



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY - CHAIR
TOM BATES
CAROL KLATT
MARK ROSS
BRAD WAGENKNECHT

GAYLE B. UILKEMA – VICE CHAIR
YORIKO KISHIMOTO
ERIC MAR
MICHAEL SHIMANSKY

THURSDAY
April 30, 2009
9:30 a.m.

4TH 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 MARCH 26, 2009**

4. **CONSIDERATION OF PROPOSED SUPPLEMENTAL TRANSPORTATION FUND FOR CLEAN AIR REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FISCAL YEAR 2009/2010 AND PROPOSED ALLOCATIONS FOR SPECIFIC PROJECT TYPES**

J. Colbourn/5192
jcolbourn@baaqmd.gov

The Committee will consider proposed Supplemental Transportation Fund for Clean Air Regional Fund Policies and Evaluation Criteria for Fiscal Year 2009/2010 and proposed allocations for specific projects.

5. **CONSIDERATIONS OF REVISIONS TO THREE FISCAL YEAR 2008/2009 TRANSPORTATION FUND FOR CLEAN AIR REGIONAL FUND PROJECTS**

J. Colbourn/5192
jcolbourn@baaqmd.gov

The Committee will consider revisions to three Fiscal Year 2008/2009 Transportation Fund for Clean Air Regional Fund Projects.

6. **CONSIDERATION OF TRANSPORTATION FUND FOR CLEAN AIR (TFCA) COUNTY PROGRAM MANAGER EXPENDITURE PLANS FOR FISCAL YEAR 2009/2010 AND AN AMENDMENT TO THE FY 2008/2009 NAPA COUNTY PROGRAM MANAGER TFCA EXPENDITURE PLAN**

J. Colbourn/5192
jcolbourn@baaqmd.gov

The Committee will consider the Transportation Fund for Clean Air (TFCA) County Program Manager Expenditure Plans for Fiscal Year 2009/2010 and an Amendment to the FY 2008/2009 Napa County Program Manager TFCA Expenditure Plan.

7. **STATUS REPORT OF THE AIR DISTRICT'S APPLICATION FOR AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) FOR 2009 FUNDING**

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive an update on the status of the Air District's application for American Recovery and Reinvestment Act for 2009 funding.

8. **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).

9. **TIME AND PLACE OF NEXT MEETING:** 9:30 a.m., Thursday, May 28, 2009 at 939 Ellis Street, 4th Floor Conference Room.

10. **ADJOURNMENT**

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

**(415) 749-5127
FAX: (415) 928-8560
BAAQMD homepage:
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) 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

APRIL 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee <i>(Standing Committee Meeting Date Under Consideration)</i>	Wednesday	29	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Mobile Source Committee <i>– (Meets 4th Thursday of each Month)</i>	Thursday	30	9:30 a.m.	4 th Floor Conf. Room

MAY 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	6	9:45 a.m.	Board Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday every other Month)</i>	Thursday	7	9:30 a.m.	4 th Floor Conf. Room
Advisory Council Regular Meeting	Wednesday	13	9:00 a.m.	Board Room
Board of Directors Legislative Committee <i>(Meets 2nd Thursday of each Month) - CANCELLED</i>	Thursday	14	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	14	9:30 a.m.	4th Floor Conf. Room
Joint Policy Committee	Friday	15	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>– (Meets 4th Thursday of each Month)</i>	Thursday	28	9:30 a.m.	4 th Floor Conf. Room

JUNE 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	3	9:45 a.m.	Board Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday every other Month)</i>	Thursday	4	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Legislative Committee <i>(Meets 2nd Thursday of each Month)</i>	Thursday	11	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	11	Immediately Following Legislative Cme. Meeting	4 th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee – <i>(Meets 4th Thursday of each Month)</i>	Thursday	25	9:30 a.m.	4 th Floor Conf. Room

HL – 4/22/09 (12:25 p.m.)
P/Library/Forms/Calendar/Calendar/Moncal

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: April 23, 2009

Re: Mobile Source Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Mobile Source Committee meeting of March 26, 2009.

DISCUSSION

Attached for your review and approval are the draft minutes of the March 26, 2009 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
Thursday, March 26, 2009
9:30 a.m.

CALL TO ORDER: Vice Chairperson Gayle Uilkema called the meeting to order at 9:35 a.m.

Roll Call: Scott Haggerty, Chairperson; Gayle B. Uilkema, Vice Chairperson; Tom Bates, Yoriko Kishimoto, Carol Klatt, Mark Ross and Michael Shimansky

Absent: Brad Wagenknecht

Also Present: Chairperson Pamela Torliatt

PUBLIC COMMENTS: There were no public comments

APPROVAL OF MINUTES: Director Shimansky moved approval of the February 26, 2009 minutes; seconded by Director Bates; carried unanimously without objection.

COMMITTEE BUSINESS:

Update on TFCA Regional Fund Program Trends: *Staff Presentation by Jack Colbourn*

Background Information:

- Historical Funding overview:
 - 1992 – TFCA \$6 million (\$22 million – FY 08/09)
 - 1998 – Carl Moyer \$2 million (\$13 million – FY 08/09)
 - 2004 – MSIF \$9 million (\$11 million – FY 08/09)
 - 2007 – I-Bond at \$35 million (FY 08/09)
 - 2009 – RTP 2030 Truck Fund \$45 million (FY 09/10)
- Program has seen rapid growth over last two years in Air District's incentive funding; projected to increase to \$148 million in FY 2009/10
- Increase due mainly to funding for Heavy-Duty Diesel Vehicle (HDV) projects
- There is increased interest for funding sources that have potential to reduce GHGs and criteria pollutants, such as trip reduction/shuttle projects, electric/alternative-fuel vehicle and infrastructure projects, and advanced demonstration projects.
- District to seek Federal Stimulus funding
 - Regional EV Project - \$15 million (Clean Cities Program funded through DOE)

- Diesel Emission Reduction Act (DERA) - \$10 million (Additional funds for Heavy-Duty Diesel Truck projects funded through ARB).

Committee Comments:

- Uilkema: Questioned how DERA Program works and confirmed funding is separate from I-Bond monies.
- Shimansky: Confirmed with Mr. Broadbent that staff was confident with TFCA Program which he said is funded by DMV. \$13 million will come in for Carl Moyer Program this year and there are indications that I-Bond monies will eventually be received, possibly with years 1 and 2 together, and staff was tracking this closely.
- Bates: Questioned electric projects. Jack Colbourn discussed the initial formation with 3 city mayors for Electric Vehicle Project Consortiums. Once partners are identified, additional municipalities will be involved; development of infrastructure will be addressed and seeking assistance from MTC.
- Bates: Referred to future heavy concentration of plug-in hybrids; confirmed Air District is working with the JPC on joint regional program.
- Colbourn: Commented real focus is to show job creation and growth and identify/secure partners.
- Kishimoto: Questioned and confirmed with staff that if federal monies are not received, recourse will be to use traditional grant programs, through a public process. She questioned the long-term trend of heavy vehicle spending. Mr. Colbourn discussed ARB regulations on drayage trucks and on-road rule, with priority of getting trucks replaced early. There has not been much funding for low speed, idling, heavy-duty on-road trucks, and TFCA will propose options for alternative fuels.

Public Comment: Bob Hayden, San Francisco Department of Environment, discussed development of a regional market for plug-in hybrid and full battery vehicles and regional work efforts involving economic stimulus funds for the Electric Vehicle Project Consortiums.

