

FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT
MEMORANDUM
02/22/2021

TO: FRAQMD BOARD OF DIRECTORS

FROM: Christopher D. Brown, AICP, APCO

SUBJECT: Adopt an Alternative Fuel Infrastructure Projects Competitive Review and Evaluation Process for Infrastructure Projects, and authorize the APCO to execute related documents.

RECOMMENDATION:

Adopt the Alternative Fuel Infrastructure Projects Competitive Review and Evaluation Process for infrastructure projects, and authorize the APCO to execute related documents.

ALTERNATIVES:

Not adopt the Alternative Fuel Infrastructure Projects Competitive Review and Evaluation Process, and give direction to staff.

BACKGROUND:

Senate Bill (SB) 513 (Beall, 2015), through the Carl Moyer (Moyer) Program, provided new opportunities for funding advanced zero and near-zero technologies as well as alternative fueling infrastructures. Alternative fueling infrastructure categories include commercial battery charging and alternative fueling stations for on-road and off-road vehicles and equipment, and continued support for marine shore power electrification and stationary agricultural projects. The Carl Moyer Guidelines were updated in 2017 and included a new chapter for infrastructure projects. To provide project selection transparency for publicly accessible projects, the 2017 Carl Moyer Program Guidelines required that air districts use a competitive bid process when the infrastructure project includes public access. The solicitation and competitive bid process design is up to the discretion of the air district as long as it meets the minimum requirements of the Carl

Moyer Program Guidelines. SB 513 also established that infrastructure projects would not be required to meet a cost-effectiveness limit like the other project categories outlined in the Carl Moyer Program Guidelines; however they cannot exceed the funding cap (a percentage based on the total project cost) as outlined in the Guidelines.

The Community Air Protection Incentive Program was established by the California State Legislature in fiscal year 2017-18 to support the Assembly Bill (AB) 617 Community Air Protection Program. The California Air Resources Board (CARB) was directed by AB 617 (Chapter 136, Statutes of 2017) to establish the Community Air Protection Program in conjunction with local air districts to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in the communities most impacted by air pollution. The Community Air Protection Incentive Program is part of California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in disadvantaged communities.

The District adopted Resolution 2020-10 accepting funding from CARB to implement Year 3 of the Community Air Protection Incentive Program. The Community Air Protection Incentive Program is administered in accordance with the CAP Incentives 2019 Guidelines¹, 2018 CAP Funds Supplement to the Carl Moyer Program 2017 Guidelines², the 2018 Funding Guidelines for Agencies that Administer California Climate Investments³, and the District's Policy and Procedures Manual for the Community Air Protection Incentives⁴.

DISCUSSION:

The proposed Alternative Fuel Infrastructure Projects Competitive Review and Evaluation Process would add an Alternative Fuels Ranking Form (Ranking Form) to the prioritization and procedures in the current Policy and Procedures Manual. The Ranking Form has been developed for alternative fueling projects (excluding infrastructure projects designed to power agricultural pumps conversions) and is included as Attachment 1. Eligible alternative fueling projects include commercial electric charging stations, natural gas fueling stations, and hydrogen fueling stations. In addition to project applications being evaluated using the Ranking Form, applications will also be prioritized as described in the Policy and Procedures Manual for each grant program. For the Community Air Protection Incentives Program, projects are prioritized based on whether they are in a disadvantaged community or low-income community and

¹ <https://ww2.arb.ca.gov/our-work/programs/community-air-protection-incentives>

² <https://ww3.arb.ca.gov/msprog/cap/supplement.htm>

³ <https://ww2.arb.ca.gov/resources/documents/2018-funding-guidelines-agencies-administer-california-climate-investments>

⁴ <https://www.fraqmd.org/files/ee1da63a9/Policy+and+Procedures+CAP+Incentives.pdf>

whether they address a primary community need. Applicants must submit their application during an open solicitation time period as publicly advertised by the District and demonstrate that their projects meet the minimum eligibility criteria outlined in the Carl Moyer Program 2017 Guidelines. During the solicitation period, the Ranking Form categories by which projects are evaluated will be also be provided on the District's website so that applicants can be aware of how projects are scored. Projects received when the solicitation time period is closed will not be considered for funding, however an applicant can resubmit their application when the next solicitation period becomes available.

