BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY - CHAIR
JENNIFER HOSTERMAN
CAROL KLATT
JOHANNA PARTIN

CAROLE GROOM – VICE CHAIR
DAVE HUDSON
NATE MILEY
MARK ROSS
BRAD WAGENKNECHT

THURSDAY
OCTOBER 27, 2011
9:30 A.M.

4TH FLOOR CONFERENCE ROOM
939 ELLIS STREET
SAN FRANCISCO, CA 94109

AGENDA

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

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

3. **APPROVAL OF MINUTES OF SEPTEMBER 22, 2011**

4. **TRANSPORTATION FUND FOR CLEAN AIR POLICIES FOR COUNTY PROGRAM MANAGERS FOR FISCAL YEAR ENDING (FYE) 2013**
D. Breen/5041
dbreen@baaqmd.gov

The Committee will consider recommending Board of Directors approval of TFCA County Program Manager Policies and Procedures for fiscal year ending (FYE) 2013.

5. **REGIONAL ELECTRIC VEHICLE DEPLOYMENT PLANNING GRANTS**
D. Breen/5041
dbreen@baaqmd.gov

The Committee will be updated on recent successes in obtaining funding for regional electric vehicle deployment planning and will consider authorizing the Executive Officer/APCO to enter into contracts accepting awards from the California Energy Commission and the Department of Energy.

6. **TRANSPORTATION FUND FOR CLEAN AIR (TFCA) REGIONAL FUNDS FOR SHUTTLE, RIDESHARING AND VANPOOL PROJECTS**
D. Breen/5041
dbreen@baaqmd.gov

The Committee will consider recommending Board of Directors' approval of $4,089,221 in fiscal year ending (FYE) 2012 Transportation Fund for Clean Air (TFCA) Regional Fund grant awards to shuttle, ridesharing and vanpool projects.

7. **UPDATE ON PORT DRAYAGE TRUCK PROGRAM** **D. Breen/5041**
dbreen@baaqmd.gov

The Committee will receive an informational update on the Port Drayage Truck program, upcoming regulatory deadlines and associated planning efforts for grant funding.

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

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

9. **TIME AND PLACE OF NEXT MEETING**

At 9:30 A.M., Monday, November 28, 2011; at 939 Ellis Street, San Francisco, CA 94109

10. **ADJOURNMENT**

CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET **(415) 749-5130**
SAN FRANCISCO, CA 94109 **FAX: (415) 928-8560**
BAAQMD homepage:
www.baaqmd.gov

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

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF DISTRICT MEETINGS

OCTOBER 2011

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Advisory Council Meeting *(Meets 2nd Wednesday each Month)*	Wednesday	12	9:00 a.m.	Board Room
Board of Directors Regular Meeting *(Meets 1st & 3rd Wednesday of each Month)* - CANCELLED	Wednesday	19	9:45 a.m.	Board Room
Board of Directors Executive Committee *(At the Call of the Chair)*	Wednesday	19	9:30 a.m.	4th Floor Conf. Room
Board of Directors Budget & Finance Committee *(At the Call of the Chair)*	Wednesday	19	Immediately Following Executive Cme. Meeting	4th Floor Conf. Room
Board of Directors Executive Committee *(At the Call of the Chair)* - CANCELLED AND RESCHEDULED TO WEDNESDAY, OCTOBER 19, 2011	Monday	24	9:30 a.m.	4th Floor Conf. Room
Board of Directors Mobile Source Committee *(Meets 4th Thursday each Month)*	Thursday	27	9:30 a.m.	4th Floor Conf. Room
Board of Directors Climate Protection Committee *(At the Call of the Chair)*	Monday	31	10:00 a.m.	4th Floor Conf. Room
Board of Directors Public Outreach Committee *(At the Call of the Chair)*	Monday	31	Immediately Following Climate Protection Cme. Meeting	4th Floor Conf. Room

NOVEMBER 2011

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Regular Meeting *(Meets 1st & 3rd Wednesday of each Month)*	Wednesday	2	9:45 a.m.	Board Room
Board of Directors Nominating Committee *(At the Call of the Chair)*	Wednesday	2	Immediately Following Regular Board Meeting	Room 716
Advisory Council Meeting *(Meets 2nd Wednesday each Month)*	Wednesday	9	9:00 a.m.	Board Room
Board of Directors Regular Meeting *(Meets 1st & 3rd Wednesday of each Month)*	Wednesday	16	9:45 a.m.	Board Room

October 2011 Calendar Continues on Next Page

NOVEMBER 2011

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Mobile Source Committee *(Meets 4th Thursday each Month)* **- CANCELLED**	**Thursday**	**24**	**9:30 a.m.**	**4th Floor Conf. Room**
Board of Directors Mobile Source Committee *(Meets 4th Thursday each Month)*	**Monday**	**28**	**9:30 a.m.**	**4th Floor Conf. Room**
Board of Directors Stationary Source Committee *(At the Call of the Chair)*	**Monday**	**28**	**Immediately Following Mobile Source Cme.**	**4th Floor Conf. Room**

DECEMBER 2011

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Regular Meeting *(Meets 1st & 3rd Wednesday of each Month)*	**Wednesday**	**7**	**9:45 a.m.**	**Board Room**
Advisory Council Meeting *(Meets 2nd Wednesday each Month)*	**Wednesday**	**14**	**9:00 a.m.**	**Board Room**
Board of Directors Regular Meeting *(Meets 1st & 3rd Wednesday of each Month)*	**Wednesday**	**21**	**9:45 a.m.**	**Board Room**
Board of Directors Mobile Source Committee *(Meets 4th Thursday each Month)* **- CANCELLED**	**Thursday**	**22**	**9:30 a.m.**	**Board Room**

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: October 19, 2011

Re: Mobile Source Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Mobile Source Committee meeting of September 22, 2011.

