



**Bay Area Air Quality Management District
Mobile Source Committee**

April 24, 2014

**Projects and Contracts with Proposed Awards
over \$100,000**

**Damian Breen
Deputy Air Pollution Control Officer**

Overview

- Background
- Proposed Projects with Awards Over \$100,000
- VBB Direct-mail Contract
- Recommendations

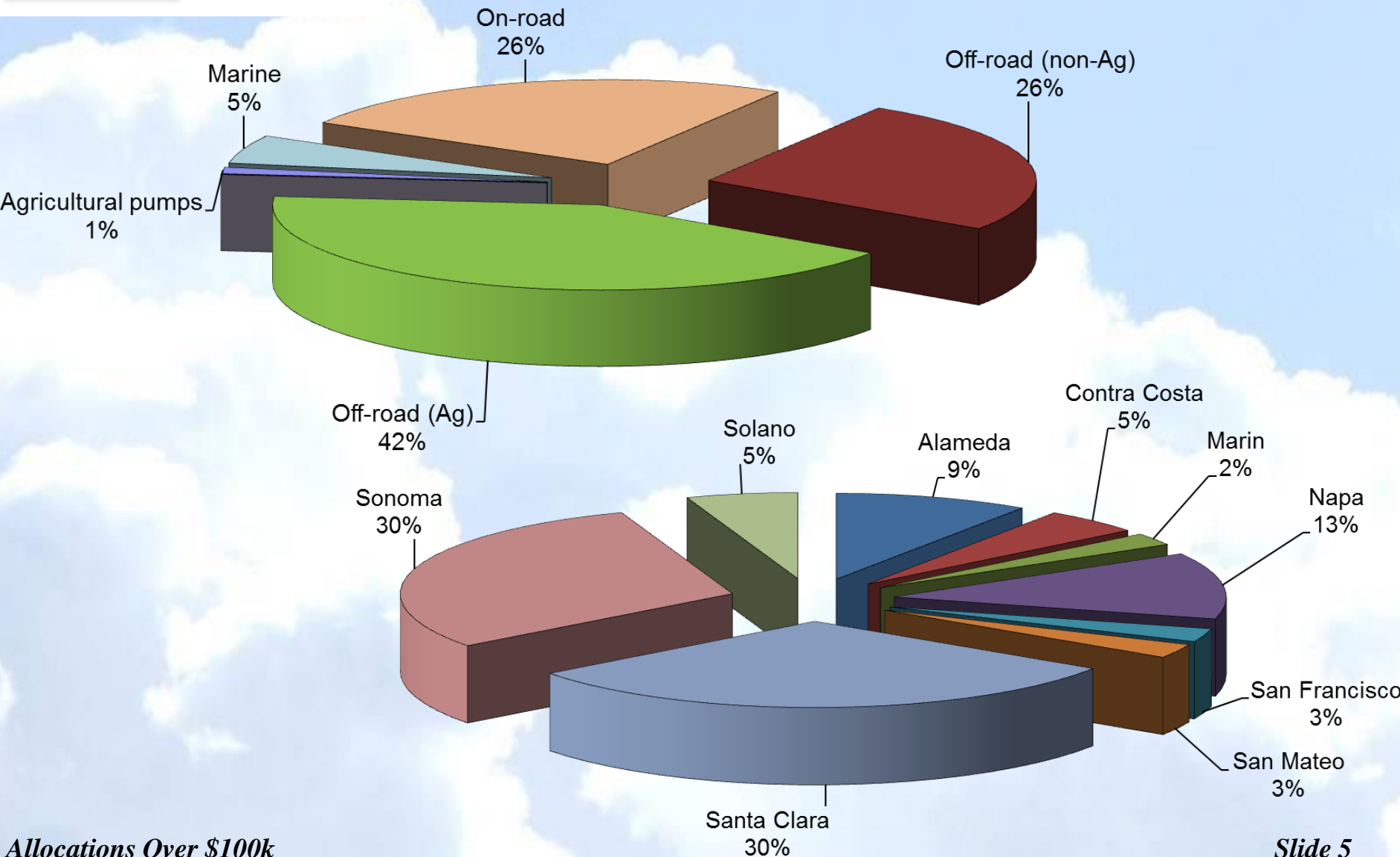
CMP, MSIF, & TFCA

- **Carl Moyer Program (CMP)**
 - Created in 1998 to reduce emissions from heavy-duty engines
 - Voluntary program that funds surplus emission reductions
- **Mobile Source Incentive Fund (MSIF)**
 - AB 923 allowed for additional \$2 motor vehicle registration fee surcharge (12/04)
 - CMP projects eligible for MSIF funding
- **Transportation Fund for Clean Air (TFCA)**
 - Funding provided by a \$4 surcharge on motor vehicles
 - Statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242

