

June 20, 2017

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

SUBJECT: CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT PROGRAM STATE RESERVE FUNDING FOR SCHOOL BUS REPLACEMENTS (YEAR 19) (**RECOMMENDATION # 6 REQUIRES SIX AFFIRMATIVE VOTES**)

RECOMMENDED ACTIONS:

1. Approve grant funding up to \$52,857 to assist Moorpark Unified School District with a school bus replacement project to replace School Bus No. 14.
2. Approve grant funding up to \$147,867 to assist Pleasant Valley School District (Camarillo) with a school bus replacements project to replace School Bus Nos. 19 and 20.
3. Approve grant funding up to \$67,078 to assist Rio School District (Oxnard) with a school bus replacement project to replace School Bus No. 2.
4. Approve grant funding up to \$232,681 to assist Ventura Unified School District with a school bus replacement project to replace four school buses (Nos. 37, 68, 69, and 70).
5. Direct the Air Pollution Control Officer (APCO) to prepare a grant agreement for each approved air quality project utilizing the standard Carl Moyer Program Reserve grant agreement; and authorize the APCO to sign the grant agreements on behalf of the Air Pollution Control District and make any necessary minor administrative changes to the grant agreements, subject to County Counsel review and approval as to form.
6. Authorize the Auditor-Controller's Office to process the following accounting transaction in Special Revenue Fund 0701-Air Pollution Grants for FY 2017-2018 (**six affirmative votes required**):

Increase Appropriations (Salaries and Benefits)	\$71,498
Increase Appropriations (Services and Supplies)	\$500,483
Increase Revenue Intergovernmental Revenue	\$571,981

FISCAL/MANDATES IMPACT:

Mandatory: No

Source of Funding: Air Resources Board (ARB) Reserve Grant Award (Year 19) \$571,981

Funding Match Required: None

Project Funds: \$500,483

Administration Funds: \$71,498

STATEMENT OF MATTER FOR BOARD CONSIDERATION:

Background

The Carl Moyer Memorial Air Quality Standards Attainment Program (Health & Safety Code § 44275 et seq.) provides monetary incentives through local air pollution control districts to replace older heavy-duty diesel equipment with newer lower emission equipment. Permanent destruction of the old, high emission equipment is required. On October 13, 2015, your Board approved participation in the Carl Moyer Grant program through Fiscal Year 2024-2025, which provided the APCO with authority to apply for grant funds and execute grant agreements with ARB.

Between March 6 and April 17, 2017, the ARB solicited air pollution control districts to apply for Carl Moyer Reserve Funding set aside for school bus replacements. Qualifying school buses must have been issued an extension from the particulate matter (PM) requirements of the California On-Road Heavy-Duty Diesel Vehicles (In-Use) Regulation. This extension is due to expire on January 1, 2018, and was provided to school buses that were not eligible for PM retrofit filters because of engine configuration or lack of certified equipment retrofits for that engine model. Staff contacted all the public school districts in the county and requested grant applications for any qualifying school bus that was being used on a daily basis, excluding school buses used only as a backup or on special trip assignments.

School bus replacement grant amounts were determined using the same emission factors and cost-effectiveness allowed by the Carl Moyer program for school buses (\$276,230 per ton of emissions reduced). The only factor that was input by the school districts was the annual mileage of the replaced bus. Buses with higher annual mileage were eligible for higher grant amounts. However, statewide grants for this program were limited to \$6.55 million, and the program was oversubscribed. As a result, the ARB chose the most cost-effective projects for funding, which included eight of the eleven school bus grant applications submitted by VCAPCD.

Current Proposal

On April 26, 2017, Ventura County Air Pollution Control District was awarded a Carl Moyer Reserve grant for school bus replacement grants for up to \$571,981. According to the ARB grant agreement, there is no match requirement for these funds and VCAPCD is eligible to receive \$71,498 in administrative funds to oversee the program. Eight school bus replacement grants were selected by ARB and are being awarded to four school districts: Moorpark Unified,

Pleasant Valley, Rio, and Ventura Unified. These grants will only pay for part of the cost of a new school bus, which is currently about \$165,000. The school districts have indicated that they will pay the cost difference.

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. The Auditor-Controller's office and County Counsel have reviewed this letter. If you have any questions, please contact Stan Cowen at 645-1408 or Nancy Mendoza (Fiscal) at 645-1402.

MICHAEL VILLEGAS
Air Pollution Control Officer