



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
REGULAR MEETING
DECEMBER 1, 2010

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7th Floor Board Room at the Air District Headquarters, 939 Ellis Street, San Francisco, California.

**Questions About
an Agenda Item**

The name, telephone number and e-mail of the appropriate staff person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

BOARD OF DIRECTORS REGULAR MEETING

A G E N D A

WEDNESDAY
DECEMBER 1, 2010
9:45 A.M.

BOARD ROOM
7TH FLOOR

CALL TO ORDER

Opening Comments
Roll Call
Pledge of Allegiance

Chairperson, Brad Wagenknecht
Clerk of the Boards

PUBLIC COMMENT PERIOD

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 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 Board's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.

BOARD MEMBERS' COMMENTS

Any member of the Board, 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)

PROCLAMATION(S)/AWARDS

The Board of Directors will recognize employees who have completed milestones of twenty-five (25), thirty (30), thirty-five (35), and forty (40) years of service with the Air District during this first half of the calendar year.

CONSENT CALENDAR (ITEMS 1 –7)

Staff/Phone (415) 749-

1. Minutes of November 3, 2010

L. Harper/5073
lharp@baaqmd.gov

2. Communications

J. Broadbent/5052
jbroadbent@baaqmd.gov

Information only.

3. District Personnel on Out-of-State Business Travel

J. Broadbent/5052
jbroadbent@baaqmd.gov

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memoranda lists District personnel who traveled on out-of-state business.

4. Proposed Regulatory Agenda for 2011

H. Hilken/4642
hhilken@baaqmd.gov

State law requires each Air District to publish a list of potential regulatory measures for the upcoming year. No regulatory measures can be brought before the Board that is not on the list, with specified exceptions. Consequently, the list contains all regulatory measures that may come before the Board in 2011.

5. Set a Public Hearing on December 15, 2010 to Consider Adoption of Proposed Amendments to Regulation 9, Rule 10: Nitrogen Oxides and Carbon Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum Refineries; and Adoption of a CEAQ Negative Declaration

H. Hilken/4642
hhilken@baaqmd.gov

The Board of Directors will consider proposed amendments to Regulation 9; Rule 10: Nitrogen Oxides and Carbon Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum Refineries will modify and add new NOx limits for CO boilers, simplify compliance calculation procedures, and extend the applicability of the rule to smaller devices to reduce emissions of NOx, CO, secondary particulate matter and greenhouse gasses from devices subject to the rule.

6. Consider Adjusting the Air District's Medical Contribution Declared to California Public Employee's Retirement System (CalPERS)

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider adjusting the Air District's Maximum Medical Contribution declared to CalPERS for management, confidential, represented, and miscellaneous employees and annuitants (retirees).

7. Consider Establishing the New Classification of Executive Secretary I/II

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider establishing a new job classification of Executive Secretary I/II with an annual salary range starting at \$63,607 at level I (Salary Range 127) and ending at \$85,239 at level II (Salary Range 131).

COMMITTEE REPORTS AND RECOMMENDATIONS

8. Report of the **Personnel Committee** Meeting of November 17, 2010

CHAIR: B. WAGENKNECHT

J. Broadbent/5052
jbroadbent@baaqmd.gov

The consensus of those Committee members present recommends Board of Directors' approval to approve candidates for appointment to the Air District's Advisory Council.

9. Report of the **Mobile Source Committee** Meeting of November 18, 2010

CHAIR: S. HAGGERTY

J. Broadbent/5052

jbroadbent@baaqmd.gov

The consensus of those Committee members present recommends Board of Directors' approval of the following items:

A) Consideration of Projects with Proposed Grant Awards over \$100,000:

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

B) Consideration of Proposed Revisions to Transportation Fund for Clean Air (TFCA) County Program Manager Fund Policies for Fiscal Year (FY) 2011/2012:

1. Approve proposed revisions to County Program Manager Fund Policies to govern allocation of FY 2011/2012 TFCA County Program Manager Funds.

C) Consideration of Approval for Transportation Fund for Clean Air (TFCA) Regional Funds for Shuttle, Ridesharing and Vanpool Projects:

1. Approve TFCA Shuttle, Ridesharing and Vanpool projects listed in Attachment 1;
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended TFCA projects in Attachment 1.

10. Report of the **Executive Committee** Meeting of November 22, 2010

CHAIR: B. WAGENKNECHT

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee recommends Board of Directors' approve compensation of \$2,500 per Board Member, but not more than \$10,000 in total, for Board Members attending the Air and Waste Management's People to People Program 2011 delegation to India.

11. Report of the **Climate Protection Committee** Meeting of November 29, 2010

CHAIR: P. TORLIATT

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee may recommend Board of Directors' approve initiating a region-wide Climate Leadership Award in honor of Dr. Stephen Schneider.

PRESENTATION

12. Strategic Facilities Planning Project Presentation Provided by CB Richard Ellis

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider authorizing the Executive Officer/APCO to proceed with the next phase of the Strategic Facilities Planning Project for a joint government facility strategy with the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) to include the issuance of a joint Request for Proposal.

CLOSED SESSION

13. **EXISTING LITIGATION (Government Code Section 54956.9(a))**

Pursuant to Government Code Section 54956.9(a), a need exists to meet in closed session with legal counsel to consider the following case(s):

- A.) Peter Rogosin v. Bay Area AQMD, San Francisco Superior Court, Case No. CGC-08-478154
- B.) Thomasina Mayfield v. Bay Area AQMD, San Francisco County Superior Court, Case No. CGC-09-484213
- C.) Andrea Gordon v. Bay Area AQMD, San Francisco County Superior Court, Case No. CGC-10-497722
- D.) Duraflame, Inc. v. Bay Area AQMD, California Court of Appeal, First Appellate District, Civil Case No. A128062

SIGNIFICANT EXPOSURE TO LITIGATION

Pursuant to Government Code Section 54956.9(b), a need exists to meet in closed session to discuss two potential litigation matters against the District.

OPEN SESSION

OTHER BUSINESS

14. Report of the Executive Officer/APCO
15. Chairperson's Report
16. Time and Place of Next Meeting – 9:45 A.M. Wednesday, December 15, 2010 – 939 Ellis Street, San Francisco, CA 94109
17. Adjournment

CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET SF, CA 94109

(415) 749-5130
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 3 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 Air District's headquarters 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 Air 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**

NOVEMBER 2010

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Mobile Source Committee (<i>Meets 4th Thursday each Month</i>) - RESCHEDULED TO NOVEMBER 18, 2010 at 9:30 a.m.	Thursday	25	9:30 a.m.	4 th Floor Conf. Room

Board of Directors Climate Protection Committee (<i>At the Call of the Chair</i>)	Monday	29	9:30 a.m.	4 th Floor Conf. Room
--	--------	----	-----------	-------------------------------------

DECEMBER 2010

<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	1	9:45 a.m.	Board Room
Board of Directors Legislative Committee (<i>At the Call of the Chair</i>)	Monday	6	9:45 a.m.	4 th Floor Conf. Room
Board of Directors Budget & Finance Committee (<i>At the Call of the Chair</i>)	Wednesday	8	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee Meeting (<i>At the Call of the Chair</i>)	Monday	13	9:30 a.m.	Board Room
Board of Directors Regular Meeting (<i>Meets 1st & 3rd Wednesday of each Month</i>)	Wednesday	15	9:45 a.m.	Board Room
Joint Policy Committee Special Meeting	Friday	17	10:00 a.m.	MTC Auditorium 101 – 8 th Street Oakland, CA 94607
Board of Directors Mobile Source Committee (<i>Meets 4th Thursday each Month</i>) - RESCHEDULED TO NOVEMBER 18, 2010 at 9:30 a.m.	Thursday	25	9:30 a.m.	4 th Floor Conf. Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 17, 2010

Re: Board of Directors Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Board of Directors Regular Meeting of November 3, 2010.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of November 3, 2010.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

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

Board of Directors Regular Meeting
November 3, 2010

DRAFT MINUTES

CALL TO ORDER: Chairperson Brad Wagenknecht called the meeting to order at 9:45 a.m.

Roll Call: Chairperson Brad Wagenknecht; Vice Chairperson Tom Bates; Secretary John Gioia; and Directors Harold Brown, Chris Daly, Susan Garner, Carole Groom, Scott Haggerty, David Hudson, Ash Kalra, Carol Klatt, Liz Kniss, Nate Miley, Mark Ross, James Spering

Absent: Directors Dan Dunnigan, Jennifer Hosterman, Eric Mar, Pamela Torliatt, Gayle B. Uilkema, Ken Yeager and Shirlee Zane

PLEDGE OF ALLEGIANCE: Chairperson Wagenknecht led the Pledge of Allegiance.

PUBLIC COMMENTS: None

BOARD MEMBER COMMENTS: None

CONSENT CALENDAR (Items 1-4):

1. Minutes of October 6, 2010 Regular Meeting;
2. Communications
3. District Personnel on Out-of-State Business Travel
4. Quarterly Report of Air Resources Board Representative – Honorable Ken Yeager

Board Action: Vice Chair Bates made a motion to approve Consent Calendar Items 1, 2, 3 and 4; Director Spering seconded the motion; unanimously approved without objection.

COMMITTEE REPORTS AND RECOMMENDATIONS

5. **Report of the Executive Committee Meeting of October 20, 2010**
Chair: B. Wagenknecht

The Executive Committee met on Wednesday, October 20, 2010 and approved the minutes of August 5, 2010.

The Committee received an update on the Strategic Facilities Planning Project—Phase II study findings with the primary objective of exploring alternative locations and a real estate strategy that best fits the needs of the District, MTC and ABAG. CB Richard Ellis presented study findings, consolidation alternatives, extensive financial analysis, and renovation costs for continued tenancy,

disposition values, commute statistics, key planning drivers, and reviewed tables of consolidation criteria for the Oakland and San Francisco markets. Next steps are to take study findings to the Boards of each of the three agencies. The Board will be provided with a presentation on December 1, 2010.

The Committee then received an update on the implementation of the District's CEQA Guidelines and thresholds of significance adopted by the Board at its June 2, 2010 meeting, an overview of District staff's coordination with local governments and stakeholders, regional agency collaboration, and the use and further refinement of technical tools and resources. The Committee reviewed Community Risk Reduction Plan (CRRP) pilot projects underway in San Jose and San Francisco, and discussed the development of Community Development Guidelines which will further refine mitigations in sources/receptors, and establish standard setbacks in CARE communities.

Public comment was received regarding possible unintended consequences relating to screening levels for affordable housing and infill development, potential conflicts between thresholds and housing element sites and Priority Development Areas (PDA's), and general concern regarding development of affordable housing in impacted areas. The Committee held discussion regarding the January 1, 2011 effective date for the risk and hazards thresholds for new receptors, and asked staff to continue to work with affordable housing representatives, and bring back the issue of possible extension of the January 1, 2011 deadline.

The Committee briefly discussed webcasting technology and unanimously recommended that staff issue an RFP and return to the Executive Committee with the cost to install webcasting equipment in the District Board Room.

The Committee then discussed video conferencing from the Fourth Floor Conference Room to two remote locations: the Santa Rosa Junior College in Santa Rosa, and the County of Santa Clara Building in San Jose. The Committee unanimously recommended that the Board of Directors approve a protocol for video conferencing that will allow remote interactions via both audio and video communication for Committee meetings held in the Fourth Floor Conference Room that do not include action items.

The Committee then received the Bay Area Air Quality Management District's Major Initiatives 2010 and 2011 (draft), which will be discussed at the Board Retreat in early 2011.

The next meeting of the Committee is at the Call of the Chair.

Board Action: Chairperson Wagenknecht made a motion to approve the report and recommendations of the Executive Committee; Secretary Gioia seconded the motion; carried unanimously without opposition.

6. Report of the Public Outreach Committee Meeting of October 25, 2010

Chair: M. Ross

The Public Outreach Committee met on Monday, October 25, 2010 and, due to the lack of initial quorum, deferred approval of the minutes of July 21, 2010.

The Committee received an update on the 2010 Spare the Air Every Day Campaign. This year's campaign targeted young adults between the ages of 17-35. The Committee discussed the use of social media networks through Facebook and Twitter, received an overview of the year's campaign elements, advertising and media highlights, discussed events held throughout the Bay Area, and reviewed results of the 2010 Great Race for Clean Air contest and public awareness survey results.

The Committee received an overview of the 2010/11 Winter Spare the Air Campaign which informs residents about the Wood Burning Rule. The Committee reviewed a comparison of enforcement statistics from the first two Winter Spare the Air seasons, the District's advertising approach which is built on previous years, expansion of a multi-cultural outreach strategy, and targeted advertisement throughout the Bay Area.

The Committee received an overview of a District-initiated assessment which analyzed current Limited English Proficiency (LEP) practices, guidance, and Bay Area demographics. Staff discussed current laws and guidance governing language access, presented statistics of Bay Area residents who speak English *less than very well*, and reviewed current District services provided to LEP populations and potential improvements. Next steps include development of a comprehensive Public Engagement Policy and Plan.

The Public Engagement Policy and Plan will provide the District with guidance and tools for engaging stakeholders. The Committee reviewed next steps and a timeline of actions.

Public comment was received from speakers who voiced support of development of the Public Engagement Policy and Plan.

The next meeting of the Public Outreach Committee is at the Call of the Chair.

Board Action: Chairperson Ross made a motion to approve the report of the Public Outreach Committee; Director Brown seconded the motion; carried unanimously without opposition.

7. Report of the Mobile Source Committee Meeting of October 28, 2010

Chair: S. Haggerty

The Mobile Source Committee met on Thursday, October 28, 2010 and approved the minutes of September 23, 2010.

The Committee discussed and considered recommending Board of Director's approval of the Carl Moyer Program projects with proposed grant awards over \$100,000. Recommended projects include four marine engines, and five off-road engines. Based on its review, the Committee recommends the Board of Directors authorize the Executive Officer/APCO to enter into these agreements.

The Committee then discussed and considered recommending Board of Directors' approval to accept up to \$6.7 million in Climate Innovation Program (CIP) grant funding from the Metropolitan Transportation Commission (MTC) for bicycle sharing pilot and electric vehicle (EV) charging infrastructure projects. These projects will deploy 1,000 bicycles along the Cal Trans Mass Transportation Corridor in a pilot project, and develop a regional public charger deployment plan. The Committee recommends that the Board of Directors authorize the Executive Officer/APCO to enter into agreements for the recommended projects.

The Committee also discussed and considered allocating \$5 million in Mobile Source Incentive Funds for the Lower Emission School Bus Replacement Program. This funding will replace 30 of the highest emitting buses in service in the Bay Area. Based on this discussion, the Committee is requesting the Board of Directors approve the allocation of \$5 million in Mobile Source Incentive funds (MSIF) to fund public school bus replacement projects under the Lower-Emission School Bus Program (LESBP).

The next meeting of the Mobile Source Committee will be Thursday, November 18, 2010 at 9:30 a.m.

Board Action: Chairperson Haggerty made a motion to approve the report and recommendations of the Mobile Source Committee Meeting; Director Klatt seconded the motion; carried unanimously without opposition.

8. Report of the Nominating Committee Meeting of November 3, 2010

Chair: B. Wagenknecht

The Nominating Committee met on Wednesday, November 3, 2010 and approved the Nominating Committee minutes of November 4, 2009.

The Committee considered the 2011 Board Officers for the 2011 Term of Office, discussed Board Member interest, diversity of representation, and recommended the following Board Officers for 2011:

Chairperson Tom Bates
Vice Chairperson John Gioia
Secretary Ash Kalra

The next meeting of the Nominating Committee is at the call of the Chair.

Board Action: Chairperson Wagenknecht made a motion to approve the report and recommendations of the Nominating Committee; Director Brown seconded the motion; carried unanimously without opposition.

PRESENTATION

9. Advisory Council Report and Recommendations from the June 9, 2010 Meeting on California's 2050 GHG Emission Reduction Target – Control Technologies and Strategies for the Industrial and Electric Power Sectors

Advisory Council Member Mike Sandler said the Advisory Council spent several months working on the report and recommendations from the June 9, 2010 meeting on California's 2050 GHG emission reduction target for control technologies and strategies for the industrial and electric power sectors.

Mr. Sandler gave a PowerPoint presentation, reviewed key points provided by speakers as being carbon capture, sequestration, and cap and trade and briefly discussed what each involves in the context of reducing emissions from the industrial and electric power sectors to receive an 80% reduction in greenhouse gases below 1990 levels by 2050.

He said the Advisory Council reviewed the draft and new cap and trade regulation which has a 45-day comment period open until December 16, 2010. They discussed regulating upstream companies, the allocation of permits, beneficiaries of the permit value or auction revenues, offsets and cost containment, as well as complaints from agencies regarding the current cap and trade systems, over allocation of permits, and equity issues.

Mr. Sandler reviewed the Advisory Council's recommendations:

Carbon Capture:

- Promote technologies
- Research alternative, lower carbon cement; work with cities
- Consider recognition of the use of lower net carbon footprint materials in materials and infrastructure projects.

Sequestration:

- Track progress, consider risks

Cap and Trade:

- Encourage carbon price (even beyond cost recovery)
- Support Health Impact Assessment recommendations

Director Comments/Questions:

Director Hudson questioned geologic risks of injecting carbon, recycled water, the existence of coal power plants, and the potential for using membrane technology. Mr. Sandler said with injection of water, there is not a worry that it will not come back up into the air. CO₂ is a gas and it flows differently.

Vice Chair Bates questioned and confirmed there was a small scale, coal power plant at Moss Landing which was created for study in their pilot project. There was a question regarding whether Calera is looking at their process for a natural gas plant and they indicated their first choice was to go with coal because it is a high CO₂ source and a big problem for climate change. Director Hudson believed there is one or possibly two small coal burning plants in Stockton which may or may not be in operation.

Mr. Broadbent referred to the CARB cap and trade rule and he noted that District staff will be commenting on the cap and trade rule.

Chairperson Wagenknecht thanked the Advisory Council for their recommendations, said he was impressed with speaker presentations and ensuing discussion.

Director Ross said CARB released their cap and trade regulations, which may overlay in the District's efforts. He noted that Proposition 26 requires 2/3 vote for a fee, and he asked Mr. Sandler whether this would affect cap and trade and the District. Mr. Sandler said Proposition 23 did not pass and AB 32 will continue. Proposition 26 passed which would change the definition of the fee and require voter approval. This could come up in terms of auctioning the permits depending on whether there are lawsuits, and it might force a vote in order to auction permits. Mr. Broadbent said staff would pose this question back to the Advisory Council, staff will comment on cap and trade, and CARB is considering it at their December Board meeting.

