



BOARD OF DIRECTORS
MOBILE SOURCE AND CLIMATE IMPACTS COMMITTEE

BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

COMMITTEE MEMBERS

TERESA BARRETT – CHAIR
MARGARET ABE-KOGA
PAULINE RUSSO CUTTER
LYNDA HOPKINS
MYRNA MELGAR

DAVE HUDSON – VICE CHAIR
DAVID CANEPA
JOHN GIOIA
DAVINA HURT
KAREN MITCHOFF

THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY ASSEMBLY BILL 361 (RIVAS 2021) ALLOWING REMOTE MEETINGS. THIS MEETING WILL BE ACCESSIBLE VIA WEBCAST, TELECONFERENCE, AND ZOOM.

- **THE PUBLIC MAY OBSERVE THIS MEETING THROUGH THE WEBCAST BY CLICKING THE LINK AVAILABLE ON THE AIR DISTRICT’S AGENDA WEBPAGE AT**

www.baaqmd.gov/bodagendas

- **THE PUBLIC MAY PARTICIPATE REMOTELY VIA ZOOM AT THE FOLLOWING LINK OR BY PHONE**

<https://bayareametro.zoom.us/j/87398702496>

(669) 900-6833 or (408) 638-0968

WEBINAR ID: 873 9870 2496

- **THOSE PARTICIPATING BY PHONE WHO WOULD LIKE TO MAKE A COMMENT CAN USE THE “RAISE HAND” FEATURE BY DIALING “*9”. IN ORDER TO RECEIVE THE FULL ZOOM EXPERIENCE, PLEASE MAKE SURE YOUR APPLICATION IS UP TO DATE**

MOBILE SOURCE AND CLIMATE IMPACTS COMMITTEE MEETING AGENDA

THURSDAY, MAY 26, 2022

9:30 AM

1. **Call to Order - Roll Call**
2. **Pledge of Allegiance**
3. **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.

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. Members of the public who wish to speak on matters on the agenda for the meeting, will have two minutes each to address the Committee. No speaker who has already spoken on that item will be entitled to speak to that item again.*

CONSENT CALENDAR (Item 4)

4. Approval of the Minutes of April 28, 2022

The Committee will consider approving the draft minutes of the Mobile Source and Climate Impacts Committee Meeting of April 28, 2022.

PRESENTATION(S) (Items 5 - 7)

5. Fiscal Year Ending (FYE) 2022 Charge! Program Project Recommendations

This is an action item for the Committee to consider recommending the Board of Directors approve the award of Fiscal Year Ending 2022 Charge! Program incentive funding to recommended projects. This item will be presented by Ada Truong, Staff Specialist in the Technology Implementation Office.

6. Projects and Contracts With Proposed Grant Awards Over \$500,000

This is an action item for the Committee to consider recommending the Board of Directors approve the award of incentive funding to projects with proposed grant awards in excess of \$500,000 and authorize the Interim Executive Officer/APCO to execute grant agreements for the recommended project. This item will be presented by Adam Shapiro, Acting Manager in the Strategic Incentives Division.

7. Updates to the Vehicle Buy Back Program Update

This is an action item for the Committee to consider recommending the Board of Directors approve the allocation of additional funds to the Vehicle Buy Back program and authorize the Interim Executive Officer/APCO to increase the value of existing contracts with the authorized dismantler and direct mail vendors. This item will be presented by Minda Berbeco, Manager in the Strategic Incentives Division.

OTHER BUSINESS

8. Public Comment on Non-Agenda Matters

Pursuant to Government Code Section 54954.3

Members of the public who wish to speak on matters not on the agenda for the meeting, will have two minutes each to address the Committee.

9. Committee Member Comments

Any member of the Committee, 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, June 23, 2022, at 9:30 a.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021).

11. Adjournment

The Committee meeting shall be adjourned by the Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
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BAAQMD homepage:
www.baaqmd.gov

- 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 Air 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, Suma Peesapati, at (415) 749-4967 or by email at speesapati@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 MEETINGS

MAY 2022

| <u>TYPE OF MEETING</u> | <u>DAY</u> | <u>DATE</u> | <u>TIME</u> | <u>ROOM</u> |
|--|------------|-------------|-------------|--|
| Board of Directors Budget and Finance Committee - CANCELLED | Wednesday | 25 | 9:30 a.m. | Webcast only pursuant to Assembly Bill 361 |
| Board of Directors Mobile Source and Climate Impacts Committee | Thursday | 26 | 9:30 a.m. | Webcast only pursuant to Assembly Bill 361 |

JUNE 2022

| <u>TYPE OF MEETING</u> | <u>DAY</u> | <u>DATE</u> | <u>TIME</u> | <u>ROOM</u> |
|--|------------|-------------|-------------|---|
| Board of Directors Meeting | Wednesday | 1 | 9:00 a.m. | 1 st Floor, Board Room (In person option available) <u>and REMOTE</u> pursuant to Assembly Bill 361 |
| Board of Directors Community Equity, Health and Justice Committee | Thursday | 2 | 9:30 a.m. | Webcast only pursuant to Assembly Bill 361 |
| Advisory Council Meeting - CANCELLED | Monday | 13 | 8:30 a.m. | Webcast only pursuant to Assembly Bill 361 |
| Board of Directors Legislative Committee | Monday | 13 | 1:00 p.m. | Webcast only pursuant to Assembly Bill 361 |
| Board of Directors Stationary Source and Climate Impacts Committee | Monday | 13 | 2:30 p.m. | Webcast only pursuant to Assembly Bill 361 |
| Board of Directors Meeting | Wednesday | 15 | 9:00 a.m. | 1 st Floor, Board Room (In person option available) <u>and REMOTE</u> pursuant to Assembly Bill 361 |
| Board of Directors Administration Committee | Wednesday | 15 | 11:00 a.m. | 1 st Floor, Board Room (In person option available) <u>and REMOTE</u> pursuant to Assembly Bill 361 |
| Board of Directors Stationary Source and Climate Impacts Committee – CANCELLED & RESCHEDULED TO MONDAY, JUNE 13, 2022 AT 2:30 P.M. | Monday | 20 | 9:00 a.m. | Webcast only pursuant to Assembly Bill 361 |

JUNE 2022

| <u>TYPE OF MEETING</u> | <u>DAY</u> | <u>DATE</u> | <u>TIME</u> | <u>ROOM</u> |
|---|------------|-------------|-------------|--|
| Board of Directors Budget and Finance Committee | Wednesday | 22 | 9:30 a.m. | Webcast only pursuant to Assembly Bill 361 |
| Board of Directors Mobile Source and Climate Impacts Committee | Thursday | 23 | 9:30 a.m. | Webcast only pursuant to Assembly Bill 361 |
| Path to Clean Air Community Emissions Reduction Plan Steering Committee | Monday | 27 | 5:30 p.m. | Webcast only pursuant to Assembly Bill 361 |
| Community Advisory Council Meeting | Thursday | 30 | 6:00 p.m. | Webcast only pursuant to Assembly Bill 361 |

HL 5/18/2022 – 1:25 P.M.

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Teresa Barrett and Members
of the Mobile Source and Climate Impacts Committee

From: Alexander G. Crockett
Interim Executive Officer/APCO

Date: May 26, 2022

Re: Approval of the Minutes of April 28, 2022

RECOMMENDED ACTION

Approve the attached draft minutes of the Mobile Source and Climate Impacts Committee Meeting of April 28, 2022.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the draft minutes of the Mobile Source and Climate Impacts Committee meeting of April 28, 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander G. Crockett
Interim Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Draft Minutes of the Mobile Source and Climate Impacts Committee Meeting of April 28, 2022

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 94105
(415) 749-5073

Mobile Source and Climate Impacts Committee Meeting
April 28, 2022

DRAFT MINUTES

*Note: Audio recordings of the meeting are available on the website of the
Bay Area Air Quality Management District at
www.baaqmd.gov/bodagendas*

This meeting was conducted under procedures in accordance with Assembly Bill 361. Members of the Committee participated by teleconference.

1. CALL TO ORDER - ROLL CALL

Opening Comments: Mobile Source and Climate Impacts Committee Chairperson Barrett, called the meeting to order at 9:30 a.m.

Roll Call:

Present: Committee Chairperson Teresa Barrett; Vice Chairperson Dave Hudson; and Directors Margaret Abe-Koga, David Canepa, Pauline Russo Cutter, John Gioia, Lynda Hopkins, Myrna Melgar, and Karen Mitchoff.

Absent: Director Davina Hurt.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC MEETING PROCEDURE

CONSENT CALENDAR (Item 4)

4. APPROVAL OF THE MINUTES OF MARCH 24, 2022

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Vice Chairperson Hudson made a motion, seconded by Director Abe-Koga to **approve** the minutes of March 24, 2022; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, Barrett, Canepa, Gioia, Hopkins, Hudson, Melgar, Mitchoff.
NOES: None.
ABSTAIN: None.
ABSENT: Cutter, Hurt.

PRESENTATIONS (Items 5 - 7)

5. PROJECTS AND CONTRACTS WITH PROPOSED GRANT AWARDS OVER \$500,000

Dr. Chad White, Supervising Staff Specialist, gave the staff presentation *Projects and Contracts With Proposed Awards Over \$500,000*, including: outcome; outline; Carl Moyer Program (CMP)/Mobile Source Incentive Fund (MSIF), Community Air Protection Program (CAPP), and Funding Agricultural Replacement Measures for Emission Reduction (FARMER); Transportation Fund for Clean Air (TFCA); CMP/MSIF, CAPP, FARMER, and TFCA; incentive funding awarded & recommended since July 2021 by revenue source (in \$millions); funds awarded & recommended since July 2021 by project category (in millions); funds awarded & recommended since July 2021 (in millions); and actions requested.

NOTED PRESENT: Director Cutter was noted present at 9:40 a.m.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Vice Chairperson Hudson made a motion, seconded by Director Abe-Koga, to recommend the Board **approves** the award of Carl Moyer Program funding to projects with proposed grant awards in excess of \$500,000 and **authorizes** the Interim Executive Officer/Air Pollution Control Officer to execute grant agreements for the recommended project; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, Barrett, Canepa, Cutter, Gioia, Hopkins, Hudson, Melgar, Mitchoff.
NOES: None.
ABSTAIN: None.
ABSENT: Hurt.

