



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

TIM SMITH - CHAIR  
TOM BATES  
YORIKO KISHIMOTO  
MARK ROSS

JAKE McGOLDRICK – VICE CHAIR  
SCOTT HAGGERTY  
CAROL KLATT  
JOHN SILVA  
GAYLE B. UILKEMA

**THURSDAY  
SEPTEMBER 25, 2008  
9:30 A.M.**

**4<sup>TH</sup> FLOOR CONFERENCE ROOM  
DISTRICT OFFICES**

AGENDA

1. **CALL TO ORDER - ROLL CALL**
2. **PUBLIC COMMENT PERIOD** (*Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3*) *Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.*
3. **APPROVAL OF MINUTES OF JULY 9, 2008**
4. **CONSIDERATION OF TRANSPORTATION FUND FOR CLEAN AIR (TFCA) REGIONAL FUND PROJECTS AND MOBILE SOURCE INCENTIVE FUND (MSIF) PROJECTS**

**J. Colbourn/5192**  
[jcolbourn@baaqmd.gov](mailto:jcolbourn@baaqmd.gov)

*The Committee will consider recommending that the Board of Directors approve projects received as part of this year's TFCA Regional Fund and MSIF projects call for applications.*

5. **STATUS REPORT ON CALIFORNIA GOODS MOVEMENT BOND (I-BOND) FUNDING PROCESS**

**J. Broadbent/5052**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Committee will receive an update on the outreach performed and applications received as part of California Goods Movement Bond (I-Bond) Program.*

6. **STATUS REPORT ON THE CALIFORNIA AIR RESOURCES BOARD (ARB) AUDIT OF THE CARL MOYER PROGRAM**

**J. Colbourn/5192**  
[jcolbourn@baaqmd.gov](mailto:jcolbourn@baaqmd.gov)

*The Committee will receive the results of the Carl Moyer Program audit conducted by the ARB in May of Fiscal Year 08/09.*

7. **COMMITTEE MEMBER COMMENTS/OTHER BUSINESS**

*Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2).*

8. **TIME AND PLACE OF NEXT MEETING:** Thursday, October 23, 2008 at 9:30 a.m.
9. **ADJOURNMENT**

**CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET  
SAN FRANCISCO, CA 94109**

**(415) 749-5073  
FAX: (415) 928-8560  
BAAQMD homepage:  
[www.baaqmd.gov](http://www.baaqmd.gov)**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Executive Office should be given at least three working days prior to the date of the meeting so that arrangements can be made accordingly.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District's offices at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body. Such writing(s) may also be posted on the District's website ([www.baaqmd.gov](http://www.baaqmd.gov)) at that time.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109**  
**(415) 771-6000**

**EXECUTIVE OFFICE:**  
**MONTHLY CALENDAR OF DISTRICT MEETINGS**

**SEPTEMBER 2008**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Climate Protection Committee Meeting</b> <i>(Meets 3<sup>rd</sup> Thursday Every Other Month)</i>	Thursday	18	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Joint Policy Committee</b>	Friday	19	10:00 a.m. – 12:00 p.m.	MTC 101 - 8 <sup>th</sup> Street Oakland, CA 94607
<b>Board of Directors Legislative Committee</b> <i>(Meets 4<sup>th</sup> Monday of the Month)</i>	Monday	22	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets 4<sup>th</sup> Wednesday of each month)</i>	Wednesday	24	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>– (Meets 4<sup>th</sup> Thursday of each Month)</i>	Thursday	25	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Public Outreach Committee</b> <i>(Meets 1<sup>st</sup> Thursday every other Month)</i>	Friday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Executive Committee</b> <i>- (At the Call of the Chair)</i>	Monday	29	9:45 a.m.	4 <sup>th</sup> Floor Conf. Room

**OCTOBER 2008**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	1	9:45 a.m.	Board Room
<b>Advisory Council Air Quality Planning Committee</b> <i>(Meets 1<sup>st</sup> Thursday Even Month) – RESCHEDULED TO THURSDAY, OCTOBER 16, 2008</i>	Thursday	2	9:30 a.m.	4 <sup>th</sup> Floor Conf. room
<b>Advisory Council Technical Committee</b> <i>(Meets 1<sup>st</sup> Monday of every even Month) - RESCHEDULED TO WEDNESDAY, OCTOBER 22, 2008</i>	Monday	6	9:30 a.m.	Board Room
<b>Advisory Council Public Health Committee</b> <i>– (Meets 2<sup>nd</sup> Wednesday Even Month)</i>	Wednesday	8	1:30 p.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	Board Room
<b>Advisory Council Air Quality Planning Committee</b> <i>(Meets 1<sup>st</sup> Thursday Even Month)</i>	Thursday	16	9:30 a.m.	Board Room

## OCTOBER 2008

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets 4<sup>th</sup> Wednesday of each month)</i>	Wednesday	22	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Advisory Council Technical Committee</b> <i>(Meets 1<sup>st</sup> Monday of every even Month)</i>	Wednesday	22	9:30 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>– (Meets 4<sup>th</sup> Thursday of each Month)</i>	Thursday	23	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Legislative Committee</b> <i>(Meets 4<sup>th</sup> Monday of the Month)</i>	Monday	27	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

## NOVEMBER 2008

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	5	9:45 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> <i>(Meets 1<sup>st</sup> Thursday every other Month)</i>	Thursday	6	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Advisory Council Executive Committee Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday Every Other Month)</i>	Wednesday	12	9:00 a.m.	Room 716
<b>Advisory Council Regular Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday Every Other Month)</i>	Wednesday	12	10:00 a.m.	Board Room
<b>Joint Policy Committee</b>	Friday	14	10:00 a.m. – 12:00 p.m.	MTC 101 - 8 <sup>th</sup> Street Oakland, CA 94607
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	19	9:45 a.m.	Board Room
<b>Board of Directors Climate Protection Committee Meeting</b> <i>(Meets 3<sup>rd</sup> Thursday Every Other Month)</i>	Thursday	20	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Legislative Committee</b> <i>(Meets 4<sup>th</sup> Monday of the Month)</i>	Monday	24	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets 4<sup>th</sup> Wednesday of each month)</i>	Wednesday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

HL  
9/17/08 (12:45 p.m.)  
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BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Smith and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 4, 2008

Re: Mobile Source Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Mobile Source Committee meeting of July 9, 2008.

