A regular meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 1st Floor Board Room at the Air District Headquarters, 375 Beale Street, San Francisco, California 94105.

### Questions About an Agenda Item

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

### Meeting Procedures

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

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

This meeting will be webcast. To see the webcast, please visit [http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx](http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx) at the time of the meeting.
Persons wishing to make public comment must fill out a Public Comment Card indicating their name and the number of the agenda item on which they wish to speak, or that they intend to address the Board on matters not on the Agenda for the meeting.

**Public Comment on Non-Agenda Matters, Pursuant to Government Code Section 54954.3**

For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to commencement of the meeting. The remainder of the speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

**Public Comment on Agenda Items**

After the initial public comment on non-agenda matters, the public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.

Up to ten (10) speakers may speak for three minutes on each item on the Agenda. If there are more than ten persons interested in speaking on an item on the agenda, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. Speakers are permitted to yield their time to one other speaker; however no one speaker shall have more than six minutes. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.
BOARD OF DIRECTORS REGULAR MEETING
AGENDA

WEDNESDAY
JULY 20, 2016
9:45 A.M.

BOARD ROOM
1ST FLOOR

CALL TO ORDER

Chairperson, Eric Mar

1. Opening Comments
2. Roll Call and Pledge of Allegiance

The Chair shall call the meeting to order and make opening comments. The Clerk of the Boards shall take roll of the Board members. The Chair shall lead the Pledge of Allegiance.

CLOSED SESSION

3. CONFERENCE WITH LEGAL COUNSEL

A) EXISTING LITIGATION (Government Code Section 54956.9(a))

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


B) ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2))

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: one potential case.

OPEN SESSION

CONSENT CALENDAR (ITEMS 4 – 9)

4. Minutes of the Board of Directors Regular Meeting of June 15, 2016

The Board of Directors will consider approving the draft minutes of the Regular Board of Directors Meeting of June 15, 2016.
5. Board Communications Received from June 15, 2016 through July 19, 2016

A copy of communications directed to the Board of Directors received by the Air District from June 15, 2016 through July 19, 2016, if any, will be at each Board Member’s place.

6. Notices of Violations Issued and Settlements in Excess of $10,000 in the months of May and June 2016

In accordance with Resolution No. 2012-08, the Board of Directors will receive a list of all Notices of Violation issued, and all settlements for amounts in excess of $10,000 during the months of May and June 2016.

7. Air District Personnel on Out-of-State Business Travel

In accordance with Section 5.4 (b) of the Air District’s Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memorandum lists Air District personnel who have traveled on out-of-state business in the preceding month.

8. Notification of Proposed Future Adoption of Amendments to the Air District’s Administrative Code, Division II: Fiscal Policies and Procedures, Section 4.3: Contract Limitations

At its next meeting, the Board of Directors will consider adoption of amendments to the Air District’s Administrative Code, Division II: Fiscal Policies and Procedures, Section 4.3: Contract Limitations, to increase the Executive Officer’s contract signing authority from $70,000 to $100,000.


The Board of Directors will consider authorizing the Executive Officer/APCO to execute a contract and issue a Purchase order to Technical and Business Systems for continued operation of the BioWatch Monitoring Network for an amount not to exceed $1,116,074.
The Committee received the following report:

A) **Consideration of New Bills**

1) Approve positions on bills

The Committee received the following reports:

A) **Projects and Contracts with Proposed Grant Awards over $100,000**

1) Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over $100,000 as shown in Attachment 1;

2) Allocate up to $1,151,430 in TFCA funding as match for California Air Resources Board (ARB) Low Carbon Transportation Greenhouse Gas Emission Reduction Funds (GGRF) for zero-emission truck and bus pilot commercial deployment projects using a project cost-effectiveness of $500,000 per ton of emissions reduced;

3) Adopt a resolution that authorizes the Bay Area Air Quality Management District (Air District)’s acceptance, obligation, and expenditure of GGRF funds; and

4) Authorize the Executive Officer/APCO to enter into agreements for the recommended CMP and TFCA projects and with the ARB and partners for the acceptance and expenditure of GGRF funds.

B) **Accept, Obligate, and Expend Funding from the Bay Area Clean Air Foundation (Foundation) and from the United States Environmental Protection Agency (EPA)**

1) Adopt a Resolution authorizing the Bay Area Air Quality Management District (Air District) to accept, oblige, and expend up to $972,262.70 from the Bay Area Clean Air Foundation (Foundation) for electric vehicle and vehicle buyback projects;

2) Adopt a Resolution authorizing the Air District to accept, oblige, and expend up to $1 million in funds from the U.S. Environmental Protection Agency (EPA) to replace three locomotives; and

3) Authorize the Executive Officer/APCO to enter into all agreements necessary to accept and expend this funding.

C) **Emissions Reduction from Air District Grant Programs**

1) None; receive and file.
D) **Fiscal Year Ending 2017 Transportation Fund for Clean Air (TFCA) Regional Fund Policies**

1) Approve the proposed Fiscal Year Ending 2017 Transportation Fund for Clean Air (TFCA) Regional Fund Policies and Evaluation Criteria presented in Attachment A.

12. Report of the **Public Engagement Committee** Meeting of July 18, 2016

   **CHAIR:** M. Ross

   The Committee will receive the following reports:

   A) **Opportunity for Spare the Air Advertising on the Oakland Broadway Shuttle**

      1) Approve $235,000 to be allocated to the Transportation Fund for Clean Air - Spare the Air Program budget for fiscal year ending (FYE) 2017 for the purposes of:

         a. Securing an advertising contract with the City of Oakland at a cost of $185,000 per year for up to two years, and
         
         b. Wrapping four AC transit operated shuttle buses at a cost of approximately $50,000 on the Broadway route in the City of Oakland with the Spare the Air messaging.

      2) Authorize the Executive Officer/APCO to execute all contracts and agreements with the City of Oakland related to the wrapping and advertising rights;

      3) Authorize the Executive Officer/APCO to extend the advertising service at a cost not to exceed $185,000 for an additional year, at the Air District’s discretion, based on contractor performance.

   B) **Public Participation Plan Status Report and Update Process**

      1) None; receive and file.

   C) **Approval of Contract for Graphic Design**

      1) Authorize the Executive Officer/APCO to execute a one-year contract with Envall Design for a total amount not to exceed $200,000 for graphic design services.


   **BOARD LIAISON:** R. Sinks

   The Council will receive the following reports:

   A) **Update on Refinery Rulemaking**

      1) None; receive and file.
B) Council Deliberation on Key Question

1) None; receive and file.

C) Clean Air Plan as a Framework for Future Council Topics

1) None; receive and file.

PRESENTATION

14. UPDATE ON REFINERY RULEMAKING

Staff will provide the Board of Directors with an update on refinery rulemaking.

PUBLIC COMMENT ON NON-AGENDA MATTERS

15. Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3

Speakers will be allowed three minutes each to address the Board on non-agenda matters.

BOARD MEMBERS’ COMMENTS

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

OTHER BUSINESS

17. Report of the Executive Officer/APCO

18. Chairperson’s Report

19. Time and Place of Next Meeting:

   Wednesday, September 7, 2016, 375 Beale Street, San Francisco, California 94105 at 9:45 a.m.

20. Adjournment

   The Board meeting shall be adjourned by the Board Chair.
CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
mmartinez@baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Board of Directors” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following meeting.

- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.

- 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 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District’s policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District’s Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at rsanders@baaqmd.gov.
### JULY 2016

<table>
<thead>
<tr>
<th>TYPE OF MEETING</th>
<th>DAY</th>
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<th>TIME</th>
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<tbody>
<tr>
<td>Board of Directors Public Engagement Committee</td>
<td>Monday</td>
<td>18</td>
<td>9:30 a.m.</td>
<td>1st Floor Board Room</td>
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<td>(At the Call of the Chair)</td>
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<tr>
<td>Advisory Council Meeting</td>
<td>Tuesday</td>
<td>19</td>
<td>10:00 a.m.</td>
<td>1st Floor Board Room</td>
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<td>(Meets at the Call of the Chair)</td>
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<tr>
<td>Board of Directors Regular Meeting</td>
<td>Wednesday</td>
<td>20</td>
<td>9:45 a.m.</td>
<td>1st Floor Board Room</td>
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<td>(Meets on the 1st &amp; 3rd Wednesday of each Month)</td>
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<tr>
<td>Board of Directors Climate Protection Committee</td>
<td>Thursday</td>
<td>21</td>
<td>9:30 a.m.</td>
<td>1st Floor Board Room</td>
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<td>(Meets on the 3rd Thursday of every other Month)</td>
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<td>Board of Directors Budget &amp; Finance Committee</td>
<td>Wednesday</td>
<td>27</td>
<td>9:30 a.m.</td>
<td>1st Floor Board Room</td>
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<td>(Meets on the 4th Wednesday of each Month)</td>
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<tr>
<td>Board of Directors Mobile Source Committee</td>
<td>Thursday</td>
<td>28</td>
<td>9:30 a.m.</td>
<td>1st Floor Board Room</td>
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### AUGUST 2016

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<td>Board of Directors Regular Meeting</td>
<td>Wednesday</td>
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<td>9:45 a.m.</td>
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<tr>
<td>Board of Directors Executive Committee</td>
<td>Monday</td>
<td>15</td>
<td>9:30 a.m.</td>
<td>1st Floor Board Room</td>
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<td>(Meets on the 3rd Monday of each Month)</td>
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<tr>
<td>Board of Directors Stationary Source Committee</td>
<td>Monday</td>
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<td>10:30 a.m.</td>
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HK – 7/12/16 (3:51 p.m.)

G/Board/Executive Office/Moncal
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
   of the Board of Directors

From: Jack P. Broadbent
      Executive Officer/APCO

Date: July 6, 2016

Re: Minutes of the Board of Directors Regular Meeting of June 15, 2016

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of June 15, 2016.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of June 15, 2016.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Maricela Martinez

Attachment 4A: Draft Minutes of the Board of Directors Regular Meeting of June 15, 2016
CALL TO ORDER:

1. Opening Comments: Chairperson Eric Mar called the meeting to order at 10:20 a.m. He welcomed everyone to the first Board of Directors (Board) meeting to be held at 375 Beale Street, the Air District’s new office location, and announced that prior to the Board meeting, the 2016 Clean Air Foundation meeting had taken place, as a special meeting of the Board. As the Pledge of Allegiance was conducted at the Clean Air Foundation meeting, it was not repeated at the Board meeting. Metropolitan Transportation Commission’s (MTC) Executive Director, Steve Heminger, gave welcoming remarks to the Board, District staff, and attendees, as the Air District shares its new space with MTC and the Association of Bay Area Governments, among other tenants.

Roll Call:

Present: Chairperson Eric Mar; Vice-Chairperson Liz Kniss; Secretary David Hudson; and Directors John Avalos, Teresa Barrett, Tom Bates, David J. Canepa, Osby Davis, John Gioia, Carole Groom, Scott Haggerty, Rebecca Kaplan, Nate Miley, Karen Mitchoff, Deborah Raphael, Katie Rice, Mark Ross, Rod Sinks, Warren Slocum, Jim Spering, and Brad Wagenknecht

Absent: Directors Cindy Chavez, Jan Pepper, and Shirlee Zane.

PUBLIC COMMENT ON NON-AGENDA MATTERS

2. Public Comment On Non-Agenda Matters, Pursuant to Government Code Section 54954.3 (Round 1 of 2)

Andres Soto, Benicians for a Safe and Healthy Community, addressed the Board regarding the health impacts that can result from crude by rail derailments, explosions, and water contamination. Mr. Soto stated that he recently attended the Court of Appeals hearing on the 2014 litigation by Earthjustice of the Air District and Kinder Morgan permit for the transport of crude oil by rail into Richmond without issuing an environmental impact report or notifying the public. Mr. Soto also referenced the recent crude oil train derailment in Oregon that resulted in a fire, warning against a similar situation happening along the Union Pacific railroad line that could potentially affect up-rail communities ranging from the Sacramento Valley to Santa Clara County.
CONSENT CALENDAR (ITEMS 3 - 7)

3. Minutes of the Board of Directors Special Meeting Budget Hearing and Regular Meeting of May 18, 2016 – Chair Mar made the following announcement at the request of the Clerk of the Boards: “Prior to the Board meeting of June 15, 2016, the Clerk of the Boards was alerted to an error found in the Board minutes of May 18, 2016. The error was made in the fifth announcement made by Director Ross, as part of Item 25 – Board Member Comments, in which the name of ‘Milton Feinstein’ should have been ‘Milton Feldstein’. The Clerk of the Boards notes this change, which will be reflected in the minutes of the June 15, 2016 Board of Directors meeting.”

4. Board Communications Received from May 18, 2016 through June 14, 2016

5. Air District Personnel on Out-of-State Business Travel

6. Consider Authorization to Execute Contracts in Excess of $70,000, Pursuant to Administrative Code Division II Fiscal Policies and Procedures Section 4.3 Contract Limitations, for Air Quality Research Activities

7. Consider Authorization to Execute a Contract and Issue a Purchase Order in Excess of $70,000, Pursuant to Administrative Code Division II Fiscal Policies and Procedures Section 4.3 Contract Limitations, for Meteorology Measurements

Director Raphael made a motion, seconded by Secretary Hudson, to approve the Consent Calendar Items 3 through 7, inclusive, as amended; and the motion carried by the following vote of the Board:


NOES: None.

ABSTAIN: None.

ABSENT: Chavez, Davis, Pepper, and Zane.

PUBLIC HEARINGS

8. Public Hearing to Consider Adoption of Proposed Amendments to Air District Regulation 3: Fees and Approval of the Filing of a Notice of Exemption from the California Environmental Quality Act (OUT OF ORDER, ITEM 9)

Jack Broadbent, Executive Officer/Air Pollution Control Officer, introduced this item, stating that the amended fee structure fits the proposed budget for Fiscal Year Ending 2017. Mr. Broadbent gave the Board the option of waiving the prepared staff presentation for this item, and Chair Mar chose to waive the presentation.

Public Comment:

Berman Obaldia, Western States Petroleum Association (WSPA), reiterated comments that WSPA had submitted in response to this issue in May 2016, which included: fee increases imposed on refineries have historically been excessive and higher than those imposed on other sectors; Regulation 3: Fees schedules currently have greater than one hundred percent cost recovery; and regulations associated with fee increases can result in substantial costs to prepare and to maintain compliance with new regulations.
Susan Gustofsen, Valero, suggested that staff conduct a more robust assessment of the proposed fee structure and that it occur annually and earlier in the fiscal year than the District’s current practice. She suggested that the assessment evaluate cost recovery, cost history, cost containment, and effectiveness and gave two examples of why she thought the proposed fees could stand to be improved.

Ratha Lai, Sierra Club, commended the Air District for having successfully investigated and documented air pollution permit violations within the refinery industry in the past, and said that he hopes the Air District will continue to protect the community’s health, as the refinery sector is intent on defending its profit motive interests and revenue sources.

**Board Comments:**

The Board and staff discussed the District’s Cost Recovery Program as it relates to District Counsel staff time consumed in litigation and costs resulting in lost court cases; the difference between Schedules T, W, and X and when each would be adopted by the Board; and the need for fees to accurately reflect staff time.

Director Kaplan made a motion, seconded by Director Mitchoff, to **approve** the proposed amendments to Air District Regulation 3: Fees and approval of a Notice of Exemption from the California Environmental Quality Act; and the motion **carried** by the following vote of the Board:

| NOES: | None. |
| ABSTAIN: | None. |
| ABSENT: | Barrett, Chavez, Davis, Pepper, Wagenknecht, and Zane. |

**NOTED PRESENT:** Director Davis noted present at 10:44 a.m.

**9. Public Hearing to Consider Adoption of the Air District’s Proposed Budget for Fiscal Year Ending (FYE) 2017 (ITEM 10)**

Chair Mar explained that this was the second of two hearings on the issue. Mr. Broadbent gave the Board the option of waiving the prepared staff presentation for this item, and Chair Mar chose to waive the presentation.

**Public Comments:**

No requests received.

**Board Comments:**

None.

**Board Action:**
Director Haggerty made a motion, seconded by Secretary Hudson, to adopt a resolution to approve the Proposed Budget for FYE 2017 and various budget-related actions; and the motion carried by the following vote of the Board:

**AYES:** Avalos, Barrett, Bates, Canepa, Davis, Gioia, Groom, Haggerty, Hudson, Kaplan, Kniss, Mar, Miley, Mitchoff, Raphael, Rice, Ross, Sinks, Slocum, Spering, and Wagenknecht,

**NOES:** None.

**ABSTAIN:** None.

**ABSENT:** Chavez, Pepper, and Zane.

**COMMITTEE REPORTS**

10. **Report of the Stationary Source Committee Meeting of June 1, 2016 (ITEM 8)**

Stationary Source Committee Chair Gioia read:

The Committee met on Wednesday, June 1, 2016, and approved the minutes of April 18, 2016.

The Committee reviewed and discussed the staff presentation, *Update on Regulation 12, Rule 16: Evaluation of Options for Reducing Combustion Emissions from Refineries*, including overview; refinery impacts and issues; refinery strategy – background and progress; criteria and toxic pollutants; focus on combustion emissions; options for combustion emissions - reductions at refineries; evaluation criteria; staff evaluation; staff recommendations, and next steps.

As part of this Committee Report, staff will give a presentation responding to Committee member comments and Advisory Council Chair Hayes and Director Sinks will also give a presentation.

The next meeting of the Committee is on Monday, September 19, 2016, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 10:30 a.m.

This concludes the Chair Report of the Stationary Source Committee.

**Update on Regulation 12, Rule 16**

Jean Roggenkamp, Deputy Executive Officer, introduced Greg Nudd, Rule Development Manager, who gave staff presentation *Addressing Refinery Emissions*, including: overview, recent rulemaking-criteria and toxic pollutants; upcoming rulemaking- toxic pollutants and permitting; remaining issues; staff evaluation of options for rule 12-16; staff approach for options; recommended approach for 12-16; and next steps.

**Board Comments:**

The Board and staff discussed staff’s preliminary recommendation of pursuing a hybrid approach that uses Options 1 and 2 (refinery-wide combustion emissions reduction and combustion emissions best available retrofit control technology on refinery processes); pollutants other than CO₂ that are addressed by the proposed energy and carbon intensity limits; the California Air Resources Board’s (CARB) comments on staff’s recommended approach; the trend of having to replace the depleting
source of lighter fuels with dirtier, heavier fuels; and the distinction between a cap on GHG emissions only, versus a cap on GHG emissions, as well as precursor air contaminants.

**Update from Advisory Council**

Mr. Broadbent explained that in April, the Advisory Council deliberated on a key question that was relevant to the Board’s deliberations, ‘What is the efficacy of imposing numeric caps on GHG emissions from Bay Area refineries?’, and that the Advisory Council had given a presentation to the Stationary Source Committee. He said that the same presentation was to be given to the Board as part of the report out of the Stationary Source Committee. Mr. Broadbent introduced Advisory Council Chairperson, Stan Hayes, who gave the presentation *Efficacy of Refinery GHG Caps – Status Report*, including: Advisory Council members; key question; Advisory Council meeting schedule, speakers and discussion; Council deliberations- progress to date; District mission; criteria pollutants; toxics; GHG without action; GHG with action; refineries; refinery GHG; guiding principles; preliminary conclusions; and next steps.

**Board Comments:**

The Board and staff thanked the Advisory Council for its deliberations on this issue and discussed: District staff’s reasoning for its choice of recommended approach; the proposed components, analysis, and anticipated schedule of the Environmental Impact Report (EIR) for Rule 12-16; the large gap between the GHG target of 2016 and the projected GHG target of 2050; the future and longevity of the Cap and Trade program; how the No-Project Alternative in the EIR may legally only consider existing conditions, and not speculative increases in pollution; staff’s commitment to move forward with implementing the methane reduction option, regardless of which of the first three options are selected; how the development of Rule 12-16 could contribute to the reduction of vehicle miles traveled; and staff’s goal of establishing a robust threshold that all polluting sources must meet, not limited to the refinery industry.

**Public Comments:**

Denny Larson, Community Science Institute, addressed the Board requesting that District staff provide a list of results from each Health Risk Assessment that has been conducted under the development of Rule 12-16.

Nancy Rieser, Crockett-Rodeo-United to Defend the Environment, referenced the recent lead contamination of Michigan’s Flint River to demonstrate the health risks that can result from bureaucratic inaction and requested the implementation of the emissions cap, which is the third option Rule 12-16.

Sandy Saeturn, Asian Pacific Environmental Network, addressed the Board regarding her support of the emissions cap proposal.

Ratha Lai, Sierra Club, addressed the Board requesting the approval of the emissions cap in order to ensure that increasing emissions do not continue to impact public health. Mr. Lai also requested that these caps be implemented before the Board membership changes again, and expressed his desire to see the opportunity for discussion of this topic be made available to those who cannot attend Air District Board meetings.
Bill Pinkham, Sunflower Alliance, addressed the Board regarding potential fuel explosions due to railroad track failure and resulting collisions. He stated that he is in favor of the cap on emissions to protect the health of children.

Eduardo Martinez, Vice Mayor for the City of Richmond, addressed the Board regarding his concern of the high cancer and asthma rates within his community and the need for the refinery-wide numeric emissions cap on all pollutants.

Rand Wrobel, 350 Bay Area, addressed the Board regarding the need for a cap on emissions at refineries.

Glenn Turner, NorCal Climate Mobilization, addressed the Board regarding her concern that Rule 12-16 is not developing as quickly as staff had anticipated and that emissions that are being released in the meantime are irreversible.

Richmond resident, Rebecca Auerbach, urged the Board to move forward in implementing the emissions cap at refineries, as this option for Rule 12-16 addresses the acceleration of action more so than the other three options that are being considered. Ms. Auerbach requested that the final hearing for this rule be held in September 2016.

Bill Quinn, California Council for Environmental and Economic Balance (CCEEB), expressed his concern about the lack of information on the “refinery-wide combustion reduction”, “best available retrofit control technology”, and “methane” options for Rule 12-16 that the Board is being asked to consider. Mr. Quinn requested that District staff provide supplemental information on these three options to CCEEB.

Kathy Wheeler, Shell Oil Company, encouraged the Board to utilize the research provided by staff, the Advisory Council, and CARB, before making a decision that would impose GHG emission caps on individual sources already regulated under AB 32’s Cap and Trade requirements.

Laurie Mintzer, Chevron, urged the Board to direct staff to work with regulated entities on rule alternatives and guidance documents before the next draft of Rule 12-16 is published, to ensure a cost-effective rule. Ms. Mintzer also said that California will eventually have to import its fuel from international sources with less regulations and higher emissions.

Hayward resident, Jason Wins, addressed the Board regarding the fossil fuel industry’s goal of profiting at the expense of the planet and public health, and urged the Board to impose emissions caps at refineries as soon as possible.

Jed Holtzman, 350 Bay Area, questioned why the Board of Directors does not hold day-long meetings, as the Advisory Council has done, and urged the Board to implement all four options for Rule 12-16 that were presented by staff.

Roger Lin, Communities for a Better Environment, urged the Board to direct staff to immediately initiate the CEQA process of all four options for Rule 12-16 and complete the EIR by September 2016.
Devorah Ancel, Sierra Club, urged the Board to begin the EIR process in order to evaluate numeric caps, determine which option will attain hard and fast GHG and criteria pollutant emission reductions, avoid leakage, and prohibit increased amounts of low-quality volatile and high-carbon crudes from being railed through California and processed at local refineries. She urged the Board not to prematurely limit the options without first completing this critical analysis.

Mike Smith, United Steelworkers Local 5, resubmitted the Union’s support for the emissions cap, stating that the Union has been working with the Refinery Actions Collaborative in order to make the refineries safe places for their workers.

Greg Karras, Communities for a Better Environment, distributed a handout entitled Setting Limits that “Cap” Facility-Wide Emissions from Bay Area Refineries is Essential and Urgent, which contained several slides that supplemented his comments. Major points included: the caps will not increase refinery emissions elsewhere by forcing increased production at other refineries to supply the fuels the West Coast needs, limiting emissions to current levels does not force a reduction in emissions, and caps will not result in leakage that conflicts with AB 32.

Mary Flanagan, United Teachers of Richmond, expressed her concerns of crude by rail and frequent toxic stresses that students downwind of the refinery face. She also expressed the support of the emissions cap from herself and other Richmond teachers.

Andres Soto, Benicians for a Safe and Healthy Community, addressed the Board regarding his support for the adoption of the emission cap as soon as possible; how limits on GHG emissions per barrel of product, as stated in Option 1, is essentially a cap; staff’s obligation to make rules that protect public health, despite the threat of refinery lawsuits; and the failing Cap and Trade program.

Steve Young, City of Benicia Planning Commission, referenced a proposal from Valero to bring crude by rail to Benicia, and urged the Board to carefully consider the selection of the consultant of the EIR for Rule 12-16, as the consultant selected for the Valero project’s EIR had a direct correlation with the criticism and failure of the Valero project EIR.

Kelly Jones, 350 Marin, urged the Board to adopt numeric caps on emissions for refineries as soon as possible, emphasizing that an industry cannot regulate itself, and that staff’s recommendations are very concerning.

Rose Strauss, 350 Bay Area, addressed the Board regarding her concerns as a young person facing future consequences from current climate change and refinery emissions.

Jack Fleck, 350 Bay Area, addressed the Board regarding the need for the Board to remedy environmental contamination that poses a threat to public health and safety, by imposing an emissions cap on refineries as soon as possible.

Clair Brown, 350 East Bay, urged the Board to adopt the numeric emissions cap immediately and thanked the Board for protecting public health.

Sara Greenwald, 350 San Francisco, addressed the Board regarding the decline of fossil fuels in California and the need for the Board to push the refineries into manufacturing new products.
Kathy Kerridge, Benicians for a Safe & Healthy Communities, addressed the Board regarding the decline of the public’s health due to refinery particulate matter, and the immediate need for an emissions cap.

Benicia resident, Pat Toth-Smith, addressed the Board regarding children’s health in fence line communities and the need for caps on refinery emissions.

Richard Gray, 350 Bay Area, urged the Board to make up its own mind about accepting staff’s recommendation to cap emissions may set an example for other Air Districts.

Amy Valens, 350 Marin, addressed the Board regarding the increased frequency of impacts on children’s health, and urged the Board to create change by imposing emission caps on refineries.

David McCoard, Sierra Club, encouraged the Board to implement a cap immediately to control emissions per barrel of refined product.

Richard Black, United Steelworkers Local 326, stated that local GHG caps are not the answer, as Bay Areas refineries are regulated efficiently, produce clean fuels, and are already held to limits on combustive emissions for each operating unit through permits.

Ken Jones, 350 Marin, referenced language from Air District Resolution No. 2014-07, that states, “District staff shall prepare a companion Regulation 12, Rule 16, to set emissions thresholds and mitigate potential emissions increases, for proposed adoption by the Board of Directors not later than Spring 2015,” and, “Air District has authority to regulate emissions from non-vehicular sources of air pollution, including GHGs, and has the authority to enact more protective requirements than federal or State law.”

Bettina Hughes, 350 Bay Area, expressed her concern of the oil industry continuing to make a profit at the expense of the public’s health while not being held to any limits on emissions, and supported the emissions cap proposal.

Phil Ritter, 350 Marin, urged the Board to make a change by dismissing the recommended action of District staff and the Advisory Council and moving forward with numeric caps on emissions at refineries.

Daniel Lopez, Communities for a Better Environment, addressed the Board regarding the immediate need for the numeric cap on emissions and explained why he thought it was the strongest of the four options. Mr. Lopez also said that he supports all four options, and that the Board should not fear the threat of legal action from the refineries.

Louise Chegwidden, East Bay resident, urged the Board not to prioritize the needs of the refinery industry by failing to impose the emissions cap and compromising the public’s health.

Ella Teevan, Food and Water Watch, listed the fossil fuel pollution sources throughout the Bay Area, and urged the Board to preserve climate and health by adopting the numeric emissions cap on refineries.

Tammy Gard, Shell Martinez Refinery, urged the Board to consider the refinery workers as people with families to support before making a decision that would affect job security.
Judith Sullivan, Benicians for a Safe & Healthy Community, requested that the Board forego the EIR and commence with implementing the numeric emissions cap at refineries immediately.

