

# 2021 COMMUNITY AIR QUALITY GRANT SOLICITATION

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SACRAMENTO METROPOLITAN



**AIR QUALITY**  
MANAGEMENT DISTRICT



**MARCH 29, 2021**

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**SAC METRO AIR DISTRICT  
TRANSPORTATION & CLIMATE CHANGE  
DIVISION**



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# Executive Summary

The Sac Metro Air District has over \$18 million in mobile source incentive funding to improve air quality in Sacramento. Most of this funding is available in Sacramento, Solano, and Yolo Counties in partnership with the Yolo-Solano Air Quality Management District. The application period will open on March 29, 2021 and close on May 28, 2021. Applicants are encouraged to develop their proposals now. The primary purpose of this funding is to promote zero emission equipment used instead of diesel in communities impacted by air pollution, however applications are accepted for other categories. All funding will be released with one common application.

Funding will be available to replace existing heavy duty vehicles with zero emission trucks and buses, install low carbon fueling infrastructure, replace older farm tractors, upgrade locomotives, and other eligible projects. Applications are open to private companies, government agencies, and others to promote clean transportation and goods movement in Sacramento. Any applications not funded may be used to advocate for more funding in the future, so please apply for any projects.

Four programs – Community Air Protection Incentives, Carl Moyer Program, Proposition 1B, and Funding Agricultural Replacement Measures for Emission Reductions (FARMER) – represent most of this funding. While each funding source has its own guidelines, the programs generally use the Carl Moyer Program or GMERP guidelines for project eligibility. Air districts can choose to fund specific project categories, and the Sac Metro Air District will exercise this option. These options will be explained in each program section.

The Sacramento Emergency Clean Air Transportation (SECAT) Program is a local grant program developed in partnership with the Sacramento Area Council of Governments (SACOG) with more flexibility to promote community zero emission vehicle projects. This program is like the state Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), but only open for trucks based in El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba counties.

The District will accept applications from March 29, 2021 through May 28, 2021. Projects will be evaluated by staff including potential inspections of existing equipment following safety protocols. Applicants selected for funding will enter into grant agreements and proceed with funding.

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# Funding Overview

The Sac Metro Air District will use the following sources of funding for this solicitation:

- Community Air Protection Incentives – \$6,210,583
  - Funding from California Air Resources Board
  - Funded by Cap & Trade Auction Proceeds
  - Includes funding for Sac Metro Air District and Yolo-Solano Air Quality Management District
- Carl Moyer Program - \$4,392,572 (estimated)
  - Funding from California Air Resources Board
  - Funded by vehicle registration and tire fees
  - Includes funding for Sac Metro Air District and Yolo-Solano Air Quality Management District
- Proposition 1B: Goods Movement Emission Reduction Program - \$4,048,490
  - Funding from California Air Resources Board
  - Funded by Proposition 1B bonds
  - May also use Community Air Protection Incentives Funding for projects that benefit the Florin-South Sacramento AB617 Community or Disadvantaged Communities in Sacramento and Yolo Counties
- FARMER Program - \$400,000 (estimated)
  - Funding from California Air Resources Board
  - Funded by Cap & Trade Auction Proceeds
  - Sac Metro Air District funding only
- SECAT Program - \$4,000,000
  - Funding from the federal Congestion Mitigation & Air Quality program
  - Funded by federal appropriations
  - Includes funding for Counties of El Dorado, Placer, Sacramento, Yolo, Yuba, and Sutter
- Local DMV Surcharge Funding – TBD
  - The Sac Metro Air District may also use local DMV surcharge funding for applications under this solicitation
  - Actual funding will be based on project demand and community priorities

Generally, applicants do not need to choose a specific funding source when applying for their project. Some project types cannot be funded with certain funding sources, and some funding sources may offer a higher funding amount than others. Staff will work with applicants to identify the best funding sources for their application to best leverage available funding and meet community needs while providing maximum funding for the project. To assist applicants, the following table shows the maximum funding by project type and funding source. Please note that actual awards are often lower than the maximum funding.