10. 2010-2011 Winter Wood Smoke Reduction Program

Air Quality Program Manager, Barbara Coler, gave a brief overview of the Wood Smoke Reduction Program. She said the program continues to be successful, it is critical to attain PM2.5 air quality standards, the District is protecting the Bay Area health by implementing the rule, and noted essential program components include education and outreach, compliance assistance, and a robust enforcement program.

Ms. Coler reviewed survey results, key components of Regulation 6, Rule 3 which was adopted July 9, 2008, and said the District is in non-attainment for PM2.5. She presented a particulate matter pyramid of health effects, emphasizing this is the most serious health related air pollutant in the Bay Area because it causes immediate health effects. She reviewed wood smoke enforcement, complaints and warning letter statistics for the 2008/09 and 2009/2010 programs and reviewed 2010/2011 program highlights.

Communications and Outreach Director, Lisa Fasano, presented the Winter Spare the Air (WSTA) program outreach, stating the District will continue to blanket the area with messaging and will target message to non-English speaking communities and those more likely to exceed the 24 hour standard. Staff will stress health impacts this year and expand multi-cultural outreach. She then presented a video of the campaign, an outreach map with various types of targeting with billboards, transit shelters, TV, radio, bicycle, family events, door to door, and Treasure Island banner advertising. Ms. Fasano then presented a video of WSTA commercial, and presented a map of outreach in the Bay area.

Ms. Fasano also indicated staff will be messaging with the Livermore Amador Valley Transit Authority (LAVTA). She said messages will be to Check Before You Burn, Call 1-877-4NO-BURN, Check with WSTA Alert status at www.sparetheair.org or www.baaqmd.gov, and listen for Alerts on local news and TV.

Director Comments/Questions:

Director Hudson stated LAVTA and County Connection are affiliated in how they provide transit to Pleasanton, Dublin and Bishop Ranch, and he asked about advertising on some of the Bishop Ranch Express buses with County Connection.

Director Ross commended staff with their approach, hoped that the program is institutionalized in people's minds, feels it has a lot of resonance with residents, and noted that 50% of people have reduced wood smoke burning.

Vice Chair Bates confirmed that 24 hour notice is provided when Spare the Air days are called, and it runs midnight to midnight.

Director Haggerty asked staff to focus on what he believes is a missed opportunity with barbeques. Ms. Fasano noted that outside fireplaces are included; however, cooking over a fire outdoors is exempt under the regulation.

Chairperson Wagenknecht stressed that education and broadening of the message will continue to resonate with people, and Directors agreed.

OTHER BUSINESS

11. Report of the Executive Officer/APCO:

- Staff is meeting with representatives of the affordable housing and development community regarding CEQA guidelines and will be recommending a series of actions at either the Board of Directors meeting on December 1 or 15, 2010. Part of the actions will

include a recommendation to move the date of the toxics receptor portion which becomes effective January 1, 2011 and provide more time. Staff will be preparing additional information that will serve to simplify the process of preparing CEQA analyses and refined inventory analyses.

- Staff is working with the new owners of the former NUMMI facility; Tesla, to transfer credits and in making sure the plant operates smoothly in building electric vehicles for the Bay Area.
- Staff is working closely with the Lehigh Cement community of Cupertino and others to address concerns. Staff will be going out with public process for Title V permit in late November/early December.
- The Air and Waste Management Association's People to People program 2011 delegation to India, which was assembled two years ago was canceled and postponed. He said A&WMA is now asking for delegates to join them in February 2011 and an email was sent to the Board to garner interest in being part of the delegation. The subject of Board expenses had been thoroughly discussed in 2007, and it was decided at that time to cover half the amount of total costs. He confirmed that the Board will be asked to make a decision no later than the end of November in order to properly plan and reported that three Directors had previously been scheduled to attend.
- Chairperson Wagenknecht requested staff to agendize the discussion about reimbursement for travel to India at the next Executive Committee meeting. Director Ross confirmed with Mr. Bunger that when the vote was taken for the last trip, the Board set aside a total amount of money which was divided amongst those who attended.

12. Chairperson's Report:

- Acknowledged the festivities of the San Francisco Giants' World Series parade which is being held downtown this date;
- The November 17, 2010 Board of Directors meeting is canceled.

13. Time and Place of Next Meeting: Regular Meeting - Wednesday, December 1, 2010, 9:45 a.m., Board Room, 939 Ellis Street, San Francisco, CA 94109

16. Adjournment: The Board of Directors meeting adjourned at 10:45 a.m.

Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 17, 2010

Re: Board Communications Received from November 3 through November 30, 2010

RECOMMENDED ACTION:

Receive and file.

DISCUSSION

A list of Communications directed to the Board of Directors received by the Air District from November 3, 2010 through November 30, 2010, if any, will be at each Board Member's place at the December 1, 2010 Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 17, 2010

Re: District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that there was no Out-of-State travel activity during the reporting period.

The out-of-state business travel covers the period October 25, through November 18, 2010. Out-of-State travel is reported in the month following travel completion.

Respectfully,

Jack P. Broadbent
Executive Officer/APCO

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

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer / APCO

Date: November 15, 2010

Re: 2011 Regulatory Agenda

RECOMMENDED ACTION:

Receive and file.

DISCUSSION

Each year, the District is required by Health and Safety Code section 40923 to publish a list of regulatory measures scheduled or tentatively scheduled for consideration during the next calendar year. If a measure is not on this list, it may not be brought before the Board of Directors unless it is necessary to:

1. Satisfy federal requirements,
2. Abate a substantial endangerment to public health or welfare,
3. Comply with state toxic air contaminant requirements,
4. Comply with an ARB requirement that the District adopt contingency measures due to inadequate progress towards attainment,
5. Preserve an existing rule's "original intent," or
6. Allow for alternative compliance under an existing rule.

The attached list includes all measures that may come before the Board in calendar year 2011. Some of the measures may fall within exceptions listed above but are nevertheless included for completeness. There is no expectation that all of the measures on the list will be enacted during the calendar year. Rules are listed in numerical order as they appear in the District Rules and Regulations.

All new rules and rule amendments must be adopted at a public hearing conducted by the Board of Directors of the District. Public comment is accepted at these hearings. Public notice of hearings is provided as required by law. In addition, the District staff conducts public workshops and provides opportunities for oral and written comments before scheduling a rule for public hearing for the Board's consideration. Information on workshops, hearings, and other rule development issues may be obtained from the District website at <http://www.baaqmd.gov/Divisions/Planning-and-Research/Rule-Development.aspx> or by calling the Planning, Rules and Research Division at (415) 749-4664.

BUDGET CONSIDERATION/FINANCIAL IMPACTS:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer / APCO

Prepared by: Victor Douglas
Approved by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
2011 REGULATORY MEASURES LIST

Regulation, Rule	Title	Objectives¹
Reg. 1	General Provisions and Definitions	Clarify and enhance District policies
Reg. 2, Rule 1	General Requirements (Permits)	EPA, CARB policy; State law, clarifications
Reg. 2, Rule 2	New Source Review	EPA policy, State law
Reg. 2, Rule 4	Emissions Banking	Clarifications
Reg. 2, Rule 5	New Source Review for Toxic Air Contaminants	Clarifications, reduce emissions
Reg. 2, Rule 6	Major Facility Review (Title V)	EPA policy, clarifications
Reg. 2, Rule 9	Interchangeable Emission Reduction Credits	Clarifications
Reg. 2, Rule TBD	New Source Review for Particulate Matter	Reduce emissions
Reg. 3	Fees	Cost recovery
Reg. 4	Air Pollution Episode Plan	Reduce emissions
Reg. 5	Open Burning	Reduce emissions
Reg. 6, Rule 1	Particulate Matter, General Limitations	Reduce emissions
Reg. 6, Rule 2	Commercial Cooking Devices	Reduce emissions
Reg. 6, Rule 3	Wood Burning Devices	Clarifications, reduce emissions
Reg. 7	Odorous Substances	Clarifications
Reg. 8, All	General Provisions	Applicability, VOC definition
Reg. 8, Rule 2	Miscellaneous Operations	Clarifications
Reg. 8, Rule 3	Architectural Coatings	Clarifications, flexibility
Reg. 8, Rule 4	General Solvent and Surface Coating Operations	Reduce emissions
Reg. 8, Rule 6	Organic Liquid Bulk Terminals and Bulk Plants	Clarifications
Reg. 8, Rule 7	Gasoline Dispensing Facilities	Reduce emissions
Reg. 8, Rule 16	Solvent Cleaning Operations	Clarifications, reduce emissions
Reg. 8, Rule 17	Petroleum Dry Cleaning Operations	Clarifications
Reg. 8, Rule 18	Equipment Leaks	Reduce emissions
Reg. 8, Rule 20	Graphic Arts Operations	Clarifications, reduce emissions, EPA policy
Reg. 8, Rule 22	Valves and Flanges at Chemical Plants	Clarifications
Reg. 8, Rule 28	Episodic Releases from Pressure Relief Devices at Petroleum Refineries and Chemical Plants	Clarifications, flexibility
Reg. 8, Rule 30	Semiconductor Manufacturing Operations	Reduce emissions
Reg. 8, Rule 32	Wood Products Coatings	Clarifications, flexibility
Reg. 8, Rule 33	Gasoline Bulk Terminals and Gasoline Delivery Vehicles	Clarifications
Reg. 8, Rule 34	Solid Waste Disposal Sites	Reduce emissions
Reg. 8, Rule 37	Natural Gas and Crude Oil Production Facilities	Reduce emissions
Reg. 8, Rule 39	Gasoline Bulk Plants and Gasoline Delivery Vehicles	Clarifications

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
2011 REGULATORY MEASURES LIST

Regulation, Rule	Title	Objectives¹
Reg. 8, Rule 40	Aeration of Contaminated Soil and Removal of Underground Storage Tanks	Clarifications
Reg. 8, Rule 45	Motor Vehicle and Mobile Equipment Coating Operations	Clarifications, flexibility
Reg. 8, Rule 49	Aerosol Paint Products	Consistency with ARB standards
Reg. 8, Rule 50	Polyester Resin Operations	Reduce emissions
Reg. 8, Rule 51	Adhesive and Sealant Products	Reduce emissions
Reg. 8, Rule 52	Polystyrene, Polypropylene and Polyethylene Foam Product Mfg Ops.	Clarifications
Reg. 8, Rule TBD	Composting Operations	Reduce emissions
Reg. 8, Rule TBD	Livestock Waste	Reduce emissions
Reg. 8, Rule TBD	Digital Printing	Reduce emissions
Reg. 8, Rule TBD	Natural Gas Transmission and Distribution	Reduce emissions
Reg. 8, Rule TBD	Cooling Towers	Reduce emissions
Reg. 8, Rule TBD	Vacuum Trucks	Reduce emissions
Reg. 8, Rule TBD	Wastewater from Coke Cutting	Reduce emissions
Reg. 8, Rule TBD	Wineries	Reduce emissions
Reg. 8, Rule TBD	Vanishing Oils and Rust Inhibitors	Reduce emissions
Reg. 8, Rule TBD	LPG, Propane, Butane, and other Pressurized Gases	Reduce emissions
Reg. 9, Rule 1	Sulfur Dioxide	Monitoring, recording requirements
Reg. 9, Rule 2	Hydrogen Sulfide	Monitoring, recording requirements
Reg. 9, Rule 4	NOx from Fan Type Residential Central Furnaces	Reduce emissions
Reg. 9, Rule 6	NOx from Natural Gas-Fired Water Heaters	Clarifications
Reg. 9, Rule 7	NOx and CO from Boilers, Steam Generators and Process Heaters	Clarifications
Reg. 9, Rule 8	Stationary IC Engines	Reduce emissions
Reg. 9, Rule 10	NOx and CO From Boilers, Steam Generators And Process Heaters in Petroleum Refineries	Clarifications, reduce emissions
Reg. 9, Rule 11	NOx from Glass Melting Furnaces	Reduce emissions
Reg. 9, Rule TBD	NOx from Large Residential and Commercial Space Heating	Reduce emissions
Reg. 9, Rule TBD	NOx from Kilns, Ovens and Furnaces	Reduce emissions
Reg. 9, Rule TBD	NOx and SOx from Cement Plants	Reduce emissions
Reg. 9, Rule TBD	SOx from Petroleum Coke Calcining	Reduce emissions
Reg. 11	Hazardous Air Pollutants	Reference federal standards
Reg. 11, Rule 1	Lead	Clarifications, reference federal standards
Reg. 11, Rule 2	Asbestos Demolition, Renovation and Manufacturing	Clarifications
Reg. 11, Rule 14	Asbestos-Containing Serpentine	Clarifications
Reg. 11, Rule 16	Perchloroethylene and Synthetic Solvent Dry Cleaning Operations	Clarifications, reduce emissions

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
2011 REGULATORY MEASURES LIST

Regulation, Rule	Title	Objectives¹
Reg. 11, Rule 17	Limited Use Ag Engines	Clarification, consistency with other districts
Reg. 12, Rule 11	Flare Monitoring at Petroleum Refineries	Clarifications
Reg. 12, Rule 12	Flares at Petroleum Refineries	Clarifications
Reg. 12, Rule 13	Metal Melting and Processing Facilities	Reduce emissions
Reg. and Rule TBD	Air Toxics Hot Spots Mitigation	Reduce emissions
Reg. and Rule TBD	Indirect Source Mitigation	Reduce emissions
Reg. and Rule TBD	Episodic Controls	Reduce emissions
Reg. and Rule TBD	Metal Melting Operations	Reduce emissions
Reg. and Rule TBD	Sulfur Hexafluoride	Reduce emissions
Reg. and Rule TBD	Refrigeration Management	Reduce emissions
Reg. and Rule TBD	Magnet Source Rule	Reduce emissions
MOP, Volume I	Enforcement Procedures	Clarification, improve data submittals
MOP, Volume II	Engineering Permitting Procedures	Consistency with EPA requirements, clarifications
MOP, Volume III	Laboratory Methods	New and improved analytical procedures
MOP, Volume IV	Source Test Methods	New and improved analytical procedures
MOP, Volume V	Continuous Emission Monitoring	New and improved analytical procedures
MOP, Volume VI	Ground Level Monitoring	Consistency with EPA requirements

¹ Objectives are listed for information only and are subject to change. Rule development efforts for a rule are not limited to listed objectives.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 15, 2010

Re: Set Public Hearing for December 15, 2010 to Consider Proposed
Amendments to Regulation 9, Rule 10: Nitrogen Oxides and Carbon
Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum
Refineries; and Adoption of a CEQA Negative

RECOMMENDED ACTION:

Set a Public Hearing for December 15, 2010 to consider proposed amendments to Regulation 9, Rule 10: Nitrogen Oxides and Carbon Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum Refineries (Regulation 9, Rule 10); and Adoption of a Negative Declaration pursuant to the California Environmental Quality Act (CEQA).

BACKGROUND

Regulation 9, Rule 10 sets emission limits for nitrogen oxides (NO_x) and carbon monoxide (CO) from boilers, steam generators and process heaters used in petroleum refineries in order to reduce ozone-forming emissions to the atmosphere, and exposure to CO, a criteria air contaminant. The rule applies a refinery-wide, daily average NO_x limit of 0.033 pounds of NO_x per million BTU of heat input to most heaters. The rule also applies a NO_x limit of 150 parts per million by volume (ppmv) on a daily average basis to heaters classified as CO boilers. The proposed amendments will implement control measure SSM 10 of the Bay Area 2010 Clean Air Plan.

DISCUSSION

Proposed amendments to Regulation 9, Rule 10 would:

- Establish new NO_x emission limits for CO boilers, including long-term emission limits that are significantly lower than the current short-term emission limit;
- Modify one current exemption to extend the applicability of the rule to smaller devices so that refinery heaters are regulated in the same sizes as non-refinery heaters; and
- Simplify the procedures for determining compliance with the refinery-average NO_x limit for heaters at low firing rates.

Pursuant to the California Environmental Quality Act (Public Resources Code § 21000 et seq.), an initial study for the proposed rule has been conducted, concluding that the proposed rule would not have significant adverse environmental impacts. Notice is hereby given that the District intends to adopt a negative declaration for the rule pursuant to Public Resources Code section 21080(c) and CEQA Guidelines section 15070 et seq.

A public hearing notice, proposed amendments to Regulation 9, Rule 10; the CEQA initial study and Negative Declaration; a socioeconomic analysis; and a staff report are available by request and will be posted on the District's website at <http://www.baaqmd.gov/Divisions/Planning-and-Research/Rule-Development/Current-Regulatory-Public-Hearings.aspx>.

BUDGET CONSIDERATION/FINANCIAL IMPACTS:

Costs related to the administration of new rule requirements are to be funded by existing permit fees.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Julian Elliot
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack Broadbent
Executive Officer/APCO

Date: November 17, 2010

Re: Consider Adjusting the Air District's Medical Contribution Declared to California
Public Employee's Retirement System (CalPERS)

RECOMMENDED ACTION:

Approve the attached resolution adjusting the District's Maximum Medical Contribution declared to CalPERS for management, confidential, represented, and miscellaneous employees and annuitants (retirees).

BACKGROUND

The Air District uses CalPERS to broker its medical insurance plans pursuant to the Public Employees' Medical and Hospital Care Act (PEMHCA). CalPERS requires the District to annually declare a maximum contribution amount that can be used by active employees and annuitants to purchase medical insurance.

DISCUSSION

Staff is recommending that the contribution amount be set at the lowest monthly fringe benefit allowance available to current annuitants, which is \$1,022.34 per month. This is the same amount designated for the past few years. The District intends to make up the difference for active employees in order to comply with the Memorandum of Understanding and benefits adopted for active confidential and management employees, and for annuitants who have a higher monthly fringe benefit allowance.

The PEMHCA rules also require the District to set a contribution amount of \$108.00 per month that can be used by miscellaneous employees (i.e., limited term employees) to purchase medical insurance.

Upon the Board's adoption of the attached resolution, the Air District's maximum medical premium contributions declared to CalPERS will be set as follows:

<u>Category</u>	<u>Contribution Effective 1/1/11</u>
Active Employees and Annuitants	\$1,022.34
Miscellaneous (i.e., limited term)	\$108.00

BUDGET CONSIDERATION/FINANCIAL IMPACT:

There is no additional fiscal impact beyond that contemplated in the current budget approved for FY 2010-11.

