



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY - CHAIR  
JOHN AVALOS  
CAROLE GROOM  
MAYOR ED LEE

NATE MILEY – VICE CHAIR  
TOM BATES  
CAROL KLATT  
MARY PIEPHO  
BRAD WAGENKNECHT

**THURSDAY  
APRIL 26, 2012  
9:30 A.M.**

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

**AGENDA**

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

2. **PUBLIC COMMENT PERIOD**

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

3. **APPROVAL OF MINUTES OF FEBRUARY**

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

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

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

5. **TRANSPORTATION FUND FOR CLEAN AIR COUNTY PROGRAM MANAGER EXPENDITURE PLANS FOR FISCAL YEAR ENDING 2013**

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

*The Committee will consider recommending Board of Directors' approval of Transportation Fund for Clean Air (TFCA) County Program Manager Expenditure Plans for Fiscal Year Ending (FYE) 2013.*

6. **ALLOCATION OF MOBILE SOURCE INCENTIVE FUNDS FOR LOWER EMISSIONS SCHOOL BUS PROGRAM**

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

*The Committee will consider recommending Board of Directors approval of \$7.5 million in Mobile Source Incentive Funds for school bus retrofits, replacement CNG tanks and replacement school buses; and authorization for the Executive Officer/APCO to enter into all necessary agreements to expend this funding.*

7. **TRANSPORTATION FUND FOR CLEAN AIR REGIONAL FUND OVERVIEW**

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

*The Committee will receive an informational report on the Transportation Fund for Clean Air Regional Fund program, projected funding availability and proposed priorities in calendar year 2012.*

8. **SELECTION OF CONTRACTOR FOR THE REGIONAL BICYCLE SHARING PILOT PROGRAM**

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

*The Committee will consider recommending Board of Directors approval of a contract not to exceed \$5,969,000 for a Contractor to operate the Regional Bicycle Sharing Pilot Program.*

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

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

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

*At 9:30 A.M., Thursday, May 24, 2012; at 939 Ellis Street, San Francisco, CA 94109*

11. **ADJOURNMENT**

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

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

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

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109

(415) 771-6000

## EXECUTIVE OFFICE: MONTHLY CALENDAR OF DISTRICT MEETINGS

### APRIL 2012

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets the 4th Wednesday Each Month)</i>	Wednesday	25	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

### MAY 2012

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	2	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday each Month)</i>	Wednesday	9	9:00 a.m.	Board Room
<b>Special Meeting of the Board of Directors</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	<u>Meeting Location:</u> Board Room  <u>Tour Location:</u> Shell Gas Station 800 Turk Street San Francisco, CA 94102

<b>Board of Directors Executive Committee</b> <i>(Meets 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED	Monday	21	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
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<b>Board of Directors Stationary Source Committee</b> <i>(Meets the 3<sup>rd</sup> Monday Every Other Month)</i> - CANCELLED	Monday	21	10:00 a.m.	<u>Meeting Location:</u> Creekside Park Building 10455 Miller Avenue Cupertino, CA 95014  <u>Tour Location:</u> Front Parking Lot Entrance Lehigh Southwest Cement Company - Permanente Plant 24001 Stevens Creek Boulevard Cupertino, CA 95014
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## MAY 2012

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Special Meeting of the Board of Directors</b>	Monday	21	10:00 a.m.	<b><u>Meeting Location:</u></b> Creskide Park Building 10455 Miller Avenue Cupertino, CA 95014  <b><u>Tour Location:</u></b> Front Parking Lot Entrance Lehigh Southwest Cement Company - Permanente Plant 24001 Stevens Creek Boulevard Cupertino, CA 95014
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets the 4th Wednesday Each Month)</i>	Wednesday	23	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	24	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Public Outreach Committee</b> <i>(Meets Quarterly at the Call of the Chair)</i>	Thursday	31	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

## JUNE 2012

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	6	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday each Month)</i>	Wednesday	13	9:00 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets 3<sup>rd</sup> Monday of each Month)</i> - STAFF RECOMMENDS CANCELLING, TO BE DETERMINED BY THE CHAIR	Monday	18	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> - STAFF RECOMMENDS CANCELLING, TO BE DETERMINED BY THE CHAIR	Wednesday	20	9:45 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> <i>(Meets Quarterly at the Call of the Chair)</i> - STAFF RECOMMENDS CANCELLING, TO BE DETERMINED BY THE CHAIR	Thursday	21	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets the 4th Wednesday Each Month)</i>	Wednesday	27	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	28	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 12, 2012

Re: Mobile Source Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Mobile Source Committee meeting of February 23, 2012

DISCUSSION

Attached for your review and approval are the draft minutes of the February 23, 2012 Mobile Source Committee meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Sean Gallagher  
Reviewed by: Jennifer Cooper

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, California 94109  
(415) 771-6000

**DRAFT MINUTES**

Summary of Board of Directors  
Mobile Source Committee Meeting  
9:30 a.m., Thursday, February 23, 2012

**1. Call to Order – Roll Call**

Chairperson Scott Haggerty called the meeting to order at 9:41 a.m.

Present: Chairperson Scott Haggerty; Vice Chairperson Nate Miley; and Directors John Avalos, Tom Bates, Carol Klatt, Johanna Partin and Mary Piepho.

Absent: Directors Carole Groom and Brad Wagenknecht.

Also Present: None.

**2. Public Comment Period: None.**

**3. Approval of Minutes of November 28, 2011**

Committee Action: Director Klatt made a motion to approve the Minutes of November 28, 2011; Director Avalos seconded; carried unanimously without objection in the absence of Director Miley.

**4. Projects with Proposed Grant Awards Over \$100,000**

Damian Breen, Director of Strategic Incentives, introduced Stacy Schull, Administrative Analyst of Strategic Incentives, who gave the staff presentation Carl Moyer Program Projects with Proposed Grant Awards over \$100,000, including a brief review of the program to date and a detail of the proposed projects for Carl Moyer Program Year 13.

Committee Comments:

Director Haggerty asked for clarification regarding the cost differential between the various diesel powered tractors documented in Attachments 1 and 2 to the staff Memorandum, Projects with Proposed Grant Awards over \$100,000. Mr. Breen answered that although these line items use similar titles, they represent very different machinery with different uses. Director Haggerty inquired whether the larger purchases are cost effective uses of the grant money. Mr. Breen replied that bigger tractors have bigger engines with greater emissions which fall within the defined parameters of the Carl Moyer Program. Mr. Breen said the tractor contract award of approximately \$200,000 is for a tractor using an over 500 horsepower engine and a yearly use of approximately 1,000 hours, with a total equipment cost of approximately \$400,000. Director

Haggerty conceded that the award meets the guidelines but questioned whether the Air District is buying unnecessary amenities and right-sizing its purchases. Mr. Breen replied that only baseline models are funded. Mr. Fournier added that no more than a 25% increase in horsepower is allowed. Director Haggerty suggested that this money could go to support numerous smaller operations in reiterating his question as to whether this is the best use of \$200,000. Mr. Breen suggested that further outreach efforts to the marine industry and trucks are needed because a concentration on agriculture has resulted in some large grants for large equipment for industrial scale agriculture.

