



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

# Projects and Contracts with Proposed Awards over \$500,000

**Mobile Source and Climate Impacts Committee Meeting**  
**October 11, 2023**

**Clair Keleher, Senior Staff Specialist**  
**Strategic Incentives Division**  
**[ckeleher@baaqmd.gov](mailto:ckeleher@baaqmd.gov)**

# Presentation Outcome



**Action item** *for the Committee to consider recommending the Board of Directors:*

1. Approve recommended projects with proposed grant awards over \$500,000 as shown in Attachment 2; and
2. Authorize the Executive Officer/Air Pollution Control Officer to enter into all necessary agreements with applicants for the recommended projects.

# Presentation Outline



- Background and funding sources
- Proposed projects with awards over \$500,000
- Status of incentive funding in Fiscal Year Ending (FYE) 2024
  - Funds available and awarded as of 7/1/23
  - Community benefits & project locations as of 7/1/23
- Recommendations

# CMP/MSIF, CAPP, and FARMER



Carl Moyer  
Program  
**(CMP)**

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

Community Air  
Protection Program  
**(CAPP)**

Mobile Source  
Incentive  
Fund  
**(MSIF)**

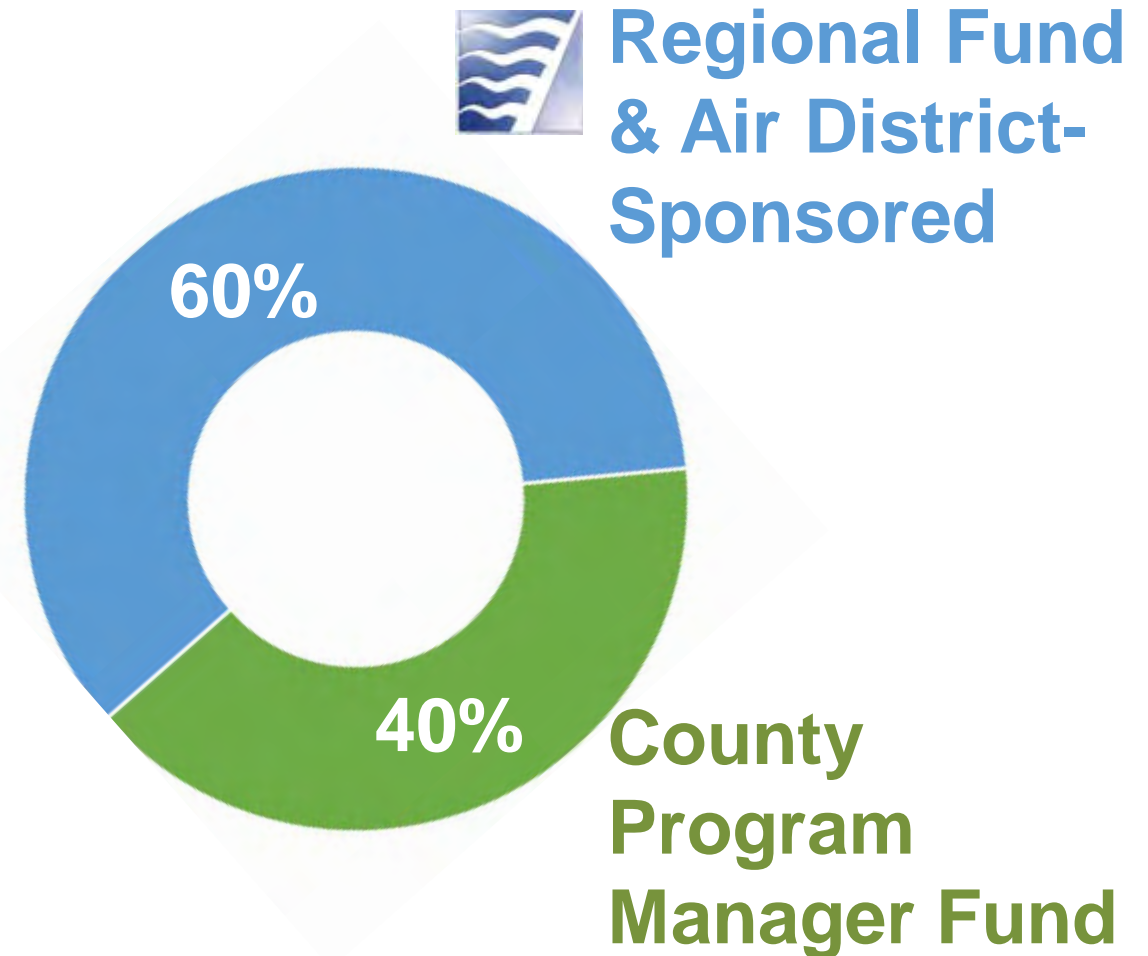
California Air Resources Board  
**\$104.6 million**

