

**Carl Moyer On-Road Heavy-Duty Vehicle Program
Agreement between Dismantler and Butte County AQMD**

This agreement (Agreement) is between the Butte County Air Quality Management District (District) and _____ (Dismantler).

1.0 Recitals

- 1.1 The entire District is classified as a State ozone nonattainment area as well as a federal ozone nonattainment area due to the level of ozone in the ambient air exceeding the State and federal health-based standards.
- 1.2 Ozone is formed by the interaction of Nitrogen Oxides (NOx) and other precursor pollutants in the atmosphere. The majority of NOx in the District is generated from vehicles, including on-road heavy-duty vehicles. In order to bring the District into attainment with the State and federal standards, we must reduce the levels of NOx emitted by on-road heavy-duty vehicles.
- 1.3 The California Air Resources Board (CARB) has developed several programs to help the District achieve the State and federal ozone standards. One of these programs is the Carl Moyer Program (CMP). This Agreement is one step in implementing this Program.
- 1.4 The objective of the CMP is to accelerate the retirement or retrofitting of existing high-polluting on-road heavy-duty vehicles through financial incentives that will encourage low emission technology.
- 1.5 Under the CMP, the District will provide financial incentives to eligible on-road heavy-duty vehicle owners that agree to destroy and replace their existing vehicle or retrofit their existing vehicle prior to State regulation deadlines.
- 1.6 To ensure that actual reductions result from the CMP, it is essential:
 - a. That the existing vehicle is inspected to verify that it qualifies for the CMP,
 - b. That the existing vehicle is destroyed properly to permanently eliminate its potential for emissions in replacement projects,
 - c. That replacement engines or installed retrofit devices must be certified or verified by CARB and must comply with durability and warranty requirements, and
 - d. That on-road heavy-duty projects undergo a compliance check through CARB.
- 1.7 The Dismantler is in the business of dismantling used on-road heavy-duty vehicles.
- 1.8 The Dismantler has reviewed and is familiar with the District's On-Road Heavy-Duty Vehicle Program.

- 1.9 The Dismantler understands that the purpose of the CMP, and this Agreement, is to help the District achieve clean air standards as required by State and federal law.
- 1.10 The Dismantler wishes to enter into this Agreement so that it will be eligible to receive existing vehicles participating in the CMP.
- 1.11 The District has not reviewed the Dismantler's operations, or reached any conclusion on the quality of the Dismantler's operation. The District is permitting the Dismantler to enter into this Agreement solely because the Dismantler has represented to the District that it is aware of the CMP goals and agrees to abide by the CMP requirements.

2.0 Conditions

The parties agree to the following conditions:

- 2.1 **Definitions:** As used in this Agreement, the following terms have the following meanings:
 - a. **"Program Participant"** means the individual or business entity that is surrendering its on-road heavy-duty vehicle and receiving funds to aid in the purchase of a new on-road heavy-duty vehicle.
 - b. **"Existing (Old) Vehicle"** means the on-road heavy-duty vehicle that the Program Participant surrenders for destruction.
 - c. **"Replacement Vehicle"** means the new on-road heavy-duty vehicle purchased by the Program Participant.
- 2.2 **Payment:** The Dismantler will not be paid or otherwise reimbursed directly by the District or CARB. Rather, the benefit received by the Dismantler under this Agreement is the opportunity to participate in the CMP, which includes the corresponding opportunity to profit through the receipt – for cash or free – of materials that the Dismantler will dismantle with the intent to make a profit. Funding is not available from the District through this Agreement for any Dismantler or material costs, including hazardous waste abatement fees, labor costs, fines, permits, or other charges resulting from destruction or disposal.
- 2.3 **Dismantler Requirements:** The Dismantler must comply with the following requirements in accordance with the CMP Guidelines, current and future CMP advisories and mail-outs, and supplemental documents related to the CMP, and submit certification to the District verifying that the requirements have been met. The Dismantler agrees to meet the following requirements so that the Program Participant is eligible for payment of incentive funds:
 - a. Within sixty (60) calendar days of receiving a vehicle under this Agreement, the Dismantler will destroy the vehicle and render it physically useless, including completely severing the frame rails between the front and rear axles so that the frame is no longer capable of being used in a vehicle, and destroying and rendering useless the engine including putting a minimum of a 3-inch diameter irregular hole in the engine block with

