



**MONTEREY BAY AIR RESOURCES DISTRICT  
ADVISORY COMMITTEE MEETING**

**JANET BRENNAN, CHAIR**

**THURSDAY, August 1, 2024 – 1:30 P.M.**

**24580 Silver Cloud Court, Monterey, CA – Boardroom**

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**REMOTE MEETING OPTION FOR PUBLIC**

**Link to meeting: <https://us02web.zoom.us/j/83817439276>**

**Webinar ID: 838 1743 9276**

**By Phone (audio only, Webinar ID required): 1-669-900-6833**

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Members of the public that wish to participate in the hearing may do so by joining the Zoom Webinar ID or in-person at 24580 Silver Cloud Ct. Monterey. Should you have any questions, please contact Sirie Thongchua, Executive Assistant, at (831) 718-8028 or by email at [sirie@mbard.org](mailto:sirie@mbard.org).

**To Provide Public Comment via Zoom teleconference/video conference:** During the meeting live, verbal public comments may be made by members of the public joining the meeting via Zoom. Zoom access information is provided above. Use the “raise hand” feature (for those joining by phone, press \*9 to “raise hand”) during the public comment period for the agenda item you wish to address. Members of the public participating via Zoom will be muted during the proceedings and may be unmuted to speak during public comment after requesting and receiving recognition by the Chair. Please clearly state your full name for the record at the start of your public comment.

**Before the Meeting:** Persons who wish to address the Advisory Committee for public comment of an item not on the agenda are encouraged to submit comments in writing to Sirie Thongchua, Executive Assistant, at [sirie@mbard.org](mailto:sirie@mbard.org) by 5:00 p.m. on Tuesday, July 30, 2024. Comments received will be distributed to the Advisory Committee prior to the meeting.

## SUMMARY OF ACTIONS

1. Call to Order - **The meeting was called to order by Chair Brennan at 1:44 p.m.**
2. Roll Call - **Present:** Janet Brennan, Zane Hatchett, Bob Smith. **Absent:** Sandy Coplin, Matthew McCluney, Allen Stroh, Scott Storm, Sandy Swint, Caitlyn Turley.  
**Quorum not present. No actions were taken by Advisory Committee members at this meeting.**
3. Changes to the Agenda – **None.**
4. Public Comment Period – **None.**
5. Accept and File Summary of Actions for the Advisory Committee Meeting of April 4, 2024  
*Action: No action taken. Tabled Agenda Item #5.*
6. **Reviewed** Proposed Amended Draft Rule 218, Title V: Federal Operating Permits  
*Action: Reviewed and discussed Rule 218. Committee did not provide formal comments or recommendations for the Board of Director' considerations.*
7. **Received** a Presentation on the 2024-25 Zero Emission School Bus Program (ZESBP)  
*Action: Received and discussed presentation. Committee did not provide formal comments or recommendations for the Board of Director' considerations.*
8. **Received** a Presentation on Proposed Updates to the CARB Grant Programs Policies and Procedures Manual  
*Action: Received and discussed presentation. Committee did not provide formal comments or recommendations for the Board of Director' considerations.*
9. **Received** Monthly Oral Report from Air Pollution Control Officer  
**Richard Stedman, Air Pollution Control Officer, reported on the following:**  
**Previous Board Meetings**  
**April 17, 2024**
  - Public Hearing - Draft Budget
  - Public Hearing - Fee Regulation Update  
**June 19, 2024**
  - Public Hearing to Adopt Resolution Approving Revisions to Regulation VI Procedure Before Hearing Board
  - Public Hearing – Final Budget
  - Public Hearing – Fee Regulation
  - Approved Amended Contract with SIEU Local 521

## **District Business**

### **Engineering and Compliance**

- We launched two online tools for the public in January. For complaints, we added a link on our website so complaints can be submitted online directly to our database. Second, we added a permit search webpage to allow the public to search permits in our database based on permit type or address information. We also included instructions on the website for how to do both items.
- In July 2023, EPA published a final rule to remove the Title V emergency affirmative defense provisions from state operating permit programs. This action requires MBARD to update our Title V federal operating permit Rule 218 to be consistent with EPA's rule. The revisions to Rule 218 will be available for public review this summer and will be adopted by the Board at the August meeting.
- On June 3, the Hearing Board approved a variance for UC Santa Cruz to operate a natural gas emergency generator while changing out a transformer during a planned power outage.
- We are working with an attorney, Matt Maclear, to take the next steps of legal action for the gas station in Marina operating without a permit. The case initially went to our Hearing Board for an abatement order, which was not successful in achieving compliance. On June 7, 2024, the case was filed with the Monterey County Superior Court.

