



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY - CHAIR  
TOM BATES  
YORIKO KISHIMOTO  
ERIC MAR

GAYLE B. UILKEMA – VICE CHAIR  
JENNIFER HOSTERMAN  
CAROL KLATT  
MARK ROSS

MONDAY  
OCTOBER 5, 2009  
9:30 A.M.

4<sup>TH</sup> FLOOR CONFERENCE ROOM  
939 ELLIS STREET  
SAN FRANCISCO, CA 94109

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 JUNE 25, 2009**

4. **CONSIDERATION OF APPROVAL FOR CARL MOYER PROGRAM YEAR 11 PROJECTS WITH PROPOSED GRANT AWARDS OVER \$100,000 AND ALLOCATION OF AN ADDITIONAL \$8 MILLION IN MOBILE SOURCE INCENTIVE FUNDS FOR THIS YEAR'S PROGRAM**

Karen Schkolnick/5070  
[kschkolnick@baaqmd.gov](mailto:kschkolnick@baaqmd.gov)

*The Committee will consider recommending Board of Directors' approval of Carl Moyer projects requesting grant funding in excess of \$100,000 and consider an additional allocation of funding to this year's program.*

5. **CONSIDERATION OF APPROVAL FOR FY 09/10 TRANSPORTATION FUND FOR CLEAN AIR (TFCA) REGIONAL FUNDS FOR SHUTTLE, RIDESHARING AND VANPOOL PROJECTS**

Karen Schkolnick/5070  
[kschkolnick@baaqmd.gov](mailto:kschkolnick@baaqmd.gov)

*The Committee will consider recommending Board of Directors' approval of \$3.8 million in FY 09/10 Transportation Fund for Clean Air (TFCA) Regional Funds for Shuttle, Ridesharing and Vanpool Projects.*

6. **CONSIDERATION OF INCREASING THE TFCA COST EFFECTIVENESS THRESHOLD FOR EMISSIONS REDUCTIONS FOR THE DRAYAGE TRUCK RETROFIT PROGRAM AT THE PORT OF OAKLAND**

Jack P. Broadbent/5052  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Committee will receive an update on the drayage truck retrofit program and will consider adjusting the TFCA cost effectiveness for emissions reductions in order to maximize the number of trucks retrofitted at the Port of Oakland.*

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:** 9:30 a.m., THURSDAY, OCTOBER 22, 2009 at 939 ELLIS STREET, SAN FRANCISCO, CA 94109

9. **ADJOURNMENT**

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

**(415) 749-5130  
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 2009**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Executive Committee Meeting</b> <i>(At the Call of the Chair)</i>	Thursday	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> - CANCELLED AND RESCHEDULED TO 10/5/09	Thursday	24	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

**OCTOBER 2009**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Mobile Source Committee</b> <i>– (Meets 4<sup>th</sup> Thursday of each Month)</i>	Monday	5	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Personnel Committee</b> <i>(At the Call of the Chair) – CANCELLED</i>	Wednesday	7	9:00 a.m.	4 <sup>th</sup> Floor Conf. 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	7	9:45 a.m.	Board Room
<b>Board of Directors Legislative Committee</b> <i>(Meets 2<sup>nd</sup> Thursday each Month)</i> - CANCELLED	Thursday	8	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Climate Protection Committee</b> <i>(Meets 2nd Thursday each Month)</i>	Thursday	8	9:30 a.m.	4th Floor Conf. Room
<b>Advisory Council Regular Meeting</b>	Wednesday	14	9:00 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> <i>(Meets 1<sup>st</sup> Thursday each Month)</i>	Thursday	15	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets 3<sup>rd</sup> Monday Quarterly)</i>	Monday	19	9:30 a.m.	Board Room

## OCTOBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Executive Committee</b> <i>(At the Call of the Chair) - CANCELLED</i>	Wednesday	21	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	21	9:45 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> -- <i>(Meets 4<sup>th</sup> Thursday of each Month)</i>	Thursday	22	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Ad Hoc Cme. on Port Emissions</b>	Monday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

## NOVEMBER 2009

<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	4	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b>	Tuesday	10	9:00 a.m.	Board Room
<b>Board of Directors Legislative Committee</b> <i>(Meets 2<sup>nd</sup> Thursday each Month)</i>	Thursday	12	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Climate Protection Committee</b> <i>(Meets 2nd Thursday each Month)</i>	Thursday	12	Following Board Legislative Cme. Mtg.	4th Floor Conf. Room
<b>Joint Policy Committee</b>	Friday	13	10:00 a.m.	MTC Auditorium 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	18	9:45 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(At the Call of the Chair)</i> - CANCELLED	Monday	25	1:30 p.m.	4th Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 28, 2009

Re: Mobile Source Committee Draft Meeting Minutes

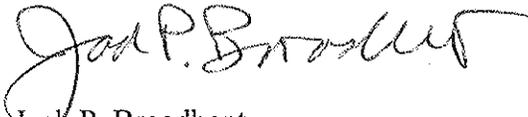
RECOMMENDED ACTION:

Approve attached draft minutes of the Mobile Source Committee meeting of June 25, 2009.

DISCUSSION

Attached for your review and approval are the draft minutes of the June 25, 2009 Mobile Source Committee meeting.

Respectfully submitted,



Jack P. Broadbent  
Executive Officer/APCO

Prepared By: Lisa Harper  
Reviewed by: Jennifer Chicconi

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  
Thursday, June 25, 2009  
9:30 a.m.

**CALL TO ORDER:** Director Tom Bates called the meeting to order at 9:32 a.m. on behalf of Chairperson Scott Haggerty, who later arrived.

Roll Call: Scott Haggerty, Chairperson; Tom Bates, Jennifer Hosterman, Yoriko Kishimoto, Carol Klatt, Eric Mar, Mark Ross and Michael Shimansky

Absent: Vice Chairperson Gayle B. Uilkema and Brad Wagenknecht

Also Present: Chairperson Pamela Torliatt

**PUBLIC COMMENTS:** There were no public comments

**APPROVAL OF MINUTES:** Director Shimansky made a motion to approve the May 28, 2009 minutes; seconded by Director Hosterman; carried unanimously without objection.

**Consideration of Implementation of a Carl Moyer Program Off-Road Equipment Replacement Program – Staff Presentation by Grants Manager Damian Breen**

Mr. Breen gave an overview of the Carl Moyer Program, Mobile Source Incentive Fund and Off-Road Equipment Replacement Program, which was created in 1998 to reduce emissions from heavy-duty engines. It is a voluntary program that funds surplus emission reductions and is jointly administered by CARB and local Air Districts.