DISCUSSION

Attached for your review and approval are the draft minutes of the September 22, 2011 Mobile Source Committee meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Maricela Martinez
Reviewed by: Jennifer Cooper

AGENDA: 3

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 22, 2011
9:30 a.m.

CALL TO ORDER: Chairperson Scott Haggerty called the meeting to order at 9:37 a.m.

Pledge of Allegiance: Chairperson Haggerty led the Pledge of Allegiance.

Roll Call**:** Scott Haggerty, Chairperson; Directors Jennifer Hosterman, David E. Hudson, Nate Miley, Johanna Partin and Mark Ross; Tom Bates, Board Chairperson

Absent: Vice Chairperson Carole Groom; Directors Carol Klatt and Brad Wagenknecht

Public Comments: There were no public comments.

3. Approval of Minutes: Mobile Source Committee Meeting of June 30, 2011

Committee Action: Director Hudson made a motion to approve the June 30, 2011 Mobile Source Committee minutes; seconded by Director Hosterman, carried unanimously without objection.

4. Update on Port Drayage Truck Program

Damian Breen, Director of Strategic Incentives, introduced Anthony Fournier, Grants Manager, who gave staff the presentation and background on the Port Drayage Truck Program. Mr. Fournier discussed several funding sources which totaled more than $25 million for drayage truck projects, current drayage truck population, roles of partners such as California Air Resources Board (ARB), Port and City of Oakland, and private industry, Air District Actions, issues, and next steps.

In December 2007, the ARB adopted the Drayage Truck Regulation or Air Toxic Control Measure for the purpose of reducing emissions from heavy duty diesel trucks operating at Ports and rail yards in California. The regulatory requirements for this regulation are split into two phases. Phase 1 compliance date was December 31, 2009, as of this date, no truck with engines older than 1993 were allowed to enter California ports or rail yards. Also, on this date, trucks with 1994 to 2003 engines were required to install level 3 retrofit devices to reduce particulate matter by at least 85%. By the end of 2011, trucks with 2004 model year engines will be required to install these devices and by the end of 2012 truck with 2005 and 2006 model year engines will be required to install these devices. Phase 2 of the regulation, truck at ports and rail yards in California are going to be required to operate vehicles that meet or exceed the 2007 engine emissions standards by the end of 2013.

Mr. Fournier discussed how the program has awarded more than $25 million in grant funds for drayage truck projects and how this has resulted in a 98% compliance rate with Phase I requirements. Mr. Fournier continued to discuss the need for additional funding to continue with the program in an effort to meet the Phase II requirement.

In conclusion, Air District staff will continue to work with stakeholders on comprehensive assistance strategy to identify assistance opportunities, to seek new grant and loan opportunities, to investigate the possibility of a bulk truck purchase, and develop an outreach campaign.

Public Comments:

Cynthia Marvin, Assistant Division Chief, ARB Stationary Source Division, voiced ARB's appreciation for the Board's leadership and willingness to provide resources to help truckers and the community. She commended Air District staff for their phenomenal job in working with truckers, discussed policies associated with availability of funding, and stated that ARB stands ready to work with the Port and City of Oakland and Air District staff to implement financial assistance programs.

Ms. Marvin also announced that ARB is seeking the next round of Proposition 1B or I-Bond funding for the Drayage Truck Program in the State.

Committee Comments/Questions:

Director Hosterman asked about the overall percentage of pollution reduction and what percentages of drayage trucks contribute to polluting the air. Mr. Breen stated that a joint study was conducted with ARB in 2008 which identified three sources of air pollution in the Port of Oakland. As part of the program the Air District instituted the reduction in diesel toxic particulate emission was about 85%.

There was discussion regarding potential job losses, impact to minority groups, program administration, truck devices for capturing pollutants, economic vitality, and clean truck fees. Committee members also discussed loan programs that may be available to truckers and which organizations should contribute to these programs.

Chair Haggerty requested Air District staff to continue this agenda item on future meetings for further discussion and updates.

Public Comments: Doug Block, Teamster Joint Council 7, recognized the work by Air District staff and also discussed the number of drivers that have lost their job because of this regulation.

Ron Light, West State Alliance, has many issues with ARB regulation and the number of truckers at risk of losing their jobs.

Miguel Silva, Oakland Truckers, spoke about truck devices being made available to reduce pollution by truckers.

Bill Aboudi, AB Trucking, spoke about the Clean Port Coalition and the need to support small businesses.

Valerie Lapiri, Coalition for Clean and Safe Ports, suggested that cost for cleanup to environment should rest with the trucking industry.

Christine Cordero, Center for Environmental Health, commended the Air District for raising $1.5 million for 2012 deadline and requested that health impacts not be overlooked.

Aditi Vaidya, East Bay Alliance for a Sustainable Economy, recommended that a clean truck fee be assessed on cargo owners for dirty trucks going through Port of Oakland similar to Port of Los Angeles program.

Chuck Hunter, Cascade Sierra Solutions, expressed interest in participating in the outreach campaign and offered their assistance to owner operators or fleets in loans or grants.

Committee Action: None; presentation for information only.

5. Update on Regional Bicycle Sharing Pilot Project

Damian Breen, Director of Strategic Incentives, introduced Karen Schkolnick, Air Quality Program Manager, who gave staff the presentation and an update on the Bicycle Share Pilot Program. Ms. Schkolnick discussed the pilot's goals and objectives, progress to date on developing the program, next steps, and recommendations.

