



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE

COMMITTEE MEMBERS

SCOTT HAGGERTY – CHAIR
MARGARET ABE-KOGA
CAROLE GROOM
TYRONE JUE
NATE MILEY
JIM SPERING

DAVID CANEPA – VICE CHAIR
PAULINE RUSSO CUTTER
DAVE HUDSON
DOUG KIM
KAREN MITCHOFF

MONDAY
DECEMBER 17, 2018
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

PUBLIC MEETING PROCEDURE

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.

This meeting will be webcast. To see the webcast, please visit www.baaqmd.gov/bodagendas at the time of the meeting. Closed captioning may contain errors and omissions, and are not certified for their content or form.

Public Comment on Agenda Items *The public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.*

2. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3 *For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have two minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.*

Staff/Phone (415) 749-

3. **APPROVAL OF THE MINUTES OF OCTOBER 25, 2018**

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Mobile Source Committee meeting of October 25, 2018.

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

K. Schkolnick/5070

kschkolnick@baaqmd.gov

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

5. **FISCAL YEAR ENDING (FYE) 2017 TRANSPORTATION FUND FOR CLEAN AIR (TFCA) PROGRAM AUDIT RESULTS**

K. Schkolnick/5070

kschkolnick@baaqmd.gov

The Committee will receive an informational report summarizing the results of the audit of TFCA projects that were completed by June 30, 2017 (FYE 2017).

6. **REPORT ON TRANSPORTATION FUND FOR CLEAN AIR (TFCA) PROJECTS EXPENDITURES AND EFFECTIVENESS FOR FISCAL YEAR ENDING (FYE) 2018**

K. Schkolnick/5070

kschkolnick@baaqmd.gov

The Committee will receive an informational report summarizing the findings of the FYE 2018 Report of Expenditures and Effectiveness of TFCA Regional Fund and Air District sponsored projects.

7. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

Speakers who did not have the opportunity to address the Board in the first round of comments on non-agenda matters will be allowed two minutes each to address the Board on non-agenda matters.

8. **COMMITTEE MEMBER COMMENTS**

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

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

Thursday, January 24, 2019, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

10. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

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

(415) 749-4941
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) 749-4941**

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

DECEMBER 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Monday	17	9:30 a.m.	1 st Floor Board Room
Board of Directors Legislative Committee <i>(At the Call of the Chair)</i>	Monday	17	10:30 a.m.	1 st Floor Board Room
Board of Directors Special Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	19	9:00 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i> - CANCELLED	Wednesday	26	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> - CANCELLED AND RESCHEDULED TO MONDAY, DECEMBER 17, 2018 AT 9:30 A.M.	Thursday	27	9:30 a.m.	1 st Floor Board Room

JANUARY 2019

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	2	9:30 a.m.	1 st Floor Board Room
Board of Directors Special Meeting/Retreat <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:30 a.m.	Embassy Suites Novato Meeting Room 101 McInnis Parkway San Rafael, CA 94903
Board of Directors Climate Protection Committee <i>(Meets on the 3rd Thursday of every other Month)</i>	Thursday	17	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	21	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	23	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	24	9:30 a.m.	1 st Floor Board Room

FEBRUARY 2019

<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	6	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>	Wednesday	20	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	27	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	28	9:30 a.m.	1 st Floor Board Room
HL – 12/6/18 – 2:20 p.m.				G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 4, 2018

Re: Approval of the Minutes of October 25, 2018

RECOMMENDED ACTION

Approve the attached draft minutes of the Mobile Source Committee (Committee) Meeting of October 25, 2018.

DISCUSSION

Attached for your review and approval are the draft minutes of the Mobile Source Committee Meeting of October 25, 2018.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 3A: Draft Minutes of the Mobile Source Committee Meeting of October 25, 2018

AGENDA 3A – ATTACHMENT

Draft Minutes – Mobile Source Committee Meeting of October 25, 2018

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

DRAFT MINUTES

Summary of Board of Directors
Mobile Source Committee Meeting
Thursday, October 25, 2018

1. CALL TO ORDER – ROLL CALL

Mobile Source Committee (Committee) Chairperson, Scott Haggerty, called the meeting to order at 9:35 a.m.

Present: Chairperson Scott Haggerty; Vice Chair David Canepa; and Directors David Hudson, Doug Kim, and Karen Mitchoff.

Absent: Directors Margaret Abe-Koga, Pauline Russo Cutter, Carole Groom, Tyrone Jue, Nate Miley, and Jim Spring.

Also Present: None.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

3. ELECTRIC VEHICLE INFRASTRUCTURE AND FLEET INCENTIVE PROGRAMS (OUT OF ORDER, ITEM 6)

NOTED PRESENT: Director Kim was noted present at 9:37 a.m.

Damian Breen, Deputy Air Pollution Control Officer of technology, introduced Mark Tang, Staff Specialist, who gave the staff presentation *Electric Vehicle (EV) Infrastructure and Fleet Incentive Programs*, including: adoption of EVs in the Bay Area and California; current and needed EV charging infrastructure; Transportation Fund for Clean Air (TFCA); Charge! Program; impact of Air District (District) funding on Bay Area public charging stations; Charge! Program 2017-2018 and Fiscal Year Ending (FYE) 2019; Clean Fleets FYE 2019; and outreach activities.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed whether homeowners associations, business parks, city managers, and municipal fleet managers are included in recipients of program outreach; how the District identifies EV charging infrastructure opportunities; the cost of DC fast chargers; the California Building Standards Commission’s adoption of the accessibility standards for electric vehicle charging stations as part of the 2016 California Building Code; the District’s definition of ‘transit parking’; the request for a chart indicating the amount of District grant and incentive applications by county; procurement options for the applicants of the District’s Clean Fleet Program; the suggestion that the District specifically incentivizes DC fast chargers, especially for multi-family housing; the success of Whole Foods Market’s partnerships with EV charging companies in the Bay Area; the reason why District grants only cover procurement costs of EV chargers, and not operating/maintenance costs; the District’s position on municipal-owned EV charging businesses; and reasons for malfunctions of the EV charging stations at the Bay Area Metro Center.

Committee Action

None; receive and file.

4. APPROVAL OF THE MINUTES OF SEPTEMBER 27, 2018 (ITEM 3)

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Mitchoff made a motion, seconded by Director Kim, to **approve** the Minutes of September 27, 2018; and the motion carried by the following vote of the Committee:

AYES: Canepa, Haggerty, Hudson, Kim, and Mitchoff.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Cutter, Groom, Jue, Miley, and Spring.

5. PROJECTS AND CONTRACTS WITH PROPOSED GRANT AWARDS OVER \$100,000 (ITEM 4)

Karen Schkolnick, Strategic Incentives Division Director, introduced Monty DiPalma, Staff Specialist, who gave the staff presentation *Projects and Grants with Proposed Grant Awards Over \$100,000*, including: overview; Carl Moyer Program (CMP) and Mobile Source Incentive Fund (MSIF); Community Health Protection Grant Program (CHP); CMP, MSIF, and CHP project

recommendations over \$100,000; TFCA recommendations over \$100,000; projected grant revenues for FYE 2019 (\$137 million); funds recommended and awarded by project category and county, and since July 2018; status of FYE 2019 incentive funding by source; open and upcoming District - led solicitations; and recommendations.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the summary of all TFCA approved and eligible projects (under and over \$100,000) that were evaluated between July and October 2018); whether privately-owned school buses are eligible for District grants; funds from Volkswagen’s Environmental Mitigation Trust for school bus retrofits or replacements; and how applicants of the District’s Charge! Program can qualify for additional “Plus-Up” funding by using solar power to charge EV charging stations, but how such mechanisms are not yet in place for medium or heavy-duty vehicles.

Committee Action

Vice Chair Canepa made a motion, seconded by Director Hudson, to recommend that the Board **approve** staff recommendations; and the motion carried by the following vote of the Committee:

- AYES: Canepa, Haggerty, Hudson, Kim, and Mitchoff.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Abe-Koga, Cutter, Groom, Jue, Miley, and Spring.

6. TRANSPORTATION FUND FOR CLEAN AIR (TFCA) COUNTY PROGRAM MANAGER FUND POLICIES FOR FISCAL YEAR ENDING (FYE) 2020 AND A REQUEST FOR A WAIVER FOR THE FISCAL YEAR ENDING 2019 COUNTY PROGRAM MANAGER FUND POLICIES FROM THE SAN FRANCISCO COUNTY TRANSPORTATION AGENCY (ITEM 5)

Ms. Schkolnick introduced Linda Hui, Staff Specialist, who gave the staff presentation *Transportation Fund for Clean Air Country Program Manager (CPM) Fund Policies for Fiscal Year Ending 2020*, including: overview; background; feedback and comments from CPMs; summary of proposed updates for FYE 2020; next steps for future cycles; policy waiver request for FYE 2019 from San Francisco County Transportation Authority; and recommendations.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the District’s proposed increased maximum of project cost-effectiveness (dollar per weighted ton of criteria pollutants) for projects that install EV charging stations at multi-dwelling units, transit stations, and park-and-ride lot facilities; and whether additional funds are awarded to projects that make EV charging stations *publicly accessible*, and the fact that a majority of TFCA funding is allocated to projects that make EV charging publicly accessible.

Committee Action

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

- AYES: Canepa, Haggerty, Hudson, Kim, and Mitchoff.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Abe-Koga, Cutter, Groom, Jue, Miley, and Spring.

7. UPDATE ON PROPOSED SAFE AFFORDABLE FUEL-EFFICIENT VEHICLES (SAFE) RULE

Victor Douglas, Rules and Strategic Policy Manager, introduced Laura Cackette, Staff Specialist, who gave the staff presentation *Update on National Highway Traffic Safety Administration (NHTSA) / Environmental Protection Agency (EPA) Proposed Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule*, including: outline; context; overview of the proposal; comparing standards; California waiver; District impacts and action; and next steps.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the history of the federal waiver granted to the State of California to set its own greenhouse gas and zero emissions requirements for vehicles, and other states that have chosen to adopt California’s motor vehicle emission standards; anticipated legal action by the District, if the proposed SAFE Vehicles Rule for Model Years 2021-2026 Passenger Cars and Light Trucks passes, and whether the District foresees Congress taking action if the proposed rule passes; and impacts that California may experience if the waiver is withdrawn.

Committee Action

None; receive and file.

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBER COMMENTS

None.

10. TIME AND PLACE OF NEXT MEETING

Monday, December 17, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

11. ADJOURNMENT

The meeting adjourned at 10:59 a.m.

Marcy Hirtzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 4, 2018

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

RECOMMENDED ACTION

Recommend Board of Directors:

1. Approve recommended projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.

BACKGROUND

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

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

In 2017, Assembly Bill 617 (AB 617) directed the CARB, in conjunction with local air districts to establish the Community Air Protection Program. AB 617 provides a new community-focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in communities most impacted by air pollution. In advance of the development of the Community Air Protection Program, the Governor and legislature established an early action component to AB 617 to use existing incentive programs to get immediate emission reductions in

the communities most affected by air pollution. Assembly Bill 134 (AB 134) (2017) appropriated \$250 million from the Greenhouse Gas Reduction Fund (GGRF) to reduce mobile source emissions including criteria pollutants, toxic air contaminants, and greenhouse gases in those communities. The Bay Area has been allocated \$50 million of these funds for emission reduction projects. These funds will be used to implement projects under the CMP, and optionally for on-road truck replacements under the Proposition 1B Goods Movement Emission Reduction Program.

On February 21, 2018, the Board of Directors (Board) authorized Air District participation in Year 20 of the CMP, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000.

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in the HSC Sections 44241 and 44242. 60% of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, electric vehicle charging station program) and to a program referred to as the TFCA Regional Fund. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA funding.

On May 2, 2018, the Board authorized funding allocations for use of TFCA revenue in Fiscal Year Ending (FYE) 2019 and cost-effectiveness limits for Air District-sponsored FYE 2019 programs and authorized the Executive Officer/APCO to execute grant agreements and amendments for TFCA-revenue funded projects with individual grant award amounts up to \$100,000. On June 6, 2018, the Board adopted policies and evaluation criteria for the FYE 2019 TFCA Regional Fund program.

