



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

KAREN MITCHOFF – CHAIR	SCOTT HAGGERTY – VICE CHAIR
DAVID CANEPA	CAROLE GROOM
DAVID E. HUDSON	TYRONE JUE
REBECCA KAPLAN	DOUG KIM
NATE MILEY	

THURSDAY  
JANUARY 25, 2018  
9:30 A.M.

1<sup>ST</sup> FLOOR BOARD ROOM  
375 BEALE STREET  
SAN FRANCISCO, CA 94105

AGENDA

1. **CALL TO ORDER - ROLL CALL – PLEDGE OF ALLEGIANCE**

*The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members. The Committee Chair shall lead the Pledge of Allegiance.*

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, 375 Beale 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.*

*This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/about-the-air-district/board-of-directors/resolutionsagendasminutes> at the time of the meeting. Closed captioning may contain errors and omissions, and are not certified for their content or form.*

Staff/Phone (415) 749-

3. **APPROVAL OF THE MINUTES OF DECEMBER 7, 2017**

Clerk of the Boards/5073

*The Committee will consider approving the attached draft minutes of the Mobile Source Committee meeting of December 7, 2017.*

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

K. Schkolnick/5070  
[kschkolnick@baaqmd.gov](mailto:kschkolnick@baaqmd.gov)

*The Committee will consider recommending Board of Directors' approval of Carl Moyer Program 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. **PARTICIPATION IN YEAR 20 OF THE CARL MOYER PROGRAM AND APPROVAL OF THE 2018 CALTRAIN FUNDING PLAN**

K. Schkolnick/5070  
[kschkolnick@baaqmd.gov](mailto:kschkolnick@baaqmd.gov)

*The Committee will consider recommending Board of Directors' approval of a resolution authorizing the Air District's participation in Year 20 of the Carl Moyer Program and allocation of required match funding. The committee will also consider approval of the 2018 funding plan for the Caltrain Project.*

6. **OVERVIEW OF AIR DISTRICT TRIP REDUCTION PROGRAMS**

K. Schkolnick/5070  
[kschkolnick@baaqmd.gov](mailto:kschkolnick@baaqmd.gov)

*The Committee will receive an informational update on the Air District's efforts to support trip reduction projects that reduce single-occupancy vehicle trips and the challenges and opportunities for the continuation of these programs.*

7. **COMMITTEE MEMBER COMMENTS**

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

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

*Thursday, February 22, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.*

9. **ADJOURNMENT**

*The Committee meeting shall be adjourned by the Committee Chair.*

**CONTACT:**  
**MANAGER, EXECUTIVE OPERATIONS**  
**375 BEALE STREET, SAN FRANCISCO, CA 94105**  
**[mmartinez@baaqmd.gov](mailto:mmartinez@baaqmd.gov)**

**(415) 749-5016**  
**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. Please note that all correspondence must be addressed to the “Members of the Mobile Source Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Committee meeting. Any correspondence received after that time will be presented to the Committee at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District’s offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

#### **Accessibility and Non-Discrimination Policy**

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

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

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

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

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

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
375 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94105  
FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941**

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

**JANUARY 2018**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Mtg. / Retreat</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Dougherty Station Community Center 17011 Bollinger Canyon Rd, San Ramon, CA 94582
<b>Board of Directors Climate Protection Committee</b> <i>(Meets on the 3<sup>rd</sup> Thursday of every other Month)</i> - CANCELLED	Thursday	18	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	24	9:30 a.m.	1st Floor, Yerba Buena Room #109
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	25	9:30 a.m.	1 <sup>st</sup> Floor Board Room

**FEBRUARY 2018**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Personnel Committee</b> <i>(At the Call of the Chair)</i>	Wednesday	7	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	7	9:45 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	19	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED	Monday	19	10:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Mtg.</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	21	9:45 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	22	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	28	9:30 a.m.	1st Floor, Yerba Buena Room #109

## MARCH 2018

<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 on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	7	9:45 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Climate Protection Committee</b> <i>(Meets on the 3<sup>rd</sup> Thursday of every other Month)</i>	Thursday	15	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Executive Committee &amp; Advisory Council Joint Mtg.</b> <i>(EC Meets on the 3<sup>rd</sup> Monday of each Month) and (AC Meets At the Call of the Chair)</i>	Monday	19	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month</i> - CANCELLED	Monday	19	10:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Mtg.</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	21	9:45 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	22	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	28	9:30 a.m.	1st Floor, Yerba Buena Room #109
HL – 1/16/18 – 5:10 p.m.				G/Board/Executive Office/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 11, 2018

Re: Approval of the Minutes of December 7, 2017

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RECOMMENDED ACTION

Approve the attached draft minutes of the Mobile Source Committee (Committee) Meeting of December 7, 2017.

DISCUSSION

Attached for your review and approval are the draft minutes of the Mobile Source Committee Meeting of December 7, 2017.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Maricela Martinez

Attachment 3A: Draft Minutes of the Mobile Source Committee Meeting of December 7, 2017

## AGENDA 3A – ATTACHMENT

Draft Minutes – Mobile Source Committee Meeting of December 7, 2017

Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, California 94105  
(415) 749-5073

### **DRAFT MINUTES**

Summary of Board of Directors  
Mobile Source Committee Meeting  
Thursday, December 7, 2017

#### **1. CALL TO ORDER – ROLL CALL**

Mobile Source Committee (Committee) Chairperson, Karen Mitchoff, called the meeting to order at 9:41 a.m.

Present: Chairperson Karen Mitchoff; Vice Chair Scott Haggerty; and Directors David J. Canepa, David Hudson, Tyrone Jue, Rebecca Kaplan, and Nate Miley.

Absent: Directors Carole Groom and Doug Kim.

Also Present: None.

#### **2. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

#### **3. APPROVAL OF THE MINUTES OF OCTOBER 26, 2017**

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

Director Hudson made a motion, seconded by Vice Chair Haggerty, to approve the Minutes of October 26, 2017; and the motion carried by the following vote of the Committee:

AYES: Haggerty, Hudson, Jue, Kaplan, and Mitchoff.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Canepa, Groom, Kim, and Miley.

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

Damian Breen, Deputy Air Pollution Control Officer (DAPCO), introduced Adam Shapiro, Staff Specialist, who gave the staff presentation *Projects with Proposed Awards Over \$100,000*, including: overview; Carl Moyer Program (CMP), Mobile Source Incentive Fund (MSIF), and Transportation Fund for Clean Air (TFCA); CMP Year 19; CMP and MSIF funds awarded as of 11/17/17 and since 2009; TFCA funds awarded by project category and county; and recommendations.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed the balance of funding electric vehicle (EV) charging infrastructure projects and diesel engine replacement projects; the need to implement Bay Area Air Quality Management District (District) policies that reflect the District’s 2017 Clean Air Plan; the need for more efficient, quicker EV charging infrastructure, based on the types of vehicles that consumers are driving; the suggestion of establishing a network, or consortium, of EV charging stations throughout the nine Bay Area counties; and the feasibility of using renewable diesel fuel and incentivizing PG&E Tier4 energy rates for high-energy customers.

Committee Action:

Director Kaplan made a motion, seconded by Director Jue, to approve of CMP and TFCA projects requesting grant funding in excess of \$100,000, and authorize the Executive Officer/APCO to execute grant agreements for the recommended projects; and the motion carried by the following vote of the Committee:

AYES: Haggerty, Hudson, Jue, Kaplan, and Mitchoff.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Canepa, Groom, Kim, and Miley.

**5. FISCAL YEAR ENDING (FYE) 2016 TRANSPORTATION FUND FOR CLEAN AIR (TFCA) AUDIT REPORT RESULTS AND FYE 2017 REPORT ON TFCA REGIONAL FUND EXPENDITURES AND EFFECTIVENESS**

Mr. Breen introduced Chengfeng Wang, Acting Program Manager, who gave the staff presentation *FYE 2016 TFCA Audit Report Results and FYE 2017 Report on TFCA Regional Fund Expenditures and Effectiveness*, including: overview; background; Audit #18 process and findings; TFCA audit performance trend; summary of FYE 2017 expenditures and effectiveness report results; expenditures by project category; summary of expenditures and effectiveness; and key expenditures and effectiveness report findings.

