917.00
SMQV004485	9375	REF	1NPZLD9X82D713724	\$24,200.00	\$ 0*
SMQV004486	9329	HHDT	2FZAATAK22AJ73127	\$14,326.00	\$14,326.00
SMQV004489	9328	HHDT	2FZAATAK61AJ50139	\$19,686.00	\$19,686.00
SMQV004490	9676	MHDT	1HTMMAAN83H575297	\$19,839.00	\$19,839.00
SMQV004491	9677	MHDT	1HTMMAANX3H575298	\$15,119.00	\$15,119.00
SMQV004493	8802	REF	4VMHCMHE5XN782573	\$ 6,134.00	\$ 0*
SMQV004495	8804	REF	4VMHCMHE6XN786132	\$27,480.00	\$ 0*
SMQV004496	9368	REF	1NPZLD9X02D713717	\$10,450.00	\$ 0*
SMQV004497	9367	HHDT	1NPZLD9X92D713716	\$11,770.00	\$11,770.00
SMQV004499	8803	HHDT	4VMHCMHE3XN782572	\$ 8,900.00	\$ 8,900.00
SMQV004502	8920	MHDT	1HTSCABM6YH277578	\$ 6,802.00	\$ 6,802.00
SMQV004504	8918	MHDT	1HTSCABM2YH277576	\$ 5,232.00	\$ 5,232.00
SMQV004506	10558	MHDT	1FDAF56PX6EC85267	\$ 6,609.00	\$ 6,609.00
SMQV004508	9373	HHDT	1NPZLD9X42D713722	\$10,211.00	\$10,211.00
SMQV004509	9370	HHDT	1NPZLD9X42D713719	\$22,470.00	\$21,796.00*
SMQV004510	8921	MHDT	1HTSCABM8YH277579	\$ 6,096.00	\$ 6,096.00
SMQV004511	8805	HHDT	4VMHCMHE8XN786133	\$19,254.00	\$19,254.00
SMQV004513	10031	HHDT	2FZHATDC34AM47926	\$14,420.00	\$14,420.00
SMQV004514	9660	HHDT	2FZHATAK93AK74617	\$21,973.00	\$21,973.00
TOTAL				\$281,888	\$212,950
Total repayment deduction:					\$68,938

If the City does not purchase one or more of the 5 vehicles, or fails to meet the performance obligations set for those vehicles, it will be required to reimburse the District a pro-rata amount, based on the unmet performance obligation and the amount listed in the Contracted Funding Level Column in Table 1 and Exhibit C of Agreement VET-13-0143.

The City and District acknowledge that this resolution of the City's failure to meet the VET-05-0120 performance obligation is being codified separately from VET-13-0143 to avoid the delays associated with amending the standard contract language. The parties further agree that this writing meets the requirements of paragraph 3.9 in VET-13-0143 and 2.10.4 and 2.10.5 of VET-05-120, which require any alteration or variation in the agreements to be in writing and signed by both parties, and that this written resolution is consistent with VET-13-0143 and therefore meets the requirement of paragraph 3.28 of that agreement, which revokes all prior or contemporaneous oral or written agreements.

The following parties agree to this resolution:

REINA SCHWARTZ, DIRECTOR OF GENERAL SERVICES
CITY OF SACRAMENTO

DATE

LARRY GREENE, EXECUTIVE DIRECTOR/APCO
SACRAMENTO METROPOLITAN AQMD

DATE

KATHRINE PITTARD, DISTRICT COUNSEL
SACRAMENTO METROPOLITAN AQMD

DATE

MIKE MCKEEVER, CHIEF EXECUTIVE OFFICER
SACRAMENTO AREA COUNCIL OF GOVERNMENTS

DATE

FINANCE MANAGER
SACRAMENTO AREA COUNCIL OF GOVERNMENTS

DATE

APPROVED AS TO FORM:

Kurtney C. Burdick

CITY ATTORNEY

SACRAMENTO AREA COUNCIL OF GOVERNMENTS
and
SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT
SACRAMENTO EMERGENCY CLEAN AIR TRANSPORTATION PROGRAM (SECAT)

This Agreement (Agreement) is between the Sacramento Area Council of Governments (SACOG), the Sacramento Metropolitan Air Quality Management District (District or SMAQMD), and City of Sacramento (Participant).

1.0 Recitals

- 1.1 The District is part of the Federal Sacramento Ozone Nonattainment Area (SFNA or Nonattainment Area). (A map of the Nonattainment Area is included in Exhibit A.) Ozone is formed by the interaction of Nitrogen Oxides (NOx) and other precursor pollutants. The majority of NOx in the SFNA is generated by vehicles, including heavy-duty vehicles and engines.
- 1.2 The District is the local agency within the boundaries of Sacramento County with the primary responsibility for the development, implementation, monitoring, and enforcement of air pollution control strategies, clean fuel programs, and motor vehicle use reduction measures under Health and Safety Code Section 40961.
- 1.3 The District is authorized by Health and Safety Code Sections 41062(a) and 41082 to implement programs to reduce transportation emissions, including programs to encourage the use of alternative fuels and low-emission vehicles.
- 1.4 The state legislature established the Sacramento Emergency Clean Air and Transportation Program (SECAT Program) to help the air districts within the Nonattainment Area comply with the federal standards. The SECAT Program is administered by SACOG, but recognizes the importance of coordinating among the air districts to implement the Program. (Health & Safety Code §44299.50 et seq.)
- 1.5 One of the air-quality-improvement methods identified in the SECAT Program is the development of a Fleet Modernization Program to promote the advance purchase and use of low-NOx on-road-heavy-duty vehicle and engine technology.
- 1.6 SACOG and the District cooperated in the development of the Fleet Modernization Program Guidelines ("Guidelines"), which were initially approved by SACOG on January 17, 2002 and by the District on January 24, 2002, and are periodically revised. SACOG and the District also simultaneously approved the use of this Agreement form, as amended from time to time and authorized their Chief Executive Officer and Air Pollution Control Officer, respectively, to execute this Agreement.
- 1.7 The Participant has reviewed and is familiar with the SECAT Program Policies and Guidelines.
- 1.8 The objective of the Program is to accelerate the modernization of the existing heavy-duty vehicles in the Sacramento Ozone Nonattainment Region through financial incentives that will encourage the voluntary purchase of heavy-duty vehicles using newer, lower emitting technology or alternative fuels, and the retrofitting of existing heavy-duty vehicle engines with technology that lowers engine emissions.
- 1.9 Under the Program, the District and SACOG will provide financial incentives to vehicle owners that agree to surrender their heavy-duty trucks for destruction or to be used in the enhanced SECAT program and then replace them with newer, lower-emission vehicles.
- 1.10 To ensure actual reductions result from the SECAT Program, it is essential: (i) that the replaced vehicles be inspected to verify that they qualify for the Program, (ii) that the replaced vehicles be destroyed by a qualified salvage operation, (iii) that a Electronic Monitoring Unit, if available, be installed in the new vehicle to verify actual operation within the Nonattainment Area, and (iv) that particulate emission control devices, if available, be installed to reduce particulate emissions.

- 1.11 Participant understands that the purpose of the Program, and this Agreement, is to help the District and SACOG achieve clean air standards required by state and federal law.
- 1.12 The Participant wishes to participate in this process by using SECAT Program funds in the purchase of a low-NOx vehicle and related equipment.