DMV Fees  
**\$11.2 million**

# 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
- \$29.5 million available for distribution through 60% Fund in FYE 2024



# Reformulated Gas Settlement Funds (RFG) Zero-Emission Grant Program



- Total Project Funding = \$1.2 million
- Awarded to the Bay Area Clean Air Foundation from RFG in 2017 to expedite reductions in petroleum usage in and around West Oakland and adjacent 617 communities along the I-80 corridor, including Richmond and Western Alameda County
- Most funds awarded to projects 2018 - 2020, and due to fallout from projects cancelling, approximately \$400,000 available for award in 2023



# Proposed Projects



**Recommend \$9,120,905 in awards for four projects that will:**

- Install 295 electric charging stations to support electric school buses serving schools in Alameda and San Francisco counties
- Replace 27 diesel heavy-duty trucks with electric trucks and install 27 charging stations
- Replace 13 large-spark ignition airport ground support units with zero-emissions units at SFO

## **Emissions Reductions**

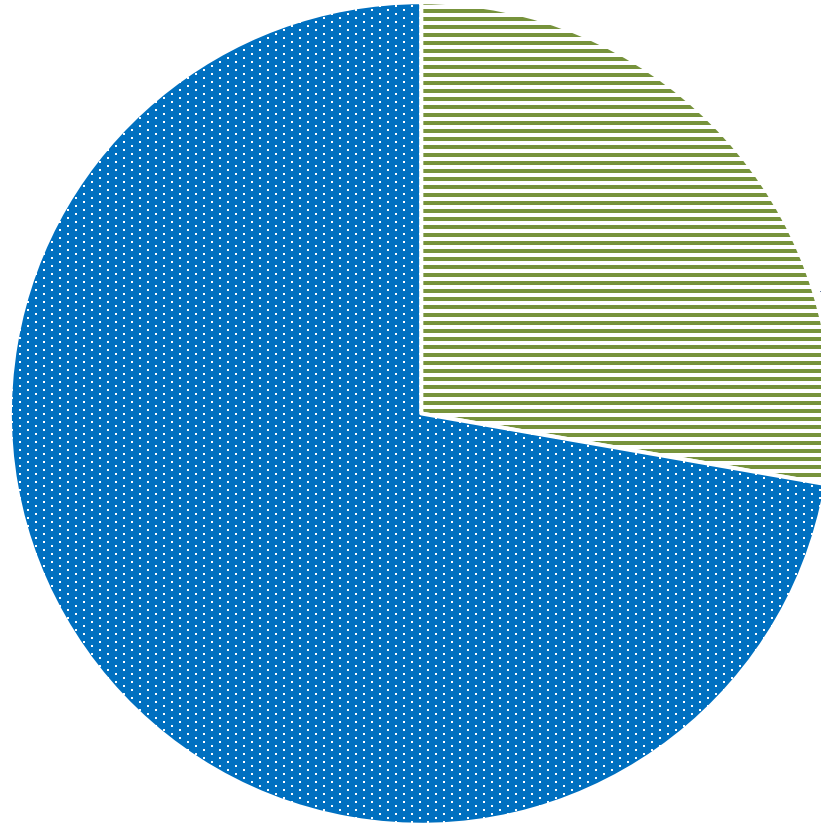
- Over 1.3 tons per year of criteria pollutants



