



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

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

**THURSDAY
MAY 25, 2017
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, 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 MARCH 23, 2017 Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Mobile Source Committee meeting of March 23, 2017.

4. **FISCAL YEAR ENDING (FYE) 2018 TRANSPORTATION FUND FOR CLEAN AIR (TFCA) REGIONAL FUND POLICIES AND EVALUATION CRITERIA AND A PROPOSED AMENDMENT TO ONE FYE 2017 TFCA REGIONAL FUND POLICY**

K. Schkolnick/5070
kschkolnick@baaqmd.gov

The Committee will consider recommending Board of Directors' approval of the proposed Fiscal Year Ending (FYE) 2018 Transportation Fund for Clean Air (TFCA) Regional Fund Policies and a proposed amendment to one FYE 2017 TFCA Regional Fund Policy.

5. **FISCAL YEAR ENDING (FYE) 2018 TRANSPORTATION FUND FOR CLEAN AIR (TFCA) COUNTY PROGRAM MANAGER (CPM) EXPENDITURE PLANS**

K. Schkolnick/5070
kschkolnick@baaqmd.gov

The Committee will consider recommending Board of Directors' approval of the FYE 2018 TFCA CPM Expenditure Plans.

6. **UPDATE ON REGIONAL EFFORTS TO DEPLOY ELECTRIC VEHICLES AND INFRASTRUCTURE**

K. Schkolnick/5070
kschkolnick@baaqmd.gov

The Committee will receive an informational update on electric vehicle infrastructure deployments in development by the Pacific Gas & Electric Company and Volkswagen's Electrify America.

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, June 22, 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

MAY 2017

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i> - CANCELLED	Wednesday	24	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	25	9:30 a.m.	1 st Floor Board Room
Special Board of Directors Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	31	9:45 a.m.	1 st Floor Board Room

JUNE 2017

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Personnel Committee <i>(At call of the Chair)</i>	Friday	2	9:30 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	7	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	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>	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>	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>	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>	Wednesday	28	9:30 a.m.	1st Floor, Yerba Buena Room #109

JULY 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	5	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	17	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	17	10:30 a.m.	1 st Floor Board Room

JULY 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	19	9:45 a.m.	1 st Floor Board Room
Board of Directors Climate Committee <i>(Meets on the 3rd Thursday of every other Month)</i>	Thursday	20	9:30 a.m.	1 st Floor Board Room
Advisory Council Meeting <i>(Meets on Monday Quarterly)</i>	Monday	24	9:45 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	26	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	27	9:30 a.m.	1 st Floor Board Room

HL – 5/19/17 11:55 a.m.

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Karen Mitchoff and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 10, 2017

Re: Approval of the Minutes of March 23, 2017

RECOMMENDED ACTION

Approve the attached draft minutes of the Mobile Source Committee (Committee) Meeting of March 23, 2017.

DISCUSSION

Attached for your review and approval are the draft minutes of the Mobile Source Committee Meeting of March 23, 2017.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Maricela Martinez

Attachment 3A: Draft Minutes of the Mobile Source Committee Meeting of March 23, 2017

AGENDA 3A – ATTACHMENT

Draft Minutes – Mobile Source Committee Meeting of March 23, 2017

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

DRAFT MINUTES

Summary of Board of Directors
Mobile Source Committee Meeting
Thursday, March 23, 2017

1. CALL TO ORDER – ROLL CALL

Mobile Source Committee (Committee) Chair Karen Mitchoff called the meeting to order at 9:33 a.m.

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

Absent: Directors Carole Groom, Tyrone Jue, and Doug Kim.

Also Present: None.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

3. APPROVAL OF THE MINUTES OF FEBRUARY 23, 2017

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

Director Hudson made a motion, seconded by Director Kaplan, to approve the Minutes of February 23, 2017; and the motion carried by the following vote of the Committee:

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

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

Karen Schkolnick, Acting Director of the Strategic Incentives Division, introduced Judy Williams, Staff Specialist, who gave the staff presentation *Projects with Proposed Awards Over \$100,000*, including: overview; Carl Moyer Program (CMP) and Mobile Source Incentive Fund (MSIF); CMP Year 18; CMP and MSIF funds awarded as of 3/3/17 and since 2009; and recommendations.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed how the degree of improvements to locomotive engines are based upon the State’s Off-Road Compression Ignition Engine Standards tier system; and the process by which an interested party (i.e.: Port of Oakland) may apply for funds from the CMP solicitation cycle that just opened.

Committee Action:

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

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

5. LOWER EMISSION SCHOOL BUS PROGRAM UPDATE AND FUNDING ALLOCATION

NOTED PRESENT: Director Miley was noted present at 9:42 a.m.

Ms. Schkolnick introduced Lina Patel, Staff Specialist, who gave the staff presentation *Lower Emission School Bus Program (LESBP) Update and Funding Request*, including: overview; LESBP, Air District funded LESBP projects; LESBP funding since 2000 by county and project type; LESBP funding request; and recommendations.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed the ways in which the District monitors the buses that received upgrades funded by the District and remain in the Bay Area, and the project life expected of such upgraded buses to operate in the Bay Area; the anticipated timeline of the transition from diesel to

electric bus fleets; the funding request for the \$5 million in MSIF funding for school bus projects; the District’s exception to the fiscal policy regarding the Executive Director/Air Pollution Control Officer’s contract signing authority of up to \$100,000, due to the fact that the combined total of multiple school district project awards exceeds \$100,000; and the mechanics of the retrofit filters that are installed on the buses.

Committee Action:

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

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

6. FISCAL YEAR ENDING 2018 TRANSPORTATION FUND FOR CLEAN AIR FUNDING ALLOCATION

Ms. Schkolnick introduced Chengfeng Wang, Supervising Staff Specialist, who gave the staff presentation *Fiscal Year Ending (FYE) 2018 Transportation Fund for Clean Air (TFCA) Funding Allocation*, including: overview; proposed FYE 2018 TFCA expenditure plan and investment of new monies; trip reduction (for public agencies); bicycle facilities (for public agencies); Clean Air Vehicles; enhanced mobile source/commuter benefits enforcement; other District-led programs; proposed cost-effectiveness limits for District-sponsored programs; and recommendations.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed the Committee’s interest in viewing the entire County Program Manager Fund expenses, to see what projects are being funded; how the District funds the purchasing and installation of charging stations at shopping centers and retail property, but not the ongoing maintenance of the stations; to one more based on enforcement of the commuter benefits program; the District’s transition from its current program to patrol for smoking vehicles; the need to collect data from truck scales and truck stops to assess where the diesel trucks and smoking vehicles are coming from (Southern California versus San Joaquin County); and the potential to expand the Vehicle Buy Back (VBB) program to include trucks and motorcycles, and the Committee’s request that the VBB program’s maximum cost-effectiveness not be exceeded by that of the Bike Rack Voucher Program.

Committee Action:

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

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

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

Ms. Schkolnick reported that the Committee requested to table this item until the next meeting.

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

None; receive and file.

8. COMMITTEE MEMBER COMMENTS

None.

9. TIME AND PLACE OF NEXT MEETING

Thursday, April 27, 2017, Bay Area Air Quality Management District office, 375 Beale Street, 1st floor Board Room, San Francisco, CA 94105, at 9:30 a.m.

10. ADJOURNMENT

The meeting adjourned at 10:25 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Karen Mitchoff and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 10, 2017

Re: Fiscal Year Ending (FYE) 2018 Transportation Fund for Clean Air (TFCA) Regional
Fund Policies and Evaluation Criteria and a Proposed Amendment to One FYE 2017
TFCA Regional Fund Policy

RECOMMENDATIONS

Recommend Board of Directors:

1. Approve the proposed FYE 2018 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment A; and
2. Approve the proposed amendment to the readiness policy in the FYE 2017 TFCA Regional Fund Policies.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the Transportation Fund For Clean Air (TFCA) and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. The authorizing legislation requires that the Air District's Board of Directors (Board) adopt cost-effectiveness criteria that govern the use of TFCA funds.

Sixty percent of TFCA funds are allocated by the Board to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund. The Board approved an allocation of \$29.24 million, including \$13.93 million in new TFCA monies, for FYE 2018 on April 19, 2017.

