



# Bay Area Air Quality Management District

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## Grant Opportunity Announcement

### Existing Shuttle/Feeder Bus Service And Existing Rideshare Service

Transportation Fund for Clean Air (TFCA)  
Regional Fund

## Program Guidance

For Fiscal Year Ending (FYE) 2017

*Open to public entities only*

*Bay Area Air Quality Management District  
375 Beale Street, San Francisco, CA 94105*

July 2016

*The deadline for receiving hard copy of the application is 4 PM, September 1,  
2016*

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## Other Grant Opportunities

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The Air District offers grants and incentives for the following project types:

- Zero Emission Vehicles & Fueling Infrastructure
- School Buses
- Trip Reduction
- Bicycle Parking and Bikeways
- Marine Vessels
- Locomotives
- Community Grants
- Agricultural Equipment

For more information on **Air District Grants and Incentives** contact us:

Website: [www.baaqmd.gov/grants](http://www.baaqmd.gov/grants)

Email [grants@baaqmd.gov](mailto:grants@baaqmd.gov)



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

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## Background Information

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### ***BAY AREA AIR QUALITY MANAGEMENT DISTRICT (BAAQMD)***

The California Legislature created the Bay Area Air Quality Management District (Air District) in 1955 as the first regional air pollution control agency in the country, recognizing that air emissions overflow political boundaries. The nine counties of the San Francisco Bay Area form a regional air basin, sharing common geographical features and weather patterns, and therefore similar air pollution burdens, which cannot be addressed by counties acting on their own.

The Air District is the public agency entrusted with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties.

To protect public health, the State Legislature enacted the California Clean Air Act in 1988. The Air District has prepared and regularly updates plans that include transportation control measures (TCMs), defined as “any strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions,” and mobile source measures (MSMs), which encourage the introduction of newer, cleaner motor vehicle technologies and the retirement of older, more polluting vehicles. The 2010 Clean Air Plan (CAP) is the Air District’s most recently adopted plan.

### ***TRANSPORTATION FUND FOR CLEAN AIR (TFCA):***

Vehicle emissions contribute to unhealthy levels of ozone (summertime "smog") and particulate matter. On-road motor vehicles, including cars, trucks, and buses, constitute the most significant source of air pollution in the Bay Area. In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the San Francisco Bay Area to fund projects that reduce on-road motor vehicle emissions. The Air District has allocated these funds through its Transportation Fund for Clean Air (TFCA) program to fund eligible projects. The statutory authority and requirements of the TFCA program are set forth in California Health and Safety Code Sections 44241 and 44242.

Sixty percent (60%) of TFCA funds are awarded directly by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and through a grant program known as the Regional Fund Program. The remaining forty percent (40%) of TFCA funds are forwarded to the designated agency within each Bay Area county and distributed through the County Program Manager program (see [www.baaqmd.gov/tfca4pm](http://www.baaqmd.gov/tfca4pm) for details).

For FYE 2017, more than \$20 million are available through the Regional Fund Program for projects that deploy zero-emission vehicles and supporting infrastructure, and reduce single occupancy motor vehicle trips, which includes approximately \$4 million reserved for Existing Shuttle/Feeder Bus Services and Existing Regional Ridesharing Services.

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## Program Information

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### ***PURPOSE OF SOLICITATION***

As part of the overall trip reduction strategy, existing shuttle/feeder bus services and regional ridesharing services play a key role in helping the region attain clean air by eliminating motor vehicle trips. The Air District supports this effort by providing funding to existing shuttle/feeder bus services that links commuters to mass transit in areas where there are no other options, and to existing regional ridesharing services.

*The Air District reserves the right to modify this solicitation at its discretion.*

### ***PROGRAM FUNDING***

**Up to \$4 million** is available for this Program. The maximum TFCA grant award for public agencies is \$1.5 million per calendar year. Additional information on the award payment process is found in APPENDIX B: Payment Process, Eligible Project Costs, and Reporting.