# Incentive Funds Awarded & Remaining since July 2023



**\$104.9 Million**  
Available  
to Award in  
FYE 2024



**\$40.4 Million**  
Awarded,  
Allocated,  
& Recommended

List of all projects is  
shown in Attachment 3

Updated as of 9/7/2023



# Funds Awarded by Project Category since July 2023 (in Millions)



**Total = \$40.4 million**



**Light-duty  
Infrastructure  
and Cars**

**Trucks  
&  
Buses**

**School  
Buses**

**Off-road  
Equipment**

**Marine  
& Rail**

**Air District  
Sponsored**

**\$0.7**

**\$13.3**

**\$8.5**

**\$4.4**

**\$11.1**

**\$2.4**

Updated as of 9/7/2023

# Funds Awarded by County since July 2023



**\$40.4 million (M)**

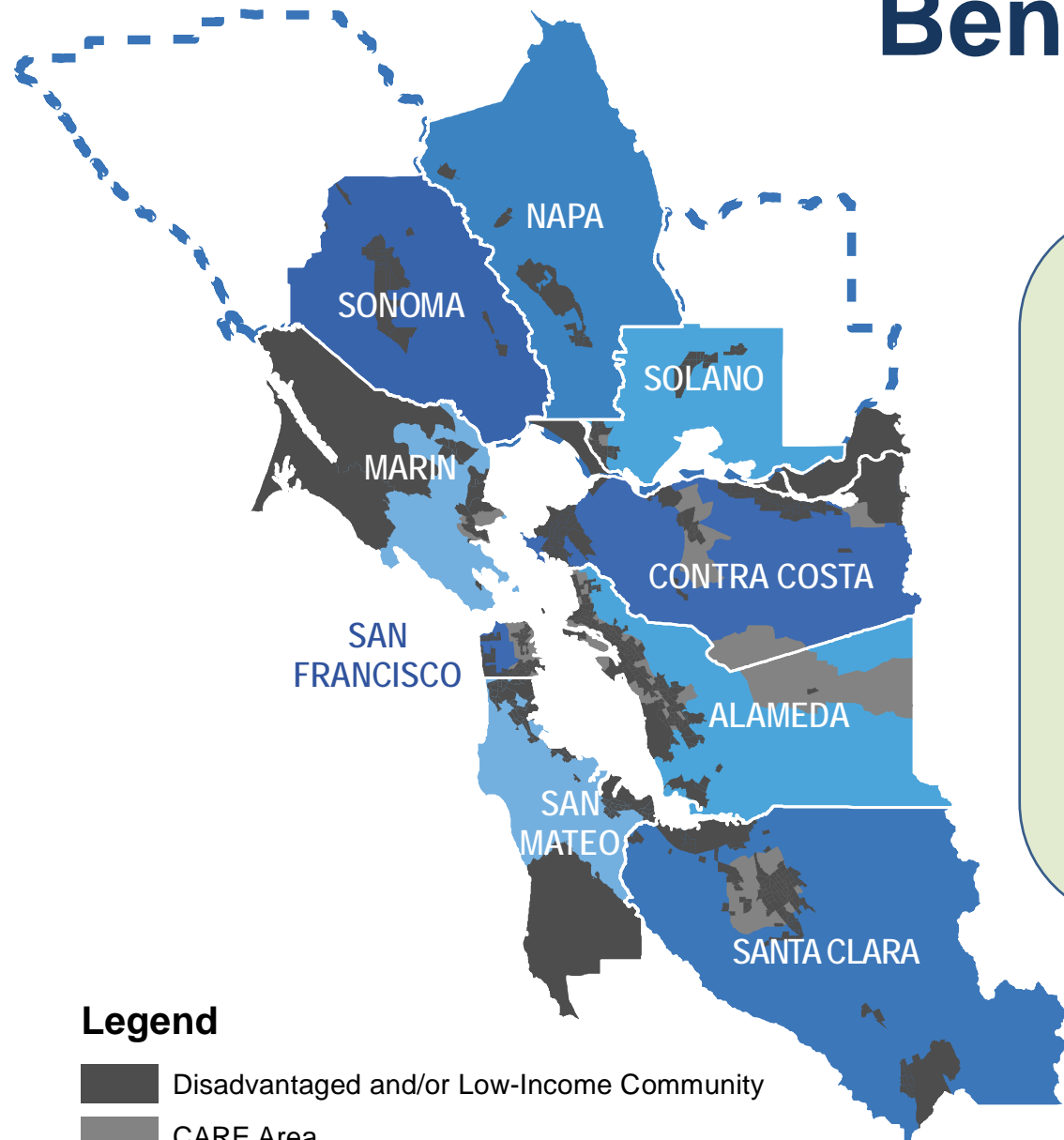
Total Funds Awarded

**Projects estimated to achieve emissions reductions of \*71.0 tons/year, including NOx, ROG, PM**

\*Reductions from regional allocations not reported

COUNTY	FUNDS AWARDED	
Alameda	\$ 17.8M	44.2 %
Contra Costa	\$ 3.5M	8.8 %
Marin	\$ 0.3M	0.6 %
Napa	\$ 4.7M	11.7 %
San Francisco	\$ 1.6M	4.0 %
San Mateo	\$ 4.1M	10.1 %
Santa Clara	\$ 6.6M	16.3 %
Solano	\$ 0.4M	1.0 %
Sonoma	\$ 1.4M	3.3 %

# Benefits to Priority Areas since July 2023



**~\$30.5M to projects benefitting Priority Areas**

- **Disadvantaged & low-income communities**
- **Low-income residents**
- **CARE areas**



**Total Awards = \$40.4M**

**~\$3.1M allocated to regional grants**

# Actions Requested



**Action item** *for the Committee to consider recommending the Board of Directors:*

1. Approve recommended projects with proposed grant awards over \$500,000 as shown in Attachment 2; and
2. Authorize the Executive Officer/Air Pollution Control Officer to enter into all necessary agreements with applicants for the recommended projects.



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# Participation in FARMER Incentive Program Year 23-24

**Mobile Source and Climate Impacts Committee Meeting**  
**October 11, 2023**

**Adriana Kolev, Senior Staff Specialist**  
**Strategic Incentives**  
**[akolev@baaqmd.gov](mailto:akolev@baaqmd.gov)**

# Action Items



Recommend that the Board of Directors:

- Authorize the Air District to accept, obligate, and expend new fiscal year 2023-2024 State funds from California Air Resources Board (CARB) for the Funding Agricultural Reduction Measures for Emission Reductions (FARMER) Program, up to \$3.4 million;
