



**South Coast
Air Quality Management District**

31641

LOCAL GOVERNMENT MATCH PROGRAM CONTRACT



Contract No. **ML09036**

1. **PARTIES** - The parties to this Contract are the South Coast Air Quality Management District (hereinafter referred to as "AQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and the City of Long Beach (hereinafter referred to as "CONTRACTOR") whose address is 2600 Temple Avenue, Long Beach, California 90806.
2. **RECITALS**
 - A. AQMD is the local agency with primary responsibility for regulating stationary source air pollution within the geographical boundaries of the South Coast Air Quality Management District in the State of California (State). AQMD is authorized under State Health & Safety Code Section 44225 (Assembly Bill (AB) 2766) to levy a fee on motor vehicles for the purpose of reducing air pollution from such vehicles and to implement the California Clean Air Act.
 - B. Under AB 2766 the AQMD'S Governing Board has authorized the imposition of the statutorily set motor vehicle fee. By taking such action the State's Department of Motor Vehicles (DMV) is required to collect such fee and remit it periodically to AQMD.
 - C. AB 2766 further mandates that thirty (30) percent of such vehicle registration fees be placed by AQMD into a separate account for the sole purpose of implementing and monitoring programs to reduce air pollution from motor vehicles.
 - D. AB 2766 creates a regional Mobile Source Air Pollution Reduction Review Committee (MSRC) to develop a work program to fund projects from the separate account. Pursuant to approval of the work program by AQMD'S Governing Board, AQMD Board authorized a contract with CONTRACTOR for services described in Attachment 1 - Statement of Work, expressly incorporated herein by this reference and made a part hereof of this Contract.
 - E. CONTRACTOR has met the requirements for receipt of AB 2766 Discretionary Funds as set forth in CONTRACTOR'S Local Government Match Program Application dated March 24, 2009.
3. **DMV FEES** - CONTRACTOR acknowledges that AQMD cannot guarantee the amount of fees to be collected under AB 2766 will be sufficient to fund this Contract. CONTRACTOR further acknowledges that AQMD'S receipt of funds is contingent on the timely remittance by State's DMV. AQMD assumes no responsibility for the collection and remittance of motor vehicle registration fees by DMV to AQMD in a timely manner.
4. **AUDIT** - Additionally, CONTRACTOR shall, at least once every two years, or within two years of the termination of the Contract if the term is less than two years, be subject to an audit by AQMD or its authorized representative to determine if the revenues received by CONTRACTOR were spent for the reduction of pollution from Motor Vehicles pursuant to the Clean Air Act of 1988. AQMD shall coordinate such audit through CONTRACTOR'S audit staff. If an amount is found to be inappropriately expended, AQMD may withhold revenue from CONTRACTOR in the amount equal to the amount which was inappropriately expended. Such withholding shall not be construed as AQMD'S sole remedy and shall not relieve CONTRACTOR of its obligation to perform under the terms of this Contract.