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Judy Yu
Reviewed by: Jack M. Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack Broadbent
Executive Officer/APCO

Date: November 17, 2010

Re: Consider Establishing the New Classification of Executive Secretary I/II

RECOMMENDATION:

Approve establishing a new job classification of Executive Secretary I/II with an annual salary range starting at \$63,607 at level I (Salary Range 127) and ending at \$85,239 at level II (Salary Range 131).

BACKGROUND

Currently, the Executive Secretary classification is a single-level classification. Staff recommends establishing a two-level, alternatively staffed classification of Executive Secretary I/II. The Board of Directors' approval of this new classification and the attached draft job description is needed in order for the classification to be added to the classification system.

DISCUSSION

The Executive Secretary I/II will increase flexibility in hiring and staffing. The current single-level structure requires the Air District to hire at the journey level rather than the entry level, and therefore limits opportunities for both staff and external candidates. Additionally, a two-level structure is consistent with the practice of local and regional governmental agencies in the State. The two-level structure would provide an opportunity to a broader range of applicants, and an opportunity for advancement for incumbents.

The current salary for the Executive Secretary (Salary Range 129) starts at \$66,786 and ends at \$81,180. It is recommended that the salary for the entry level Executive Secretary I be set at 5% below the current starting salary and that the salary for the journey level Executive Secretary II be set at 5% above the current top salary of the Executive Secretary.

The Executive Secretary I/II will be a confidential position which will provide varied, complex secretarial and office administrative assistance to the Executive Officer/Air Pollution Control Officer or the Deputy Air Pollution Control Officers.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

There is no financial impact beyond that already contemplated in the FY 2010-11 budget. Incumbent staff will be placed at the pay rate in the new pay range that equals staff's current pay rate. This recommendation will not increase FTEs.

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jack M. Colbourn, Division Director

Attachment

EXECUTIVE SECRETARY I/II

DEFINITION

Under direction, provides varied, complex and often confidential secretarial and office administrative assistance to the Executive Officer/Air Pollution Control Officer or Deputy Air Pollution Control Officer; requires use of discretion, initiative and independent judgment; performs related work as assigned.

DISTINGUISHING CHARACTERISTICS

Executive Secretary I is the entry level class in this series. It is designed to allow an experienced secretary to learn the procedures and processes particular to the Air District's Executive Office and this confidential secretarial class. This class is alternately staffed with the Executive Secretary II level and incumbents may progress to the higher level after gaining experience and demonstrating proficiency sufficient to meet the qualifications of the higher level.

Executive Secretary II is the journey level class in this series, fully competent to independently perform the full scope and diversity of responsibilities. Responsibilities include regular contact with governmental officials, the Air District Board of Directors, Hearing Board and Advisory Council, representatives of business or community organizations, the public, and all levels of Air District personnel to exchange information and explain administrative policies and procedures.

EXAMPLES OF DUTIES (Illustrative Only)

Receives and screens visitors and telephone calls, providing information and resolving complaints which regularly require the use of judgment and the interpretation and application of policies and procedures.

Researches, compiles and summarizes a variety of informational or statistical data and materials.

Transcribes minutes and types draft reports and a wide variety of finished documents from notes, brief instructions, or printed materials; inputs or retrieves data and prepares reports using a personal computer system; compiles and processes confidential materials.

Initiates correspondence independently for signature by appropriate management staff; reviews finished materials for completeness, accuracy, format, compliance with policies and procedures, and appropriate English usage.

Organizes and maintains various administrative, reference, and follow-up files; purges files as requested.

Organizes meetings by notifying participants, making room arrangements, preparing agendas and required informational materials; may attend such meetings, hearings, etc., and prepare minutes.

Relieves executive staff of certain administrative matters by following up on projects, transmitting information, and keeping informed of pertinent activities.

Makes appointments and maintains a calendar; schedules and arranges for meetings and makes travel arrangements; sorts mail and obtains related backup materials.

Creates Power Point presentations and related materials for management presentations.

Coordinates and assembles information from the Air District's management and executive staff, the public and other stakeholders for Board of Director's meetings; prepares and distributes the materials.

Tracks Board of Directors' expenses and processes related payments.

Proofreads and uploads materials to the Air District's website.

Organizes own work; sets priorities and meets critical deadlines; ensures that such deadlines are met by other staff.

May supervise, train, review and evaluate work of office support staff.

Knowledge of:

Office administrative and secretarial practices and procedures, such as business letter writing and the operation of standard office equipment, including a personal computer.

Basic organization and function of public agencies, including the role of an elected Board of Directors and appointed councils and committees.

Recordkeeping, report preparation, filing methods and records management techniques.

Correct English usage, including spelling, grammar, punctuation, and vocabulary.

Standard business arithmetic, including percentages and decimals.

Air District procedures for public meetings and Robert's Rules of Order.

Ability to:

Interpret and explain policies and procedures.

Create reports and other documents incorporating statistical data and other information.

Take and prepare meeting minutes.

Compose, proofread and edit documents and correspondence.

Organize and maintain files, track schedules and deadlines.

Use various electronic communication devices and office equipment.

Coordinate information and materials from multiple sources and format for Board and other formal meetings.

Skill in:

Providing varied, responsible, and often confidential secretarial and office administrative assistance to an executive and associated staff and boards.

Interpreting, applying and explaining complex policies and procedures.

Tracking and managing multiple tasks, schedules and calendars.

Using tact, discretion, initiative and independent judgment within established guidelines.

Analyzing and resolving office administrative situations and problems.

Executive Secretary I/II
November 2010
Page 3 of 3

Researching, compiling, and summarizing a variety of informational and statistical data and materials.

Composing correspondence and other written or electronic documents independently or from brief instructions.

Establishing and maintaining effective working relationships with those contacted in the course of the work.

Organizing work, setting priorities, meeting critical deadlines, and following up assignments with a minimum of direction.

Editing a variety of written materials, typing at a rate of 55 net words per minute from printed copy.

Other Requirements:

Specified positions may require possession of a valid driver's license.

Some positions require the physical strength and agility to lift and carry a laptop computer, carry paper or supplies for meetings, stand for periods of time, work at a computer for one to two hours, bend and reach for materials and equipment, walk up stairs, step on stools, use a mouse and type on a keyboard, use electronic communications devices.

Education and Experience:

A typical way to obtain the knowledge and skills is:

Executive Secretary I: One year of secretarial experience which has included providing office and administrative support to public sector management or corporate management, equivalent to the Air District class of Administrative Secretary.

Executive Secretary II: Three years of secretarial experience which has included providing office and administrative support to public sector management or corporate management, equivalent to the Air District class of Administrative Secretary.

Substitution: Completion of the equivalent of 18 semester units from an accredited college or recognized business school in relevant subjects such as technical secretarial skills, business English, or office administration may substitute for up to 6 months of the required experience.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 Memorandum

To: Chairperson Brad Wagenknecht and Members
 of the Board of Directors

From: Jack P. Broadbent
 Executive Officer/APCO

Date: November 18, 2010

Re: Report of the Personnel Committee Meeting of November 17, 2010

RECOMMENDED ACTION:

The consensus of those Committee members present is as follows:

- A) Re-appoint incumbent Advisory Council Members whose terms expire December 31, 2010, except for the *Engineer* category member whose interest will be re-confirmed;
- B) Appoint Sam Altshuler to the Advisory Council, under the *Engineer* category, to a term of office effective January 1, 2011 through December 31, 2012; and
- C) Appoint Elizabeth Lutzker to the Advisory Council, under the *Public Health Agency* category, to a term of office, effective January 1, 2011 through December 31, 2012.

BACKGROUND

The Personnel Committee met on November 17, 2010 to consider recommending Board of Directors' approval to re-appoint incumbent Advisory Council members whose terms expire December 31, 2010 and to fill terms of two members under the *Community Planning and Public Member* categories. There was not an established quorum of the Committee.

Based on the Committee's review of candidates' background and responses to interview questions, the consensus of those Committee members present is:

- A) Re-appoint incumbent Advisory Council Members whose terms expire December 31, 2010, except for the *Engineer* category member whose interest will be re-confirmed;
- B) Appoint Sam Altshuler to the Advisory Council, under the *Engineer* category, to a term of office effective January 1, 2011 through December 31, 2012; and
- C) Appoint Elizabeth Lutzker to the Advisory Council, under the *Public Health Agency* category, to a term of office, effective January 1, 2011 through December 31, 2012.

Attached are the staff reports submitted to the Personnel Committee for the November 17, 2010 meeting.

Chairperson Brown will provide an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Lisa Harper
Reviewed by: Jennifer C. Cooper

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Harold Brown and
Members of the Personnel Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 8, 2010

Re: Conduct Interviews and Consider Recommending Board of Directors'
Approval of Candidates for Appointment and Incumbents for Reappointment
to the Air District's Advisory Council

RECOMMENDED ACTION:

Conduct interviews and consider recommending Board of Directors' approval of candidates for appointment to the Air District's Advisory Council.

BACKGROUND:

Pursuant to Section 40261 of the California Health and Safety Code the Air District is required to maintain an Advisory Council consisting of 20 members. Further, section 40262 requires that the member categories consist of at least three representatives of public health agencies; at least four representatives of private organizations active in conservation or protection of the environment within the bay district; at least one representative of colleges or universities in the state; and at least one representative of each of the following groups within the bay district: regional park district, park and recreation commissions or equivalent agencies of any city, public mass transportation system, agriculture, industry, community planning, transportation, registered professional engineers, general contractors, architects, and organized labor. To the extent that suitable persons cannot be found for each of the specified categories, council members may be appointed from the general public. The new terms would expire on December 31, 2012.

DISCUSSION:

The terms of office for twelve members in the following categories will expire on December 31, 2010: public health agencies (2), conservation organization (2), colleges or universities, agriculture, community planning, transportation, registered professional engineers, general contractors, and public members (2). Ten incumbent members reapplied for their respective categories, and their reappointment may be recommended by the Personnel Committee. Staff initiated a recruitment effort to fill the remaining two vacancies. After extensive recruitment and outreach efforts, staff received a total of twelve applications for the vacancies.

The Human Resources Office and Executive Office have assessed the candidates' experience and education relative to the positions for which the candidates applied and have selected four candidates with the most relevant qualifications to interview with the Personnel Committee under the categories of community planning, architect, public health and registered professional engineer.

Interviews of the four non-incumbent candidates will take place on Wednesday, November 17, 2010 and will begin at 9:30 a.m. The length of each interview will be approximately fifteen minutes. The application materials of the four new candidates and the ten incumbent members are included for your review.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Christine Holmes
Approved by: Jack M. Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 18, 2010

Re: Report of the Mobile Source Committee Meeting of November 18, 2010

RECOMMENDED ACTIONS

The consensus of those Committee members present is as follows:

A) Consideration of Projects with Proposed Grant Awards Over \$100,000:

1. Approve the Year 12 Carl Moyer Program/MSIF projects with proposed grant awards greater than \$100,000 (evaluated between 10/14/10 and 11/1/10); and
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended Carl Moyer Program projects

B) Consideration of Transportation Fund for Clean Air (TFCA) County Program Manager Policies and Procedures for Fiscal Year (FY) 2011/2012:

1. Approve proposed revisions to County Program Manager Fund Policies to govern allocation of FY 2011/2012 TFCA County Program Manager Funds

C) Consideration of Approval for Transportation Fund for Clean Air (TFCA) Regional Funds for Shuttle, Ridesharing and Vanpool Projects:

1. Approve TFCA Shuttle, Ridesharing and Vanpool projects listed in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended TFCA projects on Attachment 1

BACKGROUND

The Mobile Source Committee met on Thursday, November 18, 2010 without an established quorum. The Committee received and considered the following reports and recommendations:

- A) Consideration of Projects with Proposed Grant Awards Over \$100,000;
- B) Update on Electric Vehicle Charging Infrastructure Deployment Program;
- C) Consideration of Transportation Fund for Clean Air (TFCA) County Program Manager Policies and Procedures for Fiscal Year (FY) 2011/2012;
- D) Consideration of Approval for Transportation Fund for Clean Air (TFCA) Regional Funds for Shuttle, Ridesharing and Vanpool Projects

Attached are the staff reports presented in the Mobile Source Committee packet.

Chairperson, Scott Haggerty will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None. Through the CMP, MSIF and TFCA, the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for both programs are provided by each funding source.
- B) None. The Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for the TFCA program is provided by the funding source.
- C) None. The recommended policy changes have no impact on the Air District’s budget.
- D) None. The Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for the TFCA program is provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Lisa Harper
Reviewed by: Jennifer C. Cooper

Attachment(s)

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: November 9, 2010

Re: Consideration of Projects with Proposed Grant Awards Over \$100,000

RECOMMENDATIONS:

Recommend Board of Directors:

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

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.

Since 1991, the Transportation Fund for Clean Air (TFCA) program has funded projects that achieve surplus emission reductions from on-road motor vehicles. Sixty percent (60%) of TFCA funds are awarded directly by the Air District through a grant program known as the Regional Fund that is allocated on a competitive basis to eligible projects proposed by project sponsors. Funding for this program is provided by a \$4 surcharge on motor vehicles registered within the San Francisco Bay Area as authorized by the California State Legislature. The statutory authority

for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

On March 17, 2010, the Board of Directors authorized Air District participation in Year 12 of the CMP, and authorized the Executive Officer/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. On November 18, 2009, the Air District Board of Directors authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with TFCA funds, with individual grant award amounts up to \$100,000.

CMP and TFCA 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 grant applications based upon the respective governing policies and guidelines established by the ARB and/or the Air District's Board of Directors.

DISCUSSION

Carl Moyer Program:

The Air District started accepting applications for CMP Year 12 projects on May 3, 2010. The Air District has approximately \$19 million available for CMP projects from a combination of MSIF and CMP funds. Project applications are being accepted and evaluated on a first-come, first-served basis.

As of November 1, 2010, the Air District had received 56 project applications. Of the applications that have been evaluated between October 14, 2010 and November 1, 2010 four eligible projects have proposed individual grant awards over \$100,000. These projects will replace six pieces of off-road equipment, which will result in the reduction of 5.8 tons of NOx, ROG and PM per year. Staff recommends allocating \$625,485 to these projects from a combination of CMP funds and MSIF revenues. Attachment 1 to this staff report provides additional information on these four projects.

Attachment 2 lists all of the eligible projects that have been received by the Air District as of November 1, 2010, and summarizes the allocation of funding by equipment category (Figure 1), and county (Figure 2). This list also includes the Voucher Incentive Program (VIP) on-road replacement projects awarded to date. Approximately 23% of the funds have been awarded to projects that reduce surplus emissions in highly impacted Bay Area communities.

TFCA:

No TFCA applications requesting individual grant awards over \$100,000 received between October 14, 2010 and November 1, 2010 are being forwarded for approval at this time.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. Through the CMP, MSIF and TFCA, the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for both programs are provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Anthony Fournier
Reviewed by: Damian Breen

- Attachment 1: BAAQMD Year 12 Carl Moyer Program/MSIF projects with grant awards greater than \$100,000 (evaluated between 10/14/10 and 11/1/10)
- Attachment 2: Summary of all CMP Year 12/MSIF and VIP approved/eligible projects (5/3/10 to 11/1/10)

Attachment 1

BAAQMD Year 12 Carl Moyer Program/ MSIF projects with grant awards greater than \$100k
(Evaluated between 10/14/2010 and 11/1/2010)

Project #	Applicant name	Equipment category		Proposed contract award	NOx (TPY)	ROG (TPY)	PM (TPY)	County
12MOY34	Robert Giacomini Dairy, Inc	Off-road	The replacement of one (1) diesel powered tractor and one (1) diesel powered loader.	\$ 132,819.00	1.380	0.174	0.041	Marin
12MOY42	DJNI Engineering	Off-road	The replacement of one (1) diesel powered loader.	\$ 194,615.00	1.558	0.173	0.070	Santa Clara
12MOY45	South Valley Mushroom Farm, Inc	Off-road	The replacement of one (1) diesel powered loader.	\$ 130,955.00	0.603	0.100	0.023	Santa Clara
12MOY46	Sonoma Compost	Off-road	The replacement of two (2) diesel powered loaders.	\$ 167,096.00	1.496	0.204	0.049	Sonoma
				\$ 625,485.00	5.037	0.651	0.183	

Attachment 2

Summary of all CMP Yr 12/ MSIF and VIP approved/ eligible projects (5/3/10 to 11/1/10)