- Adopt a resolution authorizing the Air District's participation in the FARMER program; and
- Authorize the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding, and to execute grant agreements and amendments for projects with individual grant award amounts up to \$500,000



# Outline



- Background
- FARMER Program Year 2023-2024
- Recommended Actions

# FARMER Program



- Created in 2017 to reduce emissions from the agricultural sector
- Voluntary program that funds emission reductions beyond regulatory requirements
- Replaces and upgrades highly polluting agricultural equipment with cleaner options



# FARMER Year 23-24 Funding



- \$75 million available statewide
  - \$1.325 million tentatively proposed for Bay Area
  - Requesting additional \$2 million if funds become available
- Up to 6.25% may be used for administrative costs
- Projects subject to CARB adopted 2018 FARMER Program Guidelines
- Funding will be awarded between 2023 – 2024 and all projects must be completed and paid out (liquidated) by 6/30/2027

# Requested Actions



Recommend that the Board of Directors:

- Authorize the Air District to accept, obligate, and expend new fiscal year 2023-2024 State funds from CARB for the FARMER Program, up to \$3.4 million;
- Adopt a resolution authorizing the Air District's participation in the FARMER program; and
- Authorize the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding, and to execute grant agreements and amendments for projects with individual grant award amounts up to \$500,000



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# Proposed Updates to the Transportation Fund for Clean Air 40% Fund Policies for Fiscal Year Ending 2025

Mobile Source and Climate Impacts Committee Meeting

October 11, 2023

Minda Berbeco, PhD

Manager

[mberbeco@baaqmd.gov](mailto:mberbeco@baaqmd.gov)

# Action Item



**Action item** for the Committee to consider recommending to the Board of Directors:

- Approve the proposed Transportation Fund for Clean Air (TFCA) 40% Fund Policies for Fiscal Year Ending 2025 as shown in Attachment 1.
- Approve the proposed cost-effectiveness limit to enable Alameda County Transportation Commission (Alameda CTC) to award FYE 2024 TFCA 40% funds to an arterial management project, as shown in Table 1.



