



Bay Area Air Quality Management District

Application Guidance

Bicycle Facilities Grant Program

For Fiscal Year Ending (FYE) 2018

This competitive grant program is funded by the Bay Area Air Quality Management District's Transportation Fund for Clean Air (TFCA) Regional Fund.

The deadline for receiving applications (online and hard copy) is
4 PM, March 19, 2018.

Open to public entities only

Bay Area Air Quality Management District
375 Beale Street, Suite 600
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<http://www.baaqmd.gov/bikeways>

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Other Grant Opportunities

The Bay Area Air Quality Management District offers grants and incentives for the following project types:

- Medium- and Heavy-Duty On- and Off-Road Vehicles
- Light-Duty Zero-Emissions Vehicles and Infrastructure
- Shuttle, Ridesharing, and Vanpools
- Pilot Trip Reduction
- Marine Vessels
- Locomotives
- Agricultural Equipment
- Lower-Emission School Buses

For more information on **Air District Grants and Incentives**:

Website: www.baaqmd.gov/grants

Email grants@baaqmd.gov

Background Information

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

The Bay Area Air Quality Management District (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.

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

TRANSPORTATION FUND FOR CLEAN AIR

Vehicle emissions contribute to unhealthy levels of ozone (summertime "smog") and particulate matter. On-road motor vehicles, including cars, trucks, and buses, constitute the most significant sources of air pollution in the Bay Area. In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the Bay Area to fund projects that reduce on-road motor vehicle emissions. The Air District allocates these funds through its Transportation Fund for Clean Air (TFCA) program to eligible projects and programs. The statutory authority and requirements of the TFCA program are set forth in California Health and Safety Code Sections 44241 and 44242.

Sixty percent (60%) of TFCA funds are awarded directly by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and through a grant program known as the Regional Fund Program. The remaining forty percent (40%) of TFCA funds are forwarded to the designated Congestion Management Agency within each Bay Area county and distributed through the County Program Manager Fund Program (see www.baaqmd.gov/tfca4pm for details).

The Air District views bicycling as one of the key strategies for reducing single-occupancy motor vehicle trips and thus for reducing emissions from passenger vehicles. Over the last 25 years, the Air District has provided more than \$11 million in TFCA funding for eligible bicycle facility improvement projects, which have resulted in the installation of more than 13,000 new secure bicycle parking spots (via racks and lockers) as well as the installation of more than 200 miles of new bikeways and bike paths.

For FYE 2018, more than \$22 million is available through the Regional Fund Program for eligible projects and programs, of which up to \$5 million is available for the Bicycle Facilities Grant Program (Program).

Program Information

PURPOSE OF SOLICITATION

This competitive solicitation aims to provide funding to support the construction of new bicycle facilities, including bikeways and secure parking, in the Bay Area to improve air quality by encouraging residents and commuters to mode shift to cycling and walking as alternatives to driving for short and first- and last-mile trips.

A complete description of all project and application requirements are contained in this *Application Guidance for the FYE 2018 Bicycle Facilities Grant Program* (Program Guidance).

The Air District reserves the right to modify this solicitation at its sole discretion. Please read this package completely before submitting a letter of interest; incomplete submittals will not be considered for award.

MANDATORY PRE-APPLICATION WEBINARS

Air District staff will conduct pre-application webinars to review the Program requirements, application process, and application evaluation criteria. Registration is required to participate in the webinars and early registration is encouraged as each webinar is limited to 100 attendees. ***Attendance of at least one pre-application webinar is required for this Program.***

The following webinars have been scheduled:

- February 8, 2018, 2 PM ([Register](#))
- February 20, 2018, 10AM ([Register](#))

Based on demand, additional webinars may be scheduled. Notices about additional pre-application webinars will be sent via email to parties that have signed up to receive [TFCA email alerts](#). Interested parties are also encouraged to visit the website at www.baaqmd.gov/bikeways for updates.