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

DISCUSSION

Carl Moyer Program and Community Health Protection Grant Program:

For the CMP Year 20 cycle, the Air District had more than \$11 million available for eligible CMP and school bus projects from a combination of MSIF and CMP funds. The Air District started accepting project applications for the CMP Year 20 funding cycle on June 25, 2018 and applications are accepted and evaluated on a first-come, first-served basis. On December 20, 2017 the Board authorized the Air District to accept, obligate and expend \$50 million in AB 134 funds through the Community Health Protection Grant Program.

As of November 16, 2018, the Air District had received 124 project applications. Of the applications that have been evaluated between October 9, 2018 and November 16, 2018, 16

eligible projects have proposed individual grant awards over \$100,000. These projects will replace 13 pieces of agricultural equipment, three pieces of off-road equipment, 19 school buses, and 15 marine engines, and will reduce over 27.976 tons of NOx, ROG and PM per year. Staff recommends the allocation of \$13,270,776 for these projects from a combination of CMP funds, MSIF revenues and Community Health Protection Grant Program funds. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2, lists all of the eligible projects that have been received by the Air District as of November 16, 2018, including information about the equipment category, award amounts, estimated emissions reductions, and county location. Approximately 62% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 4, Figures 4 and 5 summarize the cumulative allocation of CMP, MSIF, and Community Health Protection Grant Program funding since 2009 (more than \$246 million awarded to 1,099 projects).

Transportation Fund for Clean Air Program:

In FYE 2019, the Air District will be awarding \$20.44 million of TFCA monies to eligible projects. This includes \$13.36 million in new TFCA monies and \$7.08 million in carryover funds from previous cycles. As of November 16, 2018, the Air District had received 29 project applications. Of the applications that have been evaluated between October 9, 2018 and November 16, 2018, there were no eligible projects that proposed an individual grant award over \$100,000.

Attachment 3 lists all eligible TFCA projects that have been evaluated as of November 16, 2018 and three Air District-sponsored projects previously approved by the Board, including information about the equipment category, award amounts, estimated emissions reductions, and county location. Approximately 33% of FYE 2019 TFCA funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District distributes CMP, MSIF, Community Health Protection Grant Program, and TFCA funding to public agencies and private entities on a reimbursement basis. Funding for administrative costs is provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

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

Attachment 1: Projects with Grant Awards Greater than \$100,000
Attachment 2: CMP/MSIF and Community Health Protection Grant Program Approved Projects
Attachment 3: TFCA Program Approved Projects
Attachment 4: Summary of Funding Awarded between 7/1/18 and 11/16/18

AGENDA 4 - ATTACHMENT 1

Table 1 - Carl Moyer Program/ Mobile Source Incentive Fund, and Community Health Protection Grant Program projects with grant awards greater than \$100k (Evaluated between 10/9/18 and 11/16/18)

Project #	Applicant name	Equipment category	Project description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
20MOY49	F/V Rose Marie Inc.	Marine	Replacement of 1 diesel marine propulsion engine	\$ 148,000.00	\$ 185,636.00	0.597	-0.011	0.024	San Francisco
20MOY66	Pina Vineyard Management, LLC.	Ag/ off-road	Replacement of 3 diesel crawler tractors	\$ 188,700.00	\$ 235,958.00	0.160	0.037	0.028	Napa
20SBP08	Antioch Unified School District	School bus	Replacement of 3 diesel buses with electric buses and infrastructure	\$ 1,143,464.00	\$ 1,143,464.00	0.298	0.023	0.011	Contra Costa
20MOY76	FN Viticulture, LLC	Ag/ off-road	Replacement of 3 diesel tractors and 1 diesel loader	\$ 169,400.00	\$ 244,342.00	0.514	0.057	0.048	Napa
20MOY43	Michael Peery (Commercial fishing)	Marine	Replacement of 1 diesel marine propulsion engine and 1 diesel auxiliary engine	\$ 458,000.00	\$ 583,995.00	1.409	0.009	0.059	Solano
20MOY100	Grand Crew Vineyard Management	Ag/ off-road	Replacement of 2 diesel tractors and 1 diesel loader	\$ 136,520.00	\$ 170,667.00	0.211	0.077	0.033	Napa
20MOY67	Harley Marine Services, Inc. Vessel: Z-Three	Marine	Replacement of 2 diesel main engines and 2 diesel auxiliary engines	\$ 1,613,500.00	\$ 1,814,047.72	4.801	-0.135	0.380	Alameda
20MOY68	Harley Marine Services, Inc. Vessel: Z-Four	Marine	Replacement of 2 diesel main engines and 2 diesel auxiliary engines	\$ 1,613,500.00	\$ 1,858,826.12	4.801	-0.135	0.380	Alameda
20MOY69	Harley Marine Services, Inc. Vessel: Z-Five	Marine	Replacement of 2 diesel main engines and 2 diesel auxiliary engines	\$ 1,613,500.00	\$ 1,903,826.12	4.801	-0.135	0.380	Alameda
20MOY110	Steven's Creek Quarry, Inc.	Off-road	Replacement of 3 pieces of diesel off-road equipment	\$ 928,500.00	\$ 2,402,131.00	5.136	0.232	0.138	Santa Clara
20MOY117	Alameda-Contra Costa Transit District	On-road	Hydrogen fueling infrastructure	\$ 1,750,000.00	\$ 4,629,330.00	0.718	0.011	0.004	Alameda
20SBP1	Pittsburg Unified School District	School bus	Replacement of 2 diesel buses with electric buses	\$ 320,000.00	\$ 813,232.00	0.199	0.164	0.001	Contra Costa
20MOY95	Stan Poncia dba Terrilinda Dairy	Ag/ off-road	Replacement of 1 diesel loader	\$ 159,600.00	\$ 199,546.00	0.893	0.116	0.066	Sonoma
20MOY99	T and M Agricultural Services, LLC	Ag/ off-road	Replacement of 2 diesel tractors	\$ 121,800.00	\$ 152,340.00	0.359	0.047	0.032	Napa
20SBP72	Milpitas Unified School District	School bus	Replacement of 6 diesel buses with electric buses and infrastructure	\$ 1,246,785.00	\$ 2,476,853.37	0.318	0.019	0.007	Santa Clara
20SBP73	Berkeley Unified School District	School bus	Replacement of 5 diesel buses and 3 CNG buses with electric buses and infrastructure	\$ 1,659,507.00	\$ 3,419,509.06	0.617	0.045	0.132	Alameda
16 Projects				\$ 13,270,776.00	\$22,233,703.39	25.832	0.421	1.723	

AGENDA 4 - ATTACHMENT 2

*CMP/MSIF and Community Health Protection Grant Program approved projects
(between 7/6/18 and 11/16/18)*

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19MOY166	On-road	Equipment replacement	1	\$ 45,000.00	Deol Trans / Piara Singh	0.668	0.050	0.004	APCO	Contra Costa
19MOY168	Ag/ off-road	Equipment replacement	1	\$ 33,000.00	Rancho Las Juntas Vineyard	0.028	0.006	0.004	APCO	Contra Costa
19MOY163	Marine	Engine replacement	1	\$ 180,000.00	Bettencourt and Son (Commercial fishing)	0.647	0.009	0.021	10/17/2018	San Mateo
19MOY182	On-road	Equipment replacement	1	\$ 45,000.00	Thy Trucking	0.677	0.050	0.004	APCO	Alameda
19MOY185	On-road	Equipment replacement	1	\$ 60,000.00	Puerta Trucking	0.717	0.097	0.032	APCO	Merced
19MOY158	Ag/ off-road	Equipment replacement	1	\$ 117,000.00	Ocean Breeze Dairy	0.310	0.020	0.015	10/17/2018	Sonoma
19MOY159	Ag/ off-road	Equipment replacement	1	\$ 40,480.00	Trefethen Farming LLC	0.173	0.030	0.021	APCO	Napa
19MOY176	Ag/ off-road	Equipment replacement	1	\$ 60,930.00	Bazan Vineyard Management	0.198	0.033	0.025	APCO	Napa
19SBP12	School bus	Equipment replacement	4	\$ 512,170.00	Moreland School District	0.237	0.016	0.000	10/17/2018	Santa Clara
19MOY148	Off-road	Equipment replacement	2	\$ 197,278.00	The Lumber Baron, Inc.	0.178	0.044	0.008	10/17/2018	Alameda
19SBP97	School bus	Equipment replacement	8	\$ 1,635,693.00	Vallejo City Unified School District	0.826	0.065	0.000	10/17/2018	Solano
19MOY175	Off-road	Equipment replacement	1	\$ 75,680.00	Mt. Diablo Landscape Centers, LLC	0.189	0.031	0.023	APCO	Contra Costa
20MOY51	Ag/ off-road	Equipment replacement	5	\$ 467,856.00	Johnson and Neles Dairy	1.985	0.208	0.124	10/17/2018	Sonoma
20MOY52	On-road	Equipment replacement	1	\$ 60,000.00	James Marlowe Carson	0.904	0.068	0.005	APCO	Napa
19MOY181	Ag/ off-road	Equipment replacement	1	\$ 50,300.00	Jensen Ranch	0.122	0.019	0.011	APCO	Marin
19SBP140	School bus	Equipment replacement	18	\$ 4,076,369.00	Fremont Unified School District	1.717	0.139	0.034	10/17/2018	Alameda

AGENDA 4 - ATTACHMENT 2

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
20SBP45	School bus	Equipment replacement	2	\$ 1,291,000.00	Campbell Union School District	0.104	0.006	0.000	10/17/2018	Santa Clara
19MOY180	On-road	Equipment replacement	26	\$ 492,100.00	Nestle Waters North America	1.061	0.046	0.003	11/7/2018	Alameda, Solano
20MOY36	On-road	Equipment replacement	1	\$ 60,000.00	ZQR Trucking	0.982	0.074	0.006	APCO	Alameda
20MOY48	Marine	Engine replacement	1	\$ 99,500.00	Michael Thomas Hudson (Commercial fishing)	0.257	0.006	0.010	APCO	Alameda
20MOY60	Ag/ off-road	Equipment replacement	1	\$ 46,355.00	Siqueira Vineyard Management	0.156	0.026	0.018	APCO	Napa
20MOY50	Marine	Engine replacement	2	\$ 159,000.00	Captain Joe's Sportfishing	0.367	0.009	0.017	11/7/2018	San Francisco
20MOY71	Ag/ off-road	Equipment replacement	6	\$ 258,796.00	Vina Management Services	0.865	0.124	0.084	11/7/2018	Sonoma
20MOY65	On-road	Equipment replacement	1	\$ 40,000.00	Zahniser Trucking	0.738	0.122	0.006	APCO	Contra Costa
20MOY29	Off-road	Equipment replacement	3	\$ 15,000.00	D. C. Metals, Inc.	0.126	0.034	0.001	APCO	Alameda
20MOY62	Ag/ off-road	Equipment replacement	1	\$ 60,190.00	Vezer Family Vineyards	0.048	0.012	0.010	APCO	Solano
20MOY46	On-road	Equipment replacement	1	\$ 49,000.00	Akal Sahai Truck Lines Inc.	1.446	0.217	0.000	APCO	Alameda
20MOY63	On-road	Equipment replacement	1	\$ 23,500.00	Always Express Transportation	0.179	0.011	0.001	APCO	Alameda
20MOY49	Marine	Engine replacement	1	\$ 148,000.00	F/V Rose Marie Inc.	0.597	-0.011	0.024	TBD	San Francisco
20MOY94	Marine	Engine replacement	1	\$ 44,000.00	Jeffrey A Sylva (Commercial fishing)	0.116	0.001	0.004	APCO	Santa Clara
20MOY41	Ag/ off-road	Equipment replacement	1	\$ 29,500.00	Kehoe Dairy, Inc	0.049	0.002	0.003	APCO	Marin
20MOY66	Ag/ off-road	Equipment replacement	3	\$ 188,700.00	Pina Vineyard Management, LLC.	0.160	0.037	0.028	TBD	Napa
20MOY64	On-road	Equipment replacement	1	\$ 60,000.00	Basra Trucking	1.570	0.239	0.083	APCO	Santa Clara