NOTED PRESENT: Director Nate Miley was noted present at 10:04 a.m.



Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed how the financial and compliance audits of 36 TFCA Regional Fund and District-sponsored program projects completed between July 1, 2015 and June 30, 2016 resulted in zero findings, which reflects improvements in Project Sponsors' adherence to program and contractual requirements and in the District's administrative processes; and the difference between the District's projected emissions reductions from EV infrastructure projects and the actual expenditures for those projects.

Committee Action:

None; receive and file.

**6. REQUEST TO ACCEPT NEW GRANT PROGRAM REVENUE RESULTING FROM ASSEMBLY BILL (AB) 134**

Karen Schkolnick, Strategic Incentives Division Director, gave the staff presentation *Update on Efforts to Further Reduce Emissions at the Port of Oakland and Former Oakland Army Base*, including: overview; projected funding 2018; AB 134; \$17 million in new funding - \$3.7 administrative revenue; full-time employees in the Strategic Incentives Division (SID) and Technology Implementation Officer (TIO); and recommendations.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed the \$250 million dollars appropriated to Air Districts in California by AB 134, and the distribution of those funds to the different Air Districts, based on the size of their jurisdictions and their air quality; how much of the District's \$50 million dollar allocation will be used for additional staffing needs; the request that some of these funds go toward reducing emissions from the Interstate-5/Interstate 580 corridor; the descriptions of District staff positions; and the suggestion of establishing a *fast-charging* EV station network on Bay Area freeways.

Committee Action:

Vice Chair Haggerty made a motion, seconded by Director Canepa, to amend the FYE 2018 Budget for the CMP; authorize the District to accept, obligate, and expend \$50 million in funding from the California Air Resources Board (CARB) resulting from Assembly Bill 134; adopt a resolution authorizing this award; and authorize the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding; and the motion carried by the following vote of the Committee:

AYES: Haggerty, Hudson, Jue, Kaplan, Miley, and Mitchoff.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Canepa, Groom, and Kim.

NOTED PRESENT: Director David Canepa was noted present at 10:25 a.m.

**7. UPDATE ON EFFORTS TO FURTHER REDUCE EMISSIONS AT THE PORT OF OAKLAND AND FORMER OAKLAND ARMY BASE**

Mr. Breen gave the staff presentation *Update on Efforts to Further Reduce Emissions at the Port of Oakland and Former Oakland Army Base*, including: overview; AB 617 and 134; A Blueprint for Reducing Emissions in Communities for Concern- West Oakland overview, early actions at the Port of Oakland: 2008-2017, former Oakland Army Base development, results of technology review; Oakland Army Base Development – California Environmental Quality Act (CEQA) and community issues; actions by partners (local, regional, state, and national); and next steps.

At this time, Mr. Breen invited the following stakeholders to comment on their involvement pertaining to this item:

Elizabeth Yura, Freight Activity Branch Chief from CARB, discussed direction from the CARB Board of Directors to its staff to address zero-emission cargo handling equipment regulations and concepts at freight facilities, to reduce community risk; feedback from other Port-adjacent communities in California who want to see CARB implement more stringent regulation; feedback from businesses that have expressed interest in investing in cleaner equipment, and their need for more incentives; and the need to leverage incentives and reduce risk before certain factors can limit potential funding mechanisms.

Richard Sinkoff, Director of Environmental Programs and Planning from the Port of Oakland, discussed the Port of Oakland's appreciation for the District's primary focuses on health risk; the history of the Maritime Air Quality Improvement Plan, and the anticipated reconvening of the task force to revamp the existing plan; the Port of Oakland's use of emission inventories for tracking emissions reduction progress, and its need to look for different source categories to reach its diesel Particulate Matter-reduction goals; the Port of Oakland's acknowledgment of its tenants and equipment owners for recognizing the importance of green equipment; and how the Port of Oakland is looking toward a post-carbon future of zero emissions.

Public Comments:

Public comments were given by Adenike Adeyeye and Paul Cort, Earth Justice; and Margaret Gordon, West Oakland Environmental Indicators Project.

Committee Comments:

The Committee and staff discussed the Committee's appreciation for the collaborated actions of agencies involved in addressing community impacts in West Oakland; how improvements made to trucks going to and coming from the Port of Oakland will also benefit other parts of the Bay Area; the suggestion of reconvening the District's Ad Hoc Committee on Port Emissions; whether

the full \$50 million dollars will be used for project in West Oakland; and the request that some of these funds go toward reducing emissions from the Interstate-5/Interstate 580 corridor.

Committee Action:

None; receive and file.

**8. COMMITTEE MEMBER COMMENTS**

Vice Chair Haggerty thanked staff for recently including a full-page Winter Spare the Air campaign advertisement in *The Tri Valley Independent*.

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

Thursday, January 25, 2018, Bay Area Air Quality Management District office, 375 Beale Street, 1<sup>st</sup> floor Board Room, San Francisco, CA 94105, at 9:30 a.m.

**10. ADJOURNMENT**

The meeting adjourned at 11:12 a.m.

Marcy Hiratzka  
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: January 11, 2018

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

**RECOMMENDED ACTION**

Recommend Board of Directors:

1. Approve Carl Moyer Program projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into all necessary grant agreements for the recommended 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, and stationary agricultural pump engines.

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

On March 1, 2017, the Board of Directors (Board) authorized Air District participation in Year 19 of the CMP, and authorized the Executive Officer/APCO to execute grant agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000.

In 1991, the California State Legislature authorized Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor

vehicle emissions within the Air District's jurisdiction. The statutory authority for the Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242. Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund. Each year, the Air District's Board of Directors (Board) allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA funding.

On April 19, 2017, the Board allocated \$29.24 million in TFCA funding for eligible projects in Fiscal Year Ending (FYE) 2018, authorized cost-effectiveness limits for Air District-sponsored FYE 2018 programs, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for TFCA-revenue funded projects with individual grant award amounts up to \$100,000. On August 2, 2017, the Board adopted policies and evaluation criteria for the FYE 2018 TFCA Regional Fund program.

CMP and TFCA projects with grant award amounts over \$100,000 are brought to the Mobile Source Committee for consideration at least on a quarterly basis. Staff reviews and evaluates grant applications based upon the respective governing policies and guidelines established by the ARB and the Board. During this review period, there were no eligible TFCA projects over \$100,000 recommended for approval.

## DISCUSSION

### **Carl Moyer Program:**

The Air District started accepting project applications for the CMP Year 19 funding cycle on October 12, 2017. The Air District had more than \$16 million available for CMP school bus projects from a combination of MSIF and CMP funds for the Year 19 cycle. Project applications are accepted and evaluated on a first-come, first-served basis.

As of January 4, 2018, the Air District had received 87 project applications for the CMP Year 19 cycle. Of the applications that have been evaluated between November 17, 2017 and January 4, 2018, five eligible projects have proposed individual grant awards over \$100,000. These projects will replace 2 off-road tractors, 26 off-road scraper engines, 4 school buses, 2 marine engines, and reduce over 13.5 tons of NO<sub>x</sub>, ROG and PM per year. Staff recommends the allocation of \$3,208,760 for these projects from a combination of CMP funds and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2, lists all of the eligible Year 19 projects that have been received by the Air District as of January 4, 2018, and summarizes the allocation of funding by equipment category, and county. Approximately 86% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 3 summarizes the cumulative allocation of CMP and MSIF funding since 2009 (more than \$146 million awarded to 827 projects).

## **Transportation Fund for Clean Air Program:**

The Air District started accepting project applications for the TFCA on July 1, 2017. The Air District had approximately \$29.24 million for eligible projects. As of January 4, 2018, the Air District has received 62 project applications for TFCA funding. Of the applications that were evaluated between November 17, 2017 and January 4, 2018, there were no eligible projects that proposed an individual grant award over \$100,000.

Attachment 4 lists the 43 eligible TFCA projects that were evaluated between July 1, 2017 and January 4, 2018. In total, these projects represent more than \$7.51 million in funds awarded, and will annually reduce approximately 31.28 tons of NO<sub>x</sub>, ROG, and PM and 19,237 tons of tailpipe greenhouse gas emissions. Approximately 26% of the TFCA funding awarded to date will directly reduce emissions in highly impacted Bay Area communities.

