



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

**BOARD OF DIRECTORS
MOBILE SOURCE COMMITTEE**

COMMITTEE MEMBERS

SCOTT HAGGERTY - CHAIRPERSON

JERRY HILL

JAKE McGOLDRICK

JOHN SILVA

SHELIA YOUNG

TIM SMITH – VICE CHAIRPERSON

PATRICK KWOK

NATE MILEY

PAMELA TORLIATT

**MONDAY
APRIL 25, 2005
9:30 A.M.**

**FOURTH FLOOR CONFERENCE ROOM
DISTRICT OFFICES**

AGENDA

- 1. CALL TO ORDER - ROLL CALL**
- 2. PUBLIC COMMENT PERIOD** *(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.*
- 3. APPROVAL OF MINUTES OF FEBRUARY 10, 2005**
- 4. TRANSPORTATION FUND FOR CLEAN AIR (TFCA) ANNUAL REPORT**

H. Hilken/4642
hhilken@baaqmd.gov

Consider recommending Board of Directors' approval of the report titled Transportation Fund for Clean Air Report on FY 2004/2005 Allocations and Effectiveness.
- 5. TRANSPORTATION FUND FOR CLEAN AIR SELECTION OF AUDITOR** **H. Hilken/4642**
hhilken@baaqmd.gov

Consider recommending Board of Directors' approval to award contract of up to \$85,610 to the firm of Macias, Gini and Company to perform audit of TFCA Regional Fund projects.
- 6. REVIEW OF PROPOSED OUTREACH ACTIVITIES REGARDING POLICIES AND CRITERIA FOR SELECTED TRANSPORTATION FUND FOR CLEAN AIR PROJECTS** **H. Hilken/4642**
hhilken@baaqmd.gov

Staff will describe proposed activities requested by the Committee to evaluate TFCA policies and evaluation criteria for pedestrian and arterial management projects.

7. COMMITTEE MEMBER COMMENTS/OTHER BUSINESS

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

8. TIME AND PLACE OF NEXT MEETING: 9:30 a.m., MAY 12, 2005, 939 ELLIS STREET, SAN FRANCISCO, CA

9. ADJOURNMENT

**CONTACT CLERK OF THE BOARDS - 939 ELLIS STREET
SAN FRANCISCO, CA 94109**

**(415) 749-4965
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Clerk's Office should be given at least three working days prior to the date of the meeting so that arrangements can be made accordingly.

**Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 771-6000**

DRAFT MINUTES

Summary of Board of Directors
Mobile Source Committee Meeting
9:30 a.m., Thursday, February 10, 2005

1. **Call to Order – Roll Call:** Vice-Chairperson Tim Smith called the meeting to order at 9:31 a.m.

Present: Scott Haggerty, Chairperson (9:32 a.m.); Jerry Hill, Jake McGoldrick (9:36 a.m.), Nate Miley, Tim Smith, Pam Torliatt, Shelia Young (9:32 a.m.).

Absent: Patrick Kwok, John Silva.

Also Present: Julia Miller, Marland Townsend, Gayle B. Uilkema (9:45 a.m.).

2. **Public Comment Period:** There were no public comments.

3. **Approval of Minutes of December 6, 2004:** Director Torliatt moved approval of the minutes; seconded by Director Townsend; carried unanimously without objection.

Directors Scott Haggerty and Shelia Young arrived at 9:32 a.m.

4. **Proposed Revisions to Transportation Fund for Clean Air (TFCA) Policies and Evaluation Criteria for FY 2005/2006:** *The Committee considered recommending Board of Directors' approval of proposed revisions to TFCA Policies and Evaluation Criteria to govern allocation of FY 2005/2006 TFCA funds.*

Juan Ortellado, Grant Programs Manager, presented the report and provided background information on the annual revisions to the TFCA policies and evaluation criteria. Mr. Ortellado discussed and reviewed the substantive changes that are in proposed policy numbers 2, 7, 11, 22, 32, and 37.

Director Jake McGoldrick arrived at 9:36 a.m.

Mr. Ortellado stated that staff recommends Board approval of the proposed Fiscal Year 2005/06 TFCA policies and evaluation criteria.

There was discussion on the issue of how smaller cities can compete with the larger cities for funding. Staff noted that the smaller cities have garbage trucks, street sweepers and other vehicles that would be eligible for funding.

Director Gayle B. Uilkema arrived at 9:45 a.m.

The following individuals spoke on this agenda item:

Sam Altshuler P.G. & E. San Francisco, CA	Marcella Rensi Santa Clara Valley Transportation Authority San Jose, CA 95134
Sandy Wong San Mateo C/CAG Redwood City, CA 94063	Shanna O'Hare City of Oakland Oakland, CA 94612
Dennis Fay Alameda County CMA Oakland, CA 94612	Rajiv Bhatia, M.D., MPH San Francisco Department of Health San Francisco, CA 94102
Emily Drennen Walk SF San Francisco, CA 94103	Dan Christians Solano Transportation Authority Suisun City, CA 94585

Committee Actions: Director Miley moved that the Committee recommend the Board adopt policy number 7; seconded by Director Torliatt; carried unanimously without objection.

Director Miley moved that the Committee recommend the Board adopt policy number 11; seconded by Director Hill; carried unanimously without objection.

Director Hill moved that the Committee recommend the Board adopt policy number 22; seconded by Director Miley; carried unanimously without objection.

Director Young moved that the Committee recommend the Board adopt policy number 32, with a cap of 50% for diesel heavy-duty Regional Fund projects; seconded by Director Smith. After a brief discussion, Director Young withdrew her motion.

Director Young moved that the Committee recommend the Board adopt policy number 32; seconded by Director Smith; carried unanimously without objection.

Director Hill moved that the Committee recommend the Board adopt policies 1 through 35 and the evaluation criteria as proposed; seconded by Director Miley; carried unanimously without objection.

Director Miley moved that the Committee recommend the Board adopt policy number 36 and reinstate incident management as an eligible project type; seconded by Director Young.

After a brief discussion of the policy, the motion passed on the following roll call:

AYES: McGoldrick, Miley, Torliatt, Young, Townsend, Haggerty

NOES: Hill, Smith.

