



**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  
SEPTEMBER 27, 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 JUNE 28, 2012**

**4. UPDATE ON PLUG-IN ELECTRIC VEHICLE (PEV) PROGRAMS**

**J. Roggenkamp/4646  
[jroggenkamp@baaqmd.gov](mailto:jroggenkamp@baaqmd.gov)**

*The Committee will receive an informational update on ongoing plug-in electric vehicle (PEV) programs including the regional PEV readiness planning for the Bay Area and Monterey regions and Air District public and residential infrastructure deployment programs.*

**5. TRANSPORTATION FUND FOR CLEAN AIR (TFCA) REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FISCAL YEAR ENDING (FYE) 2013 AND PROPOSED ALLOCATIONS FOR SHUTTLE AND RIDESHARING, AND ELECTRONIC BICYCLE LOCKER PROJECTS**

**J. Roggenkamp/4646  
[jroggenkamp@baaqmd.gov](mailto:jroggenkamp@baaqmd.gov)**

*The Committee will consider recommending Board of Directors approval of FYE 2013 TFCA policies and evaluation criteria and proposed funding allocations for shuttle and ridesharing, and electronic bicycle locker projects.*

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

*Thursday, October 25, 2012, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 9:30 a.m.*

7. **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) 771-4963**

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

**SEPTEMBER 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	19	9:45 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets the 4th Wednesday of each Month) - CANCELLED</i>	Wednesday	26	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 of each Month)</i>	Thursday	27	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

**OCTOBER 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) - CANCELLED</i>	Wednesday	3	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday of each Month)</i>	Wednesday	10	9:00 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets 3<sup>rd</sup> Monday of each Month)</i>	Monday	15	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>	Wednesday	17	9:45 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> <i>(At the Call of the Chair)</i>	Thursday	18	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 of each Month)</i>	Wednesday	24	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 of each Month)</i>	Thursday	25	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

## NOVEMBER 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	7	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday of each Month)</i>	Wednesday	14	9:00 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets 3<sup>rd</sup> Monday of each Month)</i>	Monday	19	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets the 3<sup>rd</sup> Monday of Every Other Month)</i>	Monday	19	10:30 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>	Wednesday	21	9:45 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday of each Month)</i> - CANCELLED	Thursday	22	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 of each Month)</i>	Wednesday	28	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
MM – 9/17/12 (2:43 p.m.)				P/Library/Forms/Calendar/Calendar/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: September 12, 2012

Re: Mobile Source Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Mobile Source Committee meeting of June 28, 2012.

DISCUSSION

Attached for your review and approval are the draft minutes of the June 28, 2012 Mobile Source Committee meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Sean Gallagher  
Reviewed by: Ana Sandoval

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, June 28, 2012

**1. Call to Order – Roll Call**

Chairperson Scott Haggerty called the meeting to order at 9:40 a.m.

Present: Chairperson Scott Haggerty; Vice Chairperson Nate Miley; and Directors John Avalos, Carole Groom and Mary Piepho.

Absent: Directors Tom Bates, Carol Klatt, Edwin M. Lee and Brad Wagenknecht.

Also Present: None.

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

**3. Approval of Minutes of May 24, 2012**

Committee Action: Director Groom made a motion to approve the Minutes of May 24, 2012; Director Piepho seconded; carried unanimously without objection.

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

Damian Breen, Director of Strategic Incentives, introduced Judy Williams, Administrative Analyst of Strategic Incentives, who gave the staff presentation Carl Moyer Program (CMP) 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 CMP Year 13.

Committee Comments:

Director Piepho asked, regarding slide 5, Total Year 13 CMP/MSIF for VIP Funds Awarded as of 6/13/12, for data reflecting the same allocations in regards to requests received. Mr. Breen responded that the requests received match the funds awarded for this year.

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 CMP 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 CMP projects.

## **5. Lawn Mower Replacement Contractor Selection**

Mr. Breen introduced Joseph Steinberger, Principal Environmental Planner of Strategic Incentives, who gave the staff presentation Lawn Mower Replacement Contractor Selection, including background, the Air Quality Improvement Program (AQIP) Grant, request for proposals (RFP) process, evaluation criteria and results, and recommendations.

Mr. Steinberger added, regarding slide 7, RFP Results, that RW Direct-WORX operated a similar program with the South Coast Air Quality Management District (SCAQMD), as well as lawn mower exchange programs in nine other states and are currently entered into a contract with Yolo-Solano County for the same. Mr. Steinberger said there will be four models available, priced in a range from approximately \$300 to \$500, and there are service centers throughout the Bay Area.

### Committee Comments:

Chairperson Haggerty suggested this is not how lawn mower exchanges worked in the past and asked if the purchase of a specific mower is required under this program. Mr. Breen responded that it will be similar to the past with hosted events at service centers or dealership centers with public notice by the Air District. Chairperson Haggerty asked if a participant can take the \$145 voucher and purchase a make and model of their choice. Mr. Breen responded no. Chairperson Haggerty confirmed that participants will have to buy the contractor's mowers. Mr. Breen responded that the CMP funds being used for the program have such strict reporting requirements that it was deemed appropriate to select one contractor. Chairperson Haggerty asked where the events will be held. Mr. Breen responded that the locations listed are service centers and staff will work with the contractor on the location of events. Chairperson Haggerty asked that he and Director Piepho be updated on the location and scheduling of events.

Director Piepho confirmed the program promotion will be primarily the responsibility of the contractor with some assistance from the Air District and asked if the Air District will have input on the contractor's promotional efforts. Mr. Breen responded that coordination is anticipated, contract language can be inserted to that effect, and contractor advertisements on the radio and in local newspapers are expected in addition to the Air District utilizing those resources used for past projects.

Director Piepho asked about the quality of the equipment being offered. Mr. Breen responded staff is fairly certain they are robust equipment, that staff can investigate the equipment further in the course of contracting, and noted the contractor has worked with SCAQMD in the past so staff can also contact their staff. Director Piepho said the Air District is creating a great deal of business for the contractor and suggested it is important that the Air District be confident it can stand behind the product being offered. Mr. Breen said a five-year warranty is required under the

contract. Director Piepho said the warranty may not provide adequate protection and requested additional information.

Director Piepho asked if the total contract fees and discount voucher incentive is \$364,050 and Mr. Breen responded yes and the contractor does not receive any additional funding to run the program. Chairperson Haggerty said these are pretty expensive lawn mowers and contract negotiations should involve convincing the contractor to invest more in the form of a decreased sales price. Mr. Breen said staff will ask and report back. Chairperson Haggerty requested the matter be brought back before the Committee as an informational item regarding locations of events, warranties and pricing.

Public Comments: None.

Committee Action:

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

1. Approve the selection of RW Direct-WORX, a contractor to assist the Air District in the implementation of a lawn mower replacement program under a grant from the California Air Resources Board (ARB); and
2. Authorize the Executive Officer/APCO to enter into all necessary agreements with RW Direct-WORX to implement the program funded by the ARB not to exceed \$364,050.

## **6. Engine Model Year (MY) 2005/2006 Port Truck Replacement Program**

Mr. Breen introduced Anthony Fournier, Grants Manager of Strategic Incentives, who gave the staff presentation Engine MY 2005/2006 Port Truck Replacement Program, including background, RFP results, and recommendations.