Attachment 5 summarizes the allocation of TFCA funding for the 43 eligible projects that have been evaluated since July 1, 2017 by project category (Figure 1), and county (Figure 2).

### BUDGET CONSIDERATION / FINANCIAL IMPACT

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

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Anthony Fournier  
Reviewed by: Karen Schkolnick

- Attachment 1: Projects with grant awards greater than \$100,000
- Attachment 2: Summary of all Year 19 CMP and MSIF approved and eligible projects
- Attachment 3: Summary of program distribution by county and equipment category for CMP and MSIF funding since 2009.
- Attachment 4: Summary of all TFCA approved and eligible projects (evaluated 7/1/17-1/4/18)
- Attachment 5: Summary of distribution of TFCA funds by county and project category (evaluated 7/1/17-1/4/18)

## AGENDA 4 - ATTACHMENT 1

**Table 1 - Summary of Carl Moyer Program/ Mobile Source Incentive Fund projects with grant awards greater than \$100k (Evaluated between 11/17/17 and 1/4/18)**

Project #	Applicant name	Equipment category	Project description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
19MOY47	William Y. Gil dba Grass Farm	Ag/ off-road	Replacement of one diesel tractor	\$ 247,240.00	\$ 309,051.00	1.535	0.074	0.042	Santa Clara
19MOY7	Warrior Poet Sportfishing	Marine	Replacement of two diesel marine engines	\$ 140,000.00	\$ 176,307.00	0.679	0.011	0.026	San Francisco
19MOY72	Independent Construction, Co.	Off-road	Replacement of 26 diesel engines in 13 dual-engine scrapers	\$ 2,084,200.00	\$ 8,125,000.00	9.410	0.499	0.269	Contra Costa
19SBP53	Fairfield-Suisun Unified School District	School bus	Replacement of four diesel school buses	\$ 558,120.00	\$ 558,120.00	0.259	0.019	0.000	Solano
19MOY59	Kabeela, Inc.	Ag/ off-road	Replacement of one diesel tractor	\$ 179,200.00	\$ 224,000.00	0.625	0.060	0.033	Santa Clara
<b>5 Projects</b>				<b>\$ 3,208,760.00</b>		<b>12.508</b>	<b>0.664</b>	<b>0.370</b>	

## AGENDA 4 - ATTACHMENT 2

*Summary of all Yr 19 CMP and MSIF approved/ eligible projects (between 10/12/17 and 1/4/18)*

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19MOY13	Ag/ off-road	Equipment replacement	1	\$ 51,224.00	Michael Viratos (Viratos Vineyards)	0.102	0.016	0.011	APCO	Solano
19MOY21	On-road	Equipment replacement	1	\$ 40,000.00	Allied Materials, Inc	0.751	0.109	0.008	APCO	Solano
19MOY16	Ag/ off-road	Equipment replacement	1	\$ 144,055.00	Achadinha Cheese, Inc.	1.189	0.114	0.062	12/20/2017	Sonoma
19MOY38	Locomotive	Equipment replacement	1	\$ 1,080,500.00	Oakland Global Rail Enterprise	1.801	0.108	0.042	12/20/2017	Alameda
19MOY20	Ag/ off-road	Equipment replacement	1	\$ 43,800.00	Bains Farms LLC	0.353	0.054	0.031	APCO	Solano
19MOY25	Ag/ off-road	Equipment replacement	1	\$ 45,200.00	Donald Buhman (Farmer)	0.091	0.015	0.010	APCO	Napa
19MOY24	Off-road	Equipment replacement	1	\$ 66,775.00	Dolan's Lumber of Concord	0.403	0.058	0.033	APCO	Contra Costa
19MOY14	On-road	Equipment replacement	1	\$ 60,000.00	Simon Chuong dba Simon Trucking	1.126	0.170	0.008	APCO	Santa Clara
19MOY2	Marine	Engine replacement	1	\$ 94,000.00	Lovely Martha Sportfishing	0.291	-0.009	0.018	APCO	San Francisco
19MOY10	Marine	Engine replacement	2	\$ 134,800.00	El Dorado Deep Sea Adventure	1.513	-0.022	0.060	12/20/2017	Contra Costa
19MOY15	Marine	Engine replacement	1	\$ 114,000.00	F/V Rose Marie Inc. (Commercial fishing)	0.254	-0.003	0.014	12/20/2017	San Francisco
19MOY1	Marine	Engine replacement	2	\$ 2,590,000.00	Amnav Maritime Corporation (Vessel: Sandra Hugh)	42.718	1.947	1.456	12/20/2017	Alameda
19SBP49	School bus	School bus replacement	4	\$ 496,459.22	San Jose Unified School District	0.480	0.047	0.000	12/20/2017	Santa Clara
19MOY4	Marine	Engine replacement	2	\$ 2,590,000.00	Amnav Maritime Corporation (Vessel: Revolution)	42.718	1.947	1.456	12/20/2017	Alameda
19MOY11	Ag/ off-road	Equipment replacement	1	\$ 41,110.00	Bob Balestra (Vineyard)	0.138	0.021	0.012	APCO	Solano
19MOY6	On-road	Equipment replacement	1	\$ 50,000.00	J&G Transportaion	1.058	0.159	0.055	APCO	Alameda
19MOY35	On-road	Equipment replacement	1	\$ 40,000.00	Manuel Portela Trucking	0.635	0.073	0.028	APCO	Santa Clara

