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**MENDOCINO COUNTY  
AIR QUALITY MANAGEMENT DISTRICT  
MEMORANDUM**

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**DATE:** October 22, 2017

**TO:** The Air Quality Management District Board

**FROM:** Barbara A. Moed,  
Air Pollution Control Officer

**SUBJECT:** Approval of Project Eligibility List for Carl Moyer Program Grant Funds

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The Air Quality Management District currently has approximately \$483,000 of Year 18 and Year 19 Carl Moyer Program Grant Funding available for replacement and/or retrofit of older diesel engines operating in Mendocino County.

The District is requesting approval of the Project Eligibility List as proposed in Table 1 (Page 3), authorization to enter into a contractual agreement with each of the applicants that outlines the requirements associated with these funds following final approval of each project by the Air Resources Board and authorization to transfer funds to each of the applicants upon receipt of proof of work completed. The list includes all eligible applications received by the District for this funding cycle. The eligible applications for this round of funding total \$480,275. Any unspent funds will be added to next years' funding cycle.

The Project Eligibility List includes; one truck replacement, one vehicle engine replacement, four agricultural pump engine replacements, three fishing vessel engine replacements, and five engine retrofits.

Repower projects (engine replacement) currently includes a new engine as well as all parts and labor necessary for installation. Retrofit projects include the installation of an emissions reduction device approved by the Air Resources Board.

If any projects on the list are withdrawn by the applicant or deemed ineligible by the Air Resource Board, the District will fund the next project on the list that can be completed within the amount of remaining funds available. Any unspent funds will be allocated to the next funding cycle.

The eligible projects in Table 1 are listed in order of cost-effectiveness. The State Program guidelines require that all projects meet the States "minimum cost-effectiveness standard". This standard is expressed in dollars per ton of emissions reduced, and is calculated based on engine usage (hours, miles or gallons of fuel), project cost and amount of emissions reduced. The maximum allowable cost-effectiveness is currently \$18,260 per ton of emissions reduced; emissions reductions that cost more than \$18,260 per ton to achieve are not eligible for program funding.

The state Carl Moyer Grant Program is administered by local air districts and provides grant funding for cleaner engines and equipment. ARB works collaboratively to set Guidelines and ensure the Program reduces pollution and provides cleaner air. The Carl Moyer Program achieves the reductions in emissions of Nitrogen Oxides (NOx) and Diesel Particulate Matter (Diesel PM) necessary for California to meet its clean air commitments under regulatory requirements. Funding for the Program originates from the Smog Check Waiver Fee and the Tire Impact Fee assessed by the State under Assembly Bill 923 of the 2004 legislative session.

The Carl Moyer Program provides funding for projects that meet the guidelines published by the ARB. The Program guidelines require –

- The project must be diesel powered.
- On-road equipment must be over 14,000 Lbs GVWR.
- Emissions reductions must equal or exceed 30%.
- Equipment must be operated in California at least 75% of the time.
- Projects must meet Program Cost-Effectiveness Standards – Currently set at \$18,260 per ton of pollutant reduced.

Additional information on the program is available online at  
<http://www.arb.ca.gov/msprog/moyer/moyer.htm>

The District has been participating in the State Carl Moyer Program since 2000. During that time we have distributed approximately \$3.5 million dollars to reduce emissions from diesel engines in Mendocino County. The District solicits applications from both public and private fleets for all funding cycles.

The District maintains a mailing list of over 100 companies and individuals who have requested to be notified when Carl Moyer Funding is available. The District contacted each of them when funding for this cycle became available. In addition, the District sent out a press release to local newspapers and radio stations announcing the availability of funding. The District also posted a notice and applications on its website and personally contacted representatives of a number of public and private fleets, industry groups and equipment sales companies to encourage applications.