He described the Mobile Source Incentive Fund (MSIF) and noted that eligible project types fund new school buses, eligible CMP projects, the vehicle scrap program and the agricultural assistance program. He said the ARB established the Off-Road Equipment Replacement Program in the 2008 CMP guidelines which funds up to 80% of the new equipment costs, and up to 100% of a retrofit device cost could be funded. The District must have an ARB approved implementation plan and contract with equipment dealers to implement the Program. Projects will be solicited at the same time as other CMP equipment categories and could be funded with either CMP or MSIF funding.

Eligible projects must meet the requirements of the CMP guidelines (i.e. cost-effectiveness) and the Districts policies; not be required by any local, state or federal regulation; involve existing equipment with an uncontrolled engine greater than 25 hp (tractors and mobile agricultural equipment eligible) and involve the destruction & removal of service of an existing piece of equipment.

Recommendation:

Consider recommending that the Board of Directors:

1. Approve District implementation of an off-road equipment replacement program component of the Carl Moyer Program.
2. Authorize the Executive Officer/APCO to execute contracts with vendors and dismantlers to implement the Carl Moyer Program off-road equipment replacement program.

Committee Comments/Discussion:

Director Shimansky questioned the cost effectiveness of the new retrofit devices, which range in price between \$10,000 and \$15,000 as compared to replacement equipment which is in the \$100,000 range. 80% of new equipment replacements represent the oldest equipment which the ARB wants to retire as soon as possible. He confirmed with Mr. Breen that the 25 horsepower regulation is a CARB regulation, which the District is subject to.

Director Hosterman questioned whether there was an opportunity to utilize grant funds to purchase new school buses. Mr. Breen explained that the off-road equipment replacement program does not apply to school buses; regular transit buses can receive funding from the Carl Moyer Program (CMP) and school buses can apply for funding through the Lower Emissions School Bus Program (LESBP). She confirmed that information on total emissions reductions and benefits of each program is annually presented to the Board of Directors.

Director Kishimoto asked about the timeline for funding, and Mr. Breen noted that, as recommended by CARB, funding is available on a first come-first served basis because of streamlining and being able to expend funds more efficiently. She confirmed that the Off-Road Equipment Replacement Program is subject to a regulation passed two years ago; all large fleets over a combined horsepower of 2,500 are to be in compliance within the next two years. Those discussed at this meeting relate to smaller and medium duty construction fleets, which face a compliance deadline at the end of 2009, and that the District expects the program to be popular in the construction and agricultural industries.

Mr. Breen noted that on-ground airport equipment qualifies under the Transportation Fund for Clean Air Program. The District currently provides outreach to airports, but has not seen a groundswell of applications.

Chairperson Haggerty requested that efforts focus outreach to companies and users of smaller sources of agricultural equipment. Mr. Breen discussed his hope of increased applications for agricultural businesses, and discussed current outreach efforts.

Chairperson Torliatt suggested that staff outreach to the RCD (Resource Conservation District), NRCS (Natural Resource Conservation Service), and Western Dairymen. Mr. Breen discussed current efforts underway with the Farm Bureau and trade organizations.

Chairperson Haggerty also suggested staff also work with the Cattleman's Association and asked that District booths be set up at rodeos and county fairs.

Director Kishimoto questioned whether or not there was funding for leaf blowers. Mr. Breen said AB 188 program will hopefully come on line which covers funding for lawn mowers and leaf blowers. Such funding typically goes to San Joaquin and the South Coast, but the District is working to get funding for the Bay Area.

Public Comments: None

**Committee Action:** Director Shimansky made a motion to recommend Board of Directors' approval of an off-road equipment replacement program component of the Carl Moyer Program, and authorize the Executive Officer/APCO to execute contracts with vendors and dismantlers to implement the Carl Moyer Program off-road equipment replacement program; seconded by Director Haggerty; unanimously approved without objection.

**Consideration of Approval for Carl Moyer Program Year 11 Projects with Proposed Grant Awards Over \$100,000 - Staff Presentation by Supervising Environmental Planner Anthony Fournier**

Overview:

Mr. Fournier noted that background information on the Carl Moyer Program and Mobile Source Incentive Fund had been provided in the previous presentation. He provided the following information regarding the Carl Moyer Program Year 11:

- On 2/4/09 the District Board of Directors:
  - Approved participation in CMP Year 11
  - Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000
  - Approved first come-first served basis
- Up to \$20 million available from a combination of CMP and MSIF
- On 4/15/09 – Applications were made public and available
- On 6/3/09 – District Board of Directors allocated \$5,789,626 to eligible projects

Project Summary of CMP Year 11 Project Recommendations (over \$100,000) evaluated between May 11 and June 12, 2009:

- 14 Projects for a total of 40 engines
- \$6,844,216 in total awards
- Over 430 tons of lifetime reductions
- 93% of projects reduce emission in impacted areas

Mr. Fournier then presented the total Year 11 CMP/MSIF Funding distribution as of June 12, 2009 and recommended the Committee consider recommending that the Board of Directors:

1. Approve Carl Moyer Program Year 11 projects with proposed grant awards over \$100,000; and
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended Carl Moyer Program Year 11 projects.

Committee Discussion/Comments:

Chairperson Torliatt confirmed that the District was still accepting applications for the remainder of funding until such time as funds are allocated and/or expended. Mr. Breen said staff is recommending approval for all eligible projects, may recommend allocating an additional portion of funding if applications continue to come in, and/or recommend moving any remaining balance to next year's funding.

Director Ross clarified that the allocation of \$3 million to City of Vallejo is for the repower of 8 engines on two ferries that travel between Vallejo to San Francisco, and funding for Department of Transportation is for operation of the Capitol Corridor trains.

Chairperson Haggerty suggested partnering with the Rail Commission in the funding of ACE trains which travel in the District's boundaries. Mr. Breen said staff held discussions with MTC who provide funding for 5 locomotives operating on tracks, and maintenance and repair is before the

MTC Commission as part of a vote on the federal stimulus package. He agreed to follow-up with them if stimulus funding is not approved.

Director Kishimoto questioned the large number of marine applications. Mr. Fournier discussed possible reasons and noted the cost to do marine projects are higher than agriculture pumps or retrofit projects; 50% of all marine engines in California operate in the Bay Area and it is a high emissions category. Mr. Breen said future outreach will be focused on the smaller applicant areas in the agricultural, on-road and off-road areas to increase the numbers of these applications.

Director Kishimoto referred to Santa Clara's application rate and confirmed with Mr. Breen that outreach had been done and that staff would welcome any suggestions to increase the numbers of applications.

Director Shimansky referred to a \$500,000 and a \$1 million application award and questioned why the cost effectiveness was the same. Mr. Fournier noted that the cost of effectiveness, in the referenced instance, was due to the difference in the project life. He also questioned why the State was applying for funding for its own Department of Transportation and the State Parks Department projects. Mr. Breen said the District looks primarily at the emissions reduction value and said funding comes from DMV revenues, tire surcharge and other sources. Caltrans trucks cannot be funded because they are part of a public fleet.