2.0 Special Terms and Conditions

The parties agree to the terms and conditions listed below.

- 2.1. **Definitions:** As used in this Agreement, the following terms have the following meanings:
 - 2.1.1 **“Certified”** means a vehicle or engine that is certified by California Air Resources Board (CARB) or the United States Environmental Protection Agency (USEPA) to an emission standard or standards.
 - 2.1.2 **“Dealership”** means a business specializing in the sale of new and used heavy duty vehicles that has entered into an agreement with the District to assist in the implementation of the Program.
 - 2.1.3 **“Destroyed”** means that the vehicle or equipment is rendered permanently incapable of passing a California Highway Patrol inspection or is otherwise deemed permanently illegal to operate on public roads.
 - 2.1.4 **“Electronic Monitoring Unit” or “EMU”** means a District-approved Global Positioning System (GPS) device that is installed on a vehicle and that: (i) monitors the locations in which the vehicle is operated within a specified geographic boundary, and (ii) passively transmits usage data reports to the District or its designee.
 - 2.1.5 **“Equipment”** means the Replacement Vehicle identified in Exhibit C as well as the related devices required to be installed under paragraph 2.3.4.
 - 2.1.6 **“Existing Vehicle”** means the vehicle that the Program Participant surrenders for destruction.
 - 2.1.7 **“Program”** means the SECAT Program and the SECAT Program Guidelines (as amended from time to time), which are incorporated into this Agreement as if fully set forth.
 - 2.1.10 **“Participant”** means the individual, agency, or business entity that is receiving funds under this Participant Agreement.
 - 2.1.8 **“Reimbursement Formula”** is the following calculation for determining the level of funds to be returned to the District if Participant fails to meet the operational requirements of the Agreement:

$$A = I * [(O*L) - C] / (O*L)$$
 - A = Amount Owed to the District
 - I = Total Incentive Award
 - O = Annual Operational Requirement (miles, hours or gallons)
 - L = Length of the Agreement in Years
 - C = Actual Operation (miles, hours, or gallons consistent with the form of measure used in “O”)
 - 2.1.9 **“Replacement Vehicle”** means the newer, lower-emission vehicle described in Exhibit B, Sections 3 and 4. The vehicle must be certified by the California Air Resources Board to the 2010 model year or newer heavy-duty diesel engine emissions standard.

2.2 **Payment:**

- 2.2.1 **Payment:** SACOG will pay up to **\$281,888** to Participant to aid in the replacement of the Existing Vehicle. No payment is required until: (i) the Participant commences operation, as required under Paragraph 2.3.1 (Time), (ii) the Participant submits a Payee Data Record form, as required under Paragraph 2.2.3, (iii) Participant satisfies the requirements in Section 2.5 (Inspections and Audits) and 2.6 (Invoice Requirements), and (iv) Exhibit G has been signed by all parties.
- 2.2.2 **Third Party Payment:** At the time of invoicing, the Participant may authorize the District to issue a two-party check to the vendor of the Participant's choice. If the Participant does not request a two-party check, the District will issue a single-party check to the Participant once proof of payment is received.
- 2.2.3 **Taxation:** Payments made under this Agreement may be subject to taxation. Participants are encouraged to consult with a tax professional regarding the taxability of payments from this program. Participant is not entitled to payment until it submits a completed Payee Data Record form to the County of Sacramento prior to payment. The County of Sacramento will report the payment to both the State of California and the United States Treasury and will issue an IRS Form 1099 to the Participant.

2.3 **Participant Obligations:** Participant will:

- 2.3.1 **Time:** Order the Replacement Vehicle within 45 days of the date this Agreement is executed by the last signatory, and purchase and begin operating the Replacement Vehicle within 180 days of the same execution date.
- (i) If the Participant does not meet the deadlines in this Section, the District may terminate this Agreement under section Section 2.9.1.
- (ii) Participant may submit a written request to extend these deadlines if it is unable to meet them due to circumstances beyond the Participant's reasonable control. For the 180 day deadline, any extension request must include proof of vehicle order, including build sheets and purchase orders,
- 2.3.2 **Operation:** Operate the Replacement Vehicle within the Sacramento Federal Nonattainment Area and in accordance with the Performance Requirements specified in Exhibit C and insure that the operation is consistent with the eligibility requirements in the Program and with the goals and objectives of the Program.
- 2.3.3 **Warranties:** Secure the manufacturer warranties for the Replacement Vehicle and operate the Replacement Vehicle within the manufacturer's specifications, including maintenance and fueling requirements.
- 2.3.4 **Additional Devices Requirements:**
- 2.3.4.1 **Electronic Monitoring Unit:** If requested by the District, install an EMU and provide proof of installation to the District within 90-days of the date of the request.
- 2.3.4.2 **Hour Meter:** If the Participant has opted to accept hourly operational requirements rather than mileage requirements, it must install a District-approved hour meter.
- 2.3.4.3 **Fuel Meter:** If the Participant has opted to accept fuel operational requirements rather than mileage requirements, it must install a District-approved fuel meter.

2.3.4.4 **Notice and Repair:** Notify the District immediately if the EMU, hourly monitor, or fuel meter fails or becomes inoperable, and repair the devices as soon as practicable.

2.3.5 **Existing Vehicle Surrender:** For Vehicle Replacements:

- (i) Except as required under section 2.3.5 (iii) and (iv), Participant must surrender the Existing Vehicle to an approved salvage operation. Participant may arrange the delivery through an approved Dealership.
- (ii) When the Existing Vehicle is delivered to the District-approved Dealership, salvage operation or other facility authorized under section 2.3.5 (iii) and (iv), the Participant must insure that it is in the same operating condition it was in at the first inspection.
- (iii) SACOG and the District may opt to sell the destroyed and salvaged Existing Vehicle, and Participant retains no right to any proceeds from the destruction, salvage, and sale of the Vehicle by SACOG, the District, or the salvage operation. SACOG and the District reserve the right to require the Participant to surrender the Existing Vehicle to a specific salvage operation. If SACOG or the District opts to specify the salvage operation, they must provide written notice to the Participant before the Participant delivers the Existing Vehicle to a salvage operation.
- (iv) SACOG and the District may authorize or require the Participant to use an alternative disposal method that ensures emission reductions.

2.3.6 **Decals:** Display two decals approved by SACOG and the District on each Replacement Vehicle. SACOG and the District must approve the location of the decals.

2.3.7 **Program Guidelines:** Comply with all other requirements detailed in this Agreement or the Program and Guidelines.

2.3.8 **Disclosures:** Complete Exhibit E and, if this Agreement requires approval by the Board of Directors, Exhibit F.

2.4 **Participant's Warranties:** The Participant warrants that:

- (i) It has completed an Application Form and all of the information presented in the Form is complete and accurate. Participant's Application is incorporated by reference in this Agreement
- (ii) Both the Existing Vehicle and the Replacement Vehicle meet all of the criteria established in the Program Guidelines, in effect at the time this Agreement is signed, as well as the goals and objectives of the Program.
- (iii) The purchase of the Replacement Vehicle described in Exhibit B is not required by any law or regulation. (If the Participant is a public agency, Participant further warrants that its board policies do not require the purchase).
- (iv) It will not make any modifications to, or tamper with, the Replacement Vehicle, or modify engine performance (including changes in horsepower), emission characteristics, engine emission components (not including repairs with substantially similar original equipment manufacturer replacement parts), or the engine's emission control function in any manner.

