



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 3

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

**Mobile Source Committee Meeting
April 22, 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 Action

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 additional \$2 vehicle registration fee surcharge
 - May fund projects eligible under CMP guidelines

Community Health Protection Grant Program (CHP)



- Created by AB 134 (2017) 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 and authorized \$40 million (M) for from the Greenhouse Gas Reduction Fund (GGRF) for Bay Area emission reduction projects eligible under the CMP and Proposition 1B Goods Movement Emission Reduction Program guidelines, 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



- **\$16,471,194 in CMP/MSIF & CHP funds for six (6) projects to replace:**
 - Four (4) pieces of off-road airport equipment
 - One (1) agricultural loader
 - Four (4) pieces of off-road construction equipment
 - 40 transit buses
- **Install infrastructure at:**
 - Port of Oakland, AC Transit, SFO
- **Emissions Reductions**
 - Over 5.9 tons per year (TPY) of criteria pollutants

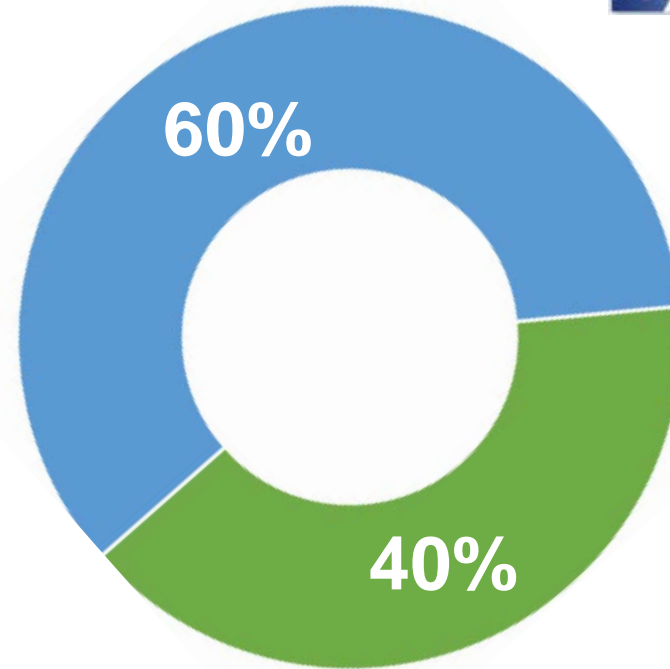
Transportation Fund for Clean Air (TFCA)



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



Regional Fund



County Program Manager



- **On April 3, 2019, Air District Board of Directors**
 - Allocated \$32.3M of TFCRA 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 TFCRA Regional Fund program
- **No projects over \$100k this reporting period**

Reformulated Gasoline (RFG) Settlement Fund



- **RFG Open Grants Program**

- Antitrust class action for clean air & fuel efficiency benefits for Californians through competitive grants to non-profits
- Most of \$7M in funding was awarded in 2010

- **On November 11, 2017, Air District Board of Directors**

- Authorized acceptance of up to \$2M from Bay Area Clean Air Foundation and authorized the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend funding