Public Comments: None.

Committee Action:

Director Piepho made a motion, seconded by Director Avalos and carried unanimously without objection to recommend the Board of Directors:

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

**5. Participation in Year 14 of the Carl Moyer Program and Year 3 of the Goods Movement Program**

Mr. Breen introduced Anthony Fournier, Grants Manager of Strategic Incentives, who gave the staff presentation Participation in Year 14 of the Carl Moyer Program and Year 3 of the Goods Movement Bond Program, including a review of the programs to date, summaries of the Carl Moyer Program Year 14 funding and process, a summary of the Goods Movement I-Bond Year 3 funding and staff recommendations.

Mr. Fournier clarified, regarding slide 4, CMP: Year 14 Funding, that the Air Resources Board (ARB) allocation listed as being up to \$10.4 million for the Bay Area will likely be closer to \$7.8 million.

Mr. Breen added, regarding slide 5, CMP: Year 14 Process, that this will be the last year in which the current guidelines are utilized and that the new guidelines will be in place next year for highly impacted communities.

Mr. Fournier noted, regarding slide 6, I-Bond: Year 3 Funding, that the application period/outreach that closed on February 9, 2012, resulted in the receipt of 952 applications and the evaluation of the same by Air District staff is nearing completion.

Committee Comments: Director Bates asked whether the ARB will do all of the ranking and approval under the Carl Moyer Program. Mr. Breen answered in the affirmative, explaining that the process has changed from prior years and the Air District's role will now be largely an administrative one. Director Bates asked about the outcome of the application review. Mr. Breen said that Air District staff is working diligently on the review.

Director Avalos asked about the status is of the approximately 750 remaining trucks that were eligible for truck replacement projects but didn't apply. Mr. Breen suggested that there are a number of reasons, the two most common being that the owners of those trucks are still paying down the financing of their vehicles and, despite the Air District's recommendation otherwise, are postponing the replacements until they have no choice.

Public Comments: None.

Committee Action:

Director Avalos made a motion, seconded by Director Klatt and carried unanimously without objection to recommend the Board of Directors:

1. Adopt a resolution authorizing the Executive Officer/ APCO to execute all necessary agreements with the ARB relating to the Air District's receipt of Carl Moyer Program funds for fiscal year 2011-2012.
2. Allocate \$5 million in Mobile Source Incentive Funding for projects eligible for funding under the Carl Moyer Program.
3. Authorize the Executive Officer/APCO to enter into agreements with the ARB related to the acceptance of Goods Movement I-Bond funding for the Year 3 Port Truck replacement program.
4. Authorize the Executive Officer to enter into agreements for port truck projects ranked and approved by the ARB.

**6. Regional Plug-In Electric Vehicle Readiness Planning Grant Contractor(s)**

Mr. Breen introduced Karen Schkolnick, Air Quality Programs Manager of Strategic Incentives, who gave the staff presentation Regional Plug-In Electric Vehicle Readiness Planning Grants Contractor(s), including a review of the Air District's efforts to date; summaries of the grant award from the U.S. Department of Energy (DOE) and two grant awards from the California Energy Commission (CEC), one each for Bay Area Regional Planning and Monterey Bay Regional Planning; details of proposed funding distribution for each of the three grants; the timeline, evaluation criteria and results of the request for proposals process; and staff recommendations.

Committee Comments:

Director Haggerty asked the reasoning behind staff's request that the Committee recommend the Executive Officer/APCO be authorized to enter into an agreement with the second ranked contractor in the event a contract cannot be agreed upon with the selected contractor. Mr. Breen responded it is due to the scope and time sensitivity of the project. Director Haggerty asked if ICF International (ICF) is located in San Francisco. Mr. Breen said one of their offices is. Director Haggerty asked how the four criteria added up to a ten point difference between the total scores of the leader and runner up. Mr. Breen indicated that, generally speaking, there were small differences across the categories. Director Haggerty and Mr. Breen discussed the

composition of the scoring panel. Director Haggerty asked if ICF consistently scored the highest. Mr. Breen indicated that ICF did score highest in each category and that UC Berkeley scored a bit unevenly among the panelists.

Director Partin congratulated staff on getting the regional planning underway. Director Partin and Mr. Breen discussed the mathematics of the grants distribution. Director Partin noted that the Air District is working with the Bay Area Electric Vehicle Strategic Counsel but that no funds appear to be allocated to them. Mr. Breen confirmed that was the case here but added that the Air District is working with them separately to provide support through other avenues and a contract is in place for the Air District and Metropolitan Transportation Commission (MTC) to provide support. Director Partin asked if the two regional planning initiatives are being coordinated to which Mr. Breen replied in the affirmative but noted that the focus was more on deployment than planning.

Director Bates asked if the 2010 program goals were achieved. Ms. Schkolnick replied that some of the equipment is about to go in and will likely be completed by June 2012. Mr. Breen added that the number of DC fast chargers will go from six to nine pursuant to a document being executed today and the battery switch station is one of those projects likely to be completed by June 2012 as it has made the least progress so far. Ms. Schkolnick and Director Bates discussed the deployment schedule and deployment numbers, as well as the ECOTality program. Director Bates inquired about the nature of the 2,000 public chargers. Mr. Breen indicated that it has yet to be determined because there is an ongoing debate about what chargers and deployment would be most effective and that this will be brought to the Board with recommendations after discussions conclude. Director Bates asked about the amount of the fast charger grant relative to costs. Ms. Schkolnick explained that 30 of the 50 DC fast chargers are done, equipment costs are down drastically to between \$5,000 and \$20,000 each, and installation costs are minimal.

NOTED PRESENT: Director Piepho was noted present at 10:15 a.m.

Jack Broadbent, Executive Officer/APCO, suggested that staff give a similar presentation to the Board to which the Committee agreed.

Director Piepho asked how the percentages are determined in the request for proposal process. Mr. Breen responded that it varies for each request for proposal and explained staff considerations, further noting that this grant was a federal process that carried the minority- and women-owned business requirements so this request for proposal was noticed to over 2,000 companies in northern California.

Public Comments: None.

Committee Action:

Director Avalos made a motion, seconded by Director Klatt and carried unanimously without objection to recommend the Board of Directors:

1. Approve the selection of ICF International, a contractor to assist the Air District in the preparation of required regional plug-in electric vehicle (PEV) readiness planning documents under grants from the DOE and the CEC;

2. Authorize the Executive Officer/APCO to enter into all necessary agreements with ICF International to produce the planning documents required by the DOE and CEC; and
3. In the event that a contract cannot be agreed upon with the selected contractor, authorize the Executive Officer/APCO to enter into an agreement with the next highest ranking bidder (UC Berkeley) and to execute all necessary agreements to produce the documents required by DOE and CEC.

