



AGENDA: 4

Bay Area Air Quality Management District
Mobile Source Committee

Projects with proposed awards over \$100,000

September 28, 2017

Damian Breen
Deputy Air Pollution Control Officer



Overview

- Background
- Proposed projects with awards over \$100,000
- Recommendations



CMP, MSIF, & TFCA

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



Greenhouse Gas Reduction Grant Program (GGRGP)

- Settlement agreement between CA Attorney General (AG) and ConocoPhillips (Conoco) in 2007 authorized District to administer a Carbon Offset Fund which provided funding for GGRGP
- ***Projects must be located in close proximity to Conoco and achieve verifiable, quantifiable reductions in greenhouse gas emissions:***
 - Fiscal Year Ending (FYE) 2009: ***Renewable power & energy efficiency*** improvements at public buildings (completed by 2015)
 - FYE 2016: ***Commercial lawn and garden (L&G)*** equipment exchange program



CMP Year 18

- **On 3/16/16 District Board of Directors:**
 - Approved participation in CMP Year 18
 - Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000
- **CMP Project Recommendations over \$100k:**
 - No Projects for proposed individual grant award over \$100,000
 - Projects with individual grant award up to \$100,000 are listed in Attachment 2 of staff report
- **CMP Year 18 funds have been expended**



FYE 2017 TFCFA Funds

- **District Board of Directors**
 - 3/16/16 - Allocated \$21.7 million and authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000
 - 7/20/16 - Adopted policies and evaluation criteria
- **Proposed total awards for 11 projects: \$2,960,547**
 - Including \$99,900 from the California Energy Commission (CEC)
 - Emissions reductions:
 - ~2.21 tons per year (TPY) of criteria pollutants
 - ~2,102 TPY of GHG emissions



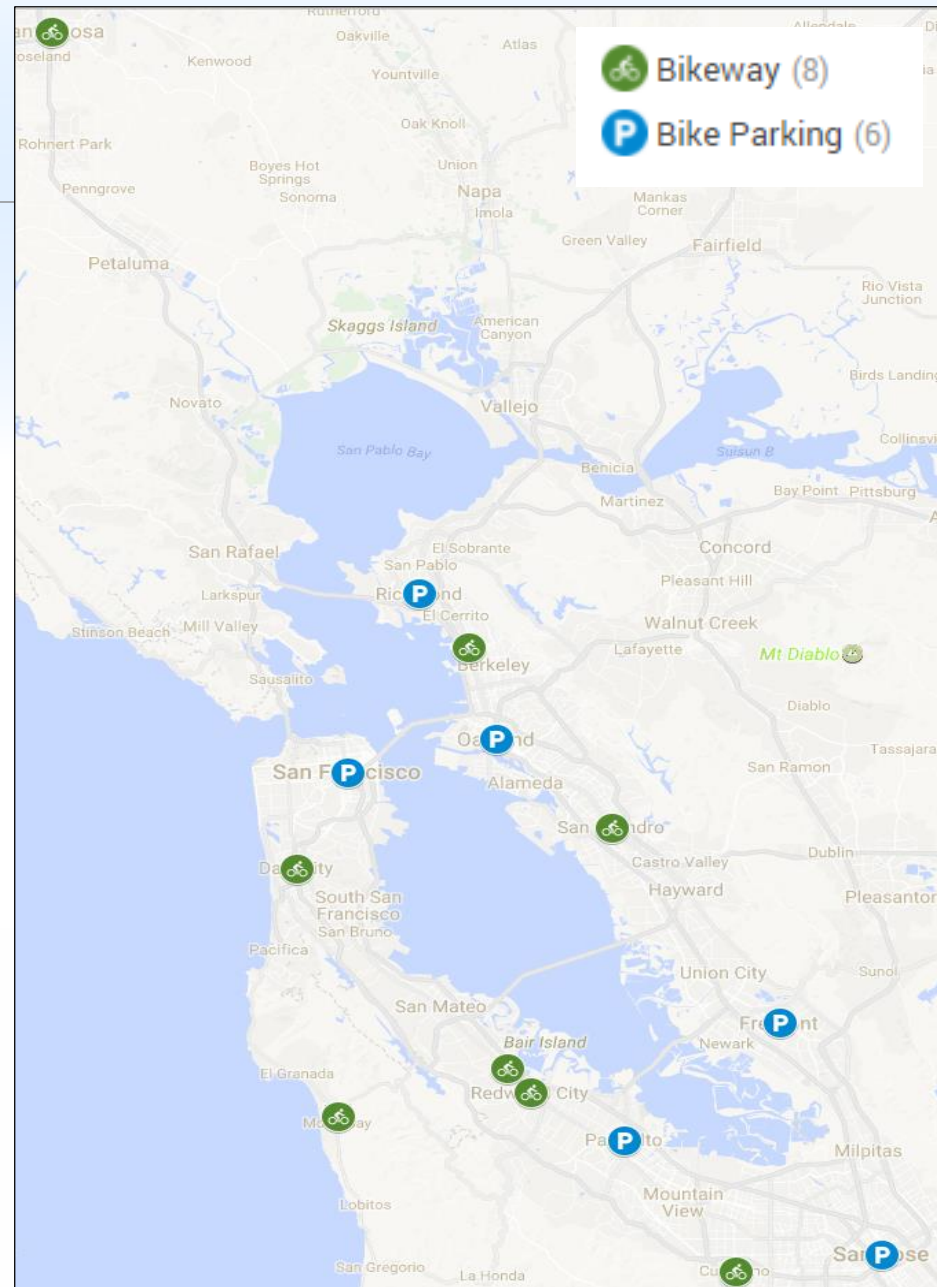
TFCA Project Recommendations over \$100k