Director Ross noted that Project # 11MOY26 was for service to Tiburon and Angel Island and he requested staff look into request for funding because of possible park closures.

**Committee Action:** Director Bates moved to recommend Board of Directors' approval for Carl Moyer Program Year 11 Projects with proposed grant awards over \$100,000, and authorize the Executive Officer/APCO to enter into agreements for the recommended Carl Moyer Program Year 11 projects; seconded by Director Hosterman; unanimously approved without objection.

**Consideration of FY 2009/2010 Bicycle Facility Program: Annual Report for FY 2008/2009; and Proposed Revisions to Policies and Adoption of Program for FY 2009/2010 – Staff Presentation by Environmental Planner Avra Goldman**

Ms. Goldman provided an overview of the program, stating that is funded through the Transportation Fund for Clean Air (TFCA) and supported by a \$4 surcharge on motor vehicle registrations in the Bay Area. The goal is to reduce motor vehicle emissions through implementation of new bicycle facility projects in the Bay Area including: Class I, II, and III bikeways, and capital costs of bicycle parking. She said the program was streamlined in 2007 to make projects cost-effective in both air quality and in administrative processes.

The FY 2008/2009 Annual Report was presented wherein outreach was conducted at 3 workshops, 26 applications were received on June 16, 2008 (8 out of 9 counties), and of the 26 applications received, 22 were eligible for funding, requesting \$1,214,867 and 9 projects were awarded for FY 2008/2009 (Attachment A).

Awarded in FY 2008/2009:

Funds allocated for FY 2008/2009	\$600,000
Funds remaining from FY 2007/2008	<u>50,288</u>
Total Amount Awarded in FY 2008/2009	\$650,288

Distribution of Awarded Funds in FY 2008/2009:

- 37% - Class II Bike Lanes
- 36% - Class III Bike Route
- 16% - Bicycle Parking
- 11% - Class I Bike Path

Ms. Goldman reported that a total of \$545,688 went toward implementing new bike lanes and \$600,000 is proposed for allocation for FY 2009/2010.

She said Bicycle Facility Program (BFP) proposed policy changes for FY 2009/2010 affect Policy #2, *Eligible Projects*: revised to clarify that letters of intent may not substitute for a project's inclusion in a countywide or regional bicycle plan or congestion management program; and Policy #5, *Maximum Grant Amount*: decreased from \$210,000 to \$120,000, in order to maximize the distribution of funds.

Recommendation:

Consider recommending that the Board of Directors:

1. Receive and file the Annual Report for the Bicycle Facility Program for Fiscal Year 2008/2009;
2. Approve the proposed Bicycle Facility Program Policies, presented in Attachment B, for use in Fiscal Year 2009/2010 and in subsequent years; and
3. Approve the allocation of \$600,000 in TFCA Regional Funds to the Bicycle Facility Program for Fiscal Year 2009/2010, and the authorization for the Executive Officer/APCO to execute funding agreements in accordance with the Board-approved Bicycle Facility Program Policies.

Committee Discussion/Comments:

Director Shimansky questioned the definitions of Class I, II and III bikeways. Ms. Goldman said Class I is off-road with a separate path, along side or separate from a road. Class II is on-road with a line or stripe. Class III is designated by signs and sharrows on road with no line separating the bikeway. He confirmed that BFP funding is open and available for application by cities, counties and other local agencies, and agencies can also apply through the CMA's directly.

Director Kishimoto questioned whether city bicycle plans are automatically incorporated into the County plan. Mr. Bunker noted that the State statute requires that whatever projects are funded be included with regional and local plans. Directors Kishimoto and Haggerty discussed comments in Attachment C about the high cost of U-shaped bicycle racks and suggested the District work with applicants on a pooled purchase and/or voucher program to assist in reducing costs of bicycle rack and locker equipment.

Director Ross suggested increasing the \$600,000 Bicycle Facility Program allocation amount and confirmed that any increase would lessen allocations of other project funding such as shuttles, alternative fuels, electric vehicles or other TFCA programs. Chairperson Haggerty asked that a report be returned to the Mobile Source Committee regarding increasing the allocation amount, which was supported by Committee members. Director Mar supported increasing the Bicycle Facility Program funding amount and commended staff for their responses contained in Attachment C.

Mr. Colbourn noted that the Bicycle Facilities Program is very complex and he offered to provide an orientation for Mobile Source Committee members and/or their staff in their respective cities/counties, and to also work with applicants on a pooled purchase or voucher program to reduce costs for equipment.

The Committee suggested increasing the funding allocation for the Bike Facility Program and directed staff to return to the Mobile Source Committee with information about the program's history and a proposal to increase the funding allocation.

**Committee Action:** Director Shimansky made a motion that the Board of Directors receive and file the Annual Report for the Bicycle Facility Program for Fiscal Year 2008/2009; approve the proposed Bicycle Facility Program Policies, presented in Attachment B, for use in Fiscal Year 2009/2010 and in subsequent years; and approve the allocation of \$600,000 in TFCA Regional Funds to the Bicycle Facility Program for Fiscal Year 2009/2010, and the authorization for the Executive Officer/APCO to execute funding agreements in accordance with the Board-approved Bicycle Facility Program Policies; seconded by Director Hosterman; unanimously approved without objection.

**Committee Member Comments:** Director Kishimoto requested an update be provided on the District's application for federal stimulus package funding for the electric vehicle and alternative fuels programs.

Mr. Colbourn reported that the District applied for a \$10 million grant under the Diesel Emissions Reduction Act, of which the District received \$2 million. The District also submitted an application for \$15 million for the electric vehicle and alternative fuels program and does not expect to hear back until August. He said, however, periodic updates are received regarding evaluation of the application. Regardless of whether or not stimulus funds are received, he highlighted the positive relationships the District has made with cities, counties and various vendors on alternative technology. He also noted that a Government-to-Government Forum would be held on July 8 and suggested those interested in attending should contact Ms. Karen Schkolnick.

**Next Meeting:** 9:30 AM, Thursday, July 23, 2009  
939 Ellis Street, 4<sup>th</sup> Floor Conference Room

**Adjournment:** Meeting adjourned at 10:21 a.m.

Lisa Harper  
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and  
Members of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 29, 2009

Re: Consideration of approval for Carl Moyer Program (CMP) Year 11 projects with proposed grant awards over \$100,000 and allocation of an additional \$8 million in Mobile Source Incentive funding for CMP projects

RECOMMENDATIONS

Request the Committee recommend the Air District Board of Directors:

1. Approve Carl Moyer Program Year 11, projects with proposed grant awards over \$100,000.
2. Authorize the Executive Officer/ APCO to enter into agreements for the recommended Carl Moyer Program Year 11, projects.
3. Reserve \$8 million in Mobile Source Incentive Funding for Carl Moyer Program eligible projects.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (ARB), since the program began in fiscal year 1998/1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, stationary agricultural pump engines, forklifts, and airport ground support equipment.