ABSENT: Kwok, Silva.

Director Miley moved that the Committee recommend the Board adopt policy number 37 and include pedestrian projects as an eligible project type; seconded by Director Smith.

The Committee discussed taking a more in-depth review of policy numbers 36 and 37 during the next year. There was discussion on the possibility of a workshop on these items and inviting the Congestion Management Agency directors involved in the discussions. The motion then passed without objection.

Director Hill moved that the Committee recommend the Board adopt policy number 2; seconded by Director Townsend.

There was a brief discussion on aggregate cost effectiveness for small cities. The motion then passed without objection.

5. Reallocation of a Portion of the 2004 Lower-Emission School Bus Program Funds: *The Committee considered recommending Board of Directors' approval of the reallocation of Lower-Emission School Bus Program funds.*

Karen Chi, Environmental Planner, presented the report and reviewed the background of the program and summarized the funding cycle. Ms. Chi stated that staff recommends Board approval of reallocation of Lower-Emission School Bus (LESB) Program funds to allow the purchase of new clean diesel school buses with the remaining \$624,268 of TFCA funds allocated to the 2004 LESB Program.

Committee Action: Director Smith moved that the Committee recommend the Board approve the staff recommendation as stated above; seconded by Director Torliatt; carried unanimously without objection.

The following individual spoke on this agenda item: Sam Altshuler
P.G. & E.
San Francisco, CA

6. Implementation of the Year 7 Carl Moyer Program Funds in the San Francisco Bay Area: *The Committee considered authorizing the Air District's continued participation in implementing the California Air Resources Board FY 2004/2005 Carl Moyer Program in the San Francisco Bay Area.*

David Burch, Principal Environmental Planner, presented the report and reviewed the background of the Carl Moyer Program, recent legislative changes, funding available for fiscal year 2004/05 (year 7), and the procedures to allocate the funds.

Mr. Burch stated that staff recommends Board approval of the Air District's participation in the Moyer Program; that the Board authorize the Air Pollution Control Officer (APCO) to enter into necessary contracts with the California Air Resources Board (CARB) and Moyer project applicants; and that the Board approve the procedures to allocate the Moyer funds.

Committee Action: Director Smith moved that the Committee recommend Board approval of the staff recommendations as stated above; seconded by Director Townsend; carried unanimously without objection.

- 7. Amendment to Transportation Fund for Clean Air (TFCA) Alameda County Program Manager Expenditure Program:** *The Committee considered recommending Board of Directors' approval of an amendment to the TFCA Alameda County Program Manager Expenditure Program for FY 2004/05.*

Committee Action: Director Hill moved that the Committee recommend Board approval of \$75,000 from fiscal year 2004/05 Alameda County Program Manager funds for a City of Hayward project (project number 96ALA08); seconded by Director Young; carried unanimously without objection.

- 8. Committee Member Comments/Other Business:** There were none.

- 9. Time and Place of Next Meeting:** 9:30 a.m., Thursday, March 10, 2005, 939 Ellis Street, San Francisco, CA 94109

- 10. Adjournment:** 11:00 a.m.

Mary Romaidis
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Haggerty and
Members of the Mobile Source Committee

From: Henry Hilken
Director of Planning and Research

Date: April 18, 2005

Re: Transportation Fund for Clean Air (TFCA) Report on Fiscal Year (FY)
2004/2005 Allocations and Effectiveness

RECOMMENDED ACTION

Recommend Board approval of the *Transportation Fund for Clean Air Report on FY 2004/2005 Allocations and Effectiveness*.

BACKGROUND

State law allows air districts to impose a surcharge on motor vehicle registration fees paid within their jurisdictions to fund the implementation of transportation control measures and mobile source measures. Funds from the annual surcharge of \$4 per vehicle, applied to over 5 million vehicles registered in the Bay Area, are allocated by the Air District's Transportation Fund for Clean Air to projects that reduce emissions from mobile sources.

State law requires that the Air District Board of Directors review the expenditure of TFCA funds annually to determine their effectiveness in improving air quality. Staff has prepared a report in response to this requirement. The report, provided in Attachment A, summarizes allocations for all projects that received TFCA funds in FY 2004/2005.

DISCUSSION

Key findings of the report include the following:

- TFCA funds have been allocated to eligible projects, consistent with the legislation that authorizes the TFCA program.
- The Air District approved TFCA funding of \$25.4 million for eligible costs: \$16.3 million in Regional Funds (47 projects), \$7.4 million in Program Manager Funds (59 projects) and \$1.7 million in administration costs.
- Projects funded in FY 2004/2005 are expected to reduce criteria pollutant emissions over their lifetime by an estimated 1,033 tons, including 441 tons of reactive organic gases (ROG), 488 tons of nitrogen oxides (NO_x), and 104 tons of particulate matter (PM₁₀). The estimated lifetime emissions reduction for carbon dioxide (CO₂), a greenhouse gas, for the projects funded in FY 2004/2005 is approximately 74,000 tons.
- The overall cost-effectiveness of TFCA projects funded in FY 2004/2005 is \$24,530 (TFCA dollars) per ton of criteria pollutant emissions reduced.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Henry Hilken

