



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## BOARD OF DIRECTORS MOBILE SOURCE COMMITTEE

### COMMITTEE MEMBERS

**SHELIA YOUNG - CHAIRPERSON**  
**ROBERTA COOPER**  
**JAKE MCGOLDRICK**  
**DENA MOSSAR**  
**PAM TORLIATT**

**TIM SMITH – VICE CHAIRPERSON**  
**JERRY HILL**  
**JULIA MILLER**  
**JOHN SILVA**

**THURSDAY**  
**SEPTEMBER 11, 2003**  
**9:30 A.M.**

**FOURTH FLOOR CONFERENCE ROOM**

### 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 JULY 10, 2003**
4. **AUDIT OF TRANSPORTATION FUND FOR CLEAN AIR** **T. Perardi/4667**  
[tperardi@baaqmd.gov](mailto:tperardi@baaqmd.gov)  
*Receive a report on the audit of projects funded by the TFCA Regional Fund.*
5. **AMENDMENT TO VEHICLE INCENTIVE PROGRAM** **T. Perardi/4667**  
[tperardi@baaqmd.gov](mailto:tperardi@baaqmd.gov)  
*Consideration of recommending Board of Directors approve:*
  - 1) *Proposed revisions to the Vehicle Incentive Program guidelines for FY 2003/04 to provide eligibility for used vehicles*
  - 2) *Additional allocation of \$200,000 in FY 2003/04 Transportation Fund for Clean Air Regional Funds to ensure sufficient funds are available for both new and used vehicle incentives.*
6. **TRANSPORTATION FUND FOR CLEAN AIR FY 03/04 REGIONAL FUND GRANT AWARDS** **T. Perardi/4667**  
[tperardi@baaqmd.gov](mailto:tperardi@baaqmd.gov)  
*Consider recommending Board of Directors' approval of TFCA Regional Fund grant awards for FY 02/03, including \$8.2 million to 40 public agency projects, \$1 million to the Regional Rideshare Program, and an increase of \$1 million to the District's Vehicle Buy Back Program.*

**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., OCTOBER 9, 2003, 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](http://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, July 10, 2003

**1. Call to Order – Roll Call:** 9:36 a.m.

**Roll Call:** Shelia Young, Chairperson; Roberta Cooper, Jake McGoldrick, Julia Miller (9:40 a.m.), Pam Torliatt.

**Also Present:** Scott Haggerty, Marland Townsend, Gayle Uilkema.

**Absent:** Jerry Hill, Dena Mossar, John Silva.

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

**3. Approval of Minutes of June 12, 2003:** Due to a lack of a quorum, this item was deferred to the end of the meeting.

**4. Transportation Fund for Clean Air (TFCA) FY 2003-04 Program Manager Funds:** *The Committee considered:*

*TFCA Program Manager funding for 64 projects listed in Table 1.*

Liz Berdugo, Supervising Environmental Planner, reported that a total of 71 projects applied for Program Manager funding. Seven were withdrawn by mutual agreement between the County Program Managers and District staff. These may be resubmitted for consideration when they are ready to proceed. Projects were reviewed for consistency with (a) state law; (b) the Clean Air Plan; and (c) Board adopted policies. Some of the most important policy considerations were; respective timelines, emission reduction potential, and an aggregate cost-effectiveness criterion for projects per county of \$90,000 per ton of emissions reduced.

Director Miller arrived at 9:40 a.m., and a quorum of the Committee was achieved.

Ms. Berdugo added that for the Napa County Transportation Planning Agency Project No. 03NAP02 to retrofit seven transit buses equipped with diesel engines, staff recommended waiving Section B.5 of TFCA Policy No. 27. While the diesel particulate traps presently on the market do not meet the 2004 California Air Resources Board (CARB) emission cap of 20% NO<sub>2</sub> as a percentage of total oxides of nitrogen, the benefit of the large particulate matter reduction by the filters outweighs the concern from the modest NO<sub>2</sub> increase. Therefore, the project should move forward.

**Committee Action:** Director Torliatt moved the Committee endorse the funding of 64 TFCA Program Manager projects as recommended by staff; seconded by Director Miller; carried.

**3. Approval of Minutes of June 12, 2002:** There being a quorum present, Director Miller moved approval of the minutes; seconded by Director Cooper; carried unanimously.

**5. Committee Member Comments.** Chairperson Young noted that Cleaire, Inc., a subsidiary of Cummins West, Inc., has received approval from the CARB for a diesel emission retrofit control system, and she has invited this company to make a presentation on this equipment at the July 16, 2003 Board meeting.

Director Cooper noted that during the recent period of high temperatures in the Bay Area the hills in Hayward were highly visible, which is historically unusual.