Project Type	Community Air Protection Incentives	Carl Moyer Program	SECAT	Proposition 1B	FARMER
<b>Farm Tractor Replacement</b> (Sac County Only)		Up to 80% of tractor cost			
Heavy Duty Truck Replacement			\$100,000 per vehicle	Up to \$200,000 per truck	
Locomotive Engine Repowers	Up to 75% of switcher repower cost	Up to 75% of switcher repower cost		Up to 75% of repower cost	
Low Carbon Fueling Infrastructure	Up to 60% for most projects	Up to 60% for most projects			
Marine Vessel Engine Repowers		Up to 85% for marine repowers			
New Zero Emission Heavy Duty Vehicle*			\$100,000 per vehicle		
Refuse Truck Replacement	Up to \$200,000 for zero emission refuse truck	Up to \$200,000 for zero emission refuse truck	\$100,000 per vehicle		
Rough Terrain Forklift Replacement		Up to 80% of forklift cost			
Zero Emission School Bus Replacement	Up to \$400,000 for zero emission school bus	Up to \$400,000 for zero emission school bus	\$100,000 per vehicle		
Zero Emission Transport Refrigeration Units				Up to 80% of TRU cost	
Zero Emission Utility Vehicle Replacement					Up to 75% of eUTV cost up to \$13,500

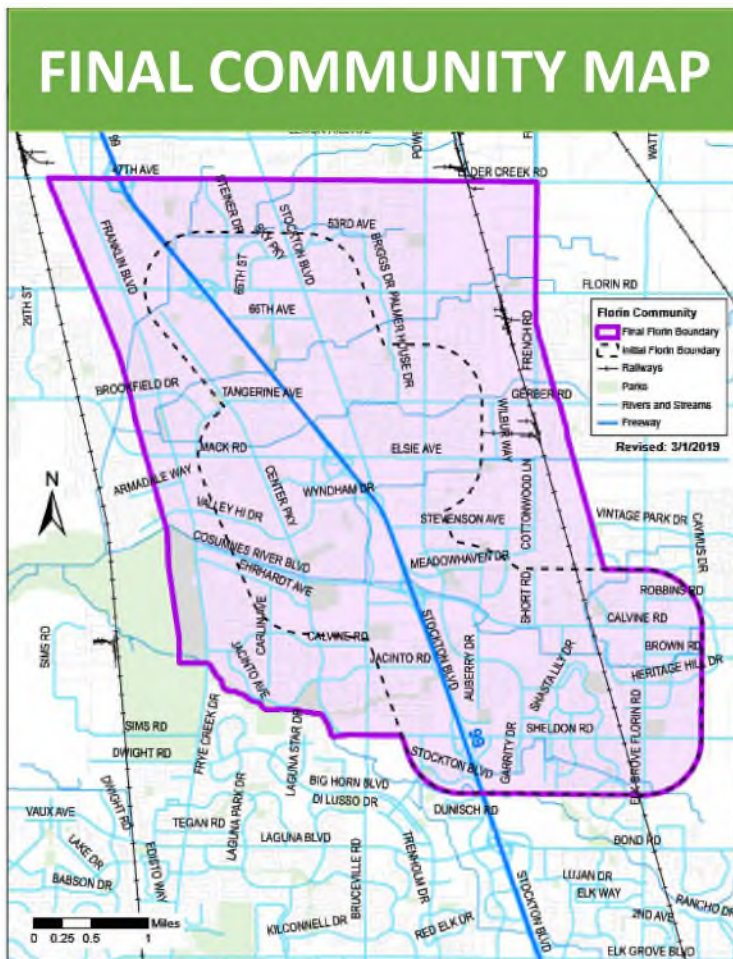
\* Note: this includes all vehicles with a class 4 weight rating and above including buses, micro shuttles, refuse trucks, and other similar vehicles.

For this solicitation, HVIP funding can only be used with SECAT. CORE funding can be combined with all funding sources. Other sources of funding may not be eligible as match. Please contact staff if you plan to use or apply for other grants as part of your application.



# Community Air Protection Incentives

In 2017, Governor Brown signed Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017) to develop a new community-focused program to more effectively reduce exposure to air pollution and preserve public health. This bill directs the California Air Resources Board (CARB) and all local air districts, including the Sac Metro Air District, to take measures to protect communities disproportionately impacted by air pollution. There are five central components to the new AB 617 mandate: community-level air monitoring, a state strategy and community specific emission reduction plans, accelerated review of retrofit pollution control technologies on industrial facilities subject to Cap-and-Trade, enhanced emission reporting requirements and increased penalty provisions for polluters.