Director of Planning and Research

Prepared by: J. Steinberger

Reviewed by: J. Ortellado

FORWARDED: _____

Attachment

**TRANSPORTATION FUND
FOR
CLEAN AIR**

REPORT ON FY 2004/2005

ALLOCATIONS AND EFFECTIVENESS

**BAY AREA
AIR QUALITY**



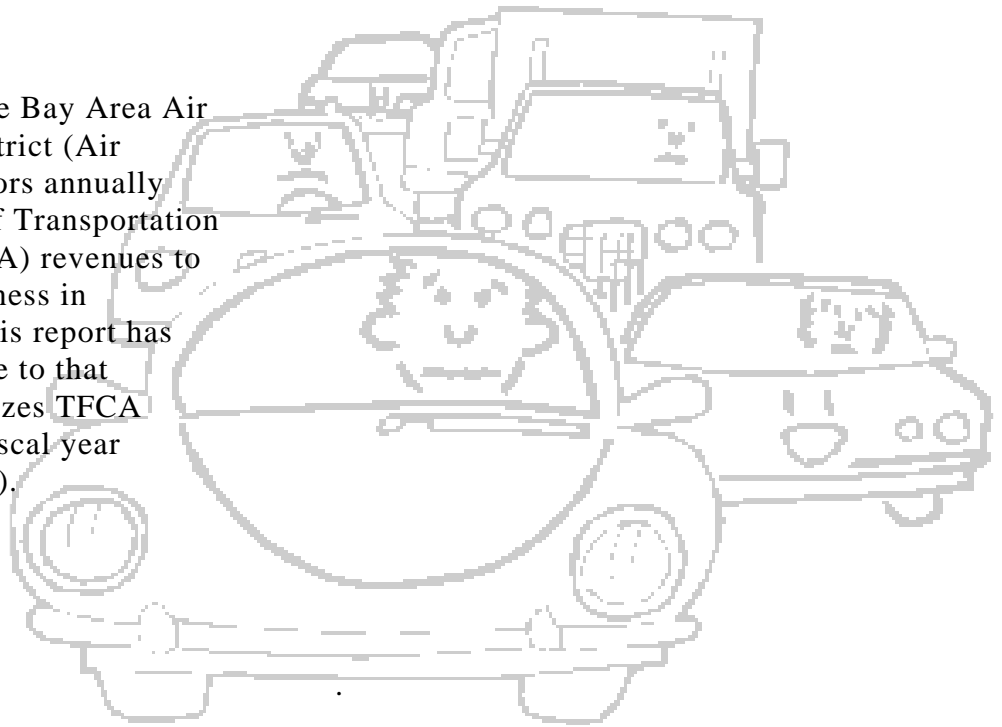
**TRANSPORTATION
FUND FOR
CLEAN AIR**

Bay Area Air Quality Management District
939 Ellis Street, San Francisco, CA 94109

April 2005

Summary

State law requires that the Bay Area Air Quality Management District (Air District) Board of Directors annually review the expenditure of Transportation Fund for Clean Air (TFCA) revenues to determine their effectiveness in improving air quality. This report has been prepared in response to that requirement and summarizes TFCA funding allocations for fiscal year 2004/2005 (FY 2004/05).



Major findings of this report are:

- ◆ TFCA funds have been allocated to eligible recipients for eligible projects, consistent with the legislation that authorizes the TFCA program.
- ◆ In FY 2004/05, the Air District approved TFCA funding of \$25.4 million, including \$23.7 million for 106 eligible projects (\$16.3 million for 47 Regional Fund projects and \$7.4 million for 59 Program Manager Fund projects), and \$1.7 million for administration costs.
- ◆ The \$25.4 million in TFCA funds allocated for FY 2004/05 includes \$21 million in calendar year 2004 Department of Motor Vehicle receipts, \$1.4 million in interest, and \$3 million in TFCA funds reallocated from previously funded projects that were canceled or completed under budget.
- ◆ The estimated lifetime emission reductions for the projects funded in FY 2004/05 are 441 tons of reactive organic gases (ROG), 488 tons of oxides of nitrogen (NO_x), and 104 tons of particulate matter (PM₁₀). Combined lifetime emission reductions for the three pollutants total 1,033 tons.
- ◆ The estimated lifetime emissions reduction in carbon dioxide (CO₂), a greenhouse gas, for the projects funded in FY 2004/05 is approximately 74,000 tons.
- ◆ The aggregate cost-effectiveness of all TFCA projects funded in FY 2004/05 is \$24,530 (TFCA dollars) per ton of emissions reduced (lifetime ROG, NO_x, and PM₁₀).
- ◆ Since the inception of the TFCA program in 1992, the Air District has allocated a total of \$283 million in TFCA funds to 1,720 projects.

The Challenge

On-road motor vehicles, including cars, trucks, and buses, are the most significant source of air pollution in the San Francisco Bay Area. Vehicle emissions contribute to unhealthy levels of ozone (summertime "smog") and particulate matter.

To protect public health, the State Legislature enacted the California Clean Air Act in 1988. In response, the Air District, in cooperation with the Metropolitan Transportation Commission and the Association of Bay Area Governments, prepared the *Bay Area Clean Air Plan (CAP)*. To reduce emissions from motor vehicles, the *CAP* contains transportation control measures (TCMs) and mobile source measures (MSMs). A TCM is defined as "any strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions." Mobile source measures encourage the retirement of older, more polluting vehicles and the introduction of newer, less polluting motor vehicle technologies.

One Solution

To fund the implementation of TCMs and MSMs, the State Legislature allows air districts to impose a surcharge on motor vehicle registration fees paid within their jurisdictions. For the San Francisco Bay Area, the annual surcharge is \$4 per vehicle and applies to over 5 million vehicles registered in the region.

Revenues raised by the surcharge are allocated by the Air District through the Transportation Fund for Clean Air. TFCA funds may only be awarded to public agencies, such as cities and counties, transit districts, school districts, and the Metropolitan Transportation Commission.

TFCA projects have many benefits:

- ♦ Reducing air pollution, including air toxics, such as benzene
- ♦ Conserving energy and helping to reduce carbon dioxide emissions
- ♦ Improving water quality by decreasing contaminated runoff from roadways
- ♦ Improving transportation options
- ♦ Reducing traffic congestion

State legislation restricts Bay Area TFCA funding to the following 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

The Process

In calendar year 2004, \$21.3 million in new funding was received from the \$4 surcharge on motor vehicle registrations. Additional funds were available from interest earned on TFCA funds and from prior projects that were completed under budget, withdrawn or canceled.

Each year the Air District distributes TFCA funds through **two processes**.

Sixty percent of the TFCA funds are referred to as “Regional Funds.” The Regional Funds are used to fund eligible programs that are implemented by the Air District, such as the Smoking Vehicle, Vehicle Buy-Back, and Spare the Air programs. The remainder of the Regional Funds is distributed to public agencies through a competitive process.

