

**Van-Con Inc. – Newark, New Jersey Board of Education**

**Environmental Protection Agency (EPA) Clean School Bus (CSB)  
Grant Sub-Agreement**

This Grant Sub-Agreement (Sub-Agreement) is entered into between Van-Con, Inc. (VCI or Grantee) and the The Newark Board of Education (BOE) signed below. VCI and the BOE are each a Party and are together, the Parties to this Sub-Agreement, which becomes effective on the date when signed by both Parties

**RECITALS:**

**WHEREAS**, VCI organized a Group Application on behalf of a number of New Jersey Boards of Education and others that resulted in the award of a \$18,911,861 United States Environmental Protection Agency (EPA) Clean School Bus (CSB) grant to VCI, USEPA Grant Agreement No. 96264224 (effective September 30, 2024); and

**WHEREAS**, BOE was included in the USEPA CSB Group grant and was awarded EPA CSB grant funding for the costs of Type A and C electric school buses, EV charging equipment, and related professional engineering and electrical contractor services as specified on Attachment A; and

**WHEREAS**, USEPA regulations codified at 2 CFR Part 200 et seq. and Grant Agreement No. 96264224 require that VCI as Grantee to enter into this Sub-Agreement with BOE as a recipient of federal grant funds to govern the documentation, disbursement, and use of the USEPA CSB grant funds by the BOE;

**NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE SUFFICIENCY AND RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:**

**1. Procurement in Compliance with Law**

BOE understands and agrees that in order to comply with federal EPA public procurement requirements, the BOE must procure the electric school buses, chargers, professional engineering services, and electrical contractor services in the ordinary course using Sourcewell, ESCNJ, or other recognized county or local purchasing cooperatives. BOE understands and agrees that it may only use the CSB grant funds to contract directly with the school bus vendors, charging equipment vendors, professional engineering firms, and electrical contractors.

**2. Source Documentation Requirements for Disbursement of Grant Funds**

BOE understands and agrees that in order to receive disbursements of EPA CSB grant funds, BOE shall first obtain and provide the following documentation to VCI and go through the following procedure:

Step 1: BOE provides VCI Program Manager with copies of all final vendor Sales Quotes, Invoices, and Proposals for the particular piece of equipment or service and the corresponding BOE Purchase Order (PO), signed subject to the receipt of EPA CSB grant funding;

Step 2: VCI will review and approve the BOE documentation and request disbursement of grant funding from USEPA;

Step 3: VCI will disburse EPA CSB grant funds to the BOE within five (5) business days of receipt of the same;

Step 4: BOE will disburse EPA CSB grant funds for a particular piece of equipment or service including paying for the buses, charging equipment, professional engineering services, or electrical contractor services, within ten (10) business days of receipt of the EPA CSB grant funds from VCI.

### 3. Financial Management of Sub-award Grant Funds

BOE agrees to create a separate bank account and/or separate financial records and accounting system ledger entries relating to the receipt, use, and disbursement or payment of any EPA CSB grant funds. BOE further agrees to disburse any EPA CSB grant funds within 10 business days of BOE's receipt of the same.

### 4. Title to Electric School Buses and 5 Year Period of Operation

BOE agrees to be and remain the title owner of record of all electric school buses acquired with the EPA CSB grant funds. BOE agrees that it will own and operate the electric school buses for a minimum period of at least five (5) years from the date of delivery, unless the award is to an eligible contractor and the contract with the BOE ends before the 5 year period, in which case those school buses may be operated as part of another BOE eligible for the same or higher priority consideration. BOE understands and agrees that the EPA CSB grant funds cannot be used for leasing the buses.

### 5. Existing School Bus Scrappage Requirements

BOE agrees to comply with all of the following USPA CSB scrappage requirements applicable to the buses that will be replaced and scrapped when the new electric school buses arrive:

(a) Be a vehicle model year 2010 or older diesel-powered school buses. If the BOE does not own any eligible 2010 or older diesel school buses and is requesting zero-emission school bus replacements, the fleet may either:

- (i) Scrap 2010 or older non-diesel internal combustion engine buses; or
- (ii) Scrap, sell, or donate 2011 or newer diesel or non-diesel internal combustion engine buses; and

(b) Have a Gross Vehicle Weight Rating (GVWR) of 10,001 lbs or more; and

(c) Be fully operational at the time of application submission. Operational vehicles should be able to start, move, and have all necessary parts to be operational.