- **4 projects to install electric vehicle charging stations:**
 - 182 single-port Level 2 and 8 DC Fast charging stations in Los Altos, Mountain View and Los Altos Hills
 - 52 single-port Level 2 charging stations in San Jose
 - 26 single-port Level 2 and 1 DC Fast charging stations in Los Altos
 - 20 single-port Level 2 charging stations with solar in Cotati
- **7 projects to install bike facilities:**
 - 0.31 miles of Class II & 10.48 miles Class III bikeways in Daly City
 - 1.87 miles of Class II bikeways in Santa Rosa
 - 1.7 miles of Class II & 7.95 miles of Class III bikeways in San Leandro
 - 0.8 miles of Class I bikeway in Albany
 - 7.76 miles of Class III and .7 miles of Class IV bikeways in Cupertino
 - 0.28 miles of Class I bikeway in San Carlos
 - 104 electronic bicycle lockers in San Jose



Bike Facility Projects & Locations

Location	Project Description
Cupertino	8.5 miles bikeway
Daly city	10.8 miles bikeway
Half Moon Bay	0.4 miles bikeway
Redwood City	3.1 miles bikeway
San Carlos	0.3 miles bikeway
San Leandro	9.5 miles of bikeway
Santa Rosa	1.9 miles of bikeway
Albany	0.8 miles of bikeway
Fremont	82 parking spaces
Oakland	8 parking spaces
Palo Alto	171 parking spaces
Richmond	20 parking spaces
San Francisco	40 parking spaces
San Jose	104 parking spaces



