



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY – CHAIR
JOHN AVALOS
CAROLE GROOM
REBECCA KAPLAN

DAVID CANEPA – VICE CHAIR
TOM BATES
DAVID E. HUDSON
NATE MILEY
KAREN MITCHOFF

**THURSDAY
DECEMBER 15, 2016
9:30 A.M.**

**1st FLOOR BOARD ROOM
375 BEALE STREET
SAN FRANCISCO, CA 94105**

AGENDA

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

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

2. PUBLIC COMMENT PERIOD

(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 375 Beale Street, San Francisco, CA, 94105 at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/about-the-air-district/board-of-directors/resolutionsagendasminutes> at the time of the meeting.

Staff/Phone (415) 749-

3. APPROVAL OF THE MINUTES OF OCTOBER 27, 2016

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Mobile Source Committee meeting of October 27, 2016.

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

K. Schkolnick/5070
kschkolnick@baaqmd.gov

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

5. **FISCAL YEAR ENDING (FYE) 2015 TRANSPORTATION FUND FOR CLEAN AIR (TFCA) AUDIT REPORT RESULTS**

K. Schkolnick/5070
kschkolnick@baaqmd.gov

The Committee will receive an informational report on an audit of Transportation Fund for Clean Air (TFCA) projects that closed by June 30, 2015 Fiscal Year Ending (FYE) 2015.

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

K. Schkolnick/5070
kschkolnick@baaqmd.gov

The Committee will receive an informational report on the expenditures and cost-effectiveness of Transportation Fund for Clean Air (TFCA) Regional Fund and Air District sponsored projects that closed in Fiscal Year Ending (FYE) 2016.

7. **COMMITTEE MEMBER COMMENTS**

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

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

Thursday, January 26, 2017, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

9. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
mmartinez@baaqmd.gov

(415) 749-5016
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

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

Accessibility and Non-Discrimination Policy

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

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

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

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

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

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

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

DECEMBER 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Legislative Committee <i>(At the Call of the Chair)</i>	Monday	12	9:30 a.m.	1 st Floor Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	15	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets 4th Wednesday of Each Month)</i>	Friday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i> - CANCELLED	Monday	19	10:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	21	9:45 a.m.	1 st Floor Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> - CANCELLED	Thursday	22	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i> - CANCELLED	Wednesday	28	9:30 a.m.	1 st Floor Board Room

JANUARY 2017

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	4	9:45 a.m.	1 st Floor Board Room
Advisory Council Meeting - <i>(At the Call of the Chair) - CANCELLED</i>	Thursday	5	10:00 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	10:30 a.m.	1 st Floor Board Room

JANUARY 2017

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee <i>(Meets 3rd Thursday of Every Other Month)</i>	Thursday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	1 st Floor Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	1 st Floor Board Room

FEBRUARY 2017

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	1	9:45 a.m.	1 st Floor Board Room
Advisory Council Meeting <i>(At the Call of the Chair)</i>	Monday	6	10:00 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	20	10:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	22	9:30 a.m.	1 st Floor Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	23	9:30 a.m.	1 st Floor Board Room

HL – 11/29/16 (3:10 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/APCO

Date: November 30, 2016

Re: Approval of the Minutes of October 27, 2016

RECOMMENDED ACTION

Approve the attached draft minutes of the Mobile Source Committee (Committee) Meeting of October 27, 2016.

DISCUSSION

Attached for your review and approval are the draft minutes of the Mobile Source Committee Meeting of October 27, 2016.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Maricela Martinez

Attachment 3A: Draft Minutes of the Mobile Source Committee Meeting of October 27, 2016

AGENDA 3A – ATTACHMENT

Draft Minutes – Mobile Source Committee Meeting of October 27, 2016

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

DRAFT MINUTES

Summary of Board of Directors
Mobile Source Committee Meeting
Thursday, October 27, 2016

1. CALL TO ORDER – ROLL CALL

Mobile Source Committee (Committee) Chair Scott Haggerty called the meeting to order at 9:32 a.m.

Present: Chairperson Scott Haggerty, and Directors John Avalos, Tom Bates, David Hudson, Rebecca Kaplan, Nate Miley, and Karen Mitchoff.

Absent: Vice-Chairperson David Canepa and Director Carole Groom.

Also Present: None.

2. PUBLIC COMMENT PERIOD:

No requests received.

3. APPROVAL OF THE MINUTES OF SEPTEMBER 22, 2016

Public Comments:

No requests received.

Committee Comments:

Regarding the roadside air pollution monitoring station project on which the District and the Sacramento Metropolitan Air Quality Management District are collaborating, Director Hudson requested that current Board members in the Tri-Valley area continue to be updated of when monitors go online, even after they cease to serve on this Board, so that any acquainted stakeholders can be informed.

Committee Action:

Director Hudson made a motion, seconded by Director Mitchoff, to approve the Minutes of September 22, 2016; and the motion carried by the following vote of the Committee:

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

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

Damian Breen, Deputy Air Pollution Control Officer, introduced Yu Zhang Liu, Strategic Incentives Administrative Analyst, who gave the staff presentation *Projects and Contracts with Proposed Grant Awards Over \$100,000*, including: overview; Carl Moyer Program (CMP), Mobile Source Incentive Fund (MSIF), Transportation for Clean Air (TFCA); CMP year 18; CMP and MSIF funds awarded as of 10/7/16 and since 2009; TFCA fiscal year ending 2016; TFCA funds by project category and county; and recommendations.

Public Comments:

None received.

Committee Comments:

None.

Committee Action:

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

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

5. CONSIDERATION OF FYE 2017 TRANSPORTATION FUND FOR CLEAN AIR SHUTTLE AND REGIONAL RIDESHARE PROJECTS

Mr. Breen introduced Ken Mak, Air Quality Specialist, who gave the staff presentation *Fiscal Year Ending 2017 Transportation Fund for Clean Air Regional Fund – Shuttle and Regional Rideshare Program*, including: overview; TFCA background; evaluation results; project recommended for award; projects not recommended; allocation by county, and recommendations.

Public Comments:

None received.

Committee Comments:

The Committee and staff discussed the routes within the Altamont Corridor Express (ACE) project that was recommended for an award, the difference between the estimated project cost and the proposed award, and the feasibility of wrapping ACE shuttles in collaboration with the San Joaquin Air District, as the service runs through three counties; the pollution that private shuttle services may be contributing, how many may be deployed in the Bay Area, and the idea of having the Metropolitan Transportation Commission’s “Bay Area Shuttle Census” presentation be given at an upcoming meeting; the route within the PresidioGO shuttle project that was recommended for an award; and efforts to boost ridership within the Caltrain Shuttle Program, as the routes are not cost-effective.

Committee Action:

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

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

6. TRANSPORTATION FUND FOR CLEAN AIR COUNTY PROGRAM MANAGER (CPM) FUND POLICIES FOR FYE 2018, A MODIFICATION TO FYE 2017 TFCA CPM FUND POLICIES, AND REQUEST FOR A WAIVER FROM ALAMEDA COUNTY TRANSPORTATION COMMISSION (ACTC)

Mr. Breen introduced Linda Hui, Administrative Analyst, who gave the staff presentation *Transportation Fund for Clean Air County Program Manager Fund Policies for FYE 2018*, including: overview; TFCA CPM fund program background; outreach and public input process; summary of proposed FYE 2018 CPM Policies; proposed recommended change to FYE 2017 CPM Policy #16; Request from Alameda - CTC for Policy Waiver to FYE 2017 CPM Policies; and Recommendations.

Public Comments:

None received.

Committee Comments:

The Committee and staff discussed when the fiscal years begin; the rationale for the retroactive increase in administrative costs limit; and how the policy waiver request from Alameda County Transportation Commission came to the District.

Committee Action:

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

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

7. COMMITTEE MEMBER COMMENTS

Director Mitchoff said that she was unable to attend the District’s open house that evening but wished everyone good luck.

Director Hudson announced that on November 5 at 10:00 am, County Connection and the City of Walnut Creek will introduce a new electric trolley (one in a fleet of four) to the community. Chair Haggerty thanked the District for the part it played with Gillig to make this vehicle available in the Bay Area. Director Hudson also noted the world’s first autonomous truck delivery in Colorado, consisting of 120 miles.

Chair Haggerty acknowledged Director Bates for his decades of service on the District’s Board of Directors, as Director Bates terms out of office on November 30, 2016. Director Bates thanked his fellow Committee members and District staff and remarked that he especially enjoyed serving on the Mobile Source Committee.

8. TIME AND PLACE OF NEXT MEETING

Thursday, December 22, 2016, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

Chair Haggerty acknowledged that staff is still polling for other December dates.

9. ADJOURNMENT

The meeting adjourned at 10:07 a.m.

Marcy Hiratzka
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: November 30, 2016

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

RECOMMENDATIONS

Recommend Board of Directors:

1. Approve Carl Moyer Program (CMP) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into agreements with applicants 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 (NO_x), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, and stationary agricultural pump engines.

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

On March 16, 2016, the Board of Directors (Board) authorized Air District participation in Year 18 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.

CMP 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

The Air District started accepting project applications for the CMP Year 18 funding cycle on July 11, 2016. The Air District had approximately \$11 million available for CMP projects from a combination of MSIF and CMP funds for the Year 18 cycle. Project applications are accepted and evaluated on a first-come, first-served basis.

As of November 21, 2016, the Air District had received 32 project applications for the CMP Year 18 cycle. Of the applications that have been evaluated between October 7, 2016 and November 21, 2016, three eligible project have proposed individual grant awards over \$100,000. These projects will replace four diesel marine engines and one diesel tractor, and reduce over 2.54 tons of NOx, ROG and PM per year. Staff recommends the allocation of \$525,230 for these projects from a combination of CMP funds and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2, lists all of the eligible Year 18 projects that have been received by the Air District as of November 21, 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 52% 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 \$127 million awarded to 776 projects).

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the CMP and MSIF, 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
Reviewed by: Damian Breen

Attachment 1: Projects with grant awards greater than \$100,000 (evaluated 10/7/16 – 11/21/16)

Attachment 2: Summary of all Year 18 CMP/ MSIF and VIP approved and eligible projects (evaluated 8/30/16 – 11/21/16)

Attachment 3: Summary of program distribution by county and equipment category for CMP, MSIF, VBB, and VIP funding since 2009.