The Air District is administering this program in partnerships with the Santa Clara Valley Transportation Authority, SAMTRANS, San Francisco Municipal Transportation Agency, San Mateo County, and City of Redwood City. Funding for this program is provided by Metropolitan Transportation Commission (MTC), the Air District, and its partners.

The pilot program will be conducted in five Bay Area cities including San Francisco, Redwood City, Palo Alto, and San Jose in order to determine the most successful condition for region wide deployment. This will include 1,000 bicycles with 100 publicly accessible stations.

The Air District has been designated as the program administrator and fiscal agent in an inter-agency agreement with project partners. Over the next few months, Air District staff will continue to work on finalizing the preliminary environmental study and obtain approval for the next phase of the project.

Staff recommends that the Committee recommend Board of Directors receive and file information update on the Regional Bicycle Share Pilot Program; approve a resolution to authorize the Executive Officer/APCO to execute the Right of Way Certification form; and approve San Francisco Municipal Transportation Authority's request to use $241,250 in fiscal year (FY 2011/12) Transportation Fund for Clean Air County Program Manager funds as a local match for the project.

Committee Comments/Questions:

The Committee expressed concern that Alameda County is excluded from this program. Director Haggerty asked how can this program be expanded to Hayward, Fremont, Dublin/Pleasanton area. Mr. Breen stated this program was limited to certain partners who applied to MTC directly for funding. Mr. Breen further stated that this is a pilot program and the Air District needs to assure that this program will work prior to engaging or committing other counties.

Public Comments: None.

Committee Action:

Director Partin made a motion to recommend Board of Directors' approval to allow San Francisco Municipal Transportation Authority to use $241,250 in fiscal year (FY 2011/12) Transportation Fund for Clean Air County Program Manager funds as a local match for the project; and adopt a resolution that authorizes the Executive Officer/APCO to execute the Right of Way Certification form for the project; Director Ross seconded the motion, carried unanimously without objection.

Committee Member Comments: None.

Next Meeting: At the call of the chair.

Adjournment: Meeting adjourned at 11:35 a.m.

Maricela Martinez
Executive Secretary I

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 19, 2011

Re: Consideration of Proposed Revisions to Transportation Fund for Clean Air (TFCA) County Program Manager Fund Policies for Fiscal Year Ending (FYE) 2013

RECOMMENDED ACTION:

Recommend Board of Directors:

- Approve proposed revisions to County Program Manager Fund Policies to govern allocation of FYE 2013 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 FYE 2013 for Committee review.

DISCUSSION

On September 21, 2011, Air District staff issued a request for comments on proposed revisions to FYE 2013 TFCA Program Manager Policies. Air District staff met with Program Manager representatives via conference call on September 29, 2011 to discuss proposed revisions and to address concerns. Additionally, three Program Managers submitted written comments to staff by the October 7, 2011 deadline. Many of these comments have been incorporated into the policies that are before the Committee today. Additionally, it should be noted that changes to the guidelines this year are relatively minor and center on language cleanup to ensure consistency with health and safety code requirements.

Attachment A contains the proposed FYE 2013 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: Geraldina Grünbaum
Reviewed by: Karen Schkolnick

Attachments:

A. Proposed TFCA County Program Manager Fund Policies for FYE 2013
B. Proposed FYE 2013 Policies Compared with FY 2011/2012 Policies
C. Comments Received and Staff Responses on Proposed Policies

BOARD-ADOPTED TFCA COUNTY PROGRAM MANAGER FUND POLICIES FOR FYE 2013

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 FYE 2013.

   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 sub-awardee.

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 projects must comply with the transportation control measures and mobile source measures included in the Air District's most recently approved plan for achieving and maintaining State and national ambient air quality standards, those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919, 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 with the Air District.

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 that are permitted pursuant to 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 2013 or sooner. "Commence" includes any preparatory actions in connection with the project's operation or implementation. For purposes of this policy, "commence" can mean the issuance of a purchase order to secure project vehicles and equipment, the delivery of the award letter for a service contract or the delivery of the award letter for 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. **Independent Air District Audit Findings and Determinations:** 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 from the date of the Air District's final determination in accordance with HSC section 44242, 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 throughout the life of the project(s).

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:** Funding may not be used for any planning activities, feasibility studies or other planning activities that are not directly related to the implementation of a specific project or program.
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 to fund a project that is eligible and meets the criteria for funding under both. 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 lbs. 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 (e.g., electric vehicle, CNG). This includes upgrading or modifying private fueling/charging sites or 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.

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

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

27. Ridesharing Projects: Projects that provide carpool, vanpool or other rideshare services are eligible for funding. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category.

28. Shuttle/Feeder Bus Service:

Projects that significantly lower single-occupancy vehicle trips while minimizing emissions created by the shuttle vehicle are eligible for funding. The project's route must operate to or from a rail station, airport, or ferry terminal and must coordinate with connecting rail or ferry schedules. Projects cannot replace a local bus service or serve the same route as a local bus service, but rather must connect transit facilities to local commercial, employment and residential areas.

Shuttle/feeder bus service applicants must be either:

1) a public transit agency or transit district that directly operates the shuttle/feeder bus service; or

2) a city, county, or any other public agency.

Unless the application is the transit agency or transit district that directly implements this project, the project applicant must submit documentation from the General Manager of the transit district or 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.

