



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY - CHAIR  
TOM BATES  
CAROL KLATT  
NATE MILEY  
GAYLE B. UILKEMA

CAROLE GROOM - VICE CHAIR  
JENNIFER HOSTERMAN  
ERIC MAR  
MARK ROSS

**THURSDAY  
OCTOBER 28, 2010  
9:30 A.M.**

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

**TELECONFERENCE LOCATION:**

City of Pleasanton Mayor's Office, 123 Main Street, Pleasanton, CA 94566

**AGENDA**

**1. CALL TO ORDER - ROLL CALL**

**2. PUBLIC COMMENT PERIOD**

*(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.*

**3. APPROVAL OF MINUTES OF SEPTEMBER 23, 2010**

**4. CONSIDERATION OF PROJECTS WITH PROPOSED GRANT AWARDS OVER \$100,000**

**D. Breen/5041**

[dbreen@baaqmd.gov](mailto:dbreen@baaqmd.gov)

*The Committee will consider recommending Board of Directors' approval of Carl Moyer and Transportation Fund for Clean Air (TFCA) Regional Fund projects requesting grant funding in excess of \$100,000 and authorization for the Executive Officer/APCO to execute Grant Agreements for the recommended projects.*

**5. CONSIDERATION OF ACCEPTANCE OF UP TO \$6.7 MILLION IN CLIMATE INNOVATION PROGRAM GRANT FUNDING FROM THE METROPOLITAN TRANSPORTATION COMMISSION**

**D. Breen/5041**

[dbreen@baaqmd.gov](mailto:dbreen@baaqmd.gov)

*The Committee will consider recommending Board of Directors' acceptance of up to \$6.7 million in Climate Innovation Program Grant Awards from the Metropolitan Transportation Commission (MTC) for a regional bicycle sharing pilot, electric vehicle charging infrastructure projects and authorization for the Executive Officer/APCO to execute Grant Agreements for the recommended projects.*

6. **CONSIDERATION OF ALLOCATING \$5 MILLION IN MOBILE SOURCE INCENTIVE FUNDS FOR LOWER EMISSION SCHOOL BUS REPLACEMENT PROGRAM**

**D. Breen/5041**  
[dbreen@baaqmd.gov](mailto:dbreen@baaqmd.gov)

*The Committee will consider recommending Board of Directors' allocation of \$5 million in Mobile Source Incentive Funds (MSIF) for a school bus replacement program.*

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

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

8. **TIME AND PLACE OF NEXT MEETING: THURSDAY, NOVEMBER 18, 2010, 9:30 a.m.,**  
939 Ellis Street, 4<sup>th</sup> Floor Conference Room, San Francisco, CA 94109

9. **ADJOURNMENT**

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

**(415) 749-5130**  
**FAX: (415) 928-8560**  
**BAAQMD homepage:**  
[www.baaqmd.gov](http://www.baaqmd.gov)

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

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

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

**OCTOBER 2010**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Public Outreach Committee</b> <i>(At the Call of the Chair)</i>	Monday	25	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	28	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

**NOVEMBER 2010**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Nominating Committee</b> <i>(At the Call of the Chair)</i>	Wednesday	3	9:00 a.m.	Room 716
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	3	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b>	Wednesday	10	9:00 a.m.	Board Room
<b>Joint Policy Committee Special Meeting</b>	Friday	12	10:00 a.m.	MTC Auditorium 101 – 8 <sup>th</sup> Street Oakland, CA 94607
<b>Board of Directors Personnel Committee</b> <i>(At the Call of the Chair)</i>	Wednesday	17	9:00 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	18	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i> - RESCHEDULED TO NOVEMBER 18, 2010 at 9:30 a.m.	Thursday	25	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
---	----------	----	-----------	-------------------------------------

## DECEMBER 2010

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

HL – 10/20/10 (11:55 a.m.)  
P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 13, 2010

Re: Mobile Source Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Mobile Source Committee meeting of September 23, 2010.

DISCUSSION

Attached for your review and approval are the draft minutes of the September 23, 2010 Mobile Source Committee meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Vanessa Johnson  
Reviewed by: Jennifer Cooper

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

**DRAFT MINUTES**

Summary of Board of Directors  
Mobile Source Committee Meeting  
Thursday, September 23, 2010  
9:30 a.m.