Tyson Bagley, United Steelworkers Local 326, stated that leakage is real, Bay Area refineries are the cleanest and produce the cleanest fuel, and local GHG caps are not the solution.

Margaret Pearce, 350 San Francisco, suggested that the Board begin an EIR on Option 3 alone in order to expedite the process and have it completed by the end of the year, despite warnings of leakage that may or may not affect Bay Area residents.

Claire Broome, Berkeley resident, urged the Board to consider Option 3 as the primary option, rather than as an alternative.

Steven Yang, Chevron, addressed the Board regarding the fact that refineries already have caps. He said that those who support an enforceable numeric emissions cap for refineries also support curtailing refinery operations and cutting fuel production.

Tom Lewis, United Steelworkers Local 5, stated in a handout that: Rule 12-16 is a human rights issue; and avoidable refinery emissions are a violation of human rights to the cleanest air possible.

Katelynn Mudgett, Sierra Club, stated that a Board member disputed public comment about deaths resulting from refinery emissions at the June 1, 2016 Stationary Source Committee meeting and urged the Board to hold the final hearing for Rule 12-16 on a week night so that members of the refinery community may attend and have their voices heard.

Gordon Johnson, Shell Oil Company, addressed the Board regarding the need to re-identify the problem that the four proposed options are addressing, as discussion on Rule 12-16 has become very drawn out at this point.

Gary Rubenstein, Sierra Research, on behalf of WSPA, addressed the Board regarding unintended consequences that may result from rulemaking, and said that he did not believe that a local GHG cap on emissions at refineries will not result in a reduction in GHG emissions, but rather in an increase.

Charles Davidson, Sunflower Alliance, gave the opinion that Option 3 is the only option prepared to be implemented in a timely enough manner to mitigate the oil industry’s planned increases in high GHG refining processes.

Mike Avila, United Steelworkers Local 326, expressed that refineries are not becoming obsolete, and also that not all refineries process the same materials or produce the same products, so should not be held to the same regulations.

Nick Despota, Richmond resident, referenced an article from the Los Angeles Times entitled “California’s Cap and Trade Program Faces Daunting Hurdles to Avoid Collapse,” which explained that the supply for carbon permits is greater than the demand in California. Mr. Despota said than an overconfidence in the Cap and Trade program interferes with refinery-wide emission limits that are within the Air District’s authority.
Steve Nadel, Sunflower Alliance, urged the Board to adopt Option 3 immediately and said that if time is taken to further evaluate the other three proposed options, that research will be meaningless by the time it is completed, due to a radically shifting baseline with the transition to heavier dirtier emissions in the future.

Corazon Amada, Diablo Rising Tide, addressed the Board regarding the power that the Board has to directly affect the public health of vulnerable families. She encouraged the Board to move forward with the cap on emissions at refineries, despite the pressure of the refineries who fear a reduction in production that may result from the cap.

Barbara Denouden, 350 Marin, addressed the Board regarding the pollution and climate change that exists due to the fossil fuel industry, and urged the Board to include enforceable numeric caps on emissions at each refinery in the final draft of Rule 12-16.

Rick Stierwalt, Benicia resident, urged the Board to listen to the struggles of those who suffer from respiratory diseases and other side effects resulting from refinery pollution, and requested that the cap on emissions at refineries be adopted.

Aryeh Frankfurter, San Francisco resident, urged the Board to adopt Option 3 as soon as possible.

Iren Suhami, Valero, addressed the Board regarding the need to further evaluate Options 1 and 2 proposed by staff, claiming that Rule 11-10 (Cooling Towers) has been difficult for refineries to implement. She requested that staff engage with refineries for their input on this rule development.

Stacey Cuccaro, Phillips 66, addressed the Board regarding the other products that refineries produce from oil besides gasoline, and indicated that ceasing production at Bay Area refineries would only shift the problem of emissions to other areas that have refineries.

Mey Saecho, Richmond resident, addressed the Board regarding the recent death of her husband, and urged the Board to adopt the numeric emissions cap at refineries.

Boon Maniveng, Asian Pacific Environmental Network, addressed the Board regarding refinery emissions. She urged the Board to adopt the emissions cap for refineries.

Torm Normprasserrt, Richmond resident, addressed the Board regarding refinery emissions. He urged the Board to adopt the emissions cap on refineries immediately so that his grandchildren will be spared that air pollution during their childhood.

Ophir Cohen-Simayof, 350 Bay Area, addressed the Board regarding the Bay Area residents suffering from refinery emissions, urging the Board to implement the numeric emissions cap at refineries.

Richard Treadwell, Communities for a Better Environment, addressed the Board regarding the immediate need for the numeric emissions cap at refineries to protect public health from the switch to dirtier crude, and requested that Option 3 be adequately and fairly evaluated in the EIR.

Bouddica Todi, Fresh Air Vallejo, addressed the Board regarding a private industrial port project and cement processing plant that her organization is protesting. She thanked the Air District for its
comments on the Draft EIR addressed to the City of Vallejo and requested that the Air District educate Vallejo residents on impacts that could be made from this project.

Amy Loren, Phillips 66, stated that refinery workers are human beings and that traffic jams cause just as much air pollution as refineries.

Janet Pygeroge, Rodeo Citizens Association, addressed the Board regarding the consequences of failing to set caps on emissions at refineries, and said that refineries must be held accountable for their actions.

Board Comments Continued:

The Board and staff discussed whether or not an EIR for Rule 12-16 is necessary; other regulatory initiatives facing the Board in the future; the feasibility and projected schedule of creating rule language and an EIR for numeric caps on emissions (Option 3) alone; the need for the Board to make rules without fearing lawsuits; the health benefits of all options; the types of pollutants that are included in Option 3; the Board’s consensus to study all four options in the EIR; and the dangers of using leakage as a guiding principle.

CLOSED SESSION (commenced at 1:52 p.m.)

11. EXISTING LITIGATION (Government Code Section 54956.9(a))

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


Brian Bunger, District Counsel, had nothing to report out following Closed Session.

OPEN SESSION (commenced at 2:18 p.m.)

PUBLIC COMMENT ON NON-AGENDA MATTERS

12. Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3 (Round 2 of 2)

No requests received.

13. Board Members’ Comments

None.

14. Report of the Executive Officer/APCO
No report given.

15. **Chairperson’s Report**

No report given.

16. **Time and Place of Next Meeting:**

*Wednesday, June 20, 2016, 1st Floor Board Room, 375 Beale Street, San Francisco, California 94105 at 9:45 a.m.*

17. **Adjournment:**

The Board meeting adjourned at 2:19 p.m.

Marcy Hiratzka
Clerk of the Boards
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members of the Board of Directors

From: Jack P. Broadbent
      Executive Officer/APCO

Date: July 6, 2016

Re: Board Communications Received from June 15, 2016 through July 19, 2016

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from June 15, 2016, through July 19, 2016, if any, will be at each Board Member’s place at the July 20, 2016, Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Heidi Kettler
Reviewed by: Maricela Martinez
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 6, 2016

Re: Notices of Violations Issued and Settlements in Excess of $10,000 in the Months of May and June 2016

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

In accordance with Resolution No. 2012-08, attached to this Memorandum is a listing of all Notices of Violation issued, and all settlements for amounts in excess of $10,000 during the months of May and June 2016.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The amounts of civil penalties collected are included in the Air District’s general fund budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian C. Bunger

Attachment 6A: Notices of Violations Issued for the Months of May and June 2016
NOTICES OF VIOLATIONS ISSUED

The following Notices of Violations were issued in May 2016:

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
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<tr>
<td>Environmental Remedies</td>
<td>Q5007</td>
<td>Pleasanton</td>
<td>A54394A</td>
<td>5/12/16</td>
<td>11-2-401.3</td>
<td>late notification on a job</td>
</tr>
<tr>
<td>Environmental Remedies</td>
<td>Q5007</td>
<td>Pleasanton</td>
<td>A54395A</td>
<td>5/12/16</td>
<td>11-2-401.3</td>
<td>late notification on a job</td>
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<td>Restoration Management Company</td>
<td>R2288</td>
<td>Hayward</td>
<td>A54396A</td>
<td>5/12/16</td>
<td>3-317</td>
<td>failure to pay fees prior to commencement of job</td>
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<tr>
<td>Restoration Management Company</td>
<td>R2288</td>
<td>Hayward</td>
<td>A54396B</td>
<td>5/12/16</td>
<td>11-2-405</td>
<td>failure to pay fee for “J Number” Permit prior to commencement of job</td>
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<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
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<td>A0907</td>
<td>Martinez</td>
<td>A55536A</td>
<td>5/16/16</td>
<td>2-6-307</td>
<td>CO &gt; 157 lbs/day</td>
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<tr>
<td>Chevron Products Company</td>
<td>A0010</td>
<td>Richmond</td>
<td>A54274A</td>
<td>5/10/16</td>
<td>10</td>
<td>RCA #'s 06W49, 06W50, 06W51, 06W51; 40 CFR 60.104(a)(1); H2S CEM Excess</td>
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<td>Chevron Products Company</td>
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<td>9-10-305</td>
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<td>Richmond</td>
<td>A54276A</td>
<td>5/10/16</td>
<td>9-9-301.2</td>
<td>RCA #'s 06X17 &amp; 06X42, Nox CEM Excess</td>
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<tr>
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<td>Location</td>
<td>Code</td>
<td>Date</td>
<td>Time</td>
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<td>A0010</td>
<td>Richmond</td>
<td>A54416A</td>
<td>5/11/16</td>
<td>2-1-307</td>
<td>Contractor failed to estimate POC emission correctly; Dev 4272</td>
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<td>Richmond</td>
<td>A54417A</td>
<td>5/11/16</td>
<td>8-18-401</td>
<td>failed to tag and monitor connectors, valves; Dev 3948</td>
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<td>8-18-402</td>
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<td>A54418A</td>
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<td>8-8-402</td>
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<td>A54419A</td>
<td>5/11/16</td>
<td>8-18-401</td>
<td>failed to tag and monitor 10 valves &amp; 1 pump; Dev 3911</td>
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<td>Richmond</td>
<td>A54419B</td>
<td>5/11/16</td>
<td>8-18-402</td>
<td>failed to tag and monitor 10 valves &amp; 1 pump; Dev 3911</td>
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<td>Phillips 66 Company - San Francisco Refinery</td>
<td>A0016</td>
<td>Rodeo</td>
<td>A52554A</td>
<td>5/11/16</td>
<td>8-18-401.2</td>
<td>Multiple components not inspected quarterly. Deviation 4357</td>
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<td>Martinez</td>
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<td>8-33-309</td>
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<td>Martinez</td>
<td>A56308A</td>
<td>5/3/16</td>
<td>9-2-301</td>
<td>WfRd GLM, H2S &gt; 60ppb/3-min; RCA #06X93</td>
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<td>9-2-301</td>
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<td>Martinez</td>
<td>A56310A</td>
<td>5/3/16</td>
<td>9-2-301</td>
<td>WfRd GLM, H2S &gt; 60ppb/3-min &amp; 30ppb/60-min; RCA #06Y00</td>
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<td>West Contra Costa County Landfill</td>
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<td>Richmond</td>
<td>A54415A</td>
<td>5/12/16</td>
<td>2-1-307</td>
<td>Temp dropped below permitted limit (P/C 05771) and failed to notify within 96 hrs. Episode 06Y96</td>
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<td>West Contra Costa County Landfill</td>
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<td>Richmond</td>
<td>A54415B</td>
<td>5/12/16</td>
<td>1-523</td>
<td>Temp dropped below permitted limit (P/C 05771) and failed to notify within 96 hrs. Episode 06Y97</td>
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West County Wastewater District | A1271 | Richmond | A54414A | 5/2/16 | 9-7-403 | failed to have initial source test for S6 & S7

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<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
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<td>Novato Sanitary</td>
<td>A1275</td>
<td>Novato</td>
<td>A51695A</td>
<td>5/24/16</td>
<td>2-1-307</td>
<td>Excess Emissions - Episodes 06V10, 06V38, 06V79, 06Y56, 06Y59, 06Y60, 06Y61, 06Y64, 06Y78</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEMEX Construction Materials Pacific, LLC</td>
<td>B7111</td>
<td>San Francisco</td>
<td>A54122A</td>
<td>5/2/16</td>
<td>2-1-307</td>
<td>Exceed throughput limit of PC#22534.1</td>
</tr>
<tr>
<td>Central Concrete Supply Inc</td>
<td>B2124</td>
<td>San Francisco</td>
<td>A54125A</td>
<td>5/16/16</td>
<td>2-1-301</td>
<td>No authority to construct for the four silos located at plant 30.</td>
</tr>
<tr>
<td>Central Concrete Supply Inc</td>
<td>B2124</td>
<td>San Francisco</td>
<td>A54125B</td>
<td>5/16/16</td>
<td>2-1-302</td>
<td>No permit to operate for the four silos located at plant 30.</td>
</tr>
<tr>
<td>Central Concrete Supply Inc</td>
<td>B2124</td>
<td>San Francisco</td>
<td>A54126A</td>
<td>5/16/16</td>
<td>2-1-301</td>
<td>No authority to construct the slag surge hopper located at plant 31.</td>
</tr>
<tr>
<td>Central Concrete Supply Inc</td>
<td>B2124</td>
<td>San Francisco</td>
<td>A54126B</td>
<td>5/16/16</td>
<td>2-1-302</td>
<td>No permit to operate the slag surge hopper located at plant 31.</td>
</tr>
<tr>
<td>Central Concrete Supply Inc</td>
<td>B2124</td>
<td>San Francisco</td>
<td>A54127A</td>
<td>5/16/16</td>
<td>2-1-307</td>
<td>Inoperable dust collector A11, PC#18294</td>
</tr>
<tr>
<td>San Mateo</td>
<td>Site Name</td>
<td>Site #</td>
<td>City</td>
<td>NOV #</td>
<td>Issuance Date</td>
<td>Regulation</td>
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<tr>
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<td>---------------</td>
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</tr>
<tr>
<td></td>
<td>Cypress Amloc Land Co., Inc</td>
<td>A1364</td>
<td>Colma</td>
<td>A54124A</td>
<td>5/9/16</td>
<td>CCR</td>
</tr>
<tr>
<td></td>
<td>Sarpanagal, Deepak</td>
<td>X9909</td>
<td>Burlingame</td>
<td>A54316A</td>
<td>5/12/16</td>
<td>11-2-303.6</td>
</tr>
<tr>
<td></td>
<td>Sarpanagal, Deepak</td>
<td>X9909</td>
<td>Burlingame</td>
<td>A54316A</td>
<td>5/12/16</td>
<td>11-2-303.6</td>
</tr>
<tr>
<td></td>
<td>Sunquest Properties Inc</td>
<td>A5691</td>
<td>Brisbane</td>
<td>A54123A</td>
<td>5/5/16</td>
<td>8-34-301.2</td>
</tr>
<tr>
<td></td>
<td>Sunquest Properties Inc</td>
<td>A5691</td>
<td>Brisbane</td>
<td>A54123B</td>
<td>5/5/16</td>
<td>8-34-303</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>Site Name</td>
<td>Site #</td>
<td>City</td>
<td>NOV #</td>
<td>Issuance Date</td>
<td>Regulation</td>
</tr>
<tr>
<td></td>
<td>Kraft Heinz Food</td>
<td>A0167</td>
<td>San Leandro</td>
<td>A50219A</td>
<td>5/4/16</td>
<td>2-1-307</td>
</tr>
<tr>
<td></td>
<td>Donald Von Raesfeld Power Plant</td>
<td>B4991</td>
<td>Santa Clara</td>
<td>A51390A</td>
<td>5/16/16</td>
<td>2-6-307</td>
</tr>
<tr>
<td></td>
<td>Petro America</td>
<td>C0541</td>
<td>San Jose</td>
<td>A51707A</td>
<td>5/17/16</td>
<td>2-1-302</td>
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<tr>
<td></td>
<td>Rebuild Green</td>
<td>V0408</td>
<td>Palo Alto</td>
<td>A54393A</td>
<td>5/2/16</td>
<td>11-2-303.3</td>
</tr>
</tbody>
</table>
### Solano

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valero Refining Company - California</td>
<td>B2626</td>
<td>Benicia</td>
<td>A54560A</td>
<td>5/11/16</td>
<td>8-5-322.5</td>
<td>Five gaps on secondary seal greater than 0.06 inches; totaling 19” of circumference.</td>
</tr>
<tr>
<td>Valero Refining Company - California</td>
<td>B2626</td>
<td>Benicia</td>
<td>A54561A</td>
<td>5/20/16</td>
<td>8-5-306.2</td>
<td>Vapor leaks from 2 PRDs (SV-17175 and SV-17176A) greater than 500 ppm.</td>
</tr>
<tr>
<td>Valero Refining Company - California</td>
<td>B2626</td>
<td>Benicia</td>
<td>A54562A</td>
<td>5/20/16</td>
<td>8-5-306.2</td>
<td>Vapor leaks from 5 PRDs (SV-1734B, 1734C, 1734D, 17110, and 17111) greater than 500 ppm.</td>
</tr>
</tbody>
</table>

### District Wide

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rutan Enviromental Safety Services</td>
<td>W8112</td>
<td>Rocklin</td>
<td>A54397A</td>
<td>5/16/16</td>
<td>11-2-401.5</td>
<td>failure to notify the District of a schedule change</td>
</tr>
</tbody>
</table>

### SETTLEMENTS FOR $10,000 OR MORE REACHED

There were no settlement(s) for $10,000 or more completed in May 2016.

### NOTICES OF VIOLATION ISSUED

The following Notice(s) of Violation were issued in June 2016:

### Alameda

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ameresco Vasco Road LLC</td>
<td>E0432</td>
<td>Livermore</td>
<td>A56703A</td>
<td>6/17/16</td>
<td>2-1-307</td>
<td>Records for CO tests not kept; RCA# 06Z48</td>
</tr>
<tr>
<td>Ameresco Vasco Road LLC</td>
<td>E0432</td>
<td>Livermore</td>
<td>A56704A</td>
<td>6/17/16</td>
<td>2-1-307</td>
<td>Failed source test (NTV-1799)</td>
</tr>
<tr>
<td>Site Name</td>
<td>Site #</td>
<td>City</td>
<td>NOV #</td>
<td>Issuance Date</td>
<td>Regulation</td>
<td>Comments</td>
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<tr>
<td>------------------------------</td>
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<td>---------</td>
<td>---------------</td>
<td>-----------</td>
<td>----------------------------------------------------</td>
</tr>
<tr>
<td>Raj Construction</td>
<td>R2625</td>
<td>Union City</td>
<td>A55978A</td>
<td>6/16/16</td>
<td>11-2-303</td>
<td>Issued for improperly disturbing RACM.</td>
</tr>
<tr>
<td>Raj Construction</td>
<td>R2625</td>
<td>Union City</td>
<td>A55978B</td>
<td>6/16/16</td>
<td>11-2-304</td>
<td>Issued for not having RACM waste wet and in sealed leak-tight labeled containers.</td>
</tr>
<tr>
<td>Russell City Energy Co, LLC</td>
<td>B8136</td>
<td>Hayward</td>
<td>A56628A</td>
<td>6/21/16</td>
<td>2-1-307</td>
<td>PC23763 pts 19© &amp; 19(d) excess</td>
</tr>
<tr>
<td>Synergy Enterprises</td>
<td>L3268</td>
<td>Hayward</td>
<td>A55981A</td>
<td>6/28/16</td>
<td>11-2-303.6</td>
<td>Issued for not having negative air while asbestos removal was occurring.</td>
</tr>
<tr>
<td>Valleycare Medical Center</td>
<td>A8890</td>
<td>Pleasanton</td>
<td>A56705A</td>
<td>6/23/16</td>
<td>9-7-506</td>
<td>No source test for 14MM Btu/hr boilers</td>
</tr>
<tr>
<td>Western Digital Corporation</td>
<td>A8391</td>
<td>Fremont</td>
<td>A48972A</td>
<td>6/1/16</td>
<td>2-1-307</td>
<td>Failed to meet permit condition; link to breakdown id 06X79</td>
</tr>
<tr>
<td>Western Digital Corporation</td>
<td>A8391</td>
<td>Fremont</td>
<td>A48973A</td>
<td>6/1/16</td>
<td>2-1-307</td>
<td>Failed to meet permit condition; link to breakdown id 06Y07</td>
</tr>
<tr>
<td>Western Digital Corporation</td>
<td>A8391</td>
<td>Fremont</td>
<td>A54236A</td>
<td>6/1/16</td>
<td>2-1-307</td>
<td>Linked to RCA#06Y31, Failed to meet Permit Condition#23227-Section 10, 6 minutes</td>
</tr>
</tbody>
</table>

**Contra Costa**

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Liquide Large Industries US LP</td>
<td>B7419</td>
<td>Rodeo</td>
<td>A56353A</td>
<td>6/23/16</td>
<td>2-6-307</td>
<td>Carbon monoxide in excess of permitted limit</td>
</tr>
<tr>
<td>Central Contra Costa Sanitary District</td>
<td>A0907</td>
<td>Martinez</td>
<td>A56228A</td>
<td>6/28/16</td>
<td>2-6-307</td>
<td>Power outage; Sec.129 Emission limits exceeded</td>
</tr>
<tr>
<td>Chevron Products Company</td>
<td>A0010</td>
<td>Richmond</td>
<td>A54421A</td>
<td>6/15/16</td>
<td>10</td>
<td>40 CFR 60.482 (6_)(4)(ii); not operated as closed top. Deviation 4108.</td>
</tr>
<tr>
<td>Site Name</td>
<td>Site #</td>
<td>City</td>
<td>NOV #</td>
<td>Issuance Date</td>
<td>Regulation</td>
<td>Comments</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>--------</td>
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<td>------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Equilon Enterprises LLC</td>
<td>B1956</td>
<td>Martinez</td>
<td>A56180A</td>
<td>6/27/16</td>
<td>2-1-301</td>
<td>Exceeded Permitted Capacity</td>
</tr>
<tr>
<td>Shell Martinez Refinery</td>
<td>A0011</td>
<td>Martinez</td>
<td>A56178A</td>
<td>6/22/16</td>
<td>10</td>
<td>40CFR60.104(a)(1)&gt;162 ppm m 3 hr avg H2S</td>
</tr>
<tr>
<td>Shell Martinez Refinery</td>
<td>A0011</td>
<td>Martinez</td>
<td>A56179A</td>
<td>6/22/16</td>
<td>2-6-307</td>
<td>H2S&gt;50ppm 24 hr avg</td>
</tr>
<tr>
<td>Tesoro Refining &amp; Marketing Company LLC</td>
<td>B2758</td>
<td>Martinez</td>
<td>A56311A</td>
<td>6/14/16</td>
<td>9-2-301</td>
<td>WfRd GLM, H2S&gt; 60 ppb/3 min; #06Y10</td>
</tr>
<tr>
<td>Tesoro Refining &amp; Marketing Company LLC</td>
<td>B2758</td>
<td>Martinez</td>
<td>A56313A</td>
<td>6/2/16</td>
<td>2-6-307</td>
<td>Late submittal of 10-day reports associated with A55531 &amp; A55532</td>
</tr>
<tr>
<td>Tesoro Refining &amp; Marketing Company LLC</td>
<td>B2758</td>
<td>Martinez</td>
<td>A56314A</td>
<td>6/2/16</td>
<td>2-6-307</td>
<td>S-1405 was not abated by SAP or SRU while being filled</td>
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</table>

**Marin**

<table>
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<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equator Estate Coffees &amp; Teas</td>
<td>B5081</td>
<td>San Rafael</td>
<td>A51694A</td>
<td>6/14/16</td>
<td>2-1-307</td>
<td>Failure to meet permit conditions 21291 &amp; 23278. Throughput exceedence.</td>
</tr>
</tbody>
</table>

**San Francisco**

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
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</thead>
<tbody>
<tr>
<td>Hilton San Francisco Financial District</td>
<td>E1568</td>
<td>San Francisco</td>
<td>A54391A</td>
<td>6/13/16</td>
<td>11-2-401.3</td>
<td>Issued for not notifying District of renovation job</td>
</tr>
</tbody>
</table>
### Santa Clara

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thompson &amp; Harvey</td>
<td>V8359</td>
<td>Morgan Hill</td>
<td>A56778A</td>
<td>6/22/16</td>
<td>8-33-304</td>
<td>CT #205536, failure to maintain gasoline cargo tank equipment.</td>
</tr>
<tr>
<td>Thompson &amp; Harvey</td>
<td>V8359</td>
<td>Morgan Hill</td>
<td>A56779A</td>
<td>6/22/16</td>
<td>8-33-304</td>
<td>CT #205543, failure to maintain gasoline cargo tank equipment</td>
</tr>
</tbody>
</table>

### Solano

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earthquake Protection Systems, Inc</td>
<td>B6025</td>
<td>Vallejo</td>
<td>A56078A</td>
<td>6/28/16</td>
<td>2-1-307</td>
<td>PC #21490- Exceed permit condition</td>
</tr>
<tr>
<td>Earthquake Protection Systems, Inc</td>
<td>B6025</td>
<td>Vallejo</td>
<td>A56079A</td>
<td>6/28/16</td>
<td>2-1-307</td>
<td>PC #21490- Exceed permit condition</td>
</tr>
<tr>
<td>Potrero Hills Landfill, Inc</td>
<td>A2039</td>
<td>Suisun City</td>
<td>A53412A</td>
<td>6/7/16</td>
<td>8-34-301.2</td>
<td>1 LFG connector leak &gt; 1,000 ppm</td>
</tr>
<tr>
<td>Potrero Hills Landfill, Inc</td>
<td>A2039</td>
<td>Suisun City</td>
<td>A53412B</td>
<td>6/7/16</td>
<td>8-34-303</td>
<td>3 LFG surface leaks &gt; 500 ppm</td>
</tr>
<tr>
<td>Valero Refining Company - California</td>
<td>B2626</td>
<td>Benicia</td>
<td>A56428A</td>
<td>6/28/16</td>
<td>2-6-307</td>
<td>Excess ID-06W60/06W61: CO &gt; 100 ppm/day; &amp; CO &gt; 4402 lbs/day</td>
</tr>
<tr>
<td>Valero Refining Company - California</td>
<td>B2626</td>
<td>Benicia</td>
<td>A56453A</td>
<td>6/28/16</td>
<td>2-6-307</td>
<td>Excess ID-06X89: CO &gt; 100 ppm/day</td>
</tr>
<tr>
<td>Valero Refining Company - California</td>
<td>B2626</td>
<td>Benicia</td>
<td>A56454A</td>
<td>6/28/16</td>
<td>2-6-307</td>
<td>Excess ID-06X95: NOx &gt; 9 ppm/3-hours; and Late Reporting</td>
</tr>
<tr>
<td>Valero Refining Company - California</td>
<td>B2626</td>
<td>Benicia</td>
<td>A56454B</td>
<td>6/28/16</td>
<td>1-522.7</td>
<td>Late Reporting</td>
</tr>
</tbody>
</table>
District Wide

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site #</th>
<th>City</th>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Regulation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>PW Stephens Environmental, Inc.</td>
<td>W7485</td>
<td>Sacramento</td>
<td>A56028A</td>
<td>6/23/16</td>
<td>11-2-401.5</td>
<td>NOV was cancelled due to adequate evidence provided by the contractor</td>
</tr>
<tr>
<td>GB Tank Line Inc.</td>
<td>Y0585</td>
<td>Watsonville</td>
<td>A54288A</td>
<td>6/14/16</td>
<td>8-33-304</td>
<td>CT #21920, failure to maintain gasoline cargo tank equipment.</td>
</tr>
</tbody>
</table>

SETTLEMENTS FOR $10,000 OR MORE REACHED

There were 2 settlement(s) for $10,000 or more completed in June 2016.