Committee Discussion:

Chairperson Torliatt's questioned infrastructure of plug-in technology, and Mr. Hayden discussed the undertaking of a survey of cities/counties which will return for inclusion in the final project proposal. Ms. Schkolnick reported that county supervisors, city managers, mayors as well as regional agencies will be surveyed. The first part will establish an inventory throughout the region as to numbers of hybrids or alternative fuel vehicles. The second part will involve a needs assessment and follow-up with agencies to determine how to connect to funding opportunities as they become available, which will ensure a strong application for federal funding. Chairperson Torliatt suggested that for special districts, staff contact LAFCO's.

Committee Action: Received and Filed.

Proposed Transportation Fund for Clean Air Regional Fund Policies and Evaluation Criteria for Fiscal Year 2009/2010 and Proposed Allocations for Specific Project Types:
Staff Presentation by Karen Schkolnick.

Staff Presentation:

Ms. Schkolnick said that each year, the Air District considers revisions to TFCA policies and evaluation criteria. Request for written comments was issued February 11 – March 2, 2009. The District received 7 sets of written comments; the proposed policies and evaluation criteria for FY 2009/10 was updated accordingly as reflected in Attachment C. Comments had to do with

specific project category types and general interest in determining how to use TFCA funding for communities to reduce greenhouse gases and carbon footprints.

In response to direction received from the Board of Directors and input from stakeholders, staff made revisions to streamline the process and established an open call for projects.

Proposed Changes:

- Adjust cost-effectiveness (C-E) requirements to be specific to each project category and minimum score to correspond with revised C-E;
- Introduce new project category eligible for TFCA: Alternative-Fuel/Hybrid Heavy-Duty Service Vehicles (low mileage/high idling)
- Proposed Allocations:
 - \$4 million for shuttles and regional ridesharing
 - \$2 million for Advanced Tech Demonstrations
 - \$750,000 for new alt-fuel/hybrid heavy-duty trucks in idling service (new project type)
 - Ongoing open call for projects

Ms. Schkolnick presented the time schedule for FY 2009/2010 for policies to be presented to the Board of Directors and the open call for projects, which recommends projects for shuttles/ridesharing, alternative demonstration technology, a new project category for heavy-duty alternative fuel/hybrid service (high idling) vehicles, heavy/medium/light-duty alternative fuel/hybrid vehicle projects, bicycle facilities, smart growth/arterial management.

Committee Consideration for Board of Directors' Approval:

1. The proposed Fiscal Year 2009/2010 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment A;
2. A shift to an ongoing-call for TFCA Regional Fund applications; and
3. The TFCA Regional Fund set-asides listed below. Any monies not spent in these categories within 12 months will revert back to the TFCA Regional Fund for re-allocation:
 - a. Up to \$4 Million for shuttles and rideshare projects,
 - b. Up to \$2 Million for vehicle-based advanced technology demonstration projects, and
 - c. Up to \$750,000 for new alternative-fuel/hybrid, heavy-duty trucks in low-mileage, idling service.

Ms. Schkolnick discussed the new project category for heavy-duty alternative fuel/hybrid service (high idling) vehicles, and noted that staff worked with cities and counties to collect data to create new evaluation tool to calculate potential emission reductions.

Committee Discussion:

- Torliatt: Confirmed that a total of \$13 million was available on a regional level; staff will return in October with recommendations for awards. Staff indicated that some projects get canceled, reduced in scope, and/or will come in under budget, and projects will be funded as additional monies become available. The District will also allocate \$600,000 in bike/pedestrian projects similar to last year's program.
- Bates: Was glad to see ridesharing category and confirmed it was just under \$4 million in funding. He confirmed the District was currently working with MTC and referred to ridesharing programs such as Dynamic Rideshare and casual carpools.
- Ross: Discussed a CCTA program already in place and developed with software, which could augment casual carpool and other rideshare programs.

- Kishimoto: Confirmed that staff reviews all categories and their demand since 1992 to determine overall allocation of funding. She questioned long-term demand for shuttles and confirmed that the District was looking at the ISRs, has met with cities that are doing this on a local level as part of land use development and the creation of the funding mechanism is paid for through bonds.
- Bates: Suggested connecting shuttle funding with Priority Development Areas (PDAs) around climate change to identify how funds are focused, which he felt could be used to help cities and counties increase density and transit ridership.
- Haggerty: Believed there were other areas which are not PDAs but impacted and also in need of shuttles are Park N Ride lots.

Public Comment: Brian Albee, Sonoma County Transit Manager and TFCA recipient, discussed their agency's planned transition from diesel to a CNG fleet 13 years ago and voiced the need for heavy duty vehicle replacement funding.

Ms. Schkolnick discussed accelerated TFCA regional policy steps and said heavy/medium/light duty alternative projects which Mr. Albee mentioned will be brought to the next Mobile Source Committee for review. She noted that in the past, a small percentage of funding has gone to the heavy duty vehicle category; however, staff agrees there are agencies in addition to Sonoma County Transit that have switched out their fleets to CNG, she anticipated there will be funds in place, and the District is awaiting notice of additional federal stimulus monies. She said the survey includes questions about agency inventories of alternative fuel vehicles for light, medium and heavy duty vehicles and Air District staff will be able to identify communities and initiate follow-up.

Director Ross referred to the criteria on scoring and SMART growth and suggested adding a 5% category for projects that meet AB 375 goals, which he thought may be different than SMART growth goals. Ms. Roggenkamp noted there is a category for 10% for GHG reduction and Director Haggerty said that while premature, he suggested re-titling the 10% category, as it could be incorporated into AB 375 next year.

Committee Action: Director Uilkema moved to recommend the Board of Directors approval of: 1) the proposed Fiscal Year 2009/2010 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment A; 2) a shift to an ongoing-call for TFCA Regional Fund applications; and 3) The TFCA Regional Fund set-asides listed below. Any monies not spent in these categories within 12 months will revert back to the TFCA Regional Fund for re-allocation:

- a. Up to \$4 Million for shuttles and rideshare projects;
- b. Up to \$2 Million for vehicle-based advanced technology demonstration projects, and
- c. Up to \$750,000 for new alternative-fuel/hybrid, heavy-duty trucks in low-mileage, idling service.

Director Kishimoto seconded the motion; carried unanimously without objection.

Update on the Carl Moyer Voucher Incentive Program: *Staff Presentation by Grants Manager Damien Breen*

Committee Consideration for Board of Directors Approval:

1. Reserve up to \$2 million in Mobile Source Incentive Funds (MSIF) to match \$2 million in California Air Resources Board (CARB) funds to establish a Carl Moyer Voucher Incentive Program (VIP).

Overview:

Mr. Breen provided background and objectives of the Carl Moyer Program and discussed types of projects and eligible equipment the program funded. On February 4, 2009, the Board of Directors approved the VIP Program which authorized the Executive Officer/APCO to enter into agreements with truck vendors and dismantlers. Staff sees this as an opportunity to increase funding.

Carl Moyer Voucher Incentive Program (VIP):

- CARB has dedicated Yr 11 CMP Multi-District funds for a statewide VIP
- Requires one-to-one Air District match
- Districts must follow VIP guidelines and cannot institute additional limitations or make changes to the guidelines to address local priorities
 - ❖ District cannot reject eligible applications submitted by vehicle owners from outside the jurisdiction
 - ❖ High volume of “outside” applications is unlikely, similar programs are slated to run throughout the state, District plans extensive local outreach
- The Air District must match on a dollar-by-dollar basis, and staff proposes using Mobile Source Incentive funds.

Program Highlights:

- Only small fleets (1-3 diesel vehicles) can participate
- Provides funding to categories not eligible for Goods Movement funds, such as concrete and construction trucks
- Allows for increased vehicle purchase funds
- Existing vehicles must be 1993 or older
- Gross Combined Vehicle Weight Range must be greater than 60,000 lbs.
- At least 75% operation within California, with at least 30,000 miles traveled per year, over the previous 2 years
- The replacement vehicle must have a 2007 or newer engine
- Replaced vehicle must be scrapped
- Port trucks are not eligible for VIP funding

Mr. Breen said support of the program will provide a streamlined approach, and he noted that the pilot project could be expanded to all areas, easing the burden on Air District and grantees.