2.5 **Inspections and Audits:** Each Replacement Vehicle and Existing Vehicle is subject to inspection by the District or its designee at any time. The Participant agrees to provide the District, SACOG or their designee with on-site access to the Replacement Vehicle. Inspections will include the pre-, post-, salvage, and audit inspections identified in paragraphs 2.5.1 to 2.5.4.

- 2.5.1 **Pre-inspection:** The District will conduct a pre-inspection of each Existing Vehicle to verify that the engine qualifies for funding and that the information supplied in the Participant's application is correct.
 - 2.5.2 **Post-inspection:** The District will conduct an inspection after the Replacement Vehicle is purchased to verify that it meets the Program requirements.
 - 2.5.3 **Salvage or Destruction Inspection:** The District will conduct inspections to ensure that, at the time of salvage, the Existing Vehicle is in the same condition it was in at the pre-inspection. If the condition of the Existing Vehicle has changed, the District may deny or decrease payment of the amounts in 2.2. The District will also conduct a post-salvage inspection to verify destruction or disposal of the Existing Vehicle, if applicable.
 - 2.5.4 **Audit Inspection:** The District will conduct audit inspections as necessary to verify the Replacement Vehicle is operating as required under the Program and meeting contractual requirements. Audits include both the physical equipment and the Participant's records. The District may also perform a fiscal audit of the project at any time.
- 2.6 **Invoice Requirements:** The Participant must submit a final invoice packet to the District. This requirement may be met by submission of the documents by a Dealership on Participant's behalf. The packet must include the documents identified below.
- 2.6.1 **Purchase Documentation:** A copy of the final purchase order and Program Participant purchase invoice, invoices for work performed to meet Program eligibility requirements, and the finance agreement for any portion of the vehicle purchase price to be privately financed. The documentation must include the odometer reading on the date the Replacement Vehicle is financed.
 - 2.6.2 **DMV Registration:** A copy of the DMV registration for the Replacement Vehicle, listing Participant as the registered owner and the District as lien holder on the vehicle.
 - 2.6.3 **Engine Warranty:** A copy of the engine warranty that verifies the Replacement Vehicle meets the Program requirements.
 - 2.6.4 **Meter Installation:** If the Program Participant has opted to meet its performance obligations by complying with hour or fuel requirements, a copy of an invoice documenting that an hour or fuel meter has been installed on the Replacement Vehicle, and a written confirmation by Dealership that the meter is operational.
 - 2.6.5 **Proof of Insurance:** A copy of proof of insurance demonstrating compliance with Section 3.6, and Exhibit D.
- 2.7 **Title and Finance Requirements:** The Participant agrees to the following vehicle title and finance requirements:
- (i) The Participant must provide a copy of the Replacement Vehicle's title to the District, demonstrating that the District is named as a lien holder of the vehicle. If the District is the sole lien holder, Participant will provide the original title to the District.
 - (ii) The Participant must be the registered owner of the Replacement Vehicle throughout the term of this Agreement.
 - (iii) If the Replacement Vehicle is financed, the Participant must list the District and the Finance Company as lien holders for the vehicle.
 - (iv) If the Replacement Vehicle is financed, and the vehicle loan is repaid before the termination of this Agreement, the Participant must ensure that the District is listed as the sole lien holder on the Replacement Vehicle for the entire remaining term of this Agreement.

- (v) If the Replacement Vehicle is repossessed by the finance company, the Participant must immediately notify the District and must reimburse the District in accordance with Section 2.10 (Reimbursements).
- (vi) If the Replacement Vehicle is leased, the Participant must ensure that the leasing company lists the District as a lien holder on the vehicle title.
- (vii) If the Participant acquires a leased Replacement Vehicle and terminates the leasing agreement during the term of this Agreement, the Participant must ensure that the District is listed as the sole lien holder on the Replacement Vehicle for the entire remaining term of this Agreement. (viii) Any changes to the Replacement Vehicle's title must be preapproved in writing by the District.

2.8 **Mandatory Information Release:** Participant authorizes release to the District of the information specified below, and agrees to hold the releasing parties immune from liability for the release of the information to the District.

2.8.1 **Release of Financial Information:** If the Participant is using commercial or other loans to purchase the Equipment, Participant authorizes the financing entity to release any and all financial information to the District regarding the Participant's payment status at any time during the term of this Agreement.

2.8.2 **Address Information:** Participant authorizes the release of information within the possession or control of any source, including individuals, private or public companies, or government agencies, regarding the past, current or potential future address of Participant or Participant's business (including phone numbers and email addresses), or information that could lead to such information.

2.9 **Termination:**

2.9.1 **General:** The District may immediately suspend or terminate this Agreement, in whole or in part, if it determines that there is: (i) an illegal or improper use of funds; (ii) a failure to comply with any term of this Agreement; or (iii) a failure to submit a correct and complete report. In no event will any payment by the District constitute a waiver by the District of any breach of this Agreement or any default that may then exist on the part of Participant. Neither will such payment impair or prejudice any remedy available to the District or SACOG with respect to the breach or default. The District will have the right to demand the repayment to the District of any funds disbursed to Participant under this Agreement that it determines were not expended in accordance with the terms of this Agreement. Participant must promptly refund the moneys upon demand. In addition to immediate suspension or termination, the District or SACOG may impose any other remedies available by law, in equity, or otherwise specified in this Agreement.

2.9.2 **Limitation:** Notwithstanding the provisions of this Paragraph, the Participant is subject to the reimbursement requirements of Paragraph 2.10 (Reimbursements), which are in addition to, and do not offset or displace, any other recovery rights that the District may have in the event the contract is breached.

2.9.3 **Funding:** The parties acknowledge that this Agreement will be funded by incentive fund revenues from other agencies; however, the District may terminate this Agreement if: (i) it does not receive all or a portion of the revenues, or (ii) funds are not specifically appropriated for this Agreement in the District's final budget prior to the expiration of the Agreement and any Agreement extensions. If the District terminates this Agreement under this paragraph, it will serve notice of the action on the Participant within 10 working days.

2.10 **Reimbursements:** Notwithstanding the provisions in Paragraph 2.9 (Termination), the Participant is subject to the reimbursement requirements of this Paragraph, which are in addition to, and do not offset or displace, any other recovery rights that the District may have in the event the contract is terminated or breached. If the Participant fails to fulfill the minimum operational requirements by the termination date in Paragraph 3.1 (Term), it must refund a pro rata portion of the \$281,888 to the District or SACOG.