1) On June 16, 2016, the District reached settlement with City of Santa Rosa Wastewater Treatment Plant for $10,400, regarding the allegations contained in the following 4 Notices of Violation:

<table>
<thead>
<tr>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Occurrence Date</th>
<th>Regulation</th>
<th>Comments from Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>A52517A</td>
<td>2/5/14</td>
<td>11/4/13</td>
<td>2-6-307</td>
<td>P.C. #18871 Exceeded H2S limit</td>
</tr>
<tr>
<td>A52520A</td>
<td>2/28/14</td>
<td>11/8/13</td>
<td>1-523.3</td>
<td>Failure to report excess within 96 hours</td>
</tr>
<tr>
<td>A52521A</td>
<td>3/4/14</td>
<td>11/14/13</td>
<td>2-6-307</td>
<td>Failure to submit 10 day/30 day deviation report</td>
</tr>
<tr>
<td>A53728A</td>
<td>9/16/14</td>
<td>4/28/14</td>
<td>2-6-307</td>
<td>Source test - Excess NOx emissions</td>
</tr>
</tbody>
</table>

2) On June 28, 2016, the District reached settlement with Russell City Energy Company, LLC for $130,000, regarding the allegations contained in the following 2 Notices of Violation:

<table>
<thead>
<tr>
<th>NOV #</th>
<th>Issuance Date</th>
<th>Occurrence Date</th>
<th>Regulation</th>
<th>Comments from Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>A50215A</td>
<td>4/24/15</td>
<td>8/8/13</td>
<td>2-1-307</td>
<td>Drift rate &gt; 0.005% PC23763 pt 44</td>
</tr>
<tr>
<td>A50217A</td>
<td>8/13/15</td>
<td>11/18/13</td>
<td>2-1-307</td>
<td>excess NH3 (A/C PC 23763), late reporting</td>
</tr>
<tr>
<td>A50217B</td>
<td>8/13/15</td>
<td>11/18/13</td>
<td>1-522</td>
<td>excess NH3 (A/C) PC 23736, late reporting</td>
</tr>
</tbody>
</table>
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 5, 2016

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

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

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


DISCUSSION

The following out-of-state business travel activities occurred in the month of June 2016:

109th Annual Air & Waste Management Association Conference and Exhibition in New Orleans, Louisiana, June 19-24, 2016 Attendees:

- Eric Mar, Chair, Board of Directors
- John Gioia, Secretary, Board of Directors
- David Hudson, Board of Directors
- Teresa Barrett, Board of Directors
- Brad Wagenknecht, Board of Directors
- Mark Ross, Board of Directors
- Tam Doduc, Advisory Council
- Stan Hayes, Chair, Advisory Council
- Michael Kleinman, Advisory Council
- Jack Broadbent, Executive Officer / APCO
- Brian Bunger, Legal Counsel
- Damian Breen, Deputy Air Pollution Control Officer
- Jeff McKay, Deputy Air Pollution Control Officer
• Jean Roggenkamp, Deputy Executive Officer
• Eric Stevenson, Director
• Jaime Williams, Director/Officer
• Karen Schkolnick, Acting Director
• Lisa Fasano, Communications Officer
• Maricela Martinez, Manager, Executive Operations
• Abby Young, Manager, Climate Protection
• Vanessa Johnson, Sr. Executive Secretary
• Philip Martien, Sr. Advanced Projects Advisor
• David Burch, Principal Environmental Planner

**Electric Vehicle Symposium & Exhibition, Montreal, Canada, June 18-23, 2016 Attendee:**

• Ken Mak, Air Quality Specialist

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by:  Stephanie Osaze
Reviewed by: Jeff McKay
To: Chairperson Eric Mar and Members of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 29, 2016

Re: Notification of Proposed Future Adoption of Amendments to the Air District’s Administrative Code, Division II: Fiscal Policies and Procedures, Section 4.3: Contract Limitations

RECOMMENDED ACTION

At its next regular meeting, the Board of Directors will consider adoption of amendments to the Air District’s Administrative Code, Division II: Fiscal Policies and Procedures, Section 4.3: Contract Limitations, to increase the Executive Officer’s contract signing authority from $70,000 to $100,000.

DISCUSSION

On May 16, 2016, the Executive Committee received the staff presentation on the proposed adoption of amendments to the Air District’s Administrative Code, Division II: Fiscal Policies and Procedures, Section 4.3: Contract Limitations, to increase the Executive Officer’s contract signing authority from $70,000 to $100,000.

The Air District contracts with hundreds of vendors for services and supplies. In 2004, the Board approved the referenced Administrative Code language providing the Executive Officer/APCO the authority to execute contracts under $70,000. Since then, the Bay Area has sustained a steady increase in prices of goods and services. Assuming an average 2.5% inflation increase year over year, $70,000 equals approximately $94,000 in 2016 dollars.

Staff has found that the number of contracts between $70,000 and $100,000 have increased over time and that there is a clear break between the number of contracts below and above $100,000 (More than 90% of contracts are below $100,000). These contracts currently require notification to the Board on a meeting agenda and approval by a quorum of the Board of Directors. The following graph illustrates the number of contracts and related amounts for the past three calendar years:
This change would allow for more efficient processing of contracts and purchases for the Air District and more efficiency during Board meeting business. The procedure for contracts exceeding the cost of $100,000 will continue to be brought to the Board to be signed by either the Chairperson of the Board of Directors, or the APCO after being directed to execute such a contract by resolution of the Board of Directors.

The Administrative Code changes are proposed as follows:

**Administrative Code, Section 4.3:**

The APCO or designee shall execute on behalf of the Bay Area Air Quality Management District, contracts for purchase of supplies and materials and services costing not more than seventy thousand dollars ($70,000) one hundred thousand dollars ($100,000). Contracts for more than seventy one hundred thousand dollars shall be signed by either the Chairperson of the Board of Directors, or the APCO after being directed to execute such a contract by resolution of the Board of Directors.

For efficiency, recurring payments for routine business needs such as utilities, licenses, office supplies and the like, more than, or accumulating to more than seventy one hundred thousand dollars ($70,000)–($100,000) shall be presented in the quarterly Financial Report.
BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Satnam Hundel
Reviewed by: Rex Sanders
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 23, 2016

Re: Consider Authorization to Issue a Purchase Order in Excess of $70,000, Pursuant to
Administrative Code, Division II: Fiscal Policies and Procedures, Section 4.3: Contract
Limitations, to Technical and Business Systems for Continued Operation of the
BioWatch Monitoring Network

RECOMMENDED ACTION

The Board of Directors will consider authorizing the Executive Officer/APCO to issue a Purchase
Order for FYE 2017 of $1,116,074 for Technical and Business (T&B) Systems to continue
operation and maintenance of the BioWatch monitoring network through June 30, 2017 as outlined
in a grant from the Department of Homeland Security and the current contract that expires on June
30, 2017.

DISCUSSION

The BioWatch program began in February of 2003 with eight locations in the San Francisco area.
In July of 2003, the network expanded to include 6 additional sites in the San Jose area. The
operational demands of this network necessitated the use of a contractor. A Request for Quotation
(RFQ) was sent to five qualified contractors. Staff received proposals from three contactors who
responded to the RFQ. After a thorough evaluation, the contract was awarded to T&B Systems. In
2006, the network was again expanded to a total of 32 sites located throughout the Bay Area and
additional grant funding was incorporated into the budget. The latest contract with T&B Systems
was approved by the Board of Directors for a year period beginning July 1, 2014. A two-year
contract ending on June 30, 2017 was approved by the Board of Directors in 2015.

The Purchase Order under consideration will cover operation of the network through the end of
the second year of the current contract which was approved by the Board of Directors on October
21, 2015. A Request for Proposals will be posted, a contractor chosen and a new contract provided
for Board consideration at the end of the current contract period. This Purchase Order will not
exceed the amount of the grant award from the Department of Homeland Security.
BUDGET CONSIDERATION/FINANCIAL IMPACT

Funds for this Purchase Order are from a Homeland Security Grant that covers operation of the existing network and the associated Air District costs of administering the program. There will be no financial impact to the Air District’s general revenue resources.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Eric Stevenson
Reviewed by: Jean Roggenkamp
BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Eric Mar and Members of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: July 6, 2016

Re: Report of the Legislative Committee Meeting of June 27, 2016

RECOMMENDED ACTION

The Legislative Committee (Committee) considered new bills and positions and a consensus of the members present supported the staff recommendations for positions on bills, including:

1) AB 1685 (Gomez): Support
2) AB 1965 (Cooper): Support
3) AB 2055 (Gibson): Support in concept
4) AB 2292 (Gordon): Support in concept
5) AB 2841 (Allen): Support in concept
6) ACR 112 (Hadley): Support
7) SB 32 (Pavley): Support
8) SB 773 (Allen): Sponsor
9) SB 1128 (Glazer): Co-sponsor
10) SB 1239 (Gaines): Oppose
11) SB 1338 (Lara): Support in concept
12) SB 1383 (Lara): Support if amended
13) SB 1441 (Leno): Support

BACKGROUND

The Committee met on Monday, June 27, 2016, and considered the report Consideration of New Bills.
Chairperson Brad Wagenknecht will give an oral report of the meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Heidi Kettler  
Reviewed by: Maricela Martinez

Attachment 10A: 06/27/16 – Legislative Committee Meeting Agenda #4  
Attachment 10B: 06/27/16 – Legislative Committee Meeting Agenda #5
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 15, 2016

Re: Consideration of New Bills

RECOMMENDED ACTION

The Committee will discuss new bills, and recommend positions to the Board of Directors where appropriate.

DISCUSSION

Staff recommend a “Support” position on AB 1965, authored by Assemblymember Jim Cooper (D-Elk Grove). This bill was amended on May 31, 2016 to allow the Air District to participate in the vehicle replacement component of the Enhanced Fleet Modernization Program, known as EFMP Plus-Up. Essentially, the EFMP Plus-Up program provides financial incentives for owners of older, dirtier cars to replace them with newer, clean technology vehicles, including plug-in hybrids or battery electric vehicles. Currently, only the San Joaquin Valley and South Coast air districts are eligible to participate in this program. The Air District has formally petitioned ARB to allow our participation as well.

Initial versions of the bill focused on expanding EFMP Plus-Up to areas at risk of being designated extreme non-attainment, and on disadvantaged communities as defined by CalEnviroscreen. Thus, the Air District would have been excluded. After work with the author and committee consultants, however, the bill was amended to expand the program to districts with over a million residents, which would allow the Bay Area, Sacramento, and San Diego to all participate. Both the Bay Area and Sacramento have expressed interest in this opportunity. Given the bill’s amendments, which align with the Air District’s goals and specific formal requests to ARB for inclusion in the program, staff are recommending a “Support” position.

Staff may bring other bills to the committee for it to consider adopting positions on in addition to AB 1965.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.
Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by:  Thomas Addison

Attachment:  Assembly Bill 1965
Introduced by Assembly Member Cooper
(Coauthors: Assembly Members Alejo, Cooley, Dodd, and McCarty)

February 12, 2016

An act to add Section 44127 to the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL’S DIGEST

AB 1965, as amended, Cooper. Vehicle retirement and replacement.

Existing law creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair pursuant to guidelines adopted by the State Air Resources Board.

This bill, beginning in the 2016–17 2017–18 fiscal year, and every year thereafter, would require the state board, in consultation with the bureau, to set specific, measurable goals for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters and to ensure those goals are met by updating the program’s guidelines no later than July 1, 2017, 2018, as specified. The bill would require the state board, no later than July 1, 2018, and every other year thereafter, to collect and post on the program’s Internet Web site specified information on the program. The bill would authorize the state board to allocate moneys, upon appropriation, from specified funds to expand the vehicle replacement component of the program.
The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The State Air Resources Board estimates that the state is home to five times more cars over 20 years old than the national average.

(b) At present, at least 2,000,000 cars in the state, about nine percent of the state’s 23,000,000 light- and medium-duty vehicles, are over 20 years old.

(c) In 2011, the nine percent of the fleet that was model year 1992 or older produced a full 40 percent of the smog-forming emissions from passenger vehicles.

(d) Furthermore, according to state and local agency estimates, a mere 10 percent to 15 percent of the state’s motor vehicles, the subset known as gross polluters, are responsible for more than half of the light-duty vehicle smog in the state.

(e) An upgrade in fuel efficiency from 15 miles per gallon to 30 miles per gallon would save a typical household over $1,200 per year in gasoline expenditures.

(f) The enhanced fleet modernization program (Article 11 (commencing with Section 44125) of Chapter 5 of Part 5 of Division 26 of the Health and Safety Code) provides a significant opportunity to improve air quality, reduce fuel costs for the state’s low-income residents, and contribute to the state’s greenhouse gas emissions reduction goals.

(g) It is the intent of the Legislature that the enhanced fleet modernization program (Article 11 (commencing with Section 44125) of Chapter 5 of Part 5 of Division 26 of the Health and Safety Code) be expanded to assist in meeting the state’s environmental goals and maximize benefits for disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code.

SEC. 2. Section 44127 is added to the Health and Safety Code, to read:

(a) For purposes of this section, the following terms have the following meanings:
(1) “Disadvantaged community” means a community identified pursuant to Section 39711.

(2) “Program” means the program established pursuant to Section 44125.

(b) Beginning in the 2016–17 fiscal year, and every fiscal year thereafter, the state board, in consultation with the bureau, shall set specific, measurable goals for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters.

(c) The state board, in consultation with the bureau, shall meet the goals set pursuant to subdivision (b) by updating the guidelines of the program no later than July 1, 2017. The updated guidelines shall ensure all of the following:

(1) Specific steps are taken to ensure the vehicle replacement component of the program is available in areas at risk of being designated as federal extreme nonattainment.

(2) Specific steps are taken to ensure the vehicle replacement component of the program is available in to all districts containing disadvantaged communities that have more than one million residents.

(3) Funding for targeted outreach in low-income and disadvantaged communities for the program is increased from the amounts allocated in the 2015–16 fiscal year. is evaluated and, if necessary, enhanced to obtain the goals set pursuant to subdivision (b).

(4) There is, where applicable, improved coordination, integration, and partnerships with other programs that target disadvantaged communities and receive moneys from the Greenhouse Gas Reduction Fund, created pursuant to Section 16428.8 of the Government Code.

(d) No later than July 1, 2018, and every other year thereafter, the state board shall collect and post on the program’s Internet Web site all of the following:

(1) Program performance relative to the goals adopted pursuant to subdivision (b).
(2) An accounting that includes, but need not be limited to, funding allocated to the program, funding sources, and program expenditures by region.

(3) A comment on the overall success of the program, or lack thereof, including, but not limited to, recommendations to improve the overall performance of the program if the state board determines the program needs improvement.

(3) An analysis broken down by district of the program’s performance to identify areas to be emphasized when setting future goals or updating the program guidelines.

(e) Upon appropriation by the Legislature, the state board may allocate moneys for the expansion of the vehicle replacement component of the program from any of the following:

1. The Enhanced Fleet Modernization Subaccount, created pursuant to Section 44126.
2. The High Polluter Repair or Removal Account, created pursuant to Section 44091.
3. The Vehicle Inspection and Repair Fund, created pursuant to Section 9886 of the Business and Professions Code.
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 15, 2016

Re: Legislative Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

At the time of this writing, in Sacramento the Legislature is attempting to pass a budget in advance of its June 15, 2016 constitutional deadline. The dramatic decline in revenues from the May Cap-and-Trade auction has major implications for the programs funded with those revenues. Given the new uncertainty over the stability and size of this funding stream, staff anticipate that the Legislature will put aside decisions on programs funded with cap-and-trade revenues until after the next auction, scheduled for August 16, 2016.

The deadline for bills to clear their house of origin has come and gone on June 3, 2016, and measures that are still alive are having their policy committee hearings in the month of June. The Legislature will recess for its summer break during the month of July, and return to conclude its business in August.

Staff will give an oral update on the status of bills that the District has adopted positions on, as well as other bills of note. A list of bills of air quality significance is attached.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

Attachment: Bill List Discussion
## BAAQMD BILL DISCUSSION LIST

### June 17, 2016

<table>
<thead>
<tr>
<th>BILL NO.</th>
<th>AUTHOR</th>
<th>SUBJECT</th>
<th>Status</th>
<th>POSITION (Positions in italics are staff recommendations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 197</td>
<td>E. Garcia</td>
<td>Adds 2 legislators as non-voting members to ARB, and creates legislative committee on oversight of ARB's GHG reduction efforts</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td>AB 1550</td>
<td>Gomez</td>
<td>Changes current cap-and-trade allocation from 10% within disadvantaged communities and 25% to benefit disadvantaged communities, to 25% within disadvantaged communities and 25% to benefit low-income communities</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td>AB 1555</td>
<td>Gomez</td>
<td>Intent to distribute $1.7B of cap-and-trade funds</td>
<td>Asm. Nat. Resources</td>
<td></td>
</tr>
<tr>
<td>AB 1591</td>
<td>Frazier</td>
<td>Transportation funding proposal, with increased fees, including funding from cap-and-trade funds</td>
<td>Asm. Transportation</td>
<td></td>
</tr>
<tr>
<td>AB 1685</td>
<td>Gomez</td>
<td>Intent to increase civil penalties for vehicle manufacturers violating standards</td>
<td>Sen. Trans. 6/21 hearing Support</td>
<td></td>
</tr>
<tr>
<td>AB 1691</td>
<td>Gibson</td>
<td>Changes Enhanced Fleet Modernization Program; 10,000 vehicles annually to be retired in disadvantaged communities</td>
<td>Sen. Trans. 6/21 hearing</td>
<td></td>
</tr>
<tr>
<td>AB 1698</td>
<td>Hadley</td>
<td>Ends utility surcharge for renewable energy (EPIC) program; creates replacement using cap-and-trade funds</td>
<td>Asm. Nat. Resources</td>
<td></td>
</tr>
<tr>
<td>AB 1710</td>
<td>Calderon</td>
<td>ARB to develop a plan to drastically increase the use of advanced technology light-duty vehicles, with an emphasis on disadvantaged communities</td>
<td>Held in Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>AB 1717</td>
<td>Hadley</td>
<td>Spot bill on Air Quality Improvement Program and ARFVT program</td>
<td>Asm. Transportation</td>
<td></td>
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<tr>
<td>AB 1759</td>
<td>Bonta</td>
<td>Effectively prohibits use of hydrofluoric acid at oil refineries</td>
<td>Asm. Natural Resources</td>
<td></td>
</tr>
<tr>
<td>AB 1780</td>
<td>Medina</td>
<td>Directs 25% of cap-and-trade funds to Sustainable Trade Corridors Program</td>
<td>Held in Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>AB 1815</td>
<td>Alejo</td>
<td>Requires ARB to provide technical assistance funding to disadvantaged communities and communities at or below 80% of the median income</td>
<td>Held in Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>AB 1832</td>
<td>Dahle</td>
<td>Renewable portfolio standard spot bill</td>
<td>Not referred</td>
<td></td>
</tr>
<tr>
<td>AB 1851</td>
<td>Gray</td>
<td>Removes cap on green-stickered vehicles in HOV lanes; increases incentives for clean vehicles, especially in disadvantaged communities</td>
<td>Held in Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>AB 1886</td>
<td>McCarty</td>
<td>Loosens requirements for transit priority projects to receive CEQA exemption</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td>AB 1902</td>
<td>Wilk</td>
<td>Increases time for civil actions against Aliso Canyon natural gas leak</td>
<td>Asm. Judiciary</td>
<td></td>
</tr>
<tr>
<td>AB 1903</td>
<td>Wilk</td>
<td>Requires state report on long-term health impacts of Aliso Canyon leak</td>
<td>Sen. Env. Quality</td>
<td></td>
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<tr>
<td>AB 1905</td>
<td>Wilk</td>
<td>Requires independent study of natural gas storage and injection practices</td>
<td>Held in Asm. Approps.</td>
<td></td>
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<tr>
<td>AB 1937</td>
<td>Gomez</td>
<td>CEC not to certify 50 megawatt or greater fossil powerplants if non-fossil alternatives are possible</td>
<td>Sen. Energy 6/21 hearing</td>
<td></td>
</tr>
<tr>
<td>AB 1965</td>
<td>Cooper</td>
<td>Expands Enhanced Fleet Modernization Program, focusing on disadvantaged communities</td>
<td>Sen. Trans. 6/21 hearing</td>
<td></td>
</tr>
<tr>
<td>AB 1973</td>
<td>Campos</td>
<td>States intent to spend cap-and-trade funds for local educational agencies to do energy efficiency projects</td>
<td>Asm. Education</td>
<td></td>
</tr>
<tr>
<td>AB 2055</td>
<td>Gibson</td>
<td>Reserves 25% of GO-Biz tax credits for companies investing in zero or near-zero emissions infrastructure at marine terminals</td>
<td>Held in Asm. Approps. Support in Concept</td>
<td></td>
</tr>
<tr>
<td>AB 2066</td>
<td>Lackey</td>
<td>Requires service stations to display cost-per-gallon to comply with cap-and-trade requirements, as calculated by the CEC</td>
<td>Held in Asm. Approps.</td>
<td></td>
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<tr>
<td>AB 2090</td>
<td>Alejo</td>
<td>Allows cap-and-trade funds currently allocated to Low Carbon Transit Operations Program to fund existing transit where a fiscal emergency exists</td>
<td>Sen. Trans. 6/21 hearing</td>
<td></td>
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<tr>
<td>AB 2109</td>
<td>Dahle</td>
<td>Spot bill on AB 32 requirements for state agencies</td>
<td>Not referred</td>
<td></td>
</tr>
<tr>
<td>AB 2145</td>
<td>Linder</td>
<td>Reduces vehicle license fee paid by low- and moderate-income recipients of incentives under the Enhanced Fleet Modernization Program</td>
<td>Asm. Transportation</td>
<td></td>
</tr>
<tr>
<td>AB 2146</td>
<td>Patterson</td>
<td>Directs $200M of cap-and-trade funds to reduce forestfire emissions</td>
<td>Held in Asm. Approps.</td>
<td></td>
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<tr>
<td>AB 2170</td>
<td>Frazier</td>
<td>Directs federal freight funds to 1B’s Trade Corridors Improvement Fund</td>
<td>Sen. Trans. 6/21 hearing</td>
<td></td>
</tr>
<tr>
<td>AB 2181</td>
<td>Brown</td>
<td>Requires accounting in the bidding process for GHG emissions from energy-intensive products used in state-funded infrastructure</td>
<td>Held in Asm. Approps.</td>
<td></td>
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<tr>
<td>AB 2206</td>
<td>Williams</td>
<td>Authorizes California Council on Science and Technology to conduct a study of biomethane and issues with using it with existing gas supply pipelines</td>
<td>Sen. Energy 6/21 hearing</td>
<td></td>
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<tr>
<td>AB 2222</td>
<td>Holden</td>
<td>Puts $50M annually of cap-and-trade funds into Transit Pass Program for public school students, with 50% in disadvantaged communities</td>
<td>Sen. Trans. 6/21 hearing</td>
<td></td>
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<tr>
<td>AB 2223</td>
<td>Gray</td>
<td>Puts $10M of cap-and-trade funds to loans for manure digesters</td>
<td>Sen. Budget</td>
<td></td>
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<tr>
<td>Bill Number</td>
<td>Sponsor</td>
<td>Description</td>
<td>Status</td>
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<tr>
<td>AB 2276</td>
<td>Brown</td>
<td>Spot bill on Affordable Housing and Sustainable Communities Program</td>
<td>Not referred</td>
<td></td>
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<tr>
<td>AB 2292</td>
<td>Gordon</td>
<td>Requires OEHHA to add population density to CalEnviroscreen</td>
<td>Held in Asm. Approps.</td>
<td></td>
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<tr>
<td>AB 2293</td>
<td>C. Garcia</td>
<td>Requires ARB to develop a technical assistance program to assist small</td>
<td>Held in Asm. Approps.</td>
<td></td>
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<td></td>
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<td>disadvantaged communities to apply for and receive cap-and-trade funds</td>
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<td></td>
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<tr>
<td>AB 2332</td>
<td>E. Garcia</td>
<td>Requires recipients of state transportation funds to prioritize projects</td>
<td>Asm. Trans.</td>
<td></td>
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<td></td>
<td></td>
<td>providing mobility and safety benefits to disadvantaged communities</td>
<td></td>
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<tr>
<td>AB 2343</td>
<td>C. Garcia</td>
<td>Changes current law from spending 10% of cap-and-trade funds in</td>
<td>Held in Asm. Approps.</td>
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<td></td>
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<td>disadvantaged communities to 10% in small cities in these communities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 2415</td>
<td>E. Garcia</td>
<td>Requires cap-and-trade funded Clean Truck, Bus, and Offroad Vehicle</td>
<td>Held in Asm. Approps.</td>
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<td>program to allocate $100M annually to technology meeting certain standards,</td>
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<td></td>
<td></td>
<td>and requires increasing amount of renewable fuel use for funded projects</td>
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<tr>
<td>AB 2426</td>
<td>Low</td>
<td>Workplace Charging Station Grant program</td>
<td>Asm. Trans.</td>
<td></td>
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<tr>
<td>AB 2432</td>
<td>Brown</td>
<td>Requires CalTrans to plan to address inefficiencies in truck freight network</td>
<td>Asm. Trans.</td>
<td></td>
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<tr>
<td>AB 2564</td>
<td>Cooper</td>
<td>Lowers income eligibility requirements for Clean Vehicle Rebate Project, and</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>increases rebates to low-income households</td>
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</tr>
<tr>
<td>AB 2576</td>
<td>Gray</td>
<td>Pays $20M annually of cap-and-trade funds to recycled glass makers</td>
<td>Held in Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>AB 2585</td>
<td>Williams</td>
<td>Review of certain cap-and-trade regulations</td>
<td>Held in Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>AB 2653</td>
<td>E. Garcia</td>
<td>Requires major new reporting on cap-and-trade spending, including actions to</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>connect disadvantaged community members with economic benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 2673</td>
<td>Harper</td>
<td>Exempts hydrogen refueling station equipment from sales tax</td>
<td>Asm. Rev. and Tax</td>
<td></td>
</tr>
<tr>
<td>AB 2702</td>
<td>Atkins</td>
<td>Study of GHG best practices</td>
<td>Held in Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>AB 2715</td>
<td>E. Garcia</td>
<td>Creates Agricultural Working Poor Energy Efficient Housing Program, and</td>
<td>Sen. Energy</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>urges at least $25M of cap-and-trade funds be spent annually on the program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 2722</td>
<td>Burke</td>
<td>Creates Transformative Climate Communities Program for disadvantaged</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>communities, using $250M of cap-and-trade funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 2769</td>
<td>Patterson</td>
<td>Spot bill on renewable portfolio standard</td>
<td>Not referred</td>
<td></td>
</tr>
<tr>
<td>AB 2781</td>
<td>E. Garcia</td>
<td>Requires 10% of CalEPA agency enforcement actions to go to Supplemental</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environmental Projects in disadvantaged communities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 2783</td>
<td>E. Garcia</td>
<td>Reduces barriers for rural areas to cap-and-trade funded Affordable Housing</td>
<td>Sen. Trans. 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>and Sustainable Communities Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 2829</td>
<td>Baker</td>
<td>Spot bill on Carl Moyer program</td>
<td>Not referred</td>
<td></td>
</tr>
<tr>
<td>Bill</td>
<td>Sponsor</td>
<td>Description</td>
<td>Committee(s)</td>
<td>Support</td>
</tr>
<tr>
<td>-------</td>
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<td>--------------</td>
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</tr>
<tr>
<td>AB 2841</td>
<td>Allen</td>
<td>Allows public financing (using Infrastructure Bank) of port infrastructure projects, including zero- and near-zero equipment and related infrastructure</td>
<td>Held in Asm. Approps.</td>
<td>Support in Concept</td>
</tr>
<tr>
<td>ACR 112</td>
<td>Hadley</td>
<td>Thanks ARB for working to uncover VW emissions cheating, and declares support for increased ARB penalty authority</td>
<td>Sen. Env. Quality 6/29 hearing</td>
<td>Support</td>
</tr>
<tr>
<td>SB 32</td>
<td>Pavley</td>
<td>Requires GHG emissions to be 40% of 1990 levels by 2030</td>
<td>Asm. Nat. Resources</td>
<td>Support</td>
</tr>
<tr>
<td>SB 773</td>
<td>Allen</td>
<td>UC to study vehicle registration fraud</td>
<td>Asm. Approps.</td>
<td>Sponsor</td>
</tr>
<tr>
<td>SB 824</td>
<td>Beall</td>
<td>Increases flexibility for transit agency recipients of cap-and-trade funds through the Low Carbon Transit Operations Program</td>
<td>Asm. Trans. 6/27 hearing</td>
<td></td>
</tr>
<tr>
<td>SB 887</td>
<td>Pavley</td>
<td>Increases regulation of natural gas storage wells, including increases monitoring to be developed by ARB in consultation with air districts</td>
<td>Asm. Nat. Resources 6/27 hearing</td>
<td></td>
</tr>
<tr>
<td>SB 888</td>
<td>Allen</td>
<td>Requires that penalties for natural gas leaks be used for GHG reductions, and not be recoverable from ratepayers by the natural gas corporation</td>
<td>Asm. Gov. Org. 6/22 hearing</td>
<td></td>
</tr>
<tr>
<td>SB 925</td>
<td>Gaines</td>
<td>Spot bill on ARB</td>
<td>Not referred</td>
<td></td>
</tr>
<tr>
<td>SB 970</td>
<td>Leyva</td>
<td>Requires CalRecycle to consider GHG reductions and disadvantaged community benefits when awarding grants for composting</td>
<td>Asm. Nat. Resources 6/27 hearing</td>
<td></td>
</tr>
<tr>
<td>SB 1000</td>
<td>Leyva</td>
<td>Adds mandatory environmental justice element to City&amp; County general plans</td>
<td>Asm. Loc. Govt. 6/29 hearing</td>
<td></td>
</tr>
<tr>
<td>SB 1030</td>
<td>McGuire</td>
<td>Eliminates sunset of Sonoma Regional Climate Protection Authority</td>
<td>Asm. Approps.</td>
<td></td>
</tr>
<tr>
<td>SB 1043</td>
<td>Allen</td>
<td>Requires ARB to adopt policies to significantly increase the production and use of biogas and biomethane</td>
<td>Held in Sen. Approps.</td>
<td></td>
</tr>
<tr>
<td>SB 1128</td>
<td>Glazer</td>
<td>Eliminates sunset on Bay Area Commuter Benefit Program</td>
<td>Asm. Trans. 6/27 hearing</td>
<td>Co-sponsor</td>
</tr>
<tr>
<td>SB 1213</td>
<td>Wieckowski</td>
<td>Allocates $20M annually for Biosolids to Clean Energy grant program; also one-time $12M allocation for Bay Area biosolids to clean energy project</td>
<td>Held in Sen. Approps.</td>
<td></td>
</tr>
<tr>
<td>SB 1239</td>
<td>Gaines</td>
<td>Exempts 1976 through 1980 model year vehicles from smog check</td>
<td>Failed Sen. Floor vote</td>
<td>Oppose</td>
</tr>
<tr>
<td>SB 1277</td>
<td>Hancock</td>
<td>Requires every public agency with discretionary approval of anything related to coal shipment through the Port of Oakland to prepare an EIR</td>
<td>Asm. Nat. Resources</td>
<td></td>
</tr>
<tr>
<td>SB 1278</td>
<td>Hancock</td>
<td>Requires every public agency with discretionary approval of anything related to coal shipment through the Port of Oakland to prepare an EIR</td>
<td>Sen. Trans.</td>
<td></td>
</tr>
<tr>
<td>SB 1279</td>
<td>Hancock</td>
<td>Prohibits ports next to disadvantaged communities from receiving state funds from CTC if the port exports coal</td>
<td>Asm. Trans. 6/27 hearing</td>
<td></td>
</tr>
<tr>
<td>Bill Number</td>
<td>Sponsor</td>
<td>Description</td>
<td>Committee</td>
<td>Status</td>
</tr>
<tr>
<td>------------</td>
<td>---------</td>
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<td>-----------</td>
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</tr>
<tr>
<td>SB 1280</td>
<td>Hancock</td>
<td>Effectively requires CEQA lead agency to prohibit port coal shipment, or fully mitigate the GHG emissions from the burning the shipped coal</td>
<td>Sen. Trans.</td>
<td></td>
</tr>
<tr>
<td>SB 1301</td>
<td>Hertzberg</td>
<td>Requires 25% of revenues from auction of GHG allowances by a gas corporation to go towards clean energy and energy efficiency projects</td>
<td>Held in Sen. Approps.</td>
<td></td>
</tr>
<tr>
<td>SB 1338</td>
<td>Lara</td>
<td>Eliminates state sales tax on purchase of zero- and near-zero-emissions technology at seaports, from 2017 through 2030</td>
<td>Asm. Rev. and Tax</td>
<td>Support in Concept</td>
</tr>
<tr>
<td>SB 1350</td>
<td>Wolk</td>
<td>$20M of cap-and-trade funds for Healthy Soils Program, for on-farm reductions of GHG emissions</td>
<td>Held in Sen. Approps.</td>
<td></td>
</tr>
<tr>
<td>SB 1383</td>
<td>Lara</td>
<td>Requires ARB plan to cut short-lived climate pollutants specified amounts below 2013 levels by 2030; focus on areas disproportionately affected by poor air quality, and consideration for disadvantaged communities</td>
<td>Asm. Nat. Resources</td>
<td>Support if Amended</td>
</tr>
<tr>
<td>SB 1386</td>
<td>Wolk</td>
<td>Declares protection and management of natural and working lands key part of GHG emission reduction goals</td>
<td>Asm. Nat. Resources 6/27 hearing</td>
<td></td>
</tr>
<tr>
<td>SB 1387</td>
<td>De Leon</td>
<td>Increases SCAQMD Board from 13 to 16, with new public health Governor’s appointee, and new environmental justice Speaker and Pro Tem appointees, and potentially grants oversight of RECLAIM to ARB</td>
<td>Asm. Nat. Resources 6/27 hearing</td>
<td></td>
</tr>
<tr>
<td>SB 1402</td>
<td>Pavley</td>
<td>Allows cap-and-trade funds to encourage production of low-carbon alternative fuels, with preference to disadvantaged communities</td>
<td>Held in Sen. Approps.</td>
<td></td>
</tr>
<tr>
<td>SB 1405</td>
<td>Pavley</td>
<td>Expands ZEV credits to transportation systems</td>
<td>Held in Sen. Approps.</td>
<td></td>
</tr>
<tr>
<td>SB 1425</td>
<td>Pavley</td>
<td>Requires ARB to develop water-energy nexus registry</td>
<td>Asm. Nat. Resources</td>
<td></td>
</tr>
<tr>
<td>SB 1430</td>
<td>Pavley</td>
<td>Legislative intent for ARB to reassert state standards if federal tailpipe standards are weakened in midterm review</td>
<td>Not Referred</td>
<td></td>
</tr>
<tr>
<td>SB 1441</td>
<td>Leno</td>
<td>PUC to disallow vented and fugitive natural gas emissions in setting rates, and ARB to count such emissions against compliance obligation of gas corps.</td>
<td>Asm. Utilities 6/29</td>
<td>Support</td>
</tr>
<tr>
<td>SB 1464</td>
<td>De Leon</td>
<td>Requires investment plan for cap-and-trade funds to be assessed against different metrics</td>
<td>Asm. Nat. Resources 6/27 hearing</td>
<td></td>
</tr>
</tbody>
</table>
RECOMMENDED ACTION

