



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

DAVID CANEPA – CHAIR
PAULINE RUSSO CUTTER
DAVID HUDSON
KAREN MITCHOFF
LORI WILSON

TYRONE JUE – VICE CHAIR
SCOTT HAGGERTY
LIZ KNISS
KATIE RICE

**THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY
EXECUTIVE ORDER N-29-20 ISSUED BY
GOVERNOR GAVIN NEWSOM**

- **THE PUBLIC MAY OBSERVE THIS MEETING THROUGH THE WEBCAST OF THE MEETING BY CLICKING THE LINK AVAILABLE ON THE AIR DISTRICT’S AGENDA WEBPAGE FOR THE MEETING AVAILABLE AT**

www.baaqmd.gov/bodagendas

- **THE PUBLIC MAY PARTICIPATE REMOTELY VIA ZOOM AT THE FOLLOWING LINK OR BY PHONE**

<https://bayareametro.zoom.us/j/91360233363>

669-900-6833 or 408-638-0968

WEBINAR ID: 913 6023 3363

- **THOSE PARTICIPATING BY PHONE WHO WOULD LIKE TO MAKE A COMMENT CAN USE THE “RAISE HAND” FEATURE BY DIALING “*9”. IN ORDER TO RECEIVE THE FULL ZOOM EXPERIENCE, PLEASE MAKE SURE YOUR APPLICATION IS UP TO DATE**

- **COMMENTS MAY ALSO BE SUBMITTED VIA EMAIL AT**

Comments@baaqmd.gov

**THURSDAY
SEPTEMBER 24, 2020
11:30 A.M.**

AGENDA

1. CALL TO ORDER - ROLL CALL

PUBLIC MEETING PROCEDURE

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

This meeting will be webcast. To see the webcast, please visit www.baaqmd.gov/bodagendas at the time of the meeting. Closed captioning may contain errors and omissions and are not certified for their content or form.

***Email Comment on Agenda Items:** The public may comment on each item on the agenda. Email Comments for items on the agenda must be submitted to Comments@baaqmd.gov prior to the Committee taking up the particular item and indicate the agenda item to which the comment relates. Emailed comments will be considered as the agenda item is taken up by the Committee. Emailed comments containing 250 words or less will be read aloud by staff. Emailed comments exceeding 250 words may be summarized during the meeting, if feasible.*

Staff/Phone (415) 749-

2. APPROVAL OF THE MINUTES OF JUNE 18, 2020

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Mobile Source Committee meeting of June 18, 2020.

3. PROJECTS AND CONTRACTS WITH PROPOSED GRANT AWARDS OVER \$100,000

K. Schkolnick/5070

kschkolnick@baaqmd.gov

The Committee will consider recommending the Board of Directors approve the award of Carl Moyer Program and Transportation Fund for Clean Air Program funding to projects with proposed grant awards in excess of \$100,000 and authorize the Executive Officer/APCO to execute grant agreements for the recommended projects.

4. **AMENDMENTS TO THE TRANSPORTATION FUND FOR CLEAN AIR'S REGIONAL FUND AND COUNTY PROGRAM MANAGER FUND POLICIES FOR FISCAL YEARS ENDING 2018, 2019, 2020, AND 2021**

K. Schkolnick/5070

kschkolnick@baaqmd.gov

The Committee will consider recommending the Board of Directors approve proposed amendments to the Transportation Fund for Clean Air's Regional Fund and County Program Manager Policies for Fiscal Years Ending 2018, 2019, 2020, and 2021, to support operators of existing Shuttle/Feeder Bus Service.

5. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

Emailed comments indicating the comment pertains to non-agenda matters will be considered under this item. Emailed comments containing 250 words or less will be read aloud by staff. Emailed comments exceeding 250 words may be summarized during the meeting, if feasible.

6. **COMMITTEE MEMBER COMMENTS**

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

7. **TIME AND PLACE OF NEXT MEETING**

Thursday, October 22, 2020, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 11:30 a.m.

8. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at rsanders@baaqmd.gov

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SAN FRANCISCO, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE:

MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

SEPTEMBER 2020

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Ad Hoc Committee on Equity, Access, & Inclusion – CANCELLED AND RESCHEDULED TO THURSDAY, SEPTEMBER 10, 2020 AT 9:30 A.M.	Thursday	17	10:00 a.m.	Webcast only pursuant to Executive Order N-29-20
Advisory Council Meeting – CANCELLED AND RESCHEDULED TO FRIDAY, OCTOBER 9, 2020 AT 9:00 A.M.	Tuesday	22	9:00 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Mobile Source Committee	Thursday	24	11:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Climate Protection Committee	Wednesday	30	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Legislative Committee	Wednesday	30	11:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Budget & Finance Committee	Wednesday	30	1:30 p.m.	Webcast only pursuant to Executive Order N-29-20

OCTOBER 2020

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Stationary Source Committee	Thursday	1	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Personnel Committee	Monday	5	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Regular Meeting	Wednesday	7	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Advisory Council Meeting	Friday	9	9:00 a.m.	Webcast only pursuant to Executive Order N-29-20

OCTOBER 2020

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting or Executive Committee	Wednesday	21	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Budget & Finance Committee	Thursday	22	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Mobile Source Committee	Thursday	22	11:30 a.m.	Webcast only pursuant to Executive Order N-29-20

ADG – 9/17/2020 – 9 AM

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BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Canepa and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 17, 2020

Re: Approval of the Minutes of June 18, 2020

RECOMMENDED ACTION

Approve the attached draft minutes of the Mobile Source Committee (Committee) meeting of June 18, 2020.

DISCUSSION

Attached for your review and approval are the draft minutes of the Mobile Source Committee meeting of June 18, 2020.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 2A: Draft Minutes of the Committee Meeting of June 18, 2020

AGENDA: 2A – ATTACHMENT

Draft Minutes – Mobile Source Committee Meeting of June 18, 2020

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105
(415) 749-5073

DRAFT MINUTES

Summary of Board of Directors
Mobile Source Committee Meeting
Thursday, June 18, 2020

This meeting was conducted under procedures authorized by executive order N-29-20 issued by Governor Gavin Newsom. Members of the committee participated by teleconference.

1. CALL TO ORDER – ROLL CALL

Mobile Source Committee (Committee) Chair, David Canepa, called the meeting to order at 9:31 a.m.

Present: Chairperson David Canepa; Vice Chair Tyrone Jue; and Directors Scott Haggerty, David Hudson, Liz Kniss, Karen Mitchoff, Katie Rice, and Lori Wilson.

Absent: Director Pauline Russo Cutter.

Also Present: Board Chairperson Rod Sinks.

2. APPROVAL OF THE MINUTES OF MAY 20, 2020

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Kniss made a motion, seconded by Director Rice, to **approve** the Minutes of May 20, 2020; and the motion carried by the following vote of the Committee:

AYES: Canepa, Haggerty, Hudson, Kniss, Rice, Sinks.
NOES: None.
ABSTAIN: None.
ABSENT: Cutter, Jue, Mitchoff, Wilson.

3. PROJECTS AND CONTRACTS WITH PROPOSED GRANT AWARDS OVER \$100,000

Karen Schkolnick, Division Director of Strategic Incentives, gave the staff presentation *Projects and Contracts with Proposed Grant Awards Over \$100,000*, including: overview; Carl Moyer Program (CMP), Mobile Source Incentive Fund (MSIF), Community Health Protection (CHP), and Funding Agricultural Replacement Measures for Emission Reductions (FARMER) project recommendations over \$100,000; Transportation Fund for Clean Air (TFCA) project recommendations over \$100,000; incentive funding awarded and recommended since July 2019 by funding source, project category, and county; status of solicitations; and recommended actions.

NOTED PRESENT: Vice Chair Jue was noted present at 9:40 a.m., and Director Wilson was noted present at 9:50 a.m.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the scope of Project #21MOY150 at San Francisco International Airport; a hydrogen ferry project that the Air District is managing using funds from the California Air Resources Board; whether project grantees ever provide program feedback to the Air District; the metric used by the Air District to measure actual emissions reductions from a project; whether there are repercussions for project grantees whose projects are not utilized when completed; the concern about certain applicants having advantages over others who may have a lack of resources and knowledge about Air District funding opportunities; whether the Air District takes into account how frequently a grantee has been awarded funds (for previous projects at the time they apply); and the suggestion of targeting outreach for grant funding opportunities to smaller businesses/organizations and offering them management and administrative assistance during the application process.

Committee Action

Director Rice made a motion, seconded by Director Mitchoff, to recommend that the Board **approve** recommended projects with proposed grant awards over \$100,000 and **authorize** the Executive Officer/Air Pollution Control Officer to enter into all necessary agreements with applicants for the recommended projects;

AYES: Canepa, Haggerty, Hudson, Jue, Kniss, Mitchoff, Rice, Sinks, Wilson.
NOES: None.
ABSTAIN: None.
ABSENT: Cutter.