# Outline



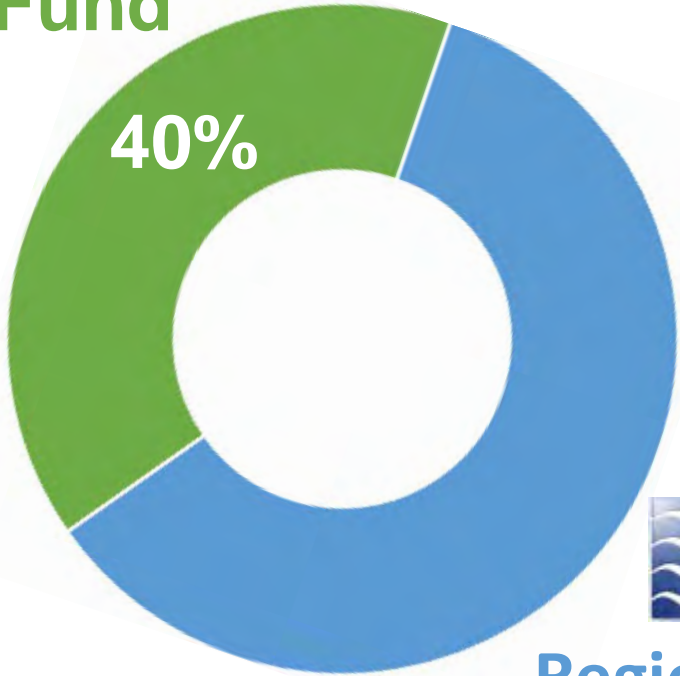
- Background
- Proposed updates to TFCA 40% Fund Policies for Fiscal Year Ending (FYE) 2025
  - Process and timeline
  - Proposed updates
  - Next steps
- Project and Cost-effectiveness Approval
- Recommendation

# Background



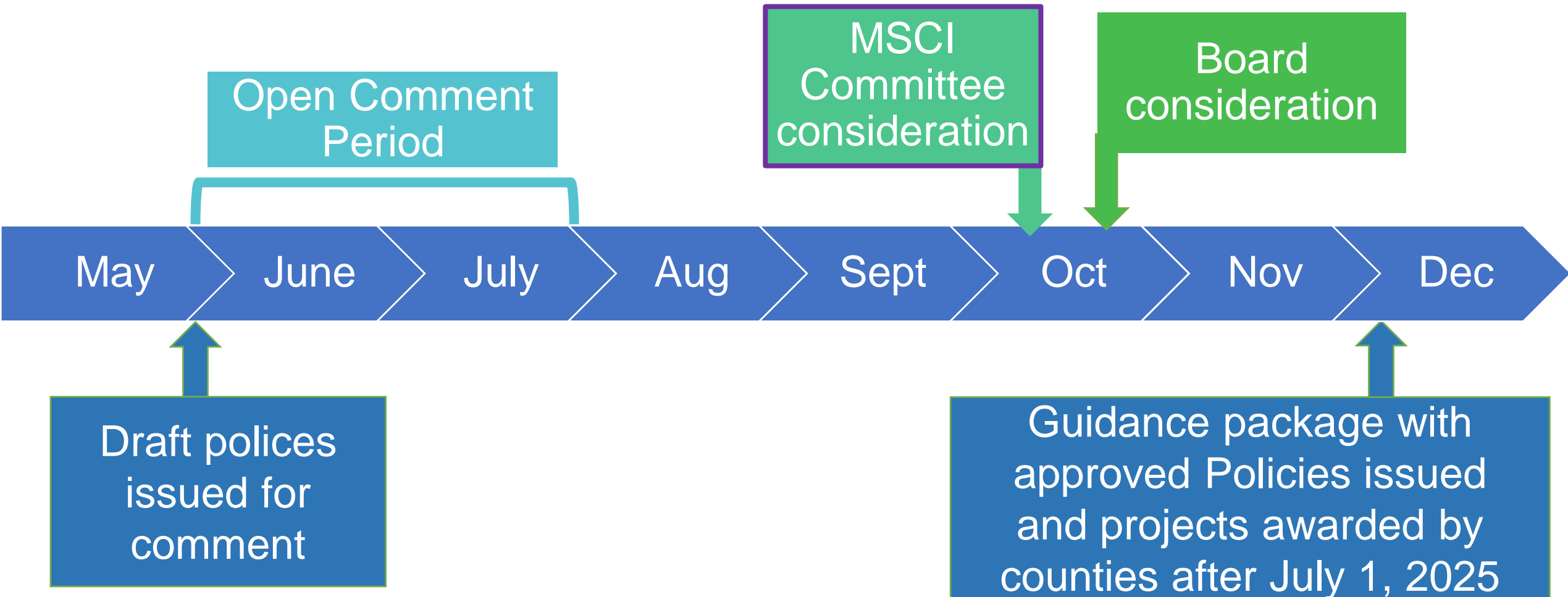
- Transportation Fund for Clean Air (TFCA) funding program authorized in 1991 by State Legislature to help air districts reduce on-road mobile source emissions
- \$4 motor vehicle registration surcharge fee with 40% of funds distributed to the nine Bay Area congestion management agencies
- Annually, staff brings recommended updates to TFCA 40% Fund policies to Air District Board of Directors (Board) for consideration