Chairperson Haggerty noted, regarding slide 8, Cost Analysis, that interests rates of 11% – 15% are high. Mr. Breen responded that they represent the worst case scenario. Chairperson Haggerty asked if staff talked with banks about offering better. Mr. Breen responded that ARB was supposed to provide a loan guarantee for this program and they require contractor financing, the offer is comparable to others, and since this company is a non-profit staff are hopeful the number will be closer to the lower end of the range. Chairperson Haggerty asked if staff has information on the credit ratings of truck drivers. Mr. Breen said staff would have to go back to get figures but there is a high percentage of truck drivers with less than desirable credit ratings. Chairperson Haggerty highlighted footnote 3 and expressed his dissatisfaction with the notion of exporting a problem elsewhere. Mr. Breen responded that any other program for dealing with our local trucks with an emission reduction of this scale would be cost prohibitive. Chairperson Haggerty asked the total cost for a complete trade-in. Mr. Breen said it would be 330 trucks at \$25,000 per truck. Chairperson Haggerty asked the total for the Air District if every participant received \$15,000. Mr. Breen responded approximately \$15 million, with 900 eligible trucks at \$15,000 each. Chairperson Haggerty noted that the Air District does a similar buyout for school buses. Mr. Breen agreed but noted this program only has \$3.4 million, which would limit the Air District to a couple hundred trucks but it is unlikely drivers will accept a parity exchange. Jean



Roggenkamp, Deputy APCO, said the Air District may not be exporting a problem, but instead helping, in light of the low-quality trucks currently in use outside of California. Mr. Breen said the trucks still have significant life remaining such that they could still be used in California for some time were it not for programs of this kind.

Director Piepho agreed with Chairperson Haggerty's concerns, asked if the Air District has some way of verifying the trucks will not operate west of the Rockies or in those areas contiguous to California, and questioned if potentially shifting the problem further away is a good policy. Mr. Breen responded that Ms. Roggenkamp made a good point in that California has a higher standard than the rest of the country, so anything sold elsewhere is virtually guaranteed to result in an improvement. Mr. Breen added that the "Contractor admin fee" of \$500, shown on slide 8, Cost Analysis, is intended to serve as compensation for annual reporting requirements which will include information on the location of the truck. Director Piepho said that the Air District will not ultimately know where the trucks are actually operated. Mr. Breen said that instillation of global positioning systems is being considered.

Director Groom said the Air District's need for \$15,000 multiplied by an unknown variable that represents the eligible trucks in order to fully fund the program is information that would have been helpful for the Committee at the front end of the presentation, summarized the conditions of the proposal presented by staff, suggested that staff believe there are adequate protections in place and some of the Committee members may still be unsure of the adequacy of those protections.

#### Committee Comments:

Director Miley stated his focus is West Oakland and noted an email from a representative of the Western State Alliance (WSA) with an alternate proposal. Mr. Breen responded that staff have not seen a formal proposal but have heard it provides inadequate funds; the maximum from the State of California under the retrofit program is \$30,000 per truck with an extra \$5,000 if the truck is in good condition; staff feel, based on the cap set by the Board of Directors, that the WSA proposal will not maximize the trade-in possibilities; staff are trying to work with WSA on their claims that the funding is inadequate; there is a shortage of 2007 trucks on the market and staff hope the shortage will begin to taper off around November and a price drop will result. Director Miley asked staff to sit down with Chairperson Haggerty and Director Miley to help them achieve a better understanding of the proposals because the Directors are receiving criticism and it seems troublesome restrictions on Port-use trucks only come not from the District or County.

Director Groom asked if traded-in equipment has been sold to eastern markets before. Mr. Breen responded this is the first time for the Air District but the Sacramento Air Quality Management District has done so and was met with success.

Chairperson Haggerty asked if restrictions can be imposed on sales, such as requiring an emissions improvement and fleet size will not increase. Mr. Breen responded that staff can inquire but a restriction on fleet size may be difficult for the contractor on the other side. Chairperson Haggerty said the District should ask for evidence that an emissions improvement will result. Mr. Breen agreed to ask. Director Groom said we can impose instead of ask. Mr. Breen cautioned that it was difficult to retain a contractor for this program. Chairperson

Haggerty suggested staff has reported the sold trucks will result in an emission reduction and the current suggestion only asks that proof be provided that it is the case. Mr. Breen agreed.

Public Comments: None.

Committee Action:

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

1. Approve the selection of Cascade Sierra Solutions, as a contractor to assist the District in the implementation of an engine MY 2005/2006 drayage truck replacement program, with an amendment to require a record reflecting that truck sales result in an emission reduction; and
2. Authorize the Executive Officer/APCO to enter into all necessary agreements with Cascade Sierra Solutions to implement the program.

**7. Approval of Transportation Fund for Clean Air (TFCA) Allocations for Three Projects**

Mr. Breen gave the staff presentation Approval of TFCA Allocations for Three Projects, including the Bicycle Rack Voucher Project (BRVP) RFP process and results, Marine Highway Project concept and estimated emissions reductions, Enhanced Mobile Sources Inspections Project related to smoking vehicles and port trucks, and recommendations.

Mr. Breen added, regarding slide 8, Emissions Reductions, that the slight increase in Reactive Organic Gases has been shown through a thorough review to be a result of the size and types of engines used in ships and the requested funding of \$750,000 is from money previously received from the Department of Motor Vehicles.

Mr. Breen noted, regarding slide 10, Enhanced Mobile Sources Inspections Project, that the ARB has received criticism about its ability to enforce these regulations and as their agent in the Bay Area, enhanced enforcement will allow for aggressive work to achieve the emissions reductions targets and the resulting health benefits.

Mr. Breen added, regarding slide 11, Recommendations, that the \$1 million in TFCA funding for the enhanced inspections program is fall out from previous fiscal years, a total that runs as high as \$7 million.

Committee Comments:

Chairperson Haggerty asked why the Air District does not use the \$5 million in TFCA funding fall out from previous years to fund the scrapping of port trucks. Mr. Breen responded that staff can look at that and report back.

Chairperson Haggerty asked what precisely the requested \$750,000 for the Marine Highway project will be used for and when the project will be implemented. Mr. Breen responded that it

will be implemented by a contract between the Air District and Port of Oakland this summer and the money will go toward the purchase of barges and clean tow service. Chairperson Haggerty asked why the Air District is spending money to send the cargo, and the jobs that result from its movement, to Stockton instead of putting the overweight containers to rail in Oakland. Mr. Breen invited representatives from the ports to address this issue and responded that the Port of Oakland is not equipped with the onsite warehousing necessary to do this, the transcontinental railheads needed for this cargo are in Reno and Stockton, the Port of Oakland recently received a \$15 million grant from the Department of Transportation but construction has not begun, and predictions show cargo volume increase on a level that justifies work towards utilizing all means of increasing processing capabilities. Chairperson Haggerty said rail improvements were at one time in the works but the fate of those plans are unknown to him, reiterated his discomfort with spending money to create jobs elsewhere and noted the absence of a broad plan. Mr. Breen responded that staff's focus is on emission reductions, not jobs creation. Chairperson Haggerty said emissions are not the exclusive focus for Committee members.

Director Miley asked if the Marine Highway and Enhanced Mobile Sources Inspections are intended to be temporary or sustained. Mr. Breen responded that the Marine Highway will be controlled by a 5-year contract and the Enhanced Mobile Sources Inspections is a 1-year pilot with staff review and Board of Directors consideration at its conclusion. Mr. Breen noted that the Air District will likely find itself considering whether to engage with ARB for enforcement of their on-road regulation at the conclusion of the 1-year pilot. Director Miley said that the Air District has been discussing the Marine Highway since 2008 and asked if the \$750,000 is an annual expenditure. Mr. Breen responded that it is a one-time expenditure for five years' time that will serve to assist in securing a \$30 million grant for the region. Director Miley asked if there is a difference in time when shipping by barge. Mr. Breen responded that it takes about eight-and-a-half to nine hours by barge and that it is done more quickly by truck but with all the delays and consequences attendant to on-road shipping, the marine highway will result in an emissions reduction. Director Miley asked if there are plans to develop additional warehousing at the Port of Oakland to accommodate these needs five years from now. Mr. Breen asked staff from the Port of Oakland to address this when provided an opportunity to speak.