5. REPORTING - CONTRACTOR shall submit reports to AQMD as outlined in Attachment 1 - Statement of Work. AQMD reserves the right to review, comment, and request changes to any report produced as a result of this Contract.
6. TERM - The term of this Contract is for eighty four (84) months from the date of execution by both parties, unless terminated earlier as provided for in Clause 7 below entitled Termination, extended by amendment of this Contract in writing, or unless all work is completed and a final report is submitted and approved by AQMD prior to the termination date. No work shall commence prior to the Contract start date, except at CONTRACTOR'S cost and risk, and no charges are authorized until this Contract is fully executed. Upon written request and with adequate justification from CONTRACTOR, the MSRC Contracts Administrator may extend the Contract up to an additional six months at no additional cost. Term extensions greater than six months must be reviewed and approved by the MSRC.
7. TERMINATION - In the event any party fails to comply with any term or condition of this Contract, or fails to provide the services in the manner agreed upon by the parties, including, but not limited to, the requirements of Attachment 1 - Statement of Work, this shall constitute a material breach of the Contract. The nonbreaching party shall have the sole and exclusive option either to notify the breaching party that it must cure this breach within fifteen (15) days or provide written notification of its intention to terminate this Contract with thirty (30) day's written notice. Notification shall be provided in the manner set forth in Clause 15 below, entitled - Notices. Termination shall not be the exclusive remedy of the nonbreaching party. The nonbreaching party reserves the right to seek any and all remedies provided by law. AQMD will reimburse CONTRACTOR for actual costs incurred (not to exceed the total Contract value), including all noncancellable commitments incurred in performance of this Contract through the effective date of termination for any reason other than breach.
8. EARLY TERMINATION – This Contract may be terminated early due to any of the following circumstances:
 - A. The vehicles or equipment become inoperable through mechanical failure of components or systems directly related to the alternative fuel technology being utilized and such failure is not caused by CONTRACTOR'S negligence, misuse, or malfeasance.
 - B. The fueling station becomes inoperable, and is either not technically able to be repaired, or is too costly to repair, and such failure is not caused by CONTRACTOR's negligence, misuse, or malfeasance.
9. INSURANCE – CONTRACTOR represents that it is permissibly self-insured and will maintain such self-insurance in accordance with applicable provisions of California law throughout the term of this Contract. CONTRACTOR shall provide evidence of sufficient coverage during the term of this Contract and any extensions thereof that meet or exceed the minimum requirements set forth by the South Coast AQMD below. CONTRACTOR shall furnish certificate of self-insurance to: South Coast Air Quality Management District, Attn: Risk Management Office. **The AQMD Contract Number shall be included on the face of the certificate.** If CONTRACTOR fails to maintain the required insurance coverage, AQMD reserves the right to terminate the Contract or purchase such additional insurance and bill CONTRACTOR or deduct the cost thereof from any payments owed to CONTRACTOR. Minimum insurance coverages are as follows:
 - A. Worker's compensation insurance in accordance with either California or other state's applicable statutory requirements.

- B. General Liability insurance with a limit of at least \$1,000,000 per occurrence, and \$2,000,000 in general aggregate.
- C. Automobile Liability insurance with limits of at least \$100,000 per person and \$300,000 per accident for bodily injuries and \$50,000 in property damage, or \$1,000,000 combined single limit for bodily injury or property damage.

10. INDEMNIFICATION – CONTRACTOR agrees to hold harmless, defend, and indemnify, AQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, cost, or expenses which AQMD, its officers, employees, agents, representatives, and successors-in-interest may incur or be required to pay by reason of any injury or property damage caused or incurred by CONTRACTOR, its employees, subcontractors, or agents in the performance of this Contract.

11. PAYMENT

- A. AQMD shall pay CONTRACTOR a Firm Fixed Price of Eight Hundred Seventy Five Thousand Dollars (\$875,000) upon completion of the project on a reimbursement basis. Any funds not expended upon early contract termination or contract completion shall revert to the AB 2766 Discretionary Fund. Payment of charges shall be made by AQMD to CONTRACTOR within thirty (30) days after approval by AQMD of an itemized invoice prepared and furnished by CONTRACTOR.
- B. An invoice submitted to AQMD for payment must be prepared in duplicate, on company letterhead, and list AQMD'S contract number, period covered by invoice, and CONTRACTOR'S social security number or Employer Identification Number and submitted to:
 - South Coast Air Quality Management District
 - 21865 Copley Drive
 - Diamond Bar, CA 91765-4178
 - Attn: Cynthia Ravenstein, MSRC Contract Administrator
- C. No funds shall be paid out to CONTRACTOR pursuant to this Contract, until the project described in Attachments 1 and 2 is completed and proof of completion is provided to AQMD. If the project described in Attachments 1 and 2 is not completed and satisfactory proof of completion is not provided to AQMD, no monies shall be due and payable to CONTRACTOR. Proof of completion shall include a Final Report detailing the project goals and accomplishments.
- D. Additional AB 2766 Discretionary Match Funds will not be available to fund project cost overruns. Any project cost overruns must be funded from other than AB 2766 Discretionary Funds.
- E. The Firm Fixed Price amount of this Contract shall not exceed the total AB 2766 Funds applied to the project described in Attachments 1, 2, and 3 of this Contract.
- F. If, at the completion of the Project described in Attachment 1, the vehicle expenditures and/or infrastructure expenditures are less than the Total Cost amount(s) contained in Attachment 2, the actual amount of AB 2766 Discretionary Funds reimbursed to CONTRACTOR shall be adjusted on a prorated basis as described in Attachment 2.
- G. CONTRACTOR must submit final invoice no later than ninety (90) days after the termination date of this Contract or invoice may not be paid.