**CALL TO ORDER:** Chairperson Scott Haggerty called the meeting to order at 9:30 a.m.

Roll Call: Scott Haggerty, Chairperson; Directors Tom Bates, Carole Groom, Vice-Chairperson; Eric Mar, Nate Miley, Mark Ross and Brad Wagenknecht, Board Chairperson

Absent: Director Jennifer Hosterman, Director Carol Klatt and Director Gayle B. Uilkema

**Public Comments:** There were no public comments

**Approval of Minutes:** Mobile Source Committee Meeting of June 30, 2010

**Committee Action:** Director Miley made a motion to approve the June 30, 2010 Mobile Source Committee minutes; seconded by Director Ross, carried unanimously without objection.

**Consideration of Projects with Proposed Grant Awards over \$100,000**

Damian Breen, Director of Strategic Incentives, gave the staff presentation and provided an overview of the Carl Moyer Program with proposed grant awards over \$100,000.

Anthony Fournier, Grants Manager provided background of this item which included:

- **Carl Moyer Program (CMP)**
  - Created in 1998 to reduce emissions from heavy-duty engines
  - Voluntary program that funds surplus emission reductions
- **Transportation Fund for Clean Air (TFCA)**
  - Established in 1991 to reduce on-road mobile source emissions
  - \$4 motor vehicle registration surcharge fee
  - 60% of funds awarded through the District
- **Mobile Source Incentive Fund (MSIF)**
  - AB 923 allowed for additional \$2 motor vehicle registration fee surcharge (12/04)
  - CMP projects eligible for MSIF funding

Mr. Fournier continued with the following:

- **On 3/17/10 District Board of Directors:**
  - Approved participation in CMP Year 12

- Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000
- **CMP Yr 12 Project Recommendation (over \$100k)**
  - 5 Projects to replace 16 engines
  - \$649,536 in total awards
  - Emission reductions: Over 7 Ton Per Year (TPY) of criteria pollutants

Mr. Fournier continued with the presentation showing the Total Year 12 CMP/MSIF and Voucher Incentive Program (VIP) funds awarded as of September 9, 2010 included:

Sonoma	48%
Alameda	16%
Contra Costa	2%
Marin	2%
Napa	19%
Santa Clara	13%
Agricultural Pumps	19%
Off-Road (Ag)	35%
Off-Road (Non-Ag)	13%
On-Road	33%

Mr. Fournier continued by providing additional information about the TFCA Regional Fund FY 2009/2010 which included:

- District Board of Directors allocated \$11,601,500 in set asides
- On 12/16/09 Board of Directors authorized Executive Officer/APCO to execute TFCA contracts with grant awards up to \$100,000
- **TFCA FY 2009/2010 Project Recommendation (over \$100k)**
  - One (1) Advanced Technology Demonstration Project – 09R61 to demonstrate the conversion and performance of one heavy-duty diesel vehicle to a heavy-duty electric vehicle
    - \$123,437 in total awards\*
    - Estimated emissions reductions: Over 0.19 TPY of criteria pollutants and 78 TPY of CO<sub>2</sub>
- Total funds awarded to date \$9,367,813 (\* includes project 09R61)

The TFCA portion included the following information:

- District Board of Directors allocated \$11,601,500 in set asides for the TFCA Regional Fund
- On 12/16/09 Board of Directors authorized Executive Officer/APCO to execute TFCA contracts with grant awards up to \$100,000
- **TFCA FY 2009/2010 Project Recommendation (over \$100k)**
  - One (1) Advanced Technology Demonstration Project – 09R50 to introduce battery swapping technology in San Francisco
  - \$470,000 in total awards
  - Estimated emissions reductions: Over 0.14 TPY of criteria pollutants and 1,179 TPY of CO<sub>2</sub>

Summary of all the TFCA Regional Funds Awarded as of September 9, 2010 included:

- Contra Costa 6%
- Marin 2%
- Napa 1%
- Solano 1%
- Alameda 30%
- San Francisco 12%
- Santa Clara 27%
- San Mateo 16%
- Sonoma 5%

Summary of all the TFCA Regional Funds Awarded by project type as of September 9, 2010 included:

- Shuttle Rideshare - \$3,947,372
- Bicycle - \$601,500
- Advanced Technology Demonstration - \$1,316,463
- Alternative Fuel Vehicle & Infrastructure - \$3,502,478

The value of the projects is approximately \$8.3 million.