4. REVISE ALLOCATION OF FISCAL YEAR ENDING (FYE) 2021 TRANSPORTATION FUND FOR CLEAN AIR FUNDING

Ms. Schkolnick gave the staff presentation *Revise Allocation of Fiscal Year Ending 2021 Transportation Fund for Clean Air Funding*, including: overview; TFCA background; Board-approved FYE 2021 funding allocation; clean air vehicles (Clean Cars for All) funding; Enhanced Mobile Source Inspections and Commuter Benefits; proposed changes for FYE 2021; and recommended actions.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed whether the Air District has appropriated any funds for telecommuting efforts; the request that the entire Board receive an update on the Air District's Remote Work Policy Clearinghouse, and the status of Santa Clara County's telecommuting benefits analysis; how to move forward with certain Air District programs in light of the fact that many Bay Area workers are experiencing presently high unemployment rate and low wages; and the suggestion that the Air District issues a Request for Proposals regarding video conferencing technology, comparable to Zoom.

Committee Action

Director Hudson made a motion, seconded by Director Kniss, to recommend that the Board **approve** the proposed increase to the allocation of TFCA in FYE 2021 for two Air District-sponsored programs, and **authorize** the proposed change to cost-effectiveness limits for the Air District-sponsored programs and projects; and the motion carried by the following vote of the Committee:

AYES: Canepa, Haggerty, Hudson, Jue, Kniss, Mitchoff, Rice, Sinks, Wilson.
NOES: None.
ABSTAIN: None.
ABSENT: Cutter.

5. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

6. COMMITTEE MEMBER COMMENTS

None.

7. TIME AND PLACE OF NEXT MEETING

At the conclusion of the meeting, the next meeting was to be held at the Call of the Chair. After the meeting adjourned, the next meeting was scheduled for Thursday, September 24, 2020, at 11:30 a.m., via webcast, pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newsom.

8. ADJOURNMENT

The meeting adjourned at 10:42 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Canepa and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 17, 2020

Re: Projects and Contracts with Proposed Grant Awards Over \$100,000

RECOMMENDED ACTIONS

Recommend Board of Directors:

1. Approve recommended projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (CARB), since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of nitrogen oxides (NO_x), reactive organic gases (ROG), and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, and stationary agricultural pump engines.

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code (HSC) Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible under the CMP.

On March 4, 2020, the Board of Directors (Board) authorized Air District participation in Year 22 of the CMP and authorized the Executive Officer/APCO to execute grant agreements and amendments for projects funded with CMP funds or MSIF revenues with individual grant award amounts up to \$100,000.

In 2017, AB 617 directed CARB, in conjunction with local air districts to establish the Community Air Protection Program (CAPP). AB 617 provides a new community-focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in communities most impacted by air pollution. AB 617 includes a variety of strategies to address air quality issues in impacted communities, including community-level monitoring, uniform emission reporting across the State, stronger regulation of pollution sources, and incentives for both mobile and stationary sources. Funding for incentives to support the AB 617 effort was approved by the California Legislature beginning in fiscal year ending 2018. In May 2020, the Governor issued a revised budget that authorized up to \$200 million for a third cycle of CAPP incentive funding. Funding for the CAPP comes from the State's Greenhouse Gas Reduction Fund (GGRF), which is used to reduce emissions including criteria pollutants, toxic air contaminants, and greenhouse gases. On June 17, 2020, the Board authorized the Air District to accept, obligate, and expend up to \$40 million in year-3 CAPP funding. These funds are primarily distributed through the Air District's Community Health Protection Grant Program to implement projects eligible under the CMP and optionally on-road truck replacements under the Proposition 1B Goods Movement Emission Reduction Program. Staff has also been working with CARB to expand eligibility to potentially also include non-regulated stationary source projects that will result in direct reductions of toxic air contaminants or criteria air pollutants and projects that are identified as priorities in communities with a State-approved Community Emissions Reduction Program, pursuant to HSC Section 44391.2.

CARB developed the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines in February 2018 that outlines requirements for eligible equipment, e.g., agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations. On October 21, 2019, CARB's Executive Officer approved an additional project category, demonstration projects, eligible under the FARMER Program. The 2020 California State Budget appropriated \$65 million in Fiscal Year 2019-20 GGRF funds to the CARB for the continued reduction of criteria, toxic, and greenhouse gas emissions from the agricultural sector through the FARMER Program. On November 20, 2019, the Board authorized the Air District's participation in the current cycle of the FARMER program.