## **7. Air District Grant Programs Overview**

Mr. Breen gave the staff presentation Air District Grant Programs Overview, including background, a recap of 2011 allocations, funding projection for 2012, upcoming opportunities and challenges, and the next steps.

Mr. Breen noted, regarding slide 9, Emissions Reductions, that particulate matter (PM) is at a lower rate than the year prior but it is a subject of ongoing discussions with the ARB.

Director Piepho requested, in reference to slide 10, 2011 Allocations by County, that the allocation to the Port of Oakland remain within Alameda County's portion but that it be highlighted in some way to bring it out. Mr. Breen responded that the Port receives approximately half of the allocation shown but that it will be highlighted in the future.

Mr. Breen added, regarding slide 11, 2012 Projection, that the Transportation Fund for Clean Air (TFCA) portion may actually exceed \$11 million and the Carl Moyer portion may actually be only \$8 million this year.

Mr. Breen explained, regarding slide 12, Upcoming Opportunities and Challenges, that work on the shore-power is behind schedule but efforts are being made to catch up; the port trucks and on-road trucks have simultaneous deadlines which creates a time management issue but staff is working with the ARB; the availability of bond funding for the next cycle is up in the air; that Carl Moyer sunsets in 2014; and the ARB audit of the Air District will be in September 2012.

Mr. Breen explained, regarding slide 13, Upcoming Opportunities and Challenges, that school bus replacement with natural gas tanks is an option but a question remains about the availability of drivers pending state funding.

### Committee Comments:

Director Haggerty suggested, regarding slide 9, Emissions Reductions, that it would be helpful for staff to include a chart that shows year-by-year statistics to which Mr. Breen replied that could be provided.

Director Partin shared her disappointment with the figures on slide 9, Emissions Reductions, in light of the focus on PM and its significant impact on human health, and suggested that the Air District reevaluate how to get the number up. Mr. Broadbent noted that PM is disproportionately represented as these figures measure by mass. Mr. Breen suggested that a multiplier of 20 should

be applied to better measure impact and the economic climate makes it difficult to find partners in these efforts.

Director Partin noted, regarding slide 8, 2011 Allocations – TFCA, that bicycle infrastructure is the smallest allocation and more needs to be done to boost it as transportation emissions continue to worsen as other sources are improving. Mr. Breen responded that work is being done with local county partners which may not be seen by this Committee given their subject matter focus. Director Partin expressed her appreciation and suggested that the chart be amended to include the work with County Congestion Management Agencies (CMA). Director Partin noted that alternative fuel vehicles are only fractionally represented by plug-in electric vehicles and asked what incentives are being examined by staff to widen the scope. Mr. Breen responded that staff hopes to bring back an allocation of approximately \$1.5 to 2.5 million this year to do an advanced technology demonstration program for all alternative fuels. Director Partin suggested that the Air District work with cities and counties to set up incentive programs for alternative fuel vehicles, such as free parking from the city subsidized by Air District grants. Mr. Breen responded that outreach has occurred with little return, noting the City of San Francisco refused the free parking concept.

Director Miley asked if more funds, outside of the Carl Moyer Funds, could be allocated to trucks. Mr. Breen responded that the next agenda item will recommend another \$1 million in TFCA funding for the upcoming year. Director Miley inquired about whether Carl Moyer funds could be used for that use. Mr. Breen responded that it could not be applied to Port of Oakland trucks but that there is some funding available for some other categories of trucks in the impacted areas. Director Miley asked if any other ports would qualify for shore power. Mr. Breen responded that the Air District had a project with the Port of San Francisco but it is closing down for America's Cup and is installing shore power at another birth that the Port of San Francisco will self-fund. Mr. Breen went on to say that extensive work has been done with the Port of Richmond over the last couple years and they have filed jointly with the Air District at the CEC for funding but the Port of Richmond is uneasy given unstable company contracts and ongoing labor issues. Director Miley asked what air quality benefits might be enjoyed by the work with the Port of Richmond. Mr. Breen responded that there is some data available from a number of years ago. Director Miley expressed his desire to remain focused on easy targets that may have fallen to the wayside.

Director Bates asked whether any work is being done to replace back-up generators (BUGs) with alternative fuel cells. Mr. Broadbent indicated that BUGs are a big issue and staff is working on a regulatory initiative to bring to the Board, noting that a major hurdle exists in terms of funding as BUGs are stationary sources so mobile source funding streams do not apply. Director Bates asked if a fee could be established to help offset the cost to which Mr. Broadbent replied that staff is contemplating just that and it will be brought back to the Stationary Source Committee.

Director Haggerty said that there is clearly a significant interest in this topic by the Committee and that progress should be monitored by making it a work item.

Director Miley asked if anything can be done in conjunction with other air districts. Mr. Breen said that he recently met with the APCO of the San Joaquin Valley Air Quality Management District to discuss railroads as they are major sources ripe for possible joint projects, noting that with time running out on so many grants it is crucial to pool resources whenever possible. Mr.

Breen noted that a similar project was done on the Capital Corridor train with the Sacramento Metropolitan Air Quality Management District. Mr. Broadbent added that there is also short sea shipping joint project underway.

Director Haggerty suggested that work be done to connect the trains in order to decrease mobile source emissions. Mr. Broadbent shared that staff has considerable concern about the sunset of Carl Moyer funding as the Air District currently receives 14% of the program funding with 20% of the state population. Director Haggerty urged staff to be proactive.

Public Comments: None.

Committee Action: None; informational only.

## **8. Port Drayage Truck Program**

Mr. Breen again introduced Mr. Fournier, who gave the staff presentation Update on Port Drayage Truck Program, including background, current drayage truck population, Engine Model Year 2004 Program, proposed Engine Model Year 2005/06 Program and staff recommendations.

Committee Comments:

Director Miley expressed support for the staff recommendation and this program, noted that obtaining county support required a great deal of effort, and emphasized the importance of prioritizing the program. Director Miley noted that some truck drivers missed the last opportunity because of the late launch and asked if there are plans to accelerate the process in the next phase. Mr. Breen replied that this program is over a year out and what isn't reflected in the presentation is the number of drivers which opted to simply stop working at the Port of Oakland rather than participate in the last program. Mr. Breen added that significant positive feedback is already being received in response to this program. Mr. Breen said that accelerating the process is a good suggestion and staff will do what they can to achieve it, noting that with the current work load and staffing levels, it unlikely that it will move faster than it is at this time.

Director Piepho asked, in reference to slide 3, Background, to clarify that 100% vehicle replacement is required with no retrofitting option to which Mr. Breen answered in the affirmative. Director Piepho inquired, in reference to slide 8, Proposed Model Year 2005/06 Program Details, whether the Air District had specified the appropriate source of funds. Mr. Breen replied that the Air District is flexible as to the source, adding that outreach efforts are now underway and there are a number of resources available to locate the trucks. Director Piepho asked if the Alameda County funds are coming from the local transportation authority rather than the general fund to which Director Miley replied in the affirmative. Directors Piepho, Haggerty and Miley and Mr. Breen discussed how the Air District, CMAs and counties organize their collaborative efforts in this respect. Director Piepho requested a more finely honed presentation before the Contra Costa County CMA. Mr. Breen agreed, adding that there has been some communication with them already.