- On **2/4/13** District Board of Directors:
 - Approved participation in CMP Year 15
 - Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000
- **CMP Project Recommendations over \$100k**
 - 13 Projects to reduce emissions from: 32 tractors, 2 loaders, 6 marine engines, and one off-road excavator
 - \$2,128,015 in total awards
 - Emission reductions: Over 14.3 TPY of criteria pollutants

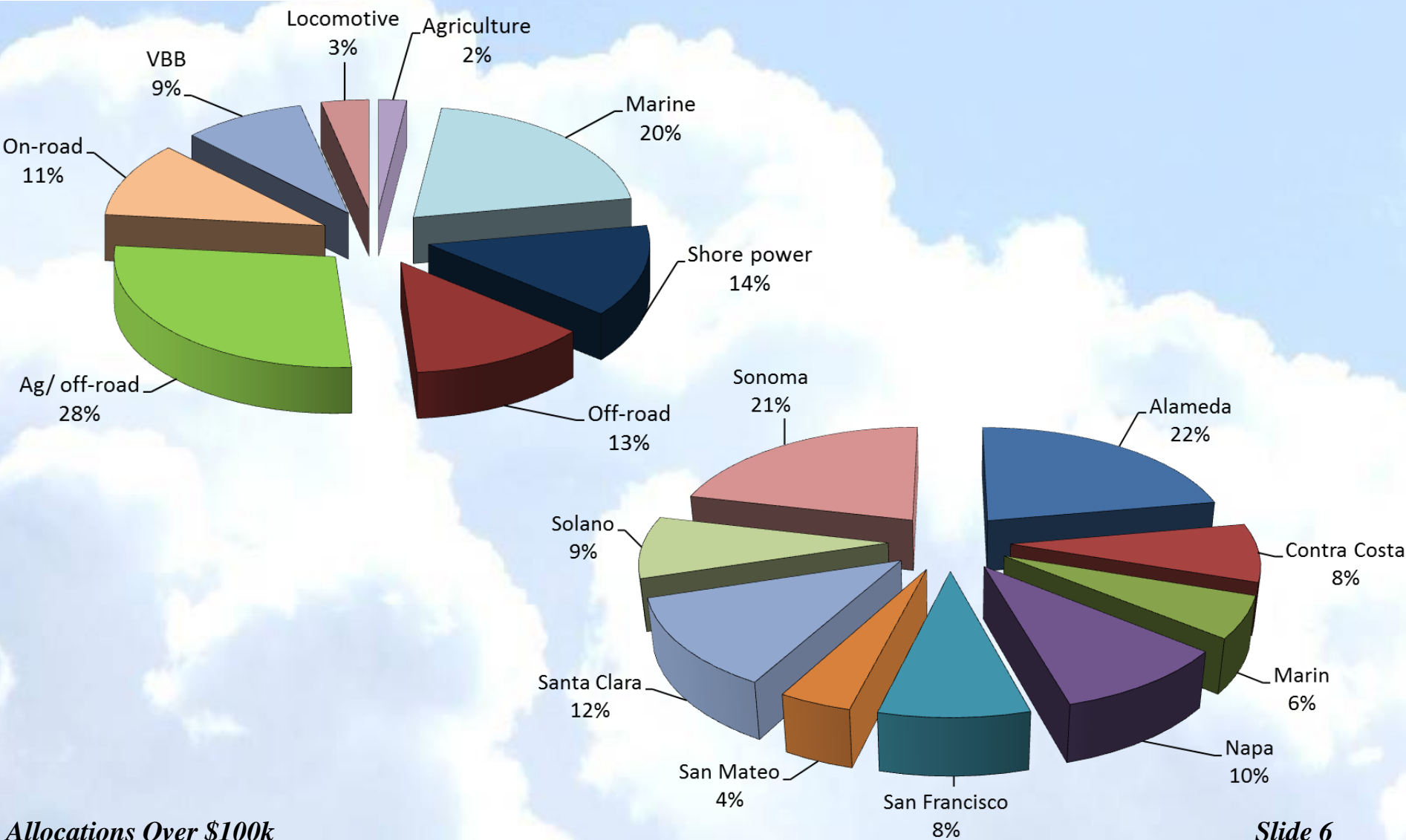


CMP/ MSIF and VIP Funds Awarded as of 4/7/14





CMP/ MSIF and VIP Funds Awarded CMP Years 11-15



- On **6/5/13** District Board of Directors:
 - Authorized funding for eligible Air District-led and Regional Fund project categories
 - Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000
- **TFCA Project Recommendations over \$100k**
 - None (Since February 27, 2014)
 - \$5,210,288 in total awards to 31 projects (Attachment 4)
 - Emission reductions: Over 66 TPY of criteria pollutants

Vehicle Buy Back Program (VBB) Direct Mail

- On 6/5/13 the Board of Directors approved \$7 million allocation to restart the vehicle buy back program
- Program provides \$1,000 to Bay Area vehicle owners to scrap their 1994 and older vehicles
- Over 2,500 vehicle have been retired through this program since Fall 2013
- Direct mail is the primary outreach tool for the program
- Staff is proposing the allocation of \$150,000 to AdMail for continued administration of the direct mail outreach

Recommendations

Request the Committee recommend the Board of Directors:

1. Approve Carl Moyer Program projects with proposed grant awards over \$100,000;
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended projects and direct-mail contract; and
3. Approve the allocation of \$150,000 for the direct-mail outreach for the Vehicle Buy Back Program.



AGENDA: 5

Bay Area Air Quality Management District Mobile Source Committee

April 24, 2014

Fiscal Year Ending (FYE) 2015 Transportation Fund for Clean Air (TFCA) County Program Manager Expenditure Plans

**Damian Breen
Director of Strategic Incentives**

Overview

- Background
- FYE 2015 Expenditure Plans
- Policy Waiver Requests for FYE 2015 Projects
- Recommendations

Transportation Fund for Clean Air (TFCA) Background