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible for grants under the CMP.

On February 4, 2009, the Air District Board of Directors authorized Air District participation in Year 11, of the CMP, and authorized the Executive Office/ APCO to execute Grant Agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant

award amounts up to \$100,000. Projects with grant award amounts over \$100,000 are brought to the Committee for consideration at least on a quarterly basis. Staff reviews and evaluates the Year 11 CMP grant applications based upon: the 2008 CMP guidelines and subsequent advisories issued by ARB, the Air District's CMP Year 11 procedures approved by ARB, and applicable regulations.

### ***Board Actions on Projects Greater than \$100,000***

The following is a list of board actions taken to date on projects over \$100,000:

- June 3, 2009 - approved 13 projects for a total allocation of \$5,789,626
- July 1, 2009 - approved 14 projects for a total allocation of \$6,844,216

More than 94% of the approximately \$13 million allocated to eligible projects has been awarded to projects that reduce emissions in highly impacted Bay Area communities.

### **DISCUSSION**

As of September 22, 2009, the Air District had received 105 CMP grant applications requesting more than \$18 million in incentive funds for potential emission reduction projects. Of the applications that have been evaluated between June 12, 2009 and September 22, 2009, nine eligible projects have individual grant awards over \$100,000. Attachment 1 lists the nine projects that staff recommends be awarded grants for an aggregate of \$2,344,567 in funding, using a combination of CMP funds and MSIF revenues. More than 93% of these funds will go to projects that will reduce emissions in impacted communities.

Attachment 2 to this staff report lists all of the eligible projects (Table 2) that have been received by the Air District as of September 22, 2009, and summarizes the allocation of funding by equipment category (Figure 1), and county (Figure 2). Staff requests the Committee recommend the Air District's Board of Directors approve CMP Year 11, projects with proposed grant awards over \$100,000, as listed in Attachment 1, and authorize the Executive Officer/ APCO to enter into agreements for these projects.

### ***New Off-Road Equipment Replacement Program***

On July 1, 2009, the Air District's Board of Directors authorized the implementation of an off-road equipment (Construction and agricultural industries) replacement program under the CMP. On September 2, 2009, the Air District introduced the new program to the public. This program has been well received by both equipment dealers, and operators in the Bay Area. The program will provide up to 80% of the cost of a new equipment purchase for retiring an older, higher polluting piece of equipment. This program is targeted specifically for small and medium sized fleets of off-road (construction and agriculture) equipment operating in the Bay Area.

Based on the initial public response, and the fact that nearly all of the \$20 million initially committed to this program have been encumbered, staff is recommending additional MSIF funds for the CMP Year 11 program. Therefore, staff requests the Committee recommend the Air

District's Board of Directors reserve an additional \$8 million in MSIF funding for CMP eligible projects.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the CMP the Air District distributes "pass-through" funds from the ARB to public agencies and private entities on a reimbursement basis. Therefore, the grant funds awarded do not directly impact the Air District's budget. The requested amount of additional MSIF funding would come from the \$2 surcharge in motor vehicle registration fees (authorized by AB923) collected within the Air District's jurisdiction.

Respectfully submitted,



Jack P. Broadbent  
Executive Director/APCO

Prepared by: Anthony Fournier  
Reviewed by: Karen Schkolnick

Attachment 1: Projects with individual grant awards greater than \$100,000  
Attachment 2: Summary of all eligible projects as of September 22, 2009

# Attachment 1: BAAQMD Year 11 Carl Moyer Program/ MSIF projects with grant awards greater than \$100k (Evaluated between 6/12/09 and 9/22/09)

1 Project #: 11MOY57 Applicant Name: Harley Marine Services, Inc. 2 engines

Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	AB1390 Designation
Millennium Falcon-main-2	Marine	Repower	\$2,818.55	\$286,176.00	20.869	0.336	0.620	AB1390
Millennium Falcon-main-1	Marine	Repower	\$2,818.55	\$263,151.00	20.869	0.336	0.620	AB1390
<b>Project Totals</b>					41.739	0.672	1.241	

2 Project #: 11MOY63 Applicant Name: Salt River Construction Corporation 2 engines

Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	AB1390 Designation
Willamette Hustler-main-1	Marine	Repower	\$10,771.75	\$54,312.00	1.105	0.031	0.034	AB1390
Willamette Hustler-main-2	Marine	Repower	\$10,771.75	\$54,312.00	1.105	0.031	0.034	AB1390
<b>Project Totals</b>					2.211	0.061	0.068	

3 Project #: 11MOY64 Applicant Name: Stroer & Graff, Inc. 7 engines

Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	AB1390 Designation
F-15	Off-Road	Repower only	\$15,998.52	\$28,410.00	0.362	0.044	0.012	AB1390
F-12	Off-Road	Repower only	\$15,998.29	\$20,055.00	0.256	0.031	0.008	AB1390
F-18	Off-Road	Repower only	\$15,998.50	\$28,312.00	0.361	0.044	0.012	AB1390
F-1	Off-Road	Repower only	\$15,998.48	\$17,505.00	0.223	0.027	0.007	AB1390
F-13	Off-Road	Repower only	\$15,998.38	\$19,758.00	0.252	0.031	0.008	AB1390
F-16	Off-Road	Repower only	\$15,998.18	\$19,081.00	0.243	0.030	0.008	AB1390
F-17	Off-Road	Repower only	\$15,998.37	\$21,128.00	0.269	0.033	0.009	AB1390
<b>Project Totals</b>					1.966	0.240	0.064	

4 Project #: I1MOY65 Applicant Name: C-Gull II Sportfishing Inc. 2 engines										
Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	AB1390 Designation		
C Gull-II-main-2	Marine	Repower	\$13,838.28	\$89,948.00	1.065	0.000	0.036	AB1390		
C Gull-II-main-1	Marine	Repower	\$13,838.28	\$89,948.00	1.065	0.000	0.036	AB1390		
<b>Project Totals</b>				\$179,896.00	2.131	0.000	0.072			

5 Project #: I1MOY73 Applicant Name: Edward Gallia 2 engines										
Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	AB1390 Designation		
El Dorado-main-2	Marine	Repower	\$14,618.20	\$101,616.00	1.491	0.000	0.051	AB1390		
El Dorado-main-1	Marine	Repower	\$14,618.20	\$101,616.00	1.491	0.000	0.051	AB1390		
<b>Project Totals</b>				\$203,232.00	2.983	0.000	0.101			

6 Project #: I1MOY76 Applicant Name: Blue Runner, Inc. 2 engines										
Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	AB1390 Designation		
Blue Runner-main-1	Marine	Repower	\$14,548.43	\$83,091.00	0.562	0.011	0.019	AB1390		
Blue Runner-main-1	Marine	Repower	\$14,548.43	\$83,091.00	0.562	0.011	0.019	AB1390		
<b>Project Totals</b>				\$166,182.00	1.124	0.022	0.038			