Per Board direction on December 16, 2009, the Executive Officer/APCO is authorized to execute grant agreements with project sponsors who propose projects with individual grant award amounts up to \$100,000 for projects that meet the respective governing policies and guidelines. TFCA Regional Fund projects with grant award amounts over \$100,000 are brought to the Air District's Mobile Source Committee for consideration at least on a quarterly basis.

DISCUSSION

Outreach

The proposed FYE 2018 Policies reflect extensive feedback received from stakeholders over the past year. On January 26, 2017, the Air District posted the proposed policies on the Air District's website and opened the public comment period. The public comment process was advertised via the Air District's TFCA grants email notification system, which was sent to more than 800 stakeholders and to representatives from each of the nine Bay Area Congestion Management Agencies (CMA). The process was also advertised at other public meetings, such as the January 2017 CMA Directors' meeting. Three webinar workshops were held to discuss the policies and proposed changes for FYE 2018 (on February 14, 15, and March 2, 2017); in total, these webinars were attended by 35 stakeholders. The Air District received six sets of comments by the close of the comment period on March 13, 2017. Attachment C provides a summary of the six public comments received by the deadline along with staff's responses.

Proposed FYE 2018 Policies

The proposed FYE 2018 Policies (Attachment A) include both general requirements that are applicable to all TFCA Regional Fund project types, as well as project-specific requirements for nine project categories. Public stakeholder input received over the past year and during the public comment period was reviewed and considered for incorporation into the proposed FYE 2018 Policies. Language and grammatical revisions were also made for clarification purposes. A redline copy of the FYE 2018 policies that shows the changes from the previous year policies are included as Attachment B. Table 1 below shows the key revisions proposed in the FYE 2018 Policies.

Table 1: Summary of Key Revisions to TFCA Regional Fund Policies and Evaluation Criteria

Policy # and Title	Description of Proposed Change
#2. TFCA Cost-Effectiveness	Add the cost-effectiveness for Hydrogen Stations.
#8. Readiness	Revise the time frame to allow a project to commence 12 months from the date the funding agreement is fully executed.
#32. Bikeways	Clarify the distance that a proposed bikeway must be from a qualifying location is based on the bikeable distance.

Amendment to Policy #8 of the FYE 2017 TFCA Regional Fund Policies

The solicitations for the FYE 2017 Regional Fund Programs are released as they are developed and new solicitations are expected to open later this year. While the current Policy #8 (Readiness) requires projects to commence by the end of calendar year 2017, funding awards will be made and funding agreements will be generated throughout calendar year 2017, and project sponsors have expressed concerns meeting this requirement for projects awarded close to the deadline. To address this issue, staff is recommending a change to Policy #8 (Readiness) in the Board-adopted FYE 2017 TFCA Regional Fund Policies. The proposed amendment allows Project Sponsors one year from the date that the funding agreement is executed to commence their projects.

BUDGET CONSIDERATION / FINANCIAL IMPACT

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

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Michael Neward
Reviewed by: Karen Schkolnick

- Attachment A: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018 (Clean)
- Attachment B: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018 (Redline)
- Attachment C: Comments Received and Staff Responses to Proposed FYE 2018 Policies

**TFCA REGIONAL FUND POLICIES
AND EVALUATION CRITERIA FOR FYE 2018**

The following policies apply to the Bay Area Air Quality Management District’s (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund for fiscal year ending (FYE) 2018

BASIC ELIGIBILITY

1. **Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project’s funding agreement.

2. **TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit noted in Table 1. Cost-effectiveness (\$/weighted ton) is based on the ratio of TFCA funds awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller) over a project’s useful life.

Table 1: Maximum Cost-Effectiveness for FYE 2018 TFCA Regional Fund Projects

Policy #	Project Category	Maximum C-E (\$/weighted ton)
22	On-Road Truck Replacements	\$90,000
23	Light-Duty Zero- and Partial-Zero Emissions Vehicles for Fleets	\$250,000
24	Heavy-Duty Zero- and Partial-Zero- Emissions Vehicles	\$250,000
25	Hydrogen Stations	\$500,000
26	Reserved	Reserved
27	Reserved	Reserved
28	Existing Shuttle/Feeder Bus Services	\$200,000; \$250,000 for services in CARE Areas or PDAs
29	Pilot Trip Reduction — in Community Air Risk Evaluation (CARE) areas or Priority Development Areas (PDAs)	\$250,000
30	Existing Regional Ridesharing Services	\$150,000
31	Electronic Bicycle Lockers	\$250,000
32	Bikeways	\$250,000

3. **Consistent with Existing Plans and Programs:** All project categories must comply with the Transportation Control and Mobile Source Control measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards; those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted Federal, State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
 - a. **Eligible Recipients:**
 - i. **Public agencies** are eligible to apply for all project categories.

- ii. **Non-public entities** are only eligible to apply for Clean Air Vehicle Projects and advanced technology demonstrations that are permitted pursuant to HSC section 44241b(7).
 - b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to perform these tasks by including either: 1) a signed letter of commitment from the applicant’s representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).
5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of their proposed project(s) from commencement through completion. Unless otherwise specified in policies #22 through 32, project applicants must demonstrate evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** Unless otherwise specified in policies #22 through 32, the maximum grant award amounts are:
 - a. Each public agency may be awarded up to \$1,500,000 per calendar year; and
 - b. Each non-public entity may be awarded up to \$500,000 per calendar year.
8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year 2018 or a total of 12 months from the date of execution of funding agreement by the Air District, whichever is later. For purposes of this policy, “commence” means a tangible preparatory action taken in connection with the projects’ operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. “Commence” can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.
9. **Maximum Two Years Operating Costs:** Unless otherwise specified in policies #22 through 32, FYE 2018 TFCA Regional Funds may be used to support up to two years of operating costs for service-based projects (i.e., Trip Reduction Projects)
10. **Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable federal and State laws, and Air District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally-binding obligations that are in effect at the time the minor modification was proposed.

APPLICANT IN GOOD STANDING

11. **In Compliance with Air Quality Regulations:** Applicants must certify that, at of the time of the application and at the time of issuance of the grant, they are in compliance with all local, State, and federal air quality regulations. Applicants who have an unresolved violation of Air District, state or federal air quality rules or regulations are not eligible for funding. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from project sponsors who were not eligible for funding at the time of the grant.
12. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet contractual requirements such as project implementation milestones or monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.

13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District’s final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.

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

Project sponsors must return funds that the Air District has determined were expended in a manner contrary to the TFCA Regional Funds’ requirements and/or requirements of HSC Code section 44220 et seq.; the project did not result in a surplus reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for surplus reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund; or otherwise failed to comply with the approved project scope, as set forth in the project funding agreement. Applicants who failed to reimburse such funds to the Air District from prior Air District funded projects will be excluded from future TFCA funding.

14. **Executed Funding Agreement:** Only a fully-executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District’s award of funds for a project. Approval of an application for the project by the Air District Board of Directors or notices such as a transmittal letter announcing the proposed award do not constitute a final obligation on the part of the Air District to fund a project.

Applicants must sign funding agreements within 60 days from the date the agreements were transmitted to them in order to remain eligible for award of TFCA Regional Funds. Applicants may request, in writing, an extension of up to no more than 180 days from the transmittal date to sign the grant agreements, which includes the basis for an extended signature period. At its discretion, the Air District may authorize such an extension.

15. **Maintain Appropriate Insurance:** Project sponsors must obtain and maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

INELIGIBLE PROJECTS

16. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Other planning activities may be eligible, but only if the activities are both: 1) directly related to the implementation of a specific project or program, and 2) directly contribute to the project’s emissions reductions.
17. **Cost of Developing Proposals and Grant Applications:** The costs to prepare grant applications are not eligible.
18. **Duplication:** Projects that have previously received TFCA Regional or County Program Manager funds and do not propose to achieve additional emission reductions are not eligible.

