



DATE: June 1, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Nicholas Nguyen, Principal Project Delivery Manager

SUBJECT: Measure B, Vehicle Registration Fee, Fiscal Year Alternative Fuel Program Update and Fiscal Year 2017-18 Program Adoption (Action); Agenda Item No. 11

RECOMMENDATION:

Receive update of the current fiscal year Measure B – Element 3.3 Alternative Fuel Program and adopt Fiscal Year 2017-18 program proposal. The FY 2017-18 program is designed to review and refresh the program we have made since inception, with a continued emphasis on electric vehicle (EV) adoption, new EV marketing effort and additional review of new clean transportation fuel technologies. The TAM Program & Projects Executive Committee recommended this item for full Board consideration.

BACKGROUND:

In 2010, Marin voters approved Measure B, Vehicle Registration Fee, which increased the annual vehicle registration fee by \$10 to help fund transportation improvements. Element 3 of the Measure B Strategic Plan included activities to support the development of alternative fuel infrastructure and alternative fuel vehicle education programs. TAM’s alternative fuel program is committed:

- To coordinate within Marin interests on Electric Vehicle activities, particularly infrastructure implementation and support of EV fleet conversion.
- To continue to convene TAM’s Clean Transportation Technology Advisory Working Group (formerly EVAWG), and maintain TAM’s active participation with the EV Coordinating Council, a collaborative effort of regional agencies, municipalities, EV advocates, and industry representatives.
- To seek and support alternative fuel technologies that will efficiently reduce greenhouse gas emissions.

PAST ACTIONS:

In May 2016, the Board received recommendations for budgeting and programming of TAM’s current FY 2016-2017 Measure B Alternative Fuel program, which were approved.

DISCUSSION/ANALYSIS:

Current Year Program Update

Staff has initiated all five elements of the current fiscal year-ending Measure B Alternative Fuel program. The following is an update of each element:

a. Public Agency EV Fleet Rebate (\$25,000)

The Public Agency EV Fleet Rebate was initially proposed and funded in FY 2013-14, and fully implemented in August 2014.

The rebate program assists public agencies that replace internal combustion engine (ICE) vehicles with electric and plug-in hybrid vehicles. TAM's incentive provides "match" funding of up to \$3,500 per vehicle, thereby reducing the cost of a new electric vehicle by up to \$6,000 when combined with the State's own rebate program. This FY 16-17 program sum of \$25,000 reflected staff's anticipated demand based on last year's program. Staff has marketed the program to the Marin City Managers, Marin Public Works Directors, public school districts and directly with various local agency staff members.

In discussion with public agency fleet managers in Marin, the typical EVs available on the market today (e.g. light duty sedan) do not fully complement their agencies' needs; particularly where it makes an impact, such as medium to heavy duty vehicles for larger departments, such as public works and police/fire. Regardless, Marin public agency fleet managers are aware of EV benefits and are adopting as quickly as they can. As of early May 2017, four rebates have been approved, accounting for 40 percent of the budget.

b. EV Charging Infrastructure (\$60,000)

TAM has been an active participant in providing bridge funding for electric vehicle charging station equipment (also known as EVSE) since the inception of the Measure B – Vehicle Registration Fee in 2011. TAM rolled out a new charging station grant this fiscal year and has experience significant traction with it.

While the program is opened to all public agencies within Marin County, it targets Marin schools, recognizing that many of the teachers and staff members of our local schools do not live in Marin and may commute from fairly long distances. Chargers at the schools will promote commuting with EVs.

Based on a first-come first-serve basis until funds are depleted, the program will provide matching funds of 75 percent of the complete installation up to \$1,500 for one Level 1 charging port or up to \$3,000 for one Level 2 charging port. As part of the grant requirements, charger locations must also be identified with at least two standardized way-finding traffic signs to direct motorists if the chargers are to be publicly accessible. Three rebate applications have been approved for payment, totaling approximately \$12,000.



Marin Clean Energy anticipates completion of their five EV-charger installation by the end of the fiscal year and submitting for reimbursement.

c. SMART Station Charging Infrastructure & Electric Bus Pilot Program (\$110,000)

The TAM Board allocated \$35,000 to SMART to assist in funding the installation of electrical conduits for possible EV chargers during its station development. SMART has installed the infrastructure in their two Marin parking lots.

The TAM Board also allocated \$75,000 for an electric shuttle/bus pilot project for further technology evaluation. The allocation was conceived as a funding match to attract additional grant funding from the California HVIP program or other sources of alternative fuels funding to cover the cost difference between conventional and electric vehicles. TAM, Marin Clean Energy (MCE) and Marin Transit staff has met periodically to discuss options. Late last year, Marin Transit informed the collective that they were in contract to purchase two new electric buses, which would be delivered in late 2017.