The following is a listing of eligible vehicle types that may be used for service:

A. a zero-emission vehicle (e.g., electric, hydrogen)

B. an alternative fuel vehicle (CNG, liquefied natural gas, propane);

C. a hybrid-electric vehicle;

D. a post-1998 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit); or

E. 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 the California Highway Design Manual.

30. Arterial Management:

Arterial management grant applications must identify a specific 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, pedestrian 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 retail, and employment areas. Only projects with a completed and approved environmental plan may be awarded TFCA funds.

BOARD-ADOPTED TFCA COUNTY PROGRAM MANAGER FUND POLICIES FOR FYE 2013 ~~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 FYE 2013 ~~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~~sub-awardee.

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 projects ~~categories~~ must comply with the transportation control measures and mobile source measures included in the Air District's most recently approved plan for achieving and maintaining State and national ambient air quality standards, those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919, 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 with the Air District.

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 that are permitted pursuant to~~, 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 2013~~2~~ or sooner. "Commence" includes any preparatory actions in connection with the project's operation or implementation. For purposes of this policy, "commence" can mean~~s~~ the issuance of a purchase order to secure ~~to order or accept delivery of~~project vehicles~~,~~ and equipment, the delivery of the award letter for a service contract or the delivery of the award letter for ~~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~~Independent Air District Audit Findings and Determinations:** 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 from the date of the Air District's final determination in accordance with HSC section 44242, 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 throughout the life of the project(s).

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.~~ Funding may not be used for any planning activities, feasibility studies or other planning activities that are not directly related to the implementation of a specific project or program.

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~~to fund~~ing of an eligible~~ a project that is eligible and meets the criteria for funding under both~~, 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 lbs.~~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 (e.g., electric vehicle, CNG). This includes upgrading or modifying private fueling/charging sites or 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~~Ridesharing Projects: Projects that provide carpool, vanpool or other rideshare services are eligible for funding. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category.

28. Shuttle/Feeder Bus Service:

~~Shuttle/feeder bus service projects are those requesting funds to operate a shuttle or feeder bus~~Projects that significantly lower single-occupancy vehicle trips while minimizing emissions created by the shuttle vehicle are eligible for funding. The project's route must operate to or from a rail station, airport, or ferry terminal and ~~. To be eligible, shuttle/feeder bus service schedules~~ must ~~be~~ coordinate~~d~~ with connecting rail or ferry schedules. Projects cannot replace a local bus service or serve the same route as a local bus service, but rather must connect transit facilities to local commercial, employment and residential areas.

Shuttle/feeder bus service applicants must be either:

1) ~~1) be~~ a public transit agency or transit district that directly operates the shuttle/feeder bus service; or

2) a city, county, or any other public agency.

Unless the application is the transit agency or transit district that directly implements this project, the project applicant must ~~, 2)~~ submit documentation from the General Manager of the transit district or 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~~ The following is ~~a~~ a listing of ~~E~~eligible vehicle types that may be used for service~~include~~:

A. a zero-emission vehicle (e.g., electric, hydrogen)

~~A.~~B. an alternative fuel vehicle (CNG, liquefied natural gas, propane~~, electric~~);

~~B.~~C. a hybrid-electric vehicle;

~~C.~~D. a post-1998 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit); or

~~D.~~E. ~~A~~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 specific ~~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, pedestrian 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, and employment areas. Only projects with a completed and approved environmental plan may be awarded TFCA funds.

Attachment C: Comments Received and Staff Responses on Proposed FYE 2013 TFCA Program Manager Policies

Commenter and Agency	Comment	Staff Response
Bill Hough, Santa Clara VTA	**Policy 1. Reduction of Emissions:** Requests retaining the language from the FY 2010/11 Policies that indicated that projects must achieve surplus emission reductions at the time of the execution of "a funding agreement between the Program Manager and the *Air District",* rather than the proposed change to a "funding agreement is between the Program Manager and the *sub-awardee*."	Air District staff has retained the requirement that emissions reductions be *surplus at the time of an Agreement between the Program Manager and subawardee.* The authorizing legislation requires that the emission reductions achieved by a project be surplus and the agreement above serves as the point of obligation of public funds. This prevents projects subject to regulation being funded using TFCA monies.
Lynne March, Sonoma County Transportation Authority (SCTA)	**Policy 1. Reduction of Emissions:** Requests that the term "fund transfer agreement" replace "funding agreement."	The Policy will retain the term "funding agreement." However, Program Managers may use other mechanisms (e.g. fund transfer agreement) to award or allocate funds provided that the TFCA Policy requirements are in place.
Peter Engel, Contra Costa Transportation Authority (CCTA)	**Policy 3. Eligible Projects, and Case-by-Case Approval and Policy 4. Consistent with Existing Plans and Programs.** Requests clarification regarding the use of "projects" in Policy 3 and "project categories" in Policy 4.	The suggestion has been incorporated in the Policies.
From 9/29/11 teleconference discussion	**Policy 4. Consistent with Existing Plans and Programs.** During the 9/29/11 teleconference, various Program Manager representatives expressed concern about the additional language in the Policy concerning the plans and programs that must be complied with. Some representatives feel that these changes to the Policy put the onus on the Program Manager to ensure compliance with all strategies. Request that this proposed language be removed.	The Air District has retained the proposed language in order to clarify the scope of the obligations. The additional language clarifies the specific sections in the California Health and Safety Code that must be complied with.
Lynne March (SCTA)	**Policy 12. Planning Activities.** The proposed language seems to differentiate between a planning study and a planning activity. Recommends rewording the proposed language.	The suggestion has been incorporated in the Policies.
Lynne March (SCTA)	**Policy 26. Alternative Fuel Infrastructure.** Comments that language is redundant in Policy and should be consolidated. Also, asks that Policy clarify that CNG fueling infrastructure be included.	The suggestion has been incorporated in the Policies.
Lynne March (SCTA)	**Policy 26. Alternative Fuel Infrastructure.** Requests clarification on whether the requirement that TFCA-funded infrastructure projects be available to and accessible by the public applies only to electric re-charging or other energy sources like CNG.	Given that TFCA dollars are generated through the collection of Department of Motor Vehicle fees paid by the public, at least a portion (if not all) of every infrastructure project funded with these fees should be accessible by the public.