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	NOx (TPY)	ROG (TPY)	PM (TPY)	Board approval date	County
12MOY2	Agriculture	Engine repower	3	\$ 57,831.00	Nichelini Vineyards, LLC	0.648	0.078	0.021	APCO	Napa
12MOY8	Off-road	Equipment replacement & retrofit	1	\$ 201,620.00	Evergreen Supply	1.556	0.185	0.075	8/4/2010	Santa Clara
12MOY11	Off-road	Equipment replacement	2	\$ 43,833.00	Domenico J. Carinalli, Jr. (farmer)	0.141	0.047	0.015	APCO	Sonoma
12MOY5	Agriculture	Engine repower	1	\$ 35,119.00	Carpenter Ranchs Inc	0.542	0.079	0.022	APCO	Napa
12MOY6	Agriculture	Engine repower	1	\$ 28,163.00	Vimark Inc.	0.218	0.027	0.008	APCO	Sonoma
12MOY18	Off-road	Equipment replacement	1	\$ 115,900.00	Don Moreda JR. (dairy)	0.318	0.087	0.035	10/6/2010	Sonoma
12MOY7	Agriculture	Engine repower	1	\$ 28,798.00	Beard Family Vineyards	0.223	0.030	0.009	APCO	Napa
12MOY4	Off-road	Equipment replacement	1	\$ 115,887.00	Andy Poncia (fertilizer/farm support)	0.790	0.133	0.040	10/6/2010	Sonoma
12MOY10	Off-road	Equipment replacement	1	\$ 39,868.00	Daniel H. Evans (farmer)	0.227	0.041	0.011	APCO	Marin
12MOY19	Agriculture	Engine repower	9	\$ 187,170.00	Skalli Corporation DBA St. Supery	4.396	0.528	0.156	10/6/2010	Napa
12MOY26	Off-road	Equipment replacement	1	\$ 108,517.00	Gerald & Kristy Spaletta (dairy)	0.645	0.110	0.033	10/6/2010	Sonoma
12MOY28	Off-road	Equipment replacement	2	\$ 69,940.00	Terrilinda Dairy	0.468	0.085	0.022	APCO	Sonoma
12MOY22	Off-road	Equipment replacement	4	\$ 122,062.00	ST Francis Winery & Vineyards	0.412	0.086	0.030	10/6/2010	Sonoma
12MOY9	Off-road	Equipment replacement	1	\$ 31,260.00	Deniz Dairy	0.379	0.068	0.018	APCO	Sonoma
12MOY27	Off-road	Equipment replacement	1	\$ 35,386.00	Alfred Corda	0.189	0.034	0.009	APCO	Marin
12MOY30	Agriculture	Engine repower	2	\$ 31,610.00	Beckstoffer Vineyards	0.888	0.112	0.032	APCO	Napa
12MOY21	Marine	Engine repower	2	\$ 149,288.00	James Smith (Commercial fishing)	1.530	0.034	0.051	11/3/2010	Contra Costa
12MOY32	Marine	Engine repower	2	\$ 103,010.00	Monterey Canyon Research Vessels, Inc	0.519	0.014	0.018	11/3/2010	San Francisco
12MOY43	Agriculture	Engine repower	2	\$ 51,834.00	Boisset Family Estates	0.954	0.113	0.031	APCO	Napa
12MOY29	Off-road	Equipment replacement	1	\$ 63,667.00	Daniel Sare (farmer)	0.175	0.036	0.011	APCO	San Mateo
12MOY33	Off-road	Equipment replacement	1	\$ 29,012.00	Eugene Poncia (farmer)	0.093	0.017	0.004	APCO	Marin
12MOY44	Off-road	Equipment replacement	1	\$ 23,032.00	Moretti Family Dairy	0.164	0.027	0.009	APCO	Marin
12MOY17	Agriculture	Engine repower	4	\$ 44,696.00	Korbel Vineyards	0.237	0.029	0.008	APCO	Sonoma
12MOY36	Off-road	Equipment replacement	2	\$ 382,265.00	Marin Sanitary Service	2.612	0.419	0.156	11/3/2010	Marin
12MOY31	Off-road	Equipment replacement	2	\$ 138,276.00	Hillside Drilling Inc	1.419	0.202	0.065	11/3/2010	Contra Costa
12MOY34	Off-road	Equipment replacement	2	\$ 132,819.00	Robert Giacomini Dairy, Inc	1.380	0.174	0.041	Board	Marin
12MOY42	Off-road	Equipment replacement	1	\$ 194,615.00	DJNI Engineering	1.558	0.173	0.070	Board	Santa Clara
12MOY45	Off-road	Equipment replacement	1	\$ 130,955.00	South Valley Mushroom Farm, Inc	0.603	0.100	0.023	Board	Santa Clara
12MOY41	Off-road	Equipment replacement	2	\$ 46,321.00	DeBernardi Dairy Inc.	0.495	0.158	0.041	APCO	Sonoma
12MOY35	Off-road	Equipment replacement	1	\$ 23,350.00	Spaletta Dairy	0.301	0.051	0.017	APCO	Sonoma
12MOY46	Off-road	Equipment replacement	2	\$ 167,096.00	Sonoma Compost	1.496	0.204	0.049	Board	Sonoma
12MOY52	Off-road	Equipment replacement	1	\$ 52,114.00	MCE Amos Inc (dairy)	0.334	0.057	0.017	APCO	Sonoma

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	NOx (TPY)	ROG (TPY)	PM (TPY)	Board approval date	County
VIP2	VIP	Truck replacement	1	\$ 35,000.00	C. Hill Trucking	0.366	0.014	0.658	APCO	Alameda
VIP7	VIP	Truck replacement	1	\$ 35,000.00	David Bianchi Inc.	0.366	0.014	0.658	APCO	Sonoma
VIP10	VIP	Truck replacement	1	\$ 35,000.00	Donald Lopez	0.366	0.014	0.658	APCO	Alameda
VIP11	VIP	Truck replacement	1	\$ 35,000.00	Leyvas Transport	0.366	0.014	0.658	APCO	Monterey
VIP15	VIP	Truck replacement	1	\$ 35,000.00	Maddocks Construction Inc.	0.366	0.014	0.658	APCO	Sonoma
VIP16	VIP	Truck replacement	1	\$ 35,000.00	Northern Truck & Equipment	0.366	0.014	0.658	APCO	Alameda
VIP17	VIP	Truck replacement	1	\$ 30,000.00	Chahal Trucking	0.294	0.008	0.265	APCO	Alameda
VIP18	VIP	Truck replacement	1	\$ 30,000.00	Mann Transp	0.294	0.008	0.265	APCO	Alameda
VIP19	VIP	Truck replacement	1	\$ 40,000.00	Farlain Trucking	0.354	0.014	0.032	APCO	Sonoma
VIP20	VIP	Truck replacement	1	\$ 30,000.00	C & G Trucking	0.383	0.010	0.017	APCO	Stanislaus
VIP21	VIP	Truck replacement	1	\$ 35,000.00	Arrow Trucking	0.442	0.012	0.020	APCO	Alameda
VIP22	VIP	Truck replacement	1	\$ 35,000.00	VJ Trucking	0.305	0.012	0.027	APCO	Contra Costa
VIP23	VIP	Truck replacement	1	\$ 35,000.00	Dhindsa Trucking	0.305	0.012	0.027	APCO	Alameda
VIP24	VIP	Truck replacement	1	\$ 35,000.00	Trent McGrew Trucking	0.305	0.012	0.027	APCO	Shasta
VIP25	VIP	Truck replacement	1	\$ 30,000.00	Berkeley Warehouse	0.466	0.005	0.013	APCO	Alameda
VIP26	VIP	Truck replacement	1	\$ 20,000.00	Gary S. Petersen	0.288	0.007	0.010	APCO	Sonoma
VIP27	VIP	Truck replacement	1	\$ 30,000.00	GS Trucking	0.436	0.011	0.015	APCO	Alameda
VIP28	VIP	Truck replacement	1	\$ 35,000.00	Mark Maxwell	0.305	0.012	0.027	APCO	Alameda
VIP29	VIP	Truck replacement	1	\$ 45,000.00	JBV Trucking	0.649	0.016	0.022	APCO	Ventura
VIP30	VIP	Truck replacement	1	\$ 35,000.00	Gill Trucking	0.510	0.013	0.017	APCO	Alameda
VIP32	VIP	Truck replacement	1	\$ 45,000.00	Harjot Singh	0.649	0.016	0.022	APCO	Alameda
VIP33	VIP	Truck replacement	1	\$ 45,000.00	John Whitney	0.390	0.015	0.035	APCO	Alameda
VIP34	VIP	Truck replacement	1	\$ 45,000.00	James A. King	0.579	0.015	0.026	APCO	Merced
VIP35	VIP	Truck replacement	1	\$ 35,000.00	Fourway Trucking, Inc.	0.510	0.013	0.017	APCO	Alameda
56 Projects			83	\$ 3,830,314.00		35.571	3.834	5.977		

Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 11/1/10

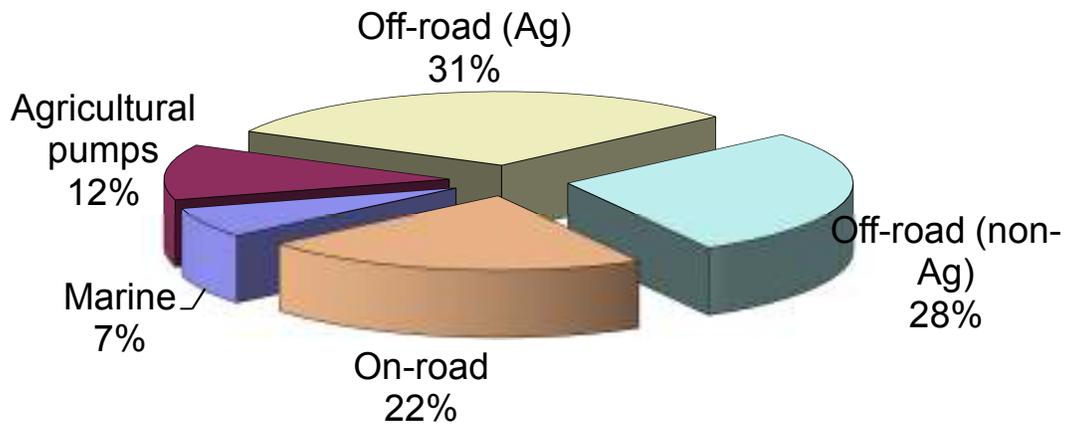
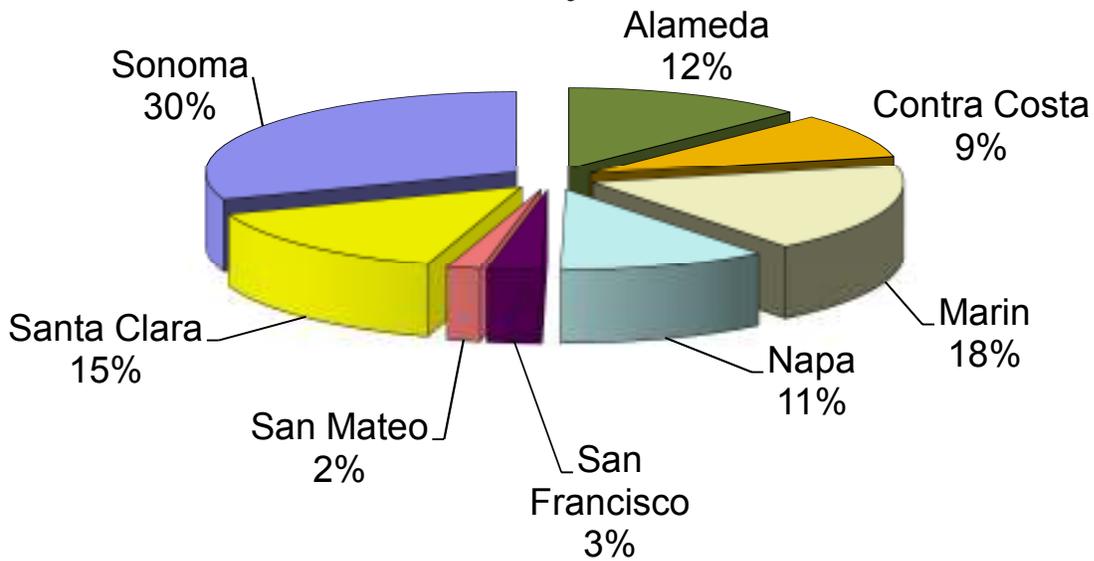


Figure 2: CMP/ MSIF Funding Distribution by County as of 11/1/10



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: November 9, 2010

Re: Update on Electric Vehicle Charging Infrastructure Deployment Program

RECOMMENDATIONS:

None. Informational item, receive and file.

BACKGROUND

In the Bay Area, the transportation sector accounts for more than 50% of criteria pollutants (ROG, NOX, and PM), and more than 40% of greenhouse gas (GHG) emissions. Within the transportation sector, more than 50% of ROG, NOX, and PM, and approximately 70% of GHG emissions are generated by on-road vehicles. Therefore, significant emission reductions from the on-road transportation sector are key to helping the Bay Area to attain State and Federal ambient air quality standards. Based on recent technological advances in plug-in electric vehicle (PEV) technology, PEVs are a promising solution to meeting local, State and Federal criteria and greenhouse gas emission reduction targets.

DISCUSSION

During the past two years, Bay Area Air Quality Management District (Air District) staff has collaborated with partner stakeholders to discuss and support the rapid introduction of PEVs in the Bay Area. Stakeholders include local clean cities coalitions, government agencies and industry representatives. Through these discussions the Air District has identified a number of barriers that may potentially hinder mass public adoption of PEVs. These issues include:

- High incremental costs associated with EVs and charging infrastructure;
- “Range anxiety” concerns due to lack of public charging infrastructure; and
- Non-standardized and slow local permitting process for home and public charging.

On August 4, 2000 the Air District Board of Director’s approved the allocation of \$5 million from FY 10/11 and FY 11/12 Transportation Fund for Clean Air Regional Funds to support strategic investments in PEV charging infrastructure over the next two years. During the past two months, staff has been exploring opportunities to partner and leverage this funding with public and private funding sources.

At the November 18, 2010, Mobile Source Committee, staff will present an informational status update on PEVs and their schedule for deployment in the Bay Area. The report will describe regional efforts to support the deployment of these technologies and the development of the Air District's approach to support the introduction of PEVs into the region. Staff will also update the Committee on the Charging Infrastructure Incentive Program, EV program outreach elements, and technical assistance for permitting officials to help them successfully navigate the PEV charging infrastructure permitting process.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. The Air District distributes "pass-through" funds to public agencies and private entities on a reimbursement basis. Administrative costs for the TFCA program is provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Karen Schkolnick
Reviewed by: Damian Breen

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: November 11, 2010

Re: Consideration of Proposed Revisions to Transportation Fund for Clean Air (TFCA)
County Program Manager Fund Policies for Fiscal Year (FY) 2011/2012

RECOMMENDED ACTION:

Recommend Board of Directors:

- Approve proposed revisions to County Program Manager Fund Policies to govern allocation of FY 2011/2012 TFCA County Program Manager funds.

BACKGROUND

Pursuant to California Health and Safety Code Sections 44241 and 44242, a \$4 per vehicle annual surcharge is imposed on all motor vehicles registered within the boundaries of the Bay Area Air Quality Management District (Air District). By law, 40% of these revenues are distributed to designated Program Managers in each of the nine counties within the Air District's jurisdiction. Each year the Air District's Board of Directors is required to adopt policies that maximize emissions reductions and public health benefits. As part of this report, staff will present policies for FY 2011/2012 for Committee review.

DISCUSSION

On September 9, 2010, Air District staff issued a request for comments on proposed revisions to FY 2011/2012 TFCA Program Manager Policies. Air District staff met with Program Manager representatives via conference call on September 21, 2010, to discuss proposed revisions and to address concerns. Six Program Managers submitted comments to staff by the October 15, 2010, deadline. Many of these comments have been incorporated into the policies that are before the Committee today. Attachment A contains the proposed FY 2011/2012 Policies and Attachment B shows the changes between the proposed policies and the previous year's policies. A listing of comments received and responses by the Air District is provided in Attachment C.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None. The recommended policy changes have no impact on the Air District's budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Wiley
Reviewed by: Damian Breen

Attachments:

- A. Proposed TFCA County Program Manager Fund Policies for FY 2011/2012
- B. Proposed FY 2011/2012 Policies Compared with FY 2010/2011 Policies
- C. Comments Received and Staff Responses on Proposed Policies

ATTACHMENT A
PROPOSED TFCA COUNTY PROGRAM MANAGER FUND
POLICIES FOR FY 2011/2012

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

BASIC ELIGIBILITY

- 1. Reduction of Emissions:** 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 these Air District Board of Directors adopted TFCA Program Manager Fund Policies for FY 2011/2012.

Projects must achieve surplus emission reductions, beyond what is currently required through regulations, ordinances, contracts, or other legally binding obligations at the time of the execution of a funding agreement between the Program Manager and the Air District.

- 2. TFCA Cost-Effectiveness:** Projects must achieve TFCA cost-effectiveness, on an individual project basis, equal to or less than \$90,000 of TFCA funds per ton of total of emissions reduced, unless a different value is specified in the below policy for that project type. Cost-effectiveness is based on 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).

Program Manager administrative costs are excluded from the calculation of TFCA cost-effectiveness.

- 3. Eligible Projects, and Case-by-Case Approval:** Eligible projects are those that conform to the provisions of the California Health and Safety Code (HSC) section 44241, Air District Board adopted policies and Air District guidance. On a case-by-case basis, Program Managers must receive approval by the Air District for projects that are authorized by the HSC Section 44241 and achieve Board-adopted TFCA cost-effectiveness, but do not fully meet other Board-adopted Policies.
- 4. Consistent with Existing Plans and Programs:** All project categories must comply with the transportation control measures and mobile source measures included in the Air District's most recently approved plan for State and national ambient air quality standards and, when applicable, with other adopted State, regional, and local plans and programs.
- 5. Eligible Recipients:** 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. Public agencies are eligible to apply for all project categories.

B. Non-public entities are only eligible to apply for new alternative-fuel (light, medium, and heavy-duty) vehicle and infrastructure projects, and advanced technology demonstrations, as described in HSC section 44241(b)(7). No single non-public entity may be awarded more than \$500,000 in TFCA County Program Manager Funds in each funding cycle.

6. **Readiness:** Projects must commence in calendar year 2012 or sooner. For purposes of this policy, “commence” means to order or accept delivery of vehicles, equipment, services, or to award a construction contract.
7. **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. Grant applicants that seek TFCA funds for additional years must reapply for funding in the subsequent funding cycles.

APPLICANT IN GOOD STANDING

8. **Failed Audit:** Project sponsors who have failed either the fiscal audit or the performance audit for a prior TFCA-funded project will be excluded from future funding for five (5) years, or duration determined by the Air District Air Pollution Control Officer (APCO). Existing TFCA funds already awarded to the project sponsor will not be released 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 TFCA funds. A failed performance audit means that the project was not implemented as set forth in the project funding agreement.

In case of a failed audit, a Program Manager may be subject to a reduction of future revenue in an amount equal to the amount which was inappropriately expended pursuant to the provisions of HSC Section 44242(c)(3).

9. **Authorization for County Program Manager to Proceed:** Only a fully executed funding agreement (i.e., signed by both the Air District and the County Program Manager) constitutes the Air District’s award of funds for a project. Program Managers may only incur costs (i.e., an obligation made to pay funds that cannot be refunded) after the funding agreement with the Air District has been executed.
10. **Insurance:** Each County Program Manager and project sponsor must maintain general liability insurance, workers compensation insurance, and additional insurance as appropriate for specific projects, with estimated coverage amounts provided in Air District guidance and final amounts specified in the respective funding agreements.

INELIGIBLE PROJECTS

11. **Duplication:** Grant applications for projects that duplicate existing TFCA-funded projects (including Bicycle Facility Program projects) and therefore do not achieve additional emission reductions are ineligible. Combining TFCA County Program Manager Funds with TFCA Regional Funds to achieve greater emission reductions for a single project is not considered project duplication.

- 12. Planning Activities:** Feasibility studies are not eligible, nor are projects that only involve planning activities and that do not include an implementation phase.
- 13. Employee Subsidies:** Projects that provide a direct or indirect financial transit or rideshare subsidy or shuttle/feeder bus service exclusively to employees of the project sponsor are not eligible.

