



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 4

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

Mobile Source and Climate Impacts Committee
February 25, 2021

Alona Davis
Air Quality Program Manager
adavis@baaqmd.gov

Outcome



- Provide information on projects with recommended awards greater than \$100,000 and respond to questions
- Obtain Committee's support and approval to forward the recommended projects to the full Board Directors for approval
- Provide status update of grant funds awarded since July 1, 2020

Outline



- Background
- Proposed projects with awards over \$100,000
- Status of incentive funding
 - Revenue sources
 - Community benefits (project location)
- Recommendations

Requested Action



Recommend the Board of Directors:

1. Approve recommended projects as shown in Attachment 1;
2. Examine waivers of Transportation Fund for Clean Air funds policies to allow funding of one recommended school bus project; and
3. Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.

CMP/MSIF, CHP, and FARMER



**Carl Moyer
Program
(CMP)**

**Mobile Source
Incentive
Fund (MSIF)**

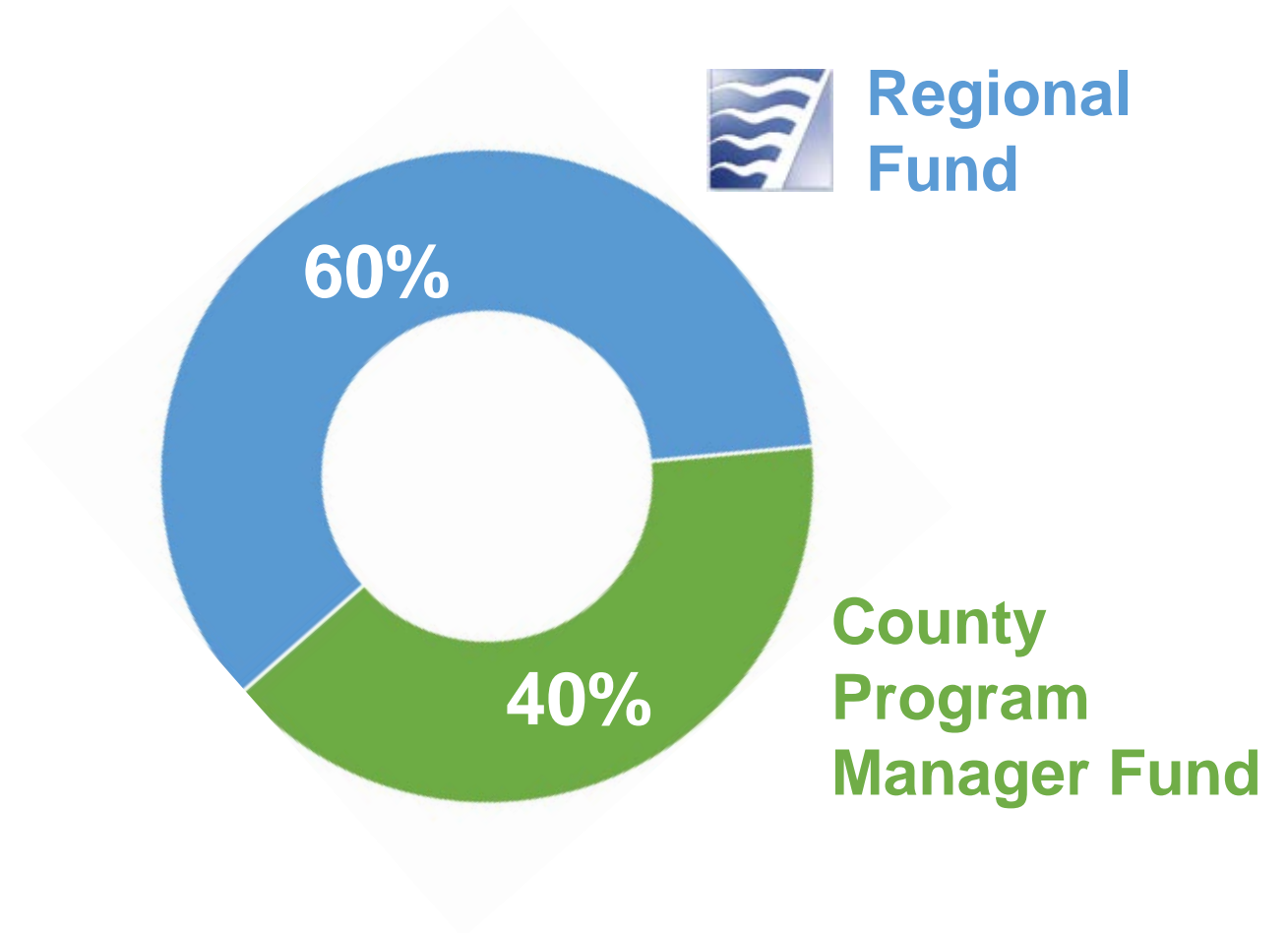
**Community
Health
Protection
Program (CHP)**