USE OF TFCA FUNDS

19. **Combined Funds:** Unless otherwise specified in policies #22 through 32, TFCA County Program Manager Funds may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.
20. **Administrative Costs:** Unless otherwise specified in policies #22 through 32, TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited

to a maximum of five percent (5%) of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. To be eligible for reimbursement, administrative costs must be clearly identified in the project budget at the time of application and in the funding agreement between the Air District and the project sponsor.

21. **Expend Funds within Two Years:** Project sponsors must expend the grant funding within two (2) years of the effective date of their grant agreement. Applicants may request a longer period in the application, by submitting evidence that a longer period is justified to complete the project due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements' second year in the event that significant progress has been made in the implementation of the project. If the Air District approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

ELIGIBLE PROJECT CATEGORIES

To be eligible for TFCA Regional funding, a proposed project must meet the purposes and requirements for the particular category's type of project.

Clean Air Vehicle Projects

22. **On-Road Truck Replacements:** The project will replace Class 6, Class 7, or Class 8 diesel-powered trucks that have a gross vehicle weight rating (GVWR) of 19,501 lbs. or greater (per vehicle weight classification definition used by Federal Highway Administration (FHWA)) with new or used trucks that have an engine certified to the 2010 California Air Resources Board (CARB) emissions standards or cleaner. The existing trucks must be registered with the California Department of Motor Vehicles (DMV) to an address within the Air District's jurisdiction, and must be scrapped after replacement.
23. **Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets:** The project will accelerate the deployment of zero- and partial-zero-emissions light-duty vehicles:
- a. Each project (fleet deployment) must consist of the purchase or lease of three or more new vehicles registered to a single owner;
 - b. Each vehicle must be 2017 model year or newer, and have a GVWR of 14,000 lbs. or lighter;
 - c. Each vehicle must be maintained and operated within the Air District's jurisdiction for a minimum of three years and 15,000 miles;
 - d. Eligible vehicle types include plug-in hybrid-electric, plug-in electric, and fuel cell vehicles approved for on-road use by the CARB; and
 - e. Project Sponsors may request authorization of up to 50% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.
 - f. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible.
 - g. The amount of TFCA funds awarded may not exceed 90% of the vehicle's cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.
24. **Heavy-Duty Zero- and Partial-Zero-Emissions Vehicles:** The project will help fleet operators achieve significant voluntary emission reductions by encouraging the replacement of older, compliant vehicles with the cleanest available technology, and help fleet operators who are expanding their fleet to choose the cleanest available technology:
- a. Vehicles must be new, 2017 model year or newer, and have a GVWR of greater than 14,000 lbs.;
 - b. Vehicles may be purchased or leased;
 - c. Each vehicle must be maintained and operated within the Air District's jurisdiction for a minimum of three years and 15,000 miles;

Agenda 4 – Attachment A: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018 (Clean)

- d. Eligible vehicles must be approved by the CARB; and
 - e. Project Sponsors may request authorization of up to 50% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.
 - f. Projects that seek to scrap and replace a vehicle in the same weight-class as the proposed new vehicle may qualify for additional TFCA funding. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds.
 - g. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible.
 - h. The amount of TFCA funds awarded may not exceed 90% of a vehicle's cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.
25. **Hydrogen Stations:** These projects are intended to accelerate the deployment of hydrogen fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. The following additional conditions must also be met:
- a. Stations must be located within the Air District's jurisdiction and be available and accessible to the public;
 - b. Equipment and infrastructure must be designed, installed, and maintained as required by the existing recognized codes and standards and approved by the local/state authority; and
 - c. Each station must be maintained and operated for a minimum of three years.
 - d. TFCA funding may not be used to pay for fuel or on-going operations and maintenance costs.
 - e. TFCA funding is limited to 25% of the total project cost and may not exceed a maximum award amount of \$250,000 per station.
 - f. Stations must have received a passing score and/or received approval for funding from a State or federal agency.

26. **Reserved.**

27. **Reserved.**

Trip Reduction Projects

28. **Existing Shuttle/Feeder Bus Services:** The project will reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more definable commercial hubs or employment centers:
- a. The service must provide direct service connections between a mass transit hub (e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport) and a distinct commercial or employment location;
 - b. The service's schedule must be coordinated to have a timely connection with the corresponding mass transit service;
 - c. The service must be available for use by all members of the public;
 - d. TFCA Regional Funds may be used to fund only shuttle services to locations that are under-served and lack other comparable service. For the purposes of this policy, "comparable service" means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed "comparable" to an existing service if the passengers' proposed travel time will be at least 15 minutes shorter and at least 33% shorter than the existing service's travel time to the proposed destination;
 - e. **Reserved.**

Agenda 4 – Attachment A: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018 (Clean)

- f. TFCA Regional Funds may be used to fund services only during commuter peak-hours, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM;
- g. Matching funds must be provided to cover at least 10% of the total project cost and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) and the administrative costs paid for by TFCA Regional Funds;
- h. Project Sponsors must be either: (1) a public transit agency or transit district that directly operates the shuttle/feeder bus service, or (2) a city, county, or any other public agency; and
- i. Applicants must submit a letter of concurrence from the transit district or transit agency that provides service in the area of the proposed route, certifying that the service does not conflict with existing service.
- j. Projects that would operate in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in Priority Development Areas (PDAs), may qualify for funding at a higher cost-effectiveness limit (see Policy #2).

29. **Pilot Trip Reduction:** The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where no similar service was available within the past three years, or will result in significantly expanded service to an existing area. Funding is designed to provide the necessary initial capital for the startup of Pilots, with the goal of transitioning the project to be financially self-sustaining within three years from the project's start date:
- a. The proposed project must be located in a Highly Impacted Community or Episodic Area as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in a Priority Development Area (PDA);
 - b. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants;
 - c. The proposed service must be available for use by all members of the public;
 - d. Applicants must attend a mandatory pre-application workshop to discuss their proposed project with the Air District; and
 - e. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining within three years.

In addition, for pilot service projects:

- f. If the local transit provider is not a partner, the applicant must demonstrate that they have attempted to have the service provided by the local transit agency. The transit provider must have been given the first right of refusal and determined that the proposed project does not conflict with existing service;
- g. Applicants must provide data and/or other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users;
- h. Pilot shuttle/feeder bus and ridesharing service projects must comply with all applicable requirements in policies #28 and #30.

30. **Existing Regional Ridesharing Services:** The project will provide carpool, vanpool, and other rideshare services. For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five counties within Air District's jurisdiction, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application.

If a project includes ride-matching services, *only* ride-matches that are not already included in the Metropolitan Transportation Commission's (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy *exclusively* to employees of the project sponsor are not eligible.

Bicycle Projects

31. **Electronic Bicycle Lockers:** The project will expand the public’s access to new electronic bicycle lockers. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission’s Regional Bicycle Plan, and must serve a major activity center (e.g. transit station, office building, or school). The electronic bicycle lockers must be publicly accessible and available for use by all members of the public.

Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCA Regional Funds.

The maximum award amount is based on the number of lockers, at the rate of \$2,500 per locker, for example, a quad contains four lockers and would be eligible for a maximum award amount of \$10,000.

Monies expended by Project Sponsors to pay for the purchase and installation of lockers and for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant) are eligible for use as matching funds. Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate the electronic lockers are not eligible for use as matching funds.

32. **Bikeways:** The project will construct and/or install new bikeways that are included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), countywide transportation plan (CTP), city general plan or area-specific plan, or the Metropolitan Transportation Commission’s Regional Bicycle Plan. To be eligible for funding, the purpose of bikeways that are included in an adopted city general plan or area-specific plan must be to reduce motor vehicle emissions or traffic congestion. Projects must have completed all applicable State and federal environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement.

All bikeway projects must, where applicable, be consistent with design standards published in the California Highway Design Manual, or conform to the provisions of the Protected Bikeway Act of 2014.

Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use. Projects must also meet at least one of the following conditions:

- a. Be located within one-half mile biking distance from the closer of a public transit station/stop (e.g., local, county- wide or regional transit stops/stations/terminals) or a bike share station;
- b. Be located within one-half mile biking distance from a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts);
- c. Be located within one-half mile biking distance from three activity centers (e.g., employment centers, schools, business districts).