**6. Time and Place of Next Meeting:** 9:30 a.m., Thursday, September 11, 2003, 939 Ellis Street, San Francisco, California 94109.

**7. Adjournment:** 10:56 a.m.

Respectfully submitted by:

James N. Corazza  
Deputy Clerk of the Boards

## **MOBILE SOURCE COMMITTEE**

### **Follow-up Items for Staff**

**July 10, 2003**

1. Staff to report back on whether Project No. 03SC01, City of Cupertino, is a joint project with City of Sunnyvale. The latter has requested \$110,000 for the portion of that bridge that joins the two cities. (Director Miller).  
Project O35SC01 Mary Avenue Bicycle/Pedestrian Overcrossing at I-280. The project sponsor is the City of Cupertino. Sunnyvale is contributing matching funds (\$110,000). The bridge eliminates a gap in Santa Clara County's bike corridor, which connects Mountain View with Los Gatos through Sunnyvale and Cupertino. Sunnyvale is a "major stakeholder."

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Inter-office Memorandum

To: Chairperson Young and  
Members of the Mobile Source Committee

From: Tom Perardi, Director of Planning and Research

Date: September 11, 2003

Re: Transportation Fund for Clean Air (TFCA) Audit Report # 6

RECOMMENDED ACTION:

Recommend Board acceptance of the results of TFCA Audit Report #6 including the auditor's findings and staff's recommendations for Air District actions to address four minor administrative issues.

BACKGROUND

State law requires that any agency receiving TFCA funding be subject, at least once every two years, to an audit of each project funded. The Air District retained the services of Izabal, Bernaciak & Company, an independent auditor, to conduct fiscal audits of 103 Regional Fund projects completed between the fiscal years June 1999 to June 2002. Because of the varying rates of project completion, the projects covered in this audit were awarded grants between fiscal years 1994 and 2000. The principal focus of the audit was to ensure that TFCA revenues were used for the reduction of emissions from motor vehicles. The audit was performed in accordance with the requirements outlined in California Health and Safety Code Section 44242 and in individual funding agreements.

It should be noted that many of the projects audited were funded over five years ago. Most of the issues listed in the audit findings were resolved through recent improvements in the funding agreements and administration of the TFCA program. The audit did not include current projects that are required to meet tighter project monitoring requirements.

DISCUSSION

Izabal, Bernaciak & Company found no major financial problems with the accounting and expenditure of TFCA funds in their review of the 103 audited projects. The audit summary report is attached. Project sponsors received a copy of individual project reports. All of the project sponsors were able to account for the TFCA funds they had received and document that the funds were expended only on the intended projects.

The auditor did determine that one project sponsor expended TFCA funds inappropriately. These funds were used for a shuttle route that had no third party agreement between the project sponsor and the third party providing the shuttle service. These TFCA funds were returned to the Air District.

The remainder of the auditor's findings fall into three administrative categories associated with reporting and monitoring of project funding agreement requirements: 1) failure to submit quarterly reports on a timely basis to the Air District and failure to implement the project within the specified timeline in the funding agreement; 2) failure to provide adequate supporting documentation regarding cash receipts and disbursements of TFCA funds, and regarding evidence of sale or destruction of replaced vehicles; and 3) failure to

## **AGENDA : 4**

use the Air District logo or to acknowledge the Air District's participation in the funding of the project in promotional material.

All of the 103 audited projects were completed prior to the audit, so Air District staff did not require sponsors to submit missing quarterly reports. However, staff worked with the relevant project sponsors to place the Air District's logo on vehicles and signs where they had failed to meet requirements. In many cases, additional efforts to monitor the project and ensure that project sponsors adhere to the provisions of the funding agreement should help prevent these problems in the future.

### **AUDIT RECOMMENDATIONS**

The auditor made four suggestions to improve the administration and fiscal management of TFCA funds:

- 1) The Air District should clarify reporting requirements to the project sponsors by modifying the funding agreements to emphasize that reporting requirements are necessary regardless of the amount of project activity.
- 2) In order to facilitate project reviews, the Air District should consider adding a provision in the funding agreement requiring the project sponsor to maintain all supporting documentation in one central location until the Air District audit is conducted.
- 3) For project sponsors that fail to acknowledge the Air District in newspaper articles and promotional materials for the project, the Air District should consider enforcing the fifteen percent penalty outlined in the funding agreement or withholding final payment until requirements have been met.
- 4) The Air District should require that a copy of the third party contract for shuttle operations be submitted for review to ensure that TFCA payments are not made for shuttle routes that have no third party contract in place.