Director Piepho commended the project in concept; noted the various benefits in the form of emissions reductions from other traffic contending with truck congestion, potential significant traffic relief, enhancing or embracing the rail system throughout the region and beyond, and the large number of commuters who live beyond Alameda and Contra Costa counties that will enjoy a better quality of life with decreased traffic; expressed her desire to get the matter before the East Bay Economic Development Alliance; and suggested that although there may be a potential job loss, the potential gains in various forms will far outweigh it. Director Piepho noted the fund balance is paying for these projects and suggested the Air District does not have to spend the money merely because they have it but might instead be able to give it back. Director Piepho asked if the return of the funds can be explored and if the emission numbers provided are as to the 744 trucks only or include ancillary motor vehicles that will be affected. Mr. Breen responded that the estimates are conservative for the trucks only and there will likely be additional emissions reductions. Mr. Breen said that the idea behind TFCA program is that the Air District is providing a benefit to all of the residents of the Bay Area so the money is returned to the source by implementing programs such as this and the Air District does not have the authority to return the money to individuals.

Chairperson Haggerty expressed his support for the proposal and explained his questions are an effort to voice that which has gone unsaid and to highlight the lack of a coordinated plan for Northern California.

Director Piepho suggested the need to remain competitive at all three Northern California ports and the establishment of a coordinated plan is an important part of doing so.

Director Avalos asked if the Marine Highway program is contingent upon the \$750,000 as it seems very inadequate for the project needs. Mr. Breen responded that it is a key component in securing a \$30 million grant and he will allow Port of Oakland staff to speak to its necessity. Director Avalos asked how long this contribution has been contemplated. Mr. Breen responded since 2008 with funding initially to come from the general fund.

Public Comments:

Anne Whittington, Supervisor of the Maritime Environmental Group, Port of Oakland, addressed the Committee in support of the Marine Highway project regarding the measurable emissions reductions leading to a reduction in health risk attributable to diesel fuel in West Oakland, in keeping with various plans of the Port of Oakland, Air District and others. Ms. Whittington said the Port of Oakland and City of Oakland own property at the Oakland Army Base which has rail and warehousing plans associated with it.

John Hummer, Director, U.S. Department of Transportation, Maritime Administration, addressed the Committee in support of the Marine Highway project regarding the parties' initial vision of this project as primarily and import initiative having evolved to include and sustain an export market of grain crops.

Keith Lesnick, Associate Administrator for Intermodal Systems Development, U.S. Department of Transportation, Maritime Administration, addressed the Committee in support of the Marine Highway project regarding the project as a component of a total transportation system project as envisioned in a meeting in Oakland between U.S. Transportation Secretary Ray LaHood and the port directors from Northern California and is an important part of including water as a medium for transportation.

Chairperson Haggerty clarified that public comments lead him to believe that there is a sense he is opposition to the project and that is not the case but urged someone to establish a collaborative between the three ports whereby a comprehensive plan is put together or, if one already exists, that it be shared; expressed his support for current efforts and a desire to learn more about future plans; suggested the delta is in poor shape and expressed his concern about the long-term impacts of a program of this kind; and commended staff for getting to a point in the project where funds are being expended on capital. Mr. Lesnick responded that the money is all going towards infrastructure, not an operating subsidy, and it has always part of the agenda to include waterborne transportation in the overall plan.

Richard Sinkoff, Director of Environmental Programs and Planning, Port of Oakland, addressed the Committee in support of the Marine Highway project by echoing the support expressed by Ms. Whittington; relayed data from a Port of Oakland economic impacts analysis that reflected approximately 74,000 jobs in the Northern California region are related to goods movement and

this information lends credence to the need to consider jobs creation as a key factor and this project is understood under an overall goods movement system. Mr. Sinkoff stated that the emissions reductions program under which this project is undertaken involved a stakeholder process and the Port of Oakland has an obligation to integrate this project with the maritime air quality improvement plan; and the Port of Oakland is ready to take the next step in strengthening coordination with the Ports of Stockton and Sacramento.

Jeff Wingfield, Environmental and Regulatory Affairs Manager, Port of Stockton, addressed the Committee in support of the Marine Highway project to echo the statements by others and express the Port's gratitude to the Air District.

Committee Action:

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

1. Authorize the Executive Officer/APCO to enter into and execute all necessary contracts with:
  - Dero Bike Rack Co., Sportsworld Northwest Inc. and Creative Pipe Inc., not to exceed a total of \$600,000 for a BRVP.
  - Port of Oakland for a performance-based contract not to exceed \$750,000 for a Marine Highway project.
2. Authorize the Executive Officer/APCO to expend up to \$1 million in TFCA funding to execute an Enhanced Mobile Sources Inspections project.
8. **Committee Member Comments/Other Business:** None.
9. **Time and Place of Next Meeting:** Thursday, July 26, 2012, at Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, CA 94109 at 9:30 a.m.
10. **Adjournment:** The meeting adjourned at 11:10 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: September 14, 2012

Re: Update on Plug-in Electric Vehicle (PEV) Programs

RECOMMENDATION:

None. Informational item, receive and file.

BACKGROUND

Recognizing the potential of Plug-In Electric Vehicles, or PEVs, to be an important technology in reducing emissions in the Bay Area, the Air District has allocated more than \$6 million in Transportation Fund for Clean Air (TFCA) funding to deploy PEV infrastructure over the past three fiscal years (fiscal years ending (FYE) 2010, 2011 and 2012). To ensure that these investments are well coordinated with the Bay Area's needs, the Air District applied for, and was successfully awarded, a number of state and federal grants with its partners to undertake regional PEV readiness planning in both the Bay Area and Monterey Bay regions. The Bay Area and Monterey Bay regions include the following 12 counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma, Monterey, Santa Cruz, and San Benito.

DISCUSSION

***Regional PEV Plan – United States Department of Energy (DOE) Grant***

The Air District is one of six awardees that have received funding from the DOE to collaborate on a California PEV readiness plan. In order to complete this effort locally, the Air District has partnered with the Association of Bay Area Governments (ABAG), Metropolitan Transportation Commission (MTC), Bay Area Clean Cities Coalitions (East Bay, San Francisco and Silicon Valley), Bay Area EV Strategic Council and Monterey Bay Electric Vehicle Association (MBEVA). Under this grant, the Air District will produce a regional plan that will provide the Bay Area and Monterey Bay regions with a PEV deployment strategy based on the following areas:

- Projections for PEV ownership and deployment; barriers to PEV ownership, deployment, and discussion of steps to eliminate barriers.
- Potential sites and types of charging stations for regional PEV charging infrastructure.

- An assessment of local government’s PEV readiness with respect to construction, permitting, and inspection; zoning, parking rules, local ordinances; and building codes; stakeholder training and education; consumer education for PEVs; and minimizing grid and utility impacts of PEVs.

### *Key Findings to Date*

Over the past 9 months, the Air District and its partners have engaged in an extensive analysis of PEV readiness in the region. This effort has highlighted some significant gaps and barriers to PEV adoption which need to be addressed in the Regional PEV Plan. Some key initial findings that need to be addressed are:

- The relatively high cost of the vehicle and associated infrastructure are still a barrier for most consumers.
- In a recent survey conducted by the Air District (88% of local governments responding), 50% of cities and counties have indicated that they may need additional resources such as training and other support to attain PEV readiness in the areas of zoning ordinances, building codes and permitting practices.
- Multi-unit family dwellings are still in need of significant assistance in order to provide charging for PEV owners. In a survey conducted by the California Air Resources Board's clean vehicle rebate program, 97% of residential charging stations installed to date are in single-family homes.
- Additional work needs to be performed to determine the appropriate amount and types of publicly available charging infrastructure.
- Significant education is still needed for local jurisdiction staff and the public in the region related to the use and benefits of electric vehicles.

As part of finalizing the draft plan staff is currently exploring these issues and will update the Committee on proposed solutions.

### *Outreach*

In order to introduce the plan to members of the public, the Air District will be conducting six informational sessions throughout the region during late September through mid-October. At these meetings (See Table 1), staff will present an overview of the draft Plan and solicit questions and input from the public. Feedback from the sessions and comments that are provided online will be incorporated into the final Plan.