6. TRANSPORTATION FUND FOR CLEAN AIR COUNTY PROGRAM MANAGER EXPENDITURE PLANS FOR FISCAL YEAR ENDING (FYE) 2023

Kenneth Mack, Supervising Staff Specialist, gave the staff presentation *Transportation Fund for Clean Air County Program Manager (CPM) Expenditure Plans For Fiscal Year Ending 2023*, including: outcome; outline; background TFCA; background TFCA CPM Program; proposed allocation for CPMs in FYE 2023; and actions requested.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Vice Chairperson Hudson made a motion, seconded by Director Cutter, to recommend the Board **approves** the award of FYE 2023 TFCA funds proposed in the CPM expenditure plans; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, Barrett, Canepa, Cutter, Gioia, Hopkins, Hudson, Melgar, Mitchoff.
NOES: None.
ABSTAIN: None.
ABSENT: Hurt.

7. ANNUAL UPDATE TO THE TRANSPORTATION FUND FOR CLEAN AIR REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FISCAL YEAR ENDING FYE 2023

Linda Hui, Senior Staff Specialist, and Dr. Jeff McKay, Chief Financial Officer, gave the staff presentation *Updates to the TFCA Regional Fund Policies & Evaluation Criteria for FYE 2023*, including: outcome; outline; TFCA background; public outreach process; proposed updates; impacts of staffing shortages; and action requested.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Cutter made a motion, seconded by Director Hopkins, to recommend the Board **approve** the proposed updates to the TFCA regional fund policies for FYE 2023; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, Barrett, Canepa, Cutter, Gioia, Hopkins, Hudson, Melgar, Mitchoff.
NOES: None.
ABSTAIN: None.
ABSENT: Hurt.

OTHER BUSINESS

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBER COMMENTS

None.

10. TIME AND PLACE OF NEXT MEETING

Thursday, May 26, 2022, at 9:30 a.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021).

11. ADJOURNMENT

The meeting adjourned at 9:59 a.m.

Luis Espino
Acting Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Teresa Barrett and Members
of the Mobile Source and Climate Impacts Committee

From: Alexander G. Crockett
Interim Executive Officer/APCO

Date: May 26, 2022

Re: Fiscal Year Ending (FYE) 2022 Charge! Program Project Recommendations

RECOMMENDED ACTION

Committee to consider recommending the Board of Directors:

1. Approve the *Charge!* Program rank list and recommended projects with proposed grant awards as shown in Attachment 1; and
2. Authorize the Interim Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.

BACKGROUND

Wide-scale adoption of electric vehicles (EVs) and electrification of all types of transportation are essential to achieving local, state, and federal emission reduction targets for greenhouse gases and criteria pollutants. California has set a goal of 250,000 EV chargers and 1.5 million EVs sold by 2025, five million EVs sold by 2030, and to phase out sales of most conventional vehicles by 2035. The Bay Area has set a target of 1.5 million zero-emissions vehicles (ZEVs) by 2030 and 90% of vehicles in the Bay Area being zero-emissions by 2050. The Bay Area and California also share the goal to cut greenhouse gas emissions to 80% below 1990 levels by 2050. At the end of 2021, there were a total of 266,890 EVs registered and operating on Bay Area roads, representing 5% of the region's light-duty fleet, according to data from the California Energy Commission (CEC). Of those ZEV registrations in the Bay Area, 67% were battery electric vehicles (BEVs), 32% were plug-in hybrid vehicles (PHEVs), and 1% were fuel cell electric vehicles (FCEVs).

To support the increase of EVs needed to achieve Bay Area and California goals, significant investments in EV infrastructure are needed. The National Renewable Energy Laboratory (NREL) [EV Infrastructure Projection Tool](#) estimates that the Bay Area needs over 30,000 charging ports in 2022. According to the U.S. Department of Energy's [Alternative Fuels Data Center](#), there are approximately 11,917 (17 Level 1, 9,967 Level 2 and 1,933 DC Fast) publicly available charging ports across the Bay Area as of April 15, 2022. Attachment 2, Figure 1 shows

a breakdown of these publicly available chargers by county in the Bay Area. The Bay Area has less than half of the chargers it needs to support targets by NREL.

Additional charging stations will be needed to accommodate future growth in the EV market to achieve the ambitious Bay Area goals and to support a broader range of Bay Area residents. Attachment 2, Figure 2 shows a map of publicly available charging stations in the Bay Area. The chargers are generally located in urban areas and around transportation corridors. An individual or household's charging needs are related to their type of residence, with drivers in single-family homes being much more likely to have home charging compared to those living in apartments or multi-family buildings. Those that live in single-family homes are more likely to purchase EVs due to higher income levels and the ability to charge the vehicle at home. In the Bay Area, over one-third (36%) of housing units are in multi-family buildings. To extend the EV market beyond those living in single-family homes, the Bay Area must expand public charging infrastructure and charging at multi-family buildings.

The Air District's *Charge!* Program, other grant programs supporting EV infrastructure, and regional policies play a critical role in increasing the number of charging stations to support the Bay Area's growing EV fleet. As part of this presentation, the Committee will receive updates about the latest *Charge!* Program solicitation and additional efforts taken to support EV charging infrastructure in the region.

DISCUSSION

For the FYE2022 [Charge! Program](#), there was \$7M available for projects. The *Charge!* Program provides grant funding to offset the cost of purchasing and installing new publicly accessible chargers for light-duty EVs, at workplaces, destinations, transit parking locations, along transportation corridors, and at multi-family buildings. The Air District has administered the *Charge!* Program since 2016 and has awarded over \$17M to support more than 3,321 Level 2 charging ports and 445 DC Fast chargers throughout the Bay Area.

The FYE2022 *Charge!* Program was a competitive solicitation that launched on December 7, 2021, and closed on March 1, 2022. A total of \$7M in grant funding was available for organizations, including governments, businesses, and nonprofits. The FYE2022 *Charge!* Program prioritizes projects located at affordable and below market-rate housing, environmental justice communities, multi-family buildings, and in regions with lower EV charger density.

A scoring panel, comprised of two staff from the Air District's Technology Implementation Office, evaluated the applications as well as scored and ranked the projects. The application evaluation criteria and scoring metrics are listed in Attachment 2, Table 1. Each panelist scored projects individually before meeting to discuss and reconcile scores. Final scores were averaged and then projects were ranked by their score. A list of ranked projects and proposed grant awards can be found in Attachment 1. For the FYE2022 *Charge!* Program solicitation, there are 11 projects eligible for *Charge!* Program funding, totaling to nearly \$3.3M. Since the FYE2022 *Charge!* Program is undersubscribed, the scoring panel considered three additional projects that were eligible for funding under the FYE2021 *Charge!* Program solicitation but were not contracted at the time due to limited funding availability. In total, there are 14 applications

requesting approximately \$7.8M in funding to install 1,292 charging ports (1,084 Level 2 ports and 208 DC Fast ports) at 77 facilities (7 destinations, 21 multi-family buildings, 33 transportation corridors, and 16 workplaces) across the Bay Area. Two FYE2022 *Charge!* Program applications are not being considered for funding because they do not meet program eligibility requirements.

Staff requests that the Committee recommend to the Board of Directors to approve the *Charge!* Program rank list and recommended projects with proposed grant awards in Attachment 1. Funding will be awarded to projects in order based on funding eligibility and availability. If additional funding becomes available from other sources or through project fallout, projects will continue to be awarded in rank list order until funds are depleted. Projects that meet all eligibility requirements may be funded with either Mobile Source Incentive Funds (MSIF), Transportation Fund for Clean Air (TFCA), Community Air Protection Program (CAPP), Carl Moyer Program (CMP), or other funding sources.

While Air District grant programs have funded charging infrastructure throughout the Bay Area, more funding is needed in order to meet Bay Area and California goals and develop a strong regional charging network. Additional information on incentive programs that support EV infrastructure in the region can be found on Attachment 2, Table 2. In addition, the Air District has recently applied for grant funding from the CEC to support EV charger installations at multi-family buildings.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Air District distributes the MSIF, TFCA, CAPP, CMP, and other funding sources to project sponsors on a reimbursement basis. Funding for administrative costs is provided by each funding source.

Respectfully submitted,

Alexander G. Crockett
Interim Executive Officer/APCO

Prepared by: Ada Truong, Danny Fung, and Tin Le
Reviewed by: Anthony Fournier

ATTACHMENTS:

- 1. Attachment 1 - FYE2022 Charge! Program Rank List and Recommended Projects
- 2. Attachment 2 - FYE2022 Charge! Program Memo Figures and Tables

ATTACHMENT 1
Table 1 – FYE2022 Charge! Program Rank List
Eligible Projects (Evaluated between 3/1/2022 and 4/28/2022)

