



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

DAVID CANEPA – CHAIR
MARGARET ABE-KOGA
DAVID HUDSON
DOUG KIM
KAREN MITCHOFF
ROD SINKS

PAULINE RUSSO CUTTER – VICE CHAIR
SCOTT HAGGERTY
TYRONE JUE
LIZ KNISS
KATIE RICE

THURSDAY
SEPTEMBER 26, 2019
9:30 A.M.

1ST FLOOR BOARD ROOM
375 BEALE STREET
SAN FRANCISCO, CA 94105

AGENDA

1. CALL TO ORDER - ROLL CALL

PLEDGE OF ALLEGIANCE

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. The Committee Chair shall lead the Pledge of Allegiance.

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.

Public Comment on Agenda Items *The public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.*

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

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3

For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have two minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.

Staff/Phone (415) 749-

3. **APPROVAL OF THE MINUTES OF JULY 25, 2019**

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Mobile Source Committee meeting of July 25, 2019.

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

K. Schkolnick/5070

kschkolnick@baaqmd.gov

The Committee will consider recommending Board of Directors approval of Carl Moyer Program projects requesting grant funding in excess of \$100,000 and authorization for the Executive Officer/APCO to execute grant agreements for the recommended projects.

5. **PROPOSED CHARGE! PROGRAM GRANT AWARDS OVER \$100,000**

D. Tang/8726

dtang@baaqmd.gov

The Committee will receive an update on the Charge! Program to provide grants to support installation of electric vehicle charging infrastructure. The Committee will also consider recommending the Board of Directors approve Transportation Fund for Clean Air (TFCA) projects for the Charge! Program in excess of \$100,000 and an update to the Fiscal Year Ending (FYE) 2020 Charge! Program funding criteria.

6. **UPDATE ON VOLKSWAGEN ENVIRONMENTAL MITIGATION TRUST GRANT PROGRAM**

K. Schkolnick/5070

kschkolnick@baaqmd.gov

The Committee will consider recommending Board of Directors authorization for the Executive Officer/APCO to enter into agreements with eligible applicants for all projects funded by the Volkswagen Environmental Mitigation Trust and receive an informational update on this program.

7. **UPDATE ON PROPOSED SAFER AFFORDABLE FUEL-EFFICIENT (SAFE) VEHICLES RULE**
B. Bunger/4920
bbunger@baaqmd.gov

The Committee will receive an update on the SAFE Rule; its impacts relative to increasing emissions; its impacts on the Air District's current Clean Air Plan; steps taken by staff to date in opposition to the proposed rule; recent actions by the Trump Administration and next steps.

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

Speakers who did not have the opportunity to address the Committee in the first round of comments on non-agenda matters will be allowed two minutes each to address the Committee on non-agenda matters.

9. **COMMITTEE MEMBER COMMENTS**

Any member of the Board, 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)

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

Thursday, October 24, 2019, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

11. **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

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Mobile Source Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Committee meeting. Any correspondence received after that time will be presented to the Committee at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- 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 ANTICIPATED MEETINGS

SEPTEMBER 2019

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee - CANCELLED	Wednesday	25	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee	Thursday	26	9:30 a.m.	1 st Floor Board Room

OCTOBER 2019

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Special Meeting	Wednesday	2	9:30 a.m.	The Waterfront Hotel Spinnaker Room 10 Washington St. Oakland, CA 94607
Board of Directors Technology Implementation Office (TIO) Steering Committee	Friday	4	9:30 a.m.	1 st Floor Board Room
Board of Directors Legislative Committee	Wednesday	9	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Executive Committee	Wednesday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee - CANCELLED	Wednesday	23	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee	Thursday	24	9:30 a.m.	1 st Floor Board Room
Advisory Council Meeting	Monday	28	10:00 a.m.	1 st Floor Board Room
Board of Directors Community & Public Health Committee	Wednesday	30	9:30 a.m.	1 st Floor Board Room

NOVEMBER 2019

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Legislative Committee	Monday	4	9:30 a.m.	1 st Floor Board Room
Board of Directors Nominating Committee	Wednesday	6	9:00 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting	Wednesday	6	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Monday	18	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting	Wednesday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee - CANCELLED	Thursday	21	9:30 a.m.	1 st Floor Board Room
Board of Directors Mobile Source Committee - CANCELLED	Thursday	28	9:30 a.m.	1 st Floor Board Room

HL – 9/19/2019 – 5:15 p.m.

G/Board/Executive Office/Moncal

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 23, 2019

Re: Approval of the Minutes of July 25, 2019

RECOMMENDED ACTION

Approve the attached draft minutes of the Mobile Source Committee (Committee) meeting of July 25, 2019.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of July 25, 2019.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 3A: Draft Minutes of the Committee Meeting of July 25, 2019

AGENDA 3A – ATTACHMENT

Draft Minutes – Mobile Source Committee Meeting of July 25, 2019

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, July 25, 2019

1. CALL TO ORDER – ROLL CALL

Mobile Source Committee (Committee) Chairperson, David Canepa, called the meeting to order at 9:33 a.m.

Present: Chairperson David Canepa; Vice Chair Pauline Russo Cutter; and Directors Scott Haggerty, Tyrone Jue, Doug Kim, Karen Mitchoff, Katie Rice, and Rod Sinks.

Absent: Directors Margaret Abe-Koga, David Hudson, and Liz Kniss.

Also Present: None.

2. PUBLIC COMMENT ON NON-AGENDA ITEMS, PURSUANT TO GOVERNMENT CODE SECTION 54954.3

No requests received.

3. APPROVAL OF THE MINUTES OF MAY 23, 2019

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Mitchoff made a motion, seconded by Director Jue, to **approve** the Minutes of May 23, 2019; and the motion carried by the following vote of the Committee:

AYES: Canepa, Cutter, Haggerty, Jue, Mitchoff, Rice, Sinks.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Hudson, Kim, Kniss.

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

Karen Schkolnick, Strategic Incentives Division Director, introduced Betty Kwan, Staff Specialist, who gave the staff presentation *Projects and Contracts with Proposed Grant Awards Over \$100,000*, including: overview; Carl Moyer Program (CMP) and Mobile Source Incentive Fund (MSIF); Community Health Protection Grant Program (CHP); CMP, MSIF, CHP project recommendations over \$100,000; Transportation Fund for Clean Air (TFCA) project recommendations over \$100,000; Commercial Lawn and Garden (CLG) Equipment Exchange Program project recommendation over \$100,000; projected grant revenues for Fiscal Year Ending (FYE) 2019; funds recommended and awarded by project category and county since July 2018; status of incentive funding awarded since July 2018, by funding source; status of solicitations; and recommended actions.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed how this Committee meeting was the last opportunity to discuss FYE 2019 projects, and the first opportunity to discuss projects for FYE 2020; and whether outreach for the Air District’s Vehicle Buy Back Program is specifically targeted, based on Department of Motor Vehicles (DMV) records, and whether outreach is available in multiple languages.

Committee Action

Director Mitchoff made a motion, seconded by Director Rice, to recommend that the Board **approve** staff recommendations; and the motion carried by the following vote of the Committee:

AYES: Canepa, Cutter, Haggerty, Jue, Kim, Mitchoff, Rice, Sinks.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Hudson, Kniss.