Committee Comments/Questions:

Director Miley asked about Oakland's Automotive Technology if the amount granted was the initial amount that was requested. Karen Schkolnick, Air Quality Program Manager informed the Committee this amount granted is the amount that made them cost effective and makes the project viable based on its criteria.

Director Ross asked about the small amount of 2% for Contra Costa County and asked if this was due to complications or projects not meeting the requirements. Mr. Breen informed the Committee that many vehicle projects throughout the counties will not be eligible for funding until the January 2011 timeframe. Mr. Breen further stated that during the January timeframe the numbers may increase.

Staff recommended that the Committee request the Board of Directors approve the Carl Moyer Program and TFCA FY 2009/2010 projects with proposed grant awards over \$100,000; and authorize the Executive Officer/APCO to enter into agreements for the recommended Carl Moyer Program and TFCA FY 2009/2010 projects.

Public Comments: None.

**Committee Action:** Director Miley made a motion to recommend Board of Directors' approval of Carl Moyer Program and TFCA FY 2009/2010 projects with proposed grant awards over \$100,000; and authorize the Executive Officer/APCO to enter into agreements for the recommended Carl Moyer Program and TFCA FY 2009/2010 projects; Director Ross seconded the motion, carried unanimously without objection.

**Update on the California Goods Movement Bond (I-Bond) Truck Program**

Damian Breen, Director of Strategic Incentives, gave the staff report, on the California Goods Movement Bond (I-Bond) Truck Program. Mr. Breen provided an overview to the Committee.

Summary of Year 1 I-Bond Allocations include the following:

<u>Project Type</u>	<u>Funding Requested</u>
Trucks at Ports and Intermodal Railyards*	\$13.7 million
On-Road Goods Movement Trucks*	\$17 million
Shore-Power – APL Oakland	\$2.8 million
Administration	\$1.5 million
*Retrofits and Replacements	Total
	\$35 million

Mr. Breen continued with information on the Drayage Truck Program which included:

- **Original Goal:** Retrofit or Replace 1,000 Oakland Port by 1/1/10
- **Funding:** \$25 million (Port, USEPA, Air District, I-Bond)
- **Challenges:**
  - Shifting Regulatory Deadlines
  - Unavailability of State Funds
  - Four sets of Administrative Guidelines
  - Last-minute changes in program scope

**Original Program:**

- Took 1.5 years to prepare and execute
- Scheduled for completion on January 1, 2010

**Final Program:**

- Based on Board of Directors request for additional funding/flexibility for Port Truckers
- Added an additional 50% to the number of trucks to be retrofit or replaced
- Completed in 0.5 years

**Results:**

- 1,521 trucks retrofitted or replaced (1,318 retrofits and 203 replacements)
- Over 95% compliance rate with ARB Reg.

Mr. Breen informed the Committee that the costs associated with this project and that it is important that the Committee understand both the physical and monetary costs associated with handling a large program. This program is approximately three times the size of any other program that is currently by the Air District.

Project costs:

- Over 24,000 staff hours (500 overtime hours)
- \$1.9 million in Administrative Costs
- Additional phases of the project yet to come
- Staff working with ARB on future costs
- Delays in On-road truck program

Mr. Breen continued by reporting that the On-Road Truck Program is up and moving and which included:

- Mail Out to Grantees on September 1, 2010
- Hayward Airport Truck Center opened on September 13, 2010

- All Updated project information due on September 23, 2010
- Staff to provide support in multiple languages

Lastly, Mr. Breen providing the Committee with an update of Reallocated Funds which displays the following:

- Issues with San Diego County Air Pollution Control District (SDCAPCD) Administration and Expenditure of funding
- \$4.5 million available for disbursement statewide
- Approximately \$700,000 earmarked for Bay Area trade corridor
- Funding will be deducted from future allocation provided State bonds become available
- Funding must be encumbered by January 1, 2011

Committee Comments/Questions: None.