The Mobile Source Committee (Committee) recommends Board of Directors’ approval of the following items:

A) Projects and Contracts with Proposed Grant Awards over $100,000:

1) Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over $100,000 as shown in Attachment 1; and

2) Allocate up to $1,151,430 in TFCA funding as match for California Air Resources Board (ARB) Low Carbon Transportation Greenhouse Gas Emission Reduction Funds (GGRF) for zero-emission truck and bus pilot commercial deployment projects using a project cost-effectiveness of $500,000 per ton of emissions reduced;

3) Adopt a resolution that authorizes the Bay Area Air Quality Management District (Air District’s) acceptance, obligation, and expenditure of GGRF funds;

4) Authorize the Executive Officer/APCO to enter into agreements for the recommended CMP and TFCA projects and with the ARB and partners for the acceptance and expenditure of GGRF funds.

B) Accept, Obligate, and Expend Funding from the Bay Area Clean Air Foundation (Foundation) and from the United States Environmental Protection Agency (EPA)

1) Adopt a Resolution authorizing the Bay Area Air Quality Management District (Air District) to accept, oblige, and expend up to $972,262.70 from the Bay Area Clean Air Foundation (Foundation) for electric vehicle and vehicle buyback projects; and

2) Adopt a Resolution authorizing the Air District to accept, oblige, and expend up to $1 million in funds from the U.S. Environmental Protection Agency (EPA) to replace three locomotives;
3) Authorize the Executive Officer/APCO to enter into all agreements necessary to accept and expend this funding.

C) Emissions Reduction from Air District Grant Programs; and

1) None; receive and file.

D) Fiscal Year Ending 2017 Transportation Fund for Clean Air (TFCA) Regional Fund Policies

1) Approve the proposed Fiscal Year Ending 2017 Transportation Fund for Clean Air (TFCA) Regional Fund Policies and Evaluation Criteria presented in Attachment A.

BACKGROUND

The Committee met on Thursday, June 30, 2016, and received the following reports and recommendations:

A) Projects and Contracts with Proposed Grant Awards over $100,000; and

B) Accept, Obligate, and Expend Funding from the Bay Area Clean Air Foundation (Foundation) and from the United States Environmental Protection Agency (EPA);

C) Emissions Reduction from Air District Grant Programs;

D) Fiscal Year Ending 2017 Transportation Fund for Clean Air (TFCA) Regional Fund Policies

Chairperson Scott Haggerty will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

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

B) Acceptance of the $972,262.70 in Foundation monies requires an amendment to the FYE 2017 budget which was adopted by the Board of Directors on June 15, 2016. Air District staff time for the implementation of these projects is covered in the administrative fees associated with the funding. Acceptance of the $1 million in EPA funding will be matched with Air District Proposition 1B Goods Movement Bond funding and private funding from the locomotive owners. Funding for Air District staff time for this project is provided by the Goods Movement Bond.

C) None.
D) None. The Air District distributes “pass-through” funds to grantees on a reimbursement basis. Administrative costs for the TFCA Regional Fund program are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Maricela Martinez

Attachment 11A: 06-30/16 – Mobile Source Committee Meeting Agenda #4
Attachment 11B: 06-30/16 – Mobile Source Committee Meeting Agenda #5
Attachment 11C: 06-30/16 – Mobile Source Committee Meeting Agenda #6
Attachment 11D: 06-30/16 – Mobile Source Committee Meeting Agenda #7
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Scott Haggerty and Members of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 14, 2016

Re: Projects and Contracts with Proposed Grant Awards over $100,000

RECOMMENDATIONS

Recommend Board of Directors:

1. Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over $100,000 as shown in Attachment 1;

2. Allocate up to $1,151,430 in TFCA funding as match for California Air Resources Board (ARB) Low Carbon Transportation Greenhouse Gas Emission Reduction Funds (GGRF) for zero-emission truck and bus pilot commercial deployment projects using a project cost-effectiveness of $500,000 per ton of emissions reduced;

3. Adopt a resolution that authorizes the Bay Area Air Quality Management District (Air District’s) acceptance, obligation, and expenditure of GGRF funds; and

4. Authorize the Executive Officer/APCO to enter into agreements for the recommended CMP and TFCA projects and with the ARB and partners for the acceptance and expenditure of GGRF funds.

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, and stationary agricultural pump engines.

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 under the CMP.
On February 18, 2015, the Board of Directors (Board) authorized Air District participation in Year 17 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.

In 1991, the California State Legislature authorized the Air District to impose a $4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District’s jurisdiction. The statutory authority for the Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in California HSC Sections 44241 and 44242. Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA funding.

On May 6, 2015, the Board authorized the allocation of $13.77 million in new TFCA revenue for Fiscal Year Ending (FYE) 2016 and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with TFCA revenues with individual grant award amounts up to $100,000.

CMP and TFCA projects with grant award amounts over $100,000 are brought to the Mobile Source 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 Board.

The ARB is scheduled to consider the Proposed Fiscal Year (FY) 2016-17 Funding Plan for Low Carbon Transportation and Fuels Investments and Air Quality Improvement Program (AQIP) (Funding Plan) on June 23, 2016. $500 million are proposed in the FY 2016-2017 Funding Plan, which includes funding for zero-emission truck and bus pilot commercial deployment projects.

As part of this report, staff will update the Committee on the provisional results of the ARB Low Carbon Transportation GGRF solicitations and will request the Board adopt a resolution allowing the Air District to accept funding from this source.

DISCUSSION

Carl Moyer Program:

The Air District started accepting project applications for the CMP Year 17 funding cycle on August 17, 2015. The Air District has approximately $9 million available for CMP projects from a combination of MSIF and CMP funds for the Year 17 cycle. Project applications were accepted and evaluated on a first-come, first-served basis.

As of June 7, 2016, the Air District had received 76 project applications for the CMP Year 17 cycle. Of the applications that have been evaluated between April 13, 2016 and June 7, 2016, two
eligible projects have proposed individual grant awards over $100,000. These projects will replace two tractors, one motor grader, and two compactors. These projects will reduce over 7.3 tons of NOx, ROG and PM per year. Staff recommends the allocation of $1,010,465 to these projects from a combination of CMP funds and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2, lists all of the eligible projects that have been received by the Air District as of June 7, 2016, and summarizes the allocation of funding by equipment category, and county. This list also includes the Voucher Incentive Program (VIP) on-road replacement projects awarded since the last committee update. Approximately 27% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 3 summarizes the cumulative allocation of CMP, MSIF, and VBB funding since 2009 (more than $120 million awarded to 739 projects).

**Transportation Fund for Clean Air:**

On May 6, 2015, the Board allocated $24.47 million in TFCA funding, of which $13.77 million are new funds for eligible projects in FYE 2016 and authorized cost-effectiveness limits and evaluation criteria for Air District-sponsored FYE 2016 programs. On July 29, 2015, the Board adopted policies and evaluation criteria for the FYE 2016 TFCA Regional Fund program.

As of June 3, 2016 the Air District had received 122 applications for FYE 2016 funding. To date, the Air District has evaluated 116 applications, of which 90 projects were approved or recommended for funding; 20 projects were not recommended; and six applications were withdrawn. Of the applications that were evaluated between April 14, 2016 and June 7, 2016, four eligible projects have proposed an individual grant award over $100,000:

- **Project #16HDZ001** will deploy 15 battery electric 30-foot buses on three shuttle routes operated by University of California, San Francisco (UCSF). These busses will be used to connect UCSF’s 25,000+ person network to housing, campuses, hospitals/clinic services, and mass transit.

- **Project #16R23** will provide funding to the Bay Area Rapid Transit District (BART) for 20 electronic bicycle locker quads (80 bicycle parking spaces) located in Berkeley, Dublin/Pleasanton, Millbrae, San Leandro, and Union City.

- **Project #16HDG001** will scrap one Class 8 model year 2004 truck and deploy 11 zero-emission, battery-electric trucks serving Goodwill’s numerous San Francisco facilities. As part of this project the Air District is proposing to provide $151,430 in TFCA funds to match the $2,738,557 in state GGRF funds.
- Project #16HDG002 will replace ten 2002 model year urban diesel buses operated by Alameda-Contra Costa Transit District (AC Transit) with ten hydrogen fuel-cell transit buses. The Air District partnered with the Center for Transportation and the Environment, AC Transit, South Coast Air Quality Management District, and the Orange County Transportation Authority on this project, and is proposing to provide $1 million in TFCA funds for the AC Transit portion of the project as part of the match required for the total $22,347,502 in state GGRF funds.

Together, the above four projects will reduce about 6.21 tons of NOx, ROG, and PM per year. Staff determined that these projects conform to the provisions of HSC 44241 and the Board-adopted policies and recommends awarding $1,685,979 to these projects. Attachment 1, Table 2, provides additional information on these projects.

Attachment 4 lists the 90 eligible FYE 2016 TFCA projects that were evaluated by the Air District as of June 6, 2016. In total, these projects represent approximately $11.6 million in funding awards, which include TFCA funds, $450,000 in Reformulated Gasoline (RFG) Settlement funds, and $239,850 in California Energy Commission (CEC) funds. These projects will reduce approximately 58.61 tons of NOx, ROG, and PM, and over 28,000 tons of tailpipe greenhouse gas emissions per year. Approximately 52% of the FYE 2016 TFCA funds awarded have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 5 summarizes the allocation of funding by project category (Figure 1), and county (Figure 2).

**Resolution to support GGRF projects #16HDG001 & #16HDG002:**

In January of 2016, the Air District submitted applications to ARB in response to the GGRF zero-emission truck and bus pilot commercial deployment project solicitation. On April 14, 2016, the Air District received preliminary funding offers from ARB for projects, contingent upon: ARB’s approval of the FY 2016-17 Funding Plan; the appropriation of sufficient FY 2016-17 Low Carbon Transportation funds by the California Legislature by June 30, 2016; and a resolution committing matching funds from the Air District.

Therefore, a resolution must be adopted by the Air District’s Board of Directors in order to accept and obligate ARB’s GGRF funds for these projects. The resolution in Attachment 6 addresses this requirement and authorizes the Executive Officer/APCO to enter into agreements with the ARB and partners for the acceptance and expenditure of GGRF funds.

**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 these programs are provided by each funding source.
Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Anthony Fournier and Ken Mak
Reviewed by: Chengfeng Wang and Karen Schkolnick

Attachment 1: Summary of Carl Moyer Program/Mobile Source Incentive Fund Projects with grant awards greater than $100,000 (evaluated 4/13/16 - 6/7/16)

Attachment 2: Summary of all CMP, MSIF and VIP approved and eligible projects (evaluated 11/20/15 - 6/7/16)

Attachment 3: Summary of program distribution by county and equipment category for CMP, MSIF, VBB, and VIP funding since 2009

Attachment 4: Summary of all TFCA approved and eligible projects (evaluated 7/1/2015 - 6/7/16)

Attachment 5: Summary of FYE 2016 TFCA funds distributed by county and project category, as of 6/7/16

### Table 1 - Summary of Carl Moyer Program/ Mobile Source Incentive Fund projects with grant awards greater than $100k (Evaluated between 4/13/16 and 6/7/16)

<table>
<thead>
<tr>
<th>Project #</th>
<th>Applicant name</th>
<th>Equipment category</th>
<th>Project description</th>
<th>Proposed contract award</th>
<th>Total project cost</th>
<th>Emission Reductions (Tons per year)</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>17MOY63</td>
<td>Noah Concrete Corporation</td>
<td>Off-road</td>
<td>Replacement of one diesel motor grader and two diesel compactors.</td>
<td>$ 813,055.00</td>
<td>1,125,821.00</td>
<td>5.607 0.591 0.213</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>17MOY60</td>
<td>Dwelley Family Farms, LLC</td>
<td>Ag/ off-road</td>
<td>Replacement of two diesel tractors.</td>
<td>$ 197,410.00</td>
<td>266,851.37</td>
<td>0.882 0.071 0.024</td>
<td>Contra Costa</td>
</tr>
</tbody>
</table>

2 Projects $ 1,010,465.00 6.489 0.662 0.237

### Table 2 - Summary of Transportation Fund for Clean Air projects with grant awards greater than $100k (Evaluated between 4/13/16 and 6/7/16)

<table>
<thead>
<tr>
<th>Project #</th>
<th>Project Sponsor</th>
<th>Project Category</th>
<th>Project Description</th>
<th>City</th>
<th>Proposed Contract Award</th>
<th>Emission Reductions (Tons per year)</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>16R23</td>
<td>Bay Area Rapid Transit</td>
<td>Bicycle Lockers</td>
<td>Purchase and Install 20 eLocker quads in Berkeley, Dublin/Pleasanton, Milbrae</td>
<td>Regional</td>
<td>$90,000</td>
<td>$200,000 0.112 0.115 0.116</td>
<td>Alameda/ San Mateo</td>
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<tr>
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<td>UC Regents</td>
<td>Zero-Emission</td>
<td>Purchase 15 30' all electric buses</td>
<td>San Francisco</td>
<td>$250,000</td>
<td>$334,549 0.268 0.033 0.007</td>
<td>San Francisco</td>
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<tr>
<td>16HDG001</td>
<td>Goodwill Industries</td>
<td>Zero-Emission</td>
<td>Purchase 11 zero-emission battery-electric trucks and scrap one model year 2004 truck</td>
<td>San Francisco</td>
<td>$138,347</td>
<td>$151,430 0.296 0.016 0.003</td>
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<tr>
<td>16HDG002</td>
<td>Alameda-Contra Costa Transit District</td>
<td>Zero-Emission Heavy-Duty Trucks &amp; Buses</td>
<td>Purchase 10 zero-emission, hydrogen fuel-cell transit buses and scrap 10 model year 2002 buses</td>
<td>Regional</td>
<td>$61,947</td>
<td>$1,000,000 3.690 1.548 0.007</td>
<td>Alameda/ Contra Costa</td>
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4 Projects $ 1,685,979 4.367 1.711 0.134
### AGENDA 4 - ATTACHMENT 2

Summary of all CMP, MSIF and VIP approved/eligible projects (between 11/20/15 and 6/7/16)

<table>
<thead>
<tr>
<th>Project #</th>
<th>Equipment category</th>
<th>Project type</th>
<th># of engines</th>
<th>Proposed contract award</th>
<th>Applicant name</th>
<th>Emission Reductions (Tons per year)</th>
<th>Board approval date</th>
<th>County</th>
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<tr>
<td></td>
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<td>ROG</td>
<td>PM</td>
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<td>Diamond M Dairy</td>
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<td>0.003</td>
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<td>Ronald William Cardoza (Farmer)</td>
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<tr>
<td>Project #</td>
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<td>Project type</td>
<td># of engines</td>
<td>Proposed contract award</td>
<td>Applicant name</td>
<td>NOx</td>
<td>ROG</td>
<td>PM</td>
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<td>$58,800.00</td>
<td>Bianchini, Inc. (Dairy)</td>
<td>0.124</td>
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<td>Mertens Dairy</td>
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<td>VIP266</td>
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58 Projects $7,126,464.00 47.246 3.603 1.440
Figure 1: CMP/MSIF Funding Distribution by Equipment Category as of 6/7/16

- Off-road (non-Ag): 31%
- Off-road (Ag): 45%
- On-road: 7%
- Marine: 17%
- Locomotive: 0%

Figure 2: CMP/MSIF Funding Distribution by County as of 6/7/16

- Sonoma: 22%
- Santa Clara: 15%
- Solano: 8%
- Alameda: 3%
- Contra Costa: 27%
- Marin: 6%
Figure 3: CMP, MSIF, VBB and VIP funding since 2009 by equipment category

- Locomotive: 9%
- Agriculture: 1%
- Marine: 15%
- Off-road: 14%
- Shore power: 8%
- VBB: 20%
- Ag/ off-road: 26%
- On-road: 7%