- Established in 1991 to reduce on-road mobile source emissions
- \$4 motor vehicle registration surcharge fee:
 - 40% dispersed to Congestion Management Agencies
 - 60% awarded directly by the Air District through the Regional Fund program and to Air District sponsored projects (Spare the Air, Enhanced Enforcement, etc.)
- County Program Manager submits annual Expenditure Plan Application outlining funding available
- Must allocate available funds within 6 months of District Board's approval of Expenditure Plan

FYE 2015 Expenditure Plans

Table 1: FYE 2015 TFCA County Program Manager Funds

County Program Manager	Total Funds to be Programmed in FYE 2015
Alameda County Transportation Commission	\$3,451,591.05*
Contra Costa Transportation Authority	\$1,414,860.56
Transportation Authority of Marin	\$374,370.24
Napa County Transportation Planning Agency	\$229,213.38
San Francisco County Transportation Authority (SFCTA)	\$838,595.03
San Mateo City/County Association of Governments	\$1,092,837.33
Santa Clara Valley Transportation Agency (VTA)	\$2,577,863.44
Solano Transportation Authority	\$310,201.84
Sonoma County Transportation Authority	\$633,821.78
TOTAL	\$10,923,354.65

**Includes an additional \$7,485.83, which is 5% administration of the \$149,716.61 that was allocated in FYE12, but received in FYE15.*

Policy Waiver Requests

Table 2: FYE 2015 Projects Requiring Case-by-Case Approvals

Project Name	TFCA CPM Funds	Est. Total Project Cost	Requested Policy Exemption Proposal
VTA-Capitol Expressway Pedestrian Improvements	\$198,000	\$1,547,200	Policy 32.C. Requires that projects must have a completed and approved environmental plan. VTA proposes to complete the environmental review and the project within 2 years of award.
San Jose Bay Area Bike Share (BABS) System Expansion	\$256,238	\$366,055	Policy 7. Limits operating costs to two years. VTA proposes to fund five years of operating costs to meet the cost-effectiveness threshold of \$500,000/ton.
San Francisco Arterial Management Project	\$136,000	\$208,000	Policy 31. Requires minimum average daily traffic volume of 20,000 or average peak hour traffic volume of 2,000. Current traffic information is unavailable; however, SFCTA considers corridors to be principal arterials.