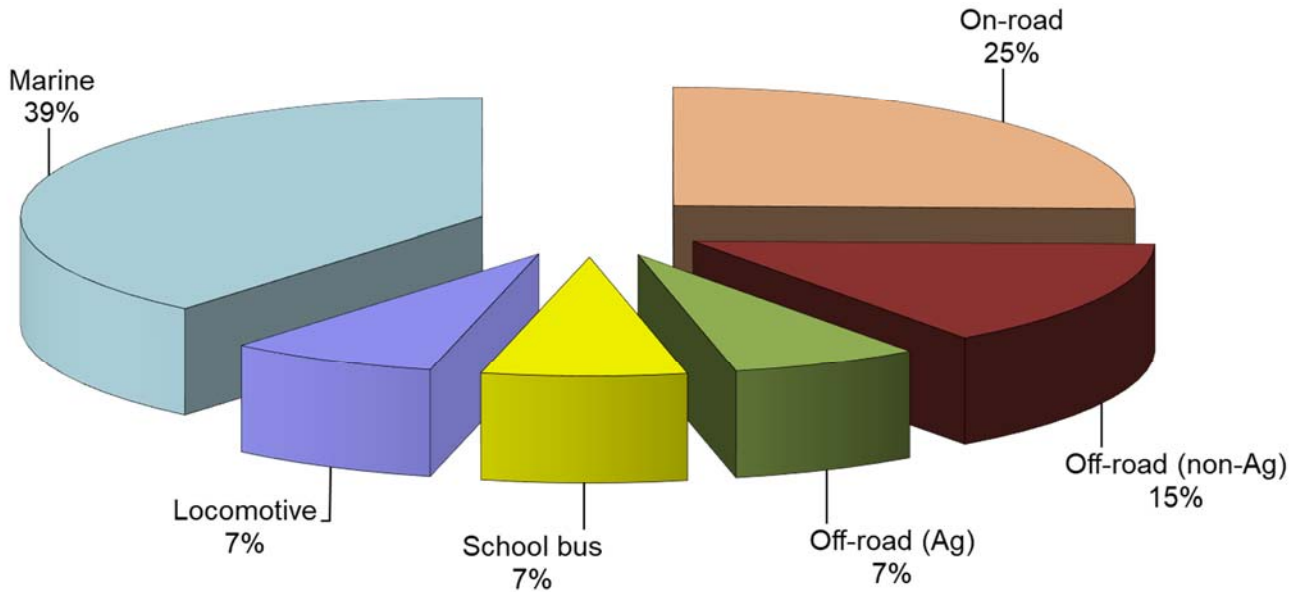


## AGENDA 4 - ATTACHMENT 2

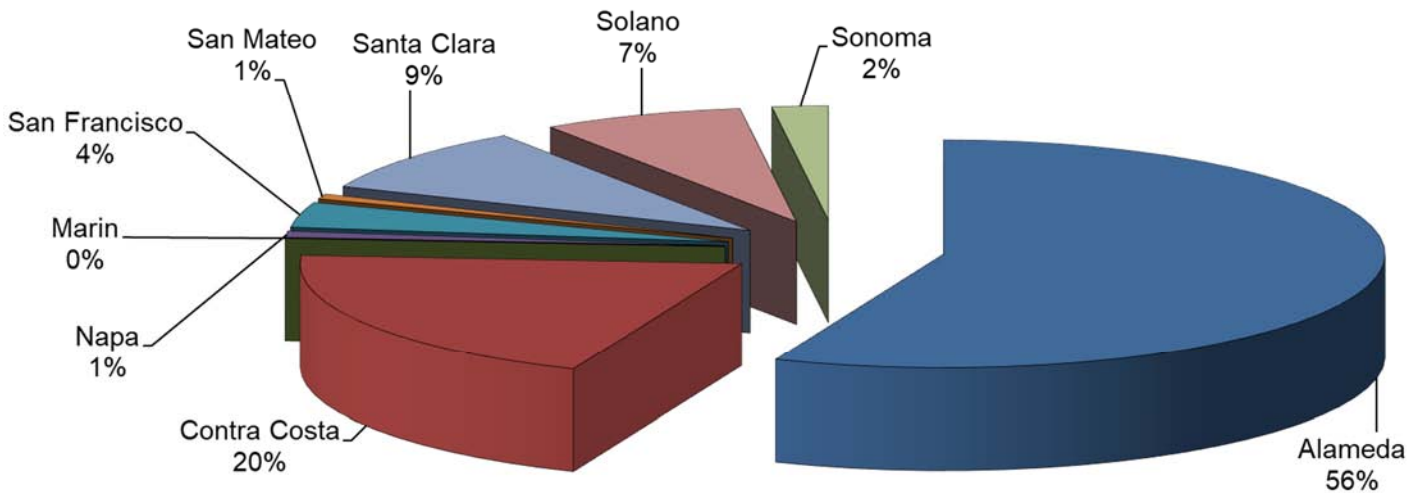
Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19MOY28	Ag/ off-road	Equipment replacement	1	\$ 27,885.00	Scott T Murphy (Ranch/ farmer)	0.037	0.034	0.009	APCO	Sonoma
19MOY44	Ag/ off-road	Equipment replacement	2	\$ 62,800.00	Willowbrook Stables LLC	0.039	0.034	0.011	APCO	Sonoma
19MOY43	On-road	Equipment replacement	1	\$ 60,000.00	Khaira Trucking, LLC	1.297	0.196	0.000	APCO	Alameda
19MOY22	Marine	Engine replacement	1	\$ 59,000.00	Flash Sport Fishing, DBA, Flash Sport Fishing	0.176	0.001	0.009	APCO	San Francisco
19MOY19	On-road	Equipment replacement	1	\$ 60,000.00	G & C Trucking	1.032	0.138	0.045	APCO	Solano
19MOY39	Ag/ off-road	Equipment replacement	1	\$ 20,270.00	Cabrillo Farms Agriculture, Inc	0.096	0.015	0.008	APCO	San Mateo
19MOY67	On-road	Equipment replacement	1	\$ 60,000.00	Pawar Brothers Trucking	1.455	0.220	0.011	APCO	Santa Clara
19MOY36	On-road	Equipment replacement	1	\$ 50,000.00	Guru Nanak Trucking	1.028	0.155	0.008	APCO	Alameda
19MOY70	On-road	Equipment replacement	1	\$ 60,000.00	E.P.A Trucking LLC	0.894	0.119	0.039	APCO	San Mateo
19MOY48	Ag/ off-road	Equipment replacement	1	\$ 56,100.00	Corona Vineyard Management LLC	0.056	0.010	0.007	APCO	Napa
19MOY42	Ag/ off-road	Equipment replacement	1	\$ 51,700.00	Bains Farms LLC	0.335	0.044	0.025	APCO	Solano
19MOY47	Ag/ off-road	Equipment replacement	1	\$ 247,240.00	William Y. Gil dba Grass Farm	1.535	0.074	0.042	TBD	Santa Clara
19MOY7	Marine	Engine replacement	2	\$ 140,000.00	Warrior Poet Sportfishing	0.679	0.011	0.026	TBD	San Francisco
19MOY72	Off-road	Engine replacement	26	\$ 2,084,200.00	Independent Construction, Co.	9.410	0.499	0.269	TBD	Contra Costa
19SBP53	School bus	School bus replacement	4	\$ 558,120.00	Fairfield-Suisun Unified School District	0.259	0.019	0.000	TBD	Solano
19MOY59	Ag/ off-road	Equipment replacement	1	\$ 179,200.00	Kabeela, Inc.	0.625	0.060	0.033	TBD	Santa Clara
<b>33 Projects</b>			<b>69</b>	<b>\$ 11,458,438.22</b>		<b>114.572</b>	<b>6.433</b>	<b>3.847</b>		