AGENDA 4 - ATTACHMENT 1

Table 1 - Summary of Carl Moyer Program/ Mobile Source Incentive Fund projects with grant awards greater than \$100k (Evaluated between 10/7/16 and 11/21/16)

Project #	Applicant name	Equipment category	Project description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
18MOY14	Reel Time Charters, LLC	Marine	Replacement of two diesel marine main engines	\$ 130,000.00	\$ 153,014.70	0.875	0.005	0.032	San Francisco
18MOY26	Saturnino Del Castillo (Farmer)	Ag/ off-road	Replacement of one diesel off-road tractor	\$ 165,230.00	\$ 206,537.81	0.799	0.084	0.028	Solano
18MOY19	Sport Fishing Enterprises, LLC	Marine	Replacement of two diesel marine main engines	\$ 230,000.00	\$ 284,802.00	0.681	0.000	0.037	Alameda
3 Projects				\$ 525,230.00		2.355	0.089	0.097	

AGENDA 4 - ATTACHMENT 2

Summary of all Yr 18 CMP, MSIF and VIP approved/ eligible projects (between 8/30/16 and 11/21/16)

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
18MOY10	Ag/ off-road	Equipment replacement	3	\$ 117,165.00	Pina Vineyard Management , LLC.	0.361	0.049	0.021	11/16/2016	Napa
18MOY7	Ag/ off-road	Equipment replacement	1	\$ 71,800.00	Walter Hansel Winery & Vineyards LLC	0.174	0.031	0.015	APCO	Sonoma
18MOY5	Ag/ off-road	Equipment replacement	1	\$ 34,550.00	Corey J Coggins (Farmer)	0.103	0.018	0.004	APCO	San Mateo
18MOY9	Off-road	Equipment replacement	1	\$ 20,700.00	Silicon Roadways, Inc.	0.086	0.016	0.007	APCO	Alameda
18MOY15	Off-road	Equipment replacement	1	\$ 85,200.00	Keith J. Gale General Engineering, Inc.	0.545	0.056	0.020	APCO	Solano
18MOY13	Ag/ off-road	Equipment replacement	1	\$ 95,530.00	Robert and Julia Marsh (Farmer)	0.667	0.070	0.024	APCO	San Mateo
18MOY17	Off-road	Equipment replacement	1	\$ 85,000.00	SF Recovery, Inc.	0.823	0.099	0.035	APCO	San Francisco
18MOY14	Marine	Engine replacement	2	\$ 130,000.00	Reel Time Charters, LLC	0.875	0.005	0.032	TBD	San Francisco
18MOY23	Off-road	Equipment replacement	1	\$ 74,800.00	Columbia Electric, Inc.	0.366	0.052	0.023	APCO	Alameda
18MOY25	Off-road	Equipment replacement	1	\$ 64,000.00	Iron House Sanitary District	0.379	0.046	0.016	APCO	Contra Costa
18MOY12	Ag/ off-road	Equipment replacement	1	\$ 35,000.00	Mazzetta Dairy	0.086	0.002	0.006	APCO	Sonoma
18MOY20	Ag/ off-road	Equipment replacement	2	\$ 97,520.00	Wight Vineyard Management, Inc.	0.221	0.046	0.021	APCO	Napa
18MOY26	Ag/ off-road	Equipment replacement	1	\$ 165,230.00	Saturnino Del Castillo (Farmer)	0.799	0.084	0.028	TBD	Solano
18MOY19	Marine	Engine replacement	2	\$ 230,000.00	Sport Fishing Enterprises, LLC	0.681	0.000	0.037	TBD	Alameda
VIP282	VIP	Truck Replacement	1	\$ 10,000.00	Cornel Roman/ Camelia Roman	0.400	0.000	0.010	APCO	Alameda
VIP283	VIP	Truck Replacement	1	\$ 15,000.00	Javier De La Torre	0.300	0.010	0.000	APCO	Yolo
VIP284	VIP	Truck Replacement	1	\$ 30,000.00	J/W Sanchez Trucking, Inc.	0.600	0.010	0.000	APCO	Alameda
VIP285	VIP	Truck Replacement	1	\$ 40,000.00	Phieu Hung Nguyen	0.870	0.010	0.000	APCO	Alameda
VIP287	VIP	Truck Replacement	1	\$ 45,000.00	Manuel Rivera DBA JJC Trucking	0.900	0.010	0.000	APCO	San Joaquin
19 Projects			24	\$ 1,446,495.00		9.235	0.613	0.300		

AGENDA 4 - ATTACHMENT 2

Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 11/21/16

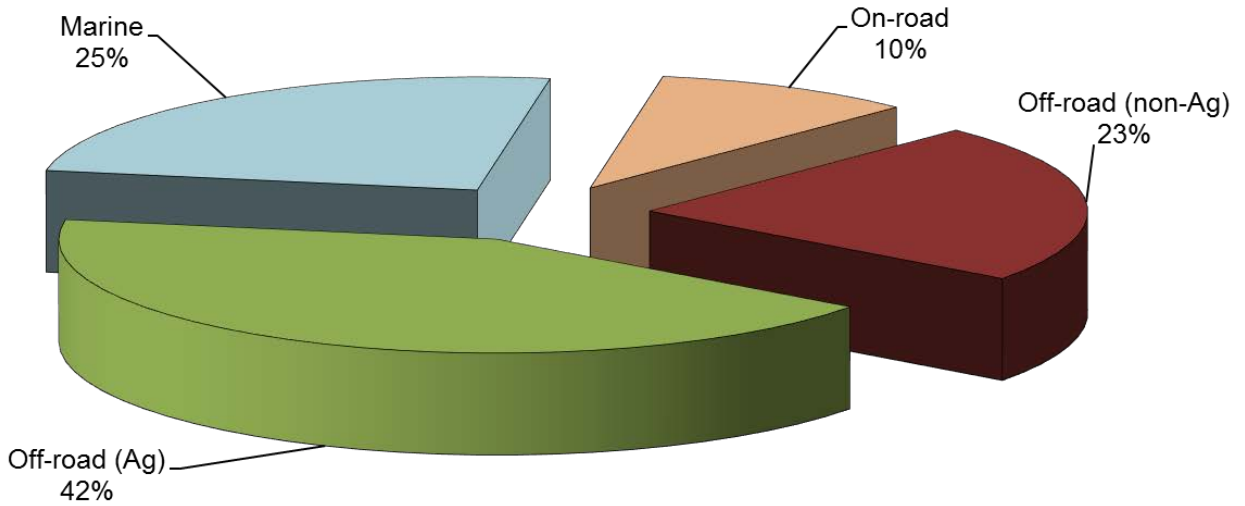
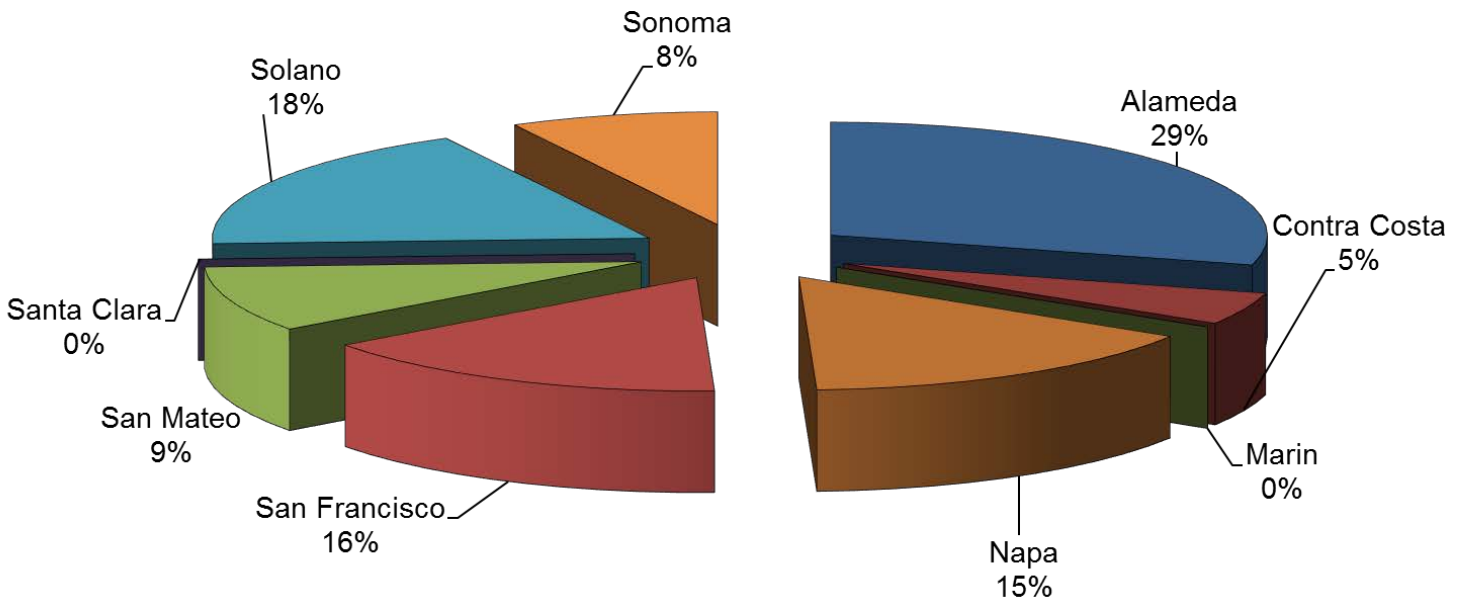