Projects are limited to the following types of bikeways:

- a. New Class-I bicycle paths;
- b. New Class-II bicycle lanes;
- c. New Class-III bicycle routes; or
- d. New Class-IV cycle tracks or separated bikeways.

REGIONAL FUND EVALUATION CRITERIA:

1. Projects must meet all of the applicable TFCA Regional Fund policies.
2. Applications will also be evaluated using the evaluation process listed in Table 2:

Table 2: Evaluation Process by Project Category

Policy #	Project Category	Evaluation Process
22	On-Road Truck Replacements	Applications will be reviewed on a first-come, first-served basis, and funding amounts for eligible projects will be determined based on a project’s cost-effectiveness and conformity to their respective project specific Policy requirements.
23	Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets	
24	Heavy-Duty Zero- and Partial-Zero- Emissions Vehicles	
25	Hydrogen Stations	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and conformity to Policy #25.
26	Reserved	Reserved
27	Reserved	Reserved
28	Existing Shuttle/Feeder Bus Services	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and conformity to their respective project specific Policy requirements.
29	Pilot Trip Reduction	
30	Existing Regional Ridesharing Services	
31	Electronic Bicycle Lockers	Applications will be reviewed on a first-come, first-served basis, and eligible projects will be recommended for funding until funding has been depleted.
32	Bikeways	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and conformity to Policy #32. Projects that serve regional or county-wide transit stops/stations/terminals (e.g., BART, Caltrain, Capitol Corridor, ferry terminals) or bike share stations will receive a higher priority.

3. Up to sixty percent (60%) of TFCA Regional Funds will be prioritized for projects that meet one or more of the following criteria:
 - a. Projects in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program;
 - b. Projects in Priority Development Areas (PDAs).

**TFCA REGIONAL FUND POLICIES
AND EVALUATION CRITERIA FOR FYE ~~2017~~2018**

The following policies apply to the Bay Area Air Quality Management District’s (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund for fiscal year ending (FYE) ~~2017~~2018-

BASIC ELIGIBILITY

1. **Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE ~~2017~~2018.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project’s funding agreement.

2. **TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit noted in Table 1. Cost-effectiveness (\$/weighted ton) is based on the ratio of TFCA funds awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller) over a project’s useful life.

Table 1: Maximum Cost-Effectiveness for FYE ~~2016~~ TFCA Regional Fund Projects

Policy #	Project Category	Maximum C-E (\$/weighted ton)
22	On-Road Truck Replacements	\$90,000
23	Light-Duty Zero- and Partial-Zero Emissions Vehicles for Fleets	\$250,000
24	Heavy-Duty Zero- and Partial-Zero- Emissions Vehicles	\$250,000
25	Hydrogen Stations Reserved	\$500,000Reserved
26	Reserved	Reserved
27	Reserved	Reserved
28	Existing Shuttle/Feeder Bus Services	\$200,000; \$250,000 for services in CARE Areas or PDAs
29	Pilot Trip Reduction — in Community Air Risk Evaluation (CARE) areas or Priority Development Areas (PDAs)	\$250,000
30	Existing Regional Ridesharing Services	\$150,000
31	Electronic Bicycle Lockers	\$250,000
32	Bikeways	\$250,000

3. **Consistent with Existing Plans and Programs:** All project categories must comply with the Transportation Control and Mobile Source Control measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards; those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted Federal, State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
 - a. **Eligible Recipients:**
 - i. **Public agencies** are eligible to apply for all project categories.

Agenda 4 – Attachment B: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018 (Redline)

- ii. **Non-public entities** are only eligible to apply for Clean Air Vehicle Projects and advanced technology demonstrations that are permitted pursuant to HSC section 44241b(7).
 - b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to perform these tasks by including either: 1) a signed letter of commitment from the applicant's representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).
5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of their proposed project(s) from commencement through completion. Unless otherwise specified in policies #22 through 32, project applicants must demonstrate evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** Unless otherwise specified in policies #22 through 32, the maximum grant award amounts are:
 - a. Each public agency may be awarded up to \$1,500,000 per calendar year; and
 - b. Each non-public entity may be awarded up to \$500,000 per calendar year.
8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year ~~2017~~2018 or a total of 12 months from the date of execution of funding agreement by the Air District, whichever is later. For purposes of this policy, "commence" means a tangible preparatory action taken in connection with the projects' operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. "Commence" can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.
9. **Maximum Two Years Operating Costs:** Unless otherwise specified in policies #22 through 32, ~~FYE~~2017~~FYE 2018~~ TFCA Regional Funds may be used to support up to two years of operating costs for service-based projects (i.e., Trip Reduction Projects)
10. **Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable federal and State laws, and Air District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally-binding obligations that are in effect at the time the minor modification was proposed.

APPLICANT IN GOOD STANDING

11. **In Compliance with Air Quality Regulations:** Applicants must certify that, at of the time of the application and at the time of issuance of the grant, they are in compliance with all local, State, and federal air quality regulations. Applicants who have an unresolved violation of Air District, state or federal air quality rules or regulations are not eligible for funding. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from project sponsors who were not eligible for funding at the time of the grant.
12. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet contractual requirements such as project implementation milestones or monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.

13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District’s final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.

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

Project sponsors must return funds that the Air District has determined were expended in a manner contrary to the TFCA Regional Funds’ requirements and/or requirements of HSC Code section 44220 et seq.; the project did not result in a surplus reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for surplus reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund; or otherwise failed to comply with the approved project scope, as set forth in the project funding agreement. Applicants who failed to reimburse such funds to the Air District from prior Air District funded projects will be excluded from future TFCA funding.

14. **Executed Funding Agreement:** Only a fully-executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District’s award of funds for a project. Approval of an application for the project by the Air District Board of Directors or notices such as a transmittal letter announcing the proposed award do not constitute a final obligation on the part of the Air District to fund a project.

Applicants must sign funding agreements within 60 days from the date the agreements were transmitted to them in order to remain eligible for award of TFCA Regional Funds. Applicants may request, in writing, an extension of up to no more than 180 days from the transmittal date to sign the grant agreements, which includes the basis for an extended signature period. At its discretion, the Air District may authorize such an extension.

15. **Maintain Appropriate Insurance:** Project sponsors must obtain and maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

INELIGIBLE PROJECTS

16. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Other planning activities may be eligible, but only if the activities are both: 1) directly related to the implementation of a specific project or program, and 2) directly contribute to the project’s emissions reductions.
17. **Cost of Developing Proposals and Grant Applications:** The costs to prepare grant applications are not eligible.
18. **Duplication:** Projects that have previously received TFCA Regional or County Program Manager funds and do not propose to achieve additional emission reductions are not eligible.

USE OF TFCA FUNDS

19. **Combined Funds:** Unless otherwise specified in policies #22 through 32, TFCA County Program Manager Funds may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.
20. **Administrative Costs:** Unless otherwise specified in policies #22 through 32, TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited

to a maximum of five percent (5%) of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. To be eligible for reimbursement, administrative costs must be clearly identified in the project budget at the time of application and in the funding agreement between the Air District and the project sponsor.

21. **Expend Funds within Two Years:** Project sponsors must expend the grant funding within two (2) years of the effective date of their grant agreement. Applicants may request a longer period in the application, by submitting evidence that a longer period is justified to complete the project due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements' second year in the event that significant progress has been made in the implementation of the project. If the Air District approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

ELIGIBLE PROJECT CATEGORIES

To be eligible for TFCA Regional funding, a proposed project must meet the purposes and requirements for the particular category's type of project.