7 Project #: I1MOY82 Applicant Name: West Coast Aggregates, Inc. 2 engines										
Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	AB1390 Designation		
004-928	Off-Road	Replacement	\$15,998.94	\$0.00	1.292	0.158	0.065	Not AB1390		
004-927	Off-Road	Replacement	\$15,998.94	\$153,350.00	0.322	0.045	0.017	Not AB1390		
<b>Project Totals</b>				\$153,350.00	1.614	0.203	0.082			

8 Project #: 11MOY85 Applicant Name: Mission Trail Waste Systems 1 engine

Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	ABI390 Designation
T12	Off-Road	Replacement	\$13,673.58	\$209,292.00	1.157	0.226	0.103	AB1390
<b>Project Totals</b>				\$209,292.00	1.157	0.226	0.103	

9 Project #: 11MOY91 Applicant Name: Howard Misle 2 engines

Unit #	Equipment category	Project type	Cost-effectiveness	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)	ABI390 Designation
1	Off-Road	Replacement	\$15,998.89	\$318,705.00	2.037	0.287	0.108	AB1390
2	Off-Road	Replacement	\$15,998.83	\$301,710.00	1.928	0.272	0.102	AB1390
<b>Project Totals</b>				\$620,415.00	3.965	0.559	0.210	

**Summary:**

Projects	Engines	Proposed award	NOx (TPY)	ROG (TPY)	PM (TPY)
9	22	\$2,344,567.00	58.889	1.983	1.979

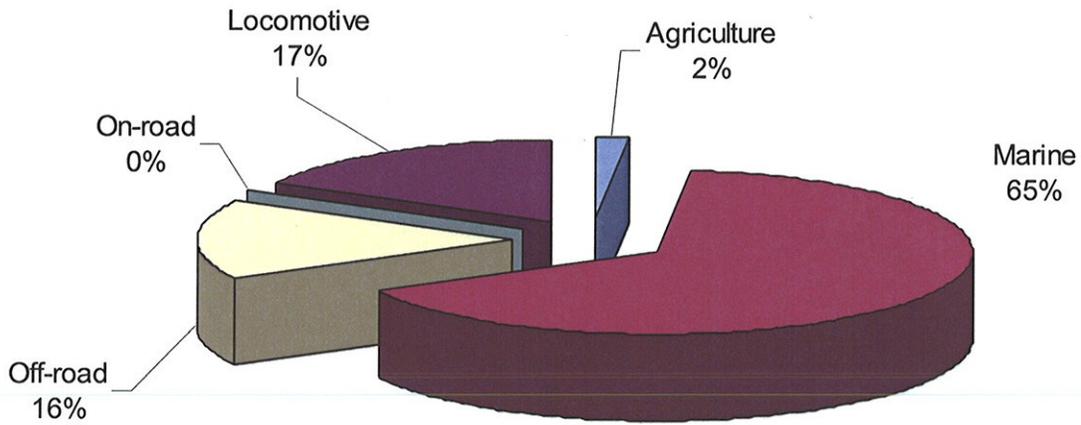
## Attachment 2

Summary of all CMP Yr 11/ MSIF approved/ eligible projects (4/15/09 to 9/22/09)