On September 27, 2018, CARB selected 10 communities across the state to be the first communities to develop and implement a community emission reduction plan and/or an air monitoring plan. The South Sacramento/Florin community was one of the 10 to be selected. This community will be a part of the inaugural implementation year for the State's Community Air Protection Program for air monitoring.

The state Legislature set aside funds for air quality improvement projects to accompany AB 617 Community Air Monitoring efforts. This funding is being implemented through the Community Air Protection Incentive (CAPI) Program, which is a separate, but a counterpart effort to the AB 617 Community Air Protection Blue Print and designated AB617 South Sacramento/Florin Air Monitoring Community.

The Sac Metro Air District has received a total of \$16 Million for the CAPI program. The first

year (2018-2019), expanded the District's current Carl Moyer Program and the Goods Movement Emission Reduction Program. Both these programs help public agencies and businesses purchase less polluting heavy duty engines and equipment, such as, trucks, buses, trains, off-road equipment and zero-emission charging stations. For the second year (2019-2020), the CAPI Guidelines allowed incentives for projects that reduce air pollution at hexavalent chromium plating facilities and schools.

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For the third year (2020-2021), the Sac Metro Air District will continue this success with another round of funding. Over \$6 million in funding will be available for projects that reduce air pollution in the Florin-South Sacramento Community and other Disadvantaged Communities in Sacramento and Yolo/Solano Air Districts. Projects must have community support and meet identified community needs for air pollution reduction

Eligible categories are listed below:

- Carl Moyer Program Eligible Projects
  - On-Road Heavy Duty Vehicles
    - Replacing school buses, refuse trucks, delivery trucks, and other community vehicles with zero or near-zero emission replacements
    - Must not be required by ARB regulations
    - Funding is not available to purchase diesel trucks
  - Off-Road Equipment
    - Replacing commercial and industrial off-road mobile equipment with new low emission models
    - Must not be required by ARB regulations
    - Agricultural projects may be considered only in Sacramento County on a case by case basis for CAPI funds
  - Locomotives
    - Replacing older diesel switcher and line haul locomotives with Tier 4 replacements
  - Publicly Accessible Low Carbon Fueling Infrastructure
    - Partial funding for low carbon fueling including electric vehicle chargers, hydrogen stations, and natural gas fueling open to the public meeting strategic community needs
- Community Air Protection Incentive Projects
  - Reducing Air Pollution in Schools
    - Composite Wood Projects
    - Zero-Emission Lawn and Garden Equipment, including private contractors serving schools
    - Air Filtration Systems
    - School Transportation Projects
  - Stationary Source Projects
    - The Sac Metro Air District may fund projects that meet the requirements outlined in the CAPI guidelines if there is substantial community support for the project. Please review the guidelines and contact District staff before applying.

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Applications must include all requirements outlined in both the CAPI and Carl Moyer Program guidelines. The Sac Metro Air District conducted several surveys and workshops with the community to determine local priorities for this round of funding. While this process is ongoing and will include future projects not currently available, community priorities for this round of funding are:

1. Cars/Light Duty Vehicles
  - a. This priority can be addressed with publicly accessible electric vehicle supply equipment (EVSE) and hydrogen to support zero emission cars.
2. Heavy Duty Trucks
  - a. This priority can be addressed with replacing existing diesel trucks with zero emission trucks, especially community vehicles that travel within residential neighborhoods.
  - b. Funding hydrogen and natural gas infrastructure will also help promote the use of cleaner heavy duty trucks in the community.
3. School & Transit Buses
  - a. This priority can be addressed with replacing school buses with electric replacements.
  - b. Transit buses in Sacramento already run on natural gas and are among the cleanest vehicles in the community and are not typically eligible for CAPI due to regulatory issues with the Innovative Clean Transit regulation, but the Sac Metro Air District is working to deploy zero emission transit vehicles under other programs.
  - c. Hydrogen infrastructure to support trucks may also help bus deployment.
4. Other Project Categories
  - a. Many of the eligible project categories also have substantial community benefit even though they may not be a top priority.
  - b. Project applicants in these categories will need to show specific community support for their application.
  - c. Please contact District staff if you are interested in other project categories before applying.