Attachment C: Comments Received and Staff Responses on Proposed FYE 2013 TFCA Program Manager Policies

Commenter and Agency	Comment	Staff Response
Chad Rathmann, San Francisco County Transportation Authority (SFCTA)	**Policy 26. Alternative Fuel Infrastructure.** Supports the removal of the funding caps associated with alternative fuel infrastructure projects.	The language establishing the funding caps has been removed.
Chad Rathmann, (SFCTA)	**Policy 27. Ridesharing Projects.** Supports the addition of language specific to ridesharing projects.	Comment is noted.
Lynne March (SCTA)	**Policy 28. Shuttle/Feeder Bus Service.** Asks why gas powered vehicles are allowed.	The Air District allows the use of post-1990 gasoline-fueled vehicles as long as the shuttle project meets all other TFCA funding criteria, including the cost-effectiveness criteria. The Air District's experience in funding shuttle projects through the TFCA Regional Fund has demonstrated that shuttles that rely on gasoline vehicles can be cost-effective.
Lynne March (SCTA)	**Policy 29. Bicycle Projects.** Please provide clarification of how "I. Development of a region-wide web-based bicycle trip planning system" would fall under the umbrella of the Program Manager Fund.	The question is in regards to existing language in the Policies. Given that MTC's Bike Mapper program has been developed this provision may be unnecessary. During this next year, staff will work with the Program Mangers to explore the need to continue including this project category in future Program Manger Policies.
Lynne March (SCTA), and Chad Rathmann (SFCTA), others	**Policy 29. Bicycle Projects.** Please clarify if bicycle facility projects must be consistent with the design standards published in the California Highway Design Manual (i.e., if compliance is a legislative requirement). Would the Air District grant project exemptions for those projects not in compliance with the HDM?	To the extent that a bicycle project falls within the scope of California Bicycle Transportation Act, the project must meet the State's design criteria and specifications for bicycle transportation, which are included in the State's Design Manual, (California Streets and Highways Code section 890 et seq.). A project subject to this legal requirement would not be eligible for an exemption from the Air District.
Lynne March (SCTA)	**Policy 30. Arterial Management.** Suggested change in language in first sentence.	The suggested language has been incorporated into the proposed Policies.
Lynne March (SCTA)	**Policy 31. Smart Growth/Traffic Calming.** Requests that "pedestrian plan" be included in the list of plans a development project and the physical improvements must be identified in.	The suggested language has been incorporated into the proposed Policies.

Attachment C: Comments Received and Staff Responses on Proposed FYE 2013 TFCA Program Manager Policies

Commenter and Agency	Comment	Staff Response
Lynne March (SCTA)	**Policy 31. Smart Growth/Traffic Calming.** Requests that traffic calming projects be allowed not just in residential and retail areas, but also in areas with industrial parks, government businesses, etc. Suggests that locational decision be left to local planners and engineers	The suggested language has been incorporated into the proposed Policies.
Bill Hough, Santa Clara (VTA), Robert Guerrero (STA) Chad Rathmann (SFCTA)	**Policy 31. Smart Growth/Traffic Calming.** During the 9/29/11 teleconference, there was discussion about the air quality impacts of these project types. Some (e.g., Bill Hough) indicate that these projects, esp. traffic calming projects, are unlikely to improve air quality. Others (e.g. Robert Guerrero, Chad Rathmann) indicate that these project types have been shown to have a positive air quality impact in their counties. Likewise, for counties that have a difficult time funding Program Manager projects, these project types are an important recipient of Program Manager funds.	Smart Growth/Traffic Calming remain eligible project types in the proposed Policies. Air District staff is available to assist Program Managers with evaluating proposed projects in order to determine whether they meet TFCA Policies and cost-effectiveness requirements prior to their approval for funding.
Lynne March (SCTA), Chad Rathmann, (SFCTA)	**Policy 31. Smart Growth/Traffic Calming.** Based on a comment from L. March, there was discussion at the 9/29/11 teleconference about the requirement that only those projects with a completed and approved environmental are eligible for TFCA funding.	Staff is not recommending any changes to the current language this year. The existing language in the Policy was developed last year in cooperation with Program Managers following extensive discussion and input from Program Managers. During this next year, staff will work with Program Managers to further develop and clarify this policy.
Lynne March (SCTA)	**Other Issues –** Requests that the Funding Year terminology return to "Fiscal Year (FY) 2012/13" rather than the proposed change to "Fiscal Year Ending (FYE) 2013."	This terminology change to FYE has been instituted as standard throughout the Air District.
From 9/29/11 teleconference discussion, Chad Rathmann (SFCTA)	**Other Issues –** Request to consolidate Policies. During the 9/29/11 teleconference with Program Managers representatives, there was discussion of consolidating the following policies: • Policies 1, 3 and 4 • Policies 11 and 15	The Air District does not propose to consolidate policies at this date. This idea will be explored with Program Manager representatives during this year to ensure that any change of this extent to the Policies is fully vetted by all.