5. UPDATE ON THE STATE’S TRUCK AND BUS REGULATION

Ms. Schkolnick introduced Bruce Tuter, Manager of the California Air Resources Board’s (CARB) Compliance Assistance & Outreach Section, who gave the presentation *Senate Bill 1 – Truck and Bus Regulation Enforcement Through the Department of Motor Vehicles (DMV) Registration*, including: overview; on-road heavy-duty vehicle health impacts; diesel exhaust harms health;

Truck and Bus Regulation requirements; compliance is critical, but has been a challenge; full compliance needed to reach goals; new law requires CARB Truck and Bus Regulation compliance for DMV registration; over 200,000 trucks and buses affected; heavy-duty vehicles greater than 14,000 pounds registered in the Bay Area; enforcement efforts have been upgraded; compliance assistance; outreach efforts are varied; long outreach efforts; advertisements; incentive programs; Truck Loan Assistance Program; new law means healthier communities; and resources are available.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed how public concerns regarding the volume of impacted vehicles influenced Air District staff to agendaize this item; how soon affected vehicle owners will be notified by the DMV that they will not be able to register their vehicles per this regulation; reasons why the DMV might issue the extension of a temporary permit during the transition to a vehicle replacement; the reason for the anticipated decline in the number of affected vehicles in 2022; how locations for CARB's One-Stop Truck events are identified, and what drives historically high attendance at these events; the fact that this regulation only affects commercial vehicles and excludes emergency vehicles and converted truck-motorhomes; how Senate Bill 210 (Heavy-Duty Vehicle Inspection and Maintenance Program) would complement this regulation, should the bill be passed, and CARB's and the Air District's opinion on the current language of the bill; which vehicles are currently exempt from smog check requirements; ways in which the Air District can partner with CARB to promote the Air District's Diesel Free by '33 initiative and turn it into a pilot program that other parts of California can implement; whether those complaining to the Air District are aware that this is a CARB regulation, and the content of the complaints; and the request for periodic status updates on this regulation.

Committee Action

None; receive and file.

6. APPROVAL OF CONTRACT FOR CLEAN CARS FOR ALL PROGRAM CASE MANAGERS

Dr. Ranyee Chiang, Technology Implementation Officer, introduced Tin Le, Air Quality Technician, who gave the staff presentation *Approval of Contract for Clean Cars for All Program Case Managers*, including: benefits from electric vehicle (EV) equity; Clean Cars for All Program status; new funding available to expand program; outreach and support for applicants; case managers for applicant support; and recommended action.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed how the requested figure of \$300,000 in additional funding for GRID Alternatives was determined, how overhead is calculated, the amount of time that is covered by that additional funding, the sunset date for the contract’s original amount, the request for details of an original contract when contract amendments are being considered, and when another contract amendment (funding increase) is anticipated; the breakdown of incentive types from the 151 applications for the current fiscal year; whether any Clipper Cards have been awarded, and plans to increase the grant limit for this incentive type; whether electric bicycles will be added to the list of incentive types and how Senate Bill 400 can help accomplish this; the need for multi-language outreach; the Air District’s objective of ensuring that the type of award selected meets the needs of the trip-type for each applicant; anticipated EV charging infrastructure needs as this program gains momentum; anticipated energy costs to charge plug-in vehicles at residences, and what low-income awardees can afford long-term; the need for increased promotion of transit incentives (versus incentives for purchasing vehicles); the request that the Air District use census tract data (versus CalEnviroscreen) to define “disadvantaged communities”; the concern that applicants can be awarded a grant to purchase a hybrid EV but may want to run it purely on gasoline if they have no access to charging infrastructure, and whether there is a way to vet applicants’ dwellings before awarding funds; the request that the Air District find out why the EVgo and Nissan partnership phased out its two years of complimentary EV fast-charging at EVgo charging stations for Nissan Leaf owners in July 2019; the incentive types that will not be covered by new funding (Volkswagen Settlement Fund); an estimated number of awards that could be allocated during the current fiscal year; Air District staff’s plan to present applicant feedback and program results to the Committee; mitigation options for applicants with low credit scores and how the Air District can help applicants reestablish or build credit; and acknowledgement of Air District staff for devising this program.

Committee Action

Director Sinks made a motion, seconded by Director Rice, to recommend that the Board **approve** staff recommendations; and the motion carried by the following vote of the Committee:

AYES: Canepa, Cutter, Haggerty, Jue, Kim, Mitchoff, Rice, Sinks.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Hudson, Kniss.

7. UPDATE ON THE 32nd INTERNATIONAL ELECTRIC VEHICLE SYMPOSIUM

Ms. Schkolnick gave the staff presentation *Update on the 32nd International Electric Vehicle Symposium EVS32*, including: a world of E-Motion; key messages, takeaway #1: sustainable mobility is a core shared value; takeaway #2: barriers and challenges are universal; takeaway #3: information exchanges, cooperation, and partnerships are essential; if E-Mobility is coming, how to accelerate the transition; beyond EV; and EVS33.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the conference’s focus on climate health and public health, and how this focus is in alignment with the goals of the Air District; the request that this presentation be given at the July 31, 2019 Board of Directors meeting, if time permits; whether the conference focused on hydrogen fuel cell vehicles, and the status of their reliability and availability in California.

Committee Action

None; receive and file.

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBER COMMENTS

Director Rice said that Air District staff are working with the Marin County Department of Public Works to improve the County’s online vehicle auction, which makes available surplus fleet vehicles and equipment for public purchase. Director Rice said that she has been concerned that dirty vehicles were being sold and put back on the streets and roads, and added that she will report back to the Committee on how effective the new criteria being developed has been.

10. TIME AND PLACE OF NEXT MEETING

Thursday, September 26, 2019, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

11. ADJOURNMENT

The meeting adjourned at 11:43 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 23, 2019

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;
2. Approve a recommended update to Fiscal Year Ending (FYE) 2020 Transportation Fund for Clean Air (TFCA) Regional Fund Policies to clarify the requirement regarding vehicle weight classification; and
3. 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 Ending (FYE) 1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), 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 (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 February 6, 2019, the Board of Directors (Board) authorized Air District participation in Year 21 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 (2017) directed CARB, in conjunction with local air districts, to establish the Community Air Protection Program. 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. In advance of the development of the Community Air Protection Program, the Governor and legislature established an early action component to AB 617 to use existing incentive programs to get immediate emission reductions in the communities most affected by air pollution. AB 134 (2017) appropriated \$50 million from the Greenhouse Gas Reduction Fund (GGRF) to reduce mobile source emissions, including criteria pollutants, toxic air contaminants, and greenhouse gases in those communities within the Bay Area. Senate Bill (SB) 856 (2018) continued support for these project types and appropriated \$245 million from the GGRF statewide, of which \$40 million was awarded to the Air District for Bay Area emission reduction projects. These funds will be used to implement projects under the Community Health Protection Grant Program, and optionally on-road truck replacements under the Proposition 1B Goods Movement Emission Reduction Program. On April 3, 2019, the Board authorized the Air District to accept, obligate, and expend SB 856 grant funding.

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 for TFCA and requirements of the program are set forth in the 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, electric vehicle charging station program) and to a program referred to as the TFCA Regional Fund. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA Regional Fund monies. The remaining forty percent of TFCA funds are pass-through funds to the designated County Program Manager (CPM) in each of the nine counties within the Air District's jurisdiction.

On April 3, 2019, the Board authorized funding allocations for use of the sixty percent of the TFCA revenue in FYE 2020, cost-effectiveness limits for Air District-sponsored FYE 2020 programs, and the Executive Officer/APCO to execute grant agreements and amendments for TFCA-revenue funded projects with individual grant award amounts up to \$100,000. On June 5, 2019, the Board adopted policies and evaluation criteria for the FYE 2020 TFCA Regional Fund program.

The Bay Area Clean Air Foundation (Foundation) is a nonprofit support organization for the Air District. As part of its operation, the Foundation applies for grant funding from various sources and accepts funding to reduce and offset air emissions within the boundaries of the Air District. To administer the grant programs associated with this funding, the Foundation has a contract with the Air District, which allows for staff to be used to complete work to expend these monies. On December 5, 2017, the Foundation entered into a contract for approximately \$1.3 million in funding with the administrators of the Reformulated Gas Settlement Fund (RFG) to support projects that help accelerate the adoption of zero- and near-zero-emission equipment and vehicles operating in and around the West Oakland community.

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

DISCUSSION

Carl Moyer Program and Community Health Protection Grant Program:

For the CMP Year 21 cycle, the Air District had more than \$11 million available for eligible CMP and school bus projects from a combination of MSIF and CMP funds. The Air District started accepting project applications for the CMP Year 21 funding cycle on June 17, 2019, with applications accepted and evaluated on a first-come, first-served basis.

As of September 5, 2019, the Air District had received 61 project applications. Of the applications that have been evaluated between July 3, 2019 and September 5, 2019, 13 eligible projects have proposed individual grant awards over \$100,000. These projects will replace 18 pieces of off-road agricultural equipment, seven (7) pieces of off-road equipment, eight (8) marine engines, and three (3) school buses. These projects will reduce over 73.29 tons of NO_x, ROG, and PM per year. Staff recommends the allocation of \$7,923,570 for these projects from a combination of CMP funds and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2 lists all of the eligible projects that have been received by the Air District as of September 5, 2019, including information about the equipment category, award amounts, estimated emissions reductions, and county location. Approximately 79% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 4, Figures 4 and 5, summarize the cumulative allocation of CMP, MSIF, and Community Health Protection Grant Program funding since 2009 (more than \$282 million awarded to 1,217 projects).

Transportation Fund for Clean Air Program:

In FYE 2020, the Air District had approximately \$32 million in TFCA monies for eligible projects. The Air District opened the FYE 2020 Vehicle Trip Reduction Program and started accepting applications on August 9, 2019. In addition, staff continued to evaluate project applications received through the Air District's Charge! program.

In addition to the eligible Charge! projects, as of September 5, 2019, the Air District had received one application for an eligible project that will purchase and operate one zero-emission battery electric bus with a gross vehicle weight rating (GVWR) of approximately 10,000 lbs. This vehicle will provide shuttle service on the campus of the California State University Maritime Academy in Vallejo, California. The project will reduce approximately 0.009 tons of NO_x, ROG, and PM per year and qualifies for an award of up to \$13,500 in TFCA funds.

The Board-adopted FYE 2020 TFCA Regional Fund Policies require projects that purchase or lease zero and partial-zero-emission vehicles with a GVWR not exceeding 14,000 lbs. to consist of three or more of such vehicles registered to a single owner. Given that projects which would purchase and operate a single zero-emission vehicle with a GVWR between 8,500 lbs. and 14,000 lbs. can reduce enough emissions to qualify for the \$10,000 minimum grant funding amount, staff is proposing an update to the FYE 2020 TFCA Regional Fund Policies to clarify the requirement regarding vehicle weight classification by 1) decreasing the maximum GVWR in Policy #23(b) from 14,000 lbs. to 8,500 lbs.; and 2) decreasing the minimum GVWR in Policy #24(a) from greater than 14,000 lbs. to greater than 8,500 lbs.

Attachment 3, Table 1, lists all eligible TFCA projects that were evaluated and awarded between July 1, 2019 and September 5, 2019, including information about the equipment category, award amounts, estimated emissions reductions, and county location. Approximately 33% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities.

Reformulated Gas Settlement Fund Program:

Since April of 2018, the Air District has conducted three rounds of solicitations for the West Oakland Zero-Emission Grant Program, which offered a total of \$1.17 million in RFG project funds for eligible projects that reduce petroleum usage and air pollution in West Oakland, the Port of Oakland, and the surrounding eligible areas. This funding is designed to help owners and operators pay for a portion of the cost of purchasing and deploying new on- and off-road zero-emission vehicles, infrastructure, and other mobile or stationary equipment. A fourth solicitation to award the remaining \$450,000 in RFG funds was opened on September 3, 2019.

Of the applications that were evaluated between July 3, 2019 and September 5, 2019, none of the eligible projects proposed an individual grant award over \$100,000. However, one eligible RFG project was awarded less than \$100,000 during this evaluation period and is listed in Attachment 3, Table 2. Table 2 also lists all other eligible RFG projects that were evaluated and awarded as of September 5, 2019, including information about the equipment category, award amounts, estimated emissions reductions, and location.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District distributes CMP, MSIF, Community Health Protection Grant Program, TFCA, and RFG funding to public agencies and private entities on a reimbursement basis. Funding for administrative costs is provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Anthony Fournier and Sean Newlin

Reviewed by: Karen Schkolnick, Chengfeng Wang, and Ken Mak

Attachment 1: Projects with grant awards greater than \$100,000

Attachment 2: CMP/MSIF, FARMER and Community Health Protection Grant Program approved projects

Attachment 3: TFCA and RFG approved and eligible projects

Attachment 4: Summary of funding awarded between 7/1/19 and 9/5/19

AGENDA 4 - 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 7/3/19 and 9/6/19)

Project #	Applicant name	Equipment Category	Project Description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
20MOY241	Linda Pierce Wedemeyer Exemption Trust	Ag/ off-road	Replacement of 3 pieces of diesel off-road agricultural equipment	\$ 129,500	\$ 161,991	0.217	0.039	0.021	Solano
21SBP2	Campbell Union School District	School bus	Replacement of 1 diesel school bus	\$ 178,500	\$ 217,890	0.064	0.005	0.000	Santa Clara
20MOY250	Amnav Maritime Corporation (Vessel: Patricia Ann)	Marine	Replacement of 4 marine diesel engines on the tugboat Patricia Ann	\$ 1,288,000	\$ 1,436,660	8.609	0.270	0.476	Alameda
21MOY31	Gerald & Kristy Spaletta (Dairy)	Ag/ off-road	Replacement of 1 piece of diesel off-road agricultural equipment	\$ 185,400	\$ 231,796	0.566	0.074	0.052	Sonoma
21MOY21	Renteria Vineyard Management, LLC.	Ag/ off-road	Replacement of 4 pieces of diesel off-road agricultural equipment	\$ 249,600	\$ 312,155	0.790	0.121	0.089	Napa
21MOY33	S.E.G Trucking	Off-road	Replacement of 2 pieces of off-road equipment.	\$ 355,500	\$ 549,187	1.044	0.074	0.052	Contra Costa
21MOY34	Custom Tractor Service	Ag/ off-road	Replacement of 2 pieces of diesel off-road agricultural equipment	\$ 456,200	\$ 570,399	2.260	0.211	0.115	Sonoma
21MOY14	Bayview Vineyards Corp.	Ag/ off-road	Replacement of 5 pieces of diesel off-road agricultural equipment	\$ 198,850	\$ 248,718	0.741	0.152	0.084	Napa
21MOY47	DeBernardi Dairy, Inc.	Ag/ off-road	Replacement of 1 piece of diesel off-road agricultural equipment	\$ 151,000	\$ 189,566	0.438	0.040	0.022	Sonoma
21MOY51	Crowley Marine Services (Vessel: Valor)	Marine	Replacement of 4 marine diesel engines on the tugboat Valor	\$ 2,916,000	\$ 3,559,454	43.259	4.409	1.420	Alameda
20MOY217	Oakland Pallet Co., Inc.	Off-road	Replacement of one diesel portable engine	\$ 863,500	\$ 1,385,274	2.401	0.164	0.076	Alameda
20SBP246	Newark Unified School District	School bus	Replacement of 2 diesel school buses	\$ 179,020	\$ 954,938	0.037	0.002	0.000	Alameda
21MOY46	Bigge Crane and Rigging Company	Off-road	Replacement of 6 diesel forklifts	\$ 772,500	\$ 1,436,203	4.210	0.435	0.254	Alameda
13 Projects				\$ 7,923,570	\$ 11,254,230	64.635	5.996	2.661	

AGENDA 4 - ATTACHMENT 2

*CMP/MSIF, FARMER and Community Health Protection Grant Program approved projects
(between 7/3/19 and 9/5/19)*

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
20MOY230	Ag/ off-road	Equipment replacement	1	\$ 16,965.00	Cornerstone Certified Vineyard	0.024	0.019	0.006	APCO	Sonoma
20MOY235	Ag/ off-road	Equipment replacement	1	\$ 46,690.00	Goldridge Pinot LLC dba Emeritus Vineyards	0.170	0.026	0.019	APCO	Sonoma
20MOY241	Ag/ off-road	Equipment replacement	3	\$ 129,500.00	Linda Pierce Wedemeyer Exemption Trust	0.217	0.039	0.021	TBD	Solano
21MOY9	On-road	Equipment replacement	1	\$ 60,000.00	Prime Tank Lines LLC	0.802	0.060	0.005	APCO	Contra Costa
20MOY248	On-road	Equipment replacement	1	\$ 40,000.00	Amritpal Tindh (Truck owner/operator)	0.604	0.052	0.000	APCO	Alameda
21MOY1	On-road	Equipment replacement	1	\$ 40,000.00	Freight 99 Express Inc. (Truck owner/operator)	0.280	0.024	0.000	APCO	Alameda
20MOY86	On-road	Equipment replacement	1	\$ 25,000.00	Sears Keith (Truck owner/ operator)	0.195	0.016	0.000	APCO	Sacramento
20MOY150	On-road	Equipment replacement	1	\$ 40,000.00	Sukhjeet Singh Cheema (Truck owner/ operator)	0.667	0.057	0.000	APCO	San Joaquin
21SBP2	School bus	Equipment replacement	1	\$ 178,500.00	Campbell Union School District	0.064	0.005	0.000	TBD	Santa Clara
20MOY227	On-road	Equipment replacement	1	\$ 30,000.00	JSK Trucking (Truck owner/ operator)	0.193	0.016	0.000	APCO	San Joaquin
20MOY239a	On-road	Equipment replacement	1	\$ 30,000.00	DNA Trucking, Inc.	0.252	0.021	0.000	APCO	Solano
20MOY239b	On-road	Equipment replacement	1	\$ 20,000.00	DNA Trucking, Inc.	0.203	0.017	0.000	APCO	Solano
20MOY245a	On-road	Equipment replacement	1	\$ 60,000.00	Jorge Quintero DBA QDS Transportation	1.271	0.097	0.008	APCO	Alameda
20MOY245b	On-road	Equipment replacement	1	\$ 60,000.00	QDS Transportation	0.817	0.061	0.005	APCO	Alameda
20MOY245c	On-road	Equipment replacement	1	\$ 60,000.00	Ignacio Quintero (Truck owner/ operator)	0.900	0.068	0.005	APCO	Alameda
20MOY82	On-road	Equipment replacement	1	\$ 35,000.00	Surinder Atwal (Truck owner/ operator)	0.258	0.022	0.000	APCO	Sacramento

AGENDA 4 - ATTACHMENT 2

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
20MOY232	On-road	Equipment replacement	1	\$ 40,000.00	Mahmoud Rastegar DBA: Prosper Dedicates Lines	0.452	0.039	0.000	APCO	Placer
20MOY218	On-road	Infrastructure	1	\$ 13,717.00	Penske Truck Leasing Co., L.P.	0.000	0.000	0.000	APCO	Alameda/ San Francisco
21MOY28	Ag/ off-road	Equipment replacement	1	\$ 63,850.00	Bains Farms LLC.	0.082	0.014	0.010	APCO	Solano
21MOY17	Ag/ off-road	Equipment replacement	1	\$ 43,350.00	Sweet Lane Nursery and Vineyards, Inc.	0.041	0.009	0.008	APCO	Sonoma
21MOY23	Ag/ off-road	Equipment replacement	2	\$ 86,100.00	Trefethen Farming LLC.	0.178	0.043	0.034	APCO	Napa
20MOY250	Marine	Engine replacement	4	\$ 1,288,000.00	Amnav Maritime Corporation (Vessel: Patricia Ann)	8.609	0.270	0.476	TBD	Alameda
21MOY31	Ag/ off-road	Equipment replacement	1	\$ 185,400.00	Gerald & Kristy Spaletta (Dairy)	0.566	0.074	0.052	TBD	Sonoma
21MOY25	On-road	Equipment replacement	1	\$ 49,500.00	J and A Trucking Inc.	1.350	0.202	0.010	APCO	Alameda
21MOY21	Ag/ off-road	Equipment replacement	4	\$ 249,600.00	Renteria Vineyard Management, LLC.	0.790	0.121	0.089	TBD	Napa
21MOY41	Ag/ off-road	Equipment replacement	2	\$ 81,750.00	Geoffrey Allen (Nursery)	0.105	0.030	0.012	APCO	San Mateo
21MOY30	Ag/ off-road	Equipment replacement	2	\$ 67,100.00	Jaswant S. Bains (Farmer)	0.289	0.044	0.025	APCO	Solano
21MOY33	Off-road	Equipment replacement	2	\$ 355,500.00	S.E.G Trucking	1.044	0.074	0.052	TBD	Contra Costa
21MO12	On-road	Equipment replacement	1	\$ 40,000.00	Oscar Transport/ Oscar Rivera (Truck owner/ operator)	0.501	0.036	0.000	APCO	Alameda
21MOY34	Ag/ off-road	Equipment replacement	2	\$ 456,200.00	Custom Tractor Service	2.260	0.211	0.115	TBD	Sonoma
21MOY14	Ag/ off-road	Equipment replacement	5	\$ 198,850.00	Bayview Vineyards Corp.	0.826	0.164	0.090	TBD	Napa
21MOY47	Ag/ off-road	Equipment replacement	1	\$ 151,000.00	DeBernardi Dairy, Inc.	0.438	0.040	0.022	TBD	Sonoma
21MOY51	Marine	Engine replacement	4	\$ 2,916,000.00	Crowley Marine Services	43.259	4.409	1.420	TBD	Alameda

AGENDA 4 - ATTACHMENT 2

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
21MOY36	Off-road	Equipment replacement	1	\$ 74,000.00	John Benward Co.	0.564	0.028	0.021	APCO	Sonoma
20MOY217	Off-road	Portable equipment replacement	1	\$ 863,500.00	Oakland Pallet Co., Inc.	2.577	0.215	0.076	TBD	Alameda
20SBP246	School bus	Equipment replacement	2	\$ 179,020.00	Newark Unified School District	0.037	0.002	0.000	TBD	Alameda
21MOY46	Off-road	Equipment replacement	6	\$ 772,500.00	Bigge Crane and Rigging Company	4.210	0.435	0.254	TBD	Alameda
37 Projects			63	\$ 9,046,592.00		75.096	7.060	2.835		

AGENDA 4 - ATTACHMENT 3

Table 1 - Summary of all TFCA approved and eligible projects (evaluated between 7/1/19 and 9/5/19)

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			
19EV017	LD Infrastructure	Install and operate 2 single-port Level 2 (high) charging stations with a 17.28 kW solar array at a Destination facility in Richmond.	\$12,000	AHAH LLC	0.003	0.004	0.000	7/2/19	Yes	Contra Costa
19EV023	LD Infrastructure	Install and operate 3 dual-port Level 2 (high) charging stations at a MUD facility in San Mateo.	\$24,000	Mode Residences, LLC	0.006	0.008	0.000	7/31/19	Yes	San Mateo
19EV034	LD Infrastructure	Install and operate 2 single-port Level 2 (high) and 24 dual-port Level 2 (high) charging stations at 1 workplace facility in Milpitas	\$78,000	View Inc.	0.036	0.053	0.001	8/20/19	No	Santa Clara
19EV057	LD Infrastructure	Install and operate 8 single-port Level 2 (high) and 28 dual-port Level 2 (high) charging stations at 3 workplace facilities in Atherton and Redwood City	\$99,000	Redwood City School District	0.046	0.068	0.001	8/30/19	No	San Mateo
19EV065	LD Infrastructure	Install and operate 606 single-port Level 2 (high) and 6 DC Fast charging stations at 18 Multi-dwelling unit and workplace facilities in San Francisco, San Jose, Walnut Creek, Palo Alto, Sunnyvale, Belmont, Oakland and Livermore	\$2,500,000	PowerFlex Systems, LLC	0.881	1.309	0.026	Pending	Yes	Multi-County
19EV077	LD Infrastructure	Install and operate 40 DC Fast charging stations at 9 Transportation Corridor facilities in San Francisco, Daly City, Millbrae, Newark, Cupertino, Castro Valley and Emeryville	\$1,000,000	Evgo Services, LLC	0.336	0.499	0.010	Pending	Yes	Multi-County
20R26	On-road Trucks & Buses	Purchase and operate one battery-electric shuttle	\$13,500	California State University Maritime Academy	0.005	0.003	0.001	Pending	Yes	Solano
20R02	LD Vehicles	Vehicle Buy Back Program	\$150,000	BAAQMD	N/A	N/A	N/A	NA	No	Regional
20R01	Trip Reduction	Enhanced Mobile Source & Commuter Benefits Enforcement	\$80,230	BAAQMD	N/A	N/A	N/A	NA	No	Regional
20R03	Trip Reduction	Spare The Air/Intermittent Control Programs	\$2,185,138	BAAQMD	N/A	N/A	N/A	NA	No	Regional

10 Projects

\$6,141,868

1.311 1.944 0.040

Table 2 - Summary of all RFG approved and eligible projects (evaluated between 7/1/18 and 9/5/19)

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			
19RFG06*	LD Infrastructure	Install and operate 43 dual port level 2 EV charging stations	\$94,000	Hayward Unified School District	0.054	0.071	0.001	10/17/18	Yes	Alameda
19RFG13	LD Infrastructure	Install and operate ten 50kW DC fast charging stations	\$389,400	EVgo Service, LLC	0.040	0.060	0.001	6/5/19	Yes	Alameda
19RFG04*	Off-road (non-ag)	Purchase and operate 5 electric forklifts, 1 electric vacuum unit, and 1 electric terminal truck	\$141,000	Wyse Logistics	0.107	0.015	0.008	10/17/18	Yes	Alameda
19RFG14	Off-road (non-ag)	Purchase and operate one electric terminal tractor	\$39,400	Oakland Maritime Support Services, Inc.	0.066	0.011	0.007	5/23/19	Yes	Alameda
19RFG16	Off-road (non-ag)	Purchase and operate one electric terminal tractor	\$80,000	GSC Logistics, Inc.	0.051	0.002	0.003	8/29/19	Yes	Alameda

5 Projects

\$743,800

0.318 0.159 0.020

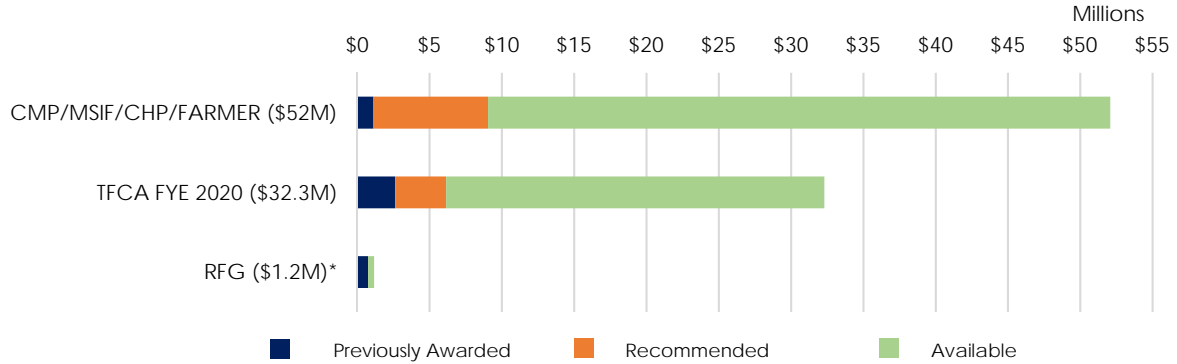
AGENDA 4 - ATTACHMENT 4

Figures 1-3 shown below summarize funding awarded between 7/1/19 and 9/5/19 from funding sources including:

- 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)
- Reformulated Gasoline Settlement Fund (RFG)

Figure 1. Status of FYE 2020 funding by source

includes funds awarded, recommended for award, and available



* Includes funding awarded in FYE 2019

Figure 2. Funding awarded in FYE 2020 by county:

includes funds awarded & recommended for award

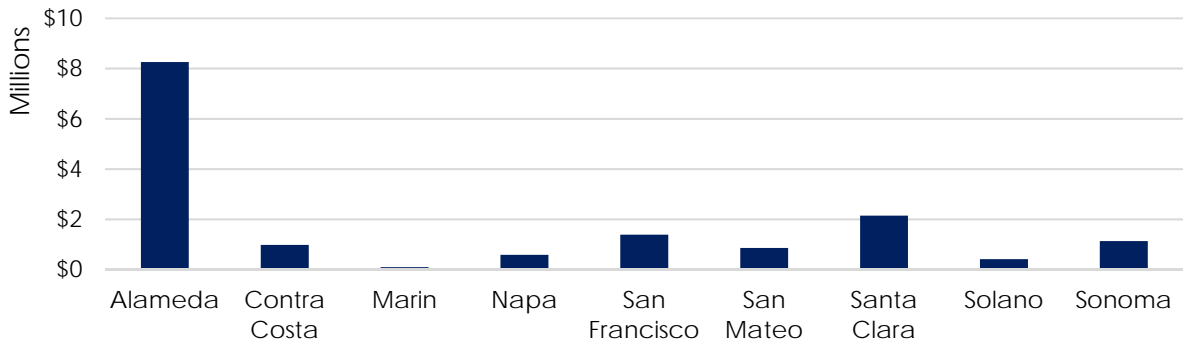
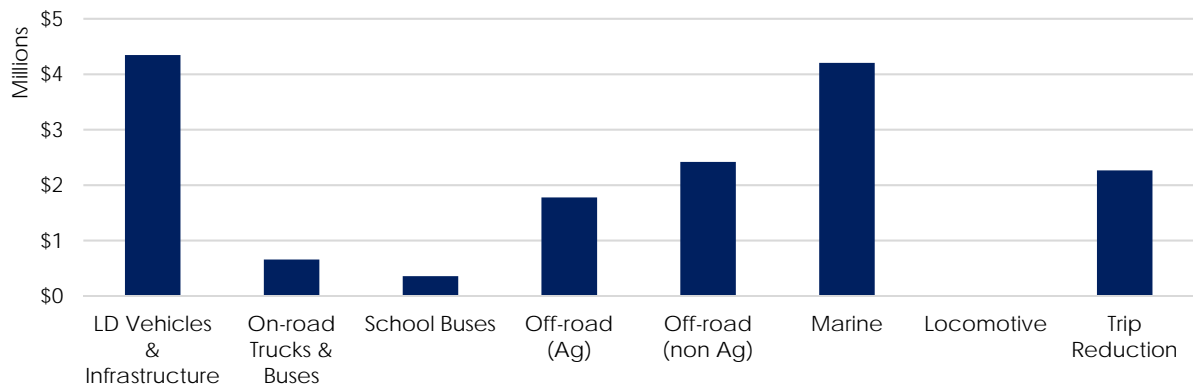


Figure 3. Funding awarded in FYE 2020 by project category

includes funds awarded & recommended for award



AGENDA 4 - ATTACHMENT 4

Figure 4. CMP/MSIF/CHP/FARMER funding awarded since 2009 by county

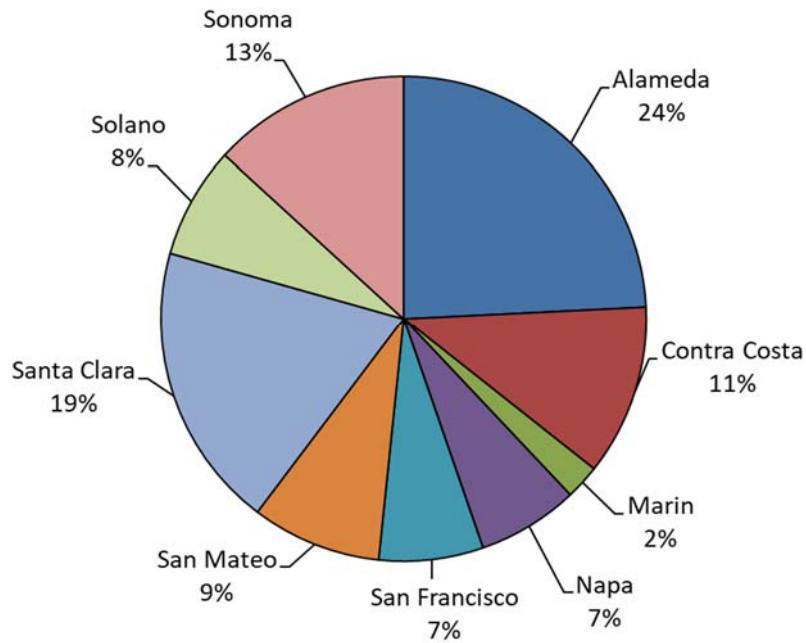
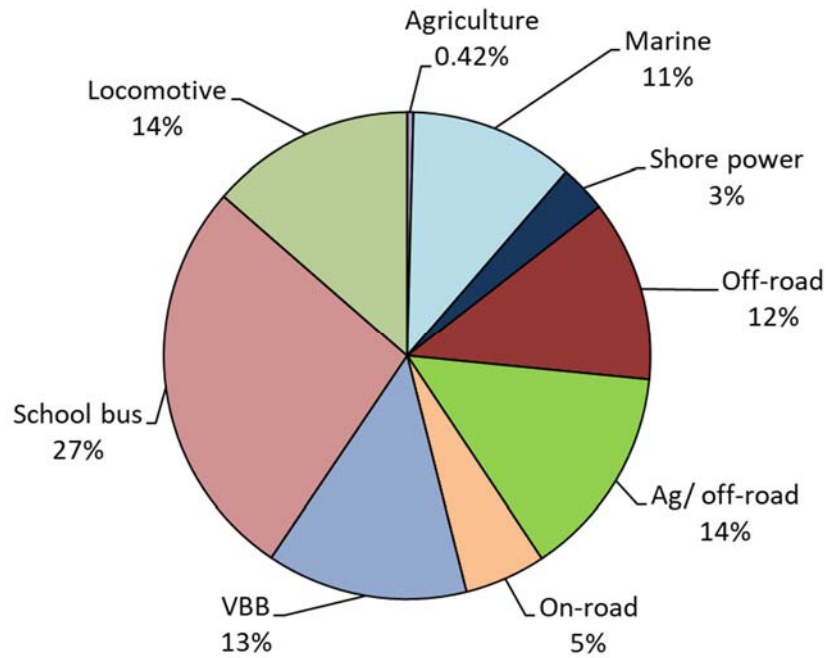


Figure 5. CMP/MSIF/CHP/FARMER funding awarded since 2009 by category



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 23, 2019

Re: Proposed Charge! Program Grant Awards Over \$100,000

RECOMMENDED ACTIONS

Recommend Board of Directors:

1. Approve recommended Charge! Program 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

Projects with grant award amounts over \$100,000 are brought to the Mobile Source Committee for consideration on at least a quarterly basis. Staff reviews and evaluates grant applications based upon the respective governing policies and guidelines established by the California Air Resources Board (CARB) and the Air District's Board of Directors (Board).

Transportation Fund for Clean Air

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the Bay Area to fund projects that reduce on-road motor vehicle emissions. This surcharge is used to fund the Transportation Fund for Clean Air (TFCA). Program requirements are in the Health and Safety Code Sections 44241 and 44242. Sixty percent of TFCA funds are used for programs implemented directly by the Air District (e.g., Spare the Air, Charge! Program, TFCA Regional Fund). The remaining forty percent of TFCA funds are passed-through to the designated County Program Managers (CPM) within the Air District's jurisdiction.

On June 6, 2018, the Board adopted the TFCA Regional Fund Policies and Evaluation Criteria for Fiscal Year Ending (FYE) 2019. On June 5, 2019, the Board adopted the TFCA Regional Fund Policies and Evaluation Criteria for FYE 2020. Additionally, on May 1, 2019, the Board adopted the TFCA Program Funding Allocation for FYE 2020, which increased the cost-effectiveness limit for Electric Vehicle (EV) Charging Station projects. The Charge! Program is an Air District-sponsored program and is not subject to the TFCA Regional Fund Policies and Evaluation Criteria,

although the Air District has incorporated the Board adopted TFCA Regional Fund Policies and Evaluation Criteria into the Charge! Program Guidance. The FYE 2019 and FYE 2020 Evaluation Criteria included a maximum grant amount of \$500,000 that may be awarded to non-public entities.

Charge! Program

The availability of charging infrastructure is a critical factor influencing the number of people who switch to EVs. Charging stations are categorized by the power output into Level 1, Level 2, DC Fast, and DC Ultra-Fast. Level 1 and Level 2 chargers are appropriate for locations where users dwell for longer periods of time, such as at residences, workplaces, and destinations including parks and transit park-and-ride lots. DC fast chargers can quickly charge EVs within an hour and are best suited for drivers who are making longer trips, or for situations in which a quick charge is required to resume work, such as for taxis, transportation network companies, or fleets.

Since 2016, the Air District has administered the Charge! Program, which provides funding through TFCA for the purchase and installation of publicly accessible charging stations in the Bay Area. This Program is open to government entities, non-profits, and businesses. The Charge! Program provides fixed award amounts per each charging unit installed. For example, a Level 2 charging station is eligible for up to \$3,000 in funding, whereas a DC fast charging station is eligible for up to \$18,000. Additional “plus-up” funding is available to promote ancillary benefits and reduce costs at project locations where there are higher barriers to implementation, including co-locating solar power generation or installing charging at multi-unit dwellings or in transportation corridors.

On May 2, 2018, the Air District Board allocated \$11.43 million in carry-over and new TFCA funds for Clean Vehicle Projects, including for the Charge! Program for FYE 2019, set cost-effectiveness limits, and authorized the Executive Officer/APCO to execute grant agreements and amendments for TFCA-revenue funded projects with grant award amounts up to \$100,000. The application period for the FYE 2019 cycle of the Charge! Program was open from October 25, 2018 to June 30, 2019.

DISCUSSION

Charge! Program Proposed Projects

As of June 30, 2019, the Air District had received 76 project applications for the Charge! Program. Of the applications that were evaluated between July 1, 2019 and September 5, 2019, two eligible projects have proposed grant awards over \$100,000. These two eligible projects have requested over \$500,000 in grant awards, which is the maximum grant amount for non-public entities per calendar year included in the FYE 2019 Charge! Program Guidance.

- **EVgo Services, LLC’s Electric Vehicle Charging Station Project:** On June 5, 2019, the Board of Directors approved an award of \$500,000 in TFCA Funds for EVgo Services, LLC to install and operate 20 DC fast charging stations at five transportation corridor facilities in San Francisco, Novato, and San Jose. Additionally, on June 5, 2019, the Board of Directors approved an award of \$389,400 from the Reformulated Gasoline Settlement Fund (RFG) to

support the installation and operation of 10 DC fast charging stations at the Oakland Airport Park 'N Fly in Oakland, California.

EVgo Services, LLC is proposing an additional project to install and operate 40 DC fast charging stations at nine transportation corridor facilities in San Francisco, Daly City, Millbrae, Newark, Cupertino, Castro Valley, and Emeryville. This project is estimated to reduce 0.8 tons of NOx, ROG, and PM per year. Staff recommend an additional award of \$1,000,000 in TFCA Funds for this project. This request brings the total requested TFCA funds for EVgo Services, Inc. to \$1,500,000 for the calendar year. Attachment 1, Table 1, provides additional information on this project.

- **PowerFlex's Electric Vehicle Charging Station Project:** This project will install and operate 606 single-port Level 2 and 6 DC fast charging stations at 18 multi-unit dwelling and workplace facilities in San Francisco, San Jose, Walnut Creek, Palo Alto, Sunnyvale, Belmont, Oakland, and Livermore. This project will reduce over 2.2 tons of NOx, ROG, and PM per year. Staff recommend an award of \$2,500,000 in TFCA funds for this project. Approximately 40% of the award funds would be used for charging stations at multi-unit dwelling facilities. Attachment 1, Table 1, provides additional information on this project.

Staff are recommending that the Board allow exceptions to the maximum grant amount for these two projects as they would significantly increase DC fast charging in Bay Area transportation corridors and at multi-unit dwellings, which have historically been the most challenging facility categories for installing EV charging infrastructure. Of the \$8.9 million in Charge! Program funds awarded to date, 0.2% has been for DC fast charging stations and 4% has been for multi-unit dwelling facilities. These projects would increase those numbers to 8% for DC fast charging stations and 11% for multi-unit dwelling facilities, for the program to date.

After all other eligible applications are awarded, there is sufficient funding from the \$11.43 million available in FYE 2019 to fund these two projects. Attachment 2, Table 1, lists all eligible Charge! projects that were evaluated as of September 5, 2019, including information about the charging category, facility type, award amounts, estimated emissions reductions, and county location.

Maximum Grant Amount for Future Cycles of Charge! Program

To allow for larger installation projects that strategically address key gaps in EV charging infrastructure in the Bay Area, staff recommend increasing the maximum award for public and non-public entities from \$1.5 million and \$500,000, respectively, to \$2.5 million per calendar year for both public and non-public entities for the FYE 2020 Charge! Program. Expanding the program's capacity to invest in critical areas of need for EV charging availability will accelerate the Bay Area's adoption of EVs, moving toward meeting the region's goals.

Eligible projects receiving the increased grant amount in excess of \$500,000 would be required to focus on communities with fewer publicly available EV charging stations, multi-unit dwellings, transportation corridors, and/or other identified gaps in EV charging infrastructure. Any project requesting in excess of \$500,000 in grant awards would also be placed on a waiting list until the end of the solicitation period, and then be evaluated if funds are still available. Projects requesting

over \$100,000 in grant awards will be brought to the Board of Directors for consideration.

Staff will present this recommendation along with an overview of program guidelines ahead of the launch of the FYE 2020 Charge! Program early next year.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District distributes TFCA funding to public agencies and private entities on a reimbursement basis. Funding for administrative costs is provided through the TFCA funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mark Tang
Reviewed by: Derrick Tang and Ranyee Chiang

Attachment 1: Projects with grant awards greater than \$100,000
Attachment 2: All Charge! Program approved and eligible projects

AGENDA 5 - ATTACHMENT 1

Table 1 - Charge! Program projects
with grant awards greater than \$100k (Evaluated between 7/4/19 and 9/5/19)

Project #	Applicant name	Project Category	Project Description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NO _x	ROG	PM	
19EV065	PowerFlex Systems, LLC	LD Infrastructure	Install and operate 606 single-port Level 2 (high) and 6 DC Fast charging stations at 18 Multi-dwelling unit and workplace facilities in San Francisco, San Jose, Walnut Creek, Palo Alto, Sunnyvale, Belmont, Oakland and Livermore	\$2,500,000	\$3,773,163	0.881	1.309	0.026	Regional
19EV077	Evgo Services, LLC	LD Infrastructure	Install and operate 40 DC Fast charging stations at 9 Transportation Corridor facilities in San Francisco, Daly City, Millbrae, Newark, Cupertino, Castro Valley and Emeryville	\$1,000,000	\$2,906,589	0.336	0.499	0.010	Regional
2 Projects				\$3,500,000	\$6,679,752	1.22	1.81	0.04	

AGENDA 5 - ATTACHMENT 2

Table 1 - Summary of all TFCA funded Charge! approved and eligible projects (evaluated between 7/1/18 and 9/5/19)

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			
18EV029	LD Infrastructure	Install and operate 16 single port Level 2 (high) charging stations at 1 workplace facility in Los Altos Hills	\$48,000	Creative Center of Los Altos	0.026	0.034	0.001	10/30/18	No	Santa Clara
18EV035	LD Infrastructure	Install and operate 2 dual port Level 2 (high) charging stations at 1 destination facility in Greenbrae	\$8,000	Marin Rowing Association	0.004	0.006	0.000	7/31/18	No	Marin
18EV038	LD Infrastructure	Install and operate 1 single port Level 2 (high) and one 25 kW DC Fast charging stations with solar at 1 transportation corridor facility in Petaluma	\$25,900	Solar Action Network	0.01	0.01	0.00	11/30/18	No	Sonoma
18EV047	LD Infrastructure	Install and operate 4 single port Level 2 (high) charging stations at 1 destination facility in San Mateo	\$12,000	Nazareth Plaza Owners' Association	0.007	0.009	0.000	7/30/18	No	San Mateo
18EV049	LD Infrastructure	Install and operate 12 single-port Level 2 (high) charging stations at 6 destination facilities in San Mateo, Burlingame, San Bruno, and Millbrae	\$36,000	San Mateo Union High School District	0.020	0.025	0.000	7/5/18	No	San Mateo
19EV002	LD Infrastructure	Install and operate 20 dual port level 2 (high) charging stations with solar at 1 destination facility in San Rafael	\$84,000	San Rafael Airport LLC	0.037	0.055	0.001	4/5/19	No	Marin
19EV003	LD Infrastructure	Install and operate two 25kW DC Fast charging stations at 1 transportation corridor facility in San Francisco	\$23,298	Union Investment Real Estate GmbH	0.008	0.012	0.002	4/5/19	Yes	San Francisco
19EV006	LD Infrastructure	Install and operate twenty 50kW DC Fast charging stations at 7 transportation corridor facilities in San Francisco, Novato, Emeryville and San Jose	\$500,000	EVGo Service, LLC	0.168	0.249	0.005	6/5/19	Yes	Regional
19EV007	LD Infrastructure	Install and operate 2 dual port & 1 single port level 2 (high) charging stations at 2 destination facilities in Concord	\$11,000	City of Concord	0.005	0.008	0.000	5/7/19	Yes	Contra Costa
19EV009	LD Infrastructure	Install and operate 2 dual port and 1 single port level 2 (high) charging stations at 1 workplace and 1 destination facility in Moraga	\$11,000	Town of Moraga	0.005	0.008	0.000	5/1/19	No	Contra Costa
19EV013	LD Infrastructure	Install and operate 1 DC Fast and 1 single-port level 2 (high) charging stations with a 9.1 kW solar array at a transportatopm corridor in Glen Ellen	\$32,000	Abrahams Farm LLC	0.010	0.015	0.000	5/23/19	No	Sonoma
19EV017	LD Infrastructure	Install and operate 2 single-port Level 2 (high) charging stations with a 17.28 kW solar array at a Destination facility in Richmond.	\$12,000	AHAH LLC	0.003	0.004	0.000	7/2/19	Yes	Contra Costa
19EV023	LD Infrastructure	Install and operate 3 dual-port Level 2 (high) charging stations at a MUD facility in San Mateo.	\$24,000	Mode Residences, LLC	0.006	0.008	0.000	7/31/19	Yes	San Mateo
19EV034	LD Infrastructure	Install and operate 2 single-port Level 2 (high) and 24 dual-port Level 2 (high) charging stations at 1 workplace facility in Milpitas	\$78,000	View Inc.	0.036	0.053	0.001	8/20/19	No	Santa Clara
19EV057	LD Infrastructure	Install and operate 8 single-port Level 2 (high) and 28 dual-port Level 2 (high) charging stations at 3 workplace facilities in Atherton and Redwood City	\$99,000	Redwood City School District	0.046	0.068	0.001	8/30/19	No	San Mateo
19EV065	LD Infrastructure	Install and operate 606 single-port Level 2 (high) and 6 DC Fast charging stations at 18 Multi-dwelling unit and workplace facilities in San Francisco, San Jose, Walnut Creek, Palo Alto, Sunnyvale, Belmont, Oakland and Livermore	\$2,500,000	PowerFlex Systems, LLC	0.881	1.309	0.026	Pending	Yes	Regional
19EV077	LD Infrastructure	Install and operate 40 DC Fast charging stations at 9 Transportation Corridor facilities in San Francisco, Daly City, Millbrae, Newark, Cupertino, Castro Valley and Emeryville	\$1,000,000	EVGo Service, LLC	0.336	0.499	0.010	Pending	Yes	Regional

17 Projects

\$4,504,198

1.605 2.373 0.050

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 23, 2019

Re: Update on Volkswagen Environmental Mitigation Trust Grant Program

RECOMMENDED ACTION

Recommend Board of Directors:

1. Authorize the Executive Officer/APCO to enter into agreements with eligible applicants for all projects approved by the California Air Resources Board (CARB) and funded by the Volkswagen Environmental Mitigation Trust.

BACKGROUND

The Volkswagen (VW) Environmental Mitigation Trust (Trust) is a component of partial settlements with Volkswagen for their use of an illegal defeat device (software designed to cheat emissions tests) in certain model year 2009 to 2016, 2.0- and 3.0-liter diesel cars that were sold in California. The VW Trust is intended to fully mitigate the lifetime excess oxides of nitrogen (NOx) emissions caused by VW's actions in the United States. The Trust is enumerated in the first of two Partial Consent Decrees as Appendix D. In March 2017, the Court appointed Wilmington Trust, N.A., as Trustee to administer the Trust for all eligible beneficiaries (states and tribes). The Trust became effective in October 2017. CARB is the designated Lead Agency, acting on the State's behalf as beneficiary, to implement California's allocation, which is about \$423 million of the \$3 billion national Trust.

In addition to the requirements outlined in the Consent Decree, Senate Bill 92 (Chapter 26, Statutes of 2017) was passed in June 2017, which further directs how California's VW Trust funds in Appendix D are to be spent. The legislation directs CARB to strive to ensure that thirty-five percent of California's allocation benefit low-income or disadvantaged communities that are disproportionately impacted by air pollution, ensure that the expenditures align with the State's priorities, and provide for public transparency before approval.

On May 25, 2018, CARB's Board approved the Beneficiary Mitigation Plan (BMP), which describes California's goals for the investment of its share of VW Trust funds. The BMP identifies and allocates funding to each of the five eligible project categories ("Eligible Mitigation Actions", or EMA) categories, sets funding targets that prioritize benefits to disadvantaged and low-income communities, and outlines the general administrative process for how the program funding may be used. CARB's BMP has designated approximately \$360 million for projects and approximately \$63 million for reserves and administrative costs.

On this date, CARB also approved the administration of the VW Trust funds to be conducted by California’s three largest air districts: Bay Area Air Quality Management District (Air District), San Joaquin Valley Air Pollution Control District (San Joaquin), and South Coast Air Quality Management District (South Coast). These agencies are responsible for development and day-to-day administration of their assigned EMAs, or eligible project categories, on behalf of CARB, who retains ultimate responsibility as California’s Lead Agency to the Trust.

The majority of VW Trust EMAs will target NOx emissions reductions through the "scrap and replace" of existing on-road freight trucks, transit and shuttle buses, school buses, forklifts and port cargo handling equipment, repowering of commercial marine vessels and freight switcher locomotives, and installation of new shore-power infrastructure and publicly accessible refueling infrastructure for light-duty electric and hydrogen fuel cell vehicles. CARB staff estimates the Plan’s funding actions, in aggregate for all EMAs, will reduce more than 10,000 tons of statewide NOx over a 10-year period.

VW Trust funds will be invested in a variety of geographic regions, and open to projects located across the State’s 58 counties, 11 major ports, and 34 commercial airports. Most of the funding EMAs will be made available over two installments, released two years apart, with the first installments anticipated to open between the Fourth Quarter of 2019 and early 2020.

Table 1 provides a summary of funding allocation by project category, and the EMAs assigned to the Air District are bolded.

Table 1: Summary of VW Trust Plan mitigation actions, funding, and lead air district

EMAs and Eligible Equipment	Project Funding (in millions)	Lead Air District
Zero-Emission Freight and Marine Projects <i>Heavy-lift forklifts, port cargo handling equipment, airport ground support equipment, oceangoing vessel shore power; zero-emission ferry, tugboat, and towboats repower</i>	\$70	Air District
Light-Duty Zero-Emission Vehicle Infrastructure <i>Publicly available electric vehicle charging stations and hydrogen dispensing facilities (\$5 million each)</i>	\$10	Air District
Zero-Emission Buses <i>Transit, school, and shuttle buses</i>	\$130	San Joaquin
Zero-Emission Class 8 Freight and Port Drayage Trucks <i>Class 8 freight trucks and port drayage trucks with new zero-emission technologies</i>	\$90	South Coast
Combustion Freight and Marine Projects <i>Low NOx class 7-8 freight trucks, Tier 4 freight switchers, Tier 4 or hybrid ferry, tugboat, and towboat repower</i>	\$60	South Coast
Total Project Funding	\$360	

DISCUSSION

On August 1, 2018, the Air District's Board of Directors (Board) authorized the Air District to accept, obligate, and expend up to \$130 million in VW Trust funding and authorized the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding. On March 13, 2019, the Air District and CARB executed two agreements for the Air District to administer \$11 million for the Light-Duty Zero-Emission Vehicle Infrastructure Projects category and \$77 million for the Zero-Emission Freight and Marine Project category.

Since the contract was executed with CARB, Air District staff has been working in coordination with the other districts to develop an online application, grants management system, and reporting database; outreach materials, including a website and hotline; and procedures that will govern how the funding will be administered. All of these components must be approved by CARB. The Air District will also be regularly compiling project and funding status information and making this information available to the public, as well as submitting periodic reports to CARB.

After each solicitation is issued, Air District staff will be reviewing, evaluating, scoring, and ranking applications using the procedures approved by CARB. The ranking list will be reviewed by a panel including members of the Air District, CARB, South Coast, San Joaquin, and the California Air Pollution Control Officers Association. As such, staff is recommending the Committee request the Board of Directors to authorize the Executive Officer/APCO to enter into agreements with eligible applicants for projects selected in accordance with the guidance that is approved by CARB. Staff will be returning to the Mobile Source Committee and Board at least annually to provide a status update on this program, which is anticipated to run approximately ten years.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District will distribute VW Trust funds to awardees on a reimbursement basis. Funding for administrative costs is provided by the VW Trust.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Amy Dao
Reviewed by: Karen Schkolnick, Chengfeng Wang, and Ken Mak

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 23, 2019

Re: Update on Proposed Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On August 2, 2018, the Trump Administration announced its intent to revoke California's emissions waiver as part of actions by the United States Environmental Protection Agency's (EPA) and the National Highway Traffic Safety Administration's (NHTSA) to adopt a new nationwide light duty emissions standards rule: The Safer Affordable Fuel-Efficient Vehicles Rule for Model Years 2021-2026 Passenger Cars and Light Trucks (proposed rule) identified by Docket ID No. EPA-HQ-OAR-2018-0283; NHTSA-2018-0067 (SAFE Rule). The SAFE Rule seeks to lock in place significantly reduced fuel economy standards, replacing the Obama era 50+ miles per gallon corporate average fuel economy (CAFE) requirements for 2021 through 2026 (which were proposed to be withdrawn by the EPA/NHTSA in August 2018).

On September 19, 2019, the Trump Administration announced that it will take the first step in finalizing the proposed SAFE Rule. In an action entitled "The Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule Part One: One National Program," the Administration, through its EPA and NHTSA, issued a Final Rule both (1) withdrawing California's emissions waiver; and (2) finalizing NHTSA regulations implementing its statutory authority to issue nationwide fuel economy standards and (attempting to) explicitly preempt state programs.

The emissions waiver has allowed California to set its own new vehicle emissions standards to address its air pollution problems since the adoption of the Clean Air Act in the 1970s. The vehicle emissions standards set by California under the waiver has been tremendously successful in helping to reduce air pollution and in improving public health in the Bay Area, as well as throughout the state. Additionally, the waiver has allowed California to set its own greenhouse gas and zero emissions requirements for certain vehicles, in order to deal with climate issues.

The Final Rule states that the second part of the SAFE Rule, the piece providing for reduced GHG and CAFE standards for light duty vehicles, will be finalized in the near future.

DISCUSSION

The Bay Area Air Quality Management District (Air District) strongly opposes the promulgation of the SAFE Rule, as it would not only worsen the effects of climate change, it would impede the Air District's progress in addressing air pollutants, endanger public health, and take a significant toll on the San Francisco Bay Area's economy. In addition, the proposed withdrawal of the greenhouse gas and zero emission vehicle requirements adopted by California under the waiver granted by the federal government, would be an unprecedented and shortsighted action by the EPA that is not supported by law. It is beyond doubt that California experiences extraordinary impacts from the air pollution and greenhouse gases created by the vehicles covered under the SAFE Rule. These impacts will only be exacerbated if the withdrawal of the California waiver withstands legal challenge.

As part of this agenda item, staff will present information to the Committee on the SAFE Rule; its impacts relative to increasing emissions; its impacts on the Air District's current Clean Air Plan; steps taken by staff to date in opposition to the proposed rule; and next steps. The Air District's Board of Directors has already authorized a legal challenge to the SAFE Rule, Part One, which will be commenced through the filing of a Petition for Review in the United States Court of Appeals for the D.C. Circuit, once the final rule is published in the Federal Register.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Randi Wallach

Reviewed by: Brian Bunger