Figure 2: CMP/ MSIF Funding Distribution by County as of 11/21/16



AGENDA 4 - ATTACHMENT 3

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

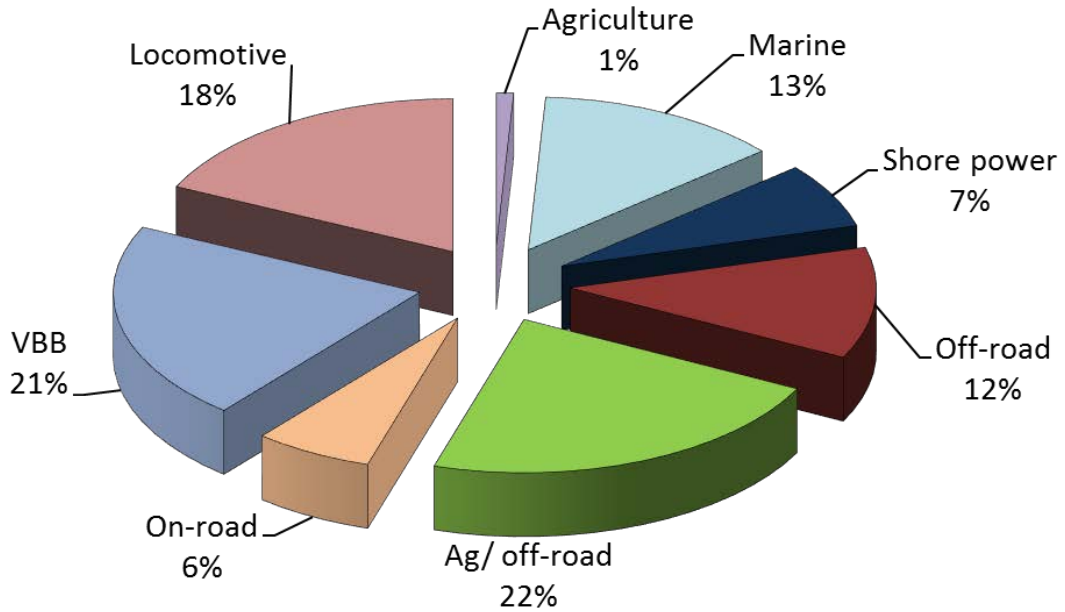
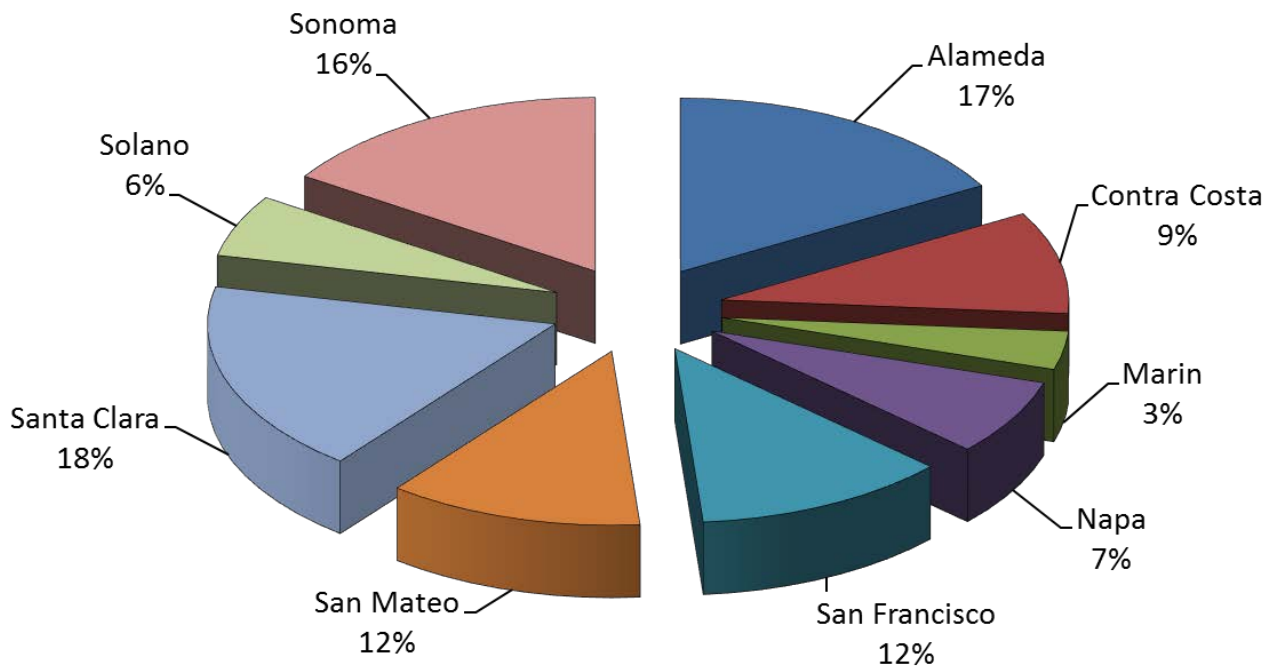


Figure 4: CMP, MSIF, VBB and VIP funding since 2009 by county



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: November 30, 2016

Re: Fiscal Year Ending (FYE) 2015 Transportation Fund for Clean Air (TFCA) Audit
Report Results

RECOMMENDATIONS

None; receive and file.

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. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) Program to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242.

Sixty percent of TFCA funds are awarded by the Air District to eligible programs and projects implemented directly by the Air District (e.g., the Smoking Vehicle, Enhanced Mobile Source Enforcement, Spare the Air, and Bicycle Facility Programs) and through a grant program known as the Regional Fund. The remaining 40% of TFCA funds are forwarded to a designated agency within each Bay Area county to be distributed via the County Program Manager Fund.

HSC Section 44242 requires that the Air District conduct an audit of every program and project funded with TFCA monies, at least once every two years. The Air District conducts audits of Regional Fund projects annually and County Program Manager Fund projects biennially.

On February 18, 2015, the Air District's Board of Directors (Board) approved the award of a contract to Gilbert Associates, Inc. (Gilbert) for audit services, including a financial and compliance review of TFCA funded projects and programs. This is the second audit to be conducted under this contract (Audit # 17), which covers Regional Fund and Air District-lead projects, and County Program Manager projects that were paid all awarded funds (closed out) by June 30, 2015.

DISCUSSION

TFCA Audit #17

For Audit #17, Gilbert Associates, Inc. conducted financial and compliance audits of:

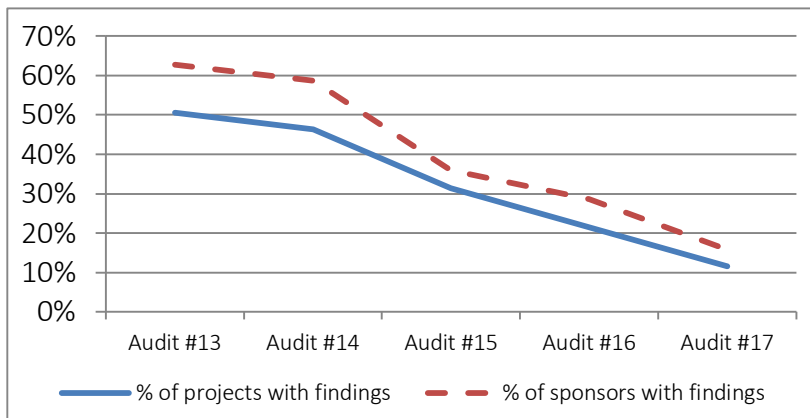
- 26 TFCA Regional Fund and Air District-sponsored program projects that were closed out between July 1, 2014 and June 30, 2015; and
- 114 TFCA County Program Manager Projects that were closed out between July 1, 2014 and June 30, 2015.

Gilbert conducted field work from June 2016 through October 2016 and issued a draft audit report to each of the agencies and companies (Project Sponsors) that were part of Audit #17. Each Project Sponsor was then provided an opportunity to respond in writing to any findings and those responses are included in the final individual audit reports.

The results of Audit #17 are presented in Audit Summary Reports shown in Attachment A (for the Regional Fund) and Attachment B (for the County Program Manager Fund). Each report contains a list of all of the projects and programs that were audited as part of Audit #17 (in Appendix B) and a summary of findings from the individual audit reports, which are as follows: Project Sponsors for three projects submitted one or more late report (e.g., semiannual, annual monitoring).

Although Audit #17 contains one finding, the results reflect an overall improvement in Project Sponsor's adherence to program and contractual requirements. Over the last five years, the Air District has taken significant steps to improve and strengthen its administrative processes, and consequently more recent projects have shown an improvement in adherence to program and contractual requirements. Figure 1 below shows the performance trend of the most recent five TFCA audits.

Figure 1: Performance Trend for TFCA Audits # 13 - # 17



A discussion of the audit process, results, and the additional steps that Air District staff is taking to ensure compliance with program requirements will be presented at the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. As required by California Health and Safety Code Section 44242(a), the costs of TFCA audits are taken from the TFCA motor vehicle registration fee surcharges. Resources for Audit #17 were identified in the Air District's FYE 2016 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak
Reviewed by: Chengfeng Wang and Anthony Fournier

Attachment A: TFCA Audit Summary Report for the TFCA Regional Fund (Audit #17)

Attachment B: TFCA Audit Summary Report for the TFCA County Program Manager Fund (Audit #17)

**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

**TRANSPORTATION FUND FOR CLEAN AIR
PROGRAM REGIONAL FUND**

AUDIT SUMMARY REPORT

PROJECT PERIOD ENDED JUNE 30, 2015

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
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BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

1. INTRODUCTION

The Bay Area Air Quality Management District (Air District) was created by the California legislature in 1955. The Air District's structure, operating procedures and authority are established by Division 26 of the California Health and Safety Code.

The Air District includes seven counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo and Santa Clara and portions of two other counties, Southwestern Solano and Southern Sonoma. The Air District is governed by a twenty-two member Board of Directors that includes representatives from all of the above counties.

The Air District's jurisdiction is limited principally to policing non-vehicular sources of air pollution within the Bay Area, primarily industry pollution and burning. Any company wishing to build or modify a facility in the Bay area must first obtain a permit from the Air District to ensure that the facility complies with all applicable rules.

The Air District also acts as the program administrator for Transportation Fund for Clean Air (TFCA) funds and Mobile Source Incentive funds (MSIF) derived from Assembly Bill 434 and Assembly Bill 923 respectively. TFCA and MSIF funding comes from a \$4 and \$2 surcharge, respectively, on motor vehicles registered within the Air District. TFCA funding may only be used to fund eligible projects that reduce motor vehicle emissions and support the implementation of the transportation and mobile source control measures in the Clean Air Plan in place at time of award. All projects must fall within the categories listed in State Law (Health and Safety Code Section 44241).

The Health and Safety Code requires the Air District to pass-through no less than 40% of the TFCA revenues raised within a particular county, after audit and administrative costs, to that county's designated Program Manager. The remaining 60% is for Regional Fund grants and is being allocated to projects on a competitive basis. Projects are evaluated using the Air District's Board adopted evaluation and scoring criteria.

2. PROGRAM DESCRIPTION

Health and Safety Code Sections 44223 and 44225 authorize a surcharge on the motor vehicle registration fee (surcharge) to be used by the Air District and local governments specifically for programs to reduce air pollution from motor vehicles. The Department of Motor Vehicles collects the surcharge and allocates the amounts to the Air District. The Air District administers these funds through the TFCA Program. Under the TFCA Program, money is allocated to two funds: (1) 60% is placed in the Regional Fund and allocated to entities on a competitive basis by the Air District and (2) 40% is placed in the Program Managers Fund and allocated to designated agencies. Allowable projects under Health and Safety Code Section 44241 include the following:

- Ridesharing programs
- Purchase or lease of clean fuel school and transit buses
- Feeder or shuttle bus service to rail and ferry stations and airports

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- Arterial traffic management
- Demonstrations in congestion pricing of highways, bridges and public transit
- Rail bus integration and regional transit information systems
- Low emission vehicle projects
- Bicycle facility improvement projects
- Physical improvements that support "Smart Growth" projects

State law requires that any agency receiving TFCA funding be subject to an audit, at least once every two years. Health and Safety Code Section 44242 provides the legal compliance guidelines for the Air District to follow in the event revenues are not spent appropriately or when projects do not result in emission reductions. Health and Safety Code Sections 44241 and 44242 are provided in Appendix A.

The Air District retained the firm of Gilbert Associates, Inc. to conduct financial and compliance audits of completed projects funded through the Regional Fund for the project period ended June 30, 2015, with the exception of Motivate International Inc.'s second year of operations of the Bay Area Bike Share project, whose project period ended December 31, 2015. These audits were conducted during the months of January 2015 through October 2016.

A total of 19 individual Sponsors and 26 projects were audited, with \$12,849,073 total funds expended. A listing of the projects audited is provided in Appendix B. Unqualified opinions were issued on all 19 reports.

3. AUDIT PROCESS

The audits were designed to address numerous financial and compliance objectives; however, the principal objectives of the audits were to (1) provide assurance that amounts reported in the Schedules of Expenditures are fairly stated, and (2) determine whether projects financed through the Air District's Regional Fund met funding agreement requirements. The audit procedures were specifically designed for TFCA financial and compliance requirements. The audit approach is described below:

Auditing Standards and Specific Procedures

The financial audits were performed in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States for the period ended June 30, 2015.