| Rank | Score | Project # | Applicant | Project Category | Project Description | Eligible Grant Award | Total Project Cost | Emissions Reductions (Lifetime) | | | Board/APCO Approval Date | CARE Area | AB1550/SB535 Area | County |
|------|-------|------------|---|--------------------------------|---|----------------------|--------------------|---------------------------------|--------|--------|--------------------------|-----------|-------------------|---------------|
| | | | | | | | | NOx | ROG | PM | | | | |
| 1 | 92.00 | 2202-27788 | The Shores at Marina Bay Community Association | Light Duty (LD) Infrastructure | Install and operate 2 single-port Level 2 (high) and 4 dual-port Level 2 (high) chargers at 1 multi-unit dwelling (MUD) facility. | \$ 48,000 | \$ 134,408.00 | 0.0144 | 0.0086 | 0.0068 | - | Yes | Yes | Contra Costa |
| 2 | 87.00 | 2202-27777 | 45th Street Artists Cooperative | LD Infrastructure | Install and operate 4 single-port Level 2 (high) charging stations at 1 MUD facility. | \$ 28,000 | \$ 36,997.00 | 0.0284 | 0.0169 | 0.0134 | - | Yes | Yes | Alameda |
| 3 | 86.50 | 2112-26426 | EV Charging Solutions, Inc | LD Infrastructure | Install and operate 10 single-port Level 2 (high) and 10 dual-port direct-current fast charger (DCFC) at 1 MUD facility. | \$ 320,000 | \$ 1,140,000.00 | 0.4211 | 0.2507 | 0.1995 | - | No | No | Solano |
| 4 | 85.75 | 2203-28067 | Casa Del Valle Condominiums | LD Infrastructure | Install and operate 2 dual-port Level 2 (high) chargers at 1 MUD facility. | \$ 16,000 | \$ 33,139.00 | 0.0159 | 0.0095 | 0.0075 | - | No | Yes | Contra Costa |
| 5 | 82.75 | 2203-28080 | Clocktower Lofts Homeowners Association | LD Infrastructure | Install and operate 2 dual-port DCFC at 1 MUD facility. | \$ 60,000 | \$ 181,200.00 | 0.0245 | 0.0146 | 0.0116 | - | Yes | No | San Francisco |
| 6 | 82.63 | 2202-28039 | EVgo Services LLC | LD Infrastructure | Install and operate 10 dual-port DCFC and 30 single-port DCFC at 4 transportation corridor facilities. | \$ 1,040,000 | \$ 4,497,181.00 | 1.0856 | 0.6462 | 0.5143 | - | Yes | Yes | Regional |
| 7 | 82.25 | 2201-26844 | City of Calistoga | LD Infrastructure | Install and operate 1 single-port Level 2 (high) and 2 dual-port Level 2 (high) at 2 destination facilities. | \$ 11,000 | \$ 52,550.00 | 0.0175 | 0.0104 | 0.0083 | - | No | Yes | Napa |
| 8 | 80.25 | 2202-27778 | ChargePoint | LD Infrastructure | Install and operate 60 single-port DCFC, 12 dual-port Level 2 (high) and 4 single-port Level 2 (high) charging stations at 19 transportation corridor and 1 workplace facility. | \$ 1,498,000 | \$ 7,550,820.57 | 1.6599 | 0.9880 | 0.7864 | - | Yes | Yes | Regional |
| 9 | 78.00 | 2202-27794 | Union Sanitary District | LD Infrastructure | Install and operate 2 DCFC, 1 single port Level 2 (high), and 15 dual-port Level 2 (high) charging stations with solar at 1 workplace facility. | \$ 103,000 | \$ 1,760,000.00 | 0.1544 | 0.0919 | 0.0731 | - | No | No | Alameda |
| 10 | 77.75 | 2202-27617 | City of Belmont | LD Infrastructure | Install and operate 6 dual-port Level 2 (high) chargers at 2 destination facilities. | \$ 24,000 | \$ 271,050.00 | 0.0368 | 0.0219 | 0.0174 | - | No | No | San Mateo |
| 11 | 77.50 | 2202-27968 | Blink Network LLC | LD Infrastructure | Install and operate 16 dual-port Level 2 (high) chargers at 2 MUD, 1 workplace, and 1 destination facilities. | \$ 112,000 | \$ 107,829.60 | 0.1201 | 0.0715 | 0.0569 | - | Yes | Yes | Santa Clara |
| 12 | 86.01 | 2101-15735 | EVgo Services LLC* | LD Infrastructure | Install and operate 28 single-port DCFC and 22 dual-port DCFC at 10 transportation corridor facilities. | \$ 1,470,000.00 | \$ 7,581,898.00 | 1.5058 | 0.8963 | 0.7134 | - | Yes | Yes | Regional |
| 13 | 85.84 | 2103-17553 | PowerFlex Systems, Inc.* | LD Infrastructure | Install and operate 1,008 single-port Level 2 (high) chargers at 2 destination, 14 MUD, and 13 workplace facilities. | \$ 3,000,000.00 | \$ 6,000,140.00 | 6.2620 | 3.7274 | 2.9668 | - | Yes | Yes | Regional |
| 14 | 81.51 | 2103-17587 | University Terrace Berkeley Homeowners Association* | LD Infrastructure | Install and operate 10 Level 2 (high) single port chargers at 1 MUD facility. | \$ 53,086.00 | \$ 58,985.00 | 0.0291 | 0.0172 | 0.0140 | - | Yes | No | Alameda |

*Eligible FYE2021 Charge! Program projects

Attachment 2

FYE2022 Charge! Program Memo Attachments: Figures, Maps, and Tables

Figure 1. Publicly Available Level 1, Level 2, and DC Fast Charging Ports by County in the Bay Area