Recommendations

Request the Committee recommend the Board of Directors:

- Approve the allocation of FYE 2015 TFCA CPM Funds listed on Table 1;
- Authorize the Executive Officer/APCO to enter into funding agreements with the CPMs for the total funds to be programmed in FYE 2015, listed on Table 1; and
- Approve policy waivers to allow VTA to use FYE 2015 TFCA CPM Funds for a pedestrian improvement and bicycle sharing projects and SFCTA to use FYE 2015 TFCA CPM Funds for arterial management projects.



**Bay Area Air Quality Management District
Mobile Source Committee**

April 24, 2014

**Update on Transportation Fund for Clean Air
(TFCA) Regional Fund Shuttle and Ridesharing
Incentive Program**

**Damian Breen
Director of Strategic Incentives**

- Background
- Discussion
- Key Policy Drivers and Program Issues
- Realignment Opportunities
- Program Review Process and Next Steps

Background

Transportation Fund for Clean Air (TFCA)

- Established in 1991, funding from \$4 surcharge on Bay Area motor vehicles for projects that reduce on-road vehicle emissions
- 60% of TFCA funds awarded directly by the Air District:
 - Air District led projects and programs (Spare the Air, Enhanced Mobile Source Enforcement & Commuter Benefits Project)
 - TFCA Regional Fund Program (competitive program)
- Remaining 40% is distributed to the 9-Bay Area Congestion Management Agencies (County Program Manager Fund)
- Board adopts policies and evaluation criteria annually
- TFCA is the sole funding source that can be used to fund **trip reduction and light-duty alternative fuel vehicle-based** projects

- Authorizing Legislation defines 11 eligible project categories.
- TFCA Regional Fund provides funding for shuttle and rideshare projects that achieve **emission reductions from eliminated single-occupant vehicle trips by linking employees to transit.**
- Overtime, demand for program funding has grown; program provides funding for links to rail and transit hubs.
- Air District's Regional Fund has awarded more than \$53 million to shuttle and ridesharing projects since 1992:
 - \$37 million to Shuttle Services; and
 - \$16 million to Ridesharing Services.

Key Policy Drivers and Program Issues

- Changes in state and federal emissions standards and CA Air Resources Board are driving towards zero emission transportation:
 - Shuttle projects become less cost-effective over time as “baseline” emissions are reduced; since shuttle [med- & heavy-duty] vehicles are dirtier than most cars;
- Other Issues: Relatively low ridership, increasing reliance on TFCA funds
- Alignment with Metropolitan Transportation Commission’s (MTC) efforts (Transit Connectivity Plan, Transit Sustainability Project):
 - Goal 5% efficiency improvement (reduction in transit operating costs); and
 - Consider other last-mile connection solutions (vanpools, carsharing, taxis, bikesharing, etc.)

Realignment Opportunities

- Need to clarify **purpose of funding**.
 - Develop **program criteria and evaluation methodology that support intended purpose**. Opportunities include:
 - Close transit connectivity gaps - Target funding in areas that lack existing or adequate level of service (e.g., non-urban areas);
 - Update Air District defaults to reduce need for survey data;
 - CARE Areas (including highly impacted and episodic areas);
 - Be “pilot friendly”; and
 - Broaden “shuttle and rideshare category” to include other (non-shuttle) last-mile connection services.
- OR -**
- Discontinue/phase-out shuttle program

Program Review Process and Next Steps

- Take steps to ensure that funds are being spent in a manner that maximizes emissions reductions and benefits to the region.
- To date, Air District staff has held six open discussion public stakeholder meetings to gather input on the proposed concepts:
 - 2013: October 8 & 30 (CMA's)
 - 2014: January 29, February 25 & 26, and April 17
- Continue to solicit input over this summer and develop draft policy recommendation.
- Bring proposed recommendation to Mobile Source Committee fall 2014.



AGENDA: 7

**Bay Area Air Quality Management District
Mobile Source Committee**

April 24, 2014

**Fiscal Year Ending (FYE) 2015
Transportation Fund for Clean Air (TFCA)
Funding Allocations**

**Damian Breen
Director of Strategic Incentives**

- Background
- FYE 2015 TFCA Expenditure Plan
- Regional Fund and Air District Programs
- Cost-Effectiveness Limits
- Recommendations



Background

Transportation Fund for Clean Air (TFCA)