Committee Discussion:

Committee members discussed and compared matching fund categories by model year of vehicles, differences in costs associated with the model year purchased, enforcement provisions, the high demand for funding, and the District’s approximate 14% apportioned funding from CARB, which is equivalent to \$2 million.

The Committee then discussed funding for agriculture engines and it was noted that tractors and equipment are included and cover approximately 80% of the total cost of replacement. Also discussed was the competitive ranking process, numbers of applicants, and benefits of streamlining the program, which opens April 15, 2009.

Committee Action: Director Uilkema moved to recommend the Board of Director’s approval to reserve up to \$2 million in Mobile Source Incentive Funds (MSIF) to match \$2 million in California Air Resources Board (CARB) funds to establish a Carl Moyer Voucher Incentive Program (VIP); Director Bates seconded the motion; carried unanimously without objection.

COMMITTEE MEMBER COMMENTS: None

Next Meeting: 9:30 AM, Thursday, April 23, 2009
939 Ellis Street, 4th Floor Conference Room

Adjournment: Meeting adjourned at 10:52 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: April 23, 2009

Re: Consideration of Proposed Supplemental Transportation Fund for Clean Air
Regional Fund Policies and Evaluation Criteria for Fiscal Year (FY) 2009/2010
and Proposed Allocations for Specific Project Types

RECOMMENDED ACTIONS

Consider recommending Board of Directors' approval of the following:

1. The proposed FY 2009/2010 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment B; and
2. Up to \$5 Million for alternative-fuel vehicle and infrastructure projects (Policies # 21-25) to be reserved to match the Air District's application to the Department of Energy (DOE) under Clean Cities FY09 Petroleum Reduction Technologies Projects for the Transportation Sector, Area Interest #4.

BACKGROUND

On April 1, 2009, the Air District's Board of Directors adopted the first set of project type-specific policies for the FY 2009/2010 TFCA Regional Fund Policies and Evaluation Criteria and corresponding set-aside allocations.

DISCUSSION

Staff is recommending the addition of the following four project type-specific policies and cost-effectiveness criteria:

- Policy #21. Alternative Fuel Light-Duty Vehicles
- Policy #23. Alternative Fuel Heavy-Duty Vehicles (high mileage)
- Policy #24. Alternative Fuel Buses
- Policy #25. Alternative Fuel Infrastructure

The supplemental TFCA Regional Fund Policies and Evaluation Criteria for FY 2009/2010 are provided in Attachment A in strikeout format Attachment B presents the previously Board approved FY 2009/2010 TFCA Regional Fund Policies and Evaluation Criteria and the proposed supplemental policies.

Staff is also recommending a combined set aside allocation of up to \$5 Million for alternative-

fuel vehicle and infrastructure projects (Policies # 21-25) to be reserved to match the Air District's application to the DOE. This amount includes the \$750,000 set aside previously approved by the Air District's Board of Directors on April 1, 2009, for new alternative-fuel/hybrid, heavy-duty trucks in low-mileage. Any monies not spent on the match would be reserved for these categories through February 1, 2010, before reverting back to the TFCA Regional Fund for re-allocation.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. TFCA revenues are generated from a dedicated outside funding source. TFCA allocations do not impact the District's general fund or operating budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Karen Schkolnick
Reviewed by: Jack M. Colbourn

PROPOSED SUPPLEMENTAL TFCA REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FY 2009/2010

The following policies apply only to the Transportation Fund for Clean Air (TFCA) Regional Fund.

BASIC ELIGIBILITY

2. **TFCA Cost-Effectiveness and Minimum Score:** Projects must meet cost-effectiveness (C-E) levels and minimum scores established by the Air District’s Board of Directors.
 - a. **Cost-Effectiveness:** The ratio of TFCA funds awarded divided by the sum total tons of reactive organic gases (ROG), oxides of nitrogen (NO_x), and weighted particulate matter 10 microns in diameter and smaller (PM₁₀) reduced (\$/ton). Certain project categories further specify the eligible funding amount per item (for example, \$/vehicle) which is based on the cost-effectiveness levels below.

Cost-effectiveness levels are limited to the amounts set forth below.		
Project Type	Policy #	C-E level maximum (\$/weighted ton)
<u>Alternative Fuel Light-Duty Vehicles</u>	<u>21</u>	<u>\$90,000</u>
(NEW) Heavy-Duty <u>Alternative Fuel/Hybrid Heavy-Duty Service Vehicles (Low-mileage utility trucks in idling service)</u>	<u>22</u>	<u>\$90,000</u>
<u>Alternative Fuel Heavy-Duty Vehicles</u>	<u>23</u>	<u>\$90,000</u>
<u>Alternative Fuel Bus Replacements</u>	<u>24</u>	<u>\$90,000</u>
<u>Alternative Fuel Infrastructure</u>	<u>25</u>	<u>\$90,000</u>
Advanced Technology Demonstration	26	\$500,000
Shuttle/Feeder Bus Service—Pilot	27	\$125,000
Regional Ridesharing	28	\$90,000

- 3 **Eligible Recipients and Authority to Apply:** Grant recipients must be responsible for the implementation of the project, have the authority and capability to complete the project, and be an applicant in good standing.
 - b. **Eligible Recipients:**
 - i. **Public agencies** are eligible to apply for all project categories.
 - ii. **Non-public entities** are only eligible to apply for new alternative-fuel (light, medium, and electric/alternative-fuel/hybrid heavy-duty) vehicle projects, and advanced technology demonstrations, as described in HSC section 44241(b)7.

ELIGIBLE PROJECT CATEGORIES:

CLEAN AIR VEHICLE PROJECTS

21. Reserved-Alternative Fuel Light-Duty Vehicles:

Eligibility: For TFCA purposes, light-duty vehicles are those with a gross vehicle weight rating (GVWR) of 8,500 lbs. or lighter. Light-duty vehicle types and equipment eligible for funding includes:

- a. New hybrid-electric, electric (EV), fuel cell, and CNG/LNG vehicles certified by the CARB as meeting established super ultra low emission vehicle (SULEV), partial zero emission vehicle (PZEV), advanced technology-partial zero emission vehicle (AT-PZEV), or zero emission vehicle (ZEV) standards.

- b. New electric neighborhood vehicles (NEV).
- c. CARB emissions compliant vehicle system retrofits that result in reduced petroleum use (e.g., plug-in hybrid systems).

With the exception of NEV, vehicles must be placed into a service route that has a minimum mileage of 10,000 miles per year.

Gasoline and diesel (non-hybrid) vehicles are not eligible for TFCRA funding.

Funds are not available for non-fuel system upgrades such as transmission and exhaust systems and should not be included in the incremental cost of the project.

Maximum Award (per vehicle/retrofit) listed below:

<u>Vehicle Type</u>	<u>Annual Mileage</u>	
	<u>10,000 - 50,000 miles</u>	<u>Greater than 50,000 miles</u>
<u>NEV (exempt from mileage minimum)</u>	<u>\$500</u>	
<u>SULEV, PZEV, AT-PZEV</u>	<u>\$2000</u>	<u>\$3000</u>
<u>ZEV and retrofits</u>	<u>\$4000</u>	<u>\$5000</u>

TFCRA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state rebates, tax credits, and cash equivalent incentives are applied. Incremental cost is the difference in cost between the purchase or lease price of the new vehicle and/or retrofit and its new conventional vehicle counterpart that meets, but does not exceed, 2009 emissions standards.