Clean Air Vehicle Projects

22. **On-Road Truck Replacements:** The project will replace Class 6, Class 7, or Class 8 diesel-powered trucks that have a gross vehicle weight rating (GVWR) of 19,501 lbs. or greater (per vehicle weight classification definition used by Federal Highway Administration (FHWA)) with new or used trucks that have an engine certified to the 2010 California Air Resources Board (CARB) emissions standards or cleaner. The existing trucks must be registered with the California Department of Motor Vehicles (DMV) to an address within the Air District's jurisdiction, and must be scrapped after replacement.
23. **Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets:** The project will accelerate the deployment of zero- and partial-zero-emissions light-duty vehicles:
- a. Each project (fleet deployment) must consist of the purchase or lease of three or more new vehicles registered to a single owner;
 - b. Each vehicle must be 2016⁷ model year or newer, and have a GVWR of 14,000 lbs. or lighter;
 - c. Each vehicle must be maintained and operated within the Air District's jurisdiction for a minimum of three years and 15,000 miles;
 - d. Eligible vehicle types include plug-in hybrid-electric, plug-in electric, and fuel cell vehicles approved for on-road use by the CARB; and
 - e. Project Sponsors may request authorization of up to 50% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.
 - f. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible.
 - g. The amount of TFCA funds awarded may not exceed 90% of the vehicle's cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.
24. **Heavy-Duty Zero- and Partial-Zero-Emissions Vehicles:** The project will help fleet operators achieve significant voluntary emission reductions by encouraging the replacement of older, compliant vehicles with the cleanest available technology, and help fleet operators who are expanding their fleet to choose the cleanest available technology:
- a. Vehicles must be new, 2016⁷ model year or newer, and have a GVWR of greater than 14,000 lbs.;
 - b. Vehicles may be purchased or leased;
 - c. Each vehicle must be maintained and operated within the Air District's jurisdiction for a minimum of three years and 15,000 miles;

Agenda 4 – Attachment B: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018 (Redline)

- d. Eligible vehicles must be approved by the CARB; and
 - e. Project Sponsors may request authorization of up to 50% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.
 - f. Projects that seek to scrap and replace a vehicle in the same weight-class as the proposed new vehicle may qualify for additional TFCA funding. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds.
 - g. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible.
 - h. The amount of TFCA funds awarded may not exceed 90% of a vehicle’s cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.
25. **Hydrogen Stations:** These projects are intended to accelerate the deployment of hydrogen fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. The following additional conditions must also be met:
- a. Stations must be located within the Air District’s jurisdiction and be available and accessible to the public;
 - b. Equipment and infrastructure must be designed, installed, and maintained as required by the existing recognized codes and standards and approved by the local/state authority; and
 - c. Each station must be maintained and operated for a minimum of three years.
 - d. TFCA funding may not be used to pay for fuel or on-going operations and maintenance costs.
 - e. TFCA funding is limited to 25% of the total project cost and may not exceed a maximum award amount of \$250,000 per station.
 - f. Stations must have received a passing score and/or received approval for funding from a State or Federal agency.

26. **Reserved.**

27. **Reserved.**

Trip Reduction Projects

28. **Existing Shuttle/Feeder Bus Services:** The project will reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more definable commercial hubs or employment centers:
- a. The service must provide direct service connections between a mass transit hub (e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport) and a distinct commercial or employment location;
 - b. The service’s schedule must be coordinated to have a timely connection with the corresponding mass transit service;
 - c. The service must be available for use by all members of the public;
 - d. TFCA Regional Funds may be used to fund only shuttle services to locations that are under-served and lack other comparable service. For the purposes of this policy, “comparable service” means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed “comparable” to an existing service if the passengers’ proposed travel time will be at least 15 minutes shorter and at least 33% shorter than the existing service’s travel time to the proposed destination;
 - e. **Reserved.**

Agenda 4 – Attachment B: Proposed TFCA Regional Fund Policies and Evaluation Criteria for FYE 2018 (Redline)

- f. TFCA Regional Funds may be used to fund services only during commuter peak-hours, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM;
- g. Matching funds must be provided to cover at least 10% of the total project cost and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) and the administrative costs paid for by TFCA Regional Funds;
- h. Project Sponsors must be either: (1) a public transit agency or transit district that directly operates the shuttle/feeder bus service, or (2) a city, county, or any other public agency; and
- i. Applicants must submit a letter of concurrence from the transit district or transit agency that provides service in the area of the proposed route, certifying that the service does not conflict with existing service.
- j. Projects that would operate in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in Priority Development Areas (PDAs), may qualify for funding at a higher cost-effectiveness limit (see Policy #2).

29. **Pilot Trip Reduction:** The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where no similar service was available within the past three years, or will result in significantly expanded service to an existing area. Funding is designed to provide the necessary initial capital for the startup of Pilots, with the goal of transitioning the project to be financially self-sustaining within three years from the project's start date:

- a. The proposed project must be located in a Highly Impacted Community or Episodic Area as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in a Priority Development Area (PDA);
- b. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants;
- c. The proposed service must be available for use by all members of the public;
- d. Applicants must attend a mandatory pre-application workshop to discuss their proposed project with the Air District; and
- e. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining within three years.

In addition, for pilot service projects:

- f. If the local transit provider is not a partner, the applicant must demonstrate that they have attempted to have the service provided by the local transit agency. The transit provider must have been given the first right of refusal and determined that the proposed project does not conflict with existing service;
- g. Applicants must provide data and/or other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users;
- h. Pilot shuttle/feeder bus and ridesharing service projects must comply with all applicable requirements in policies #28 and #30.

30. **Existing Regional Ridesharing Services:** The project will provide carpool, vanpool, and other rideshare services. For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five counties within Air District's jurisdiction, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application.

If a project includes ride-matching services, *only* ride-matches that are not already included in the Metropolitan Transportation Commission's (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy *exclusively* to employees of the project sponsor are not eligible.

Bicycle Projects

31. **Electronic Bicycle Lockers:** The project will expand the public’s access to new electronic bicycle lockers. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission’s Regional Bicycle Plan, and must serve a major activity center (e.g. transit station, office building, or school). The electronic bicycle lockers must be publicly accessible and available for use by all members of the public.

Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCA Regional Funds.

The maximum award amount is based on the number of lockers, at the rate of \$2,500 per locker, for example, a quad contains four lockers and would be eligible for a maximum award amount of \$10,000.

Monies expended by Project Sponsors to pay for the purchase and installation of lockers and for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant) are eligible for use as matching funds. Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate the electronic lockers are not eligible for use as matching funds.

32. **Bikeways:** The project will construct and/or install new bikeways that are included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), countywide transportation plan (CTP), city general plan or area-specific plan, or the Metropolitan Transportation Commission’s Regional Bicycle Plan. To be eligible for funding, the purpose of bikeways that are included in an adopted city general plan or area-specific plan must be to reduce motor vehicle emissions or traffic congestion. Projects must have completed all applicable State and federal environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement.

All bikeway projects must, where applicable, be consistent with design standards published in the California Highway Design Manual, or conform to the provisions of the Protected Bikeway Act of 2014.

Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use. Projects must also meet at least one ~~or more~~ of the following conditions:

- a. Be located within one-half mile ~~(1/2) biking distance~~ from ~~the closer of~~ a public transit station/stop (e.g., local, county- wide or regional transit stops/stations/terminals, ~~bike share station~~) or a bike share station;
- b. Be located within one-half mile ~~(1/2) biking distance~~ from a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts);
- c. Be located within one-half mile ~~(1/2) biking distance~~ from three activity centers (e.g., employment centers, schools, business districts).

Projects are limited to the following types of bikeways:

- a. New Class-I bicycle paths;
- b. New Class-II bicycle lanes;
- c. New Class-III bicycle routes; or
- d. New Class-IV cycle tracks or separated bikeways.

REGIONAL FUND EVALUATION CRITERIA:

1. Projects must meet all of the applicable TFCA Regional Fund policies.
2. Applications will also be evaluated using the evaluation process listed in Table 2:

Table 2: Evaluation Process by Project Category

Policy #	Project Category	Evaluation Process
22	On-Road Truck Replacements	Applications will be reviewed on a first-come, first-served basis, and funding amounts for eligible projects will be determined based on a project’s cost-effectiveness and responsiveness <u>conformity</u> to their respective project specific Policy requirements.
23	Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets	
24	Heavy-Duty Zero- and Partial-Zero- Emissions Vehicles	
25	Reserved <u>Hydrogen Stations</u>	<u>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and conformity to Policy #25.</u> Reserved
26	Reserved	Reserved
27	Reserved	Reserved
28	Existing Shuttle/Feeder Bus Services	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness <u>conformity</u> to their respective project specific Policy requirements.
29	Pilot Trip Reduction	
30	Existing Regional Ridesharing Services	
31	Electronic Bicycle Lockers	Applications will be reviewed on a first-come, first-served basis, and eligible projects will be recommended for funding until funding has been depleted.
32	Bikeways	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness <u>conformity</u> to Policy #32. Projects that serve regional or county-wide transit stops/stations/terminals (e.g., BART, Caltrain, Capitol Corridor, ferry terminals) or bike share stations will receive a higher priority.