DISCUSSION

Attached for your review and approval are the draft minutes of the July 9, 2008 Mobile Source Committee meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, California 94109  
(415) 749-5000

**DRAFT MINUTES**

Summary of Board of Directors  
Mobile Source Committee Meeting  
9:30 a.m., Wednesday, July 9, 2008

**1. Call to Order – Roll Call:** Chair Tim Smith called the meeting to order at 9:31 a.m.

**Present:** Tim Smith, Chair, Yoriko Kishimoto, Carol Klatt, Jake McGoldrick, Mark Ross, John Silva, Gayle B. Uilkema

**Absent:** Tom Bates, Scott Haggerty

**Also Present:** Director Chris Daly

**2. Public Comment Period:** There were no public comments.

**3. Approval of Minutes of May 14, 2008:** Director Silva moved approval of the minutes; seconded by Director Ross; carried unanimously without objection.

**4. Consideration of Carl Moyer Year 10 Funding and Mobile Source Incentive Fund Projects:**  
*The Committee considered recommending Board of Directors' approval of staff recommendations for the funding of eligible projects under the Carl Moyer Program (CMP) Year 10 and the Mobile Source Incentive Fund (MSIF) and authorize the Executive Officer/APCO to enter into all necessary contracts.*

Grants Manager, Damian Breen, gave a PowerPoint presentation on consideration of Carl Moyer Year 10 Funding and Mobile Source Incentive Fund Projects. He gave an overview on the background of each program, reviewed project solicitation/evaluation, discussed proposed projects, percentages of funding and equipment category distribution, equipment category analysis, the Carl Moyer Program background and the percentage of funding as it related to the impacted community analysis.

Directors recognized staff's work and outreach to impacted communities and briefly discussed specific timing of funds to grant recipients, particularly given the litigious status of Hornblower Cruises and Events. Mr. Broadbent indicated the matter had been discussed and it was felt that absent any policy of the Air District regulating defrauding public agencies, the award is appropriate. It was also noted that contracts would not be signed for some time and until after litigation has begun.

Public Comments:

Don Syle, California Northern Railroad, thanked the Air District for their solicitation and outreach efforts, discussed their margins as a small railroad working under contract with Union Pacific, acknowledged new engine technology and their continued goal in increasing the number of truckloads off of the highways.

Brett Greene, Peterson Power Systems, thanked the Air District for their solicitation and outreach efforts and reported they were currently working with engine suppliers in determining feasible new technology.

**Committee Action:** Director Uilkema moved to recommend Board of Directors' approval of the allocation of \$20,756,901 in funding from a combination of Carl Moyer Program (CMP) funds and Mobile Source Incentive Fund (MSIF) funds for the projects listed in Attachment 1; and recommend Board of Directors' authorization for the Executive Officer/APCO to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachment 1; seconded by Director Kishimoto; carried unanimously without objection.

**5. Consideration of Expenditure Plans for Transportation Fund for Clean Air (TFCA) County Program Managers:** *The Committee considered recommending Board of Directors' approval of staff recommendations on the approval of expenditure plans for TFCA County Program Manager Projects and authorization of the Executive Officer/APCO to execute all necessary contracts.*

Supervising Planner, David Wiley, gave a PowerPoint presentation of consideration of Expenditure Plans for Transportation Fund for Clean Air (TFCA) County Program Managers. He gave an overview of the background on funding, project evaluation, County PM expenditure plans for FY 2008/2009 wherein 45 projects are recommended for approval, reductions in emissions, and funds available and the allocation amount recommended by project type.

Director Kishimoto discussed with Mr. Wiley the ineligible project from the Caltrain Station which was a new shuttle project, and Mr. Wiley reported data was not available to show ridership numbers and defaults applied did not deem the project cost-effective. Mr. Broadbent clarified that other projects will be enhanced in that County as a result of the determination, and the Air District is in the process of funding more CMA's and the program should be very successful.

**Committee Action:** Director Uilkema moved to recommend Board of Directors' approval of staff recommendations on the FY 2008/2009 Transportation Fund for Clean Air (TFCA) County Program Manager projects listed on Table 1; and recommend Board of Directors' authorization for the Executive Officer/APCO to enter into funding agreements with the County Program Manager's Board-approved projects, consistent with Board-adopted TFCA Program Manager Policies; seconded by Director Ross; carried unanimously without objection.

**6. Consideration of \$796,573 in California Goods Movement Bond Funding to Engage an Administrative Consultant to Assist in Program Execution:** *The Committee considered recommending Board of Directors' approval of TIAX LLC to provide administrative services for the California Goods Movement Bond in an amount not to exceed \$796,573 and the authorization of the Executive/APCO to execute all necessary contracts.*

Grants Manager, Damian Breen, gave a PowerPoint presentation on the Committee's consideration to enter into a contract for administrative services related to the I-Bond Program. He provided background stating in November of 2006, California voters authorized the Legislature to appropriate \$1 billion in bond funding to quickly reduce health risk from freight movement on California trade corridors. He

noted the ARB allocated \$140 million for the Bay Area trade corridor, \$3.4 million in early grants to the Air District which helped to fund an electrical grid system with APL Shipping and 75 truck retrofits with the Port of Oakland. He described I-Bond Funding by project type, funding requested and estimated numbers of projects and discussed reasons the Air District was seeking consultant services. He further described the RFP process and results, criteria, percentage of total ratings and highlights of the recommended consultant.

Director Uilkema suggested amendment to staff's recommendation regarding automatic renewal of the contract; to add to the end of the second recommendation: "...that the Board of Directors authorize the Executive Officer/APCO to renew this contract annually for up to three years based on the performance of the consultant after approval of the Mobile Source Committee."

Mr. Broadbent briefly discussed the process of reviewing significant consultant contracts, and Committee members concurred with the suggested amendment.

**Committee Action:** Director Kishimoto moved to recommend that the Board of Directors authorize the Executive Officer/APCO to execute all necessary agreements to enter into a contract for administrative services related to the I-Bond program with TIAX, LLC for an amount not to exceed \$796,573; and recommend that the Board of Directors authorize the Executive Officer/APCO to renew this contract annually for up to three years based on the performance of the consultant after approval of the Mobile Source Committee; seconded by Director Uilkema; carried unanimously without objection.

**7. Consideration of Approval to Reserve \$3.375 Million in Mobile Source Incentive Funds (MSIF) to Match Funds from the School Bus Program Portion of the California Goods**

**Movement Bond:** *The Committee considered recommending Board of Directors' approval of reserving \$3.375 million in MSIF funding to match available Goods Movement Bond funding for replacement of approximately 80 school buses ranging in age from 1977 to 1986 and authorization for the Executive Officer/APCO to execute all necessary contracts.*

Environmental Planner, Geraldina Grunbaum, gave a PowerPoint presentation on the consideration to reserve \$3.375 million in Mobile Source Incentive funds (MSIF) to match funds from the School Bus Program portion of the California Goods Movement Bond. She said AB 923 allowed for an additional \$2 motor vehicle registration fee surcharge approved by the Board in December 2004 which can fund the purchase of new clean school buses. The goal is to reduce school children's exposure to air pollutants, the program provides financial incentives for replacement and retrofit, and over \$12 million will assist in replacing over 100 pre-1987 school buses. She discussed the allocation of MSIF revenues to LESBP which covers the match of \$25,000 per bus, replacement of 10 additional 1977-1986 buses, and \$5,000 per bus to cover costs beyond ARB cost cap for all public school buses replaced.

