

**Off Road Equipment Replacement Program  
Agreement between Salvage Yard and Feather River AQMD**

This agreement (Agreement) is between the Feather River Air Quality Management District (District) and \_\_\_\_\_(Salvage Yard).

**1.0 Recitals**

- 1.1 The entire District is classified as a state ozone nonattainment area as well as South Sutter County is classified as a federal ozone nonattainment area due to the level of ozone in the ambient air exceeds the state and federal health-based standards.
- 1.2 Ozone is formed by the interaction of Nitrogen Oxides (NO<sub>x</sub>) and other precursor pollutants in the atmosphere. The majority of NO<sub>x</sub> in the District is generated from vehicle, including off road equipment. In order to bring the District into attainment with the state and federal standards, we must reduce the levels of NO<sub>x</sub> emitted by off road equipment.
- 1.3 The California Air Resources Board (ARB) has developed several programs to help the District achieve the state and federal ozone standards. One of those programs is the Off Road Equipment Replacement Program (the Program). This Agreement is one step in implementing that Program.
- 1.4 The objective of the Program is to accelerate the retirement of old high polluting off road equipment through financial incentives that will encourage the voluntary replacement of uncontrolled equipment with new equipment that uses low emission technology.
- 1.5 Under the Program, the District will provide financial incentives to equipment owners that agree to destroy their old equipment and then replace it with new, low emission equipment.
- 1.6 To ensure that actual reductions result from the Program, it is essential:
  - (a) that the old equipment is inspected to verify that it qualifies for the Program
  - (b) that the old equipment is destroyed properly to permanently eliminate its potential for emissions
  - (c) that a digital hour meter is installed in the new equipment to measure future actual hours of operation within the District, and
  - (d) that particulate emission control devices be installed if they are available, safe, and cost effective
- 1.7 The salvage yard is in the business of scraping used off road equipment.
- 1.8 The salvage yard has reviewed and is familiar with the District's Off Road Equipment Replacement Program.
- 1.9 The salvage yard understands that the purpose of the Program, and this Agreement, is to help the District achieve clean air standards as required by state and federal law.
- 1.10 The salvage yard wishes to enter into this Agreement so that it will be eligible to receive old equipment participating in the program.
- 1.11 The District has not reviewed the salvage yard operations, or reached any conclusion on the quality of the salvage yard operation. The District is permitting salvage yard to enter into this Agreement

solely because salvage yard has represented to the District that it is aware of the Program goals, and agrees to abide by the Program requirements.

## 2.0 Conditions The parties agree that:

### 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 off road equipment and receiving funds to aid in the purchase of new off road equipment.
- (b) **“Old or Existing Equipment”** means the off road equipment that the Program Participant surrenders for destruction.
- (c) **“Replacement Equipment”** means the new equipment purchased by the Program Participant. Used equipment meeting the most recent Model Year CA emission standard qualifies as new equipment if sold by the dealer with the required warranties and documentation of how the price was depreciated to account for the used condition and the number of operating hours of accumulated since new.

### 2.2 Payment: The salvage yard will not be paid or otherwise reimbursed by the District. Funding is not available for the salvage of any existing equipment. The existing salvage value will be negotiated between the participant, the dealership, and the salvage yard.

### 2.3 Salvage Yard Requirements: Unless otherwise indicated, the salvage yard must meet each requirement before the District will be obligated to release the incentive funds to the Program Participant. The salvage yard agrees to do the following:

(a) Within ~~360~~ days of notification from District, participant, and/or dealership that replacement equipment has been delivered to applicant, the salvage yard shall receive the old equipment ~~and destroy it, as described in 2.3 (b).~~

(b) Within 60 of notification from District, participant, and/or dealership, the salvage yard shall destroy the old equipment engine and chassis to permanently remove them from service. The engine shall be destroyed by cutting/punching a hole no less than 4 inches in the engine block. The chassis shall be destroyed by cutting structural components of the equipment, or other manner as approved by District.

(c) The salvage yard shall provide the following photographs to the District **within 10 days** of salvaging old equipment:

- (1) Destroyed engine block
- (2) Cut frame rails
- (3) Equipment serial number
- (4) Engine side view
- (5) Engine serial number
- (6) Destroyed attachments, if scrapped
- (7) Other photographs as requested by District.

(d) The salvage yard may request the District staff perform the salvage inspection and take photographs in lieu of submitting photographs in 2.3 (c). The salvage yard shall contact the District to schedule a salvage inspection at least one week prior to scheduled salvage to ~~arrange~~ inspection.

(5) The salvage yard shall submit certification form and all photographs listed in 2.3 (c) within 10 days of destruction.

2.4 **Cancellation:** The District may cancel this agreement if the salvage yard fails to comply with its requirements. Any salvage yard 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.

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

2.6 **Term:** This Agreement shall begin upon execution by both parties and terminate on December 31, 2018.

2.7 This Agreement consists of:

- This Agreement
- Exhibit A, FRAQMD Year 11 Off Road Equipment Replacement Program
- Exhibit B, Off Road Equipment Replacement Program Salvage Certification Form

2.8 Correspondence between the District and the salvage yard should be addressed to the following:

To District:  
Carl Moyer Program Representative  
Feather River AQMD  
1007 Live Oak Blvd Suite B-3  
Yuba City, CA 95991  
Phone: (530) 634-7659  
Fax: (530) 634-7660

To Salvage Yard:  
Contact Name \_\_\_\_\_  
Business Name \_\_\_\_\_  
Business Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

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.

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

**Approved by Salvage Yard**

\_\_\_\_\_  
Name, Title

Date: \_\_\_\_\_

**Approved by the Feather River Air Quality Management District**

\_\_\_\_\_  
David A. Valler, Jr, Air Pollution Control Officer

Date: \_\_\_\_\_

**Approved as to legal form**

\_\_\_\_\_  
District Legal Counsel

Date: \_\_\_\_\_