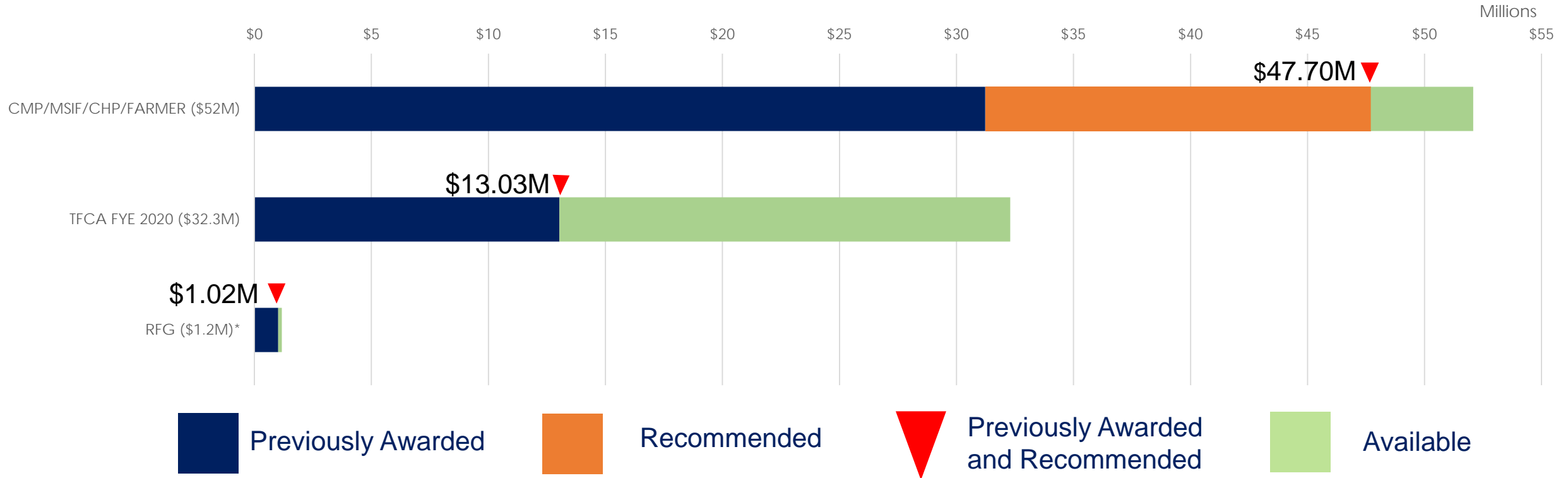
Reformulated Gasoline (RFG) Settlement Fund (Cont'd)



- **On December 5, 2017, Bay Area Clean Air Foundation Board**
 - Entered into contract for \$1.3M