Public Comments: None.

Committee Action:

Director Miley made a motion, seconded by Director Piepho and carried unanimously without objection to recommend the Board of Directors:

1. Approve the changes to the FYE 2012 TFCA Regional Fund Policies to include engine model year (MY) 2005/2006 drayage truck replacement projects as an eligible project type;
  2. Authorize the expenditure of the remaining TFCA Regional Fund monies from the MY 2004 port truck program to implement a program to replace MY 2005/2006 port drayage trucks registered in the Bay Area, and allocate an additional \$1 million in TFCA Regional Funds for this program;
  3. Authorize the Executive Officer/APCO to enter into all contracts and make all expenditures necessary to allocate the program funds to eligible projects; and
  4. Authorize the Executive Officer/APCO to accept, enter into contracts for and allocate funding from additional sources for MY 2005/2006 Drayage Truck Replacement Program.
- 9. Committee Member Comments/Other Business:** None.
- 10. Time and Place of Next Meeting:** Thursday, March 29, 2012, at Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, CA 94109 at 9:30 a.m.
- 11. Adjournment:** The meeting adjourned at 11:19 a.m.

Sean Gallagher  
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 11, 2012

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

RECOMMENDATIONS:

Recommend the Board of Directors:

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

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (ARB), since the program began in fiscal year 1998/1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, stationary agricultural pump engines and forklifts.

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible for grants under the CMP.

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

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

On February 2, 2011, the Board of Directors authorized Air District participation in Year 13 of the CMP, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000. On November 18, 2009, the Air District Board of Directors authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with TFCA funds, with individual grant award amounts up to \$100,000.

CMP and TFCA projects with grant award amounts over \$100,000 are brought to the Committee for consideration at least on a quarterly basis. Staff reviews and evaluates the grant applications based upon the respective governing policies and guidelines established by the ARB and/or the Air District's Board of Directors.

## DISCUSSION

### **Carl Moyer Program:**

The Air District started accepting applications for CMP Year 13 projects on August 8, 2011. The Air District has approximately \$14 million available for CMP projects from a combination of MSIF and CMP funds. Project applications are being accepted and evaluated on a first-come, first-served basis.

As of April 11, 2012, the Air District had received 79 project applications. Of the applications that have been evaluated between February 2, 2012 and April 11, 2012, three eligible projects have proposed individual grant awards over \$100,000. These projects will replace 7 pieces of off-road equipment, which will result in the reduction of 3.2 tons of NO<sub>x</sub>, ROG and PM per year. Staff recommends allocating \$416,121 to these projects from a combination of CMP funds and MSIF revenues. Attachment 1 to this staff report provides additional information on these projects.

Attachment 2 lists all of the eligible projects that have been received by the Air District as of April 11, 2012, and summarizes the allocation of funding by equipment category (Figure 1), and county (Figure 2). This list also includes the Voucher Incentive Program (VIP) on-road replacement projects awarded since the last committee update. Approximately 56% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities.

### **TFCA:**

No TFCA applications requesting individual grant awards over \$100,000 received as of April 11, 2012 are being forwarded for approval at this time.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

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

Respectfully submitted,

Jack P. Broadbent  
Executive Director/APCO

Prepared by: Anthony Fournier  
Reviewed by: Damian Breen

- Attachment 1: BAAQMD Year 13 Carl Moyer Program/MSIF projects with grant awards greater than \$100,000 (evaluated between 2/2/12 and 4/11/12)
- Attachment 2: Summary of all CMP Year 13/MSIF and VIP approved/eligible projects (as of 4/11/12)

**Attachment 1:**

BAAQMD Year 13 Carl Moyer Program/ MSIF projects with grant awards greater than \$100k  
(Evaluated between 2/2/2012 and 4/11/12)

Project #	Applicant name	Equipment category	Project type	Proposed contract award	NOx (TPY)	ROG (TPY)	PM (TPY)	County
13MOY41	F.A. Maggiore & Sons (Farming)	Off-road	The replacement of one (1) off-road diesel powered tractor.	\$ 114,014.00	0.933	0.102	0.040	Contra Costa
13MOY58	Diamond M Dairy	Off-road	The replacement of four (4) off-road diesel powered tractors, and one (1) off-road diesel powered loader.	\$ 150,266.00	0.873	0.170	0.058	Sonoma
13MOY63	Andrew Poncia (Fertilizer co.)	Off-road	The replacement of one (1) off-road diesel powered loader.	\$ 151,841.00	0.928	0.106	0.037	Sonoma
				<b>\$ 416,121.00</b>	<b>2.734</b>	<b>0.378</b>	<b>0.135</b>	

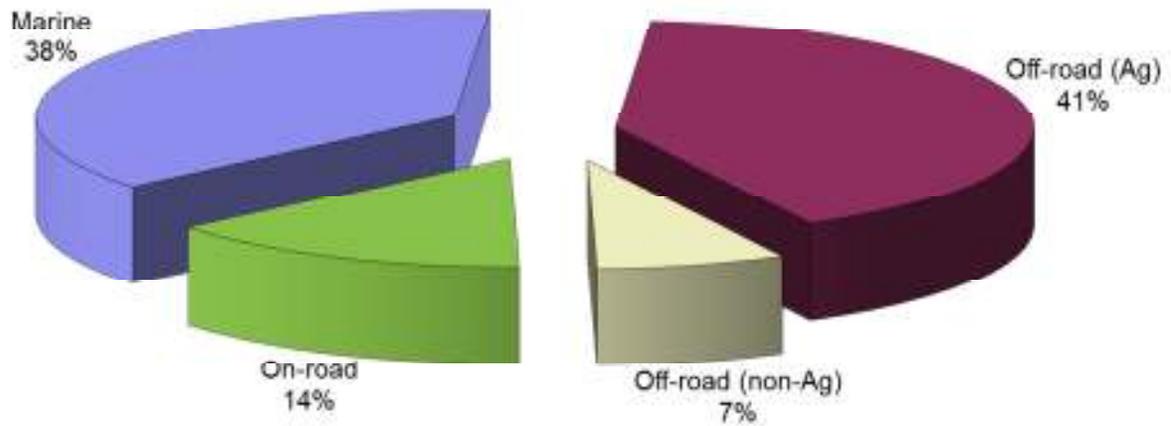
## Attachment 2

*Summary of all CMP Yr 13/ MSIF and VIP approved/ eligible projects (As of 4/11/12)*