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority and requirements for the Transportation Fund for Clean Air (TFCA) are set forth in the Health and Safety Code (HSC) Sections 44241 and 44242. Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air program) and to a program referred to as the Regional Fund. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA monies. The remaining forty percent of TFCA funds are pass-through funds that are awarded to the designated County Program Manager in each of the nine counties within the Air District's jurisdiction.

On April 15, 2020 and July 15, 2020, the Board authorized funding allocations for use of the 60% of the TFCA revenue in Fiscal Year Ending (FYE) 2021, cost-effectiveness limits for Air District-sponsored FYE 2021 programs, and the Executive Officer/APCO to execute grant agreements and amendments for projects with individual grant award amounts up to \$100,000. On June 3, 2020, the Board adopted policies and evaluation criteria for the FYE 2021 Regional Fund program.

Projects with grant award amounts over \$100,000 are brought to the Mobile Source Committee for consideration at least on a quarterly basis. Staff reviews and evaluates grant applications based upon the respective governing policies and guidelines established by the CARB, the Board, and other funding agencies.

DISCUSSION

Carl Moyer Program and Community Health Protection Grant Program:

For the FYE 2021, the Air District has more than \$42 million available from MSIF, Community Health Protection Grant Program, FARMER and CMP funds for eligible projects, including approximately \$3.4 million from prior year funds. The Air District accepts project applications on a rolling basis and evaluates them on a first-come, first-served basis.

As of August 24, 2020, the Air District had received or evaluated 13 project applications. Of the applications that have been evaluated between July 1, 2020 and August 24, 2020, three eligible projects have proposed grant awards over \$100,000. These projects will replace 12 pieces of mobile, diesel powered, agricultural equipment. These projects will reduce over 1.21 tons of NO_x, ROG and PM per year. Staff recommends the allocation of \$555,700 for these projects from a combination of CMP, FARMER, Community Health Protection, and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2 lists all of the eligible projects that have been awarded by the Air District as of August 24, 2020, and includes information about equipment category, award amounts, estimated emissions reductions, and county location. Approximately 9% of the funds awarded to date have been awarded to projects that reduce emissions in highly impacted Bay Area communities.

Transportation Fund for Clean Air Program:

For the FYE 2021, the Air District has approximately \$33.23 million in TFCA monies available for eligible Vehicle Trip Reduction and Clean Air Vehicle projects and programs. The Air District accepts project applications for the open Regional Fund project categories on a rolling basis and evaluates them on a first-come, first-served basis.

As of August 24, 2020, the Air District had received or evaluated four project applications. Of the applications that have been evaluated between July 1, 2020 and August 24, 2020, one eligible project has a proposed grant award over \$100,000. This project will install 1.9 miles of Class IV bikeway and is estimated to reduce over 0.22 tons of NO_x, ROG, and PM per year. Staff recommends an allocation of \$200,790 for this project. Attachment 1, Table 2, provides additional information on this project.

Attachment 3, Table 1, lists all eligible TFCA projects that have been evaluated and awarded between July 1, 2019 and August 24, 2020, including information about project category, award amount, estimated emissions reduction, and county location. Approximately 34% of TFCA funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District distributes the CMP, MSIF, Community Health Protection Grant Program, and TFCA funding to project sponsors on a reimbursement basis. Funding for administrative costs is provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alona Davis, Linda Hui, and Ken Mak
Reviewed by: Karen Schkolnick and Chengfeng Wang

- Attachment 1: Projects with grant awards greater than \$100,000
- Attachment 2: CMP/MSIF, FARMER and Community Health Protection Grant Program projects awarded and allocated between 7/1/20 and 8/24/20
- Attachment 3: TFCA projects awarded and allocated projects between 7/1/20 and 8/24/20
- Attachment 4: Summary of funding awarded and allocated between 7/1/20 and 8/24/20

AGENDA 3 - ATTACHMENT 1

Table 1 - Carl Moyer Program/ Mobile Source Incentive Fund, FARMER, and Community Health Protection Grant Program projects with grant awards greater than \$100k (Evaluated between 7/1/20 and 8/24/20)