USE OF TFCA FUNDS

- 14. Cost of Developing Proposals:** The costs of developing grant applications for TFCA funding are not eligible to be reimbursed with TFCA funds.
- 15. Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds for the funding of an eligible project with the exception of clean air vehicle projects. For the purpose of calculating TFCA cost-effectiveness, the combined sum of TFCA County Program Manager Funds and TFCA Regional Funds shall be used to calculate the TFCA cost of the project.
- 16. Administrative Costs:** Administrative costs for TFCA County Program Manager Funds are limited to a maximum of five percent (5%) of the actual Department of Motor Vehicles (DMV) fee revenues that correspond to each county, received for a given fiscal year. Interest earned on prior DMV funds received shall not be included in the calculation of the administrative costs. To be eligible for reimbursement, administrative costs must be clearly identified in the expenditure plan application and in the funding agreement between the Air District and the Program Manager.
- 17. Expend Funds within Two Years:** County Program Manager Funds must be expended within two (2) years of receipt of the first transfer of funds from the Air District to the County Program Manager in the applicable fiscal year. A County Program Manager may, if it finds that significant progress has been made on a project, approve no more than two (2) one-year (1-year) schedule extensions for a project. Any subsequent schedule extensions for projects can only be given on a case-by-case basis, if the Air District finds that significant progress has been made on a project, and the funding agreement between the Program Manager and the Air District is amended to reflect the revised schedule.
- 18. Unallocated Funds:** Pursuant to HSC 44241(f), any TFCA County Program Manager funds that are not allocated to a project within six months of the Air District Board of Directors approval of the Program Manager's Expenditure Plan may be allocated to eligible projects by the Air District. The Air District shall make reasonable effort to award these funds to eligible projects within the same county from which the funds originated.
- 19. Reserved for potential future use.**
- 20. Reserved.**
- 21. Reserved.**

ELIGIBLE PROJECT CATEGORIES

22. 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 include:

- 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) as defined in the California Vehicle Code.
- C. CARB emissions-compliant vehicle system retrofits that result in reduced petroleum use (e.g., plug-in hybrid systems).

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.

TFCA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state/federal 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, 2011 emissions standards.

Each vehicle funded must meet the cost-effectiveness requirement.

23. Alternative Fuel Medium Heavy-Duty and Heavy Heavy-Duty Service Vehicles (low-mileage utility trucks in idling service):

Eligibility: For TFCA purposes, medium and heavy-duty service vehicles are on-road motor vehicles with a Gross Vehicle Weigh Rating (GVWR) of 14,001 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 500 miles/year.

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, current emissions standards (incremental cost).

Each vehicle funded must meet the cost-effectiveness requirement.

Scrapping Requirements: Project sponsors of heavy-duty clean air vehicles purchased or leased with TFCA funds that have model year 1998 or older heavy-duty diesel vehicles in their fleet are required to scrap one model year 1998 or older heavy-duty diesel vehicle for each new clean air vehicle purchased or leased with TFCA

funds. Costs related to the scrapping of heavy-duty vehicles are not eligible for reimbursement with TFCA funds.

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

Eligibility: For TFCA purposes, Alternative Fuel Heavy-Duty Vehicles are defined as follows: Light-heavy-duty vehicles (LHDV) are those with a GVWR between 8,501 lbs. and 14,000 lbs, medium-heavy-duty vehicles (MHDV) are those with a GVWR between 14,001 lbs. and 33,000 lbs., and heavy-heavy-duty vehicles (HHDV) are those with a GVWR equal to or greater than 33,001 lbs. LHDV, MHDV and HHDV types and equipment eligible for funding include the following:

- A. New hybrid-electric, electric, and CNG/LNG vehicles certified by the CARB or that are listed by the IRS as eligible for a federal tax credit pursuant to the Energy Policy Act of 2005.
- B. CARB emissions-compliant vehicle system retrofits that result in reduced petroleum use.

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

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, 2011 emissions standards.

Scrapping requirements are the same as those in Policy #23. Each vehicle funded must meet the cost-effectiveness requirement.

25. Alternative Fuel Buses:

Buses are subject to the same Eligibility and Scrapping requirements listed in Policy #24. Each vehicle funded must meet the cost-effectiveness requirement.

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.

26. Alternative Fuel Infrastructure:

Eligible refueling infrastructure projects include new dispensing and charging facilities, or additional equipment or upgrades and improvements that expand access to existing alternative fuel fueling/charging sites. This includes upgrading or modifying private fueling/charging stations to allow public and/or shared fleet access. Funding may be used to cover the cost of equipment and installation.

TFCA-funded infrastructure projects must be available to and accessible by the public. 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.

Eligible infrastructure projects include new electric vehicle charging facilities, or additional equipment or upgrades and improvements that expand access to existing electric vehicle charging sites. This includes upgrading or modifying private charging sites to allow public and/or shared fleet access. Funding may be used to cover the cost of equipment and installation.

TFCA-funded charging infrastructure projects must be available to and accessible by the public. Charging/charging 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.

Project sponsors are required to maintain the equipment for at least five years after installation.

TFCA funding is limited to 50% 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, electricity, operation, and maintenance costs.

27. Reserved.

28. 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: 1) be a public transit agency or, 2) 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-1998 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit); or
- D. A post-1990 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.

29. Bicycle Projects:

New bicycle facility projects that are included in an adopted countywide bicycle plan or Congestion Management Program (CMP) are eligible to receive TFCA funds. Eligible projects are limited to the following types of bicycle facilities for public use that result in motor vehicle emission reductions:

- A. New Class-1 bicycle paths;
- B. New Class-2 bicycle lanes;
- C. New Class-3 bicycle routes;
- D. New bicycle boulevards;
- E. Bicycle racks, including bicycle racks on transit buses, trains, shuttle vehicles, and ferry vessels;
- F. Bicycle lockers;
- G. Capital costs for attended bicycle storage facilities;
- H. Purchase of two-wheeled or three-wheeled vehicles (self-propelled or electric), plus mounted equipment required for the intended service and helmets; and
- I. Development of a region-wide web-based bicycle trip planning system.

All bicycle facility projects must, where applicable, be consistent with design standards published in Chapter 1000 of the California Highway Design Manual.

30. Arterial Management:

Arterial management grant applications must specifically identify a given arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment. Projects that provide routine maintenance (e.g., responding to citizen complaints about malfunctioning signal equipment) are not eligible to receive TFCA funding. Incident management projects on arterials are eligible to receive TFCA funding. Transit improvement projects include, but are not limited to, bus rapid transit and transit priority projects. For signal timing projects, TFCA funds may only be used for local arterial management projects where the affected arterial has an average daily traffic volume of 20,000 motor vehicles or more, or an average peak hour traffic volume of 2,000 motor vehicles or more (counting volume in both directions). Each arterial segment must meet the cost-effectiveness requirement in Policy #2.

31. Smart Growth/Traffic Calming:

Physical improvements that support development projects and/or calm traffic, resulting in motor vehicle emission reductions, are eligible for TFCA funds, subject to the following conditions:

- A. The development project and the physical improvements must be identified in an approved area-specific plan, redevelopment plan, general plan, bicycle plan, traffic-calming plan, or other similar plan; and

- B. The project must implement one or more transportation control measures (TCMs) in the most recently adopted Air District plan for State and national ambient air quality standards. Pedestrian projects are eligible to receive TFCA funding.

Traffic calming projects are limited to physical improvements that reduce vehicular speed by design and improve safety conditions for pedestrians, bicyclists or transit riders in residential and retail areas. Only projects with a completed and approved environmental plan may be awarded TFCA funds.

ATTACHMENT B

~~BOARD-ADOPTED~~PROPOSED TFCA COUNTY PROGRAM MANAGER FUND POLICIES FOR FY ~~2010/2011~~2012

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

BASIC ELIGIBILITY

1. Reduction of Emissions: ~~A project must~~Only projects that result in the reduction of motor vehicle emissions within the Air District's jurisdiction ~~to be considered~~are eligible ~~for TFCA funding.~~.

Projects ~~that are subject to emission reduction~~must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and these Air District Board of Directors adopted TFCA Program Manager Fund Policies for FY 2011/2012.

Projects must achieve surplus emission reductions, beyond what is currently required through regulations, ordinances, contracts, or other legally binding obligations must achieve surplus emission reductions to be considered for TFCA funding. Surplus emission reductions are those that exceed the requirements of applicable State or federal regulations or other legally binding obligations at the time the Air District Board of Directors approves an expenditure plan. Planning activities (e.g., feasibility studies) that are not directly related to the implementation of a specific project are not eligible for TFCA funding. For of the execution of a funding agreement between the purpose of TFCA, "fleet averaging" may not be considered when evaluating surplus emissionsProgram Manager and the Air District.

1.2. TFCA Cost-Effectiveness: Projects must achieve TFCA cost-effectiveness, on an individual project basis, equal to or less than \$90,000 of TFCA funds per ton of total of emissions reduced, unless a different value is specified in the below policy for that project type. ~~For~~Cost-effectiveness is based on the purposeratio of ~~this program, emissions that are calculated include a)~~TFCA funds awarded divided by the sum total tons of reactive organic gases (ROG), ~~b)~~oxides of nitrogen (NO_x), and e) weighted particulate matter 10 microns in diameter and smaller (PM10) ~~emissions~~-reduced (\$/ton).

Program Manager administrative costs are excluded from the calculation of TFCA cost-effectiveness.

2.3. Eligible Projects, and Case-by-Case Approval: Eligible projects are those that conform to the provisions of the California Health and Safety Code (HSC) section 44241, Air District Board adopted policies and Air District guidance. On a case-by-case basis, Program Managers must receive approval by the Air District for projects that are authorized by the HSC Section 44241 and achieve Board-adopted TFCA cost-effectiveness, but do not fully meet other Board-adopted Policies.

3.4. Consistent with Existing Plans and Programs: ~~Only projects described in HSC Section 44241 are eligible for funding. Projects~~All project categories must ~~also~~ comply with the transportation control measures and mobile source measures included in the Air District's most recently approved

strategy(ies) plan for State and national ~~ozone~~ ambient air quality standards and, when applicable, with other adopted State, regional, and local plans and programs.

5. Eligible Recipients: ~~TFCA grants may~~ Grant recipients must be awarded responsible for the implementation of the project, have the authority and capability to ~~public~~ complete the project, and be an applicant in good standing.

A. Public agencies ~~and are eligible~~ to ~~non-public entities~~ apply for all project categories.

B. Non-public entities ~~may are~~ only apply for funding for certain clean air vehicle projects including but not limited ~~eligible~~ to engine repowers, engine retrofits, fleet modernization, ~~apply for new~~ alternative fuels, ~~fuel (light, medium, and heavy-duty)~~ vehicle and infrastructure projects, ~~and advanced technology demonstrations~~, as described in HSC ~~Section~~ ~~section~~ 44241(b)(7-). No single non-public entity may be awarded more than \$500,000 in TFCA County Program Manager Funds ~~for clean air vehicle projects~~ in each funding cycle.

4.6. Readiness: ~~A project will be considered for TFCA funding only if it will~~ Projects must commence in calendar year ~~2011 or 2012 or~~ sooner. For purposes of this policy, “commence” means to order or accept delivery of vehicles ~~or other~~, equipment ~~being purchased as part of the project, to begin delivery of the service or product provided by the project,~~ services, or to award a construction contract.

5.7. Maximum Two Years Operating Costs: ~~TFCA grant applications~~ Projects that request operating funds to provide a service, such as ridesharing programs ~~or bicycle stations~~ and shuttle and feeder bus projects, are eligible to apply for funding for a period of up to two (2) years. Grant applicants ~~who that~~ seek TFCA funds for additional years must ~~re-apply~~ reapply for funding in the subsequent funding cycles.

APPLICANT IN GOOD STANDING

6.8. Failed Audit: Project sponsors who have failed either the fiscal audit or the performance audit for a prior TFCA-funded project will be excluded from future funding for five (5) years, or duration determined by the Air District Air Pollution Control Officer (APCO). Existing TFCA funds already awarded to the project sponsor will not be released 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 TFCA funds. A failed performance audit means that the project was not implemented as set forth in the project funding agreement.

In case of a failed audit, a Program Manager may be subject to a reduction of future revenue in an amount equal to the amount which was inappropriately expended pursuant to the provisions of HSC Section 44242(~~C~~)c(3-).

7.9. Authorization for County Program Manager to Proceed: Only a fully executed funding agreement (i.e., signed by both the Air District and the County Program Manager) constitutes ~~a final approval and obligation on the part of the Air District.~~ the Air District’s award of funds for a project. Program Managers may only incur costs (i.e., an obligation made to pay funds that cannot be refunded) after the funding agreement with the Air District has been executed.

8.10. Insurance: Each County Program Manager and project sponsor must maintain general liability insurance, workers compensation insurance, and additional insurance as appropriate for specific

projects, with estimated coverage amounts provided in Air District guidance and final amounts specified in the respective funding agreements.

INELIGIBLE PROJECTS

9.11. Duplication: Grant applications for projects that duplicate existing TFCA-funded projects ([including Bicycle Facility Program projects](#)) and therefore do not achieve additional emission reductions ~~will not be considered for funding~~ [are ineligible](#). Combining TFCA County Program Manager Funds with TFCA Regional Funds to achieve greater emission reductions for a single project is not considered project duplication.

~~12. Employee Subsidy:~~ ~~Grant applications for~~ **12. Planning Activities:** [Feasibility studies are not eligible, nor are projects that only involve planning activities and that do not include an implementation phase.](#)

~~10.13. Employee Subsidies:~~ [Projects that provide a direct or indirect financial transit or rideshare subsidy or shuttle/feeder bus service exclusively to employees of the project sponsor will](#) ~~are not be considered for funding~~ [eligible](#).

USE OF TFCA FUNDS

~~11.14. Cost of Developing Proposals:~~ The costs of developing grant applications for TFCA funding are not eligible to be reimbursed with TFCA funds.

~~12.15. Combined Funds:~~ TFCA County Program Manager Funds may be combined with TFCA Regional Funds for the funding of an eligible project with the exception of clean air vehicle projects. For the purpose of calculating TFCA cost-effectiveness, the combined ~~sums~~ [sum of TFCA County Program Manager Funds and TFCA Regional Funds](#) shall be used to calculate the TFCA cost of the project.

~~13.16. Administrative Costs:~~ Administrative costs for TFCA County Program Manager Funds are limited to a maximum of five percent (5%) of the actual Department of Motor Vehicles (DMV) fee revenues that correspond to each county, received ~~in~~ [for](#) a given [fiscal](#) year. Interest earned on prior DMV funds received shall not be included in the calculation of the administrative costs. ~~All~~ [To be eligible for reimbursement with TFCA funds of,](#) administrative costs ~~(i.e., direct and indirect)~~ must be ~~requested and justified in writing~~ [clearly identified](#) in the ~~project application or~~ expenditure plan; [application](#) and ~~approved in advance and in writing by~~ [the funding agreement between](#) the Air District [and the Program Manager](#).

~~14.17. Expend Funds within Two Years:~~ County Program Manager Funds must be expended within two (2) years of receipt of the first transfer of funds from the Air District to the County Program Manager in the applicable fiscal year. A County Program Manager may, if it finds that significant progress has been made on a project, approve no more than two (2) one-year (1-year) schedule extensions for a project. Any subsequent schedule extensions for projects can only be given on a case-by-case basis, if the Air District finds that significant progress has been made on a project, and the funding agreement between the Program Manager and the Air District is amended to reflect the revised schedule.

~~15.18. Unallocated Funds:~~ ~~Any~~ [Pursuant to HSC 44241\(f\), any](#) TFCA County Program Manager funds that are not allocated to a project within six months of the Air District Board

of Directors approval of the Program Manager's Expenditure Plan may be allocated to eligible projects by the Air District. The Air District shall make reasonable effort to award these funds to eligible projects within the same county from which ~~they~~[the funds](#) originated.

~~16.19.~~ [Reserved for potential future use.](#)

~~17.20.~~ Reserved.

~~18.21.~~ Reserved.

ELIGIBLE PROJECT CATEGORIES

~~19.22.~~ 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~~[include](#):

- 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) ~~;~~ [as defined in the California Vehicle Code.](#)
- C. CARB emissions-compliant vehicle system retrofits that result in reduced petroleum use (e.g., plug-in hybrid systems).

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.

TFCA funds awarded may not exceed incremental cost after all other applicable manufacturer and local/state/federal 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, ~~2010~~[2011](#) emissions standards.

[Each vehicle funded must meet the cost-effectiveness requirement.](#)

~~20.23.~~ Alternative Fuel Medium [Heavy-Duty](#) and Heavy [Heavy-Duty](#) Service Vehicles (~~Low~~[low](#)-mileage utility trucks in idling service):

Eligibility: For TFCA purposes, medium and heavy-duty service vehicles are on-road motor vehicles with a Gross Vehicle Weigh Rating (GVWR) of 14,001 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 500 miles/year.

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~~[current](#) emissions standards (incremental cost).

[Each vehicle funded must meet the cost-effectiveness requirement.](#)

Scrapping Requirements: Project sponsors of heavy-duty clean air vehicles purchased or leased with TFCA funds that have model year ~~1997~~[1998](#) or older heavy-duty diesel vehicles in their fleet are required to scrap one model year ~~1997~~[1998](#) 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.

~~21.~~[24.](#) **Alternative Fuel Heavy-Duty Vehicles (high mileage):**

Eligibility: For TFCA purposes, Alternative Fuel Heavy-Duty Vehicles are defined as follows: Light-heavy-duty vehicles (LHDV) are those with a GVWR between 8,501 lbs. and 14,000 lbs, medium-~~heavy~~-duty vehicles (~~MDV~~[MHDV](#)) are those with a GVWR between 14,001 lbs. and 33,000 lbs., and heavy-~~heavy~~-duty vehicles (~~HDV~~[HHDV](#)) are those with a GVWR equal to or greater than 33,001 lbs. LHDV, ~~MDV~~[MHDV](#) and ~~HDV~~[HHDV](#) types and equipment eligible for funding include the following:

- A. New hybrid-electric, electric, and CNG/LNG vehicles certified by the CARB [or that are listed by the IRS as eligible for a federal tax credit pursuant to the Energy Policy Act of 2005.](#)
- B. CARB emissions-compliant vehicle system retrofits that result in reduced petroleum use.