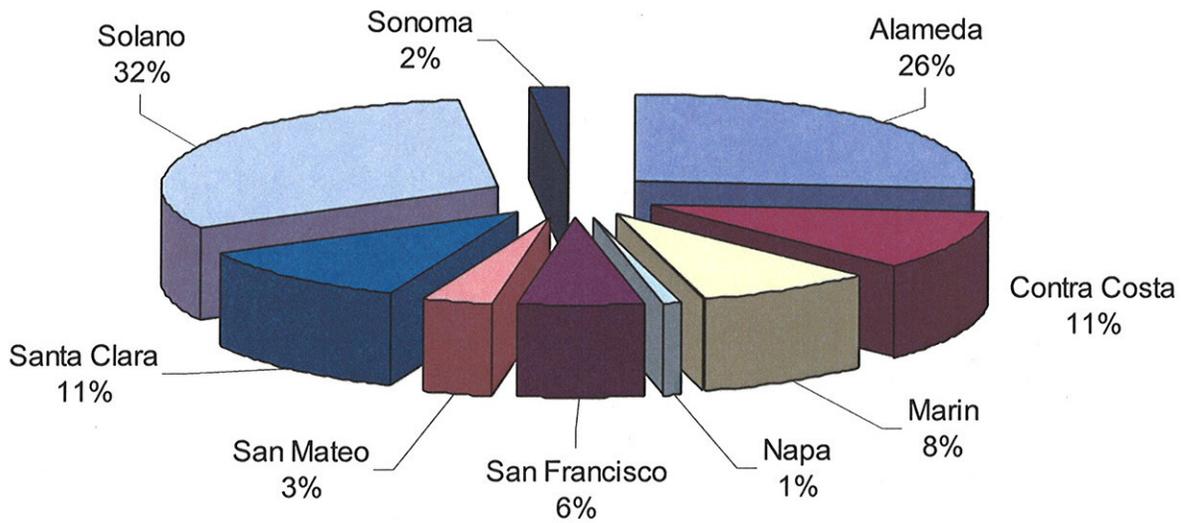
Project #	Equipment category	# of engines	Proposed contract award	Applicant name	NOx (TPY)	ROG (TPY)	PM (TPY)	Board approval date	County
11MOY1	Marine	2	\$ 274,156.00	Robert S. Tuckey	3.435	0.065	0.101	03-Jun-09	San Mateo
11MOY2	Marine	2	\$ 149,358.00	Blue and Gold Fleet LP	5.368	0.148	0.178	03-Jun-09	San Francisco
11MOY3	Agriculture	6	\$ 183,060.00	Gallo Family Vineyards	5.151	0.620	0.168	01-Jul-09	Sonoma, Napa
11MOY5	Marine	2	\$ 165,950.00	Kelli Dickinson	3.306	0.042	0.114	03-Jun-09	Solano
11MOY6	Marine	2	\$ 152,092.00	Jaqueline G. Douglas	1.296	-0.014	0.045	03-Jun-09	San Francisco
11MOY7	Marine	1	\$ 72,300.00	Frank A. Rescino	2.295	0.038	0.079	APCO	San Francisco
11MOY8	Marine	2	\$ 137,500.00	Chuck Louie	1.883	0.033	0.064	03-Jun-09	San Francisco
11MOY9	Marine	1	\$ 103,830.00	Erik Anfinsen	0.562	-0.004	0.019	03-Jun-09	Marin
11MOY10	Marine	2	\$ 91,004.00	Golden Gate Bridge Highway and Transportation Dist	0.828	0.003	0.022	APCO	San Francisco
11MOY11	Marine	2	\$ 137,640.00	New Salmon Queen Sportfishing, LLC	4.110	0.000	0.139	03-Jun-09	Alameda
11MOY12	Agriculture	1	\$ 23,194.00	Ricioli Brothers	0.486	0.059	0.016	APCO	Sonoma
11MOY13	Marine	3	\$ 227,461.00	Fly Rose Marine, Inc.	2.918	0.085	0.098	01-Jul-09	Santa Clara
11MOY14	Off-road	5	\$ 264,398.00	Fremont Paving	1.622	0.247	0.117	03-Jun-09	Alameda
11MOY17	Marine	2	\$ 182,160.00	David Underwood	1.557	0.055	0.059	01-Jul-09	Solano
11MOY18	Marine	1	\$ 51,440.00	Shon Harbarth	1.430	0.036	0.042	APCO	Contra Costa
11MOY19	Marine	2	\$ 217,544.00	City of Alameda	15.069	-0.083	0.447	03-Jun-09	Alameda
11MOY20	Marine	8	\$ 3,791,855.00	City of Vallejo	94.079	1.495	2.793	03-Jun-09	Solano
11MOY22	Marine	1	\$ 41,488.00	Bay Marine Services, Inc.	0.975	0.028	0.032	APCO	Marin
11MOY23	Marine	1	\$ 65,240.00	Andy Guiliano	0.455	0.000	0.015	APCO	Contra Costa
11MOY24	Locomotive	1	\$ 101,400.00	Richmond Pacific Railroad	1.052	0.020	0.007	03-Jun-09	Contra Costa
11MOY26	Marine	2	\$ 165,898.00	State of California, State Parks Department	1.041	0.023	0.035	01-Jul-09	Marin
11MOY27	Marine	2	\$ 178,962.00	City and County of San Francisco, San Francisco Police Department	2.253	-0.034	0.079	01-Jul-09	San Francisco
11MOY30	Off-road	6	\$ 140,343.00	J. Flores Construction Company	0.589	0.097	0.073	03-Jun-09	San Francisco
11MOY33	Marine	2	\$ 144,504.00	Brian Guiles	1.329	-0.007	0.046	01-Jul-09	Marin
11MOY34	Marine	2	\$ 209,056.00	Bodega Bay Sportfishers, Inc.	2.644	0.040	0.084	01-Jul-09	Sonoma
11MOY35	Marine	2	\$ 49,830.00	Matt Butler	1.148	0.030	0.042	APCO	Marin
11MOY36	Marine	2	\$ 106,394.00	Geoff and David Bettencourt	2.670	0.116	0.094	01-Jul-09	San Mateo
11MOY37	Off-Road	1	\$ 58,384.00	Trucrew, Inc.	0.663	0.081	0.028	APCO	Contra Costa
11MOY39	Marine	2	\$ 61,616.00	Harry Vogal	0.423	0.002	0.015	APCO	San Francisco
11MOY40	Marine	1	\$ 102,984.00	James Gregory Smith	1.685	-0.001	0.057	01-Jul-09	Contra Costa
11MOY41	Marine	2	\$ 199,466.00	Bay Marine Services, Inc.	6.868	0.196	0.206	01-Jul-09	Marin
11MOY44	Locomotive	5	\$ 2,609,010.00	California Department of Transportation	49.080	1.160	0.390	01-Jul-09	Solano, Contra Costa, Alameda, Santa Clara
11MOY46	Marine	3	\$ 2,068,071.00	APL Maritime Services, Ltd.	22.710	0.810	12.420	01-Jul-09	Alameda
11MOY48	Off-Road	1	\$ 80,950.00	Contra Costa Topsoil, Inc	0.536	0.072	0.027	APCO	Contra Costa
11MOY51	Off-Road	4	\$ 191,709.00	Stroer & Graff, Inc.	5.007	0.650	0.181	01-Jul-09	Contra Costa
11MOY52	Off-Road	4	\$ 275,481.00	Salt River Construction Corp.	3.568	0.461	0.142	01-Jul-09	Marin
11MOY55	Agriculture	2	\$ 42,180.00	Hunees Vintners, LLC	0.614	0.080	0.020	APCO	Napa
11MOY21	Off-road	1	\$ 12,974.00	Thomas D. Eychner Co., Inc.	0.059	0.017	0.005	APCO	Contra Costa
11MOY48	Off-road	1	\$ 80,950.00	Contra Costa Topsoil, Inc	0.536	0.072	0.027	APCO	Contra Costa
11MOY54	Off-road	2	\$ 27,117.00	St. Francis Electric	0.264	0.052	0.014	APCO	Alameda
11MOY57	Marine	2	\$ 549,327.00	Harley Marine Services, Inc.	41.739	0.672	1.241	7-Oct-09	Alameda
11MOY59	Off-Road	3	\$ 74,567.00	Alameda County Water District	0.069	0.081	0.045	APCO	Alameda
11MOY63	Marine	2	\$ 108,624.00	Salt River Construction Corporation	2.211	0.061	0.068	7-Oct-09	Marin
11MOY64	Off-Road	7	\$ 154,249.00	Stroer & Graff, Inc.	1.966	0.240	0.064	7-Oct-09	Contra Costa
11MOY65	Marine	2	\$ 179,896.00	C-Gull II Sportfishing Inc.	2.131	0.000	0.072	7-Oct-09	Alameda
11MOY72	Off-Road	2	\$ 37,003.00	TMT Enterprises	0.000	0.000	0.026	APCO	Santa Clara
11MOY73	Marine	2	\$ 203,232.00	Edward Gallia	2.983	0.000	0.101	7-Oct-09	Contra Costa
11MOY74	Marine	2	\$ 75,666.00	Marin County Sheriff's Office	1.706	0.018	0.056	APCO	Marin
11MOY76	Marine	2	\$ 166,182.00	Blue Runner, Inc.	1.124	0.022	0.038	7-Oct-09	Marin
11MOY79	Off-Road	1	\$ 81,195.00	Kingsborough Atlas Tree Surgery, Inc.	0.654	0.087	0.020	APCO	Sonoma
11MOY82	Off-Road	2	\$ 153,350.00	West Coast Aggregates, Inc.	1.614	0.203	0.082	7-Oct-09	San Mateo
11MOY85	Off-Road	1	\$ 209,292.00	Mission Trail Waste Systems	1.157	0.226	0.103	7-Oct-09	Santa Clara
11MOY91	Off-Road	2	\$ 620,415.00	Howard Mistle	3.965	0.559	0.210	7-Oct-09	Santa Clara
11MOY99	Off-Road	1	\$ 18,682.00	Galante Brothers General Engineering, Inc	0.092	0.019	0.008	APCO	Santa Clara

54 Projects 125 \$ 15,870,629.00 312.972 8.968 20.675

**Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 9/22/09**



**Figure 2: CMP/ MSIF Funding Distribution by County as of 9/22/09**



BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and  
Members of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 28, 2009

Re: Consideration of Approval for FY 09/10 Transportation Fund for Clean Air  
(TFCA) Regional Fund Shuttle, Ridesharing and Vanpool Projects

RECOMMENDED ACTIONS

Recommend Board of Directors (Board) approval of staff recommendations for:

1. The allocation of \$3,847,372 in fiscal year (FY) 2009/2010 TFCA Regional Funds for the ten (10) projects listed in Attachment 1; and
2. Authorization for the Executive Officer to enter into funding agreements with recipients of grant awards for the projects listed in Attachment 1.