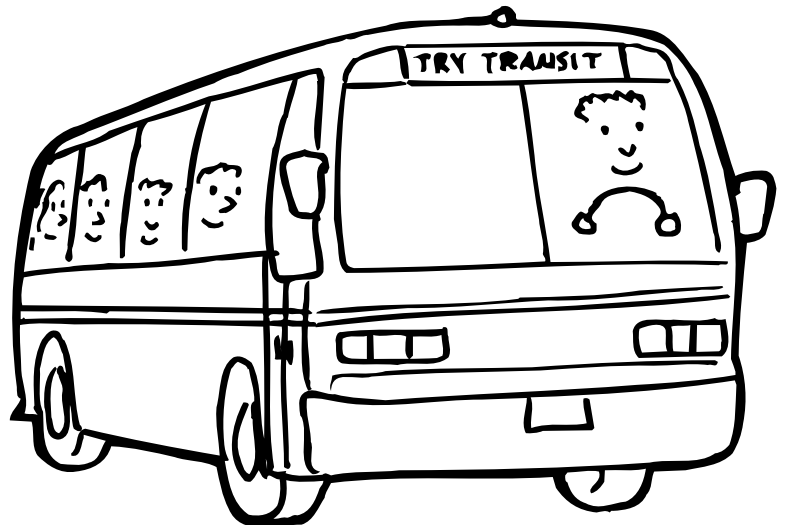
The Air District Board of Directors adopts criteria to evaluate and rank project applications for TFCA Regional Funds. The evaluation criteria for FY 2004/05 are shown below. Proposed projects are evaluated with respect to each criterion. Projects are ranked based upon their total point score, and projects are funded in descending order until available funds have been allocated.

Cost-effectiveness, expressed in terms of TFCA dollars per ton of reduced emissions, is the most important criterion for ranking projects. Board-adopted policy requires that all projects must achieve a cost-effectiveness of \$90,000 per ton or less (TFCA \$\$ per ton).

Forty percent of the funds generated in each Bay Area county are returned to the county’s designated Program Manager, as mandated by the TFCA-enabling legislation. The 40% funds are referred to as “Program Manager Funds.” Program Managers adopt their own criteria to select projects for funding, provided all projects meet basic TFCA eligibility requirements. In some counties, all or a portion of the TFCA Program Manager Funds are allocated by formula as a direct subvention to cities within the county. Each city then selects an eligible project or projects for its share of the Program Manager funds.

The Program Manager projects are reviewed by Air District staff and submitted to the Air District Board of Directors for approval. Board-adopted policy requires that the projects in each Program Manager expenditure plan achieve a cost-effectiveness of \$90,000 per ton or less (TFCA \$\$ per ton) on an aggregate basis.

<i>Scoring Criteria:</i>	
<i>FY 2004/05 Regional Funds</i>	<i>Points</i>
TFCA Funding Effectiveness	60
Other Project Attributes	15
Clean Air Policies and Programs	10
Disadvantaged Community	10
Promote Alternative Transportation Modes	5
Total	100

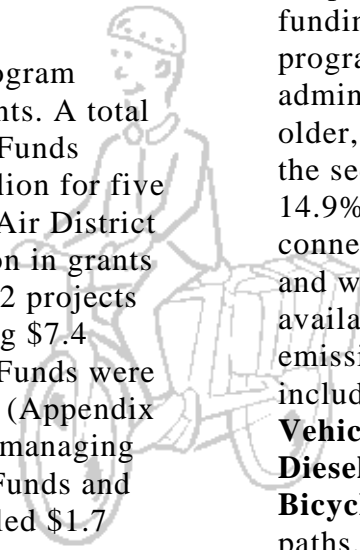


Projects

In FY 2004/05, the TFCA program awarded \$25.4 million in grants. A total of \$16.3 million in Regional Funds allocations included \$7.3 million for five projects administered by the Air District (Appendix A) and \$9.0 million in grants to other public agencies for 42 projects (Appendix B). Grants totaling \$7.4 million in Program Manager Funds were awarded for 59 local projects (Appendix C). Administrative costs for managing District programs, Regional Funds and Program Manager Funds totaled \$1.7 million.

Trip Reduction/Ridesharing projects, providing services and incentives to encourage the use of carpools and

vanpools, received the largest percent of funding, 17.2%. The **Vehicle Buy Back** program, a voluntary program administered by the Air District to scrap older, higher polluting vehicles, received the second largest percentage of funds, 14.9%. **Shuttle and Feeder Bus** projects, connecting people between home, transit, and work, received 14% of the total available funding. Projects to reduce emissions from the heavy-duty fleet, including **Heavy-Duty Natural Gas Vehicles, School Buses and Filters for Diesel Engines**, together received 18.3%. **Bicycle Facilities**, including bike lanes, paths, routes, lockers and racks, received 10.4% of the total funds. **Arterial Management** projects, including signal timing to smooth traffic flow received 6%.



Category	# of FY 2004/05 Projects	FY 2004/05 TFCA\$	% of 04/05 TFCA \$	Emissions Reduction, (tons) ⁽²⁾	% of Emissions Reduction
Administration	N/A ⁽¹⁾	\$1,698,534	6.7%	N/A	N/A
Smoking Vehicle Program	1	\$692,616	2.7%	62	6%
Vehicle Buy Back Program	1	\$3,770,625	14.9%	505	49%
Light-Duty Vehicle Incentives	3	\$562,000	2.2%	5	0%
Spare the Air Program	1	\$822,076	3.2%	9	1%
Trip Reduction/Ridesharing	27	\$4,366,779	17.2%	101	13%
Smart Growth	4	\$857,100	3.4%	12	1%
Arterial Management	6	\$1,516,397	6.0%	31	3%
Bicycle Facilities	26	\$2,648,580	10.4%	32	3%
Shuttle and Feeder Buses	15	\$3,560,463	14.0%	45	4%
School Buses	1	\$40,000	0.2%	1	0%
Heavy-Duty Natural Gas Vehicles	10	\$2,349,828	9.3%	69	7%
Natural Gas Infrastructure	2	\$82,526	0.3%	N/A	N/A
Electric/Hydrogen Infrastructure	2	\$150,000	0.6%	N/A	N/A
Filters for Diesel Engines	7	\$2,238,066	8.8%	162	16%
T O T A L	106	\$25,355,590	100% ⁽³⁾	1034	100%

N/A= not applicable. No direct emission reductions are attributed to Administration or to infrastructure for clean air vehicles.