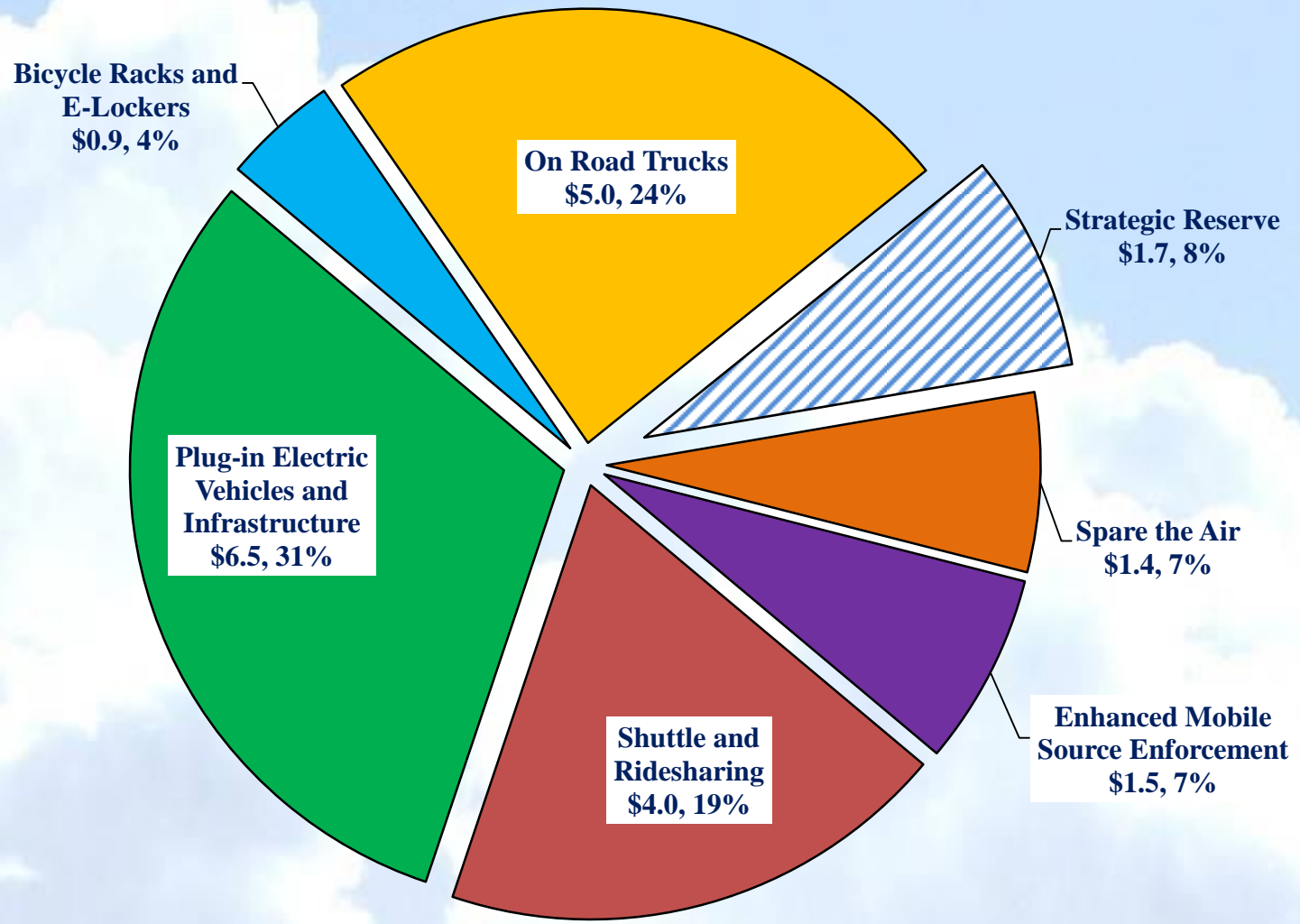
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FYE 2015 TFCA Expenditure Plan and Revenue

Program/Project	CEC ARFVTP Funding (in Millions)	TFCA Funding From Prior Years (in Millions)	New FYE 2015 Funding (in Millions)	Total Funds Available in FYE 2015 (in Millions)
Shuttle and Ridesharing			\$4.0	\$4.0
Bicycle Electronic Lockers and Racks		\$0.5	\$0.4	\$0.9
Plug-in Electric Vehicles and Infrastructure	\$0.5	\$6.0		\$6.5
On Road Trucks		\$2.0	\$3.0	\$5.0
Spare the Air			\$1.4	\$1.4
Enhanced Mobile Source Enforcement			\$1.5	\$1.5
<i>Strategic Reserve</i>			\$1.7	\$1.7
Total Funding Allocation:	\$0.5	\$8.5	\$12.0	\$21.0