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Selection and review of the applications is described in the Project Selection and Funding section of this document. Please ensure that your application includes the following documents scanned into PDF format to attach to your online application:

1. Completed Incentive Application (Online or using Form S1)
2. Copy of Authorized Signatory's Driver's License or Valid State-Issued Photo Identification Card
3. Letter showing community support for the project
4. Vendor Payee Data Record W9 and ACH Forms with Cancelled Check or Bank Letter
5. For On-Road Projects:
  - a. Certificate of Compliance from California Air Resources Board (CARB) TRUCRS Database
  - b. Copy of Current DMV Vehicle Registration for each vehicle
  - c. Copy of Old Vehicle Title for each vehicle
  - d. DMV Vehicle Registration Information Record for each vehicle
  - e. Mileage Record showing the current odometer reading for each vehicle
  - f. Mileage Record showing the odometer reading from at least six (6) months ago for each vehicle
  - g. Copy of Vehicle Insurance Cards for the previous 24 months for each vehicle
  - h. Photograph of the manufacturer's tag found in the door jamb of the truck showing VIN and GVWR for each vehicle
  - i. Photograph of the current odometer reading for each vehicle
6. For Off-Road Projects:
  - a. Certificate of Compliance from California Air Resources Board (CARB) DOORS Database or evidence that it is not applicable
  - b. Maintenance Records for off-road equipment showing service intervals and hour meter readings
  - c. Fuel records showing fuel consumption per existing equipment
  - d. Photograph of the current operational hour meter reading per existing equipment

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**For more information about Community Air Protection Incentives, please visit the following links:**

Sac Metro Air District Community Air Protection Website:

<http://www.airquality.org/Air-Quality-Health/Community-Air-Protection>

ARB Community Air Protection Incentives Guidelines:

<https://ww2.arb.ca.gov/our-work/programs/community-air-protection-incentives>

AB 1550 Disadvantaged & Low Income Community Interactive Map:

<https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>



# Carl Moyer Program



The Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) was established in 1998 to fund the incremental cost of cleaner-than-required heavy-duty engines. This program is named in honor of the late Dr. Carl Moyer, whose extraordinary dedication, hard work, vision and leadership made this program possible. He created and masterminded this program, in a noble effort to unite business and government in the name of public interest to improve California’s air quality.

The Sac Metro Air District receives funding from the ARB annually to implement the Carl Moyer Program. Funding from the Yolo-Solano Air Quality Management District (YSAQMD) is also managed by the Sac Metro Air District. Air districts are required to fund projects according to the Carl Moyer Program guidelines, but they can also implement local restrictions suited to community needs. For this solicitation, the Sac Metro Air District has the following local restrictions:

1. Applicants must have a physical address within Sacramento County or the YSAQMD which includes all of Yolo County and the Central Valley portion of Solano County east of Vacaville.
2. Funding is not available to purchase diesel trucks.
3. Agricultural funding is only available for Sacramento County based projects.
4. Due to COVID-19 safety precautions, all inspections will be performed virtually unless approved by management. This requires applicants to have access to cameras and Internet access with live video streaming.
5. Funding determinations are based on usage within the Sacramento Federal Nonattainment Area for ozone.
6. Repower and retrofit applications will only be accepted for locomotives and marine vessels.
7. The Sac Metro Air District will not fund Light-Duty Vehicles or Lawn and Garden Equipment Replacement.
8. Applicants are required to deliver old equipment to Bar None Auctions in Sacramento – or another designated dismantler – to participate in this solicitation.

Subject to the local restrictions shown above, the Sac Metro Air District will accept applications for all projects described in the 2017 Revisions to the Carl Moyer Program Guidelines. Selection and review of the applications is described in the Project Selection and Funding section of this document.