- 2.10.1 **Reimbursement Determination:** The District will determine whether a reimbursement is required after reviewing the annual reports required under Paragraph 2.11 (Recordkeeping and Reporting Requirements). If the Participant has failed to submit a report for any year, the District may assume that none of the operational requirements were met for that year.
- 2.10.2 **Reimbursement Amount:** The reimbursement amount is the difference between the required level of operation and the actual level of operation during a given contract year, according to the Reimbursement Formula. The termination date of the contract will be automatically extended until payment is complete.
- 2.10.3 **Early-Termination Reimbursements:** If the contract is terminated prior to the termination date in Paragraph 3.1 (Term), the District and SACOG may:
- (i) Demand full repayment of the Paragraph 2.2 (Payment) funds, or
 - (ii) Apply the Reimbursement Formula and demand repayment of the prorated amount.
- 2.10.4 **Inoperable Equipment Reimbursements:** If the Replacement Vehicle is stolen or rendered inoperable prior to the end of the Agreement term (as determined by Participant's insurance company), Participant may either: (i) replace the inoperable Replacement Vehicle with a new Replacement Vehicle certified to equal or lower emission levels than the inoperable Replacement Vehicle and complete performance of this Agreement or (ii) terminate the Agreement and a return a prorated portion of the **\$281,888**, based on the Reimbursement Formula.
- 2.10.5 **Full or Partial Waiver:** The Air Pollution Control Officer (APCO) of the District may, at his or her sole discretion, relieve the obligation to reimburse funds after considering the circumstances leading to the failure to fulfill the minimum performance requirements.

2.11 Recordkeeping and Reporting Requirements:

- 2.11.1 **Record Requirements:** Participant must maintain adequate records to document compliance with this Agreement. Records include all driver log book entries, logs of miles travelled, logs of vehicle downtime, records of fuel consumed, and documents establishing the type and cost of maintenance performed. Participant must maintain the records for the term of the contract and the three years following the end date listed in Section 3.1. The District may inspect or request copies of these records at any time during the term of this Agreement. This paragraph will survive the termination of this Agreement.
- 2.11.2 **Report Requirements:** The Participant must submit a report stating the miles travelled or hours operated in the preceding year, the fuel consumed, the type and cost of maintenance or repair work performed over the course of the year, and the amount of time the Equipment was inoperable due to the maintenance and repair activities.
- 2.12.3 **Report Submission Deadlines:** The reports are due not later than January 31 of each year. The District may request additional performance or other documentation at its discretion and Participant must provide the requested information within 30 days of the request.

2.12 Sale of Equipment: Participant acknowledges and agrees that it may not sell or encumber the Replacement Vehicle without the prior written consent of both SACOG and the District. The District will not approve the sale, transfer, licensing, or subcontracting, unless:

- (i) The Participant notifies the prospective buyer of the Equipment, in writing, of the terms of this Agreement and any unperformed requirements.
- (ii) The buyer executes an Agreement with the District.

2.13 Grant of Security Interest: Participant grants to the District and SACOG a security interest in the Replacement Vehicle to secure its performance under this Agreement. Participant authorizes the District and SACOG to prepare and file applications, financing statements, continuation statements, statements

of assignment, termination statements, lawsuits, and the like, as necessary to perfect, protect, preserve, foreclose, or release the District's and SACOG's interest in the Replacement Vehicle.

- 2.14 **Notice of Contact Information Change:** It is the Participant's responsibility to insure that its contact and address information in Section 3.29 (Communications) is current at all times. If the District is forced to pursue legal action and is unable to complete personal or substitute service on Participant, it will request court permission to serve notice by publication in the Sacramento Bee and The Daily Recorder, and will seek a default judgment if the Participant fails to timely respond to legal actions filed by the District.

3.0 General Terms and Conditions

- 3.1 **Term:** This Agreement will begin upon execution by all parties and terminate on **12/31/2018**. Notwithstanding the expiration or earlier termination of this Agreement, the District's and SACOG's security interest in the Replacement Vehicle will continue in full force and effect until Participant fully satisfies its obligations under this Agreement.
- 3.2 **Inspections:** Either SACOG or the District (or both) may conduct an audit of Participant's operations to verify that Participant is complying with the Agreement terms. Any inspection will be conducted at a reasonable time and with reasonable notice to Participant.
- 3.3 **Prohibition on Emission Reduction Credits:** The receipt of funds under this Agreement prohibits application for any form of emission reduction credit – for any pollutant – for the purchase of the Replacement Vehicle. This prohibition includes, but is not limited to: (i) all attainment, nonattainment, criteria and noncriteria pollutants, and (ii) application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.
- 3.5 **Voluntary Act:** The Participant's purchase of the Replacement Vehicle is a completely voluntary act and neither SACOG nor the District has made representations or guarantees to the Participant regarding the Equipment.
- 3.6 **Insurance:** The Participant must maintain the insurance coverage described in Exhibit D. The Participant must name the District and SACOG as additional insureds and name the District as loss payee. The Participant must obtain and transmit to the District a yearly Certificate of Insurance from the Insurance Company(ies) listing the District and SACOG as additional insureds and the District as loss payee, and obligating the Insurance Company(ies) to provide at least 30 days notice to the Participant and the District in the event of a change in, cancellation of, non-renewal of, reduction in coverage under, or termination of any policy listed on the certificate for any reason whatsoever. If the Participant fails to obtain the required certificate of insurance, or if the required insurance lapses, this Agreement may be terminated by the District and SACOG immediately.
- 3.7 **Notice of Significant Events:** Participant will provide to the District prompt written notice of any of the following events:
- (i) Any pending litigation or governmental action that may have a material adverse effect on Participant's ability to operate its business in the ordinary course, or Participant's ability to perform this Agreement.
 - (ii) Any change in its name, adoption of a fictitious business name, change in the location of its principal place of business, change in its business structure (such as from a sole proprietorship to a corporation), any proposed sale or transfer of substantially all its operating assets, or any proposed sale or transfer of 20.0% of its equity ownership or control.
 - (iii) The filing of any petition in bankruptcy by or against Participant.

- (iv) The occurrence of any catastrophic loss to Participant, Participant's principal place of business, or Participant's operating assets.
 - (v) Damage to the Replacement Vehicle greater than 10% of its value at the time of damage.
 - (vi) Repossession of the Replacement Vehicle.
- 3.8 **Ability to Perform:** If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:
- (i) The Participant suffers catastrophic loss.
 - (ii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.
- 3.9 **Amendment:** No amendment, alteration or variation of the terms of this Agreement is valid unless made in writing and signed by all parties.
- 3.10 **Assignments:** No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract will apply to the Participant's assignee.
- 3.11 **Non-Discrimination:**
- 3.11.1 **Requirements:** Participant must not discriminate based on:
- (i) Color, race, creed, national origin, religion, sex, age, or physical or mental handicap in violation of Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d) and its implementing regulations, or in violation of any other state or federal law;
 - (ii) Sexual orientation as determined by federal, state, or local laws and regulations.
- 3.11.2 **Prohibited Discrimination:** Prohibited discrimination under this Agreement means disparate treatment on the basis of race, color, creed, national origin or sexual orientation. Discrimination includes, but is not limited to:
- (i) Denying persons any service or benefit which is different, or is provided in a different manner or at a different time from that provided to other participants under this Contract;
 - (ii) Subjecting persons to segregation or separate treatment in any matter related to the receipt of services;
 - (iii) Restricting persons in any way from the enjoyment of any advantage or privilege enjoyed by others under this Agreement;
 - (iv) Treating persons differently from others in determining whether they satisfy any admission, enrollment quota, eligibility, membership, or other requirement that individuals must meet in order to be provided any service or benefit under this Agreement;
 - (v) Assigning times or places for the provision of services on the basis of race, color, creed, national origin or sexual orientation of the persons to be served.
- 3.12 **Subcontracts:** If the Participant submitted the name of a subcontractor in the proposal or application for this Agreement, the District's approval of the Agreement is also an approval of the use of the named subcontractor.