AGENDA 4 - ATTACHMENT 2

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
20SBP08	School bus	Equipment replacement	3	\$ 1,143,464.00	Antioch Unified School District	0.298	0.023	0.011	TBD	Contra Costa
20MOY76	Ag/ off-road	Equipment replacement	4	\$ 169,400.00	FN Viticulture, LLC	0.514	0.057	0.048	TBD	Napa
20MOY97	On-road	Equipment replacement	1	\$ 40,000.00	Gosal Trucking	0.835	0.138	0.047	APCO	Contra Costa
20MOY43	Marine	Engine replacement	2	\$ 458,000.00	Michael Peery (Commercial fishing)	1.409	0.009	0.059	TBD	Solano
20MOY100	Ag/ off-road	Equipment replacement	3	\$ 136,520.00	Grand Crew Vineyard Management	0.211	0.077	0.033	TBD	Napa
20MOY96	On-road	Equipment replacement	1	\$ 60,000.00	Reliable Express Transportation Inc.	0.586	0.043	0.003	APCO	Alameda
20MOY67	Marine	Engine replacement	4	\$ 1,613,500.00	Harley Marine Services, Inc. Vessel: Z-Three	4.801	-0.135	0.380	TBD	Alameda
20MOY68	Marine	Engine replacement	4	\$ 1,613,500.00	Harley Marine Services, Inc. Vessel: Z-Four	4.801	-0.135	0.380	TBD	Alameda
20MOY69	Marine	Engine replacement	4	\$ 1,613,500.00	Harley Marine Services, Inc. Vessel: Z-Five	4.801	-0.135	0.380	TBD	Alameda
20MOY110	Off-road	Equipment replacement	3	\$ 928,500.00	Steven's Creek Quarry, Inc.	5.136	0.232	0.138	TBD	Santa Clara
20MOY117	On-road	Hydrogen fueling infrastructure	1	\$ 1,750,000.00	Alameda-Contra Costa Transit District	0.718	0.011	0.004	TBD	Alameda
20SBP1	School bus	Equipment replacement	2	\$ 320,000.00	Pittsburg Unified School District	0.199	0.164	0.001	TBD	Contra Costa
20MOY95	Ag/ off-road	Equipment replacement	1	\$ 159,600.00	Stan Poncia dba Terrilinda Dairy	0.893	0.116	0.066	TBD	Sonoma
20MOY99	Ag/ off-road	Equipment replacement	2	\$ 121,800.00	T and M Agricultural Services, LLC	0.359	0.047	0.032	TBD	Napa
20SBP72	School bus	Equipment replacement	6	\$ 1,246,785.00	Milpitas Unified School District	0.318	0.019	0.007	TBD	Santa Clara
20SBP73	School bus	Equipment replacement	8	\$ 1,659,507.00	Berkeley Unified School District	0.617	0.045	0.132	TBD	Alameda
49 Projects			150	\$ 23,755,473.00		44.892	2.419	2.350		

AGENDA 4 - ATTACHMENT 3

Summary of all TFCA approved and eligible projects (evaluated between 7/1/18 and 11/16/18)

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO _x	ROG	PM			
18EV049	LD Infrastructure	Install and operate 12 single-port Level 2 (high) charging stations at 6 destination facilities in San Mateo, Burlingame, San Bruno, and Millbrae	\$36,000	San Mateo Union High School District	0.020	0.025	0.000	7/5/18	No	San Mateo
18EV056	LD Infrastructure	Install and operate 3 dual-port Level 2 (high) charging stations at 3 destination facilities in Richmond and El Cerrito	\$12,000	West Contra Costa Unified School District	0.007	0.009	0.000	7/5/18	Yes	Contra Costa
18EV047	LD Infrastructure	Install and operate 4 single port Level 2 (high) charging stations at 1 destination facility in San Mateo	\$12,000	Nazareth Plaza Owners' Association	0.007	0.009	0.000	7/30/18	No	San Mateo
18EV035	LD Infrastructure	Install and operate 4 single-port Level 2 (high) charging stations at 1 destination facility in Greenbrae	\$12,000	Marin Rowing Association	0.007	0.009	0.000	7/31/18	No	Marin
18EV029	LD Infrastructure	Install and operate 16 single-port Level 2 (high) charging stations at 1 workplace facility in Los Altos Hills	\$48,000	Creative Center of Los Altos	0.026	0.034	0.001	10/30/18	No	Santa Clara
18R18	Bicycle Facilities	Install 0.09 miles of Class I and 0.28 miles of Class IV bikeways in Los Gatos	\$242,000	Town of Los Gatos	0.029	0.056	0.039	8/1/18	No	Santa Clara
18R21	Bicycle Facilities	Install 40 electronic bicycle lockers in Danville	\$96,000	Town of Danville	0.014	0.018	0.026	8/3/18	No	Contra Costa
18R22	Bicycle Facilities	Install 16 electronic bicycle lockers in San Francisco	\$32,000	San Francisco Community College District	0.004	0.006	0.007	8/3/18	No	San Francisco
18R14	Bicycle Facilities	Install + maintain 3.62 miles of Class III bikeways in Petaluma	\$48,500	City of Petaluma	0.007	0.009	0.014	8/6/18	No	Sonoma
18R20	Bicycle Facilities	Install and maintain 1.57 miles of Class II bikeways and 23 bike racks (2 bikes per rack)	\$38,000	City of Gilroy	0.008	0.010	0.013	8/22/18	No	Santa Clara
19R01	Trip Reduction	Enhanced Mobile Source & Commuter Benefits Enforcement	\$554,842	BAAQMD	NA	NA	NA	NA	No	Regional
19R02	LD Vehicles	Vehicle Buy Back Program	\$150,000	BAAQMD	NA	NA	NA	NA	No	Regional
19R03	Trip Reduction	Spare The Air/Intermittent Control Programs	\$2,305,927	BAAQMD	NA	NA	NA	NA	No	Regional
19RFG04*	Off-road (non-ag)	Purchase 5 electric forklifts, 1 electric vacuum unit, and 1 electric terminal truck	\$221,000	Wyse Logistics	0.107	0.015	0.008	10/17/18	Yes	Alameda
19RFG06*	LD Infrastructure	Install 45 dual port level 2 EV charging stations	\$279,000	Hayward Unified School District	0.014	0.003	0.001	10/17/18	Yes	Alameda
19RFG09*	LD Vehicles	Deploy 48 EVs in carsharing service	\$439,000	Envoy Technologies	0.027	0.005	0.002	10/17/18	Yes	Alameda / Contra Costa
19R10	Trip Reduction	Pleasanton Connector Shuttles	\$80,000	San Joaquin Regional Rail Commission	0.234	0.387	0.647	10/18/18	Yes	Alameda
19R13	Trip Reduction	Juvenile Justice Center/ Fairmont Hospital Shuttle	\$29,700	County of Alameda	0.011	0.040	0.058	10/18/18	Yes	Alameda
19R14	Trip Reduction	PresidiGO Downtown Shuttle	\$100,000	Presidio Trust	0.252	0.352	0.471	11/7/2018	Yes	San Francisco
19R15	Trip Reduction	Caltrain Shuttle Program	\$652,600	Peninsula Corridor Joint Powers Board	2.64	3.66	5.14	11/7/2018	No	San Mateo/Santa Clara
19R16	Trip Reduction	ACE Shuttle Bus Program	\$960,000	Santa Clara Valley Transportation Authority	2.43	2.60	4.29	11/7/2018	Yes	Santa Clara
19R18	Trip Reduction	SJSU Ridesharing & Trip Reduction	\$139,500	Associated Students, San Jose State University	0.231	0.266	0.366	11/7/2018	No	Regional

22 Projects*

\$6,488,069

6.073 7.512 11.084

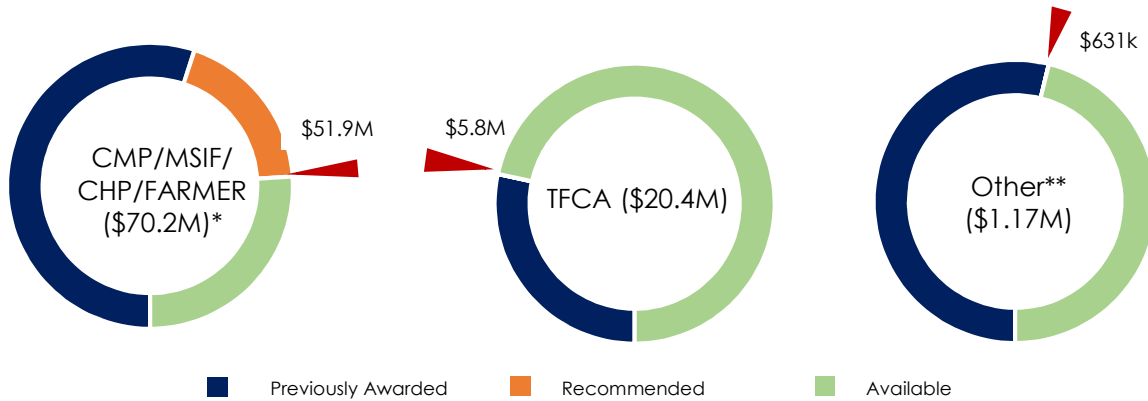
* The award amounts for these projects include a total of \$631,000 of RFG funds

AGENDA 4 - ATTACHMENT 4

Summary of funding awarded between 7/1/18 and 11/16/18

- Carl Moyer Program (CMP)
- Community Health Protection Program (CHP)
- Funding Agricultural Replacement Measures for Emission Reductions (FARMER)
- Mobile Source Incentive Fund (MSIF)
- Transportation Fund for Clean Air (TFCA)
- Reformulated Gasoline Settlement Fund (RFG)

Figure 1. Status of funding by source



* Includes awards from FYE 2018

** Other includes RFG

Figure 2. Funding awarded by county

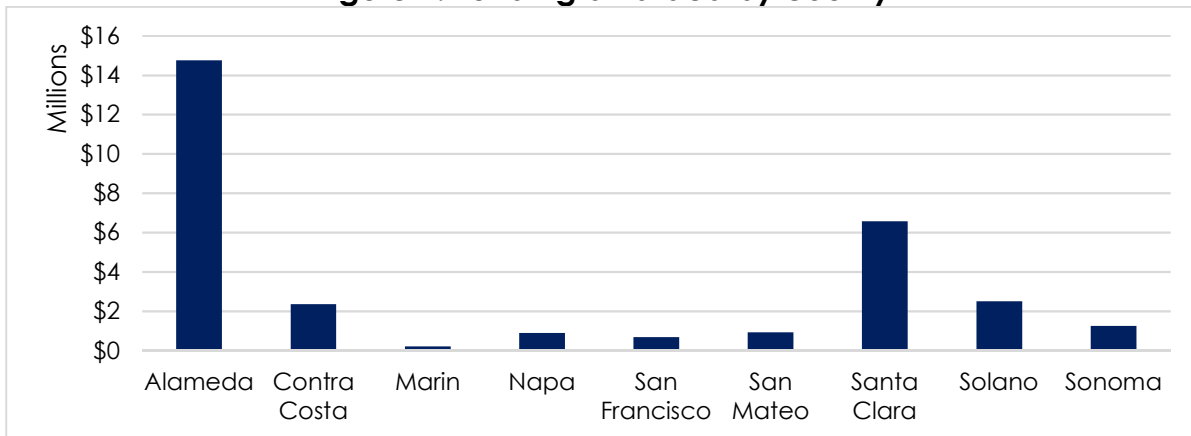
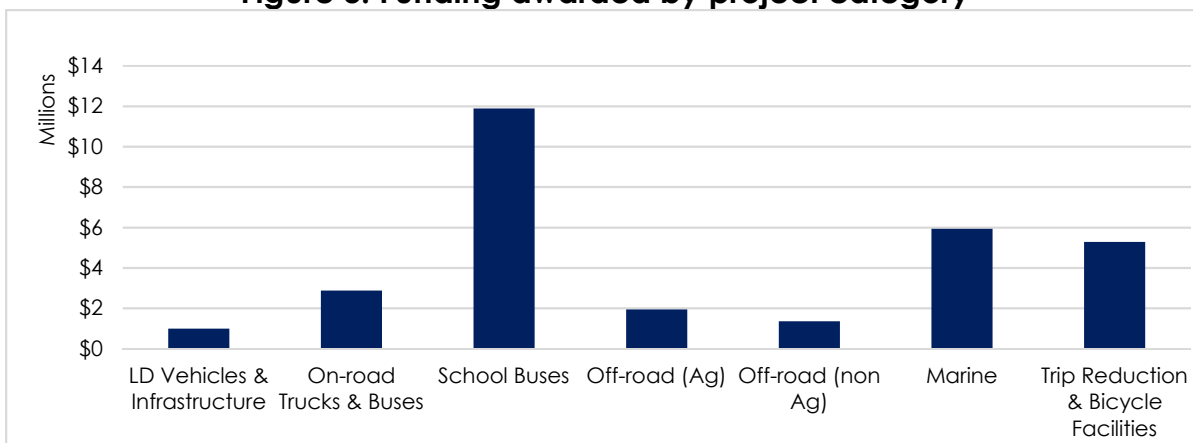