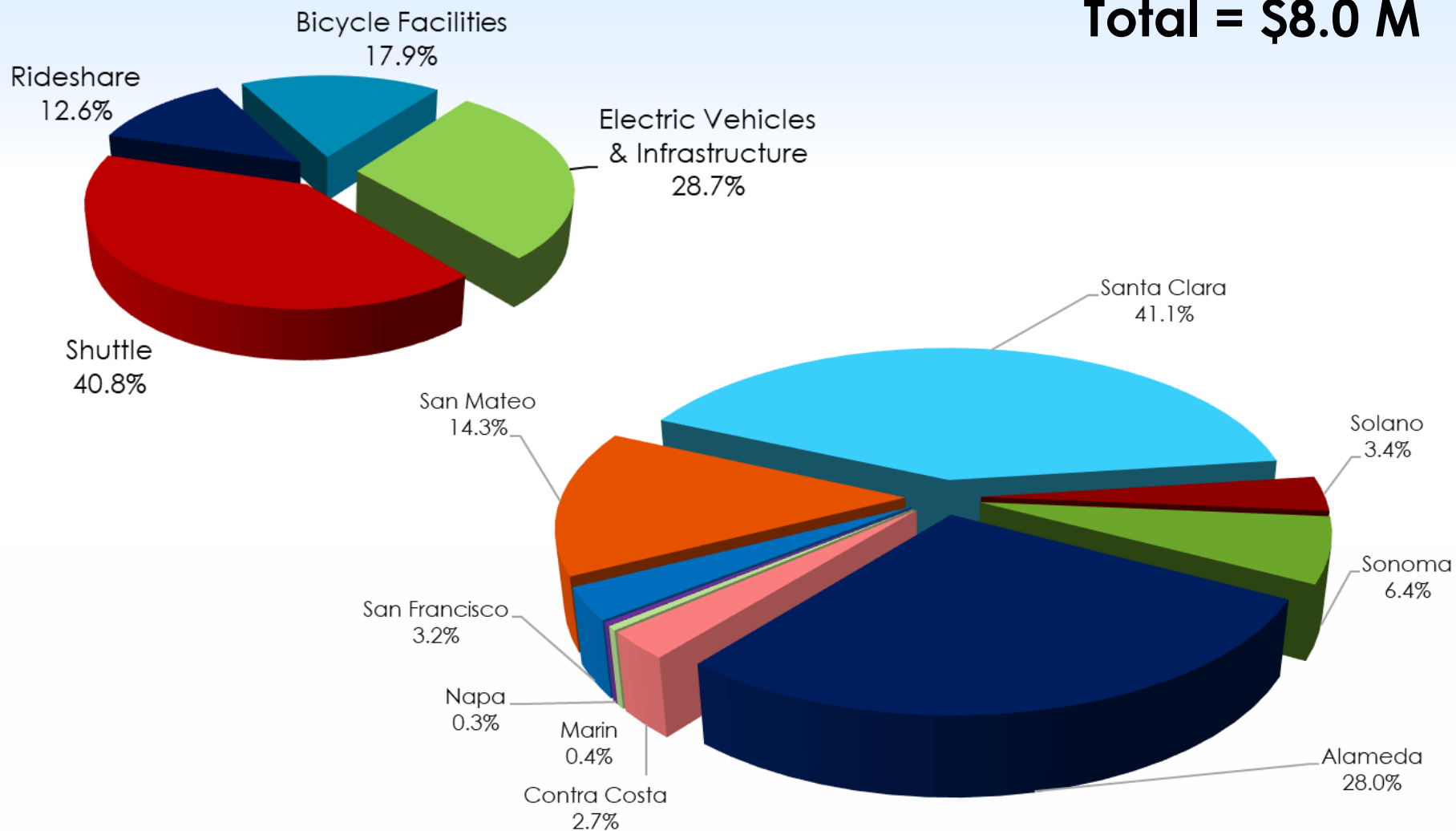


FYE 2017 TFCFA Funds

by Project Category and by County

(Eligible projects evaluated between 7/1/16 and 9/7/17)

Total = \$8.0 M





GGRGP Commercial L&G Program

- **District Board of Directors on 2/17/16**
 - Allocated \$517,270; and
 - Authorized Executive Director/APCO to execute contracts and amendments with grant awards up to \$100,000

- **GGRGP L&G Project Recommendations over \$100K:**
 - 2 projects to replace conventional equipment with zero-emission equipment including:
 - Replace 41 pieces of equipment in Berkeley
 - Replace 20 pieces of equipment in Oakland
 - Proposed total award of \$226,932
 - Emissions reductions:
 - ~1.33 TPY of criteria pollutants
 - ~194 TPY of GHG emissions



