THE PORT OF SEATTLE'S ScRAPS 2 TRUCK REPLACEMENT PROGRAM

The goal of the next phase of the Port of Seattle’s Clean Truck program is for all drayage trucks that enter the port’s container terminals to have model-year 2007 or newer engines or meet 2007 federal emissions standards by January 1, 2018. The requirement is aimed at reducing air emissions from port-related activities.

To help truck owners meet the requirement, the port and the Puget Sound Clean Air Agency launched ScRAPS 2 (Seaport Truck Scrappage and Replacements for Air in Puget Sound) in May 2014. The program is funded by state and federal grants and provides $20,000 to $27,000 to eligible owners who scrap old trucks and buy newer ones that meet the standard. See details inside.
Eligibility Requirements for Truck to be Replaced

- Owner/operators and trucking companies may apply. A maximum of 4 trucks per company can be scrapped/replaced with ScRAPS 2 incentives.
- Truck must be operable with remaining useful life.
- Truck and owner must have history of operating at The Northwest Seaport Alliance (Ports of Seattle and Tacoma) terminals, making at least 200 trips over the past 12 months with a minimum of 100 trips to Port of Seattle container terminals.
- Owner must have 12-month history, including current month, of insurance coverage, registration and tonnage.
- Owner must have free and clear title.
- Truck must be registered in the U.S. and operate mainly in the State of Washington.
- Owner must agree to scrap old truck.
- Owner must agree to following terms for operating the replacement truck: maintain valid registration and up-to-date insurance; maintain truck in legal operating condition; correct any air pollution citations and replace/repair damaged, destroyed or missing emission control equipment; continue to perform drayage at The Northwest Seaport Alliance for four years.

Replacement Truck Requirements

Requirements for replacement trucks include:

- In operable condition with no modifications to emissions control systems.
- Remaining useful life of four years.
- Title must be “clean” (no salvage title, accident/repair for sale, etc.).
- Truck must be purchased after owner is accepted into the ScRAPS 2 program (no pre-purchased trucks).
- Must be purchased from a participating ScRAPS 2 dealer.

Comparison of ScRAPS 2 Incentive Programs

<table>
<thead>
<tr>
<th>Replacement Truck Requirements</th>
<th>2007+ Incentive</th>
<th>2010+ Incentive</th>
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</thead>
<tbody>
<tr>
<td>Incentive Amount</td>
<td>50% of replacement truck cost; capped at $20,000</td>
<td>50% of replacement truck cost; capped at $27,000</td>
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<tr>
<td>Replacement Truck’s Engine Year</td>
<td>2007 or newer (1)</td>
<td>2010 or newer (2)</td>
</tr>
<tr>
<td>OEM After-Treatment System (3)</td>
<td>DPF</td>
<td>DPF &amp; SCR (DEF)</td>
</tr>
<tr>
<td>Buy America (4)</td>
<td>Required</td>
<td>Required</td>
</tr>
<tr>
<td>Replacement Truck’s Mileage</td>
<td>No more than 750,000 miles</td>
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</tr>
</tbody>
</table>

(1) For the 2007+ Incentive, the engine in the replacement truck must have been manufactured to meet EPA 2007 emissions standards or better.
(2) For the 2010+ Incentive, the engine in the replacement truck must have been manufactured to meet EPA 2010 emissions standards or better.
(3) Original Equipment Manufacturer (OEM) emissions after-treatment systems may include a Diesel Particulate Filter (DPF), or a combination DPF and Selective Catalytic Reduction (SCR) system requiring the use of Diesel Exhaust Fluid (DEF).
(4) For both the 2007+ and 2010+ Incentives, the 11th digit of the replacement truck’s VIN must confirm that the truck was assembled in the United States and the manufacturer of the replacement truck must be on the list of approved manufacturers maintained by the Puget Sound Clean Air Agency (“Manufacturers of Trucks that are Certified to be Exempt from the Buy America Provision for Using American Iron and Steel”).

Low-Income/Small Business Accommodation

- Those who apply and qualify under the low-income/small business accommodation will have two extra weeks from the time of approval to purchase a replacement truck (a total of 75 days).

The ScRAPS 2 Process

The ScRAPS 2 Program is managed by the Puget Sound Clean Air Agency in partnership with the port and it works like this:

1. Truck owner picks up application at the ScRAPS 2 office or downloads it at www.portseattle.org/r/cleantrucks.
2. Truck owner fills out application and submits it in person at the ScRAPS 2 office (see map on the back page). Application materials and inspection of truck to be scrapped must be completed within two weeks (10 business days) of initial application. If not complete by that time, application will be placed in inactive status.
3. When ScRAPS office approves the application, truck owner will receive a pre-approval letter and a list of participating dealers. Owner has 60 days to identify a replacement truck (75 days for low-income/small business participants). ScRAPS office may grant limited time extensions if owner requests an extension prior to the expiration of a current pre-approval and has already identified a replacement truck.
4. When owner identifies replacement truck, owner will provide ScRAPS 2 office with dealer and truck information.
5. When ScRAPS office approves replacement truck, dealer will send invoice, title and financing documentation to ScRAPS 2 office.
6. ScRAPS 2 office will provide owner with information needed to scrap old truck. Owner must bring scrapping receipt to ScRAPS 2 office to receive a voucher for replacement truck.
7. Owner takes the voucher to dealer to take delivery of the replacement truck. Owner and dealer sign voucher and owner takes possession of replacement truck.
8. Truck owner must register replacement truck in the port’s RFID (radio frequency identification) system and the Port of Tacoma’s drayage truck registry, as needed, following the instructions provided at ScRAPS 2 office and on port web site: www.portseattle.org/r/cleantrucks.

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<table>
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<tr>
<th>Documentation for Low-Income Independent Owner/Operators</th>
<th>Documentation for Trucking Companies Certified as Small Businesses</th>
</tr>
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<tbody>
<tr>
<td>Provide documentation:</td>
<td>Provide documentation of one of the following:</td>
</tr>
<tr>
<td>Adjusted Gross Income (AGI) of 200% of Federal Poverty Level supported by 2014 tax return, based on household size.</td>
<td>King County Small Contractor and Supplier Certification;</td>
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<tr>
<td></td>
<td>Any of the Small Business Enterprise certifications provided by the State of Washington Office of Minority and Women’s Business Enterprises;</td>
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<tr>
<td></td>
<td>Port of Seattle Procurement Roster Management System (PRMS) small business registration.</td>
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"Alliance terminals" refers to marine terminals at Port of Seattle and Port of Tacoma. In August 2015, the ports of Tacoma and Seattle formed The Northwest Seaport Alliance to jointly manage their marine-cargo facilities. More information can be found at www.mwseaportalliance.com. ScRAPS 3, a project to incorporate drayage trips to Tacoma as well as Seattle, will launch in mid-2016.