**Table 1 - Informational Meetings on PEV Readiness Plan**

<p><b>Thursday, September 27 - 7 p.m. to 9 p.m.</b> Hartnell College - Steinbeck Hall 411 Central Avenue, Salinas</p> <p><b>Tuesday, October 2 - 7 p.m. to 9 p.m.</b> De Anza College - Automotive Tech. Dept., Bldg E1 21250 Stevens Creek Blvd., Cupertino</p> <p><b>Wednesday, October 3 - 7 p.m. to 9 p.m.</b> Marin Wellness Center-Room110 3240 Kerner Blvd., San Rafael</p>	<p><b>Tuesday, October 9 - 7 p.m. to 9 p.m.</b> St. Mary's Cathedral 1111 Gough Street, San Francisco</p> <p><b>Thursday, October 11 - 7 p.m. to 9 p.m.</b> Fairfield Community Center - Willow Room 1000 Kentucky Street, Fairfield</p> <p><b>Tuesday, October 16 - 7 p.m. to 9 p.m.</b> Oakland City Hall - Hearing Room 3 1 Frank H. Ogawa Plaza, Oakland</p>
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***Additional Regional PEV Planning– California Energy Commission (CEC) Grant***

While the process undertaken for the DOE grant addresses a number of significant areas for the region with regard to PEV readiness, there are a number of additionally important topics that lie outside of the scope of that effort. In order to address those, the Air District will analyze the following areas under two CEC grants for the Bay Area and Monterey Bay regions:

- Development of strategies that support accelerated PEV adoption in private and public fleets.
- Identification of strategies to attract PEV manufacturing, production, infrastructure and services to the Bay Area and California.
- Integration of the Regional PEV Plan into the Bay Area’s Sustainable Communities Strategies (SCS) plan.

This work is expected to commence in late October and to be completed in mid-2013.

***Air District PEV Deployment Program***

The Air District has provided over \$6 million in support for electric vehicle supply equipment (EVSE) deployment in the Bay Area. This funding has been deployed in two phases: Phase 1 is a \$1 million program for a publicly accessible EVSE charging network which includes over 200 Level 2 and 6 DC fast charge EVSE and one battery switch station. Phase 2 provides an additional \$5 million to install 2,750 residential level 2 and 50 DC fast charge EVSE.

A number of these EVSE deployment projects have been recently completed and placed into service with the remainder scheduled for completion by December 31, 2013. As of June 30, 2012, more than 800 residential home charging stations and 50 publicly available Level 2 charging stations have been installed throughout the Bay Area.



BUDGET CONSIDERATION / FINANCIAL IMPACT:

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

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: 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: September 13, 2012

Re: Transportation Fund for Clean Air (TFCA) Regional Fund Policies and  
Evaluation Criteria for fiscal year ending (FYE) 2013 and Proposed Allocations  
for Shuttle/Feeder Bus and Ridesharing Projects, and Electronic Bicycle Lockers

RECOMMENDED ACTIONS:

Recommend Board of Directors:

- 1) Approve the proposed fiscal year ending (FYE) 2013 TFCA Regional Fund Policies and Evaluation Criteria (FYE 2013 Policies) presented in Attachment A;
- 2) Approve an allocation of up to \$4 million in TFCA Regional Funds for shuttle/feeder bus and regional ridesharing projects; and
- 3) Approve an allocation of up to \$400,000 for electronic bicycle lockers.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on motor vehicles registered within the 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. Portions of this funding are allocated to Air District Board of Directors (Board) approved eligible programs or projects implemented directly by the Air District, including the Smoking Vehicle Program, Enhanced Enforcement Projects and the Spare the Air Program. For the remainder of the funding received (referred to as the TFCA Regional Fund program), the Board also adopts policies and evaluation criteria. As part of this report staff will propose policies for the TFCA Regional Fund Program for FYE 2013 and funding allocations for shuttle, ridesharing and electronic bike locker projects for the Committee's consideration.

## DISCUSSION

The proposed FYE 2013 Policies include project-specific policies that would apply to shuttle/feeder bus and regional ridesharing and electronic bicycle locker, as well as general policies that are applicable to all TFCA Regional Fund project types. Also, per Board direction on December 16, 2009, the Executive Officer/APCO will continue to execute Grant Agreements with individual grant award amounts up to \$100,000 for projects that meet the respective governing policies and guidelines. TFCA projects with grant award amounts over \$100,000 will continue to be brought to the Committee for consideration at least on a quarterly basis.

Staff will also return later this fiscal year with further recommendations for Committee consideration including expansion of the eligible project categories (e.g., alternative fuel vehicle, advanced technology demonstration, etc.).

Additionally, the proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2013 contain the following revisions:

- Clarification of the existing requirement that shuttle projects must support and complement the use of existing major mass transit services by linking a mass transit hub (i.e. rail, Bus Rapid Transit (BRT) station, ferry, bus terminal or airport) to or from a final destination (distinct commercial, employment or residential area).
- Removal of pilot shuttle projects as an eligible project category.
- Addition of electronic bicycle lockers as an eligible project category.
- Clarification of text to ensure conformity with guiding legislative requirements.

### *Funding Allocations*

As part of this report, staff is also recommending the allocation of \$4.4 million in TFCA Regional Fund monies including \$4 million for shuttle/feeder bus and regional ridesharing projects and \$400,000 for electronic bicycle locker projects. Staff's recommendation to allocate \$4 million for shuttle/feeder bus regional ridesharing projects is based on previous Board direction to maintain the funding for this program at its existing level while staff explores options for shuttle projects with the Metropolitan Transportation Commission. Also, approximately \$4 million has been awarded to shuttle projects in each of the past three years.

On June 2, 2010, the Board approved the allocation of \$600,000 for the bulk purchase of bicycle racks under the Bicycle Rack Voucher Project (BRVP). Staff is now recommending that additional funding for electronic bicycle lockers be provided via the FYE 2013 Regional Fund program. Electronic bicycle lockers have a high per-unit cost and require ongoing maintenance and operational contracts over multiple years that are better suited to oversight by the implementing public agency. Therefore, staff is recommending that this equipment be added as a separate project category in the proposed TFCA Regional Fund policies.

Any funding that is not spent in these categories within 12 months will revert back to the TFCA program for reallocation.

*Outreach*

On June 28, 2012, the Air District opened the public comment period for the proposed FYE 2013 Policies. The comment period closed on July 20, 2012, and resulted in the Air District receiving four sets of comments. The process was advertised via the Air District's TFCA grants email notification system and the proposed policies were posted on the Air District's website. Attachment A contains the proposed Policies for FYE 2013 and Attachment B shows the changes between the previous year's policies and the proposed FYE 2013 Policies. Attachment C provides a listing of the comments received on the proposed policies and staff's responses to these comments.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

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

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Avra Goldman  
Reviewed by: Karen Schkolnick

Attachment A: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2013

Attachment B: Redlined Version of Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2013

Attachment C: Comments Received and Staff Responses to Proposed FYE 2013 Policies

## TFCA REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FYE 2013

The following policies apply to the Transportation Fund for Clean Air (TFCA) Regional Fund.

### BASIC ELIGIBILITY

1. **Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible.

Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 2013.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations both a) at the time the Air District Board of Directors approves a funding allocation and b) at the time the Air District executes the project’s funding agreement.

Under certain circumstances following approval of the project by the Board of Directors, the Air District may approve modifications of the approved project or of the terms of the grant agreement. The Air District will evaluate whether the proposed modification will reduce the amount of emissions the originally-approved project was designed to achieve, will negatively affect the cost-effectiveness of the project or will otherwise render the project ineligible (“major modification”). The Air District may approve the proposed major modification if the Air District determines that the project, as modified, will continue to achieve surplus emission reductions, based on the regulations, contracts, and other legally-binding obligations in effect at the time of the proposed modification. The Air District may approve minor modifications, such as to correct mistakes in the grant agreement or to change the grantee, without a re-evaluation of the proposed modification in light of the regulations, contracts, and other legally-binding obligations in effect at the time of the proposed minor modification.