**Funding Agricultural
Replacement
Measures for
Emission Reductions
(FARMER)**

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



CMP/MSIF, CHP, and FARMER



- **Recommend \$2,133,927 in awards for five projects** to replace nine (9) pieces of diesel-powered:
 - ✓ Agricultural equipment
 - ✓ School buses with charging infrastructure
 - ✓ Proposing \$732,552 in TFCA match
- **Emissions Reductions**
 - ✓ Over 4.57 tons per year of criteria pollutants



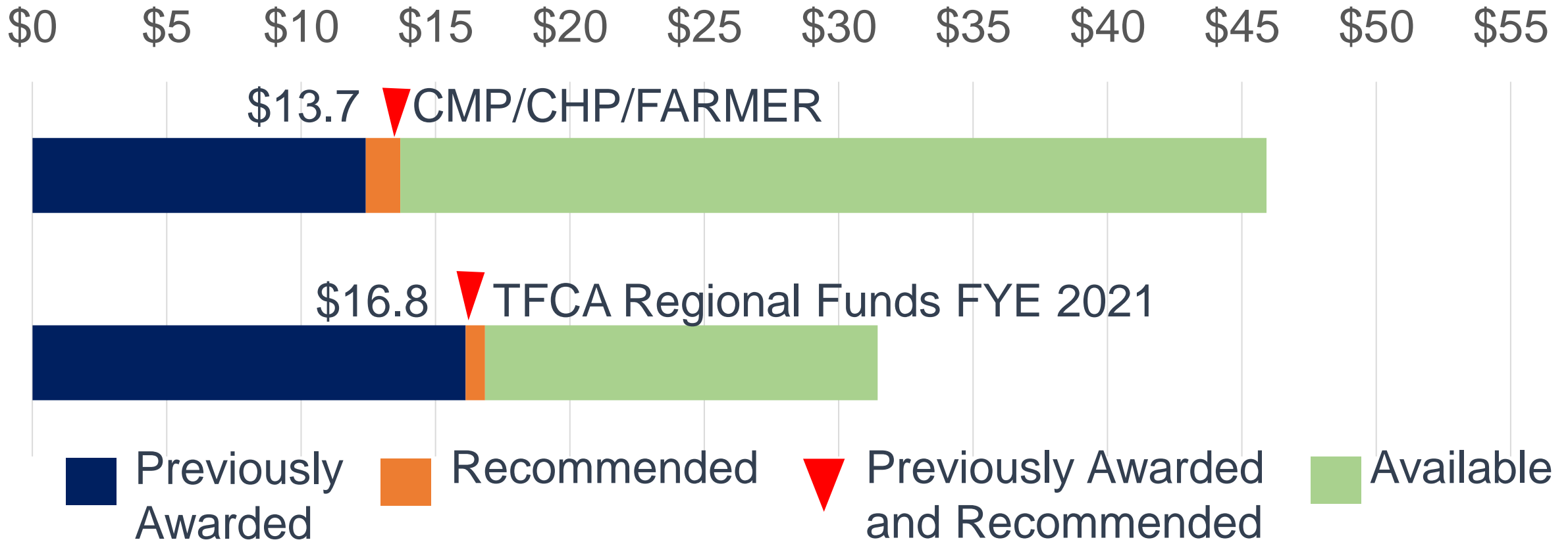


- **Recommend \$732,552 in TFCA funds as match for CMP project 21SBP111 (3 buses and charging infrastructure)**

Total Project Cost	\$1,293,127
Proposed CMP/CHP/MSIF Award	\$560,575
Proposed TFCA Award (2 buses only)	\$732,552
Total Proposed Award (TFCA and CMP)	\$1,293,127

- **Requires waiver of TFCA Regional Fund Policy #2, Cost-Effectiveness**
- **Emissions Reductions will be attributed to CMP**