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Please ensure that your application includes the following documents scanned into PDF format to attach to your online application:

1. Completed Incentive Application (Online or using Form S1)
2. Copy of Authorized Signatory's Driver's License or Valid State-Issued Photo Identification Card
3. Vendor Payee Data Record W9 and ACH Forms with Cancelled Check or Bank Letter
4. For On-Road Projects:
  - a. Certificate of Compliance from California Air Resources Board (CARB) TRUCRS Database
  - b. Copy of Current DMV Vehicle Registration for each vehicle
  - c. Copy of Old Vehicle Title for each vehicle
  - d. DMV Vehicle Registration Information Record for each vehicle
  - e. Mileage Record showing the current odometer reading for each vehicle
  - f. Mileage Record showing the odometer reading from at least six (6) months ago for each vehicle
  - g. Copy of Vehicle Insurance Cards for the previous 24 months for each vehicle
  - h. Photograph of the manufacturer's tag found in the door jamb of the truck showing VIN and GVWR for each vehicle
  - i. Photograph of the current odometer reading for each vehicle
5. For Off-Road Projects:
  - a. Certificate of Compliance from California Air Resources Board (CARB) DOORS Database or evidence that it is not applicable
  - b. Maintenance Records for off-road equipment showing service intervals and hour meter readings
  - c. Fuel records showing fuel consumption per existing equipment
  - d. Photograph of the current operational hour meter reading per existing equipment
6. Cost Quote and Specifications for New Equipment

For more information about the Carl Moyer Program, please visit the following links:

Sac Metro Air District Carl Moyer Program Website:

<http://www.airquality.org/Residents/Incentive-Programs/Carl-Moyer-Program>

ARB Carl Moyer Program Guidelines:

<https://ww2.arb.ca.gov/guidelines-carl-moyer>

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# Proposition 1B

The Proposition 1B: Goods Movement Emission Reduction Program (Proposition 1B) was developed by the Air Resources Board to implement \$1 billion in incentive funds to reduce emissions from goods movement in the state of California. They developed guidelines to encourage the use of cleaner trucks, locomotives, marine vessels, cargo equipment, and other technologies to reduce toxic and smog-forming pollution from these sources. The Sac Metro Air District has over \$4 million remaining to fund new projects under this option. Specifically, applications will be accepted for:



- Heavy Duty Diesel Trucks
- Locomotives and Railyards
- Transport Refrigeration Units

Based on application demand, staff will allocate funding between the categories. Community Air Protection Incentives can also be used to fund Heavy Duty Diesel Truck applications that benefit the Florin-South Sacramento AB617 Community or Disadvantaged Communities (DAC) in Sacramento and Yolo/Solano Air Districts. All applications use the same evaluation and funding criteria, but applicants in the AB617 or Disadvantaged Communities are especially encouraged to apply.

## Heavy Duty Diesel Trucks

### Old Truck Eligibility:

Class 5 & 6 Trucks must have a 1998-2007 model year engine with a diesel particulate filter installed and reported to the ARB or have a 2007-2009 model year engine. The old truck must operate at least 10,000 miles per year in California.

Class 7 & 8 Trucks must have a 2005-2006 model year engine with a diesel particulate filter installed and reported to the ARB or have a 2007-2009 model year engine. The old truck must operate at least 20,000 miles per year in California.

All projects must also meet the following eligibility requirements (in addition to those listed in the Proposition 1B guidelines):

- The applicant must be the legal and registered owner of the truck with no liens
- The old truck must be used to transport goods to an end user for a fee
- Minimum of 75% of operation in California in the previous 2 years including California registration



New Truck Eligibility:

The new truck must be in the same weight class as the old truck. Funding is not available for purchasing new diesel trucks, except for certified hybrids. For this solicitation, only the following technologies will be funded:

1. Zero Emission Trucks (battery-electric or hydrogen fuel cell)
2. Hybrid Diesel Truck with Zero Emission Miles
3. Optional Low NOx Truck (0.02 g/bhp-hr NOx)
4. Hybrid Diesel Truck without Zero Emission Miles (except 2005-2006 Class 7/8)
5. Natural Gas Truck (0.20 g/bhp-hr NOx – except 2005-2006 Class 7/8)

The new truck must commit to 5 years of operation in California under contract. Applicants should be aware of new public CNG fueling infrastructure being planned in the Sacramento region for West Sacramento, McClellan Park, and Metro Air Park in addition to existing stations in Elk Grove and Florin-Perkins, and Lathrop.