23. Reserved-Alternative Fuel Heavy-Duty Vehicles (high mileage):

Eligibility: For TFCRA purposes, light-heavy-duty vehicles (LHDV) are those with a GVWR greater than 8,500 lbs. and less than 14,000 lbs, medium-duty vehicles (MDV) are those with a GVWR greater than 14,001 lbs. and less than 33,000 lbs., and heavy-duty vehicles (HDV) are those with a GVWR greater than 33,001 lbs. LHDV, MDV and HDV types and equipment eligible for funding include:

- a. New hybrid-electric, electric, and CNG/LNG vehicles certified by the CARB.
- b. CARB emissions compliant vehicle system retrofits that result in reduced petroleum use.

Vehicles must be placed into a service route that has a minimum mileage of 15,000 miles per year.

TFCRA funding may not be used to pay for non-fuel system upgrades such as transmission and exhaust systems.

Maximum Award (per vehicle/retrofit) listed below:

		<u>15,000 - 40,000 Miles</u>	<u>40,001 - 80,000 Miles</u>
<u>CNG/LNG</u>	<u>MDV</u>	<u>\$3,500</u>	<u>\$8,000</u>
	<u>HDV</u>	<u>\$8,000</u>	<u>\$20,000</u>
<u>Hybrid-EV and Retrofits (>15,000 Miles)</u>	<u>LHDV</u>	<u>\$10,000</u>	
	<u>MDV</u>	<u>\$25,000</u>	
	<u>HDV</u>	<u>\$30,000</u>	
<u>Fuel Cell and EV (>15,000 Miles)</u>	<u>LHDV</u>	<u>\$20,000</u>	
	<u>MDV</u>	<u>\$40,000</u>	
	<u>HDV</u>	<u>\$60,000</u>	

TFCA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state rebates, tax credits, and cash equivalent incentives are applied. Incremental cost is the difference in cost between the purchase or lease price of the vehicle and/or retrofit and its new conventional vehicle counterpart that meets, but does not exceed, 2009 emissions standards.

Scraping Requirements: Project sponsors of heavy-duty clean air vehicles purchased or leased with TFCA funds that have model year 1997 or older heavy-duty diesel vehicles in their fleet are required to scrap one model year 1997 or older heavy-duty diesel vehicle for each new vehicle purchased or leased with TFCA funds. Project sponsors with model year 1998 and newer heavy-duty diesel vehicles in their fleet may, but are not required to, meet this scraping requirement. Costs related to the scraping of heavy-duty vehicles are not eligible for reimbursement with TFCA funds.

24. ~~Reserved.~~**Alternative Fuel Buses:** Buses are subject to the same Eligibility, Maximum Award and Scraping requirements listed in Policy #23:

For purposes of transit and school bus replacement projects, a bus is any vehicle designed, used, or maintained for carrying more than fifteen (15) persons, including the driver. A vehicle designed, used, or maintained for carrying more than ten (10) persons, including the driver, which is used to transport persons for compensation or profit, or is used by any nonprofit organization or group, is also a bus. A vanpool vehicle is not considered a bus.

25. ~~Reserved.~~**Alternative Fuel Infrastructure:** Projects that construct infrastructure to support electric, fuel-cell and natural gas vehicles that are part of a project sponsor's existing fleet or part of a current application for alternative fuel vehicles are eligible for funding.

Eligible refueling infrastructure projects include new dispensing facilities, or additional equipment or upgrades and improvements that expand access to existing alternative fuel refueling sites. This includes upgrading or modifying private fueling stations to allow public and/or shared fleet access. Funding may be used to purchase equipment or to pay for specific turnkey fueling services by alternative fuel providers.

TFCA funded refueling infrastructure projects must be available to and accessible by the public. Refueling equipment and infrastructure must be designed, installed and maintained as required by the existing recognized codes and standards and approved by the local/state authority.

TFCA funding is limited to 30% of the total project cost and may not exceed a maximum award amount of \$200,000 per project sponsor

TFCA funding may not be used to pay for fuel, operation, and maintenance costs.

REGIONAL FUND EVALUATION CRITERIA

a. For Alternative Fuel Light Duty, Alternative Fuel/~~Hybrid~~ Heavy-duty ~~Clean Air~~ Service Vehicles in Low Mileage Idling Service, Alternative Fuel Heavy-duty Vehicles, Alternative Fuel Medium and Heavy-Duty Vehicles and Alternative Fuel Bus Replacements.

50 Points – (amount requested must be equal to or less than the maximum allowable amounts listed in ~~Policy~~ policies 221-24.)

PROPOSED TFCA REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FY 2009/2010

The following policies apply only to the Transportation Fund for Clean Air (TFCA) Regional Fund.

BASIC ELIGIBILITY

1. **Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible.

Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FY 2009/10.

Projects must achieve surplus emission reductions, that is, beyond what is currently required through regulations, contracts, or other legally binding obligations at the time the Air District Board of Directors approves a funding allocation and at the time of the execution of a funding agreement.

2. **TFCA Cost-Effectiveness and Minimum Score:** Projects must meet cost-effectiveness (C-E) levels and minimum scores established by the Air District’s Board of Directors.
 - a. **Cost-Effectiveness:** The ratio of TFCA funds awarded divided by the sum total tons of reactive organic gases (ROG), oxides of nitrogen (NO_x), and weighted particulate matter 10 microns in diameter and smaller (PM₁₀) reduced (\$/ton). Certain project categories further specify the eligible funding amount per item (for example, \$/vehicle) which is based on the cost-effectiveness levels below.

Cost-effectiveness levels are limited to the amounts set forth below.		
Project Type	Policy #	C-E level maximum (\$/weighted ton)
Alternative Fuel Light-Duty Vehicles	21	\$90,000
Alternative Fuel Heavy-Duty Service Vehicles (Low-mileage utility trucks in idling service)	22	\$90,000
Alternative Fuel Heavy-Duty Vehicles	23	\$90,000
Alternative Fuel Bus Replacements	24	\$90,000
Alternative Fuel Infrastructure	25	\$90,000
Advanced Technology Demonstration	26	\$500,000
Shuttle/Feeder Bus Service—Pilot	27	\$125,000
Regional Ridesharing	28	\$90,000

- b. **Minimum Score:** In addition, applicants must earn a score of at least 60 points (out of a possible 100 points) for public agencies and 54 points (out of a possible 90 points) for non-public entities, based upon the project evaluation and scoring criteria listed in the FY 2009/10 TFCA Regional Fund Application Guidance document.
3. **Consistent with Existing Plans and Programs:** With the exception of Clean Air Vehicle Projects and Advanced Technology Demonstration Projects, all other project categories must comply with the transportation control measures and mobile source measures included in the Air District's most recently approved strategy(ies) for State and national ozone standards and, when applicable, with other adopted State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Grant recipients must be responsible for the implementation of the project, have the authority and capability to complete the project, and be an applicant in good standing.

a. **Eligible Recipients:**

- i. **Public agencies** are eligible to apply for all project categories.
- ii. **Non-public entities** are only eligible to apply for new alternative-fuel (light, medium, and heavy-duty) vehicle projects, and advanced technology demonstrations, as described in HSC section 44241(b)7.

- b. **Authority to Apply:** Applications must include either: 1) a signed letter of commitment from an individual with authority to enter into a funding agreement and carry out the project (e.g., Chief Executive or Financial Officer, Executive Director, City Manager, etc.), or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, Board of Directors, etc.) authorizing the submittal of the application and identifying the individual authorized to submit and carry out the project.

5. **Viable Project and Matching Funds:** Unless otherwise specified in the project category policies below, applications of \$150,000 or less do not require matching funds. Applications requesting greater than \$150,000 must provide matching funds from a non-Air District source, which equal or exceed 10% of the total project cost.