Staff recommends that all but one of the auditor suggestions be implemented with all future TFCA shuttle grants. Because of the number of shuttle routes funded and the amount of paperwork involved in third party agreements, staff believes project sponsors of third party shuttle operations should submit a certification of compliance letter to the Air District instead of a copy of the third party agreement. The letter should include identification of contractors, effective date(s), and duration of all third party contracts for shuttle operations funded with TFCA funds.

### **BUDGET CONSIDERATION/FINANCIAL IMPACT**

None

Respectfully submitted,

Thomas Perardi  
Planning and Research Director

Prepared by: Andrea Gordon

Reviewed by: T. Perardi

FORWARDED: \_\_\_\_\_

Attachment



BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Inter-office Memorandum

To: Chairperson Young and  
Members of the Mobile Source Committee

From: Tom Perardi, Director of Planning and Research

Date: September 11, 2003

Re: Incentives for Used Vehicles: Vehicle Incentive Program for FY 2003/04

RECOMMENDED ACTION:

Recommend Board approval of:

- 1) revisions to Transportation Fund for Clean Air (TFCA) Policy #23, as specified in Attachment A, to provide eligibility for used vehicles to receive incentives; and
- 2) allocation of an additional \$200,000 in TFCA Regional Funds for the FY 2003/04 VIP program, to ensure that sufficient funds are available for both new and used vehicle incentives.

BACKGROUND

The VIP program provides incentives to help public agencies acquire clean, alternative fuel vehicles with a gross vehicle weight of 10,000 pounds or less.

On June 18, 2003, the Board adopted the FY 2003/04 VIP program guidelines and allocated \$800,000 in TFCA funds. The adopted VIP guidelines covered new vehicles only. Since that time, Board members have expressed an interest in expanding the VIP program to provide incentives for used vehicles.

The recommended revisions to TFCA Policy #23, set forth in Attachment A, are intended to provide appropriate incentives for used vehicles. Since the purpose of the VIP program is to reduce motor vehicle emissions, staff proposes that two requirements should apply for incentives for used vehicles:

- Incentives should be provided only for used vehicles that have not received any previous funding via the Air District's TFCA or VIP programs,
- The used vehicle must have been registered outside the boundaries of the Air District for at least the last 180 days.

The purpose of these requirements is to ensure that incentives for used, clean air vehicles will provide new emission reductions within the boundaries of the Air District. Staff does not believe there is any emission benefit to be gained by providing incentives to vehicles that have already received TFCA or VIP incentives, or vehicles that are already registered and operating within the District.

Incentives for used vehicles will be prorated based on the model year of the vehicle, as shown in Attachment A. For FY 2003/04, new vehicles are model year 2004 vehicles (or previous model year vehicles with less than 5,000 miles). A model year 2003 vehicle is

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considered to be one year old; a model year 2002 vehicle is considered to be two years old; etc.

To accommodate the anticipated increase in demand for VIP incentives, staff recommends that the Board allocate an additional \$200,000 in TFCA funds to the FY 2003/04 VIP program. This would bring the total funds allocated for the FY 2003/04 VIP program to \$1 million.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. VIP program costs for grants and administration are recovered through the Transportation Fund for Clean Air motor vehicle registration surcharge.

Respectfully submitted,

Thomas Perardi  
Planning and Research Director

Prepared by: David Burch  
Reviewed by: T. Perardi

FORWARDED: \_\_\_\_\_  
Attachment

**Attachment A**  
**Revision to TFCA Policy # 23**  
 (Proposed Revisions are shown with underline)

**23. Light-Duty CAV Funding Participation:** For clean air vehicle projects for new passenger cars, pick-up trucks, and vans with a gross vehicle weight of 10,000 pounds or less, project sponsors may receive no more than the following funding incentive amounts:

<b>Emission Rating</b>	<b>Vehicle Type</b>	<b>Incentive Amount</b>
ULEV II	Natural gas / propane	\$2,000 *
SULEV	Hybrid electric	\$2,000
SULEV	Natural gas / propane	\$4,000
ZEV	Highway battery electric	\$5,000
ZEV	City battery electric	\$3,000
ZEV	Neighborhood battery electric	\$1,000
ZEV	3-wheel battery electric	\$1,000

Used vehicles (i.e. vehicles that have been driven 5,000 miles or more ) are eligible for incentives provided that:

1. The Air District has not awarded any previous incentive funds for the vehicle (TFCA Regional funds, TFCA Program Manager funds, or VIP funds).
2. The used vehicle has been registered outside the boundaries of the Air District for at least the last 180 days.