Procedures performed included, but were not limited to:

- Gaining an understanding of the project sponsors' internal controls over financial reporting of the TFCA program through observation, inquiry, and supporting documentation.
- Tracing expenditures related to the TFCA program to the Sponsor's accounting records.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- Validating TFCA expenditures related to vendor disbursements, payroll, and administrative charges to supporting documentation.
- Conducting interviews with project sponsors to inquire about known, alleged or suspected fraud related to the program.

Compliance Auditing Procedures

The audits were performed in accordance with the requirements outlined in the Health and Safety Code, individual funding agreements and *Government Auditing Standards*. The principal focus of the compliance auditing procedures was to ensure TFCA expenditures were paid in accordance with the program's objectives (Health and Safety Code Sections 44241 and 44242). Detailed tests on select transactions were performed to verify compliance with the Health and Safety Code and individual funding agreements, but were not designed to provide assurance on overall project compliance.

Auditing procedures performed included, but were not limited to:

- Testing expenditures for allowable costs in accordance with Section 44241 of the Health and Safety Code.
- Verifying that the Sponsor used the TFCA funds for the reduction of emissions from motor vehicles.
- Determining that the Sponsor adopted appropriate resolutions authorizing the grant application or, where applicable, an authorizing letter of commitment.
- Verifying the expenditure of funds was within two years, unless a longer period was approved in writing by the Air District.
- Determining whether the Sponsor submitted to the Air District all required reports and that the reports contained all information required as specified on Attachment C of the funding agreement.
- Verifying the use of the Air District's approved logo or acknowledgment of the Air District in printed or electronic materials for public distribution.
- Determining if the Sponsor followed the indirect cost determination approach when allocating indirect costs to the project.
- Determining whether administrative costs were adequately supported and did not exceed 5% of the TFCA revenues.
- Determining whether other specific terms of the funding agreement were adhered to, such as additional reporting requirements.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

4. SPONSOR FINDINGS

A summary of Sponsor audit findings is provided below.

Finding 2015-1: *Late Filing of Reports*

According to the funding agreement between the Air District and the Sponsors, Sponsors were required to submit to the Air District quarterly or semiannual reports, a final report, and other reports specified in the Sponsor's funding agreements.

During the audit, we noted that the projects listed in Table 1 had one or more late reports. 3 Sponsors out of 19 (15.79%) and 3 projects out of the 26 audited (11.54%) had one or more late reports. The number of reports submitted late are noted below:

	<u>Late Reports</u>	<u>Number of Sponsors</u>	<u>Number of Projects</u>
Quarterly reports	3	1	1
Semiannual reports	2	2	2
Annual report	<u>1</u>	1	1
Total Late Reports	<u>6</u>		

Air District's Response to Finding 2015-1:

The District has taken a series of steps over the past years to ensure project sponsors are aware of their contractual obligations to minimize the occurrence of late and missing progress reports, which have significantly reduced the incidence of late reports. These efforts include further strengthening the District's Administrative Operating Procedure (AOP) for Regional Fund Administration to specify that reminder notices be sent to project sponsors three weeks prior to report due dates and that follow-up telephone calls and/or emails be made beginning one week prior to the due date if a report is still not received.

If a report is more than three weeks late, the project sponsor is sent a Delinquent Notice, which includes language warning that failure to submit a report will delay payment, may result in termination of the grant, and may render the sponsor ineligible from future grants.

Additionally, the District has transitioned to online electronic submittal for reports to streamline the reporting process for project sponsors.

Current TFCA Regional Fund policies also prohibit project sponsors with uncorrected audit findings from being eligible for grant funding. The District is also exploring options for further action to reduce the incidence of late reports.

Moreover, Motivate International, Inc. was fined for the late filing of reports based on the terms and conditions set forth in the funding agreement.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
AUDIT SUMMARY REPORT
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

5. OVERSIGHT FINDINGS

No oversight findings noted as of and for the project period ending June 30, 2015.

TABLE 1

SPONSORS WITH LATE REPORTS

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

**TABLE 1 - SPONSORS WITH LATE REPORTS
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015**

Project Number	Project Sponsor	Project Description
12R19	San Francisco Municipal Transportation Agency	Shuttle Operations
08BFP04	Successor Agency to the Richmond Community Redevelopment Agency	Barrett Avenue Bicycle Lanes
2013.025	Motivate International, Inc.	Bay Area Bike Share, Year 2 Operations

APPENDIX A

HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44241

- (a) Fee revenues generated under this chapter in the bay district shall be subvended to the bay district by the Department of Motor Vehicles after deducting its administrative costs pursuant to Section 44229.
- (b) Fee revenues generated under this chapter shall be allocated by the bay district to implement the following mobile source and transportation control projects and programs that are included in the plan adopted pursuant to Sections 40233, 40717, and 40919:
 - (1) The implementation of ridesharing programs.
 - (2) The purchase or lease of clean fuel buses for school districts and transit operators.
 - (3) The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
 - (4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
 - (5) Implementation of rail-bus integration and regional transit information systems.
 - (6) Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual's home use.
 - (7) Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
 - (8) Implementation of a smoking vehicles program.
 - (9) Implementation of an automobile buy-back scrappage program operated by a governmental agency.
 - (10) Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
 - (11) The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- (c) (1) Fee revenue generated under this chapter shall be allocated by the bay district for projects and programs specified in subdivision (b) to cities, counties, the Metropolitan Transportation Commission, transit districts, or any other public agency responsible for implementing one or more of the specified projects or programs. Fee revenue generated under this chapter may also be allocated by the bay district for projects and programs specified in paragraph (7) of subdivision (b) to entities that include, but are not limited to, public agencies, consistent with applicable policies adopted by the governing board of the bay district. Those policies shall include, but are not limited to, requirements for cost-sharing for projects subject to the policies. Fee revenues shall not be used for any planning activities that are not directly related to the implementation of a specific project or program.
- (2) The bay district shall adopt cost-effectiveness criteria for fee revenue generated under this chapter that projects and programs are required to meet. The cost-effectiveness criteria shall maximize emissions reductions and public health benefits.
- (d) Not less than 40 percent of fee revenues shall be allocated to the entity or entities designated pursuant to subdivision (e) for projects and programs in each county within the bay district based upon the county's proportionate share of fee-paid vehicle registration.
- (e) In each county, one or more entities may be designated as the overall program manager for the county by resolutions adopted by the county board of supervisors and the city councils of a majority of the cities representing a majority of the population in the incorporated area of the county. The resolution shall specify the terms and conditions for the expenditure of funds. The entities so designated shall be allocated the funds pursuant to subdivision (d) in accordance with the terms and conditions of the resolution.
- (f) Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall hold one or more public meetings for the purpose of adopting criteria for expenditure of the funds and to review the expenditure of revenues received pursuant to this section by any designated entity. If any county or entity designated pursuant to subdivision (e) that receives funds pursuant to this section has not allocated all of those funds within six months of the date of the formal approval of its expenditure plan by the bay district, the bay district shall allocate the unallocated funds in accordance with subdivision (c).

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44242

- (a) Any agency which receives funds pursuant to Section 44241 shall, at least once every two years, undertake an audit of each program or project funded. The audit shall be conducted by an independent auditor selected by the bay district in accordance with Division 2 (commencing with Section 1100) of the Public Contract Code. The district shall deduct any audit costs which will be incurred pursuant to this section prior to distributing fee revenues to cities, counties, or other agencies pursuant to Section 44241.
- (b) Upon completion of an audit conducted pursuant to subdivision (a), the bay district shall do both of the following:
 - (1) Make the audit available to the public and to the affected agency upon request.
 - (2) Review the audit to determine if the fee revenues received by the agency were spent for the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717.
- (c) If, after reviewing the audit, the bay district determines that the revenues from the fees may have been expended in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to that plan, the district shall do all of the following:
 - (1) Notify the agency of its determination.
 - (2) Within 45 days of the notification pursuant to paragraph (1), hold a public hearing at which the agency may present information relating to expenditure of the revenues from the fees.
 - (3) After the public hearing, if the district determines that the agency has expended the revenues from the fees in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717, the district shall withhold these revenues from the agency in an amount equal to the amount which was inappropriately expended. Any revenues withheld pursuant to this paragraph shall be redistributed to the other cities within the county, or to the county, to the extent the district determines that they have complied with the requirements of this chapter.
- (d) Any agency which receives funds pursuant to Section 44241 shall encumber and expend the funds within two years of receiving the funds, unless an application for funds pursuant to this chapter states that the project will take a longer period of time to implement and is approved by the district or the agency designated pursuant to subdivision (e) of Section 44241. In any other case, the district or agency may extend the time beyond two years, if the recipient of the funds applies for that extension and the district or agency, as the case may be, finds that significant progress has been made on the project for which the funds were granted.

APPENDIX B
LISTING OF AUDITED PROJECTS

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
APPENDIX B
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Project Number	Project Sponsor	Project Description	Project Expenditures
14R18	Associated Students, San Jose State University	SJSU - Ridesharing & Trip Reduction	\$ 120,000
14PEV00A	BAAQMD	PEV Rebate Program	112,500
15R00	BAAQMD	Administration	1,246,837
15R01	BAAQMD	Enhanced Mobile Source Inspections	2,162,493
15R02	BAAQMD	Vehicle Buy Back Program	124,948
15R03	BAAQMD	Spare The Air/Intermittent Control Programs	1,176,363
09R46	City of Berkeley	Berkeley Transit Action Plan	100,000
14R07	City of Oakland	City of Oakland Broadway Shuttle	219,518
14R09	County of Alameda	Bay Fair BART Shuttle	16,400
09R28	East Bay Clean Cities Coalition	U.S. Department of Energy's - Clean Cities Coalition Outreach (East Bay)	25,000
12R13	Metropolitan Transportation Commission	511 Rideshare Program	878,581
14R17	Metropolitan Transportation Commission	511 Rideshare Program	903,435
2013.025	Motivate International Inc.	Bay Area Bike Share (year 2 operations)	1,500,943
09R44	Pacific Gas & Electric Company	E-PTO Hybrid Demonstration	310,953
12R14	Peninsula Corridor Joint Powers Board	Caltrain Shuttles	992,823
14R14	Peninsula Corridor Joint Powers Board	Caltrain Shuttle Program	954,948
12R16	The Presidio Trust	PresidiGO Downtown Shuttle	100,000
09R52	ProPark America West, LLC	(20) Charging Stations	21,365
09R24	The Regents of the University of California, Davis Fleet	(1) Compressed Natural Gas Bus	36,626
09BFP12	San Francisco Municipal Transportation Agency	San Francisco Citywide Bicycle Racks Installation	83,760
12R19	San Francisco Municipal Transportation Agency	Shuttle Operations	122,000
14R12	San Joaquin Regional Rail Commission	Shuttle/Feeder Bus	49,723
14R16	Santa Clara Valley Transportation Authority	ACE Shuttle Bus Program	960,000
08BFP04	Successor Agency to the Richmond Community Redevelopment Agency	Barrett Avenue Bicycle Lanes	56,639
09R47	University of California, Berkeley	High-Pressure Hydrogen Fueling Facility and Fuel-Cell-Vehicle Demonstration	97,218
09R25	Waste Management of Alameda County	(31) Compressed Natural Gas Refuse Trucks	<u>476,000</u>
		Total Funds Expended	<u>\$ 12,849,073</u>
		Total Sponsors Audited	19
		Total Projects Audited	26

**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

**TRANSPORTATION FUND FOR CLEAN AIR
PROGRAM MANAGER FUND**

AUDIT SUMMARY REPORT

PROJECT PERIOD ENDED JUNE 30, 2015

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
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BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

1. INTRODUCTION

The Bay Area Air Quality Management District (Air District), created by the California legislature in 1955, is the state's first regional agency dealing with air pollution. The Air District regulates stationary sources of air pollution within the nine San Francisco Bay Area counties in California. The Air District's jurisdiction includes Alameda County, Contra Costa County, Marin County, Napa County, City/County of San Francisco, San Mateo County, Santa Clara County, southern Sonoma County, and south-western Solano County. The primary mission of the Air District is to achieve ambient air quality standards designed to protect the public's health and the environment. The Air District is governed by a twenty-two member Board of Directors who has the authority to develop and enforce regulations for the control of air pollution within its jurisdiction.