Applications must identify sufficient resources to complete the respective project. The project sponsor shall not enter into a TFCA Regional Fund funding agreement until all non-Air District funding has been approved and secured.

6. **Minimum Grant Amount:** \$10,000 per project.

7. **Maximum Grant Amount:** Maximum award per calendar year:

- a. **Each public agency** may be awarded up to \$1,500,000, and
- b. **Each non-public entity** may be awarded up to \$500,000.

8. **Readiness:** Projects must commence in calendar year 2010 or sooner. For purposes of this policy, “commence” means to receive delivery of vehicles, equipment, services, or to award a construction contract.

9. **Maximum Two Years Operating Costs:** Projects that provide a service, such as ridesharing programs and shuttle and feeder bus projects, are eligible to apply for a period of up to two (2) years.

10. **Project Revisions:** Project revisions initiated by the project sponsor which significantly change the project before the allocation of funds by the Air District Board of Directors may not be accepted. Following Air District Board of Directors allocation of funds for a project, an applicant may request revisions to that project that the applicant deems necessary or advisable, based on information the applicant received after the Board’s allocation of funding. The District will consider only requests that are based on new information, are within the same eligible project category, and meet the same cost-effectiveness.

APPLICANT IN GOOD STANDING

11. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet project implementation milestones or who have failed to fulfill monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.

12. **Failed Audit:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for five (5) years. Additionally, project sponsors with open projects will not be reimbursed for those projects until all audit recommendations and remedies have been satisfactorily implemented. A failed fiscal audit means an uncorrected audit finding

that confirms an ineligible expenditure of funds. A failed performance audit means that a project was not implemented as set forth in the project funding agreement.

- 13. Signed Funding Agreement:** Only a fully executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District's award of funds for a project. The Air District Board of Directors approval of an application does not constitute a final obligation on the part of the Air District to fund a project.

Project sponsors must sign a funding agreement within 60 days from the date it has been transmitted to them in order to remain eligible for award of TFCA funds. The Air District may authorize an extension of up to a total period of 120 days from the transmittal because of circumstances beyond project sponsor's reasonable control and at the Air District's discretion.

Project sponsors who failed to return a funding agreement from a previous funding cycle are not eligible to apply for a 12-month period.

- 14. Insurance:** Each project sponsor must maintain general liability insurance and such additional insurance that is appropriate for specific projects, with coverage amounts specified in the respective funding agreements.

INELIGIBLE PROJECTS

- 15. Planning Activities:** Feasibility studies are not eligible for funding, nor are projects that only involve planning activities and that do not include an implementation phase. In addition, land-use projects (i.e., Smart Growth, Traffic Calming, and Arterial Management) that have not completed the Preliminary Design phase are not eligible.
- 16. Cost of Developing Proposals and Grant Applications:** The costs to develop proposals or prepare applications are not eligible for TFCA funding.
- 17. Duplication:** Projects that have previously received TFCA funds and therefore do not achieve additional emission reductions are not eligible. Combining TFCA County Program Manager Funds with TFCA Regional Funds to achieve greater emission reductions for a single project is not considered project duplication.

USE OF TFCA FUNDS

- 18. Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds for the funding of an eligible project. For the purpose of calculating the TFCA cost-effectiveness (Regional Fund Evaluation Criterion #1), the combined sum of TFCA County Program Manager Funds and TFCA Regional Funds shall be used to calculate the TFCA cost of the project.
- 19. Administrative Costs:** Administrative costs (i.e., the costs associated with administering a TFCA grant) are limited to a maximum of five percent (5%) of total TFCA funds expended on a project. To be eligible for reimbursement, administrative costs must be clearly identified in the application project budget and in the funding agreement between the Air District and the project sponsor.
- 20. Expend Funds within Two Years:** Project sponsors must expend the awarded funds within two (2) years of the effective date of the funding agreement, unless a longer period is formally (i.e., in writing) approved in advance by the Air District in a funding agreement or as an amendment to the funding agreement.

ELIGIBLE PROJECT CATEGORIES:

CLEAN AIR VEHICLE PROJECTS

21. Alternative Fuel Light-Duty Vehicles:

Eligibility: For TFCA purposes, light-duty vehicles are those with a gross vehicle weight rating (GVWR) of 8,500 lbs. or lighter. Light-duty vehicle types and equipment eligible for funding includes:

- a. New hybrid-electric, electric, fuel cell, and CNG/LNG vehicles certified by the CARB as meeting established super ultra low emission vehicle (SULEV), partial zero emission vehicle (PZEV), advanced technology-partial zero emission vehicle (AT-PZEV), or zero emission vehicle (ZEV) standards.
- b. New electric neighborhood vehicles (NEV).
- c. CARB emissions compliant vehicle system retrofits that result in reduced petroleum use (e.g., plug-in hybrid systems).

With the exception of NEV, vehicles must be placed into a service route that has a minimum mileage of 10,000 miles per year.

Gasoline and diesel (non-hybrid) vehicles are not eligible for TFCA funding.

Funds are not available for non-fuel system upgrades such as transmission and exhaust systems and should not be included in the incremental cost of the project.

Maximum Award (per vehicle/retrofit) listed below:

Vehicle Type	Annual Mileage	
	10,000 - 50,000 miles	Greater than 50,000 miles
NEV (exempt from mileage minimum)	\$500	
SULEV, PZEV, AT-PZEV	\$2000	\$3000
ZEV and retrofits	\$4000	\$5000

TFCA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state rebates, tax credits, and cash equivalent incentives are applied. Incremental cost is the difference in cost between the purchase or lease price of the new vehicle and/or retrofit and its new conventional vehicle counterpart that meets, but does not exceed, 2009 emissions standards.

22. Alternative Fuel Heavy-Duty Service Vehicles (Low-mileage utility trucks in idling service):

Eligibility: For TFCA purposes, heavy-duty vehicles are on-road motor vehicles with a Gross Vehicle Weigh Rating (GVWR) of 10,001 pounds or heavier. This category includes only vehicles in which engine idling is required to perform the primary function (for example, crane or aerial bucket trucks). In order to qualify for this incentive, each new vehicle must be placed into a service route that has a minimum idling time of 520 hours/year, and a minimum mileage of 1,000 miles/year.

Maximum Award Amount (per vehicle): TFCA funds awarded may not exceed the difference in the purchase or lease price of the new clean air vehicle that surpasses the applicable emissions standards and its new conventional vehicle counterpart that meets, but does not exceed, the emissions standards (incremental cost).

Maximum funding is set forth below:

GVWR, lbs	Idling Time	
	Average 2 - 4 hours/day	Average ≥ 4 hours/day
10,001-33,000	\$16,000	\$20,000
Greater than 33,000	\$25,000	\$30,000
Additional funds for scrapping pre-1998 vehicles	+ \$4000	+ \$4000

Scrapping Requirements: Project sponsors of heavy-duty clean air vehicles purchased or leased with TFCA funds that have model year 1997 or older heavy-duty diesel vehicles in their fleet are required to scrap one model year 1997 or older heavy-duty diesel vehicle for each new clean air vehicle purchased or leased with TFCA funds. Project sponsors with model year 1998 and newer heavy-duty diesel vehicles in their fleet may, but are not required to, meet this scrapping requirements. Applications that include scrapping components may receive additional credit towards the calculation of the overall cost effectiveness of the project. Costs related to the scrapping of heavy-duty vehicles are not eligible for reimbursement with TFCA funds.

