

November 12, 2019

Air Pollution Control Board  
800 South Victoria Avenue  
Ventura, CA 93009

**SUBJECT: AUTHORIZATION TO APPROVE 14 GRANT FUNDING REQUESTS  
TOTALING \$1,119,772 FOR NEW AIR QUALITY PROJECTS UNDER THE  
FUNDING AGRICULTURAL REPLACEMENT MEASURES FOR EMISSION  
REDUCTIONS (FARMER) PROGRAM (**RECOMMENDATION #16  
REQUIRES SIX AFFIRMATIVE VOTES**)**

RECOMMENDED ACTIONS:

1. Approve grant funding up to \$28,265.00 to assist Coultas Farming Inc. with the purchase of a new, lower-emission farm tractor.
2. Approve grant funding up to \$99,272.00 to assist Dulce Berry with the purchase of two (2) new, lower-emission farm tractors.
3. Approve grant funding up to \$39,130.00 to assist GJ Farms Inc. with the purchase of a new, lower-emission farm tractor.
4. Approve grant funding up to \$53,410.00 to assist Ishibashi Farms with the purchase of a new, lower-emission farm tractor.
5. Approve grant funding up to \$47,789.00 to assist Jose Cervantes with the purchase of a new, lower-emission farm tractor.
6. Approve grant funding up to \$271,525.00 to assist Laubacher Farms Inc. with the purchase of two (2) new, lower-emission farm tractors.
7. Approve grant funding up to \$61,953.00 to assist Luna Farms Labor Inc. with the purchase of a new, lower-emission farm forklift.
8. Approve grant funding up to \$68,254.00 to assist Marvin Rahe with the purchase of a new, lower-emission farm tractor.
9. Approve grant funding up to \$39,130.00 to assist Miguel Lopez with the purchase of a new, lower-emission farm tractor.
10. Approve grant funding up to \$23,730.00 to assist Patricia Medina with the purchase of a new, lower-emission farm tractor.
11. Approve grant funding up to \$109,482.00 to assist Santa Clara Farms LLC with the purchase of a new, lower-emission farm forklift and a new, lower-emission farm tractor.
12. Approve grant funding up to \$53,440.00 to assist Sorrento Berry Farms LLC with the purchase of a new, lower-emission farm tractor.

13. Approve grant funding up to \$198,132.00 to assist Swift Ranch Co. with the purchase of two (2) new, lower-emission farm forklifts and two (2) new, lower-emissions farm tractors.
14. Approve grant funding up to \$26,260.00 to assist Venco Western Inc. with the purchase of a new, lower-emission farm tractor.
15. Direct the Air Pollution Control Officer (APCO) to prepare a grant agreement for each approved air quality project utilizing the standard Carl Moyer Program grant agreement, modified to reference the Funding Agricultural Replacement Measures for Emissions Reduction (FARMER) Program, and authorize the APCO to sign the grant agreements on behalf of the Air Pollution Control District (District) and make any necessary minor administrative changes to the grant agreements subject to County Counsel review and approval.
16. Authorize the Auditor-Controller's Office to process the following accounting transaction in Special Revenue Fund O701-APCD Grants for FY 2019-2020 (**six affirmative votes required**):

Increase Services and Supplies	\$1,119,772
Increase Intergovernmental Revenue	\$1,119,772

FISCAL/MANDATES IMPACT:

Mandatory: No

Source of Funding:

California Air Resources Board (CARB) FARMER Grant Award, Year 2	\$1,042,879.25
CARB FARMER Grant Award, Year 1	\$ 53,243.00
CARB FARMER Grant Interest Earned, FY 2018-2019	\$ 4,712.06
Health & Safety Code § 44229 Funds [\$2 DMV fee]	\$ 18,937.69

Funding Match Required: No

District staff requests your Board's approval and modification of the District's expense and revenue appropriations for the above-recommended projects.

STATEMENT OF MATTER FOR BOARD CONSIDERATION:

Background

Initiated in 2018, the FARMER Program is a grant program developed by the California Air Resources Board (CARB) to implement Assembly Bill (AB) 109 (Ting, Chapter 249, Statutes of 2017). In Year 2, the California Legislature allocated \$132 million from the State Budget for FY 2017-18 to CARB for reducing criteria, toxic, and greenhouse gas (GHG) emissions from the agricultural sector. The Legislature directed the use of the monies to "reduce agricultural sector emissions by providing grants, rebates, and other financial incentives for agricultural harvesting

equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations.”

For the second year of the FARMER Program, CARB has directed funding primarily to agricultural projects that have been successfully implemented in other incentive programs, such as the Carl Moyer Program and the Air Quality Improvement Program. Utilizing this existing incentive program framework, at least initially, will help ensure that funds are spent efficiently and expeditiously. The FARMER Program now includes new project categories for heavy-duty agricultural trucks and equipment unavailable with similar horsepower ratings, and modifications to the existing zero-emission agricultural utility terrain vehicles (UTV) project category. In March 2019, the District advertised the availability of FARMER Program grant funds implemented within the framework of the Ventura County Carl Moyer Program on its website, by emails to interested parties and organizations, and through local diesel equipment dealers and installers. The deadline for submitting applications was June 12, 2019.

The District received 62 applications for grant funding, of which 47 qualified for FARMER Program funding. The FARMER-qualified applications consisted of proposals for replacing 88 pieces of mobile diesel agricultural equipment. District staff evaluated the eligibility of each grant application and related piece of equipment as well as the costs and benefits of the newer, cleaner equipment. Staff then ranked each eligible piece of equipment against the others in terms of dollars per ton of air pollutants reduced. The most cost-effective equipment/applications are proposed for funding.