3. Up to sixty percent (60%) of TFCA Regional Funds will ~~receive a higher priority for~~be prioritized for projects that meet one or more of the following criteria:
 - a. Projects in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program;
 - b. Projects in Priority Development Areas (PDAs).

Agenda 4 Attachment C: Comments Received and Staff Responses to Proposed FYE 2018 TFCA Regional Fund Policies

Committer and Agency	Comment	Staff Response
<p>Peter Skinner; SamTrans, San Mateo County Transit District</p>	<p>(In Reference to Policy # 29, Pilot Trip Reduction): The first sentence states “The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where <i>no similar service</i> was available within the past three years, or will result in significantly expanded service to an existing area.”</p> <p>What type of service are you referring to in the highlighted text? Are you referring to transportation services in general (such as traditional transit service like a bus) or just similar to the pilot?</p> <p>If the answer is transportation services in general, it should be refined to just refer to a program similar to the pilot. An example of an acceptable pilot might be a transit agency wants to eliminate underperforming bus routes and try a pilot program to provide vouchers for Transportation Network Carriers (such as Uber or Lyft) to encourage people who would not take traditional transit service (bus) to take a more personalized transportation service. Without taking into account the cost effectiveness of the program or other requirements, a proposal like this should be considered under the pilot program criteria.</p>	<p>“Similar service” in the sentence “no similar service was available within the last three years” refers to both traditional transit services (e.g. fixed-route shuttle bus) and any trip reduction/mobility programs that are similar to the proposed project, such as an on-demand services program coordinated and/or sponsored by a local agency in the same area as the proposed project.</p>
<p>Zachary Kahn; BYD America</p>	<p>We would strongly encourage the BAAQMD to amend the current proposed draft, which allows funding to be utilized for non zero-emission technologies, and instead focus funding on zero emission technologies only. Diverting funding that could be utilized for zero emission technologies towards legacy partial-zero polluting technologies diminishes the opportunity to leverage the TFCA Zero Emission program to its maximum potential. Now that zero emission battery electric technology is fully mature and cost competitive with legacy technologies, there is simply no reason to keep funneling public dollars into polluting legacy technologies. Possible cuts to other funding sources that promote clean air and clean transportation only make it more important to focus programs like the TFCA around zero emission technologies.</p>	<p>The proposed policies are designed to provide higher levels of funding for projects that deploy zero emissions vehicles, while still providing opportunities for replacement of older diesel vehicles to cleaner options.</p>

Agenda 4 Attachment C: Comments Received and Staff Responses to Proposed FYE 2018 TFCA Regional Fund Policies

Committer and Agency	Comment	Staff Response
<p>Erik Neandross and JoAnne Golden-Stewart; Gladstein, Neandross & Associates</p>	<p>The Draft FYE 2017 TFCA Regional Fund notes that “new vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible” for funding. However, given recent advancements in ultra-low NOx emitting natural gas vehicles (NGVs), especially when used in conjunction with increasingly available renewable natural gas (RNG) fuel, this advanced NGV technologies can provide an immediate, cost-effective opportunity for TFCA to achieve critical emission reductions. Natural gas already powers growing number of trucks and buses in key niches, such as sanitation and solid waste, school and transit buses, urban delivery, port drayage, and, where the fueling infrastructure supports it, long-haul trucking. Having an immediate, easily-integrated engine and drop-in renewable fuel option for existing fleets creates the opportunity for significant and meaningful criteria pollutant and GHG reductions</p> <p>Given that the TFCA has already identified a maximum cost-effectiveness threshold for heavy-duty zero- and partial-zero emission vehicles of \$250,000 per weighted ton, we strongly urge the BAAQMD to provide a technology-neutral solicitation where all clean and renewable technologies can compete, thereby supporting significantly more cost-effective and immediate air quality improvements for the region. We also request the reinstatement of natural gas fueling stations for funding eligibility. Both the proposed FY 2017 and current FY 2016 funding plans exclude natural gas fueling stations from eligibility, and conversations with BAAQMD staff indicate that this is due in part to the perception that NGVs don’t help the BAAQMD achieve surplus emission reductions. As the following analysis will show, support for new, advanced NGVs and supporting refueling infrastructure can have a significant near-term impact on criteria pollutant and GHG emissions and impacts.</p>	<p>Natural gas and low-NOx heavy-duty vehicles are eligible for funding under policy #22, which applies to projects that replace older diesel vehicles, with cleaner options.</p> <p>The Air District has previously provided grant funds to CNG fueling infrastructure; However, the current heavy-duty engine standards are the same for diesel and CNG trucks so there are no surplus emissions benefits between the two technologies. Since the fueling stations funded by the Air District are required to be available and accessible to the public, it would be difficult to ensure that only vehicles with engines certified to the optionally cleaner low-NOx standards utilize the funded infrastructure (vs. traditional CNG vehicles certified to the current standards). The Air District would like to focus on accelerating the deployment of fueling stations that can only be used by the clean motor vehicle technologies that are available to provide surplus emissions reduction benefits today, e.g. hydrogen fuel cell vehicles.</p>
<p>Dana Turrey; Sonoma County Transportation Authority</p>	<p>The Sonoma County Transportation Authority (SCTA) would like to see the Regional Fund Policies allow for Bike Share projects, consistent with the County Program Manager Fund policy number 30</p>	<p>In 2015, the Air District transferred bikeshare funding and oversight responsibilities to the Metropolitan Transportation Commission (MTC), with the understanding that the Air District would maintain responsibility for funding and oversight to support the acceleration of electric vehicles in the region. For that reason, the policies for bikeshare are not included in these policies. However, funding for this project category is still available through the TFCA’s County Program Manager Fund.</p>

Agenda 4 Attachment C: Comments Received and Staff Responses to Proposed FYE 2018 TFCA Regional Fund Policies

Committer and Agency	Comment	Staff Response
<p>Maria Timofeyeva; ALTRANS</p>	<p>I'm a manager of a community shuttle program. It carries about 15,000 people per month and runs around the town. One of the destinations is a Caltrain station. It is privately owned but is available for public for free. We serve senior communities, public schools, movie theater, shopping plazas, etc.</p> <p>So, since our program is not a first/last mile service, we are not going to buy any new vehicles next year because we already have our own electric plus gas backup buses, I wonder under which category we should apply for a grant. Will a specific category for community shuttle programs which already exists in Palo Alto, Mountain View, S.San Francisco, ect. be added?</p> <p>With all the changes coming from VTA we are looking for a support to be able to increase service to some areas of the community and would like to have resources to create new routes.</p> <p>From webinar: I have a question regarding a community shuttle programs. Will they be eligible or only shuttles going to work places? Our program is using electric buses.</p>	<p>The authorizing legislation for the TFCA requires that sponsors of feeder bus and shuttle service projects be a public agency. Non-public agencies are eligible to apply for vehicle based-projects, such as funding to deploy zero-emissions or 2010-standard and cleaner vehicles.</p> <p>Additionally, non-public entities are also eligible to apply to the District's <i>Charge!</i> Program, which provides funding to support the purchase and installation of electric vehicle charging equipment.</p>
<p>Tong Reanna; City of Palo Alto</p>	<p>For bikeshare projects, are you still requiring bike systems to be part of Bay Area Bike Share?</p>	<p>The TFCA Regional Fund does not include any requirements for Bikeshare projects. Anyone interested in learning about available funding opportunities and requirements for a bicycle sharing systems are encouraged to contact their local liaison for the County Program Manager Fund.</p>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Karen Mitchoff and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 10, 2017

Re: Fiscal Year Ending (FYE) 2018 Transportation Fund for Clean Air (TFCA) County
Program Manager (CPM) Expenditure Plans

RECOMMENDATIONS

Recommend Board of Directors:

1. Approve the allocation of new FYE 2018 TFCA CPM Funds listed in Table 1; and
2. Authorize the Executive Officer/APCO to enter into funding agreements with the CPMs for the total funds to be programmed in FYE 2018, listed in Table 1.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions. 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. The authorizing legislation requires the Air District Board of Directors (Board) to annually adopt policies that govern the use of TFCA funding to maximize emissions reductions and public health benefit. Policies for the upcoming FYE 2018 cycle were adopted by the Board on November 16, 2016.

