

Agenda Date: May 18, 2017
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Continued Item: NA

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer

CONTACT: Jim Fredrickson, Air Quality Specialist (805-961-8892)

SUBJECT: Carl Moyer Program Funding

RECOMMENDATION:

Adopt a resolution to amend Resolution No. 15-22, changing the maximum amount the District can accept from the California Air Resources Board (CARB) for the Carl Moyer Program to \$1,500,000 per year.

DISCUSSION:

The District's Carl Moyer Program provides grant funds to qualified applicants in the county to assist in the replacement of older polluting diesel engines and equipment with new low emission technology, as well as a program to scrap old higher-emissions light duty vehicles to achieve emission reductions as early and as cost-effectively as possible.

Board Resolution 15-22, which was approved August 20, 2015, authorized the District's continued participation in the California Air Resources Board's Carl Moyer Program until January 1, 2024, along with the acceptance of annual grant funds not to exceed \$1,000,000, in addition to providing the required match of local grant funds.

Carl Moyer Program Accomplishments to Date

The District has participated in the Carl Moyer Program for 17 years and has expended over \$8,000,000 of grant funds. These funds went towards the following types of projects: agricultural pump engine repowers (17%); marine diesel engine repowers (27%); off-road diesel engine repowers (11%); on-road diesel engine repowers and retrofits (9%); off-road equipment replacement (32%); and Old Car Buy Back (4%). The total lifetime emission reductions (NO_x, ROG, and PM₁₀) from funded projects are 1,342 tons.

Increasing the Commitment to Accept up to \$1,500,000 per Year

CARB, through a one-time Carl Moyer Program Fiscal Year 2016-2017 State Reserve Project, has offered air districts statewide the opportunity to apply for State Reserve grant funds that are specifically earmarked for replacing school buses that cannot be retrofitted to comply with the Statewide Truck and Bus Regulation, either because of the age of the bus or the design of its engine. The 2017 State Reserve Project is designed to partially fund school bus replacements; however, school districts also need to pay a substantial fraction of the cost of each bus.

The District worked with CARB and local school districts to identify which Santa Barbara County school buses qualified for funding, and determined that only the Santa Ynez and Lompoc school districts had qualifying buses. Both school districts considered the funding opportunity and whether they could pay for their portion of the cost of each bus. Of the two eligible school districts, Lompoc Unified School District decided to apply for the funds, and was able to commit their required portion to purchase six replacement buses (i.e., one diesel to diesel replacement and five diesel to compressed natural gas replacements).

In April, the District applied for the 2017 State Reserve Project school bus grant funds on behalf of the Lompoc Unified School District, which has six diesel school buses that qualify for \$542,478 of school bus grant funds. On April 27, CARB notified the District that the project was selected for funding. The District then realized that, when the 2017 State Reserve Project school bus grant funds are combined with our regular annual allotment of Carl Moyer Program grant funds (approximately \$550,000), the maximum \$1,000,000 acceptance threshold established under Board Resolution 15-22 is exceeded. Therefore, the District cannot accept all of the 2017 State Reserve Project school bus grant funds until the acceptance threshold is increased by amending Board Resolution 15-22.

By authorizing the District to increase our annual acceptance of Carl Moyer Program grant funds to \$1,500,000, this will allow the District to assist the Lompoc Unified School District with their current fleet needs, and provides additional funding flexibility to assist other grant partners in the future.

FISCAL IMPACT:

This amendment to Resolution No. 15-22 will allow the District to be eligible to receive an increased amount of state funding each year through CARB's Carl Moyer Program. This modification will allow \$619,975 of additional funds from the Moyer 2017 State Reserve Project, to be used for school bus replacements in fiscal year (FY) 2017-18. This amount covers the school bus grant project cost of \$542,478 as well as the District's administrative cost of \$77,497 to implement the grant projects. This increase of revenue is included in the proposed budget for FY 2017-18.

ATTACHMENT:

Board Resolution Approving Increased Carl Moyer Program Funding

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

IN THE MATTER OF DISTRICT
PARTICIPATION IN THE CARL MOYER
PROGRAM UNTIL JANUARY 1, 2024;
AMENDMENT TO RESOLUTION NO. 15-
22, SIGNED AUGUST 20, 2015

APCD RESOLUTION NO. _____

RECITALS

WHEREAS, on August 20, 2015, the Santa Barbara County Air Pollution Control District Board (“Board”) approved Resolution 15-22 which continued the Santa Barbara County Air Pollution Control District’s (“District”) participation in the Carl Moyer Memorial Air Quality Standards Attainment Program administered by the California Air Resources Board pursuant to Health and Safety Code section 44275 et seq.; and

WHEREAS, in Resolution 15-22 the Board authorized the District’s continued participation in the Carl Moyer Program and to accept funds from the California Air Resources Board in an amount not to exceed \$1,000,000 each year for eligible projects and program administration until January 1, 2024; and

WHEREAS, the California Air Resources Board has made additional funding available through the Carl Moyer Program 2017 State Reserve Project, specifically for the purpose of replacing school buses that cannot be retrofitted; and

WHEREAS, In order to accept the full amount of additional funds offered through the 2017 State Reserve Project, the District must increase the annual funding acceptance limit that is identified in Resolution 15-22.

NOW, THEREFORE, IT IS HEREBY RESOLVED, as follows:

APCD RESOLUTION IN THE MATTER OF PARTICIPATION IN THE
CARL MOYER PROGRAM UNTIL JANUARY 1, 2024; AMENDMENT TO
RESOLUTION NO. 15-22, SIGNED AUGUST 20, 2015

1. The Board hereby amends Resolution No. 15-22 to allow for the acceptance of funds allocated and awarded to the Santa Barbara County Air Pollution Control District, not to exceed \$1,500,000, for eligible projects and program administration each year until January 1, 2024, in accordance with the terms and conditions of Carl Moyer Program grant agreements.
2. All other provisions of Resolution No. 15-22 shall remain in full force and effect.

PASSED, APPROVED AND ADOPTED by the Air Pollution Control District Board of the Santa Barbara County, State of California, this 18th day of May, 2017, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT

ATTEST:

AERON ARLIN GENET
Clerk of the Board

By _____
Chair

By _____
Deputy

Date _____

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
Santa Barbara County Counsel

By William M. Dillon
Deputy

APPROVED AS TO FORM:

RAY AROMATORIO, ARM, AIC
Risk Manager

By [Signature]
Risk Manager

APPROVED AS TO FORM:

THEODORE A. FALLATI, CPA,
CPFO
Auditor-Controller

By [Signature]
Deputy