Figure 4: CMP, MSIF, VBB and VIP funding since 2009 by county

- Sonoma: 16%
- Solano: 6%
- Santa Clara: 18%
- San Mateo: 12%
- San Francisco: 12%
- Alameda: 16%
- Contra Costa: 9%
- Marin: 4%
- Napa: 7%
<table>
<thead>
<tr>
<th>Project #</th>
<th>Project Category</th>
<th>Project Description</th>
<th>Award Amount</th>
<th>Applicant Name</th>
<th>Emission Reductions (Tons per year)</th>
<th>Board Approval Date</th>
<th>CARE Area</th>
<th>County</th>
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<tbody>
<tr>
<td>16EV001</td>
<td>PEV</td>
<td>Install 10 single-port Level 2 charging stations in San Jose</td>
<td>$30,000</td>
<td>Car Charging, Inc.</td>
<td>0.008 0.010 0.001</td>
<td>10/5/15</td>
<td>Yes</td>
<td>Santa Clara</td>
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<td>16EV003</td>
<td>PEV</td>
<td>Install 39 single-port Level 2 charging stations (with solar) in San Francisco</td>
<td>$234,000</td>
<td>Powertree Services Inc.</td>
<td>0.030 0.039 0.004</td>
<td>11/18/15</td>
<td>Yes</td>
<td>San Francisco</td>
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<td>16EV004</td>
<td>PEV</td>
<td>Install 2 dual-port Level 2 charging stations in Dublin</td>
<td>$12,000</td>
<td>S &amp; V, LLC</td>
<td>0.003 0.004 0.000</td>
<td>10/5/15</td>
<td>Yes</td>
<td>Alameda</td>
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<tr>
<td>16EV005</td>
<td>PEV</td>
<td>Install 3 single-port DC charging stations (with solar) in Campbell</td>
<td>$22,500</td>
<td>DTTC Properties, LLC</td>
<td>0.003 0.004 0.000</td>
<td>12/18/15</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV006</td>
<td>PEV</td>
<td>Install 7 dual-port Level 2 and 2 DC fast EV charging stations (with solar) in Rohnert Park</td>
<td>$187,000</td>
<td>Sonoma Mountain Village, LLC</td>
<td>0.024 0.031 0.003</td>
<td>2/17/16</td>
<td>No</td>
<td>Sonoma</td>
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<tr>
<td>16EV009</td>
<td>PEV</td>
<td>Install 6 single-port Level 2 charging stations in Petaluma</td>
<td>$18,000</td>
<td>Clear Blue Commercial</td>
<td>0.005 0.006 0.001</td>
<td>12/22/15</td>
<td>No</td>
<td>Sonoma</td>
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<tr>
<td>16EV010</td>
<td>PEV</td>
<td>Install 24 single-port DC charging stations (with solar) in Palo Alto</td>
<td>$120,000</td>
<td>Palo Alto Research Center Incorporated</td>
<td>0.016 0.020 0.002</td>
<td>2/17/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV012</td>
<td>PEV</td>
<td>Install 98 dual-port Level 2 charging stations in Santa Clara</td>
<td>$338,546</td>
<td>Santa Clara Campus Owners Association</td>
<td>0.088 0.113 0.013</td>
<td>12/16/15</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV013</td>
<td>PEV</td>
<td>Install 24 single-port DC charging stations (with solar) in Mountain View</td>
<td>$116,190</td>
<td>Intuit Inc.</td>
<td>0.015 0.019 0.002</td>
<td>2/17/15</td>
<td>No</td>
<td>Santa Clara</td>
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<td>16EV015</td>
<td>PEV</td>
<td>Install 8 dual-port Level 2 charging stations in Santa Rosa and Petaluma</td>
<td>$48,000</td>
<td>Sonoma County Junior College District</td>
<td>0.012 0.016 0.002</td>
<td>2/18/16</td>
<td>No</td>
<td>Sonoma</td>
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<td>16EV016</td>
<td>PEV</td>
<td>Install 20 single-port Level 2 charging stations in Vallejo</td>
<td>$60,000</td>
<td>City of Vallejo</td>
<td>0.016 0.020 0.002</td>
<td>2/18/16</td>
<td>Yes</td>
<td>Solano</td>
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<td>16EV019</td>
<td>PEV</td>
<td>Install 2 dual-port Level 2 charging stations in Hayward</td>
<td>$12,000</td>
<td>California State University, East Bay</td>
<td>0.003 0.004 0.000</td>
<td>12/30/15</td>
<td>No</td>
<td>Alameda</td>
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<td>16EV021</td>
<td>PEV</td>
<td>Install 1 DC Fast and 8 dual-port Level 2 charging stations in Richmond</td>
<td>$73,000</td>
<td>Ford Point LLC</td>
<td>0.019 0.024 0.003</td>
<td>12/31/15</td>
<td>Yes</td>
<td>Contra Costa</td>
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<td>16EV022</td>
<td>PEV</td>
<td>Install 3 Dual-Port &amp; 1 Single-Port Level 2 charging stations (w/solar) in Napa</td>
<td>$25,500</td>
<td>Napa Creek Village, LLC.</td>
<td>0.003 0.004 0.001</td>
<td>4/19/16</td>
<td>No</td>
<td>Napa</td>
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<td>16EV023</td>
<td>PEV</td>
<td>Install 2 dual-port Level 2 charging stations in Livermore</td>
<td>$12,000</td>
<td>Ferrotec (USA) Corporation</td>
<td>0.003 0.004 0.000</td>
<td>4/26/16</td>
<td>Yes</td>
<td>Alameda</td>
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<td>16EV024</td>
<td>PEV</td>
<td>Install 20 dual-port Level 2 charging stations in Palo Alto</td>
<td>$240,000</td>
<td>City of Palo Alto</td>
<td>0.031 0.040 0.004</td>
<td>5/18/16</td>
<td>No</td>
<td>Santa Clara</td>
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<td>16EV025</td>
<td>PEV</td>
<td>Install 12 dual-port Level 2 charging stations in San Mateo</td>
<td>$72,000</td>
<td>San Mateo County Community College District</td>
<td>0.019 0.024 0.003</td>
<td>2/23/16</td>
<td>No</td>
<td>San Mateo</td>
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<td>16EV026</td>
<td>PEV</td>
<td>Install 4 single-port Level 2 charging stations in Petaluma and Marshall</td>
<td>$11,040</td>
<td>Straus Family Creamery</td>
<td>0.029 0.004 0.000</td>
<td>2/11/16</td>
<td>No</td>
<td>Regional</td>
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<tr>
<td>16EV027</td>
<td>PEV</td>
<td>Install 21 dual-port Level 2 charging stations (with solar) in San Jose</td>
<td>$223,777</td>
<td>VF/UTC Service, Inc.</td>
<td>0.029 0.037 0.004</td>
<td>3/16/16</td>
<td>Yes</td>
<td>Santa Clara</td>
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<td>16EV028</td>
<td>PEV</td>
<td>Install 4 single port Level 2 charging stations (w/solar) in Palo Alto</td>
<td>$24,000</td>
<td>Unitarian Universalist Church of Palo Alto</td>
<td>0.003 0.004 0.000</td>
<td>4/28/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV030</td>
<td>PEV</td>
<td>Install 4 single-port Level 2 charging stations (with solar) in Danville</td>
<td>$24,000</td>
<td>Crow Canyon Medical Center, L.P.</td>
<td>0.003 0.004 0.000</td>
<td>3/11/16</td>
<td>No</td>
<td>Contra Costa</td>
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<td>16EV031</td>
<td>PEV</td>
<td>Install 6 single-port DC and 3 dual-port Level 2 charging stations in San Leandro</td>
<td>$48,000</td>
<td>Infinite Velocity Automotive Inc.</td>
<td>0.013 0.016 0.002</td>
<td>2/18/16</td>
<td>Yes</td>
<td>Alameda</td>
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<td>16EV032</td>
<td>PEV</td>
<td>Install 9 dual-port Level 2 charging stations (with solar) in Palo Alto</td>
<td>$108,000</td>
<td>Komuna Energy, LLC</td>
<td>0.014 0.018 0.002</td>
<td>5/18/16</td>
<td>No</td>
<td>Santa Clara</td>
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<td>16EV033</td>
<td>PEV</td>
<td>Install 5 dual-port Level 2 charging stations in San Mateo County</td>
<td>$15,000</td>
<td>County of San Mateo</td>
<td>0.004 0.050 0.001</td>
<td>4/7/16</td>
<td>No</td>
<td>San Mateo</td>
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<tr>
<td>16EV035</td>
<td>PEV</td>
<td>Install 4 dual-port Level 2 charging stations in Atherton and Menlo Park Schools</td>
<td>$24,000</td>
<td>Menlo Park City School District</td>
<td>0.006 0.008 0.001</td>
<td>5/2/16</td>
<td>No</td>
<td>San Mateo</td>
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<td>16EV036</td>
<td>PEV</td>
<td>Install 6 dual-port Level 2 charging stations in San Jose</td>
<td>$30,177</td>
<td>Good Samaritan Hospital</td>
<td>0.008 0.010 0.001</td>
<td>4/12/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV038</td>
<td>PEV</td>
<td>Install 2 dual-port Level 2 charging stations in Santa Rosa</td>
<td>$24,000</td>
<td>Artemedica</td>
<td>0.003 0.004 0.000</td>
<td>2/26/16</td>
<td>No</td>
<td>Sonoma</td>
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<tr>
<td>16EV039</td>
<td>PEV</td>
<td>Install 2 single-port Level 2 and 1 dual-port Level 2 charging stations in Lafayette</td>
<td>$12,000</td>
<td>City of Lafayette</td>
<td>0.003 0.004 0.000</td>
<td>4/28/16</td>
<td>No</td>
<td>Contra Costa</td>
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<td>Project #</td>
<td>Project Category</td>
<td>Project Description</td>
<td>Award Amount</td>
<td>Applicant Name</td>
<td>Emission Reductions (Tons per year)</td>
<td>Board Approval Date</td>
<td>CARE Area</td>
<td>County</td>
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<tr>
<td>16EV040</td>
<td>PEV</td>
<td>Install 4 dual-connector Level 2 charging stations in Rohnert Park</td>
<td>$14,000</td>
<td>Sonoma State University</td>
<td>NOx: 0.004, ROG: 0.005, PM: 0.001</td>
<td>4/13/16</td>
<td>No</td>
<td>Sonoma</td>
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<td>16EV041</td>
<td>PEV</td>
<td>Install 1 dual-connector Level 2 and 2 Low kW DC fast single-port charging stations in Novato</td>
<td>$13,500</td>
<td>Velocity Prime Automotive Inc.</td>
<td>NOx: 0.004, ROG: 0.005, PM: 0.001</td>
<td>4/13/16</td>
<td>No</td>
<td>Marin</td>
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<td>16EV043</td>
<td>PEV</td>
<td>Install 1 quad-port and 1 dual-port Level 2 charging stations in San Carlos</td>
<td>$10,364</td>
<td>Peninsula Components Inc.</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>3/17/16</td>
<td>No</td>
<td>San Mateo</td>
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<tr>
<td>16EV044</td>
<td>PEV</td>
<td>Install 4 single-port Level 2 charging stations in Berkeley</td>
<td>$10,000</td>
<td>Siemens Molecular Diagnostics</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>4/13/16</td>
<td>Yes</td>
<td>Alameda</td>
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<tr>
<td>16EV045</td>
<td>PEV</td>
<td>Install 3 single-port Level 2 charging stations (with solar) in Sunnyvale</td>
<td>$18,000</td>
<td>Executive Inn, Inc.</td>
<td>NOx: 0.002, ROG: 0.003, PM: 0.000</td>
<td>4/6/16</td>
<td>No</td>
<td>Santa Clara</td>
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<td>16EV046</td>
<td>PEV</td>
<td>Install 5 dual-port Level 2 charging stations in San Jose</td>
<td>$30,000</td>
<td>3901 North First, LLC</td>
<td>NOx: 0.008, ROG: 0.010, PM: 0.001</td>
<td>4/13/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV048</td>
<td>PEV</td>
<td>Install 4 single-port Level 2 charging stations (with solar) in Palo Alto</td>
<td>$24,000</td>
<td>Kehilat Etz Chayim</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>4/13/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV049</td>
<td>PEV</td>
<td>Install 4 single-port Level 2 charging stations in San Francisco</td>
<td>$10,319</td>
<td>One Hawethorne Owners Association</td>
<td>NOx: 0.003, ROG: 0.003, PM: 0.000</td>
<td>4/13/16</td>
<td>Yes</td>
<td>San Francisco</td>
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<tr>
<td>16EV051</td>
<td>PEV</td>
<td>Install 4 single-port Level 2 charging stations in San Francisco</td>
<td>$12,000</td>
<td>8 Octavia Boulevard Owners' Assoc</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>4/18/16</td>
<td>Yes</td>
<td>San Francisco</td>
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<tr>
<td>16EV052</td>
<td>PEV</td>
<td>Install 4 single-port Level 2 charging stations in Oakland</td>
<td>$12,000</td>
<td>Belmont-Staton Condo Association</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>4/19/16</td>
<td>Yes</td>
<td>Alameda</td>
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<tr>
<td>16EV053</td>
<td>PEV</td>
<td>Install 3 single-port and 4 dual-port Level 2 charging stations in Oakland</td>
<td>$23,000</td>
<td>UCSF Benioff Children's Hospital Oakland</td>
<td>NOx: 0.006, ROG: 0.008, PM: 0.001</td>
<td>4/18/16</td>
<td>Yes</td>
<td>Alameda</td>
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<td>16EV054</td>
<td>PEV</td>
<td>Install 350 EV Level 2 charging stations in Cupertino</td>
<td>$250,000</td>
<td>Apple Inc.</td>
<td>NOx: 0.065, ROG: 0.084, PM: 0.009</td>
<td>3/16/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16EV055</td>
<td>PEV</td>
<td>Purchase &amp; Install 5 Dual-port Level 2 charging stations (w/Solar) in San Rafael</td>
<td>$60,000</td>
<td>Marin Clean Energy</td>
<td>NOx: 0.008, ROG: 0.010, PM: 0.001</td>
<td>6/1/16</td>
<td>No</td>
<td>Marin</td>
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<tr>
<td>16EV056</td>
<td>PEV</td>
<td>Install 32 dual-port Level 2 and 5 dual-connector DC charging stations in San Francisco</td>
<td>$295,182</td>
<td>Bay Area Headquarters Authority</td>
<td>NOx: 0.076, ROG: 0.098, PM: 0.011</td>
<td>3/16/16</td>
<td>Yes</td>
<td>San Francisco</td>
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<tr>
<td>16EV057</td>
<td>PEV</td>
<td>Install 2 dual-port Level 2 charging stations in Atherton</td>
<td>$12,000</td>
<td>Town of Atherton</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>2/11/16</td>
<td>No</td>
<td>San Mateo</td>
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<tr>
<td>16EV058</td>
<td>PEV</td>
<td>Install 4 dual-connector DC fast and 24 dual-port Level 2 charging stations in Oakland</td>
<td>$244,000</td>
<td>City of Oakland</td>
<td>NOx: 0.063, ROG: 0.081, PM: 0.009</td>
<td>5/18/16</td>
<td>Yes</td>
<td>Alameda</td>
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<td>16EV059</td>
<td>PEV</td>
<td>Install 3 dual-port Level 2 charging stations in San Jose</td>
<td>$16,583</td>
<td>Sikh Gurdwara - San Jose</td>
<td>NOx: 0.004, ROG: 0.006, PM: 0.001</td>
<td>4/19/16</td>
<td>Yes</td>
<td>Santa Clara</td>
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<tr>
<td>16EV060</td>
<td>PEV</td>
<td>Install 2 dual-port Level 2 charging stations in Napa</td>
<td>$12,000</td>
<td>Verasa Napa Condominium Owners Association, Inc.</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>4/13/16</td>
<td>No</td>
<td>Napa</td>
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<tr>
<td>16EV061</td>
<td>PEV</td>
<td>Install 3 dual connector Level 2 charging stations in Petaluma</td>
<td>$10,500</td>
<td>Amy's Kitchen</td>
<td>NOx: 0.003, ROG: 0.004, PM: 0.000</td>
<td>4/20/16</td>
<td>No</td>
<td>Sonoma</td>
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<tr>
<td>16RFG01*</td>
<td>PEV</td>
<td>Install 12 dual-port Level 2 EV charging stations in Livermore and Hayward</td>
<td>$65,112</td>
<td>Chabot Las Positas Community College District</td>
<td>NOx: 0.019, ROG: 0.024, PM: 0.003</td>
<td>2/17/16</td>
<td>Yes</td>
<td>Alameda</td>
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<td>16RFG02*</td>
<td>PEV</td>
<td>Install 9 dual-port Level 2 EV charging stations in Fremont</td>
<td>$81,486</td>
<td>City of Fremont</td>
<td>NOx: 0.014, ROG: 0.018, PM: 0.002</td>
<td>2/17/16</td>
<td>No</td>
<td>Alameda</td>
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<td>16RFG06*</td>
<td>PEV</td>
<td>Install 8 dual-port Level 2 EV charging stations in Millbrae</td>
<td>$78,000</td>
<td>City of Millbrae</td>
<td>NOx: 0.012, ROG: 0.016, PM: 0.002</td>
<td>2/17/16</td>
<td>No</td>
<td>San Mateo</td>
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<tr>
<td>16RFG09*</td>
<td>PEV</td>
<td>Install 1 DC fast, and 5 dual-port Level 2 EV charging stations in Oakland</td>
<td>$41,000</td>
<td>City of Oakland</td>
<td>NOx: 0.007, ROG: 0.009, PM: 0.001</td>
<td>2/17/16</td>
<td>Yes</td>
<td>Alameda</td>
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<tr>
<td>16RFG11*</td>
<td>PEV</td>
<td>Install 8 DC fast EV charging stations in Moffett Field</td>
<td>$307,569</td>
<td>The NASA Ames Exchange</td>
<td>NOx: 0.052, ROG: 0.067, PM: 0.007</td>
<td>2/17/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>16RFG15*</td>
<td>PEV</td>
<td>Install 11 dual- and 2 single-port Level 2, and 3 single port Level 1 EV charging stations in Palo Alto</td>
<td>$121,945</td>
<td>City of Palo Alto</td>
<td>NOx: 0.020, ROG: 0.028, PM: 0.003</td>
<td>2/17/16</td>
<td>No</td>
<td>Santa Clara</td>
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<tr>
<td>Project #</td>
<td>Project Category</td>
<td>Project Description</td>
<td>Award Amount</td>
<td>Applicant Name</td>
<td>Emission Reductions (Tons per year)</td>
<td>Board Approval Date</td>
<td>CARE Area</td>
<td>County</td>
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<td>16RFG17</td>
<td>PEV</td>
<td>Install 1 DC fast and 1 single-port Level 2 EV charging station in Richmond</td>
<td>$47,511</td>
<td>City of Richmond</td>
<td>0.007 0.009 0.001</td>
<td>2/17/16</td>
<td>Yes</td>
<td>Contra Costa</td>
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<td>16RFG18</td>
<td>PEV</td>
<td>Install 18 dual- and 5 single-port Level 2 EV charging stations in Fremont</td>
<td>$250,000</td>
<td>San Francisco Bay Area Rapid Transit District (BART)</td>
<td>0.032 0.041 0.005</td>
<td>2/17/16</td>
<td>Yes</td>
<td>Alameda</td>
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<td>16RFG19</td>
<td>PEV</td>
<td>Install 1 DC fast, and 7 dual-port Level 2 EV charging stations in Oakland and Hayward</td>
<td>$149,610</td>
<td>County of Alameda</td>
<td>0.017 0.022 0.002</td>
<td>2/17/16</td>
<td>Yes</td>
<td>Alameda</td>
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<td>16DCFC01**</td>
<td>PEV</td>
<td>Install 1 DC fast - single unit w/dual connectors charging station in Saratoga</td>
<td>$35,000</td>
<td>City of Saratoga</td>
<td>0.007 0.008 0.001</td>
<td>5/18/16</td>
<td>No</td>
<td>Santa Clara</td>
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<td>16DCFC02**</td>
<td>PEV</td>
<td>Install 1 DC fast - single unit w/dual connectors and 1 Level 2 charging station in Colma</td>
<td>$43,000</td>
<td>Town of Colma</td>
<td>0.007 0.009 0.001</td>
<td>5/18/16</td>
<td>No</td>
<td>San Mateo</td>
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<tr>
<td>16DCFC03**</td>
<td>PEV</td>
<td>Install 1 dual-connector DC fast - charging station in Brisbane</td>
<td>$40,000</td>
<td>City of Brisbane</td>
<td>0.007 0.008 0.001</td>
<td>5/18/16</td>
<td>No</td>
<td>San Mateo</td>
</tr>
<tr>
<td>16DCFC04**</td>
<td>PEV</td>
<td>Install 8 DC fast - single unit w' dual connectors and 48 single-port Level 2 charging stations (with solar) in 8 cities in 4 counties</td>
<td>$699,950</td>
<td>Clean Fuel Connection</td>
<td>0.089 0.115 0.013</td>
<td>5/18/16</td>
<td>Yes</td>
<td>Regional</td>
</tr>
<tr>
<td>16DCFC05**</td>
<td>PEV</td>
<td>Install 7 DC fast - single unit w/dual connectors and 6 single-port Level 2 charging stations in 7 cities in 5 counties</td>
<td>$292,900</td>
<td>NRG EV Services</td>
<td>0.050 0.064 0.007</td>
<td>5/18/16</td>
<td>No</td>
<td>Regional</td>
</tr>
<tr>
<td>16PEV002</td>
<td>PEV</td>
<td>Purchase one zero emissions motorcycle (ZEM)</td>
<td>$2,500</td>
<td>Town of Colma Police Department</td>
<td>0.000 0.007 0.000</td>
<td>10/20/15</td>
<td>No</td>
<td>San Mateo</td>
</tr>
<tr>
<td>16PEV003</td>
<td>PEV</td>
<td>Purchase one ZEM</td>
<td>$2,500</td>
<td>Pittsburg Police Department</td>
<td>0.000 0.007 0.000</td>
<td>12/23/15</td>
<td>No</td>
<td>Contra Costa</td>
</tr>
<tr>
<td>16PEV004</td>
<td>PEV</td>
<td>Purchase 15 battery electric vehicles (BEV)</td>
<td>$37,500</td>
<td>County of Alameda</td>
<td>0.006 0.007 0.001</td>
<td>4/19/16</td>
<td>Yes</td>
<td>Alameda</td>
</tr>
<tr>
<td>16PEV005</td>
<td>PEV</td>
<td>Purchase 10 BEVs</td>
<td>$25,000</td>
<td>City of Oakland</td>
<td>0.004 0.005 0.001</td>
<td>6/3/16</td>
<td>Yes</td>
<td>Alameda</td>
</tr>
<tr>
<td>16HDZ001</td>
<td>Zero-Emission Heavy-Duty Trucks &amp; Buses</td>
<td>Purchase 15 30’ all electric buses</td>
<td>$334,549</td>
<td>UC Regents</td>
<td>0.268 0.033 0.007</td>
<td>Pending</td>
<td>Yes</td>
<td>San Francisco</td>
</tr>
<tr>
<td>16HDG001</td>
<td>Zero-Emission Heavy-Duty Trucks &amp; Buses</td>
<td>Purchase 11 zero-emission battery-electric trucks and scrap one model year 2004 truck</td>
<td>$151,430</td>
<td>Goodwill Industries</td>
<td>0.296 0.016 0.003</td>
<td>Pending</td>
<td>Yes</td>
<td>San Francisco</td>
</tr>
<tr>
<td>16HDG002</td>
<td>Zero-Emission Heavy-Duty Trucks &amp; Buses</td>
<td>Purchase 10 zero-emission, hydrogen fuel-cell transit buses and scrap 10 model year 2002 buses</td>
<td>$1,000,000</td>
<td>Alameda-Contra Costa Transit District</td>
<td>3.690 1.548 0.007</td>
<td>Pending</td>
<td>Yes</td>
<td>Alameda/Contra Costa</td>
</tr>
<tr>
<td>16R11</td>
<td>Shuttle &amp; Rideshare</td>
<td>511 Regional Carpool Program</td>
<td>$1,000,000</td>
<td>Metropolitan Transportation Commission</td>
<td>7.780 7.290 6.860</td>
<td>11/18/15</td>
<td>Yes</td>
<td>Regional</td>
</tr>
<tr>
<td>16R12</td>
<td>Shuttle &amp; Rideshare</td>
<td>SJSU Ridesharing &amp; Trip Reduction</td>
<td>$140,000</td>
<td>Associated Students, San Jose State University</td>
<td>1.830 1.780 1.580</td>
<td>11/18/15</td>
<td>Yes</td>
<td>Regional</td>
</tr>
<tr>
<td>16R15</td>
<td>Shuttle &amp; Rideshare</td>
<td>Ace Shuttle 53 &amp; 54</td>
<td>$80,000</td>
<td>San Joaquin Regional Rail Commission</td>
<td>0.260 0.460 0.450</td>
<td>11/18/15</td>
<td>Yes</td>
<td>Alameda</td>
</tr>
<tr>
<td>16R17</td>
<td>Shuttle &amp; Rideshare</td>
<td>PresidiGo Shuttle</td>
<td>$100,000</td>
<td>Presidio Trust</td>
<td>0.380 0.380 0.350</td>
<td>11/18/15</td>
<td>Yes</td>
<td>San Francisco</td>
</tr>
<tr>
<td>16R18</td>
<td>Shuttle &amp; Rideshare</td>
<td>Broadway Shuttle</td>
<td>$186,500</td>
<td>City of Oakland</td>
<td>0.230 0.350 0.350</td>
<td>11/18/15</td>
<td>Yes</td>
<td>Alameda</td>
</tr>
<tr>
<td>16R19</td>
<td>Shuttle &amp; Rideshare</td>
<td>Caltrain Shuttle Program</td>
<td>$767,100</td>
<td>Peninsula Corridor Joint Powers Board</td>
<td>2.360 2.450 2.160</td>
<td>11/18/15</td>
<td>No</td>
<td>San Mateo</td>
</tr>
<tr>
<td>16R30</td>
<td>Pilot Trip Reduction</td>
<td>Bishop Ranch Business Park Shared Autonomous Vehicle Shuttle Pilot</td>
<td>$1,000,000</td>
<td>Contra Costa Transportation Authority</td>
<td>0.580 0.629 0.295</td>
<td>5/18/16</td>
<td>Yes</td>
<td>Contra Costa</td>
</tr>
<tr>
<td>16R22</td>
<td>Bicycle Lockers</td>
<td>Purchase and install 1 eLocker quad and 2 eLocker doubles in Campbell</td>
<td>$20,000</td>
<td>City of Campbell</td>
<td>0.011 0.012 0.012</td>
<td>3/9/16</td>
<td>Yes</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>16R23</td>
<td>Bicycle Lockers</td>
<td>Purchase and Install 20 eLocker quads in Berkeley, Dublin/Pleasanton, Milbrae, San Leandro, and Union City</td>
<td>$200,000</td>
<td>Bay Area Rapid Transit District</td>
<td>0.112 0.115 0.116</td>
<td>Pending</td>
<td>Yes</td>
<td>Alameda/San Mateo</td>
</tr>
<tr>
<td>16R24</td>
<td>Bicycle Lockers</td>
<td>Purchase and Install 4 eLocker quads in Emeryville and Santa Clara</td>
<td>$40,000</td>
<td>Capitol Corridor Joint Powers Authority</td>
<td>0.022 0.023 0.023</td>
<td>4/13/16</td>
<td>Yes</td>
<td>Alameda/Santa Clara</td>
</tr>
<tr>
<td>16BR001</td>
<td>Bicycle Racks</td>
<td>Purchase and install 5 bike racks in San Carlo</td>
<td>$3,000</td>
<td>San Carlos School District</td>
<td>0.006 0.009 0.004</td>
<td>12/21/15</td>
<td>No</td>
<td>San Mateo</td>
</tr>
</tbody>
</table>
AGENDA 4 - ATTACHMENT 4

Summary of all TFCA approved and eligible projects (evaluated between 7/1/2015 and 6/7/2016)

<table>
<thead>
<tr>
<th>Project #</th>
<th>Project Category</th>
<th>Project Description</th>
<th>Award Amount</th>
<th>Applicant Name</th>
<th>Emission Reductions (Tons per year)</th>
<th>Board Approval Date</th>
<th>CARE Area</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>16BR003</td>
<td>Bicycle Rails</td>
<td>Purchase and install 8 bike racks in Los Altos</td>
<td>$3,840</td>
<td>Mountain View Los Altos Union High School District</td>
<td>0.008 0.011 0.005</td>
<td>12/31/15</td>
<td>No</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>16BR004</td>
<td>Bicycle Rails</td>
<td>Purchase and install 15 bike racks in Dublin</td>
<td>$1,800</td>
<td>Dublin Unified School District</td>
<td>0.004 0.005 0.020</td>
<td>1/26/16</td>
<td>Yes</td>
<td>Alameda</td>
</tr>
<tr>
<td>16BR005</td>
<td>Bicycle Rails</td>
<td>Purchase and install 72 bike racks in Richmond</td>
<td>$11,160</td>
<td>City of Richmond</td>
<td>0.024 0.033 0.015</td>
<td>1/21/16</td>
<td>Yes</td>
<td>Contra Costa</td>
</tr>
<tr>
<td>16BR007</td>
<td>Bicycle Rails</td>
<td>Purchase and install 6 bike racks for in Livermore</td>
<td>$2,880</td>
<td>Granada High School</td>
<td>0.006 0.009 0.004</td>
<td>3/23/16</td>
<td>Yes</td>
<td>Alameda</td>
</tr>
<tr>
<td>16BR008</td>
<td>Bicycle Rails</td>
<td>Purchase and install 23 bike racks in Los Gatos</td>
<td>$9,000</td>
<td>Los Gatos Unified School District</td>
<td>0.019 0.027 0.012</td>
<td>3/22/16</td>
<td>No</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>16BR009</td>
<td>Bicycle Rails</td>
<td>Purchase and install 9 bicycle racks in Los Gatos</td>
<td>$4,260</td>
<td>Los Gatos High School</td>
<td>0.009 0.013 0.006</td>
<td>3/23/16</td>
<td>No</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>16BR010</td>
<td>Bicycle Rails</td>
<td>Purchase and install 125 bicycle racks in Mountain View</td>
<td>$15,000</td>
<td>Mountain View Whisman School District</td>
<td>0.032 0.044 0.020</td>
<td>3/15/16</td>
<td>No</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>16BR011</td>
<td>Bicycle Rails</td>
<td>Purchase and install 70 bike racks in Palo Alto</td>
<td>$8,400</td>
<td>Palo Alto Unified School District</td>
<td>0.018 0.025 0.011</td>
<td>3/23/16</td>
<td>No</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>16BR012</td>
<td>Bicycle Rails</td>
<td>Purchase and install 11 bike racks in Burlingame</td>
<td>$3,960</td>
<td>Burlingame School District</td>
<td>0.008 0.012 0.005</td>
<td>3/23/16</td>
<td>No</td>
<td>San Mateo</td>
</tr>
<tr>
<td>16BR013</td>
<td>Bicycle Rails</td>
<td>Purchase and install 12 bike racks in Napa</td>
<td>$1,342</td>
<td>Napa County</td>
<td>0.003 0.004 0.002</td>
<td>4/8/16</td>
<td>No</td>
<td>Napa</td>
</tr>
</tbody>
</table>

90 Projects $11,606,981 22.77 19.97 15.87

* Award amount for these nine projects includes a total of $450,000 in Reformulated Gas (RFG) Settlement funds.
** Award amount for these projects include $239,850 in California Energy Commission (CEC) funds, pending CEC approval.
AGENDA 4 - ATTACHMENT 5
Summary of FYE 2016 TFCA funds distributed by county and project category, as of 6/7/16

Figure 1: TFCA Projects Awarded in FYE2016
Distributed by Project Category

PEVs and Charging Stations 47.9%
Shuttles & Ridesharing 27.9%
Bicycle Parking (Racks and Electronic Lockers) 2.8%
Pilot Trip Reduction 8.6%
Zero-Emission Heavy-Duty Trucks & Buses 12.8%

Figure 2: TFCA Projects Awarded in FYE2016
Distributed by County

Alameda 23.4%
Contra Costa 16.8%
Marin 1.0%
Napa 0.6%
San Francisco 10.7%
San Mateo 10.1%
Santa Clara 31.6%
Solano 2.5%
Sonoma 3.5%
Alameda 23.4%
BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO. 2016-____

A Resolution of the Board of Directors of the Bay Area Air Quality Management Committing Matching Funds in Support of Applications to the California Air Resource Board for Low Carbon Transportation Greenhouse Gas Emission Reduction Fund applications

WHEREAS, AB 118, the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (Statutes of 2007, Chapter 750) created the Air Quality Improvement Program (AQIP), an incentive program administered by the California Air Resources Board (ARB);

WHEREAS, AB 1532 (Statutes of 2012, Chapter 807), SB 535 (Statutes of 2012, Chapter 830), and SB 1018 (Statutes of 2012, Chapter 39) established the Greenhouse Gas Emission Reduction Fund (GGRF) to receive Cap-and-Trade auction proceeds and provided a framework for administering auction proceeds in furtherance of the purposes of AB 32;

WHEREAS, in 2016, the California Legislature will be considering the appropriation of $500 million in GGRF monies for the Fiscal Year 2016-17 Low Carbon Transportation GGRF program that ARB is implementing in coordination with the AQIP AB 118 programs through the ARB Fiscal Year 2016-17 Funding Plan for AQIP and Low Carbon Transportation GGRF Investments;

WHEREAS, the ARB Low Carbon Transportation GGRF solicitations under the Fiscal Year 2016-17 Funding Plan require each applicant to provide matching funds in support of their applications;

WHEREAS, the ARB Low Carbon Transportation GGRF Fiscal Year 2016-17 Funding Plan (Plan) is contingent upon ARB Board Approval of the Plan, and the appropriation of sufficient FY 2016-17 Low Carbon Transportation Funds on or before June 30, 2016;

WHEREAS, in 1990, the California Legislature authorized the Bay Area Air Quality Management District (District) to impose a $4 surcharge on motor vehicles registered within the Bay Area to fund projects that reduce on-road motor vehicle emissions;

WHEREAS, the Legislature has authorized, through the adoption and amendment of Health and Safety Code sections 44241, the expenditure of local motor vehicle surcharge revenues for projects that reduce vehicle emissions, and the District funds such projects through its Transportation Fund for Clean Air Program (TFCA) that meet program requirements and meet cost-effectiveness limits;

WHEREAS, the District submitted one application and partnered on a second application to ARB in January 2016 to implement FY 2016-17 Low Carbon Transportation GGRF
projects and proposed to recommend TFCA funds to the District’s Board as a match if awarded funding from ARB;

WHEREAS, ARB requires Low Carbon Transportation GGRF applicants to submit a Resolution to commit matching funds, accept funding from ARB, and implement projects in accordance with the requirements established by ARB;

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors hereby approves the District’s acceptance of ARB GGRF funds, and commits the District to comply with the ARB Low Carbon Transportation GGRF project requirements if awarded funding.