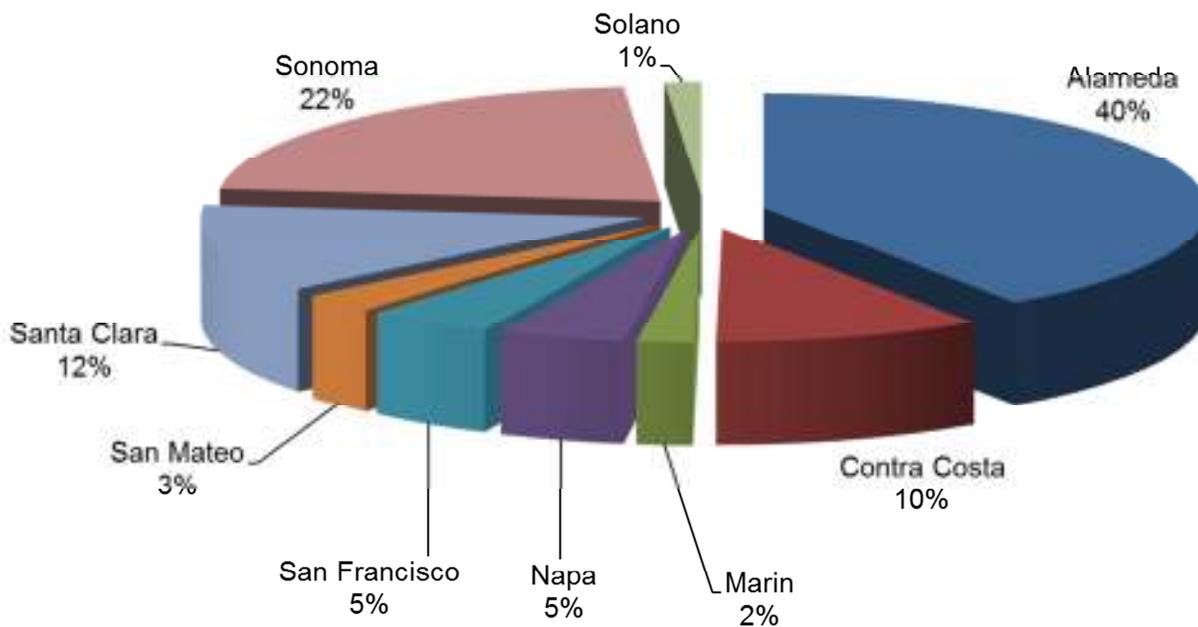
Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	NOx (TPY)	ROG (TPY)	PM (TPY)	Board approval date	County
13MOY4	Off-road	Tractor replacement	2	\$ 122,000.00	Humberto Castaneda (farmer)	1.076	0.142	0.037	12/7/2011	Sonoma
13MOY6	Off-road	Tractor replacement	2	\$ 29,757.00	Ronald Palmer (Vineyard)	0.126	0.027	0.007	APCO	Sonoma
13MOY9	Off-road	Tractor replacement	1	\$ 23,576.00	Joesph Pinheiro (Dairy)	0.159	0.028	0.008	APCO	Sonoma
13MOY15	Off-road	Tractor replacement	1	\$ 23,576.00	David Evans dba Marin Sun Farms, Inc.	0.299	0.050	0.016	APCO	Marin
13MOY10	Off-road	Loader replacement	10	\$ 379,700.00	GreenWaste Recovery, Inc.	2.095	0.456	0.115	12/7/2011	Santa Clara
13MOY12	Off-road	Loader replacement	1	\$ 110,132.00	Deniz Dairy	0.541	0.066	0.025	12/7/2011	Sonoma
13MOY17	Off-road	Tractor replacement	1	\$ 36,163.00	Neil Mclsaac & Son Dairy	0.158	0.029	0.013	APCO	Marin
13MOY19	Off-road	Tractor replacement	1	\$ 24,577.00	Foley Family Wines dba Sebastiani Vineyards	0.151	0.033	0.008	APCO	Sonoma
13MOY13	Off-road	Loader replacement	1	\$ 104,943.00	Renati Dairy	0.375	0.070	0.025	12/7/2011	Sonoma
13MOY18	Off-road	Tractor replacement	2	\$ 75,489.00	Gerald & Kristy Spaletta (Dairy)	0.520	0.088	0.029	APCO	Sonoma
13MOY14	Off-road	Tractor replacement	1	\$ 181,905.00	Silva Farms	1.270	0.151	0.055	3/7/2012	Santa Clara
13MOY16	Off-road	Tractor replacement	2	\$ 75,971.00	R. Castaneda Farms	0.490	0.085	0.030	APCO	Sonoma
13MOY23	Off-road	Tractor replacement	1	\$ 257,132.00	Simoni & Massoni Farms	1.365	0.088	0.031	3/7/2012	Contra Costa
13MOY28	Off-road	Tractor replacement	2	\$ 54,212.00	Boisset Family Estates (Vineyard)	0.305	0.062	0.019	APCO	Napa
13MOY21	Off-road	Tractor replacement	1	\$ 28,948.00	Roy and Beverly King (Dairy)	0.105	0.030	0.012	APCO	Sonoma
13MOY29	Off-road	Tractor replacement	2	\$ 168,347.00	RANKINS AG INC.	1.408	0.181	0.063	3/7/2012	Conta Costa
13MOY30	Off-road	Tractor replacement	1	\$ 28,651.00	Clos Du Val Wine Company, Ltd.	0.085	0.016	0.007	APCO	Napa
13MOY33	Off-road	Tractor replacement	1	\$ 29,920.00	Michael Meyer DBA: Meyer Farming	0.107	0.023	0.006	APCO	Sonoma
13MOY24	Marine	Engine reman and repower	4	\$ 590,263.00	Harley Marine Services, Inc.	40.012	0.636	1.192	3/7/2012	Alameda
13MOY37	Off-road	Tractor replacement	1	\$ 30,748.00	Greg Lyons (farmer)	0.324	0.054	0.020	APCO	Solano
13MOY35	Off-road	Tractor replacement	1	\$ 39,700.00	Dominus Estate Corporation	0.129	0.025	0.009	APCO	Napa
13MOY25	Marine	Engine reman and repower	4	\$ 579,878.00	Harley Marine Services, Inc.	37.843	0.602	1.126	3/7/2012	Alameda
13MOY26	Marine	Engine reman and repower	4	\$ 594,249.00	Harley Marine Services, Inc.	34.517	0.542	1.034	3/7/2012	Alameda
13MOY36	Off-road	Equipment replacement	2	\$ 45,106.00	Dutton Ranch Corp.	0.189	0.040	0.012	APCO	Sonoma
13MOY41	Off-road	Equipment replacement	1	\$ 114,014.00	F.A. Maggiore & Sons (Farming)	0.933	0.102	0.040	TBD	Contra Costa
13MOY42	Off-road	Equipment replacement	2	\$ 55,966.00	Dutton Ranch Corp.	0.243	0.046	0.021	APCO	Sonoma
13MOY45	Off-road	Equipment replacement	1	\$ 31,970.00	Arthur Kunde and Sons Inc	0.092	0.018	0.005	APCO	Sonoma
13MOY46	Off-road	Equipment replacement	2	\$ 34,871.00	Carty Bros.	0.179	0.048	0.013	APCO	Solano
13MOY38	Off-road	Equipment replacement	1	\$ 24,175.00	Moon Vineyards	0.099	0.017	0.005	APCO	Napa
13MOY39	Marine	Engine repower	2	\$ 98,386.00	Sal Papetti (Commercial fisherman)	0.601	0.016	0.021	APCO	San Francisco
13MOY31	Marine	Engine repower	2	\$ 82,790.00	Blue & Gold Fleet LP	0.772	-0.017	0.028	APCO	San Francisco
13MOY58	Off-road	Equipment replacement	5	\$ 150,266.00	Diamond M Dairy	0.873	0.170	0.058	TBD	Sonoma
13MOY63	Off-road	Equipment replacement	1	\$ 151,841.00	Andrew Poncia (Fertilizer co.)	0.928	0.106	0.037	TBD	Sonoma
13MOY60	Off-road	Equipment replacement	1	\$ 14,210.00	Cameros Vineyard Management LLC	0.002	0.018	0.004	APCO	Sonoma
13MOY59	Off-road	Equipment replacement	2	\$ 58,766.00	Sinskey Vineyards, Inc., dba Robert Sinskey Vineyards	0.156	0.047	0.019	APCO	Napa