Project #	Applicant name	Project Category	Project Description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NO _x	ROG	PM	
21MOY214	Robledo Vineyard Mgmt LLC	Ag/ off-road	Replacement of five diesel powered agricultural tractors	\$255,400	\$319,464	0.563	0.092	0.061	Sonoma/ Napa
21MOY228	Turnbull Wine Cellars	Ag/ off-road	Replacement of three diesel powered agricultural tractors	\$130,200	\$162,894	0.191	0.037	0.026	Napa
21MOY239	Michael Wolf Vineyard Services Inc.	Ag/ off-road	Replacement of four diesel powered agricultural tractors	\$170,100	\$213,552	0.206	0.016	0.021	Napa
3 Projects				\$ 555,700	\$ 695,910	0.960	0.144	0.108	

Table 2 - Transportation Fund for Clean Air projects with grant awards greater than \$100k (Evaluated between 7/1/20 and 8/24/20)

Project #	Applicant name	Project Category	Project Description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NO _x	ROG	PM	
20R32	City of Hayward	Bicycle Facilities	Install 1.9 miles of Class IV bikeways in Hayward	\$ 200,790	\$ 223,100	0.040	0.055	0.134	Alameda
1 Project				\$ 200,790	\$ 223,100	0.040	0.055	0.134	

AGENDA 3 - ATTACHMENT 2

*CMP/MSIF, FARMER and Community Health Protection Grant Program projects awarded and allocated
(between 7/1/20 and 8/24/20)*

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
21MOY203	Ag/ off-road	Equipment replacement	1	\$ 60,000.00	Rider Vineyards dba Joseph Rider	0.104	0.005	0.006	APCO	Napa
21MOY198	On-road	Equipment replacement	1	\$ 10,000.00	EPP Transport, LLC	0.181	0.015	0.000	APCO	Alameda
21MOY206	Ag/ off-road	Equipment replacement	2	\$ 90,840.00	Hudson Vineyards LLC	0.162	0.005	0.009	APCO	Napa
21MOY210	On-road	Equipment replacement	1	\$ 20,000.00	Samuel's Trucking	0.466	0.039	0.003	APCO	Alameda
21MOY217	On-road	Equipment replacement	1	\$ 25,000.00	Daxin Trucking, LLC.	0.566	0.048	0.000	APCO	Alameda
21MOY208	Ag/ off-road	Equipment replacement	2	\$ 76,300.00	M. German & Son Partnership	0.345	0.055	0.028	APCO	Solano
21MOY209	Ag/ off-road	Equipment replacement	1	\$ 48,800.00	Lum Family Farms Inc	0.145	0.026	0.018	APCO	Solano
21MOY214	Ag/ off-road	Equipment replacement	5	\$ 255,400.00	Robledo Vineyard Mgmt LLC	0.563	0.092	0.061	TBD	Sonoma/ Napa
21MOY212	On-road	Equipment replacement	1	\$ 40,000.00	Ram Harak & Son Trucking	0.352	0.030	0.002	APCO	Alameda
21MOY235	Ag/ off-road	Equipment replacement	1	\$ 82,580.00	Mertens Dairy	0.213	0.038	0.028	APCO	Sonoma
21MOY228	Ag/ off-road	Equipment replacement	3	\$ 130,200.00	Tumbull Wine Cellars	0.191	0.037	0.026	TBD	Napa
21MOY239	Ag/ off-road	Equipment replacement	4	\$ 170,100.00	Michael Wolf Vineyard Services Inc.	0.206	0.016	0.021	TBD	Napa
12 Projects			23	\$ 1,009,220.00		3.495	0.405	0.203		

AGENDA 3 - ATTACHMENT 3

Table 1 - TFCA projects awarded and allocated (between 7/1/20 and 8/24/20)

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board/ APCO Approval Date	CARE Area	County
					NO _x	ROG	PM			
20R30	Bicycle Facilities	Upgrade 12.6 miles of Class II bikeways to Class IV in Fremont	\$130,000	City of Fremont	0.005	0.006	0.014	7/15/20	No	Alameda
20R31	Bicycle Facilities	Install and maintain 520 electronic bicycle locker spaces at 22 Caltrain stations in San Francisco, San Mateo and Santa Clara counties	\$1,041,000	Peninsula Corridor Joint Powers Board	0.097	0.139	0.306	7/15/20	No	Multi-County
20R32	Bicycle Facilities	Install 1.9 miles of Class IV bikeways in Hayward	\$200,790	City of Hayward	0.040	0.055	0.134	Pending	Yes	Alameda
21HMF01	LD Vehicles	Lease and operate 200 light-duty electric vehicles	\$1,000,000	Flexdrive Services, LLC	0.241	0.132	0.297	7/15/20	Yes	Regional
21R02	LD Vehicles	Vehicle Buy Back Program	\$300,000	BAAQMD	N/A	N/A	N/A	6/3/20	No	Regional
21R04	LD Vehicles	Clean Cars For All	\$5,000,000	BAAQMD	N/A	N/A	N/A	7/15/20	TBD*	Regional
21R01	Trip Reduction	Enhanced Mobile Source & Commuter Benefits Enforcement	\$850,000	BAAQMD	N/A	N/A	N/A	6/3/20	No	Regional
21R03	Trip Reduction	Spare The Air/Intermittent Control Programs	\$2,290,000	BAAQMD	N/A	N/A	N/A	6/3/20	No	Regional
Total		8 Projects	\$10,811,790		0.383	0.333	0.750			