BE IT FURTHER RESOLVED, the Board of Directors authorizes the Executive Officer/Air Pollution Control Officer to provide the required matching funds in an amount up to $1,151,430, by allocating local TFCA motor vehicle surcharge revenues.

BE IT FURTHER RESOLVED, the Executive Officer/Air Pollution Control Officer is hereby authorized and empowered to execute on behalf of the District grant agreements with ARB and other project partners and all other necessary documents to implement and carry out the purposes of this resolution.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director ________________, seconded by Director ________________, on the ___ day of ________________, 2016, by the following vote of the Board:

AYES:

NOES:

ABSENT:

_________________________________________________________________________
Eric Mar
Chairperson of the Board of Directors

ATTEST:

_________________________________________________________________________
David Hudson
Secretary of the Board of Directors
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Scott Haggerty and Members
   of the Mobile Source Committee

From: Jack P. Broadbent
   Executive Officer/APCO

Date: June 14, 2016

Re: Accept, Obligate, and Expend Funding from the Bay Area Clean Air Foundation (Foundation) and from the United States Environmental Protection Agency (EPA)

RECOMMENDATIONS

Recommend Board of Directors:

1. Adopt a Resolution authorizing the Bay Area Air Quality Management District (Air District) to accept, oblige, and expend up to $972,262.70 from the Bay Area Clean Air Foundation (Foundation) for electric vehicle and vehicle buyback projects;

2. Adopt a Resolution authorizing the Air District to accept, oblige, and expend up to $1 million in funds from the U.S. Environmental Protection Agency (EPA) to replace three locomotives; and

3. Authorize the Executive Officer/APCO to enter into all agreements necessary to accept and expend this funding.

BACKGROUND

The Foundation is a nonprofit support organization for the Air District. As part of its operation, the Foundation applies for grant funding from various sources and also accepts funding to reduce and offset air emissions within the boundaries of the Air District. In order to administer the grant programs associated with this funding, the Foundation has a contract with the Air District which allows for staff to be used to complete work to expend these monies.

The Air District has received notice from the EPA that it has been awarded a $1 million grant to reduce emissions by replacing one uncontrolled locomotive owned by the Port of San Francisco with one Tier 4 locomotive and replacing two Tier 0 locomotives operated by the Richmond Pacific Railroad Corporation with two Tier 4 locomotives. The EPA grant was awarded from the Diesel Emission Reduction Act (DERA) 2016 National Clean Diesel Funding Assistance Program.

DISCUSSION

On May 12, 2015, the Foundation accepted $0.5 million in new funding for a program designed to: (a) provide up to $450,000 in Reformulated Gas Settlement (RFG) funds that would be matched with the Air District’s Transportation Fund for Clean Air (TFCA) funding for the installation of publicly available electric vehicle charging stations; (b) collect data to measure environmental, economic and operating benefits; (c) publish a White Paper to include a summary, key features,
benefits of, and lessons learned from this grant; and (d) share results with local governments, air
districts, and other entities with an interest in the deployment of electric vehicle infrastructure. Up
to $50,000 of the RFG funds may be used to pay for administration costs and for the development
of the White Paper. On February 17, 2016, the Air District’s Board of Directors approved
$692,233 in TFCA funding as match for nine projects with full funding, partial funding for the
next two highest ranked projects, and funding for lower-ranking projects placed on a back-up list
in case any projects selected for award do not fully expend their share of RFG funds.

On April 12, 2016, the Foundation authorized entering into an agreement with Faria Preserve, LLC
(previously Faria LT Ventures, LLC) to accept $472,262.70 for the Faria Preserve Residential
Development (Faria) project to implement an off-site mitigation program to reduce 13.64 tons of
ozone precursors via contracting with the Air District to retire older light-duty vehicles through
the Air District’s Vehicle Buy Back program or other similar emissions reductions projects.

On April 20, 2016, the Air District submitted a proposal to the EPA to replace three switcher
locomotives operating in goods movement service in Bay Area impacted communities near the
Port of San Francisco and Richmond. On June 8, 2016, the EPA informed the Air District that it
had been awarded $1 million in funding for the project. The project is projected to reduce 0.254
tons of particulate matter (PM), 0.597 tons of hydrocarbons (HC), and 11.7 tons of nitrogen oxides
(NOx) annually over the 28-year life of the locomotives.

As part of this report, the Committee will consider a recommendation to adopt resolutions that
would authorize the Air District to accept and obligate Foundation and EPA monies into the FYE
2017 budget, and authorize the Air District’s Executive Officer to enter into all necessary
agreements to accept and expend these funds.

BUDGET CONSIDERATION / FINANCIAL IMPACT

Acceptance of the $972,262.70 in Foundation monies requires an amendment to the FYE 2017
budget which was adopted by the Board of Directors on June 15, 2016. Air District staff time for
the implementation of these projects is covered in the administrative fees associated with the
funding. Acceptance of the $1 million in EPA funding will be matched with Air District
Proposition 1B Goods Movement Bond funding and private funding from the locomotive owners.
Funding for Air District staff time for this project is provided by the Goods Movement Bond.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Karen Schkolnick and Joe Steinberger
Reviewed by: Damian Breen
Attachment 1: Board Resolution to accept, obligate, and expend $972,262.70 in Foundation funds
Attachment 2: Board Resolution to accept, obligate, and expend $1,000,000 in EPA funds
RESOLUTION NO. 2016-____

A Resolution of the
Board of Directors of the Bay Area Air Quality Management District
authorizing the Bay Area Air Quality Management District to accept and obligate
$972,262.70 in funding from the Bay Area Clean Air Foundation for electric vehicle
and vehicle buyback projects and to authorize the Executive Officer/Air Pollution
Control Officer to execute all necessary agreements, required documents, and
amendments required to expend this funding

WHEREAS, the purpose of this Resolution is to authorize the Bay Area Air Quality
Management District (“Air District”) to accept and obligate $972,262.70 in funding from
the Bay Area Clean Air Foundation for electric vehicle and vehicle buyback projects and
to authorize the Executive Officer/Air Pollution Control Officer to execute all necessary
agreements, required documents, and amendments required to expend this funding;

WHEREAS, on May 12, 2015, the Bay Area Clean Air Foundation accepted of $0.5
million in new funding for a program is designed to: (a) provide up to $450,000 in RFG
funds that would be matched with the Air District’s Transportation Fund for Clean Air
(TFCA) funding for the installation of publicly available electric vehicle charging stations;
(b) following installation, collect data to measure environmental, economic and operating
benefits; (c) publish a White Paper to include a summary, key features, benefits of, and
lessons learned from this grant; and (d) share Program results with local governments, air
districts, and other entities with an interest in the deployment of electric vehicle
infrastructure. Up to $50,000 of the RFG funds may be used to pay for administration costs
and for the development of the White Paper;

WHEREAS, on February 17, 2016, the Air District’s Board of Directors approved
$692,233 from TFCA as matching funding awards for RFG monies to nine Electric Vehicle
charging projects with full funding, partial funding for the next two highest ranked projects,
and funding amounts for lower-ranking projects that were placed on a back-up list in case
any of the 11 projects selected for award do not expend their awarded share of RFG and
TFCA funds.

WHEREAS, on April 12, 2016, the Bay Area Clean Air Foundation authorized entering
into an agreement with Faria Preserve, LLC to accept $472,262.70 from Faria Preserve,
LLC (previously Faria LT Ventures, LLC) for the Faria Preserve Residential Development
(Faria) project to implement an off-site mitigation program to reduce 13.64 tons of ozone
precursors via contracting with the Air District to retire older light-duty vehicles though
the Air District’s Vehicle Buy Back program or other similar emissions reductions projects;

WHEREAS, the Air District performs contract work for the Bay Area Clean Air
Foundation;
WHEREAS, the Bay Area Clean Air Foundation now seeks to transfer $972,262.70 to the Air District for the performance of the grants projects listed above;

NOW, THEREFORE, BE IT RESOLVED that the Air District’s Board of Directors authorizes the Executive Officer/Air Pollution Control Officer to accept, obligate, and execute all agreements, required documents for Bay Area Clean Air Foundation Funding, and any amendments thereto.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director ______________, seconded by Director ________________, on the ____ day of ______________, 2016 by the following vote of the Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

________________________________
Eric Mar
Chair of the Board of Directors

ATTEST:

________________________________
David E. Hudson
Secretary of the Board of Directors
RESOLUTION NO. 2016-____

A Resolution of the
Board of Directors of the Bay Area Air Quality Management District
authorizing the Bay Area Air Quality Management District to accept, obligate, and expend $1 million in funding from the U.S. Environmental Protection Agency (EPA) to replace three locomotives and to authorize the Executive Officer/Air Pollution Control Officer to execute all necessary agreements, required documents, and amendments required to expend this funding

WHEREAS, the purpose of this Resolution is to authorize the Bay Area Air Quality Management District (“Air District”) to accept, obligate, and expend up to $1 million in funding from the EPA to replace three locomotives and to authorize the Executive Officer/Air Pollution Control Officer to execute all necessary agreements, required documents, and amendments required to expend this funding;

WHEREAS, on February 25, 2016, the EPA issued a Request for Proposals (RFP) for the Diesel Emission Reduction Act (DERA) Clean Diesel Funding Assistance Program FY 2016 for projects that achieve significant reductions in diesel emissions in terms of tons of pollution produced by diesel engines and diesel emissions exposure, particularly from fleets operating at or servicing goods movement facilities located in areas designated as having poor air quality;

WHEREAS, on April 20, 2016, the Air District submitted a proposal to the EPA to replace one uncontrolled locomotive owned by the Port of San Francisco with one Tier 4 locomotive, and replace two Tier 0 locomotives operated by the Richmond Pacific Railroad Corporation with two Tier 4 locomotives;

WHEREAS, on June 8, 2016, the Air District received a letter from the EPA informing the Air District of a $1 million award for the proposed project;

WHEREAS, acceptance of the $1 million in EPA funding will be matched with Air District Proposition 1B Goods Movement Bond funding and private funding from the locomotive owners;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby approves the District’s acceptance of EPA funds, and commits the District to comply with the EPA DERA project requirements.

BE IT FURTHER RESOLVED, the Executive Officer/Air Pollution Control Officer to accept, obligate, and execute all agreements, required documents, and any amendments thereto.
The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____________, seconded by Director _____________, on the ____ day of _____________, 2016 by the following vote of the Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

________________________________
Eric Mar
Chair of the Board of Directors

ATTEST:

________________________________
David E. Hudson
Secretary of the Board of Directors
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Scott Haggerty and Members
   of the Mobile Source Committee

From: Jack P. Broadbent
   Executive Officer/APCO

Date: June 14, 2016

Re: Emissions Reduction from Air District Grant Programs

RECOMMENDATIONS

None; receive and file.

BACKGROUND

At the Mobile Source Committee (Committee) meeting on February 25, 2016, staff presented an overview of the Bay Area Air Quality Management District’s (Air District) grant funding programs and a summary of the results of those programs in calendar year 2015. In 2015, the Air District awarded and allocated approximately $60 million in funding to projects that will reduce emissions from mobile sources, of which approximately $51 million was directly allocated by the District through the Carl Moyer Program (CMP), California Goods Movement Bond Program (Goods Movement), Mobile Source Incentive Fund (MSIF), and Transportation Fund for Clean Air (TFCA). The remaining $9 million was distributed via the TFCA County Program Manager Fund. During that meeting, members of the Committee requested more information to help contextualize the emissions reduction data that was presented.

DISCUSSION

At this Committee meeting, staff will present an informational update that will discuss the emissions reduction results from the grant awards that were made in calendar year 2015, how those reductions compare to the total Bay Area’s emissions inventory, and how the emissions reduced each year from the Air District’s grant projects compare to selected Air District’s rules that aim to reduce similar emissions in the region.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.
Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by:  Tin Le
Reviewed by:  Chengfeng Wang and Karen Schkolnick
BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and Members of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APC

Date: June 14, 2016

Re: Fiscal Year Ending 2017 Transportation Fund for Clean Air (TFCA) Regional Fund Policies

RECOMMENDATION

Recommend Board of Directors:

1. Approve the proposed Fiscal Year Ending 2017 Transportation Fund for Clean Air (TFCA) Regional Fund Policies and Evaluation Criteria presented in Attachment A.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a $4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District’s jurisdiction. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. The authorizing legislation requires the Air District’s Board of Directors (Board) to annually adopt policies, such as cost-effectiveness criteria, that govern the use of TFCA funds.

Sixty percent of TFCA funds are allocated by the Board to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund. Previously on March 16, 2016, the Board approved an allocation of $21.7 million, including $13.65 million in new TFCA revenue, for FYE 2017.

DISCUSSION

The proposed FYE 2017 Policies (Attachment A) include both general requirements that are applicable to all TFCA Regional Fund project types, as well as project-specific requirements for eight Regional Fund project categories.

Outreach

The proposed FYE 2017 Policies reflect extensive feedback received from stakeholders over the past year. On February 8, 2016, the Air District opened the public comment period and advertised
this process via the Air District’s TFCA grants email notification system, which sent notices announcing the availability of proposed policies to more than 800 stakeholders including representatives from each of the nine Bay Area Congestion Management Agencies. The proposed policies were also posted on the Air District’s website. Two webinar workshops were held to discuss the policies and proposed changes for FYE 2017 (on February 16 and 24, 2016); in total, these webinars were attended by 26 stakeholders.

Proposed FYE 2017 Policies

Public stakeholder input received over the past year and during the public comment period was reviewed and considered for incorporation into the proposed FYE 2017 Policies. The Air District received 14 sets of comments by the close of the comment period on March 11, 2016. Staff subsequently reached out to all commenters for follow-up to the questions and comments. Attachment C provides a summary of the 14 public comments received by the deadline along with staff’s written responses. Additional revisions to prior year text were also made for clarification purposes. A redlined copy of the FYE 2017 policies that shows the changes from the previous year policies are included as Attachment B. Table 1 below shows the key revisions proposed in the FYE 2017 Policies.

Table 1: Summary of Key Revisions to TFCA Regional Fund Policies and Evaluation Criteria

<table>
<thead>
<tr>
<th>Policy # and Title</th>
<th>Description of Proposed Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>#2. TFCA Cost-Effectiveness</td>
<td>Increase (make more lenient) the cost-effectiveness limits for trip reduction and bicycle projects to reflect updates to on-road motor vehicle emission factors in California Air Resources Board’s EMFAC2014 model, which was approved by the U.S. EPA in December 2015, and a shorter project term (useful life) used to evaluate cost-effectiveness for bicycle projects.</td>
</tr>
<tr>
<td>#23. Light-Duty Zero and Partial-Zero Emissions Vehicles for Fleets</td>
<td>Replace the incremental cost limitation with a requirement that project sponsors must pay for at least 10% of a vehicle’s cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.</td>
</tr>
<tr>
<td>#24. Heavy-Duty Zero Emissions Vehicles</td>
<td></td>
</tr>
<tr>
<td>#28. Existing Shuttle/Feeder Bus Services</td>
<td>Remove a waiver provision that provided a three-year grace period to sponsors of projects that duplicate existing local service, during which they would either need to become financially self-sustainable or come into compliance with all TFCA policies. This waiver expires on December 31, 2016.</td>
</tr>
<tr>
<td>#29. Pilot Trip Reduction</td>
<td>Increase the allowed time period to three years (from two) that pilot projects must become financially self-sustainable.</td>
</tr>
<tr>
<td>#32. Bikeways</td>
<td>Add requirement that projects must have completed all applicable State and federal environmental reviews to ensure that proposed projects are ready to implemented and therefore less likely to experience delays that could jeopardize their</td>
</tr>
</tbody>
</table>
ability to expend grant funds within the two-year timeframe, as required by the authorizing legislation. Also, update eligibility criteria to clarify that eligible projects must be described in an adopted countywide transportation plan, city general plan, or area-specific plan, so long as the plan specifies that the purpose of the bikeway is to reduce motor vehicle emissions or traffic congestion.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District distributes “pass-through” funds to grantees on a reimbursement basis. Administrative costs for the TFCA Regional Fund program are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak and Chengfeng Wang
Reviewed by: Karen Schkolnick

Attachment A: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2017 (Clean)
Attachment B: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2017 (Redlined)
Attachment C: Comments Received and Staff Responses to Proposed FYE 2017 Policies (Informational Item)
TFCA REGIONAL FUND POLICIES
AND EVALUATION CRITERIA FOR FYE 2017

The following policies apply to the Bay Area Air Quality Management District’s (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund for fiscal year ending (FYE) 2017.

BASIC ELIGIBILITY

1. Eligible Projects: Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 2017.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project’s funding agreement.

2. TFCA Cost-Effectiveness: Projects must not exceed the maximum cost-effectiveness (C-E) limit noted in Table 1. Cost-effectiveness ($/weighted ton) is based on the ratio of TFCA fund awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller) over a project’s useful life.

Table 1: Maximum Cost-Effectiveness for FYE 2016 TFCA Regional Fund Projects

<table>
<thead>
<tr>
<th>Policy #</th>
<th>Project Category</th>
<th>Maximum C-E ($/weighted ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>On-Road Truck Replacements</td>
<td>$90,000</td>
</tr>
<tr>
<td>23</td>
<td>Light-Duty Zero- and Partial-Zero Emissions Vehicles for Fleets</td>
<td>$250,000</td>
</tr>
<tr>
<td>24</td>
<td>Heavy-Duty Zero- and Partial-Zero- Emissions Vehicles</td>
<td>$250,000</td>
</tr>
<tr>
<td>25</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>26</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>27</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>28</td>
<td>Existing Shuttle/Feeder Bus Services</td>
<td>$200,000; $250,000 for services in CARE Areas or PDAs</td>
</tr>
<tr>
<td>29</td>
<td>Pilot Trip Reduction — in CARE areas or Priority Development Areas (PDAs)</td>
<td>$500,000</td>
</tr>
<tr>
<td>30</td>
<td>Existing Regional Ridesharing Services</td>
<td>$150,000</td>
</tr>
<tr>
<td>31</td>
<td>Electronic Bicycle Lockers</td>
<td>250,000</td>
</tr>
<tr>
<td>32</td>
<td>Bikeways</td>
<td>250,000</td>
</tr>
</tbody>
</table>

3. Consistent with Existing Plans and Programs: All project categories must comply with the Transportation Control and Mobile Source Control measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards; those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted Federal, State, regional, and local plans and programs.

4. Eligible Recipients and Authority to Apply: Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
   a. Eligible Recipients:
      i. Public agencies are eligible to apply for all project categories.
      ii. Non-public entities are only eligible to apply for Clean Air Vehicle Projects and advanced technology demonstrations that are permitted pursuant to HSC section 44241b(7).
b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to perform these tasks by including either: 1) a signed letter of commitment from the applicant’s representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).

5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of their proposed project(s) from commencement through completion. Unless otherwise specified in policies #22 through 32, project applicants must demonstrate evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.

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

7. **Maximum Grant Amount:** Unless otherwise specified in policies #22 through 32, the maximum grant award amounts are:
   a. Each public agency may be awarded up to $1,500,000 per calendar year; and
   b. Each non-public entity may be awarded up to $500,000 per calendar year.

8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year 2017. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the projects’ operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. “Commence” can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.

9. **Maximum Two Years Operating Costs:** Unless otherwise specified in policies #22 through 32, FYE 2017 TFCA Regional Funds may be used to support up to two years of operating costs for service-based projects (i.e., Trip Reduction Projects)

10. **Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable federal and State laws, and Air District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally-binding obligations that are in effect at the time the minor modification was proposed.

**APPLICANT IN GOOD STANDING**

11. **In Compliance with Air Quality Regulations:** Applicants must certify that, at the time of the application and at the time of issuance of the grant, they are in compliance with all local, State, and federal air quality regulations. Applicants who have an unresolved violation of Air District, state or federal air quality rules or regulations are not eligible for funding. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from project sponsors who were not eligible for funding at the time of the grant.

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

13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District’s final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.
A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means that a project was not implemented as set forth in the project funding agreement.

Project sponsors must return funds that the Air District has determined were expended in a manner contrary to the TFCA Regional Funds’ requirements and/or requirements of HSC Code section 44220 et seq.; the project did not result in a surplus reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for surplus reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund; or otherwise failed to comply with the approved project scope, as set forth in the project funding agreement. Applicants who failed to reimburse such funds to the Air District from prior Air District funded projects will be excluded from future TFCA funding.

14. **Executed Funding Agreement:** Only a fully-executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District’s award of funds for a project. Approval of an application for the project by the Air District Board of Directors or notices such as a transmittal letter announcing the proposed award do not constitute a final obligation on the part of the Air District to fund a project.

Applicants must sign funding agreements within 60 days from the date the agreements were transmitted to them in order to remain eligible for award of TFCA Regional Funds. Applicants may request, in writing, an extension of up to no more than 180 days from the transmittal date to sign the grant agreements, which includes the basis for an extended signature period. At its discretion, the Air District may authorize such an extension.

15. **Maintain Appropriate Insurance:** Project sponsors must obtain and maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

**INELIGIBLE PROJECTS**

16. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Other planning activities may be eligible, but only if the activities are both: 1) directly related to the implementation of a specific project or program, and 2) directly contribute to the project’s emissions reductions.

17. **Cost of Developing Proposals and Grant Applications:** The costs to prepare grant applications are not eligible.

18. **Duplication:** Projects that have previously received TFCA Regional or County Program Manager funds and do not propose to achieve additional emission reductions are not eligible.

**USE OF TFCA FUNDS**

19. **Combined Funds:** Unless otherwise specified in policies #22 through 32, TFCA County Program Manager Funds may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.

20. **Administrative Costs:** Unless otherwise specified in policies #22 through 32, TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited to a maximum of five percent (5%) of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. To be eligible for reimbursement, administrative costs must be clearly identified in the project budget at the time of application and in the funding agreement between the Air District and the project sponsor.
21. **Expend Funds within Two Years:** Project sponsors must expend the grant funding within two (2) years of the effective date of their grant agreement. Applicants may request a longer period in the application, by submitting evidence that a longer period is justified to complete the project due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements’ second year in the event that significant progress has been made in the implementation of the project. If the Air District approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

**ELIGIBLE PROJECT CATEGORIES**

To be eligible for TFCA Regional funding, a proposed project must meet the purposes and requirements for the particular category’s type of project.

**Clean Air Vehicle Projects**

22. **On-Road Truck Replacements:** The project will replace Class 6, Class 7, or Class 8 diesel-powered trucks that have a gross vehicle weight rating (GVWR) of 19,501 lbs. or greater (per vehicle weight classification definition used by Federal Highway Administration (FHWA)) with new or used trucks that have an engine certified to the 2010 California Air Resources Board (CARB) emissions standards or cleaner. The existing trucks must be registered with the California Department of Motor Vehicles (DMV) to an address within the Air District’s jurisdiction, and must be scrapped after replacement.

23. **Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets:** The project will accelerate the deployment of zero- and partial-zero-emissions light-duty vehicles:
   
   a. Each project (fleet deployment) must consist of the purchase or lease of three or more new vehicles registered to a single owner;
   b. Each vehicle must be 2016 model year or newer, and have a GVWR of 14,000 lbs. or lighter;
   c. Each vehicle must be maintained and operated within the Air District’s jurisdiction for a minimum of three years and 15,000 miles;
   d. Eligible vehicle types include plug-in hybrid-electric, plug-in electric, and fuel cell vehicles approved for on-road use by the CARB; and
   e. Project Sponsors may request authorization of up to 50% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.
   f. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible.
   g. The amount of TFCA funds awarded may not exceed 90% of the vehicle’s cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.

24. **Heavy-Duty Zero- and Partial-Zero-Emissions Vehicles:** The project will help fleet operators achieve significant voluntary emission reductions by encouraging the replacement of older, compliant vehicles with the cleanest available technology, and help fleet operators who are expanding their fleet to choose the cleanest available technology:

   a. Vehicles must be new, 2016 model year or newer, and have a GVWR of greater than 14,000 lbs.;
   b. Vehicles may be purchased or leased;
   c. Each vehicle must be maintained and operated within the Air District’s jurisdiction for a minimum of three years and 15,000 miles;
   d. Eligible vehicles must be approved by the CARB; and
   e. Project Sponsors may request authorization of up to 50% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.
f. Projects that seek to replace a vehicle in the same weight-class as the proposed new vehicle may qualify for additional TFCA funding. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds.

g. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible.

h. The amount of TFCA funds awarded may not exceed 90% of a vehicle’s cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.

25. **Hydrogen Stations**: These projects are intended to accelerate the deployment of hydrogen fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. The following additional conditions must also be met:

   a. Stations must be located within the Air District’s jurisdiction and be available and accessible to the public;

   b. 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; and

   c. Each station must be maintained and operated for a minimum of three years.

   d. TFCA funding may not be used to pay for fuel or on-going operations and maintenance costs.

   e. TFCA funding is limited to 25% of the total project cost and may not exceed a maximum award amount of $250,000 per station.

   f. Stations must have received a passing score and/or received approval for funding from a State or Federal agency.

26. **Reserved.**

27. **Reserved.**

**Trip Reduction Projects**

28. **Existing Shuttle/Feeder Bus Services**: The project will reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more definable commercial hubs or employment centers:

   a. The service must provide direct service connections between a mass transit hub (e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport) and a distinct commercial or employment location;

   b. The service’s schedule must be coordinated to have a timely connection with the corresponding mass transit service;

   c. The service must be available for use by all members of the public;

   d. TFCA Regional Funds may be used to fund only shuttle services to locations that are under-served and lack other comparable service. For the purposes of this policy, “comparable service” means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed “comparable” to an existing service if the passengers’ proposed travel time will be at least 15 minutes shorter and at least 33% shorter than the existing service’s travel time to the proposed destination;

   e. **Reserved.**

   f. TFCA Regional Funds may be used to fund services only during commuter peak-hours, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM;

   g. Matching funds must be provided to cover at least 10% of the total project cost and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For
shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) and the administrative costs paid for by TFCA Regional Funds;

h. Project Sponsors 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; and

i. Applicants must submit a letter of concurrence from the transit district or transit agency that provides service in the area of the proposed route, certifying that the service does not conflict with existing service.

j. Projects that would operate in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in Priority Development Areas (PDAs), may qualify for funding at a higher cost-effectiveness limit (see Policy #2).

