



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY - CHAIR  
JOHN AVALOS  
CAROLE GROOM  
NATE MILEY

DAVID CANEPA – VICE CHAIR  
TOM BATES  
DAVID E. HUDSON  
KAREN MITCHOFF  
JAN PEPPER

**THURSDAY  
FEBRUARY 25, 2016  
9:30 A.M.**

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

**AGENDA**

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

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

**2. PUBLIC COMMENT PERIOD**

*(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 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.*

*This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx> at the time of the meeting.*

Staff/Phone (415) 749-

**3. APPROVAL OF THE MINUTES OF JANUARY 28, 2016**      Clerk of the Boards/5073

*The Committee will consider approving the draft minutes of the Mobile Source Committee meeting of January 28, 2016.*

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

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

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

5. **AIR DISTRICT GRANT PROGRAMS OVERVIEW**

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

*The Committee will receive an informational report on grant funds allocated by the Air District in calendar year 2015 and projected funding availability and proposed priorities for grant programs in calendar year 2016.*

6. **PARTICIPATION IN YEAR 18 OF THE CARL MOYER PROGRAM AND 2016 CALTRAIN FUNDING PLAN**

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

*The Committee will consider recommending Board of Directors' approval of a resolution authorizing the Air District's participation in Year 18 of the Carl Moyer Program and allocation of required match funding.*

7. **FISCAL YEAR ENDING (FYE) 2017 TRANSPORTATION FUND FOR CLEAN AIR (TFCA) FUNDING ALLOCATIONS**

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

*The Committee will consider recommending Board of Directors' approval of a recommendation for proposed cost-effectiveness limits for Air District-sponsored programs and funding allocations for FYE 2017 Transportation Fund for Clean Air programs.*

8. **COMMITTEE MEMBER COMMENTS**

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

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

*Thursday, April 28, 2016, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 9:30 a.m.*

10. **ADJOURNMENT**

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

## CONTACT:

**MANAGER, EXECUTIVE OPERATIONS**  
**939 ELLIS STREET, SAN FRANCISCO, CA 94109**  
**mmartinez@baaqmd.gov**

**(415) 749-5016**  
**FAX: (415) 928-8560**  
**BAAQMD homepage:**  
**[www.baaqmd.gov](http://www.baaqmd.gov)**

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Mobile Source Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Committee meeting. Any correspondence received after that time will be presented to the Committee at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- **Accessibility and Title VI:** The Air District provides services and accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Board matters. For accommodations or translations assistance, please call 415-749-5016 at least three days in advance of a meeting, so that arrangements can be made accordingly.

**Accesibilidad y Título VI:** El Distrito del Aire ofrece servicios y realiza las adaptaciones necesarias para las personas con discapacidades y para las personas con un dominio limitado del inglés siempre que estos servicios se soliciten y se deseen tratar asuntos relacionados con la Junta. Si necesita ayuda con algún tipo de adaptación o traducción, llame al 415-749-5016 como mínimo tres días antes de la reunión de manera que puedan realizarse las adaptaciones necesarias.

**Magagamit na Tulong at Título VI:** Nagbibigay ang Air District ng mga serbisyo at mga akomodasyon, kapag hiniling, sa mga taong may kapansanan at mga taong limitado ang kakayahan sa Ingles na gustong magpahayag tungkol sa mga usapin sa harap ng Lupon. Para sa mga tulong sa akomodasyon o sa pagsasalin, mangyaring tumawag sa 415-749-5016 nang tatlong araw man lamang na una pa sa miting, para makapaghandang ayon sa pangangailangan.

**可及度及標題VI:** 空氣管理局根據申請為殘障人士和英語熟練程度有限但卻希望參與董事會事宜的人員提供服務和住宿。關於住宿或者翻譯幫助，請至少在會議之前三天致電 415-749-5016，以便作出相應安排。

**Tạo Khả Năng Truy Cập và Chương VI:** Đặc Khu cung cấp dịch vụ và phương tiện đáp ứng, khi có yêu cầu, cho những người bị khuyết tật và cho những cá nhân không thông thạo Anh ngữ muốn được tham gia các vấn đề của Hội Đồng. Để được phương tiện đáp ứng hoặc trợ giúp phiên dịch, xin gọi số 415-749-5016 ít nhất ba ngày trước khi có hội thảo, để tiện bố trí các phương tiện

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

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109**  
**FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941**

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

**FEBRUARY 2016**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i> -CANCELLED	Wednesday	24	9:30 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	25	9:30 a.m.	Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Thursday	25	11:00 a.m.	Board Room

**MARCH 2016**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> -CANCELLED	Wednesday	2	9:45 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Wednesday	2	9:30 a.m.	Board Room
<b>Board of Directors Personnel Committee</b> <i>(At the Call of the Chair)</i>	Monday	7	9:30 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	Board Room
<b>Board of Directors Climate Protection Committee</b> <i>(Meets 3<sup>rd</sup> Thursday of every other Month)</i>	Thursday	17	9:30 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> -CANCELLED	Monday	21	9:30 a.m.	Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> -CANCELLED	Monday	21	10:30 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	23	9:30 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i> -CANCELLED	Thursday	24	9:30 a.m.	Board Room

## APRIL 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	6	9:45 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	18	9:30 a.m.	Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	18	10:30 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	27	9:30 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	28	9:30 a.m.	Board Room

HK – 2/17/16 (12:15 p.m.)

G/Board/Executive Office/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Scott Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: February 15, 2016

Re: Approval of the Minutes of January 28, 2016

RECOMMENDED ACTION

Approve attached draft minutes of the Mobile Source Committee (Committee) meeting of January 28, 2016.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of January 28, 2016.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Tom Flannigan  
Reviewed by: Maricela Martinez

Attachment: Draft Minutes of the Committee Meeting of January 28, 2016

## AGENDA 3 – ATTACHMENT

Draft Minutes – Mobile Source Committee Meeting of January 28, 2016

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, California 94109  
(415) 749-5073

### **DRAFT MINUTES**

Summary of Board of Directors  
Mobile Source Committee Meeting  
Thursday, January 28, 2016

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

Chairperson Scott Haggerty called the meeting to order at 9:44 a.m.

Present: Chairperson Scott Haggerty; Vice-Chairperson David Canepa; and Directors David Hudson, Eric Mar, Tom Bates, Nate Miley and Karen Mitchoff.

Absent: Directors John Avalos, Carole Groom, and Jan Pepper.

Also Present: None.

**2. PUBLIC COMMENT PERIOD:** No requests received.

#### **3. APPROVAL OF THE MINUTES OF DECEMBER 2, 2015**

Committee Comments: None.

Public Comments: No requests received.

Committee Action:

Director Hudson made a motion, seconded by Vice-Chairperson Canepa, to approve the Minutes of December 2, 2015; and the motion carried by the following vote of the Committee:

AYES: Canepa, Haggerty, Hudson, Mar, Miley, and Mitchoff.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Avalos, Bates, Groom, and Pepper.

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

Karen Schkolnick, Acting Director of the Strategic Incentives Division, introduced Linda Hui, Administrative Analyst of the Strategic Incentives Division, who gave the staff presentation *Projects with Proposed Awards over \$100,000*, including an overview of the Carl Moyer Program



(CMP), Mobile Source Incentive Fund, and Transportation Fund for Clean Air; the results of the solicitation, a summary of the projects that are eligible for award; and recommendations.

Mobile Source Committee (Committee) Comments:

The Committee and staff discussed the costs of different types of electric vehicle charging stations; the costs of a direct current (DC) fast charger as compared to a typical charging device; and funding needs.

Public Comments:

Courtney Riddle, City of San Jose, addressed the Committee in favor of grant awards, stating that funding will be helpful for the City of San Jose and helpful in efforts to promote electric vehicle use.