12. MOBILE SOURCE EMISSION REDUCTION CREDITS (MSERCs)

- A. The MSRC has adopted a policy that no MSERCs resulting from AB 2766 Discretionary Funds may be generated and/or sold.

- B. CONTRACTOR has the opportunity to generate MSERCs as a by-product of the project if a portion of the air quality benefits attributable to the project resulted from other funding sources. These MSERCs, which are issued by AQMD, are based upon the quantified vehicle miles traveled (VMT) by project vehicles or other activity data as appropriate. Therefore, a portion of prospective MSERCs, generated as a result of AB 2766 Funds, must be retired. The portion of prospective credits funded by the AB 2766 program, and which are subject to retirement, shall be referred to as "AB 2766-MSERCs."
- C. The determination of AB 2766-MSERC's is to be prorated based upon the AB 2766 program's contribution to the cost associated with the air quality benefits. In the case where AB 2766 Discretionary Funds are used to pay for the full differential cost of a new alternative fuel vehicle or for the retrofitting or repowering of an existing vehicle, all MSERCs attributable to AB 2766 Discretionary Funds must be retired. The determination of AB 2766-MSERCs for infrastructure and other ancillary items is to be prorated based upon the AB 2766 program's contribution to the associated air quality benefits. Determination of the project's overall cost will be on a case-by-case basis at the time an MSERC application is submitted. AQMD staff, at the time an MSERC application is submitted, will calculate total MSERCs and retire the AB 2766-MSERCs. CONTRACTOR would then receive the balance of the MSERCs not associated with AB 2766 funding.
13. DISPLAY OF MSRC LOGO - CONTRACTOR agrees to permanently display one MSRC decal in a prominent location on each vehicle purchased pursuant to this Contract. CONTRACTOR also agrees to permanently display one MSRC decal in a prominent location on each fueling or charging station constructed or upgraded pursuant to this Contract. Decals will be provided by MSRC upon notification that subject fueling station equipment and/or vehicles are placed into service. Decals are approximately twelve (12) inches in height and eighteen (18) inches in width (Note: a smaller decal may be provided if CONTRACTOR demonstrates that application of the standard decal is not feasible). CONTRACTOR shall maintain decal for life of vehicle or equipment subject to this Contract. Should any decal become damaged, faded, or otherwise unreadable, CONTRACTOR shall request replacement decal from MSRC and apply new decal in the same or other prominent location. MSRC shall not be responsible for damage to paint or other vehicle surfaces arising from application or removal of decals. In addition, all promotional materials related to the project, including, but not limited to, press kits, brochures and signs shall include the MSRC logo. Press releases shall acknowledge MSRC financial support for the project.
14. ACCRUAL OF MILEAGE WITHIN SOUTH COAST AIR QUALITY DISTRICT – CONTRACTOR is obligated to comply with the geographical restriction requirements as follows:
- A. Each of the vehicles funded under this Contract must accrue at least 85% of its annual mileage or engine hours of operation within the geographical boundaries of the South Coast Air Quality Management District for a period of no less than five (5) years from the date the vehicle enters service (new vehicles) or returns to service (repowered vehicles). Should CONTRACTOR deviate from or fail to comply with this obligation, for reasons other than those stated in Clause 8.A., CONTRACTOR shall reimburse AQMD for a prorated share of the funds provided for the vehicle as indicated in the table below:

5 year Operations Obligation Termination Occurs	Percentage of MSRC Funds to be Reimbursed
Within Year 1	100%
Between Years 1-2	80%
Between Years 2-3	60%
Between Years 3-4	40%
Between Years 4-5	20%
After Year 5	0%