29. **Pilot Trip Reduction:** The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where no similar service was available within the past three years, or will result in significantly expanded service to an existing area. Funding is designed to provide the necessary initial capital for the startup of Pilots, with the goal of transitioning the project to be financially self-sustaining within three years from the project’s start date:

a. The proposed project must be located in a Highly Impacted Community or Episodic Area as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in a Priority Development Area (PDA);

b. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants;

c. The proposed service must be available for use by all members of the public;

d. Applicants must attend a mandatory pre-application workshop to discuss their proposed project with the Air District; and

e. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining within three years.

In addition, for pilot service projects:

f. If the local transit provider is not a partner, the applicant must demonstrate that they have attempted to have the service provided by the local transit agency. The transit provider must have been given the first right of refusal and determined that the proposed project does not conflict with existing service;

g. Applicants must provide data and/or other evidence demonstrating the public’s need for the service, including a demand assessment survey and letters of support from potential users;

h. Pilot shuttle/feeder bus and ridesharing service projects must comply with all applicable requirements in policies #28 and #30.

30. **Existing Regional Ridesharing Services:** The project will provide carpool, vanpool, and other rideshare services. For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five counties within Air District’s jurisdiction, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application.

If a project includes ride-matching services, *only* ride-matches that are not already included in the Metropolitan Transportation Commission’s (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy *exclusively* to employees of the project sponsor are not eligible.

**Bicycle Projects**

31. **Electronic Bicycle Lockers:** The project will expand the public’s access to new electronic bicycle lockers. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP),
or the Metropolitan Transportation Commission’s Regional Bicycle Plan, and must serve a major activity center (e.g. transit station, office building, or school). The electronic bicycle lockers must be publicly accessible and available for use by all members of the public.

Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCA Regional Funds.

The maximum award amount is based on the number of lockers, at the rate of $2,500 per locker, for example, a quad contains four lockers and would be eligible for a maximum award amount of $10,000.

Monies expended by Project Sponsors to pay for the purchase and installation of lockers and for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant) are eligible for use as matching funds. Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate the electronic lockers are not eligible for use as matching funds.

32. **Bikeways:** The project will construct and/or install new bikeways that are included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), countywide transportation plan (CTP), city general plan or area-specific plan, or the Metropolitan Transportation Commission’s Regional Bicycle Plan. To be eligible for funding, the purpose of bikeways that are included in an adopted city general plan or area-specific plan must be to reduce motor vehicle emissions or traffic congestion. Projects must have completed all applicable State and federal environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement.

All bikeway projects must, where applicable, be consistent with design standards published in the California Highway Design Manual, or conform to the provisions of the Protected Bikeway Act of 2014.

Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use. Projects must also meet one or more of the following conditions:

- a. Be located within one-half mile (1/2) from a public transit station/stop (e.g., local, county-wide or regional transit stops/stations/terminals, bike share station);
- b. Be located within one-half mile (1/2) from a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts);
- c. Be located within one-half mile (1/2) from three activity centers (e.g., employment centers, schools, business districts).

Projects are limited to the following types of bikeways:

- a. New Class-I bicycle paths;
- b. New Class-II bicycle lanes;
- c. New Class-III bicycle routes; or
- d. New Class-IV cycle tracks or separated bikeways.
REGIONAL FUND EVALUATION CRITERIA:

1. Projects must meet all of the applicable TFCA Regional Fund policies.

2. Applications will also be evaluated using the evaluation process listed in Table 2:

Table 2: Evaluation Process by Project Category

<table>
<thead>
<tr>
<th>Policy #</th>
<th>Project Category</th>
<th>Evaluation Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>On-Road Truck Replacements</td>
<td>Applications will be reviewed on a first-come, first-served basis, and funding amounts for eligible projects will be determined based on a project’s cost-effectiveness and responsiveness to their respective project specific Policy requirements.</td>
</tr>
<tr>
<td>24</td>
<td>Heavy-Duty Zero- and Partial-Zero-Emissions Vehicles</td>
<td>Applications will be reviewed on a first-come, first-served basis, and funding amounts for eligible projects will be determined based on a project’s cost-effectiveness and responsiveness to their respective project specific Policy requirements.</td>
</tr>
<tr>
<td>25</td>
<td>Reserved</td>
<td>Reserved</td>
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<td>26</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>27</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>28</td>
<td>Shuttle/Feeder Bus Services</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to their respective project specific Policy requirements.</td>
</tr>
<tr>
<td>29</td>
<td>Pilot Trip Reduction</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to their respective project specific Policy requirements.</td>
</tr>
<tr>
<td>30</td>
<td>Regional Ridesharing Services</td>
<td>Applications will be reviewed on a first-come, first-served basis, and eligible projects will be recommended for funding until funding has been depleted.</td>
</tr>
<tr>
<td>31</td>
<td>Electronic Bicycle Lockers</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #32. Projects that serve regional or county-wide transit stops/stations/terminals (e.g., BART, Caltrain, Capitol Corridor, ferry terminals) or bike share stations will receive a higher priority.</td>
</tr>
<tr>
<td>32</td>
<td>Bikeways</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #32. Projects that serve regional or county-wide transit stops/stations/terminals (e.g., BART, Caltrain, Capitol Corridor, ferry terminals) or bike share stations will receive a higher priority.</td>
</tr>
</tbody>
</table>

3. Up to sixty percent (60%) of TFCA Regional Funds will receive a higher priority for projects that meet one or more of the following criteria:

a. Projects in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program;

b. Projects in Priority Development Areas (PDAs).
TFCA REGIONAL FUND POLICIES
AND EVALUATION CRITERIA FOR FYE 2016

The following policies apply to the Bay Area Air Quality Management District’s (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund for fiscal year ending (FYE) 2016.

BASIC ELIGIBILITY

1. **Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 2016.

   Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project’s funding agreement.

2. **TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit noted in Table 1. Cost-effectiveness ($/weighted ton) is based on the ratio of TFCA fund awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller) over a project’s useful life.

   **Table 1: Maximum Cost-Effectiveness for FYE 2016 TFCA Regional Fund Projects**

<table>
<thead>
<tr>
<th>Policy #</th>
<th>Project Category</th>
<th>Maximum C-E ($/weighted ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>On-Road Truck Replacements</td>
<td>$90,000</td>
</tr>
<tr>
<td>23</td>
<td>Light-Duty Zero- and Partial-Zero Emissions Vehicles for Fleets</td>
<td>$250,000</td>
</tr>
<tr>
<td>24</td>
<td>Heavy-Duty Zero- and Partial-Zero Emissions Vehicles</td>
<td>$250,000</td>
</tr>
<tr>
<td>25</td>
<td>Hydrogen Stations</td>
<td>$500,000</td>
</tr>
<tr>
<td>26</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>27</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>28</td>
<td>Existing Shuttle/Feeder Bus Services</td>
<td>$175,200,000; $200,250,000 for services in CARE Areas or PDAs</td>
</tr>
<tr>
<td>29</td>
<td>Pilot Trip Reduction —in CARE areas or Priority Development Areas (PDAs)</td>
<td>$200,500,000</td>
</tr>
<tr>
<td>30</td>
<td>Existing Regional Ridesharing Services</td>
<td>$90,000; 250,000</td>
</tr>
<tr>
<td>31</td>
<td>Electronic Bicycle Lockers</td>
<td>$90,000; 250,000</td>
</tr>
<tr>
<td>32</td>
<td>Bikeways</td>
<td>$90,000; 250,000</td>
</tr>
</tbody>
</table>

3. **Consistent with Existing Plans and Programs:** All project categories must comply with the Transportation Control and Mobile Source Control measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards; those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted Federal, State, regional, and local plans and programs.

4. **Eligible Recipients and Authority to Apply:** Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
   a. **Eligible Recipients:**
      i. **Public agencies** are eligible to apply for all project categories.
      ii. **Non-public entities** are only eligible to apply for Clean Air Vehicle Projects and advanced technology demonstrations that are permitted pursuant to HSC section 44241b(7).
b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to perform these tasks by including either: 1) a signed letter of commitment from the applicant’s representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).

5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of their proposed project(s) from commencement through completion. Unless otherwise specified in policies #22 through 32, project applicants must demonstrate evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.

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

7. **Maximum Grant Amount:** Unless otherwise specified in policies #22 through 32, the maximum grant award amounts are:
   a. Each public agency may be awarded up to $1,500,000 per calendar year; and
   b. Each non-public entity may be awarded up to $500,000 per calendar year.

8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year 2016. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the projects’ operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. “Commence” can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.

9. **Maximum Two Years Operating Costs:** Unless otherwise specified in policies #22 through 32, FYE 2016 TFCA Regional Funds may be used to support up to two years of operating costs for service-based projects (i.e., Trip Reduction Projects).

10. **Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable federal and State laws, and Air District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally-binding obligations that are in effect at the time the minor modification was proposed.

### APPLICANT IN GOOD STANDING

11. **In Compliance with Air Quality Regulations:** Applicants must certify that, at the time of the application and at the time of issuance of the grant, they are in compliance with all local, State, and federal air quality regulations. Applicants who have an unresolved violation of Air District, state or federal air quality rules or regulations are not eligible for funding. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from project sponsors who were not eligible for funding at the time of the grant.

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

13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District’s final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.
A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means that a project was not implemented as set forth in the project funding agreement.

Project sponsors must return funds that the Air District has determined were expended in a manner contrary to the TFCA Regional Funds’ requirements and/or requirements of HSC Code section 44220 et seq.; the project did not result in a surplus reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for surplus reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund; or otherwise failed to comply with the approved project scope, as set forth in the project funding agreement. Applicants who failed to reimburse such funds to the Air District from prior Air District funded projects will be excluded from future TFCA funding.

14. **Executed Funding Agreement:** Only a fully-executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District’s award of funds for a project. Approval of an application for the project by the Air District Board of Directors or notices such as a transmittal letter announcing the proposed award do not constitute a final obligation on the part of the Air District to fund a project.

Applicants must sign funding agreements within 60 days from the date the agreements were transmitted to them in order to remain eligible for award of TFCA Regional Funds. Applicants may request, in writing, an extension of up to no more than 180 days from the transmittal date to sign the grant agreements, which includes the basis for an extended signature period. At its discretion, the Air District may authorize such an extension.

15. **Maintain Appropriate Insurance:** Project sponsors must obtain and maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

**INELIGIBLE PROJECTS**

16. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Other planning activities may be eligible, but only if the activities are both: 1) directly related to the implementation of a specific project or program, and 2) directly contribute to the project’s emissions reductions.

17. **Cost of Developing Proposals and Grant Applications:** The costs to prepare grant applications are not eligible.

18. **Duplication:** Projects that have previously received TFCA Regional or County Program Manager funds and do not propose to achieve additional emission reductions are not eligible.

**USE OF TFCA FUNDS**

19. **Combined Funds:** Unless otherwise specified in policies #22 through 32, TFCA County Program Manager Funds may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.

20. **Administrative Costs:** Unless otherwise specified in policies #22 through 32, TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited to a maximum of five percent (5%) of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. To be eligible for reimbursement, administrative costs must be clearly identified in the project budget at the time of application and in the funding agreement between the Air District and the project sponsor.
21. **Expend Funds within Two Years:** Project sponsors must expend the grant funding within have up to two (2) years from of the effective date of their grant agreement to expend the awarded funds. Applicants may request a longer period in the Application, by submitting evidence that a longer period is justified to complete the project due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements’ second year in the event that significant progress has been made in the implementation of the project. If the Air District approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

**ELIGIBLE PROJECT CATEGORIES**

To be eligible for TFCA Regional funding, a proposed project must meet the purposes and requirements for the particular category’s type of project.

**Clean Air Vehicle Projects**

22. **On-Road Truck Replacements:** The project will replace Class 6, Class 7, or Class 8 diesel-powered trucks that have a gross vehicle weight rating (GVWR) of 19,501 lbs. or greater (per vehicle weight classification definition used by Federal Highway Administration (FHWA)) with new or used trucks that have an engine certified to the 2010 California Air Resources Board (CARB) emissions standards or cleaner. The existing trucks must be registered with the California Department of Motor Vehicles (DMV) to an address within the Air District’s jurisdiction, and must be scrapped after replacement.

23. **Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets:** The project will accelerate the deployment of zero- and partial-zero-emissions light-duty vehicles in high-mileage fleets:
   a. Each project (fleet deployment) must consist of the purchase or lease of three or more new vehicles registered to a single owner;
   b. Each vehicle must be a 2015 model year or newer, and have a GVWR of 14,000 lbs. or lighter;
   c. Each vehicle must be maintained and operated within the Air District’s jurisdiction for a minimum of three years and 15,000 miles;
   d. Eligible vehicle types include plug-in hybrid-electric, plug-in electric, and fuel cell vehicles certified approved for on-road use by the CARB as meeting super-ultra low emission vehicle (SULEV) or zero-emission vehicle (ZEV) standard; and
   e. Project sponsors may request authorization of up to 50% of the TFCA Funds awarded for each vehicle to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.
   f. Non-plug-in hybrid, gasoline, natural gas, diesel vehicles, and retrofit projects that are not approved or certified by the CARB are not eligible. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible.
   g. The amount of TFCA funds awarded may not exceed 75% of the vehicle’s cost, meaning the difference in cost between the purchase or lease price of the new vehicle for the project and its new conventional vehicle counterpart that meets current Federal and State emission standards after all other applicable manufacturer and local/state/federal rebates and discounts are applied.

24. **Heavy-Duty Zero- and Partial-Zero-Emissions Vehicles:** The project will help fleet operators achieve significant voluntary emission reductions by accelerate the deployment of zero-emissions heavy-duty vehicles encouraging the replacement of older, compliant vehicles with the cleanest available technology, and help fleet operators who are expanding their fleet to choose the cleanest available technology:
   a. Vehicles must be new, (2015 model year or newer), and have a GVWR of greater than 14,000 lbs.;
   b. Vehicles may be purchased or leased;
   c. Each vehicle must be maintained and operated within the Air District’s jurisdiction for a minimum of three years and 15,000 miles;
d. Eligible vehicles types must be zero-emissions (electric and fuel cell technologies) vehicles that are approved certified by the CARB; and

e. Project Sponsors may request authorization for of up to 50% of the TFCA Funds awarded to each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.

f. In addition, projects Projects that seek to replace an equivalent vehicle in the same weight-class model year 2000-2006 as the proposed new vehicle and have documented at least two consecutive years of annual mileage records, may qualify for up to an additional $25,000 in TFCA funding. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds.

g. Vehicles that are solely powered by gasoline, natural gas, or diesel, and hybrid vehicles, and retrofit projects that are not approved or certified by the CARB are not eligible.

h. The amount of TFCA funds awarded may not exceed 75% of a vehicle’s cost “incremental cost” meaning the difference in cost between the purchase or lease price of the new vehicle for the Project and its new conventional vehicle counterpart that meets current Federal and State emission standards after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.

25. Hydrogen Stations: These projects are intended to accelerate the deployment of hydrogen fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. The following additional conditions must also be met:

a. Stations must be located within the Air District’s jurisdiction and be available and accessible to the public;

b. 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; and

c. Each station must be maintained and operated for a minimum of three years.

d. TFCA funding may not be used to pay for fuel or on-going operations and maintenance costs.

e. TFCA funding is limited to 25% of the total project cost and may not exceed a maximum award amount of $250,000 per station.

26. Reserved.

27. Reserved.

Trip Reduction Projects

28. Existing Shuttle/Feeder Bus Services: The project will reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more definable commercial hubs or employment centers:

a. The service must provide direct service connections between a mass transit hub (e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport) and a distinct commercial or employment location;

b. The service’s schedule must be coordinated to have a timely connection with the corresponding mass transit service;

c. The service must be available for use by all members of the public;
d. TFCA Regional Funds may be used to fund only shuttle services to locations that are under-served and lack other comparable service. For the purposes of this policy, “comparable service” means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed “comparable” to an existing service that brings passengers from a mass transit hub to within 1/3 mile of the employment location or commercial hub if the passengers’ proposed travel time will be at least 15 minutes less than shorter and will be at least 33% shorter than the existing service’s travel time to the proposed destination;

e. **Reserved.** Shuttle/Feeder Bus Service projects that were awarded Regional Funds in FYE 2014 or FYE 2015 may request an exemption from the requirements of Policy 28.d until December 31, 2016, provided that they meet the following requirements:
   a. The proposed service must serve the identical transit hub and commercial or employment locations as the previously funded project; and
   b. A plan to either achieve financial self-sufficiency from TFCA funds by January 1, 2017, or to come into compliance with Policy 28.d and all other eligibility criteria must be submitted along with the Application.

f. TFCA Regional Funds may be used to fund services only during commuter peak-hours, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM;

g. Matching funds must be provided to cover at least 10% of the total project cost, and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) and the administrative costs paid for by TFCA Regional Funds;

h. Shuttle/feeder bus service applicants Project Sponsors 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; and

i. Shuttle/feeder bus service applicants must submit a letter of concurrence from the transit district or transit agency that provides service in the area of the proposed route, certifying that the service does not conflict with existing service.

j. Projects that would operate in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in Priority Development Areas (PDAs), may qualify for funding at a higher cost-effectiveness limit (see Policy #2) of $200,000 per ton.

29. **Pilot Trip Reduction:** The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where no similar service was available within the past three years, or will result in significantly expanded service to an existing area. Funding is designed to provide the necessary initial capital for the startup of Pilots, with the goal of transitioning the project to be financially self-sustaining within two-three years from the project’s start date:

   a. The proposed project must be located in a Highly Impacted Community or Episodic Area as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in a Priority Development Area (PDA);
   
   b. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants;
   
   c. The proposed service must be available for use by all members of the public;
   
   d. Applicants must attend a mandatory pre-application workshop to discuss their proposed project with the Air District; and
   
   e. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining within two-three years.
In addition, for pilot service projects:

f. **If the local transit provider is not a partner, the Applicants must demonstrate that they have attempted to have the service provided by the local transit agency.** Applicants must provide the transit agency’s evaluation of the need for service to the proposed area, and a letter denying service to the project’s proposed area, including the basis for denial of service. **The transit provider must have been given the first right of refusal and determined that the proposed project does not conflict with existing service;**

g. Applicants must provide data and/or other evidence demonstrating the public’s need for the service, including a demand assessment survey and letters of support from potential users;

h. **Pilot Shuttle/Feeder Bus service and Ridesharing service projects must comply with all applicable requirements in policies #28 and #30.**

30. **Existing Regional Ridesharing Services:** The project will provide carpool, vanpool, and other rideshare services. For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five counties within Air District’s jurisdiction, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application.

If a project includes ride-matching services, only ride-matches that are not already included in the Metropolitan Transportation Commission’s (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor are not eligible.

**Bicycle Facility Projects**

31. **Electronic Bicycle Lockers:** The project will expand the public’s access to new electronic bicycle lockers. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission’s Regional Bicycle Plan, and must serve a major activity center (e.g., transit station, office building, or school). The electronic bicycle lockers must be publicly accessible and available for use by all members of the public.

Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCA Regional Funds.

The maximum award amount is based on the number of lockers, at the rate of $2,500 per locker, for example, a quad contains four lockers and would be eligible for a maximum award amount of $10,000.

Monies expended by Project Sponsors to pay for the purchase and installation of lockers and for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant) are eligible for use as matching funds for electronic bicycle lockers. Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate the electronic lockers are not eligible for use as matching funds.

32. **Bikeways:** The project will construct and/or install new bikeways that are included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), countywide transportation plan (CTP), city general plan or area-specific plan, or the Metropolitan Transportation Commission’s Regional Bicycle Plan. To be eligible for funding, the purpose of bikeways that are included in an adopted city general plan or area-specific plan must be to reduce motor vehicle emissions or traffic congestion. Projects must have completed all applicable State and federal environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement.

All bikeway projects must, where applicable, be consistent with design standards published in the California Highway Design Manual, or conform to the provisions of the Protected Bikeway Act of 2014. Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use. Projects must also meet one or more of the following conditions:
a. Be located within one-half mile (1/2) from a public transit station/stop (e.g., local, county-wide or regional transit stops/stations/terminals, Bay Area Bike Share bike share station); or

b. Be located within one-half mile (1/2) from a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts); or

c. Be located within one-half mile (1/2) from three activity center(s) (e.g., employment centers, schools, business districts); or

d. Provide a gap closure in, or an extension to, an existing bicycle network located within one-half mile (1/2) from a public transit station/stop (e.g., local, county-wide or regional transit stops, stations, terminals, Bay Area Bike Share); a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts); or from three activity center(s) (e.g., employment centers, schools, business districts).

Projects are limited to the following types of bikeways:

a. New Class-I bicycle paths;

b. New Class-II bicycle lanes;

c. New Class-III bicycle routes; or

d. New Class-IV cycle tracks or separated bikeways.
REGIONAL FUND EVALUATION CRITERIA:

1. Projects must meet all of the applicable TFCA Regional Fund policies.
2. Applications will also be evaluated using the evaluation process listed in Table 42:

Table 24: Evaluation Process by Project Category

<table>
<thead>
<tr>
<th>Policy #</th>
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<th>Evaluation Process</th>
</tr>
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<tr>
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<td>On-Road Truck Replacements</td>
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<td>23</td>
<td>Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #25.</td>
</tr>
<tr>
<td>24</td>
<td>Heavy-Duty Zero- and Partial-Zero-Emissions Vehicles</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to their respective project specific Policy requirements.</td>
</tr>
<tr>
<td>25</td>
<td>Alternative Fuel Infrastructure Hydrogen Stations</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #25.</td>
</tr>
<tr>
<td>26</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
<tr>
<td>27</td>
<td>Reserved</td>
<td>Reserved</td>
</tr>
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<td>Shuttle/Feeder Bus Services</td>
<td>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to their respective project specific Policy requirements.</td>
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<td>32</td>
<td>Bikeways</td>
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</table>

3. Up to sixty percent (60%) of TFCA Regional Funds will receive a higher priority for projects that meet one or more of the following criteria:

   a. Projects in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program;
   b. Projects in Priority Development Areas (PDAs).
<table>
<thead>
<tr>
<th>Commenter and Agency</th>
<th>Comment</th>
<th>Staff Response</th>
</tr>
</thead>
</table>
| Shayna H. Hirshfield-Gold; City of Oakland, Public Works Department | (In reference to Policy #23.e, Light Duty Zero and Partial-Zero Emission Vehicles for Fleets):  
  - The City of Oakland appreciates the removal of “high mileage fleets” from this item.  
  - Consider allowing projects that use renewable natural gas (RNG). | This project category is designed to accelerate the deployment of zero tailpipe-emissions from on-road light-duty vehicles. While RNG vehicles reduce life-cycle greenhouse gas emissions, the authorizing legislation for TFCA requires the District to evaluate projects based on their ability to reduce criteria pollutants from on-road sources beyond what is required. Since the U.S. Environmental Protection Agency requires all fuels and vehicle types to meet the same thresholds for tailpipe emissions, the gap has narrowed between criteria emissions benefits from natural gas vehicles (NGVs) and conventional vehicles with modern emissions controls, and the emissions reduction benefits for funding NGVs are diminishing. The District will coordinate with City staff to provide information about other funding sources that are available for renewable natural gas projects. |
| | (In reference to Policy #28.d, Existing Shuttle/Feeder Bus Service): Add the following language to the end of the paragraph: In cases where BAAQMD survey data indicates that an existing shuttle service is serving passengers who would a) otherwise drive from origin to destination and b) not use the comparable service (due to differences in route, frequency, fare, etc.) if the existing shuttle service terminated operations, then the BAAQMD board shall consider funding approval of such existing shuttle services only if they conform to the provisions of the HSC section 44241. Funding in these cases shall only be provided based on those passengers who would otherwise drive from origin to destination without the existing shuttle service (i.e. not based on total ridership of the existing shuttle service), using BAAQMD survey data and Board-adopted TFCA cost-effectiveness. | TFCA funding is offered to support existing shuttle/feeder bus services that are cost-effective in communities where there isn’t comparable service. The proposed policies clarify the definition of “comparable” in terms of frequency and level of service. |
### Agenda Item 7 – Attachment C: Comments Received and Staff Responses to Proposed FYE 2017 TFCA Regional Fund Policies

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<th>Commenter and Agency</th>
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<td><strong>(In reference to Policy #31, Electronic Bicycle Lockers):</strong></td>
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<td>• Delete the following text noted in strikethrough and highlight: “The project will expand the public’s access to new electronic bicycle lockers. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission’s Regional Bicycle Plan, and must serve a major activity center (e.g. transit station, office building, or school). The electronic bicycle lockers must be publicly accessible and available for use by all members of the public.”</td>
<td>The specific requirement that a project must be included in a “Countywide Bicycle Plan or Congestion Management Plan” is a legal requirement of the funding’s authorizing legislation: Health and Safety Code section 44241.</td>
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<td>• Clarify the difference between lockers and parking spaces in specifying the maximum award amount.</td>
<td>Staff has revised policy #31 to clarify the difference between lockers and parking spaces in regard to the maximum award amount.</td>
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<td><strong>(In reference to Policy #32, Bikeways):</strong></td>
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<td>• Make the following changes to the bikeway eligibility criteria.</td>
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<td>o Allow for projects that upgrade existing bikeways by making tangible improvements to the quality of the facility (e.g., upgrading Class 3 bike route to Class 2 bike lane).</td>
<td>This program is designed to expand the region’s network of bikeways and achieve surplus emission reductions, so projects that upgrade existing bikeways are not eligible.</td>
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<td>o Allow for projects that are included in an adopted citywide bicycle plan.</td>
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<td>o Clarify that a bikeway is eligible if it extends an existing bikeway out beyond one-half mile from the listed destinations and provides a continuous connection to that destination.</td>
<td>The link to regional bicycle plan for the San Francisco Bay Area 2009 is shown below and will be included in the program guidance: <a href="http://www.pedbikeinfo.org/pdf/PlanDesign_SamplePlans_Region_SFBayArea2009.pdf">http://www.pedbikeinfo.org/pdf/PlanDesign_SamplePlans_Region_SFBayArea2009.pdf</a></td>
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<td>o Provide a link to the regional bicycle plan.</td>
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<td>Please offer additional clarity on how the eligible grant amount is computed for bikeways.</td>
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<td>Sven Thesen; Project-Greenhome</td>
<td><strong>1. Public Schools</strong>&lt;br&gt;As is well known, California’s public schools have limited funding and essentially no funds to install infrastructure for teachers and employees. Further, in the Bay Area, given the cost of real estate (both to purchase and rent), compounded with teacher salaries, teachers and school staff are forced to live far from their schools and hence have long commutes. Accordingly, a District funding EV infrastructure program focused on public schools would accelerate EV adoption by this segment. PGH (Project Green Home) recommends emulating the recent Demo grant program, except: &lt;ul&gt;&lt;li&gt;Enable a 1st come, 1st served grant program, &lt;/li&gt;&lt;li&gt;Fiscal encouragement to install at a high Level 1 to Level 2 ratio. (1 Level 2 for every 3 Level 1 chargers) &lt;/li&gt;&lt;li&gt;Fiscal encouragement to purchase non-networked chargers and work out low tech payment methods for the electricity – just as the teachers do with work-place communal coffee. This is important as non-networked charger can be had for less than $500 a networked charger is greater than $5,000 (plus &lt;$250/year networking fees). That $4,500 per charger difference would be well spent on additional stations rather than on dollars to collect pennies&lt;/li&gt;&lt;/ul&gt;</td>
<td>The District’s funding for electric vehicle charging stations via the Charge! Program was available to all entities, including schools, and was structured as a non-competitive first come, first served program; this program provided funding for Level 1, Level 2 and fast chargers and provided relatively higher rates of funding for non-networked chargers. Staff is currently exploring a follow-up to the Charge! program for FYE 2017 that is anticipated to launch later this year. Staff will also continue to explore other opportunities to expand the region’s access to funding for charging infrastructure.</td>
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<td>Jeralyn Moran; Green Sanctuary Committee (They 2nd the input by Sven Thesen)</td>
<td><strong>2. Hands on the Wheel Outreach &amp; Education</strong>&lt;br&gt;As is well known, EV sales and leasing is driven by education and hands on experience well outside of the dealership. To support and encourage these activities, the District should:&lt;ul&gt;&lt;li&gt;Co-sponsor the Bay Area activities of Plug In America’s National Drive Electric Week (NDEW) this coming autumn. The 2015 NDEW, with numerous, generally volunteer led activities in the Bay Area, overall tallied 196 events in 187 cities with more than 130,000 people attending events. See DriveElectricWeek.org. &lt;/li&gt;&lt;li&gt;Fund educational activities such as the recent EV class held by Stanford University. The class was free to the public and funding would allow Stanford (or other educational body) to hold more plus provide a stipend for the speakers. The class led to three confirmed (and potentially more) EV leases. &lt;/li&gt;&lt;li&gt;Encourage and fund community Ride and Drives such as those held at religious institutions, workplace, schools, etc. This could be done under an umbrella grant, possibly to organizations with strong grass roots EV programs such as the Sierra Club and or Plug In America who would agree to hold x events attracting y attendees. &lt;/li&gt;&lt;/ul&gt;</td>
<td>Noted. The District participates and supports numerous outreach efforts to drive EV sales.</td>
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### 3. Blue Sky Projects and Policies

The District, as has done it the past, should fund “Blue Sky Projects” and policies. These are large impact, large dollar pilot projects such as new business models, emerging technologies and or innovative policies. Examples include autonomous EV taxi fleets; heavy duty diesel & bus EV retrofits and conversions. Given the lifetime of heavy duty trucks and buses plus the ratio of the existing fleet to annual additional vehicles, it is important that retrofits/EV conversions be included in addition to new vehicles. Also, ground breaking policies such an EV ambassador program which, coupled with the existing CVRP program, reward individuals for facilitating EV leases/sales. There are most likely other projects and policies that will accelerate EV adoption and the District, via funding, should encourage their development and implementation.