(1)The Air District and each of the nine counties have an “Administration” component of their TFCA programs. Beginning with this Annual Report, Administration will no longer be counted as a “project”.

(2) Lifetime emissions reductions of ROG, NOx, and PM₁₀ combined.

(3) Total equals 99.9% due to rounding.

Results

Emission Reductions

Air District staff estimates the emissions reduced over the life of every project that receives TFCA funding. The potential of each project to reduce motor vehicle emissions varies depending upon the type of project, the scale of the project, geographic location and other factors.

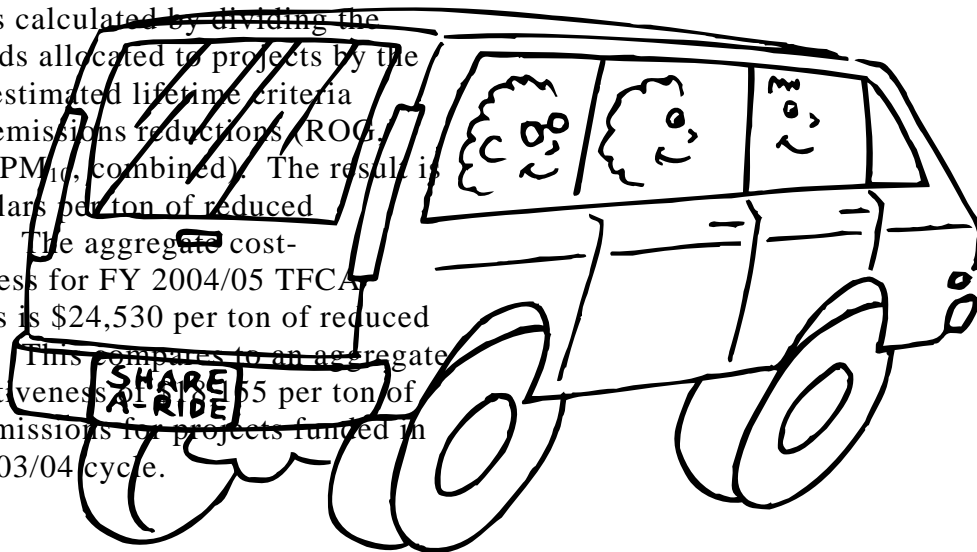
The total lifetime emission reductions expected from the implementation of projects receiving TFCA funding in FY 2004/05 is 1,033 tons – this represents the sum of ozone precursors (441 tons of ROG and 488 tons of NO_x) and particulate matter (104 tons of PM₁₀). This figure includes 231 tons of emissions reduced from diesel-powered equipment, including projects to replace heavy duty diesel engines and to install filters on existing diesel engines. The estimated lifetime emissions reduction for carbon dioxide (CO₂), a greenhouse gas, for the projects funded in 2004/05 is approximately 74,000 tons.

Cost-Effectiveness

The cost-effectiveness of the TFCA program is calculated by dividing the TFCA funds allocated to projects by the projects' estimated lifetime criteria pollutant emissions reductions (ROG, NO_x, and PM₁₀, combined). The result is TFCA dollars per ton of reduced emissions. The aggregate cost-effectiveness for FY 2004/05 TFCA allocations is \$24,530 per ton of reduced emissions. This compares to an aggregate cost-effectiveness of \$18,155 per ton of reduced emissions for projects funded in the FY 2003/04 cycle.

Projects

Appendices A, B, and C list all the projects that received TFCA funding in FY 2004/05.



APPENDIX A: FY 2004/05 TFCA-Funded Air District Projects

Proj#	Sponsor	Project Title	TFCA\$ Awarded
04R01	BAAQMD	Smoking Vehicle Program	\$692,616
04R02	BAAQMD	Vehicle Buy Back Program *	\$3,770,625
04R03	BAAQMD	Spare The Air	\$822,076
04R04	BAAQMD	Vehicle Incentive Program *	\$500,000
04R70	BAAQMD	Solid Waste Collection Vehicle Incentives	\$1,533,216
		SUB-T O T A L : 5 projects	\$7,318,533
	BAAQMD	SUB-T O T A L : Admin Costs	\$1,280,052
		T O T A L	\$8,598,585

* Greater than 95% of the funds for the Vehicle Buy-Back Program (Project 04R02) are “pass-through” funds from the Air District to vehicle owners and to contractors who implement the program. Similarly, all funds allocated to the Vehicle Incentive Program (Project 04R04) are awarded to public agencies to acquire light-duty clean air vehicles.