2. PROGRAM DESCRIPTION

Health and Safety Code Sections 44223 and 44225 authorize a surcharge on the motor vehicle registration fee (surcharge) to be used by the Air District and local governments to fund projects that implement transportation control measures in accordance with the 1988 California Clean Air Act and the 2010 Clean Air Plan. These measures are designed specifically to reduce air pollution from motor vehicles. The Department of Motor Vehicles collects the surcharge and allocates the amounts to the Air District.

The Air District administers these funds through the Transportation Fund for Clean Air (TFCA) Program. Under the TFCA Program, money is allocated to two funds: (1) 60% is placed in the Regional Fund and allocated to entities on a competitive basis by the Air District and (2) 40% is placed in the Program Managers Fund and allocated to designated agencies, known as program managers. Allowable projects under Health and Safety Code Section 44241 include the following:

- Ridesharing programs
- Purchase or lease of clean fuel school and transit buses
- Feeder or shuttle bus service to rail and ferry stations and airports
- Arterial traffic management
- Demonstrations in congestion pricing of highways, bridges and public transit
- Rail bus integration and regional transit information systems
- Low emission vehicle projects
- Bicycle facility improvement projects
- Physical improvements that support "Smart Growth" projects

State law requires that any agency receiving TFCA funding be subject to an audit, at least once every two years. Health and Safety Code Section 44242 provides the legal compliance guidelines for the Air District to follow in the event revenues are not spent appropriately or when projects do not result in emission reductions. Health and Safety Code Sections 44241 and 44242 are provided in Appendix A.

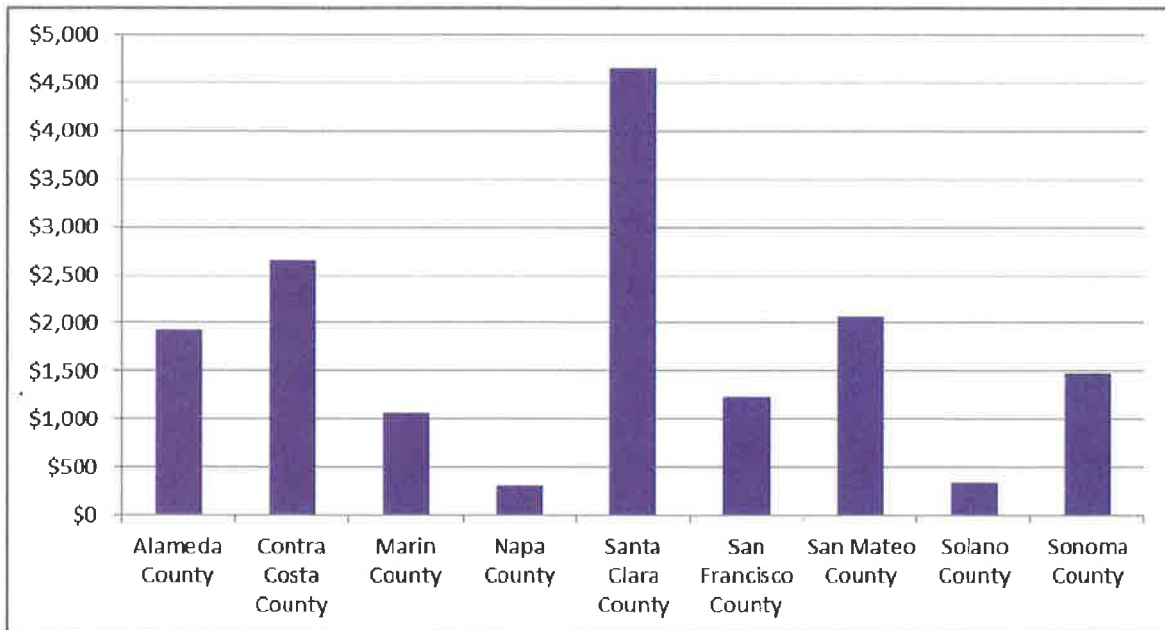
BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

The Air District retained the firm of Gilbert Associates, Inc. to conduct financial and compliance audits of completed projects funded through the Program Manager Fund for the project period ended June 30, 2015. The graph below reports the amount of TFCA Funds allocated to each of the individual Program Managers for projects that closed during the period from July 1, 2013 through June 30, 2015. These audits were performed during the period of December 2015 through April 2016. A list of audited projects is provided in Attachment B.

**Total Funds Expended by Program Manager for Specified Projects Conducted
for the period from July 1, 2013 through June 30, 2015 (in thousands)**



3. AUDIT PROCESS

The audits were designed to address numerous financial and compliance objectives; however, the principal objectives of the audits were to (1) provide assurance that amounts reported in the Schedules of Expenditures are fairly stated, and (2) determine whether projects financed through the Air District's Program Manager Fund met funding agreement requirements. The audit procedures were specifically designed for TFCA financial and compliance requirements. The audit approach is described below:

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Auditing Standards and Specific Procedures

The audits were performed in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The expenditures under audit were TFCA expenditures, incurred by the Program Managers in the Air District's jurisdiction, related to projects that had been reported closed between July 1, 2013, and June 30, 2015.

Compliance Auditing Procedures

The audits were performed in accordance with the requirements outlined in the Health and Safety Code, individual funding agreements and *Government Auditing Standards*. The principal focus of the compliance auditing procedures was to ensure TFCA expenditures were paid in accordance with the program's objectives (Health and Safety Code Sections 44241). In the individual Program Manager Fund audits, a report entitled "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Schedule of Expenditures of Projects Performed in Accordance with *Government Auditing Standards* and Requirements of Section 44241 of the California Health and Safety Code" was issued for each Program Manager to provide specific assurance that the Program Manager did or did not comply with the Health and Safety Code. Each of the nine program managers audited received an unmodified opinion.

4. PROGRAM MANAGER FINDINGS

No program manager findings were noted as of and for the project period ended June 30, 2015.

5. OVERSIGHT FINDINGS

No oversight findings were noted as of and for the project period ended June 30, 2015.

APPENDIX A
HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44241

- (a) Fee revenues generated under this chapter in the bay district shall be subvended to the bay district by the Department of Motor Vehicles after deducting its administrative costs pursuant to Section 44229.
- (b) Fee revenues generated under this chapter shall be allocated by the bay district to implement the following mobile source and transportation control projects and programs that are included in the plan adopted pursuant to Sections 40233, 40717, and 40919:
 - (1) The implementation of ridesharing programs.
 - (2) The purchase or lease of clean fuel buses for school districts and transit operators.
 - (3) The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
 - (4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
 - (5) Implementation of rail-bus integration and regional transit information systems.
 - (6) Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual's home use.
 - (7) Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
 - (8) Implementation of a smoking vehicles program.
 - (9) Implementation of an automobile buy-back scrappage program operated by a governmental agency.
 - (10) Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
 - (11) The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- (c) (1) Fee revenue generated under this chapter shall be allocated by the bay district for projects and programs specified in subdivision (b) to cities, counties, the Metropolitan Transportation Commission, transit districts, or any other public agency responsible for implementing one or more of the specified projects or programs. Fee revenue generated under this chapter may also be allocated by the bay district for projects and programs specified in paragraph (7) of subdivision (b) to entities that include, but are not limited to, public agencies, consistent with applicable policies adopted by the governing board of the bay district. Those policies shall include, but are not limited to, requirements for cost-sharing for projects subject to the policies. Fee revenues shall not be used for any planning activities that are not directly related to the implementation of a specific project or program.
- (2) The bay district shall adopt cost-effectiveness criteria for fee revenue generated under this chapter that projects and programs are required to meet. The cost-effectiveness criteria shall maximize emissions reductions and public health benefits.
- (d) Not less than 40 percent of fee revenues shall be allocated to the entity or entities designated pursuant to subdivision (e) for projects and programs in each county within the bay district based upon the county's proportionate share of fee-paid vehicle registration.
- (e) In each county, one or more entities may be designated as the overall program manager for the county by resolutions adopted by the county board of supervisors and the city councils of a majority of the cities representing a majority of the population in the incorporated area of the county. The resolution shall specify the terms and conditions for the expenditure of funds. The entities so designated shall be allocated the funds pursuant to subdivision (d) in accordance with the terms and conditions of the resolution.
- (f) Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall hold one or more public meetings for the purpose of adopting criteria for expenditure of the funds and to review the expenditure of revenues received pursuant to this section by any designated entity. If any county or entity designated pursuant to subdivision (e) that receives funds pursuant to this section has not allocated all of those funds within six months of the date of the formal approval of its expenditure plan by the bay district, the bay district shall allocate the unallocated funds in accordance with subdivision (c).

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44242

- (a) Any agency which receives funds pursuant to Section 44241 shall, at least once every two years, undertake an audit of each program or project funded. The audit shall be conducted by an independent auditor selected by the bay district in accordance with Division 2 (commencing with Section 1100) of the Public Contract Code. The district shall deduct any audit costs which will be incurred pursuant to this section prior to distributing fee revenues to cities, counties, or other agencies pursuant to Section 44241.
- (b) Upon completion of an audit conducted pursuant to subdivision (a), the bay district shall do both of the following:
 - (1) Make the audit available to the public and to the affected agency upon request.
 - (2) Review the audit to determine if the fee revenues received by the agency were spent for the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717.
- (c) If, after reviewing the audit, the bay district determines that the revenues from the fees may have been expended in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to that plan, the district shall do all of the following:
 - (1) Notify the agency of its determination.
 - (2) Within 45 days of the notification pursuant to paragraph (1), hold a public hearing at which the agency may present information relating to expenditure of the revenues from the fees.
 - (3) After the public hearing, if the district determines that the agency has expended the revenues from the fees in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717, the district shall withhold these revenues from the agency in an amount equal to the amount which was inappropriately expended. Any revenues withheld pursuant to this paragraph shall be redistributed to the other cities within the county, or to the county, to the extent the district determines that they have complied with the requirements of this chapter.
- (d) Any agency which receives funds pursuant to Section 44241 shall encumber and expend the funds within two years of receiving the funds, unless an application for funds pursuant to this chapter states that the project will take a longer period of time to implement and is approved by the district or the agency designated pursuant to subdivision (e) of Section 44241. In any other case, the district or agency may extend the time beyond two years, if the recipient of the funds applies for that extension and the district or agency, as the case may be, finds that significant progress has been made on the project for which the funds were granted.