Committee members questioned and confirmed that the Air District was paying the School District's portion or match of \$25,000 per bus and older buses are taken out of service and are required to be dismantled.

There were no public comments.

**Committee Action:** Director Silva moved to recommend Board of Directors' approval of allocation of \$3.375 million in Mobile Source Incentive Fund (MSIF) revenues to the Lower-Emission School Bus Program (LESBP) for the purchase of new public school buses; and authorization for the Executive



Officer to enter into funding agreements with recipients of grant awards under the LESBP; seconded by Director Kishimoto; carried unanimously without objection.

**8. Committee Member Comments/Other Business:** None

**9. Time and Place of Next Meeting:** Thursday, September 25, 2008 at 9:30 a.m.

**10. Adjournment:** The meeting adjourned at 10:23 a.m.

*/s/ Lisa Harper*

Lisa Harper

Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Smith and  
Members of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 18, 2008

Re: Consideration of Transportation Fund for Clean Air (TFCA) Regional Fund  
Projects and Mobile Source Incentive Fund (MSIF) projects

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RECOMMENDED ACTIONS

Recommend Board of Directors (Board) approval of Staff Recommendations for:

1. The allocation of \$11,790,697 in funding from a combination of Fiscal Year (FY) 2008/2009 TFCA Regional funds and Mobile Source Incentive Fund (MSIF) funds for the forty-six projects listed in Attachment 1;
2. The allocation of \$1,744,627, pending available funding, for seven projects listed in Attachment 2, using FY 2008/2009 TFCA Regional Funds; and
3. Authorization for the Executive Officer to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachments 1 and 2.

BACKGROUND

Pursuant to California Health and Safety Code Sections 44241 and 44242, the Air District imposes a \$4 per vehicle annual surcharge on all motor vehicles registered within the boundaries of the Air District. This surcharge is the funding source for the Air District's program known as the Transportation Fund for Clean Air (TFCA). TFCA revenues are awarded to public agencies and non-public entities to implement eligible projects that reduce motor vehicle emissions and support the implementation of selected transportation and mobile source control measures in the Air District's strategies to achieve state and national air quality standards.

By law, 60% of TFCA revenues after audit costs are allocated by the Air District; this portion is known as the TFCA Regional Fund. Portions of the TFCA Regional Fund are earmarked for eligible programs implemented directly by the Air District, including the Smoking Vehicle Program, the Spare the Air Program, and the Vehicle Buy Back Program. The balance is allocated on a competitive basis to eligible projects proposed by eligible project sponsors.

On April 2, 2008, the Board allocated FY 2008/2009 TFCA Regional Funds totaling \$1,000,000 to clean-air vehicle advanced technology demonstration projects, and \$600,000 to the Bicycle Facility Program.

Revenues from an additional \$2 surcharge in motor vehicle registrations, authorized by Assembly Bill 923, are used to implement the Air District's Mobile Source Incentive Fund (MSIF), which provides grants for the implementation of additional mobile source projects.

The FY 2008/2009 Regional Fund Call for Projects closed on June 30, 2008. The Air District received 79 grant applications totaling approximately \$20.3 million in funding requests. Two grant applications were found to be ineligible because they did not meet program policies. Fifty-three projects met all the relevant eligibility criteria, including cost-effectiveness. Staff is recommending the award of grants totaling approximately \$11.3 million in TFCA Regional Funds and up to \$514,031 in MSIF funds for 46 eligible projects listed in Attachment 1, and the contingent award of grants totaling approximately \$1.7 million to seven eligible projects listed in Attachment 2, to be funded as funds become available.

## DISCUSSION

A discussion of the TFCA Regional Fund process follows.

### **TFCA Regional Fund Schedule**

The milestone dates of the grant application and review process are outlined below.

<b>Action</b>	<b>Date</b>
Issue Application Guidance	April 30, 2008
Outreach	May - June, 2008
Application Submittal Deadline	June 30, 2008
Evaluation of Applications	July 2 – September 8, 2008

### **Solicitation and Outreach**

The Air District opened the Call for Projects on April 30, 2008. Staff conducted extensive outreach to encourage the submittal of grant applications. These activities were integrated with those of the concurrent Goods Movement Program. In addition to emails, post cards, and a press release, the Air District conducted outreach at eleven venues including six application workshops (one in each of the six designated Highly Impacted Communities) and presentations at five other venues. These venues included a local Air Resources Board workshop, a truck dealership, a dump-truck owners association, and a meeting of senior city planners from Oakland and San Leandro.

### **Evaluation Criteria**

The Board-adopted criteria to score and rank TFCA Regional Fund grant applications for FY 2008/2009 are shown in Table 1. The evaluation criteria emphasize cost effectiveness in reducing emissions by allotting 60% of the total possible points to this criterion. Cost effectiveness is calculated by dividing the total TFCA funds proposed for the project by a factor representing the estimated lifetime emission reductions for the project, yielding TFCA

funds per ton of reduced emissions. The Board-approved cost effectiveness threshold is set at \$90,000/ton of reduced emissions.

**Table 1: FY 2008/2009 TFCA Regional Fund Scoring Criteria**

Criteria	Maximum Points
1. TFCA Cost Effectiveness	60
2. Greenhouse Gas Emission Reductions	10
3. Other Project Attributes	5
4. Clean Air Policies and Programs	10
5. Sensitive and Particulate Matter-Impacted Communities, including Highly Impacted Communities	10
6. Priority Development Areas	5
<b>Total</b>	100

The Board establishes minimum point scores for projects to be eligible to receive TFCA Regional Funds. For the FY 2008/2009 funding cycle, the minimum scores are 40 points for public agency projects and 36 points for non-public entity projects. The intent of this policy is to assure that TFCA funding is provided only to projects that achieve an acceptable level of cost effectiveness and benefit to the region.

**Returned and Withdrawn Grant Applications**

Staff reviewed the applications to determine eligibility, based on compliance with all relevant policies adopted by the Board to govern the TFCA program. Table 2 provides a listing of grant applications that were returned because they were deemed as not eligible for funding based on one or more of the Board-adopted policies.

**Table 2: Returned Grant Applications**

Sponsor	Project	Reason
Clear Thinking Solutions	Clean Air Conversion Transportation (Vehicle conversions and vanpool service)	Did not comply with TFCA Regional Fund Policies 25 and 26, which do not allow vehicle conversions, and Policy 5, which restricts vanpool and rideshare programs to public agencies.
City of Sausalito	Fuelmaker Improvement (A natural gas fueling station upgrade)	Did not comply with TFCA Regional Fund Policy Policies 25, 26, and 29, which state that vehicle infrastructure is not eligible for TFCA funding except for Advanced Technology Demonstration Projects.