Incentives for used vehicles will be prorated based upon the model year of the vehicle:

- 1 year old: 60% of the incentive amount for a new vehicle
- 2 years old: 40% of the incentive amount for a new vehicle
- 3 years old: 20% of the incentive amount for a new vehicle

\* Incentives for ULEV II-rated vehicles are only available for high mileage vehicles that will be driven 50,000 miles or more per year.

These incentive amounts above will be prorated for leased vehicles in those cases where the vehicle is available for purchase.

The incentive amounts for Partial Zero Emission Vehicles (PZEV) and Advanced Technology-Partial Zero Emission Vehicles (AT-PZEV) are the same as for SULEV-rated vehicles.

**(Program Manager Funds; VIP)**

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Inter-office Memorandum

To: Chairperson Young and  
Members of the Mobile Source Committee

From: Thomas Perardi  
Director of Planning

Date: September 11, 2003

Re: Transportation Fund for Clean Air (TFCA) Regional Fund Grant Awards  
for FY 2003/04

RECOMMENDED ACTION:

Recommend Board approval of:

1. Staff recommendations for FY 2003/04 TFCA Regional Fund grant awards listed on Attachment 1.
2. Allocation of \$1 million to the Regional Rideshare Program.
3. Allocation of \$1 million in additional TFCA Regional Funds for the Vehicle Buy Back (VBB) Program. This would increase the FY 2003/04 funds allocated for the scrappage of old vehicles from \$2.5 million to \$3.5 million.

BACKGROUND

Pursuant to California Health and Safety Code Sections 44241 and 44242, the Air District Board has imposed a \$4 surcharge on all motor vehicles registered within the boundaries of the District. This program is known as the Transportation Fund for Clean Air (TFCA). TFCA revenues are awarded to public agencies to implement eligible projects that reduce motor vehicle emissions and support the implementation of selected transportation and mobile source control measures in the *Clean Air Plan* and *Ozone Attainment Plan*.

By law, 60% of TFCA funds are allocated directly by the Air District; these funds are known as the TFCA Regional Funds. A portion of the Regional Funds is earmarked for eligible projects implemented directly by the Air District: the Smoking Vehicle Program, Vehicle Buy Back, Vehicle Incentive Program, Spare the Air, and Lower Emission School Bus Program. The balance is allocated on a competitive basis to projects proposed by public agencies.

The Air District received 57 grant applications totaling \$17.5 million in funding requests for FY 2003/04; \$11.1 million is available for allocation. Thirteen applications were found to be ineligible because they did not meet program policies. Staff is recommending grants totaling \$8.2 million to 40 of the 44 eligible projects. The recommended projects are listed on Attachment 1. Staff is also recommending that \$1 million be approved for the Regional Rideshare Program and that \$1 million be added to the Vehicle Buy Back Program.

**TFCA REGIONAL FUND PROCESS**

The milestone dates of the grant solicitation and review process are outlined below:

<b>Action</b>	<b>Date</b>
Issue Application Guidance	April 30, 2003
Application Workshop	May 20, 2003
Application Submittal Deadline	June 30, 2003
Evaluate Applications	July 1- August 8, 2003

**EVALUATION CRITERIA**

The Board-adopted criteria to score and rank proposals for FY 2003/04 are shown in Table 1 below. The evaluation criteria emphasize cost effectiveness in reducing emissions as the principal way to score points, accounting for 60% of the total possible score. Cost effectiveness is calculated by dividing the total TFCA funds proposed for the project by the estimated lifetime emission reductions for the project, yielding TFCA funds per ton of reduced emissions.

**Table 1 - FY 2003/04 TFCA Regional Fund Scoring Criteria**

<b>Criteria</b>	<b>Maximum Points</b>
1. TFCA Funding Effectiveness	<b>60</b>
2. Other Project Attributes	<b>15</b>
3. Clean Air Policies and Programs	<b>10</b>
4. Disadvantaged Community	<b>10</b>
5. Promote Alternative Transportation Modes	<b>5</b>
<b>Total</b>	<b>100</b>

The Board has adopted a 40-point minimum score for projects to be eligible to receive TFCA Regional Funds. The intent of this policy is to assure that TFCA funding is provided only to projects that achieve an acceptable level of effectiveness and benefit to the region.

**RETURNED APPLICATIONS**

The Board has adopted policies to govern the TFCA program. Staff reviewed the applications to determine eligibility, based on compliance with all relevant policies. Table 2 provides a listing of grant applications that were not evaluated because the applications were not eligible for funding based on one or more of the Board-adopted policies.