In the event that any part of this Agreement is subcontracted, Participant agrees to document the following affirmative steps for utilizing Minority Business Enterprises (MBE) or Women Owned Business Enterprises (WBE) as required by the Environmental Protection Agency:

- (i) Include MBEs and WBEs on solicitation lists.
- (ii) Assure MBEs and WBEs are solicited once they are identified.
- (iii) Divide total requirements into smaller tasks to permit maximum MBE/WBE participation, where feasible.
- (iv) Establish delivery schedules which will encourage MBE and WBE participation, where feasible.
- (v) Encourage use of the services of the U.S. Department of Commerce's Minority Business Development Agency (MBDA) and the U.S. Small Business Administration to identify MBEs and WBEs.

3.13 **Successors:** This Agreement will bind the successors of the District, SACOG and Participant in the same manner as if they were expressly named.

3.14 **Recordkeeping:** Not Applicable, see Paragraph 2.11.

3.15 **Termination Notice Requirements:**

3.15.1 **30-day Notice Termination:** Either the District or Participant may terminate this Agreement for any reason by giving the other party 30-days written notice.

3.15.2 **5-day Notice Termination:** The District, through its APCO, may terminate this Agreement with 5 days written notice if Participant fails to perform any of the terms and conditions of this Agreement in the time and manner specified.

3.15.3 **Immediate Termination:** The District, through its APCO, may terminate this Agreement immediately if informed that moneys to fund the contract are not available. If the District terminates this Agreement under this paragraph, it will serve notice of the action on the Participant within 10 working days

3.16 **Waiver of Claims:** Participant waives and releases any claims against the District, SACOG, and their respective officers, directors, agents, employees or volunteers, from damage or loss caused by:

- (i) Any suit or proceeding directly or indirectly attacking the validity of this Agreement, or any part of this Agreement.
- (ii) Any judgment or award declaring this Agreement either void or voidable, or delaying the performance of any part of this Agreement.

3.17 **Waiver of Agreement Provisions:** Waiver by either party of any default, breach or condition precedent will not be construed as waiver of any other default, breach or condition precedent or any other right under this Agreement.

3.18 **Time:** Time is of the essence with respect to the timely performance of each provision of this Agreement.

3.19. **Severability:** If any provision of this Agreement is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this Agreement, and this Agreement will be construed and enforced as if such provision had not been included.

- 3.20 **Venue and Choice of Law:** This Agreement is executed in Sacramento County, California and will be governed by the laws of the State of California. Any action arising out of this Agreement must be filed in a state court or federal court located in Sacramento, California.
- 3.21 **Compliance with Laws and Regulations:** Participant must observe and comply with all applicable laws and regulations. In addition to all other applicable laws, this Agreement is subject to the provisions and limitations of the California Health & Safety Code. Notwithstanding the terms of this Agreement, the Parties are not permitted to undertake any actions that contravene the California Health & Safety Code or any other law or regulation.
- 3.22 **Payments that Contravene the Law:** Neither the District nor SACOG has any liability for payments that are found to contravene the law. Participant will reimburse the District for any payments made by the District to Participant and later determined to contravene federal, state or local laws and regulations.
- 3.23 **Status of Participant:** This Agreement is only for the payment of incentive funds to offset the cost of the items identified in Exhibit C. Accordingly, Participant, its employees, consultants and subcontractors do not have any of the entitlements of a SACOG or District employee. Participant is an independent contractor.
- 3.23.1 **Direction of Third Parties:** If the Participant employs any third persons, these persons will be under the exclusive control of Participant. All terms of employment, including but not limited to hours, wages, working conditions, discipline, hiring, and discharging will be determined by Participant.
- 3.23.2 **Right to Bind:** Neither the Participant nor its employees, subcontractors or consultants have the right to act on behalf of SACOG or the District in any capacity, or to bind SACOG or the District to any obligation.
- 3.23.3 **Taxes:** Neither SACOG nor the District will make any deductions or withholdings from the compensation paid to Participant. Participant must issue all forms required by federal and state laws for income and employment tax purposes for all of Participant's assigned personnel.
- 3.24 **Conflict of Interest:** No officer or employee of the District has any pecuniary interest, direct or indirect, in this Agreement or the proceeds of the Agreement. No officer or employee of Participant may serve on SACOG or the District's governing body or hold any SACOG or District position which by rule, practice, or action nominates, recommends, supervises or authorizes the development or execution of this Agreement, or any payment to Participant.
- 3.25 **Indemnity:** The Participant agrees to indemnify and defend SACOG and the District, their officers, directors, agents, employees and volunteers, from any and all damages, claims, expenses, or liabilities of any kind (including, but not limited to, reasonable attorneys' fees and costs) that:
- (i) Arise from, or are alleged to arise from, or are in any way connected with Participant's performance of this Agreement, or
 - (ii) Are related in any way to the vehicles or engines described in Exhibit B.
- 3.26 **Force Majeure:** If performance by SACOG, the District, or the Participant of any of its obligations or undertakings under this Agreement is interrupted or delayed by any occurrence not occasioned by the conduct of either party to this Agreement, whether that occurrence is an act of God or public enemy, or whether that occurrence is caused by war, riot, storm, earthquake, or other natural forces, or by the acts of anyone not a party to this Agreement, then SACOG, the District or the Participant may be either excused from any further performance or excused from any further performance for whatever period of time after the occurrence is reasonably necessary to remedy the effects of that occurrence at the election of SACOG and the District.

- 3.27 **Three Originals:** This Agreement and any modification to this Agreement will be executed in three originals, one to be kept by the District, one to be kept by SACOG, and one to be kept by the Participant. Any of the originals are enforceable without the presentation of the other original.
- 3.28 **Entire Agreement:** This Agreement constitutes the entire Agreement between SACOG, the District, and Participant. All parties revoke all prior or contemporaneous oral or written Agreements between them that are inconsistent with this Agreement. In the event of a dispute between the parties regarding the Agreement, this Agreement will be deemed to have been drafted by the parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any party to this Agreement. This Agreement consists of the following parts:
- (i) This Participant Agreement
 - (ii) Exhibit A – Sacramento Federal Ozone Nonattainment Area Map
 - (iii) Exhibit B – Vehicle Information Form
 - (iv) Exhibit C – Performance Requirements
 - (v) Exhibit D – Insurance Requirements
 - (vi) Exhibit E – Debarment Certification
 - (vii) Exhibit F – Levine Act Disclosure Statement
 - (viii) Exhibit G – Verified Information of New Equipment & (if applicable) New Termination Date for Agreement
- 3.29 **Communications:** Correspondence between the District, SACOG and Participant should be addressed to the following:

To SMAQMD	To SACOG	To Participant
Kristian Damkier Sacramento Metropolitan AQMD 777 12th Street, Third Floor Sacramento, CA 95814-1908 Phone: (916) 874-4892 Fax (916) 874-4899	Finance Manager Sacramento Area Council of Governments 1415 L Street, Suite 300 Sacramento, CA 95814 Phone: (916) 321-9000 Fax: (916) 321-9551	Keith Leech City of Sacramento 5730 24th Street, Bldg 1 Sacramento, CA 95822 Phone: (916) 808-5869 Fax: (916) 399-9263

The address and/or contacts may be changed by written notice to each party. Such written notice may be given by mail, using the U.S. Postal Service, or personal service.