*Funds have been allocated to the Clean Cars for All Program and will be awarded to eligible individuals on a first-come, first-served basis.

AGENDA 3 - ATTACHMENT 4

Figures 1-3 Summary of funding awarded and allocated between 7/1/20 and 8/24/20 from the following revenue sources:

- Carl Moyer Program (CMP)
- Community Health Protection Program (CHP)
- Funding Agricultural Replacement Measures for Emission Reductions (FARMER)
- Mobile Source Incentive Fund (MSIF)
- Transportation Fund for Clean Air (TFCA)

Figure 1. Status of FYE 2021 funding by source includes funds awarded, recommended for award, and available

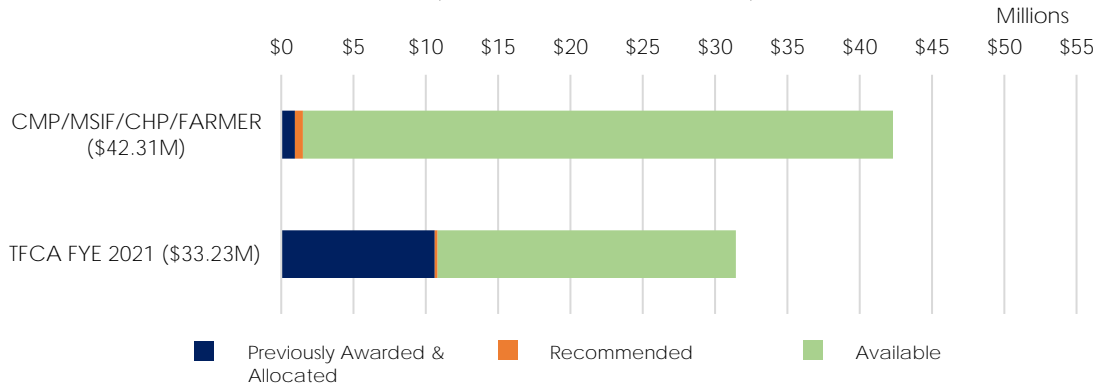


Figure 2. Funding awarded and allocated in FYE 2021 by county: includes funds awarded & recommended for award

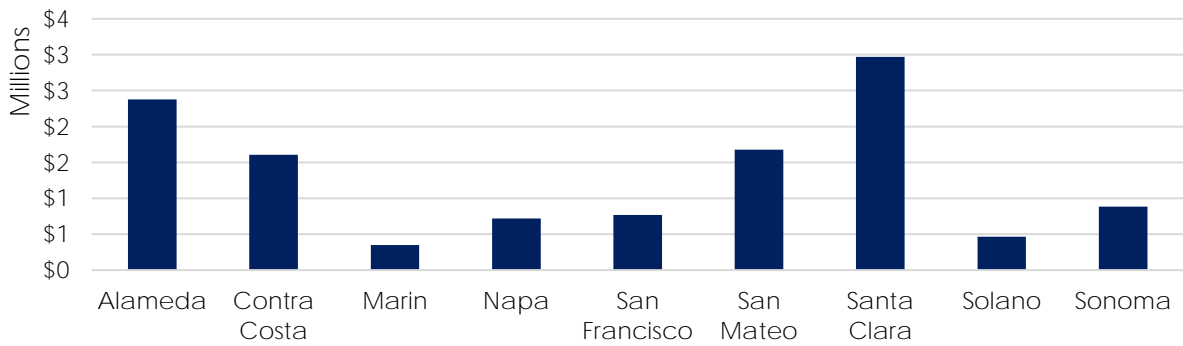
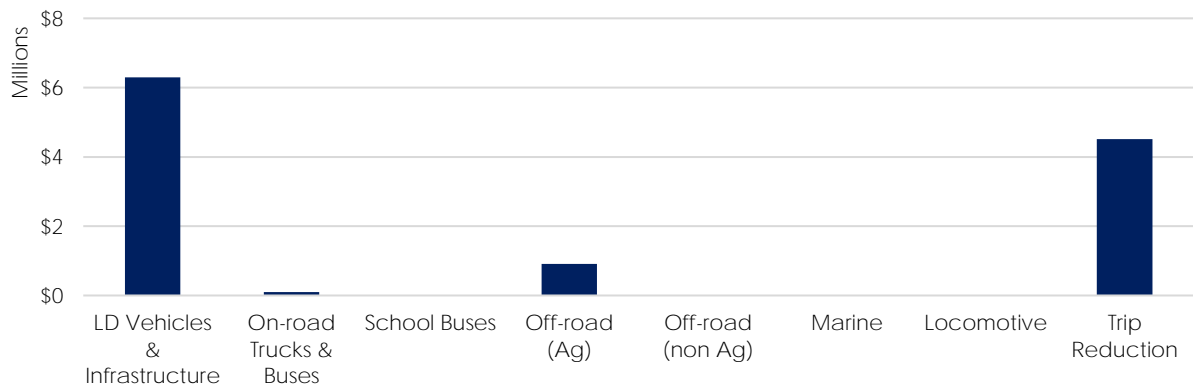