Committee Action:

Director Mitchoff made a motion, seconded by Director Hudson, to approve the staff recommendations; and the motion carried by the following vote of the Committee:

AYES: Canepa, Haggerty, Hudson, Mar, Miley, and Mitchoff.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Avalos, Bates, Groom, and Pepper.

**5. ELECTRIC VEHICLE CHARGING STATION DEMONSTRATION PROGRAM**

Ms. Schkolnick introduced the topic and Kenneth Mak, Air Quality Specialist in the Strategic Incentives Division, who gave the staff presentation *Electric Vehicle Charging Station Demonstration Program*, including an overview and background on the Reformulated Gasoline Settlement Fund; the application for funding and award of funding; eligibility and evaluation criteria; program funding amounts; process and evaluation results; projects recommended for award; contingency projects; projects not recommended for award; and recommendations.

Committee Comments:

The Committee and staff discussed the program; if the program was undersubscribed; the settlement itself; the application for funding by the City of Concord; and that the program only included electric fueling stations and not hydrogen fueling stations.

Public Comments:

Donna Lee, BART, addressed the Committee in support of the Electric Vehicle Charging Station Demonstration Program, thanking for Committee for helping to fund new chargers at BART at the new Warm Springs BART Station.

Committee Action:

Director Mitchoff made a motion, seconded by Vice-Chairperson Canepa, to approve the staff recommendations; and the motion carried by the following vote of the Committee:

AYES: Bates, Canepa, Haggerty, Hudson, Mar, Miley, and Mitchoff.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Avalos, Groom, and Pepper.

**6. COMMERCIAL LAWN AND GARDEN EQUIPMENT REPLACEMENT PROGRAM**

Ms. Schkolnick introduced the topic and Joseph Steinberger, Principal Environmental Planner in the Strategic Incentives Division, who gave the staff presentation *Commercial Lawn and Garden Equipment Replacement Program*, including an overview of the program; background; program description; and recommendations.

Committee Comments:

The Committee and staff discussed the program, including that funding was only provided for public agencies and not for private entities; working with interested school districts, cities and other public agencies; caps on funding for administrative costs; one for one replacement of equipment; costs of conventional leaf blowers as compared to electric leaf blowers; growing regulations around yard equipment and associated emissions; working with California Air Pollution Control Officers Association on reducing mobile sources from lawn equipment; and lawn equipment emissions comparisons.

Public Comments: No requests received.

Committee Action:

Vice-Chairperson Canepa made a motion, seconded by Director Mitchoff, to approve the staff recommendations; and the motion carried by the following vote of the Committee:

AYES: Bates, Canepa, Haggerty, Hudson, Mar, Miley, and Mitchoff.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Avalos, Groom, and Pepper.

**7. COMMITTEE MEMBER COMMENTS:** None.

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

*Thursday, February 25, 2016, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 9:30 a.m.*

**9. ADJOURNMENT:** The meeting adjourned at 10:27 a.m.

Tom Flannigan  
Acting Clerk of the Boards

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Scott Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: February 9, 2016

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

**RECOMMENDATIONS**

Recommend Board of Directors:

1. Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended projects.

**BACKGROUND**

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

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

On February 18, 2015, the Board of Directors (Board) authorized Air District participation in Year 17 of the CMP, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000.

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in California HSC Sections 44241 and 44242. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA funding.

Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund.

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

## DISCUSSION

### **Carl Moyer Program:**

The Air District started accepting project applications for the CMP Year 17 funding cycle on August 17, 2015. The Air District has approximately \$9 million available for CMP projects from a combination of MSIF and CMP funds for the Year 17 cycle. Project applications are being accepted and evaluated on a first-come, first-served basis.

As of February 3, 2016 the Air District had received 43 project applications for the CMP Year 17 cycle. Of the applications that have been evaluated between January 7, 2016 and February 3, 2016, five eligible projects have proposed individual grant awards over \$100,000. These projects will replace four tractors, two loaders, and one marine engine. These projects will reduce over 3.72 tons of NO<sub>x</sub>, ROG and PM per year. Staff recommends the allocation of \$866,490 to these projects from a combination of CMP funds and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2, lists all of the eligible projects that have been received by the Air District as of January 7, 2016, and summarizes the allocation of funding by equipment category, and county. This list also includes the Voucher Incentive Program (VIP) on-road replacement projects awarded since the last committee update. Approximately 22% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 3 summarizes the cumulative allocation of CMP, MSIF, and VBB funding since 2009 (more than \$96 million awarded to 705 projects).

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

On May 6, 2015, the Board allocated \$24.47 million in TFCA funding for eligible projects in Fiscal Year Ending (FYE) 2016, authorized cost-effectiveness limits and evaluation criteria for Air District-sponsored FYE 2016 programs, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for TFCA-funded projects with individual grant award amounts up to \$100,000. On July 29, 2015, the Board adopted policies and evaluation criteria for the FYE 2016 TFCA Regional Fund program. To date, the Air District has opened TFCA-funded solicitations for shuttle and rideshare, electronic bicycle locker, bicycle rack, hydrogen fueling station, plug-in electric vehicle, electric vehicle (EV) charging station, and heavy-duty zero-emission vehicle projects.

As of February 3, 2016 the Air District had evaluated 60 applications for FYE 2016 TFCA funding. Of the applications that have been evaluated between January 8, 2016 and February 3, 2016, three eligible projects proposed an individual grant award over \$100,000. Project #16EV027 will deploy 21 dual-port Level 2 electric vehicle (EV) charging stations that are integrated with roof top solar at Westfield Valley Fair in San Jose. Project #16EV054 will deploy 350 EV charging stations at a workplace in Cupertino. Project #16EV056 will deploy 32 dual-port Level 2 and 5 DC Fast EV charging stations at a workplace in San Francisco. Together, these projects will reduce about 0.41 tons of NO<sub>x</sub>, ROG, and PM per year. Staff determined that these projects conform to the provisions of HSC 44241 and the Board-adopted cost-effectiveness criteria and recommends awarding \$223,777 to Project #16EV027, \$250,000 to Project #16EV054, and \$295,182 to Project #16EV056. Attachment 1, Table 2, provides additional information on these projects.

Attachment 4 lists all of the eligible projects that have been evaluated by the Air District as of February 3, 2016. Attachment 5 summarizes the allocation of funding by project category (Figure 1), and county (Figure 2). In total, these 39 projects represent approximately \$6.4 million in funding awards, which include TFCA funds and \$450,000 in Reformulated Gasoline (RFG) Settlement funds. These projects will reduce more than 48 tons of NO<sub>x</sub>, ROG, and PM per year, with approximately 42% of the \$6.4 million funds have been awarded to projects in the Air District's Community Air Risk Evaluation Program (CARE) areas.

#### BUDGET CONSIDERATION / FINANCIAL IMPACT

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

Respectfully submitted,

Jack P. Broadbent  
Executive Director/APCO

Prepared by: Anthony Fournier and Linda Hui  
Reviewed by: Damian Breen

- Attachment 1: Summary of Carl Moyer Program/Mobile Source Incentive Fund projects with grant awards greater than \$100,000 (Evaluated between 1/7/16 and 2/3/16)
- Attachment 2: Summary of all CMP/ MSIF and VIP approved and eligible projects (between 11/20/15 and 2/3/16)
- Attachment 3: Summary of program distribution by county and equipment category for CMP, MSIF, VBB, and VIP funding since 2009.
- Attachment 4: Summary of all TFCA approved and eligible projects (evaluated between 7/1/15 and 2/3/2016)
- Attachment 5: Summary of FYE 2016 TCFA funds distributed by county and project category (as of 2/3/2016)

**AGENDA 4 - ATTACHMENT 1**

**Table 1 - Summary of Carl Moyer Program/ Mobile Source Incentive Fund projects  
with grant awards greater than \$100k (Evaluated between 1/7/16 and 2/3/16)**