Public Comments: None.

**Committee Action:** Director Ross made a motion to recommend Board of Directors' approval of a resolution allowing the Executive Officer/APCO to execute all necessary contracts with the California Air Resources Board (CARB) to accept up to an additional \$700,000 in reallocated I-Bond funding for On-Road Truck projects; Director Groom seconded the motion, carried unanimously without objection.

### **Update on Bicycle Programs**

Karen Schkolnick, AQ Program Manager, gave the staff report.

#### Background:

- Bay Area is in nonattainment for Ozone and PM2.5 ambient air quality standards
- Transportation sector accounts for more than:
  - 50% of "criteria" pollutants emissions
  - 40% of greenhouse gas (GHG) emissions
- Over the past five years, approximately \$15 million allocated via BAAQMD's Transportation Fund For Clean Air (TFCA) Regional and Program Manager Fund programs to support Class I, II, and III Bikeways, and Bicycle Parking (Bicycle Projects)

Ms. Schkolnick continued illustrating two different lockers which are secured to store bicycles. In addition the City of Alameda sponsored a project where they converted bicycles lockers into electronic lockers.

Ms. Schkolnick continued stating that the bike lanes are grouped into three classifications which include the following:

- Class I – Separate paths that provide separated right of way access, exclusive use for bicycles and pedestrians
- Class II – Designated lanes that are separated by a striped lane and dedicated for bicycle use, but shared with motor vehicles
- Class III – Bicycles that share the road with the vehicles and signage which shows that it is a preferred route for cyclists.

Ms. Schkolnick continued with the presentation providing the Committee with an update on the TFCA Regional and County Program Manager Fund Program. Over the past five years, the Air District has assisted to provide funding for:

- **More than 124 miles of bikeways**
  - Class I – 22.73
  - Class II – 67.21
  - Class III – 34.84
  
- **More than 8,000 bike parking spaces**
  - Lockers – 681
  - Racks – 6,972
  - Secure Parking (cage) – 415

**\* Data from Regional Fund (FY 06/07 – 09/10BFP), County Program Manager (FY 04/05-08/09)**

Ms. Schkolnick stated that the Air District is quite pleased with the results of the program, but noting that more can be done.

On June, 6, 2010, the Board of Directors allocated up to \$600,000 to continue supporting the various types of bicycle projects, which include Class I, Class II and Class III. At the June 30, 2010 Mobile Source Committee, it was requested that staff investigate the following:

- Regional interest in Bicycle-Sharing
- Options for funding Bicycle-Sharing, and
- Bulk purchase of Bicycle Infrastructure

In response to the Committee's request, staffed has explored further support bicycling opportunities in our region. The Air District recently supported:

#### **Local Efforts**

- Sustainable transportation alternative efforts:
  - Alameda County's Sustainable Pathways Initiative proposal for the United States Environmental Protection Agency - Climate Showcase Grant Program
  - VTA Synergy
- Congestion Management Agencies interested in Bicycle sharing, primarily focused on traditional Bicycle Facility projects

#### **Regional Efforts**

- Metropolitan Transportation Commission (MTC) includes completion of a regional bicycle network as an element that will be used to meet its SB 375 GHG reduction targets

In addition to the Committee's request, the Air District researched further opportunities for Bike Sharing and the Bulk Purchase Infrastructure and opportunities to fund bike sharing. Staff submitted an application for \$5.15 million to MTC for a regional Bike-Sharing Pilot to deploy 1,000 bicycles at up to 100 kiosk stations along the peninsula transportation corridor in five cities. Total project cost is estimated to \$7.9 million.

Staff is requesting \$1.4 million from FY 09/10 TFCA Regional Funds as a match for the \$5.14 million application to MTC, and \$1.34 million match from partner agencies.

Lastly, the bulk purchase for infrastructure, staff is currently exploring options for initiating a bulk purchase of bicycle lockers and/or racks.

Staff recommended the Committee recommend the Board of Directors approve an allocation of \$1.4 million in Transportation Fund for Clean Air (TFCA) funds, from FY 09/10 to support a pilot Bicycle Share Program.