BACKGROUND

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the San Francisco Bay Area to fund projects that reduce on-road motor vehicle emissions. The Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

Sixty percent (60%) of TFCA funds are awarded directly by the Air District through a grant program known as the Regional Fund. The remaining forty percent (40%) of TFCA funds are forwarded to the designated agency within each Bay Area county and distributed by these agencies through the Program Manager Fund. Portions of the TFCA Regional Fund are allocated to eligible programs implemented directly by the Air District, including the Smoking Vehicle Program and the Spare the Air Program. The balance is allocated on a competitive basis to eligible projects proposed by project sponsors.

DISCUSSION

On April 1, 2009, the Board allocated FY 2009/2010 TFCA Regional Funds totaling \$4,000,000 to Shuttle and Ridesharing Projects. The FY 2009/2010 Regional Fund Call for Projects opened on July 21, 2009. As of August 31, 2009, the Air District received 12 grant applications. Staff is recommending the award of grants totaling approximately \$3.8 million in TFCA Regional Funds for ten shuttle, ridesharing and vanpool projects. Attachment 1 lists the final project scores and ranking for the eligible projects recommended for funding.

## Solicitation and Outreach

The Air District opened the Call for Projects on July 21, 2009. On July 20th, the Air District e-mailed notices to a list of 776 interested parties announcing the open solicitation and the application workshop. The Air District discussed this grant opportunity at meetings with stakeholders including at the monthly meeting of the Congestion Management Agency Directors on July 24, 2009. The Air District held an application workshop on August 7, 2009, which was attended by representatives from 30 agencies.

## Evaluation Criteria

The Board-adopted criteria to score and rank TFCA Regional Fund grant applications for FY 2009/2010 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 for existing shuttle/feeder bus services and Regional Ridesharing, and at \$125,000/ton for pilot shuttle/feeder bus services.

The criteria also reward greenhouse gas reduction cost effectiveness, agencies that implement Transportation Control and Mobile Source Measures according to the current Clean Air Plan, and projects that benefit Impacted Communities and Planned/Potential Priority Development Areas. Table 1 below lists the six Board-adopted criteria and the maximum points available for each criterion.

**Table 1: FY 2009/2010 TFCA Regional Fund Scoring Criteria**

<b>Criteria</b>	<b>Maximum Points</b>
1. TFCA Cost Effectiveness	60
2. Greenhouse Gas Emission Reductions	10
3. Other Project Attributes	5
4. Clean Air Policies and Programs (for public agencies only)	10
5. Sensitive and Particulate Matter-Impacted Communities	10
6. Priority Development Areas	5
<b>TOTAL MAXIMUM POINTS (for public agencies)</b>	<b>100</b>

The Board establishes minimum point scores for projects to be eligible to receive TFCA Regional Funds. For the FY 2009/2010 funding cycle, the minimum scores are 60 points for public agency projects and 54 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.

## Incomplete Grant Applications

Staff is still evaluating applications for two projects that lack information sufficient for a full evaluation and recommendation for funding. Staff is currently working with the project sponsors of these projects to obtain information necessary to complete the evaluations. Staff will return to a future Mobile Source Committee meeting with recommendations for these projects.

## **Project Funding**

Eight Regional Rideshare or existing shuttle projects, totaling \$3,298,750 in funding requests, met the minimum point score and complied with the \$90,000 per ton cost-effectiveness threshold. Additionally, two new, pilot shuttle projects, totaling \$548,622 in funding requests, met the minimum point score and complied with the \$125,000 per ton cost-effectiveness threshold. Attachment 1 lists the final project scores and ranking for the eligible projects recommended for funding.

Of the 10 projects recommended for approval, four requested funding for more than one year. The requested amounts beyond one year are not reflected in Attachment 1. Rather, if these projects are successful, staff will request Board approval of the appropriate additional funding at the beginning of the FY 2010/11 funding cycle.

## **Summary of Benefits**

Over the course of one year, the projects recommended for funding would eliminate an estimated 100 million vehicle miles traveled and an estimated 2,696,400 trips by single-occupancy vehicles—an average of 10,574 fewer one-way trips on a typical weekday. The total investment from all sources would equal approximately \$10.2 million dollars.

## **Emission Reductions**

The recommended projects would result in estimated emission reductions of 101.6 tons of ozone precursors and particulate matter (PM), and over 47,000 tons of carbon dioxide (CO<sub>2</sub>) over the life of the projects. The resulting aggregate cost effectiveness estimated for these projects is \$28,435/ton<sup>a</sup>.

## **Impacted Communities**

Seven of the recommended projects would reduce emissions in Impacted Communities, as defined by the Air District's Community Air Risk Evaluation (CARE) program. Together they represent 25% of all the funds recommended for allocation, and 20% of the total annual emission reductions of ozone precursors and PM from all recommended projects. The Impacted Communities are Eastern San Francisco, Western Alameda County, Richmond/San Pablo, San Jose, Redwood City/East Palo Alto, and Concord.

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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.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jack P. Broadbent". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.

