BOARD MEETING DATE: December 16, 2013 AGENDA NO. 1

PROPOSAL: Transfer Funds for Voucher Incentive Program

SYNOPSIS: This action is to transfer \$2 million from the Carl Moyer Program

AB 923 Fund (80) to the VIP Fund (59) to assist small truck fleet

operators with truck replacement projects.

COMMITTEE: Not Applicable

RECOMMENDED ACTION:

Approve the transfer of \$2 million from the Carl Moyer Program AB 923 Fund (80) to the VIP Fund (59) to fund truck replacement projects on a first-come first-served basis under the Carl Moyer Voucher Incentive Program (VIP).

Barry R. Wallerstein, D.Env. Executive Officer

MMM:FM

Background

Since October 2013, the Board has approved the transfer of \$9 million from the Carl Moyer Program SB 1107 Fund (32) and AB 923 Fund (80) to the VIP Fund (59) for the implementation of truck replacement projects on a first-come first-served basis.

Due to CARB's upcoming Truck & Bus Regulation the demand for the VIP funds has increased significantly, and the recently transferred \$9 million have already been subscribed. This is in addition to the Proposition 1B-Goods Movement Program funds allocated to the SCAQMD by CARB that have been available through public solicitation.

CARB has stated that small fleets qualifying for VIP funds for truck replacements would be accepted under the "Good Faith Effort" under the Truck & Bus regulation if

the completed applications are submitted by December 31, 2013, and the new trucks are delivered by July 1, 2014.

Proposal

To help small fleet operators with truck replacement projects and assist CARB with the timely implementation of the Truck & Bus regulation, staff recommends the Board's approval to transfer \$2 million from the Carl Moyer Program AB 923 Fund (80) to the VIP Fund (59) to fund truck replacement projects on a first-come first-served basis under the Carl Moyer VIP.

Benefits to SCAQMD

The successful implementation of the VIP will provide direct emissions reductions for both NOx and PM. Since the vehicles and equipment funded under this program will operate for many years, the emissions reductions will provide long-term benefits.

Resource Impacts

Total funds to be transferred from the Carl Moyer Program AB 923 Fund (80) to the VIP Fund (59) shall not exceed \$2 million.