Project #	Applicant name	Equipment category	Project description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
17MOY28	Lum Family Farms, Inc.	Ag/ off-road	Replacement of one diesel tractor.	\$ 282,200.00	\$ 360,880.00	0.959	0.100	0.034	Solano
17MOY40	F.A. Maggiore & Sons, LLC	Ag/ off-road	Replacement of one diesel tractor.	\$ 121,490.00	\$ 174,422.10	0.533	0.030	0.009	Contra Costa
17MOY36	Bayview Vineyards Corp.	Ag/ off-road	Replacement of one diesel tractor.	\$ 129,595.00	\$ 161,995.10	0.601	0.061	0.023	Napa
17MOY31	Chris W. Lawson (Commercial fishing)	Marine	Replacement of one diesel marine engine.	\$ 145,800.00	\$ 171,642.33	0.639	0.012	0.023	San Mateo
17MOY26	Diamond M Dairy	Ag/ off-road	Replacement of one diesel tractor and two diesel loaders.	\$ 187,405.00	\$ 234,273.09	0.573	0.090	0.033	Sonoma
<b>5 Projects</b>				<b>\$ 866,490.00</b>		<b>3.306</b>	<b>0.292</b>	<b>0.123</b>	

**Table 2 - Summary of Transportation Fund for Clean Air projects  
with grant awards greater than \$100k (Evaluated between 1/8/16 and 2/3/16)**

Project #	Project Sponsor	Project Category	Project Description	City	Est. C/E	Proposed Contract Award	Emission Reductions (Tons per year)			County
							NO <sub>x</sub>	ROG	PM	
16EV027	VF/UTC Service, Inc.	Plug-in Electric Vehicles (PEV)	Install 21 dual-port Level 2 charging stations (with solar)	San Jose	\$500,000	\$223,777	0.029	0.037	0.004	Santa Clara
16EV054	Apple Inc.	Plug-in Electric Vehicles (PEV)	Install 350 EV Level 2 charging stations	Cupertino	\$250,000	\$250,000	0.065	0.084	0.009	Santa Clara
16EV056	Bay Area Headquarters Authority	Plug-in Electric Vehicles (PEV)	Install 32 dual-port Level 2 and 5 dual-connector DC Fast charging stations	San Francisco	\$250,000	\$295,182	0.076	0.098	0.011	San Francisco
<b>3 Projects</b>						<b>\$ 768,959</b>	<b>0.170</b>	<b>0.219</b>	<b>0.024</b>	



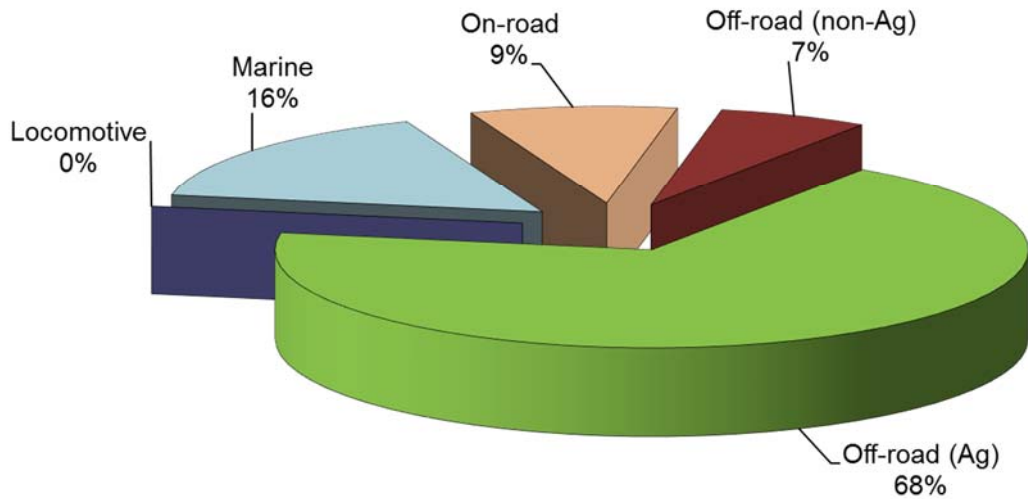
## AGENDA 4 - ATTACHMENT 2

*Summary of all CMP, MSIF and VIP approved/ eligible projects (between 11/20/15 and 2/3/16)*

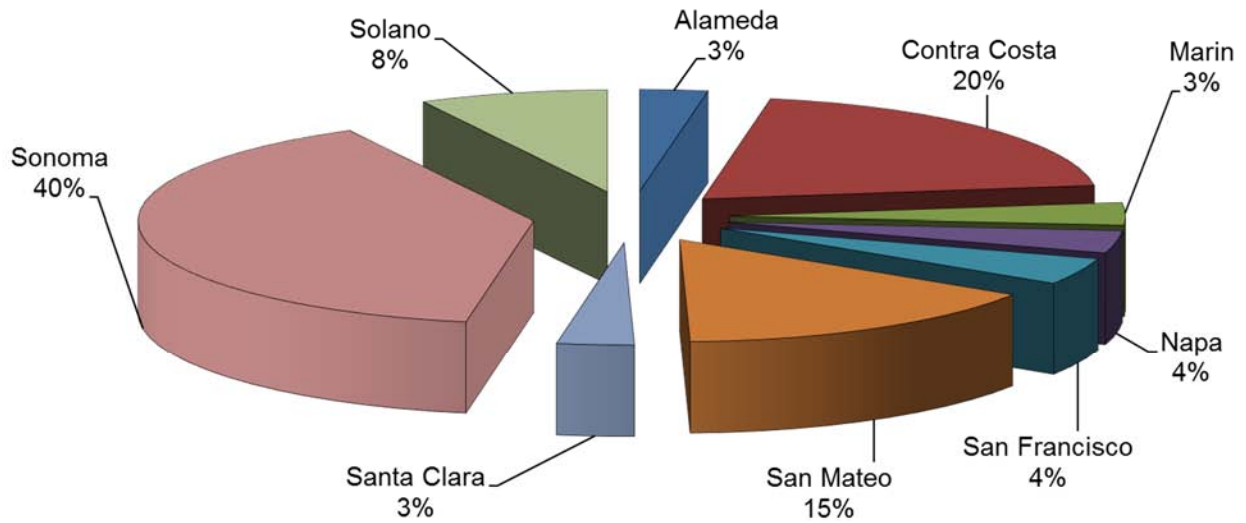
Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
17MOY5	Ag/ off-road	Equipment replacement	1	\$ 249,000.00	Ironhouse Sanitary District	0.925	0.078	0.027	12/16/2015	Contra Costa
17MOY8	Marine	Engine replacement	1	\$ 117,400.00	Andrew Guiliano, DBA, Andrew Guiliano (Charter fishing)	0.407	0.025	0.015	12/16/2015	Contra Costa
17MOY7	Off-road	Engine replacement	3	\$ 213,500.00	Dees- Hennessey, Inc. (Construction)	0.966	0.109	0.038	12/16/2015	San Mateo
17MOY1	Ag/ off-road	Equipment replacement	3	\$ 126,370.00	Robert Giacomini Dairy, Inc.	0.357	0.055	0.023	12/16/2015	Marin
17MOY2	Ag/ off-road	Equipment replacement	1	\$ 60,710.00	Donald J. Moreda, Sr. (Dairy)	0.190	0.027	0.010	APCO	Sonoma
17MOY3	Marine	Engine replacement	1	\$ 154,500.00	Daniel Lazzari DBA Daniel Lazzari (Commercial fishing)	0.887	0.017	0.032	12/16/2015	San Francisco
16MOY97	Ag/ off-road	Equipment replacement	1	\$ 61,200.00	Imhof Tractor Service, Inc.	0.207	0.007	0.009	APCO	Alameda
17MOY6	Ag/ off-road	Equipment replacement	1	\$ 93,645.00	Gregory Lyons (Lyon's Farms)	0.339	0.048	0.021	APCO	Contra Costa
17MOY11	Ag/ off-road	Equipment replacement	5	\$ 1,005,732.00	Ben Silacci dba Silacci Dairy	5.082	0.520	0.182	12/16/2015	Sonoma
17MOY19	Ag/ off-road	Equipment replacement	1	\$ 120,650.00	Ghiggeri and Stonebarger, LLC	0.530	0.029	0.009	12/16/2015	Contra Costa
17MOY4	Off-road	Equipment replacement	1	\$ 33,150.00	Pacific Coast General Engineering, Inc.	0.161	0.027	0.010	APCO	Contra Costa
17MOY25	Ag/ off-road	Equipment replacement	1	\$ 172,820.00	Spring Hill Jersey Cheese	0.913	0.095	0.033	2/17/2016	Sonoma
17MOY18	Marine	Engine replacement	2	\$ 207,000.00	Tom Mattusch, DBA, F/V Huli Cat	1.393	-0.010	0.054	2/17/2016	San Mateo
17MOY28	Ag/ off-road	Equipment replacement	1	\$ 282,200.00	Lum Family Farms, Inc.	0.959	0.100	0.034	TBD	Solano
17MOY40	Ag/ off-road	Equipment replacement	1	\$ 121,490.00	F.A. Maggiore & Sons, LLC	0.533	0.030	0.009	TBD	Contra Costa
17MOY36	Ag/ off-road	Equipment replacement	1	\$ 129,595.00	Bayview Vineyards Corp.	0.601	0.061	0.023	TBD	Napa
17MOY31	Marine	Engine replacement	1	\$ 145,800.00	Chris W. Lawson (Commercial fishing)	0.639	0.012	0.023	TBD	San Mateo
17MOY26	Ag/ off-road	Equipment replacement	3	\$ 187,405.00	Diamond M Dairy	0.573	0.090	0.033	TBD	Sonoma
VIP265	VIP	Truck Replacement	1	\$ 40,000.00	Tien Cong Huynh / Tai Cong Huynh	0.860	0.010	0.000	APCO	Alameda
VIP266	VIP	Truck Replacement	1	\$ 45,000.00	IEC Puno Trans Inc or Randy Puno	0.950	0.010	0.000	APCO	Santa Clara
VIP267	VIP	Truck Replacement	1	\$ 45,000.00	Martin S. Mileck	1.400	0.050	0.000	APCO	Mendocino
VIP268	VIP	Truck Replacement	1	\$ 35,000.00	Dennis E. Allen	0.700	0.020	0.000	APCO	Sacramento
VIP269	VIP	Truck Replacement	1	\$ 25,000.00	Steven R. Martini	0.560	0.020	0.000	APCO	Santa Clara
VIP270	VIP	Truck Replacement	1	\$ 45,000.00	Richard Jones	0.980	0.040	0.000	APCO	Tehama
VIP271	VIP	Truck Replacement	1	\$ 20,000.00	Gravel Sand and Soil Delivery LLC	0.460	0.020	0.000	APCO	Sonoma
VIP272	VIP	Truck Replacement	1	\$ 45,000.00	Gurjot Pawar	0.870	0.030	0.000	APCO	Santa Clara
VIP273	VIP	Truck Replacement	1	\$ 40,000.00	Guru Dutt Saini	0.840	0.010	0.000	APCO	San Joaquin
<b>27 Projects</b>			<b>38</b>	<b>\$ 3,822,167.00</b>		<b>23.283</b>	<b>1.529</b>	<b>0.584</b>		