**TFCA 40%  
Fund**



**Regional  
Fund**

# Timeline for Update to FYE 2025 Policies



# Equity



Community Advisory Council (CAC) met on May 18, 2023, and provided feedback and questions about the 40% fund. Staff is working to address questions and feedback:

- In July staff met with administering agencies to discuss process for receiving input from CAC members and increasing transparency
- Meetings have been scheduled with CAC members and administering agencies
- Staff will be working with the administering agencies to add new reporting requirements

# Summary of Proposed Updates for FYE 2025



- Include a cost-effectiveness limit for projects that request a case-by-case review under Policy #3.
- Remove *On-Road Truck Replacement* (Policy #25) -- this category no longer provides surplus emission reductions.
- Expand the definition of Priority Areas to also include Assembly Bill 617 communities, Priority Populations defined by SB 535 disadvantaged communities and AB 1550 low-income communities.
- Continue providing subgrantees with up to 24 months to commence their projects (policy #6) and clarify that this flexibility also applies to projects that are directly sponsored by administering agencies.

# Summary of Proposed Updates for FYE 2025 (cont.)



- Simplify the design guidelines so that local and state standards would need to be followed for bikeways (policy #30).
- Allow upgrading a Class III and Class II (non-buffered bikeway) to a Class II buffered bike lane as an eligible project type (Policy #30).
- Clarify what qualifies as an *Infrastructure Improvement for Trip Reduction* Project (Policy #33).



# Next Steps for Future Cycles



Continue coordinating with administering agencies on program refinements:

- Evaluate C/E limit for select project categories
- Review mechanisms for project administration
- Provide further guidance on evaluation of projects
- Add new reporting requirements for greater transparency on process for awarding funds, how equity is addressed, and opportunities for community participation

# Request for Consideration of a Cost-Effectiveness Limit (Policy #3)



Requested by Alameda CTC and sponsored by the City of Hayward

## Winton Ave/D St and Tennyson Road Corridors Signal Timing:

Purchase and install adaptive/actuated equipment for an estimated 17 intersections including: upgrades to support adaptive timing, communications upgrades, and video detection upgrades

TFCA 40% Funds Proposed for Award by Alameda CTC: **\$515,000**

Estimated Total Project Cost: **\$812,600**

Proposed Project Cost-Effectiveness Limit: **\$250,000/ton**

# Recommendation



**Action items** for the Committee to consider recommending to the Board of Directors:

- Approve the proposed Transportation Fund for Clean Air (TFCA) 40% Fund Policies for Fiscal Year Ending 2025 as shown in Attachment 1.
- Approve the proposed cost-effectiveness limit to enable Alameda County Transportation Commission (Alameda CTC) to award FYE 2024 TFCA 40% funds to an arterial management project, as shown in Table 1.