### **Planning and Air Monitoring**

- The 2023-24 Woodstove Change-Out Program, which launched on December 14, offers incentives to replace non-EPA certified wood stoves, fireplace inserts, or open-hearth fireplaces with a low smoke emitting, EPA certified wood or pellet stove or fireplace insert, electric stove/insert, or ductless mini-split heat pump. Propane and natural gas replacement devices are not included in the program. As a result of the slow start to the program, incentives have been increased to \$2,500 for wood-to-wood changeouts and \$5,000 for wood-to-heat pump changeouts. Incentive amounts are doubled for low-income applicants and those living in low-income areas and disadvantaged communities.
- The Landscape Equipment Exchange Program (LEEP) was launched on November 6. LEEP incentivizes residents and commercial operations to replace old combustion landscape equipment (e.g., lawnmowers and leaf blowers) with new, cordless, zero-emission equipment. \$315,000 in project funds were provided by a Moyer State Reserve grant for a commercial program. An additional \$80,000 was redirected from

Moyer program funds to cover the residential program. Replacement of 73 pieces of lawn and garden equipment has been approved so far, with \$67,381 expended.

- An electric school bus will be delivered this week to San Benito High School as part of MBARD's Zero-Emission School Bus Program. The program provides grant funding to local school districts to assist with purchasing electric school buses and charging infrastructure. MBARD receives funding for the program from DMV fees as authorized by AB923. San Benito High School was granted \$297,000 from ZESBP which was stacked with \$198,000 from California's zero-emission bus voucher program. With the combined grant funding, San Benito High School will receive the electric bus for free.
- Fire season has begun. We are tracking several fires and smoke impacts from northern California experienced in our tri-county area.
- AB 2766 Grant Program application deadline has been extended.
- MBARD is moving forward with an opportunity to work with Morgan State University and NASA for a three-year project involving pollutant data collected from the MBARD Clarity Sensor Network. NASA researchers will review the sensors' PM2.5, PM10, and NO2 data. This data will then be used to compare data collected from NASA satellite remote sensing and further analysis from global air quality models. The goal of the project is to enhance the utility of air pollution sensor technology and create protocols and tools to establish a calibration framework for sensors and sensor manufacturers. This data will also be shared with EPA for their knowledge and research in establishing future sensor technology for data collection regulations. This is an exciting opportunity for MBARD to help with the evolution of sensor technology to improve their reliability and for their use in air pollution regulatory monitoring.
- Electric whale-watching vessel project. \$2.5 million project.



**You're Invited! MBARD 50<sup>th</sup> Anniversary Celebration, Wednesday, August 21, 3:00-5:00 pm, immediately after the MBARD board meeting.**

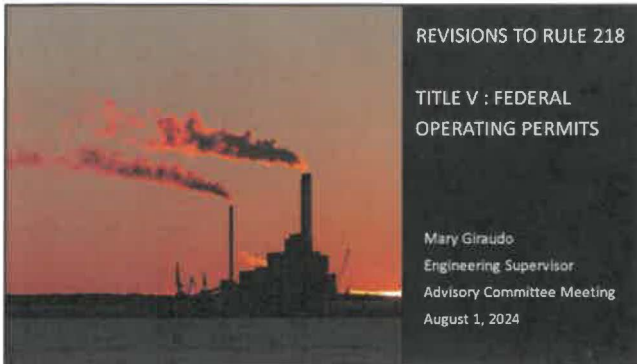
10. Future Agenda Items – **None.**

11. Chairman's Comments – **None.**

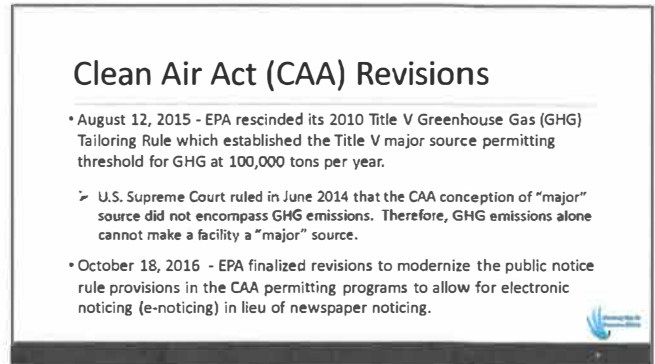
12. Comments from Committee Members – **None.**