- B. The appropriate reimbursable amount shall be paid to AQMD within sixty (60) days from the date the vehicle ceases to operate in accordance with the geographical restriction. CONTRACTOR shall not be responsible for any reimbursement to AQMD if the obligation is terminated as a result from one or more reasons set forth in Clause 8.A.
 - C. Should CONTRACTOR sell, lease, transfer, assign or otherwise divest itself of the vehicles during the five year period referred to in clause 14.A, notice shall be provided to AQMD no less than 30 days preceding the sale, lease, transfer, or assignment is effectuated. The agreement effectuating the sale, lease, transfer or assignment shall state that the AQMD is an intended third-party beneficiary of the agreement and shall include the following requirement: the obligation to accrue mileage within the South Coast Air Quality Management District shall be a continuing obligation of the subsequent purchaser, lessee, transferee, successor in interest, heir or assign and shall remain in full force and effect until the expiration of the five year operation period. This obligation shall be passed down to any subsequent purchaser, lessee or transferee during this five year term and AQMD shall be an intended third-party beneficiary of any subsequent agreement. Upon receiving notice of any subsequent sale, lease, transfer, assignment or other divestiture, AQMD may elect to either require the reimbursement specified in Clause 14.A and 14.B, or require the subsequent purchaser, lessee, transferee or assignee to comply with the continuing obligation to operate the vehicle for a period of no less than five (5) years from the date the vehicle entered service (new vehicles) or re-service (re-powered vehicles). Notice of AQMD's election of remedies shall be provided to CONTRACTOR and any subsequent purchaser, lessee, transferee or assignee in a timely fashion.
15. **NOTICES** - Any notices from either party to the other shall be given in writing to the attention of the persons listed below or to other such addresses or addressees as may hereafter be designated in writing for notices by either party to the other. A notice shall be deemed received when delivered or three days after deposit in the U.S. Mail, postage prepaid, whichever is earlier.

AQMD: South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765-4178
 Attn: Cynthia Ravenstein, MSRC Contract Administrator

CONTRACTOR: City of Long Beach
 2600 Temple Ave.
 Long Beach, CA 90806
 Attn: Leslie Horikawa-Thiede

16. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR warrants that it will employ no subcontractor without written approval from AQMD. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation, vacation replacements, sick leave, severance pay and pay for legal holidays.
- B. CONTRACTOR shall also pay all federal and state payroll taxes for its employees and shall maintain workers' compensation and liability insurance for each of its employees.
- C. CONTRACTOR, its officers, employees, agents, or representatives shall in no sense be considered employees or agents of AQMD, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by AQMD to its employees.
- D. CONTRACTOR warrants that it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. CONTRACTOR further represents that in performance of this Contract, no person having any such interest shall be employed by CONTRACTOR or any subcontractor.

17. **NON-DISCRIMINATION** - In the performance of this Contract, CONTRACTOR shall not discriminate in recruiting, hiring, promotion, demotion, or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, or physical handicap and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900, *et seq.*), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order. CONTRACTOR shall likewise require each subcontractor to comply with this clause and shall include in each such subcontract language similar to this clause.

18. **AQMD LIEN RIGHTS** - CONTRACTOR agrees AQMD shall have lien rights on any and all equipment and/or vehicles purchased in whole or in part by the CONTRACTOR, under this Contract or any amendments thereto. The AQMD shall have lien rights in effect until the CONTRACTOR satisfies all terms under the Contract, including but not limited to, the use and reporting requirements. **Accordingly, CONTRACTOR further agrees that AQMD is authorized to file a UCC filing statement to secure its interests in the equipment and/or vehicles that are the subject of the Contract.** In the event CONTRACTOR files for bankruptcy protection, CONTRACTOR shall notify AQMD within 10 business days of such filing.

19. **COMPLIANCE WITH APPLICABLE LAWS** - CONTRACTOR agrees to comply with all federal, state, and local laws, ordinances, codes and regulations and orders of public authorities in the performance of this Contract and to ensure that the provisions of this clause are included in all subcontracts.

20. **ASSIGNMENT** - The rights granted hereby may not be assigned, sold, licensed, or otherwise transferred by either party without the prior written consent of the other, and any attempt by either party to do so shall be void upon inception.