APPENDIX B

LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Alameda County Transportation Commission:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Alameda County Transportation Commission		
Program Administration	12ALA00	\$ 92,723
Program Administration	14ALA00	94,730
Guaranteed Ride Home Program	11ALA13	232,614
AC Transit		
Easy Pass Transit Incentive Program	09ALA07	335,703
California State University, East Bay		
CSU East Bay Second (Peak Hours) Campus to BART Shuttle	11ALA04	193,999
CSU East Bay Second Shuttle - Increased Service Hours	12ALA03	56,350
CSU East Bay Shuttle II	14ALA13	130,000
City of Albany		
Buchanan Class 1 Bike Path and Class 2 Bike Lanes	11ALA03	100,000
City of Fremont		
North Fremont Arterial Management	11ALA06	171,830
City of Oakland, Economic Development		
Oakland Broadway Shuttle - Friday and Saturday Evening Service	12ALA01	35,300
City of Pleasanton		
Pleasanton Trip Reduction Program	12ALA02	57,507
City of San Leandro		
San Leandro LINKS Shuttle	11ALA12	47,500
East Bay Regional Park District		
Iron Horse Trail, Dublin/Pleasanton BART Santa Rita Road	14ALA03	180,000
Livermore Amador Valley Transit Authority		
Route 10 Service Operations	12ALA04	144,346
Route 53 Operations	12ALA05	34,180
Route 54 Operations	12ALA06	30,700
Total		<u>\$ 1,937,482</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Contra Costa Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Contra Costa Transportation Authority		
Program Administration	12CC00	\$ 66,602
Program Administration	14CC00	68,692
Program Administration	15CC00	70,505
City of Martinez		
San Francisco Bay Trail, Phase II	04CC13	87,508
City of San Ramon		
511 South Contra Costa County Student Program	10CC06	166,626
511 Contra Costa Southwest Employer Program	11CC05	43,195
511 Contra Costa Southwest Employer Program	12CC05	48,695
511 Contra Costa Countywide Vanpool Incentive Program	12CC06	39,335
TRANSPAC/City of Pleasant Hill		
Central/East SOV Trip/Emissions Reduction Trip	12CC04	730,527
Central/East SOV Trip/Emissions Reduction Trip	14CC04	754,046
West Contra Costa Transportation Advisory Committee		
I-80 Plus Commute Incentive Program	08CC01	163,096
West Contra Costa Commute Incentive Program	09CC01	75,258
West County Employer Outreach	09CC02	107,164
Countywide Guaranteed Ride Home Program	11CC03	143,810
Countywide Guaranteed Ride Home Program	12CC03	<u>88,289</u>
Total		<u>\$ 2,653,348</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Transportation Authority of Marin:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Transportation Authority of Marin		
Vanpool Program	10MAR01	\$ 50,000
Emergency Ride Home Program	10MAR02	50,000
Electric Vehicle Charging Stations	10MAR04	91,256
Dynamic Rideshare	10MAR06	60,000
Program Administration	12MAR00	16,770
Emergency Ride Home Program	12MAR01	10,475
Program Administration	14MAR00	17,736
Town of Fairfax		
Fairfax Spine Project	11MAR01	110,000
Town of San Anselmo		
Electric Assist Utility Bicycle for Town Staff	14MAR05	6,000
Town of Tiburon		
Tiburon Boulevard and Lyford Drive Multi-modal Commuter Lot	09MAR10	314,207
County of Marin		
Sir Francis Drake Blvd. - Westbound Class II Bike Lane (Baywood Canyon - Brown Bridge)	07MAR03	29,163
Construct a Westbound Class II Bike Lane on Sir Francis Drake Boulevard	09MAR06	45,837
Tennessee Valley Pathway (Class II)	09MAR07	265,000
Bel Marin Keys Boulevard Class II Bicycle Lanes	11MAR03	9,189
Total		<u>\$ 1,075,633</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Napa County Transportation and Planning Agency:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Napa County Transportation and Planning Agency		
Program Administration	12NAP00	\$ 9,429
Program Administration	14NAP00	9,641
City of Napa		
Lincoln Ave Class II Bike Lane	10NAP01	39,405
Bicycle Racks and Bicycle Locker	11NAP01	10,026
Lincoln Ave Class II Bike Lane Between Jefferson St. and Railroad Crossing	11NAP02	77,687
Saratoga Drive Class II Bicycle Lane	12NAP05	31,154
City of St. Helena		
Wappo Class I Multi-purpose Trail Gap Closure	11NAP03	90,000
Solano Napa Commuter Information		
SNCI Commuter Incentives and Marketing Materials	10NAP04	<u>39,958</u>
Total		<u>\$ 307,300</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Santa Clara Valley Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Santa Clara Valley Transportation Authority		
Program Administration	12SC00	\$ 113,469
Light Rail Shuttles	12SC02	665,000
Program Administration	14SC00	112,251
Light Rail Shuttles	14SC05	625,000
City of Campbell		
Winchester Boulevard Signal Timing Project	14SC10	130,000
City of Cupertino		
Stevens Creek "Corridor Park"	14SC07	95,000
City of Gilroy		
10th Street Adaptive Signal Synchronization Project	10SC05	52,118
City of Milpitas		
Milpitas Traffic Signal Management System	08SC05	762,744
City of Mountain View		
Grant Road Adaptive Signal Project	08SC07	330,058
Permanente Creek Trail	11SC05	100,000
City of San Jose		
Traffic Signal Synchronization Project	09SC10	308,069
Traffic Signal Synchronization Project - Phase 2	10SC06	531,621
Park/San Fernando/San Antonio Bikeway	11SC06	43,000
Hedding Street Bike Lanes	11SC07	47,548
Public Bike Rack Purchase and Installation	12SC01	22,604
City of Santa Clara		
San Tomas Aquino Spur Trail	10SC01	260,000
Traffic Signal & Interconnect Project	10SC02	315,000
Stevens Creek Colorized Bike Lanes	11SC04	59,200
City of Sunnyvale		
El Camino Bike Lanes	14SC09	15,000
Santa Clara County - Roads and Airports Department		
San Tomas Weekend Signal Timing	12SC04	53,250
Total		\$ 4,640,932

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

San Francisco County Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
San Francisco County Transportation Authority		
Program Administration	12SF00	\$ 33,019
Program Administration	14SF00	36,589
San Francisco Department of the Environment		
CCSF Bicycle Fleet	11SF01	36,901
Emergency Ride Home Program	11SF03	8,373
MTC School Ridematching Program	11SF04	91,497
City and County of San Francisco (CCSF) Bicycle Fleet Program	12SF02	30,134
San Francisco Employer Commuter Benefits Program	12SF03	71,732
Emergency Ride Home Program	14SF01	1,455
Commuter Benefits Program	14SF02	87,313
San Francisco SchoolPool	14SF03	22,674
San Francisco Municipal Transportation Agency		
Regional Bicycle Sharing Pilot	11SF09	401,250
Alternative Fuel Taxicab Vehicle Incentive Program	12SF05	69,251
Short Term Bicycle Parking	12SF07	165,000
Sloat Boulevard Bicycle Lanes	12SF08	85,000
San Francisco State University		
Abundant Bicycle Parking (Outdoor Racks)	14SF06	50,932
University of California, San Francisco		
Parnassus Campus Bike Cage	10SF08	<u>50,000</u>
Total		<u>\$ 1,241,120</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

City/County Association of Governments of San Mateo County:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
City/County Association of Governments of San Mateo County		
Program Administration	12SM00	\$ 28,636
Program Administration	14SM00	37,822
Peninsula Traffic Congestion Relief Alliance		
Countywide Voluntary Trip Reduction Program	12SM01	435,600
Countywide Voluntary Trip Reduction Program	14SM01	443,604
San Mateo County Transit District		
SanTrans Shuttle Bus Program	12SM02	554,400
SanTrans Shuttle Bus Program	14SM02	<u>566,000</u>
Total		<u>\$ 2,066,062</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

**AUDIT SUMMARY REPORT
LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015**

Solano Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Solano Transportation Authority		
Program Administration	14SOL00	\$ 14,804
Safe Routes to School Program, Program Coordination and School Event Student Incentives	11SOL01	47,909
Solano Commute Alternatives Incentive Activities and Outreach Program	12SOL02	254,328
City of Benicia		
Matthew Turner Elementary Smart Growth Project	12SOL01	<u>23,263</u>
Total		<u>\$ 340,304</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Sonoma County Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Sonoma County Transportation Authority		
Program Administration	14SON00	\$ 29,276
Program Administration	12SON00	28,337
Sonoma County Transit		
CNG Fueling Station Expansion	03SON05	257,275
Cotati Intermodal Facility/Park & Ride	04SON04	26,369
Cotati Intermodal Facility/Park & Ride	05SON03	9,695
Cotati Intermodal Facility/Park & Ride	06SON02	25,158
Cotati Intermodal Facility/Park & Ride	08SON01	359,244
Transit Marketing Program	10SON03	59,356
Transit Marketing Program	12SON05	60,000
City of Petaluma		
Sonoma Mountain Parkway & McDowell Boulevard Corridor Signal Timing	11SON04	85,427
Petaluma Transit - Transit Marketing	14SON07	60,000
City of Santa Rosa, Transit Department		
Santa Rosa Free Ride Trip Reduction Incentive Program	12SON03	170,788
Student/Youth Bus Pass Subsidy	12SON04	65,000
Youth Bus Pass Subsidy Program	14SON01	75,000
Santa Rosa Free Ride Trip Reduction Incentive Program	14SON02	<u>153,636</u>
Total		<u>\$ 1,464,561</u>

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: November 30, 2016

Re: Fiscal Year Ending (FYE) 2016 Report on Transportation Fund for Clean Air (TFCA)
Regional Fund Expenditures and Effectiveness

RECOMMENDATIONS

None; receive and file.

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. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) Program to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242.

Sixty percent of TFCA funds are awarded by the Air District to eligible programs and projects implemented directly by the Air District (e.g., the Smoking Vehicle, Enhanced Mobile Source Enforcement, Spare the Air, and Bicycle Facility Programs) and through a grant program known as the Regional Fund. The remaining 40% of TFCA funds are forwarded to a designated agency within each Bay Area county to be distributed via the County Program Manager Fund.

HSC Section 44241 requires that the Board hold a public hearing each year to review the Air District's expenditure of TFCA funds to determine their effectiveness in improving air quality.

DISCUSSION

The report on expenditures and effectiveness of TFCA Regional Fund and Air District-sponsored programs that concluded in FYE 2016 (fully paid and closed-out) is provided in Attachment A.

The following are the key report findings:

- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.