Funding for the new vehicle will be up to the following:

<b>OLD TRUCK</b>	<b>ZERO EMISSION</b>	<b>HYBRID WITH ZE MILES</b>	<b>OPTIONAL LOW NOX (0.02)</b>	<b>HYBRID</b>	<b>NATURAL GAS</b>
<b>CLASS 5</b>	\$80,000	\$50,000	\$40,000	\$35,000	\$25,000
<b>CLASS 6</b>	\$100,000	\$65,000	\$50,000	\$45,000	\$40,000
<b>CLASS 7</b>	\$200,000	\$150,000	\$100,000	\$80,000	\$65,000
<b>CLASS 8</b>	\$200,000	\$150,000	\$100,000	\$80,000	\$65,000

As of today, new vehicles must be delivered by December 31, 2021. Staff are working to extend this deadline with the ARB, but please plan on having applications capable of meeting this deadline.

Locomotives and Railyards

The Sac Metro Air District will accept applications for all project categories in the 2015 Guidelines for Locomotives and Railyards. Applications will be evaluated and funded according to the guidelines. Generally, applicants must convert older diesel line haul or switcher locomotives to modern Tier 4 standards and commit to operate the new technology in California. Please contact staff if you want to apply for this option for further details.

Transport Refrigeration Units

The Sac Metro Air District will accept applications for all project categories including zero emission transport refrigeration units and/or infrastructure. Applicants can be the end user or a third party who will operate the technology, including but not limited to electric utilities and distribution centers. Only full zero emission technology is eligible for funding. Please contact staff if you want to apply for this option for further details.

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# FARMER Program

California's agricultural industry consists of approximately 77,500 farms and ranches, providing over 400 different commodities, making agriculture one of the State's most diverse industries. Producers, custom operators, first processors, and rental companies own and operate approximately 160,000 pieces of off-road, diesel-fueled, mobile agricultural equipment statewide, in addition to stationary equipment, and on-road vehicles used in agricultural operations. Even with increasingly more stringent emission standards on engine manufacturers, emissions from these vehicles and equipment are a significant source of air pollution. Reducing these emissions are necessary to meet federal ozone and particulate matter air quality standards, particularly in the Sacramento Valley where the agricultural sector is a vibrant and critical part to the local and state economy, but also contributes to the poor air quality.

In recognition of the strong need and this industry's dedication to reducing their emissions, the State Legislature allocated funding to CARB 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." CARB staff has developed the proposed Funding Agricultural Reduction Measures for Emission Reductions (FARMER) Program to meet the Legislature's objectives and help meet the State's criteria, toxic and greenhouse gas emission reduction goals. The FARMER Program Guidelines discuss the funding allocations for air districts, eligible project categories and criteria, program implementation details, and the justification for these investments.



The Sac Metro Air District has implemented FARMER funding for the first three years of the program and experienced overwhelming demand for funding, especially for the electric utility terrain (UTV) vehicle option. After reviewing all available funding, staff determined that the best use of FARMER funding in Sacramento was to only fund these electric UTV projects since they are very popular and promote the use of zero emission vehicle technology. Other projects like farm tractor replacement receive similar funding amounts under the Carl Moyer Program, so limited FARMER funding will be allocated to UTV only.

Staff will follow the UTV requirements outlined in the ARB FARMER Guidelines to evaluate applications. Applications will only be accepted for farm operations with business addresses in the counties of Sacramento, Sutter, and Yuba as determined by tax liability purposes. Farmers with operations in these counties, but based outside the area, should contact other air districts for funding opportunities. The Sac Metro Air District will not accept applications for on-road truck replacement under its FARMER Program.

Selection and review of the applications is described in the Project Selection and Funding section of this document. Please ensure that your application includes the following documents scanned into PDF format to attach to your online application:

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1. Completed Incentive Application (Online or using Form S1)
  2. Copy of Authorized Signatory's Driver's License or Valid State-Issued Photo Identification Card
  3. Vendor Payee Data Record W9 and ACH Forms with Cancelled Check or Bank Letter
  4. Maintenance Records for off-road equipment showing service intervals and hour meter readings
  5. Fuel records showing fuel consumption per existing equipment
  6. Photograph of the current operational hour meter reading per existing equipment
  7. Cost quote and specifications for replacement electric UTV

For more information about the FARMER Program, please visit the following links:

Sac Metro Air District FARMER Website:

<http://www.airquality.org/Residents/Incentive-Programs/FARMER-Program>

ARB FARMER Guidelines:

<https://ww2.arb.ca.gov/resources/documents/farmer-program-guidelines>

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# SECAT Program

The Sacramento Emergency Clean Air Transportation (SECAT) Program is a partnership between the Sac Metro Air District and the Sacramento Area Council of Governments (SACOG). The program's goal is to promote zero and near-zero emission on-road heavy-duty vehicles operating in the SACOG region.