**Available Funds**

TFCA Regional Funds totaling approximately \$11.3 million are available for allocation in FY 2008/2009. These funds consist of projected receipts from motor vehicles registered in the Air District during calendar year 2008, funds available through the reconciliation of actual versus

projected receipts from previous years, interest on TFCA Regional Funds, and funds from previously approved projects that closed under budget or were canceled. Additionally, \$514,031 from MSIF may be used to fund vehicle projects that meet Carl Moyer guidelines. Table 3 provides a summary of the total TFCA Regional Funds and MSIF funds available.

**Table 3: FY 2008/2009 TFCA Regional Funds**

<b>Source/Program</b>	<b>Amount</b>	<b>Comment</b>
1. Projected CY 2008 DMV Receipts	\$22,436,590	Based on CY 2007 actual receipts.
2. FY 2008/09 District Admin. Cost	\$ 1,469,610	Per adopted Air District budget including indirect costs.
3. FY 2008/09 County Program Manager Funds	\$ 8,386,792	(Line 1 minus Line 2) multiplied by 0.40.
4. New FY 2008/09 Funds Available for Regional Fund	\$12,580,188	Line 1 minus Lines 2 and 3.
5. Projected CY 2008 Regional Fund Interest	\$ 1,686,837	Based on CY 2007 actual Regional Fund interest.
6. Total Available New Funds for Regional Fund	\$14,267,025	Line 4 plus Line 5.
7. Returned Funds (as of 9/9/08)	\$ 5,297,308	Canceled projects, projects completed under budget, projects needing less funding than allocated by Board.
8. Total Regional Funds	\$19,564,333	Line 6 plus Line 7
9. Port Trucks	\$ 5,000,000	Reserved to match Goods Movement Bond funds, per Board action of 5/21/08
10. FY 2008/09 Board-Approved District Projects	\$ 4,210,952	Smoking Vehicle \$1,041,097 Spare The Air \$1,402,345 Bicycle Facility Program \$600,000 Air District Overhead charges \$1,167,510
11. Reconciliation of projected and actual receipts	\$ 923,285	Available funds from reconciliation between projected and actual receipts received
12. Total Available for FY08/09 Regional Fund Grant Awards	\$11,276,666	Line 8 minus Lines 9 and 10, plus Line 11
13. Mobile Source Incentive Funds	\$ 514,031	For projects that can meet the guidelines of the Carl Moyer Program
14. Total Available Grant Funds and Grant Awards Recommended	<b>\$11,790,697</b>	Line 12 plus Line 13; Funding 46 projects, Attachment 1
15. Recommended Contingent Regional Fund Grant Awards	\$ 1,744,627	7 projects, Attachment 2

### **Signed Funding Agreements**

TFCA Regional Fund Policy #16 states that project sponsors that had not signed a funding agreement from a previous funding cycle by the current TFCA Regional Fund grant application deadline would not be eligible for a new TFCA grant. The projects recommended for FY

2008/2009 TFCA Regional Fund grant awards include projects from two sponsors that did not sign funding agreements with the Air District by the June 30, 2008, application deadline. The sponsors are the Metropolitan Transportation Commission and the San Francisco International Airport. In both cases, the reasons related primarily to legal and insurance issues. The project sponsors have since signed the agreements and begun implementation of their projects.

### **FY 2007/2008 Projects**

At the time of the FY 2007/2008 TFCA Regional Fund grant awards, the Committee requested Air District staff to review projects that were not cost-effective, but that were otherwise eligible under the TFCA policies, and to contact the project sponsors to determine if a lower request amount could be recommended for funding. Staff found three such projects and contacted the sponsors. In two cases, the projects were found to be not cost-effective even with lower requests. In the third case, the City of Sunnyvale, the FY 2007/2008 project was incorporated in an FY 2008/2009 project that is recommended for FY 2008/2009 funding.

### **Project Funding**

Fifty-three (53) projects, totaling approximately \$13,535,324 million in funding requests, met the minimum point score and complied with the \$90,000 per ton cost-effectiveness threshold. Attachment 1 lists the final project scores and ranking for the eligible projects for which there is funding available. Attachment 2 lists the same information for projects that may proceed at a later time, pending availability of funds.

Up to three (3) vehicle projects may qualify for Mobile Source Incentive Funds, because they are likely to meet the guidelines of the Carl Moyer Program. The first recommended Board action includes the award of up to \$514,031 in MSIF funds to eligible projects.

### **Projects Not Recommended for Funding**

Attachment 3 lists the projects that are not recommended for funding because they did not achieve the minimum point score required—40 points for public agencies or 36 points for non-public entities, because sufficient information for determining cost-effectiveness was not provided, or because the sponsor proposed a demonstration of an advanced technology that is already funded and awaiting results.

### **Emission Reductions**

The 53 projects listed on Attachments 1 and 2 would result in estimated emission reductions of 576 tons of ozone precursors and particulate matter (PM), and over 83,000 tons of carbon dioxide (CO<sub>2</sub>) over the life of the projects. The resulting aggregate cost effectiveness estimated for these projects is approximately \$11,700/ton<sup>a</sup>.

### **Impacted Communities**

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<sup>a</sup> TFCA dollars per ton of emissions reduction (ozone precursors and weighted particulate matter). The cost effectiveness calculations used for project evaluation includes a weighted factor of 20 for the reduction of tailpipe particulate matter emissions, consistent with the California Air Resources Board Carl Moyer Program guidelines.

The 53 projects listed on Attachments 1 and 2 that would reduce emissions in Highly Impacted Communities, as defined by the Air District’s Community Air Risk Evaluation (CARE) program, represent over 31% of all the funds recommended for allocation, and over 31% of the total annual emission reductions from all recommended projects. The Highly Impacted Communities are Eastern San Francisco, West Oakland, East Oakland/San Leandro, Richmond, San Jose, and Concord. Per new Board-approved policies and evaluation criteria, projects in these communities receive additional credit in the FY 2008/2009 TFCA Regional Fund cycle.

**Grant Allocations Summary**

Table 4 shows the funding, by project type, for the 53 projects not administered by the Air District that are recommended to receive TFCA Regional Fund grant awards and are shown on Attachments 1 and 2.