13. Order for Adjournment– **The meeting ended at 2:22 p.m.**

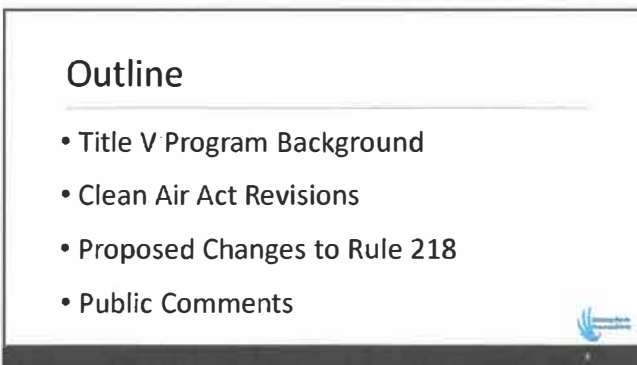
*Sirie Thongchua*  
*Executive Assistant*



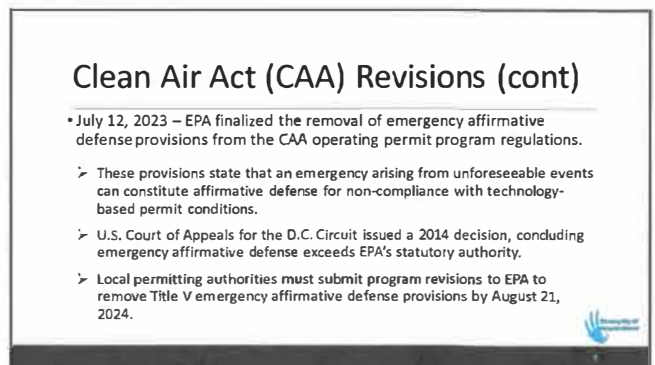
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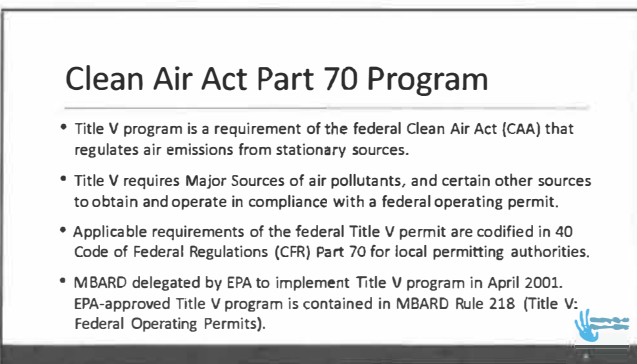
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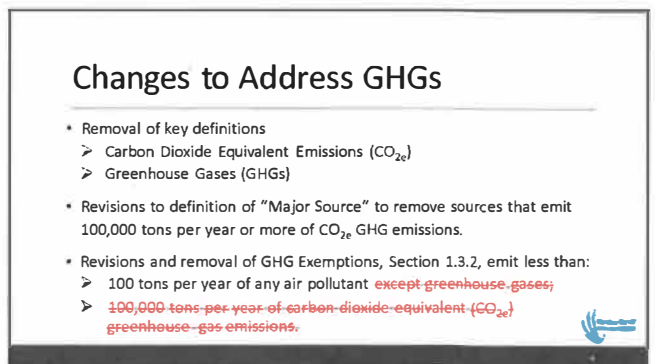
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## Agenda Item No. 6

### Changes to Public Notification

- Remove mandatory requirement to provide public notice through publication in one newspaper.
- Update rule to allow for:
  - Publication in one newspaper, or
  - Posting notice for entire 30 days on MBARD website; and,
  - Email distribution to interested parties who are subscribed on MBARD's list.



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### Public Comments

- Public comment period ends August 2, 2024.
- No comments received to date.



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### Changes to Emergency Provisions

- Remove Emergency Provisions Section 4.2.15
  - Ensures Rule 218 conforms with EPA's Title V operating permit program regulation based on the prior court decision.
- Remove definition of Emergency



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### Recommendation

Provide comments on proposed amendments to Rule 218, Title V: Federal Operating Permits rule revisions.



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### Miscellaneous Changes

- Revisions to definitions
  - Removal of *District*
  - Addition of *MBARD*
- Update formatting



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### Questions?