- a cut that connects to the oil pan flange.
- b. Notify the District when the vehicle (chassis and engine) has been properly destroyed and schedule a destruction inspection with the District; and
 - c. The Dismantler or Program Participant must provide verification that the vehicle is registered with the California Department of Motor Vehicles (DMV) as non-repairable. Verification of filing the form with DMV (REG 488C Application for Salvage Certificate or Non-Repairable Vehicle Certificate, or REG 42 Notice of Acquisition/Report of Vehicle To Be Dismantled) must be provided to the District at the dismantle inspection. Within ninety (90) calendar days of the dismantle inspection date, the Dismantler or Program Participant must also provide verification to the District from DMV that the replaced vehicle has been registered with DMV as non-repairable (non-revivable) with a transaction code L10 (Junk Non-Revivable) or C26 (Junk Non-Revivable Original); and
 - d. The Dismantler will not use or permit the use of the engine or vehicle except as necessary to move it for destruction or storage.
 - e. District staff or the Dismantler must take photographs of the destroyed engine and severed frame rails. Dismantler photographs of the destroyed engine block and severed frame rails must be provided to the air district within ten (10) business days of dismantling the vehicle. The following picture views must be taken:
 - i Front, right, and left side of vehicle with hood down including license plate if available (vehicle scrap).
 - ii VIN tag (vehicle scrap).
 - iii Engine serial number either stamped on the block or on the tag (engine or vehicle scrap).
 - iv Left and right side of destroyed engine block either in-frame or out of frame (engine or vehicle scrap).
 - v Hole in engine block (engine or vehicle scrap).
 - vi Completely severed frame rails (vehicle scrap).
 - vii Odometer Reading (vehicle scrap).

2.4 **Dismantler Qualifications:** The Dismantler warrants that it meets the following minimum qualifications for participation in the CMP, and will continue to meet these qualifications throughout its participation in the CMP. The Dismantler must provide written proof that it meets the following qualifications within forty-eight (48) hours if requested by District staff.

- a. The Dismantler must have a current, valid Dismantler's license issued by the DMV.
- b. The Dismantler must have a current, valid California Environmental Protection Agency Hazardous Material Generator and Storage Permit.
- c. The Dismantler must be in compliance with all local, State, and federal regulations, permits and requirements.

- d. The Dismantler must have a minimum of one (1) active employee who received training by the District on the requirements of the CMP. If a Dismantler has more than one location, then the Dismantler must have at least one (1) active employee trained by the District at each location that will be accepting vehicles.
- e. The Dismantler must have a valid business license and have been a Dismantler in California for a minimum of the last two (2) years.

2.5 **Cancellation:** The District may cancel this Agreement if the Dismantler fails to comply with its requirements. Any Dismantler whose Agreement was cancelled and is re-submitting a new signed Agreement must include with the submittal a written description of the actions that will be taken to eliminate the cause of the cancellation of the previous Agreement.

2.6 **Amendments:** No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by all parties.

2.7 **Term:** This Agreement shall begin upon execution by both parties and terminate on June 30, 2024.

2.8 This Agreement consists of:

- This Agreement
- Exhibit A, District On-Road Heavy-Duty Vehicle Program
- Exhibit B, On-Road Heavy-Duty Vehicle Application
- Exhibit C, On-Road Heavy-Duty Vehicle Checklist and Guide

2.9 Correspondence between the District and the Dismantler should be addressed to the following:

To District:
 Carl Moyer Program Representative
 Butte County AQMD
 629 Entler Avenue, Suite 15
 Chico, CA 95928
 Phone: (530) 332-9400
 Fax: (530) 332-9417
 Email: air@bcaqmd.org

To Dismantler:
 Contact Name: _____
 Business: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____
 Fax: _____
 Email: _____

The address and/or contacts may be changed by written notice to the other party. Such written notice may be given by mail, email, or fax.

2.10 The undersigned representative of the Dismantler affirmatively states that he or she has legal authority to bind the Dismantler to the terms of this Agreement.

Approved by the Dismantler:

(Print Name)

Title: _____

(Signature)

Date: _____

Approved by the Butte County Air Quality Management District

Reviewed by:

Aleah Ing, Administrative Services Officer

Date: _____

Approved by:

Stephen Ertle, Air Pollution Control Officer

Date: _____