2. **TFCA Cost-Effectiveness:** Unless otherwise noted below, projects must meet a cost-effectiveness (C-E) of \$90,000 per ton. Cost-effectiveness is based on the ratio of TFCA funds awarded divided by the sum total tons of reactive organic gases (ROG), oxides of nitrogen (NO<sub>x</sub>), and weighted particulate matter 10 microns in diameter and smaller (PM<sub>10</sub>) reduced (\$/ton).

Certain project categories further specify the eligible funding amount per item (for example, \$/vehicle) which is based on the cost-effectiveness levels below.

Project Category	Policy #	C-E Level Maximum (\$/weighted ton)
Reserved	21	Reserved
Reserved	22	Reserved
Reserved	23	Reserved
Reserved	24	Reserved
Reserved	25	Reserved
Reserved	26	Reserved
Shuttle/Feeder Bus Service—Existing	27	\$90,000
Reserved	28	Reserved
Regional Ridesharing	29	\$90,000
Electronic Bicycle Lockers	30	\$90,000
Reserved	31	Reserved
Drayage Truck Replacement Projects	32	\$90,000

3. **Consistent with Existing Plans and Programs:** All project categories must comply with the transportation control measures and mobile source measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards, those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919, and, when applicable, with other adopted State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Grant recipients must be responsible for the implementation of the project, have the authority and capability to complete the project, and be an applicant in good standing with the Air District.
  - a. **Eligible Recipients:**
    - i. **Public agencies** are eligible to apply for all project categories.
    - ii. **Non-public entities** are only eligible to apply for new alternative-fuel (light, medium, and heavy-duty) vehicle projects, and advanced technology demonstrations that are permitted pursuant to HSC section 44241(b(7)).
  - b. **Authority to Apply:** Applications must include either: 1) a signed letter of commitment from an individual with authority to enter into a funding agreement and carry out the project (e.g., Chief Executive or Financial Officer, Executive Director, City Manager, etc.), or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, Board of Directors, etc.) authorizing the submittal of the application and identifying the individual authorized to submit and carry out the project.
5. **Viable Project and Matching Funds:** Unless provided for otherwise in the policies and priorities for the specific project category (which are listed below), project applicants must include in the applications evidence of available matching funds from a non-Air District source that equal or exceed at least 10% of the total project cost.

The project must be financially viable, which means that the project sponsor has adequate funds to cover all stages of the project from its commencement through project completion. Applications must include evidence of financial resources sufficient to undertake and complete the project. The project sponsor shall not enter into a TFCA Regional Fund funding agreement until all non-Air District funding has been approved and secured.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** Maximum award per calendar year:
  - a. **Each public agency** may be awarded up to \$1,500,000, and
  - b. **Each non-public entity** may be awarded up to \$500,000.
8. **Readiness:** Projects must commence in calendar year 2013 or sooner. “Commence” includes any preparatory actions in connection with the project’s operation or implementation. For purposes of this policy, “commence” can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle and ridesharing service; or the delivery of the award letter for a construction contract.
9. **Maximum Two Years Operating Costs:** Service-based projects such as shuttle/feeder bus and ridesharing programs, may receive funding for up to two (2) years of operation or implementation. Projects that request up to \$100,000 annually in TFCA Regional Funds are eligible to apply for two years of funding. Projects that request more than \$100,000 annually in TFCA Regional Fund are eligible for only one year of funding.
10. **Project Revisions:** Project revisions initiated by the project sponsor which significantly change the project before the allocation of funds by the Air District Board of Directors may not be accepted. Following Air District Board of Directors allocation of funds for a project, an applicant may request revisions to that project that the applicant deems necessary or advisable to carry out the purposes of the project, based on information the applicant received after the Board’s allocation of funding. The Air District will consider only requests that are within the eligible project category as the original project, meet the same cost-effectiveness as that of the original project application, comply with all TFCA Policies applicable for the original project, and are in compliance with all federal and State laws applicable to the revised project and District rules and regulations.

## APPLICANT IN GOOD STANDING

11. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet project implementation milestones or who have failed to fulfill monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.
12. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for five (5) years from the date of the Air District's final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed for those projects until all audit recommendations and remedies have been satisfactorily implemented.

A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means that a project was not implemented as set forth in the project funding agreement.

Reimbursement is required where it has been determined that funds were expended in a manner contrary to the TFCA Regional Program's requirements and requirements of HSC Code section 44220 et seq.; the project did not result in a reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Program, or otherwise failed to comply with the approved project scope as set forth in the project funding agreement.

13. **Signed Funding Agreement:** Only a fully executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District's award of funds for a project. Approval of an application for the project by the Air District Board of Directors does not constitute a final obligation on the part of the Air District to fund a project.

Project sponsors must sign a funding agreement within 60 days from the date it has been transmitted to them in order to remain eligible for award of TFCA funds. The Air District may authorize an extension of up to a total period of 180 days from the transmittal because of circumstances beyond project sponsor's reasonable control and at the Air District's discretion.

14. **Insurance:** Each project sponsor must maintain general liability insurance and such additional insurance that is appropriate for specific projects, with coverage amounts specified in the respective funding agreements throughout the life of the project.

## INELIGIBLE PROJECTS

15. **Planning Activities:** Feasibility studies and other planning studies are not eligible for funding by the Air District. Funding may not be used for any planning activities that are not directly related to the implementation of a specific project or program. In addition, land-use projects (i.e., Smart Growth, Traffic Calming, and Arterial Management) that have not completed the Preliminary Design phase are not eligible.
16. **Cost of Developing Proposals and Grant Applications:** The costs to develop proposals or prepare grant applications are not eligible for TFCA funding.
17. **Duplication:** Projects that have previously received TFCA funds and therefore do not achieve additional emission reductions are not eligible.

Combining TFCA County Program Manager Funds with TFCA Regional Funds to achieve greater emission reductions for a single project is not considered project duplication.

## USE OF TFCA FUNDS

18. **Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds to fund a project that is eligible and meets the criteria for funding under both Funds. For the purpose of calculating the TFCA cost-effectiveness, the combined sum of TFCA County Program Manager Funds and TFCA Regional Funds shall be used to calculate the TFCA cost of the project.

19. **Administrative Costs:** Administrative costs (i.e., the costs associated with administering a TFCA grant) are limited to a maximum of five percent (5%) of total TFCA funds expended on a project and are only available to projects sponsored by public agencies. Electronic bicycle locker projects are not eligible for administrative costs. To be eligible for reimbursement, administrative costs must be clearly identified in the application project budget and in the funding agreement between the Air District and the project sponsor.
20. **Expend Funds within Two Years:** Project sponsors must expend the awarded funds within two (2) years of the effective date of the funding agreement, unless a longer period is formally (i.e., in writing) approved in advance by the Air District in a funding agreement or as an amendment to the funding agreement.

## **ELIGIBLE PROJECT CATEGORIES**

### Clean Air Vehicle Projects

21. **Reserved.**
22. **Reserved.**
23. **Reserved.**
24. **Reserved.**
25. **Reserved.**
26. **Reserved.**

### Shuttle/Feeder Bus Service Projects

27. **Shuttle/Feeder Bus Service:** These projects link a mass transit hub (e.g., rail or Bus Rapid Transit (BRT) station, ferry or bus terminal or airport) to or from a final destination. These projects are intended to reduce single-occupancy, commonly-made vehicular trips (e.g., commuting or shopping center trips) by enabling riders to travel the short distance between a mass transit hub and the nearby final destination. The final destination must be a distinct commercial, employment or residential area. The project's route must operate to or from a mass transit hub and must coordinate with the transit schedules of the connecting mass transit services. Project routes cannot replace or duplicate an existing local transit service link. These services are intended to support and complement use of existing major mass transit services.