DEFINITIONS

- **Activity Center:** is a place where people work, study, go shopping, or conduct other activities, such as employment centers, schools, business districts, a bank, church, hospital, public transit station, park & ride, office park, post office, public library, shopping area or grocery store, university or junior college.
- **Class I Bikeways – bicycle paths:** provide a completely separated right-of-way designated for the exclusive use of bicycles and pedestrians with crossflows by motorists minimized.
- **Class II Bikeways – bicycle lanes:** provide a restricted right-of-way designated for the exclusive or semi-exclusive use of bicycles with through travel by motor vehicles or pedestrians prohibited, but with vehicle parking and crossflows by pedestrians and motorists permitted.
- **Class III Bikeways – bicycle routes:** provide a right-of-way on-street or off-street, designated by signs or permanent markings and shared with pedestrians and motorists.
- **Class IV Bikeways – cycle tracks/separated bikeways:** provide a right-of-way designated exclusively for bicycle travel adjacent to a roadway and include some type of physical separation from vehicular traffic. Types of separation include, but are not limited to, grade separation, flexible posts, and inflexible physical barriers.
- **Cost-effectiveness (\$ awarded/weighted ton):** is a measure of how effective the Project is at using TFCA funds to reduce criteria pollutant emissions and is a metric by which all TFCA-funded projects are evaluated. Cost-effectiveness is calculated as the ratio of TFCA funds requested divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM₁₀ (particulate matter 10 microns in diameter and smaller) over the Project Operational Period.
- **Executed Funding Agreement:** is a contract that has been signed by both the project sponsor and the Air District and contains the terms and conditions for the approved project. *Funding agreements are typically sent to the project sponsor for execution within one month following the Notice of a Proposed Award. Any work performed prior to the full execution of a funding agreement is not eligible for grant funding or for use as matching funds.*
- **Project:** For the purposes of this Program, a Project consists of the construction of one or more bikeway segments and/or the installation of bicycle parking, and encompasses components that are limited to items specified under Eligible Costs in Appendix B. In order to be eligible for funding, *Projects must meet all Key Program and Eligibility Requirements, the requirements contained in the TFCA Regional Fund policies (see Appendix A), and adhere to all terms and conditions contained in the Funding Agreement.*
- **Project Term, or Term:** The Project Term commences on the date the Funding Agreement is executed and continues until the date that the Project Sponsor has completed all contractual obligations, which ends three years after the end of the Project Operational Period.

- **Project Operational Period:** Commences on the first date that all segments/portions of the Project have been installed and are open for use by the public, and ends seven years after that date.

Key Program and Eligibility Requirements

APPLICANT REQUIREMENTS

- Applicants / Project Sponsors must be public agencies.
- Applicants / Project Sponsors must agree to maintain and operate approved projects for the duration of the required Project Operational Period, which is a minimum of seven years.
- Applicants must attend at least one pre-application webinar to learn about the program and application process.
- Project Sponsors must:
 - obtain and maintain the required insurance throughout the Project Term (See **Appendix D: Insurance Guidance**).
 - monitor Project progress, submit all required reports to the Air District, and maintain Project records for the duration of the Project Term, which ends 3 years after the end of the Project Operational Period.
 - acknowledge the Air District as a funding source at the TFCA-grant funded facilities and in communications promoting the facility/facilities; and
 - allow Air District staff or its authorized representatives to inspect the Project and conduct financial audits, and agree to make available to the Air District all records relating to project performance and expenses incurred.

PROJECT REQUIREMENTS

- Only Projects that propose one or more of the following project components are eligible:
 - a. Construction of one or more segments of new Class-I, II, III, or IV bikeways;
 - b. Installation of new bicycle parking (i.e., racks and/or electronic lockers).

