

BOARD MEETING DATE: October 2, 2026

AGENDA NO. 12

PROPOSAL: Execute Agreements to Implement AB 617 Clean Community School Initiative Program and Transfer Funds for Development of AB 617 Grant Management System

SYNOPSIS: In February 2026, the AB 617 Clean Community School Initiative Program Announcement was released to solicit zero-emission school bus and charging infrastructure projects from privately-owned combustion school buses serving public schools in underserved communities and within AB 617-designated communities in the South Coast AQMD region. Eligible applications were evaluated and staff have identified \$16,370,293 in zero-emission school bus and charging infrastructure projects. In February 2026, the Board also approved funds for the development of the AB 617 Grant Management System (GMS), but funding must be re-appropriated. These actions are to: 1) execute agreements for zero-emission school bus and infrastructure projects for a total amount not to exceed \$16,370,293; and 2) transfer and appropriate up to \$67,000 for the development of the AB 617 GMS from the administrative portion of the Community Air Protection Program (Grant #G22-MCAP-23) into Information Management's FY 2026-27 and/or 2027-28 Budget, Services and Supplies and/or Capital Outlays Major Objects.

COMMITTEE: Technology, September 18, 2026; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Executive Officer to execute agreements for the AB 617 Clean Community School Initiative Program as listed in Table 1, to replace diesel and other combustion school buses with zero-emission buses and charging infrastructure totaling an amount not to exceed \$16,370,293 from the Community Air Protection AB 134 Fund (77); and

2. Transfer and appropriate up to \$67,000 for work completed on the AB 617 Grant Management System from the administrative portion of the Community Air Protection Program (Grant #G22-MCAP-23) Fund (77) into Information Management's FY 2026-27 and/or 2027-28 Budget, Services and Supplies and/or Capital Outlays Major Objects.

Wayne Nastri
Executive Officer

AHJ:WS:RD

Background

In February 2026, the Board issued a Program Announcement (PA) #PA2026-06 for the AB 617 Clean Community School Initiative, which will provide financial incentives to privately-owned school bus fleets to replace in-use heavy-duty school buses with zero-emission school buses and to install charging infrastructure that will achieve emission reductions that are real, surplus, quantifiable and enforceable. The AB 617 Clean Community School Initiative will provide emission reductions of Nitrogen Oxides (NOx), Particulate Matter (PM), and Reactive Organic Gases (ROG) in Consistently Nominated Communities and Disadvantaged Communities, as defined by SB 535 as communities based on geographic, socioeconomic, public health and environmental hazard criteria.

Under #PA2026-06, a total of 15 applications were received by privately-owned school bus fleets for the replacement of 115 school buses and five charging infrastructure projects for a total requested amount of approximately \$46 million. Of the applications received, two were received late and therefore not eligible for program consideration.

Also, in February 2026, the Board appropriated up to \$67,000 from the administrative portion of the Community Air Protection Program Fund (77) into Information Management's FY 2025-26 and/or 2026-27 Budget, Services and Supplies and/or Capital Outlays Major Objects for the development of the AB 617 Grant Management System (GMS), to align future AB 617 incentive projects to existing GMS interface, dashboard and approval processes already developed for the Carl Moyer, Proposition 1B-Goods Movement and Lower-Emission School Bus Programs. These funds need to be appropriated again as a result of the transfer not yet occurring.

Proposal

Staff evaluated the applications received under #PA2026-06 for eligibility by adhering to the Community Air Protection Program Incentive guidelines. In addition to the eligibility requirements specified by the PA, staff also adhered to the Carl Moyer Program guidelines for On-Road Heavy-Duty Vehicles (Chapter 4) and Infrastructure

(Chapter 10) to determine emission reductions, cost-effectiveness and recommended award amounts.

The proposed awards will fund 79 zero-emission school buses and four charging infrastructure projects serving AB 617-designated communities, Consistently Nominated Communities and Disadvantaged Communities in the South Coast AQMD jurisdiction. Private fleets will have to pay for any discretionary options they choose to include on the school bus. The older school buses are required to be permanently destroyed by licensed dismantlers.

Also, this proposal is to transfer and appropriate up to \$67,000 from the administrative portion of the Community Air Protection Program (Grant #G22-MCAP-23) Fund (77) into Information Management's FY 2026-27 and/or 2027-28 Budget, Services and Supplies and/or Capital Outlays Major Objects for the development of the AB 617 GMS.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders were notified utilizing South Coast AQMD's own electronic listing of certified vendors. Notice of the PA was emailed to the Legislative Caucuses and various chambers of commerce and business associations, and placed on the Internet at South Coast AQMD's website (<http://www.aqmd.gov>) where it can be viewed by making menu selection "Grants & Bids."

Also, in late 2025 and early 2026, staff presented the AB 617 Clean Community School Initiative to each of the six AB 617-designated communities and received strong support from community members and stakeholders. Furthermore, in February 2026, South Coast AQMD received a support letter signed jointly from various community-based organizations supporting the AB 617 Clean Community School Initiative Program and highlighted the need for zero-emission technologies in underserved communities.

Other efforts to promote the AB 617 Clean Community School Initiative Program include, but are not limited to: 1) mass email announcements to all CSCs and interested parties' lists; 2) press release in February 2026; 3) outreach to major school bus dealerships in the South Coast AQMD jurisdiction; 4) outreach via listening sessions in each of the four counties; and, 5) increasing social media presence through online announcements via South Coast AQMD's social media accounts.

Benefits to South Coast AQMD

The successful implementation of the projects selected for funding through the AB 617 Clean Community School Initiative will reduce emissions of NO_x, PM and ROG from AB 617-designated communities, Consistently Nominated Communities and Disadvantaged Communities, as defined by SB 535 as communities based on geographic, socioeconomic, public health and environmental hazard criteria. Successful implementation of the recommended awards will result in estimated annual emission reductions of 2.1 tons of NO_x and 0.08 tons of PM.

Also, the projects identified in this Board letter will result in emission reductions that are surplus to existing regulations and will occur throughout the life of the projects, resulting in long-term emission reduction and public health benefits.

Resource Impacts

Sufficient funding is available in the Community Air Protection AB 134 Fund (77) for the recommended awards that will not exceed \$16,370,293.

Also, sufficient funding is available from the administrative portion of the Community Air Protection Program (Grant #G22-MCAP-23) Fund (77) in the amount of \$67,000 for the development of the AB 617 GMS.

Attachments

Table 1: AB 617 Clean Community School Initiative Program Recommended Awards

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County	Applicant	Number of Buses	Maximum School Bus Award	Maximum Infrastructure Award	Total Recommended Award
Los Angeles	Zum Services Inc. *	55	\$536,800	\$4,703,257	\$5,240,057
	Summit School Services	--	--	\$2,588,196	\$2,588,196
Orange	JFK Transportation Co., Inc.	15	\$3,990,062	\$1,476,993	\$5,467,055
San Bernardino	Visser Bus Services, Inc.	9	\$2,122,800	--	\$2,122,800
Riverside	First Student, Inc.	--	--	\$952,185	\$952,185
Total		79	\$6,649,662	\$9,720,631	\$16,370,293

*This project is pending CARB case-by-case approval and/or South Coast AQMD qualification check.