By law, forty percent (40%) of these revenues are distributed to the designated CPM in each of the nine counties within the Air District's jurisdiction and the funds are distributed proportionally to the fees generated in each county.

Every year, each CPM submits an expenditure plan application to the Air District specifying the funding available for projects and program administration for the upcoming fiscal year. The authorizing legislation allows CPMs to allocate and use up to 5% of new TFCA monies that were received prior to January 1, 2016, and up to 6.25% of new TFCA monies that are received after January 1, 2016, to fund their administrative costs. CPMs are also required to allocate any available TFCA funds to eligible projects within six months of the Board's approval of their expenditure plan.

DISCUSSION

FYE 2018 Expenditure Plans

For FYE 2018, seven of the nine CPMs submitted compliant expenditure plan applications by the March 3, 2017 deadline, and two CPMs submitted applications by March 14, 2017.

Table 1 shows the funds that are estimated to be available to CPMs in FYE 2018:

- **Column A** (highlighted in blue) shows the amount of new TFCA funds (revenue monies) that are projected for each county in FYE 2018.
- **Column B** shows the amount of TFCA funds that were reported by CPMs in their expenditure plans that are available for reprogramming from prior-year projects that were recently completed under budget or canceled, and interest earned.
- **Column C** shows the sum of columns A and B, and is the total amount of funds that are estimated to be available to each of the nine CPMs in FYE 2018.

Table 1: FYE 2018 TFCA Funding for County Program Managers

	A	B	C
County Program Manager	Estimated New TFCA Funds	TFCA Funds to be Reprogrammed*	Total FYE 2017 Funds
Alameda County Transportation Commission	\$2,024,825	\$195,463	\$2,220,288
Contra Costa Transportation Authority	\$1,509,966	\$22,242	\$1,532,208
Transportation Authority of Marin	\$356,940	\$138,463	\$495,403
Napa Valley Transportation Authority	\$199,236	\$22,315	\$221,551
San Francisco County Transportation Authority	\$736,049	\$36,714	\$772,763
San Mateo City/County Association of Governments	\$1,079,043	\$464,611	\$1,543,654
Santa Clara Valley Transportation Agency	\$2,482,587	\$408,718	\$2,891,305
Solano Transportation Authority	\$312,902	\$2,660	\$315,562
Sonoma County Transportation Authority	\$644,505	\$11,650	\$656,155
TOTAL	\$9,346,053	\$1,302,836	\$10,648,889

*Based on funds available for reprogramming from prior-year CPM projects that were recently completed under budget or canceled, and interest earned.

Summary of Projects Awarded CPM TFCA Funding in FYE 2017

At the March 2017 meeting of the Mobile Source Committee, Board Members inquired about the types of projects that are funded by the County Program Managers. Attachment 1 lists the projects that were awarded TFCA funds by the CPMs in FYE 2017.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. TFCA CPM revenues are generated from Department of Motor Vehicles registration fees and 40% of the revenues are passed through to the CPMs.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Michael Neward
Reviewed by: Chengfeng Wang and Karen Schkolnick

Attachment 1: Summary of projects that were awarded TFCA funds by the County Program Managers in FYE 2017

AGENDA 5 - ATTACHMENT 1

Summary of projects that were awarded TFCA funds by the County Program Managers in Fiscal Year Ending (FYE) 2017

Project #	Project Category	Project Description	Award Amount	Project Sponsor	Emission Reductions (Tons per year)			County
					ROG	NO _x	PM	
17ALA01	Shuttle & Rideshare	Countywide SR2S Program, FYs 16/17 & 17/18	\$ 100,000.00	Alameda County Transportation Commission (CTC)	0.1581	0.0781	0.0687	Alameda
17ALA02	Shuttle & Rideshare	Countywide Bicycling, Transit and Carpool Promotion Programs	\$ 105,000.00	Alameda County Transportation Commission (CTC)	0.5731	0.5288	0.8729	Alameda
17ALA03	Bicycle Facilities	San Pablo Ave Cycle Track Gap Closure	\$ 123,000.00	City of Albany	0.0243	0.0149	0.0244	Alameda
17ALA04	Bicycle Facilities	Hearst Ave Class 2 Bike Lanes	\$ 88,000.00	City of Berkeley	0.0175	0.0107	0.0175	Alameda
17ALA05	Arterial Management & Signal Timing	South Fremont Arterial Management	\$ 425,000.00	City of Fremont	0.1420	0.5166	0.0000	Alameda
17ALA06	Shuttle & Rideshare	Oakland Broadway B Shuttle	\$ 264,000.00	City of Oakland	0.2572	0.0648	0.3609	Alameda
17ALA07	Shuttle & Rideshare	Bernal Ave Park and Ride Lot	\$ 189,000.00	City of Pleasanton	0.1600	0.1580	0.2707	Alameda
17ALA08	Shuttle & Rideshare	San Leandro LINKS Shuttle, Fys 17/18 & 18/19	\$ 104,000.00	City of San Leandro	0.1000	0.0531	0.0879	Alameda
17ALA09	Shuttle & Rideshare	CSUEB - Hayward BART 2nd Shuttle, FY 17/18	\$ 128,000.00	California State University, East Bay	0.1767	0.1619	0.2685	Alameda
17ALA10	Shuttle & Rideshare	LAVTA Rte 30 BRT Operations, FYs 17/18-18/19	\$ 318,000.00	Livermore Amador Valley Transit Authority (LAVTA)	0.4356	-0.3581	0.5940	Alameda
17CC01	Other Trip Reduction Programs	West Contra Costa Trip Reduction Program	\$ 316,676.81	West Contra Costa Transportation Advisory Committee (WCCTAC)	1.7984	1.5742	2.5227	Contra Costa
17CC02	Other Trip Reduction Programs	Central/East SOV Trip/Emissions Reduction Program	\$ 801,666.00	Contra Costa Transportation Authority	3.2594	2.9819	4.8994	Contra Costa
17CC03	Other Trip Reduction Programs	Southwest Contra Costa County Emissions/Trip Reduction Program	\$ 283,602.00	City of San Ramon	1.3092	1.0699	1.6434	Contra Costa
17MAR01	Bicycle Facilities	Gate 6/Bridgeway Intersection Improvements	\$ 344,659.00	City of Sausalito	0.0833	0.0696	0.1441	Marin
17NAP01	Electric Vehicles	Calistoga EV Charging Station	\$ 8,000.00	City of Calistoga	0.0044	0.0033	0.0006	Napa
17NAP02	Bicycle Facilities	Donaldson Way Sidewalk Gap Project	\$ 101,249.00	City of American Canyon	0.0165	0.0101	0.0165	Napa
17NAP03	Other Trip Reduction Programs	SNCI Napa County Marketing and Commute Incentives	\$ 50,000.00	Solano Napa Commuter Information (SNCI)	0.5525	0.5523	0.4586	Napa
17SF01	Shuttle & Rideshare	Gator Pass Implementation Project	\$ 350,000.00	San Francisco State University	1.9735	1.7514	2.8293	San Francisco
17SF02	Electric Vehicles	Alternative Fuel Taxicab Vehicle Incentive Program	\$ 250,000.00	San Francisco Municipal Transportation Agency	0.6111	0.3849	0.0030	San Francisco
17SF03	Other Trip Reduction Programs	San Francisco Emergency Ride Home Program	\$ 36,269.00	San Francisco Department of the Environment	0.1217	0.1066	0.1708	San Francisco
17SF04	Bicycle Facilities	Short-Term Bicycle Parking	\$ 335,988.00	San Francisco Municipal Transportation Agency	0.1692	0.1079	0.1352	San Francisco
17SM01	Shuttle & Rideshare	Countywide Voluntary Trip Reduction Program	\$ 525,000.00	Peninsula Traffic Congestion Relief Alliance	5.8827	5.2591	8.6000	San Mateo
17SM02	Shuttle & Rideshare	SamTrans Shuttle Program	\$ 109,000.00	SamTrans	0.2166	0.1294	0.3512	San Mateo
17SM03	Shuttle & Rideshare	San Carlos Transit Connector Shuttle	\$ 162,860.00	SamTrans and City of San Carlos	0.0782	0.0544	0.0812	San Mateo
17SM04	Bicycle Facilities	SamTrans Bike Racks on Buses	\$ 160,128.00	SamTrans	0.0800	0.0500	0.0600	San Mateo
17SM05	Arterial Management & Signal Timing	San Mateo County Smart Corridor - South San Francisco Expansion	\$ 267,012.00	City/County Association of Governments of San Mateo County	0.5600	0.2400	0.0000	San Mateo
17SC01	Shuttle & Rideshare	DASH Shuttle	\$ 826,000.00	Santa Clara Valley Transportation Authority	1.2218	1.1672	2.0252	Santa Clara
17SC02	Arterial Management & Signal Timing	Lafayette Signal Timing Project	\$ 210,000.00	City of Santa Clara	0.1514	0.3595	0.0029	Santa Clara
17SC03	Arterial Management & Signal Timing	Bowers Signal Timing Project	\$ 590,000.00	City of Santa Clara	0.3001	0.7335	0.0275	Santa Clara
17SC04	Other Trip Reduction Programs	School Improvements	\$ 290,000.00	City of Santa Clara	0.2901	0.1338	0.1439	Santa Clara
17SC05	Arterial Management & Signal Timing	Fremont Avenue Signal Timing Improvements	\$ 55,321.00	City of Sunnyvale	0.2592	0.4183	0.0000	Santa Clara
17SC06	Arterial Management & Signal Timing	Mary Avenue Signal Timing Improvements	\$ 98,724.00	City of Sunnyvale	0.2571	0.7038	0.0000	Santa Clara
17SC07	Arterial Management & Signal Timing	Hollenbeck Avenue Signal Timing Improvements	\$ 59,869.00	City of Sunnyvale	0.1438	0.3394	0.0000	Santa Clara
17SC08	Arterial Management & Signal Timing	Remington Drive Signal Timing Improvements	\$ 38,897.00	City of Sunnyvale	0.1388	0.3162	0.0000	Santa Clara
17SC10	Arterial Management & Signal Timing	Weekend Signal Timing Coordination of Capitol Expressway, Foothill Expressway, Lawrence Expressway, and San Tomas Expressway	\$ 180,000.00	County of Santa Clara Roads and Airports Department	0.4249	1.1575	0.0000	Santa Clara
17SC11	Bicycle Facilities	Interim Bicycle Improvement through I-280/Page Mill Interchange Area	\$ 125,000.00	Santa Clara County	0.0302	0.0185	0.0302	Santa Clara