VIP	Truck replacement	1	\$ 40,000.00	James Bell	0.550	0.017	0.036	APCO	Santa Clara
VIP	Truck replacement	1	\$ 40,000.00	Robert E. Poole	0.547	0.002	0.036	APCO	Marin
VIP	Truck replacement	1	\$ 45,000.00	Thomas Garcia	0.970	0.019	0.022	APCO	San Mateo
VIP	Truck replacement	1	\$ 20,000.00	Clark's Rock	0.280	0.010	0.019	APCO	Napa
VIP	Truck replacement	1	\$ 45,000.00	Nanak Singh	0.970	0.019	0.022	APCO	Contra Costa
VIP	Truck replacement	1	\$ 20,000.00	Jill Lee	0.282	0.009	0.019	APCO	Contra Costa
VIP	Truck replacement	1	\$ 35,000.00	Domingo Rodriguez III	0.649	0.016	0.022	APCO	Alameda
VIP	Truck replacement	1	\$ 15,000.00	Kon Chen	0.464	0.009	0.000	APCO	Alameda
VIP	Truck replacement	1	\$ 10,000.00	Kon Chen	0.314	0.006	0.000	APCO	Alameda
VIP	Truck replacement	1	\$ 10,000.00	Kon Chen	0.314	0.006	0.000	APCO	Alameda
VIP	Truck replacement	1	\$ 10,000.00	Kon Chen	0.314	0.006	0.000	APCO	Alameda
VIP	Truck replacement	1	\$ 45,000.00	Richard Renfro	0.452	0.000	0.048	APCO	Alameda
VIP	Truck replacement	1	\$ 5,000.00	James Bell	0.000	0.000	0.008	APCO	Santa Clara
VIP	Truck replacement	1	\$ 45,000.00	James Key	0.970	0.190	0.022	APCO	San Benito
VIP	Truck replacement	1	\$ 20,000.00	Saleem M. Salimi	0.281	0.000	0.007	APCO	Alameda
VIP	Truck replacement	1	\$ 5,000.00	All Points Rolloff Inc.	0.160	0.000	0.011	APCO	Santa Clara
VIP	Truck replacement	1	\$ 45,000.00	Tammy Huang	2.786	0.056	0.000	APCO	San Mateo
VIP	Truck replacement	1	\$ 45,000.00	Tammy Huang	2.786	0.056	0.000	APCO	San Mateo
VIP	Truck replacement	1	\$ 35,000.00	Freddy Alberto Largaespada	2.143	0.053	0.000	APCO	Los Angeles
VIP	Truck replacement	1	\$ 45,000.00	Edward Eric Martinez	2.786	0.056	0.000	APCO	Placer County
VIP	Truck replacement	1	\$ 45,000.00	S/S Trucking	2.786	0.056	0.000	APCO	Alameda
VIP	Truck replacement	1	\$ 25,000.00	Don White	1.546	0.034	0.000	APCO	Alameda
VIP	Truck replacement	1	\$ 45,000.00	Jaswinder Singh	2.768	0.058	0.000	APCO	Contra Costa
VIP	Truck replacement	1	\$ 45,000.00	Robert Kenny	2.786	0.056	0.000	APCO	San Francisco
<b>59 Projects</b>		<b>93</b>	<b>\$ 5,192,198.00</b>		<b>156.431</b>	<b>4.830</b>	<b>4.423</b>		

**Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 4/11/12**



**Figure 2: CMP/ MSIF Funding Distribution by County as of 4/11/12**



BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 12, 2012

Re: Consideration of Transportation Fund for Clean Air (TFCA) County Program  
Manager Expenditure Plans for Fiscal Year Ending (FYE) 2013

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RECOMMENDATIONS:

Recommend Board of Directors:

1. Approve the allocation of FYE 2013 TFCA County Program Manager Funds listed on Table 1.
2. Authorize the Executive Officer/APCO to enter into funding agreements with the County Program Managers for the total funds to be programmed in FYE 2013, listed on Table 1, consistent with the Board-adopted TFCA Program Manager Fund Policies.

BACKGROUND

Pursuant to California Health and Safety Code Sections 44241 and 44242, the Bay Area Air Quality Management District (Air District) receives a \$4 per vehicle annual surcharge from the Department of Motor Vehicles (DMV) on all motor vehicles registered within its boundaries. The revenues fund the implementation of transportation control and mobile source control measures contained in the Clean Air Plan. By law, the Air District provides forty percent of the revenues generated by this surcharge to the TFCA County Program Manager Fund. Each county in the Air District's jurisdiction is eligible to receive a portion of this funding based on the fees raised in that county, and designates a County Program Manager (CPM) to expend this funding. CPMs submit to the Air District an annual expenditure plan application specifying funding for air quality projects. These expenditure plans are governed by the FYE 2013 TFCA County Program Manager Fund Policies, which were adopted by the Air District's Board of Directors on November 2, 2011.

DISCUSSION

The Air District issued the TFCA FYE 2013 Program Manager Expenditure Plan Application Guidance to County Program Managers on December 22, 2011. The deadline for applications was April 2, 2012, and all nine CPMs submitted compliant applications.

Table 1 below lists the recommended expenditure plan amounts. The amount in the second column in the table is the estimated *new* FYE 2013 TFCA Program Manager funding available for allocation. This estimate is based on actual 2010 annual receipts for that county from the

DMV. The third column in the table lists the total funding available for programming in each county for FYE 2013. This amount includes interest earned and any funds available for reprogramming from projects that were completed under budget or canceled in the previous fiscal year.