## AGENDA 4 - ATTACHMENT 2

**Figure 1:** CMP and MSIF Funding Distribution by Equipment Category as of 1/4/18

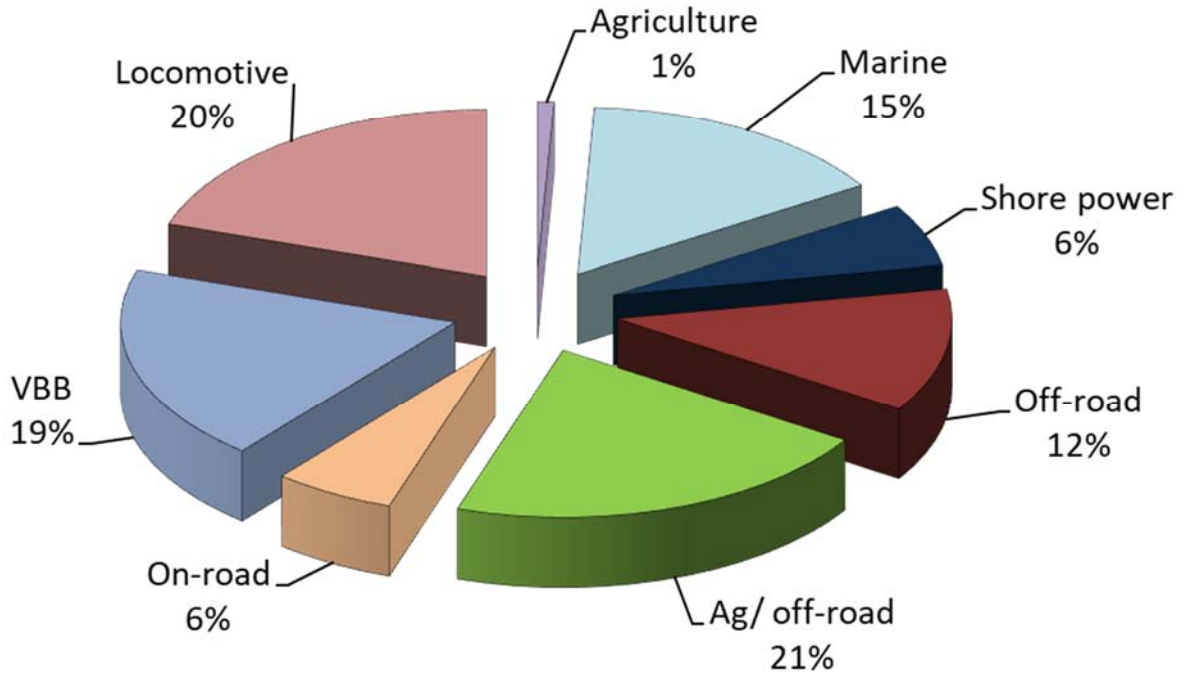


**Figure 2:** CMP and MSIF Funding Distribution by County as of 1/4/18

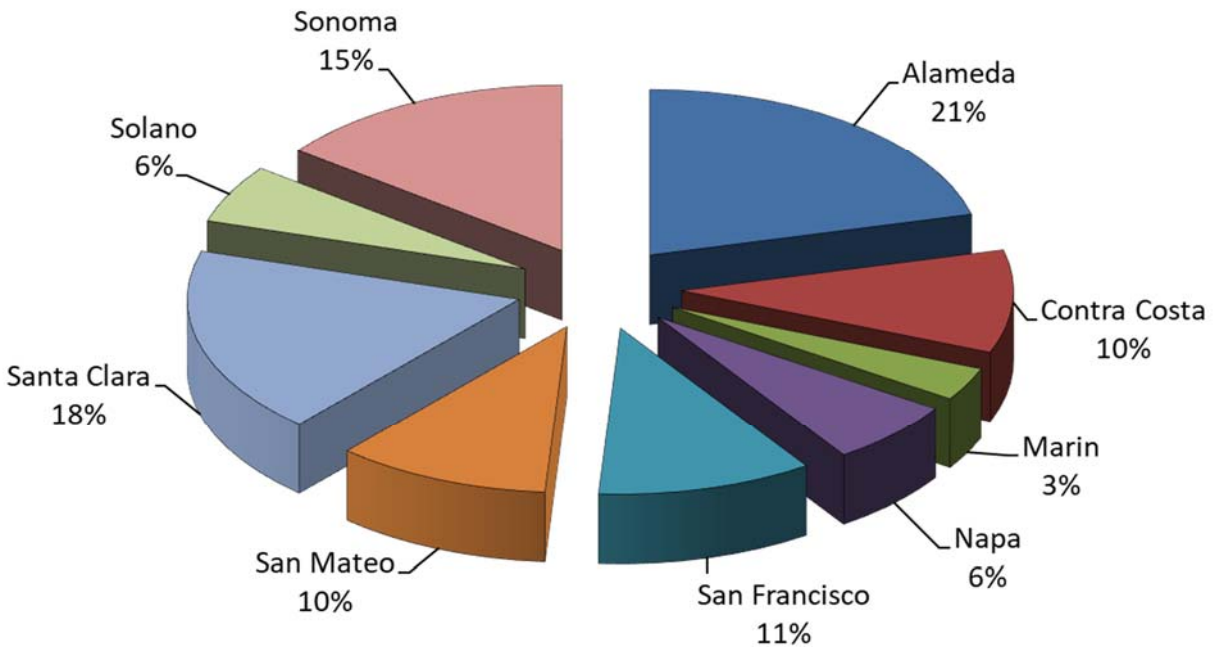


# AGENDA 4 - ATTACHMENT 3

**Figure 3: CMP and MSIF funding since 2009 by equipment category**



**Figure 4: CMP and MSIF funding since 2009 by county**



## AGENDA 4 - ATTACHMENT 4

Summary of all TFCA approved and eligible projects (evaluated between 7/1/17 and 1/4/18)

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO <sub>x</sub>	ROG	PM			
<b>Projects Pending Board Approval</b>										
<b>None</b>										
<b>Projects Approved</b>										
17EV005	Electric Vehicle (EV) Charging Stations	Install 5 single-port Level 2 (high) charging stations in Daly City, San Carlos, Menlo Park and Mountain View	\$15,000	Concept Hotels	0.009	0.011	0.000	7/11/17	No	Regional
17EV009	EV Charging Stations	Install 4 dual-port Level 2 (low) charging stations in Menlo Park and Cupertino	\$10,000	J Cyril Johnson Investment Corp	0.005	0.007	0.000	7/27/17	No	Santa Clara
17EV010	EV Charging Stations	Install 4 dual-port Level 2 (low) charging stations in Burlingame	\$10,000	City of Burlingame	0.005	0.007	0.000	9/21/17	No	San Mateo
17EV011	EV Charging Stations	Install 5 dual-port Level 2 (high) charging stations in San Francisco	\$10,936	San Francisco Zoological Society	0.006	0.008	0.000	8/3/17	No	San Francisco
17EV013	EV Charging Stations	Install 4 dual-port Level 2 (high) charging stations in San Jose	\$16,000	San Jose Healthcare System, LP	0.009	0.011	0.000	7/20/17	Yes	Santa Clara
17EV015	EV Charging Stations	Install 14 dual-port Level 2 (high) charging stations in Santa Rosa and Petaluma	\$56,000	Sonoma County Junior College District	0.030	0.040	0.001	7/6/17	No	Sonoma
17EV016	EV Charging Stations	Install 6 dual-port Level 2 (low) charging stations in Hayward	\$15,000	California State University, East Bay Foundation Inc.	0.008	0.011	0.000	7/18/17	No	Alameda
17EV018*	EV Charging Stations	Install 182 single-port Level 2 (high) and 8 DC Fast charging stations in Los Altos, Mountain View, and Los Altos Hills	\$1,400,763	Los Altos School District	0.390	0.508	0.008	10/4/17	No	Santa Clara
17EV019	EV Charging Stations	Install 3 dual-port Level 2 (high) chargers in San Jose	\$12,000	Asian Americans for Community Involvement of Santa Clara County, Inc.	0.007	0.009	0.000	8/28/17	Yes	Santa Clara
17EV020	EV Charging Stations	Install 6 single-port Level 2 (high) charging stations in Los Altos Hills	\$18,000	Fremont Hills Country Club	0.010	0.013	0.000	7/20/17	No	Santa Clara
17EV021	EV Charging Stations	Install 52 single-port Level 2 (high) charging stations in San Jose	\$156,000	North First SJ, LP	0.084	0.110	0.002	10/4/17	No	Santa Clara
17EV022	EV Charging Stations	Install 26 single-port Level 2 (high) and 1 DC Fast charging stations in Los Altos	\$96,000	Mountain View Los Altos High School District	0.056	0.073	0.001	10/4/17	No	Santa Clara
17EV023	EV Charging Stations	Install 3 single-port Level 2 (high) charging stations with solar in Richmond	\$18,000	San Francisco Estuary Institute	0.005	0.006	0.000	8/15/17	Yes	Contra Costa
17EV024	EV Charging Stations	Install 20 single-port Level 2 (high) charging stations with solar in Cotati	\$120,000	Old Redwood Commons Association	0.033	0.042	0.001	10/4/17	No	Sonoma
17EV025	EV Charging Stations	Install 3 dual-port Level 2 (high) charging stations in San Mateo	\$12,000	BCSP Crossroads Property LLC	0.007	0.009	0.000	8/17/17	No	San Mateo
17EV027	EV Charging Stations	Install 8 dual-port Level 2 (high) charging station in San Jose	\$32,000	Santa Clara Valley Transportation Authority	0.023	0.017	0.000	10/11/17	Yes	Santa Clara
17EV029	EV Charging Stations	Install 4 single-port Level 2 (high) charging stations in Albany	\$12,000	City of Albany	0.007	0.009	0.000	11/13/17	Yes	Contra Costa
17EV031	EV Charging Stations	Install 32 Level 2 (high) single port charging stations in Sunnyvale and Cupertino	\$96,000	Fremont Union High School District	0.052	0.068	0.001	11/14/17	No	Santa Clara
17R18	Bicycle Facilities	Install 0.31 miles of Class II and 10.48 miles Class III bikeways in Daly City	\$133,117	City of Daly City	0.071	0.093	0.138	10/4/17	No	San Mateo
17R19	Bicycle Facilities	Install 0.36 miles of Class IV bikeways in Half Moon Bay	\$25,099	City of Half Moon Bay	0.003	0.004	0.006	9/13/17	No	San Mateo
17R20	Bicycle Facilities	Install 1.87 miles of Class II bikeways in Santa Rosa	\$201,907	City of Santa Rosa	0.027	0.039	0.050	10/4/17	No	Sonoma
17R21	Bicycle Facilities	Install 1.7 miles of Class II and 7.95 miles of Class III bikeways in San Leandro	\$139,128	City of San Leandro	0.030	0.040	0.059	10/4/17	Yes	Alameda
17R22	Bicycle Facilities	Install 3.05 miles of Class III bikeways in Redwood City	\$29,206	City of Redwood City	0.004	0.005	0.007	9/13/17	No	San Mateo
17R23	Bicycle Facilities	Install 0.8 miles of Class I bikeway in Albany	\$246,552	East Bay Regional Park District	0.030	0.040	0.059	10/4/17	Yes	Alameda
17R24	Bicycle Facilities	Install 7.76 miles of Class III and .7 miles of Class IV bikeways in Cupertino	\$138,359	City of Cupertino	0.017	0.024	0.031	10/4/17	No	Santa Clara
17R26	Bicycle Facilities	Install 0.28 miles of Class I bikeway in San Carlos	\$120,721	City of San Carlos	0.011	0.014	0.021	10/4/17	No	San Mateo
17R27	Bicycle Facilities	Install 20 electronic bicycle lockers in Richmond	\$40,000	City of Richmond	0.005	0.007	0.009	9/13/17	Yes	Contra Costa
17R28	Bicycle Facilities	Install 104 electronic bicycle lockers in San Jose	\$208,000	City of San Jose	0.026	0.037	0.048	10/4/17	Yes	Santa Clara
17R29	Bicycle Facilities	Install 40 electronic bicycle lockers in San Francisco	\$100,000	San Francisco Municipal Transportation Agency	0.014	0.019	0.028	9/13/17	Yes	San Francisco
17R30	Bicycle Facilities	Install 16 electronic bicycle lockers in Oakland	\$36,000	City of Oakland	0.005	0.007	0.009	9/13/17	Yes	Alameda
17R31	Bicycle Facilities	Install 74 bicycle racks and 8 electronic bicycle lockers in Fremont	\$21,550	City of Fremont	0.007	0.010	0.011	9/13/17	No	Alameda
17R32	Bicycle Facilities	Install 171 bicycle racks in Palo Alto	\$12,825	Palo Alto Unified School District	0.012	0.016	0.016	9/13/17	No	Santa Clara
18EV001	EV Charging Stations	Install 244 Level 2 (high) charging stations in San Jose, Campbell, and Saratoga	\$732,000	Campbell Union High School District	0.396	0.516	0.008	12/20/17	No	Santa Clara
18EV005	EV Charging Stations	Install and operate 2 dual-port Level 2 (high) and 1 single-port Level 2 (high) charging stations in Napa	\$11,000	Napa County Superintendent of Schools	0.006	0.008	0.000	1/3/18	No	Napa