Shuttle/feeder bus service applicants must be:

- a. A public transit agency or transit district that directly operates the shuttle/feeder bus service;
- b. A city, county, or any other public agency.

The project applicant must submit documentation from the General Manager of the transit district or transit agency that provides service in the area of the proposed route, which demonstrates that the proposed service does not duplicate or conflict with existing service.

Applicants are strongly encouraged to use the cleanest vehicle powered with the best-available technology (e.g., electric, hydrogen) to provide the shuttle/feeder bus service. Eligible vehicle types include:

- a. A zero-emission vehicle (e.g. electric, hydrogen)
- b. An alternative fuel vehicle (e.g. compressed natural gas, liquefied natural gas, propane);
- c. A hybrid-electric vehicle;
- d. A post-1997 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit); or
- e. A post-1989 gasoline-fueled vehicle.

28. **Reserved.**



### Regional Ridesharing

29. **Regional Ridesharing Projects:** For TFCRA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five Bay Area counties, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application. Ride matching services must be coordinated with the Metropolitan Transportation Commission's regional ridesharing program. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor are not eligible.

### Bicycle Facility Projects

30. **Electronic Bicycle Lockers:** Funding is available for project sponsors to purchase and install new electronic bicycle lockers. Projects must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission's Regional Bicycle Plan and serve a major activity center (e.g. transit station, office building, or school).

Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCRA funding.

The maximum award amount is based on the number of bicycles, at the rate of \$2,500 per bicycle accommodated by the lockers.

31. **Reserved.**

### Drayage Truck Replacement Projects

32. **Drayage Truck Replacement Projects:** Projects that replace Class 8 (33,001 lb GVWR or greater) drayage trucks with engine Model Years (MY) of 2004, 2005 or 2006 with trucks that have engines certified to 2007 California Air Resources Board (CARB) emissions standards or cleaner are eligible for funding. The existing trucks with the 2004, 2005, or 2006 engines must be registered with the California Department of Motor Vehicles (DMV) and with the CARB drayage truck registry to a Bay Area address, and must be taken out of service after replacement.

## **REGIONAL FUND EVALUATION CRITERIA:**

1. **Shuttle/Feeder Bus Services and Ridesharing Projects:** Complete applications received by the submittal deadline that meet the eligibility criteria, will be ranked for funding based on cost-effectiveness. At least sixty percent (60%) of the funds will be reserved for eligible projects that meet one or more of the following District priorities:
- Projects in Highly Impacted Communities as defined in the Air District Community Air Risk Evaluation (CARE) Program;
  - Priority Development Areas; and
  - Projects that significantly reduce greenhouse gasses (GHG).

The District will evaluate all Shuttle/Feeder Bus Services and Ridesharing project applications received after the submittal deadline on a first-come-first-served basis, based on the TFCRA policies, based on cost-effectiveness.

2. **Electronic Bicycle Locker(s) and Drayage Truck Replacement Projects:** Applications will be evaluated on a first-come-first-serve basis.

## TFCA REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FYE 2013~~2~~

The following policies apply to the Transportation Fund for Clean Air (TFCA) Regional Fund.

### BASIC ELIGIBILITY

1. **Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible.

Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 2013~~2~~.

Projects must achieve surplus emission reductions, ~~that is, i.e., reductions that are~~ beyond what is ~~currently~~ required through regulations, contracts, ~~and~~ other legally binding obligations ~~both a)~~ at the time the Air District Board of Directors approves a funding allocation and ~~b)~~ at the time ~~of the Air District execution of the project’s~~ funding agreement.

Under certain circumstances following approval of the project by the Board of Directors, the Air District may approve modifications of the approved project or of the terms of the grant agreement. The Air District will evaluate whether the proposed modification will reduce the amount of emissions the originally-approved project was designed to achieve, will negatively affect the cost-effectiveness of the project or will otherwise render the project ineligible (“major modification”). The Air District may approve the proposed major modification if the Air District determines that the project, as modified, will continue to achieve surplus emission reductions, based on the regulations, contracts, and other legally-binding obligations in effect at the time of the proposed modification. The Air District may approve minor modifications, such as to correct mistakes in the grant agreement or to change the grantee, without a re-evaluation of the proposed modification in light of the regulations, contracts, and other legally-binding obligations in effect at the time of the proposed minor modification.

2. **TFCA Cost-Effectiveness:** Unless otherwise noted below, projects must meet a cost-effectiveness (C-E) of \$90,000 per ton. Cost-effectiveness is based on the ratio of TFCA funds awarded divided by the sum total tons of reactive organic gases (ROG), oxides of nitrogen (NO<sub>x</sub>), and weighted particulate matter 10 microns in diameter and smaller (PM<sub>10</sub>) reduced (\$/ton).

Certain project categories further specify the eligible funding amount per item (for example, \$/vehicle) which is based on the cost-effectiveness levels below.

Project <u>Category</u> Type	Policy #	C-E Level Maximum (\$/weighted ton)
Reserved	21	Reserved
Reserved	22	Reserved
Reserved	23	Reserved
Reserved	24	Reserved
Reserved	25	Reserved
Reserved	26	Reserved
Shuttle/Feeder Bus Service—Existing	27	\$90,000
<del>Shuttle/Feeder Bus Service—Pilot</del> Reserved	28	<del>\$125,000</del> Reserved
Regional Ridesharing	29	\$90,000
<del>Reserved—Electronic Bicycle Lockers</del>	30	<del>\$90,000</del> Reserved
Reserved	31	Reserved
Drayage Truck Replacement Projects	32	\$90,000

3. **Consistent with Existing Plans and Programs:** All project categories must comply with the transportation control measures and mobile source measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards, those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919, and, when applicable, with other adopted State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Grant recipients must be responsible for the implementation of the project, have the authority and capability to complete the project, and be an applicant in good standing with the Air District.
  - a. **Eligible Recipients:**
    - i. **Public agencies** are eligible to apply for all project categories.
    - ii. **Non-public entities** are only eligible to apply for new alternative-fuel (light, medium, and heavy-duty) vehicle projects, and advanced technology demonstrations that are permitted pursuant to HSC section 44241(b(7)).
  - b. **Authority to Apply:** Applications must include either: 1) a signed letter of commitment from an individual with authority to enter into a funding agreement and carry out the project (e.g., Chief Executive or Financial Officer, Executive Director, City Manager, etc.), or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, Board of Directors, etc.) authorizing the submittal of the application and identifying the individual authorized to submit and carry out the project.
5. **Viable Project and Matching Funds:** Unless provided for otherwise ~~specified~~ in the policies and priorities for the specific project category ~~policies (which are listed below)~~, project applicants must include in the applications evidence of must provide available matching funds from a non-Air District source that, which equal or exceed at least 10% of the total project cost.

The project must be financially viable, which means that the project sponsor has adequate funds to cover all stages of the project from its commencement through project completion. Applications must include evidence of financial identify sufficient resources sufficient to undertake and complete the ~~respective~~ project. The project sponsor shall not enter into a TFCA Regional Fund funding agreement until all non-Air District funding has been approved and secured.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** Maximum award per calendar year:
  - a. **Each public agency** may be awarded up to \$1,500,000, and
  - b. **Each non-public entity** may be awarded up to \$500,000.
8. **Readiness:** Projects must commence in calendar year 20132 or sooner. “Commence” includes any preparatory actions in connection with the project’s operation or implementation. For purposes of this policy, “commence” can mean the issuance of a purchase order to secure project vehicles and equipment; -commencement of shuttle and ridesharing service; the delivery of the award letter for a service contract; or the delivery of the award letter for a construction contract.
9. **Maximum Two Years Operating Costs:** Service-based projects such as shuttle/feeder bus and ridesharing programs, may receive funding for up to two (2) years of operation or implementation. Projects that request up to \$100,000 annually in TFCA Regional Funds are eligible to apply for two years of funding. Projects that request more than \$100,000 annually in TFCA Regional Fund are eligible for only one year of funding and must apply each year for subsequent funding.
10. **Project Revisions:** Project revisions initiated by the project sponsor which significantly change the project before the allocation of funds by the Air District Board of Directors may not be accepted. Following Air District Board of Directors allocation of funds for a project, an applicant may request revisions to that project that the applicant deems necessary or advisable to carry out the purposes of the project, based on information the applicant received after the Board’s allocation of funding. The Air District will consider only requests that are

~~based on new information, are~~ within the ~~same~~ eligible project category as the original project, ~~and~~ meet the same cost-effectiveness as that of the original project application, comply with all TFCA Policies applicable for the original project, and are in compliance with all federal and State laws applicable to the revised project and District rules and regulations.