## AGENDA 4 - ATTACHMENT 2

**Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 2/3/16**

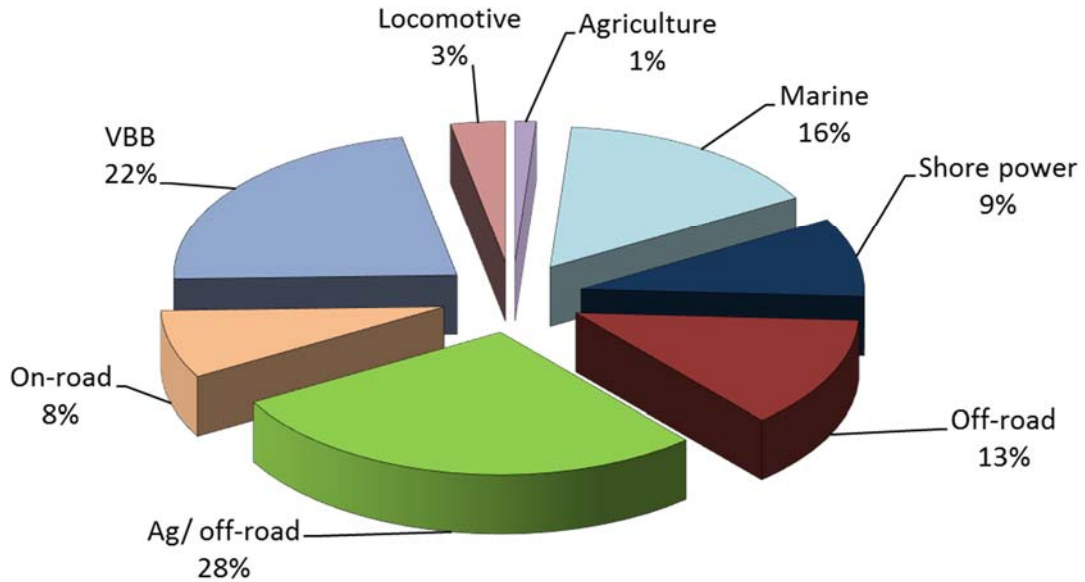


**Figure 2: CMP/ MSIF Funding Distribution by County as of 2/3/16**

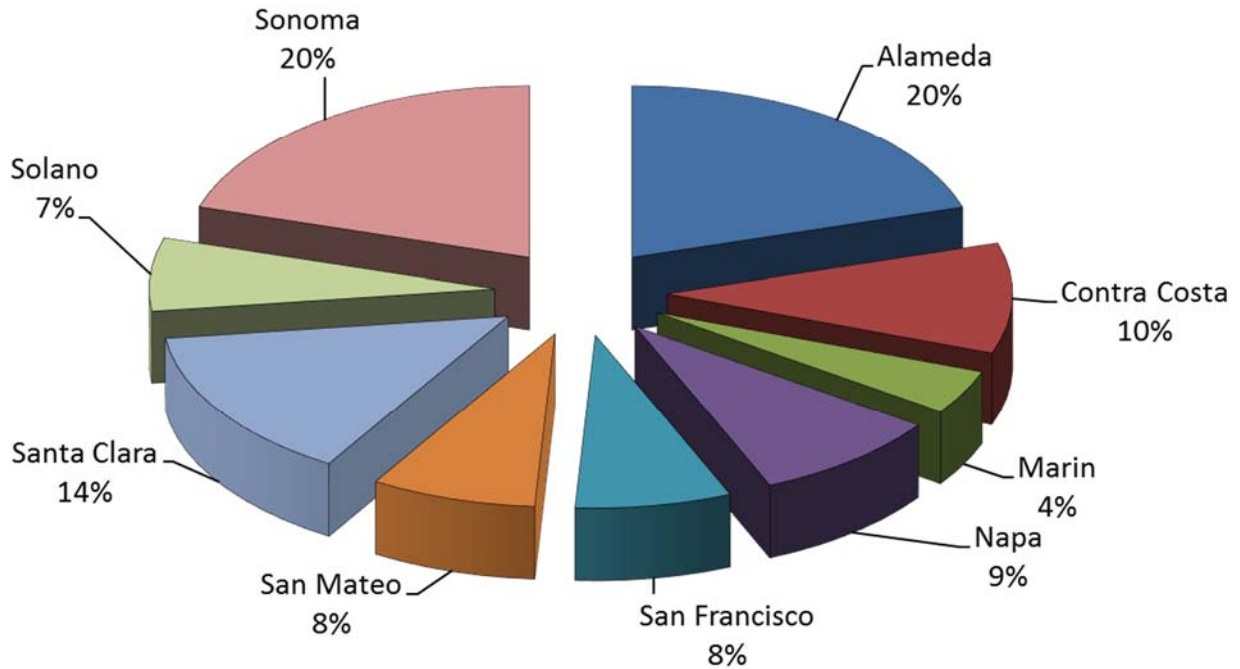


# AGENDA 4 - ATTACHMENT 3

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



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



## AGENDA 4 - ATTACHMENT 4

*Summary of all TFCFA approved and eligible projects (evaluated between 7/1/2015 and 2/3/2016)*