GGRGP Commercial L&G Projects

Project #	Project Description	Award Amount	Applicant Name	Board Approval Date	CARE Area
CLG2-02	Replace 6 pieces of equipment	\$16,609	Dublin USD	11/1/17	Yes
CLG2-04	Replace 3 pieces of equipment	\$2,020	City of Dublin	3/14/17	Yes
CLG2-05	Replace 12 pieces of equipment	\$15,683	City of Piedmont	5/25/17	No
CLG2-06	Replace 41 pieces of equipment	\$114,827	UC Berkeley	Pending	No
CLG2-07	Replace 17 pieces of equipment	\$90,184	Peralta Community College	8/2/17	Yes
CLG2-08	Replace 12 pieces of equipment	\$60,187	CSU East Bay	9/15/16	No
CLG2-09	Replace 20 pieces of equipment	\$48,123	City of Fremont	4/21/17	No
CLG2-10	Replace 20 pieces of equipment	\$108,653	City of Oakland	Pending	Yes
CLG2-11	Replace 1 piece of equipment	\$28,222	UC Village	10/12/16	Yes



Recommendations

Recommend the Board of Directors:

- Approve the Transportation Fund for Clean Air (TFCA) and Commercial Lawn and Garden Equipment Replacement projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
- Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.



AGENDA: 5

Bay Area Air Quality Management District
Mobile Source Committee

Selection of a Vendor to Conduct Financial and Compliance Audits

September 28, 2017

Damian Breen
Deputy Air Pollution Control Officer



Overview

- Background
- Scope of Work
- Request for Proposal (RFP) Process
- RFP Evaluation Criteria and Scoring Results
- Recommendations



Background

- **District Financial Audit:**
 - Government agencies are required by law to conduct an independent audit of their annual financial statements
- **Compliance Audit for Transportation Fund for Clean Air (TFCA):**
 - California Health and Safety Code Section 44242 requires an audit on each program or project funded with motor vehicle registration fee surcharges (TFCA) at least every two years
- **District's administrative code requires audit contracts to be rebid every three years**



Scope of Work

- **Project #1: Financial Audit**

- Conduct Air District's Annual Financial Audit for fiscal year ending (FYE) 2018 (General Fund and Special Revenue Fund)

- **Project #2: TFCA Compliance Audit**

- Conduct a Compliance Audit of TFCA projects and programs closed by 6/30/2017
 - Regional Fund projects & programs audited annually
 - County Program Manager Program audited every other year



RFP Process

- **July 17:** RFP issued
- **August 3:** Pre-bidders conference webinar
- **August 17:** Response to questions posted
- **August 25:** Submittal Deadline
- **Eight proposals received:**
 - Armanino, LLP
 - Brown Armstrong
 - Crowe Horwath
 - Gilbert Associates
 - James Marta & Company LLC
 - Macias Gini & O'Connell
 - Simpson & Simpson, LLP
 - Vavrinek, Trine, Day & Co.



RFP Proposal Evaluation Criteria

Proposals evaluated by a 5-person panel on the following criteria:

Expertise	Skill	Approach	Cost	References	Specialty
<i>(25 max)</i>	<i>(15 max)</i>	<i>(25 max)</i>	<i>(25 max)</i>	<i>(5 max)</i>	<i>(5 max)</i>

Total = 100 points



Bidders, Scores and Ranking

FIRM (by rank order)	Total Points (100 max)	Expertise (25 max)	Skill (15 max)	Approach (25 max)	Cost (25 max)	References (5 max)	Specialty (5 max)
1. Simpson & Simpson, LLP	87	23.2	13.4	21.6	22.8	3.8	2.2
2. James Marta & Company LLC	80	21.6	13.0	18.2	21.4	3.8	2.0
3. Gilbert Associates	76	20.2	13.8	22	13.8	4.0	2.2
4. Crowe Horwath	72.8	20.6	11.0	17.8	16.0	3.8	3.6
5. Brown Armstrong	68.8	20.4	12.2	15.4	15.4	3.6	1.8
6. Armanino, LLP	67.6	20.4	10.8	18.2	10.0	3.8	4.4
6. Macias Gini & O'Connell	67.6	21.2	11.8	16.6	10.2	3.8	4.0
N/A: Vavrinek, Trine, Day & Co.	Non-Responsive/Incomplete Application						