Projects that propose other forms of bicycle parking (e.g., cages) or that propose upgrades to existing bikeways are not eligible for this Program. Funding may be available through the TFCA County Program Manager Fund. Please contact your local [Congestion Management Agency](#) for more information.
- Projects that propose to construct one or more new bikeway(s) must meet all of the following requirements:
 - a. At least one of the proposed bikeway segment must have a minimum length of 1/5th of a mile. *Applicants / Project Sponsors that modify their Projects in any way such that no bikeway segment meets the minimum length requirement will have their entire project and award cancelled.*
 - b. All proposed bikeways must, where applicable, be consistent with design standards published in the California Highway Design Manual, or conform to the provisions of the Protected Bikeway Act of 2014.
- The locations of the segment(s) and parking spot(s) must be described in an adopted countywide bicycle plan, Congestion Management Plan (CMP), countywide transportation plan (CTP), city general plan or area-specific plan, or Metropolitan Transportation Commission's Regional Bicycle Plan.
- Projects must be "shovel-ready," i.e., have completed all applicable State and federal reviews and either have been deemed exempt by the lead agency or have been issued the applicable environmental and local permit approvals by the date that the solicitation period for this Program closes.
- Each Project component must be located [within the Air District's jurisdiction](#) and must also be located within one-half (1/2) mile from at least one of the following:

- a. An existing public transit station/stop (e.g., local, county- wide or regional transit stops/stations/terminals, bike share station);
 - b. An existing major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts); or
 - c. Three existing activity centers (e.g., employment centers, schools, business districts).
- Projects must primarily serve to reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting). *Projects must be able to effectively reduce motor vehicle trips (and emissions), so Projects that will primarily be used for recreational use (e.g., bikeways within a park or recreational area) are NOT eligible.*
 - Projects must be new and voluntary. *Projects that have begun any construction prior to the execution of the funding agreement, or that are required by law, regulation, contractual obligation, etc. are NOT eligible.*
 - Projects must qualify for at least \$10,000 (minimum) in awarded funds. Applicants / Project Sponsors that modify their Projects in any way to reduce the scope of work such that their award is reduced to below the \$10,000 threshold will have their entire project and award cancelled.
 - The maximum total TFCA grant funding per public agency is \$1.5 million per calendar year.
 - Projects must achieve a cost-effectiveness of \$250,000 TFCA funds awarded per ton of criteria emissions reduced, or better.

Evaluation Criteria

Only applications received by the deadline will be evaluated after the solicitation period has closed.

Applications will be checked for eligibility in accordance with the requirements stated in this Program Guidance document, and Board Adopted TFCA Regional Fund Policies (included as Appendix A), and then ranked in order of cost-effectiveness.

If the Program is oversubscribed, applications found eligible will be prioritized in the following manner:

- 1) The first \$4 million will be awarded to the most cost-effective projects. The table below describes the various factors that are used to evaluate the cost-effectiveness of a project and how each factor impacts emissions (reductions) and/or cost-effectiveness.

Factors	Factor's Impact on Emissions or Cost-Effectiveness
Ridership	Higher ridership means that a project will be relatively more effective at reducing air pollution.
Segment Length	Projects with longer segments will be relatively more effective at increasing ridership, and thereby reducing air pollution.
Bikeway Class	Bikeway Classes, in the relative order of most effective at increasing ridership, and thereby reducing air pollution are: Class I, IV, II, and III.
City/town Population	Projects located in communities with relatively large population (residential, commuters, visitors) will be more effective at increasing ridership, and thereby reducing air pollution.
AADT of Vehicle Traffic	Projects with relatively greater annual average daily traffic (AADT) on roadways parallel to the proposed bikeway segments will be relatively more effective at increasing ridership, and thereby reducing air pollution.
# of Activity Centers	Projects that have more activity centers within ¼ mile and ½ mile will be relatively more effective at increasing ridership, and thereby reducing air pollution.

Total Bikeway Length Near the Project	Projects with longer length of continuous safe existing bikeways that are connected to the proposed segment(s) and are within 1.5-mile radius of the mid-point of the proposed segment will be relatively more effective at increasing ridership, and thereby more effective at reducing air pollution.
Transit Hub	Projects with proposed bikeways that have adequate existing or proposed bicycle parking located in a transit hub will be relatively more effective at increasing ridership, and thereby more effective at reducing air pollution.
New Bicycle Parking Facility	Projects that will install new parking near the proposed or an existing bikeway segment(s) will be relatively more effective at increasing ridership, and thereby more effective at reducing air pollution.
Amount of TFCA Funding Requested	A project that requests less TFCA funding than a similar project will be more cost-effective.