- **No projects over \$100k this reporting period**

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



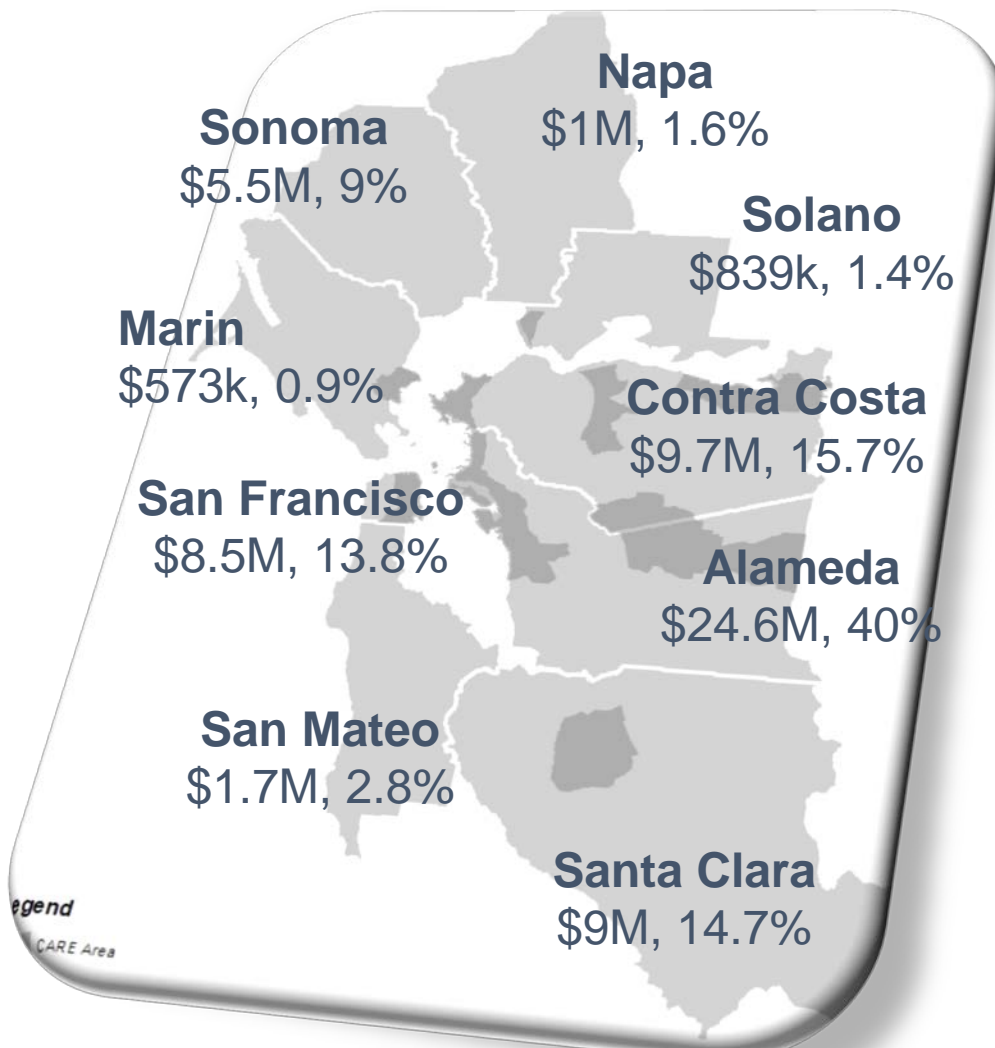
Total = ~\$61M*

List of projects is shown in Attachments 2 & 3

					
Light-duty Cars & Infrastructure	On-road Trucks & Buses	School Buses	Off-road	Off-road Marine & Locomotive	Trip Reduction
\$5.9M	\$14.7M	\$12M	Ag: \$3.9M Non-Ag: \$6.6M	\$12.1M	\$6.6M

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

Funds Recommended & Awarded by County Since July 2019



List of projects is shown in Attachments 2 & 3

Total = \$~61M*



* 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
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AGENDA: 4

Selection of Vehicle Buy Back Program Contractors

Mobile Source Committee Meeting
April 22, 2020

Karen Schkolnick
Director, Strategic Incentives Division

Overview



- Background
- Request for Proposals (RFP) process
- RFP results
- Recommended Actions



Background



Voluntary program to retire & scrap older, high-polluting, operable & registered vehicles

- Currently \$1,000 paid for vehicles model year 1996 and older
- Beginning July 2020, changes (increases) to \$1,200 per vehicle for model year 1997 and older
- Staff evaluating options for adding motorcycles



Background (cont'd)



Air District contracts with vendors to:

- Advertise and inform potentially eligible owners
- Answer questions
- Review participants' qualification and file Department of Motor Vehicle (DMV) paperwork
- Reimburse vehicle owners; and
- Dismantle vehicles