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

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, ~~2010~~[2011](#) 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.~~

[Scrapping requirements are the same as those in Policy #23. Each vehicle funded must meet the cost-effectiveness requirement.](#)

~~22.~~[25.](#) **Alternative Fuel Buses:**

Buses are subject to the same Eligibility and Scrapping requirements listed in Policy #~~21~~24. [Each vehicle funded must meet the cost-effectiveness requirement.](#)

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.

~~23.~~26. Alternative Fuel Infrastructure:

Eligible refueling infrastructure projects include new dispensing [and charging](#) facilities, or additional equipment or upgrades and improvements that expand access to existing alternative fuel ~~refueling~~[fueling/charging](#) sites. This includes upgrading or modifying private fueling/[charging](#) stations to allow public and/or shared fleet access. Funding may be used to cover the cost of equipment and installation.

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.](#)

[Eligible infrastructure projects include new electric vehicle charging facilities, or additional equipment or upgrades and improvements that expand access to existing electric vehicle charging sites. This includes upgrading or modifying private charging sites to allow public and/or shared fleet access. Funding may be used to cover the cost of equipment and installation.](#)

[TFCA-funded charging infrastructure projects must be available to and accessible by the public. Charging/charging](#) 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.

~~Applicants must provide data supporting the demand for the infrastructure (e.g., letters of support from potential users) and plans for maintaining the equipment in the future.~~

[Project sponsors are required to maintain the equipment for at least five years after installation.](#)

TFCA funding is limited to 50% 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, [electricity](#), operation, and maintenance costs.

~~24.~~27. Reserved.

~~25.~~28. 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~~1) be a public transit agency or, ~~b~~2) 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-~~1996~~1998 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit); or
- D. ~~a~~A post-~~1989~~1990 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 #-~~3~~-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.

26. Ridesharing Projects:

~~Applications for projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor are not eligible.~~

27.29. Bicycle Projects:

New bicycle facility projects that are included in an adopted countywide bicycle plan or Congestion Management Program (CMP) are eligible to receive TFCA funds. Eligible projects are limited to the following types of bicycle facilities for public use: ~~a) new that result in motor vehicle emission reductions:~~

- A. New Class-1 bicycle paths; ~~b) new~~
- B. New Class-2 bicycle lanes; ~~e) new~~
- C. New Class-3 bicycle routes; ~~d)~~
- D. New bicycle boulevards;
- E. Bicycle racks, including bicycle racks on transit buses, trains, shuttle vehicles, and ferry vessels; ~~e) bicycle~~
- F. Bicycle lockers; ~~f)~~
- G. Capital costs for attended bicycle storage facilities; ~~g) the purchase~~
- H. Purchase of bicycles, two-wheeled or three-wheeled vehicles (self-propelled or electric), plus mounted equipment required for the intended service; and helmets; and ~~g) development~~
- A-I. Development of a region-wide web-based bicycle trip planning system.

All bicycle facility projects must, where applicable, be consistent with design standards published in Chapter 1000 of the California Highway Design Manual.

28.30. Arterial Management:

Arterial management grant applications must specifically identify a given arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment. Projects that provide routine maintenance (e.g., responding to citizen complaints about malfunctioning signal equipment) are not eligible to receive TFCA funding. Incident management projects on arterials are eligible to receive TFCA funding. Transit improvement projects include, but are not limited to, bus rapid transit and transit priority projects. For signal timing projects, TFCA funds may only be used for local arterial management projects where the affected arterial has an average daily traffic volume of 20,000 motor vehicles or more, or an average peak hour traffic volume of 2,000 motor vehicles or more- [\(counting volume in both directions\)](#). [Each arterial segment must meet the cost-effectiveness requirement in Policy #2.](#)

29.31. Smart Growth/Traffic Calming:

Physical improvements that support development projects and/or calm traffic, resulting in motor vehicle emission reductions, are eligible for TFCA funds, subject to the following conditions: **a) the**

A. The development project and the physical improvements must be identified in an approved area-specific plan, redevelopment plan, general plan, bicycle plan, traffic-calming plan, or other similar plan; and **b) the**

B. The project must implement one or more transportation control measures (TCMs) in the most recently adopted Air District [strategy plan](#) for State and national ~~ozone~~[ambient air quality](#) standards. Pedestrian projects are eligible to receive TFCA funding.

Traffic calming projects are limited to physical improvements that reduce vehicular speed by design and improve safety conditions for pedestrians, bicyclists or transit riders in residential and retail areas. Only projects with a completed and approved environmental plan may be awarded TFCA funds.

Attachment C: Comments Received and Staff Responses on Proposed FY 2011/2012 TFCA Program Manager Policies

Commenter and Agency	Comment	Staff Response
<p>Matt Todd, Alameda Co. Transportation Commission (Alameda CTC); Amber Crabbe, San Francisco County Transportation Authority (SFCTA); Robert Guerrero, Solano Transportation Authority (STA)</p>	<p>Policy #1, Reduction of Emissions: Requests that the language from the FY 2010/11 Policies be retained specifying that projects must achieve surplus emissions, beyond those required through regulations, ordinances, contracts, or other legally binding obligations at the time the Air District Board of Directors approves the Expenditure Plan.</p>	<p>Air District staff has retained the requirement that emissions reductions be surplus at the time of Agreement, and dropped the requirement at the time of Board approval. Air District staff believes the time of Agreement is the appropriate time for the determination, as the Agreement is the point of obligation of public funds. In addition, this is the standard point in time used in Air Resources Board and other Air District programs.</p>
<p>Lynne March, Sonoma County Transportation Authority (SCTA)</p>	<p>Policy #1, Reduction of Emissions: Concern that regulations, ordinances, etc. “in force at time of contract” could come after the application (when cost effectiveness is calculated) and after all approvals—by perhaps six months. Requiring compliance with unknown future changes seems unreasonable. Compliance at the time of application seems reasonable. We request restoration of the language to make compliance at the time of the expenditure plan approval sufficient.</p>	<p>Please see response immediately above. Also, regarding the likelihood of regulatory changes between Air District Board approval and Agreement, the time between Board approval and Agreement is typically short. In 2010, the Agreements were mailed to Program Managers the day after Board approval.</p>
<p>Alameda CTC</p>	<p>Policy #2, TFCA Cost-effectiveness: Requests moving the sentence, “For vehicle projects, each vehicle funded must meet the cost-effectiveness requirement” to under the policies for vehicle projects. Having it listed under the general cost-effectiveness policy and not under the policies that specifically pertain to vehicle projects may cause it to be overlooked.</p>	<p>This suggestion has been incorporated in the applicable proposed Policies.</p>
<p>Alameda CTC</p>	<p>Policy #2, TFCA Cost-effectiveness: Requests that any TFCA funds (estimated or expended) for project monitoring activities such as surveys or counts that are required by the TFCA program to complete final project reports and cost-effectiveness calculations be excluded from both the initial and final calculation of TFCA cost-effectiveness.</p>	<p>TFCA is a results-based program, and Air District staff believes that performance monitoring is an integral part of each project. Thus, staff is not proposing to exempt such costs from the cost-effectiveness requirement. Air District staff will work with Program Managers to see that monitoring requirements are appropriate, particularly for smaller projects and recurring projects with consistent track records.</p>

Attachment C: Comments Received and Staff Responses on Proposed FY 2011/2012 TFCA Program Manager Policies

Committer and Agency	Comment	Staff Response
SFCTA; STA	Policy #2, TFCA Cost-effectiveness: We request that any TFCA funds (estimated or expended) for non-standard project monitoring activities such as surveys or counts that are required by the TFCA program but not typically required by other programs be excluded from both the initial and final calculation of TFCA cost-effectiveness.	Please see response immediately above.
CCTA	Policy #2, TFCA Cost-effectiveness: In general it appears that the Air District continues to require follow-up surveys and monitoring to validate cost effectiveness calculations after project completion. In some cases initial surveys are required either for benchmarking or to justify the project's cost effectiveness prior to approval. While in some cases this level of surveying and monitoring seems necessary, it always takes funds away from projects themselves which improve air quality. The Air District needs to consider these costs. At the very least these monitoring costs should not be used in the calculation of cost effectiveness as part of the final reporting as they are outside of the project itself.	Please see response above.
Alameda CTC; SFCTA	Policy #6, Readiness: Requests that the "order or accept" language be maintained. Please confirm that the receipt of services applies to project development work, and that a project that includes development and construction would be considered commenced with the initiation of the project development work.	The proposed Policy has been revised to incorporate the "order or accept" suggested change. The proposed Policy does not add project development work to the list of activities under the definition of "commence." This is because projects will have until the end of 2012 to commence, and Air District staff is concerned about the length of time that a number of past development and construction TFCA projects have taken to begin construction, complete construction, and yield air quality benefits.
CCTA; NCTPA	Policy #6, Readiness: Suggests that the "order or accept" language be maintained. Ultimately, project sponsors can only control when order equipment, not when it is delivered. The policy should be further clarified that the "receipt of services" applies to project development work, and that a project that includes development and construction would be considered commenced with the initiation of the project development work.	Please see response immediately above.
SCTA	Policy #6, Readiness: The definition of "commence" includes delivery of vehicles or equipment and award of construction contracts. Project sponsors control ordering, but delivery can be beyond their control. And the two definitions do not cover all circumstances. The "order or accept" language was more appropriate.	The proposed Policies have been revised to incorporate the "order or accept" suggested change.

Attachment C: Comments Received and Staff Responses on Proposed FY 2011/2012 TFCA Program Manager Policies

Committer and Agency	Comment	Staff Response
Alameda CTC; CCTA; NCTPA; SFCTA	Policy #7, Maximum 2 Years Operating Costs: Requests that the last sentence of this section from the 2010/11 policies be reinstated to the 2011/12 policies to clarify that ongoing programs and operations may be funded for additional periods.	Air District staff has made this clarifying change.
STA	Policy #7, Maximum 2 Years Operating Costs: The STA's Ridesharing Program continues to be Solano County's most cost effective TFCA priority project. The proposed modification to Policy #7 suggests rideshare and shuttle/feeder bus services are ineligible to apply after two years. STA requests that the language from Fiscal Year 2010-11 policies be retained in the Fiscal Year-12 policies to clarify that ongoing effective programs and operations may be funded for additional periods.	Please see response immediately above.
Alameda CTC; CCTA; NCTPA; SFCTA	Policy #12, Planning Activities: Requests the deletion of the last sentence of the proposed "Planning Activities" section. Preliminary design activities that lead to the construction of the proposed improvements are eligible expenses for the program.	The proposed Policy has been revised to incorporate the suggested change.
CCTA	Policy #12, Planning Activities: Clean air projects cannot generally be effectively provided without some level of planning. The Air District should consider these costs as necessary elements to potentially beneficial clean air projects.	Please see response immediately above.
STA	Policy #12, Planning Activities: It is our understanding that preliminary design is an eligible activity as long as it leads to the construction of the proposed improvement. This includes preliminary design for Smart Growth, Traffic Calming and Arterial Management projects. STA requests the deletion of the last sentence of the proposed Planning Activities section.	Please see response immediately above.
SCTA	Policy #12, Planning Activities: Recommend deletion of the Preliminary Design text. Also "arterial management" is not a "development project," rather it involves optimizing the operation of existing infrastructure.	Please see response immediately above.

Attachment C: Comments Received and Staff Responses on Proposed FY 2011/2012 TFCA Program Manager Policies

Commenter and Agency	Comment	Staff Response
Alameda CTC; CCTA; SFCTA	Policy #26, Alternative Fuel Infrastructure: Requests the removal of the 50% and/or \$200,000 funding threshold. This is an eligible project type and as such will be required to meet project cost effectiveness requirements.	<p>The proposed Policy retains the maximum TFCA funding and match funding requirements, which are also found in the TFCA Regional Fund policies.</p> <p>Projects exceeding these thresholds are not necessarily excluded. As long as a project is an eligible type and meets the cost-effectiveness requirement, per Policy #3 a Program Manager may request an exception to other Policies, including these requirements. Also, Air District staff's experience shows that it is challenging to accurately project the use of fueling/charging infrastructure and determine the associated air quality benefits. Moreover, matching funding is increasingly available from equipment and service providers, which stand to gain from use of the infrastructure. Therefore, maintaining maximum funding level and match requirements encourages projects that will maximize the benefits of TFCA funding.</p>
STA	Policy #26, Alternative Fuel Infrastructure: STA supports the clarifications made for eligible activities under this policy. However, limiting the funding for these types of projects is unnecessary if the project applicant can demonstrate that the project and the requested amount is within the qualifying cost-effectiveness threshold limit.	Please see response immediately above.
Alameda CTC; CCTA; SCTA	Previous Policy #29, Ridesharing Projects: This Policy is redundant with Policy 13.	Air District staff has incorporated this change in the proposed Policies.
SFCTA; SCTA	Policy #30 (now #29), Bicycle Projects: We request the addition of capital and operating costs associated with bike sharing as an eligible project.	Bike-sharing costs are not included in the proposed Policy. A regional bike-sharing pilot project is now being launched, in part with TFCA Regional Funds, and further TFCA funding should wait until the pilot has demonstrated the best use of public funding, as soon as FY 2012/2013.

Attachment C: Comments Received and Staff Responses on Proposed FY 2011/2012 TFCA Program Manager Policies

Committer and Agency	Comment	Staff Response
Alameda CTC	<p>Policy #30 (now #29), Bicycle Projects: Requests the addition of the following project types to this project category: 1) The capital and operating costs associated with bike sharing projects; and 2) Bicycle boulevards.</p>	<p>1. Regarding bike-sharing, please see response immediately above. 2. The proposed Policy has been revised to include bicycle boulevards.</p>
Alameda CTC; CCTA; NCTPA; SFCTA; STA; SCTA	<p>Policy #31 (now #30), Arterial Management: Is supportive of continuing to fund arterial management projects under the Program Manager program.</p>	<p>Arterial management remains as an eligible project type in the proposed Policies. Air District staff is gathering data on various project types, to ensure that projects deliver air quality benefits.</p>
NCTPA; SFCTA	<p>Other Issues—Reports: Asks that projects are only required to provide reporting information that was specified at the time of original grant application, instead of having to report information based on the current year's policies.</p>	<p>This is the case now. Projects must report only that information required at the time of the Agreement.</p>
STA	<p>Other Issues—Additional Funding: In addition, the STA would like to request the BAAQMD consider making additional funding to assist agencies in planning clean air programs, projects and educational opportunities. The Air District currently does not offer any on-going planning funds for developing sustainable clean air programs and projects.</p>	<p>TFCA funding is limited by statute and cannot be used exclusively for planning projects. For the past 20 years the Air District has funded community-based air quality resource teams which support local emissions reductions and education efforts. Interested parties should contact the resource team coordinator at sanderson@communityfocus.org.</p>
NCTPA	<p>Other Issues—Bicycle Facility Projects: Another concern comes from the perspective of our project sponsors, who are finding it more difficult to come up with projects that meet ever increasing program requirements. The ever changing cost effectiveness sheets have made it more difficult for some of the bicycle projects within the county to be funded through the TFCA Program. One of Napa County's project sponsors has articulated the concern as follows:</p> <p>"The TFCA program has been a worthwhile source of funding for implementing bike lane improvements, among its many eligible programs. However, we are finding that its ability to significantly assist in delivering such projects, especially in rural areas, is extremely limited. The County of Napa, for example, has several much-needed bike lane improvement projects which will greatly increase the use of bicycling for area commuters, and thus pose great potential for reducing emissions from motor vehicle trips which would be reduced.</p> <p>However, the cost of implementing bike lane improvements in rural settings is</p>	<p>Air District staff understands that it can be challenging to find cost-effective trip-reduction and bicycle projects in more rural areas. However, the purpose of TFCA funding is to implement cost-effective emissions reduction projects. Regarding the cost-effectiveness worksheets, the Air District is required to update emission factors to reflect the increasingly clean light-duty Bay Area fleet, when values published by the California Air Resources Board are updated.</p> <p>1. Air District staff is not proposing to increase the \$90,000 per ton cost-effectiveness value, and notes that other air-quality grant programs are required to meet a much more stringent \$16,000 per ton level.</p>

Attachment C: Comments Received and Staff Responses on Proposed FY 2011/2012 TFCA Program Manager Policies

Committer and Agency	Comment	Staff Response
	<p>not compatible with the amount of funding which can be obtained from this program. In such locations, the project usually involves widening the pavement on a narrow, high-speed road, to create bike lanes where there were not even paved shoulders before. The cost of such work is an average of \$112/linear foot, or \$593,000/mile of road, based on our recent experience.</p> <p>Napa County considered seeking TFCA funding for some of these projects. However, using the emission-reduction formulas which are currently part of this program resulted in these projects being eligible for funding in amount which represented only 5% to 7% of their estimated cost (and as a result, we did not pursue this funding or even advance these projects). I recommend that consideration be given to two possible changes which could improve this:</p> <ol style="list-style-type: none"> 1. Adjust upward, the maximum \$90,000/ton of emissions reduced. 2. Revise the percentage factors (again upward) used for estimating the number of trips." 	<ol style="list-style-type: none"> 2. Air District staff is interested in any available data on number of vehicle trips reduced from bicycle facility projects, so that default values can most accurately reflect air quality benefits. 3. The Air District liaison continues to be available to assist with outreach to project sponsors, to consult on potential projects, and to support and explain the use of cost-effectiveness worksheets.

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: November 9, 2010

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

RECOMMENDATIONS:

Recommend Board of Directors:

1. Approve TFCA Shuttle, Ridesharing and Vanpool projects listed in Attachment 1.
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended TFCA projects on 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 June 2, 2010, the Board approved TFCA Fiscal Year 2010/2011 Regional Fund policies for Shuttle, Ridesharing and Vanpool Projects and allocated up to \$4 million for these project types. The Air District opened the Call for Projects on July 19, 2010, and held grant application workshops in San Francisco on August 2, 2010, and in San Jose on August 9, 2010. The Air

District started accepting applications for Shuttle, Ridesharing and Vanpool projects on August 16, 2010. Project applications are accepted and evaluated on a first-come, first-served basis.

Additionally, based on Air District Board adopted policies, 60% of funding is reserved for projects:

- In Highly Impacted Communities (HIC) as defined in the Air District CARE Program
- In Priority Development Areas (PDA)
- That reduce greenhouse gases (GHG)

As of September 30, 2010, the Air District had received and evaluated 15 grant applications. Of these, 13 projects were found to meet Board adopted policies. These projects will achieve a combined reduction of 159.8 tons of NO_x, ROG and PM per year.