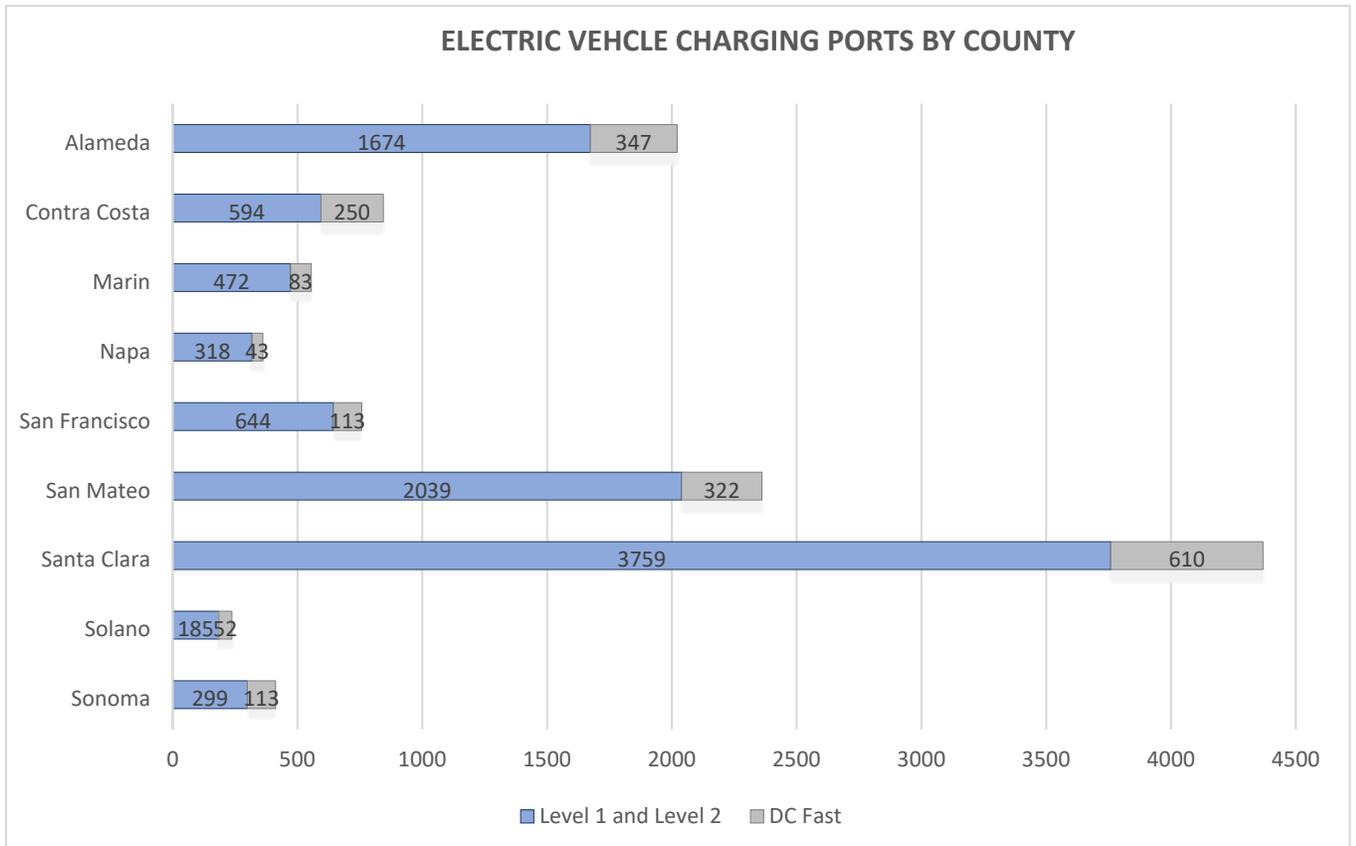


Figure 2. Map of Publicly Available Charging Stations in the Bay Area

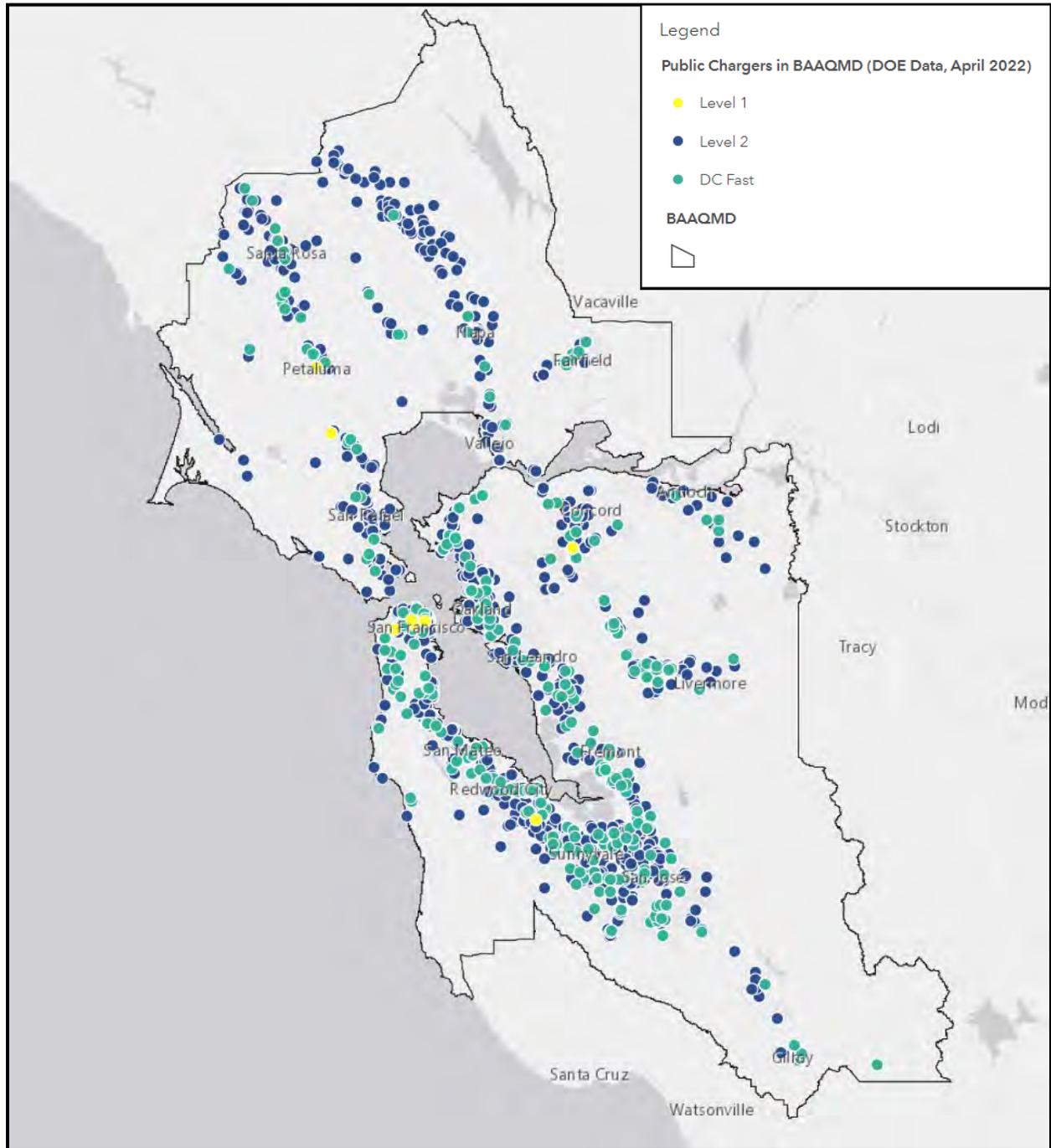


Table 1: Application Evaluation Criteria and Scoring

| Evaluation criteria | Possible points |
|--|-----------------|
| <p>Project details & implementation plan</p> <ul style="list-style-type: none"> • Project scope/details • Partners/community support • Location/facility type • Public accessibility • Technology type | 25 |
| <p>Project benefits</p> <ul style="list-style-type: none"> • # of units to be implemented • # of units per county and facility type • Estimated emissions reductions • Cost-effectiveness • Community support | 25 |
| <p>Priorities</p> <ul style="list-style-type: none"> • Project location: Environmental Justice community, AB 617 community, Disadvantaged/Low-income community | 10 |
| <p>Readiness</p> <ul style="list-style-type: none"> • Resources available • Readiness for implementation • Project timeline | 15 |
| <p>Qualifications</p> <ul style="list-style-type: none"> • Applicant experience/history • Partners' roles and experience • Local/Green business • Minority Business Enterprises (MBE) • Women's Business Enterprises (WBE) | 10 |
| <p>Budget</p> <ul style="list-style-type: none"> • Itemized equipment and infrastructure cost • Co-funding/match • Cost per port installed • Total funds requested | 10 |
| <p>Application completeness</p> | 5 |
| <p>Total Points Possible</p> | 100 |

Table 2: Other Incentive Programs for Light-duty EV Charging

| |
|---|
| <p>California VW Mitigation Trust</p> <p>The California Air Resources Board (CARB) is the lead agency in implementing California's share of Volkswagen (VW) Environmental Mitigation Trust funds, totaling approximately \$423M. On May 25, 2018, CARB approved the Beneficiary Mitigation Plan for California, which establishes five eligible program categories: Zero-Emission Transit, School, and Shuttle Buses (\$130M), Zero-Emission Class 8 Freight and Port Drayage Trucks (\$90M), Zero-Emission Freight and Marine (\$70M), Combustion Freight and Marine (\$60M), Light-Duty Zero-Emission Vehicle Infrastructure (\$10M). The Air District is the administrator for the VW Trust funds for the Light-Duty Zero-Emission Vehicle Infrastructure category, including up to \$5M for electric vehicle charging station projects and \$5M for hydrogen fueling station projects.</p> |
| <p>CALeVIP</p> <p>The California Electric Vehicle Infrastructure Project (CALeVIP) addresses regional needs for EV charging infrastructure throughout California, while supporting state goals to improve air quality, combat climate change and reduce petroleum use. Funded by the California Energy Commission (CEC) and implemented by the Center for Sustainable Energy, CALeVIP provides incentives for EV charger installations and works with local partners to develop and implement projects that meet current and future regional EV needs for Level 2 and DC Fast charging. CALeVIP is currently funded for \$164M through CEC funds, with potential of up to \$200M.</p> |
| <p>Electrify America</p> <p>Electrify America is a wholly owned subsidiary of Volkswagen Group of America, Inc. Electrify America will allocate \$2B, over a 10-year period, to ZEV infrastructure and awareness. The investment will enable millions of Americans to discover the benefits of electric driving and support the build-out of a nationwide network of workplace, community and highway chargers that are convenient and reliable.</p> |
| <p>MCE</p> <p>Marin Clean Energy's (MCE) MCEv offers a \$3,000 charging rebate for workplace or multi-family buildings to MCE customers in their service. MCEv has funded and installed over 600 EV charging ports in their service area.</p> |
| <p>PG&E</p> <p>Pacific Gas & Electric Company's (PG&E) EV Fast Charge Program has \$22.4M in funding to install publicly accessible DC Fast EV charging infrastructure. The program pays for and manages construction of electrical infrastructure from the utility pole to the parking space at a limited number of competitively selected sites. Disadvantaged community sites can also receive up to \$25,000 per charger. The program began in early 2020 and is continuing through 2025.</p> |
| <p>Silicon Valley Power</p> <p>Silicon Valley Power's Electric Vehicle Charging Station Rebate Program provides up to \$1,000 for residents to install a Level 2 charger. MUDs can receive up to \$3,000 and schools and non-profits can receive up to \$5,000 to install a Level 2 charger.</p> |
| <p>Sonoma Clean Power</p> <p>GridSavvy is a program offered by Sonoma Clean Power where residents can earn rewards for installing smart devices like smart thermostats, EV charging stations, and heat pump water heaters. Residents can receive a free smart electric vehicle charger for their home by paying up front for 50% of the charge cost, sales tax, and shipping and receiving a reimbursement. Installation costs are not covered by GridSavvy.</p> |

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Teresa Barrett and Members
of the Mobile Source and Climate Impacts Committee

From: Alexander G. Crockett
Interim Executive Officer/APCO

Date: May 26, 2022

Re: Projects and Contracts With Proposed Grant Awards Over \$500,000

RECOMMENDED ACTION

Committee to consider recommending the Board of Directors:

1. Approve recommended projects with proposed grant awards over \$500,000 as shown in Attachment 1; and
2. Authorize the Interim 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 1998-1999. The CMP provides grants to public and private entities to reduce emissions of nitrogen oxides (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 industrial, construction, and agricultural equipment, marine vessels, locomotives, and stationary agricultural pump engines. In 2018, the CMP guidelines were updated to allow funding to be awarded to offset a portion of the cost of installing new refueling or recharging infrastructure that supports the deployment of new zero-emissions vehicles and equipment.

Assembly Bill (AB) 923 (Firebaugh), enacted in 2004 (codified as Health and Safety Code (HSC) Section 44225), authorized local air districts to increase motor vehicle registration surcharges by up to \$2 additional per vehicle and use the revenue to fund projects eligible under the CMP guidelines. AB 923 revenue is deposited in the Air District's Mobile Source Incentive Fund (MSIF).

On January 20, 2021, the Board of Directors (Board) authorized the Air District's participation in Year 23 of the CMP, including an allocation of MSIF revenue as match funds. Per AB 1390, at

least 50% of CMP funds must be allocated to projects that benefit communities with the most significant exposure to air contaminants or localized air contaminants.

In 2017, AB 617 directed the CARB, in conjunction with local air districts to establish 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. The AB 617 initiative calls for strategies to address air quality issues in impacted communities, including community-level monitoring, uniform emission reporting across the State, stronger regulation of pollution sources, and incentives for reducing air pollution and public health impacts from mobile and stationary sources.

Beginning in fiscal year ending (FYE) 2018, the California Legislature approved funding from the State's Greenhouse Gas Reduction Fund (GGRF), which is used to reduce criteria pollutants, toxic air contaminants, and greenhouse gases, for the Community Air Protection Program (CAPP). CAPP funds may be used to fund projects eligible under the CMP and on-road truck replacements under the Proposition 1B Goods Movement Emission Reduction Program. Following additional approvals from CARB, CAPP funds may also potentially be used to fund stationary source and mobile source projects that have been identified and prioritized by communities with a Community Emissions Reduction Program, pursuant to HSC Section 44391.2. In May 2020, the Governor's revised budget authorized up to \$200 million for a third cycle of CAPP incentive funding. On June 17, 2020, the Board authorized the Air District to accept, obligate, and expend up to \$40 million in CAPP funds. At least 80% of CAPP funds must be allocated to projects that benefit disadvantaged communities (Senate Bill (SB)535), and low-income communities (AB 1550).

In February 2018, CARB developed the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines that outline requirements for eligible equipment, i.e., agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations. On October 21, 2019, CARB's Executive Officer approved an update to the FARMER Program Guidelines to include eligibility criteria for demonstration projects. The 2020 California State Budget appropriated \$65 million in Fiscal Year 2019-20 GGRF funds to the CARB for the continued reduction of criteria, toxic, and greenhouse gas emissions from the agricultural sector through the FARMER Program. On November 20, 2019, the Board authorized the Air District's participation in the third cycle of the FARMER program.

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 and requirements for the Transportation Fund for Clean Air (TFCA) are set forth in 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 program) and to a program referred to as the Regional Fund. The remaining forty percent of the funds are passed through to the designated Bay Area County Program Manager who in turn award TFCA funds to eligible projects within their county. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA monies. On April 7, 2021,

the Board authorized funding allocations for use of the sixty percent of the TFCA revenue in FYE 2022, and cost-effectiveness limits for Air District-sponsored FYE 2022 programs. On June 16, 2021, the Board adopted policies and evaluation criteria for the FYE 2022 Regional Fund program.

Applications for grant funding received by the Air District are reviewed and evaluated for eligibility under the respective governing policies and guidelines established by each funding source, e.g., CARB, the Board. At least quarterly, staff provides updates to the Mobile Source and Climate Impacts Committee on the status of incentive funding for the current fiscal year, including total funding awarded, incentive fund balance available for award, funds allocated by county and by equipment category type, and percentage of funding benefitting low-income residents and impacted communities, including Air District-identified Community Air Risk Evaluation (CARE) areas, disadvantaged SB 535 communities, and/or low-income AB 1550 communities. The reported award allocations and emissions reduction benefits to counties and impacted communities, which are based on information provided by each applicant, also does not include “regional” projects, where all communities receive benefits, or projects where the location of the benefit has not yet been determined.

On April 6, 2022, the Board authorized the Air Pollution Control Office (APCO)/Executive Officer to approve projects with awards up to \$500,000. For all projects with proposed awards greater than \$500,000, staff brings recommendations of these projects to the Board for approval.

DISCUSSION

Carl Moyer Program and Community Air Protection Program:

For the FYE 2022, the Air District had approximately \$46.3 million available in CMP, MSIF, CAPP, and FARMER funds for eligible projects, including prior year funds. This total may change as additional revenues are awarded to the Air District. The Air District accepts project applications on a rolling basis and evaluates them on a first-come, first-served basis.

Between March 30, 2022, and April 26, 2022, staff evaluated one eligible project with a proposed award of over \$500,000. This project replaces 10 Tier 0 off-road agricultural tractors and is estimated to reduce over 3.8 tons of NOx, ROG, and PM emissions per year. Staff recommends approval of the allocation of up to \$1,050,300 for this project from CMP/MSIF, CAPP, and FARMER revenues. Attachment 1 provides additional information on the project.