Funding Sources

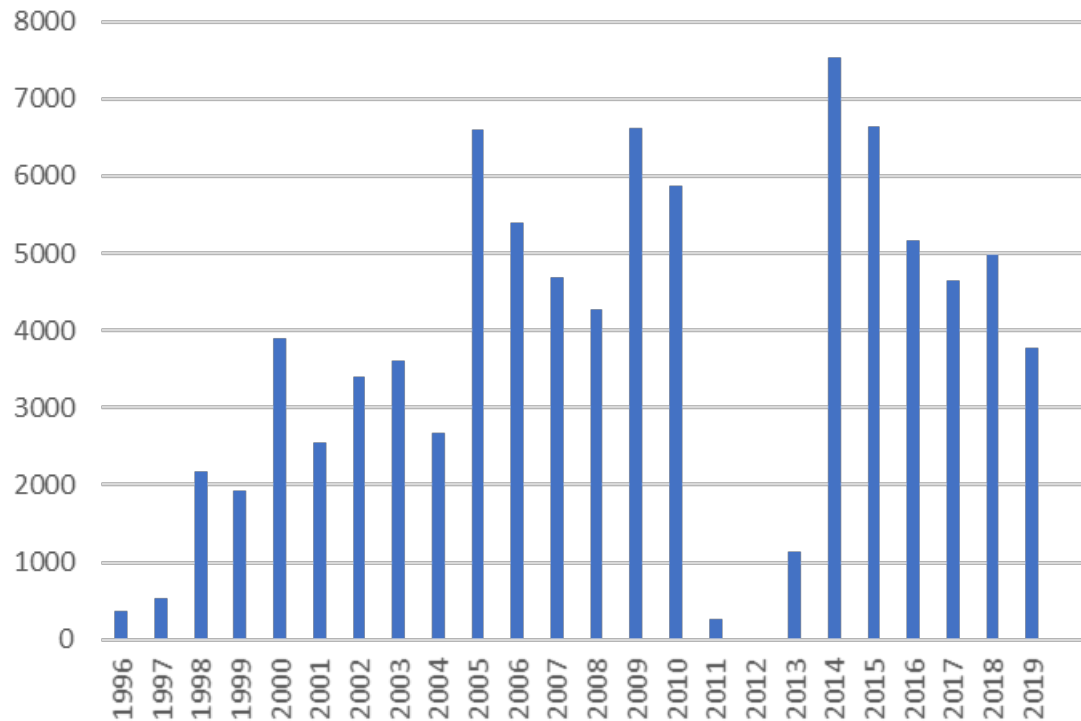


- **Carl Moyer Program (CMP)**
 - Created in 1998 to reduce emissions from heavy-duty engines
 - Voluntary program that funds surplus emission reductions
- **Transportation Fund for Clean Air (TFCA)**
 - Statutory authority set forth in CA Health & Safety Code §44241 & 44242
 - Funding provided by a \$4 surcharge on motor vehicles
- **Mobile Source Incentive Fund (MSIF)**
 - Assembly Bill (AB) 923 (2004) allowed for additional \$2 vehicle registration fee surcharge
 - Funds projects eligible under CMP guidelines