Historically, projects that were awarded the grant funding amounts listed below met the cost-effectiveness limits. *These funding levels are informational only, and do not guarantee that a project requesting funding at these levels will be cost-effective.*

- Bicycle Racks - \$60/bicycle parking space
- Electronic Bicycle Lockers - \$2,500/locker
- Class I & IV Bikeways - \$100,000/mile of new construction
- Class II Bikeways - \$30,000/mile
- Class III Bikeways - \$15,000/mile

For the purposes of this Program, cost-effectiveness of Projects will be calculated and then rounded to the nearest \$10,000/ton. In the event of a cost-effectiveness tie, the factors in #2 below will be used to determine a Project’s ranking.

- 2) The Air District will consider the following factors for award of the remaining \$1 million and to resolve any ties in cost-effectiveness, if any:
 - a. The type of project proposed (Class I, II, III or IV bikeways, electronic lockers, or racks);
 - b. The relative proximity of the proposed bikeway to a mass transit station, and the number of daily passengers that use that transit stop/hub;
 - c. The availability of other connecting bikeways within a 1.5-mile radius;
 - d. Proposed projects located in CARE Areas or PDAs will also be prioritized; and
 - e. Proposed projects located in counties that have NOT been selected for award of FYE 2017 Bicycle Facilities Grant Program funds will also be prioritized.

Program Process and Schedule



Each Bicycle Facilities Grant Program project is broken into four phases. The activities and milestones for each of the four phases are detailed below:

APPLICATION PHASE

During this phase, the Applicant prepares necessary documentation and submits an application to the Air District. The Application Phase ends for applicants that have been selected for award upon the execution of the Funding Agreement and for applicants that are not selected for award, upon the issuance of a notice of determination by

the Air District. For detailed instructions on how to submit an application and a list of the required documentation, please see Appendix C.

Tentative Date	Activity
February 8 and 20, 2018	Pre-application webinar(s). Attendance of at least one pre-application webinar is required for this Program.
By 4 PM, March 19, 2018	Application Deadline – Last day for Air District to receive applications
By 4 PM, April 2, 2018	Deadline to receive Board/Council Resolutions
April 26, 2018	Air District Mobile Source Committee considers recommendation for awards to highest ranking applicants and Air District issues Notice of Proposed Awards
May 2, 2018	Board of Directors considers recommendation for awards to highest ranking applicants
Within 60 days from date agreement is issued by Air District	Deadline for Air District to receive funding agreements signed by awardees

PROJECT IMPLEMENTATION PHASE

During this phase, the Project Sponsor is given a maximum of two years to complete construction of the bikeway(s) and/or install the bicycle parking. Sponsors are also required to report on the status of the project every 6 months to the Air District. The Project Implementation Phase ends on the date that **ALL** bikeway segments are constructed and open for use and/or bicycle parking facilities have been installed and available for use.

Tentative Date	Activity
Within 12 months from the date the Funding Agreement is executed	Project must commence
Every April 15 and October 15	Project Sponsor submits Semi-Annual Reports to the Air District during the project construction phase
Within two years for the date of the Executed Funding Agreement	All construction work must be completed and bikeways or bicycle parking facilities are open and available for public use; all eligible costs must be incurred
Within 3 months from the date the project is open and available for public use	<ul style="list-style-type: none"> Project Sponsor submits the Expenditure Report and Final Invoice Air District makes the initial payment of 85% of the eligible award

PROJECT OPERATION PHASE

During this phase, the Project Sponsor will monitor the condition and use of the bikeway(s) and/or bicycle parking facilities for the duration of the Project Operational Period (7 years). The Project Sponsor will conduct a post-project completion bike-count survey and report the results to the Air District, maintain the Project components in good repair, maintain the required insurance, and cooperate with the Air District and its designees on fiscal audits and inspections of the project. The Project Operation Phase ends after the bikeway(s) and/or bicycle parking facilities have been in operation for a minimum of seven years.