AGENDA: 5

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 19, 2011

Re: Regional Electric Vehicle Deployment Planning Grants

RECOMMENDATION:

Recommend the Board of Directors:

- Adopt a resolution that authorizes the Executive Officer/APCO to enter into contracts with the South Coast Air Quality Management District (South Coast) and the California Energy Commission (CEC) to receive and expend PEV (plug-in electric vehicles) planning funding.
- Authorize the allocation of $200,000 in match funding for both grants from the Transportation Fund for Clean Air (TFCA) Regional Fund.

BACKGROUND

Recognizing the potential of PEV to be an important technology in terms of reducing emissions in the Bay Area, the Bay Area Air Quality Management District (Air District) has allocated over $6 million in TFCA funding to deploy PEV infrastructure over the past two fiscal years [fiscal year ending (FYE) 2010 and 2011] and the current fiscal year FYE 2012. To ensure that these investments in PEV are well coordinated with the region's needs, the Air District has applied for a number of State and Federal grants with its regional agency partners [Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG)] and others to undertake regional planning in both the Bay Area and Monterey regions. As part of this report, staff will update the Committee on recent Air District successes in those grant competitions.

DISCUSSION

Department of Energy (DOE) Grant

On June 10, 2011, the Air District, South Coast and the California Plug-In Electric Vehicle Collaborative (PEVC) submitted a joint application for funding from the United States Department of Energy (DOE), for PEV Planning for the State of California. As part of that application, the Air District applied for $300,000 in PEV planning funds for the Bay Area and Monterey (Monterey, Santa Cruz, and San Benito) regions.

The Air District portion of the statewide application was prepared in partnership with ABAG, MTC, three Bay Area clean cities coalitions (listed below), the Bay Area Electric Vehicle Strategic Council (Strategic Council) and the Monterey Bay Electric Vehicle Association (MBEVA). It provides for the following allocations of DOE and match funding:

- $75,000 in DOE funding was requested for the three Bay Area Clean Cities Coalitions (East Bay, San Francisco and Silicon Valley) to perform outreach for the plan. This funding is matched by $75,000 in TFCA Regional Fund monies (as allocated by the Board of Directors on June 15, 2011)
- $75,000 was requested for the Air District to hire a consultant to draft and coordinate input into the plan. This funding is matched by $75,000 in Air District staffing time to assist with the drafting and preparation of the plan (allocated as part of this year's Air District budget in program 317).
- $150,000 is to be provided for additional consultants to perform additional research on topics identified via the outreach process for the plan. This funding is matched by $50,000 in funding allocated by the Board to ECOtality for PEV planning on February 2, 2011.

Grant Requirements

On September 8, 2011, the DOE notified the Air District that the application for this funding had been successful. Should the Board choose to accept this funding, it comes with the following conditions:

- An 11 point PEV plan for the Bay Area and Monterey regions must be developed within a 1 year timeframe – ending in September 2012.
- The 11 point plan requires the following elements to be addressed:

Table 1 - Required Elements of DOE Planning Grant

• Demonstration of Partnerships • Description of Partner Roles • Analysis of Barriers to PEV Implementation • Current Plans for PEV deployment • A Deployment Plan (charging infrastructure) • PEV Benefits Communications Plan	• A Plan to update permitting/ inspection • A Plan to update building codes • A Plan to update zoning, parking local ordinances • A Plan for PEV Marketing , Education and Outreach • A Utility provider plan for PEV expansion

CEC Grants

Subsequent to the submittal of the DOE grant, on July 27, 2011, the Air District also submitted two grants applications to the California Energy Commission for both the Bay Area and Monterey regions respectively.

Bay Area Region:

The Air District application for the Bay Area region was submitted in partnership with the regional agencies and the Bay Area EV Strategic Council (Strategic Council). The proposal itself required a local coordinating body comprised of cities, local governments, automotive manufacturers, utilities and electric vehicle supply equipment (EVSC) manufacturers. This structure already exists in the Strategic Council and was thus leveraged as part of the proposal. The specific funding allocations for the $200,000 requested are as follows:

- In order to develop the required PEV plan, the BAAQMD is proposing that the $200,000 in CEC funding be let via a request for proposals (RFP) for a consultant to perform outreach and development of the planning document required by this solicitation.

- The BAAQMD will also provide cost-sharing (match) in the amount of $200,000 including:
  - $50,000 for planning via a contract with ECOtality to match both DOE and CEC funding;
  - $75,000 ($25,000 each) to the three Bay Area Clean Cities Coalitions to perform additional outreach to cities, counties and the public as part of the planning process;
  - $75,000 in BAAQMD staffing including administration and costs to conduct any CEQA analyses required as part of the planning process

CEC staff has accepted that portions of the match funding listed above will be provided to match both the CEC and the Department of Energy's grant funding. However, it should be noted that the CEC requires the Air District and its partners to fund the cost of any CEQA compliance analysis.

As the cost of CEQA analysis for the project is as of yet unknown, staff will return to the Board with an additional request for funding for that portion of the project in Spring 2012, if necessary.

Monterey Region:

At the request of MBEVA, a member of the Silicon Valley Clean Cities group, the Air District submitted an additional application for PEV funding for the Monterey region to CEC. As part of this application, MBEVA's designee Ecology Action will design a plan for that area that complies with CEC requirements (see below). Upon Board approval, the Air District will act as the fiscal agent for this grant. The Air District will also provide oversight and coordination with the Monterey region to ensure that CEC and DOE objectives are aligned for all grants under its purview.

Grant Requirements:

On September 26, 2011, the CEC announced that the Air District had been a successful applicant for two planning grants one for the Bay Area and the other for the Monterey region. This funding is set to be approved at the next CEC meeting following which contracts will be let to successful applicants. Should the Board choose to accept this funding, it comes with the following conditions:

- A 10 point plan must be prepared within two years of contracting with the California Energy Commission.
- The 10 point plan requires the following elements be addressed:

Table 2- Required Elements of CEC Planning Grant

• PEV deployment guidelines • Infrastructure location identification • Region specific planning data • Permitting, installation and inspection guidelines • Education and promotion plans for PEV	• Adoption plans for PEV • Charging pattern Data collection plan • Greenhouse gas emissions estimation • Integration of PEV into SCS • Sharing of best practices

- The Air District will act as fiscal agent for MBEVA and Ecology Action for the Monterey Bay region. This will require staff to perform limited oversight, fiscal and coordination activities.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. The Air District match and administrative funding for these projects comes from the TFCA program.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Damian Breen
Reviewed by: Jean Roggenkamp

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 14, 2011

Re: 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 A in the amount of $4,089,221.
3. Approve project revisions and Board adopted policy requirement waiver to Project #10R15-Estuary Crossing Bicycle/College Shuttle-Pilot Shuttle project.

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

FYE 2012 TFCA Shuttle, Ridesharing and Vanpool projects

On July 18, 2011, the Board approved TFCA Fiscal Year Ending 2012 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 August 1, 2011, and held grant application workshops in San Francisco on August 11, 2011, and in Redwood City on August 18, 2011. The Air District started accepting applications for Shuttle, Ridesharing and Vanpool projects on September 1, 2011. 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 gasses (GHG)

As of September 1, 2011, the Air District had received 16 applications requesting a total of $6,285,128. Of these, six (6) projects were found to meet Board adopted polices and achieve an estimated cost-effectiveness of less than $83,369. As the total amount of funding requested by these projects was less than the total funding available, Air District staff examined the remainder of the project applications submitted to determine if their cost-effectiveness could be adjusted to meet the program's $90,000 threshold.

As part of that examination, six (6) projects were identified and modified such that the estimated cost-effectiveness of each equals $85,500, or 95% of the program maximum. This modification allows all six projects to be funded while providing a reasonable buffer to each with regard to actual ridership and use to help them remain within the cost-effectiveness threshold of the program. Therefore, staff recommends an allocation of TFCA FYE 2012 Regional Funds for 12 projects totaling $4,089,221 that reduce an estimated 88.8 tons of NOx, ROG and weighted PM per year. Attachment A to this staff report provides additional information on these projects.

Additionally, four (4) other projects are not recommended for funding based on the fact that three (3) cannot be cost-effective at a reduced dollar amount and the remaining project application is incomplete. A listing of the projects not-recommended for funding is included in Attachment B.

Project 10R15 - Estuary Crossing Bicycle/College

Staff is also recommending the approval of a modification to Project 10R15, Estuary Crossing Bicycle/College - Pilot Shuttle, operated by the City of Alameda, and approved by the Board on December 1, 2010. Since approval of the award of $193,358, the project sponsor has informed the Air District that they have changed the type of vehicle providing the service. This vehicle has less passenger capacity than the vehicle that was proposed in the application. At this reduced capacity, the project exceeds the cost-effectiveness of $97,342 at which the Board allocated funding to this project.

Staff is seeking Board consideration of a recommendation to adjust the cost-effectiveness of this project to the maximum allowed $125,000 per ton of emissions reduced for pilot shuttles. If the Board approves this request, funding for the project would be reduced from $193,358 to $167,233 which still allows the pilot project to be completed. Project information is provided in Table 1 below:

Table 1: TFCA Regional Fund Project Information and Cost-Effectiveness (C/E)

Approved Project #	Project Sponsor	Project Title	Original Award	Proposed Award	C/E	NO_x (TPY)	ROG (TPY)	PM (TPY)	CO2 (TPY)	CARE Area
10R15	City of Alameda	Estuary Crossing Bicycle/College Shuttle-Pilot	$193,358	$167,233	$125,000	0.37	0.36	0.28	519	Yes

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: Avra Goldman and Geraldina Grünbaum
Reviewed by: Karen Schkolnick

Attachment A: FYE 2012 TFCA Recommended Shuttle, Ridesharing, and Vanpool Projects

Attachment B: FYE 2012 TFCA Shuttle, Ridesharing and Vanpool Projects Not Recommended Funding

ATTACHMENT A: FYE 2012 TFCA Recommended Shuttle, Ridesharing and Vanpool Projects