APPENDIX B: FY 2004/05 TFCA Regional Fund Projects

Proj#	Sponsor	Project Title	TFCA\$ Awarded
04R07	AC Transit	Heavy-duty Vehicle - 10 gasoline-electric transit buses	\$1,000,000
04R44	Alameda County Congestion Management Agency	Telegraph Transit Priority for AC Transit	\$394,000
04R31	Alameda County Public Works Agency	Class 2 Bicycle Lanes: E. Castro Valley Blvd. (1 mi.)	\$45,000
04R61	Alameda-Contra Costa Transit District	Shuttle Bus Service - Oakland MacArthur Corridor BART Connection (2 year)	\$514,672
04R62	Alameda-Contra Costa Transit District	Oakland MacArthur Corridor Transit Bus Traffic Signal Prioritization	\$205,000
04R38	City of Albany	Class 2 Bicycle Lanes: Marin Ave. (1.5 mi.)	\$120,000
04R17	City of Belmont	Heavy-Duty Vehicle Replacement -- 1 CNG street sweeper	\$73,000
04R52	City of Berkeley	Dwight Way Traffic Calming	\$99,000
04R18	City of Cupertino	Heavy-Duty Vehicle Retrofit -- 7 refuse trucks with emission control devices	\$63,000
04R51	City of Cupertino	Mary Avenue Gateway & Refuge Project	\$100,000
04R53	City of Livermore	Downtown First Street Streetscape Improvement Project	\$600,000
04R39	City of Morgan Hill	Class 2 / Class 3 Bicycle Lanes: Cochrane Rd. (1.5 mi.)	\$73,166
04R20	City of Oakland	Heavy-Duty Vehicle Replacement -- 1 CNG street sweeper & 1 CNG truck	\$124,500
04R26	City of Oakland	Bicycle Racks and Lockers	\$60,000
04R28	City of Oakland	Class 2 Bicycle Lane: Market St. (1 mi.)	\$49,711
04R15	City of Palo Alto	Heavy-Duty Vehicle Replacement -- 1 CNG street sweeper	\$60,000
04R68	City of San Carlos	Shuttle Bus Service- San Carlos	\$62,082
04R13	City of San Leandro	Heavy-Duty Vehicle Retrofit -- 24 refuse truck emission control devices	\$216,000
04R34	City of San Leandro	Class 1 Bicycle Trail: Bay Trail Segment (0.2 mi.)	\$85,000
04R69	City of San Leandro	Shuttle Bus Service- San Leandro LINKS	\$67,838
04R40	City of Santa Rosa	Class 1 Bicycle Path: Joe Rodota Trail	\$140,000
04R27	City of Suisun City	Class 1 Bicycle Path: Central County Bikeway (0.6 mi.)	\$130,000
04R48	City of Sunnyvale	In-Pavement Crosswalk Warning Lights	\$58,100
04R14	City of Union City	Heavy-Duty Vehicle Replacement -- 5 CNG refuse vehicles	\$225,483
04R09	Hayward Area Recreation and Park District	Heavy-Duty Vehicle Repower -- 1 CNG truck	\$40,000
04R56	Metropolitan Transportation Commission	Regional Rideshare Program	\$1,000,000
04R19	Napa Valley Unified School District	Repower 2 heavy-duty school buses to Electricity	\$323,350
04R65	Peninsula Corridor Joint Powers Board	Caltrain Shuttle Bus Service - New Tamien Weekend Shuttle	\$25,000
04R64	Peninsula Corridor Joint Powers Board	Shuttle Bus Service - Caltrain Stations	\$996,371
04R22	Port of Oakland	Heavy-Duty Vehicle Replacement -- 5 CNG transit buses (Air BART)	\$290,000
04R23	Port of Oakland	Heavy-Duty Vehicle Replacement -- 1 CNG street sweeper	\$68,000
04R24	Port of Oakland	Heavy-Duty Vehicle Replacement -- 12 CNG airport shuttles	\$323,625
04R06	San Francisco Department of Parking and Traffic	Class 2 Bicycle Lanes: Alemany Blvd. (2.1 mi.)	\$26,500

APPENDIX B: FY 2004/05 TFCA Regional Fund Projects

Proj#	Sponsor	Project Title	TFCA\$ Awarded
04R10	San Francisco International Airport	Heavy-Duty Vehicle Replacement -- 2 LPG airport shuttles	\$27,300
04R11	San Francisco International Airport	Heavy-Duty Vehicle Replacement -- 8 CNG airport shuttles	\$157,920
04R05	San Joaquin Regional Rail Commission	Shuttle Bus Service - Pleasanton ACE and Dublin/Pleasanton BART stations	\$43,500
04R57	San Jose State University - Associated Students	Trip Reduction Program	\$100,000
04R55	Santa Clara Valley Transportation Authority	Transportation Demand Management Incentive Program	\$49,000
04R66	Santa Clara Valley Transportation Authority	Shuttle Bus Service - ACE Commuter Rail	\$800,000
04R08	Santa Rosa CityBus	Retrofit 26 transit buses with diesel and NOx emission control devices	\$22,500
04R59	The Regents of the University of California (Berkeley Campus)	UC Berkeley Transportation Alternatives Marketing & Outreach Project	\$44,750
04R63	University of California, San Francisco	Shuttle Bus Service - Mission Bay - China Basin, Powell Street BART station.	\$50,000
		T O T A L : 42 projects	\$8,953,368