AGENDA 5 - ATTACHMENT 1

Summary of projects that were awarded TFCA funds by the County Program Managers in Fiscal Year Ending (FYE) 2017

Project #	Project Category	Project Description	Award Amount	Project Sponsor	Emission Reductions (Tons per year)			County
					ROG	NO _x	PM	
17SC12	Bicycle Facilities	Mary Avenue Bicycle and Traffic Calming Project	\$ 245,000.00	City of Sunnyvale	0.0483	0.0297	0.0483	Santa Clara
17SC13	Other Trip Reduction Programs	Safe Routes to School - Pedestrian Infrastructure Improvements	\$ 415,961.00	City of Sunnyvale	0.3254	0.1553	0.1274	Santa Clara
17SOL01	Other Trip Reduction Programs	Solano Commute Alternatives Outreach and Incentive Program	\$ 340,664.00	Solano Transportation Authority/Solano Napa Commuter Information	2.6513	2.6902	2.3013	Solano
17SON01	Other Trip Reduction Programs	Santa Rosa Trip Reduction Incentive Program	\$ 234,670.00	City of Santa Rosa - Transit Division	0.7660	0.5322	0.7233	Sonoma
17SON02	Electric Vehicles	Santa Rosa EV Chargers, Public Access Courthouse Square Reunification Project	\$ 25,000.00	City of Santa Rosa	0.0192	0.0141	0.0015	Sonoma
17SON03	Other Trip Reduction Programs	Transit Marketing Program	\$ 71,265.00	Sonoma County Transit	0.1702	0.1490	0.2389	Sonoma
17SON04	Shuttle & Rideshare	Sonoma County Transit - SMART / Airport Area Shuttle	\$ 70,000.00	Sonoma County Transit	0.0315	0.0191	0.0227	Sonoma
17SON05	Bicycle Facilities	Sebastopol Local City Streets Bikeway Gap Closures	\$ 50,000.00	City of Sebastopol	0.0204	0.0160	0.0320	Sonoma
17SON06	Other Trip Reduction Programs	Youth Bus Pass Subsidy Program	\$ 13,000.00	City of Petaluma	0.0589	0.0342	0.0386	Sonoma
17SON07	Other Trip Reduction Programs	Petaluma Transit Marketing	\$ 67,731.00	City of Petaluma	0.3128	0.1818	0.2051	Sonoma
17SON08	Arterial Management & Signal Timing	Petaluma Transit: Transit Signal Priority Project	\$ 52,724.00	City of Petaluma	0.0569	0.0363	0.0455	Sonoma

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Karen Mitchoff and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 10, 2017

Re: Update on Regional Efforts to Deploy Electric Vehicles and Infrastructure

RECOMMENDATIONS

None; receive and file.

BACKGROUND

The Bay Area is home to over 5 million on-road vehicles that are responsible for approximately 40% of the criteria pollutants and 36% of the greenhouse gases emitted in the region.^{1, 2} Additionally, the heavy-duty vehicles in this population are responsible for over 80% of the cancer health risk from toxic air contaminants, principally due to diesel particulate matter (DPM) emissions. The Bay Area Air Quality Management District's (Air District) Community Air Risk Evaluation (CARE) program has shown that DPM has disproportionate impacts on communities located along Bay Area highways and around major cargo hubs such as the Port of Oakland.

Because these emissions adversely affect the region's air quality and impacts the region's most vulnerable communities, the Air District has invested over \$146 million in funding since 2012, and has concentrated significant portions of its grant, enforcement, and educational and outreach programs (e.g., Spare the Air) to reduce tailpipe emissions from these vehicles. These efforts have directly resulted in the deployment of 1,561 passenger electric vehicles (EVs), 271 zero emissions heavy duty trucks and buses, 1,041 publicly available Level 2 and 53 DC fast chargers, 1,400 residential chargers and 12 hydrogen fueling stations.

In addition, the Air District estimates that its investments have expanded the region's network of 4,483 publicly available EV chargers by over 24% and have helped the region achieve the highest EV adoption rates in the country, with more than 91,000 EVs, or 38% of California's EV population, registered to Bay Area drivers.

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

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

DISCUSSION

While significant progress is being made to reduce emissions from the transportation sector, the Air District's electric vehicle deployment roadmap – *The Bay Area Plug-In Electric Vehicle Readiness Plan (2013)* – shows that the region needs to deploy 247,000 electric vehicles by the year 2025 in order to meet the requirements in the California Air Resources Board's light duty vehicle regulation and the greenhouse gas emissions reductions targets set in the Metropolitan Transportation Commission's Plan Bay Area. In addition to these goals, the Air District's 2017 Clean Air Plan has set aggressive targets to decarbonize transportation, which extend far beyond 2025.

The Air District's investments and efforts have, and will continue to, play a significant role in catalyzing the Bay Area's shift towards zero emission transportation; however, it cannot complete these efforts alone. As part of this item, staff will update the Committee on the status of two significant new programs in development by the Pacific Gas & Electric Company and Volkswagen's - Electrify America.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Damian Breen