- 3.30 **Authority to Bind and Acknowledgement of Terms:** The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Agreement and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Agreement; including the following Disclosure Agreement:

DISCLOSURE AGREEMENT

The undersigned representative of Participant affirmatively states that neither they nor any other representative of Participant will submit another application or sign another contract for the same Equipment described in Exhibit C with any other source of funds, including but not limited to other air districts or multidistrict funding under the Program.

Any owner or owner's designee who is found to have submitted multiple applications or signed multiple contracts for the same Equipment must, at a minimum, be disqualified from funding for that Equipment from all sources, may be required to reimburse the public agencies for any monies received, and may also be banned from submitting future applications to any and all Program solicitations. In addition, as a violation of law, including but not limited to the Health and Safety Code and Business and Professions Code, the District may levee fines and/or seek criminal charges.

Approved by City of Sacramento

Reina Schwartz
Director of General Services

Date: _____

Approved by the Sacramento Area Council of Governments

Mike McKeever
Chief Executive Officer

Date: _____

Reviewed By:

Finance Manager

Date: _____

Approved by the Sacramento Metropolitan Air Quality Management District

Larry Greene
Executive Director/APCO

Date: _____

Reviewed By:

Kathrine Pittard
District Counsel

APPROVED AS TO FORM:



CITY ATTORNEY

EXHIBIT A

SACRAMENTO OZONE NON-ATTAINMENT MAP

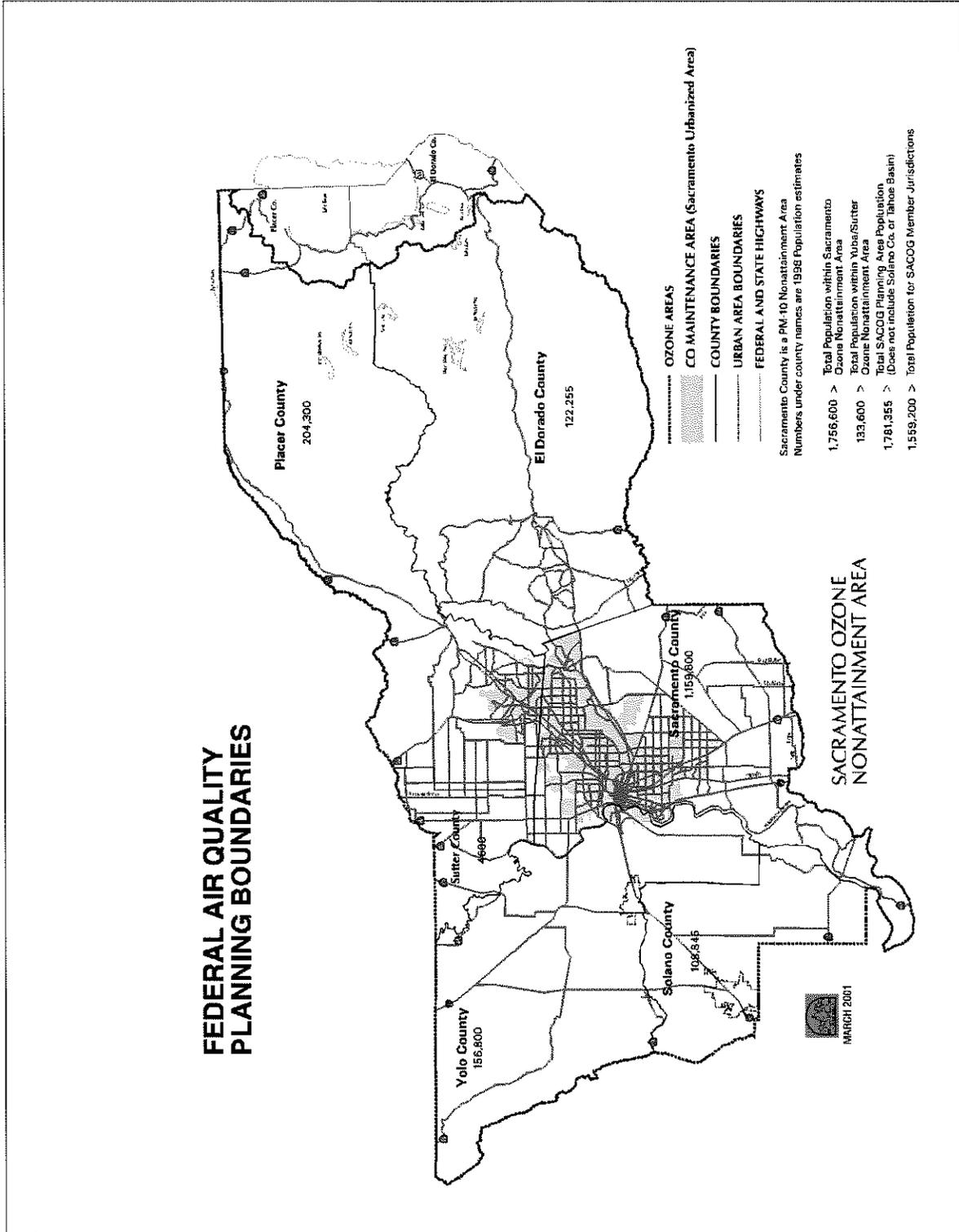


EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: FREIGHTLINER	Model: NV	Model Year: 2007	GVWR: 33,000	
Vehicle Identification Number: 1FVACXCS97HX58291	Fleet Identification Number: 10626	License Plate Number: 1260541		

Section 2: Existing Engine Information

Make: MERCEDES BENZ	Model: OM906LA	Year: 2006	Serial Number: 0906562982	
Fuel Type: DIESEL			HP:	

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 33,000	
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0		

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG 9	Year: 2013	Serial Number:	
Fuel Type: COMPRESSED NATURAL GAS			HP: 320	

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: PETERBILT	Model: 320	Model Year: 2002	GVWR: 54,600	
Vehicle Identification Number: 1NPZLD9X82D713724	Fleet Identification Number: 9375	License Plate Number: 1106974		

Section 2: Existing Engine Information

Make: CATERPILLAR	Model: 3126	Year: 2001	Serial Number: 9SZ07823
Fuel Type: DIESEL			HP: 250

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM

Section 1: Existing Vehicle Information

Make: STERLING	Model: NV	Model Year: 2002	GVWR: 41,000	
Vehicle Identification Number: 2FZAATAK22AJ73127	Fleet Identification Number: 9329	License Plate Number: 1087399		

Section 2: Existing Engine Information

Make: CATERPILLAR	Model: 3126	Year: 2001	Serial Number: 9SZ07844
Fuel Type: DIESEL			HP: 330

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 45,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG 9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: STERLING	Model: NV	Model Year: 2001	GVWR: 41,000	
Vehicle Identification Number: 2FZAATAK61AJ50139	Fleet Identification Number: 9328	License Plate Number: 1087398		

Section 2: Existing Engine Information

Make: CATERPILLAR	Model: 3126	Year: 2001	Serial Number: 9SZ06799	
Fuel Type: DIESEL			HP: 330	

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 45,000	
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0		

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG 9	Year: 2013	Serial Number:	
Fuel Type: COMPRESSED NATURAL GAS			HP: 320	

