

---

**MENDOCINO COUNTY**  
**AIR QUALITY MANAGEMENT DISTRICT**  
**MEMORANDUM**

---

**DATE:** July 31, 2018

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

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

**SUBJECT:** Carl Moyer Rural Assistance Program Grant and Associated Project

---

The State of California Air Resources Board (ARB) established the Carl Moyer Program in 1999 to provide incentives for owners of heavy-duty diesel equipment to reduce emissions. The primary goal of the Carl Moyer Program is to provide incentive funding to reduce emissions of Oxides of Nitrogen (NOx) from heavy-duty diesel engines. A secondary goal is to reduce public exposure to Diesel Particulate Matter (Diesel PM), an identified air toxic.

Each year the District must apply for Carl Moyer Program funding, solicit applications for projects, contract with applicants for approved projects, and reimburse the applicants upon completion of the project. Many of the applicants for those projects may not go forward with their projects, leaving unspent funds. Due to strict timelines for expenditure of each years funding, unspent funds must be reallocated to the state Carl Moyer Rural Assistance Program Fund to be pooled with unspent funds from other Districts. To date, the District has reallocated a total of \$165,837 toward the state Rural Program. In return, the Rural Program has funded projects in Mendocino County totaling \$362,602. The District has also received \$25,760 from the Rural Program for administration of the projects funded by the Rural Program.

The Rural Program currently has \$52,569 available for a project in Mendocino County to replace a 1986, John Deere 2550 tractor with a new 2016, John Deere 5085 Utility Tractor which the District has agreed to administer. The District will also receive \$6,266 in administrative funds from the Rural Program for a total of \$59,236.

The District signed the Grant Agreement between the District and ARB on May 24, 2018 to accept the project and reserve program funds. The District was not able to bring the item to the Board prior to signing the Grant Agreement. In addition, other circumstances have resulted in subsequent delays. The District cannot receive the funds and the applicant cannot begin the project without authorization from the Board in the form of a Minute Order.

The District is requesting Board authorization to accept Carl Moyer Rural Assistance Program funds, approval of the project associated with the funds, authorization to enter into a contractual agreement with the applicant and reimburse the applicant upon proof of completion of the project.

The only available alternative is to not accept the grant funds and deny the project. The District cannot assign the funding to other projects or programs.

The District has been participating in the State Carl Moyer Program since 2000 (State Year 2 funds) and since that time has distributed several hundred thousand dollars in grant funds to reduce emissions from diesel engines in Mendocino County. The majority of these funds have been distributed to private parties.

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

- Pre-project fuel must be diesel
- On-road equipment funded be over 14,000 LBS GVWR and include a retrofit device
- Emissions reductions equal or exceed 30%
- Equipment be operated in California 75% of the time
- The operator agrees to use the equipment for at least 5 years
- Projects must meet ARB cost effectiveness standards – Currently the cost effectiveness standard is \$30,000 per ton of nitrogen-oxide (NOx) reduced.