**Table 2: Returned Applications – Not Eligible**

<b>Sponsor</b>	<b>Project</b>	<b>Reason</b>
City of El Cerrito	Cerrito Greenway Bike Trail	Did not comply with TFCA Policy # 12 re: readiness
City of Sunnyvale	Sunnyvale Battery Back-up System	Did not comply with TFCA Policy # 2 re: result in emissions reductions
County of Marin	Golden Gate Transit Route 75 Operating Subsidy	Did not comply with TFCA Policy # 29 re: service rail, airport, or ferry
City of Emeryville	South Bayfront Bicycle/ Pedestrian Bridge	Did not comply with TFCA Policy # 7 re: all funding secure
Bay Area Rapid Transit	MacArthur BART Station Improvements	Did not comply with TFCA Policy # 7 re: matching funds
Bay Area Rapid Transit	Niantic Pedestrian and Bicycle Pathway, Phase I	Did not comply with TFCA Policy # 20 re: expend funds within 2 years
Bay Area Rapid Transit	Bay Bridge Commuter Conversion Campaign	Did not comply with TFCA Policy # 2 re: result in emissions reductions
Vallejo City Unified School District	School Bus Replacement	Did not comply with TFCA Policies # 7 re: matching funds and #25 re: request only incremental cost
AC Transit	Hybrid-Electric Hydrogen Internal Combustion Engine Transit Bus	Did not comply with TFCA Policy # 7 re: matching funds
City of San Carlos	Purchase Five CNG-Powered Buses	Did not comply with TFCA Policy # 26 re: vehicle replacement
University of CA, Berkeley	Campus Day and Night Shuttle	Did not comply with TFCA Policy # 29 re: eligible shuttle vehicle type
City of Berkeley	Dynamic Ridesharing Program	Did not comply with TFCA Policies # 15 re: duplication and #6 eligible project type
Santa Clara Valley Transportation Authority	Tasman East/Capitol Light Rail Grand Opening	Did not comply with TFCA Policy # 2 re: result in emissions reductions

**AVAILABLE FUNDS**

TFCA Regional Funds totaling \$11.1 million are available for allocation in FY 2003/04. The available funds consist of anticipated receipts from motor vehicles registered in the Air District during calendar year 2003, interest, and unexpended funds from previously funded projects. Table 3 below provides a summary of the total TFCA Regional Funds currently available.

**Table 3: FY 2003/04 TFCA Regional Funds**

Source/Program	Amount	Comment
1. Projected CY 2003 DMV Receipts	\$22,094,879	Based on CY 2002 actual receipts.
2. Est. FY 2003/04 District Admin. Cost	\$950,853	Per adopted Air District budget.
3. FY 2003/04 County Program Manager Funds	\$8,457,610	40% of (Line 1 minus Line 2)
4. New FY 2003/04 Funds Available for Regional Fund	\$12,686,416	Line 1 minus Line 2 minus Line 3.
5. Projected CY 2003 Regional Fund Interest	\$2,003,621	Based on CY 2002 actual Regional Fund interest.
6. Total Available New Funds	\$14,690,037	Line 4 plus Line 5.
7. Returned Funds	\$1,782,482	Canceled projects, projects completed under budget, projects with reduced funding needs due to reduction in scope.
8. Vehicle Sale Returned Funds	\$465	Funds returned to Air District per Board vehicle replacement policy, Option B.
9. Total Available Regional Funds	\$16,472,984	Sum of lines 6, 7, and 8.
10. FY 2003/04 Board-Approved Air District Projects	\$5,371,874	Smoking Vehicle Program \$572,554 Vehicle Buy Back \$2,734,943 Spare The Air \$699,767 VIP Incentives \$800,000 Air District Overhead Costs \$564,610
11. Total Available for FY 2003/04 Regional Fund Grant Awards	<b>\$11,101,110</b>	Line 9 minus line 10.
12. Regional Fund Grant Awards	\$10,476,228	Regional Rideshare Program \$1,000,000 40 Regional Fund Projects \$8,276,228 Additional VIP Incentives \$200,000 Additional Vehicle Buy Back \$1,000,000
13. Remaining Funds*	\$624,882	Line 11 minus line 12.

\* Remaining funds, after adjustments for rescinded grants (as explained in Project Funding below), will be allocated to other mobile source grant programs in need of additional funding.

**PROJECT FUNDING**

Attachment 1 lists the final project scores and ranking for the project applications that are recommended for funding. There were 29 projects totaling \$5.1 million that achieved the minimum 40 point score and met the \$90,000 per ton cost-effectiveness level. There were 11 additional projects totaling \$3.1 million that, when offered a lower grant amount than requested, met the minimum point score and cost-effectiveness level. The sum of these projects totals \$8.2 million in requested TFCA Regional Funds. Project sponsors that have been offered a lower grant amount than requested must provide documentation that matching funds are secured, in accordance with TFCA Policy #7. If project sponsors are unable to provide this documentation, the grant will automatically be rescinded. Several Air District mobile source grant programs are in need of additional funds at this time. Once final Regional Fund grants are determined and staff knows the amount of remaining funds,

staff can prioritize the needs of these other mobile source grant programs. Staff will then bring its proposal to the Committee to allocate the remaining funds to those programs.