Ms. Schkolnick concluded her presentation.

Committee Comments/Questions:

Chairperson Haggerty stated he noticed that MTC was interested in the Bike Sharing program this year but did not feel confident that it is moving forward. Mr. Breen stated that the awards were submitted in early October. At the Mobile Source Committee meeting on October 28<sup>th</sup> staff will request the Committee approve acceptance of the bike sharing funding. Chairperson also requested the names of participating agencies. Ms. Schkolnick responded the include VTA, San Francisco MTA, also the cities of Redwood City, Sam Trans and San Mateo County Transportation Authority. Jean Roggenkamp, Deputy Air Pollution Control Officer continued that the participating agencies that had either already applied with MTC and/or were already working bike sharing pilots already. She further stated that MTC requested that all the entities work together for a unified goal.

Mr. Breen further stated that the idea of the pilot program is similar to Alameda County is doing with its Electric Vehicle RFP is that other counties and communities will be able to join as the project rolls out. He also stated the pilot program will initially establish a model for cities and counties to be able to access whether or not if this feasible for them and to give them an idea of costs.

Chairperson Haggerty expressed his enthusiasm and hopes the Air District work with BART to put the bicycles for checkout inside the stations to ensure the bikes are also secured.

Director Bates asked about the dollar amount left, Mr. Breen responded that there is approximately \$1.4 million comes from the previous fiscal year, and as the program moves forward, there is still all the allocations from this year, which is \$11 million, with \$1 million coming from the Spare the Air Everyday Campaign and \$1 million from the Smoking Vehicle Campaign. With \$9 million remaining, \$2.5 million is committed to an Electric Vehicle Program, \$600,000 for the Bicycle Program which includes Classes I, II and III, which includes the bicycle lockers. \$4 million reserved for shuttles which will be presented to the Committee as its next meeting, requesting approximately \$1.5 million for an Advanced Technology Program later in the year.

Director Bates stated the City of Berkeley had a similar program and the bicycles were stolen and inquired if there will be measures taken for the purpose of identification. Ms. Schkolnick stated this pilot program is similar to the programs in Paris and other countries which include the latest generation of programmed with the method of checking bicycles out or reserving bicycles through smart phones, internet or at various kiosks, which will allow you to check out a bike using a credit card, so these bicycles can be tracked.

Director Bates also asked if helmets are provided with the use of a bicycle. Mr. Breen informed the Committee that helmets are not provided.

Director Miley asked if the Air District is considering supporting a project influencing youth to bike in an effort to make biking more of a lifestyle. Mr. Breen stated that it is part of the curriculum being taught at schools. Chairperson Haggerty also stated that a grant was

presented to MTC for Alameda County to have a truck visit various schools to repair bikes, provide new bikes on board along with helmets and additional items.

Director Miley further stated that this may be an incentive for youth to get bicycles to bike to school, and in turn, promotes continuing this as a lifestyle.

Director Ross expressed the District secure a spot on Treasure Island and provide shuttle services to come across the bridge. Mr. Breen commented the District would explore this further to see if this is possible.

Public Comments: None.

**Committee Action:** Director Miley made a motion to recommend Board of Directors' approval allocate \$1.4 million in TFCA Regional Funds from FY 09/10 to support a pilot Bicycle Share Program; Director Mar seconded the motion, carried unanimously without objection.

**Committee Member Comments:** None.

**Next Meeting:** Thursday, October 28, 2010 at 9:30 a.m.

**Adjournment:** Meeting adjourned at 10:20 a.m.

Vanessa Johnson  
Executive Secretary

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: October 21, 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 October 14, 2010, the Air District had received 52 project applications. Of the applications that have been evaluated between September 9, 2010, and October 14, 2010 four eligible projects have proposed individual grant awards over \$100,000. These projects will replace four marine engines and five pieces of off-road equipment, which will result in the reduction of 7.03 tons of NO<sub>x</sub>, ROG and PM per year. Staff recommends allocating \$772,839 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 October 14, 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 30% 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 September 9, 2010 and October 14, 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 9/9/2010 and 10/14/2010)
- Attachment 2: Summary of all CMP Year 12/MSIF and VIP approved/eligible projects (5/3/10 to 10/14/10)