Tentative Date	Activity
Within one year from the date that the project was open and available for public use	<ul style="list-style-type: none"> • Project Sponsor must conduct and complete a post-completion bike-count survey and submit the Final Report for bikeway projects • Air District makes a final payment of 15% of the eligible award
For 7 years after the project has been available for public use	<ul style="list-style-type: none"> • Project Sponsor must maintain operation of the Project and the required insurance for the duration of the Project Operational Period • Air District may conduct a physical inspection of each Project • Air District will conduct a fiscal audit of the Project

RECORDS RETENTION PHASE

During this phase, the Project Sponsor is required to maintain all Project records in a centralized location for three additional years after the end of the operational phase. *The Project Term also extends for three additional years after the end of the operational phase.* The Project Sponsor may continue to maintain the bikeway(s) and/or parking, although it is no longer a contractual requirement to do so.

Date	Activity
3 years after end of Project Operational Period	End of Project Term. <i>Project Sponsor must keep all Project records until the end of the Project Term</i>

Program Contact Information

For questions regarding this Program, contact Chengfeng Wang, Acting Program Manager, at cwang@baaqmd.gov with the subject line “Re: Bicycle Facilities Grant Program.”

APPENDIX A: FYE 2018 TFCA Regional Fund Policies (for Bicycle Facilities Projects)

BASIC ELIGIBILITY

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

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project's funding agreement.
2. **TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit of \$250,000 per ton of weighted emissions reduced. Cost-effectiveness (\$/weighted ton) is based on the ratio of TFCA fund awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller) over a project's useful life.
3. **Consistent with Existing Plans and Programs:** All projects must comply with the Transportation Control and Mobile Source Control measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards; those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted Federal, State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
 - a. **Eligible Recipients:** Only public agencies are eligible to apply for Bicycle Facilities Grant Program funding.
 - b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to perform these tasks by including either: 1) a signed letter of commitment from the applicant's representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).
5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds (matching funds) from a non-Air District source to cover all stages of their proposed project(s) from commencement through completion, and at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** Each public agency may be awarded up to \$1,500,000 in TFCA Regional Funds per calendar year.
8. **Readiness:** Projects must commence by the end of calendar year 2018 or a total of 12 months from the date of execution of funding agreement by the Air District, whichever is later. For purposes of this policy, "commence" means a tangible preparatory action taken in connection with the projects' operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. "Commence" can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.
9. **Reserved.**

- 10. Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable federal and State laws, and Air District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees (Project Sponsors), without re-evaluating the proposed modification in light of the regulations, contracts, and other legally-binding obligations that are in effect at the time the minor modification was proposed.

APPLICANT IN GOOD STANDING

- 11. In Compliance with Air Quality Regulations:** Applicants must certify that, at of the time of the application and at the time of issuance of the grant, they are in compliance with all local, State, and federal air quality regulations. Applicants who have an unresolved violation of Air District, state or federal air quality rules or regulations are not eligible for funding. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from project sponsors who were not eligible for funding at the time of the grant.
- 12. In Compliance with Agreement Requirements:** Project sponsors who have failed to meet contractual requirements such as project implementation milestones or monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.
- 13. Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District's final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.

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

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

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

- 15. Maintain Appropriate Insurance:** Project sponsors must obtain and maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors

shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

INELIGIBLE PROJECTS

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

USE OF TFCA FUNDS

19. **Combined Funds:** TFCA County Program Manager Funds may NOT be used as matching funds.
20. **Administrative Costs:** TFCA Regional Funds may not be used to pay for administrative costs.
21. **Expend Funds within Two Years:** Project sponsors must expend the grant funding within two (2) years of the effective date of their grant agreement. Applicants may request a longer period in the application, by submitting evidence that a longer period is justified to complete the project due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements' second year in the event that significant progress has been made in the implementation of the project. If the Air District approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

APPENDIX B: Reimbursement Process, Eligible Project Costs, and Reporting

This appendix provides information about the reimbursement process, guidance for determining which projects costs are eligible for award of TFCA Regional Funds and for use as matching funds, and project reporting and audit requirements.