21. **NON-EFFECT OF WAIVER** – CONTRACTOR'S or AQMD'S failure to insist upon the performance of any or all of the terms, covenants, or conditions of this Contract, or failure to exercise any rights or remedies hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such

terms, covenants, or conditions, or of the future exercise of such rights or remedies, unless otherwise provided for herein.

22. ATTORNEYS' FEES - In the event any action (including arbitration) is filed in connection with the enforcement or interpretation of this Contract, each party in said action shall pay its own attorneys' fees and costs.
23. FORCE MAJEURE - Neither AQMD nor CONTRACTOR shall be liable or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of AQMD or CONTRACTOR.
24. SEVERABILITY - In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Contract, and the Contract shall then be construed as if such unenforceable provisions are not a part hereof.
25. HEADINGS - Headings on the clauses of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
26. DUPLICATE EXECUTION - This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.
27. GOVERNING LAW - This Contract shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any dispute shall be Los Angeles County, California.
28. PRECONTRACT COSTS - Any costs incurred by CONTRACTOR prior to CONTRACTOR receipt of a fully executed Contract shall be incurred solely at the risk of the CONTRACTOR. In the event that a formal Contract is not executed, neither the MSRC nor the AQMD shall be liable for any amounts expended in anticipation of a formal Contract. If a formal Contract does result, precontract cost expenditures authorized by the Contract will be reimbursed in accordance with the cost schedule and payment provision of the Contract.
29. CHANGE TERMS - Changes to any part of this Contract must be requested in writing by CONTRACTOR, submitted to AQMD and approved by MSRC in accordance with MSRC policies and procedures. CONTRACTOR must make such request a minimum of 90 days prior to desired effective date of change. All modifications to this Contract shall be in writing and signed by both parties.
30. ENTIRE CONTRACT - This Contract represents the entire agreement between the parties hereto related to CONTRACTOR providing services to AQMD and there are no understandings, representations, or warranties of any kind except as expressly set forth herein. No waiver, alteration, or modification of any of the provisions herein shall be binding on any party unless in writing and signed by the party against whom

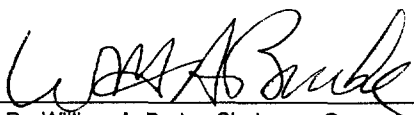
enforcement of such waiver, alteration, or modification is sought. The Statement of Work - Attachment 1, The Payment Schedule - Attachment 2, and Supporting Documentation - Attachment 3, are incorporated by reference herein and made a part hereof.


- 31. **AUTHORITY** - The signator hereto represents and warrants that he or she is authorized and empowered and has the legal capacity to execute this Contract and to legally bind CONTRACTOR both in an operational and financial capacity and that the requirements and obligations under this Contract are legally enforceable and binding on CONTRACTOR.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

CITY OF LONG BEACH

By: 
 Dr. William A. Burke, Chairman, Governing Board

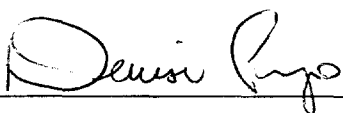
By:  Assistant City Manager
 Name: Patrick H. West
 Title: City Manager

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

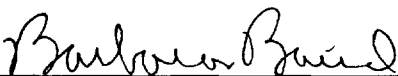
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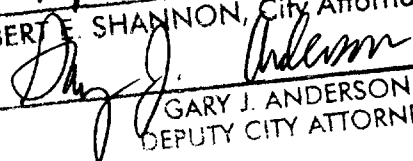
Date: 4.26.10

ATTEST:
Saundra McDaniel, Clerk of the Board

By: 

APPROVED AS TO FORM:
Kurt R. Wiese, General Counsel

By: 

APPROVED AS TO FORM
April 13, 2010
 ROBERT E. SHANNON, City Attorney
 By: 
 GARY J. ANDERSON
 DEPUTY CITY ATTORNEY

**Attachment 1
Statement of Work
City of Long Beach
Hereinafter Referred to as CONTRACTOR
Contract Number ML09036**

Project Description

CONTRACTOR will purchase thirty-five (35) heavy-duty vehicles as specified below.