Attachment 2, updated at least quarterly, lists all eligible projects that have been awarded by the Air District between July 1, 2021, and March 30, 2022, including information about project equipment, award amounts, estimated emissions reductions, community benefits, and project locations. Approximately 85% of these funds have been awarded or allocated to low-income residents or to projects that reduce emissions in CARE, disadvantaged SB 535 communities, and/or low-income AB 1550 communities. The percentage will change over time as the remaining funds are awarded later in the fiscal year and as more complete information about the location of projects and program participants becomes available.

Transportation Fund for Clean Air Program:

For the FYE 2022, the Air District had approximately \$29.4 million in TFCA monies available for eligible projects and programs consisting of new and prior-year revenues. The Air District accepts project applications for certain project categories on a rolling basis and evaluates them on a first-come, first-served basis. No projects are being recommended for TFCA funding.

Attachment 3, Table 1, updated at least quarterly, lists all eligible TFCA projects that have been evaluated and awarded between July 1, 2021, and March 30, 2022, including information about project equipment, award amount, estimated emissions reduction, community benefits, and project locations. Approximately 87% of these funds have been awarded or allocated to low-income residents or to projects that reduce emissions in CARE, disadvantaged SB 535 communities, and/or low-income AB 1550 communities. The percentage will change over time as the remaining funds are awarded later in the fiscal year and as more complete information about the location of projects and program participants becomes available.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Air District distributes the CMP, MSIF, CAPP, FARMER, and TFCA funding to project sponsors on a reimbursement basis. Funding for administrative costs is provided by each funding source.

Respectfully submitted,

Alexander G. Crockett
Interim Executive Officer/APCO

Prepared by: Jessica DePrimo, Linda Hui, and Alona Davis
Reviewed by: Minda Berbeco and Karen Schkolnick

ATTACHMENTS:

1. Projects with Grant Awards Greater than \$500,000 (evaluated 3/30/22 to 4/26/22)
2. CMP/MSIF, FARMER and CAPP Projects (awarded and allocated 7/1/21 to 3/30/22)
3. TFCA Projects (awarded and allocated between 7/1/21 and 3/30/22)
4. Summary of Funding (awarded and allocated between 7/1/21 and 3/30/22)

ATTACHMENT 1

Table 1 - Carl Moyer Program, Mobile Source Incentive Fund, FARMER, Community Air Protection Program, and Transportation Fund for Clean Air projects with grant awards greater than \$500k (Evaluated between 3/30/22 and 4/26/22)

| Project # | Applicant Name | Project Category | Project Description | Proposed Contract Award | Total Project Cost | Emission Reductions (tons per year) | | | County |
|------------------|---------------------|------------------|--|-------------------------|---------------------|-------------------------------------|--------------|--------------|-------------|
| | | | | | | NO _x | ROG | PM | |
| 22MOY309 | San Felipe Farms LP | Off-Road/Ag | Replace ten diesel Tier-0 engine ag tractors with ten diesel Tier-4 engine ag tractors | \$ 1,050,300 | \$ 1,313,615 | 3.215 | 0.373 | 0.218 | Santa Clara |
| 1 Project | | | | \$ 1,050,300 | \$ 1,313,615 | 3.215 | 0.373 | 0.218 | |

ATTACHMENT 2

Data in this table are updated quarterly. Funds awarded or allocated after the date range below will be reflected in the next quarterly update.

CMP/MSIF, FARMER and Community Air Protection Program projects (awarded and allocated between 7/1/21 and 3/30/22)

| Project # | Project Category | Project Type | Number of Engines | Proposed Contract Award | Applicant Name | Emission Reductions (tons per year) | | | Board Approval Date | AB1390 Area | AB1550/SB535 Area | County |
|------------|-------------------|--|-------------------|-------------------------|--|-------------------------------------|-------|-------|---------------------|-------------|-------------------|---------------|
| | | | | | | NOx | ROG | PM | | | | |
| 22SBP71*** | School Bus | Equipment replacement + Infrastructure | 12 | \$ 3,775,186 | Petaluma City Schools | 0.932 | 0.071 | 0.005 | 7/7/2021 | No | Yes | Sonoma |
| 22MOY138 | Ag/ off-road | Equipment replacement | 3 | \$ 525,300 | Dave Soiland | 2.035 | 0.165 | 0.097 | 7/7/2021 | No | No | Sonoma |
| 22SBP84*** | School Bus | Equipment replacement + Infrastructure | 4 | \$ 803,786 | Rincon Valley Union School District | 0.228 | 0.015 | 0.003 | 7/7/2021 | No | Yes | Sonoma |
| 22MOY149 | Ag/ off-road | Equipment replacement | 1 | \$ 170,500 | Renati Dairy | 0.522 | 0.068 | 0.048 | 7/7/2021 | No | No | Sonoma |
| 22MOY127 | Ag/ off-road | Equipment replacement | 2 | \$ 107,100 | Napa Select Vineyard Services, Inc. | 0.187 | 0.012 | 0.011 | 7/7/2021 | No | No | Napa |
| 22MOY142 | Ag/ off-road | Equipment replacement | 2 | \$ 51,750 | Cobb Creek Holdings, LLC DBA CCH Ag Services | 0.205 | 0.034 | 0.021 | 7/7/2021 | No | No | Napa |
| 22MOY135 | Marine | Engine replacement | 1 | \$ 154,000 | William E. Smith | 1.831 | 0.018 | 0.069 | 7/7/2021 | No | No | San Mateo |
| 22SBP105 | School Bus | Equipment replacement + Infrastructure | 4 | \$ 1,731,969 | Fremont Unified School District | 0.414 | 0.036 | 0.018 | 7/7/2021 | No | Yes | Alameda |
| 22MOY169 | Ag/ off-road | Equipment replacement | 2 | \$ 132,260 | Kenzo Estate, Inc. | 0.223 | 0.020 | 0.015 | 7/7/2021 | No | No | Napa |
| 22SBP40*** | School Bus | Equipment replacement + Infrastructure | 5 | \$ 889,832 | Franklin-McKinley School District | 0.250 | 0.015 | 0.003 | 7/7/2021 | Yes | Yes | Santa Clara |
| 22MOY158 | Marine | Engine replacement | 1 | \$ 174,000 | Laurence J Collins | 0.790 | 0.018 | 0.028 | 7/7/2021 | No | No | San Francisco |
| 2102-16395 | LD Infrastructure | Charge! | -- | \$ 21,000 | The Millennium Tower Association | 0.007 | 0.004 | 0.000 | 7/7/2021 | Yes | No | San Francisco |
| 2103-17230 | LD Infrastructure | Charge! | -- | \$ 64,000 | REEF Energy CA Operations LLC | 0.098 | 0.058 | 0.002 | 7/7/2021 | Yes | Yes | San Francisco |
| 2103-17359 | LD Infrastructure | Charge! | -- | \$ 48,000 | The Shores at Marina Bay Community Association | 0.005 | 0.003 | 0.000 | 7/7/2021 | Yes | Yes | Contra Costa |
| 2103-17527 | LD Infrastructure | Charge! | -- | \$ 24,000 | EVmatch, Inc. | 0.003 | 0.002 | 0.000 | 7/7/2021 | Yes | Yes | Alameda |
| 2103-17603 | LD Infrastructure | Charge! | -- | \$ 32,000 | Bollinger Crest Apartment Investors, LP | 0.011 | 0.006 | 0.000 | 7/7/2021 | No | No | Alameda |
| 2103-17638 | LD Infrastructure | Charge! | -- | \$ 48,000 | Intertie, Incorporated | 0.017 | 0.010 | 0.000 | 7/7/2021 | Yes | Yes | San Francisco |
| 22MOY130 | On-road | Equipment replacement | 1 | \$ 25,000 | Min Jian Huang (jianhuang) | 0.841 | 0.070 | 0.000 | APCO | Yes | Yes | Alameda |
| 22MOY151 | Ag/ off-road | Equipment replacement | 2 | \$ 86,000 | Hardin Vineyard Management LLC | 0.257 | 0.055 | 0.023 | APCO | No | No | Napa |
| 22MOY124 | On-road | Equipment replacement | 1 | \$ 25,000 | Kulwant Khera (kskhera) | 0.773 | 0.065 | 0.000 | APCO | Yes | Yes | Alameda |
| 22MOY78 | Ag/ off-road | Equipment replacement | 1 | \$ 31,642 | Cortina Vineyard Management | 0.047 | 0.011 | 0.008 | APCO | Yes | Yes | Napa |
| 22MOY131 | On-road | Equipment replacement | 1 | \$ 25,000 | Karanbir Singh (karanbirsg) | 0.820 | 0.690 | 0.000 | APCO | No | No | Contra Costa |
| 22MOY166 | Ag/ off-road | Equipment replacement | 2 | \$ 96,400 | Stone Bridge Cellars Inc. | 0.166 | 0.009 | 0.009 | APCO | No | No | Napa |
| 22MOY174 | On-road | Equipment replacement | 1 | \$ 25,000 | Can Yuan Chen (canchen) | 1.008 | 0.085 | 0.000 | APCO | Yes | Yes | Alameda |

ATTACHMENT 2

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CMP/MSIF, FARMER and Community Air Protection Program projects (awarded and allocated between 7/1/21 and 3/30/22)