**Table 4:  
Recommended FY 2008/2009 TFCA Regional Fund Grant Allocations by Project Type**

<b>Project Type</b>	<b>No. of Projects</b>	<b>TFCA \$</b>	<b>Approx. % of Total TFCA Regional Fund \$</b>
Diesel Repowers / Retrofit	33	\$ 5,068,041	37%
Shuttle Buses	5	\$ 2,069,000	15%
Trip Reduction / Ridesharing Projects	3	\$ 1,500,000	11%
Transit / School Buses	2	\$ 911,000	7%
Arterial Management Projects	3	\$ 1,544,150	11%
Advanced Tech. Demon. Project	1	\$ 556,500	4%
Light-Duty Vehicles	2	\$ 478,800	4%
Smart Growth Project	1	\$ 600,000	5%
Natural Gas Vehicles	3	\$ 807,832	6%
<b>Totals</b>	<b>53</b>	<b>\$ 13,535,324</b>	<b>100%</b>

Staff recommends allocating \$556,500 of the \$1,000,000 in FY 2008/2009 TFCA Regional Funds that were set aside for vehicle advanced technology demonstrations. Two such applications were received in this funding cycle. The first proposed the conversion of vehicles to a hydrogen/compressed natural gas fuel blend and installation of related fueling infrastructure, and this project is recommended for funding. The second application proposed \$135,000 for the installation of Networkcar devices and ongoing monitoring on over 1200 vehicles. A Networkcar demonstration project was recently approved for TFCA funding in Napa County, and staff recommends not funding another such project, given that the Napa County project is ongoing and that emissions reductions data are still being developed. The remaining \$443,500 would be applied to other TFCA Regional Fund projects, as would any funds realized if the recommended project above is later completed under budget or cancelled.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer /APCO

Prepared by: David Wiley  
Reviewed by: Jack M. Colbourn



**ATTACHMENT 1**  
**TFCA Regional Fund Grant Applications - FY 2008/2009**  
**Projects Recommended for Funding**

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						TOTAL SCORE
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	
08R12	ALA	P	Metropolitan Transportation Commission	Implement the Regional Rideshare Program, which provides coordinated carpool and vanpool formation assistance, and information on transportation alternatives such as Bike to Work Day, Rideshare Thursday and Spare the Air	1	\$9,873	\$1,000,000	\$1,000,000	60	1	5	10	10	4	90
08R68	ALA	P	Alameda County Congestion Management Agency	Integrated Corridor Management (Smart Street) project that would improve and enhance overall highway, arterial and transit network along San Pablo Avenue	4	\$2,392	\$1,155,000	\$2,155,000	60	9	5	5	5	5	89
08R74	CC	P	Richmond Community Redevelopment Agency	Pedestrian Improvements to Nevin Avenue east of the Transit Village to the Civic Center Complex	20	\$17,628	\$600,000	\$2,755,000	60	1	5	5	9	5	85
08R20	SF	P	San Francisco International Airport	Purchase 26 medium-duty compressed natural gas vehicles	4	\$21,281	\$273,000	\$3,028,000	59	0	5	9	8	3	84
08R65	SF	P	Presidio Trust	Purchase 1 heavy-duty bus	10	\$13,436	\$28,500	\$3,056,500	60	2	0	9	7	3	81
08R53	ALA	N-P	Yandell Truckaway, Inc.	Retrofit 20 heavy-duty trucks - Level 3 devices	5	\$3,394	\$362,436	\$3,418,936	60	0	5	0	10	3	78
08R66	REG	N-P	CA Multimodal Inc.	Purchase 25 heavy-duty liquified natural gas vehicles	10	\$22,405	\$500,000	\$3,918,936	58	3	5	0	8	3	77
08R06	SC	P	San Jose State University-Associated Students	Implement a transportation demand management program which provides alternative commute incentives and ridesharing information	1	\$35,691	\$100,000	\$4,018,936	52	2	5	5	7	5	76
08R54	SF	N-P	Delta Steel Erectors	Retrofit 1 heavy-duty vehicle - Level 3 device	5	\$28,627	\$14,910	\$4,033,846	55	0	5	0	9	5	74
08R76	SOL	P	Solano Transportation Authority	Develop and promote education and encouragement projects and programs as part of the Safe Routes to School Program	20	\$8,929	\$400,000	\$4,433,846	60	1	5	5	1	1	73
08R41	SON	N-P	North Bay Construction	Retrofit 5 heavy-duty trucks - Level 3 devices	5	\$20,709	\$97,329	\$4,531,175	59	0	5	0	6	3	73
08R44	ALA	N-P	PJ's Lumber Inc.	Retrofit 17 heavy-duty vehicles	5	\$20,928	\$268,425	\$4,799,600	59	0	0	0	9	5	73
08R17	SF	N-P	Bauer's Intelligent Transportation	Purchase 10 compressed natural gas heavy-duty vehicles	10	\$30,378	\$745,000	\$5,544,600	54	2	5	0	9	3	73
08R59	ALA	N-P	Pacific Water Trucks	Repower and retrofit 3 heavy-duty vehicles	5	\$14,068	\$154,430	\$5,699,030	60	0	0	0	7	4	71
08R50	SF	P	San Francisco International Airport	Retrofit 23 diesel shuttle vehicles - Level 3 devices	5	\$28,250	\$619,006	\$6,318,036	55	0	0	9	7	0	71
08R67	SON	P	Santa Rosa City Bus	Purchase 1 hybrid gasoline-electric bus	10	\$52,754	\$166,000	\$6,484,036	43	10	0	10	4	4	71

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**ATTACHMENT 1**  
**TFCA Regional Fund Grant Applications - FY 2008/2009**  
**Projects Recommended for Funding**

