

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO. 2017-13

A Resolution of the Board of Directors of the Bay Area Air Quality Management District to accept California Air Resources Board Fiscal Year 2016-17 Low Carbon Transportation and Fuels Investments and Air Quality Improvement Program Grant Funds for an Off-Road Advanced Technology Demonstration Project

WHEREAS, AB 118, the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (Statutes of 2007, Chapter 750) created the Air Quality Improvement Program (AQIP), an incentive program administered by the California Air Resources Board (ARB);

WHEREAS, AB 1532 (Statutes of 2012, Chapter 807), SB 535 (Statutes of 2012, Chapter 830), and SB 1018 (Statutes of 2012, Chapter 39) established the Greenhouse Gas Emission Reduction Fund (GGRF) to receive Cap-and-Trade auction proceeds and provided a framework for administering auction proceeds in furtherance of the purposes of AB 32;

WHEREAS, in June 2016, the ARB approved the Fiscal Year 2016-17 Funding Plan, which described how ARB would spend \$500 million in proposed Low Carbon Transportation and Fuels funding from GGRF and \$23.6 million from AQIP;

WHEREAS, in August 2016, the Legislature approved Assembly Bill 1613 (Committee on Budget, Chapter 370), which appropriated \$363 million to ARB for Low Carbon Transportation projects;

WHEREAS, in October 2016, ARB approved modifications to the FY 2016-17 Funding Plan to reflect the reduced appropriation and instructed all demonstration funds to primarily focus on projects that support ARB's sustainable freight action plan and benefit disadvantaged communities;

WHEREAS, the Funding Plan calls for projects that both provide immediate emission reductions from the vehicles and/or equipment directly funded and, more importantly, sets the stage for greater, indirect reductions in the future by accelerating large-scale market penetration and technology transfer to other sectors;

WHEREAS, in September 2017, the Air District applied to ARB's Low Carbon Transportation GGRF for \$3 million to implement a zero-emission hydrogen fueled ferry providing passenger service, serving the Port of San Francisco, Port of Oakland, Port of Redwood City, and the City of Martinez that will demonstrate the potential commercialization of a technology that will reduce greenhouse gas emissions with concurrent reductions in criteria and toxic pollutant emissions while benefitting disadvantaged communities in California;

WHEREAS, to be eligible for funding, ARB requires GGRF applicants to complete California Environmental Quality Act (CEQA) requirements;

WHEREAS, the Air District has determined that this project is categorically exempt under Article 19, Categorical Exemptions, Section 15301. Existing Facilities, Class 1, which consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination; and

WHEREAS, ARB requires Low Carbon Transportation GGRF applicants to submit a Resolution to accept funding from ARB and implement projects in accordance with the requirements established by ARB;

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors hereby approves the District's issuance of a Notice of Exemption under CEQA, accepts ARB GGRF funds, and commits the District to comply with the ARB Low Carbon Transportation GGRF project requirements if awarded funding.

BE IT FURTHER RESOLVED, the Executive Officer/Air Pollution Control Officer is hereby authorized and empowered to execute on behalf of the District grant agreements with ARB and all other necessary documents to implement and carry out the purposes of this resolution.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of VICE CHAIR HUDSON, seconded by DIRECTOR KAPLAN, on the 20TH day of DECEMBER, 2017, by the following vote of the Board:

AYES: BARRETT, CANEPA, CHAVEZ, CUTTER, GIOIA, GROOM,
HAGGERTY, HUDSON, JUE, KAPLAN, KIM, KNISS, MITCHOFF,
RICE, ROSS, SANCHEZ, SINKS, SPERING, WAGENKNECHT, ZANE.

NOES: NONE.

ABSENT: ABE-KOGA, MILEY, RONEN, SHEEHY.

ABSTAIN: NONE.



Liz Kniss
Chairperson of the Board of Directors

ATTEST:



Katie Rice
Secretary of the Board of Directors