Figure 3. Funding awarded and allocated in FYE 2021 by project category includes funds awarded & recommended for award



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Canepa and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 17, 2020

Re: Amendments to the Transportation Fund for Clean Air's Regional Fund and County
Program Manager Policies for Fiscal Years Ending 2018, 2019, 2020, and 2021

RECOMMENDED ACTION

Recommend the Board of Directors approve amendments to the Transportation Fund for Clean Air (TFCA) Regional Fund and County Program Manager (CPM) Policies for Fiscal Years Ending (FYE) 2018, 2019, 2020, and 2021, to allow up to 24 months for projects to commence and to remove restrictions regarding match funding requirements for the Existing Shuttle/Feeder Bus Service project category, as shown in Attachment A.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on each motor vehicle registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority and requirements for the TFCA are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242. The authorizing legislation requires that the Air District's Board of Directors (Board) adopt cost-effectiveness criteria that govern the use of the TFCA funds.

Sixty percent of TFCA funds are allocated annually by the Board to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air) and to a program referred to as the Regional Fund. The remaining forty percent (40%) of TFCA funds are passed-through to the CPM Fund, based on each county's proportionate share of vehicle registration fees paid, and awarded by the nine designated agencies within the Air District's jurisdiction.

At least annually, the Board considers updates to the Regional Fund Policies and Evaluation Criteria and the CPM Fund Policies, both of which establish the eligibility and evaluation criteria for projects and award of TFCA funding. These policies include both general requirements, applicable to all TFCA-funded projects, and project category-specific requirements. This report discusses proposed amendments to the TFCA Regional Fund and CPM Fund Policies for FYE 2018, 2019, 2020, and 2021.

DISCUSSION

Given the recent economic uncertainties and impacts from the shelter-in-place orders, many project sponsors and potential applicants have contacted the Air District regarding concerns about their TFCA-funded projects. Staff have been working to identify opportunities for streamlining requirements and have identified two opportunities, regarding project commencement dates and matching funds requirements (for shuttle projects), that require Board action that are discussed below. Staff will continue to review streamlining opportunities and will bring any that require Board action to future Mobile Source Committee meetings for discussion and Board consideration.

Readiness (Regional Fund Policy #8 & County Program Manager Fund Policy #6):

Staff is recommending a change to the Regional Fund and CPM Fund Policies to allow active and newly awarded projects up to 24 months of time to commence. The authorizing legislation requires that TFCA-funded projects be completed within two years unless a project sponsor's application states that the project will take a longer period to implement and is approved by the Air District or the designated CPM agency. A longstanding interpretation of this policy has been to require projects to be "shovel-ready" at the time of application to ensure their timely completion and reduction of air pollution; however, given the current conditions, staff is recommending this change to proactively provide additional flexibility to project sponsors and reduce their administrative burden.