Under the TFCA Regional Policies, the Pilot Trip Reduction project category is designed to fund new innovative “Blue Sky Projects” that encourages the use of the region’s public transportation network, reduces single-occupancy motor vehicle trips, and thus reduces emissions from on-road mobile sources. Staff has designed the clean air vehicle programs to accelerate the deployment of the cleanest available motor vehicle technology and non-vehicle-based mobility solutions.

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| Dale Miller, Marc Geller; Golden Gate Electric Vehicle Association | GGEVA recommends a establishment of a program to fund infrastructure to provide access to low-power electricity (<15kW) with Level 1 and Level 2 connections for long dwell-time cars of staff at public schools within the BAAQMD. An emphasis on use of local pre-existing non-technological authentication and payment methods, if required, can result in low cost solutions for larger numbers of drivers. Some school officials have indicated they would offer free charging to teachers and staff if they could find a means to fund the installation of the charging connections.  
  • The cost of housing in much of the Bay Area has resulted in longer commutes for public school teachers and staff. Workplace charging at schools will result in increased PEV adoption, leading to clean air benefits, as well as helping to mitigate the increased commuting cost for many staff. | Staff is currently exploring a follow-up to the Charge! program that would provide funding for the installation of publicly available EV infrastructure throughout the region and anticipates that this program will launch in late 2016. Staff is also exploring other opportunities to expand the region’s access to funding for charging infrastructure. |
<p>| | • GGEVA has worked on its own dime on projects to bring charging stations for PEVs to schools in Marin (Mark Day School,) Los Altos High School, and Palo Alto. Other schools have indicated a significant interest in installing charging connections, but do not have the funds. A BAAQMD grant program to bring power to schools for BEVs would make a very worthwhile contribution to clean air, the ongoing promotion of electric vehicles and happy teachers. | Noted. |</p>
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<td><strong>The workplace has proven to be the location where EV charging infrastructure has directly resulted in PEV adoption. Large workplaces have benefited from grants and incentives to install EV charging infrastructure.</strong>&lt;br&gt;• Smaller scale workplaces, especially governmental locations including schools, police stations, firehouses, etc., have generally not had the means to participate in various grant programs. Obstacles have included required staff time, matching funds, the higher cost of networked equipment, the continuing cost of collecting data and collecting payment for electricity, and grid power and price repercussions of higher power (Level 2) equipment.&lt;br&gt;• The high price of delivering low cost electricity to cars at the workplace is an obstacle that must be overcome if the adoption rate of PEVs is to be increased, especially for middle and low income commuters.</td>
<td>Staff is currently exploring a follow-up to the Charge! program that would provide funding for the installation of publicly available EV infrastructure throughout the region and anticipates that this program will launch in late 2016. Staff is also exploring other opportunities to expand the region’s access to funding for charging infrastructure. Staff appreciates the comments and will continue exploring options for improving its grant funding programs.</td>
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<td><strong>Policy 32 Bikeways:</strong>&lt;br&gt;• We oppose the proposed addition of the new requirements stating, “Projects must also either have a completed and approved environmental plan or be determined by the public or lead agency to be exempt from preparing an environmental plan.”&lt;br&gt;• This requirement should not be used as an eligibility screening criteria as it is unnecessarily restrictive. The requirement also does not reference environmental regulations or specify what would constitute an acceptable environmental “plan”. Further, the requirement is unnecessary to achieve the TFCA program's goals, as a determination of the viability and readiness of a project can be made under the Basic Eligibility policies (Policies 1-10) and the use of TFCA funds for planning activities is already heavily restricted under Policy 16. Few bikeway projects in San Francisco of the scale typically funded through TFCA would be approved environmentally without secured design and construction funding.</td>
<td>In response to public comments, staff has proposed additional modifications to clarify the requirement of environmental review. Projects will be required to have completed all applicable State and federal environmental reviews to ensure the projects selected are the most “ready” and therefore less likely to experience delays that could jeopardize their ability to implement within the two year timeframe, as required by the funding source’s authorizing legislation.</td>
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<td><strong>2). Policy 29 Pilot Trip Reduction (in light of proposed changes to policies 28 and 30):</strong>&lt;br&gt;• Please clarify what is acceptable for the “transit agency’s evaluation of the need for service to the proposed area, and a letter denying service to the project’s proposed area, including the basis for denial of service;” and consider eliminating the evaluation requirement.&lt;br&gt;• Since Policies 28 and 30 are proposed to focus on existing services to the exclusion of new services, new services would have to apply under Policy 29. This evaluation requirement could be a significant barrier to worthy applicants if the evaluation involves more effort on the transit agency’s part than they are willing to commit (a decision out of the applicant’s control). A letter from a transit agency providing a basis for denial of service should be sufficient if a proposed project meets all other requirements.</td>
<td>In response to public comments, staff has proposed additional modifications to clarify the requirement that the transit agency must have been consulted regarding the proposed project, and given the opportunity to either provide or increase level of service in the proposed project area.</td>
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| Dana Turrey; Sonoma County Transportation Authority | **24. Heavy-Duty Zero- and Partial-Zero-Emissions Vehicles:**  
- Project Sponsors may request authorization of up to [percent or dollar amount omitted] of the TFCA Funds awarded to each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle. | See response above. This requirement may be met by the applicant providing a letter from a transit agency which provides a brief description of the basis for denial of service. |
| Diana C. Meehan; Napa Valley Transportation Authority | Page 1, Table 1: An Additional column with useful life ranges would be helpful here. | The useful life requirement will be discussed in the guidance document for each of the programs. |
| | Page 5, 28a: Use of “mass transit” as one-size-fits-all: Could there be two categories, one for small UZA’s and one for larger UZA’s? | The connection to mass transit is a requirement of the legislation authorizing the Shuttle/Feeder Bus program. |
| | Page 6, 32: Please add CTP (Countywide Transportation plans) along with CMP’s for jurisdictions that do not do CMP’s | In response to public comment, staff has expanded eligibility to allow projects that are described in an adopted countywide transportation plan, city general plan, or area-specific plan, so long as the plan specifies that the purpose of the bikeway is to reduce motor vehicle emissions or traffic congestion. |
| Sean Co; Toole Design Group | The guidelines reference MTC’s Bike Plan. That plan is from 2009 but projects were actually submitted in 07 or 08. It is badly out of date and I would not reference it. It also says projects should be in an adopted countywide plan. I would add city plan as well. | In response to public comment, staff has added CTPs and city plans to policy #32. |
Agenda Item 7 – Attachment C: 
Comments Received and Staff Responses to Proposed FYE 2017 TFCA Regional Fund Policies

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<td>Phillip Kobernick; County of Alameda, General Services Agency</td>
<td><strong>PEV Rebate Program:</strong> Municipal fleet managers typically begin the procurement process for vehicles in the late summer, as the new model year vehicles are released. Since the PEV rebate must be applied for before purchasing, this grant opportunity should be timed with the procurement cycle of vehicle acquisitions. By waiting until the late fall to open the PEV rebate (which was the case in 2015), fleet managers might have already purchased the bulk of their vehicles for the next year and missed the opportunity to seek funding for PEVs. By aligning the timing of the funding with the point of purchase or perhaps adding more time to the funding window, the Air District might be able to influence fleet managers to purchase more EVs.</td>
<td>In response to public comment, staff has extended the FYE 2016 PEV rebate program deadline to June 22, 2016.</td>
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<td>Rich Kinney; City of San Pablo Mayor</td>
<td>A great way to reduce carbon emissions from transportation in our region is to fund the rollout of Hyperloop. It is the cleanest of all transportation as well as the quickest. Let’s put funding aside to bring it to northern California. I envision the best way to roll it out is to partner with BART in laying track from Sacramento to San Francisco to San Jose. BART can provide all the short runs in between Hyperloop’s long runs to the three destinations. This is by far the cleanest and most efficient solution to our transportation and air quality issues.</td>
<td>Noted.</td>
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<td>Nara Babakhanyan; SF Economic and Workforce Development Division</td>
<td>I would like to learn about the specifics of the Transportation Fund for Clean Air pertaining to clean air vehicles project. The project fund specifies the following component: “Clean air vehicles and infrastructure-- includes alternative fuel vehicles and alternative fuel infrastructure” (<a href="http://www.baaqmd.gov/grant-funding/public-agencies/regional-fund">http://www.baaqmd.gov/grant-funding/public-agencies/regional-fund</a>) and I would like to learn what type of funding falls under the infrastructure part. What infrastructure development projects does this fund support? Could you please provide a few examples?</td>
<td>Staff has contacted Ms. Babakhanyan to discuss the TFCA program funding and eligible project categories.</td>
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<td>Robert del Rosario; AC Transit</td>
<td>AC Transit proposes a restructuring of the TFCA Regional Fund Policy to include a wider range of projects, including incentives for use of existing transit, supplementing existing transit service, as well as creation of new shuttle services. Such a program would provide flexibility for the Air District, Transit Agencies, and Applicants.</td>
<td>Please see staff’s earlier responses in regard to Policy #28, Existing Shuttle/Feeder Bus Services. Also, staff has proposed modifications to Policy #29 that increases the timeframe that the applicant must become financially viable from two years to three.</td>
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<td>Erik Neandross; Gladstein, Neandross &amp; Associates (GNA)</td>
<td>GNA strongly urges the BAAQMD to provide funding for natural gas vehicles and natural gas fueling stations.</td>
<td>The authorizing legislation for TFCA requires the District to evaluate projects based on their ability to reduce criteria pollutants beyond what is required by regulations, contracts, and other legally binding obligations. The Heavy Duty ZEV program is designed to accelerate the deployment of the cleanest available motor vehicle technology and over time the gap has narrowed between criteria emissions benefits from natural gas vehicles (NGVs) and conventional vehicles.</td>
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### Agenda Item 7 – Attachment C: Comments Received and Staff Responses to Proposed FYE 2017 TFCA Regional Fund Policies

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<td>Daryl K. Halls; Solano Transportation Authority</td>
<td>We would like to request a category be included for <em>pilot</em> and <em>existing</em> Safe Routes to Schools (SR2S) programs. Currently, Category 29 is reserved for Pilot Trip Reduction in Community Air Risk Evaluation (CARE) Programs areas or Priority Development Areas (PDAs). However limiting the Pilot Trip Reduction to these specific areas would exclude the majority of schools in our program. The Solano SR2S program currently works with all schools in our seven cities, which includes 62 schools that like in the BAAAQMD jurisdiction. Our program works by including all schools, and it is not desirable to differentiate schools that we work with solely based on being in a CARE area or PDA.</td>
<td>New Safe Routes to Schools projects may be eligible to apply for funding under the pilot category (#29); however, since funding is limited, projects must be located in Air District designated CARE and Priority Development Areas (PDA) to be eligible.</td>
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BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
   of the Board of Directors

From: Jack P. Broadbent
       Executive Officer/APCO

Date: July 7, 2016

Re: Report of the Public Engagement Committee Meeting of July 18, 2016

RECOMMENDED ACTION

A) Opportunity for Spare the Air Advertising on the Oakland Broadway Shuttle

1) Approve $235,000 to be added to the Transportation Fund for Clean Air - Spare the Air Program budget for fiscal year ending (FYE) 2017 for the purposes of:

   a. Securing an advertising contract with the City of Oakland at a cost of $185,000 per year for up to two years; and

   b. Wrapping four AC transit operated shuttle buses at a cost of approximately $50,000 on the Broadway route in the City of Oakland with the Spare the Air messaging.

2) Authorize the Executive Officer/APCO to execute all contracts and agreements with the City of Oakland related to the wrapping and advertising rights;

3) Authorize the Executive Officer/APCO to extend the advertising service at a cost not to exceed $185,000 for an additional year, at the Air District’s discretion, based on contractor performance.

B) Public Participation Plan Status Report and Update Process

1) None; receive and file.

C) Approval of Contract for Graphic Design

1) Authorize the Executive Officer/APCO to execute a one-year contract with Envall Design for a total amount not to exceed $200,000 for graphic design services.

BACKGROUND

The Committee will meet on Monday, July 18, 2016, and receive the following reports:

A) Opportunity for Spare the Air Advertising on the Oakland Broadway Shuttle; and
B) Public Participation Plan Status Report and Update Process;

C) Approval of Contract for Graphic Design

Chairperson Mark Ross will provide an oral report of the Committee meeting.

**BUDGET CONSIDERATION/FINANCIAL IMPACT**

A) Funding to implement this portion of the Spare the Air Program will come from projects closing out under budget from the Transportation Fund for Clean Air Regional Fund. Should the Board of Directors approve this request, the Spare the Air program budget for fiscal year ending 2017 will be increased by $235,000.

B) Air District funding for continuing this program is included in the Fiscal Year Ending (FYE) 2017 budget.

C) Funding for the proposed contract comes from the following sources:

- Spare the Air Every Day
  - Congestion Mitigation Air Quality (CMAQ) - $40,000 from the FYE 2016 budget

- Winter Spare the Air
  - General Revenue - $35,000 from the proposed FYE 2017 budget

- General Revenue
  - $25,000 from the FYE 2016 budget
  - $100,000 from the FYE 2017 budget

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Maricela Martinez

Attachment 12A: 7/18/16 – Public Engagement Committee Meeting Agenda #4  
Attachment 12B: 7/18/16 – Public Engagement Committee Meeting Agenda #5  
Attachment 12C: 7/18/16 – Public Engagement Committee Meeting Agenda #6
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Mark Ross and Members
   of the Public Outreach Committee

From: Jack P. Broadbent
       Executive Officer/APCO

Date: July 7, 2016

Re: Opportunity for Spare the Air Advertising on the Oakland Broadway Shuttle

RECOMMENDATIONS

Recommend the Board of Directors:

1) Approve $235,000 to be allocated to the Transportation Fund for Clean Air - Spare the
   Air Program budget for fiscal year ending (FYE) 2017 for the purposes of:

   a. Securing an advertising contract with the City of Oakland at a cost of $185,000
      per year for up to two years, and

   b. Wrapping four AC transit operated shuttle buses at a cost of approximately
      $50,000 on the Broadway route in the City of Oakland with the Spare the Air
      messaging.

2) Authorize the Executive Officer/APCO to execute all contracts and agreements with the
   City of Oakland related to the wrapping and advertising rights;

3) Authorize the Executive Officer/APCO to extend the advertising service at a cost not to
   exceed $185,000 for an additional year, at the Air District’s discretion, based on
   contractor performance.

BACKGROUND

The City of Oakland currently contracts with AC Transit to operate a fleet of four shuttle buses
that connects riders to BART and runs along a Broadway route in its downtown. This service,
known as the “Free B” has nearly 400,000 boardings annually. Additionally, the City of Oakland
has up to 2.6 million visitors to its downtown area each year. The Committee will consider
recommending Board of Directors approval of a proposal for an advertising contract with the
City of Oakland to promote the District’s Spare the Air message in partnership with the City’s
free shuttle service.

DISCUSSION

The Free B has an extraordinarily high profile with visitors to downtown Oakland. It traverses
the corridor along Broadway which is one of the city’s most heavily trafficked thus providing a
unique platform for messaging for the Air District Spare the Air Program. Staff has worked with the City of Oakland to come up with an advertising proposal that meets the requirements of the Spare the Air Program and that also provides funding support to the shuttle for two years while it undergoes a process to become self-funded.

Air District staff will work with the City of Oakland to come up with wrap designs that emphasize the Spare the Air message on these vehicles that are appropriate for both summer and winter months. The proposed advertising contract with the City of Oakland will span up to two years, at a cost of $185,000 per year with an option to renew for the second year based on performance of the advertising.

**BUDGET CONSIDERATION / FINANCIAL IMPACT**

Funding to implement this portion of the Spare the Air Program will come from projects closing out under budget from the Transportation Fund for Clean Air Regional Fund. Should the Board of Directors approve this request, the Spare the Air program budget for fiscal year ending 2017 will be increased by $235,000.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Damian Breen
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Mark Ross and Members of the Public Engagement Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 7, 2016

Re: Public Participation Plan Status Report and Update Process

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Public Participation Plan (PPP) was adopted by the Board of Directors in December of 2013. This plan articulated proposed actions for enhancing and increasing avenues for public participation between the public and the Air District, as well as enhanced collaboration within the agency. The PPP itself was the result of an extensive outreach and public input process that involved a 23-member stakeholder advisory body and many stakeholder meetings. Most significantly, the PPP was developed as a living document to be updated regularly and ensure the Air District can continuously improve community engagement strategies.

DISCUSSION

Since the Community Engagement Office has been fully set-up in 2015, the Air District has had the capacity to work on the key implementation actions articulated in the plan. At this point the majority of these actions have been completed with the remainder in various stages of implementation. Staff will present the completed actions and the status of the remaining items that are under-way.

With renewed emphasis in conducting effective outreach to public stakeholders in at-risk communities and limited English-speaking communities, the Air District is now also preparing the update of this plan, including a targeted outreach process, during 2017. This report will provide the status on the action items from the 2013 plan and present the process and strategic goals for updating the PPP in 2017.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Air District funding for continuing this program is included in the Fiscal Year Ending (FYE) 2017 budget.
Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by:  David Ralston
Reviewed by:  Jean Roggenkamp
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Mark Ross and Members
   of the Public Outreach Committee

From: Jack P. Broadbent
      Executive Officer/APCO

Date: July 7, 2016

Re: Approval of Contract for Graphic Design

RECOMMENDED ACTION

The Committee will consider recommending that the Board of Directors authorize the Executive
Officer/APCO to execute a one-year contract with Envall Design for a total amount not to exceed $200,000 for graphic design services.

BACKGROUND

The Air District’s Communications Office relies on contractors to assist with graphic design for infographics, publications, Spare the Air campaign materials and presentations.

The Air District completed an RFQ process for graphic design in 2015. Envall Design had the highest qualifications of the 10 submissions received from prospective graphic designers. Each of the submissions was reviewed based on evaluating statements of qualifications pursuant to the posted RFQ.

Last year, the Board approved a one-year, $125,000 contract with Envall Design.

DISCUSSION

The growing need for social media messaging with illustrative graphics, as well as graphics for use in videography, presentations and publications has significantly increased the demand for visual communication. Envall Design has exceeded staff expectations by providing excellent counsel, completing assigned projects quickly and offering a fresh approach to communicating complicated topics in a visually compelling manner.

Staff is recommending Board approval of a contract with Envall Design for a total amount not to exceed $200,000 for graphic design.
BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for the proposed contract comes from the following sources:

- **Spare the Air Every Day**
  - Congestion Mitigation Air Quality (CMAQ) - $40,000 from the FYE 2016 budget

- **Winter Spare the Air**
  - General Revenue - $35,000 from the proposed FYE 2017 budget

- **General Revenue**
  - $25,000 from the FYE 2016 budget
  - $100,000 from the FYE 2017 budget

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Roselius
Reviewed by: Lisa Fasano
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 6, 2016


RECOMMENDED ACTION

The Advisory Council (Council) will receive only informational items and has no recommendations of approval by the Board of Directors (Board).

BACKGROUND

The Council will meet on July 19, 2016 and consider the following items:

A) Update on Refinery Rulemaking
B) Council Deliberation on Key Question
C) Clean Air Plan as a Framework for Future Council Topics

Director/Ex-Officio Advisory Council member, Rod Sinks, will provide an oral report of the Council meeting to the Board of Directors.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Heidi Kettler
Reviewed by: Maricela Martinez

Attachment 13A: 7/19/16 – Advisory Council Meeting Agenda #5
Attachment 13B: 7/19/16 – Advisory Council Meeting Agenda #6
Attachment 13C: 7/19/16 – Advisory Council Meeting Agenda #7
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Stan Hayes and Members
   of the Advisory Council

From: Jack P. Broadbent
      Executive Officer/Air Pollution Control Officer

Date: July 11, 2016

Re: Update on Refinery Rulemaking

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On October 15, 2014, the Board of Directors approved Resolution Number 2014-07 directing staff
to develop strategies to reduce emissions from petroleum refineries. Specifically, the resolution
directed staff to continue development of Regulation 12, Rule 15: Petroleum Refining Emissions
Tracking ("Rule 12-15") to track and monitor refinery emissions; to develop Regulation 12, Rule
16 ("Rule 12-16") to set emissions thresholds and mitigate potential emissions increases; and to
develop additional rules to reduce emissions from refineries by 20% by 2020, or as much as
feasible.

As part of these efforts, the Advisory Council was presented with a key question presented in
December of 2015 which was to consider the efficacy of Greenhouse Gas emission caps on local
refineries. The Advisory Council was presented information from various stakeholders and experts
that included representatives from the California Air Resources Board, Air District staff, the
California Energy Commission, representatives from environmental organizations led by
Communities for a Better Environment and representatives from industry led by the Western States
Petroleum Association and the California Council for Environmental and Economic Balance. The
Advisory Council discussed the issues presented and Chair Stan Hayes provided a summary of the
Council’s deliberations and preliminary conclusions at the June 15, 2016 Board of Directors
meeting.

DISCUSSION

Staff have developed proposals for Board of Directors consideration to address emissions from
refineries and will update the Council on these proposals.
Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Eric Stevenson  
Reviewed by: Jean Roggenkamp
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Stan Hayes and Members
of the Advisory Council

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: July 11, 2016

Re: Council Deliberation on Key Question

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The Council will discuss the efficacy of GHG caps for local refineries, considering information provided to date. The discussion may include topics such as toxics co-benefits, the reduction of emissions from sources not covered by Cap-and-Trade, leakage and opportunity costs.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay
AGENDA: 7

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Stan Hayes and Members of the Advisory Council

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: July 11, 2016

Re: Clean Air Plan as a Framework for Future Council Topics

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The Air District is updating the 2010 Bay Area Clean Air Plan. The updated Clean Air Plan/Regional Climate Protection Strategy will be a roadmap for the Air District’s efforts over the next few years to reduce air pollution and protect public health and the global climate. The 2016 Plan is required by the California Clean Air Act to identify potential rules, control measures, and strategies for the Air District to implement in order to meet state ambient air quality standards for ozone or “smog.”

The 2016 Plan will also include measures and programs to reduce emissions of fine particulates and toxic air contaminants. In addition, the Bay Area’s first-ever comprehensive Regional Climate Protection Strategy will be included in the 2016 Plan - which will identify potential rules, control measures, and strategies that the Air District can pursue to reduce greenhouse gases throughout the Bay Area.

Staff will present an overview of the Clean Air Plan and discuss the Plan as the next focus for the Advisory Council.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay
BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 6, 2016

Re: Update on Refinery Rulemaking

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On October 15, 2014, the Board of Directors (Board) approved Resolution Number 2014-07 directing staff to develop strategies to reduce emissions from petroleum refineries. Specifically, the resolution directed staff to continue development of Regulation 12, Rule 15: Petroleum Refining Emissions Tracking (“Rule 12-15”) to track and monitor refinery emissions; to develop Regulation 12, Rule 16 (“Rule 12-16”) to set emissions thresholds and mitigate potential emissions increases; and to develop additional rules to reduce emissions from refineries by 20% by 2020, or as much as feasible.

Staff worked with interested stakeholders and released proposed regulatory language and staff reports for four refinery emission reduction rules, Rule 12-15 and Rule 12-16 in October of 2015. In December of 2015, the Board of Directors adopted three refinery emission reduction rules/rule amendments (Regulation 6, Rule 5: Fluid Catalytic Cracking Units; Regulation 8, Rule 18: Equipment Leaks; and Regulation 11, Rule 10: Cooling Towers). Regulation 12, Rule 15 along with an additional refinery emission reduction measure, Regulation 9, Rule 14, Coke Calcining were adopted by the Board on April 20, 2016. Together, these rules are estimated to reduce criteria pollutants by more than fifteen percent. Staff received a significant number of comments on proposed Rule 12-16, and determined that a different approach was necessary in order to address the concerns of stakeholders, including affected industry and interested community groups. In addition to these efforts, staff continue to work on other rules that will affect refineries dealing with permitting requirements and with reducing health risks from toxic air contaminants.

As a result of these rule development processes, criteria pollutants are being significantly reduced and health risks from toxic air contaminants will be significantly reduced in a proposed regulation expected to be brought to the Board for consideration in early 2017. These actions will build upon well-established Air District regulations and programs that improve public health.
At the June 15, 2015 Board meeting, the Board heard extensive testimony supporting the imposition of mass emission caps on refineries at a level consistent with their emissions in 2012. This cap, proposed by Communities for a Better Environment (CBE) and their partners, would cap emissions of greenhouse gases, particulate matter, nitrogen oxides and sulfur dioxide. Supporters of this proposal asserted that the cap is needed to avoid increased emissions of these pollutants due to expected changes in the crude oil that refiners use as a feedstock. The Board directed staff to prepare an Environmental Impact Report (EIR) fully evaluating the CBE proposal and a staff proposal.

DISCUSSION

In light of significant concerns about the potential for negative health impacts from refinery operations, staff propose to address these concerns directly and to adjust rule-making priorities as necessary to ensure the most expeditious timeframe possible. The new rule under development, Regulation 11, Rule 18 (Rule 11-18) will reduce toxic air contaminants from facilities with the highest health risk throughout the Bay Area, including refineries. In order to expedite the development of this rule as well as the evaluation of the CBE proposal, staff will evaluate both in one EIR. Staff will conduct parallel rule development processes with an evaluation of each proposal. The evaluation will include not only the EIR which evaluates environmental impacts, but also a socioeconomic evaluation and a staff evaluation of each proposal that analyzes how each does or does not meet the agency’s requirements under the Health and Safety Code.

Staff will proceed with developing two other region-wide programs that will reduce greenhouse gases and criteria pollutants: the methane strategy and the combustion strategy. The methane strategy will identify significant sources of methane and prioritize a series of rules to significantly reduce methane emissions in the Air District. The combustion strategy will identify large stationary sources of combustion emissions and require operational changes leading to less fuel usage, reducing emissions of greenhouse gases, particulate matter, nitrogen oxides and sulfur dioxide. Similar to the methane strategy, the combustion strategy will identify significant sources of combustion emissions (including the refineries) and prioritize a series of rules to significantly reduce these emissions. Since these are complex, multi-step, multi-source, multi-year strategies, and will require significant time to develop, they will be incorporated into the 2016 Clean Air Plan.

At the July 20, 2016 Board of Directors meeting, staff will provide a summary of the approaches to address toxic contaminants as quickly as possible and future rulemaking to address greenhouse gases and particulate matter emissions. Staff will provide a schedule for preparing the EIR and other components of the regulatory evaluation of the CBE proposal and Rule 11-18.
BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by:  Greg Nudd
Reviewed by:  Eric Stevenson