Mary Giraudo  
Engineering Supervisor  
mgiraudo@mbard.org



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## Title V Sources Permitted By MBARD


<p><b>MAJOR SOURCES</b></p> <ul style="list-style-type: none"> <li>• Aera Energy LLC</li> <li>• Amersco Santa Cruz Energy LLC</li> <li>• Calpine King City Cogeneration &amp; Ginko Energy Center LLC</li> <li>• Chevron Power Holdings Inc. – Salinas River Cogeneration</li> <li>• Cleveron USA Inc</li> <li>• Constellation Brands US Operations Inc</li> <li>• Granite Rock Company</li> <li>• Insoil North America of Arizona Inc</li> <li>• Monterey One Water</li> <li>• Moss Landing Power Company LLC</li> </ul>	<p><b>SOURCE CATEGORY BY RULE</b></p> <ul style="list-style-type: none"> <li>• City of Santa Cruz – Resource Recovery Facility</li> <li>• County of Santa Cruz – Buena Vista Landfill</li> <li>• Monterey Regional Waste Management District</li> <li>• Salinas Valley Solid Waste Authority – Johnson Canyon Landfill</li> <li>• Waste Solutions Group of San Benito LLC</li> </ul>
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## Sources Subject To Title V

- Any “major source” under the general definitions in the CAA with a potential to emit:
  - 100 tpy or more of any air pollutant (except greenhouse gases); or
  - 10 tpy or more of any one HAP; or
  - Aggregate of 25 tpy or more of any combination of HAPs.
- Any affected source under the acid rain provisions in Title IV of CAA
- Any solid waste incinerator subject to Section 129(e) of the CAA
- Any source in a source category designated by rule of the U.S. EPA





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# Agenda Item No. 6

## Zero Emission School Bus Program (ZESBP) Launch

FOR FY2024-25

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## AB 923 Funds

**AB923 Funding Advantages**

- local funds
- More flexibility - usage of funds and reporting
- Fleet expansion

• **\$2 Million** budgeted for FY24-25

- 6-7 projects- depending on bus types requested and additional funding sources leveraged



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## Program Goal


25 million children ride school buses every day (EPA 2023)

Children exposed to diesel exhaust

- Carbon dioxide
- Nitrogen oxides
- Volatile organic compounds (VOCs)
- Particulate matter (PM)
- Air toxics

More susceptible- lungs are not fully developed and have faster breathing rates

• **"The primary goal is to reduce children's exposure to both cancer-causing and smog-forming pollution"**




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## Program Requirements

• Program requirements established in CARB Mail-Out #MSC 15-19

Requirements include:

- Applicant eligibility
- Gross vehicle weight rating (GVWR) limits
- Project life
- Battery specifications- range and capacity
- Warranty minimums
- Eligible costs
- CHP certification



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## Program History

**AB 923 - 2004**

- Increased the motor vehicle registration fee by \$2
- Fund projects in different "clean air categories"

**Lower Emission School Bus Program (LESBP)- 2004**


- Focused funds on the **replacement** of old diesel school buses with modern diesel models
- Adding diesel particulate filters

**Zero Emission School Bus Program (ZESBP)-2015**

- CARB Mail-Out #MSC 15-19
- Established guidelines for electric bus fleet **expansion**

In prior years ZESBP...

- 12 buses
- **\$2.5 million** in AB 923 funds



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## Eligible Applicants

To be eligible for the program applicants must be:

- Public school districts
- County Offices of Education
- Joint Powers Authority (JPA)
- Public charter schools

• Applicants must own their own buses or contract with an entity that owns their own buses

• Be able to follow program guidelines as well as contract requirements



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### Incentive Amounts and Funding


- Eligible applicants can receive up to:
  - \$400,000 for an electric bus
  - \$20,000 for charging infrastructure

Encourage applicants to leverage other funding sources

- Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)


HVIP- State Program

- Cover approximately half the cost of the bus
- AB923 funds will cover the remainder



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### Eligible Buses: Examples



Lion Electric Type D \$500,000	BYD Type A \$320,000	Blue Bird Type C \$400,000
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### Program Application


Access application through MBARD webpage- Laserfiche form

- processed on a first come first served basis

Laserfiche

- Ease of access online
- Clear instructions
- Smooth workflow for applicants
- Easy to upload documents


- Laserfiche can generate Grant Agreements automatically
- Send to applicants after staff review



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Thank You

Any Questions?