Figure 3. Funding awarded by project category



AGENDA 4 - ATTACHMENT 4

Figure 4. CMP/MSIF/CHP/FARMER funding awarded since 2009 by county

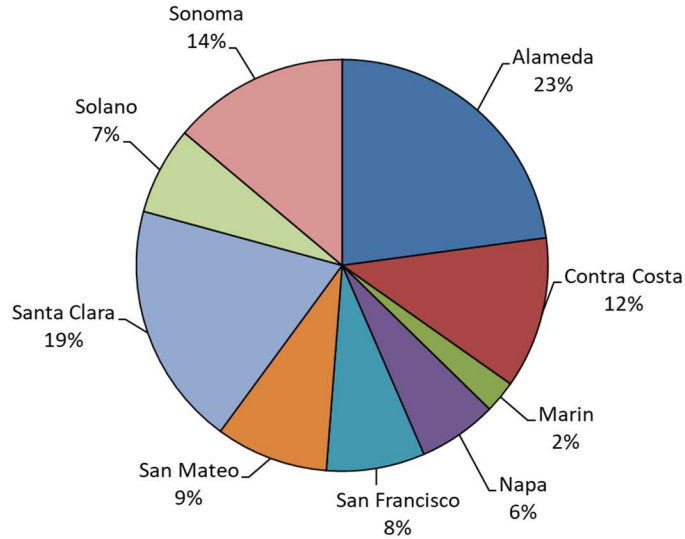
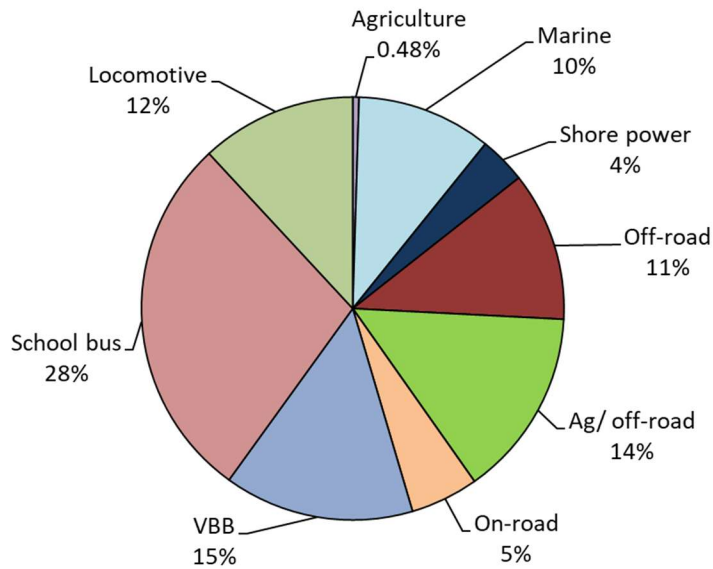


Figure 5. CMP/MSIF/CHP/FARMER funding awarded since 2009 by category



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 4, 2018

Re: Fiscal Year Ending (FYE) 2017 Transportation Fund for Clean Air (TFCA) Program
Audit Results

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) Program to fund eligible projects and programs. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242.

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

HSC Section 44242 requires that the Air District conduct an audit of projects and programs funded with TFCA monies, at least once every two years. The Air District audits Regional Fund projects and Air District-Sponsored programs annually and County Program Manager Fund projects biennially. On October 4, 2017, the Air District's Board of Directors (Board) approved the award of a contract to Simpson & Simpson, LLP for audit services, including a financial and compliance review of TFCA-funded projects and programs.

DISCUSSION

Fiscal Year Ending (FYE) 2017 TFCA Audit (Audit #19) covers Regional Fund projects, Air District-sponsored programs, and County Program Manager Fund projects that were completed between July 1, 2016 and June 30, 2017. Simpson & Simpson, LLP conducted financial and compliance audits of 26 Regional Fund projects, three Air District-Sponsored programs, and 119 County Program Manager Fund projects. Audit # 19 also reviewed the Air District administrative

expense of TFCA funds incurred between July 1, 2016 and June 30, 2017.

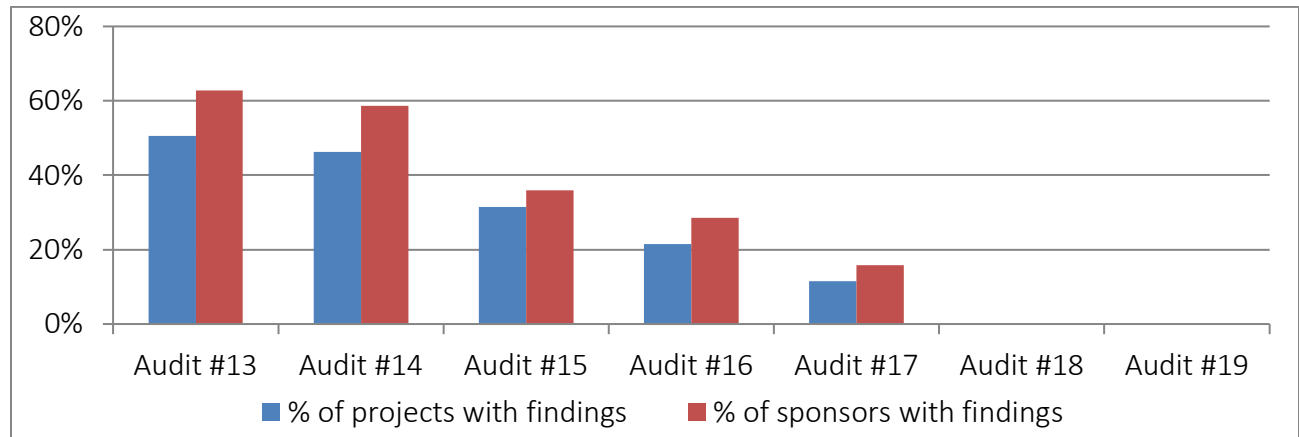
For Audit #19, Simpson & Simpson, LLP conducted audit field work during the months of February 2018 through October 2018. Following the completion of field-work, Simpson & Simpson, LLP issued a draft audit report to each of the project sponsors and County Program Managers and offered an opportunity to those with any preliminary findings to provide a management response.

Results for TFCA Regional Fund Projects and Air District-Sponsored Programs

The Audit Summary Report for the TFCA Regional Fund Projects and Air District-Sponsored Programs is included as Attachment 1. Appendix B of this report contains a list of the projects and programs that were audited. There were no reported findings.

The lack of findings in Regional Fund projects reflects an overall improvement in project sponsors' adherence to program and contractual requirements and is the result of actions taken by Air District staff over the years to improve and strengthen its administrative processes and to provide additional support to project sponsors. Figure 1 below shows the performance trend of the most recent seven TFCA audits.

Figure 1: Performance Trend for TFCA Regional Fund and Air District-Sponsored Programs Audits #13 - #19



Results for TFCA County Program Manager Fund

The Audit Summary Report for the County Program Manager Fund is included as Attachment 2. Appendix B of this report contains a list of the projects and programs that were audited. There were two findings for the TFCA County Program Manager Fund:

- The Transportation Authority of Marin (TAM) over-reported the amount of TFCA funds expended for project #10MAR07. Upon the auditor's review, a total of \$103,128 in TFCA funds was expended on this project; however, on the Final Report submitted to the Air District in May 2017, TAM reported that \$142,000 was expended. As the \$38,872 overreported amount was properly credited and accounted in TAM's TFCA fund as of June

30, 2013, this is a reporting discrepancy that was caused by limited access to historic data hosted in Marin County's discontinued SAP Financial system. Based on TAM's response, the implementation of its MIP Financial system will prevent the same issue from happening again and the overreported funds will be re-programmed to other eligible TFCA projects.

- The City/County Association of Governments of San Mateo County was late in submitting the Final Reports for projects #16SM01 and #16SM02. These reports were due on October 31, 2016 but were not submitted until November 18, 2016.

Air District staff will continue to work closely with the County Program Managers to improve and strengthen administrative processes and will also be updating the next funding agreement boilerplate to allow the Air District to accept a late-submitted report at its discretion without waiving or amending the submission deadline of any or all subsequent reports.

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

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Administrative costs for the TFCA audit and staff are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Newlin, Linda Hui and Ken Mak
Reviewed by: Karen Schkolnick and Chengfeng Wang

Attachment 1: FYE 2017 Audit Summary Report for the TFCA Regional Fund (Audit #19)
Attachment 2: FYE 2017 Audit Summary Report for the TFCA County Program Manager Fund (Audit #19)

12/17/2018 MOBILE SOURCE COMMITTEE MEETING

AGENDA ITEM #5 – ATTACHMENT 1

**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

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

AUDIT SUMMARY REPORT

PROJECT PERIOD ENDED JUNE 30, 2017



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

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4. Project Sponsor Findings.....	3
Appendix:	
A- Health and Safety Code Sections 44241 and 44242.....	5
B- Listing of Audited Projects.....	9

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

1 – INTRODUCTION

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

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

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

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

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

2 – PROGRAM DESCRIPTION

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

- The implementation of ridesharing programs.
- The purchase or lease of clean fuel buses for school districts and transit operators.
- The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
- Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

2 – PROGRAM DEISCRPTION (continued)

- Implementation of rail-bus integration and regional transit information systems.
- Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit.
- Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
- Implementation of a smoking vehicles program.
- Implementation of an automobile buy-back scrappage program operated by a governmental agency.
- Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
- The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

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

The Air District retained the firm of Simpson and Simpson LLP to conduct financial and compliance audits of completed projects funded through the Regional Fund for the project period ended June 30, 2017. These audits were conducted during the months of May 2018 through November 2018.

A total of 25 individual project sponsors and 30 projects were audited, with \$9,314,563 total funds expended through June 30, 2017. A listing of the projects audited is provided in Appendix B. Unmodified opinions were issued on all 25 reports.

3 – AUDIT PROCESS

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

Audit of the Schedules of Expenditures

The financial audits were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States for the project period ended June 30, 2017.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

3 – AUDIT PROCESS (continued)

Procedures performed included, but were not limited to:

- Gaining an understanding of the project sponsors' internal controls over financial reporting of the TFCA program through observation, inquiry, and supporting documentation.
- Tracing expenditures related to the TFCA program to the project sponsor's accounting records.
- Validating TFCA expenditures related to vendor disbursements, payroll, and administrative charges to supporting documentation.
- Conducting interviews with project sponsors to inquire about known, alleged or suspected fraud related to the program.

Compliance Auditing Procedures

The audits were performed in accordance with the requirements outlined in the Health and Safety Code, individual funding agreements and Government Auditing Standards. The principal focus of the compliance auditing procedures was to ensure TFCA expenditures were paid in accordance with the program's objectives (Health and Safety Code Section (HSC) 44241). Compliance audits were planned and performed to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to in the HSC could have a direct and material effect on projects reported in the Schedules occurred.

The audit includes examining, on a test basis, evidence about the project sponsor's compliance with those requirements and performing such other procedures as considered necessary in the circumstances, as of the project period ended June 30, 2017.

Auditing procedures performed included, but were not limited to:

- Testing expenditures for allowable costs in accordance with Section 44241 of the Health and Safety Code.
- Verifying that the project sponsor used the TFCA funds for the reduction of emissions from motor vehicles.
- Determining that the project sponsor adopted appropriate resolutions authorizing the grant application or, where applicable, an authorizing letter of commitment.
- Verifying the expenditure of funds was within two years, unless a longer period was approved in writing by the Air District.
- Determining whether the project sponsor submitted to the Air District all required reports and that the reports contained all information required as specified on Attachment C of the funding agreement.
- Verifying the use of the Air District's approved logo or acknowledgment of the Air District in printed or electronic materials for public distribution.
- Determining whether other specific terms of the funding agreement were adhered to, such as additional reporting requirements.