Projects 03R31 and 03R55 fell under new Policy #27, requesting funds to put retrofit devices on heavy-duty vehicles. When this policy was approved, staff anticipated that retrofit devices would be available meeting Section B.5 of this policy, which states that: *“Particulate matter (PM) retrofit filters must meet the CARB 2004 standard of no more than 20% NO2 slip”*. At this time, no filters on the market meet this requirement. Staff recommends waiving this section of the policy, as was done in the TFCA Program Manager Fund, in order to allow these projects to proceed. The retrofit filters proposed by the project sponsors will meet all other policy requirements and will contribute significantly to cleaning up the emissions of existing diesel engines.

Attachment 2 lists the projects that scored less than 40 points, and therefore are not recommended for funding.

### **REGIONAL RIDESHARE**

Staff also recommends that \$1 million in TFCA Regional Funds be allocated to the Regional Rideshare Program. It is proposed that the Air District and the Metropolitan Transportation Commission enter into a multi-year funding agreement for this project, allocating a maximum of \$1 million annually from TFCA Regional Funds. The Regional Rideshare Program has received funding for seven years, through the Regional and County Program Manager TFCA Funds. MTC has proposed, and Air District staff concurs, that the Regional Rideshare Program should be eligible for continuing funding, if performance objectives are maintained. The project would no longer compete for the Regional Fund grant, but would be required to meet the minimum point score and cost-effectiveness now, at project onset. In addition, it would be required to meet annual goals. If performance goals are not achieved, it will revert to the annual competitive process. This year, the project achieved a score of 47 points and a cost-effectiveness of \$83,514 per ton of emissions reduced.

### **VEHICLE BUY BACK**

Staff is also recommending that an additional \$1 million be allocated to the Vehicle Buy Back program. This would increase the FY 2003/04 funds allocated for the scrapping of old vehicles from \$2.5 million to \$3.5 million. The additional funding should provide sufficient funds to buy and scrap 1306 additional cars through February 2004. Vehicle Buy Back is one of our most cost-effective programs at \$6450 per ton.

### **GRANT SUMMARY**

Table 4 below shows the funding by project type for the external projects recommended to receive grant awards.



**Table 4: FY 2003/04 TFCA Regional Fund Applications  
Recommended for Funding by Project Type**

<b>Project Type</b>	<b># of Projects</b>	<b>TFCA \$</b>	<b>% of Total TFCA Regional Fund \$</b>
Low Emission Heavy Duty Vehicles	2	\$573,000	6.2%
Clean Fuel Buses	1	\$57,000	0.6%
Shuttle Programs	9	\$3,187,879	34.3%
Smart Growth Projects	3	\$1,187,188	12.8%
Bicycle Projects	16	\$1,666,321	18%
Arterial Management Projects	6	\$1,417,000	15.3%
Ridesharing Projects*	2	\$1,100,000	11.8%
Reducing Existing Diesel Emissions	2	\$87,840	1%
<b>Totals</b>	<b>41</b>	<b>\$9,276,228</b>	<b>100%</b>

\* Includes the Regional Rideshare Program

**EMISSION REDUCTIONS**

The 40 projects recommended for funding will result in emission reductions of 191 tons (ozone precursors and particulate matter) over the life of the projects. This results in an overall cost effectiveness for these projects of \$48,604 TFCA dollars per ton.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Approval by the Board of an increase in TFCA Regional Funds allocated to the District's Vehicle Buy Back Program would increase both the revenues and expenditures equally in the Air District budget. The expenditures would appear in the Professional Services and Contracts account of Program 612 of the District's FY 2003/04 Budget.