## AGENDA 4 - ATTACHMENT 4

*Summary of all TFCA approved and eligible projects (evaluated between 7/1/17 and 1/4/18)*

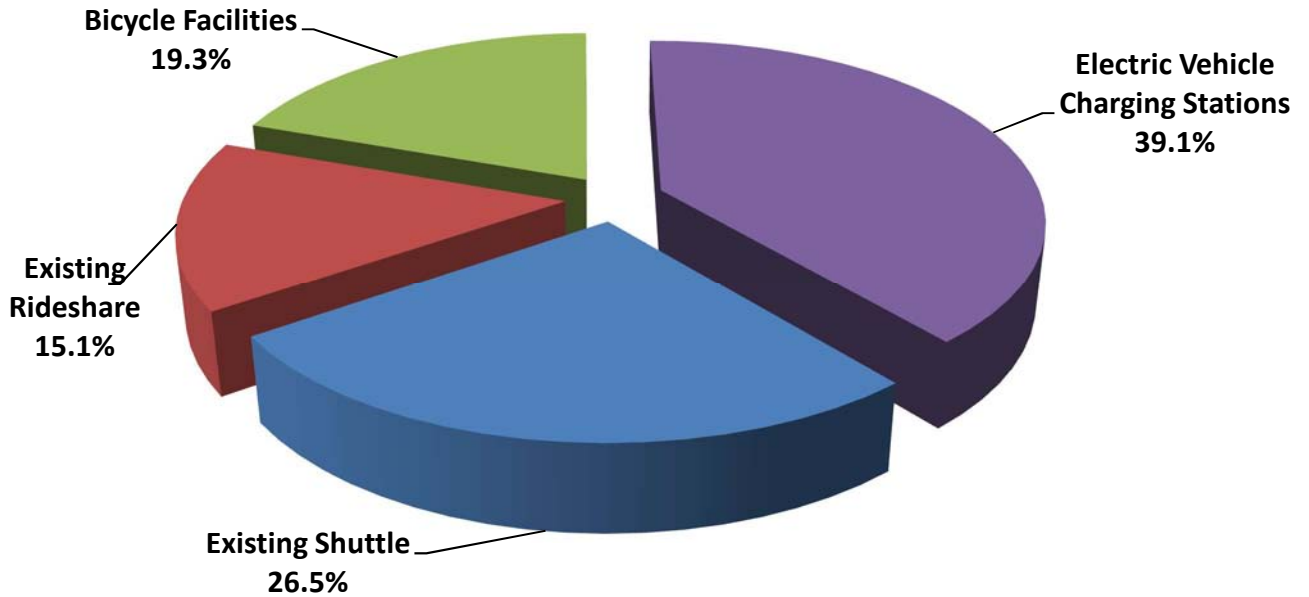
Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO <sub>x</sub>	ROG	PM			
18EV011	EV Charging Stations	Install and operate 24 single-port level 2 (high) charging stations in San Jose	\$72,000	Vocera Communications, Inc.	0.039	0.051	0.001	11/22/17	Yes	Santa Clara
18EV012	EV Charging Stations	Install and operate 4 dual-port Level 2 (high) charging stations in San Jose	\$16,000	Pan Cal Corporation	0.009	0.011	0.000	1/3/18	No	Santa Clara
18R05	Existing Rideshare	SJSU Ridesharing & Trip Reduction	\$140,000	Associated Students, San Jose State University	0.808	0.920	1.282	11/1/17	Yes	Regional
18R06	Existing Shuttle	ACE Shuttle 53 and 54	\$80,000	San Joaquin Regional Rail Commission	0.331	0.390	0.629	10/3/17	Yes	Alameda
18R07	Existing Shuttle	ACE Shuttle Bus Program	\$960,000	Santa Clara Valley Transportation Authority	2.455	2.508	4.222	11/1/17	Yes	Santa Clara
18R09	Existing Shuttle	PresidiGo Downtown Shuttle	\$100,000	Presidio Trust	0.213	0.267	0.364	10/3/17	Yes	San Francisco
18R10	Existing Shuttle	Caltrain Shuttle Program	\$612,100	Peninsula Corridor Joint Powers Board	1.539	1.832	2.641	11/1/17	No	San Mateo / Santa Clara
18R11	Existing Rideshare	511 Regional Vanpool & Carpool Program	\$991,000	Metropolitan Transportation Commission	0.802	1.783	3.507	11/1/17	Yes	Regional
18R12	Existing Shuttle	Emery Go-Round Shuttle	\$238,819	City of Emeryville	0.233	0.270	0.415	11/1/17	Yes	Alameda
<b>43 Projects</b>			<b>\$7,511,082</b>		<b>7.835</b>	<b>9.866</b>	<b>13.575</b>			

\*The proposed award for Project #17EV018 includes \$99,900 of funds from the California Energy Commission (CEC), pending CEC's approval. The TFCA award for this project is \$1,300,863.