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R86	SF	P	San Francisco International Airport	Retrofit 17 diesel shuttle vehicles - Level 3 PM devices	5	\$30,499	\$514,984	\$6,999,020	54	0	0	9	7	0	70
08R43	ALA	N-P	Monaghan Enterprises Inc.	Retrofit 2 heavy-duty vehicles - Level 3 devices	5	\$19,025	\$41,672	\$7,040,692	60	0	0	0	9	0	69
08R78	SF	P	San Francisco International Airport	Acquire 13 hydrogen/compressed natural gas blend vehicles and infrastructure (Advanced Technology Demonstration Project)	7	\$28,851	\$556,500	\$7,597,192	55	0	0	9	4	1	69
08R45	ALA	N-P	Pozas Brothers Trucking	Retrofit 11 heavy-duty vehicles	5	\$9,891	\$128,100	\$7,725,292	60	0	0	0	6	2	68
08R62	SON	P	West County Transportation Agency	Repower 2 school buses	7	\$17,831	\$91,750	\$7,817,042	60	0	0	3	3	2	68
08R29	CC	P	Contra Costa County	Retrofit four heavy-duty transport buses - Level 3 devices	5	\$16,606	\$70,000	\$7,887,042	60	0	0	3	4	0	67
08R48	SC	N-P	RH Trucking	Retrofit 1 heavy-duty truck - Level 3 devices	5	\$31,538	\$23,923	\$7,910,965	54	0	0	0	9	4	67
08R31	ALA	N-P	Gan-Trans, Ltd.	Retrofit 5 heavy-duty vehicles - Level 3 devices	5	\$16,018	\$101,680	\$8,012,645	60	0	0	0	0	5	65
08R56	REG	N-P	Cooper Crane & Rigging	Repower 3 heavy-duty vehicles	7	\$23,975	\$261,759	\$8,274,404	58	0	0	0	7	0	65
08R13	ALA	P	San Joaquin Regional Rail Commission	Operation of two peak-period shuttle buses between the Pleasanton ACE train station in downtown Pleasanton and the Dublin/Pleasanton BART station.	1	\$40,266	\$50,000	\$8,324,404	49	2	5	8	0	0	64
08R39	AL	N-P	MAG Trucking	Retrofit 1 heavy duty truck - PM Level 3 device	5	\$9,778	\$23,495	\$8,444,161	60	0	0	0	0	3	63
08R40	CC	N-P	Maggiora Baking	Retrofit 6 heavy-duty trucks - Level 3 devices	5	\$15,275	\$105,000	\$8,549,161	60	0	0	0	0	3	63
08R28	SC	P	City of Santa Clara	Retrofit 5 heavy-duty vehicles - Level 3 devices	5	\$46,181	\$96,262	\$8,420,666	46	0	0	9	6	2	63
08R19	SF	P	County of San Francisco	Purchase 98 gasoline-electric hybrid light duty vehicles	4	\$48,152	\$205,800	\$8,754,961	45	0	5	0	8	5	63
08R30	ALA	N-P	B & Z Transportation	Retrofit 1 heavy-duty vehicle - Level 3 device	5	\$26,899	\$10,400	\$8,765,361	56	0	0	0	0	5	61
08R15	SC	P	Santa Clara Valley Transportation Authority	Operation of eight peak-period shuttle bus routes from the Great America ACE train station in Santa Clara to employment sites in Palo Alto, Mountain View, Sunnyvale, Santa Clara, San Jose, and Milpitas	1	\$62,892	\$960,000	\$9,725,361	38	2	5	10	4	2	61

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**ATTACHMENT 1**  
**TFCA Regional Fund Grant Applications - FY 2008/2009**  
**Projects Recommended for Funding**

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						TOTAL SCORE
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	
08R63	SC	P	City of Sunnyvale	Purchase 4 heavy-duty compressed natural gas vehicles	10	\$81,862	\$279,332	\$10,004,693	29	9	5	8	8	2	61
08R79	ALA	N-P	Gurinder Pannu	Repower and retrofit 1 heavy-duty vehicle	5	\$14,359	\$69,620	\$10,117,192	60	0	0	0	0	0	60
08R36	SON	N-P	Hanson Transport, Inc.	Retrofit 2 heavy-duty vehicles - Level 3 devices	5	\$26,470	\$31,955	\$10,219,747	56	0	0	0	2	2	60
08R38	SM	N-P	Blue Ribbon Supply	Retrofit 3 heavy-duty vehicles - Level 3 devices	5	\$31,796	\$42,878	\$10,047,572	54	0	0	0	6	0	60
08R46	ALA	N-P	San Jin Gen Supply, Inc.	Retrofit 5 heavy-duty vehicles	5	\$49,141	\$70,600	\$10,187,792	45	0	0	0	10	5	60
08R71	CC	P	City of San Ramon	Installation of an adaptive traffic signal synchronization control system on Crow Canyon Rd.	4	\$50,925	\$124,700	\$10,344,447	44	0	0	9	0	5	58
08R51	SF	P	San Francisco MTA	Retrofit 22 heavy-duty vehicles - Level 3 device	5	\$66,905	\$438,507	\$10,782,954	36	0	0	10	8	4	58
08R85	CC	P	County of Contra Costa	Retrofit 4 heavy-duty dump trucks - Level 3 devices	5	\$24,164	\$21,000	\$10,803,954	57	0	0	0	0	0	57
08R23	ALA	N-P	Friedman Brothers Hardware	Retrofit 11 heavy-duty vehicles - Level 3 devices	5	\$48,082	\$147,913	\$10,951,867	45	0	0	0	6	4	55
08R42	SOL	N-P	Pacific Rim Recycling	Retrofit 4 heavy-duty vehicles - PM Level 3 devices	5	\$30,100	\$87,097	\$11,038,964	54	0	0	0	0	0	54
08R21	ALA	N-P	Rodgers Trucking Company	Retrofit 6 heavy-duty trucks - Level 3 devices	5	\$50,452	\$66,357	\$11,105,321	44	0	0	0	10	0	54
08R81	CC	N-P	Farwest Sanitation	Retrofit 10 heavy duty vehicles - Level 3 devices	5	\$34,490	\$161,688	\$11,267,009	52	0	0	0	1	0	53
08R25	ALA	N-P	Challenge Dairy Products, Inc.	Retrofit 17 heavy-duty vehicles - Level 3 devices	5	\$48,735	\$225,063	\$11,492,072	45	0	0	0	7	0	52
08R07	SM	P	City of Redwood City	Provide peak period shuttle service from the Redwood City Caltrain Station, to the Redwood City downtown area and the Mid Point Technology Business Park	1	\$81,150	\$15,000	\$11,507,072	29	3	5	9	5	1	52
08R16	SM	P	Peninsula Corridor Joint Powers Board	Operation of 30 peak-period shuttles to/from various Caltrain Stations and employment sites in San Mateo and Santa Clara Counties (partial)	1	\$77,728	\$283,625	\$11,790,697	31	2	5	8	4	0	50

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**ATTACHMENT 2**  
**TFCA Regional Fund Grant Applications - FY 2008/2009**  
**Projects Recommended for Funding Pending Available Funding**

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R16	SM	P	Peninsula Corridor Joint Powers Board	Operation of 30 peak-period shuttles to/from various Caltrain Stations and employment sites in San Mateo and Santa Clara Counties (partial)	1	\$77,728	\$716,375	\$716,375	\$31	2	5	8	4	0	50
08R72	CC	P	City of San Ramon	Installation of an adaptive traffic signal synchronization control system on Bollinger Canyon Road	4	\$70,698	\$264,450	\$980,825	34	0	0	9	0	5	48
08R37	CC	N-P	Independent Construction	Retrofit 11 heavy-duty vehicles - Level 3 devices	5	\$54,344	\$177,857	\$1,158,682	42	0	0	0	4	0	46
08R60	SON	N-P	Ramm Rock and Landscape	Repower and retrofit 4 heavy-duty vehicles	5	\$60,588	\$341,309	\$1,499,991	39	0	0	0	4	3	46
08R14	ALA	P	San Joaquin Regional Rail Commision	Operation of 2 peak-period shuttle buses between the Pleasanton ACE train station in downtown Pleasanton and the Dublin/Pleasanton BART Station	1	\$87,078	\$44,000	\$1,543,991	26	3	5	8	0	0	42
08R24	CC	N-P	California Shingle & Shake	Retrofit 7 heavy-duty vehicles - Level 3 devices	5	\$76,992	\$138,412	\$1,682,403	31	0	0	0	6	5	42
08R49	CC	N-P	Rich Ladeira Trucking, Inc.	Repower and retrofit 1 heavy-duty vehicle	5	\$64,738	\$62,224	\$1,744,627	37	0	0	0	0	4	41