TAM brought these two updates to the Board in October 2016 to authorize funding; which was approved. Staff is currently working on funding agreements with the two agencies.



d. EV Outreach and Education (\$25,000)

There were several targeted opportunities for outreach and education in the current fiscal year:

- **Charge Across Town's EV Week event:** Charge Across Town (CAT) organizes consumer focused ride-and-drive events in partnership with manufacturers and local governments. TAM partnered with CAT in 2014 and 2015 to co-sponsor an event in downtown San Rafael. CAT chose to solely focus their efforts in the City of San Francisco for 2016.
- **National Drive Electric Week event:** TAM has participated in the National Drive Electric Week for the past several years, partnering with the Golden Gate Electric Vehicle Association (GGEVA) and its president, Dale Miller. It did so again this past fall (September 2016), co-sponsoring a ride-and-drive event at the Vintage Oaks shopping center in Novato.



- **Local Agency Outreach:** The City of San Rafael and the County of Marin had expressed initial interest in conducting EV public awareness and outreach events with their constituents in the past. To this end, a potential opportunity exist to partner with Marin County to demonstrate its recent purchase of a free-standing solar-powered EV charging station made by Envision Solar, and which TAM provided assistance a matching grant rebate.



- **Alternative Fuel Technology Education:** Fuel Cell Electric Vehicle (FCEV) and Renewable Diesel are technologies that compliment Battery Electric Vehicles and address the ability to “green” our current legacy fleets. TAM staff was part of the communication conduit that helped inform the County of Marin, Marin Transit, City of San Rafael and other agencies in Marin to make the switch from conventional diesel to using 100 percent renewable diesel during this fiscal year. Marin County

estimates that it will achieve approximately 650 metric tons of carbon dioxide reduction in 2017 by converting to renewable diesel. This figure is roughly equivalent to the combined volume over 650 single-story small homes.

TAM is also proud to report its partnership with the Marin School of Environmental Leadership (Marin SEL) to produce an electric vehicle promotion and education video aimed at informing high school students as they begin their lifelong driving experience. Outreach will be conducted at various Marin high schools.

Our EV outreach and education goals were met this year. Staff believes the return on investment for this program is extremely high given the broad reach it has.

e. Alternative Fuel/EV Consultant Support at TAM (\$20,000)

To stay abreast of key trends and grant opportunities, TAM staff attends a variety of alternative fuel industry meetings and workshops, such as the EV Coordinating Council meetings, and interacts with practitioners to better understand the greenhouse gas emission reduction landscape and develop a more efficient suite of objectives. Of note, TAM attended the Green California Summit in Sacramento this year and plans to attend the Advanced Clean Transportation conference in May 2018.

Fiscal Year 2017-2018 Budget and Program Recommendations

Based on experience with the current program and vetting ideas with TAM's Clean Transportation Technology Advisory Working Group (CTTAWG), staff has the following budget recommendations for FY2017-2018 budget development for Measure B, Element 3.3 – Alternative Fuels Infrastructure and Promotion Program:

1. Public Agency EV Fleet Incentive	\$20,000
2. EV Public Charging Infrastructure	\$55,000
3. SMART Station EV Charging Infrastructure	\$35,000
4. Electric Bus Pilot Program	\$75,000
5. EV Outreach and Education	\$35,000
6. Alternative Fuel Consultant	<u>\$20,000</u>
TOTAL	\$240,000

For the Public Agency EV Fleet Rebate Program, TAM's incentive is proposed to increase in the new fiscal year by providing "match" funding of up to \$5,000 per vehicle (*which is an increase of \$2,500 per vehicle since the program's inception in FY 15-16 program*), thereby reducing the cost of a new electric vehicle by up to \$10,000. Participants may also be eligible for any Bay Area Air Quality Management District's (BAAQMD) PEV Rebate Program that may exist. This program sum of \$20,000 continues to reflect a more realistic level of demand by public agency fleet managers who often account for fleet replacement in multi-year plans while appropriately matching electric vehicles with end-user needs.

Introduced in FY 2015-16, the proposed TAM EVSE grant program continues on the path of supporting efforts where it matters the most. Based on a first-come first-serve basis until funds are depleted for the year, the program will provide matching funds of 75 percent of the complete installation up to \$1,500 for one Level 1 charger (per charging head) or up to \$3,000 for one Level 2 charger (per charging head). *This represents an increase of coverage and matching rebate amount since the program's inception in FY 15-16 program.* Charger locations must also be identified with at least two standardized way-finding traffic signs to direct motorists if the chargers are publicly accessible.

The SMART station charging infrastructure and Electric Bus Pilot Program allocations are proposed to be carried forward until funding agreements are executed and funds are released to SMART and Marin Transit. Lastly, staff believes that keeping up with the fast-paced changes within the alternative fuel industry and continuing with extensive public outreach are key to an increasingly successful program. For this reason, we recommend increasing the Outreach and Education element \$35,000. Funds would be used to sponsor EV “ride & drive” events and implementing a media/social media campaign to promote EV ownership. Staff also envisions engaging consultant support to survey public agency fleet and facility managers and larger private employers to facilitate and educate them on EV opportunities.

FISCAL CONSIDERATION:

The total program recommended for FY 2017-18 is \$240,000. There are sufficient funds in the Measure B account to support the recommended program.

NEXT STEPS:

Staff will continue the implementation of the FY 2016-2017 Measure B Alternative Fuel program, and prepare for the FY 2017-2018 implementation when adopted by the full TAM Board.