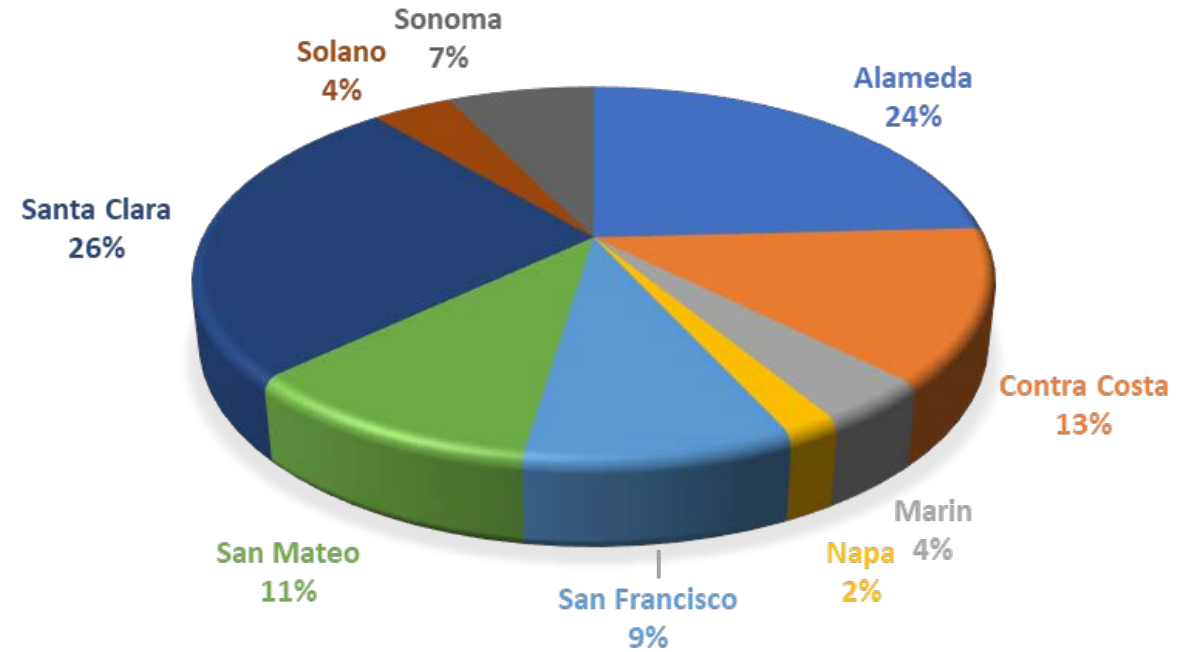
Program Results Since 1996



VBB Program - Vehicles retired by year

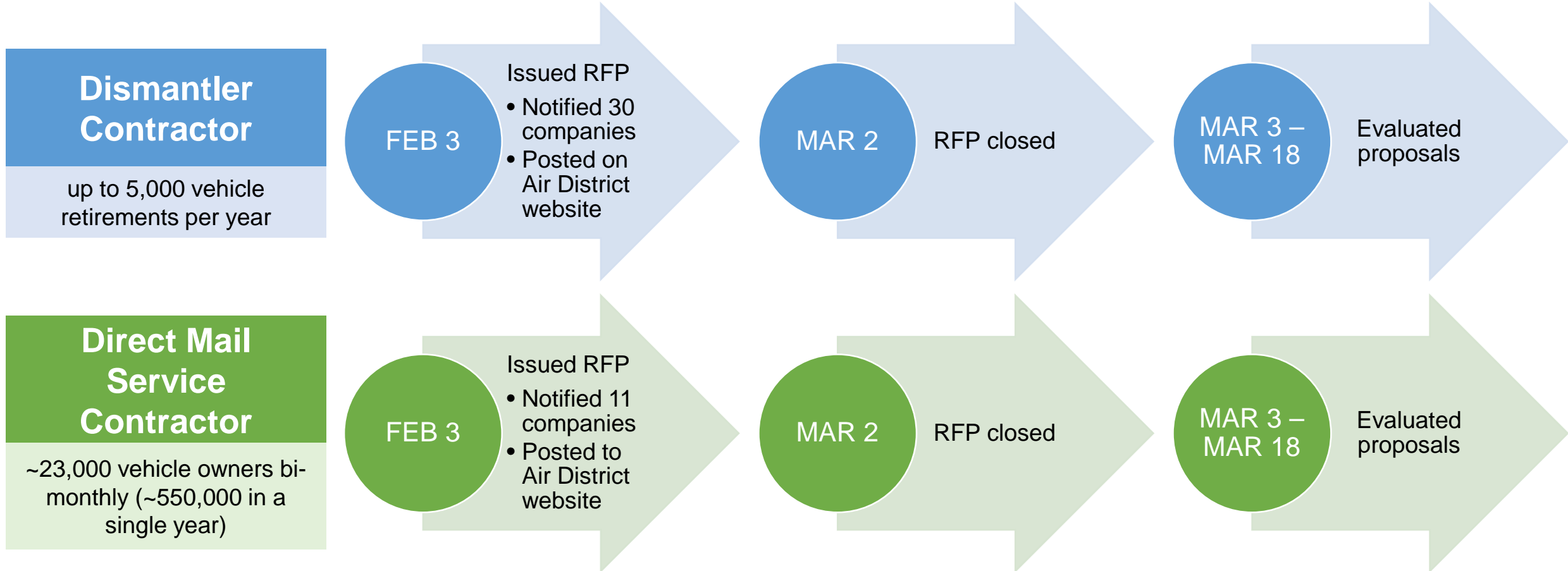


VBB PARTICIPANTS SINCE 1996



- Since 1996, Vehicle Buy Back (VBB) retired over 87,000 vehicles
- Reduced over 5,000 tons of ROG, 4,300 tons of NOx, and 39 tons of Particulate Matter (PM)