- The TFCA expenditures for projects and programs that concluded in FYE 2016, and administrative costs totaled \$8.56 million. This includes \$4.57 million in Regional Fund projects, \$3.17 million in Air District-sponsored programs, and \$825,838 in administrative and indirect costs.
- These projects and programs reduced criteria pollutant emissions over their lifetimes by an estimated 203.61 tons, including 70.35 tons of reactive organic gases (ROG), 79.29 tons of nitrogen oxides (NOx), and 53.97 tons of particulate matter (PM10). The lifetime reduction of carbon dioxide (CO2), a greenhouse gas, is estimated to be over 91,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$36,585 per ton of weighted criteria pollutant emissions reduced.

A discussion of the expenditures, emission reductions, and cost-effectiveness of the TFCA Regional Fund and Air District-sponsored programs and projects that closed in FYE 2016 will be presented at the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Air District distributes program monies as “pass-through” funds. Administrative costs for project staff are provided by the Air District’s TFCA funding.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak and Linda Hui
Reviewed by: Chengfeng Wang and Anthony Fournier

Attachment A: TFCA Report on Expenditures and Effectiveness of Regional Fund Projects and Air District-sponsored programs that closed in FYE 2016



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR (TFCA)

**REPORT ON EXPENDITURES AND EFFECTIVENESS
OF REGIONAL FUND PROJECTS AND AIR DISTRICT-
SPONSORED PROGRAMS
THAT CLOSED IN
FISCAL YEAR ENDING (FYE) 2016**

375 Beale Street, Suite 600, San Francisco, CA 94105
www.baaqmd.gov

December 2016

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THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT

The California Legislature created the Bay Area Air Quality Management District (Air District) in 1955 as the first regional air pollution control agency in the country, recognizing that air emissions cross political boundaries. The nine counties of the San Francisco Bay Area form a regional air basin, sharing common geographical features and weather patterns, and therefore similar air pollution burdens, which cannot be addressed by counties acting on their own.

The Air District is the public agency entrusted with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties.

BACKGROUND

On-road motor vehicles, including cars, trucks, and buses, are the most significant source of air pollution in the San Francisco Bay Area. Vehicle emissions contribute to unhealthy levels of ozone (summertime "smog"), particulate matter, and greenhouse gases. Because of this, reducing emissions from the on-road transportation sector is essential to helping the Bay Area attain State and Federal ambient air quality standards and meet greenhouse gas reduction commitments.

To protect public health, the State Legislature enacted the California Clean Air Act in 1988. As part of the requirements, the Air District prepared the *2010 Clean Air Plan (CAP)* which includes transportation control measures (TCMs), defined as "any strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions," and mobile source measures (MSMs), which encourage the introduction of newer, cleaner motor vehicle technologies and the retirement of older, more polluting vehicles.

TRANSPORTATION FUND FOR CLEAN AIR (TFCA)

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

Sixty percent of TFCA funds are awarded by the Air District's Board of Directors to eligible programs and projects implemented directly by the Air District (e.g., the Enhanced Mobile Source Inspections, Vehicle Buy-Back, Spare the Air, and Bicycle Facility Programs) and through a grant program known as the Regional Fund. The remaining forty percent of TFCA funds are forwarded to a designated agency within each Bay Area county to be distributed via the County Program Manager Fund.

Each year, the Air District Board of Directors adopts criteria for the evaluation and ranking of project applications for the TFCA Program. Cost-effectiveness, expressed in terms of TFCA dollars per ton of criteria emissions reduced, is the most important criterion for evaluating TFCA projects.

In addition to reducing air pollution, including toxic particulate matter, TFCA-funded projects have other benefits including the following:

- Conserving energy and helping to reduce emissions of carbon dioxide (CO₂), a greenhouse gas;
- Reducing traffic congestion;
- Improving quality of life for its residents and commuters by expanding access to services that provide first and last-mile connections to rail, ferry, and mass transit; and
- Improving physical fitness and public safety by facilitating pedestrian and other car-free modes of travel.

State legislation restricts TFCA funding to the following 11 types of projects:

- Implementation of ridesharing programs
- Clean fuel school and transit bus purchases or leases
- Feeder bus or shuttle service to rail and ferry stations and to airports
- Arterial traffic management
- Rail-bus integration and regional transit information systems
- Demonstrations in congestion pricing of highways, bridges and public transit
- Low-emission vehicle projects
- Smoking vehicles program
- Vehicle buy-back scrappage program
- Bicycle facility improvement projects
- Physical improvements that support “smart growth” projects

This report summarizes the expenditures and effectiveness of the TFCA Regional Fund projects and Air District-sponsored programs that concluded during fiscal year ending (FYE) 2016.

Key Highlights

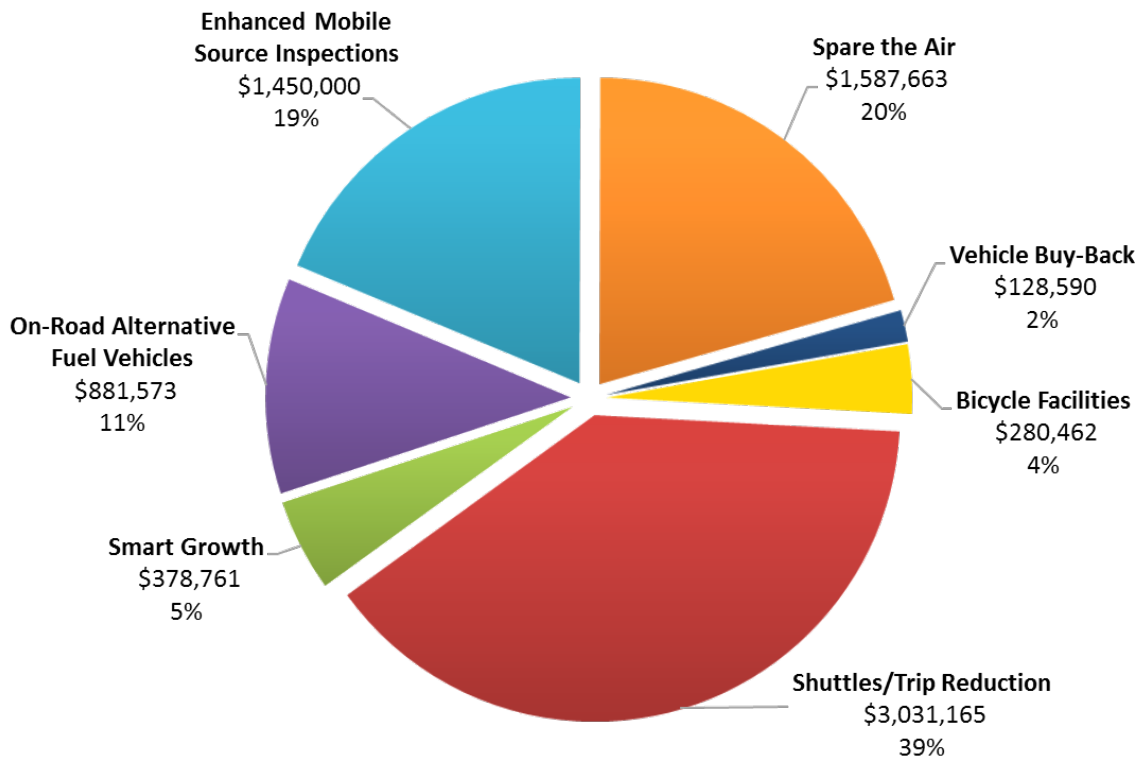
- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.
- The TFCA expenditures for projects, programs, and administration that concluded in FYE 2016 totaled \$8.56 million. This includes \$4.57 million in Regional Fund projects, \$3.17 million in Air District-sponsored programs, and \$825,838 in administrative and indirect costs.
- These projects and programs reduced criteria pollutant emissions over their lifetimes by an estimated 203.61 tons, including 70.35 tons of reactive organic gases (ROG), 79.29 tons of nitrogen oxides (NO_x), and 53.97 tons of particulate matter (PM₁₀). The lifetime reduction of carbon dioxide (CO₂), a greenhouse gas, is estimated to be over 91,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$36,585 per ton of criteria pollutant emissions reduced.

EXPENDITURES

The TFCA expenditures for projects and programs that concluded in FYE 2016 and administrative costs totaled \$8.56 million. This total includes \$3.17 million for the programs administered directly by the Air District and \$4.57 million in Regional Fund grants to other organizations. In addition, the Air District expended \$825,838 in administrative and audit costs associated with the oversight of these projects and programs.¹ **Appendix A** lists project expenditure details.

A summary of the expenditures for the TFCA Regional Fund projects and Air District-sponsored programs that concluded in FYE 2016 is shown in **Figure 1**.

Figure 1. TFCA Expenditures for Projects and Programs Closing in FYE 2016



EFFECTIVENESS

The cost-effectiveness of TFCA projects and programs is calculated by dividing the TFCA funds allocated or awarded by the lifetime criteria pollutant emissions reductions (ROG, NO_x, and weighted PM₁₀ combined). The result is TFCA dollars per ton of reduced emissions.

Projects and programs concluding in FYE 2016 are anticipated to reduce criteria pollutant emissions over their lifetimes by an estimated total of 203.61 tons. This total is the sum of ozone precursors (70.35 tons of ROG and

¹ In FYE 2016, total TFCA revenues, for both the Regional Fund and County Program Manager Fund, were \$24.58 million. Administrative and audit costs across both programs totaled \$1.38 million.

79.29 tons of NO_x) and particulate matter (53.97 tons of PM₁₀). The lifetime reduction of CO₂ is estimated to be over 91,000 tons.²

The Regional Fund projects and Air District-sponsored programs that concluded in FYE 2016 achieved a combined weighted-average cost-effectiveness of \$36,585 per ton of criteria pollutant emissions reduced.

A summary of expenditures, emission reductions, and cost-effectiveness values by program category is provided in **Table 1**.

Table 1: Emission Reductions and Cost-Effectiveness (C/E) by Program Category for Projects and Programs that Closed in FYE 2016

Category	# of Projects	TFCA \$ Expended	% of TFCA \$ Expended	Emissions Reduced (tons) ^a	% of Emissions Reduced	C/E - Weighted (\$/ton) ^b
Bicycle Facilities	18	\$280,462	3.62%	2.87	1%	\$89,621 ^c
Shuttles/Trip Reduction	10	\$3,031,165	39.17%	80.00	39%	\$28,214 ^d
Smart Growth	1	\$378,761	4.89%	-	-	-
On-Road Alternative Fuel Vehicles	10	\$881,573	11.39%	24.07	12%	\$64,099
Enhanced Mobile Source Inspections	1	\$1,450,000	18.74%	3.43	2%	\$349,347
Spare the Air	1	\$1,587,663	20.52%	93.24	46%	\$19,963
Vehicle Buy-Back	1	\$128,590 ^e	1.66%	-	-	-
Total for Projects and Programs^f	42	\$7,738,213	100%	203.61	100%	\$36,585
Administration		\$825,838				

(a) Lifetime emission reductions of ROG, NO_x, and PM₁₀ combined.

(b) Consistent with the current California Air Resources Board methodology to calculate cost-effectiveness for the Carl Moyer Program (CMP); PM emissions were weighted by a factor of 20 to account for their harmful impacts on human health.