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**ATTACHMENT 3**  
**TFCA Regional Fund Grant Applications - FY 2008/2009**  
**Projects Not Recommended for Funding**

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R05	ALA	P	AC Transit	Increase service on weekday feeder bus service on Line 52L	1	Negative	\$435,000	\$435,000	0	0	0	7	5	3	15
08R57	ALA	N-P	Alviso Rock	Repower and retrofit 7 heavy-duty trucks	5	CBD (4)	\$400,861	\$835,861	CBD	0	0	0	0	0	CBD
08R84	ALA	N-P	Alviso Rock	Repower and retrofit 7 heavy-duty trucks	5	CBD	\$467,671	\$1,303,532	CBD	0	0	0	0	0	CBD
08R82	CC	N-P	BC McCosker Construction	Retrofit 4 heavy-duty vehicles - Level 3 devices	5	\$118,232	\$71,861	\$1,375,394	0	0	0	0	4	0	4
08R69	ALA	P	City of Alameda	The implementation of Traffic Signal Prioritization along Constitution Corridor	4	\$833,296	\$315,000	\$1,690,394	0	0	5	9	3	0	17
08R08	ALA	P	City of Berkeley	Operation of 1 peak-period gasoline shuttle bus route from the Ashby BART station to the West Berkeley area employers during morning and afternoon peak periods	1	\$98,923	\$26,250	\$1,716,644	0	3	10	9	5	5	32
08R70	CC	P	City of Martinez	Adjustment of signal timing at seven traffic signals on Alhambra Avenue	4	\$298,475	\$23,100	\$1,739,744	0	0	0	6	3	0	9
08R26	MAR	P	City of Novato	Retrofit 5 heavy-duty vehicles - Level 3 devices	5	\$233,800	\$80,555	\$1,820,299	0	0	0	9	0	0	9
08R27	ALA	P	City of Pleasanton	Retrofit 3 heavy duty vehicles - Level 3 devices	5	\$206,995	\$46,089	\$1,866,388	0	0	0	0	1	0	1
08R73	SC	P	City of Sunnyvale	Installation of Adaptive Traffic Control system on 6 signalized intersections on Wolfe Road	4	\$128,727	\$520,000	\$2,386,388	0	0	0	8	0	0	8
08R77	SOL	P	City of Vallejo	Purchase biodiesel fuel	1	CBD	\$1,500	\$2,387,888	CBD	0	0	0	0	0	CBD
08R83	CC	P	County of Contra Costa	Purchase 20 gasoline-electric hybrid and 16 compressed natural gas vehicles	5	\$220,803	\$80,000	\$2,467,888	0	0	0	5	0	4	9
08R11	MAR	P	County of Marin	Door-to-door marketing of travel information options to households in selected census tract areas in San Rafael, Novato, Larkspur, and Greenbrae	2	\$90,230	\$530,000	\$2,997,888	0	4	0	8	1	0	13
08R18	SC	P	County of Santa Clara	Install Networkcar devices and subscribe to a service to monitor emissions performance of vehicles	N/A	CBD	\$135,000	\$3,132,888	CBD	CBD	0	9	8	4	CBD

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(4) CBD=Cannot Be Determined

**ATTACHMENT 3**  
**TFCA Regional Fund Grant Applications - FY 2008/2009**  
**Projects Not Recommended for Funding**

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R55	SOL	P	County of Solano	Repower and retrofit 1 heavy-duty vehicle	5	\$237,465	\$58,187	\$3,191,075	0	0	0	0	0	0	0
08R09	SON	P	County of Sonoma	Establish and promote 15 new vanpools for employers located in business parks and large employer locations in Santa Rosa along the U.S. 101 Corridor	2	\$219,029	\$80,200	\$3,271,275	0	10	2	3	0	0	15
08R64	SOL	N-P	Devine Intermodal	Purchase 1 zero emission electric tractor	10	\$3,608,537	\$242,384	\$3,513,659	0	10	0	0	0	0	10
08R10	MAR	P	Golden Gate Bridge and Highway District	Provide peak-period feeder bus service to the Larkspur Ferry Terminal	2	\$709,074	\$583,753	\$4,097,412	0	10	0	9	9	0	28
08R58	ALA	N-P	Mag Trucking Inc.	Repower and retrofit 1 heavy-duty vehicle	5	CBD	\$66,810	\$4,164,222	CBD	0	0	0	0	0	CBD
08R22	ALA	N-P	Oakland Pallet	Retrofit 14 heavy duty vehicles - Level 3 devices	5	CBD	\$181,818	\$4,346,040	CBD	0	0	0	8	0	CBD
08R47	NAP	N-P	Reza Ghazanfari	Retrofit heavy-duty truck - PM device	5	CBD	\$28,000	\$4,374,040	CBD	0	0	0	0	0	CBD
08R75	SF	P	San Francisco MTA	Reduce lanes from 4 to 3, with wider curb lanes for transit buses and pedestrian islands, on Fulton Street between Stanyan and Baker Streets	20	\$171,234	\$149,000	\$4,523,040	0	9	5	10	7	0	31
08R61	NAP	N-P	Stagecoach Vineyard	Repower 1 heavy-duty vehicle	7	\$207,471	\$60,395	\$4,583,435	0	0	0	0	0	0	0
08R52	SM	N-P	TNT Enterprise	Retrofit 8 heavy-duty diesel trucks - Level 3 devices	5	\$71,991	\$115,440	\$4,698,875	34	0	0	0	1	0	35

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BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
 Memorandum

To: Chairperson Smith and  
 Members of the Mobile Source Committee

From: Jack P. Broadbent  
 Executive Officer/APCO

Date: September 10, 2008

Re: Status Report on California Goods Movement Bond (I-Bond) Funding  
 Process

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RECOMMENDED ACTION

Informational report, receive and file.

BACKGROUND

In November 2006, California voters authorized the Legislature to appropriate \$1 billion in bond funding to the California Air Resources Board (ARB) to quickly reduce air pollution emissions and health risk from freight movement along California’s priority trade corridors. On February 28, 2008, ARB approved an allocation of \$140 million for the Bay Area trade corridor (\$35 million per year over the next four years.)