Project #	Project Sponsor	Proposed Project Title	Proposed Award	PUL (Yrs.)	C-E	ROG	NOx	Weighted PM	CO2	County	Project Type
11R05	Metropolitan Transportation Commission	511 Rideshare Program	$1,000,000	1	$ 33,795	9.79	10.46	9.34	2,222.76	REG	Regional Ridesharing
11R06	Peninsula Corridor Joint Powers Board	Caltrain Shuttle	$1,000,000	1	$ 37,648	7.5	7.18	11.88	9,916.68	SM	Existing Shuttle Service
11R07	City of Redwood City	Redwood City Community Shuttle	$20,000	1	$ 42,792	0.12	0.12	0.23	176.38	SM	Existing Shuttle Service
11R08	Valley Transportation Authority	ACE Shuttle Bus	$960,000	1	$ 55,428	4.34	4.98	8.00	6,381.78	SC	Existing Shuttle Service
11R09	San Jose State University	SJSU - Ridesharing and Trip Reduction	$120,000	1	$ 66,076	0.48	0.52	0.82	662.25	REG	Regional Ridesharing
11R10	San Joaquin Regional Rail Commission	Shuttle Route 54	$50,000	1	$ 83,369	0.28	0.18	0.58	439.41	ALA	Existing Shuttle Service
11R11	San Joaquin Regional Rail Commission	Shuttle Route 53	$33,079	1	$ 85,500	0.21	0.15	0.44	337.65	ALA	Existing Shuttle Service
11R12	City of Richmond	Transmetro (Richmond Circular and Marina Bay Shuttle Routes)	$313,036	1	$ 85,500	0.98	1	1.68	1,333.92	CC	Pilot Shuttle
11R13	The Presidio Trust	PresidiGO Downtown Shuttle	$94,213	1	$ 85,500	0.3	0.31	0.50	286.82	SF	Existing Shuttle Service
11R14	City of Oakland	Broadway Shuttle - "B"	$278,724	1	$ 85,500	1.06	1.01	1.80	1,374.04	ALA	Pilot Shuttle
11R15	Laguna Honda Hospital	Laguna Honda Hospital Shuttle to Glen Park BART Station	$105,789	1	$ 85,500	0.32	0.29	0.62	490.75	SF	Pilot Shuttle
11R16	City of Alameda	Estuary Crossing Bicycle/College Shuttle	$114,380	1	$ 85,500	0.36	0.37	0.61	519.19	ALA	Pilot Shuttle
		Total	**$4,089,221**			**25.74**	**26.57**	**36.5**			

ATTACHMENT B: FYE 2012 TFCA Shuttle, Ridesharing and Vanpool Projects Not Recommended Funding

Project Sponsor	Proposed Project Title	Proposed Award	PUL (Yrs.)	C-E	ROG	NOx	Weighted PM	CO2	County	Project Type
San Leandro Transportation Management Organization	San Leandro LINKS Shuttle	$ 59,020.00	1	$ 534,004.00	0.06	0.03	0.11	58.9	ALA	Existing Shuttle Service
NCTPA	Napa Solano Commuter Shuttle	$ 312,000.00	1	$ 4,707,304.00	0.06	-0.21	0.21	191.5	NAPA	Pilot Shuttle
San Francisco's Sherriff's Department	San Bruno Jail Visitors' Shuttle	$ 180,000.00	2	$ (147,277.00)	-0.35	-0.82	-0.06	-41.1	SF	Existing Shuttle Service
Lawrence Berkeley National Laboratory	Incomplete application		1							Existing Shuttle Service

AGENDA: 7

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 17, 2011

Re: Update on Port Drayage Truck Program

RECOMMENDATION:

None. Informational report, receive and file.

BACKGROUND

In December of 2007, the California Air Resources Board (ARB) approved a regulation to reduce emissions from drayage trucks operating at California's ports and intermodal rail yards. The first phase of the regulation went into effect on December 31, 2009, and Phase 2 of the regulation goes into effect on December 31, 2013. A summary of the regulation's compliance requirements is shown in Table 1:

Table 1: ARB Drayage truck regulation compliance schedule

Phase	Date	Engine Model Years (MY)	Regulation requirement
Phase 1	12/31/09	1993 and older	Prohibited from operation as a drayage truck
		1994 – 2003	Install a Level 3 retrofit device
	12/31/11	2004	Install a Level 3 retrofit device
	12/31/12	2005 and 2006	Install a Level 3 retrofit device
Phase 2	12/31/13	1994 – 2006	Meet 2007 * engine emissions standards

* Trucks with 2007-2009 model year engines are compliant through 2022. Trucks with 2010 and newer engines are fully compliant

In 2008, the Air District accepted applications for drayage truck retrofit and replacement projects as part of its port truck upgrade program. Through this program the Air District received and awarded a total of $25.8 million [$13.8 million in California Goods Movement Bond (I-Bond) funding, $2 million in US Environmental Protection Agency (EPA) diesel emissions reduction act (DERA) funds, $5 million from the Port of Oakland (Port), and $5 million in Air District TFCA funding]. These monies were used to assist with the upgrade of 1,522 trucks (1,319 truck retrofits and 203 truck replacements) operating at the Port.

As the next set of compliance deadlines approach for this regulation the Air District must consider how to best assist the trucker population at Bay Area ports with early compliance.

DISCUSSION

Table 2 below contains data from ARB's Drayage Truck Registry database, and describes the population of vehicles calling on Northern California ports by engine model year. Table 2 also identifies which groups of trucks received grant funds from the original Air District Drayage Truck Program.

Table 2: **Drayage truck population as of July 2011**

Engine MY	Compliant until	# of Drayage trucks in Northern CA*	# of trucks that received grant funds	Grant funds expended **
MY 1994-2003 (w/ retrofits)	12/31/13	1,700	1,319	$15,586,534
MY 2004	12/31/11	700	0	$0
MY 2005 & 2006	12/31/12	2,150	0	$0
MY 2007 – 2009	2022	1,350	203	$10,150,000
MY 2010 +	Fully compliant	400		
Total		**6,300**	**1,522**	**$25,736,534**

* Number of trucks registered in the ARB Drayage Truck Registry (DTR) with zip codes North of Fresno.

** Funding sources for the Air District's Year 1 port truck funding program: TFCA ($5 million), Port ($5 million), ARB Prop 1B ($13,835,133), and DERA (~$2 million)

Air District Efforts

As part of the presentation for this agenda item, staff will update the Committee on Air District efforts to address early compliance for truckers affected by the upcoming ARB regulatory deadlines.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Anthony Fournier
Reviewed by: Damian Breen