#### APPLICANT IN GOOD STANDING

11. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet project implementation milestones or who have failed to fulfill monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.
12. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for five (5) years from the date of the Air District's final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed for those projects until all audit recommendations and remedies have been satisfactorily implemented.

A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means that a project was not implemented as set forth in the project funding agreement.

Reimbursement is required where it has been determined that funds were expended in a manner contrary to the TFCA Regional Program's requirements and requirements of HSC Code section 44220 et seq.; the project did not result in a reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Program, or otherwise failed to comply with the approved project scope as set forth in the project funding agreement.

13. **Signed Funding Agreement:** Only a fully executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District's award of funds for a project. Approval of an application for the project by the Air District Board of Directors does not constitute a final obligation on the part of the Air District to fund a project.

Project sponsors must sign a funding agreement within 60 days from the date it has been transmitted to them in order to remain eligible for award of TFCA funds. The Air District may authorize an extension of up to a total period of ~~120-180~~ days from the transmittal because of circumstances beyond project sponsor's reasonable control and at the Air District's discretion.

14. **Insurance:** Each project sponsor must maintain general liability insurance and such additional insurance that is appropriate for specific projects, with coverage amounts specified in the respective funding agreements throughout the life of the project.

#### INELIGIBLE PROJECTS

15. **Planning Activities:** Feasibility studies and other planning studies are not eligible for funding by the Air District. Funding may not be used for any planning activities that are not directly related to the implementation of a specific project or program. In addition, land-use projects (i.e., Smart Growth, Traffic Calming, and Arterial Management) that have not completed the Preliminary Design phase are not eligible.
16. **Cost of Developing Proposals and Grant Applications:** The costs to develop proposals or prepare grant applications are not eligible for TFCA funding.
17. **Duplication:** Projects that have previously received TFCA funds and therefore do not achieve additional emission reductions are not eligible.

Combining TFCA County Program Manager Funds with TFCA Regional Funds to achieve greater emission reductions for a single project is not considered project duplication.

## USE OF TFCA FUNDS

18. **Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds to fund a project that is eligible and meets the criteria for funding under both Funds. For the purpose of calculating the TFCA cost-effectiveness, the combined sum of TFCA County Program Manager Funds and TFCA Regional Funds shall be used to calculate the TFCA cost of the project.
19. **Administrative Costs:** Administrative costs (i.e., the costs associated with administering a TFCA grant) are limited to a maximum of five percent (5%) of total TFCA funds expended on a project and are only available to projects sponsored by public agencies. Electronic bicycle locker projects are not eligible for administrative costs. To be eligible for reimbursement, administrative costs must be clearly identified in the application project budget and in the funding agreement between the Air District and the project sponsor.
20. **Expend Funds within Two Years:** Project sponsors must expend the awarded funds within two (2) years of the effective date of the funding agreement, unless a longer period is formally (i.e., in writing) approved in advance by the Air District in a funding agreement or as an amendment to the funding agreement.

## ELIGIBLE PROJECT CATEGORIES

### Clean Air Vehicle Projects

21. ~~Reserved.~~
22. ~~Reserved.~~
23. ~~Reserved.~~
24. ~~Reserved.~~
25. ~~Reserved.~~
26. ~~Reserved.~~

### Shuttle/Feeder Bus Service Projects

27. **Shuttle/Feeder Bus Service:** These projects link a mass transit hub (e.g., rail or Bus Rapid Transit (BRT) station, ferry or bus terminal or airport) to or from a final destination. These projects are intended to reduce single-occupancy, commonly-made vehicular trips (e.g., commuting or shopping center trips) by enabling riders to travel the short distance between a mass transit hub (rail station, ferry terminal or airport) and the nearby final destination. that significantly lower single-occupancy vehicle trips while minimizing emissions created by the shuttle vehicle are eligible for funding. The final destination must be a distinct commercial, employment or residential area. The project's route must operate to or from a rail station, airport, or ferry terminal a mass transit hub and must coordinate with the transit schedules of the connecting rail or ferry mass transit services schedules. Projects-Project routes cannot replace or duplicate an existing local transit bus service link, or serve the same route as a local bus service, but rather must connect transit facilities to local commercial, employment and residential areas. These services are intended to supports and complements use of existing major mass transit services.

Shuttle/feeder bus service applicants must be:

- a. A public transit agency or transit district that directly operates the shuttle/feeder bus service;
- b. A city, county, or any other public agency.

~~Unless the applicant is the transit agency or transit district that directly implements this project,~~ The project applicant must submit documentation from the General Manager of the transit district or transit agency that provides service in the area of the proposed route, which demonstrates that the proposed service does not duplicate or conflict with existing service.

Applicants are strongly encouraged to use the cleanest vehicle powered with the best-available technology (e.g., electric, hydrogen) to provide the shuttle/feeder bus service. Eligible vehicle types include:

- a. A zero-emission vehicle (e.g. electric, hydrogen)
- b. An alternative fuel vehicle (e.g. compressed natural gas, liquefied natural gas, propane);
- c. A hybrid-electric vehicle;
- d. A post-1997 diesel vehicle with a CARB Verified Diesel Emission Control Strategy (e.g., retrofit); or
- e. A post-1989 gasoline-fueled vehicle.

28. ~~**Pilot Shuttle/Feeder Bus Service:** Pilot projects are defined as new routes that are at least 70% unique and have not been in operation in the past five years. In addition to meeting the requirements listed in Policy 27 for Shuttle/Feeder Bus Service, pilot shuttle/feeder project applicants must also provide data supporting the demand for the service, including letters of support from potential users and providers, and plans for financing the service in the future. Pilot projects must meet and maintain a minimum cost effectiveness of \$125,000/ton during the first year of operation and a minimum cost effectiveness of \$90,000 by the end of the second year of operation (see Policy #2). Projects may only receive a maximum of two years of funding under the Pilot designation. Applicants must apply for subsequent funding under the Shuttle/Feeder Bus designation, described above.~~  
Reserved.

#### Regional Ridesharing

29. **Regional Ridesharing Projects:** For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five Bay Area counties, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application. Ride matching services must be coordinated with the Metropolitan Transportation Commission's regional ridesharing program. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor are not eligible.

#### Bicycle Facility Projects

30. ~~**Reserved.Electronic Bicycle Lockers:** Funding is available for project sponsors to purchase and install new electronic bicycle lockers. Projects must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission's Regional Bicycle Plan and serve a major activity center (e.g. transit station, office building, or school).~~  
Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCA funding.  
The maximum award amount is based on the number of bicycles, at the rate of \$2,500 per bicycle accommodated by the lockers.

31. ~~Reserved.~~

#### 2004 Drayage Truck Replacement Projects

32. **Drayage Truck Replacement Projects:** Projects that replace Class 8 (33,001 lb GVWR or greater) drayage trucks with engine Model Years (MY) of 2004, 2005 or 2006 with trucks that have engines certified to 2007 California Air Resources Board (CARB) emissions standards or cleaner are eligible for funding. The existing trucks with the 2004, 2005, or 2006 engines must be registered with the California Department of Motor Vehicles (DMV) and with the CARB drayage truck registry to a Bay Area address, and must be taken out of service after replacement.