| Project # | Project Category | Project Type | Number of Engines | Proposed Contract Award | Applicant Name | Emission Reductions (tons per year) | | | Board Approval Date | AB1390 Area | AB1550/SB535 Area | County |
|-------------|-------------------|--|-------------------|-------------------------|--|-------------------------------------|--------|-------|---------------------|-------------|-------------------|---|
| | | | | | | NOx | ROG | PM | | | | |
| 22MOY92 | Ag/ off-road | Equipment replacement | 1 | \$ 29,550 | Paul P. Bianchi, Inc | 0.025 | 0.023 | 0.007 | APCO | No | No | Sonoma |
| 22SBP52 | School Bus | Equipment replacement | 3 | \$ 435,306 | Pittsburg Unified School District | 0.290 | 0.022 | 0.000 | 10/6/2021 | Yes | Yes | Contra Costa |
| 22MOY185 | Ag/ off-road | Equipment replacement | 1 | \$ 67,100 | Domenico J. Carinalli, Jr. | 0.156 | 0.010 | 0.009 | APCO | No | No | Sonoma |
| 22MOY99 | Ag/ off-road | Equipment replacement | 1 | \$ 41,100 | Daylight Vineyard Management, Inc. | 0.062 | 0.005 | 0.007 | APCO | No | No | Sonoma |
| 22MOY179 | Marine | Engine replacement | 1 | \$ 72,000 | Kyle Dryer dba Diamond Sportfishing | 0.705 | 0.009 | 0.028 | APCO | Yes | No | Alameda/Contra Costa/San Francisco |
| 22MOY22 | Ag/ off-road | Equipment replacement | 2 | \$ 57,100 | Joseph Pinheiro | 0.047 | 0.018 | 0.010 | APCO | No | No | Sonoma |
| 22MOY160 | Marine | Engine replacement | 4 | \$ 3,529,000 | Baydelta Navigation LTD | 30.665 | 2.726 | 1.021 | 10/6/2021 | Yes | Yes | San Francisco, Alameda, Contra Costa, Marin, Solano |
| 21SBP98* | School Bus | Equipment replacement + Infrastructure | -- | \$ 242,828 | Palo Alto Unified School District | -- | -- | -- | 10/6/2021 | Yes | Yes | Santa Clara |
| 22SBP14** | School Bus | Equipment replacement + Infrastructure | -- | \$ 95,327 | Milpitas Unified School District | -- | -- | -- | 10/6/2021 | Yes | Yes | Santa Clara |
| 22MOY128 | On-road | Equipment replacement | 1 | \$ 15,000 | Aman Khan | 0.420 | 0.035 | 0.000 | APCO | Yes | Yes | Alameda |
| 22MOY187 | Ag/ off-road | Equipment replacement | 1 | \$ 30,100 | Dierke's Enterprises | 0.017 | 0.015 | 0.004 | APCO | No | No | Sonoma |
| 22MOY190 | Ag/ off-road | Equipment replacement | 2 | \$ 91,170 | Anderson's Conn Valley Winery, Inc. | 0.108 | 0.034 | 0.015 | APCO | No | No | Napa |
| 22MOY170 | Off-road | Equipment replacement | 1 | \$ 106,000 | Argent Materials INC | 0.814 | 0.041 | 0.021 | 11/17/2021 | Yes | Yes | Alameda |
| 22MOY209 | Ag/ off-road | Equipment replacement | 1 | \$ 192,600 | Global Mushrooms LLC. | 0.362 | 0.049 | 0.030 | 11/17/2021 | No | Yes | Santa Clara |
| 22MOY167 | Ag/ off-road | Equipment replacement | 2 | \$ 285,700 | Ielmorini Moody Dairy | 0.871 | 0.107 | 0.052 | 11/17/2021 | No | Yes | Sonoma |
| 22MOY196 | Marine | Engine replacement | 2 | \$ 256,000 | A.C. Fishing Charters Inc., dba Tigerfish Sportfishing | 0.576 | 0.000 | 0.031 | 11/17/2021 | Yes | No | Alameda/Contra Costa/Marin/San Francisco |
| TBD | LD Infrastructure | Charge! ⁵ | -- | \$ 2,000,000 | BAAQMD | TBD* | TBD* | TBD* | 11/17/2021 | TBD* | TBD* | Regional |
| 22MOY211 | Ag/ off-road | Equipment Replacement | 1 | \$ 88,900 | Pomponio Farms LLC | 0.412 | 0.054 | 0.031 | APCO | No | Yes | San Mateo |
| 22SBP216*** | School Bus | Equipment replacement + Infrastructure | 3 | \$ 887,025 | Campbell Union High School District | 0.192 | 0.011 | 0.001 | 12/15/2021 | Yes | Yes | Santa Clara County |
| 22MOY217 | Marine | Engine replacement | 2 | \$ 380,000 | Happy Hooker Sportfishing, LLC | 1.340 | -0.036 | 0.056 | 12/15/2021 | Yes | Yes | Alameda, San Francisco, Contra Costa |
| 22MOY206 | Ag/ off-road | Equipment Replacement | 1 | \$ 64,000 | Wente Bros. dba. Wente Vineyards | 0.214 | 0.035 | 0.026 | APCO | Yes | No | Alameda |
| 22MOY157 | Ag/ off-road | Equipment replacement | 3 | \$ 133,400 | Walsh Vineyards Management Inc. | 0.657 | 0.105 | 0.067 | 1/19/2022 | No | No | Napa |
| 22MOY220 | Ag/ off-road | Equipment replacement | 3 | \$ 160,300 | Atlas Vineyard Management, Inc. | 0.301 | 0.046 | 0.036 | 1/19/2022 | No | No | Napa/Sonoma |
| 22MOY208 | Ag/ off-road | Equipment replacement | 1 | \$ 117,100 | Jack Neal and Son Inc | 0.210 | 0.028 | 0.019 | 1/19/2022 | No | No | Napa |

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CMP/MSIF, FARMER and Community Air Protection Program projects (awarded and allocated between 7/1/21 and 3/30/22)

| Project # | Project Category | Project Type | Number of Engines | Proposed Contract Award | Applicant Name | Emission Reductions (tons per year) | | | Board Approval Date | AB1390 Area | AB1550/SB535 Area | County |
|-------------|------------------|-----------------------|-------------------|-------------------------|---|-------------------------------------|-------|-------|---------------------|-------------|-------------------|---|
| | | | | | | NOx | ROG | PM | | | | |
| 22MOY215 | Marine | Engine Replacement | 2 | \$ 187,000 | Reel Screamer Charters LLC | 0.371 | 0.003 | 0.019 | 1/19/2022 | No | No | San Mateo, San Francisco, Marin |
| 22MOY241 | Marine | Engine replacement | 2 | \$ 258,000 | C-Gull II Sportfishing Inc. | 0.934 | 0.000 | 0.050 | 1/19/2022 | Yes | No | Alameda, San Francisco, Contra Costa, Marin |
| 22MOY245 | Marine | Engine replacement | 2 | \$ 301,400 | C-Gull II Sportfishing Inc. | 0.550 | 0.002 | 0.029 | 1/19/2022 | Yes | No | Alameda, San Francisco, Contra Costa, Marin |
| 22MOY224 | Marine | Engine Replacement | 2 | \$ 133,000 | Duane Winter | 0.349 | 0.002 | 0.018 | 1/19/2022 | No | No | San Mateo, San Francisco |
| 22MOY195 | Ag/ off-road | Equipment replacement | 1 | \$ 59,500 | Ilseley Brothers Farming, LLC | 0.099 | 0.006 | 0.006 | APCO | No | No | Napa |
| 22MOY180 | Ag/ off-road | Equipment replacement | 1 | \$ 32,400 | Frog's Leap Winery | 0.041 | 0.003 | 0.004 | APCO | No | No | Napa |
| 22MOY235 | Ag/ off-road | Equipment replacement | 1 | \$ 50,300 | Cornerstone Certified Vineyard | 0.074 | 0.007 | 0.008 | APCO | No | No | Sonoma |
| 22MOY228 | Marine | Engine replacement | 1 | \$ 85,300 | Wooden Boats for Vetrans Foundation | 0.216 | 0.009 | 0.009 | APCO | Yes | No | Solano/Contra Costa/San Francisco/Marin |
| 22MOY223 | Ag/ off-road | Equipment replacement | 1 | \$ 24,700 | Ingenious Solutions Incorporated | 0.013 | 0.011 | 0.003 | APCO | No | No | Napa |
| 22MOY195 | Ag/ off-road | Equipment replacement | 1 | \$ 54,000 | Ilseley Brothers Farming, LLC | 0.090 | 0.005 | 0.005 | APCO | No | No | Napa |
| 22MOY227 | Ag/ off-road | Equipment replacement | 2 | \$ 104,400 | M. German & Son Partnership | 0.379 | 0.060 | 0.041 | 3/2/2022 | No | No | Solano |
| 22MOY258 | Ag/ off-road | Equipment replacement | 2 | \$ 119,400 | Foley Family Farms, LLC | 0.376 | 0.049 | 0.033 | 3/2/2022 | No | No | Sonoma |
| 22MOY250 | Ag/ off-road | Equipment replacement | 3 | \$ 447,500 | George Bianchi Inc | 1.361 | 0.139 | 0.080 | 3/2/2022 | No | No | Sonoma |
| 22MOY253 | Ag/ off-road | Equipment replacement | 1 | \$ 60,800 | Alan Willey | 0.099 | 0.015 | 0.009 | APCO | No | No | Solano |
| 22MOY259 | Ag/ off-road | Equipment replacement | 1 | \$ 70,200 | Morrison Ranch | 0.150 | 0.023 | 0.017 | APCO | No | No | Solano |
| 22MOY270 | Ag/ off-road | Equipment replacement | 2 | \$ 90,400 | Dirt Farmer & Company, A California Corporation | 0.188 | 0.012 | 0.011 | APCO | No | No | Sonoma |
| 22SBP203*** | School Bus | Equipment replacement | 12 | \$ 3,164,239 | Oak Grove School District | 1.000 | 0.120 | 0.010 | 3/2/2022 | Yes | Yes | Santa Clara |
| 22MOY261 | Marine | Engine replacement | 2 | \$ 140,000 | Bay Marine Services, LLC | 0.594 | 0.003 | 0.022 | 3/2/2022 | Yes | Yes | Solano, Contra Costa |
| 22MOY277 | Ag/ off-road | Engine replacement | 4 | \$ 192,400 | Colinas Farming Company | 0.374 | 0.061 | 0.046 | 4/6/2022 | No | No | Napa |
| 22MOY226 | Ag/ off-road | Engine replacement | 2 | \$ 108,400 | Sonoma-Cutrer Vineyards, Inc. | 0.291 | 0.017 | 0.017 | 4/6/2022 | No | No | Sonoma |
| 22MOY251 | Ag/ off-road | Engine replacement | 6 | \$ 290,900 | New Pina Vineyard Management, LLC. | 0.463 | 0.102 | 0.056 | 4/6/2022 | No | No | Napa |
| 22MOY283 | Ag/ off-road | Engine replacement | 2 | \$ 83,000 | John Edward White | 0.095 | 0.029 | 0.013 | APCO | No | No | Napa |
| 22MOY287 | Ag/ off-road | Engine replacement | 1 | \$ 71,400 | A Cut Above Viticulture Service inc. | 0.123 | 0.020 | 0.015 | APCO | Yes | Yes | Napa |
| 22MOY272 | Marine | Engine replacement | 3 | \$ 99,000 | Lil' Man In The Boat, Inc. | 0.994 | 0.039 | 0.037 | APCO | Yes | Yes | San Francisco, Alameda, Marin |