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO <sub>x</sub>	ROG	PM			
16EV001	Plug-in Electric Vehicles (PEV)	Install 10 single-port Level 2 EV charging stations	\$30,000	Car Charging, Inc.	0.008	0.010	0.001	10/5/15	Yes	Santa Clara
16EV003	PEV	Install 39 single-port Level 2 EV charging stations (with solar)	\$234,000	Powertree Services Inc.	0.030	0.039	0.004	11/18/15	Yes	San Francisco
16EV004	PEV	Install 2 dual-port Level 2 EV charging stations	\$12,000	S & V, LLC	0.003	0.004	0.000	10/5/15	Yes	Alameda
16EV005	PEV	Install 3 single-port DC EV charging stations (with solar)	\$22,500	DTTC Properties, LLC	0.003	0.004	0.000	12/18/15	No	Santa Clara
16EV006	PEV	Install 7 dual-port Level 2 and 2 DC fast EV charging stations (with solar)	\$187,000	Sonoma Mountain Village, LLC	0.024	0.031	0.003	Pending	No	Sonoma
16EV009	PEV	Install 6 single-port Level 2 EV charging stations	\$18,000	Clear Blue Commercial	0.005	0.006	0.001	12/22/15	No	Sonoma
16EV010	PEV	Install 24 single-port DC EV charging station (with solar)	\$120,000	Palo Alto Research Center Incorporated	0.016	0.020	0.002	Pending	No	Santa Clara
16EV012	PEV	Install 98 dual-port Level 2 EV charging stations	\$338,546	Santa Clara Campus Owners' Association	0.088	0.113	0.013	12/16/15	No	Santa Clara
16EV013	PEV	Install 24 single-port DC EV charging stations (with solar)	\$116,190	Intuit Inc.	0.015	0.019	0.002	Pending	No	Santa Clara
16EV014	PEV	Install 3 dual-port and 1 single-port Level 2 EV charging stations	\$21,000	Marriott Office Partners Holding Company LLC	0.005	0.007	0.001	12/14/15	No	Santa Clara
16EV019	PEV	Install 2 dual-port Level 2 EV charging stations	\$12,000	California State University, East Bay	0.003	0.004	0.000	12/30/15	Yes	Alameda
16EV021	PEV	Install 1 DC fast and 8 dual-port level 2 EV charging stations	\$73,000	Ford Point LLC	0.019	0.024	0.003	12/31/15	Yes	Contra Costa
16EV027	PEV	Install 21 dual-port Level 2 charging stations (with solar)	\$223,777	VF/UTC Service, Inc.	0.029	0.037	0.004	Pending	Yes	Santa Clara
16EV054	PEV	Install 350 EV Level 2 charging stations	\$250,000	Apple Inc.	0.065	0.084	0.009	Pending	No	Santa Clara
16EV056	PEV	Install 32 dual-port Level 2 and 5 dual-connector DC Fast charging stations	\$295,182	Bay Area Headquarters Authority	0.076	0.098	0.011	Pending	Yes	San Francisco
16PEV002	PEV	Purchase one zero emissions motorcycle (ZEM)	\$2,500	Town of Colma Police Department	0.000	0.007	0.000	10/20/15	Yes	San Mateo
16PEV003	PEV	Purchase one ZEM	\$2,500	Pittsburg Police Department	0.000	0.007	0.000	12/23/15	Yes	Contra Costa
16RFG01*	PEV	Install 12 dual-port Level 2 EV charging stations	\$65,112	Chabot Las Positas Comm College District	0.019	0.024	0.003	Pending	Yes	Alameda
16RFG02*	PEV	Install 9 dual-port Level 2 EV charging stations	\$81,486	City of Fremont	0.014	0.018	0.002	Pending	Yes	Alameda
16RFG08*	PEV	Install 8 dual-port Level 2 EV charging stations	\$78,000	City of Millbrae	0.012	0.016	0.002	Pending	No	San Mateo
16RFG09*	PEV	Install 1 DC fast, and 5 dual-port Level 2 EV charging stations	\$41,000	City of Oakland	0.007	0.009	0.001	Pending	Yes	Alameda
16RFG11*	PEV	Install 8 DC fast EV charging stations	\$307,569	The NASA Ames Exchange	0.052	0.067	0.007	Pending	No	Santa Clara
16RFG15*	PEV	Install 11 dual- and 2 single-port Level 2, and 3 single port Level 1 EV charging stations	\$121,945	City of Palo Alto	0.020	0.026	0.003	Pending	Yes	Santa Clara
16RFG17*	PEV	Install 1 DC fast and 1 single-port Level 2 EV charging station	\$47,511	City of Richmond	0.007	0.009	0.001	Pending	Yes	Contra Costa
16RFG18*	PEV	Install 18 dual- and 5 single-port Level 2 EV charging stations	\$250,000	San Francisco Bay Area Rapid Transit District (BART)	0.032	0.041	0.005	Pending	Yes	Alameda
16RFG19*	PEV	Install 1 DC fast, and 7 dual-port Level 2 EV charging stations	\$149,610	County of Alameda	0.017	0.022	0.002	Pending	Yes	Alameda

## AGENDA 4 - ATTACHMENT 4

*Summary of all TFCA approved and eligible projects (evaluated between 7/1/2015 and 2/3/2016)*

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO <sub>x</sub>	ROG	PM			
16R11	Shuttle & Rideshare	511 Regional Carpool Program	\$1,000,000	Metropolitan Transportation Commission	7.6	7.1	6.7	11/18/15	Yes	Regional
16R12	Shuttle & Rideshare	SJSU Ridesharing & Trip Reduction	\$140,000	Associated Students, San Jose State University	1.8	1.8	1.6	11/18/15	Yes	Regional
16R15	Shuttle & Rideshare	Ace Shuttle 53 & 54	\$80,000	San Joaquin Regional Rail Commission	0.26	0.46	0.45	11/18/15	Yes	Alameda
16R17	Shuttle & Rideshare	PresidiGo Shuttle	\$100,000	Presidio Trust	0.38	0.38	0.35	11/18/15	Yes	San Francisco
16R18	Shuttle & Rideshare	Broadway Shuttle	\$186,500	City of Oakland	0.23	0.35	0.29	11/18/15	No	Alameda
16R19	Shuttle & Rideshare	Caltrain Shuttle Program	\$767,100	Peninsula Corridor Joint Powers Board	2.3	2.4	2.1	11/18/15	No	San Mateo
16R20	Shuttle & Rideshare	ACE Shuttle Bus Program	\$960,000	Santa Clara Valley Transportation Authority	3.8	3.4	3.4	11/18/15	No	Santa Clara
16BR001	Bicycle Racks	Purchase and install five bike racks with capacity to hold up to 14 bicycles	\$3,000	San Carlos School District	0.006	0.009	0.004	12/21/15	No	San Mateo
16BR002	Bicycle Racks	Purchase and install 14 bike racks at Palo Alto Unified School District	\$1,680	Palo Alto Unified School District	0.004	0.005	0.002	12/30/15	No	Santa Clara
16BR003	Bicycle Racks	Purchase and install eight bike racks at Los Altos High School	\$3,840	Mountain View Los Altos Union High School District	0.008	0.011	0.005	12/31/15	No	Santa Clara
16BR004	Bicycle Racks	Purchase and Install Fifteen Bike Racks for Kolb Elementary School	\$1,800	Dublin Unified School District	0.004	0.005	0.002	1/26/16	No	Alameda
16BR005	Bicycle Racks	Purchase and Install 72 Bike Racks for City of Richmond (186 capacity)	\$11,160	City of Richmond	0.024	0.033	0.015	1/21/16	Yes	Contra Costa
16BR006	Bicycle Racks	Purchase and Install 9 Bike Racks for Burlingame School District (48 capacity)	\$2,880	Burlingame School District	0.006	0.008	0.004	1/27/16	No	San Mateo

