



Air Resources Board



Matthew Rodriguez
Secretary for
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Mary D. Nichols, Chairman
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Edmund G. Brown Jr.
Governor

DATE: September 25, 2012 Mail-Out #MSC 12-18
TO: All Interested Parties
SUBJECT: THE LOWER-EMISSION SCHOOL BUS PROGRAM – REVISIONS TO
IMPLEMENTATION DEADLINES

This Mail-Out incorporates implementation deadline adjustments into the 2008 Lower-Emission School Bus Program Guidelines (Guidelines). Mail-Out #MSC 12-15 incorporated recent statutory changes (Senate Bill 1018, Chapter 39, Statutes of 2012) – including the extension of the expenditure deadline for Lower-Emission School Bus Program (LESBP) Proposition 1B (the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006) funds from June 30, 2012, to June 30, 2014 – into the Guidelines. Those statutory changes necessitate adjustments to the implementation deadlines that were last adjusted in Mail-Out #MSC 10-11. Accordingly, the Guidelines now require two additional years of semiannual reports; provide for a new bus delivery deadline and for liquidated damages; specify what must be accomplished by the expenditure deadline; and extend the records submission due date for those air districts that chose to meet the bond records retention requirement by submitting records to the Air Resources Board (ARB).

Key Deadlines

Future Reporting Dates

The remaining reports must be submitted (i.e., entered into the LESBP bond accountability database, printed, signed, and mailed) by the following dates:

- Seventh through tenth semiannual reports: November 1, 2012, May 1, 2013, November 1, 2013, and May 1, 2014
- Final report: November 1, 2014

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

California Environmental Protection Agency

Bus Delivery Deadline and Liquidated Damages

Proposition 1B-funded replacement buses must be delivered by April 1, 2014. To reflect the new bus delivery deadline, the liquidated damages will be in the amount of \$100 per day per bus for each day a bus is delivered after April 1, 2014. The date that is used in liquidated damages clauses must be adjusted accordingly (see Section M of Appendix C of the Guidelines).

Final Program Deadlines

June 30, 2014 is the deadline for the following:

- All Proposition 1B LESBP funds, including earned interest, must be fully expended, that is, paid out by air districts by paying invoices associated with approved projects.
- All Proposition 1B LESBP funds, including earned interest, that are not fully expended (paid out) by this date, must be returned to ARB within 60 days of June 30, 2014.
- Contracts shall include a specified time frame in which project completion shall occur, so that the funds are fully expended by June 30, 2014 (see Section F.1 of Appendix C of the Guidelines).

35-Year Bond Records Retention Requirement

Under State and federal bond requirements, certain records must be maintained for at least 35 years. Implementing air districts have notified ARB of how they will meet the 35-year bond records retention requirement. The air districts that chose to meet the requirement by sending their records to ARB by December 31, 2012, now have until December 31, 2014 to do so.

Regardless of the option an air district chooses to meet the 35-year bond records retention requirement, the air district must still retain the records described in Appendix E of the Guidelines for the length of time set forth in that Appendix.

All Interested Parties
September 25, 2012
Page 3

If you have questions regarding this Mail-Out, please contact Ms. Kimya Lambert, Air Pollution Specialist, at (916) 323-2507 or via email at klambert@arb.ca.gov .

Sincerely,

/s/

Robert H. Cross, M.S.M.E, P.E.
Chief, Mobile Source Control Division

cc: Ms. Kimya Lambert
Air Pollution Specialist
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