(d) Have provided bus service to a public school district for at least 3 days/week on average during the 2022/2023 school year at the time of applying, excluding COVID-related or disaster-related school closures.

**(e) Limited Existing School Bus Scrappage Exception:**

The requirement that applicants scrap, sell, or donate, a bus for every bus purchased may be waived on a case-by-case basis, with EPA approval, for School District Sub-Program grantees if the recipient requested an exception of the bus scrappage requirement at the time of application and:

- a. are prioritized as low-income; AND
- b. are seeking to purchase only ZE school buses; AND
- c. are currently contracting with a private fleet that owns school buses for their school transportation services and the school plans to own the new buses; and
- d. attested, in the Budget Detail section of their Project Narrative, that the current contract provider is unwilling or unable to replace buses serving the district with ZE school buses.

Copies of the official USEPA scrappage forms are attached.

**6. BOE Twice (2X) Per Year Reporting to VCI and Final Report**

BOE agrees that twice (2X) per year, it will provide the VCI Program Manager with a short 2 paragraph written narrative summary of its progress with procurement of the electric buses, professional design engineering services, electrical contractor services, and EV charging equipment among other things. The written narrative summaries will be due to the VCI Program Manager on January 1 and July 1 of every year that the USEPA CSB grant is being administered until submission of the Final Report. For purposes of the Final Report, BOE agrees to prepare a short written narrative summary documenting the receipt and operation of the electric school buses and perceived benefits to the BOE within sixty (60) days of their deployment in normal duty service.

**7. Build America, Buy America Requirement**

BOE understands and agrees that it can only buy and install EV Charging equipment that meets the Build America, Buy America (BABA) requirements of the Infrastructure Investment and Jobs Act (IIJA)(P.L. 117-58). The VCI Program Manager will provide BOE with a listing of BABA compliant EV Charging Equipment.

**8. Electric Vehicle Infrastructure Training Program (EVITP) Requirements**

BOE agrees only to use or hire electricians and electrical contractors to install, operate, or maintain the EV charging and related equipment who carry the Electric Vehicle Infrastructure Training Program (EVITP) certification or are a graduate or hold a continuing education certificate from a registered apprenticeship program for electricians that includes charger-specific training and is developed as part of national guidelines approved by the United States Department of Labor.

9. Records Retention

BOE agrees to retain all records relating to the receipt and disbursement of EPA CSB grant funds including without limitation financial records, supporting documents, accounting books and other evidence of grant documentation and payments for 3 years from the date of VCI's submission of the final expenditure report for the Grant to USEPA.

10. Program Audit

BOE understands that the USEPA may audit BOE's records relating to the use of any of the EPA CSB grant funds, payments, and disbursements at any time.

11. Civil Rights Obligations

BOE agrees that as the recipient of federal grant funding, it must comply with federal statutes and regulations prohibiting discrimination in federal assistance programs, as applicable.

12. Indemnification

BOE agrees to defend and indemnify VCI from and against any and all costs, fines, penalties, or judgments arising from or related to the BOE's unlawful procurement, mis-handling, or mis-use of the EPA CSB grant funds.

Understood, Agreed, and Accepted by the Parties by Signing Below

Grantee:

Van-Con, Inc.

EPA CSB Grant Funds Recipient:

Board of Education \_\_\_\_\_, New Jersey

By: \_\_\_\_\_

(sign name)

By: \_\_\_\_\_

(sign name)

\_\_\_\_\_  
James Sherman

(print name)

\_\_\_\_\_  
Valerie V. Wilson

(print name)

Title: VCI Program Manager

Title: NBOE School Business Administrator/CFO

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

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

Attachment A

BOE EPA CSB Grant Funding Amount & Estimated Pro Forma Budget

Category	Amount	Notes
Type A School Buses		
Type C School Buses		
Professional Engineering		
Electrical Contractor		
EV Charging Equipment		
Total		