For this solicitation, \$4,000,000 will be made available for all applicants in the SACOG region. Only zero emission vehicle applications are eligible under this solicitation. The SECAT Program will continue to fund \$100,000 per replacement zero emission heavy duty vehicle. Applications will be capped at \$500,000 per applicant, but the applicant can purchase as many vehicles as desired with the per vehicle award adjusted. Funds may still be combined with HVIP funding, although the program is currently closed. Applications will be reviewed under the general solicitation instead of the traditional first-come, first-served program as described in the Project Selection and Funding section of this document.

## Background Information

In 2000, the SECAT Program received \$66 million to reduce emissions released from heavy-duty vehicles in the SFNA by providing incentives to offset the costs of purchasing lower-emission technologies and an additional \$4 million used by SACOG to help replace old diesel transit buses – totaling \$70 million in funding from the state Traffic Congestion Relief Fund (\$50 million) and the federal Congestion Mitigation and Air Quality (CMAQ) funding program (\$20 million). This program was originally created by California Assembly Bill (AB) 2511 to help assure that the Sacramento Federal Nonattainment Area (SFNA) would meet its commitments under the State Implementation Plan (SIP) for air quality attainment.

In 2008, the SECAT Program received an additional \$3.2 million in federal CMAQ funds with additional allocations on a yearly basis, which will be primarily used for projects that benefit the Sacramento region through improved air quality. Projects will need to demonstrate reductions in oxides of nitrogen (NOx) emissions, but the program will also result in additional greenhouse gas reductions to meet regional, state, and federal targets.

The SMAQMD now has program and fiscal control of the SECAT program under oversight from SACOG. Agreements funded by SACOG under previous guidelines are now fully administered by the SMAQMD with most covered by the provisions of these guidelines as outlined in the memorandum of agreement between the agencies. Funding will now be allocated to the six counties in the SACOG region based on the population of each county.

The SECAT Program will now encourage the displacement of conventional trucks and buses with zero and near-zero emission heavy-duty vehicles. This will allow regional fleets to better leverage state and federal grants and promote the technology in the region. As part of other efforts with the SMAQMD and SACOG, these vehicles will play a key role in meeting regional commitments to greenhouse gas and community air protection goals.

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Please ensure that your application includes the following documents scanned into PDF format to attach to your online application:

1. Completed Incentive Application (Online or using Form S1)
2. Copy of Authorized Signatory's Driver's License or Valid State-Issued Photo Identification Card
3. Vendor Payee Data Record W9 and ACH Forms with Cancelled Check or Bank Letter
4. Certificate of Compliance from California Air Resources Board (CARB) TRUCRS Database
5. Zero Emission Vehicle Price Quote and Specification Sheet

For more information about the SECAT Program, please visit the following links:

Sac Metro Air District SECAT Website:

<http://www.airquality.org/businesses/incentive-programs/secat-program>

California HVIP Website:

<https://www.californiahvip.org/>





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# Application Process

Due to the COVID-19 pandemic, the Sac Metro Air District is closed to the public with most employees working remotely. This means our incentive solicitation will need to use digital methods as much as possible to ensure compliance with public health orders while providing the best possible customer service. Applicants will need to submit their applications electronically through the District's website.

The application period will open on March 29, 2021 and end on May 28, 2021. Applicants will enter most of the information through the online form found on each program page and upload attachments as needed for each funding stream. Once complete, applicants will receive an email showing their application was received. The Sac Metro Air District recommends that applicants keep a copy of all application records. It is also recommended that applicants use a PDF app for their Apple or Android phones that can convert pictures into PDF to make the process easier.



Staff may begin contacting applicants before the application period is complete about their project. Some projects may have enough community benefit that awards may be issued prior to the end of the solicitation, but most projects will be evaluated later. Projects with an award greater than \$1 million will require approval by the Sac Metro Air District Board of Directors. This may delay projects as the board meets monthly and does not meet in June 2021.