23. Alternative Fuel Heavy-Duty Vehicles (high mileage):

Eligibility: For TFCA purposes, light-heavy-duty vehicles (LHDV) are those with a GVWR greater than 8,500 lbs. and less than 14,000 lbs, medium-duty vehicles (MDV) are those with a GVWR greater than 14,001 lbs. and less than 33,000 lbs., and heavy-duty vehicles (HDV) are those with a GVWR greater than 33,001 lbs. LHDV, MDV and HDV types and equipment eligible for funding include:

- a. New hybrid-electric, electric, and CNG/LNG vehicles certified by the CARB.
- b. CARB emissions compliant vehicle system retrofits that result in reduced petroleum use.

Vehicles must be placed into a service route that has a minimum mileage of 15,000 miles per year.

TFCA funding may not be used to pay for non-fuel system upgrades such as transmission and exhaust systems.

Maximum Award (per vehicle/retrofit) listed below:

		15,000 - 40,000 Miles	40,001 - 80,000 Miles
CNG/LNG	MDV	\$3,500	\$8,000
	HDV	\$8,000	\$20,000
Hybrid-EV and Retrofits (>15,000 Miles)	LHDV	\$10,000	
	MDV	\$25,000	
	HDV	\$30,000	
Fuel Cell and EV (>15,000 Miles)	LHDV	\$20,000	
	MDV	\$40,000	
	HDV	\$60,000	

TFCA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state rebates, tax credits, and cash equivalent incentives are applied. Incremental cost is the difference in cost between the purchase or lease price of the vehicle and/or retrofit and its new conventional vehicle counterpart that meets, but does not exceed, 2009 emissions standards.

Scrapping Requirements: Project sponsors of heavy-duty clean air vehicles purchased or leased with TFCA funds that have model year 1997 or older heavy-duty diesel vehicles in their fleet are required to scrap one model year 1997 or older heavy-duty diesel vehicle for each new vehicle purchased or leased

with TFCA funds. Project sponsors with model year 1998 and newer heavy-duty diesel vehicles in their fleet may, but are not required to, meet this scrapping requirement. Costs related to the scrapping of heavy-duty vehicles are not eligible for reimbursement with TFCA funds.

24. **Alternative Fuel Buses:** Buses are subject to the same Eligibility, Maximum Award and Scrapping requirements listed in Policy #23:

For purposes of transit and school bus replacement projects, a bus is any vehicle designed, used, or maintained for carrying more than fifteen (15) persons, including the driver. A vehicle designed, used, or maintained for carrying more than ten (10) persons, including the driver, which is used to transport persons for compensation or profit, or is used by any nonprofit organization or group, is also a bus. A vanpool vehicle is not considered a bus.

25. **Alternative Fuel Infrastructure:** Projects that construct infrastructure to support electric, fuel-cell and natural gas vehicles that are part of a project sponsor's existing fleet or part of a current application for alternative fuel vehicles are eligible for funding.

Eligible refueling infrastructure projects include new dispensing facilities, or additional equipment or upgrades and improvements that expand access to existing alternative fuel refueling sites. This includes upgrading or modifying private fueling stations to allow public and/or shared fleet access. Funding may be used to purchase equipment or to pay for specific turnkey fueling services by alternative fuel providers.

TFCA funded refueling infrastructure projects must be available to and accessible by the public. Refueling equipment and infrastructure must be designed, installed and maintained as required by the existing recognized codes and standards and approved by the local/state authority.

TFCA funding is limited to 30% of the total project cost and may not exceed a maximum award amount of \$200,000 per project sponsor

TFCA funding may not be used to pay for fuel, operation, and maintenance costs.

26. **Advanced Technology Demonstration Projects:** Only vehicle-based advanced technology demonstration projects (i.e., technologies, motor vehicles and/or emission control devices not certified by CARB) not already implemented in the Bay Area are eligible for funding under this category. Applicants must clearly demonstrate the potential for concurrent or future emission reductions due to implementation of the project, and must provide estimates of emission reductions. All projects will require before and after evaluation data. TFCA funding for each project is limited to 25% of the total project cost, not to exceed \$500,000.

SHUTTLE/FEEDER BUS SERVICE PROJECTS

27. **Shuttle/Feeder Bus Service:** Shuttle/feeder bus service projects are those requesting funds to operate a shuttle or feeder bus route to or from a rail station, airport, or ferry terminal. To be eligible, shuttle/feeder bus service schedules must be coordinated with connecting rail or ferry schedules.

Shuttle/feeder bus service applicants must either: a) be a public transit agency or, b) submit documentation from the General Manager of the transit agency that provides service in the area of the proposed shuttle route, which demonstrates that the proposed shuttle service does not duplicate or conflict with existing transit agency service.

All vehicles used in shuttle/feeder bus service must meet the applicable CARB standards for public transit fleets use one of the following types of shuttle/feeder bus vehicles:

- a. an alternative fuel vehicle (CNG, liquefied natural gas, propane, electric);
- b. a hybrid-electric vehicle;
- c. a post-1997 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit);
or

- d. a post-1989 gasoline-fueled vehicle.

Pilot shuttle/feeder bus service projects are required to meet a cost-effectiveness of \$125,000/ton during the first two years of operation (see Policy #2). A pilot project is a defined route that is at least 70% unique and has not previously been funded through TFCA. Applicants must provide data supporting the demand for the service, letters of support from potential users and providers, and plans for financing the service in the future.

RIDESHARING PROJECTS

- 28. **Regional Ridesharing Projects:** For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least three Bay Area counties. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor are not eligible.
- 29. **Reserved.**
- 30. **Reserved.**

REGIONAL FUND EVALUATION CRITERIA

Grant applications must comply with the TFCA Regional Fund Policies, and also are evaluated based on six criteria.

Both public agencies and non-public entities are eligible to receive points under Criteria 1, 2, 3, 5, and 6. Only public agencies are eligible to receive points under Criterion 4. The maximum possible score for a public agency is 100 points and the maximum possible score for a non-public entity is 90 points. A public agency must achieve a minimum score of 60 points to be considered for funding while a non-public entity must achieve a minimum of 54 points to be considered for funding.

Projects will be ranked by calculating the percentage of total eligible points scored (100 for public agencies and 90 for non-public entities) in descending order. In the event that two or more projects achieve an equal score, the project with the best TFCA cost-effectiveness will receive a higher ranking.

Available TFCA Regional Funds will be allocated to projects beginning with the highest ranking project and proceeding in sequence to lower ranking projects. If the TFCA Regional Fund is oversubscribed, the point where the next-ranked eligible project cannot be fully funded defines the cut-off point for the funding cycle, i.e., all projects above this point will be funded. If the Regional Fund is undersubscribed, any remaining funds are generally allocated to projects in the subsequent funding cycle. By mutual consent of the project sponsor and the Air District; grant awards may be reduced from the amount requested in the original application.

FY 2009/2010 TFCA Regional Fund Scoring Criteria

Criteria	Maximum Points
1. TFCA Funding Effectiveness*	60
2. Greenhouse Gas Emission Reductions*	10
3. Other Project Attributes*	5
4. Clean Air Policies and Programs**	10
5. Sensitive and PM Impacted Communities*	---
A. General	10
B. Highly-Impacted Communities	<i>High priority***</i>
6. Priority Development Areas*	5
Total	100

* Public agencies and non-public entities eligible to receive points.

** Only public agencies eligible to receive points. ***High priority is defined per Criterion 5 below.

DISCUSSION**Criterion 1: TFCA Funding Effectiveness (maximum 60 points)**

Measures the cost-effectiveness (C-E) of a project in reducing air pollutant emissions. Generally, applications that include higher rates of matching funds will score better than those that request higher percentage of TFCA funding. TFCA funds budgeted for the project (TFCA Regional Funds and TFCA County Program Manager Funds combined) will be divided by the estimated lifetime emission reductions for the project. The estimated lifetime emission reductions are the sum of reactive organic gases, oxides of nitrogen, and weighted particulate matter (PM)¹ that will be reduced over the life of the project. Air District staff will determine the estimated emission reductions and TFCA funding effectiveness for the project.