Simpson & Simpson, LLP

Simpson & Simpson, LLP – ranked highest:

- Over 40 years of experience providing services to local governments, special districts, and nonprofit organizations
- Serves some of the largest governmental organizations in California
- Serves the South Coast Air Quality Management District and currently conducts audits that are similar to requirements for our District's Compliance Audits



Simpson & Simpson, LLP – Cost Proposal

Project	Year 1 Cost	Year 2 Cost*	Year 3 Cost*
1. District Financial Audit	\$47,350	\$47,350	\$47,350
2.a Compliance Audit – Regional Fund*	\$72,000	\$72,000	\$72,000
2.b Compliance Audit – County Program Manager*	-N/A-	\$32,000	-N/A-
Total Estimated Cost	\$119,350	\$151,350	\$119,350

*TFCA Compliance Audit costs are estimates based on number of projects

For Regional Fund:

70 projects x \$943 per project + \$6,000 summary reports = \$72,000

For County Program Manager (year 2 only):

120 projects x \$250 per project + \$2,000 summary reports = \$32,000



Recommendations

Recommend the Board of Directors:

- Approve the selection of Simpson & Simpson, LLP to conduct a Financial Audit for FYE 2018 and a Compliance Audit of the Transportation Fund for Clean Air (TFCA) programs and projects that closed by FYE 2017;
- Authorize the Executive Officer/APCO to execute a contract with Simpson & Simpson, LLP at a cost not to exceed \$119,350 for services performed in FYE 2018 (Year 1); and
- Authorize the Executive Officer/APCO to extend the contract with Simpson & Simpson, LLP in an amount not to exceed \$151,350 annually for up to two additional years, at the Air District's discretion, based on contractor's performance.



AGENDA: 6

Bay Area Air Quality Management District
Mobile Source Committee

Accept, Obligate, and Expend Funding from the U.S. Environmental Protection Agency (EPA)

September 28, 2017

Damian Breen
Deputy Air Pollution Control Officer



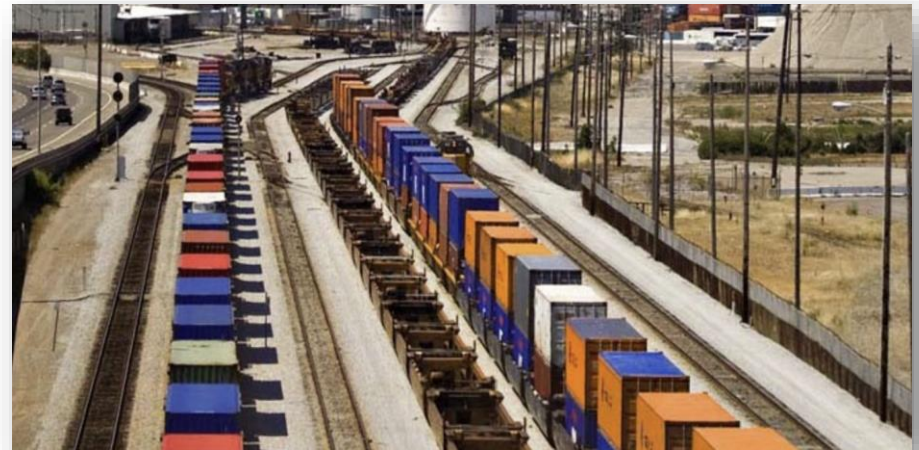
Overview

- Background
- Proposed Locomotive Project
- EPA Award
- Recommendations



Background – EPA Funding

- Diesel Emission Reduction Act (DERA) of 2005 authorizes EPA funding to reduce diesel emissions
- April 18, 2017, EPA Office of Transportation & Air Quality opens Request for Proposals through Clean Diesel Funding Assistance Program (CDFAP)
- Funding targets projects that:
 - Achieve significant emission reductions from diesel engines
 - Reduce diesel emissions exposure
 - Operate goods movement in areas with poor air quality