**PROGRAM SCHEDULE (TENTATIVE)**

<b>Date</b>	<b>Activity</b>
Thursday, July 21, 2016	Program solicitation released
July 28, August 8, and August 25, 2016	Pre-application webinars
<b>By 4 PM, Thursday, September 1, 2016</b>	<b>Application Deadline–Last day to submit applications</b>
By 4 PM, Thursday, September 22, 2016	Deadline to receive Board/Council Resolutions
October 27, 2016	Air District Mobile Source Committee considers recommendation for awards to highest ranking applicants
November 2, 2016	Board of Directors considers recommendation for awards to highest ranking applicants and Air District issues Notice of Proposed Award
By November 21, 2016	<b>Proposed funding agreements</b> sent to awardees for signature
After funding agreements have been executed, every April 15 and October 15	<b>Semi-Annual Reports:</b> Grantees submit these to the Air District during the project implementation phase
During the Project Life (Term)	<p><b>Project Sponsor:</b></p> <ul style="list-style-type: none"> <li>• <b>Submit Invoices</b> – may be submitted on a quarterly basis</li> <li>• <b>Conduct Survey of Riders/Program Participants</b> – must be completed by September and the results must be included in the October 15 progress report</li> </ul> <p><b>Air District:</b></p> <ul style="list-style-type: none"> <li>• <b>Initial Payment(s):</b> Payment is made within 30 days after the Air District’ approval of an invoice</li> <li>• <b>Physical Inspection:</b> Air District may conduct a physical inspection of each project during the Project Life</li> </ul>
Within 3 months after the last day of service	Project Sponsor submits the final report and final invoice
After the final report and final invoice have been submitted	<b>Final payment:</b> Air District makes payment and within 30 days after the Air District’ approval of the final invoice and final report
After the project is completed and within three years from the date that the final payment is made	<b>Audit:</b> Air District will conduct a fiscal audit of each funded project

**APPLICATION PROCESS, PRE-APPLICATION WEBINARS, AND CONTACT INFORMATION**

Application materials are available online at [www.baaqmd.gov/grants](http://www.baaqmd.gov/grants) and complete submittal instructions are found in this guidance in APPENDIX C: *Grant Application Submittal Instructions*.

Air District staff will conduct pre-application webinars to review the Program requirements, application process, and application evaluation criteria. Registration is required to participate in the webinars and early registration is encouraged as the webinars are limited to 100 attendees. *Webinar attendance is required for new applicants, and voluntary, but highly encouraged for project sponsors who were awarded funds in FYE 2016 (current grantees).*

**Webinar Schedule:**

- Thursday, July 28, 2016 (2:00PM – 3:00PM) [Register](#) for 7/28/16 webinar
- Monday, August 8, 2016 (10:00AM – 11:00AM) [Register](#) for 8/08/16 webinar
- Thursday, August 25, 2016 (10:00AM – 11:00AM) [Register](#) for 8/25/16 webinar

Based on demand, additional webinars may be scheduled. Notices about additional pre-application webinars will be sent via email to parties that have signed up to receive [TFCA email alerts](#). Interested parties are also encouraged to visit the Program website for updates.

For questions regarding this Program, contact us at [grants@baaqmd.gov](mailto:grants@baaqmd.gov) with the subject line “Re: Existing Shuttle / Regional Ridesharing Program”.

**EVALUATION PROCESS**

- Only completed applications received by the deadline will be evaluated; incomplete applications will be rejected.
- 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.

**Key Program Requirements and Eligibility**

To be considered eligible for funding, applicants and projects must meet all of the requirements listed below, and all of the requirements in the TFCA Regional Fund policies, which can be found in [APPENDIX A: FYE 2017 TFCA Regional Fund Policies \(for Trip Reduction Programs\)](#).

**FOR APPLICANTS / GRANTEES**

- Applicants / Grantees must be public agencies.
- Grantees must obtain and maintain the required insurance throughout the grant funded-project period (See APPENDIX D: Insurance Guidance for more information).

**FOR PROJECTS**

- Projects must be located within the Air District’s Jurisdiction.
- Shuttle and Ridesharing services must be existing, and must have 12 months of operation data.
- Only Existing Shuttle/Feeder Bus Services to locations that are under-served and lack other comparable service are eligible. Please see Policy #28.d for more information.
- Existing Regional Ridesharing Services must be comprised of riders from at least five counties within the Air District’s jurisdiction, with no one county account for more than 80% of all riders.