(c) Emissions reduced from the bicycle facility projects were determined using the default cost-effectiveness value of \$90,000 per ton of emissions reduced.

(d) Four of ten projects were cost-effective.

(e) Total FYE 2016 program cost was \$6,866,991.82, which includes funds from CMP, Mobile Source Incentive Fund (MSIF), and TFCA.

(f) Total may vary due to rounding.

Of the 42 projects and programs listed in Table 1, six achieved lower-than-originally-estimated emissions reductions, and one could not be determined. The following sections provide further analysis of those programs and projects that achieved lower-than-originally-estimated emission reductions: six shuttle/trip reduction projects and one smart growth project. This report will also discuss the Enhanced Mobile Source Inspections, which has historically achieved lower-than-originally-estimated emission reductions.

SHUTTLE/TRIP REDUCTION PROGRAM

Overall the Shuttle/Trip Reduction Program, consisting of 10 projects that closed in FYE 2016, achieved a total cost-effectiveness of \$28,214 per ton of emissions reduced. Four of the ten projects in this category met the

² Lifetime reduction in carbon dioxide from the Enhanced Mobile Source Inspections and Vehicle Buy-Back Programs are not included in the total amount.

established cost-effectiveness cap for the program and six projects did not.³ The projects that were not cost-effective included five Shuttle Projects and one Trip Reduction project.

Over time, the cost-effectiveness of trip-reduction projects, and specifically shuttle projects, has been (negatively) affected as the Bay Area's fleet becomes increasingly cleaner. For the past two years, Air District staff has conducted extensive outreach to solicit input from trip-reduction project stakeholders and interested parties to obtain their feedback on options for meeting this challenge. Based on this feedback, staff has proposed annual increases to the cost-effectiveness threshold for shuttle projects, which has gone from \$90,000 (for projects that were awarded funding before FYE 2013) to the FYE 2017 threshold of \$250,000/ton of emissions reduced in Community Air Risk Evaluation (CARE) areas or Priority Development Areas (PDAs) (\$200,000 /ton of emissions reduced outside of CARE areas and PDAs). This change has allowed a greater number of shuttle service projects to remain eligible for funding. Additionally, in May 2015, the Air District's Board of Directors approved funding for a new program category that will provide funding for innovative and cost-effective pilot projects that provide first- and last-mile connections. The resulting Pilot Trip Reduction Program has funded one project in FYE 2016 and is scheduled to reopen in early 2017.

SMART GROWTH PROGRAM

One Smart Growth Program project that closed in FYE 2016, had a cost-effectiveness that could not be determined. This project includes improvements such as pedestrian bulb-outs, crosswalks, pedestrian streetlights, landscaping, new sidewalks, and public art. Pre- and post- counts showed an increase in vehicle and pedestrian trips and a decrease in bicycle trips over five years; other trips were not considered. Environmental factors and other factors (e.g. population growth) appears to have affected the results. Furthermore, data was collected when a new bicycle lane on a parallel street was installed (bicycle counts collected may be a direct result from this project).

In response to these issues, staff is exploring the option of having a third-party vendor conduct surveys of funded smart growth projects. This would streamline and standardize the data collection process and the data collected would also help inform potential pilot-project sponsors' default assumptions during the pre-project application process.

ENHANCED MOBILE SOURCE INSPECTIONS PROGRAM

In FYE 2016, the Enhanced Mobile Source Inspections Program included the enforcement of the new Bay Area Commuter Benefits Program in addition to the typical activities: conducting inspection patrols for and notifying vehicle owners about their smoking vehicles; conducting enhanced mobile source inspections and investigations; and, developing compliance-assistance materials related to drayage truck and truck/mobile source regulations at the Port of Oakland.

This program achieved a final cost-effectiveness of \$349,347 per ton of emissions reduced. Because TFCA can fund only surplus emissions reductions, i.e., reductions that are beyond what is required by regulations, contracts, and other legally binding obligations, credit from the Commuter Benefits Program will be limited to employers with less than 50 employees who have voluntarily offered commuter benefits their employees. This

³ For the purpose of this report, the shuttle projects that closed in FYE 2016 had a cost-effectiveness cap of \$90,000 per ton of emissions reduced for existing projects began in FYE 2012 and a cap of \$175,000 per ton of emissions reduced for existing projects began in FYE 2014 and FYE 2015.

cost-effectiveness figure also includes the emissions reduced from the repair of 49 smoking vehicles. In comparison, in FYE 2015 this program completed the repair of 82 smoking vehicles and achieved a cost-effectiveness of \$307,739 per ton of emissions reduced.

Alternatively, if we assume 19.22%, which is the percent of vehicles repaired of the number of responses to Air District's survey, or 479 vehicles of the 2,495 smoking vehicle complaints that Air District received in FYE2016 had repaired their vehicles, then this would result in a cost-effectiveness of \$53,405 per ton of emissions reduced.

Staff is exploring options to refine the methodology that is used to evaluate this project type in order to ensure that all emission reductions are captured.

APPENDIX A: TFCA REGIONAL FUND PROJECTS AND AIR DISTRICT-SPONSORED PROGRAMS THAT CLOSED IN FYE 2016

Project #	Sponsor	Project Title	C/E - Weighted (\$/tons)	TFCA \$ Expended
05R33	Norman Y Mineta San Jose International Airport	20 Compressed Natural Gas (CNG) Shuttle Buses	\$57,277	\$769,072.91
07R66	City of Oakland	Smart Growth Project: 66th Avenue Streetscape Improvements	Cannot be determined ^a	\$378,760.75
09BFP18	Alameda County Public Works Agency	Class II Bicycle Lane on Foothill Boulevard	\$90,000	\$66,483.63
09R46	City of Berkeley	Berkeley Transit Action Plan	\$443,428	\$100,000.00
12R10	City of Alameda Public Works Department	Estuary Crossing Shuttle	\$312,360	\$179,113.26
12R11	City of Richmond	Circular and Marina Bay Shuttle Routes	Not cost effective ^b	\$284,996.20
12R13	Metropolitan Transportation Commission	511 Ridesharing Program	\$16,328	\$878,581.24
12R17	Livermore Amador Valley Transit Authority (LAVTA)	Bus Rapid Transit	Not cost effective ^b	\$86,698.53
13BR007	Tamalpais High School	Year 1 - Bicycle rack voucher program (BRVP)	\$90,000	\$11,880.00
13BR008	Town of Fairfax	Year 1 – BRVP	\$85,837	\$3,433.50
13BR010	City of Burlingame-Engineering Division	Year 1 – BRVP	\$90,000	\$3,840.00
13BR024	City of Alameda Public Works Department	Year 1 – BRVP	\$90,000	\$3,720.00
13BR032	Marin County Free Library System, Corte Madera Library	Year 1 – BRVP	\$90,000	\$480.00
14PEV001	County of Alameda, General Services Agency	Plug-in Electric Vehicle (PEV) Rebate for 22 Battery Electric Vehicles (BEVs)	\$420,000	\$55,000.00
14PEV004	City of Oakland	PEV Rebate for 3 BEVs	\$420,000	\$7,500.00
14PEV005	San Francisco Public Works	PEV Rebate for 1 BEV	\$420,000	\$2,500.00
14PEV007	Contra Costa County Public Works Fleet Services Division	PEV Rebate for 6 BEVs	\$420,000	\$15,000.00
14PEV008	San Francisco Public Works	PEV Rebate for 15 PHEVs	\$446,018	\$15,000.00
14PEV009	Walnut Creek Police Department	PEV Rebate for 2 Zero-emission Motorcycles (ZEM)	\$119,055	\$5,000.00
14PEV010	Town of Danville	PEV Rebate for 3 BEVs	\$420,000	\$7,500.00
14R08	Presidio Trust	PresidiGo Downtown Shuttle	\$88,901	\$100,000.00

Project #	Sponsor	Project Title	C/E - Weighted (\$/tons)	TFCA \$ Expended
14R11	The City of Richmond	Commuter Shuttle	Not cost effective ^b	\$129,168.00
14R17	Metropolitan Transportation Commission	511 Rideshare Program	\$18,477	\$903,434.98
14R23	City of San Leandro	Purchase and Install 7 eLocker Quads (28 total bicycle lockers)	\$90,000	\$70,000.00
14R25	Santa Clara County	Purchase and Install 4 eLocker Quads (16 total bicycle lockers)	\$89,832	\$39,928.50
15BR007	Dublin High School	Purchase and Install 8 Bike Racks	\$90,000	\$3,840.00
15BR012	City of Union City	Purchase and Install 125 Bike Racks	\$85,027	\$14,171.25
15BR016	Town of Tiburon	Purchase and Install Five Bike Racks	\$90,000	\$599.60
15BR017	Neil Cummins Elementary School	Purchase and Install 15 Bike Racks	\$90,000	\$6,720.00
15BR018	City of Pacifica	Purchase and Install 16 Bike Racks	\$84,615	\$1,805.12
15BR020	San Jose State University	Purchase and Install 120 Bike Racks	\$90,000	\$14,400.00
15BR023	Foothill High School	Purchase and Install 6 Bike Racks	\$90,000	\$1,800.00
15BR024	Castro Valley Unified School District	Purchase and Install 26 Bike Racks	\$90,000	\$11,880.00
15BR030	City of Cupertino	Purchase and Install 4 Bike Racks	\$90,000	\$480.00
15R06	Associated Students, San Jose State University	SJSU Ridesharing & Trip Reduction	\$33,208	\$140,000.00
15R11	City of Oakland	Broadway Shuttle	\$223,302	\$229,173.00
15R19	University of California, Berkeley	Purchase and Install two eLocker Quads and one eLocker Double (10 total bicycle lockers)	\$90,000	\$25,000.00
16PEV002	Town of Colma Police Department	PEV rebate for 1 ZEM	\$119,055	\$2,500.00
16PEV003	Pittsburg Police Department	PEV rebate for 1 ZEM	\$119,055	\$2,500.00
39	Projects		Subtotal Regional Fund Projects:	\$4,571,960.47
FYE 2016	BAAQMD	Enhanced Mobile Source Inspections	\$349,347	\$1,450,000.00
FYE 2016	BAAQMD	Spare the Air	\$19,963	\$1,587,663.02
FYE 2016	BAAQMD	Admail for Vehicle Buy-Back (VBB) Program (TFCA portion) ^c	-	\$128,589.82
3	Programs		Subtotal Air District-Sponsored Programs:	\$3,166,252.84
FYE 2016	BAAQMD	Administration on Regional Fund Projects	-	\$825,838.39 ^d
			Subtotal Administration:	\$825,838.39
			GRAND TOTAL:	\$8,564,051.70

(a) Data is not sufficient to determine cost-effectiveness of project.

(b) Projects increased criteria emissions due to low ridership and other factors and, therefore, are not cost-effective at any amounts.

(c) Total FYE 2016 program cost (which includes funds from the Carl Moyer Program (CMP), Mobile Source Incentive Fund (MSIF), and TFCA) is \$6,866,991.82.

(d) Amount represents sixty percent of the total TFCA administrative and audit costs expended in FYE 2016.