



# Third-Party Application to Receive Supplemental Environmental Project ("SEP") Funding

SEP Program  
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PO Box 13087  
SEP Coordinator, MC 175 Austin,  
Texas 78711-3087

## Applicant Information

Name of Third-Party Administrator/Applicant (Full legal name) Date  
City of Test Applicant 1/22/21

### Mailing Address

1234 Street  
City, Texas 12345

### Physical Address

1234 Street  
City, Texas 12345

### Contact Person for Application

Name Billy Bob

Title Executive Director

### Contact person submitting Quarterly Reports

Name Bob George

Title Bookkeeper

### Type of organization

(Note: For-profit organizations cannot be Third-Party Administrators of SEP Funds)

Government  Non-profit\*

*\*If non-profit, please provide a copy of your 501(c)(3) exemption*

### PLEASE READ THE FOLLOWING SEP REPORTING REQUIREMENTS

All Third-Party Administrators of SEP Funds must send a Quarterly Report and supporting documentation to the TCEQ. A Quarterly Report form will be sent to each participating organization by TCEQ. Additionally:

- a) Upon receipt of your first SEP contribution, you must establish a separate, interest-free bank account. SEP Funds cannot be comingled with non-SEP Funds.
- b) Allowable expenses must be paid directly from the SEP account. A Third-Party Administrator may not use the SEP Account to reimburse its organization for expenses paid from another account.
- c) Authorized administrative costs may not exceed 10 percent of the direct cost of the SEP. Examples include overhead costs, personnel salary and fringe benefits, and travel and per diem expenses, associated with implementing the SEP.
- d) You must provide a Quarterly Report every quarter, even if contributions are not yet received. Failure to report may result in ineligibility for future funding.

**Explain any previous experience performing SEPs, managing funds, or performing similar projects.**

City of Test Applicant has never performed a SEP. Test Applicant has received numerous grants and successfully managed these funds.

**Does your organization carry comprehensive general liability insurance?**

Yes  No

### **Proposed Project Description**

#### **Proposed Project Name**

Test Applicant Clean School Bus Replacement Program

**Provide a detailed description of the proposed project and how the project will be implemented. Include photographs, if available. (Attach additional pages if needed)**

Older school bus engines emit large amounts of pollutants. These pollutants include particulate matter, nitrogen oxide, carbon monoxide, and non-methane hydrocarbons. Given the city's proximity to the metropolitan Big City area and a multitude of chemical plants, mitigating the air pollution created by these older buses is of particular importance. Test Applicant has a fleet of 70 buses. Of these 70 buses, 35 of these buses are model year 2007 and older ("Older Buses") and remain in daily operation. It is imperative that we begin replacing these Older Buses as quickly as possible. We are pursuing this opportunity to help us begin a replacement cycle that is long overdue and will dramatically reduce the harmful air pollution attributed to such a large number of aging school buses in our fleet. The Replacement Plan projects replacing 5-7 buses each year, however more buses would be replaced initially if the amount of SEP funds received allowed for it. This Replacement Plan is included for your review. Test Applicant shall use SEP funds to purchase newer, lower-emission, school buses ("Replacement Bus") to replace the Older Buses still being used by the district. Test Applicant will ensure the Replacement Bus has an engine that meets 2010 EPA standards and that these Replacement Buses will be owned and operated for at least 5 years following date of purchase. Older Buses that are replaced will follow disposition requirements as set forth by the SEP Vehicle Replacement Disposition form. All funds received for the scrap value of the Older Buses shall become part of the SEP Funds and be reported on the SEP Quarterly Report. Older Buses with greatest deterioration in the fleet will be replaced and decommissioned first.

**Does this project benefit air, water, or waste?** Air  Water  Waste

**What is the specific location of the proposed project? (Include maps and a detailed description of location)**

Test Applicant is located near downtown Big City in City, Texas.

**Who owns the property where the SEP will be conducted?**

Test Applicant owns the property.