Two projects are not being recommended for funding. One was submitted by Bay Area Rapid Transit District (BART) to fund a shuttle coordinator. The other project was submitted by Solano Transportation Authority for a shuttle to run between Solano and Napa counties. Both projects are ineligible because they exceed the \$125,000 per ton of emissions reduced cost-effectiveness threshold.

For the 13 projects that meet Board adopted policies, staff recommends allocating \$4,914,043 from a combination of TFCA Fiscal Year 2010/2011 Regional Funds (\$4 million) and unallocated TFCA FY 2009/2010 Regional Funds (\$914,043). Attachment 1 to this staff report provides additional information on these projects.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. The Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for the TFCA program is provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Karen Schkolnick
Reviewed by: Damian Breen

Attachment 1: Recommended TFCA Shuttle, Ridesharing, and Vanpool Projects

ATTACHMENT 1: Recommended TFCA Shuttle, Ridesharing and Vanpool Projects

Project #	Project Sponsor	Project Title	TFCA \$ Awarded	PUL (Yrs.)	C/E	ROG (TPY)	NOX (TPY)	PM (TPY)	CO2 (TPY)	HIC	PDA	GHG C/E	AB 1390 Designation	County	Project Type
09R08-EXT	Metropolitan Transportation Commission	511 Rideshare Program (10/1/10-6/30/11)	\$750,000	0.75	\$ 19,277	13.61	15.19	23.02	19,843.61	16%	2%	\$ 38	Not AB 1390	Reg	RR-E
10R08	Metropolitan Transportation Commission	511 Rideshare Program (7/1/11-6/30/12)	\$1,000,000	1	\$ 21,634	12.97	14.17	19.08	18,024.90	18%	10%	\$ 55	Not AB 1390	Reg	RR-E
10R06	San Jose State University-Associate Students	SJSU - Ridesharing and Trip Reduction	\$120,000	1	\$ 32,923	0.96	1.04	1.65	1,339.00	21%	100%	\$ 90	Not AB 1390	Reg	RR-E
10R07	City of Redwood City	Redwood City Community Shuttle Program	\$20,000	1	\$ 35,963	0.16	0.16	0.24	211.31	100%	100%	\$ 95	AB 1390	San Mateo	S-E
10R05	Santa Clara Valley Transportation Authority	ACE Shuttle Bus Program	\$920,000	1	\$ 36,561	6.32	7.19	11.65	9,445.15	10%	39%	\$ 97	Not AB 1390	Santa Clara	S-E
10R09	San Joaquin Regional Rail Commission	Wheels - Route 54	\$50,000	1	\$ 40,196	0.58	0.50	1.05	815.70	0%	0%	\$ 105	Not AB 1390	Alameda	S-E
10R12	Livermore Amador Valley Transportation Authority	Modification for BART to ACE Route	\$426,585	1	\$ 50,450	2.39	2.35	3.72	2,278.90	0%	75%	\$ 187	Not AB 1390	Alameda	S-E
10R11	Peninsula Corridor Joint Powers Board	Caltrain Shuttle Project	\$1,000,000	1	\$ 64,671	7.96	1.52	5.98	7,837.20	10%	59%	\$ 128	Not AB 1390	San Mateo	S-E
10R13	Livermore Amador Valley Transportation Authority	Route 1A/B BART to East Dublin	\$63,375	1	\$ 68,540	0.35	0.00	0.58	386.50	0%	70%	\$ 164	Not AB 1390	Alameda	S-E
10R14	City of San Mateo	San Mateo Campus and Norfolk Shuttle Program	\$22,455	1	\$ 89,862	0.10	0.09	0.07	101.40	0%	80%	\$ 221	Not AB 1390	San Mateo	S-E
10R10	San Joaquin Regional Rail Commission	Wheels - Route 53	\$10,670	1	\$ 89,988	0.16	0.07	0.28	192.00	0%	0%	\$ 237	Not AB 1390	Alameda	S-E
10R15	City of Alameda	Estuary Crossing Bicycle/College Shuttle-Pilot	\$193,358	1	\$ 97,342	0.59	0.45	0.94	821.90	56%	56%	\$ 235	AB 1390	Alameda	S-P
10R16	City of Richmond	Richmond Circular Shuttle-Pilot	\$337,600	1	\$ 124,867	0.71	0.78	1.21	1,016.90	100%	100%	\$ 332	AB 1390	Contra Costa	S-P
TOTAL			\$4,914,043			46.86	43.51	69.47	62,314.47						

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 22, 2010

Re: Report of the Executive Committee Meeting of November 22, 2010

RECOMMENDED ACTION:

The Committee recommends Board of Directors:

- A) Board Policy Regarding Reimbursement for Expenses Related to Upcoming Travel to India:
 - 1. Approve compensation of \$2,500 per Board Member, but not more than \$10,000 in total, for Board Members attending the Air and Waste management's People to People Program 2011 delegation to India;

BACKGROUND

The Executive Committee met on Monday, November 22, 2010. The Committee received the following reports and updates:

- A) Quarterly Report of the Hearing Board – July 2010 – September 2010;
- B) Discussion on Board Policy regarding Reimbursement for Expenses related to Upcoming Travel to India;
- C) Update on Strategic Facilities Planning Project;
- D) Update on Implementation of the District's California Environmental Quality Act (CEQA) Guidelines

Attached are the staff reports presented in the Executive Committee packet of November 22, 2010.

Chairperson Brad Wagenknecht will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

- A) None;
- B) Compensation cost is included in the Program 121 of the approved FY 2010/2011 budget.
- C) None; as this item is deferred for six months.
- D) None; Informational only.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Jennifer C. Cooper

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 Memorandum

TO: Chairperson Brad Wagenknecht and Members
 of the Executive Committee

FROM: Chairperson Thomas M. Dailey, M.D., and Members of the Hearing Board

DATE: November 9, 2010

RE: Hearing Board Quarterly Report – July 2010 – September 2010

RECOMMENDED ACTION:

This report is provided for information only.

DISCUSSION:

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Sonoma/Kenwood	<u>Docket No. 3577</u> - APCO vs. ALI KAZEMINI, DAVOOD MOLLAI, and FERDOUS MOLLAI a.k.a. FERDOUS MOLLAI MEHRJERDI, each individually and <i>d/b/a</i> KENWOOD GAS; ALI KAZEMINI, as Trustee of the ALI KAZEMINI AND FERDOUS MOLLAI TRUST; FERDOUS MOLLAI a.k.a. FERDOUS MOLLAI MEHRJERDI as Trustee of the ALI KAZEMINI AND FERDOUS MOLLAI TRUST; KENWOOD GAS, Site No. C8355 (KENWOOD) - <i>Accusation and Request for Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Board grants continuance to July 22, 2010; Hearing held & Conditional Order for Abatement approved	===	===

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Solano/Vallejo	Docket No. 3581 - APCO vs. 80 MAGAZINE CORP., a California corporation, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER; BPG PACIFIC, LLC, a California limited liability corporation, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER; SAEED GHAFORI, individually, a/k/a PAUL GHAFORI, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER; Manouchehr Shahab, individually, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER (Site No. D1182) (VALLEJO) - <i>Accusation and Request for Order for Abatement; emissions of organic compounds from gasoline dispensing facilities</i>	8-7-302	Hearing Held July 29, 2010; Conditional Order for Abatement	===	===
Contra Costa/Danville	Docket No. 3582 - APCO vs. S P G GROUP, INC., a California corporation, and d/b/a TOSCO FACILITY #11142 a/k/a DIABLO GAS AND MART; SAEED GHAFORI, individually, a/k/a PAUL GHAFORI, and d/b/a TOSCO FACILITY #11142 a/k/a DIABLO GAS AND MART (Facility No. 11142) (DANVILLE) – <i>Accusation and Request for Order for Abatement; emissions of organic compounds from gasoline dispensing facilities</i>	8-7-302	Hearing Held August 12, 2010; Conditional Order for Abatement	===	===
Solano/Benicia	Docket No. 3583 - CHEMICAL COATING SUPPLY, INC. (BENICIA) <i>Product Variance from Regulation 8, Rule 32, Section 302, 303, 304, 307, insofar as it requires limiting emissions of volatile organic compounds from the application of coatings to, and surface preparation of, any wood products, including furniture, cabinets and custom architectural millwork for commercial operations.</i>	8-32-302, 303, 304, 307	Withdrawn/Order for Dismissal Filed (Hearing Scheduled for August 5, 2010)	7/22/2010 To 7/22/2012	===
Alameda/Hayward	Docket No. 3584 - APCO vs. SERVITUDE PARTNERS; ROHIT PATEL, individually; a GASOLINE DISPENSING FACILITY LOCATED AT 26115 HESPERIAN BOULEVARD, HAYWARD, ALAMEDA COUNTY, CALIFORNIA, a/k/a HESPERIAN 76, A & M, A & M Gas, and/or A & M Gas Station, Site No. C7564 (HAYWARD) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Scheduled for August 5, 2010 - APCO Withdrawn Accusation; Hearing Canceled	===	===

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Contra Costa/ Brentwood	Docket No. 3585 - PRECISION CABINETS & TRIM (BRENTWOOD) - Product Variance – <i>Product Variance from Regulation 8, Rule 32, Section 303, insofar as it requires limiting emissions of volatile organic compounds from the application of coatings to, and surface preparation of, any wood products, including furniture, cabinets and custom architectural millwork for commercial operations (APCO not opposed).</i>	8-32-303	Hearing Held August 19, 2010; Granted Variance	7/1/2010 To 4/1/2011	===
Contra Costa/Walnut Creek	Docket No. 3586 - APCO vs. DEVINDER DHILLON individually, and d/b/a IDEAL MILES PLUS; IDEAL MILES PLUS GASOLINE, INC., individually, and d/b/a IDEAL MILES PLUS; IDEAL MILES PLUS, Site No. C 9838 (WALNUT CREEK) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held August 19, 2010; Stipulated Conditional Order for Abatement	===	===
San Mateo/Redwood City	Docket No. 3587 - APCO vs. Zareh Samurkashian; Grand Martco, Inc.; a Gasoline Dispensing Facility located at 602 El Camino Real, Redwood City, CA 94063, a/k/a Grand Martco, El Camino Martco and/or Redwood City Martco (Site No. C9024) (REDWOOD CITY) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held August 12, 2010 Stipulated Conditional Order for Abatement	===	===
Contra Costa/Antioch	Docket No. 3588 - APCO vs. JOE LIANG, individually, and d/b/a GREEN PETRO COMPANY and d/b/a GAS OF AMERICA; DEREK TOMINAGA, individually, and d/b/a M D GREEN PETRO GAS AMERICA, d/b/a GREEN PETRO COMPANY and d/b/a GAS OF AMERICA; MICHAEL ZHAO, a/k/a MIN J. ZHAO, individually, and d/b/a M D GREEN PETRO GAS AMERICA, d/b/a GREEN PETRO COMPANY, and d/b/a GAS OF AMERICA (Site No. C9590) (ANTIOCH) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held August 19, 2010; Stipulated Conditional Order for Abatement	===	===
Contra Costa/Antioch	Docket No. 3589 - ROBERT SARVEY - Appeal on the Marsh Landing Generating Station (Facility No. B9169) (ANTIOCH) – <i>Appeal from certain PSD Permit conditions and issuance of Final Determination of Compliance – Hearing on: 1) Request for Waiver of Fees; 2) Request for Application for Permission to Intervene as Real Party in Interest; and 3) Pro Forma Hearing.</i>	Appeal	Hearings Held September 16, 2010; Appeal Withdrawn at Hearing	===	===

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Contra Costa/Antioch	Docket No. 3590 – APCO vs. MOHAMMED SHARIF, individually, and <i>d/b/a</i> FUEL N GO, FUEL & GO, GAS FOR LESS, and/or US GASOLINE; a GASOLINE DISPENSING FACILITY LOCATED AT 924 WEST 10 TH STREET, ANTIOCH, CONTRA COSTA COUNTY, CALIFORNIA, <i>a/k/a</i> FUEL N GO, FUEL & GO, GAS FOR LESS, and/or US GASOLINE,(Site No. C9518) – (ANTIOCH) – <i>Accusation and Request for Order for Conditional Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Scheduled 9/16/10; withdrawn by APCO; EVR equipment installed	===	===
San Mateo/Burlingame	Docket No. 3591 – APCO vs. ROBERT LUGLIANI, individually, and <i>d/b/a</i> OLDE ENGLISH GARAGE; a Gasoline Dispensing Facility located at 988 Howard Avenue, Burlingame, California, <i>a/k/a</i> OLDE ENGLISH GARAGE; (Site No. C2785) – (BURLINGAME) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held 9/16/10; Conditional Order for Abatement	===	===
San Mateo/Redwood City	Docket No. 3592- APCO vs. INTERNATIONAL MARINE FUELS GROUP, INC., a California corporation, and <i>d/b/a</i> PACIFIC COMMERCIAL FUELING SYSTEMS, INC. and <i>d/b/a</i> SAN FRANCISCO PETROLEUM; NICK WEBER, individually; a GASOLINE DISPENSING FACILITY, located at 410 Blomquist Street, Redwood City, CA; <i>a/k/a</i> PACIFIC COMMERCIAL FUELING, INC.; (Site No. C8716) – (REDWOOD CITY) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held 9/16/10; Conditional Order for Abatement	===	===
Alameda/Alameda	Docket No. 3593- APCO vs. PARMINDER GILLON, individually, and <i>d/b/a</i> GRAFCO STATION; SIMVIR, INC., individually, and <i>d/b/a</i> GRAFCO STATION; and GRAFCO STATION; from facility located at 1309 Portola Avenue (Site No. C8260) – (ALAMEDA); <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held 9/16/10; Conditional Order for Abatement	===	===

NOTE: During the third quarter of 2010, the Hearing Board and Clerk scheduled for hearing and processed thirteen (13) Accusations and Requests for Order for Conditional Abatement; one (1) Product Variance application; one (1) Regular Variance application; and one (1) Appeal. The Accusations were brought against gas station owners who have not complied with the April 30, 2010 ARB deadline for EVR compliance.

HEARINGS HELD: The Hearing Board scheduled thirteen (13) hearings, but held eleven (11) hearings due to: The withdrawal of two Accusations (3584 and 3590) filed by the APCO (Respondents complied with installation of EVR equipment); and one (1) request for withdrawal by the applicant for a Product Variance application.

HEARING BOARD ORDERS: The Hearing Board reviewed and approved three (3) Stipulated Conditional Orders for Abatement (Dockets 3586, 3587, and 3588); approved six (6) Conditional Orders for Abatement (3580, 3581, 3582, 3591, 3592 and 3593); one (1) Order Granting Variance application (3585); and two Orders for Dismissal (3583-Product Variance and 3589-Appeal),

HEARING BOARD RULES: The Hearing Board also held a Hearing Board Rules Update Workshop to receive final written and verbal comments on August 12, 2010 at 9:00 a.m. The Hearing Board Rules Subcommittee Member Colline and the Hearing Board Clerk met on September 28, 2010 to review updates. The Subcommittee and Hearing Board Clerk are scheduled to meet and finalize updates to the Hearing Board Rules in the next quarter.

FEES COLLECTED: The Hearing Board collected \$2236.65 during the third quarter of 2010.

HEARING BOARD CHAIR REPORT: Chairperson Thomas M. Dailey, M.D., presented the Hearing Board's second Quarter Report at the Executive Committee's July 29, 2010 meeting.

OUTSTANDING ORDERS: The Hearing Board received a status update from the District Counsel of all outstanding Abatement Orders at the Hearing Board's August 12, 2010 meeting.

EXCESS EMISSION DETAILS

<u>COMPANY NAME</u>	<u>DOCKET NO.</u>	<u>TOTAL EMISSIONS</u>	<u>TYPES OF EMISSIONS</u>	<u>PER UNIT COST</u>	<u>TOTAL AMT COLLECTED</u>
					\$ 0
				TOTAL COLLECTED:	<u>\$ 0</u>

Respectfully submitted,

/s/ Thomas M. Dailey, M.D.

Thomas M. Dailey, M.D.
Chair, Hearing Board

Prepared by: Lisa Harper
Reviewed by: Jennifer C. Cooper

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 15, 2010

Re: Discussion on Board Policy Regarding Reimbursement for Expenses Related to
Upcoming Travel to India

RECOMMENDED ACTION:

Recommend Board of Directors approve compensation of half of the cost per Board Member but not more than \$10,000 in total, for Board Members attending the Air and Waste Management's People to People Program 2011 delegation to India.

DISCUSSION

On February 6 through 11, 2011, the Air & Waste Management Association is coordinating an international exchange trip to India with the People to People Ambassador Program. Some of the topics include:

- NOx and SOx control,
- Particulate matter control,
- Mercury and air toxics including dioxins and furans,
- Utility and industrial boilers, hazardous, medical and municipal waste incineration, and
- Global climate change

The Committee will discuss the amount of compensation provided to Board members attending the 2011 People to People Program Delegation to India.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Compensation cost is included in the Program 121 of the approved FY 2010/2011 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Jennifer C. Cooper

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 15, 2010

Re: Status Report on Strategic Facilities Planning Project and Request to Issue RFP

RECOMMENDED ACTION:

The Executive Committee will consider recommending that the Board of Directors approve proceeding with a Request for Proposal for a “Stand Alone” option for transactional and financial advisory services surrounding a potential relocation.

DISCUSSION

The Strategic Facilities Planning Ad Hoc Committee at its October 1, 2010, meeting directed staff to present the Phase II Study Findings from CB Richard Ellis to each of the three (3) agencies governing Board for further discussion and approval of next steps. MTC and ABAG Commissioners will receive the Study Findings at Commission meetings scheduled for November 17 and 18, respectively. The Air District’s Board of Directors will receive the Study Findings at its December 1, 2010 meeting.

The Study Findings focus on a Joint Facility Strategy with the Metropolitan Transportation Commission and the Association of Bay Area Governments. However, should the Joint Facility Strategy not become a viable option based on discussions/decisions made at the MTC and ABAG Commission meetings, Phase II of the study also includes a scenario for an Air District stand alone option. The Executive Committee will receive a report on the background of the project and will review a preliminary report by CB Richard Ellis including the stand alone option for the Air District.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Commercial Brokerage fees for Transactional services will be through commercial real estate brokerage commissions paid by third party associations (building owners or agents) upon successful completion of the transaction. Anticipated fees for the Financial Advisor/Bond Counsel and an Architect is included in the Program 702 of the approved FY 2010/2011 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Approved by: Jack Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 11, 2010

Re: Update on the Implementation of the District's California Environmental Quality Act
(CEQA) Guidelines

RECOMMENDED ACTION:

Information only.