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### Grant Agreement

- Contract details:
  - Grantee information
  - Funding sources and amounts
  - Project life- reporting for 5 years
  - Grantee obligations
  - Program requirements
  - Vehicle information- quotes

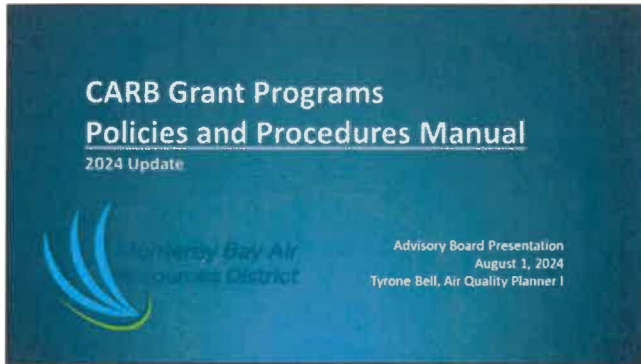
Fully executed when signed by:

- Grantee representative
- MBARD APCO

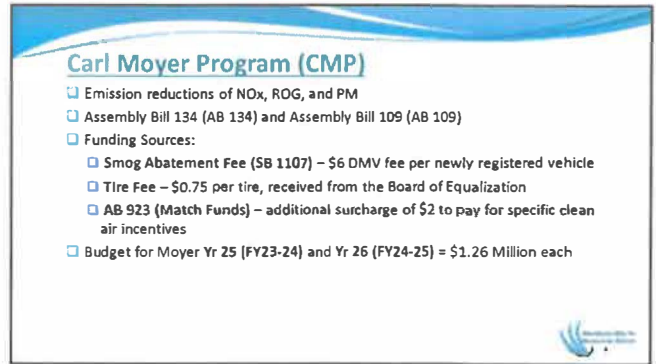


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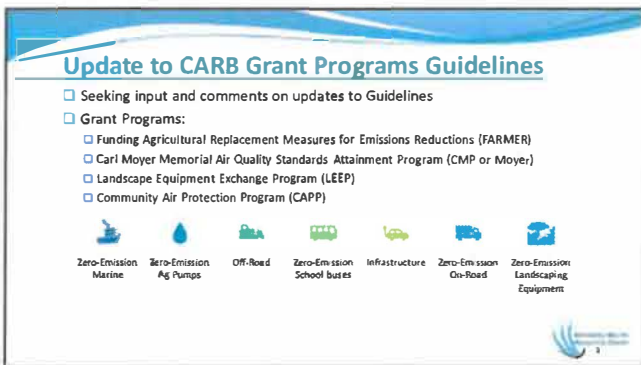
# Agenda Item No. 6



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### Priority Populations

- ❑ Disadvantaged Communities (DAC)
  - ❑ Top 25% of CalEnviroScreen Overall score
  - ❑ Top 5% of Cumulative Pollution Burden scores
  - ❑ Census Tracts Identified in 2017 DAC Designation
  - ❑ Lands controlled by federally recognized Tribes
- ❑ Low-Income (LI) Areas
  - ❑ Census Tracts And Households
  - ❑ ≤ 80% of Statewide Medium Income
  - ❑ ≤ Threshold designated by the CA Dept. of Housing And Community Development

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### Community Air Protection Program (CAPP)

- ❑ Reduce Criteria Pollutants and Toxic Air Contaminants in Priority Populations
  - ❑ Must exceed what is already required by law or regulations
  - ❑ 70% in Disadvantaged Communities (DAC)
  - ❑ 80% in Low-Income (LI) areas
- ❑ May follow other program guidelines
- ❑ Assembly Bill 617 (AB 617)
- ❑ Current Budgets:
  - ❑ CAPP Year 3 (FY20-21) – \$1.13 Million
  - ❑ CAPP Year 5 (FY22-23) – \$1.4 Million

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### Guideline Updates

- ❑ ALL PROGRAMS
  - ❑ Only two applications
  - ❑ Horsepower standard is “brake horsepower”
  - ❑ Only CA taxes and fees are eligible
  - ❑ Grantees must submit a copy of original Final Invoice
  - ❑ MBARD can reduce funding limits on a case-by-case as needed
- ❑ CMP and FARMER
  - ❑ 2-for-1 Replacements – if the baselines’ summed usage is > 2,000 hours, the grant agreement’s Annual Usage requirement for the replacement equipment will equal the higher of the two baselines’ average usage.
  - ❑ Minimum 200 hours accrued in the past year.

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### Guideline Updates

- ❑ LEEP
  - ❑ Commercial applicants must also provide a copy of their Contractor State Licensing Board (CSLB) license number or business license when submitting their social security number in lieu of an EIN.
- ❑ CAPP
  - ❑ Funding Limit = project category max or \$200,000, whichever is less.
  - ❑ Additional eligible project categories:
    - ❑ Chapter 9 – Dial-A-Ride Vehicle Replacement Projects
    - ❑ Chapter 10 – Community Greening and Vegetative Barriers

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**Agenda Item No. 6**