RFP Process



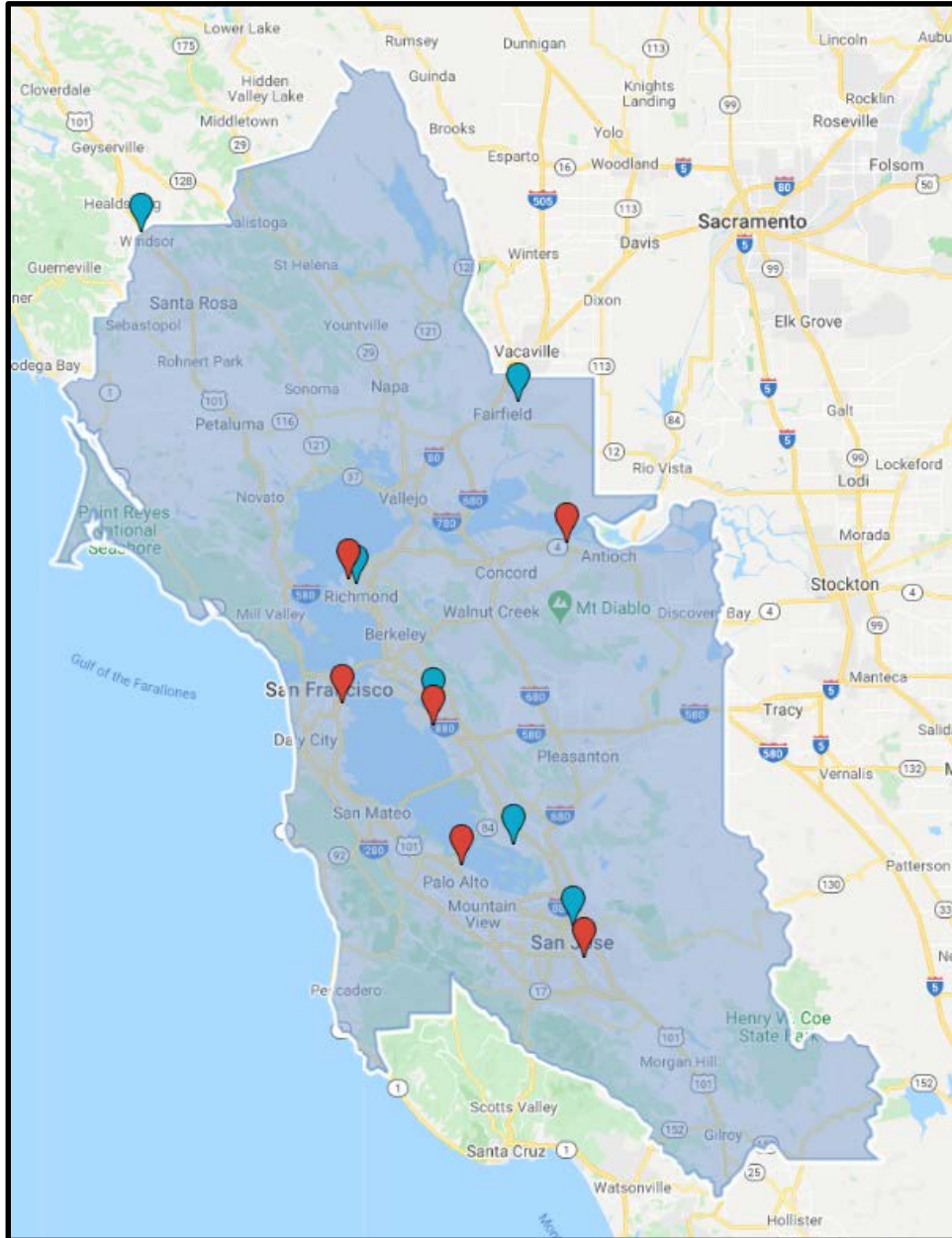
Dismantler RFP Results



- Two (2) proposals were submitted
- Proposals evaluated by:
 - Available resources/customer relations
 - Experience/ qualifications
 - Price
 - Program understanding/responsiveness
 - Coverage/availability
 - Advertising
- Evaluation results:

Name	Points (100 possible points)
Pick-N-Pull	94.33
Environmental Engineering Studies (EES), Inc.	88.00