Incentive Funding Awarded & Recommended Since July 2020 by Revenue Source (in Millions)



Funds Awarded & Recommended Since July 2020 by Project Category (in Millions)



Total = ~\$30 M

List of projects is shown in Attachments 2 & 3

<p>Light-duty Cars & Infrastructure</p>	<p>On-road Trucks & Buses</p>	<p>School Buses</p>	<p>Off-road</p>	<p>Off-road Marine & Rail</p>	<p>Trip Reduction</p>
<p>\$11.3</p>	<p>\$1.1</p>	<p>\$1.6</p>	<p>\$1.4</p>	<p>\$5.6</p>	<p>\$4.7</p>

Funds Awarded & Recommended Since July 2020 (in Millions)



Sonoma
\$2.9, 9.7%

Napa
\$2.1, 6.9%

Marin
\$0.6, 1.9%

Solano
\$1.7, 5.7%

San Francisco
\$1.1, 3.8%

Contra Costa
\$2.6, 8.8%

San Mateo
\$3.9, 13%

Alameda
\$9.6, 32.2%

Santa Clara
\$5.4, 17.9%

**~\$30
Million
Awarded**



**~74% to CARE areas,
disadvantaged and low-
income communities,
and low-income
residents**

Feedback Requested/Prompt



Recommend the Board of Directors:

1. Approve recommended projects with proposed grant awards over \$100,000 as shown in Attachment 1, including a policy waiver to allow the Transportation Fund for Clean Air Regional Fund to be used as match for a recommended school bus project;
2. Waive Policy #2, regarding Cost-Effectiveness, of the Transportation Fund for Clean Air Regional Fund to allow the replacement of two diesel buses with electric zero-emission buses to be fully reimbursable with Air District grant funding; and
3. Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 5

Air District Grant Programs Overview

**Mobile Source & Climate Impacts
Committee Meeting
February 25, 2021**

**Karen Messina Schkolnick
Director, Strategic Incentives Division
kschkolnick@baaqmd.gov**

Presentation Outcome



Understanding of the impact of the grant funds awarded by the Air District in calendar year 2020, including estimated emissions reduced from these programs, challenges and opportunities, and priorities and funding available for calendar year 2021

Outline



- Background
 - Bay Area Emissions Inventory and grant revenue sources
- Results of funds awarded in 2020:
 - By project category
 - Emissions reduced and community benefits
- Historical trends (awards and revenue)
- Projected revenues and priorities for 2021
- Opportunities and challenges