Jack P. Broadbent  
Executive Officer /APCO

Prepared by: Deepti Jain and David Wiley

Reviewed by: Karen M. Schkolnick

**ATTACHMENT 1**  
**TFCA Regional Fund Grant Applications - FY 2009/2010**  
**Projects Recommended for Funding**

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Title	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	TFCA Cost-Effectiveness (C/E)	Greenhouse Gas C/E	CRITERIA POINT SCORE					TOTAL SCORE	Cumulative Total \$
										Other Attributes	Clean Air Policies	Sensitive and PM Impacted Communities	Priority Dev't Areas			
09R13	SF	P	San Francisco General Hospital	SFGH Pilot Shuttle	1	\$ 34,169	\$ 50,122	59.25	9.00	5.00	6.00	10.00	5.00	94.25	\$ 50,122	
09R12	SM	P	City of Redwood City	Redwood City Commuter Shuttle	1	\$ 38,645	\$ 15,000	57.50	8.00	5.00	7.00	10.00	5.00	92.50	\$ 65,122	
09R14	AL	P	City of Oakland	Oakland Waterfront - Uptown Pilot Shuttle	1	\$ 82,238	\$ 498,500	53.50	5.00	5.00	8.00	10.00	3.00	84.50	\$ 563,622	
09R08	REG	P	Metropolitan Transportation Commission	511 Rideshare Program	1	\$ 12,082	\$ 1,050,000	60.00	9.00	4.00	9.00	2.00	0.00	84.00	\$ 1,613,622	
09R10	SC	P	Associated Students, San Jose State University	SJSU Ridesharing and Trip Reduction	1	\$ 33,318	\$ 120,000	58.75	8.00	4.00	5.00	2.00	1.00	78.75	\$ 1,733,622	
09R05	SC	P	Santa Clara Valley Transportation Authority	ACE Shuttle Bus Program	1	\$ 47,348	\$ 960,000	55.50	8.00	4.00	8.00	1.00	2.00	78.50	\$ 2,693,622	
09R06	AL	P	San Joaquin Regional Rail Commission	ACE Shuttle - Route 54	1	\$ 34,577	\$ 50,000	58.50	9.00	3.00	6.00	0.00	0.00	76.50	\$ 2,743,622	
09R11	SM	P	Peninsula Corridor Joint Powers Board	Caltrain Shuttle	1	\$ 61,436	\$ 1,000,000	52.00	8.00	3.00	10.00	1.00	2.00	76.00	\$ 3,743,622	
09R07	AL	P	San Joaquin Regional Rail Commission	ACE Shuttle - Route 53	1	\$ 76,368	\$ 44,000	48.00	8.00	3.00	6.00	0.00	0.00	65.00	\$ 3,787,622	
09R10	CC	P	Livermore Amador Valley Transit Authority	Route 1A/B BART Shuttle	1	\$ 77,758	\$ 59,750	48.00	5.00	4.00	0.00	0.00	3.00	60.00	\$ 3,847,372	

(1) REG = regional/multi-county, or entity outside Air District.  
(2) P=Public Agency; N-P= Non-Public Entity.  
(3) TFCA\$ divided by est. lifetime ER (ozone precursors and weighted PM). May include TFCA County Program Manager funds.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and  
Members of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 29, 2009

Re: Drayage Truck Retrofit Program at the Port of Oakland

RECOMMENDED ACTION

Staff requests that the Committee recommend that the Board of Directors (Board) increase the Transportation Fund for Clean Air (TFCA) cost effectiveness threshold to \$150,000 per ton of emissions reduced for the Port Truck Retrofit Program in order to facilitate the maximum number of truck retrofits at the Port of Oakland (Port).

BACKGROUND

Since May of 2009, the Bay Area Air Quality Management District (District) has operated a drayage truck retrofit program for vehicles visiting the Port. This program is funded by a combination of monies: \$5 million provided by the Port, \$15 million in District funding from the TFCA and Goods Movement Bond (I-Bond) programs, and \$2 million from the United States Environmental Protection Agency (USEPA) via the American Resource and Recovery Act (ARRA) Diesel Emissions Reduction Program (DERA). This program is now in its final leg, however, due to a number of issues program implementation continues to be subject to delays. These issues and the reasons for staff's recommendation are discussed below.

DISCUSSION

The Port Truck Retrofit Program has been difficult to administer due to fact it is subject to four sets of administrative guidelines (one for each of the different funding sources) and also because of a number of starts and stops to program rollout described by the chronology below:

- August 15, 2008 - the District receives over 1,200 applications for Port truck retrofits and replacements totaling \$28 million for a solicitation of \$15 million (\$5 million in Port funds, \$5 million in I-Bond funds and \$5 million in TFCA funds).
- November 19, 2008 - the Board of Port Commissioners (Port Commissioners) passed a resolution postponing the use of \$5 million in Port funds to retrofit trucks under the joint I-Bond program until after the adoption of its Comprehensive Truck Management Program (CTMP).
- December 23, 2008 - the District was notified by the ARB that due to the State of California's fiscal year budget crisis, that I-Bond program funding was frozen.

- March 18, 2009 - the Board authorized to move forward with the drayage to program using \$5 million in TFCA funding.
- June 16, 2009 - Port of Oakland Commissioners vote to reinstate \$5 million in funding to program via an amended memorandum of understanding (MOU) with the District.
- June 26, 2009 - ARB reinstates I-Bond funding
- July 2009 - District is awarded \$2 million in American Resource and Recovery Act funding from the United States Environmental Protection Agency for retrofits and Replacements at the Port.

### *Current Issues*

Throughout this time, staff has made progress in issuing grants and assisting truckers at its Oakland outreach center (OT 411). To date over 630 retrofit contracts have been issued to trucker, over 200 retrofits have been installed and over 2,000 truckers have been assisted at OT 411. Additionally, all \$5 million of funding from the Port of Oakland and approximately \$3.5 million in TFCA funding has been encumbered under contracts for the program. However, while the program continues to be successful, there continue to be implementation issues for grantees and vendors, and administrative issues for the District. These are as follows:

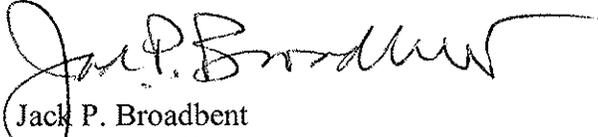
- There is currently a 6 to 8 weeks delay in the manufacturing of ECS hybrid retrofits, the device for which the most grants have been issued. This is slowing device installation considerably.
- Many drivers have had trouble coming up with the up to \$1,500 in match funding to pay for taxes on the devices and this has caused grantees to delay signing their contracts and getting their installations.
- Even though there is approximately \$1.5 million in TFCA funding still available, the amount of TFCA dollars that can be provided to each project has shrunk dramatically. This is due to the fact there is now insufficient time to install the device before the December 31, 2009 deadline while achieving a \$90,000 per ton of emissions reduced cost effectiveness.
- ARB imposed a number of new administrative hurdles on the District in order to receive Goods Movement Bond funding. While these requirements have been met, ARB has been slow to respond to the District on when actual funding will be delivered.

In order to deal with these issues staff is proposing to increase the cost effectiveness per ton of emissions reduced for the TFCA funding in the program to \$150,000. This increase will ensure the maximum flexibility in the use of District funding and will also allow for the maximum number of retrofits to be installed. By allowing this change more TFCA funding can be provided to pay for the initial invoices in the program. This frees up Port and Goods Movement monies, which are not subject to cost effectiveness requirements and can be used to fund projects up to the regulatory deadline of December 31, 2009.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Port Truck Retrofit Program distributes funds from the Port, the Goods Movement Bond, DERA and TFCA to the District and then to eligible equipment owners. Staff costs for the administration of the Program are included in the FY 2009/2010 budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jack P. Broadbent". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Damian Breen

Reviewed by: Karen Schkolnick