Under the guidelines for the program, the District was then required to submit an application to ARB on April 4, 2008, for the remainder of the \$35 million available less an early grant amount and administrative costs (\$31.1 million). ARB staff has accepted the District’s application and the following is a summary of what was approved by the ARB Board of Directors on May 22, 2008:

**Table 1 -Summary of I-Bond Application**

<b>Project Type</b>	<b>Funding requested</b>
Trucks at Ports and Intermodal Railyards*	<b>\$6.3 million</b>
Other Goods Movement Trucks*	<b>\$17.4 million</b>
Locomotives	<b>\$3.1 million</b>
Marine harbor craft	<b>\$4.3 million</b>
<b>Total</b>	<b>\$31.1 million</b>

\*retrofits, repowers and replacements

## DISCUSSION

Subsequent to the approval of this funding by the ARB, the District's Board of Directors took the historical step on June 4, 2008, of reserving an additional \$5 million in Transportation Fund for Clean Air (TFCA) funds limited at \$5,000 per device to provide diesel particulate retrofits for trucks at the Port of Oakland. In order to expend these funds, staff opened a call for projects for Port trucks on May 16, 2008. This call for projects ended on August 15, 2008 and involved the following outreach:

### *Outreach*

- 6 workshops to discuss I-Bond and TFCA programs
- Distribution of materials to 75 local trucking firms by District Inspectors
- 15 meetings with truck owners (firms and independent owners) involved in trucking operations
- 7 speaking engagements including the Oakland Branch of the California Trucking Association and Port's Comprehensive Truck Management Plan (CTMP) meetings
- Partnering with local community and activist groups to distribute 1,000 leaflets at truck scales around the Port of Oakland and a weekend outreach event for Port Drayage truckers
- Establishment of an outreach Center on the Port of Oakland truck route that assisted 350 truckers to file Port drayage truck applications.

In addition to these efforts, the District published items in several trade magazines including "Heavy Duty Trucking" a national industry publication and sent out over 9,000 postcards to registered truck owners in the Bay Area including port truckers.

### *Results*

As a result of these efforts, the District received the following number and type applications:

**Table 2 - Summary of I-Bond Applications Received**

<b>Category</b>	<b>Number of Applications Received</b>	<b>Dollar Amount Requested</b>
Port Drayage Truck Retrofits	538	\$2,690,000
Port Drayage Truck Repowers	5	\$125,000
Port Drayage Truck Replacements	484	\$24,200,000
Other Goods Movement Truck Retrofits	279	\$1,395,000
Other Goods Movement Truck Repowers	25	\$625,000
Other Goods Movement Truck Replacements	615	\$30,750,000
Locomotives	4	\$2,900,000
Marine Harbor Craft	4	\$650,000
<b>Total</b>	<b>1,954</b>	<b>\$63,335,000</b>



### Next Steps

Staff and its consultant (TIAX LLC) are currently entering this information into a District database in order to determine the eligibility of applications received. As part of this process duplicate applications will be eliminated and those with incomplete applications will be contacted to submit supplemental information. Staff anticipates presenting the Committee with an update on this process and with recommendations at either its October or November meeting.

### BUDGET CONSIDERATION / FINANCIAL IMPACT

The I-Bond Program distributes funds from ARB to the District and then to eligible equipment owners. Staff costs for the administration of the Program are included under Programs 321 "California Goods Movement Bond - Early Grants" and 323 "California Goods Movement Bond Grants" in the FY 2008/2009 budget.

The District may use motor vehicle surcharge revenues to match a portion of the eligible projects recommended for funding that qualify. As such, any matching funds allocated will have no impact on the Air District's budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Damian Breen  
Reviewed by: Jack M. Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Smith and  
Members of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 10, 2008

Re: Status Report on the California Air Resources Board (ARB) Audit of the  
Carl Moyer Program (CMP)

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RECOMMENDED ACTIONS

None. Informational report, receive and file.

BACKGROUND

In June, 2007, the ARB conducted its first ever audit of the Bay Area Air Quality Management District's (District) CMP. This audit identified significant deficiencies in the program related to eligibility determination, reporting, expenditure of funds and contract enforceability. As a result of this audit, the District was required to submit a remediation action plan to ARB identifying how it would correct these deficiencies. This plan, "*Program Remediation and Improvement Plan for the Carl Moyer and the Lower Emissions School Bus Program*" (plan), was produced by the District on September 30, 2007. The stated goal of this plan was to remediate all audit findings, improve the District's Program to become a leader in the State of California and to minimize errors in all District grant programs based on lessons learned from the remediation process.

In order to gauge the District's progress in achieving its goals, the ARB mandated that the District report at two intervals (January 31 and April 30, 2008) on progress made towards meeting the milestones and timelines outlined as part of the plan. Additionally, the ARB agreed to revisit the District's program in May 2008 in order to perform a follow-up audit. This document presents a summary of the results from that follow-up audit.

DISCUSSION

Between May 6, 2008 and September 8, 2008, District staff has been assisting the ARB to review progress made in remediating the findings associated with the 2007 audit of the CMP. This process has been highly cooperative and has let both staffs to better understanding of the audit process and the operation of the CMP. Additionally, this cooperation has allowed ARB to conduct an in-depth assessment of the District's remediation efforts and its new program for CMP Year 10. The results of this audit can be summarized as follows:

- The District has made great strides to correct the operation of its program since the 2007 CMP audit. Significant improvements have been made in the areas of policies, record-keeping and accounting practices.
- Operation of the current Year 10 CMP demonstrates this progress and that the District's is on the right track toward achieving its goal of completely remediating its program by the end of 2008.
- Any remaining issues are typical of any similar size incentive program in the State.

Remaining Issues

Based on its review of the program the ARB has found the following:

*Issue:* The District must complete its remediation of the historical CMP by the end of 2008 in compliance with its plan.

*Response:* Staff are targeting the end of October/early November to provide final reports to the ARB on emissions calculations, match projects and expenditures for CMP Program Years 1 through 9.

*Issue:* In certain cases, work began on School-bus replacement projects prior to the grantees having fully executed contracts with the District.

*Response:* Staff has examined its contracting process and this issue has already been remedied as part of the School-bus Program in Fiscal Year (FY) 08/09.

*Issue:* Due to the fact that the District returned School-bus retrofit funds to the State, the ARB wishes to impose a 25% retrofit goal to be achieved as part of the FY 08/09 program.

*Response:* Staff is working with the ARB to target its outreach for its School-bus program and will be putting together a plan to achieve the retrofit goal.

Next Steps

Staff will be working with the ARB to determine whether the remaining issues are classified as findings or recommendations. This process will conclude in October when the ARB will issue a final audit letter. By that stage, many of these issues will have been resolved and this should be reflected in ARB's final report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer /APCO

Prepared by: Damian Breen  
Reviewed by: Jack M. Colbourn