APPENDIX A: FYE 2017 TFCA Regional Fund Policies (for Trip Reduction Programs)

**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 funds 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**

Policy #	Project Category	Maximum C-E (\$/weighted ton)
28	Existing Shuttle/Feeder Bus Services	\$200,000; \$250,000 for services in CARE Areas or PDAs
29	Pilot Trip Reduction—in CARE areas or Priority Development Areas (PDAs)	\$250,000
30	Existing Regional Ridesharing Services	\$150,000

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 strategies 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: Public agencies** are eligible to apply.
  - 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.
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 of 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.**

**Policies 22-27, 31, and 32: Reserved.** For other eligible TFCA Project Categories (22-27, 31, and 32), please visit our website at [www.baaqmd.gov/grants](http://www.baaqmd.gov/grants)

### 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.

**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**

<b>Policy #</b>	<b>Project Category</b>	<b>Evaluation Process</b>
28	Shuttle/Feeder Bus Services	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.
29	Pilot Trip Reduction	
30	Regional Ridesharing Services	

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).

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## APPENDIX B: Payment Process, Eligible Project Costs, and Reporting

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This appendix provides information about the payment process, guidance for determining which project costs are eligible for award of TFCA Regional Funds and for use as matching funds, and project reporting and audit requirements.

### PAYMENT

Grant awards are paid quarterly on a reimbursement basis. Fifteen percent (15%) of the eligible reimbursable funds will be withheld from each payment until the Air District receives and approves the Final Report and Final Invoice. Details on the payment schedule are specific to each project and are specified in Attachment A of the funding agreement.

Request for Reimbursements shall be in the form of Invoices prepared on the Air District's General Invoice Form and shall include the Project Number, an itemized list of all expenses incurred, the total funds being requested, and any supporting documentation such as copies of invoices from vendors, consultants, or contractors with an explanation of the goods or services provided for the Project and copies of time sheets documenting the job titles and hourly pay rates of employees performing eligible project tasks, tasks performed by those employees, the number of hours spent performing such tasks, and the total charges.

For Shuttle Operations and TFCA Administrative Costs, the Project Sponsor shall also provide supporting documentation of the costs incurred. Such documentation shall include the dates such costs were incurred, and time sheets documenting the job titles and hourly pay rates of employees performing eligible project administrative tasks, tasks performed by those employees, the number of hours spent performing such tasks, and the total charges.

The Air District will not process Invoices until all current Project reporting obligations are fulfilled.

### ELIGIBLE PROJECT COSTS AND MATCHING FUNDS:

Only costs incurred on or after the date the Air District executes a funding agreement with a project sponsor and that are clearly described in Attachment A of the executed funding agreement are eligible for reimbursement or for use as matching funds. Matching funds that are intended for other uses or non-eligible project costs will not be accepted or included in the calculation of the total project cost.

Projects that are not awarded funding and costs that are incurred prior to the execution of a funding agreement are not eligible for reimbursement.

Only operating and administrative costs should be considered part of the project scope and included in the project budget. Operating costs are limited to costs associated with providing a service (e.g., labor costs for operating a shuttle route or maintaining a ridesharing website).

Eligible Costs include:

- Project Implementation Costs:
  - Documented hourly labor charges/contractor (salaries, wages, and benefits) directly and solely related to implementation of the TFCA project,
  - Shuttle Vehicle maintenance and fuel costs,
  - Indirect project implementation costs associated with implementing the project, including reasonable overhead costs incurred to provide a physical place of work (e.g., rent, utilities, office supplies), general support services (e.g., payroll, reproduction) and managerial oversight, limited to approved rates from oversight agencies.
- For Shuttle Projects only: administrative project costs that are associated with administration of the TFCA grant funding. Administrative project costs that are reimbursable to a project sponsor are limited to a maximum of five percent (5%) of the total TFCA funds received annually. Additionally, any administrative costs that exceed this amount cannot be counted as part of the project sponsor's matching funds.

**INELIGIBLE PROJECT COSTS:**

- Indirect project implementation costs associated with implementing the project, including reasonable overhead costs incurred to provide a physical place of work (e.g., rent, utilities, office supplies), general support services (e.g., payroll, reproduction) and managerial oversight.
- Costs associated with non-essential hardware/equipment or labor;
- Administrative costs (e.g., salaries, wages, benefits) related to a TFCA funded project including but not limited to the following types of costs incurred:
  - Costs related to the application phase or prior to the execution of a funding agreement;
  - Costs associated with the accounting of TFCA funds and participation in audit proceedings;
  - Costs associated with project status monitoring, reporting, and record-keeping and other requirements specified in the TFCA Funding Agreement; and
  - Other and indirect administrative costs, including management fees and overhead e.g., costs of utilities, office supplies, property fees/leases.