Background – Port of Oakland

- 6th Largest Container Port in US:
 - 18 Berths, 36 Container Cranes, 6,500 Trucks, 2 Rail yards
 - Located adjacent to West Oakland community
- District actions to reduce DPM:
 - Planning
 - Monitoring
 - Enforcement
 - Direct Incentives
>**\$80M** for trucks, shore power, harbor craft, etc.)

West Oakland Area Map

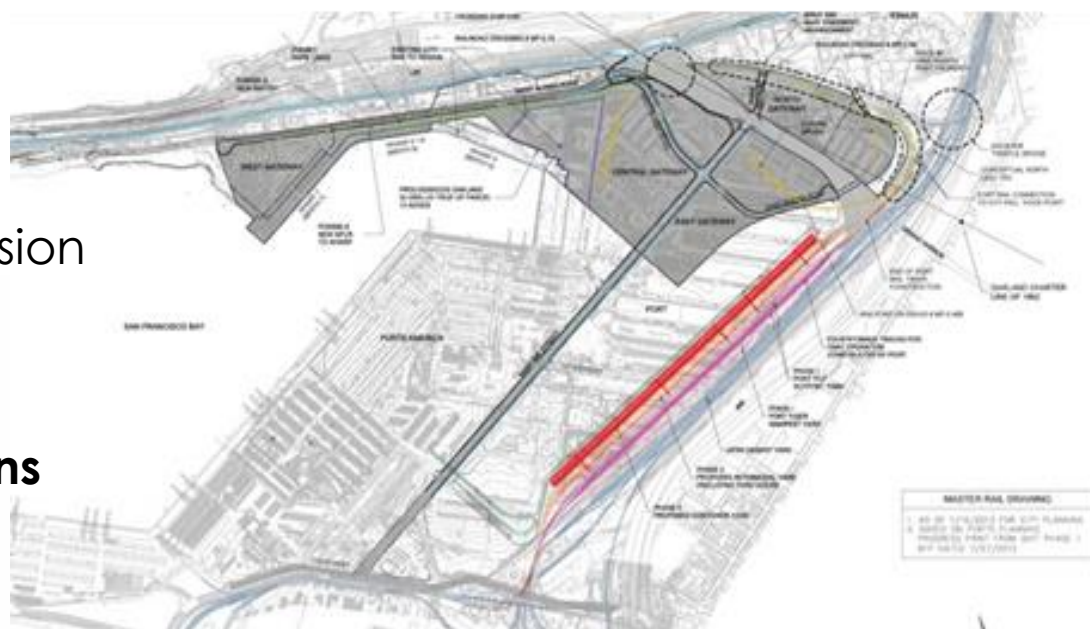




Proposed Project

June 23, 2017: District submitted proposal to EPA to replace one uncontrolled, high polluting, switcher locomotive with a low emission Tier 4 locomotive

- Owned by Oakland Global Rail Enterprise, LLC.
- Expected in-service in 2019
- Total Project Cost: \$2,571,462
- Estimated lifetime emission reductions:
 - **118 tons NO_x**
 - **6 tons Hydrocarbons**
 - **2.6 tons of PM**





EPA Award

- July 26, 2017, EPA informed District of proposed \$639,670 award
 - Total project cost = \$2,571,462
 - Matching funds = \$1,931,792
 - Award includes \$14,670 for Air District administration
- Acceptance of funds requires adoption of Board resolution





Recommendations

Recommend the Board of Directors:

- Adopt a Resolution authorizing the Air District to accept, oblige, and expend up to \$639,670 in funds from the U.S. Environmental Protection Agency (EPA) to replace one locomotive; and
- Authorize the Executive Officer/APCO to enter into all agreements necessary to accept and expend this funding.