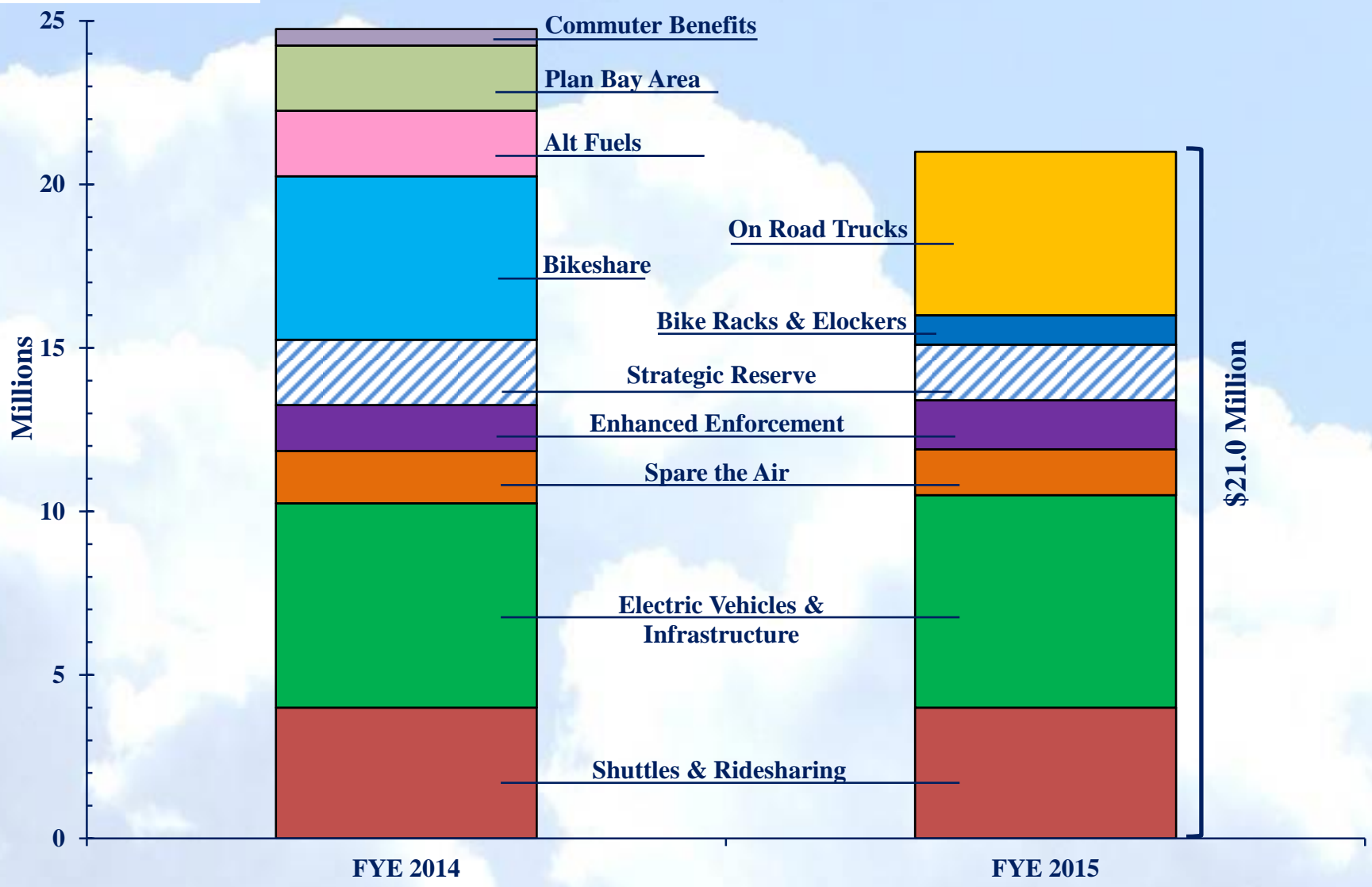
FYE 2015 TFCA Expenditure Plan

\$21.0 Million



TFCA Funding Distribution

FYE 2015 and FYE 2014



Regional Fund Programs Up to \$9.9 Million*

- **\$4.0 Million - Shuttle & Ridesharing Services**
- **\$0.9 Million* - Electronic Bike Lockers** – (*Includes funding for bike racks)
- **\$5.0 Million - On Road Trucks**
- **Process and Timeline:**
 - Issued draft policies for public comment April 1 (closes April 21)
 - Proposed policy recommendations to MSC in May 2014
 - Open call for projects mid-2014 (tentative)



