

To: Members of the YSAQMD Board of Directors

From: Stephanie Holliday, Administrative Analyst

Date: August 10, 2022

**Subject: Clean School Bus Program Update and Authorization to Maximize Match Funding**

Recommended Action

Authorize District staff to provide match funds from all available grant funding sources up to the Carl Moyer Program maximum for zero-emission school bus replacement projects.

Background

The District receives AB 923 funds through a surcharge on motor vehicle registration fees for vehicles registered in the District. In 2006, the District Board directed staff to use these funds to implement a program to assist school districts with complying with State regulations governing school buses. Staff developed a Clean School Bus program to replace and retrofit all qualifying school buses in our District. After the District's Clean School Bus Program had brought all school district bus fleets into compliance, the District Board directed staff to utilize additional AB 923 funding towards the replacement of off-road agricultural equipment and qualifying municipal fleet vehicles until the Clean School Bus Program was reopened in 2016.

District staff has been working since 2016 to coordinate with the school districts and other funding sources to ensure maximum funding for new EV bus purchases. The maximum incentive amount for District funding for electric school buses is currently set at \$200,000 for the replacement of a standard diesel bus with an electric bus.

District incentive program expansion and in-house implementation presents the opportunity to use multiple funding sources (also called stacking) for these projects. The maximum incentive amount allowed by the Carl Moyer Program or Community Air Protection Program is \$400,000 for a standard diesel to electric replacement project. If authorized, the District could offer AB 923, Carl Moyer and/or Community Air Protection Program incentive funding to increase the grant amounts up to the cost-effectiveness maximum calculated, up to \$400,000.

Budget Impacts

This would not have an impact on the budget. It may slightly reduce the number of projects that could be funded but also improves the ability of the District to liquidate grant funding in a timely manner and provide more incentive dollars to local school districts.

Other Agency Involvement

School Districts and California Air Resources Board would be involved in the oversight and implementation of grant projects impacted by this authorization.