Applications missing information may be given 30 days to submit any incomplete or ineligible documents. Staff may also request additional information from applicants if needed to evaluate the project. If a project is selected for funding, the project may require a pre-inspection where the applicant will be contacted by one of our staff to coordinate a virtual inspection of the equipment. In some cases, the applicant will be offered an award lower than the amount requested in the application or the maximum grant for the project. This reduction is done if the Sac Metro Air District does not have enough funding for the project or staff determines that the application does not qualify for full funding.

If selected for funding, applicants will enter into a funding agreement with the Sac Metro Air District. The agreement will match the individual or business entity listed on the application and Payee Data Record.

Applicants must be compliant with state and local air quality regulations and will be checked. Most agreements have a term of 3-10 years with annual reporting requirements and penalties for non-compliance. Participants can transfer their agreements to other parties if in the best interest of air quality in the region. On-road vehicle

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projects require the Sac Metro Air District to be listed a lien holder on the title, and all other projects require a UCC filing to secure interest in the equipment. These are released at the end of the agreement.

For this solicitation, development applications will also be accepted for potential projects. Development applications are applications still under development with pending partners, locations, and/or technologies. The Sac Metro Air District understands that advanced technology projects require a lot of development and is willing to work with applicants who want to work in partnership to identify eligible projects outside the application period. Examples would be a city who wants to develop mobility hubs but has not identified a specific location or proposal or a community-based organization who would like an EV charger but has not begun the process. Please note that these applications may not be ranked as high as other applications and may also not qualify for all funding programs.

Applications not selected for funding will be placed in a pending file for future funding opportunities. If an applicant does not want their application to be held, she or he must contact the Sac Metro Air District to withdraw their application. The Sac Metro Air District may also forward applications to other agencies who may have funding for the project. Please contact staff if you have any questions about the application process.

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# Project Selection and Funding

For this solicitation, the Sac Metro Air District will use a competitive solicitation process to select projects for funding. This was done to ensure a fair and transparent process to the public and allow staff to select projects that have maximum overall benefit to the community. It also allows staff to ensure compliance with all requirements of state and local funding. Projects will receive a maximum of 5 points based on the following criteria:

One-Point – Projects based in the AB617 Florin-South Sacramento Community. AB617 is a core priority for the Sac Metro Air District and required under our grant programs. Projects based in this region will receive one point.

One Point – Projects based in a Disadvantaged Community (DAC). It is a priority of the Sac Metro Air District to improve air quality in Disadvantaged Communities as defined by the ARB. Most of the grant programs also require priority funding in these areas, so applicants based in a DAC will receive one point.

One-Point – Projects based in an AB1390 designated community. Projects based in these communities as defined under the Sac Metro Air District AB 1390 policy will receive one point. The Carl Moyer Program requires that at least 50% of our funding be allocated to these communities.

One-Point – Projects that have community support and/or interagency collaboration and funding. The Sac Metro Air District encourages applicants to leverage its funding as much as possible with other sources to increase benefits to the Sacramento region. Projects that are part of a larger program or have community benefits will receive one point.

One Point – Projects ready to go under a traditional first-come, first-served process. These applications will be complete and ready to be funded and delivered. Time is a critical component of our funding, so applications that can meet this criterion will receive a point.

Once all applications have been evaluated and ranked, staff will meet with management to discuss which projects will be funded and which funding source will be used. Further input and information may be requested by staff to help with this process. This process may also be altered to meet funding deadlines if the overall community benefit is preserved. Projects may also be ranked by funding source rather than overall to better meet community needs and program requirements. In cases of ties, projects will be further evaluated by project cost-effectiveness/emission benefits, funds available per county, and the use of zero emission technology. Community input may also guide overall rankings of projects, especially for projects funded with CAPI as these projects must meet more stringent benefit criteria. Staff will endeavor to make the process transparent and ensure that all applicants are given timely responses to their projects. The Sac Metro Air District also encourages applications that may not meet all these criteria since they may still receive funding under current or future programs. Please submit all potential zero emission and other projects for consideration.

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# Contacts

For more information, please visit our website at:

<http://www.airquality.org/Businesses/Incentive-Programs>

Staff contacts for each program are listed on the website and the pages for each incentive program. Please note that the Sac Metro Air District is working from home exclusively and cannot answer their office phones. It is recommended to use email to contact staff since it may take a while to check and respond to voicemails.

Additionally, staff works with regional equipment dealers who can provide additional assistance in applying for incentive programs.