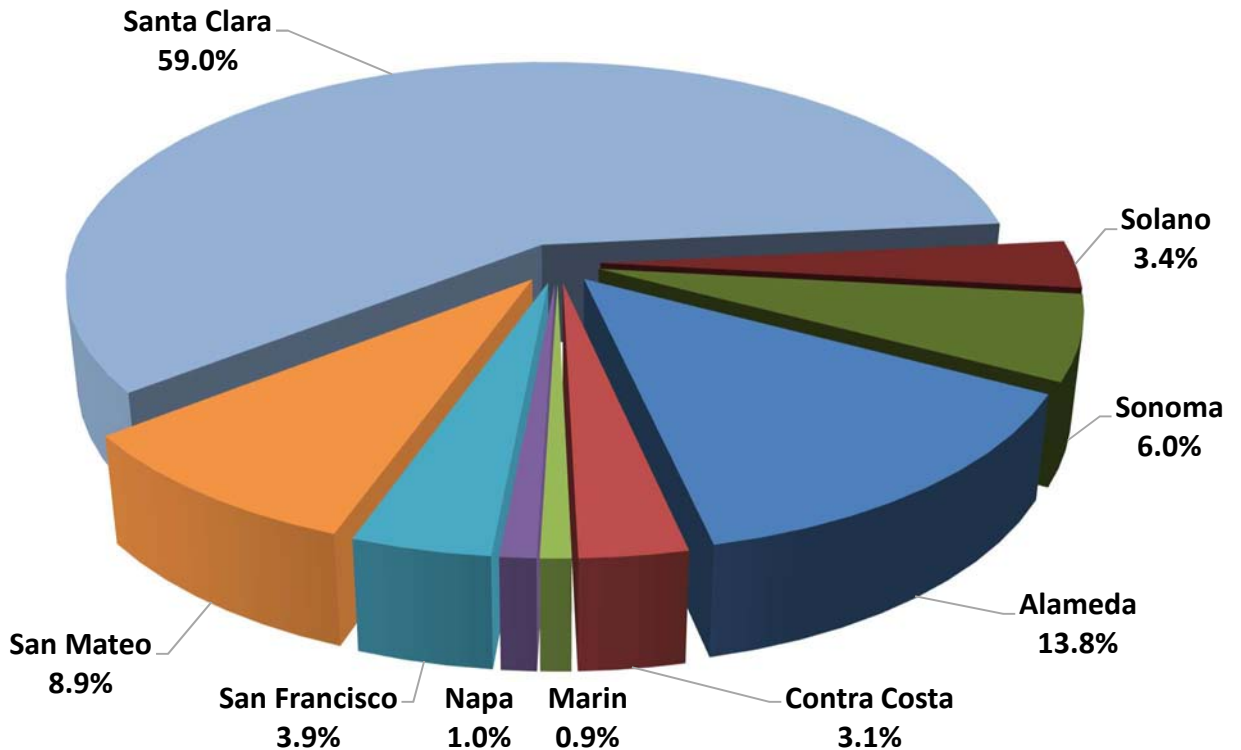
## AGENDA 4 - ATTACHMENT 5

Summary of TFCA funds distributed by county and project category  
(between 7/1/17 and 1/4/18)

**Figure 1: TFCA Projects Awarded**  
Distributed by Project Category



**Figure 2: TFCA Projects Awarded**  
Distributed by County



**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: January 11, 2018

Re: Participation in Year 20 of the Carl Moyer Program and Approval of the 2018 Caltrain  
Funding Plan

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**RECOMMENDATIONS**

Recommend Board of Directors:

1. Adopt a resolution authorizing the Executive Officer/APCO to execute all necessary agreements with the California Air Resources Board (ARB) relating to the Air District's receipt of Carl Moyer Program (CMP) funds for fiscal year 2017-2018 (Program Year 20);
2. Allocate \$3 million in Mobile Source Incentive Funding to provide the required match funding and additional monies for projects eligible for funding under the CMP guidelines;
3. Authorize the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with Carl Moyer Program and Mobile Source Incentive Funds, with individual grant award amounts up to \$500,000; and
4. Approve the proposed 2018 funding plan for the Caltrain Electrification project.

**BACKGROUND**

The Bay Area Air Quality Management District (Air District) has participated in the CMP since the program began in Fiscal Year Ending (FYE) 1999. Through the CMP the Air District 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 trucks and buses, mobile off-road equipment, marine vessels, locomotives, stationary agricultural pump engines, and forklifts.

Assembly Bill 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 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible under the CMP.

## DISCUSSION

In January 2018, the Air District submitted an application to ARB requesting \$11,000,000 in funding for the implementation of the CMP Year 20 CMP funding cycle (FYE 2018). Up to 6.25% of the total funds awarded to the Air District will be used to pay for administrative expenses related to the implementation of the CMP. As part of the application, the Air District has proposed a commitment of up to \$1,650,000 in matching funds for Year 20. Staff is therefore requesting the Board meet this required match, and expand the program for additional eligible emissions reductions projects by allocating \$3 million in MSIF funds to the CMP Year 20 funding cycle.

Staff plans to begin accepting CMP Year 20 applications in mid-2018 and to evaluate applications on a first-come, first-served basis until all funds have been allocated. Staff is requesting a continuation of the Board's direction to grant the Executive Officer/APCO authorization to execute contracts and amendments for projects with individual grant awards up to \$100,000. Awards for projects seeking grant award amounts over \$100,000 will continue to be brought to the Mobile Source Committee quarterly.

The Air District will use the 2017 ARB CMP Guidelines, and subsequent updates for the Year 20 CMP cycle. Year 20 funding will be obligated to eligible projects by June 30, 2019, and be expended by June 30, 2020. In accordance with AB 1390, 50% of all CMP funding allocated by the Air District must be awarded to projects in impacted communities. The process that will be used for identifying and prioritizing CMP Year 20 projects with the most significant exposure will be similar to the process used for the previous CMP funding cycles with priority being given to projects that reduce emissions in communities based on data from the Air District's Community Air Risk Evaluation (CARE) program.

### ***Caltrain Electrification Project***

On July 29, 2015, the Air District allocated \$20 million in MSIF funds to the Peninsula Corridor Joint Powers Board for the Caltrain Electrification Project and authorized the Executive Officer/APCO to enter into the necessary agreements for the project. As part of approval of this project, the Board requested a five-year funding plan (between 2016 and 2020) be prepared and brought to the Board annually for approval. On January 7, 2016, the Air District entered into agreement with the Peninsula Corridor Joint Powers Board for the Caltrain Electrification project. On March 16, 2016 the Air District's Board of Directors approved the initial \$13 million funding plan for the project. The 2017 funding plan added \$3 million in MSIF revenues for this project. Staff is proposing a 2018 funding plan that includes \$3 million in new 2018 MSIF revenues for this project. Staff will return in future years with updates to the funding plan until the entire \$20 million allocation has been authorized.

## BUDGET CONSIDERATION / FINANCIAL IMPACT

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



Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Anthony Fournier  
Reviewed by: Karen Schkolnick and Damian Breen

Attachment 1: Resolution to accept Carl Moyer Program Year 20 funds from ARB

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**RESOLUTION No. 2018 -**

**A Resolution Accepting Carl Moyer Program Funds  
From the California Air Resources Board**

WHEREAS, California Health and Safety Code Division 26, Part 5, Chapter 9, empowers the California Air Resources Board (ARB) to allocate Carl Moyer Program funds to local air quality districts to provide financial incentives to both the public and private sector to implement eligible projects to reduce emissions from on-road, marine, locomotive, agriculture, and off-road engines;

WHEREAS, California Health and Safety Code section 44287, authorizes ARB to provide an air district with funds if that district provides matching funds in an amount established by ARB;

WHEREAS, the Bay Area Air Quality Management District (District) submitted an application to ARB requesting \$11,000,000 in Carl Moyer Program funds to implement the Carl Moyer Program within the District for the fiscal year ending (FYE) 2018 (Year 20) cycle;

WHEREAS, the District proposed to commit up to \$1,650,000 in matching funds as part of the Year 20 Carl Moyer Program cycle, in accordance with the requirements of California Health and Safety Code section 44287;

WHEREAS, ARB will authorize a grant to the District to implement the Carl Moyer Program Year 20, upon approval by the Board of Directors to accept such grant of funds;

WHEREAS, ARB will award a grant in the amount of as much as \$11,000,000, with the District-required match of up to \$1,650,000.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors hereby approves the District's continued participation in the Carl Moyer Program and acceptance of the FYE 2018, Carl Moyer Program funds, to be awarded to eligible District projects in accordance with the ARB Carl Moyer Program guidelines.

BE IT FURTHER RESOLVED, the District will provide the required matching funds for District projects by allocating local motor vehicle surcharge revenues to eligible emission reduction projects that qualify for Carl Moyer Program matching purposes.

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

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the

Motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by the following vote of the Board:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Dave Hudson  
Chairperson of the Board of Directors

ATTEST:

\_\_\_\_\_  
Rod Sinks  
Secretary of the Board of Directors

**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: January 11, 2018

Re: Overview of Air District Trip Reduction Programs

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**RECOMMENDED ACTION**

None; receive and file.

**BACKGROUND**

In support of the Air District's mission to improve air quality, and protect public health and the climate, for over 25 years, the Air District has offered grants to support projects that reduce single-occupancy on-road motor vehicle trips through its Transportation Fund for Clean Air (TFCA) Program. Funding has been used to support projects that encourage the use of public transit by providing commuters with first- and last-mile connections between mass transit and employment centers, projects that encourage the use of carpool and vanpool services, and projects that encourage the use of active transportation (bicycling and walking) by the construction of bikeways and the installation of secure bicycle parking.

Since 2008, the TFCA has awarded over \$60 million to support trip reduction efforts in the region and these projects have played an important role in reducing emissions from the region's transportation sector as well as other benefits such as the relief of congestion. However, as the region's light-duty vehicle fleet has become cleaner more quickly than the medium- and heavy-duty vehicles used in shuttle service, the air quality benefits of these projects, especially for shuttle service projects, have declined over time.

Authorized by California State Legislature in 1991, TFCA is funded by a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242. Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund. Each year, the Air District's Board of Directors (Board) allocates funding to various eligible project/program categories, such as clean air vehicle and trip reduction projects, and adopts policies and evaluation criteria that govern the expenditure of TFCA funding.

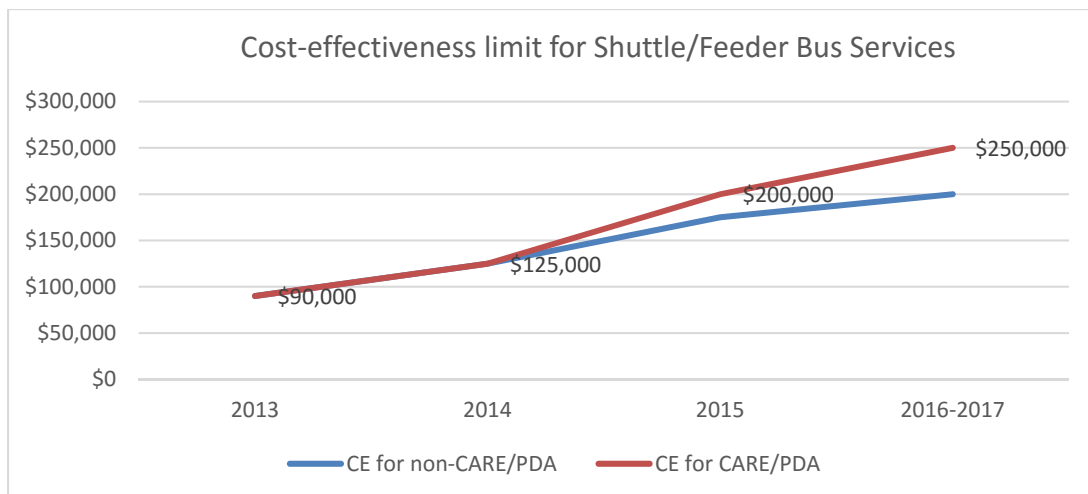
## DISCUSSION

### **Cost-Effectiveness of Trip Reduction Projects**

The Air District uses the California Air Resources Board's (CARB) EMFAC model to estimate emissions reductions from on-road motor vehicles including cars, trucks, and buses. CARB updates the EMFAC model about every three years to reflect the updates in regulations, emissions standards, the change in vehicle activity, and the advancement and adoption of vehicle technologies. Overall, the baseline emission rates for the region's cars and trucks derived from the EMFAC model has been decreasing over time, which reflects the trend that the on-road motor vehicle fleet has become increasingly cleaner.

As the region's light-duty passenger fleet has become cleaner, the marginal cost to reduce one extra ton of emissions has increased. Consequently, it has become increasingly challenging to fund certain trip reduction projects. The Air District has worked with stakeholders to explore the options, such as using cleaner heavy-duty vehicles to provide shuttle service, to improve the effectiveness of trip reduction projects and thus to continue the funding of qualifying projects. In addition, the Air District has expanded the options to fund more innovative and efficient trip reduction projects in the Bay Area.

The Air District's Board has also authorized increases in the limit of cost-effectiveness (C/E) for trip reduction projects in order to allow projects to qualify for funding at historical levels. C/E is calculated as the maximum TFCA funding that can be spent to reduce one ton of emissions of reactive organic gases (ROG), nitrogen oxides (NOx), and PM10 (particulate matter 10 microns in diameter and smaller) over a project's operational period. Consistent with the Carl Moyer Program guidelines, the exhaust PM10 is currently weighted by a factor of 20 to reflect its greater impact on health. The chart below shows the increase of cost-effectiveness limit for shuttle projects over the past 5 years.



In Fiscal Year Ending (FYE) 2013, shuttle projects were required to meet a cost-effectiveness limit of \$90,000 per ton of emissions reduced and in the current FYE 2018 cycle this limit has been increased to \$200,000 for existing projects and \$250,000 for existing projects in impacted communities identified by the Air District's Community Air Risk Evaluation (CARE) Program and in Priority Development Areas (PDA), which are places identified by Bay Area communities as areas for investment, new homes and job growth.

On December 22, 2017, CARB released the latest version of the model, EMFAC2017, which is pending the United States Environmental Protection Agency's (USEPA) approval for use in State Implementation Plan and transportation conformity analyses. Following USEPA's approval, CARB will be updating emissions rates used to evaluate the cost-effectiveness of Carl Moyer projects. CARB will also be updating the EMFAC web database, which provides access to emission rates that are used to evaluate the emissions reductions from trip reduction projects. Staff will be following up once the update is approved to determine to impact to the cost-effectiveness for Air District sponsored trip reduction projects.

### **Options and Opportunities**

Even with the increase of C/E limit over time, some shuttle projects that were previously funded have become unable to meet the established C/E limit, and thus either qualify only for a reduced amount of funding or become altogether ineligible for funding from the TFCA program. As the region's fleet becomes cleaner over time, staff anticipates more of the existing projects will fall into one of these categories. Therefore, in addition to recommending increases in the cost-effectiveness limit to continue to be able to provide funding to existing shuttle and ridesharing projects, staff has worked with local transit agencies and other stakeholders to explore innovative options to more cost-effectively reduce single-occupancy vehicle trips in the Bay Area.

For projects that cannot meet the C/E limit, the Air District has recently provided bridge funding through the Spare the Air Program for a limited time period, during which project sponsors can secure alternative funding sources. For example, in July 2016, the Air District Board of Directors authorized \$235,000 in Spare the Air funding to the City of Oakland to help offset the cost of AC Transit's operation of the Broadway B Shuttle Service. This funding allowed the shuttle operator to seek a new source of revenue to pay for the existing service. This project also provided the Air District with valuable advertising for its Spare the Air program in return for the bridge funding. Under the Spare the Air Program, cost-effectiveness is measured for the program as a whole, allowing more flexibility for projects to qualify for funding.

The Air District has also been exploring opportunities provided by new technologies, such as the shared autonomous vehicles (SAVs), to encourage the use of mass transit with better first- and last-mile connection service at a lower overall cost. For example, the Air District awarded \$2 million to fund a pilot project, which will test and deploy zero-emissions electric SAVs in Contra Costa and Alameda Counties to connect people from their origins and/or destinations to mass transit hubs. If successful, this first- and last-mile solution can be expanded to the whole Bay Area and other regions.

In order to support the region's transit agencies in exploring new cost-effective solutions to connect mass transit riders to their origins and/or final destinations, the Air District recently opened a new grant program to support the development of pilot trip reduction projects in CARE impacted communities and PDA areas. The goal of this program is to help agencies test the deployment of innovative last- and first-mile connection solutions in the Bay Area to encourage the reduction of trips, and thus emissions, through the use of mass transit. These pilot projects are supposed to be expandable and replicable in other areas of the region at low or no cost to public agencies.

At the Mobile Source Committee meeting, staff will be providing additional background information program options and will be soliciting Director's input in preparation for the development of next year's cycle of policies for trip reduction projects.

#### BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

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