**39 Projects**

**\$6,358,388**

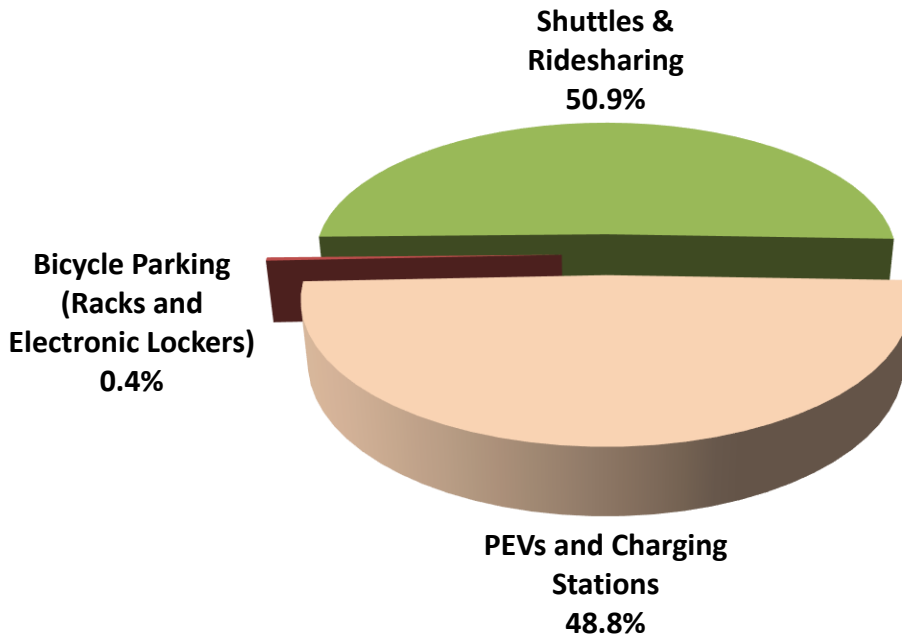
**16.98 16.60 14.98**

\* Award amount for these nine projects includes a total of \$450,000 in Reformulated Gas (RFG) Settlement funds.

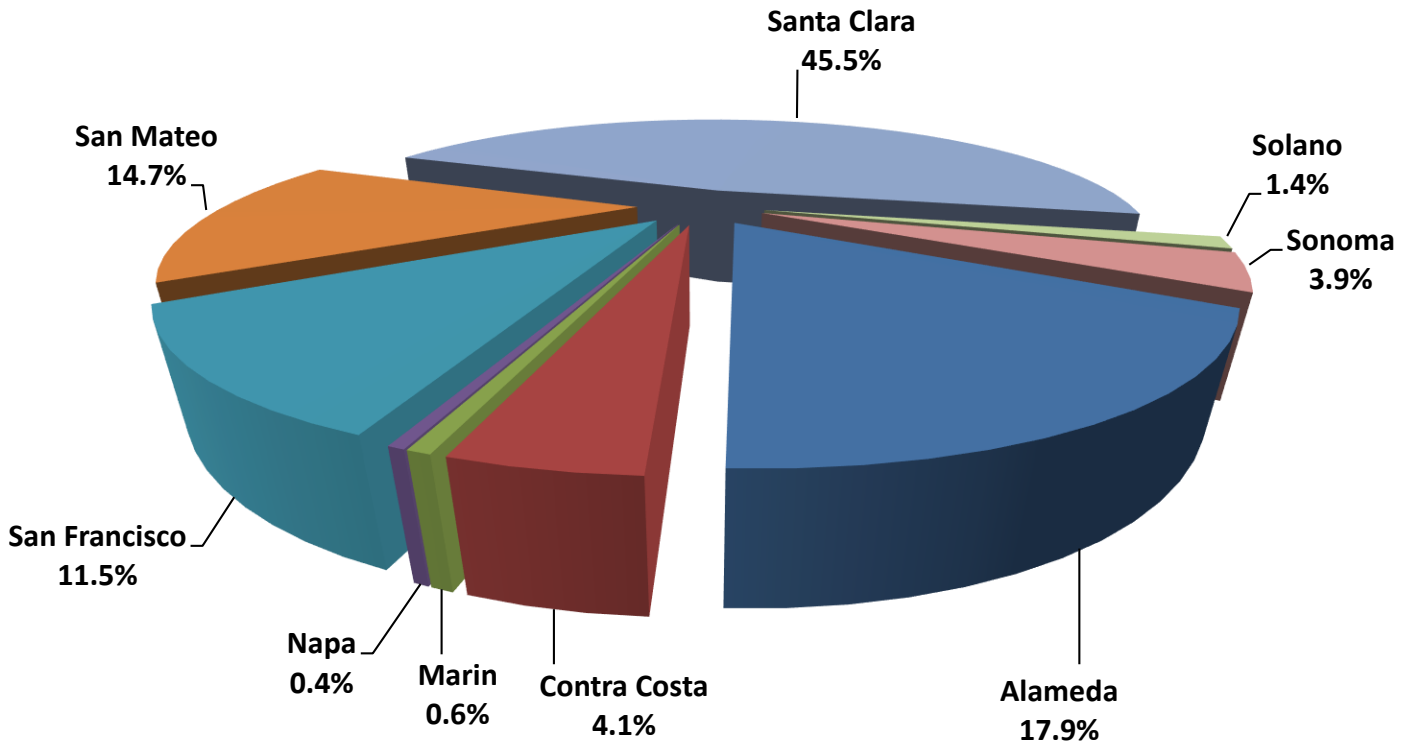
# AGENDA 4 - ATTACHMENT 5

Summary of FYE 2016 TFCA funds distributed by county and project category, as of 2/3/2016

**Figure 1: TFCA Projects Awarded in FYE2016**  
Distributed by Project Category



**Figure 2: TFCA Projects Awarded in FYE2016**  
Distributed by County





**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Scott Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: February 3, 2016

Re: Air District Grant Programs Overview

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**RECOMMENDATIONS**

None. Receive and file.

**BACKGROUND**

As part of its efforts to reduce emissions from mobile sources, the Bay Area Air Quality Management District (Air District) expended approximately \$60 million in funding during the 2015 calendar year. Approximately \$51 million of that funding was directly allocated by the Air District. The remaining \$9 million was distributed via the Transportation Fund for Clean Air (TFCA) County Program Manager program. The \$51 million allocated by the Air District came from four renewable funding sources: the California Goods Movement Bond, TFCA Regional Fund, Mobile Source Incentive Fund, and the Carl Moyer Program. These programs accumulate annually via fees and bond sales that are distributed to the Air District, and constitute the Air District's primary grant programs. Staff also seeks out additional funding opportunities to further reduce emissions from mobile sources in the Bay Area.

**DISCUSSION**

Since calendar year 2011, the Committee has received reports from staff on expenditures in various grant programs for the previous calendar year. This year's report will include a discussion of the total incentive funds allocated in calendar year 2015 by funding source, project/equipment category, and county. As part of the report to the Committee, staff will also present historical information dating back to calendar year 2011 showing how Air District funds have been allocated over the past five years.