Presentation Action Requested



None, Informational Only

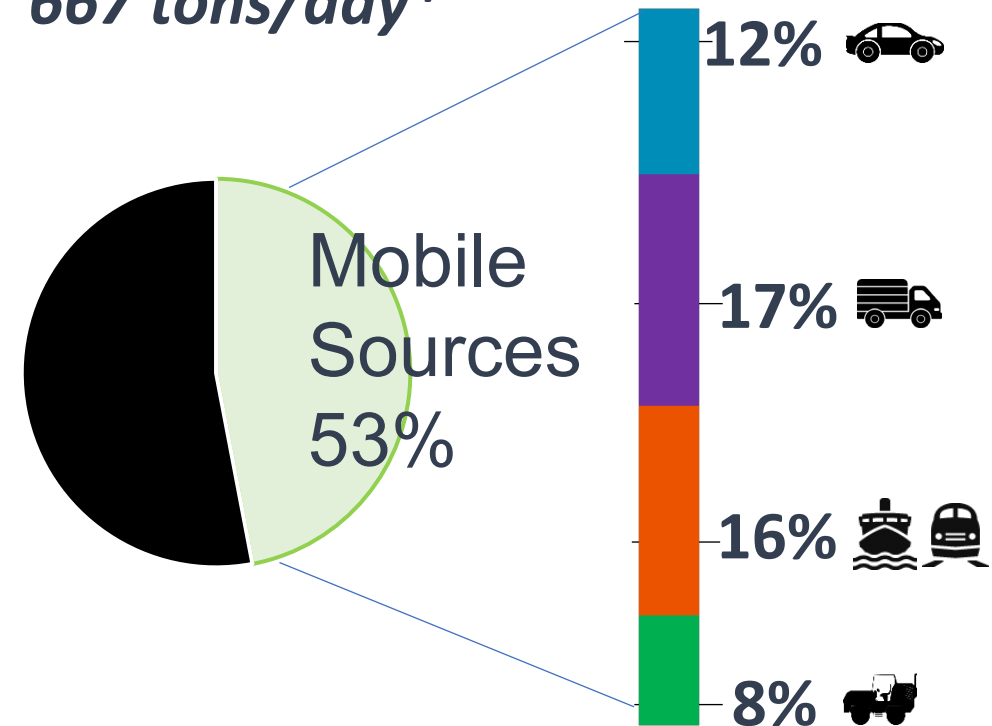
Revenue Sources

- **DMV Fees:**
 - *Transportation Fund for Clean Air (TFCA)*
 - *Mobile Source Incentive Fund (MSIF)*
- **California Air Resources Board**
 - *Carl Moyer (CMP)*
 - *Community Air Protection (CAP)*
 - *Funding Agricultural Replacement Measures for Emission Reductions (FARMER)*
- **Other**
 - *Volkswagen NOx Mitigation Trust Funds (VW)*
 - *I-Bond Goods Movement (Goods Movement)*

Background



***Inventory of Bay Area emissions:
667 tons/day****




**Calendar year 2015: Includes oxides of nitrogen, reactive organic gases, and particulate matter size 10 microns*


Funds Awarded in 2020



~\$75M Awarded in 2020

\$17.8M  **Off-road Equipment**



\$40.2M  **On-Road Vehicles**



\$6.8M  **Trip Reduction**



\$10.3M  **County Programs & Other**

2020 Awards: Emissions Reduced and Community Benefits



- ~\$75M Awarded in 2020
- >60% of funds benefitting
 - Disadvantaged and low-income communities
 - Community Air Risk Evaluation (CARE) areas
 - Low-income residents
- ~30% of funds to deploy zero-emission medium- & heavy-duty technology

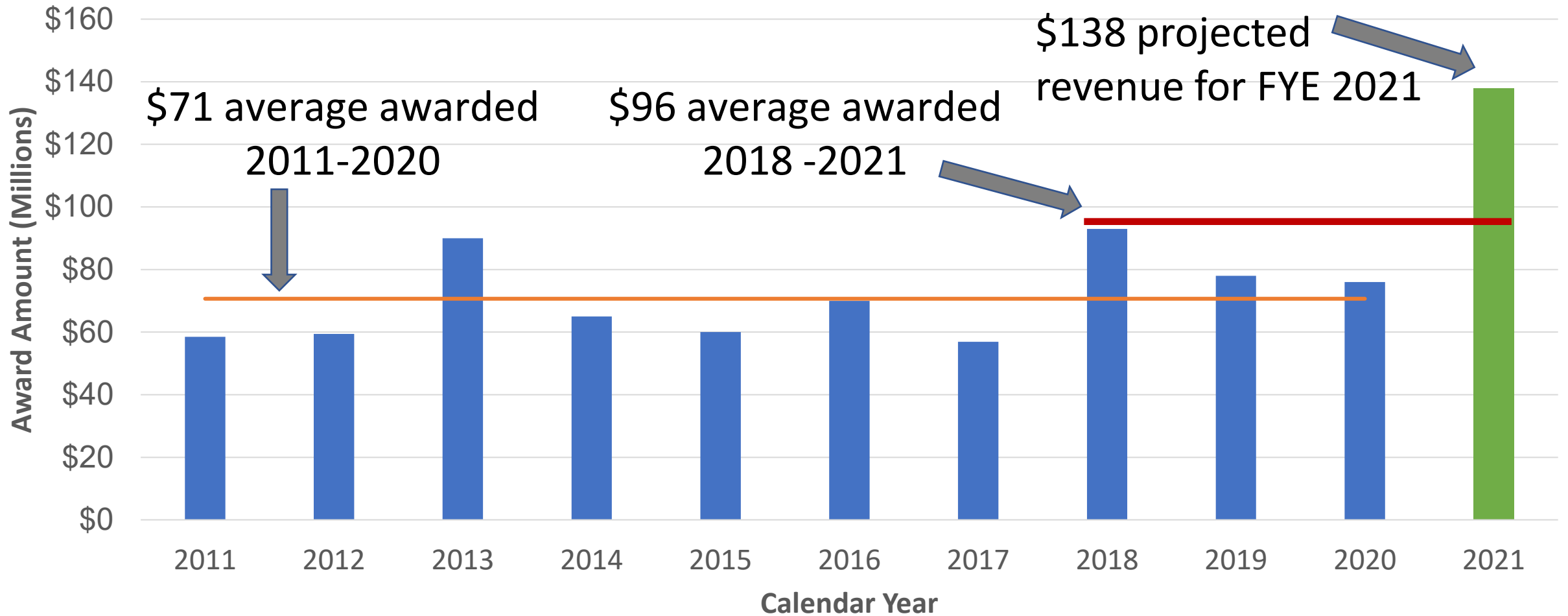
>303 tons reduced per year[‡] of criteria pollutant emissions