4 – PROJECT SPONSOR FINDINGS

No project sponsor findings were identified for the project period ending June 30, 2017.

APPENDIX A

HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Appendix A - Health and Safety Code Sections 44241 and 44242
For the Project Period Ended June 30, 2017**

44241

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

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Appendix A - Health and Safety Code Sections 44241 and 44242
For the Project Period Ended June 30, 2017**

44241 (continued)

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

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Appendix A - Health and Safety Code Sections 44241 and 44242
For the Project Period Ended June 30, 2017**

44242

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

APPENDIX B
LISTING OF AUDITED PROJECTS

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

TFCA Project Number	Project Sponsor	Project Description	Final Project Expenses through 6/30/2017
17R00	BAAQMD	Administration Enhanced Mobile Source	\$ 1,284,608
17R01	BAAQMD	Inspections	488,124
17R02	BAAQMD	Vehicle Buy Back Program	119,761
17R03	BAAQMD	Space the Air/Intermittent Control Programs	1,658,955
15R18	San Francisco Bay Area Rapid Transit District	Electronic Bicycle Lockers and Racks Program	268,095
16RFG18	San Francisco Bay Area Rapid Transit District	Install 18 dual port and 5 single port level 2 charging stations in Fremont	250,000
16EV019	California State University, East Bay	Install 2 dual-port level 2 charging stations in Hayward	12,000
16EV001	Car Charging Inc.	Install 10 single-port level 2 charging stations within San Jose	28,885
16RFG01	Chabot-Las Positas Community College District	Install 12 dual port level 2 charging stations in Livermore and Hayward	65,112
16RFG08	City of Millbrae	Install 8 dual-port level 2 charging stations in Millbrae	78,000
16RFG15	City of Palo Alto	Install 1 dual-port and 1 single-port level 2 charging stations in Palo Alto	20,000
16RFG17	City of Richmond	Install 1 DC fast and 1 single-port level 2 charging stations in Richmond	47,511
16DCFC01	City of Saratoga	Install 1 dual-connector DC Fast Charger station in Saratoga	35,000
16EV002	DTTC Properties, Inc.	Install 3 single-port level 2 charging stations with solar in Campbell	22,500
16EV023	Ferrotec Corporation	Install two dual-port level 2 charging stations in Livermore	8,228
15R27	FirstElement Fuel Inc.	Install 7 hydrogen refueling stations in Saratoga, Mill Valley, San Jose, Campbell, Hayward, South San Francisco, and Fremont	873,918
16EV021	Ford Point, LLC	Install 1 DC fast and 8 dual-port level 2 charging stations in Richmond	73,000
15R31	Hydrogen Technology & Energy Corporation	Install one hydrogen refueling station in Woodside	145,000

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

TFCA Project Number	Project Sponsor	Project Description	Final Project Expenses through 6/30/2017
16EV049	One Hawthorne Owners Association	Install 4 level 2 charging stations in San Francisco	10,319
15R05	Metropolitan Transportation Commission	Regional Rideshare Program	830,962
16R11	Metropolitan Transportation Commission	Regional Carpool Program	918,750
16RFG11	NASA Ames Exchange Peninsula Corridor Joint Power Board	Install 8 DC fast charging stations in Moffett Field	342,014
16R19		Caltrain Shuttle Program	188,425
16R17	Presidio Trust	PresidiGO Downtown Shuttle	100,000
16R15	San Joaquin Regional Rail Commission	ACE Shuttle 53 & 54	77,813
16EV012	Santa Clara Campus Owners' Association	Install 98 dual-port level 2 charging stations in Santa Clara	338,546
16R20	Santa Clara Valley Transportation Authority	ACE Shuttle Bus Program	960,000
14R19	San Francisco Bay Area Water Emergency Transportation Authority	Electronic Bicycle Lockers	45,037
16EV044	Siemens Healthcare Diagnostics, Inc.	Install 4 single-port level 2 charging stations in Berkeley	10,000
16EV040	Sonoma State University	Install 2 dual-port level 2 and 2 single-port level 2 charging stations in Rohnert Park	14,000
Final Project Expenses through 6/30/2017			<u>S 9,314,563</u>
Total Project Sponsors Audited			25
Total Projects Audited			30

12/17/2018 MOBILE SOURCE COMMITTEE MEETING

AGENDA ITEM #5 – ATTACHMENT 2

**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

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

AUDIT SUMMARY REPORT

PROJECT PERIOD ENDED JUNE 30, 2017

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

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**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

1 – INTRODUCTION

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

2 – PROGRAM DESCRIPTION

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

- The implementation of ridesharing programs.
- The purchase or lease of clean fuel buses for school districts and transit operators.
- The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
- Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
- Implementation of rail-bus integration and regional transit information systems.
- Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit.
- Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
- Implementation of a smoking vehicles program.
- Implementation of an automobile buy-back scrappage program operated by a governmental agency.
- Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
- The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

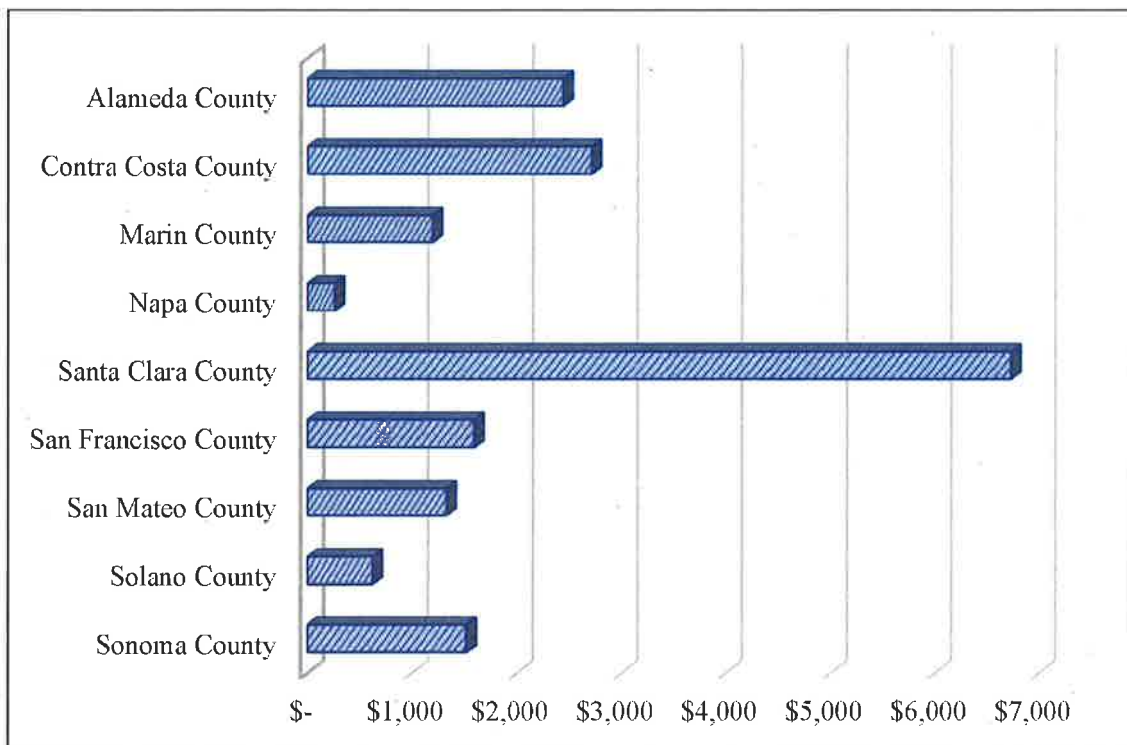
2 – PROGRAM DEISRIPTION (continued)

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

The Air District retained the firm of Simpson and Simpson LLP to conduct financial and compliance audits of completed projects funded through the Program Manager Fund for the project period ended June 30, 2017.

The graph below reports the amount of TFCA Funds allocated to each of the individual Program Managers for projects that closed during the period from July 1, 2015 through June 30, 2017. These audits were performed during the period of May 2018 through November 2018. A list of audited projects is provided in Appendix B.

**Total Funds Expended by Program Manager for Projects Completed
During the Period of July 1, 2015 through June 30, 2017 (in thousands)**



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

3 – AUDIT PROCESS

The audits were designed to address numerous financial and compliance objectives; however, the principal objectives of the audits were to (1) provide assurance that amounts reported in the Schedules of Expenditures are fairly stated, and (2) determine whether projects financed through the Air District's Program Manager Fund met funding agreement requirements. The audit procedures were specifically designed for TFCA financial and compliance requirements, which is described below. Unmodified opinions were issued on all 9 Program Managers' reports.

Audit of the Schedules of Expenditures

The financial audits were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States for the project period ended June 30, 2017. The expenditures under audit were TFCA expenditures, incurred by the Program Managers in the Air District's jurisdiction, related to projects that had been reported closed between July 1, 2015 and June 30, 2017.

Compliance Auditing Procedures

The audits were performed in accordance with the requirements outlined in the Health and Safety Code, individual funding agreements and Government Auditing Standards. The principal focus of the compliance auditing procedures was to ensure TFCA expenditures were paid in accordance with the program's objectives (Health and Safety Code Section (HSC) 44241). Compliance audits were planned and performed to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to in the HSC could have a direct and material effect on projects reported in the Schedules occurred.

The audit includes examining, on a test basis, evidence about the project sponsor's compliance with those requirements and performing such other procedures as considered necessary in the circumstances, as of the project period ended June 30, 2017.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

4 – PROGRAM MANAGER FINDINGS

Transportation Authority of Marin - Finding No. 2017-1 – Final Report Form Reporting

TFCA Project Affected

- Project Number: 10MAR07
- Project Sponsor: Transportation Authority of Marin
- Project Description: Central Marin Ferry Connection

Criteria

A Final Report Form (Form) is required to be submitted by the Transportation Authority of Marin (TAM) to the Bay Area Air Quality Management District (Air District) upon completion of the program project. The Form itemizes (a) the expenditure of the TFCA Funds, and (b) the results of the monitoring of the performance of each program project on Air District approved report forms.

Condition, Cause and Effect

We reviewed the Form covering TFCA project 10MAR07, which was submitted timely to the Air District on May 31, 2017. TAM reported on the Form the total *TFCA Funds Expended by the Authority for the TFCA Project* in the amount of \$142,000, which also represents the total TFCA funds awarded to the project.

We tested the accuracy of the total expended funds by reconciling the reported amount to the TAM's general ledger of costs charged to the project, which is reported on the Schedule of Expenditures of Projects (Schedule) as Final Project Expenditures through 6/30/2017.

We noted that \$103,128 of TFCA funds were expended on the project and not the reported \$142,000.

Questioned Costs

As a result, a total of \$38,872 was overreported for TFCA Project 10MAR07.

Recommendation

We recommend that TAM strengthen its controls to ensure accurate reporting of actual TFCA funds expended on projects, as reported on the Form to the Air District.

TAM's Response

The \$38,872 overreported cost is only an issue with the project closing report submitted in May 2017. The overreported amount was properly credited and accounted in the agency's TFCA fund as of June 30, 2013. The discrepancy was caused due to limited access to historic data hosted in Marin County's discontinued SAP Financial system in 2017. Now with the implementation of TAM's MIP Financial system, project funding report will provide timely and accurate information to prevent the same issue from happening again.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Audit Summary Report
For the Project Period Ended June 30, 2017**

4 – PROGRAM MANAGER FINDINGS (continued)

City/County Association of Governments of San Mateo County - Finding No. 2017-1 – Final Report Form Reporting

TFCA Projects Affected

- Project Number, Sponsor, Description:
 - 16SM01 - Peninsula Traffic Congestion Relief Alliance, Countrywide Voluntary Trip Reduction Program.
 - 16SM02 - San Mateo County Transit District, SanTrans Shuttle Program.

Criteria

A Final Report Form (Form) is required to be submitted by the City/County Association of Governments of San Mateo County (C/CAG) to the Bay Area Air Quality Management District (Air District) upon completion of the program project. The Form is to be submitted each May 31 and October 31, whichever date falls subsequent to the Project Completion Date.

Condition, Cause and Effect

We reviewed the Forms submitted for TFCA projects 16SM01 and 16SM02. The Project Completion Date for both projects was June 30, 2016. Accordingly, the Form should have been submitted to the Air District by the October 31, 2016 deadline.