REIMBURSEMENT PROCESS

Grant funding is paid on a reimbursement basis for Eligible Project Costs **AFTER** the Air District has confirmed that all interim program requirements have been satisfied and that all costs have been incurred. Reimbursement is made in two instalments:

- 85% of the eligible award amount will be paid once all bikeways and equipment are installed, available to for use by the public, and all required reports have been submitted.
- 15% of the eligible award amount will be paid after successful submittal of the Final Evaluation Report.

Projects that are modified and/or completed under-budget will have their award amount recalculated and/or reduced proportionately.

Request for Reimbursements shall be in the form of Invoices prepared on the Air District's General Invoice Form and shall include the Project Number, an itemized list of all expenses incurred, the total funds being requested, and any supporting documentation such as copies of invoices from vendors, consultants, or contractors with an explanation of the goods or services provided for the Project and copies of time sheets documenting the job titles and hourly pay rates of employees performing eligible project tasks, tasks performed by those employees, the number of hours spent performing such tasks, and the total charges.

The Air District will endeavor to pay the undisputed amount of an approved invoice within 30 calendar days of the date of Air District's receipt of such invoice.

MATCHING FUNDS

Only costs that may be applied to *eligible project costs* will be considered as matching funds. Applicants must demonstrate evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source. Matching funds that are intended for other uses or non-eligible project costs will not be accepted or included in the calculation of the total project cost.

ELIGIBLE PROJECT COSTS

Only costs directly related to the construction of the bikeway, or purchase and installation of bike racks or electronic lockers, that are incurred on or after the date the Air District executes a funding agreement with a project sponsor and that are clearly described in Attachment A of the executed funding agreement are eligible for reimbursement or for use as matching funds. Matching funds that are intended for other uses or non-eligible project costs will not be accepted or included in the calculation of the total project cost.

Projects that are not awarded funding and costs that are incurred prior to the execution of a funding agreement are not eligible for reimbursement.

Eligible Costs include:

- Material (i.e., concrete, asphalt, and other material that is directly related to construction of an approved project) including tax, and shipping fees.
- Equipment rental (i.e., dump truck, concrete road paver, and other equipment that is directly related to construction of an approved project) including tax, and shipping fees.

- Labor charges (salaries, wages, and benefits) directly and solely related to the site preparation and construction of the bikeway(s) (i.e., trenching, painting) at the approved location.
- Site preparation costs.
- Permit fees.

For projects that include bicycle parking (bicycle racks or electronic bicycle lockers), costs for the following items are also eligible:

- Bicycle racks, or electronic bicycle locker hardware, including tax and shipping fees;
- Bicycle racks, electronic bicycle locker hardware, including tax and shipping fees;
- Labor and materials related to the installation of the bicycle rack, electronic bicycle locker.

INELIGIBLE PROJECT COSTS

The following is a list of items that are not eligible for award or for use as matching funds:

- Indirect project implementation costs associated with implementing the project, including reasonable overhead costs incurred to provide a physical place of work (e.g., rent, utilities, office supplies), general support services (e.g., payroll, reproduction) and managerial oversight;
- Costs associated with non-essential hardware/equipment or labor;
- Costs that will be incurred after the construction of the bicycle facility has been completed and the bicycle facility has been open to the public for use (e.g., maintenance, future improvements);
- Administrative costs (e.g., salaries, wages, benefits), including, but not limited to the following:
 - Costs related to the application phase or prior to the execution of a funding agreement;
 - Costs associated with the accounting of TFCA funds and participation in audit proceedings;
 - Costs associated with project status monitoring, reporting, and record-keeping and other requirements specified in the TFCA Funding Agreement; and
 - Other and indirect administrative costs, including management fees and overhead (e.g., costs of utilities, office supplies, property fees/leases).