**Table 1: Estimated Funding for County Program Managers for FYE 2013**

<b>County Program Manager</b>	<b>Est. New FYE 2013 TFCA Funds</b>	<b>Total Funds to be Programmed in FYE 2013</b> (New Funds + Interest + Reprogrammed Funds)
Alameda County Congestion Mgt. Agency	\$1,847,854.61	\$1,887,375.09
Contra Costa Transportation Authority	\$1,341,469.07	\$1,348,680.33
Transportation Authority of Marin	\$335,398.24	\$346,088.69
Napa County Transportation Planning Agency	\$186,018.12	\$192,531.89
San Francisco County Transportation Authority	\$716,200.86	\$992,480.15
San Mateo City/County Association of Gov'ts	\$1,012,000.01	\$1,037,781.01
Santa Clara Valley Transportation Agency	\$2,269,375.68	\$2,327,956.10
Solano Transportation Authority	\$293,581.12	\$294,507.74
Sonoma County Transportation Authority	\$566,733.54	\$618,545.43

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None. TFCA County Program Manager revenues are generated from a dedicated outside funding source and are passed through to County Program Managers.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Geraldina Grünbaum  
Reviewed by: Karen Schkolnick

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 12, 2012

Re: Lower-Emission School Bus Program

RECOMMENDATIONS:

Recommend Board of Directors:

1. Approve the use of Mobile Source Incentive Funds (MSIF) for the following three newly allowable project types under the Lower-Emission School Bus Program (LESBP):
  - The replacement of on-board natural gas fuel tanks,
  - Infrastructure improvements of deteriorating natural gas fueling dispensers, and
  - Retrofit of in-use school buses with emission control devices.
2. Allocate \$7.5 million in MSIF to fund all allowable project types under the LESBP.

BACKGROUND

The Air District has participated in the LESBP since its creation in 2001 by the California Air Resources Board (ARB). The program is currently subject to ARB's 2008 LESBP Guidelines, which provide for the replacement of 1986 model year and older public school buses, and the retrofitting of 1987 model year and newer school buses.

Under the 2008 LESBP Guidelines, the Air District was allocated over \$8.5 million in I-Bond funds for school bus replacement and retrofit projects. In addition, since 2008, the Air District Board has allocated nearly \$16.1 million in MSIF revenues for public school bus replacement projects, as allowed by the LESBP Guidelines. To date, the Air District has allocated these funds to retrofit 361 school buses and replace 107 public school buses.

DISCUSSION

On December 10, 2011, ARB revised the 2008 LESBP Guidelines to allow MSIF funds to be used to fund three new project categories in addition to school bus replacement:

- The replacement of on-board natural gas fuel tanks,
- Improvements of deteriorating natural gas fueling dispensers operated by a public school district, and
- The retrofit of in-use school buses.

These new uses, available as of January 1, 2012, were authorized by Assembly Bills 462 and 470 (Lowenthal and Halderman, respectively).

As of January 1, 2012, diesel-fueled school buses have been subject to ARB's Truck and Bus Regulation. This regulation requires that 33 percent (%) of the fleet be retrofitted with particulate filters by January 1, 2012, 66% by January 1, 2013, and 100% by January 1, 2014. In addition, the U.S. Department of Transportation requires that compressed natural gas (CNG) buses be removed from service once the on-board CNG tank has reached the manufacturer's service life, typically 15 years.

Given the on-going budget issues faced by most school districts, ARB's school bus rule and the requirement to remove CNG buses from service after 15 years, demand for funding for public school buses (i.e., retrofit and replacement of buses, maintenance of buses and infrastructure) remains high. Therefore, staff is recommending that authorization be given to use existing and future MSIF funding allocated to the LESBP for:

- The replacement of on-board natural gas fuel tanks,
- Improvements of deteriorating natural gas fueling dispensers operated by a public school district, and
- The retrofit of in-use school buses.

In addition, staff is recommending that an additional \$7.5 million in MSIF funding be allocated to the LESBP to fund all allowable project types under the LESBP.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

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

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Geraldina Grünbaum  
Reviewed by: Karen Schkolnick

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 12, 2012

Re: Transportation Fund for Clean Air Overview

RECOMMENDATION:

None. Informational item, receive and file.

BACKGROUND

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the San Francisco Bay Area to fund projects that reduce on-road motor vehicle emissions. The Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

Sixty percent (60%) of TFCA funds are awarded directly by the Air District through a grant program known as the Regional Fund. The remaining forty percent (40%) of TFCA funds are forwarded to the designated agency within each Bay Area county and distributed by these agencies through the Program Manager Fund. Portions of the TFCA Regional Fund are allocated to eligible programs implemented directly by the Air District, including the Smoking Vehicle Program and the Spare the Air Program. The balance is allocated on a competitive basis to eligible projects proposed by project sponsors.

DISCUSSION

In the early years of the Air District's incentive program (1992 to 1998), the Transportation Fund for Clean Air (TFCA) was the sole source of funding for school bus replacements, truck, light-duty vehicle, shuttle, ridesharing, bicycle, traffic calming and smart growth projects. This funding has been augmented by the Carl Moyer Program in 1998, Assembly Bill 923 which allowed the Air District to establish its Mobile Source Incentive Fund (MSIF) in 2004, and the 2007 California Goods Movement Bond (I-Bond) fund.

During the past five years, the Air District has received almost double the amount of funding it received in FYE 2008. This increase has been largely attributed to the availability of new funding sources for heavy-duty diesel truck and other large engine projects. At the same time,

during this same time period, the amount of funding for light-duty alternative fuel vehicle and trip-reduction projects has remained constant.

Given the recent expansion in funding for heavy-duty vehicle project types, the Air District's TFCA Regional Fund has recently focused funding on eligible project types that complement and supplement the Air District's other incentives programs. This refocusing has allowed the Air District to position itself as the Bay Area's leading funding source for specialized areas such as Plug-in Electric Vehicle projects (through the Alternative Fuel Vehicle and Infrastructure program) and Bikesharing (through the Trip Reduction category). Recently, looming regulatory compliance deadlines have spiked demand for funding in the heavy-duty diesel project categories and TFCA Regional Funds have been identified as an additional source that can be used to supplement the other available sources of funding for these projects.