**Attachment 1:****BAAQMD Year 12 Carl Moyer Program/ MSIF projects with grant awards greater than \$100k  
(Evaluated between 9/9/2010 and 10/14/2010)**

<b>Project #</b>	<b>Applicant name</b>	<b>Equipment category</b>		<b>Proposed contract award</b>	<b>NOx (TPY)</b>	<b>ROG (TPY)</b>	<b>PM (TPY)</b>	<b>County</b>
12MOY21	James Smith (Commercial fishing)	Marine	The repower of two (2) diesel powered main engines.	\$ 149,288.00	1.530	0.034	0.051	Contra Costa
12MOY31	Hillside Drilling Inc	Off-road	The replacement of two (2) off-road diesel powered excavators.	\$ 138,276.00	1.419	0.202	0.065	Contra Costa
12MOY32	Monterey Canyon Research Vessels, Inc	Marine	The repower of two (2) diesel powered main engines.	\$ 103,010.00	0.519	0.014	0.018	San Francisco
12MOY36	Marin Sanitary Service	Off-road	The replacement of two (2) diesel powered loaders and one (1) diesel powered backhoe.	\$ 382,265.00	2.612	0.419	0.156	Marin
				<b>\$ 772,839.00</b>	<b>6.080</b>	<b>0.669</b>	<b>0.290</b>	

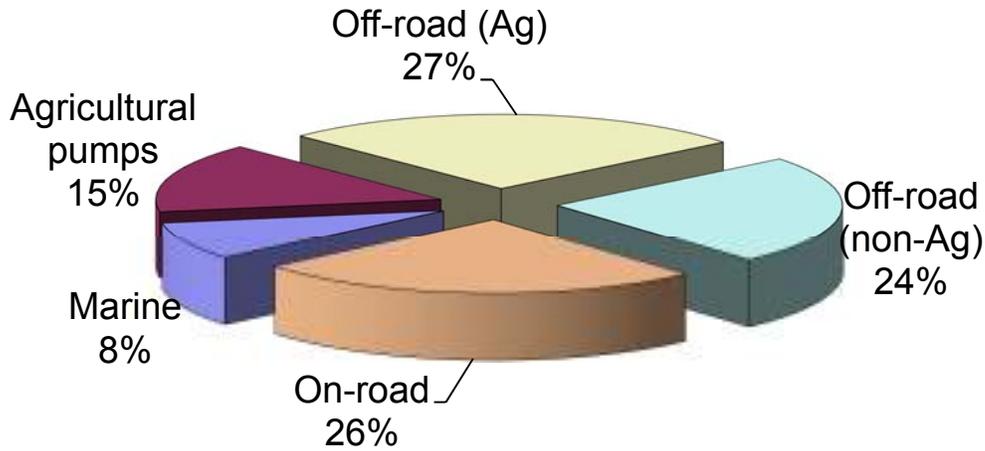
## Attachment 2

*Summary of all CMP Yr 12/ MSIF and VIP approved/ eligible projects (5/3/10 to 10/14/10)*