**REPORTING, INSPECTIONS AND AUDIT**

Project Sponsors are required to monitor their project's status during the implementation and operational phases and submit semi-annual progress reports, and annual monitoring reports.

The Air District may conduct pre- and post- project performance inspections

The Air District may conduct a fiscal audit to ensure that all project funds have been spent in accordance with the program guidelines and policies.

Project Sponsors shall allow Air District staff or its authorized representatives, for the duration of the Project, to inspect the Project and, for three years following the Air District's final payment, to audit the Project.

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**APPENDIX C: Grant Application Submittal Instructions**


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1. Complete and submit an online application (note: the application will work best using Google Chrome or Mozilla Firefox browsers):

**Shuttle/Feeder Bus Service:** <https://www.tfaforms.com/434268>

**Regional Ridesharing:** <https://www.tfaforms.com/434273>

The applications include the following four parts:

- PART 1: SUMMARY INFORMATION
- PART 2: DETAILED INFORMATION
- PART 3: CHECKLIST OF SUPPLEMENTAL DOCUMENTS TO SEND WITH PRINTED COPY OF APPLICATION
- PART 4: CERTIFICATION AND SURVEY

The required supplemental documents include:

For Shuttle / Feeder Bus projects:

- Documentation for all matching funds that will be applied to the project.
- A signed Letter of Commitment or Resolution authorizing the submittal of the application identifying the individual authorized to submit and carry out the proposal.
- A map and schedule for each service route.
- Data showing ridership for the past three (3) years.
- Raw survey data, including individual responses (exported in an Excel spreadsheet).
- Document showing methodology for all calculations used, including assumptions and equations.
- Documents for each vehicle that will be providing service including
  - A copy of the vehicle's current Department of Motor Vehicle (DMV) registration,
  - Executive Order for engine, and
  - Executive Order of retrofit device, if applicable.
- 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. (see Policy #28.i in Appendix A of the Program Guidance).

For Regional Ridesharing projects:

- Documentation for all matching funds that will be applied to the project.
- A signed Letter of Commitment or Resolution authorizing the submittal of the application identifying the individual authorized to submit and carry out the proposal.
- Raw survey data, including individual responses (exported in an Excel spreadsheet).
- Document showing methodology for all calculations used, including assumptions and equations.

2. Mail **one printed and signed copy** of the online application AND the required supplemental documents to the Air District at the address below. The deadline for receiving the hard copy of the package is 4 PM, September 1, 2016 (*board resolutions may be submitted after the due date, but no later than September 22, 2016*).

**Printed copy:**

**Attn:** Chengfeng Wang, Supervising Staff Specialist  
 Strategic Incentives Division  
 BAAQMD  
 375 Beale Street Suite 600  
 San Francisco, CA 94105



APPENDIX D: Insurance Guidelines

This appendix provides guidance on the insurance coverage and documentation typically required for TFCA Regional Fund projects. Note that the Air District reserves the right to specify different types or levels of insurance in the funding agreement.

The typical funding agreement requires that each project sponsor provide documentation showing that the project sponsor meets the following requirements for each of its projects.

- a) **Liability Insurance** with a limit of not less than \$1,000,000 per occurrence, of the type usual and customary to the business of the Project Sponsor, and to the operation of the vehicles, vessels, engines or equipment operated by the Project Sponsor.
- b) **Property Insurance** in an amount of not less than the insurable value of Project Sponsor’s vehicles, engines or equipment funded under the Agreement, and covering all risks of loss, damage or destruction of such vehicles, vessels, engines or equipment.
- c) **Acceptability of Insurers:** Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than A, VII. The Air District may, at its sole discretion, waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance.

The table lists the types of insurance coverage generally required. The requirements may differ in specific cases. Project Sponsors should contact the Air District with questions, especially about unusual projects.

Activity	Insurance Required
Operation of shuttles and vanpools	Commercial General Liability Automobile Liability Automobile Physical Damage Workers Compensation
Ridesharing operation	Commercial General Liability