BACKGROUND

On June 2, 2010, the Bay Area Air Quality Management District's Board of Directors unanimously adopted the proposed CEQA thresholds of significance. The thresholds of significance are included in the Air District's updated CEQA Guidelines (June 2010). All of the adopted CEQA thresholds of significance – *except for the risk and hazards thresholds for new receptors* – are effective June 2, 2010. The risk and hazards thresholds for new receptors are effective January 1, 2011. On June 2, the District's Board of Directors also directed staff to report to the Board periodically on the implementation progress of the CEQA Guidelines and thresholds.

DISCUSSION

Since adoption of the CEQA thresholds, District staff has continued to meet extensively with local government officials and staff, consultants, and stakeholder groups. Staff has met with staff from many local jurisdictions to discuss specific CEQA projects; has responded to numerous phone and email inquiries from local government staff and consultants; and has presented the CEQA Guidelines and thresholds to numerous stakeholder groups. It is clear that local lead agencies are familiar with the CEQA Guidelines, are using them in environmental review processes, and understand they may call upon District staff for assistance. Staff has also heard certain concerns on the CEQA Guidelines. Staff's efforts to address concerns, provide assistance to lead agencies, and develop technical tools is summarized below.

Staff is tracking the use of the CEQA Guidelines and thresholds in environmental review documents. Staff has reviewed CEQA documents for proposed land use developments and submitted comment letters to lead agencies. The CEQA comment letters generally address a project's air quality analysis methods and recommendations for additional mitigation measures.

The District's comment letters often also compliment lead agencies that propose projects and plans that are greenhouse gas (GHG) efficient or otherwise air quality protective and adequately apply the District's CEQA thresholds in their air quality analysis.

Staff has continued working with the District's regional agency partners in implementing the CEQA Guidelines and thresholds. Specifically, staff initiated a staff working group with ABAG and MTC to address potential CEQA concerns in Priority Development Areas. The working group provides an opportunity for regional agency staff to share tools and resources, identify air quality concerns, and to support the development of plan level approaches to addressing GHG and community risk and hazards in Priority Development Areas.

Staff is developing a number of additional tools and resources to assist lead agencies in applying the CEQA Guidelines and thresholds. Recent and upcoming tools and resources that address GHG emissions include: the release of the CAPCOA GHG Mitigation Quantification Report, development of a spreadsheet calculator to estimate vehicle trip reductions from transportation demand measures, and creation of an online training video for the District's recommended models. Regarding tools for applying the risk and hazard CEQA thresholds, staff is updating the roadway screening tables, and is preparing railroad screening tables, a construction risk calculator, a refined inventory of stationary sources in impacted communities, and a risk and hazards mitigation measure quantification spreadsheet. Staff updated the Community Risk Reduction Plan Guidance document and has discussed the document with the CARE Task Force.

Progress is underway with the development of CRRPs in San Jose and San Francisco. Staff is collaborating with staff from San Jose and San Francisco to prepare local emission inventories, conduct local modeling, and examine future development areas. In addition, staff is initiating the CRRP process in West Contra Costa County. Staff is also working with consultants to develop detailed, local emissions inventories; this data will provide a critical foundation for evaluating and mitigating potential impacts. Staff is also introducing the idea of preparing Community Development Guidelines to assist jurisdictions in achieving local risk and hazard reductions. The Community Development Guidelines would provide recommended buffer zones and standardized mitigation measures for proposed land use developments located near roadway and stationary sources, and would take into account emission reduction activities, such as implementation of CARB rules for various sources of diesel emissions.

Some stakeholders have raised concerns regarding the Guidelines, specifically that the Guidelines could be misused to impede infill development or affordable housing. Staff agrees this should be avoided. Staff addressed this in detail during development of the Guidelines and in reports to the Board of Directors. Staff continues to work with stakeholders to identify and implement additional steps to avoid such unintended consequences.

Staff will provide the Committee with an update on the implementation of the CEQA Guidelines.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Informational item only.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 29, 2010

Re: Report of the Climate Protection Committee Meeting of November 29, 2010

RECOMMENDED ACTION:

The Committee may recommend Board of Directors approval to initiate a Climate Leadership Award in honor of Dr. Stephen Schneider.

BACKGROUND

The Climate Protection Committee will meet on Monday, November 29, 2010. The Committee will receive and consider the following reports and recommendations:

- A) Status Report on Implementation of AB32;
- B) Climate Protection Grant Program Update;
- C) Initiate a Climate Leadership Award in honor of Dr. Stephen Schneider

Attached are the staff reports presented in the Climate Protection Committee packet.

Chairperson, Pamela Torliatt will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None. The award is recognition only and Air District staff resources will be funded out of the approved Program 301 FYE 2011 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Jennifer C. Cooper

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

TO: Chairperson Torliatt and Members
of the Climate Protection Committee

FROM: Jack P. Broadbent
Executive Officer/APCO

DATE: November 22, 2010

SUBJECT: Status Report On Implementation of AB32

RECOMMENDED ACTION:

Informational report; receive and file.

BACKGROUND

The Climate Change Scoping Plan, adopted by the California Air Resources Board (CARB) on December 12, 2008 pursuant to AB32, indicates how greenhouse gas (GHG) emissions in California will be reduced to 1990 levels by 2020 through a series of regulations, market mechanisms and other actions. CARB has adopted most of the major rulemakings for the GHG reduction measures identified in the Scoping Plan, and is scheduled to consider the adoption of a cap-and-trade program next month. The cap-and-trade program is the most significant GHG reduction measure identified in the Scoping Plan in terms of GHG emissions reduced.

The cap-and-trade program proposed by CARB staff was issued on October 28, 2010. The program would begin in 2012 and apply to large industrial facilities and electrical generators (including imports). The initial cap in 2012 would be set at the GHG emissions forecast from capped facilities for that year, and would decline approximately two percent per year through 2015. Starting in 2015, the program would be expanded to include distributors of transportation fuels, natural gas, and other fuels. The cap would then decline by approximately three percent per year until 2020.

CARB will distribute allowances, which are tradable permits, equal to the cap. Sources under the cap will need to turn in allowances equal to their emissions at the end of each three year compliance period. Sources that aggressively reduce their emissions can trade their surplus allowances to firms who find it more expensive to reduce their emissions. The covered entities may also use offset credits to satisfy a portion of their compliance obligation. Offsets are verifiable GHG emission reductions that occur from sources outside of the cap.

NEXT STEPS

At the Committee meeting scheduled for November 29, 2010, staff will provide a more detailed status update on the implementation of AB32, with a focus on CARB's proposed cap-and-trade program.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian Bateman
Reviewed by: Jeff Mckay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 10, 2010

Re: Climate Protection Grant Program Update

RECOMMENDED ACTION:

None. Information only.

BACKGROUND

On December 19, 2007, the Air District Board of Directors awarded 53 climate protection grants totaling \$3 million to local governments and non-profit organizations in all nine counties of the Bay Area. Grants were made in the areas of youth outreach, climate planning, local government capacity-building, regionalizing best practices, and fostering innovation. Since execution of the contracts, staff has worked with grant recipients to ensure completion of deliverables and track the results of the projects.

DISCUSSION

The District's Climate Protection Grant Program provided critical support to a wide range of projects that are now achieving tangible results. The Climate Protection Grants subsidize a variety of projects in the following program areas:

- 1) Youth Outreach – Outreach projects engage youth in promoting personal behavior changes that reduce GHG emissions in their homes, schools and communities.
- 2) Climate Planning – Climate planning projects use the local planning process to achieve long-term reductions in energy use and greenhouse gas emissions. Climate Planning grants fund two types of activities:
 - Climate Protection Planning – Integrating climate protection into general plans or developing stand-alone climate action plans.
 - Capacity-building – Seed funding to establish permanent staffing positions to manage and coordinate energy and climate protection programs.
- 3) Regional Strategies – Funds awarded to projects with greatest regional application and long-term reduction of greenhouse gas emissions. Regional Strategies grants fund two types of activities:

- Regionalizing Best Practices – Taking strategies that have proven their value at reducing GHG emissions on a small scale and ramping them up for broader application.
- Fostering Innovation – Incubating innovative new projects or policy approaches to reducing greenhouse gas emissions.

A list of all Climate Protection Grants is included as Attachment A.

Staff will provide an update on the status of the projects funded through the Climate Protection Grant program. The update will include general progress grantees are making with the implementation of their projects, details on selected grants, and results from project implementation.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. The Climate Protection Grants were funded out of the FY 2007/08 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

**Bay Area Air Quality Management District
Climate Protection Grant Awards**

Grant Category	Applicant	Type of Applicant	County(ies) Served	\$ Awarded	Description
Capacity-building	City of Rohnert Park	local government	Sonoma	\$ 75,000	municipal Efficiency Coordinator position
Capacity-building	Santa Clara County	local government	Santa Clara	\$ 75,000	fund Utility Program Manager and Climate Coordinator
Capacity-building	City of Newark	local government	Alameda	\$ 50,000	fund Climate Protection Special Assistant
Capacity-building	City of Sunnyvale	local government	Santa Clara	\$ 55,550	sustainability officer
Capacity-building	City of El Cerrito	local government	Contra Costa	\$ 75,000	municipal energy officer
Capacity-building	City of Novato	local government	Marin	\$ 75,000	county-wide energy officer circuit rider
Capacity-building	San Mateo County	local government	San Mateo	\$ 75,000	municipal energy officer
			Sub-total	\$ 480,550	
Climate Planning	City of San Leandro	local government	Alameda	\$ 40,000	develop local climate action plan
Climate Planning	City of San Rafael	local government	Marin	\$ 25,000	develop local climate action plan
Climate Planning	City of Richmond	local government	Contra Costa	\$ 74,987	integrate climate into general plan
Climate Planning	Napa County Transport. Authority	local government	Napa	\$ 75,000	"circuit rider" for Napa cities and county to do climate plans
Climate Planning	Redwood City	local government	San Mateo	\$ 55,000	develop local climate action plan
Climate Planning	City of Fremont	local government	Alameda	\$ 70,962	integrate climate protection into general plan
Climate Planning	City of Menlo Park	local government	San Mateo	\$ 25,000	develop local climate action plan
Climate Planning	Cities of Albany & Piedmont	local government	Alameda	\$ 55,000	develop local climate action plan for 2 cities
Climate Planning	City of Lafayette	local government	Contra Costa	\$ 75,000	integrate climate protection into new downtown plan
Climate Planning	City of Vallejo	local government	Solano	\$ 75,000	integrate climate into general plan
Climate Planning	City of Mountain View	local government	Santa Clara	\$ 45,130	integrate climate protection into general plan
Climate Planning	City of Benicia	local government	Solano	\$ 40,000	develop local climate action plan
Climate Planning	City of Berkeley	local government	Alameda	\$ 40,000	environmental management system to implement climate plan
Climate Planning	Town of Hillsborough	local government	San Mateo	\$ 69,620	integrate climate protection into general plan
Climate Planning	City of San Mateo	local government	San Mateo	\$ 40,000	community-wide energy education and outreach officer
Climate Planning	Contra Costa County	local government	Contra Costa	\$ 40,000	develop climate action plan
Climate Planning	Alameda County	local government	Alameda	\$ 40,000	develop climate action plan
Climate Planning	City of Oakland	local government	Alameda	\$ 40,000	municipal energy action plan
Climate Planning	City of Hayward	local government	Alameda	\$ 40,000	develop climate action plan
Climate Planning	City of San Carlos	local government	San Mateo	\$ 75,000	integrate climate into general plan
			Sub-total	\$ 1,040,699	
Fostering Innovation	SF Community Power	non-profit	San Francisco	\$ 75,000	community-based carbon-trading experiment
Fostering Innovation	City of Santa Rosa	local government	Sonoma	\$ 43,000	energy efficiency in commercial laundry facilities
Fostering Innovation	City of Santa Rosa	local government	Sonoma	\$ 75,000	biomass from wastewater technology
Fostering Innovation	Urban Releaf	non-profit	Alameda	\$ 75,000	West Oakland tree planting
Fostering Innovation	Marin County	local government	Marin	\$ 75,000	Community Choice Aggregation (CCA)
Fostering Innovation	Water Planet Alliance	non-profit	Marin	\$ 74,438	technical support for Marin CCA
Fostering Innovation	Build It Green	non-profit	Bay Area-wide	\$ 75,000	rating/tracking system for green rated homes
Fostering Innovation	Climate Protection Campaign	non-profit	Sonoma	\$ 75,000	explore getting Sonoma to join Marin's CCA
Fostering Innovation	City of Berkeley	local government	Alameda	\$ 75,000	sustainable energy financing district
Fostering Innovation	TransForm	non-profit	Bay Area wide	\$ 75,000	LEED-type certification program for traffic reduction
Fostering Innovation	ICLEI - Local Govts for Sustainability	non-profit	Bay Area wide	\$ 52,109	early action handbook for GHG reduction
Fostering Innovation	Sustainable Earth Initiative	non-profit	San Francisco	\$ 75,000	fleet management tools
Fostering Innovation	Eco-city Builders	non-profit	Alameda	\$ 73,462	innovative sustainable development in Oakland
			Sub-total	\$ 918,009	

Climate Protection Grant Awards

Grant Category	Applicant	Type of Applicant	County(ies) Served	\$ Awarded	Description
Regionalizing Best Practices	Sustainable Silicon Valley	non-profit	San Mateo, Sta Clara	\$ 75,000	packaging and promoting business best practices
Regionalizing Best Practices	City of Sebastopol	local government	Sonoma	\$ 73,360	replicate Solar Sebastopol for all of Sonoma County
Regionalizing Best Practices	Strategic Energy Innovations	non-profit	Marin	\$ 75,000	helping local governments reduce GHGs
Regionalizing Best Practices	Accountable Development Coalition	non-profit	Sonoma	\$ 30,000	promote green building ordinances
Regionalizing Best Practices	Acterra	non-profit	San Mateo	\$ 60,000	neighborhood-based home greening
Regionalizing Best Practices	Sonoma County	local government	Sonoma	\$ 75,000	packaging and training best practices for local governments
			Sub-total	\$ 388,360	
Youth Climate Outreach	Sonoma Ecology Center	non-profit	Sonoma	\$ 25,000	education/training 6th graders to do home EE upgrades
Youth Climate Outreach	Earth Team	non-profit	Alameda, Contra Costa	\$ 22,496	Cool Schools
Youth Climate Outreach	Breathe California	non-profit	Santa Clara	\$ 25,000	trip reduction outreach in 3 schools in Milpitas
Youth Climate Outreach	TransForm	non-profit	Alameda	\$ 24,986	Pollution Punch card in schools to get families to reduce trips
Youth Climate Outreach	Strategic Energy Innovations	non-profit	Marin	\$ 25,000	youth-led energy audits for affordable housing
Youth Climate Outreach	Marin Conservation Corp	non-profit	Marin	\$ 25,000	school-based "cancel-a-car"
Youth Climate Outreach	Solar Living Institute	non-profit	Contra Costa	\$ 24,900	train students to install solar PV
			Sub-total	\$ 172,382	
			TOTAL	\$ 3,000,000	

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 23, 2010

Re: Consideration to Initiate a Climate Leadership Award in Honor of
Dr. Stephen Schneider

RECOMMENDATIONS:

Recommend Board of Directors:

- Initiate region-wide Climate Leadership Award in honor of Dr. Stephen Schneider;
- Present first year award to Dr. Terry Root, Dr. Schneider's widow, in memoriam of Dr. Schneider's legacy in the area of climate protection.

BACKGROUND

Dr. Stephen Schneider, Stanford biology professor and leading researcher in climate change, died unexpectedly on July 19, 2010. Dr. Schneider for decades was a respected climate researcher who led tireless efforts urging political leaders and the public to take action to avoid future climate related disasters.

Dr. Stephen Schneider was scheduled to be one of the District's notable keynote speakers at CAPCOA's Climate Change Forum in August this year.

DISCUSSION

The District recognizes the huge loss to the world's climate effort with the passing of Dr. Schneider. To help carry on Dr. Schneider's legacy, staff recommends the District establish an annual Climate Leadership Award Program to recognize individuals who have made a lasting impact on climate efforts in the 9-county Bay Area region.

The first award would be presented to Dr. Terry Root, Dr. Schneider's widow, and a renowned scientist and climate leader in her own right, to honor Dr. Schneider's Climate Protection leadership.

Staff will develop nominating and selection criteria for this award program including a timeline to accept nominations, make selections and present this annual award over the next few months.

Respectfully,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Lisa Fasano
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 22, 2010

Re: Strategic Facilities Planning Project Presentation Provided by CB Richard Ellis

RECOMMENDED ACTION:

The Board of Directors will consider authorizing the Executive Officer/APCO to proceed with the next phase of the Strategic Facilities Planning Project for a joint regional government facility strategy with the Metropolitan Transportation Commission (MTC), and the Association of Bay Area Governments (ABAG); to include the issuance of a Joint Request for Proposal.

BACKGROUND

The primary objective of Phase II of the strategic facilities planning project has been to explore alternative headquarter solutions and develop a real estate strategy that best aligns with the Air District, MTC and ABAG's business and financial objectives as well as operational needs. The objective was to also have a thorough analysis of the Air District, MTC and ABAG's facilities and to develop a strategy to achieve facility requirements that would promote the core values of each of the three agencies, provide for greater building efficiencies, lessen environmental impacts and improve inter-agency cooperation and initiatives.

The Strategic Facilities Planning Ad Hoc Committee at its October 1, 2010, meeting directed staff to present the Phase II Study Findings from CB Richard Ellis to each of the three agencies governing Board for further discussion and approval of next steps. MTC and ABAG Commissioners received the Study Findings at its Commission meetings on November 17 and 18, 2010, respectively. The MTC Commission unanimously approved moving forward with the next phase of the joint facility strategy to identify specific market options in Oakland and San Francisco. The ABAG Commission also approved moving forward with the next phase of the project.

DISCUSSION

The Study Findings focused on a Joint Regional Governance Facility Strategy with MTC and ABAG. CB Richard Ellis will present its Study Findings to the Board of Directors at its December 1, 2010 meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Commercial Brokerage fees for Transactional services will be through commercial real estate brokerage commissions paid by third party associations (building owners or agents) upon successful completion of a transaction.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Approved by: Jack Colbourn