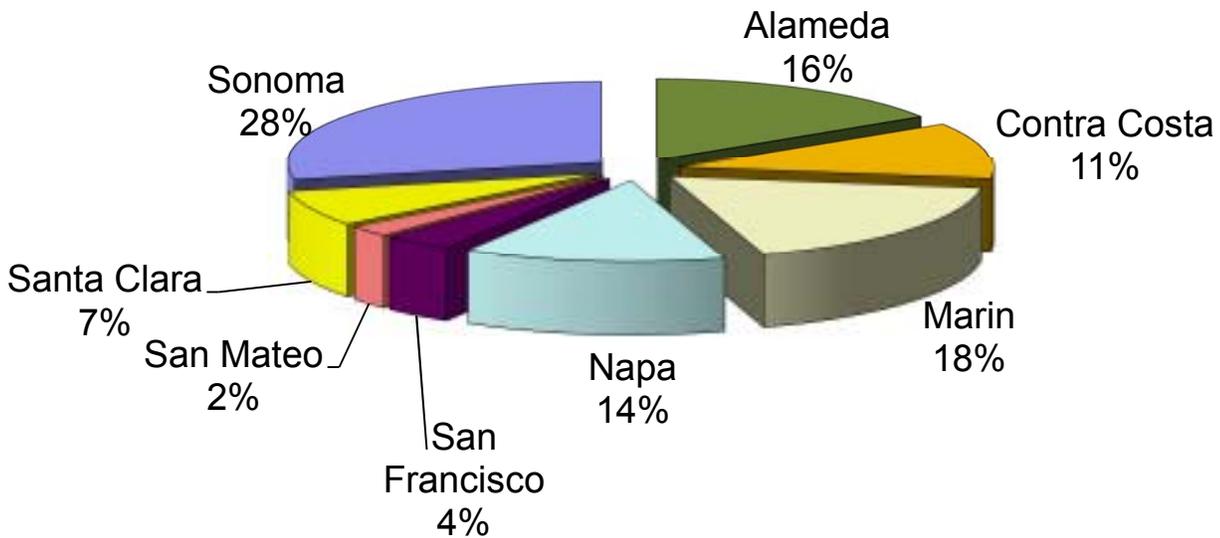
Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	NOx (TPY)	ROG (TPY)	PM (TPY)	Board approval date	County
12MOY2	Agriculture	Engine repower	3	\$ 57,831.00	Nichelini Vineyards, LLC	0.648	0.078	0.021	APCO	Napa
12MOY8	Off-road	Equipment replacement & retrofit	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	\$ 33,750.00	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	\$ 21,179.00	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	Board	Contra Costa
12MOY32	Marine	Engine repower	2	\$ 103,010.00	Monterey Canyon Research Vessels, Inc	0.519	0.014	0.018	Board	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	\$ 30,228.00	Eugene Poncia (farmer)	0.096	0.017	0.005	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	Board	Marin
12MOY31	Off-road	Equipment replacement	2	\$ 138,276.00	Hillside Drilling Inc	1.419	0.202	0.065	Board	Contra Costa

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	2	\$ 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
<b>47 Projects</b>			<b>72</b>	<b>\$ 2,995,272.00</b>		<b>28.318</b>	<b>2.889</b>	<b>5.677</b>		

**Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 10/14/10**



**Figure 2: CMP/ MSIF Funding Distribution by County as of 10/14/10**



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: October 20, 2010

Re: Consideration of Acceptance of up to \$6.7 Climate Innovation Program Grant  
Funding from the Metropolitan Transportation Commission

RECOMMENDATIONS:

Recommend Board of Directors:

1. 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.
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended projects.

Background

In the Bay Area, the transportation sector accounts for more than 50% of “criteria” pollutants, including reactive organic gases (ROG) and oxides of nitrogen (NOX), both of which are ozone precursors, and particulate matter (PM), and for 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 through the implementation of trip reduction and zero-emission vehicle projects are key to the Bay Area’s attainment of air quality standards, to improve public health and to protect the climate. As part of this report, staff will update the Committee on funding available from MTC for innovative emissions reduction projects for both bicycles and electric vehicles.

DISCUSSION

On August 13, 2010, the Air District submitted two proposals to MTC’s CIP: a regional bike share pilot and an EV charging infrastructure deployment project. The following is a description of those projects and the awards that are scheduled for consideration by MTC’s Commission on October 27, 2010.

## **Regional Bike Share Pilot**

The Air District has applied to lead a regional bike share pilot to deploy 1,000 bicycles at up to 100 kiosk stations along the peninsula transportation corridor in five cities. This collaborative effort in partnership with Santa Clara Valley Transportation Authority (VTA), SamTrans, San Francisco Municipal Transportation Agency, and the cities of San Francisco, Redwood City, Mountain View, Palo Alto, and San Jose, builds on existing efforts to reduce vehicle miles travelled within Bay Area communities. Among the outcomes of the Project, the Air District will research, test, and evaluate sustainable program financing models, including private-public partnerships. The results from the Project will be used to expand the program in the pilot cities and to replicate the program in other targeted Bay Area communities. The Project will also include an extensive outreach component that will encourage transportation mode shift to sustainable transportation alternatives with a focus on bicycling. This \$6.9 million project will be funded through a combination of matching funds including \$4.29 million from MTC's CIP, \$1.4 million from FY 09/10 Transportation Fund for Clean Air (TFCA) Regional Funds (approved by the Board of Directors on October 6, 2010) and \$1.34 million match from partner agencies.