We noted that the Forms were submitted untimely on November 18, 2016.

Questioned Costs

Not applicable. This finding is considered a programmatic non-compliance issue.

Recommendation

We recommend that C/CAG strengthen its controls to ensure timely submission of the Form to the Air District.

C/CAG's Response

C/CAG completes the Funding Status Report, while, accompanying Interim reports, Final reports and Cost-effectiveness worksheets comes from individual project sponsors.

C/CAG made the effort to submit the Funding Status Report Form to the Air District by the deadline on October 31, 2016 and informed the Air District that submission of the remaining accompanying reports would be delayed. Forms were subsequently submitted on November 18, 2016, as noted.

C/CAG will develop procedures to ensure timely submission of the Final Report Form to the Air District in the future. Procedures to be implemented includes providing more advanced notice to project sponsors with regards to reporting deadlines and allocating sufficient time to collate and confirm project information for reporting purposes.

APPENDIX A

HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Appendix A - Health and Safety Code Sections 44241 and 44242
For the Project Period Ended June 30, 2017**

44241

- (a) Fee revenues generated under this chapter in the bay district shall be subvned to the bay district by the Department of Motor Vehicles after deducting its administrative costs pursuant to Section 44229.

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

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Appendix A - Health and Safety Code Sections 44241 and 44242
For the Project Period Ended June 30, 2017**

44241 (continued)

- (c) (1) Fee revenue generated under this chapter shall be allocated by the bay district for projects and programs specified in subdivision (b) to cities, counties, the Metropolitan Transportation Commission, transit districts, or any other public agency responsible for implementing one or more of the specified projects or programs. Fee revenue generated under this chapter may also be allocated by the bay district for projects and programs specified in paragraph (7) of subdivision (b) to entities that include, but are not limited to, public agencies, consistent with applicable policies adopted by the governing board of the bay district. Those policies shall include, but are not limited to, requirements for cost-sharing for projects subject to the policies. Fee revenues shall not be used for any planning activities that are not directly related to the implementation of a specific project or program.

- (2) The bay district shall adopt cost-effectiveness criteria for fee revenue generated under this chapter that projects and programs are required to meet. The cost-effectiveness criteria shall maximize emissions reductions and public health benefits.

- (d) Not less than 40 percent of fee revenues shall be allocated to the entity or entities designated pursuant to subdivision (e) for projects and programs in each county within the bay district based upon the county's proportionate share of fee-paid vehicle registration.

- (e) In each county, one or more entities may be designated as the overall program manager for the county by resolutions adopted by the county board of supervisors and the city councils of a majority of the cities representing a majority of the population in the incorporated area of the county. The resolution shall specify the terms and conditions for the expenditure of funds. The entities so designated shall be allocated the funds pursuant to subdivision (d) in accordance with the terms and conditions of the resolution.

- (f) Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall hold one or more public meetings for the purpose of adopting criteria for expenditure of the funds, if those criteria have been modified in any way from the previous year. Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall also hold one or more public meetings to review the expenditure of revenues received pursuant to this section by any designated entity. If any county or entity designated pursuant to subdivision (e) that receives funds pursuant to this section has not allocated all of those funds within six months of the date of the formal approval of its expenditure plan by the bay district, the bay district shall allocate the unallocated funds in accordance with subdivision (c).

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Appendix A - Health and Safety Code Sections 44241 and 44242
For the Project Period Ended June 30, 2017**

44242

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

APPENDIX B
LISTING OF AUDITED PROJECTS

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

**Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

Alameda County Transportation Commission:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
Alameda County Transportation Commission		
Program Administration	15ALA00	\$ 104,848
Program Administration	16ALA00	96,642
Alameda County		
Mattox Road Bike Lanes	11ALA02	40,000
Alameda County Public Works		
Lake Chabot Road Class II Bicycle Lane	15ALA01	49,000
East Castro Valley Boulevard Class II Bike Lanes	16ALA01	62,000
AC Transit		
Route 51 Transit Signal Priority	14ALA11	123,821
BART		
BART West Oakland Bike Locker Plaza	16ALA11	55,000
California State University, East Bay		
CSUEB Campus Shuttle II	15ALA10	145,000
City of Berkeley		
Berkeley Citywide Bicycle Parking Project	14ALA02	110,092
City of Dublin		
Village Parkway Class 2 Bike Lanes	15ALA03	90,000
City of Fremont		
City of Fremont Arterial Management - Stevenson Blvd.	14ALA04	55,207
City of Oakland		
Traffic Signal Synchronization along Martin Luther King Jr. Way	11ALA09	122,698
Adeline St Bikeway Gap Closure Project	14ALA06	51,000
CityRacks Bicycle Parking Program, Phase 10	14ALA07	88,000
Oakland Broadway "B" Shuttle Peak Hour Operations	15ALA06	41,500
CityRacks, Phase 11	15ALA07	88,000
Broadway "B" Shuttle - Non-Peak (10am-3pm) Operations	16ALA06	210,000
City of Pleasanton		
Pleasanton Trip Reduction Program	14ALA09	118,000
City of San Leandro		
San Leandro LINKS	14ALA10	60,000
San Leandro LINKS shuttle	16ALA09	37,500
Livermore Amador Valley Transit Authority (LAVTA)		
Route 53 Operations	14ALA14	120,000
Route 54 Operations	14ALA15	47,000
LAVTA Route 8 Shuttle	15ALA11	55,000
LAVTA Route 12 Shuttle	15ALA12	101,500
LAVTA Route 15 Shuttle	15ALA13	96,000
LAVTA Route 30 BRT Operations	16ALA14	275,000
Total		\$ 2,442,808

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

**Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

Contra Costa Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
Contra Costa Transportation Authority		
Program Administration	16CC00	\$ 72,659
Program Administration	17CC00	73,053
TRANSPAC/ City of Pleasant Hill		
Central/East SOV Trip/Emissions Reduction Program	15CC02	767,576
Central/East SOV Trip/Emissions Reduction Program	16CC02	795,205
County of San Ramon		
511CC Southwest Student Program	12CC07	151,626
511CC Southwest Employer Program	14CC05	73,283
511CC Southwest Student Program	14CC07	137,280
511CC Southwest Employer Program	15CC03	83,052
West Contra Costa Transportation Advisory Committee		
West County Employer Outreach	11CC02	94,024
West Contra Costs Commute Incentive Program	12CC01	60,000
West County Employer Outreach	12CC02	100,000
West County Emissions/ Trip Reduction Program	15CC01	305,149
Total		<u>\$ 2,712,907</u>

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

**Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

Transportation Authority of Marin:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
Transportation Authority of Marin		
Central Marin Ferry Connection	10MAR07	\$ 103,128
Central Marin Ferry Connection	11MAR05	10,972
Central Marin Ferry Connection	14MAR06	165,680
Emergency Ride Home Program	15MAR01	30,000
Vanpool Program	15MAR02	23,000
Program Administration	17MAR00	17,929
City of Novato		
Nave Drive Multi-Use Path	14MAR04	175,833
Nave Drive Multi-Use Path	15MAR03	303,446
County of Marin		
Miller Creek Road Class 2 Bicycle Lanes	11MAR04	51,000
Civic Center Drive Improvements	15MAR04	214,000
Golden Gate Bridge Highway & Transportation District		
Bike Racks on Buses	14MAR01	104,475
Total		\$ 1,199,463

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

Napa County Transportation and Planning Agency:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
Napa County Transportation and Planning Agency		
Program Administration	16NAP00	\$ 4,871
Program Administration	17NAP00	8,532
City of Napa		
Lincoln Signal Interconnect Project	10NAP05	177,693
Electric Vehicle Charging Station	14NAP04	12,144
Solano Napa Commuter Information		
SNCI Napa County Commute Challenge Marketing & Commuter Incentives	14NAP01	38,348
SNCI Napa County Marketing and Commuter Incentives	16NAP04	16,113
Total		<u>\$ 257,701</u>

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

**Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

Santa Clara Valley Transportation Authority:

Project Description	TFCA Project Number	Final Project Expenditures through 6/30/2017
Santa Clara Valley Transportation Authority (SCVTA)		
Program Administration	16SC00	\$ 122,159
Program Administration	17SC00	122,912
City of Cupertino		
De Anza Blvd Traffic Signal Synchronization	16SC07	55,000
City of Milpitas		
City of Milpitas Electric Vehicle Level 2 Charging Stations	15SC02	20,200
City of Morgan Hill		
Install EV Chargers in Morgan Hill	15SC03	24,000
City of Mountain View		
Shoreline Boulevard Adaptive Signal Project	14SC04	800,000
City of Santa Clara		
Santa Clara Signal Timing & Interconnect Project	11SC01	1,168,128
Lafayette Street Signal Timing & Interconnect Project	12SC03	1,344,237
Mission College Signal Timing & Interconnect Project	14SC02	220,500
Stevens Creek Signal Timing & Interconnect Project	14SC03	360,000
Scott Boulevard Bike Lane Project	14SC06	102,650
County of Santa Clara, Roads and Airports Department		
County Expressway Signal Timing Coordination	15SC08	275,000
Almaden Expressway Weekday/ Weekend Traffic Responsive Signal	16SC09	245,000
City of Sunnyvale		
Wildwood Avenue Bicycle Lanes	12SC05	44,537
Mathilda Avenue Bicycle Lanes	12SC06	24,000
City of San Jose		
Public Bike Rack Purchase & Installation	14SC01	41,255
Santa Clara Valley Authority		
DASH Shuttle	15SC09	360,000
Electric Vehicle Charging Stations for Eastridge Transit Center	15SC10	50,000
Santa CLARA Caltrain Station Bike/ Ped Tunnel	15SC13	116,816
DASH Shuttle	16SC02	408,000
DASH Shuttle	17SC01	826,000
Total		\$ 6,730,394

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

**Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

San Francisco County Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
San Francisco County Transportation Authority		
SF Integrated TDM Partnership Project - Network of TMAs	11SF07	\$ 141,084
Program Administration	16SF00	36,861
Program Administration	17SF00	37,556
Golden Gate Bridge, Highway & Transportation District		
Bike Racks on Buses	15SF01	100,000
Golden Gate National Recreation Area, National Park		
Presidio Coastal Trail- Phase II	12SF04	120,000
San Francisco Department of the Environment		
Emergency Ride Home Program	15SF03	24,676
Emergency Ride Home Program	16SF01	41,838
San Francisco Municipal Transportation Agency		
Alternative Fuel Taxicab Vehicle Incentive Program	12SF05	69,251
Short Term Bicycle Parking	14SF05	180,885
Alternative Fuel Taxicab Vehicle Incentive Program	15SF05	198,444
Corridor Speed Reduction	15SF06	120,892
San Francisco Comprehensive TDM Program	15SF07	470,249
San Francisco Unified School District		
Bike Racks for SF Schools	15SF08	52,500
Total		\$ 1,594,236

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

City/County Association of Governments of San Mateo County:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
City/County Association of Governments		
Program Administration	16SM00	\$ 39,564
Program Administration	17SM00	32,610
Peninsula Traffic Congestion Relief Alliance		
Countywide Voluntary Trip Reduction Program	16SM01	472,300
Countywide Voluntary Trip Reduction Program	17SM01	525,000
SamTrans		
SamTrans Shuttle Program	17SM02	109,000
San Mateo County Transit District		
SamTrans Shuttle Program	16SM02	154,500
Total		<u>\$ 1,332,974</u>

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND
Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

Solano Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
Solano Transportation Authority		
Program Administration	15SOL00	\$ 15,564
Program Administration	16SOL00	16,149
Program Administration	17SOL00	15,935
Solano Commute Alternatives Incentive Activities and Outreach Program	14SOL01	220,000
Safe Routes to School High School Trip Reduction Pilot	14SOL03	24,981
Solano Commute Alternatives Outreach and Incentives Program	15SOL01	294,709
Solano College		
Solano College Student Transit Voucher	14SOL02	36,922
Suisun City		
Suisun City Capital Corridor Park and Ride Charging Station	14SOL04	2,000
Total		<u>\$ 626,260</u>

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

**Appendix B – Listing of Audited Projects
For the Project Period Ended June 30, 2017**

Sonoma County Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/2017</u>
Sonoma County Transportation Authority		
Program Administration	16SON00	\$ 22,779
Program Administration	17SON00	29,651
City of Petaluma		
Petaluma Transit Marketing	15SON03	58,474
Youth Bus Subsidy Program	15SON04	25,000
Youth Bus Subsidy Program	16SON03	16,000
Petaluma Transit Marketing	16SON04	64,006
Electric Vehicle Charger Installation	16SON06	13,841
City of Santa Rosa, Transit Department		
Santa Rosa Trip Reduction Incentive Program	15SON01	241,452
Santa Rosa Trip Reduction Incentive Program	16SON01	230,892
Sonoma County Transit		
Passenger Information System	11SON01	227,955
Countywide Bus Stop Enhancements and Transit Hubs	13SON06	82,299
Transit Marketing Program	14SON03	60,000
Transit Shelters at Sonoma County Administration Center	14SON04	77,983
Sebastopol Shuttle Bus Stop Improvements	14SON05	74,773
Transit Marketing Program	15SON02	146,278
Town of Windsor		
Pedestrian Signal Enhancement Project – Phase II	14SON06	151,687
Total		\$ 1,523,070

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 4, 2018

Re: Report on Transportation Fund for Clean Air (TFCA) Projects Expenditures and
Effectiveness for Fiscal Year Ending (FYE) 2018

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) Program to fund eligible projects and programs. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242.

Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air and Commuter Benefits Program) and through a grant program known as the Regional Fund. The remaining 40% of TFCA funds are forwarded to a designated agency (“County Program Manager”) within each Bay Area county to be distributed via the County Program Manager Fund.

HSC Section 44241 requires that the Board hold a public hearing each year to review the Air District’s expenditure of TFCA funds to determine their effectiveness in improving air quality. Additionally, County Program Managers are required to hold a public hearing each year to review their expenditure of TFCA funds.

DISCUSSION

A total of 76 projects and three programs were evaluated as part of the fiscal year ending (FYE) 2018 Report on Transportation Fund for Clean Air Projects Expenditures and Effectiveness that is found in Attachment 1. The report covers TFCA Regional Fund projects and Air District-sponsored programs that were completed by June 30, 2018 that have not been evaluated in previous reports. The following are key findings of the FYE 2018 report:

- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.
- The TFCA expenditures for projects and programs included in this report totaled \$11.12 million. This includes \$8.73 million in Regional Fund projects and \$2.39 million in Air District-sponsored programs. An additional \$0.99 million in TFCA funds was spent on administrative and indirect costs in FYE 2018.
- During their operational period, the projects and programs included in this report are estimated to have reduced criteria pollutant emissions by over 173.28 tons, including 55.27 tons of reactive organic gases (ROG), 48.94 tons of nitrogen oxides (NO_x), and 69.07 tons of particulate matter (PM₁₀), and carbon dioxide (CO₂), a greenhouse gas, by over 105,000 tons.
- The projects and programs included in this report achieved a combined weighted average cost-effectiveness of \$55,896 per ton of weighted criteria pollutant emissions reduced.

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

BUDGET CONSIDERATION / FINANCIAL IMPACT

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

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Josephine Fong and Linda Hui
Reviewed by: Karen Schkolnick, Chengfeng Wang and Ken Mak

Attachment 1: Fiscal Year Ending (FYE) 2018 Report on Expenditures and Effectiveness of Transportation Fund for Clean Air (TFCA) Regional Fund Projects and Air District-Sponsored Programs

FISCAL YEAR ENDING (FYE) 2018
REPORT ON EXPENDITURES AND EFFECTIVENESS OF
TRANSPORTATION FUND FOR CLEAN AIR (TFCA)
REGIONAL FUND PROJECTS AND AIR DISTRICT-SPONSORED PROGRAMS



BAY AREA AIR QUALITY MANAGEMENT DISTRICT
375 BEALE STREET, SUITE 600, SAN FRANCISCO, CA 94105
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DECEMBER 2018

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THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT

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

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

BACKGROUND

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

To protect public health, the California State Legislature enacted the California Clean Air Act in 1988. As part of the requirements, the Air District prepared and adopted the *2017 Clean Air Plan (CAP)*, which includes transportation control measures (TCMs), defined as any strategy "to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for reducing motor vehicle emissions," and mobile source measures (MSMs), which encourage the introduction of newer, cleaner motor vehicle technologies and the retirement of older, more polluting vehicles.

THE TRANSPORTATION FUND FOR CLEAN AIR (TFCA)

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

Sixty percent of TFCA funds are awarded by the Air District's Board of Directors (Board) to eligible projects and programs implemented directly by the Air District (e.g., the Commuter Benefits, Vehicle Buy-Back, and Spare the Air) and through a grant program known as the Regional Fund. The remaining forty percent of TFCA funds are pass-through funds to a designated agency within each Bay Area county to be distributed via the County Program Manager Fund. Each year, the Board adopts cost-effectiveness and other criteria for the evaluation and ranking of project applications for the TFCA Program.

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

- Conserving energy and helping to reduce emissions of carbon dioxide (CO₂), a greenhouse gas;
- Reducing traffic congestion;

- Improving quality of life for residents and commuters by expanding access to services that provide first- and last-mile connections to rail, ferry, and mass transit; and
- Improving physical fitness and public safety by facilitating active modes of transportation such as walking and biking.

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

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

California HSC Section 44241.5 requires the Board to hold a public hearing annually to review the expenditure of revenues received by the Air District pursuant to Section 44241 to determine their effectiveness in improving air quality. This report serves this purpose.

FYE 2018 SUMMARY

This report summarizes the expenditures and effectiveness of the TFCA Regional Fund projects and Air District-sponsored programs that were completed by the end of fiscal year ending (FYE) 2018, which was June 30, 2018, but that have not been evaluated in previous reports¹. **Appendix A** lists the 76 projects and 3 programs that were summarized as part of this report.

¹ For the purpose of this report, staff considers a project to be “completed” when the Air District accepts and approves the project sponsor’s final invoice, which documents the project sponsor’s expenditure of all eligible project funds and the completion of all initial project milestones (e.g., having procured and/or placed all project-related vehicles, equipment, and infrastructure into service). Projects that involve the procurement of equipment/vehicles and construction of infrastructure typically also require continued operation of the funded equipment, vehicles, or infrastructure. These projects may continue to operate for several years until the operational and usage requirements are met.

Key Highlights of the Projects and Programs Included in this Report

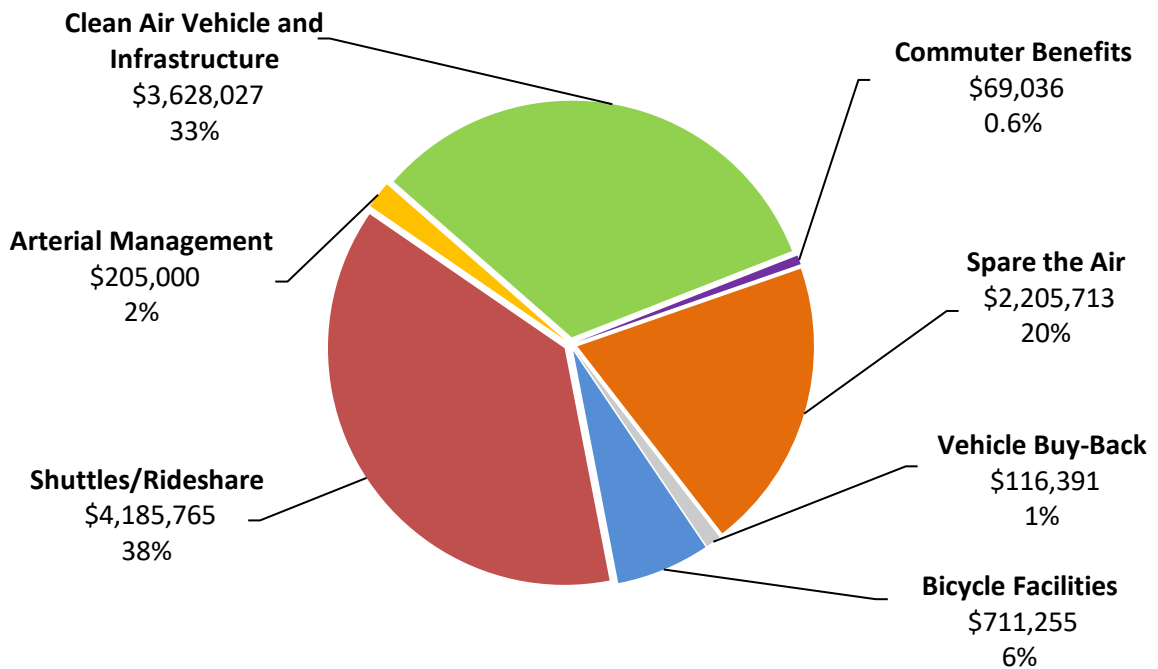
- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.
- The TFCA expenditures for projects and programs totaled \$11.12 million. This includes \$8.73 million in Regional Fund projects, \$2.39 million in Air District-sponsored programs, and \$0.99 million in administrative and indirect costs.
- During their operational period, the projects and programs reduced criteria pollutant emissions by an estimated 173.28 tons, including 55.27 tons of reactive organic gases (ROG), 48.94 tons of nitrogen oxides (NO_x), and 69.07 tons of particulate matter (PM₁₀), and carbon dioxide (CO₂), a greenhouse gas, by over 105,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$55,896 per ton of criteria pollutant emissions reduced.

EXPENDITURES

The expenditure of these projects and programs totaled to \$11.12 million. This total includes \$2.39 million for the programs administered directly by the Air District and \$8.73 million in Regional Fund grants to other organizations. In addition, the Air District expended \$0.99 million in administrative and audit costs associated with the oversight of the TFCA program in FYE 2018.

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

Figure 1. Summary of Expenditures



EFFECTIVENESS

The cost-effectiveness of projects and programs is calculated by dividing the amount of TFCA funds invested or awarded by the amount of criteria pollutant emissions (ROG, NO_x, and weighted PM₁₀ combined) reduced during the project operational period. Projects with a lower number for cost-effectiveness require less amount of TFCA funds to reduce one ton of criteria emissions and are more effective in reducing emissions and improving air quality.

These projects and programs are anticipated to reduce criteria pollutant emissions over their operational periods by an estimated total of 173.28 tons. This total is the sum of ozone precursors (55.27 tons of ROG and 48.94 tons of NO_x) and particulate matter (69.07 tons of PM₁₀). The reduction of CO₂ emissions over their project operational periods is estimated to be over 105,000 tons.²

Additionally, these projects and programs achieved a combined weighted average cost-effectiveness of \$55,896 per ton of criteria pollutant emissions reduced. Note that many projects continue to operate and reduce emissions after their operational periods ended and thus the projects could be more effective (i.e. lower cost per ton of emissions reduced) in reducing emissions than what is presented in this report.

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

Table 1: Emission Reductions and Cost-Effectiveness by Program Category for Projects and Programs That Completed by the End of FYE 2018

Category	# of Projects	TFCA \$ Expended	% of TFCA \$ Expended	Emissions Reduced (tons) ^a	% of Emissions Reduced	Weighted Cost-Effectiveness (\$/ton) ^b
Bicycle Facilities	21	\$ 711,255	6.40%	10.72	6.19%	\$61,373
Shuttles/Rideshare	9	\$4,185,765	37.64%	44.38	25.61%	\$82,712
Arterial Management	1	\$205,000	1.84%	3.54	2.04%	\$41,447
Clean Air Vehicle & Infrastructure	45	\$3,628,027	32.62%	8.68	5.01%	\$202,981
Commuter Benefits Program	1	\$69,036	0.62%	2.70	1.56%	\$23,708
Spare the Air Program	1	\$2,205,713	19.83%	103.27	59.60%	\$20,245
Vehicle Buy-Back Program	1	\$116,391 ^c	1.05%	-	-	-
Total for Projects and Programs^d	79	\$11,121,186	100%	173.28	100%	\$55,896
Administration		\$990,697				

(a) Combined emission reductions of ROG, NO_x, and PM₁₀ over project operational period.

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

(c) Total FYE 2018 program cost was \$5,743,755.40, which includes funds from CMP, Mobile Source Incentive Fund (MSIF), and TFCA.

(d) Totals may vary due to rounding.

² Emission reductions reported for criteria pollutants or CO₂ do not include emissions from the Vehicle Buy-Back Program.

Two of the projects and programs listed in Appendix A have realized emission reductions that are lower than the required amount to meet the cost-effectiveness threshold.