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: INTERNATIONAL	Model: 4300 SBA 4X2	Model Year: 2003	GVWR: 31,000	
Vehicle Identification Number: 1HTMMAAN83H575297	Fleet Identification Number: 9676	License Plate Number: 1157462		

Section 2: Existing Engine Information

Make: INTERNATIONAL	Model: C215	Year: 2002	Serial Number: 470HM2U1370163
Fuel Type: DIESEL			HP: 215

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 33,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG 9	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: INTERNATIONAL	Model: 4300 SBA 4X2	Model Year: 2003	GVWR: 31,000	
Vehicle Identification Number: 1HTMMAANX3H575298	Fleet Identification Number: 9677	License Plate Number: 1157463		

Section 2: Existing Engine Information

Make: INTERNATIONAL	Model: C215	Year: 2002	Serial Number: 470HM2U1370150
Fuel Type: DIESEL			HP: 215

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 33,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG 9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM

Section 1: Existing Vehicle Information

Make: VOLVO	Model: NV	Model Year: 1999	GVWR: 58,000	
Vehicle Identification Number: 4VMHCMHE5XN782573	Fleet Identification Number: 8802	License Plate Number: 1033492		

Section 2: Existing Engine Information

Make: VOLVO	Model: VE D7C-275	Year: 1998	Serial Number: D70112138
Fuel Type: DIESEL			HP: 275

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG 9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: VOLVO	Model: NV	Model Year: 1999	GVWR: 58,000	
Vehicle Identification Number: 4VMHCMHE6XN786132	Fleet Identification Number: 8804	License Plate Number: 1043029		

Section 2: Existing Engine Information

Make: VOLVO	Model: VE D7C-275	Year: 1999	Serial Number: D70111640
Fuel Type: DIESEL			HP: 275

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: PETERBILT	Model: 320	Model Year: 2001	GVWR: 54,600	
Vehicle Identification Number: 1NPZLD9X02D713717	Fleet Identification Number: 9368	License Plate Number: 1118046		

Section 2: Existing Engine Information

Make: CATERPILLAR/POWER SYSTEMS LLC	Model: 3126B	Year: 2001	Serial Number: 9SZ07618
Fuel Type: DIESEL			HP: 250

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: PETERBILT	Model: 320	Model Year: 2002	GVWR: 54,600	
Vehicle Identification Number: 1NPZLD9X92D713716	Fleet Identification Number: 9367	License Plate Number: 1106950		

Section 2: Existing Engine Information

Make: CATERPILLAR/POWER SYSTEMS LLC	Model: DUAL FUEL 3126B	Year: 2001	Serial Number: 9SZ07595
Fuel Type: DIESEL			HP: 250

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM

Section 1: Existing Vehicle Information

Make: VOLVO	Model: NV	Model Year: 1999	GVWR: 58,000	
Vehicle Identification Number: 4VMHCMHE3XN782572	Fleet Identification Number: 8803	License Plate Number: 1033491		

Section 2: Existing Engine Information

Make: VOLVO	Model: VE D7C-275	Year: 1998	Serial Number: D70111653
Fuel Type: DIESEL			HP: 275

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: INTERNATIONAL	Model: 4700 4X2	Model Year: 2000	GVWR: 25,500	
Vehicle Identification Number: 1HTSCABM6YH277578	Fleet Identification Number: 8920	License Plate Number: 1067844		

Section 2: Existing Engine Information

Make: INTERNATIONAL	Model: B175	Year: 1999	Serial Number: 1176893
Fuel Type: DIESEL			HP: 175

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 33,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: DIESEL			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: INTERNATIONAL	Model: 4700 4X2	Model Year: 2000	GVWR: 25,500	
Vehicle Identification Number: 1HTSCABM2YH277576	Fleet Identification Number: 8918	License Plate Number: 1067773		

Section 2: Existing Engine Information

Make: INTERNATIONAL	Model: B175	Year: 1999	Serial Number: 1117924
Fuel Type: DIESEL			HP: 175

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 33,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: FORD	Model: NV	Model Year: 2006	GVWR: 17,950	
Vehicle Identification Number: 1FDAF56PX6EC85267	Fleet Identification Number: 10558	License Plate Number: 1228490		

Section 2: Existing Engine Information

Make: INTERNATIONAL	Model: A325	Year: 2006	Serial Number: NV
Fuel Type: DIESEL			HP: 325

Section 3: New or Replacement Vehicle Information

Make: HINO	Model: 195H	Model Year: 2013	GVWR: 19,500
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: HINO	Model: JOSE-UG (HYBRID)	Year: 2013	Serial Number:
Fuel Type: DIESEL ELECTRIC HYBRID			HP: 0

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: PETERBILT	Model: 320	Model Year: 2002	GVWR: 54,600	
Vehicle Identification Number: 1NPZLD9X42D713722	Fleet Identification Number: 9373	License Plate Number: 1106976		

Section 2: Existing Engine Information

Make: CATERPILLAR	Model: 3126	Year: 2001	Serial Number: 9SZ07813
Fuel Type: DIESEL			HP: 250

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: PETERBILT	Model: 320	Model Year: 2002	GVWR: 54,600	
Vehicle Identification Number: 1NPZLD9X42D713719	Fleet Identification Number: 9370	License Plate Number: 1404833		

Section 2: Existing Engine Information

Make: CATERPILLAR	Model: 3126	Year: 2001	Serial Number: 9SZ07680
Fuel Type: DIESEL			HP: 250

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM

Section 1: Existing Vehicle Information

Make: INTERNATIONAL	Model: 4700 4X2	Model Year: 2000	GVWR: 25,500	
Vehicle Identification Number: 1HTSCABM8YH277579	Fleet Identification Number: 8921	License Plate Number: 1067869		

Section 2: Existing Engine Information

Make: INTERNATIONAL	Model: B175	Year: 1999	Serial Number: 1165173
Fuel Type: DIESEL			HP: 175

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 33,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: VOLVO	Model: NV	Model Year: 1999	GVWR: 58,000	
Vehicle Identification Number: 4VMHCMHE8XN786133	Fleet Identification Number: 8805	License Plate Number: 1043030		

Section 2: Existing Engine Information

Make: VOLVO	Model: VE D7C-275	Year: 1999	Serial Number: D70111659
Fuel Type: DIESEL			HP: 275

Section 3: New or Replacement Vehicle Information

Make: AUTOCAR	Model: XPEDITOR ACX64	Model Year: 2013	GVWR: 58,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: STERLING	Model: NV	Model Year: 2004	GVWR: 60,000	
Vehicle Identification Number: 2FZHATDC34AM47926	Fleet Identification Number: 10031	License Plate Number: 1182422		

Section 2: Existing Engine Information

Make: CATERPILLAR	Model: C7	Year: 2004	Serial Number: KAL20569
Fuel Type: DIESEL			HP: 275

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 66,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT B

**SACRAMENTO EMERGENCY CLEAN AIR AND TRANSPORTATION PROGRAM
VEHICLE INFORMATION FORM**

Section 1: Existing Vehicle Information

Make: STERLING	Model: NV	Model Year: 2002	GVWR: 60,000	
Vehicle Identification Number: 2FZHATAK93AK74617	Fleet Identification Number: 9660	License Plate Number: 1145924		

Section 2: Existing Engine Information

Make: CATERPILLAR	Model: 3126	Year: 2002	Serial Number: CKM59398
Fuel Type: DIESEL			HP: 275

Section 3: New or Replacement Vehicle Information

Make: FREIGHTLINER	Model: M2	Model Year: 2014	GVWR: 66,000
Vehicle Identification Number:	License Plate Number:	Odometer Reading: 0	

Section 4: New Engine, Reconditioned Engine, or Retrofit System Information

Make: CUMMINS	Model: ISLG9 320	Year: 2013	Serial Number:
Fuel Type: COMPRESSED NATURAL GAS			HP: 320

EXHIBIT C

PERFORMANCE REQUIREMENTS

The below listed vehicle(s)/engine(s) must meet the minimum performance requirements shown to avoid reimbursement.