## **EV Charging Infrastructure Deployment Project**

On August 4, 2010, the Air District Board of Directors allocated up to \$5 million in TFCA Regional Funds over the next two years to support EV charging infrastructure in the region. In order to leverage this funding, the Air District applied for additional monies to install further chargers to MTC's CIP.

MTC has recommended that \$2.38 million be allocated to the Air District for charging and has committed in partnership with the Air District and ABAG, to develop a regional EV strategy for charging deployment. This process will assess the Bay Area's readiness to support deployment of electric vehicles, the necessity to deploy public chargers, and will develop criteria to inform funding priorities for the Air District's CIP funding allocation. This effort is proposed to be completed by spring 2011.

Based on the outcome of this process, the Air District will direct a portion of TFCA funds and MTC funding to support further deployment of EV charging infrastructure in the Bay Area.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. The Air District would distribute MTC monies as “pass-through” funds to public and private fleets on a reimbursement basis. Administrative costs for the projects are provided by the funding sources.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Karen M. 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: October 21, 2010

Re: Consideration of Allocating \$5 Million in Mobile Source Incentive  
Funds for the Lower Emission School Bus Replacement Program

RECOMMENDATION:

Recommend Board of Directors:

- Allocate \$5 million in Mobile Source Incentive Funds (MSIF) to fund public school bus replacement projects under the Lower-Emission School Bus Program (LESBP).

BACKGROUND

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), and may be used for school bus replacement projects.

The Lower-Emission School Bus Program (LESBP) was created by the California Air Resources Board (ARB) in fiscal year 2000-2001. The LESBP funds the purchase of new clean public school buses, and the purchase and installation of particulate matter (PM) emission control devices. The Air District has participated in the LESBP since its inception. To date, approximately \$12 million in state funds and \$9 million in Air District funds have been used to replace nearly 200 school buses, and retrofit over 300 school buses.

As part of this report, staff will request MSIF funding to replace additional high-emitting school buses.

DISCUSSION

On May 21, 2008, the Air District Board of Directors approved the acceptance of up to \$8.4 million in I-Bond funding from ARB for the LESBP. After being frozen in December 2008, state funds began flowing to the Air District in October 2009. Just over

\$3.7 million has been received to date and the remaining balance is expected before the end of the year. Due to the requirements for school buses in ARB's In-Use Heavy-Duty Diesel-Fueled Vehicles Regulation, demand for retrofit funding is high. There are approximately 900 school buses eligible for retrofit devices in the Bay Area, with the Air Districts I-Bond funds expected to cover retrofits for only 300 vehicles.

The Air District intends to allocate all state funds received to applicants who applied for retrofit projects under the initial Fall 2008 solicitation, and to applicants from a new solicitation slated before the end of the year. With the level of demand for retrofits, no state funds will be available for school bus replacement projects and local funding is not eligible to provide additional retrofits under current legislation.

### **Additional Replacement Funding**

Since 2008 the Board authorized a total of \$6,875,000 of MSIF revenues to the LESBP for school bus replacement projects - \$3.375 million on July 9, 2008 and \$3.5 million on February 4, 2009. All of these funds have also been allocated, and will replace 47 dirty school buses, over half of which are 25 years old or older. However, even with these efforts, it is estimated that at least 50 school buses remain in service that are not eligible for retrofits. With the ARB Regulation and the on-going budget issues faced by most school districts, demand for funding for bus replacement also remains high.

Therefore, staff requests that the Committee recommend the Board of Directors reserve \$5 million in MSIF to fund public school bus replacement projects under the LESBP. These additional funds would be used to replace approximately 30 public school buses in the Bay Area.

### BUDGET CONSIDERATION/FINANCIAL IMPACT:

None. MSIF funding comes with administrative funding to cover staff time associated with the program.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Geraldina Grünbaum  
Reviewed by: Damian Breen