The intention of this report is to provide the Committee with a better overall indication of the total flow of funding in and out of the primary grants programs. This methodology allows staff to align the grant funding with future compliance dates set in airborne toxic control measures adopted by the California Air Resources Board and to present to the Committee anticipated needs for grant funding for this calendar year. Staff will also discuss with the Committee the anticipated challenges and projected funding for each of the Air District primary grant programs in calendar year 2016.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

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 Scott Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: February 3, 2016

Re: Participation in Year 18 of the Carl Moyer Program and 2016 Caltrain Funding Plan

RECOMMENDATIONS

Recommend the Board of Directors:

1. Adopt a resolution authorizing the Executive Officer/APCO to execute all necessary agreements with the California Air Resources Board (ARB) relating to the Air District's receipt of Carl Moyer Program (CMP) funds for fiscal year 2015-2016 (Program Year 18);
2. Allocate \$5 million in Mobile Source Incentive Funding (MSIF) to provide the required match funding and additional monies for projects eligible for funding under the CMP guidelines; and
3. Approve the proposed 2016 funding plan for the Caltrain Electrification project.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the CMP since the program began in Fiscal Year (FY) 1998-1999. Through the CMP the Air District provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include trucks and buses, mobile off-road equipment, marine vessels, locomotives, stationary agricultural pump engines, and forklifts.

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

## DISCUSSION

On January 20, 2016, the Air District submitted an application to ARB requesting \$10,650,000 in funding for the implementation of the CMP Year 18 CMP funding cycle (FY 2015-2016). Up to 6.25% of the total funds awarded to the Air District will be used to pay for administrative expenses related to the implementation of the CMP. As part of the application, the Air District has proposed a commitment of up to \$1,800,000 in matching funds for Year 18. Staff is therefore requesting the Board meet this required match, and expand the program for additional eligible emissions reductions projects by allocating \$5 million in MSIF funds to the CMP Year 18 funding cycle.

Staff plans to begin accepting CMP Year 18 applications in mid-2016. Project applications will be accepted and evaluated on a first-come, first-served basis until all funds have been allocated. Also, in accordance with the authorization granted to the Executive Officer/APCO on February 4, 2009, projects with individual grant awards up to \$100,000 will be executed by the Executive Officer/ APCO, and reported to the Mobile Source Committee (MSC) on at least a quarterly basis. Eligible projects with individual grant awards over \$100,000 will also be brought to the MSC for consideration at least quarterly.

The ARB requires air districts use the 2011 CMP Guidelines, and subsequent updates for the Year 18 CMP cycle. The guidelines require all projects achieve a cost-effectiveness of \$18,260 (or less) per ton of reduced emissions in order to be eligible to receive funding. Year 18 funding must be obligated to eligible projects by June 30, 2017, and be expended by June 30, 2018. In accordance with AB 1390, 50% of all CMP funding allocated by the Air District must be awarded to projects in impacted communities. The process that will be used for identifying and prioritizing CMP Year 18 projects with the most significant exposure will be similar to the process used for the previous CMP funding cycles with priority being given to projects that reduce emissions in communities based on data from the Air District's Community Air Risk Evaluation (CARE) program.

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

On July 29, 2015, the Air District allocated \$20 million in MSIF funds to the Peninsula Corridor Joint Powers Board for the Caltrain Electrification Project and authorized the Executive Officer/APCO to enter into the necessary agreements for the project. As part of the approval of this project, the Board requested that a five-year funding plan (between 2016 and 2020) be prepared and be brought to the Board annually for approval. On January 7, 2016, the Air District entered into agreement with the Peninsula Corridor Joint Powers Board for the Caltrain Electrification project. Staff is proposing a 2016 funding plan that includes \$10 million in unspent funds from projects closing under budget in prior MSIF funding cycles and an additional \$3 million in new 2016 MSIF revenues for this project. Staff will return in future years with updates to the funding plan until the entire \$20 million allocation has been authorized.

BUDGET CONSIDERATION / FINANCIAL IMPACT

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

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Anthony Fournier  
Reviewed by: Damian Breen

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Scott Haggerty and Members  
of the Mobile Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: February 9, 2016

Re: Fiscal Year Ending (FYE) 2017 Transportation Fund for Clean Air (TFCA) Funding  
Allocations

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RECOMMENDATIONS

Recommend Board of Directors:

1. Allocate \$13.65 million in Transportation Fund for Clean Air (TFCA) revenue to the programs listed in Table 1;
2. Authorize the proposed cost-effectiveness limits for the Air District sponsored programs listed in Table 2; and
3. Authorize the Executive Officer/APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1.

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 nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. Each year, the Air District's Board of Directors (Board) allocates funding and adopts cost-effectiveness criteria that govern expenditure of TFCA funding.

Sixty percent of TFCA funds are awarded directly by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Vehicle Buy Back Program) and to a program referred to as the TFCA Regional Fund. For the past five years, TFCA funds have been primarily focused on eligible project categories that significantly reduce criteria pollutants as well as greenhouse gases (GHGs), including trip reduction projects (e.g., bicycle parking and shuttles) and alternative fuel vehicle-based projects (e.g., electric vehicles).

With more than 5.5 million on-road motor vehicles in the region, tailpipe emissions account for

more than 40% of the criteria air pollutants and about 36% GHGs generated in the Bay Area<sup>1, 2</sup>. For this reason, emission reductions from the on-road transportation sector are essential to attaining State and Federal ambient air quality standards and to meeting the region’s GHG reduction commitments.

**DISCUSSION**

In developing this recommendation, staff evaluated which incentive programs have been the most successful in helping the region to achieve its emissions reductions targets. Staff analyzed alternative scenarios and determined that a portfolio approach consisting of multiple emissions reduction strategies would be the most effective and most consistent with prior Board direction. To this end, staff is recommending that \$13.65 million in TFCA monies be allocated to the programs listed in Table 1. This table also lists which programs will be administered through the Regional Fund (RF), and which will be sponsored directly by the Air District (AD).

**Table 1 - Proposed Programs and TFCA Funding for FYE 2017 (in Millions)**

<b>Program Categories</b>	<b>Administered by</b>	<b>New TFCA Monies</b>	<b>Carryover*</b>	<b>Total \$ Available in FYE 2017</b>
<b>Trip Reduction</b>	RF	\$4.00	\$0.05	\$4.05
<b>Bicycle Facilities</b>	RF & AD**	\$1.50	\$0.50	\$2.00
<b>Clean Air Vehicles</b>	RF & AD**	\$5.00	\$7.5	\$12.50
<b>Spare the Air</b>	AD	\$1.50	\$0	\$1.50
<b>Enhanced Mobile Source Enforcement/Commuter Benefits</b>	AD	\$1.50	\$0	\$1.50
<b>Vehicle Buy Back</b>	AD	\$0.15	\$0	\$0.15
<b>Total Available Funding:</b>		<b>\$13.65</b>	<b>\$8.05</b>	<b>\$21.70</b>

*\*Carryover is an estimate of the remaining TFCA funds from prior years and may be lower than what is indicated in the table since that funding is currently available to projects in the FYE 2016 cycle.*

*\*\*The Bikeways, Electronic Bicycle Lockers, and Heavy-Duty Zero Emission Vehicles programs are administered through the Regional Fund. The Bike Rack Voucher Program, PEVs for Public Agencies, and Charge! are Air-District sponsored programs.*

<sup>1</sup> BAAQMD, [Bay Area Emissions Inventory Summary Report: Criteria Air Pollutants Base Year 2011](#), May 2014.

<sup>2</sup> BAAQMD, [Bay Area Emissions Inventory Summary Report: Greenhouse Gases Base Year 2011](#), January 2015.

A narrative description of the recommend programs (listed in Table 1) is provided below:

- ***Trip Reduction***

Eliminating motor vehicle trips is a key strategy to reducing mobile source emissions. For more than 20 years, TFCA has funded shuttle/feeder bus and regional ridesharing services, which have contributed to the reduction of mobile source emissions in the Bay Area. However, as the Bay Area's average auto fleet becomes cleaner, the mobile source emissions reduction benefits from trips eliminated are diminished. Staff has been working to improve the methodology used for evaluating projects' cost-effectiveness to ensure that all of the air quality benefits are properly captured to address this challenge.