The point scales for awarding points for this criterion are presented below:

a. For projects that must achieve a C-E threshold of \$90,000/ton:

TFCA \$/Ton	Points	TFCA \$/Ton	Points
\$0 - \$19,999	60	\$56,000 - \$57,999	53
\$20,000 - \$21,999	60	\$58,000 - \$59,999	52.5
\$22,000 - \$23,999	60	\$60,000 - \$61,999	52
\$24,000 - \$25,999	59.75	\$62,000 - \$63,999	51.5
\$26,000 - \$27,999	59.5	\$64,000 - \$65,999	51
\$28,000 - \$29,999	59.25	\$66,000 - \$67,999	50.5
\$30,000 - \$31,999	59	\$68,000 - \$69,999	50
\$32,000 - \$33,999	58.75	\$70,000 - \$71,999	49.5
\$34,000 - \$35,999	58.5	\$72,000 - \$73,999	49
\$36,000 - \$37,999	58	\$74,000 - \$75,999	48.5
\$38,000 - \$39,999	57.5	\$76,000 - \$77,999	48
\$40,000 - \$41,999	57	\$78,000 - \$79,999	47.5
\$42,000 - \$43,999	56.5	\$80,000 - \$81,999	47
\$44,000 - \$45,999	56	\$82,000 - \$83,999	46.5
\$46,000 - \$47,999	55.5	\$84,000 - \$85,999	46
\$48,000 - \$49,999	55	\$86,000 - \$87,999	45.5
\$50,000 - \$51,999	54.5	\$88,000 - \$89,999	45
\$52,000 - \$53,999	54	\$90,000 - and above	0
\$54,000 - \$55,999	53.5		

b. For Alternative Fuel Light Duty, Alternative Fuel Heavy-duty Service Vehicles in Low Mileage Idling Service, Alternative Fuel Heavy-duty Vehicles, Alternative Fuel Medium and Heavy-Duty Vehicles and Alternative Fuel Bus Replacements.

50 Points – (amount requested must be equal to or less than the maximum allowable amounts listed in policies 21-24.)

¹ PM emissions include tailpipe PM, as well as brake particles, tire particles and re-entrained road dust. Consistent with California Air Resources Board methodology to calculate PM emission reductions for the Carl Moyer Program, weighted PM emissions will be calculated by adding the tailpipe PM multiplied by a factor of 20, plus the sum of tire, brake, and road dust PM.

c. For projects that must achieve a C-E threshold of \$125,000/ton (Pilot Shuttles):

TFCA \$/Ton	Points	TFCA \$/Ton	Points
\$0 - \$19,999	60	\$74,000 - \$76,999	53
\$20,000 - \$22,999	60	\$77,000 - \$79,999	52.5
\$23,000 - \$25,999	60	\$80,000 - \$82,999	52
\$26,000 - \$28,999	59.75	\$83,000 - \$85,999	51.5
\$29,000 - \$31,999	59.5	\$86,000 - \$88,999	51
\$32,000 - \$34,999	59.25	\$89,000 - \$91,999	50.5
\$35,000 - \$37,999	59	\$92,000 - \$94,999	50
\$38,000 - \$40,999	58.75	\$95,000 - \$97,999	49.5
\$41,000 - \$43,999	58.5	\$98,000 - \$100,999	49
\$44,000 - \$46,999	58	\$101,000 - \$103,999	48.5
\$47,000 - \$49,999	57.5	\$104,000 - \$106,999	48
\$50,000 - \$52,999	57	\$107,000 - \$109,999	47.5
\$53,000 - \$55,999	56.5	\$110,000 - \$112,999	47
\$56,000 - \$58,999	56	\$113,000 - \$115,999	46.5
\$59,000 - \$61,999	55.5	\$116,000 - \$118,999	46
\$62,000 - \$64,999	55	\$119,000 - \$121,999	45.5
\$65,000 - \$67,999	54.5	\$122,000 - \$124,999	45
\$68,000 - \$70,999	54	\$125,000 - and above	0
\$71,000 - \$73,999	53.5		

d. For projects that must achieve a C-E threshold of \$500,000/ton (Advanced Technology Demonstration):

TFCA \$/Ton	Points	TFCA \$/Ton	Points
\$0 - \$44,999	60	\$279,000 - \$291,999	50
\$45,000 - \$57,999	59.5	\$292,000 - \$304,999	49
\$58,000 - \$70,999	59	\$305,000 - \$317,999	48
\$71,000 - \$83,999	58.5	\$318,000 - \$330,999	47
\$84,000 - \$96,999	58	\$331,000 - \$343,999	46
\$97,000 - \$109,999	57.5	\$344,000 - \$356,999	45
\$110,000 - \$122,999	57	\$357,000 - \$369,999	44
\$123,000 - \$135,999	56.5	\$370,000 - \$382,999	43
\$136,000 - \$148,999	56	\$383,000 - \$395,999	42
\$149,000 - \$161,999	55.5	\$396,000 - \$408,999	41
\$162,000 - \$174,999	55	\$409,000 - \$421,999	40
\$175,000 - \$187,999	54.5	\$422,000 - \$434,999	39
\$188,000 - \$200,999	54	\$435,000 - \$447,999	38
\$201,000 - \$213,999	53.5	\$448,000 - \$460,999	37
\$214,000 - \$226,999	53	\$461,000 - \$473,999	36
\$227,000 - \$239,999	52.5	\$474,000 - \$486,999	35
\$240,000 - \$252,999	52	\$487,000 - \$499,999	34
\$253,000 - \$265,999	51.5	\$500,000 - and above	0
\$266,000 - \$278,999	51		

Criterion 2: Greenhouse Gas Emission Reductions (maximum 10 points)

Rewards projects that reduce greenhouse gas emissions. Awards a maximum of 10 points (on a sliding scale, 0 to 10 points) for projects that reduce emissions of greenhouse gases, predominately carbon dioxide. Generally, projects that promote alternative modes of transportation and reduce single occupant vehicle trips (e.g., transit, ridesharing, bicycling and walking), as well as projects that improve motor vehicle fuel economy, will reduce greenhouse gas emissions. TFCA funds budgeted for the project will be divided by the estimated lifetime emission reductions of greenhouse gases for the project. Air District staff will determine the estimated emission reductions, TFCA funding effectiveness for greenhouse gases, and the scale for awarding points.

Criterion 3: Other Project Attributes (maximum 5 points)

Provides a mechanism in the evaluation and scoring process to identify and assess desirable project attributes that are not captured in the analysis of TFCA funding effectiveness. Projects may score points under this criterion based upon other project attributes identified for each project type. The specific project attributes for each project type will be identified after grant applications have been received and reviewed. Examples of Other Project Attributes will be provided in TFCA Guidance document.

Criterion 4: Clean Air Policies and Programs (maximum 10 points)

Recognizes and encourages the efforts of public agencies to implement policies and programs that promote the region's air-quality objectives, especially land use and transportation policies that help to reduce air pollution from motor vehicles.

To receive points for this criterion, the sponsoring agency must describe its policies and actions to implement the transportation control measures (TCMs) in the most recently adopted strategy(ies) for State and national ozone standards throughout the agency's jurisdiction. Points will be awarded based upon the performance of the project sponsor in implementing those elements of each TCM which are within the purview of the sponsor agency.

Non-public entities are not eligible for points under this criterion.

Criterion 5: Sensitive and Particulate Matter (PM) Impacted Communities (maximum 10 points)

Under Criterion 5, grant applications are eligible for credit under two sub-criteria.