Respectfully submitted,

Thomas Perardi  
Planning and Research Director

Prepared by: Liz Berdugo  
Reviewed by: T. Perardi

FORWARDED: \_\_\_\_\_

# ATTACHMENT 1

## TFCA Regional Fund Applications - FY2003/04

### Project Scores and Ranking

Proj#	Cnty (1)	Sponsor	Project Title	TFCA\$ Per Ton (2)	TFCA\$ Requested	Cumulative \$Total	CRITERIA POINT SCORES					TOTAL SCORE
							TFCA Funding Eff.	Other Attrib.	Local Clean Air Png.	Dis. Comm.	Promote Alt. Modes	
03R05	REG	Metropolitan Transportation Commission	Bike Router Regional Bicycle Map	\$35,254	\$75,000	\$75,000	52	8	10	0	4	74
03R55	SC	Santa Clara Valley Transportation Authority	Retrofit - 6 Airport Flyer Shuttle Buses	\$1,563	\$43,000	\$118,000	60	0	10	0	4	74
03R51	SC	Santa Clara Valley Transportation Authority	Bicycle Racks - Santa Clara County	\$30,135	\$100,000	\$218,000	54	6	10	0	3	73
03R29	SF	County of San Francisco	San Francisco Bicycle Racks	\$32,565	\$67,000	\$285,000	53	5	10	0	3	71
03R31	ALA	County of Alameda	Retrofit - 13 Heavy-Duty Diesel Trucks	\$2,721	\$44,840	\$329,840	60	0	5	0	0	65
03R41	SM	City of San Carlos	Shuttle Bus Service - City of San Carlos	\$53,853	\$51,999	\$381,839	43	10	9	0	2	64
03R48	SF	San Francisco International Airport	Heavy-Duty Vehicle Replacement - 8 CNG Vehicles	\$24,234	\$195,000	\$576,839	57	0	6	0	1	64
03R24	REG	City of Oakland	Coliseum Transit Hub Streetscape Improvements	\$89,891	\$303,188	\$880,027	25	13	10	10	4	62
03R30	SF	County of San Francisco	Class 2 Bicycle Lanes - Folsom and Illinois Streets	\$63,962	\$90,000	\$970,027	38	8	10	3	3	62
03R33	ALA	AC Transit	Shuttle Bus Service - Richmond/El Sobrante/Orinda BART	\$63,587	\$415,400	\$1,385,427	38	0	10	8	5	61
03R53	SON	City of Santa Rosa	Class 2 Bicycle Lane - Santa Rosa Avenue	\$70,850	\$108,000	\$1,493,427	34	10	10	2	3	59
03R22	SF	County of San Francisco	Heavy-Duty Vehicle Replacement - 6 Norcal LNG Trucks	\$43,066	\$378,000	\$1,871,427	48	0	10	0	0	58
03R34	ALA	AC Transit	Shuttle Bus Service - MacArthur Corridor BART	\$70,867	\$700,000	\$2,571,427	34	0	10	8	5	57
03R38	SF	University of California, San Francisco	Bicycle Racks - UCSF Shuttle Buses	\$51,861	\$28,340	\$2,599,767	44	5	3	0	2	54
03R35	ALA	City of Fremont	Class 2 Bicycle Lane - Fremont Boulevard	\$70,045	\$123,200	\$2,722,967	34	9	5	0	4	52
03R14	SM	City of East Palo Alto	Shuttle Bus Service - Dumbarton Bridge	\$86,876	\$71,440	\$2,794,407	26	5	6	8	5	50
03R27	SM	Peninsula Corridor Joint Powers Board	Bicycle Storage Facility - 4th and King	\$72,268	\$100,000	\$2,894,407	33	5	9	0	3	50
03R17	SC	City of Sunnyvale	Class 3 Bicycle Route - Wolfe Road	\$76,754	\$42,000	\$2,936,407	31	5	10	0	2	48
03R37	SF	University of California, San Francisco	Bicycle Racks - Mission Bay	\$64,433	\$59,868	\$2,996,275	37	5	3	0	3	48
03R08	SON	Town of Windsor	Class 2 Bicycle Lane: Windsor River Road	\$77,529	\$80,000	\$3,076,275	31	8	5	0	3	47
03R07	SON	County of Sonoma	Class 1 Bicycle Path: Hunter Creek	\$85,683	\$209,313	\$3,285,588	27	6	5	5	3	46

Note: (1) REG = regional or multi-county.

(2) Includes County Program Manager (40%) TFCA funding in some projects.

