

**Carl Moyer Off-Road Equipment Replacement Program  
Agreement between Salvage Yard and Butte County AQMD**

This agreement (Agreement) is between the Butte County 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 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 off-road equipment. In order to bring the District into attainment with the State and federal standards, we must reduce the levels of NOx emitted by off-road equipment.
- 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 of existing 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 CMP, the District will provide financial incentives to eligible equipment owners that agree to destroy their existing 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 existing equipment is inspected to verify that it qualifies for the CMP,
  - b. That the existing equipment is destroyed properly to permanently eliminate its potential for emissions,
  - c. That a digital hour meter is installed in/on the replacement 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 scrapping 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 CMP, 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 existing equipment participating in the CMP.
- 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 the Salvage Yard to enter into this Agreement solely because the Salvage Yard 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 off-road equipment and receiving funds to aid in the purchase of new off-road equipment.
  - b. **“Existing (Old) 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 California Emission Standard qualifies as new equipment if sold by the Dealership with the required warranties and documentation of how the price was depreciated to account for the used condition and the number of operating hours 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 Program Participant, the Dealership, and the Salvage Yard.
- 2.3 **Salvage Yard Requirements:** The Salvage Yard agrees to meet the following requirements so that the Program Participant is eligible for payment of incentive funds:
  - a. Within sixty (60) days of receiving the existing equipment, the Salvage Yard shall destroy the existing equipment engine and chassis to permanently remove them from service. The engine shall be destroyed by cutting/punching an irregular hole no less than three (3) inches in the engine block. A section of the oil pan flange must either be included in the hole or connected to the hole with a cut. The chassis shall be destroyed by cutting structural components off of the equipment, or other manner as approved by the District.
  - b. The Salvage Yard shall provide the following photographs to the District **within ten (10) days** of salvaging the existing equipment:
    - i Destroyed engine block

- ii Cut frame rails
  - iii Equipment serial number
  - iv Engine side view
  - v Engine serial number
  - vi Destroyed attachments, if scrapped
  - vii Other photographs as requested by District
- c. The Salvage Yard or District may request that District staff perform the salvage inspection and take photographs in lieu of submitting photographs in 2.3 b. above. The Salvage Yard shall contact the District to schedule a salvage inspection at least one (1) week prior to scheduled salvage to arrange an inspection.
- d. The Salvage Yard shall submit a destruction certification form or receipt and all photographs listed in 2.3 b. within ten (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 June 30, 2024.
- 2.7 This Agreement consists of:
- This Agreement
  - Exhibit A, District Off-Road Equipment Program
  - Exhibit B, Off-Road Equipment Application
  - Exhibit C, Off-Road Heavy-Duty Vehicle Checklist and Guide
- 2.8 Correspondence between the District and the Salvage Yard 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](mailto:air@bcaqmd.org)

To Salvage Yard:  
 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.

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

**Approved by the Salvage Yard:**

\_\_\_\_\_  
(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: \_\_\_\_\_