- a. General: This sub-criterion will award a maximum of 10 points (on a sliding scale, 0-10 points) for projects that directly reduce emissions in communities with both high PM_{2.5} emissions and sensitive populations (i.e., children, seniors, those with low-incomes or elevated asthma rates).
- b. Highly Impacted Communities: Additional credit will be given to projects in these communities by providing them with the maximum score of 10 points in this Criterion and an additional 5 points under Criterion 3 "Other Project Attributes" provided that they meet a minimum percentage of operations in highly impacted communities. These communities have been identified by the Air District as having the most severe health risk and relatively low income levels.

Both sub-criteria 5A and 5B are based on data from the Air District's Community Air Risk Evaluation (CARE) Program; maps that identify these communities will be made available on the Air District's website. To qualify for points, a project must directly benefit one or more of these communities. The credit awarded will be determined by Air District staff, and will be based upon the percentage of project resources or services that would directly benefit the community, and the extent to which the project sponsor demonstrates this benefit.

Criterion 6: Priority Development Areas (maximum 5 points)

Awards additional points to projects located in concentrated areas identified for future growth near transit and in existing Bay Area communities. Funding projects operating in regionally approved Priority Development Areas (PDAs) will lead to reduced emissions in the region generally, and in PDAs in particular. Both public agencies and non-public entities are eligible for points under this criterion.

As with Criterion 5, to receive points for this criterion, the project must directly benefit one or more approved PDAs. The credit awarded will be determined by Air District staff, and will be based upon the percentage of project resources or services that would directly benefit the PDA, and the extent to which the project sponsor demonstrates this benefit.

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: April 23, 2009

Re: Consideration of Revisions to Three Fiscal Year (FY) 2008/2009 Transportation
Fund for Clean Air Regional Fund Projects

RECOMMENDED ACTIONS

Recommend Board of Directors' approval of three revised FY 2008/2009 Transportation Fund for Clean Air Regional Fund projects listed below in Table 1.

BACKGROUND

On October 1, 2008 the Board approved the allocation of \$13,535,324 in funding from a combination of FY 2008/2009 TFCA Regional funds and Mobile Source Incentive Fund funds for fifty-three projects.

DISCUSSION

Following the Board of Directors' approval of the FY 2008/2009 TFCA Regional Fund projects, staff received new information from the project sponsors that would change the cost-effectiveness of three projects. Staff evaluated the revised projects and determined that each of these continues to meet the FY 2008/2009 Board adopted TFCA Regional Fund policies. Staff therefore recommends that the committee recommend Board of Directors' approval of funding for the revised projects listed below in Table.

Table 1: FY 2008/2009 Revised Regional Fund Projects

Project #	Project Sponsor	Project Title	\$ Previously Allocated	Revised \$ Allocated	Cost-Effectiveness	Revised Cost-Effectiveness
08R53	Yandell Truckaway, Inc.	Retrofit 20 heavy duty trucks - Level 3 devices	\$362,436 (MSIF)	\$362,436 (TFCA)	\$3,394	\$6,305
08R59	Pacific Water Trucks	Repower and retrofit 3 heavy duty vehicles	\$154,430 (TFCA)	\$115,118 (TFCA)	\$14,068	\$19,207
08R76	Solano County Transportation Authority	Safe Route to School	\$400,000 (TFCA)	\$400,000 (TFCA)	\$8,929	\$16,417

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. TFCA revenues are generated from a dedicated outside funding source. TFCA allocations do not impact the District's general fund or operating budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Karen M. Schkolnick
Reviewed by: Jack M. Colbourn

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: April 23, 2009

Re: Consideration of Transportation Fund for Clean Air (TFCA) County Program
Manager Expenditure Plans for Fiscal Year (FY) 2009/2010 and an Amendment
to the FY 2008/2009 Napa County Program Manager TFCA Expenditure Plan

RECOMMENDED ACTION

Recommend Board of Directors:

1. Approve funding allocations for FY 2009/2010 TFCA County Program Manager listed on Table 1;
2. Approve the amended allocation of \$153,586 to the FY 2008/2009 Napa County TFCA Program Manager expenditure plan;
3. Amend FY 2009/2010 TFCA Program Manger Policies to allow County Program Managers the option to use Board approved Policies # 21-25 from the TFCA Regional Fund Policies and Evaluation Criteria for 2009/2010.
4. Authorize the Executive Officer/APC to enter into funding agreements with the County Program Managers for FY 2009/2010 allocations and to amend the Napa County Program Manger's FY 2008/2009 Expenditure Plan, consistent with Board-adopted TFCA Program Manager Policies.

BACKGROUND

Pursuant to California Health and Safety Code (HSC) Sections 44241 and 44242, the Air District Board of Directors has imposed a \$4 per vehicle annual surcharge on all motor vehicles registered within the boundaries of the Air District. The revenues fund the implementation of transportation control measures and mobile source control measures. By law, The Air District applies forty percent of the revenues generated by this surcharge to the TFCA Program Manager Fund. Each county has a designated County Program Manager that submits to the Air District an annual expenditure plan of projects in its county that it recommends for funding with its share of the Fund.

On November 5, 2008, the District's Board of Directors adopted revisions to the TFCA County Program Manager Fund Policies for FY 2009/2010. At that same meeting, the Air District's Board approved the FY 2008/2009 expenditure plan for Napa County whereby a balance of \$153,586.05 remained to be allocated.

DISCUSSION:

The Air District issued the TFCA FY 2009/2010 Program Manager Expenditure Plan Application Guidance to County Program Managers in December 2008. All nine counties submitted expenditure plans by the March 31, 2009, deadline.

Table 1 below presents the estimated funding available for allocation in FY 2009/2010¹.

Table 1.: Estimated Funding Allocation for County Program Mangers in FY 2009/2010

County Program Manager	Est. Allocation in FY 2009/2010
Alameda County Congestion Management Agency	\$1,848,628.00
Contra Costa Transportation Authority	\$1,576,474.34
Transportation Authority of Marin	\$937,068.00
Napa County Transportation Planning Agency	\$218,867.33
Santa Clara Valley Transportation Agency	\$2,320,331.09
San Francisco County Transportation Authority	\$832,070.00
San Mateo City/County Association of Governments	\$1,070,722.00
Solano Transportation Authority	\$325,502.73
Sonoma County Transportation Authority	\$655,310.88

On February 9, 2009, District staff received an application for an amendment to the Napa County Program Manager FY 2008/2009 expenditure plan. Staff determined that the project complies with FY 2008/2009 policies and recommends approval of the project summarized in Table 2.

Table 2: Additional Project for FY 2008/2009 Napa County Program Manager

Project #	Project Sponsor	Project Title	TFCA funds Allocated
08NAP03	County of Napa	Duhig Road Class II Bike Lanes	\$153,586.05

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. TFCA allocations do not impact the District's general fund or operating budget. TFCA County Program Manger revenues are generated from a dedicated outside funding source and passed through to counties.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Andrea Gordon
Reviewed by: Jack M. Colbourn

¹ * Total estimated funds available for programming are based on 2008 DMV receipts, interest earned and reported funds available for reprogramming from projects that were completed under budget or canceled.

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: April 23, 2009

Re: Status Report of the Air District's Application for American Recovery
and Reinvestment Act (ARRA) for 2009 Funding

RECOMMENDED ACTION

None. Receive and file report.

BACKGROUND

On February 17, 2009, President Barack Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. The ARRA funds investments in many programs, including health care, energy, infrastructure, education, and public safety.

DISCUSSION

A report on the status of the Air District's applications to the United States Environmental Protection Agency for Diesel Emissions Reduction Act (DERA) funding and the U.S. Department of Energy under the Clean Cities Transportation Sector Petroleum Reduction Technologies Program will be provided at the April 30, 2009 meeting of the Mobile Source Committee.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Karen M. Schkolnick
Reviewed by: Jack M. Colbourn