The Ranking Form shall take into consideration aspects of the project, provided in the applicant's application, such as a station's location, anticipated level of end users, whether a need for the station has been established, and more. Once all of the infrastructure project applications are received by the close of a designated application solicitation period and have been evaluated by District staff, they will be ranked in order of highest to lowest, based on the score received. This list will then be provided to the APCO for review and for project selection and approval. Should there be insufficient grant funds to fund all competitive infrastructure projects received, then the APCO has the discretion of placing a project on a waiting list until future funds become available.

The Ranking Form may be used for any grant program that administers projects in accordance with the Carl Moyer Guidelines. At this time, the District intends to use the Ranking Form for the Community Air Protection Incentives Program.

FISCAL IMPACT:

The competitive bid and solicitation process shall be used for evaluating alternative fueling project applications submitted through the Community Air Protection Incentives Program and requires no additional funds to implement, outside of the already budgeted administrative funds received. Therefore, there is no fiscal impact.

ATTACHMENTS:

#1: Alternative Fuels Infrastructure Ranking Form

Project Ranking Form for Alternative Fueling Infrastructure Projects

Applicant:	
App. #	
Score:	0 out of 100 total points

Level of Project confidence

Points will be awarded based on the applicant's experience, level of expertise, and feasibility of the proposal.

<u>Points</u>	<u>Criteria</u>	<u>Score</u>
20	High level of confidence in project implementation - the project has a high likelihood of success based on experience of applicant, expertise, and project feasibility.	
10	Moderate level of confidence in project implementation - the project is likely to succeed based on experience of applicant, expertise, and project feasibility.	
0	Low level of confidence in project implementation - likelihood of project success is poor or not adequately assured based on experience of applicant, expertise, and project feasibility.	
20	Total Possible Sub-Category Points	

Station Location

Points will be awarded to projects that are strategically located

<u>Points</u>	<u>Criteria</u>
20	Project location strategically located to compliment existing alternative fueling infrastructure and demand and is not redundant to existing nearby stations
10	There is a marginal level of overlap with existing stations, however, the project still fulfills an unmet need in the County.
0	Project is redundant with existing nearby stations and provides little additional benefit
20	Total Possible Sub-category Points

Estimated level of use

<u>Points</u>	<u>Criteria</u>
15	Project is expected to be used by at least 3 users a day, 2 to 5 days a week
10	Project is expected to be used by 1- 3 users a day, any day of the week
5	Project does not anticipate use within the lifetime of the project
15	Total Possible Sub-category points

Power Source not derived from Fossil Fuels

<u>Points</u>	<u>Criteria</u>
10	Project powered by renewable natural gas, hydrogen, onsite solar or wind at least 50% of the time
7	Project powered by renewable natural gas, hydrogen, onsite solar or wind least 25 - 49% of the time
3	Project powered by renewable natural gas, hydrogen, onsite wind or solar 0% - 25% of the time
10	Total Possible Sub-category points

Established Demand

<u>Points</u>	<u>Criteria</u>
10	Strong documented evidence suggests that there is a demand for the project and proposed station size is proportional to the established
5	Demand cannot be documented but can be supported by anecdotal evidence
3	There is no documented or reasonable anecdotal demand for the proposed project
10	Total Possible Sub-category points

Community Benefit

<u>Points</u>	<u>Criteria</u>
10	There is a strong community benefit.
5	Community benefit is moderate
0	No significant community benefit
10	Total Possible Sub-category Points

Dedicated Co-funding

Co-funding includes in-kind contributions, equipment, labor or direct funding.

<u>Points</u>	<u>Criteria</u>
15	50% or more of the total project cost from other funds.
5	25-50% of the total project cost from other funds.
0	Less than 25% of total project cost from other funds.
15	Total Sub-category Points