Vehicle and Engine Make and Model*	Vehicle and Engine Serial Numbers*	Minimum Annual Usage (Gal) °	Anticipated Annual NOx Reduction (tons)	Maximum Incentive Amount
FREIGHTLINER M2 CUMMINS ISLG 9		2,613	CMP: 0.11	Incentive \$10,917
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG9 320		3,334	CMP: 0.24	Incentive \$24,200
FREIGHTLINER M2 CUMMINS ISLG 9 320		1,974	CMP: 0.14	Incentive \$14,326
FREIGHTLINER M2 CUMMINS ISLG 9		2,711	CMP: 0.20	Incentive \$19,686
FREIGHTLINER M2 CUMMINS ISLG 9		19,437	CMP: 0.20	Incentive \$19,839

FREIGHTLINER M2 CUMMINS ISLG 9 320		2,088		CMP: 0.15	Incentive	\$15,119
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG 9 320		845		CMP: 0.06	Incentive	\$6,134
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG9 320		3,786		CMP: 0.27	Incentive	\$27,480
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG9 320		1,440		CMP: 0.10	Incentive	\$10,450
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG9 320		6,464		CMP: 0.12	Incentive	\$11,770
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG9 320		1,226		CMP: 0.09	Incentive	\$8,900

FREIGHTLINER M2 CUMMINS ISLG9 320		937		CMP: 0.07	Incentive	\$6,802
FREIGHTLINER M2 CUMMINS ISLG9 320		5,126		CMP: 0.05	Incentive	\$5,232
HINO 195H HINO JOSE-UG (HYBRID)		1,582		CMP: 0.07	Incentive	\$6,609
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG9 320		1,407		CMP: 0.10	Incentive	\$10,211
AUTOCAR XPEDITOR ACX64 CUMMINS ISLG9 320		3,095		CMP: 0.22	Incentive	\$22,470
FREIGHTLINER M2 CUMMINS ISLG9 320		5,973		CMP: 0.06	Incentive	\$6,096

AUTOCAR XPEDITOR ACX64		2,653		CMP: 0.19	Incentive	\$19,254
CUMMINS ISLG9 320						
FREIGHTLINER M2		3,451		CMP: 0.14	Incentive	\$14,420
CUMMINS ISLG9 320						
FREIGHTLINER M2		3,026		CMP: 0.22	Incentive	\$21,973
CUMMINS ISLG9 320						
Total				CMP: 2.82		\$281,888

*SMAQMD upon verification of project completion will fill in information.

o Minimum annual usage in the Sacramento Federal Ozone Non-Attainment Area

EXHIBIT D

INSURANCE REQUIREMENTS

Verification of Coverage

Participant must furnish SMAQMD with certificates evidencing the coverage required below. Certified copies of required endorsements must be attached to provided certificates. **All certificates are to be received and approved by SMAQMD before work commences.** SMAQMD reserves the right to require Participant to provide complete, certified copies of any policy of insurance offered in compliance with these specifications. As an alternative to insurance certificates, Participant's insurer may voluntarily provide complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by these specifications.

Minimum Scope of Insurance

During the term of this Agreement, Participant must, at its sole expense, obtain and maintain in full force and affect the type and limits of liability requirements as follows:

Coverage must be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001, most recent edition).

Insurance Services Office form CA 0001 (most recent edition) covering Automobile Liability, code 1 (any auto).

Worker's Compensation insurance as required by the State of California.

Comprehensive and collision coverage sufficient to replace the vehicle(s) and emission control system(s) included in the project.

Minimum Limits of Insurance

Participant must maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Worker's Compensation: Statutory.

Comprehensive/Collision: Equal to the full replacement cost.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. SMAQMD Liability and Property Insurance Manager may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the Risk Manager, the interests of SMAQMD and the general public are adequately protected.

EXHIBIT E

DEBARMENT CERTIFICATION FORM

The Contractor certifies that, neither the Contractor firm nor any owner, partner, director, officer, or principal of the Contractor, nor any person in a position with management responsibility or responsibility for the administration of federal funds:

(a) Is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;

(b) Has within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Is presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or

(d) Has within a three-year period preceding this certification had one or more public transactions or contracts (federal, state, or local) terminated for cause or default.

The Contractor further certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency.

Dated this _____ day of _____, 20 _____

By _____
Authorized Signature for Contractor

John F. Shirey, City Manager

Printed Name and Title

City of Sacramento

Contractor Firm Name and Type of Entity (*Corp., Partnership, Sole Proprietor*)

5730 24th Street, Bldg 1

Address

Sacramento, CA 95822

City/State/Zip Code
(916) 808-5869, kleech@cityofsacramento.org

Area Code/Telephone Number and E-Mail Address

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any SMAQMD or SACOG Director(s) in the 12 months preceding the date of the issuance of this request for proposal or request for qualifications?

___ YES ___ NO

If yes, please identify the Director(s): _____

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contributions of more than \$250 to any SMAQMD or SACOG Director(s) in the three months following the award of the contract?

___ YES ___ NO

If yes, please identify the Director(s): _____

Answering yes to either of the two questions above does not preclude SMAQMD or SACOG from awarding a contract to your firm. It does, however, preclude the identified Director(s) from participating in the contract award process for this contract.

DATE

(SIGNATURE OF AUTHORIZED OFFICIAL)

John F. Shirey, City Manager
(TYPE OR WRITE APPROPRIATE NAME, TITLE)

City of Sacramento
(TYPE OR WRITE NAME OF COMPANY)

EXHIBIT G

Verified Information of New Equipment & (if applicable) New Termination Date for Agreement

This page will be added to Agreement # VET-13-0143 after the Agreement is executed and the Post-inspection identified in paragraph 2.5.2 (Post-inspection) for each New Equipment has been completed. All information in Exhibit G will supersede the New Equipment/Engine information in Exhibit B.

If the project implementation timeframe is less than years due to the date of the last New Equipment Post-inspection, then the new Agreement termination date is: _____. The new Agreement termination date in Exhibit G will supersede the original Agreement termination date identified in paragraph 3.1 (Term).

Approved by City of Sacramento

John F. Shirey
City Manager

Date: _____

Approved by the Sacramento Metropolitan Air Quality Management District

Mark Louzzenhiser
Program Supervisor – Land Use & Mobile Source Division

Date: _____

New Equipment Information

Vehicle Fleet ID #	Vehicle Year, Make, Model & GVWR	VIN	Meter Reading (Gal)	Engine Year, Make, Model & HP	Engine Serial #, Engine Fuel Type & EPA Emission Family #	Retrofit Make, Model & Serial # (if applicable)