# ATTACHMENT 1

## TFCRA Regional Fund Applications - FY2003/04

### Project Scores and Ranking

Proj#	Cnty (1)	Sponsor	Project Title	TFCRA\$ Per Ton (2)	TFCRA\$ Requested	Cumulative \$Total	CRITERIA POINT SCORES					TOTAL SCORE
							TFCRA Funding Eff.	Other Attrib.	Local Clean Air Png.	Dis. Comm.	Promote Alt. Modes	
03R47	SON	Sonoma County Transit	Bicycle Racks - Sonoma County Transit Buses	\$76,858	\$30,000	\$3,315,588	31	3	10	0	2	46
03R11	CC	City of Richmond	Signal Timing - Cutting Boulevard	\$61,974	\$361,000	\$3,676,588	39	0	5	0	0	44
03R39	SF	University of California, San Francisco	Shuttle Bus Service - Mission Bay BART 16th Street	\$89,211	\$71,000	\$3,747,588	25	10	3	0	5	43
03R52	SC	San Jose State University	Trip Reduction Program	\$89,956	\$100,000	\$3,847,588	25	4	5	3	5	42
03R36	CC	City of Antioch	Class 2 Bicycle Lanes - Hillcrest Avenue and Bus Station	\$84,088	\$98,600	\$3,946,188	27	9	2	0	3	41
03R50	SC	Santa Clara Valley Transportation Authority	Shuttle Bus Service - ACE Commuter Rail	\$89,087	\$825,000	\$4,771,188	25	0	10	0	5	40
03R42	CC	City of Hercules	Signal Timing - Sycamore Drive and Refugio Valley Road	\$86,165	\$296,000	\$5,067,188	26	8	6	0	0	40
03R16	ALA	Livermore Amador Valley Transit Authority	Shuttle Bus Service- LAVTA ACE and BART	\$84,269	\$41,474	\$5,108,662	27	0	8	0	5	40

**Projects listed below are eligible for funding based on a lower grant amount offered to the project sponsor.**

03R28	SM	Peninsula Corridor Joint Powers Board	Shuttle Bus Service - CalTrain Stations	\$76,511	\$942,641	\$6,051,303	31	10	9	4	5	59
03R18	SC	City of Sunnyvale	Pedestrian Improvements - Frances Street Corridor	\$89,933	\$429,000	\$6,480,303	25	15	10	0	5	55
03R10	ALA	City of San Leandro	Traffic Calming - MacArthur Boulevard	\$89,806	\$455,000	\$6,935,303	25	15	5	0	5	50
03R09	SF	San Francisco MUNI	Third Street Transit Lane Improvements	\$87,540	\$30,000	\$6,965,303	26	5	10	5	3	49
03R12	ALA	Alameda County CMA	Arterial Management - San Pablo Boulevard	\$89,200	\$92,000	\$7,057,303	25	10	5	6	3	49
03R54	ALA	Alameda County CMA	Arterial Management - Increase Transit Priority International Boulevard/East 14th Street	\$88,640	\$500,000	\$7,557,303	25	10	5	6	3	49
03R49	SM	City of Half Moon Bay	Class 1 Bicycle Path - Highway 1	\$89,546	\$280,000	\$7,837,303	25	11	5	0	5	46
03R43	CC	City of Martinez	Class 2 Bicycle Lane - Morello Avenue	\$89,546	\$175,000	\$8,012,303	25	9	6	0	3	43
03R19	SC	City of Sunnyvale	Signal Timing - Homestead Road	\$89,546	\$138,000	\$8,150,303	25	5	10	0	0	40
03R44	ALA	City of San Leandro	Shuttle Bus Service - San Leandro LINKS	\$89,993	\$68,925	\$8,219,228	25	5	5	0	5	40
03R46	SON	Sonoma County Transit	Heavy-Duty Vehicle Replacement - 1 CNG Trolley Bus	\$89,458	\$76,000	\$8,295,228	25	0	10	0	5	40

Note: (1) REG = regional or multi-county.

(2) Includes County Program Manager (40%) TFCRA funding in some projects.

**ATTACHMENT 2**  
**TFCA Regional Fund Applications - FY2003/04**  
**Projects Not Recommended for Funding**

Proj#	Cnty	Sponsor	Project Title	TFCA\$ Per Ton (1)	TFCA\$ Requested	TOTAL SCORE	Reason
03R20	SC	City of Cupertino	Mary Avenue Bicycle Footbridge	\$626,808	\$510,000	27	Due to receipt of significant TFCA County Program Manager Funds (03SC01 awarded \$1,114,797), project is not cost-effective with any amount of Regional Funds
03R26	ALA	County of Alameda	Class 2 Bicycle Lane - Tesla Road	\$312,133	\$305,000	16	Did not achieve 40 points. Offered lower amount (\$150,000) to achieve 40 points, but applicant could not provide matching funds.
03R25	CC	West Contra Costa Transportation Advisory Committee	Low Income Student Bus Pass Project	\$390,454	\$1,000,000	16	Due to receipt of significant TFCA County Program Manager Funds (02ALA14 awarded \$500,000), project is not cost-effective with any amount of Regional Funds
03R13	SC	City of Palo Alto	Signal Timing - Palo Alto Shuttle Routes	-\$166,045	\$100,000	6	Project will reduce stops & starts, resulting in an average reduction in speed. This causes emissions to increase, rather than decrease.