Dismantler Locations



- **Two (2) Dismantler Contractors:**
 - EES (Red)
 - Pick-n-Pull (Blue)
- **12 Dismantler Locations**
 - San Jose (2), East Palo Alto
 - Pittsburg, Richmond (2)
 - San Francisco
 - San Leandro, Newark, Oakland
 - Fairfield
 - Windsor

Direct Mail Services RFP Results



- Five (5) proposals were submitted
- Proposals evaluated by:
 - Cost
 - Expertise
 - Firm's specialty/local/Green business
 - Skill
 - Approach
- Evaluation results:

Name	Points (100 possible points)
Direct Mail Center	90.00
KP LLC	88.33
MarkSYS	83.67
California Integrated Media	73.00
United Mailing Services	69.00

Recommended Actions



Recommend the Board of Directors:

1. Approve Environmental Engineering Studies, Inc. (EES) and Pick-N-Pull Auto Dismantlers (Pick-N-Pull) as the vehicle retirement contractors and Direct Mail Center as the direct mail service contractor for the fiscal year ending (FYE) 2021 Vehicle Buy Back Program (VBB).
2. Authorize the Executive Officer/APCO to execute contracts for:
 - a) Vehicle scrapping and related services with EES and Pick-N-Pull, for a combined amount up to \$7 million per year; and
 - b) Direct mail services for the VBB Program with Direct Mail Center for up to \$300,000 per year.
3. Authorize the Executive Officer/APCO to extend these services and budgets for an additional three years, at the Air District's discretion, based on contractor performance.



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AGENDA: 5

Fiscal Year Ending 2021 Transportation Fund for Clean Air County Program Manager Expenditure Plans

**Mobile Source Committee Meeting
April 22, 2020**

**Karen Schkolnick
Director, Strategic Incentives Division**

Overview



- Background
- Fiscal Year Ending (FYE) 2021 Transportation Fund for Clean Air (TFCA) County Program Manager (CPM) Expenditure Plans
- Recommended Actions

Background TFCA CPM Program



- **Funded by TFCA**
 - \$4 motor vehicle registration fee surcharge
 - 40% of TFCA monies pass through to nine (9) county CPMs
- **California Health & Safety Code Sections 44241 and 44242**
 - CPMs submit annual expenditure plan to Air District
 - CPMs must award funds to eligible projects within six (6) months of Air District Board's approval of expenditure plan
 - CPM policies & cost-effectiveness criteria adopted by the Air District Board annually (for FYE 2021 on 11/20/19)

Proposed Allocation for CPMs in FYE 2021



County Program Manager	Estimated New TFCA Funds	*TFCA Funds to be Reprogrammed	Total FYE 2021 TFCA Funds
Alameda County Transportation Commission	\$2,078,522	\$952,811	\$3,031,333
Contra Costa Transportation Authority	\$1,678,066	\$105,523	\$1,783,589
Transportation Authority of Marin	\$373,237	\$33,213	\$406,450
Napa Valley Transportation Authority	\$210,117	\$20,092	\$230,209
San Francisco County Transportation Authority	\$754,480	\$104,637	\$859,117
San Mateo City/County Association of Governments	\$1,223,635	\$180,560	\$1,404,195
Santa Clara Valley Transportation Authority	\$2,619,956	\$117,803	\$2,737,759
Solano Transportation Authority	\$360,638	\$11,703	\$372,341
Sonoma County Transportation Authority	\$644,155	\$167,849	\$812,004
TOTAL	\$9,942,806	\$1,694,191	\$11,636,997

*Based on remaining prior-year monies derived from projects that were recently completed under budget or canceled, and interest earned on TFCA funds.

Recommended Actions



Recommend the Board of Directors:

1. Approve the allocation of new Transportation Fund for Clean Air revenue to the County Program Manager program for Fiscal Year Ending (FYE) 2021, as listed in Table 1; and
2. Authorize the Executive Officer/APCO to enter into funding agreements with the County Program Managers for the funds to be programmed in FYE 2021, as listed in Table 1.