Statement of Work

Vehicles

CONTRACTOR shall purchase thirty-five (35) heavy-duty vehicles, each with gross vehicle weight rating greater than 14,000 pounds and equipped with dedicated liquefied natural gas-fueled (LNG) engines, as follows:

Vehicles	Life Expectancy	Annual Operation
(4) 17-yard capacity refuse trucks	9 years each	2,750 miles each
(16) 20-yard capacity refuse trucks	9 years each	13,755 miles each
(15) 28-yard capacity refuse trucks	9 years each	10,705 miles each

Each model year 2006 or earlier engine must be certified to a low-emission or optional NO_x standard by the California Air Resources Board (CARB). Each model year 2007 or later natural gas engine must have a CARB NO_x certification at least 30% lower than the comparable diesel-fuel engine. AQMD staff shall be the final arbiters of comparability between engines.

CONTRACTOR shall be reimbursed for vehicles according to the costs stated in Attachment 2 – Payment Schedule.

Promotion

CONTRACTOR shall prepare and submit a proposed Public Outreach Plan to promote the acquisition of the MSRC co-funded vehicles. Acceptable outreach may include, but is not limited to, notices in CONTRACTOR mailings to residents, newspaper notices, flyers, and information items at CONTRACTOR Board meetings and community events. The Public Outreach Plan shall automatically be deemed approved 30 days following receipt by AQMD staff, unless AQMD staff notify CONTRACTOR in writing of a Public Outreach Plan deficiency. CONTRACTOR shall implement the approved Public Outreach Plan in accordance with the Project Schedule below.

**Attachment 1
Statement of Work – continued
City of Long Beach
Hereinafter Referred to as CONTRACTOR
Contract Number ML09036**

Project Schedule (based on date of Contract execution)

Task	Completion
Order vehicles	Month 6
Submit Public Outreach Plan	Month 16
Take delivery and place vehicles in service	Month 23
Implement Public Outreach Plan	Month 24
Quarterly reports	Months 4, 7, 10, 13, 16, 19 and 22
Final Report	Month 24

Hardware: Natural gas-fueled vehicles as listed above.

Reports

Quarterly Reports: Until subject vehicles are entered into service, CONTRACTOR shall provide quarterly progress reports that summarize the project results to date including, but not limited to: tasks completed, issues or problems encountered, resolutions implemented, and progress to date. Progress reports that do not comply will be returned to the CONTRACTOR as inadequate.

Final Report: A Final Report shall be submitted by the CONTRACTOR in the format provided by AQMD staff. Report shall include, at a minimum: a) an executive summary; and b) a detailed discussion of the results and conclusions at this project. CONTRACTOR will identify any barriers encountered and solutions developed to overcome the barriers, and impact of project on future alternative fuel projects.

**Attachment 2
 Payment Schedule
 City of Long Beach
 Hereinafter Referred to as CONTRACTOR
 Contract Number ML09036**

Cost Breakdown

Purchase Category	Maximum AB2766 Discretionary Funds payable under this Contract	Local Gov't Funds Applied	Other Funds Applied	Total Cost
Heavy Duty Natural Gas Vehicles	\$875,000 (not to exceed \$25,000 per vehicle)	\$8,824,126	\$0	<u>\$9,699,126</u>

CONTRACTOR shall be reimbursed according to the amounts stated above per vehicle upon proof of vehicle delivery, vehicle acceptance, and placement of vehicle into service. Documentation of the specific engine installed in the vehicle, including the year, manufacturer, and model, must accompany each request for reimbursement.

If, at the completion of the Project, the expenditures are less than the Total Cost amount above, the actual amount of AB 2766 Discretionary Funds reimbursed to CONTRACTOR shall be adjusted on a prorated basis, so that the amount reimbursed to CONTRACTOR shall not exceed the amount of local funds applied, up to a maximum of \$25,000 per heavy-duty vehicle.

Attachment 3
Supporting Documentation
City of Long Beach
Hereinafter Referred to as CONTRACTOR
Contract Number ML09036

The supporting documents attached hereto as Attachment 3, represent obligations of the CONTRACTOR. Nothing herein shall be construed as an assumption of duties or obligations by the AQMD or granting any rights to third parties against the AQMD.

1. Proof of Self-Insurance.