Please note that your Board approved the District’s participation in three new grant programs that used the Carl Moyer Program framework to quickly provide funding to reduce pollution. Two of these new programs – the FARMER and CAP Programs – target air pollution in disadvantaged and low-income communities.

2019 marks the second year the District has administered a local FARMER Program. The grants previously approved by your Board on December 18, 2018 and this year’s proposed grants are summarized in the table below. The proposed grants include only FARMER Program projects. Other incentive program projects – Carl Moyer Program and Community Air Protection Program – will be submitted to your Board as separate agenda items.

<b>Calendar Year</b>	<b>Authorized Funding</b>	<b>Agricultural Pumps</b>	<b>On-Road</b>	<b>Utility Terrain Vehicles</b>	<b>Farm Forklifts, Loaders, &amp; Tractors</b>	<b>Total Engines</b>	<b>Grant Contracts</b>
2018	\$1,192,602	0	0	0	22	22	12
2019 Proposed	\$1,119,772	0	0	0	20	20	14
<b>Totals</b>	<b>\$2,312,374</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42</b>	<b>42</b>	<b>26</b>

Current Proposal

Based on District staff analysis of all grant program applications and corresponding equipment, we recommend your Board approve a total of \$1,119,772 in FARMER Program funding for the

20 engines described in Attachment 1 and Recommended Actions 1 through 14, above. The FARMER Program Guidelines recommend at least 50 percent of the funds go to disadvantaged communities and five percent go to low-income communities as described in AB 1550. The proposed grants exceed these targets, as 62 percent of the funds are allocated to projects in communities classified as both disadvantaged and low-income, three percent of the funds are allocated to disadvantaged communities, and the remaining 35 percent of funds are allocated to projects in low-income communities.

The proposed FARMER Program Year 2 air quality projects set forth above result in a total projected emission reduction of 12.1 tons per year of ozone precursors, 0.9 tons per year of diesel particulate matter, and 64 metric tonnes of carbon dioxide, a greenhouse gas, per year. Staff will administer the grant agreements and ensure contract requirements are met before making grant payments. The APCO requests authorization to make any necessary minor administrative changes to the grant agreements subject to County Counsel review and approval.

The Auditor-Controller's office and County Counsel have reviewed this letter. If you have any questions, please contact Tyler Harris (Program Manager) at 805-645-1407 or Nancy Mendoza (Fiscal) at 805-645-1402.

DR. LAKI TISOPULOS, P.E.  
Air Pollution Control Officer

Attachment 1 FARMER Program Recommendations for Funding, November 12, 2019.

VCAPCD FARMER Program  
Recommendations for Funding - November 12, 2019

App No	Applicant	Type	Equipment Cost (excluding sales tax)	Proposed Grant	NOx Emission Reduction TPY	ROG Emission Reduction TPY	PM Emission Reduction TPY	CO2 Emission Reduction Metric TPY	Targeted Status
21-016	Coultas Farming Inc.	Farm Tractor	\$56,531	\$28,265	0.276	0.045	0.035	2.1	DAC
21-010	Dulce Berry	Farm Tractor	\$70,909	\$49,636	0.471	0.060	0.043	3.0	DAC/LI
21-010	Dulce Berry	Farm Tractor	\$70,909	\$49,636	0.461	0.059	0.042	3.0	DAC/LI
21-027	GJ Farms Inc.	Farm Tractor	\$59,400	\$39,130	0.546	0.069	0.040	2.1	LI
21-037	Ishibashi Farms	Farm Tractor	\$76,300	\$53,410	0.488	0.079	0.062	3.4	DAC/LI
21-022	Jose Cervantes	Farm Tractor	\$72,070	\$47,789	0.302	0.045	0.027	1.2	LI
21-044	Laubacher Farms Inc.	Farm Tractor	\$349,660	\$199,258	1.545	0.177	0.116	16.1	DAC/LI
21-044	Laubacher Farms Inc.	Farm Tractor	\$120,445	\$72,267	0.947	0.046	0.024	5.7	DAC/LI
21-005	Luna Farms Labor Inc.	Agricultural Forklift	\$91,990	\$61,953	0.336	0.051	0.031	1.6	LI
21-048	Marvin Rahe	Farm Tractor	\$102,722	\$68,254	0.420	0.054	0.031	1.6	LI
21-031	Miguel Lopez	Farm Tractor	\$59,400	\$39,130	0.495	0.074	0.044	2.0	LI
21-030	Patricia Medina	Farm Tractor	\$35,900	\$23,730	0.068	0.066	0.017	1.0	LI
21-012	Santa Clara Farms	Agricultural Forklift	\$85,495	\$59,846	0.302	0.049	0.038	2.2	LI
21-012	Santa Clara Farms	Farm Tractor	\$70,909	\$49,636	0.987	0.114	0.067	3.7	LI
21-036	Sorrento Berry Farms	Farm Tractor	\$66,800	\$53,440	0.317	0.052	0.040	2.0	DAC/LI
21-007	Swift Ranch Co.	Agricultural Forklift	\$83,700	\$44,052	0.637	0.092	0.057	2.6	DAC/LI
21-007	Swift Ranch Co.	Agricultural Forklift	\$83,700	\$44,052	0.549	0.081	0.051	2.7	DAC/LI
21-007	Swift Ranch Co.	Farm Tractor	\$78,595	\$55,014	0.848	0.108	0.063	3.6	DAC/LI
21-007	Swift Ranch Co.	Farm Tractor	\$78,595	\$55,014	0.513	0.065	0.047	3.5	DAC/LI
21-013	Venco Western	Farm Tractor	\$37,515	\$26,260	0.103	0.090	0.024	1.2	DAC/LI
Totals			\$1,751,545	\$1,119,772	10.6	1.5	0.9	64.1	

DAC = disadvantaged community

LI = low-income community