APPENDIX C: FY 2004/05 TFCA Program Manager Fund Projects

Proj#	Sponsor	Project Title	TFCA\$ Awarded
04ALA01	City of Fremont	Signal Timing - various corridors	\$123,000
04ALA02	City of Union City	Natural Gas Fueling Facility Improvements	\$50,000
04ALA03	BART	Free AM BART on Spare The Air Days	\$780,000
04CC01	TRANSPAC / City of Pleasant Hill	Countywide Carpool Incentive Program	\$146,000
04CC02	TRANSPAC / City of Pleasant Hill	Countywide Transit Incentive Program	\$170,000
04CC03	TRANSPAC / City of Pleasant Hill	Central/East County Employer Network	\$120,000
04CC04	TRANSPAC / City of Pleasant Hill	West/Central/East SchoolPool Program	\$180,000
04CC05	City of San Ramon / SWAT	Countywide Vanpool Incentive Program	\$70,000
04CC06	City of San Ramon / SWAT	South County Employer Network	\$69,238
04CC07	City of San Ramon / SWAT	South County School Ridematching Program	\$25,000
04CC08	City of San Ramon / SWAT	Countywide Clean Fuel Vehicle Program	\$32,526
04CC09	City of Lafayette	Lamorinda School Bus Program - 17 School Buses	\$40,000
04CC10	WCCTAC	Countywide Guaranteed Ride Home Program	\$148,000
04CC11	WCCTAC	West County Transit Incentive Program	\$83,500
04CC12	WCCTAC	West County Employer Network	\$87,000
04CC13	City of Martinez	San Francisco Bay Trail, Phase II	\$87,508
04MAR01	City of Novato	Class II Bicycle Lanes - Diablo Ave.	\$59,300
04MAR02	City of Novato	Purchase 10 Bicycles for Police Patrol	\$22,180
04MAR03	Marin County Transit District	Ride & Roll Project: Free Bus Passes	\$75,000
04MAR04	Transportation Authority of Marin	Safe Routes to School	\$266,000
04MAR05	City of San Anselmo	Police Electric Parking Enforcement Vehicles - 4 LDV	\$12,000
04NAP01	County of Napa	Class II bicycle lane - SR 121 to Cuttings Wharf	\$115,000
04NAP02	Napa County Transportation Planning Agency	Bus Bike Racks - Calistoga Handy Van	\$1,500
04SC01	County of Santa Clara	Alamden Expway Bike/Ped Imp. (Ironwood to Foxworthy)	\$370,000
04SC02	County of Santa Clara	Expway Bike Shoulder Delineation	\$128,895
04SC03	City of Mountain View	Stevens Creek Bicycle-Pedestrian Trail - Reach 4	\$700,000
04SC04	City of San Jose	Bascom Corridor Signal Timing	\$119,000
04SC05	City of San Jose	San Jose ITS West - Stevens Creek	\$346,000
04SC06	Santa Clara Valley Transportation Authority	VTA Light Rail Shuttle Program	\$300,000
04SC07	City of San Jose	Bascom signal Transit Priority	\$329,397
04SF01	Golden Gate Park Concourse Authority	Golden Gate Park Shuttle	\$64,000
04SF02	Golden Gate Park Concourse Authority	Arguello Class II Bike Lane	\$35,000
04SF03	County of San Francisco	Hall of Justice Shuttle	\$52,000
04SF04	County of San Francisco	Bicycles for Gardeners - Dept. of Parks & Recreation	\$19,000
04SF05	County of San Francisco	Sidewalk Bicycle Racks	\$95,000
04SF06	County of San Francisco	Class 2 Bicycle Lanes - Mississippi St.	\$8,500
04SF07	County of San Francisco	Class 2 Bicycle Lanes - Sloat Blvd.	\$58,000
04SF08	County of San Francisco	Class 2 Bicycle Lanes - Laguna Honda Blvd.	\$10,500
04SF09	County of San Francisco	Class 2 Bicycle Lanes - Phelan Ave.	\$82,000

APPENDIX C: FY 2004/05 TFCA Program Manager Fund Projects

Proj#	Sponsor	Project Title	TFCA\$ Awarded
04SF10	Presidio Trust	Class 2 Bicycle Lanes - Washington Blvd.	\$77,000
04SF11	County of San Francisco	SFPUC 24th Street BART Station Shuttle	\$30,000
04SF12	University of California, San Francisco	Bicycle Patrol Program	\$7,000
04SF13	County of San Francisco	Hydrogen Fuel Cell Vehicle Pilot Project	\$100,000
04SF14	County of San Francisco	Clean Air Vehicle Replacement - 6 SULEV, 8 CNG & 3 ZEV	\$50,000
04SF15	BART	Embarcadero Station O&M	\$40,000
04SM01	City of Menlo Park	Mid-Day Shuttle	\$35,000
04SM02	Peninsula Congestion Relief Alliance	Voluntary Trip Reduction Program	\$350,000
04SM03	San Mateo County Transit District	SamTrans Shuttle Bus Program	\$495,000
04SOL01	Solano Transportation Authority	Route 30 Natural Gas Shuttle Service	\$25,000
04SOL02	STA Solano Napa Commuter Information	Ridesharing/Trip Reduction Program	\$195,000
04SOL03	City of Suisun City	Central County Bikeway Gap Closure	\$32,000
04SOL04	Solano County	Electric Vehicle Public Charging Station	\$50,000
04SON01	City of Santa Rosa	Purchase of PM & NOx Retrofit Kits (7 Buses)	\$40,000
04SON02	City of Santa Rosa	FY 04/05 Student Pass Subsidy	\$70,000
04SON03	City of Santa Rosa	FY 04/05 Voluntary Trip Reduction Program	\$129,802
04SON04	Sonoma County Transit	Cotati Intermodal Facility/ Park & Ride	\$26,369
04SON05	Sonoma County Transit	Petaluma Transit Mall	\$38,282
04SON06	Sonoma County Transit	Windsor Intermodal Facility/ Park & Ride Lot	\$66,658
04SON07	Sonoma County Transit	Local Transit Pass Subsidy/Marketing Program	\$48,000
		SUB-T O T A L : 59 projects	\$7,385,155
	Alameda County CMA	Program Administration Cost	\$90,850
	Contra Costa Transportation Authority	Program Administration Cost	\$64,019
	Transportation Authority of Marin	Program Administration Cost	\$18,738
	Napa County Transportation Planning Agency	Program Administration Cost	\$5,000
	Santa Clara Valley Transportation Authority	Program Administration Cost	\$110,409
	San Francisco County Transportation Authority	Program Administration Cost	\$35,460
	San Mateo C/CAG	Program Administration Cost	\$49,403
	Solano Transportation Authority	Program Administration Cost	\$15,237
	Sonoma County Transportation Authority	Program Administration Cost	\$29,366
		SUB-T O T A L: Admin Costs	\$418,482
		T O T A L	\$7,803,637

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-office Memorandum

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

From: Henry Hilken, Director of Planning and Research

Date: April 18, 2005

Re: Selection of Auditor for Transportation Fund for Clean Air (TFCA)
Regional Fund

RECOMMENDED ACTION

Recommend Board approval of:

- 1) the selection of Macias, Gini & Company as the auditor to conduct fiscal audits of 44 TFCA Regional Fund projects, and
- 2) the authorization for the Air Pollution Control Officer to execute a contract with the selected auditor in the amount of \$85,610 for the provision of the audit services.

BACKGROUND

California Health and Safety Code Section 44242 requires that any agency receiving a TFCA grant undergo a fiscal audit of each project or program funded by TFCA. The fiscal audits are to be conducted by an independent auditor selected by the Air District. To date, the Air District has conducted seven rounds of TFCA fiscal audits. The currently proposed audit services will include 44 TFCA Regional Fund projects that have been completed since the last audit of TFCA Regional Fund projects in 2002. The cost of the audits, funded by TFCA, is included in the Air District's FY 2004/2005 budget. If approved by the Board, the selected auditor will begin work in June 2005, with the final report being completed by August 2005. A summary of staff's evaluation of audit proposals is presented below.