## REGIONAL FUND EVALUATION CRITERIA

~~TFCA projects will be evaluated on a first come first serve basis. In order to address Air District priorities, funding available will be reserved as follows:~~

~~**1. For Shuttle/Feeder Bus Services and Ridesharing Projects:** Complete applications received by the submittal deadline that meet the eligibility criteria, will be ranked for funding based on cost-effectiveness. At least sixty percent (60%) of the funds will be reserved for eligible projects that meet one or more of the following District priorities:~~

~~60% of funding available in this category will be reserved for projects that fall within one or more of the following categories:~~

- ~~a. Projects in Highly Impacted Communities as defined in the Air District Community Air Risk Evaluation (CARE) Reduction plans Program;~~
- ~~b. Priority Development Areas; and~~
- ~~c. Projects that significantly reduce greenhouse gasses (GHG).~~

~~The District will evaluate all Shuttle/Feeder Bus Services and Ridesharing project applications received after the submittal deadline on a first-come-first-served basis, based on the TFCA policies, based on cost-effectiveness.~~

~~**1.2. Reserved. Electronic Bicycle Locker(s) and Drayage Truck Replacement Projects:** Applications will be evaluated on a first -come - first -serve basis.~~

Committer and Agency	Comment	Staff Response
<p>Marcella M. Rensi Manager, Programming &amp; Grants VTA</p>	<p><b>Policy #27- Shuttle/Feeder Bus Service:</b> The sentence in Policy 27 that reads “The project’s route must operate to or from a rail station, airport, or ferry terminal and must coordinate with the transit schedules of the connecting rail or ferry services” should be revised to include BRT stations and bus terminals in addition to rail stations, airports and ferry terminals.</p>	<p>Staff acknowledges that Bus Rapid Transit (BRT) stations and bus terminals function as transit hubs in much the same fashion that rail stations, airports and ferry terminals do. Accordingly, staff has modified the language in Policy #27 to clarify that the requirement to connect to a mass transit hub includes BRT stations and bus terminals.</p>
	<p><b>Policy #28 – Reserved:</b> Policy 28 should be changed to conform to Policy 30 of BAAQMD’s Board-Adopted TFCA County Program Manager Fund Policies for FYE 2013 which allows for funding of Arterial Management projects (“<i>Arterial management grant applications must identify a specific arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment.</i>”) In short, Arterial Management projects should be eligible for funding under the TFCA Regional Fund, in the same way that they are eligible under the Program Manager Fund. These projects are some of the most cost-effective projects funded with TFCA Program Manager funds, esp. in Santa Clara County which historically has had an automobile-dependent suburban development pattern. By reacting to changes in traffic patterns, signal timing works to keep roads operating efficiently.</p>	<p>The Air District has been working over the past several years to streamline the TFCA funding to ensure that it is as efficient and flexible as possible to meet the growing demand for grant funding. As part of this effort, staff has identified project types that are better suited for either the TFCA Regional Fund, TFCA County Program Manager Fund, and in some cases - both. Regional Funds are being focused on project types that are able to readily comply with the two-year timeframe mandated by the authorizing legislation, that have shown to provide the maximum emission reductions (related to cost-effectiveness), that can be used to target heavily impacted areas and/or that can provide the greatest regional benefit.</p> <p>Funding for Arterial Management projects is currently is available through the TFCA County Program Manager Fund.</p>
<p>Jim Castelaz President &amp; CEO Motiv Power Systems, Inc.</p>	<p><b>Policy #27- Shuttle/Feeder Bus Service:</b> Varying health impacts of different pollutants may not justify a simple sum total of tonnage as an appropriate metric of merit. One ton of some pollutants, such as particulate matter, may have much more detrimental public effect than one ton of NOx, for instance. While using a tonnage total is simple, it may skew emissions offsets towards the higher-volume easier-to-mitigate pollutants and away from pollutants that are more dangerous on a per-ton basis but have less total mass. An even simpler metric would be for the BAAQMD to require that all new vehicles eligible for funding have zero tailpipe emissions.</p>	<p>The Air District’s calculation of cost-effectiveness takes into account the varying health impacts referred to by the commenter. Specifically, this calculation multiplies (i.e., “weighs”) the emissions of particulate matter in recognition of the negative health impacts caused by this pollutant. Please see <b>Policy #2 – TFCA Cost-Effectiveness</b>.</p> <p>Please see the last two responses to this commenter that address the request to restrict funding to zero-emission vehicles.</p>
	<p><b>Policy #27- Shuttle/Feeder Bus Service:</b> Motiv works with private shuttle fleets that provide valuable shuttle bus services in the bay Area. These fleets are occasionally hired by public agencies to take over some shuttle or bus service routes. We suggest that it would serve the goals of TFCA policies to open funding to private fleets under policy 27, provided the evaluation criteria were materially the same.</p>	<p>Health and Safety Code §44241 (c) (1) specifies that TFCA funds for shuttle/feeder bus projects may only be allocated to “cities, counties, the Metropolitan Transportation Commission, transit districts, or any other public agency...” Therefore, although only public agencies are eligible to apply for funds, non-public entities can on a contract bases, serve as service providers to public agencies that choose to contract these services out.</p>



Committer and Agency	Comment	Staff Response
<p><i>Continued,</i> Jim Castelaz President &amp; CEO Motiv Power Systems, Inc.</p>	<p><b>Policy #27- Shuttle/Feeder Bus Service:</b> The language used on Policy 27 encourages the use of the cleanest shuttle vehicle technology. The BAAQMD could strengthen this encouragement by aligning evaluation and funding criteria with minimizing the new shuttle vehicle’s emissions. If zero-emission shuttles are available, why should any shuttles with non-zero tailpipe emissions be eligible at all?</p>	<p>Although many shuttle projects have associated tailpipe emissions, successful shuttle projects reduce net emissions by significantly reducing single-occupancy vehicle miles driven. The evaluation of project cost-effectiveness takes into account shuttle tailpipe emissions and other factors that determine the net emissions generated by a project. All other factors being equal, a shuttle project that utilizes zero-emission vehicles would be more cost-effective than one that does not. As such, zero-emission projects score higher and are therefore be more likely to be funded at a higher rate. See <b>Policy #2 – TFCA Cost-Effectiveness.</b></p>
	<p><b>Policy #32 – Drayage Truck Replacement Projects:</b> Motiv has discussed potential opportunities for zero-emission drayage tractors. This would fit in with the goals of policy 32. Motiv would request that the same language used in policy 27, which states that “applicants are strongly encouraged to use the cleanest vehicle powered with the best available technology...” also be used in policy 32. This would encourage the development and deployment of zero-emission drayage tractors. Motiv would further encourage the BAAQMD to go one step further and make only zero-emission tractors eligible for funding under policy 32.</p>	<p>Policy 32 does not prohibit truck owners from using grant funds to purchase zero-emissions technology. The District is not aware of a viable, zero-emission technology currently being used for drayage trucking and this policy is not intended to fund research and development projects. At this time, the District is not proposing to limit the equipment eligible for funding under this policy.</p>
<p>Christopher Dacumos Budgets and Grants San Mateo County Transit District</p>	<p>How will the BAAQMD now consider new routes and/or proposals of new routes given the elimination of pilot shuttle projects as an eligible project type?</p>	<p>Staff is not recommending Regional Funds for pilot projects at this time. The Air District tested use of Regional Funds for pilot projects during the past three years and used this experience to evaluate the appropriateness of using TFCA funds for new/pilot shuttle projects. Given the frequency of challenges encountered by the sponsors of new projects, (e.g., low ridership, delays in project start-up), staff has determined that these projects are not the most appropriate for Regional Funds given that they have difficulties meeting all TFCA Regional Fund Policies, esp. Policies #2 – TFCA Cost-Effectiveness and #8 – Readiness.</p> <p>Funding for Pilot Shuttle projects is available through the TFCA County Program Manager Fund.</p>