Existing Shuttle/Feeder Bus Services (Regional Fund Policy #28):

Staff is also proposing a policy change to remove language under Regional Fund policy 28.g., that specifies that only driver wages and fuel costs may be applied toward the matching fund requirement for shuttle projects. Removal of this limitation would align the requirements of matching funds for shuttle projects with all other project categories, which are subject to Policy #5: Viable Project and Matching Funds, and Policy #20: Administrative Costs.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. TFCA funds are generated from the Department of Motor Vehicles registration fees and distributed to sponsors of eligible projects on a reimbursement basis. Administrative costs are also covered by TFCA.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Linda Hui
Reviewed by: Karen Schkolnick and Chengfeng Wang

Attachment A: Amendments to the TFCA Regional Fund and County Program Manager Fund
Policies (redlined)

TFCA Regional Fund Policies

FYE 2018

8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year 2018 or a total of ~~2412~~ months from the date of execution of funding agreement by the Air District, whichever is later. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the projects’ operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. “Commence” can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.

28. Existing Shuttle/Feeder Bus Services:

- g. ~~Reserved. Matching funds must be provided to cover at least 10% of the total project cost and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) and the administrative costs paid for by TFCA Regional Funds;~~

FYE 2019

8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year 2019 or within ~~2412~~ months from the date of execution of the funding agreement with the Air District, whichever is later. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the project’s operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. “Commence” includes, but is not limited to, the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.

28. Existing Shuttle/Feeder Bus Services:

- g. ~~Reserved. Matching funds must be provided to cover at least 10% of the total project cost and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) of the project;~~

FYE 2020

8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year 2020 or within ~~2412~~ months from the date of execution of the funding agreement with the Air District, whichever is later. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the project’s operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. “Commence” includes, but is not limited to, the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.

28. Existing Shuttle/Feeder Bus Services:

Agenda 4, Attachment A: Amendments to the TFCA Regional Fund and County Program Manger Fund Policies (redlined)

- g. ~~Reserved Matching funds must be provided to cover at least 10% of the total project cost and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) of the project;~~

FYE 2021

- 8. **Readiness:** Unless otherwise specified in policies #22 through 33, projects must commence by the end of calendar year 2021 or within ~~24~~ months from the date of execution of the funding agreement with the Air District, whichever is later. For purposes of this policy, “commence” means either (a) a discrete, necessary and tangible action, such as the issuance of a purchase order to secure project vehicles or equipment or the delivery of the award letter for a construction contract, taken for a project to begin implementation, or (b) commencement or continuation of transportation service, such as shuttle/feeder bus or ridersharing service, for which the project sponsor can provide documentation of date the action occurred.

28. Existing Shuttle/Feeder Bus Services:

- g. ~~Reserved Matching funds must be provided to cover at least 10% of the total project cost and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) of the project;~~

TFCA County Program Manager Fund Policies

FYE 2018

- 6. **Readiness:** Projects must commence by the end of calendar year 2018 or within 24 months from the date of execution of the funding agreement with the subgrantee, whichever is later. For purposes of this policy, “commence” means a tangible -action taken in connection with the project’s operation or implementation, for which the grantee can provide documentation of the commencement date and action performed. “Commence” can mean the issuance of a purchase order to secure project vehicles and equipment, commencement of shuttle/feeder bus and ridesharing service, or the delivery of the award letter for a construction contract.

FYE 2019

- 6. **Readiness:** Projects must commence by the end of calendar year 2019 or within 24 months from the date of execution of the funding agreement with the subgrantee, whichever is later. For purposes of this policy, “commence” means a tangible action taken in connection with the project’s operation or implementation, for which the grantee can provide documentation of the commencement date and action performed. “Commence” can mean the issuance of a purchase order to secure project vehicles and equipment, commencement of shuttle/feeder bus and ridesharing service, or the delivery of the award letter for a construction contract.

Agenda 4, Attachment A: Amendments to the TFCA Regional Fund and County Program Manger Fund Policies (redlined)

FYE 2020

6. **Readiness:** Projects must commence by the end of calendar year 2020 or within 24 months from the date of execution of the funding agreement with the subgrantee, whichever is later. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the project’s operation or implementation, for which the grantee can provide documentation of the commencement date and action performed. “Commence” includes, but is not limited to, the issuance of a purchase order to secure project vehicles and equipment, commencement of shuttle/feeder bus and ridesharing service, or the delivery of the award letter for a construction contract.

FYE 2021

6. **Readiness:** Projects must commence by the end of calendar year 2021 or within 24 months from the date of execution of the funding agreement with the subgrantee, whichever is later. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the project’s operation or implementation, for which the grantee can provide documentation of the commencement date and action performed. “Commence” includes, but is not limited to, the issuance of a purchase order to secure project vehicles and equipment, commencement of shuttle/feeder bus and ridesharing service, or the delivery of the award letter for a construction contract.