REPORTING AND AUDIT

Project Sponsors are required to monitor their project's status during the implementation and operational phases and submit semi-annual progress reports every April 15 and October 15 during the Project Implementation Phase, a capital expenditure report within three months after the project is open and available for public use, and a final evaluation report within one year after the project is open and available for public use.

The Air District may conduct pre- and post- project performance inspections.

The Air District conducts inspections and audits to ensure that all project funds have been spent in accordance with the program guidelines and policies.

Project Sponsors shall allow Air District staff or its authorized representatives to inspect the Project before the end of the Project Operational Period, and to audit the Project before the Project Term ends.

APPENDIX C: Application Submittal Instructions

Each application package must be submitted both online AND as a hard copy and be received by the Air District by the deadline:

Complete and submit the online application, which can be found at www.baaqmd.gov/bikeways (*the application will work best using Google Chrome or Mozilla Firefox browsers*).

The application form includes the following four parts:

- PART 1: APPLICANT INFORMATION
- PART 2: DETAILED PROJECT INFORMATION
- PART 3: REQUIRED SUPPLEMENTAL DOCUMENTS
- PART 4: CERTIFICATION AND SURVEY

The required supplemental documents include:

- Either (1) a signed letter of commitment from an individual with authority to enter into a financial commitment and carry out the Project (e.g., Chief Executive or Financial Officer, Executive Director, City Manager); or (2) a copy of a signed resolution from the governing board (e.g., City Council, Board of Supervisors, Board of Directors).

The signed letter of commitment or resolution must address the following:

- Identify the individual that is authorized to submit the application and carry out the Project;
- Authorize the submittal of the application;
- Confirm that the applicant has secured matching funds from a non-Air District source(s) that will pay for any project-related costs that are in excess of an award; and,
- Confirm that the applicant will comply with the program policies and guidelines including the requirement to operate and maintain the project equipment throughout the project term.
- A detailed line-item budget estimating the cost to design and construct each bikeway and secured bicycle parking (if applicable).
- Copies of permits and environmental approvals.
- Copy of text from one of the following documents that describes the proposed bikeway segment or parking facility: adopted countywide bicycle plan, Congestion Management Plan, countywide transportation plan, city general plan or area-specific plan, or Metropolitan Transportation Commission's Regional Bicycle Plan.
- A detailed map of the project area showing the location of the proposed bikeway/bicycle parking and its location to public transit station/hub, major activity center, activity centers, and existing bikeways.
- A report that includes pre-construction bike counts for the roadway that is closest in proximity to each of the proposed bikeway segments, and include supporting information (e.g., description of bike-count methodology) for the Air District to be able to adequately evaluate the report.
- Supporting documentation of the Annual Average Daily Traffic (AADT).
- Supplemental information (i.e., Pre-construction bike counts studies, other evidence to support future use of the proposed bikeway/bicycle parking.
- Print one copy of the completed online application form and mail the signed hard copy along with the required attachments and a completed W-9 Form to:

Attn: Bicycle Facilities Grants Program, SID
Bay Area Air Quality Management District
375 Beale St., Suite 600
San Francisco, CA 94105

APPENDIX D: Insurance Guidelines

This appendix provides guidance on the insurance coverage required at a minimum for TFCA Regional Fund bicycle facility projects. The Project Sponsor must provide certificates and/or other evidence of the following insurance coverage:

- a) **Liability Insurance** with a limit of not less than \$1,000,000 per occurrence, of the type usual and customary to the business of the Project Sponsor, and to the operation of the vehicles, vessels, facilities, engines or equipment operated by the Project Sponsor.
- b) **Property Insurance** in an amount of not less than the insurable value of Project Sponsor's vehicles, facilities, engines or equipment funded under the Agreement, and covering all risks of loss, damage or destruction of such vehicles, vessels, engines or equipment.
- c) **Workers Compensation Insurance** as required by California law and employers liability insurance with a limit not less than \$1 million.

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A, VII. The Air District may, at its sole discretion, waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance.