



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 3

Projects and Contracts with Proposed Grant Awards over \$100,000

Mobile Source Committee Meeting
March 25, 2020

Karen Schkolnick
Director
Strategic Incentives Division

Overview



- Background
- Proposed projects with awards over \$100,000
- Overview of Fiscal Year Ending (FYE) 2020 funds
 - ✓ Status of funding by revenue source
 - ✓ Awards by project type and county
- Recommended Actions

Carl Moyer Program & Mobile Source Incentive Fund



- **Carl Moyer Program (CMP)**
 - Created in 1998 to reduce emissions from heavy-duty engines
 - Voluntary program that funds surplus emission reductions

- **Mobile Source Incentive Fund (MSIF)**
 - Assembly Bill (AB) 923 (2004) allowed for additional \$2 motor vehicle registration fee surcharge
 - CMP and Lower Emission School Bus Program (LESBP) projects eligible for MSIF funding

Community Health Protection Grant Program (CHP)



- Created by AB 134 (2017) appropriation of \$50 million (M) from the Greenhouse Gas Reduction Fund (GGRF) to reduce mobile source emissions, including criteria pollutants, toxic air contaminants, and greenhouse gases in Bay Area AB 617 communities
- Senate Bill (SB) 856 (2018) continued support for these projects awarding \$40M for emission reduction projects under the CMP, Proposition 1B Goods Movement Emission Reduction Program, and select stationary sources

CMP/MSIF & CHP



- **On February 6, 2019, Air District Board of Directors**
 - Approved participation in CMP Year 21
 - Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000

- **On April 3, 2019, Air District Board of Directors**
 - Approved acceptance of SB 856 grant funding for the Community Health Protection Grant Program (CHP)

CMP/MSIF & CHP Project Recommendations over \$100k

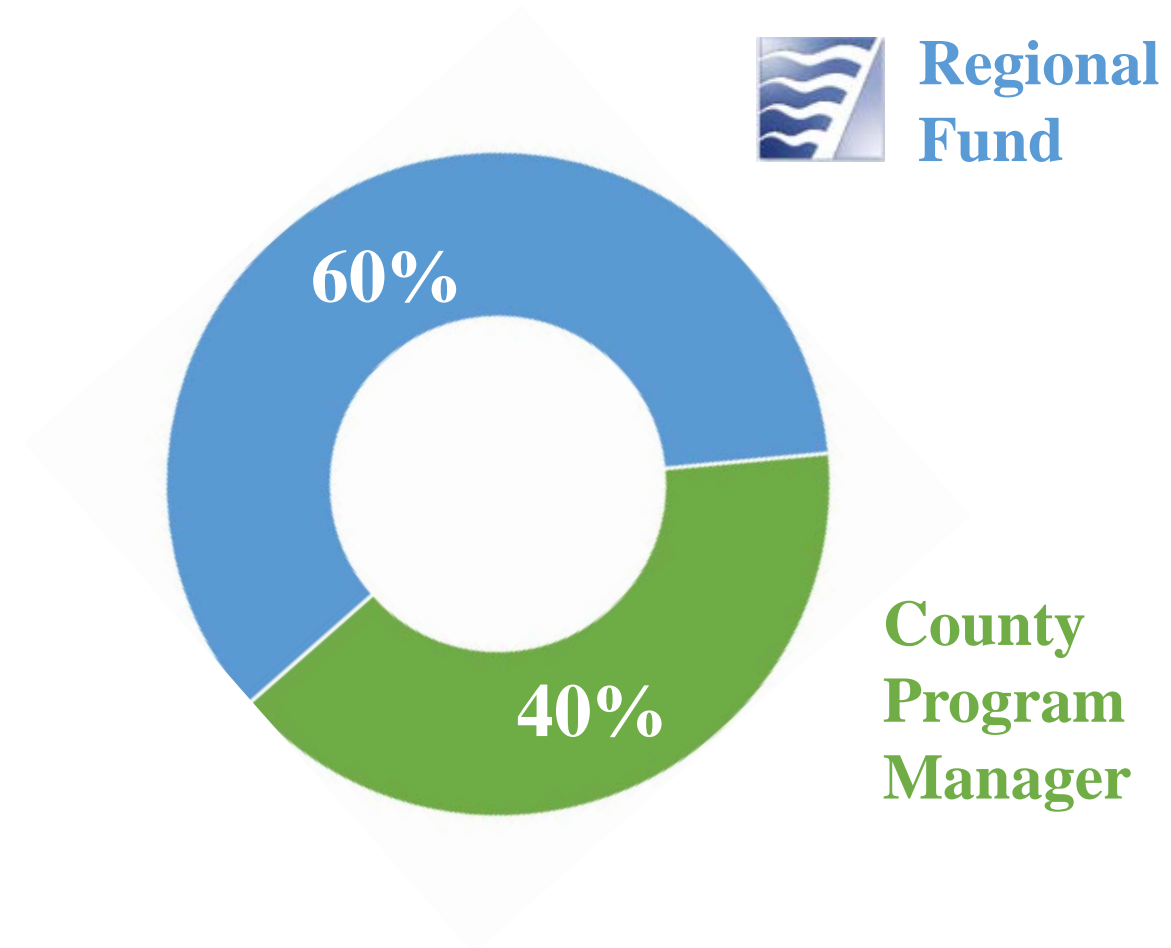


- **\$1,686,235 in CMP/MSIF & CHP funds for two (2) projects**
 - Two (2) marine engines
 - Seven (7) electric school buses and infrastructure
(~\$152k increase in original award approved on May 1, 2019)
- **Emissions Reductions**
 - Over 1.18 tons per year (TPY) of criteria pollutants

Transportation Fund for Clean Air (TFCA)



- Statutory authority set forth in California Health and Safety Code Sections 44241 and 44242
- Funding provided by a \$4 surcharge on motor vehicles



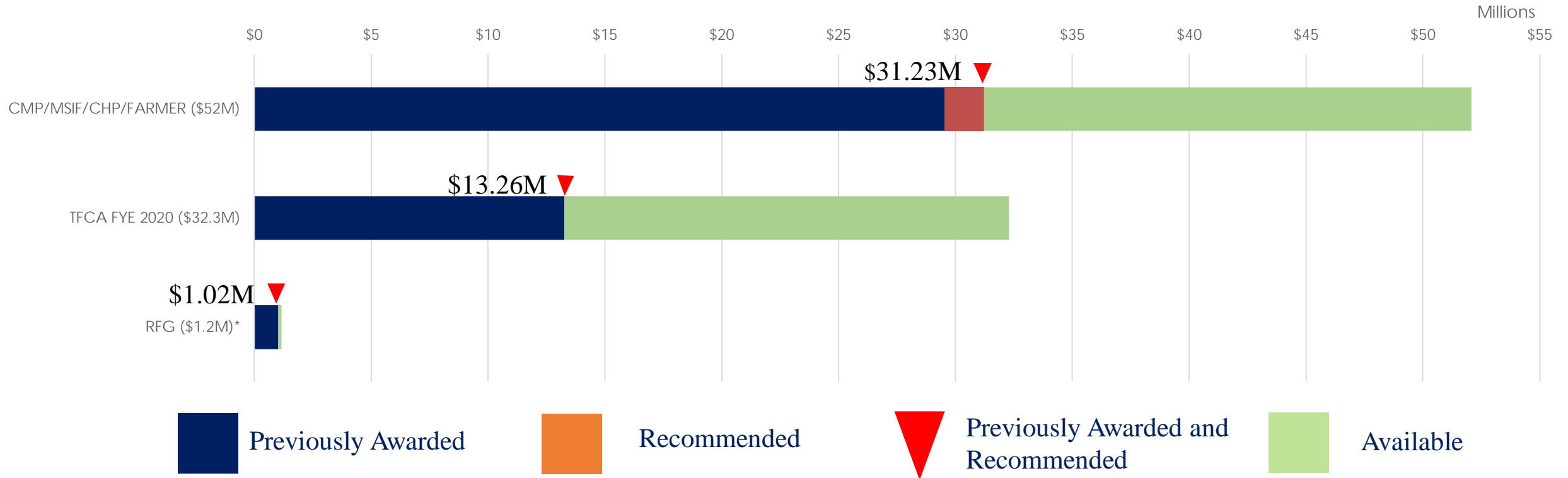


- **On April 3, 2019, Air District Board of Directors**
 - Allocated \$32.3M of TFCA funds for FYE 2020 projects
 - Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000

- **On June 5, 2019, Air District Board of Directors**
 - Adopted policies and evaluation criteria for the FYE 2020 TFCA Regional Fund program

- **None of the eligible projects evaluated during this period requested over \$100,000**

Status of Incentive Funding Awarded Since July 2019, by Funding Source









* Includes awards from FYE 2019

Funds Recommended & Awarded by Project Category Since July 2019



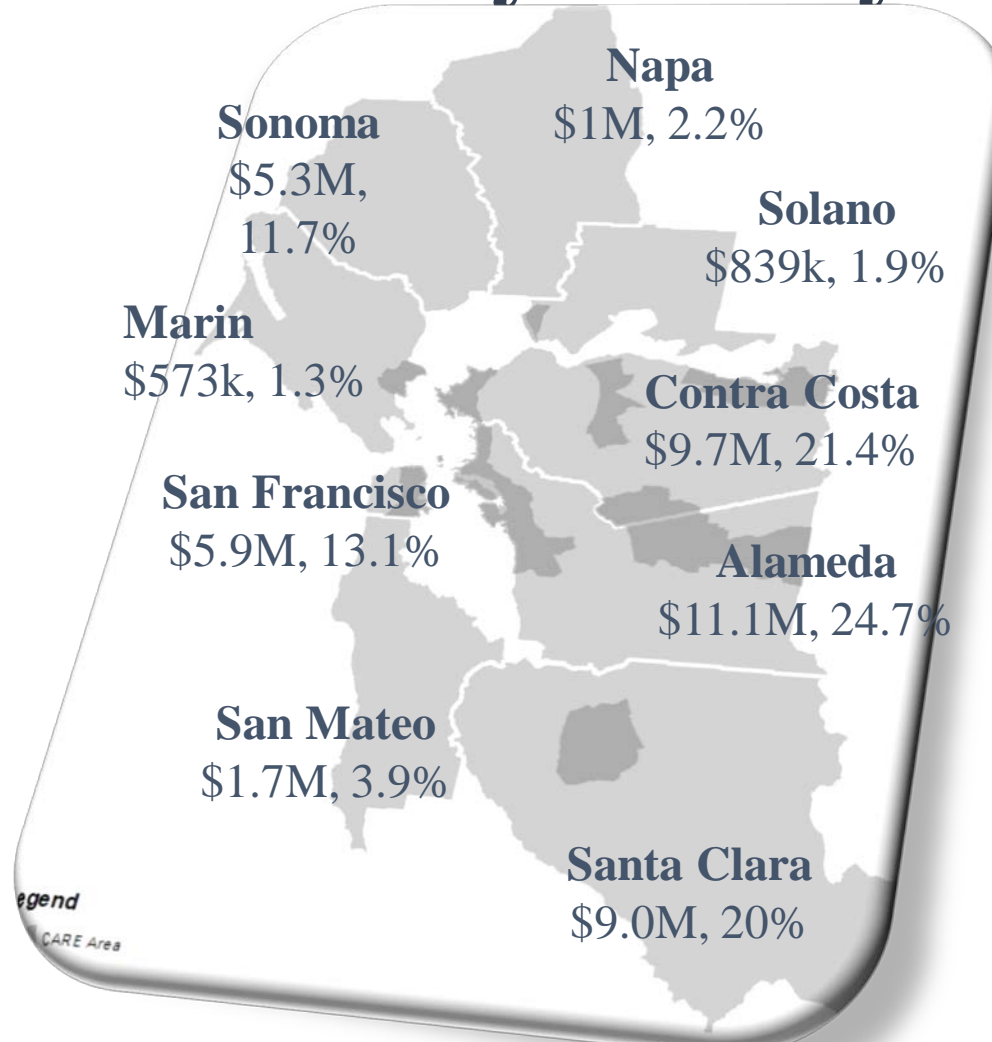
Total = ~\$45.5 M*

List of projects is shown in Attachments 2 and 3

					
Light-duty Cars & Infrastructure	On-road Trucks & Buses	School Buses	Off-road	Off-road Marine & Locomotive	Trip Reduction
\$5.9 M	\$1.6 M	\$12 M	Ag: \$3.7 M Non-Ag: \$3.4 M	\$12.1 M	\$6.8 M

*Includes awards from CMP/MSIF/CHP/FARMER, TFCRA Regional Fund, and RFG

Funds Recommended & Awarded by County Since July 2019



List of projects is shown in Attachments 2 and 3

Total = ~ \$45.5 M*



* Includes awards from CMP/MSIF/CHP/FARMER, TFCA Regional Fund, and RFG

Status of Solicitations



Program Name, Description, and Website	Status	Revenue Source
Carl Moyer Funding to replace heavy-duty on- & off-road vehicles and equipment, marine engines, and locomotives www.baaqmd.gov/moyer	Open	CMP, MSIF, CHP, FARMER
Community Health Protection Grant Program Funding to replace old, high-polluting vehicles and equipment www.baaqmd.gov/ab617grants	Open	California Climate Investments
Lower-Emission School Bus Program Funding for bus replacements, engine repowers or electric conversions, natural gas tank replacements, and electric charging & alternative fueling infrastructure projects www.baaqmd.gov/lesbp	Open	CMP, MSIF, CHP
Vehicle Buy Back Program Funding to scrap 1996 and older vehicles and equipment www.baaqmd.gov/vbb	Open	MSIF
Clean Cars for All Funding for low-income owners to retire and replace their vehicles with a cleaner option www.baaqmd.gov/cleancarsforall	Open	California Climate Investments
Vehicle Trip Reduction (Bicycle Facilities) Funding for bicycle facility projects to reduce single-occupancy vehicle trips www.baaqmd.gov/tripreduction	Open	TFCA
Climate Tech Finance Program Subsidized financing to help Bay Area facilities adopt emerging technologies that reduce greenhouse gas emissions www.baaqmd.gov/ctf	Open	IBank

Recommended Actions



Recommend the 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.



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 4

Fiscal Year Ending 2021 Transportation Fund for Clean Air Program Funding Allocation

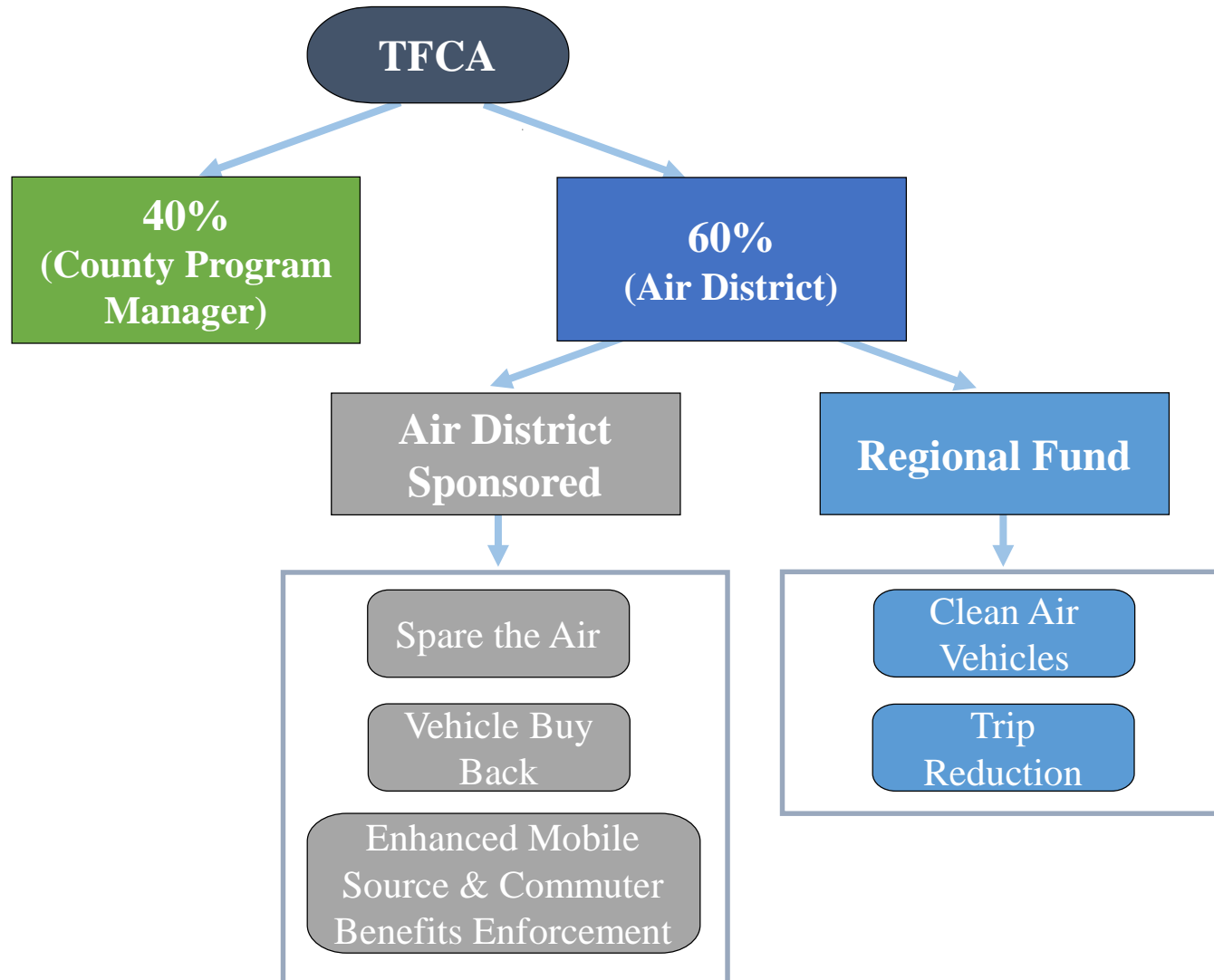
Mobile Source Committee Meeting
March 25, 2020

Karen Schkolnick
Director
Strategic Incentives Division

Overview

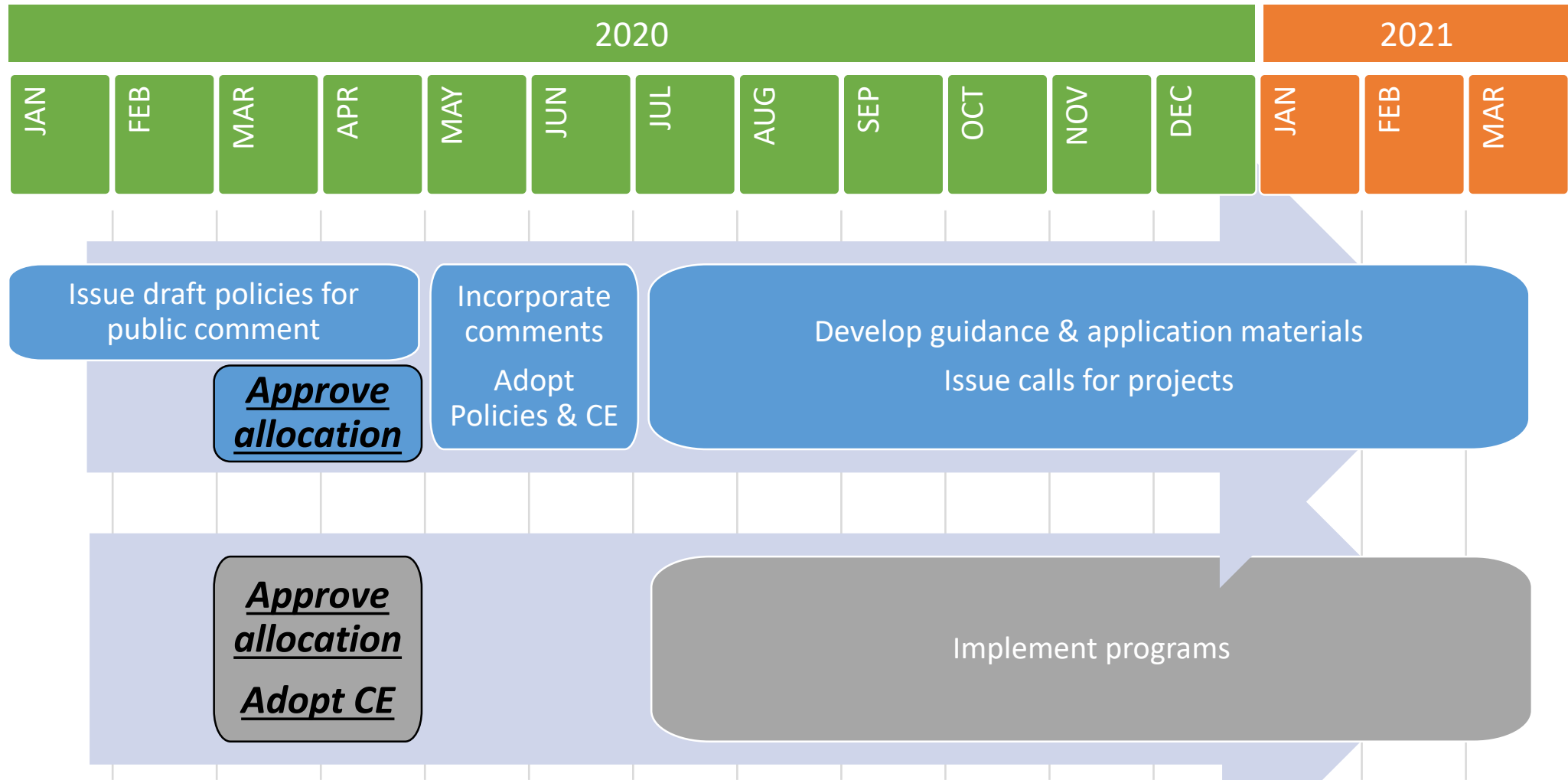


- Background
- Proposed for Transportation Fund for Clean Air (TFCA) in Fiscal Year Ending (FYE) 2021:
 - Funding allocation for Regional Fund and Air District-sponsored programs
 - Cost-effectiveness limits for Air District-sponsored programs
- Recommended Actions



- Established in 1991 to fund projects that reduce on-road motor vehicle emissions
- Revenue from \$4 motor vehicle registration fee surcharge
- Statutory authority set forth in California Health and Safety Code Sections 44241 & 44242
- Air District Board of Directors (Board) approves funding and updates policies & cost-effectiveness (C-E) criteria annually

FYE 2021 TFCA Timeline



Regional Fund

Air District Sponsored

Issue draft policies for public comment

Approve allocation

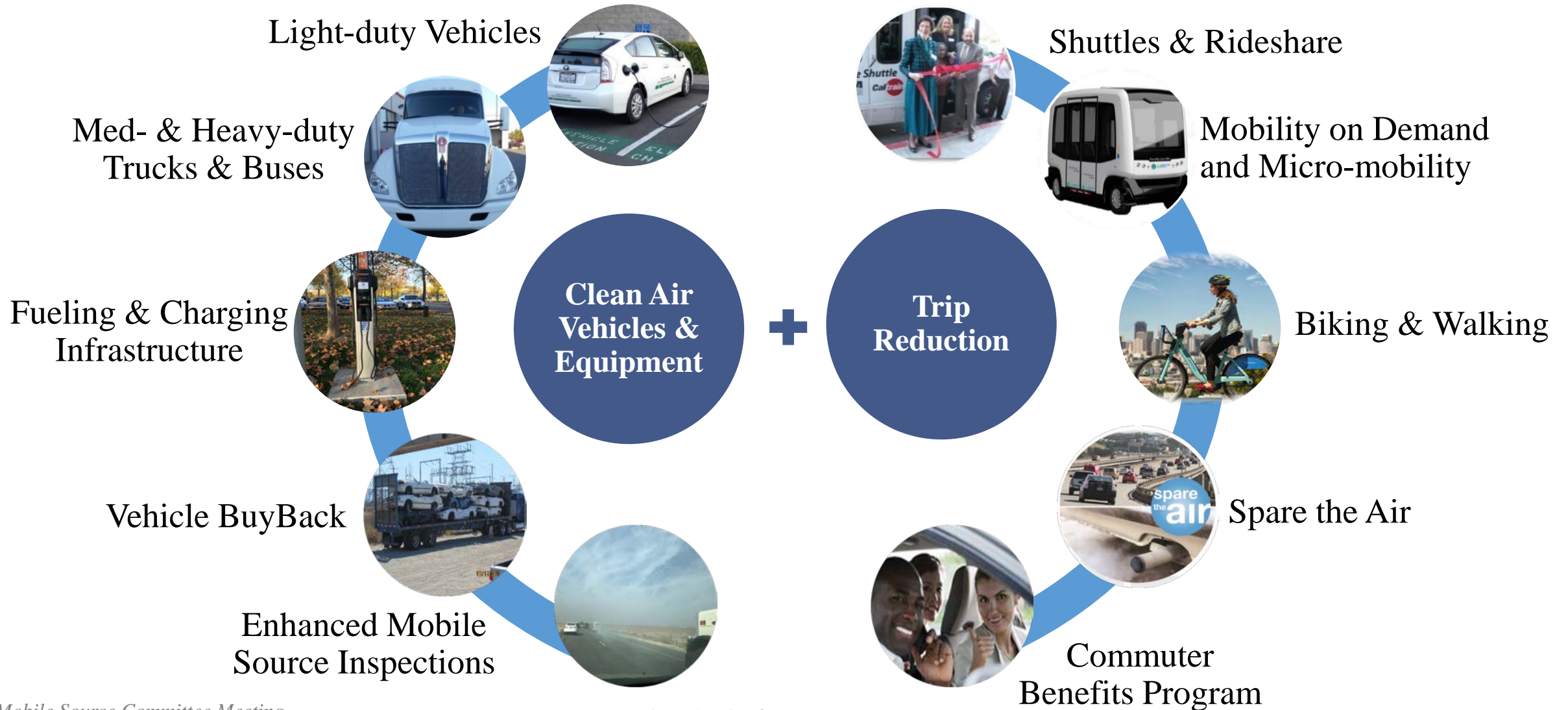
Incorporate comments
Adopt Policies & CE

Develop guidance & application materials
Issue calls for projects

Approve allocation
Adopt CE

Implement programs

TFCA Strategies to Reduce Emissions



Proposed FYE 2021 TFCA Funding Allocation



Program Categories	Estimated New TFCA Monies (millions)	Estimated Carryover (millions)	Total Estimated Funds Available (millions)
Trip Reduction	\$4.89	\$3.11	\$8.00
Clean Air Vehicles	\$6.00	\$9.00	\$15.00
Spare the Air	\$2.29	\$0.00	\$2.29
Enhanced Mobile Source & Commuter Benefits Enforcement	\$0.15	\$0.00	\$0.15
Vehicle Buy Back	\$0.30	\$0.00	\$0.30
Total Funding Available for Projects & Programs	\$13.63	\$12.11	\$25.74
Administrative & Audit	\$1.80	\$0.00	\$1.80

**Carryover funds are unobligated TFCA funds from prior years and funds from projects that were recently completed under budget or canceled.*

Trip Reduction

\$8 Million (M) total



- **Bicycle Facilities**

- Bikeways
- Secure bicycle parking

- **Infrastructure Improvements**

- Physical improvements to expand access to mass transit e.g. ferry, bus, rail

- **Transportation Services**

- Carpool, vanpool and rideshare
- Existing shuttle through Spare the Air program



Clean Air Vehicles

\$15 M total



- **Zero-Emission Vehicles**

- Light-, med-, and heavy-duty fleets, e.g., trucks and buses
- Clean Cars for All
- Electric vehicle charging stations
- Hydrogen dispensing facilities



- **Vehicle Scrapping**

- High polluting cars and motorcycles



Air District-Sponsored Programs

\$2.74 M total



- Vehicle Buy Back - **\$0.30 M**
- Spare the Air - **\$2.29 M**
- Enhanced Mobile Source Inspections & Commuter Benefits Program - **\$0.15 M**



Proposed Cost-Effectiveness Limits

Air District-Sponsored Programs



Program Categories	Max. C/E (per ton of emissions reduced)	Project Operational Period (in Years)	Notes
Spare the Air	\$90,000	1	No Change
Enhanced Mobile Source & Commuter Benefits Enforcement	\$90,000	1	No Change
Vehicle Buy Back	N/A	3	No Change

**C/E is calculated by dividing TFCA funds awarded by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted particulate matter (PM10) over the project operational period.*

Recommended Actions



Recommend the Board of Directors:

1. Approve the proposed allocation of the estimated new Transportation Fund for Clean Air, or TFCA, monies to the programs and projects listed in Table 1;
2. Authorize the proposed cost-effectiveness limits for the Air District-sponsored programs and projects listed in Table 2, and;
3. Authorize the Executive Officer/APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1