DISCUSSION

Request for Proposals

On January 28, 2005, the Air District issued a request for proposals (RFP) seeking an auditor for the eighth round of audits of TFCA-funded projects. The RFP was mailed to 61 public accounting firms. The RFP was also posted on the Air District's website. Proposals were due at the Air District by February 28, 2005. The procedures used for the RFP comply with the Air District's Administrative Code Division II, Section 4.6, and with applicable portions of the California Public Contract Code Section 1100 et seq.

The Air District received three proposals in response to the RFP by the February 28, 2005, 4:00 PM deadline. The proposals were submitted by:

<u>Name</u>	<u>Office Location</u>
Izabal, Bernaciak & Company	San Francisco
Macias, Gini & Company	Walnut Creek
Vargas & Company	San Jose

Evaluation of Proposals

The RFP set forth five criteria to be used in evaluating the proposals. Air District staff evaluated the proposals using these criteria and contacted references provided by the three applicants. Each applicant has previously conducted TFCA fiscal audits for the Air District. Past performance on prior TFCA fiscal audits was also taken into consideration. Scores were then assigned for each criterion. The table below shows the criteria and each firm’s score for each criterion.

Scoring of Proposals

CRITERIA	MAX. PTS.	MACIAS, GINI & COMPANY	IZABAL, BERNACIAK & COMPANY	VARGAS & COMPANY
1. Technical expertise; size/structure of firm as affecting ability to perform and complete work in a professional and timely manner	30	28	20	15
2. References of the firms	10	10	9	9
3. Cost	20	13	20	14
4. Past experience of the firm and, in particular, experience of the audit team on projects of similar scope for governmental agencies	20	18	15	13
5. Responsiveness of the proposal, stating a clear understanding of the work to be performed	20	18	15	10
Total	100	87	79	61

Macias, Gini & Company (Total Bid Cost: \$85,610)

Macias, Gini & Company received a total score of 87 points, the highest overall score. This firm was ranked as the best in technical expertise and qualifications due to their extensive work in providing financial and compliance audit services. The firm has conducted compliance audit work for numerous transit and government agencies statewide. The proposal expressed a clear understanding of the work to be performed under the TFCA Regional Fund audits, and the audit timeline and process were clearly delineated in the proposal. The firm placed first in past experience and ability to perform the duties required for the TFCA Regional Fund audits. Macias, Gini & Company has a

AGENDA: 5

proven record in providing high quality, professional services as TFCA auditors. The firm conducted the TFCA financial audits in 1998, 2000 and 2004 and provided organized, efficient and responsive services to the Air District. Additionally, Macias, Gini & Company has recommended several programmatic changes to the TFCA program, which have proven effective. The firm's bid, although not the lowest, is competitive given the resources necessary to conduct the TFCA fiscal audits.

Izabal, Bernaciak & Company (Total Bid Cost: \$64,980)

Izabal, Bernaciak & Company received a total score of 79 points. The firm placed second in technical expertise and ability to perform the duties required for the TFCA Regional Fund fiscal audits. The firm has experience in conducting financial and compliance audit services for many non-profit and government agencies. The proposal showed a clear understanding of the work to be performed under the TFCA Regional Fund fiscal audits. Izabal, Bernaciak & Company performed the last round of TFCA Regional Fund financial audits and performed satisfactorily. However, the final summary audit report required several revisions, involving considerable staff time and resources. Izabal, Bernaciak & Company submitted the lowest bid.

Vargas & Company (Total Bid Cost: \$84,000)

Vargas & Company received a total score of 61 points. Although this firm has the experience necessary to perform the duties required for the TFCA audits, its proposal scored the lowest in the responsiveness to proposal criteria. The proposal did not demonstrate a clear understanding of the work to be performed, and discussed both Regional and Program Manager Funds. Vargas & Company also scored the lowest in the technical expertise criterion. This firm conducted the Air District's first two rounds of TFCA fiscal audits, which required considerable supervision and assistance by Air District staff. Vargas & Company submitted the second highest bid.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The audit cost, funded by TFCA, is included in the Air District's FY 2004/05 budget.

Respectfully submitted,

Henry Hilken
Director of Planning and Research

Prepared by: A. Gordon
Reviewed by: J. Ortellado

FORWARDED: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Haggerty and
Members of the Mobile Source Committee

From: Henry Hilken
Director of Planning and Research

Date: April 18, 2005

Re: Review of Proposed Activities for Selected Transportation Fund for Clean Air (TFCA) Projects

RECOMMENDED ACTION

None. Information only.

BACKGROUND

At the February 10, 2005 Mobile Source Committee meeting, staff was directed to perform a more in-depth review of certain TFCA-funded project types, namely arterial management and pedestrian projects. Some Committee members suggested that a workshop be conducted to discuss the TFCA policies and evaluation criteria regarding those project types with the Congestion Management Agency (CMA) directors. This is a report on staff's strategy to comply with the Committee's direction.

DISCUSSION

Staff plans to evaluate specific project types currently eligible for TFCA funding as follows.

- Conducting a performance audit - Staff is currently preparing a request for qualifications to contract with a consulting firm that can: 1) conduct an assessment of the range of emissions reductions that can be achieved by specific project types; and 2) assess the emissions reductions and cost-effectiveness of a representative sample of completed TFCA projects.
- Workshop - Staff will conduct one or more workshops with CMA directors and other interested parties to discuss the TFCA policies and evaluation criteria regarding arterial management and pedestrian projects. The workshop(s) will be conducted in time to provide the basis for potential future changes to the current TFCA policies and evaluation criteria affecting those project types.
- Committee review – Staff will review with the Mobile Source Committee the findings of the performance audit and workshop(s), and any resulting recommended revisions to TFCA policies and evaluation criteria.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding of the performance evaluation is included in the proposed fiscal year 2005/2006 budget under Program 606.

Respectfully submitted,

Henry Hilken

Director of Planning and Research

Prepared by: J. Ortellado

FORWARDED: _____