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*CMP/MSIF, FARMER and Community Air Protection Program projects
(awarded and allocated between 7/1/21 and 3/30/22)*

| Project # | Project Category | Project Type | Number of Engines | Proposed Contract Award | Applicant Name | Emission Reductions (tons per year) | | | Board Approval Date | AB1390 Area | AB1550/SB535 Area | County |
|--------------------|------------------|--|-------------------|-------------------------|--|-------------------------------------|------------|------------|---------------------|-------------|-------------------|-------------------------------|
| | | | | | | NOx | ROG | PM | | | | |
| 22MOY276 | Marine | Engine replacement | 2 | \$ 99,000 | John Barnett dba Amigo Adventures | 0.522 | 0.014 | 0.019 | APCO | Yes | No | San Francisco, Marin, Alameda |
| 22MOY293 | Marine | Engine replacement | 4 | \$ 1,410,000 | Golden Gate Ferry | 10.169 | 1.411 | 0.150 | TBD | Yes | Yes | San Francisco, Marin |
| 22MOY299 | Marine | Engine replacement | 2 | \$ 114,000 | Chuck Louie dba Chuckys Pride Sportfishing | 0.446 | -0.001 | 0.024 | APCO | Yes | Yes | San Francisco, Alameda, Marin |
| 22MOY238 | On-road | Infrastructure | - | \$ 4,535,255 | AC Transit | - | - | - | TBD | Yes | Yes | Alameda |
| 22SBP177 | School Bus | Engine replacement | 7 | \$ 1,540,000 | West County Transportation Agency | 0.830 | 0.070 | 0.000 | TBD | Yes | Yes | Sonoma |
| 22MOY263 | Ag/ off-road | Equipment replacement | 2 | \$ 129,900 | Balletto Ranch, Inc. | 0.224 | 0.023 | 0.018 | APCO | No | No | Sonoma |
| 22MOY285 | Ag/ off-road | Equipment replacement | 1 | \$ 50,400 | Drake's View Dairy | 0.098 | 0.017 | 0.013 | APCO | Yes | Yes | Marin |
| 22MOY295 | Ag/ off-road | Equipment replacement | 1 | \$ 169,000 | A&S Landscape Materials, Inc. | 0.590 | 0.041 | 0.030 | APCO | Yes | Yes | Marin |
| 22MOY204 | Ag/ off-road | Equipment replacement + Infrastructure | 2 | \$ 219,674 | San Mateo Lumber Company, Inc. | 0.263 | 0.077 | 0.003 | APCO | Yes | Yes | San Mateo |
| 22MOY266 | Ag/ off-road | Equipment replacement | 1 | \$ 90,600 | Complete Equipment, Inc. | 0.113 | 0.018 | 0.010 | APCO | No | No | Sonoma |
| 82 Projects | | | 162 | \$ 33,028,799 | | 72.6 | 7.3 | 2.7 | | | | |

*This project award reflects an approved increase of \$242,828 in CMP/MSIF/CAPP funds to allow for DC fast-charging infrastructure to be included as part of this project. This project was previously awarded \$513,500.00 of TFCA funds and \$323,778.00 of CMP/MSIF/CAPP funds on 3/4/20.

**The project award reflects an approved increase of \$95,327 in CMP/MSIF/CAPP funds to allow for DC fast-charging infrastructure to be included as part of this project. This project was previously awarded \$204,598.00 of TFCA funds and \$622,556.00 of CMP/MSIF/CAPP funds on 4/7/21.

*** This project is co-funded with TFCA funds as shown on Attachment 3.

§ Award Amount may come from either the Mobile Source Incentive Fund (MSIF) or the Transportation Fund for Clean Air (TFCA).

* Funds have been allocated to these programs and project results will be determined at the end of project period.

ATTACHMENT 3

Table 1 - TFCA projects awarded and allocated (between 7/1/21 and 3/30/22)

| Project # | Project Category | Project Description | Award Amount | Applicant Name | Emission Reductions (tons per year) | | | Board/APCO Approval Date | CARE Area | AB1550/SB535 Area | County |
|------------|-------------------|--|--------------|--------------------------------------|-------------------------------------|-------|-------|--------------------------|-----------|-------------------|--------------|
| | | | | | NO _x | ROG | PM | | | | |
| 2101-15735 | LD Infrastructure | Install and operate 38 DC Fast chargers at 6 transportation corridor facilities in San Francisco, South San Francisco, Millbrae, Menlo Park, and San Jose. | \$ 950,000 | EVgo Services LLC | 0.350 | 0.207 | 0.008 | 7/7/21 | Yes | No | Multi-County |
| 2103-17065 | LD Infrastructure | Install and operate 5 Level 2 (high) dual port chargers at 1 transit parking facility in Napa. | \$ 20,000 | Napa Valley Transportation Authority | 0.014 | 0.008 | 0.000 | 7/7/21 | No | No | Napa |
| 2103-17315 | LD Infrastructure | Install and operate 135 Level 2 (high) single port chargers and 123 DC fast chargers at 40 destination, transportation corridor, and transit parking facilities in Vallejo, San Jose, Kenwood, Fairfield, Vacaville, Mountain View, and Santa Clara. | \$ 2,999,000 | EV Charging Solutions, Inc. | 1.446 | 0.853 | 0.035 | 7/7/21 | Yes | Yes | Multi-County |
| 2103-17345 | LD Infrastructure | Install and operate 2 DC Fast and 2 dual port Level 2 (high) chargers at 2 destination facilities in San Ramon. | \$ 44,000 | City of San Ramon | 0.024 | 0.014 | 0.001 | 7/7/21 | Yes | No | Alameda |
| 2103-17497 | LD Infrastructure | Install and operate 17 DC Fast chargers at 1 transportation corridor facility in Oakland. | \$ 425,000 | East Bay Community Energy Authority | 0.157 | 0.093 | 0.004 | 7/7/21 | Yes | Yes | Alameda |
| 2103-17499 | LD Infrastructure | Install and operate 8 Level 2 (high) dual port chargers at 1 multi-unit dwelling facility in Alameda. | \$ 64,000 | Alameda Multifamily Owner LLC | 0.023 | 0.013 | 0.001 | 7/7/21 | Yes | No | Alameda |
| 2103-17520 | LD Infrastructure | Install and operate 5 Level 2 (high) dual port and 2 Level 2 (high) single port chargers at 2 destination facilities in Dublin. | \$ 26,000 | City of Dublin | 0.019 | 0.011 | 0.000 | 7/7/21 | No | No | Alameda |
| 2103-17524 | LD Infrastructure | Install and operate 110 Level 2 (high) single port chargers with solar and 24 Level 2 (high) single port chargers at 3 workplace and 1 destination facilities in Solano. | \$ 406,000 | County of Solano | 0.309 | 0.182 | 0.007 | 7/7/21 | Yes | Yes | Solano |
| 2103-17554 | LD Infrastructure | Install and operate 2 Level 2 (high) dual port chargers with solar at 1 workplace facility in Richmond. | \$ 12,000 | West County Wastewater District | 0.006 | 0.003 | 0.000 | 7/7/21 | Yes | Yes | Contra Costa |
| 2103-17625 | LD Infrastructure | Install and operate 11 Level 2 (high) dual port chargers at 1 multi-unit dwelling facility in Brentwood. | \$ 44,000 | Silvergate Brentwood, LLC | 0.037 | 0.022 | 0.001 | 7/7/21 | No | No | Contra Costa |
| 21R05 | LD Infrastructure | FYE 21 Charge! Program | \$ 10,000 | BAAQMD | TBD* | TBD* | TBD* | 7/7/21 | TBD* | TBD* | Regional |
| 22R02 | LD Vehicles | Vehicle Buy Back Program | \$ 200,000 | BAAQMD | N/A** | N/A** | N/A** | 6/16/21 | N/A | N/A | Regional |
| 21RSB03 | School Bus | Match funding for Project #22SBP71 for the replacement of 12 diesel school buses with 12 electric school buses | \$ 1,153,346 | BAAQMD | N/A** | N/A** | N/A** | 7/7/21 | No | Yes | Sonoma |
| 21RSB04 | School Bus | Match funding for Project #22SBP84 for the replacement of 3 diesel school buses & 1 CNG school bus with 4 electric school buses | \$ 892,045 | BAAQMD | N/A** | N/A** | N/A** | 7/7/21 | No | Yes | Sonoma |
| 21RSB05 | School Bus | Match funding for Project #22SBP40 for the replacement of 5 diesel special needs school buses with 5 electric special needs school buses | \$ 1,232,175 | BAAQMD | N/A** | N/A** | N/A** | 7/7/21 | Yes | Yes | Santa Clara |
| 22SBP203 | School Bus | Match funding for the replacement of 8 diesel school buses with 8 electric school buses | \$ 1,428,844 | Oak Grove School District | N/A** | N/A** | N/A** | 3/2/22 | Yes | Yes | Sonoma |
| 22SBP216 | School Bus | Match funding for the replacement of 3 diesel school buses with 3 electric school buses | \$ 623,591 | Campbell Union High School District | N/A** | N/A** | N/A** | 12/15/21 | Yes | Yes | Santa Clara |

| Project # | Project Category | Project Description | Award Amount | Applicant Name | Emission Reductions (tons per year) | | | Board/APCO Approval Date | CARE Area | AB1550/SB535 Area | County |
|--------------|------------------|---|---------------------|--------------------------------------|-------------------------------------|--------------|--------------|--------------------------|-----------|-------------------|----------|
| | | | | | NO _x | ROG | PM | | | | |
| 21R12 | Trip Reduction | Pleasanton Connector Shuttles | \$ 80,000 | San Joaquin Regional Rail Commission | N/A ‡ | N/A ‡ | N/A ‡ | 6/22/21 | No | No | Alameda |
| 22R01 | Trip Reduction | Enhanced Mobile Source & Commuter Benefits Enforcement | \$ 150,000 | BAAQMD | TBD* | TBD* | TBD* | 6/16/21 | N/A | N/A | Regional |
| 22R03 | Trip Reduction | Spare The Air/Intermittent Control/Flex Your Commute Programs | \$ 2,290,000 | BAAQMD | TBD* | TBD* | TBD* | 6/16/21 | N/A | N/A | Regional |
| Total | | 20 Projects | \$13,050,001 | | 2.384 | 1.408 | 0.057 | | | | |

* Funds have been allocated to these programs and projects and results will be determined at the end of project period.

** Emission reductions are fully reported under the Carl Moyer Program to prevent double counting.

‡ Emission reductions will be reported as part of the Spare the Air program (Project #21R03).

ATTACHMENT 4

Summary of funding awarded and allocated from the following revenue sources between 7/1/21 and 3/30/22

- Carl Moyer Program (CMP)
- Community Air Protection Program (CAPP)
- Mobile Source Incentive Fund (MSIF)
- Transportation Fund for Clean Air (TFCA)
- Funding Agricultural Replacement Measures for Emission Reductions (FARMER)

Figure 1. Status of FYE 2022 funding by source
includes funds awarded, recommended for award, and available



Figure 2. Funding awarded and allocated in FYE 2022 by county
includes funds awarded & recommended for award

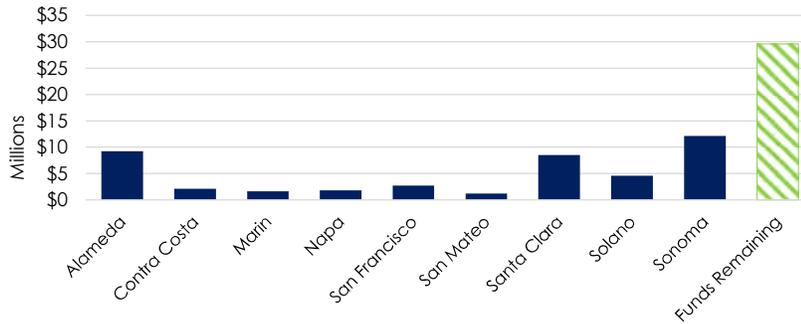
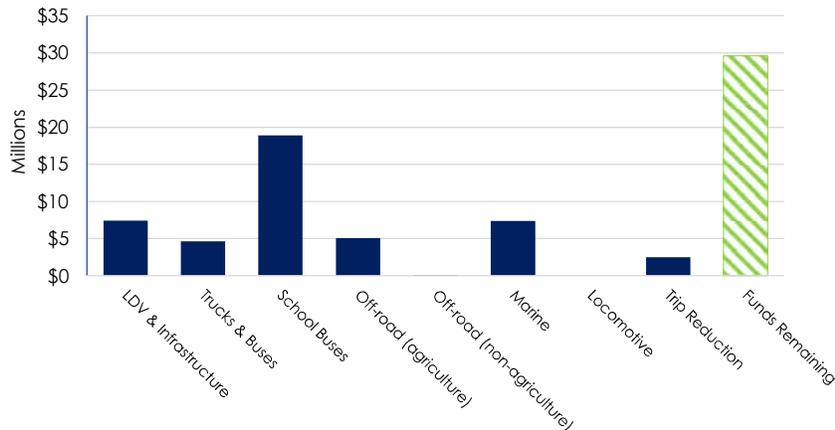


Figure 3. Funding awarded and allocated in FYE 2022 by project category
includes funds awarded & recommended for award



BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Teresa Barrett and Members
of the Mobile Source and Climate Impacts Committee

From: Alexander G. Crockett
Interim Executive Officer/APCO

Date: May 26, 2022

Re: Updates to the Vehicle Buy Back Program Update

RECOMMENDED ACTION

Committee to consider recommending the Board of Directors:

1. Approve the allocation of up to an additional \$5.8 million in incentive revenue from Mobile Source Incentive Fund and/or Transportation Fund for Clean Air monies to cover the cost of increased program participation; and
2. Authorize the Interim Executive Officer/APCO to execute amendments that increase the contract amounts in Fiscal Year Ending (FYE) 2023 and 2024:
 - a. With vehicle dismantlers Environmental Engineering Services and Pick-n-Pull by, an additional \$5 million annually; and
 - b. With Direct Mail Services by an additional \$800,000 annually.

BACKGROUND

Established in 1996, the Vehicle Buy Back (VBB) Program supports the Air District's mission to improve air quality by permanently removing old and highly polluting cars from the Bay Area's roads. Over the past 15 years, the VBB has successfully early-retired over 55,000 vehicles.

In its current iteration, the VBB offers Bay Area registered car owners \$1,200 for scrapping their 1997 and older cars. Promotion of this program is primarily done through direct mail using DMV data (refreshed annually) to contact potential participants in advance of their Smog Check. The authorized vehicle dismantlers also conduct some outreach to prospective participants. Eligible vehicles are accepted by authorized dismantlers who, under contract to the Air District, are paid up to \$100 to process each dismantled vehicle.

The VBB adheres to the Carl Moyer Program (CMP) Guidelines adopted by the California Air Resources Board (CARB), most recently updated in 2017. Because the program works to reduce air pollution, only the oldest dirtiest vehicles may be accepted into the program. The current CARB-adopted cost-effectiveness threshold of \$33,000 limits the amount that can be paid on a

per-vehicle-basis, that in turn limits the vehicle model year that can be accepted into the program. The guidelines also establish a maximum cost per vehicle, which is capped at \$1,500. This cap limits the amount of incentive paid to the owners and any other costs paid to dismantlers. The \$1,500 limit was established in 2017 and has not been updated since. The cost effectiveness limit is adjusted annually for inflation only.

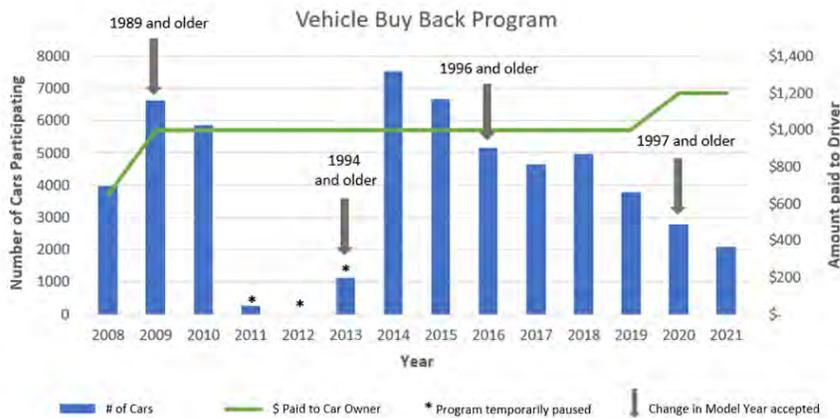
The Air District currently uses revenue from the CMP and Mobile Source Incentive Fund (MSIF) to pay for costs related to the purchase and dismantling of vehicles. These and other costs related to direct mail services and advertising have historically been paid for by the Air District’s Transportation Fund for Clean Air (TFCA) program and, more recently, with funds from the Bay Area Clean Air Foundation.

On May 6, 2020, the Air District’s Board of Directors (Board) authorized one-year term contracts with an option to renew for up to an additional three years with dismantling service vendors Pick-n-Pull and Environmental Engineering Services in a combined amount not to exceed \$7 million annually. These contracts were awarded following the completion of non-competitive Request for Proposal process. At this same meeting, the Board also approved the award of a one-year term contract with an option to renew for up to an additional three years with the highest ranked vendor proposer, Direct Mail Services, in an amount not to exceed \$300,000 annually.

DISCUSSION

A steady decline in participation rate is typical and to be expected over time as the VBB achieves its purpose and reduces the inventory of older vehicles registered to Bay Area owners. To maintain a steady participation rate, the Air District periodically makes updates to the program every few years, such as increasing the eligible model years and/or increasing the amount paid to program participants. In recent years, the program experienced its highest rate of participation in 2014 with over 7,500 vehicles early retired. More recently, the participation rate fell to a historic low of approximately 2,000 participants in 2021 (see Figure 1).

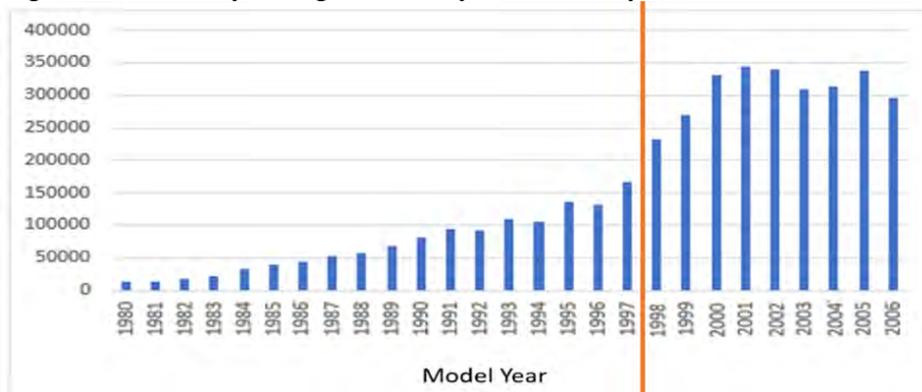
Figure 1. Number of cars early-retired through the VBB program 2008-2021 with amount paid to drivers and changes to accepted model years.



Although a declining participation rate is to be expected, staff attribute this recent and sharp decline to two key factors:

- a) a reduction of the availability of 1997 and older cars (Figure 2); and
- b) economic factors such as cost inflation for used and new vehicles, and owners retaining their cars for a longer duration during the pandemic.

Figure 2. Inventory of registered Bay Area cars by Model Year from CA DMV



To address the decline experienced in 2021, staff conducted a TV and radio media campaign that reached the public through both Spanish and English mediums. This action has had no identifiable impact and the participation rate continues to be lower than desired.

A challenge is that over time, the VBB's eligibility criteria regarding model year and amount paid per vehicle have reached the limit of the cost-effectiveness allowed by the Moyer guidelines, such that the Air District could now either only slightly increase the amount paid per vehicle or increase the eligible model year by one year. However, given the cost-effectiveness limits set by CARB, we could not do both and have 1998 vehicles fully meet the revised cost-effectiveness limit for 2022. Staff has evaluated options and potential program cost-impacts and is proposing to increase the model year eligibility to include 1998 vehicles.

Adding 1998 model year vehicles would make approximately 220,000 new vehicles eligible based on California Department of Motor Vehicles (CA DMV) data. Even at a very low response rate of 2% (equivalent to over 2x our current participation rate), the addition of this model year alone would nearly double the number of cars currently participating in the program.

Beginning in FYE 2023, staff anticipates that the total cost of the program may increase by up to \$5.8 million annually. Because the mail out to prospective participants occurs monthly to only the owners whose smog check is due within 60 days, staff will be able to monitor any changes in the participation rate and cost program impacts monthly. If the Board approves, staff will work to amend existing contracts to implement the approved changes by Summer 2022.

Recognizing that the program is operating at its limits and that changes must be made to the program by CARB, staff will also be raising this situation to CARB's attention and requesting necessary updates to the Chapter 8 of the Carl Moyer Guidelines to make the program more competitive in years to come.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The proposed increase of \$5.8 million for FYE 2022 is funded by MSIF and/or TFCA and is included in the Air District's FYE 2022 budget. An additional \$5.8 million annually is recommended for FYE 2023 and FYE 2024. These monies would be drawn from MSIF and/or TFCA and approved by the Board in the ordinary course of the Air District's budget process. Staff administrative costs for VBB are also covered by a combination of revenues from CMP, MSIF, and TFCA funds.

Respectfully submitted,

Alexander G. Crockett
Interim Executive Officer/APCO

Prepared by: Minda Berbeco and Ken Mak
Reviewed by: Karen Schkolnick

ATTACHMENTS:

None