Air District-Led Programs

\$11.1 Million

Funding	Air District Sponsored Projects and Programs
\$6.5 million*	Plug-in Electric Vehicle (PEV) and Infrastructure
\$0 million**	Bicycle Rack Voucher Project (BRVP)
\$1.4 million	Spare the Air
\$1.5 million	Enhanced Mobile Source Enforcement and Commuter Benefits Project
\$9.4 million	Total Funds Allocated for FYE 2015
\$1.7 million	In Strategic Reserve

* Includes \$500,000 in funding from the California Energy Commission

** Funds accounted for in Regional Fund E-Locker Program

Plug-in Electric Vehicle (PEV) and Infrastructure Program \$6.5 Million

- **PEV Rebates for Public Agencies**
 - Vouchers for the purchase and lease of new BEVs and PHEVs
 - Exploring expanding program to include PEV motorcycles, MDVs, and HDVs
- **DC Fast Charge EV Infrastructure Incentives**
 - Support deployment of regional EV charging “safety net”
 - **Proposal:** Increase max. project useful life to 4 years
- **Funding for other PEV-related projects:** Staff will return later this year with a recommendation for expanding list of PEV funding programs



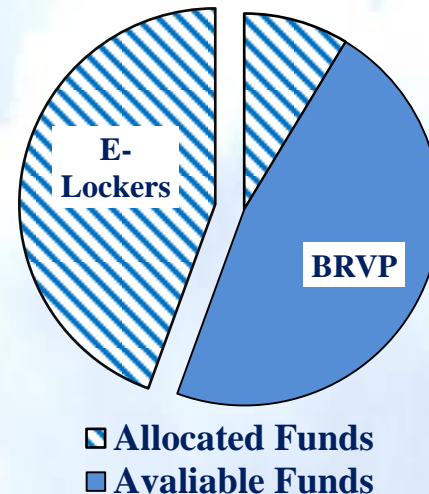
Bicycle Rack Voucher Project (BRVP)

Funds for **Public Agencies** to purchase **new bicycle racks**

- Up to \$60 per bicycle parking spot created; \$12,000 limit per public agency/ fiscal year.
- Staff recommends combining pool of funds for bike rack and e-locker projects in order to allow sufficient flexibility to meet demand



DERO "Arc Rack"



Other Air District-led Programs

- **\$1.4 million - Spare the Air Program:** Supports outreach for the summer ozone season to reduce motor vehicle miles travelled
- **\$1.5 million - Enhanced Mobile Source Enforcement Project:** Supports smoking vehicle patrols and drayage truck regulation enforcement and implementation of the Commuter Benefits Project
- **\$1.7 million – Strategic Reserve:** To provide additional support to approved projects or other emissions reductions projects

TFCA Cost-Effectiveness Limits for Air District Led Programs*

Cost-Effectiveness (per ton of emissions reduced)	Projects and Programs	Project Useful Life (in Years)	Note
\$90,000	Bicycle Rack Voucher Program	10	No Change
\$450,000	PEV Rebates for Public Agencies	3	No Change
\$250,000	Electric Vehicle Infrastructure Projects (DC and Level 2)	4	Change to allow PUL of up to 4 years (from 2) to maximize funding to projects (dollars per charger).
\$90,000	Spare the Air Program	1	No Change
\$90,000	Enhanced Mobile Source Enforcement Project	1	No Change
\$250,000	PEV Rebates for Bay Area Residents and Business Fleets (Reserved)	3	Change to 3 years (from 2) to make consistent with ARB's Rebate program

***Regional Fund Program C/E limits to be approved by the Board of Directors**

Request the Committee recommend the Board of Directors:

1. Allocate \$18.8 million in its Transportation Fund for Clean Air (TFCA) funding to the projects and programs listed in Table 1;
2. Authorize the Executive Officer/APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1;
3. Accept up to \$500,000 in Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP) funding from the California Energy Commission (CEC) for electric vehicle charging projects; and
4. Authorize the Executive Officer/APCO to execute all contracts necessary and to accept, appropriate, and expend CEC ARFVTP monies.