For FYE 2017, staff is recommending that \$4.05 million be allocated to the Trip Reduction category to continue providing funding for existing shuttle/feeder bus and regional ridesharing services. This amount reflects \$4.00 million in new TFCA FYE 2017 funds, and approximately \$0.05 million in carryover from the FYE 2016 cycle. Any additional funds remaining from the FYE 2016 shuttle/feeder bus and regional ridesharing projects are proposed to be allocated to a new category, "pilot trip reduction projects," which is expected to open later this year using \$1.2 million in FYE 2016 funds.

- ***Bicycle Facilities***

Bicycling is one of the primary alternative transportation modes for short-distance trips. The Air District has directly funded bicycle facility improvement projects through the Regional Fund and Air District-sponsored programs for more than 20 years. In recent years, funding for bicycle racks was provided through the Air District-sponsored Bicycle Rack Voucher Program (BRVP) and funding for electronic bicycle lockers was provided through the TFCA Regional Fund.

The Air District's TFCA funds have also helped to fund the construction of approximately 200 miles of Bay Area bikeways. These types of projects were last funded by the Air District in FYE 2010; however, based on the availability of TFCA funding and stakeholders' feedback, staff is proposing to re-introduce funding for this project category.

For FYE 2017, staff is recommending that \$2.00 million be allocated to the Bicycle Facilities category to support projects that would expand the region's bicycle roadway network and bicycle parking. This amount reflects \$1.50 million in new TFCA FYE 2017 funds, and approximately \$0.50 million in carryover from bicycle racks and electronic lockers programs in the FYE 2016 cycle. In addition to the \$2.00 million, approximately \$3.00 million in funding was previously allocated to a bikeways program in FYE 2016, which is expected to open later this year.

- **Clean Air Vehicles**

The Air District views plug-in electric vehicles (PEVs) as a promising technology for reducing tailpipe emissions, thus helping the region achieve local, state, and federal criteria pollutant and GHG emission reduction targets. Since the re-introduction of PEVs in 2010, the Air District has awarded more than \$6 million in TFCA monies to PEV-related projects. As of December 2015, there were more than 70,000 model year 2010 or newer PEVs registered to Bay Area drivers. While this represents nearly 40% of the PEVs registered in California, it is approximately 1.3% of the Bay Area's total on-road motor vehicle fleet.

The Air District has established PEV adoption goals of 110,000 PEVs on Bay Area roads by 2020, and 247,000 by 2025. To reach these goals, the Air District developed the Bay Area Plug-in Electric Vehicle Readiness Plan ([www.baaqmd.gov/EVready](http://www.baaqmd.gov/EVready)) in partnership with the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG). The Plan outlines a series of strategies and best practices that can be taken by regional agencies and others to remove potential barriers and accelerate deployment of PEVs. The Plan also identifies the amount of publicly available charging infrastructure that will be needed to support the PEV targets and opportunities for the Air District to focus grant funds to meet the PEV adoption targets.

For FYE 2017, staff is recommending that \$12.50 million be allocated to the Clean Air Vehicle category to support the implementation of the PEV Readiness Plan. This amount includes \$5.00 million in new TFCA FYE 2017 funds, and approximately \$7.5 million in carryover from the FYE 2016 cycle. The carryover amount includes \$400,000 of CMAQ monies to fund outreach initiatives aimed at increasing the visibility of electric vehicles. Staff proposes to use the allocation to provide incentives to the programs listed below:

- **PEVs (for Public Agencies):** Funding will be used to provide incentives to public agencies that purchase or lease new clean air vehicles and operate them in the Air District's jurisdiction. The Air District began offering this streamlined rebate program on April 3, 2014, and has to date awarded funding for over 80 vehicles to public agencies. Staff has recently expanded this program to provide funding for zero-emission motorcycles, and is proposing to continue the program in FYE 2017.
- **PEVs (open to all entities):** Funding will be used to provide incentives to public and private operators of light-duty vehicle fleets and heavy-duty vehicles and buses that propose to purchase clean air vehicles that operate in the Air District's jurisdiction. Staff recently launched a Heavy-Duty Zero-Emissions Vehicle program, which provides funding to encourage the replacement of older, compliant vehicles with new, zero-emission vehicles, and to help fleet operators choose the cleanest available technology when expanding their fleet.
- **PEV Charging Stations:** Funding will be used to support deployment of publicly available PEV chargers throughout the region. Staff has recently closed two programs that provided funding for PEV chargers: *Charge!* and the Electric Vehicle Charging Station Demonstration Program. Together, these programs will provide over \$5 million in

TFCA funding for the purchase and installation of more than 400 charging stations throughout the region. Staff is currently reviewing the last round of applications and will be bringing information on these projects to the Committee over the next few months.

- **PEV Outreach:** Funding (\$965,000, which includes \$400,000 in CMAQ funding) will be used for outreach and activities that implement the training described in the PEV Plan for local government agencies and the public.
- **Spare the Air:** The "Spare the Air" program continues to be the Air District's flagship public outreach tool for the summer ozone season. Staff is requesting \$1.50 million in new TFCA funding for this outreach program that conducts advertising, media and educational activities to reduce vehicle miles traveled (VMT) and emissions by behavior modification.
- **Enhanced Mobile Source Enforcement:** Funding under this program helps to enhance Air District patrols for smoking vehicles and offsets the cost of drayage truck regulation enforcement at the Port of Oakland. Additionally, this funding will be used to support Air District staff's enforcement activities associated with the new Commuter Benefits Program including providing compliance assistance and conducting outreach to companies and government agencies. For FYE 2017, staff is recommending a \$1.50 million allocation in new TFCA monies for this program.
- **Vehicle Buy Back:** The Vehicle Buy Back program is a voluntary grant program that pays \$1,000 for an operating and registered model year 1994 or older vehicle. Vehicles meeting the Vehicle Status Requirements are eligible and those accepted into the program are scrapped. This program is primarily funded through the Carl Moyer and MSIF programs, which provides approximately \$7 million annually. For FYE 2017, staff is recommending a \$150,000 allocation in new TFCA monies for this program to support administrative and marketing efforts undertaken by the Air District contractors.

### ***TFCA Cost-Effectiveness***

Cost-effectiveness (C/E) is based on the ratio of TFCA funds awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NO<sub>x</sub>), and weighted particulate matter (PM<sub>10</sub>) over a project's useful life. The California Air Resources Board recently released updated emission factors for auto trips. Staff has been reviewing these updates and will be bringing revised recommendations for cost-effectiveness criteria for programs and projects that are proposed through the Regional Fund to the Mobile Source Committee and Board for consideration along with the Regional Fund Policies.

For the Air District sponsored programs, staff recommends maintaining similar C/E levels to those that were approved by the Board in FYE 2016. The proposed cost-effectiveness levels and Project-Useful-Life (PUL) for each of the Air District sponsored programs is shown in Table 2:



**Table 2 – Proposed cost-effectiveness and PUL for Air District Sponsored Programs**

Program Categories	Max. C/E	PUL	Notes
	(per ton of emissions reduced)	(in Years)	
Bicycle Racks (BRVP)	\$250,000	3	<i>C/E increased to align with other bicycle facility programs; no change to PUL</i>
PEVs for Public Agencies	\$450,000	3	No Change
PEV Outreach	\$250,000	3	No Change
PEV Charging Stations	\$250,000	4	No Change
	\$500,000*		No Change
Spare the Air	\$90,000	1	No Change
Enhanced Mobile Source Enforcement	\$90,000	1	No Change
Vehicle Buy Back	\$90,000	1	No Change

\*This higher C/E limit is for projects that incorporate renewable power (i.e., solar or wind).

***Administration***

Per Board of Directors direction on May 6, 2015, it is proposed that the Executive Officer/APCO continue to approve Grant Agreements with individual grant award amounts up to \$100,000. 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.

**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,

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