Project #12R16 involved an existing shuttle service in San Francisco with a final cost-effectiveness of \$100,199, which exceeds the FYE 2012 shuttle and ridesharing cost-effectiveness threshold of \$90,000. Although this project reduced more vehicle-miles-travelled (VMT) than what was estimated based on information provided in the project sponsor's application, the final estimated amount of emission reductions from this project was lower than what was anticipated because the passenger car exhaust PM emission factor used in calculating the emission reductions benefit was updated to a lower number upon the completion of this project.

Project #16R22 involves purchasing and installing one eLocker quad and two eLocker doubles in the City of Campbell. The final cost-effectiveness of this project is \$97,945, which exceeds the FYE 2016 bicycle facilities cost-effectiveness threshold of \$90,000. Due to cost-inefficiencies for project sponsors of electronic bicycle locker projects to collect usage data, they are not required to report usage data to the Air District upon project completion. The post-project cost-effectiveness calculation is based on estimated trip reduction assumptions, which may not reflect actual usage. Staff is exploring options to refine and improve the methodology that is used to evaluate this project type to better reflect the realized cost-effectiveness of these projects.

APPENDIX A: TFCA REGIONAL FUND PROJECTS AND AIR DISTRICT-SPONSORED PROGRAMS

Project #	Project Sponsor	Project Description	Weighted Cost- Effectiveness (\$/ton)	TFCA Funds Expended (\$)
04R62	Alameda Contra Costa Transit District	Oakland MacArthur Corridor Transit Bus Traffic Signal Prioritization	41,447	205,000
09R28	East Bay Clean Cities Coalition	US DOE Clean Cities Coalition Outreach	12,148	25,000
09R47	University of California Berkeley	TSRC Richmond High-Pressure Hydrogen Fueling Facility and Fuel-Cell-Vehicle Demo	326,652	97,218
09R59	McDonalds	(54) Electric Vehicle Charging Spots	67,771	53,280
12R14	Peninsula Corridor Joint Powers Board	Caltrain Shuttles	65,362	992,823
12R16	The Presidio Trust	Shuttle PresidiGo	100,199	100,000
13BR001	Dougherty Elementary	Purchase and install nine bike racks for Dougherty Elementary (18 capacity)	90,000	1,080
13BR002	Old Mill School	Purchase and install three bike racks for Old Mill School (12 capacity)	90,000	720
13BR003	Reed Union School District	Purchase and install six bike racks for Reed Union School District (36 capacity)	90,000	2,160
13BR005	Tamalpais Valley School	Purchase and install 10 bike racks for Tamalpais Valley School (40 capacity)	90,000	2,400
13BR006	City of Emeryville	Purchase and install bike racks for City of Emeryville (136 Capacity)	79,053	7,168
13BR009	Town of Yountville	Purchase and install 22 bike racks for Town of Yountville (44 bike capacity)	90,000	2,640
13BR011	City of Piedmont	Purchase and install 29 bike racks for City of Piedmont (58 capacity)	77,909	3,013
13BR013	Terman Middle School	Purchase and install 49 bike racks for Terman Middle School (196 capacity)	90,000	11,760

Project #	Project Sponsor	Project Description	Weighted Cost- Effectiveness (\$/ton)	TFCA Funds Expended (\$)
13BR018	Walter T. Helms Middle School	Purchase and install five bike racks for Walter T. Helms Middle School (10 capacity)	85,905	573
13BR020	Burlingame School District	Purchase and install six bike racks for Burlingame School District (22 Bike Capacity)	90,000	2,760
13BR021	Alameda County General Services Agency	Purchase and install 25 bike racks in the City of Oakland and Hayward (50 capacity)	80,625	2,688
13BR025	City of Richmond	Purchase and install 24 bike racks for City of Richmond (56 capacity)	88,929	3,320
13BR034	City of Martinez	Purchase and install 30 bike racks for City of Martinez (60 capacity)	73,252	2,921
14PEV002	County of Sonoma	22 Battery EVs for County of Sonoma	420,000	55,000
14PEV003	City of Morgan Hill	1 Battery EV for City of Morgan Hill	420,000	2,500
14R19	San Francisco Bay Area Water Emergency Transportation Authority	Purchase and Install 5 eLocker Quads (20 total lockers) for San Francisco Bay Area Water Emergency Transportation Authority	48,640	45,037
15BR003	Town of Yountville	Purchase and install seven bike racks for the Town of Yountville (14 capacity)	90,000	840
15BR011	Town of Windsor	Purchase and install 40 bike racks for Town of Windsor (80 bike capacity)	77,496	4,133
15DCFC01	Federated Indians of Graton Rancheria	Install 2 dual-connector DC fast and 2 dual-port level 2 charging stations in Rohnert Park	250,000	135,196
15DCFC03	Alameda Municipal Power	Alameda Municipal Power DC fast charging station project	225,261	84,912
15R18	Bay Area Rapid Transit District	Purchase and Install 28 eLocker Quads (112 total lockers) for Bay Area Rapid Transit	51,704	268,095
15R23	Capitol Corridor Joint Powers Authority	Capitol Corridor eLockers Project	44,182	90,000

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (\$/ton)	TFCA Funds Expended (\$)
15R27	FirstElement Fuel Inc.	FE Hydrogen Station Network Development (7 stations)	188,877	875,000
15R31	HTEC Hydrogen Technology & Energy Corporation	The Skyline Hydrogen Energy Center (1 station)	219,097	145,000
16DCFC01	City of Saratoga	Install 1 dual-connector DC fast charging station in Saratoga	250,000	35,000
16DCFC03	City of Brisbane	Install 1 dual-connector DC fast charging station in Brisbane	250,000	40,000
16EV001	Car Charging, Inc.	Install 10 single-port Level 2 charging stations in San Jose	250,000	30,000
16EV005	DTTC Properties, LLC	Install 3 single-port Level 2 charging stations (with solar) in Campbell	500,000	22,500
16EV009	Clear Blue Commercial	Install 6 single-port Level 2 charging stations in Petaluma	250,000	18,000
16EV012	Santa Clara Campus Owners' Association	Install 98 dual-port level 2 charging stations in Santa Clara	250,000	338,546
16EV019	California State University, East Bay	Install 2 dual-port Level 2 charging stations in Hayward	250,000	12,000
16EV021	Ford Point LLC	Install 1 DC fast and 8 dual-port Level 2 charging stations in Richmond	250,000	73,000
16EV023	Ferrotec (USA) Corporation	Install 2 dual-port Level 2 charging stations in Livermore	250,000	8,229
16EV026	Straus Family Creamery	Install 4 single-port Level 2 charging stations in Petaluma and Marshall	250,000	11,040
16EV030	Crow Canyon Medical Center, L.P.	Install 4 single-port Level 2 charging stations (with solar) in Danville	500,000	24,000
16EV032	Komuna Energy, LLC	Install 9 dual-port Level 2 charging stations (with solar) in City of Palo Alto	500,000	108,000

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (\$/ton)	TFCA Funds Expended (\$)
16EV035	Menlo Park City School District	Install 4 dual-port Level 2 charging stations in Menlo Park	250,000	24,000
16EV038	Artemedica	Install 2 dual-port Level 2 charging stations (with solar) in Santa Rosa	500,000	24,000
16EV040	Sonoma State University	Install 2 dual-port and 2 single-port Level 2 charging stations in Rohnert Park	250,000	14,000
16EV043	Peninsula Components Inc.	Install 1 quad-port and 1 dual-port Level 2 charging stations in San Carlos	250,000	10,364
16EV044	Siemens Healthcare Diagnostics, Inc.	Install 4 single-port Level 2 charging stations in Berkeley	250,000	10,000
16EV046	3901 North First LLC	Install 5 dual-port Level 2 charging stations in San Jose	250,000	30,000
16EV048	Kehillat Etz Chayim	Install 4 single-port Level 2 charging stations (with solar) in Palo Alto	500,000	24,000
16EV049	One Hawthorne Owners Association	Install 4 single-port Level 2 charging stations in San Francisco	250,000	10,319
16EV051	8 Octavia Boulevard Owners' Association	Install 4 single-port Level 2 charging stations in San Francisco	250,000	12,000
16EV061	Amy's Kitchen	Install 3 dual-port Level 2 charging stations in Petaluma	250,000	10,500
16R15	San Joaquin Regional Rail Commission	ACE Shuttle 53 and 54	66,253	80,000
16R17	Presidio Trust	PresidiGo Shuttle	88,417	100,000
16R19	Peninsula Corridor Joint Powers Board	Caltrain Shuttle Program	98,931	753,700
16R20	Santa Clara Valley Transportation Authority	ACE Shuttle Bus Program	84,773	959,999
16R22	City of Campbell	City of Campbell Electronic Bicycle Locker Project	97,945	19,949

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (\$/ton)	TFCA Funds Expended (\$)
16R23	Bay Area Rapid Transit District	Purchase and install 20 eLocker quads in Berkeley, Dublin/Pleasanton, Millbrae, San Leandro, Fremont, and Union City	90,000	200,000
16R24	Capitol Corridor Joint Powers Authority	Purchase and install 4 eLocker quads in Emeryville and Santa Clara	90,000	40,000
16RFG01	Chabot Las Positas Comm College District	Install 12 Dual-Port level 2 charging stations in Livermore and Hayward	190,000	65,112
16RFG02	City of Fremont	Install 9 dual port level 2 charging stations in Fremont	250,000	81,486
16RFG08	City of Millbrae	Install 8 Dual-Port Level 2 Charging Stations in Millbrae	250,000	78,000
16RFG09	City of Oakland	Install 1 dual-connector DC fast, and 5 dual-port Level 2 EV charging stations in Oakland	250,000	39,289
16RFG11	The NASA Ames Exchange	Install 8 DC fast charging stations in Moffett Field	250,000	342,014
16RFG15	City of Palo Alto	Install 1 dual port and 1 single port Level 2 charging station in Palo Alto	250,000	20,000
16RFG17	City of Richmond	Install 1 DC fast and 1 single-port Level 2 EV charging station in Richmond	250,000	47,511
16RFG18	San Francisco Bay Area Rapid Transit District (BART)	Install 20 Dual-Port and 2 Single-Port Level 2 Charging Stations in Fremont	250,000	250,000
16RFG19	County of Alameda	Install 1 DC fast, and 7 dual-port Level 2 charging stations in Oakland and Alameda	250,000	133,365
17EV002	Efficient Drivetrains, Inc.	Install 4 dual-port Level 2 charging stations in Milpitas	229,307	16,000
17EV004	MPVCA Brisbane LLC	Install 3 dual-port Level 2 charging stations in Brisbane	229,307	12,000
17EV007	Mountain View Los Altos High School District	Install 26 single-port Level 2 charging stations in Mountain View	244,584	72,646

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (\$/ton)	TFCA Funds Expended (\$)
17EV022	Los Altos High School	Install 26 single-port Level 2 and 1 DC fast charging stations in Los Altos	213,723	96,000
17EV025	BCSP Crossroads Property LLC	Install 3 dual-port Level 2 charging stations in San Mateo	229,307	12,000
17R12	Associated Students, San Jose State University	SJSU Ridesharing & Trip Reduction	59,115	139,330
17R15	San Joaquin Regional Rail Commission	ACE Shuttle 53 and 54	84,993	100,000
17R16	Santa Clara Valley Transportation Authority	ACE Shuttle Bus Program	99,946	959,914
76	Projects	Subtotal Regional Fund Projects:		\$8,730,046

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (\$/ton)	TFCA Funds Expended (\$)
18R01	BAAQMD	FYE 2018 Commuter Benefits	23,708	69,036
18R02	BAAQMD	FYE 2018 Admail for Vehicle Buy-Back (TFCA portion)*	N/A	116,391
18R03	BAAQMD	FYE 2018 Spare the Air	20,245	2,205,713
3	Programs	Subtotal Air District-Sponsored Programs:		\$2,391,140
18R00	BAAQMD	FYE 2018 Administration**	N/A	990,696.52
Subtotal Administration for Regional Fund Projects and Air District-Sponsored Programs:				\$990,697
GRAND TOTAL:				\$12,111,883

* Total FYE 2018 program cost (which includes funds from CMP, MSIF, and TFCA) is \$5,743,755.

** Sixty percent of the total administrative and audit costs expended in FYE 2018.