Equivalent to turning off nearly ALL mobile sources for one day a year

‡ Not all programs reporting emission reductions

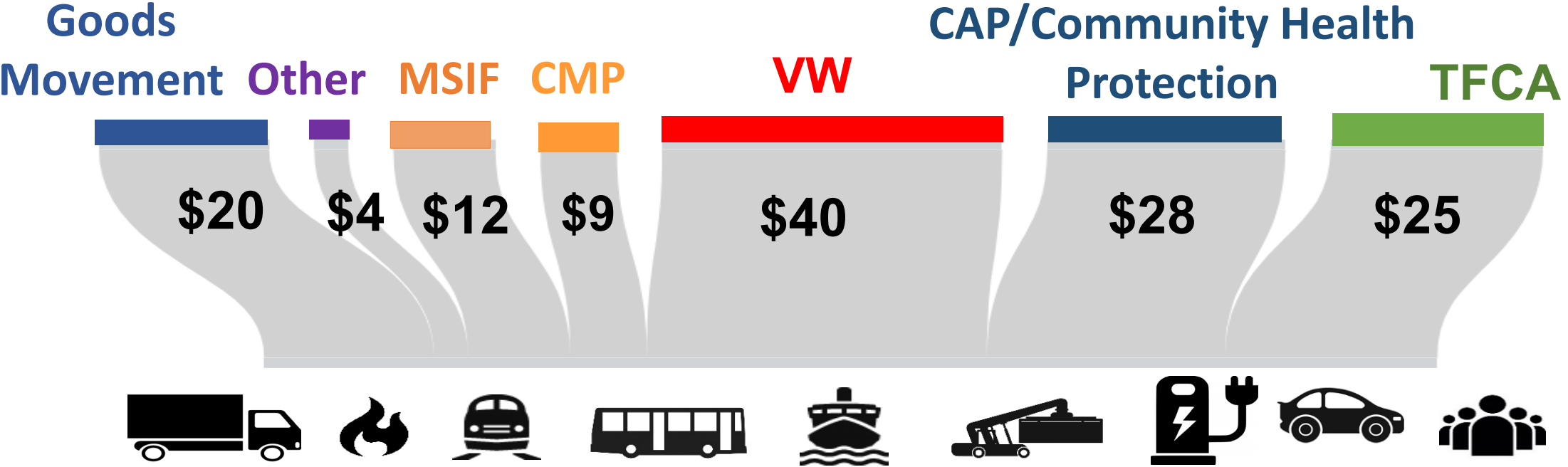
Grant Funds: Trends 2011-2021 (in Millions)



Projected Grant Revenue in FYE 2021



\$138 (in Millions)



*CMP category includes CMP, CMP Statewide Funds, and FARMER

2021 Grant Program Priorities



- **Projects that benefit impacted communities**

- *Communities near ports, roadways, and other activities that drive increased health risk*
- *Equity Programs, e.g., Vehicle Incentive Program, Clean Cars for All*

- **Zero emission technologies & projects**

- *Diesel Free by '33*
- *Trip reduction to reduce single-occupancy vehicle miles traveled (VMT)*



Opportunities and Challenges



Opportunity:

- Increased funding over years (only partial increase in staffing)
 - **The additional revenue supports increased staffing**
 - **Additional staff proposed in upcoming budget package**

Challenges:

- Aggressive deadlines (State/Legislative)
- Delays from shelter-in-place (Applicants/Grantees, Manufactures/vendors)
- Completion of projects and timely pay-out within deadlines is at risk
- Long lead times for new staff to achieve full proficiency and mastery of all program requirements

Feedback Requested/Prompt



This presentation provided understanding of the impact of the grant funds awarded by the Air District in calendar year 2020 including estimated emissions reduced from these programs, challenges and opportunities, and priorities for 2021