As part of this report, staff will recap the expenditures of funding in FYE 2012 and discuss with the Committee the proposed project categories, demand for TFCA Regional Funds, and projected funding for the TFCA Regional Fund program in FYE 2013.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

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

Respectfully submitted,

Jack P. Broadbent  
Executive Director/APCO

Prepared by: Karen Schkolnick  
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 12, 2012

Re: Regional Bicycle Share Pilot Project Contractor Selection

RECOMMENDATION:

Recommend the Board of Directors:

1. Approve the selection of Alta Bicycle Share (Alta), contractor, to assist the Bay Area Air Quality Management District (Air District) and the Santa Clara Valley Transportation Authority, SamTrans, San Francisco Municipal Transportation Agency, San Mateo County and Redwood City (partner agencies), to deploy an organized network of publically-accessible bicycles for transportation use along the Peninsula transportation corridor under a Climate Innovation Program (CIP) grant from the Metropolitan Transportation Commission (MTC).
2. Authorize the Executive Officer/APCO to enter into an agreement not to exceed \$5,969,000 with Alta to deploy the bike share program required under the MTC grant.
3. In the event that a contract cannot be agreed upon with the selected contractor, authorize the Executive Officer/APCO to enter into an agreement with the next consecutively ranked highest bidders, DecoBike or B-cycle to execute all necessary agreements to deploy the bike share program.

BACKGROUND

On October 27, 2010, the Air District was awarded \$4.29 million in CIP grant funding from the MTC to lead a regional bicycle sharing pilot project in partnership with the Santa Clara Valley Transportation Authority, SamTrans, San Francisco Municipal Transportation Agency, San Mateo County and Redwood City. CIP funds will be matched by \$1.4 million from FY 09/10 Transportation Fund for Clean Air (TFCA) Regional Funds (approved by the Air District's Board of Directors on November 3, 2010) and \$1.3 million from the partner agencies. Match funding will be used to cover staff and administrative expenses and approximately \$6 million in funding is available for direct program expenses.

## DISCUSSION

The Air District issued a Request for Proposals (RFP) on February 9, 2012, seeking a qualified firm to design, build, operate, maintain, manage and publicize a network of publicly available bicycles. The selected firm would implement a pilot Regional Bike Share System (System) that would deploy 1,000 bicycles in the cities of San Jose, Palo Alto, Mountain View, Redwood City and San Francisco for a duration of at least 12 months.

The goal of the pilot is to test and develop a self-funded regional Bike Share System that complements existing transportation options by providing a convenient option for residents, commuters, and visitors making short trips to and from transit facilities, places of employment and residence, and social and recreational destinations. The solicitation also sought proposals for: 1) the future expansion of the System i.e. increasing the number of bicycles and kiosks within the initial participating pilot areas; and 2) increasing the number of participating areas to expand the System to provide service in additional Bay Area communities.

On February 21, 2012, the Air District hosted a bidder's conference at its San Francisco location which was attended by 26 interested parties. The deadline to respond to the RFP was March 21, 2012. In response to the RFP the Air District received six proposals. Staff along with representatives from the partner agencies (Panel) analyzed and scored the proposals using the following criteria:

**Table 1 - RFP Scoring Criteria and Percentages**

<b>Criteria</b>	<b>Points Possible</b>
<b>Past Experience:</b> Bidder's past experience in successfully launching and operating a bike share system similar to that specified in this request for proposals	<b>25</b>
<b>Demonstrated familiarity with state and federal procedures</b>	<b>10</b>
<b>Service Component:</b> Depth and quality of responses, extent to which "Essential" and "Desired" elements meet or exceed the requirements, understanding of the concept, Scope of Work, program Implementation Plan, Business/Finance Plan, insurance, etc.	<b>20</b>
<b>Equipment Component:</b> Depth and quality of responses, extent to which "Essential" and "Desired" elements meet or exceed the requirements, infrastructure requirements, technology features, warranties, system design and durability, etc.	<b>20</b>
<b>Cost:</b> Value of service level and quality and quantity of equipment provided	<b>25</b>

Based on the average score for each proposal (see Table 2), staff is recommending that the Committee recommend the Board of Directors authorize the Executive Officer/APCO to enter into an agreement not to exceed \$5,969,000 with the highest ranked bidder Alta. Through this contract, Alta would provide all of the capital equipment (including bicycles, station kiosks and docks) and services required to launch and operate the service. Launch activities include final station design, permitting and installation, and system development (set up warehouse and office space, hire local employees and contractors and development of website and marketing materials). Operational activities include equipment maintenance and rebalancing of bicycles among stations, management of call center, customer service, website operation, management of reporting, accounting, and legal issues, and equipment and software upgrades, warranty repairs and replacements.

**Table 2 – Maximum Points by Criteria and Bidder Scores and Ranking**

	Past Experience (25 Pts.)	Fed/State Procedures (10 Pts.)	Service (20 Pts.)	Equipment (20 Pts.)	Cost (25 Pts.)	Score and Ranking
<b>Alta Bike Share</b>	<b>21</b>	<b>7</b>	<b>17</b>	<b>16</b>	<b>9</b>	<b>71 / 1<sup>st</sup></b>
<b>DecoBike</b>	<b>15</b>	<b>6</b>	<b>12</b>	<b>14</b>	<b>14</b>	<b>59 / 2<sup>nd</sup></b>
<b>B-cycle</b>	<b>19</b>	<b>5</b>	<b>16</b>	<b>16</b>	<b>3</b>	<b>59 / 3<sup>rd</sup></b>
<b>Bike Nation</b>	<b>3</b>	<b>2</b>	<b>13</b>	<b>11</b>	<b>17</b>	<b>46 / 4<sup>th</sup></b>
<b>Tracetel</b>	<b>5</b>	<b>0</b>	<b>10</b>	<b>8</b>	<b>16</b>	<b>38 / 5<sup>th</sup></b>
<b>eBike</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>4</b>	<b>14</b>	<b>25 / 6<sup>th</sup></b>

Alta was the highest ranked bidder in each of the criteria areas with the exception of cost. Alta has extensive experience in the management and deployment of bicycle sharing systems domestically and internationally. Alta has previously deployed and currently operates bicycle sharing systems in several cities including Montréal (Canada), Washington DC and Boston; and has been chosen to deploy and operate additional bicycle sharing systems in New York City and Chicago. Their methodology and approach to the Bay Area deployment leverages these past experiences and was determined by the Panel to be best approach to successfully completing the pilot project. While other companies submitted lower costs bids, their methodology for project implementation on the service and equipment components, experience with state and federal requirements and past experience did not lead the Panel to believe that their approaches to project implementation would be as successful as Alta's.

However, due to the rapid timeline required (Fall 2012) by this project it may be necessary to explore alternative proposals should negotiations with Alta be unsuccessful. Therefore, staff is also requesting that the Board of Directors authorize the Executive Officer/APCO to enter into an agreement with the second or third ranked bidders DecoBike and B-cycle in the event that a contract cannot be agreed upon with Alta. While DecoBike and B-cycle have the same point score (59) DecoBike is ranked second in accordance with the RFP guidelines that states that if two or more proposals receive the same number of points, the Air District will accept the lower cost offer. DecoBike proposed a lower cost offer than B-cycle and is therefore ranked second.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. The Air District match and administrative funding for this project comes from the TFCA program. Funding for capital expenditures and program launch costs comes from three sources: a Congestion Mitigation Air Quality (CMAQ) grant, TFCA program, and partner agencies contributions. Funding for operational costs will be provided through program revenue including membership dues, user fees and sponsorships.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

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