**Does the proposed SEP involve correction of a violation that was caused by or for which Applicant is responsible?**

Yes  No  *If yes, please explain.*

This SEP will  or will not  use Applicant's personal for labor. *Please specify who will perform work.*

The buses that will be purchased through SEP funds will be driven by Test Applicant personnel, whose salaries are included in the city's annual budget.

**Will the Applicant be willing to ensure completion of all portions of the SEP, regardless of whether the SEP costs more than anticipated?** Yes  No  *If no, please explain.*

### **Expected Environmental Benefit**

Provide detail on the expected environmental benefits of this project, quantifying the environmental benefits to the extent practical. Even if the benefits seem obvious (e.g. reducing pollution) you must clearly state how the implementation of the SEP will result in measurable environmental benefits.

**For pollution prevention or reduction projects** – Quantify the amount of each pollutant that is expected to be reduced beyond the level required for environmental compliance.

Due to Test Applicants financial situation, funds are not currently available to budget for the proposed bus replacement plan. While Test applicant is committed to implementing this plan eventually, without the assistance of SEP funds, the plan will have to be delayed, until our financial situation improves.

**For all other types of projects-** Quantify the number or participants, programs offered, sites cleaned, types of contamination contained/removed, acres restored or affected, etc.

## **Proposed Project Schedule**

### **Initial Project Implementation Activities (attach documents if needed)**

Bus Replacement Plan Drafted (See attached). SEP application submitted to TCEQ

### **Phase 1 Activities**

Upon SEP approval, Test applicant will begin the process of procuring the replacement bus(es). This will include receiving bids/quotes for the number of buses that will be purchased from SEP funds, awarding the purchase, and placing the order. This process from initial order to delivery date of bus takes approximately 6 months.

### **Phase 2 Activities**

Once Replacement Bus(es) are delivered, the older buses being replaced will be immediately decommissioned and the Replacement Bus(es) will be placed into daily operation. Begin Quarterly SEP reporting.

### **Phase 3 Activities**

Continue to purchase as many replacement buses as allowed by SEP funds each year to get the Replacement Plan to a point that is sustainable by the Test Applicant's budget.

### **Completion Activities**

Replacement plan fully implemented and funds allocated in annual budget to continue the replacement cycle going forward.

**Estimated time needed to complete the proposed project** 5      years and      months

**Proposed Budget Details**

Only necessary costs at a reasonable and customary rate will be approved and incorporated into the Estimated Budget in a SEP Agreement. Examples of non-allowable costs are t-shirts and beverages.

**Proposed Budget**

Enter the proposed budget below. If necessary, attach a separate budget to the application.

No.	Expense Item	Quantity	Price per Item	Total
1.	2020 IC Integrated CE Bus; Cummins Engine B6.7240	35	85,000.00	2,975,000.00
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
			<b>Total Project Cost \$</b>	2,975,000.00

What is the minimum amount of any single contribution your organization will accept?  
 \$ 500.00

**Rate Of Return**

Do you anticipate any financial return on the project? Yes  No   
 If yes, please explain.

**I certify on behalf of the Applicant that the Applicant**

- a) Has not previously committed to perform this project, including a previous obligation to complete the proposed SEP:
  - i. Under any applicable local, state, or federal regulations that would require implementation of this project or any part of this project; and
  - ii. As a part of (1) a pollution prevention commitment identified in a plan developed pursuant to the state's Waste Reduction Policy Act (WRPA); (2) a commitment made under the Clean Texas Program; or (3) the U.S. Environmental Protection Agency's Project XL or any other incentive or regulatory flexibility program;
- b) Is willing and able to perform the proposed project.
- c) Is willing and able to meet all TCEQ reporting requirements.
- d) Is willing and able to maintain SEP Funds in a separate, fee-free, interest-free bank account; and
- e) Will not receive duplicate funding through grants or donation from any source for the project.

**Signature of Authorized Representative**

*Billy Bob*

<b>Printed Name</b>	<b>Title</b>	<b>Date</b>
Billy Bob	Executive Director	1/22/21