

DISTRICT HEADQUARTERS

200 Litton Drive, Suite 320

P.O. Box 2509

Grass Valley, CA 95945

(530) 274-9360 / FAX: (530) 274-7546

email: office@myairdistrict.com or www.myairdistrict.com

TRUCKEE FIELD OFFICE

13450 Donner Pass Rd., Ste. B, Truckee, CA 96161

Mailing Address: P.O. Box 9766, Truckee, CA 96162

(530) 550-7872 / FAX: (530) 587-2623

email: ryan@myairdistrict.com

QUINCY FIELD OFFICE

270 County Hospital Road, Suite 127

P.O. Box 3981, Quincy, CA 95971

(530) 283-4654 / FAX: (530) 283-0699

email: george@myairdistrict.com

AB 2766 DMV Surcharge Fund

Program

Request

for

Proposal

2009-2010

Board Approval: March 23, 2009

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**REQUEST FOR PROPOSAL
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NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

AB 2766 DMV SURCHARGE FUND PROJECTS AND PROGRAMS

2009-2010 Request For Proposal

SECTION I. INTRODUCTION

The Northern Sierra Air Quality Management District (District) requests proposals for AB 2766 DMV Surcharge Fund projects and programs for the following purpose according to the terms and conditions herein.

PURPOSE: To assist in attaining the requirements of the California Clean Air Act. The District solicits proposals for projects and programs that will: 1) reduce air pollution emissions from motor vehicles; 2) implement the mobile transportation demand management measures identified in the District's AB 2766 DMV Surcharge Fund Program Plan For Use of Funds For FY 2009-2010 (see Attachment 7). Entities with proposals that are selected for either full or partial funding must enter into explicit contracts with the District setting forth performance criteria to ensure compliance with statute and audit requirements. Public and private entities are eligible to apply either solely or in combination for this funding. However, proposals from private entities will be examined to ensure they result in public as opposed to solely private benefit.

NOTE: CREDITS FOR EMISSION REDUCTIONS FROM A PROJECT OR PROGRAM FUNDED BY MOTOR VEHICLE EMISSION REDUCTIONS PROJECTS FUNDS ARE NOT TRANSFERABLE AND MAY NOT BE USED AS EMISSION OFFSETS. THEY WILL BE USED TO MEET THE EMISSION REDUCTIONS NEEDED TO MAINTAIN COMPLIANCE WITH THE CALIFORNIA CLEAN AIR ACT, AND ARE THEREFORE THE PROPERTY OF THE DISTRICT.

NOTE: This request for proposal (RFP) is subject to modification. Any significant modifications will be sent to the recipients of this RFP who are on the District's mailing list for motor vehicle emission reductions projects.

NOTE: Applicants are responsible for knowing all information contained in this RFP and must adhere to all requirements. Failure to adhere to all requirements may be cause for termination of the contract with the District.

FOR FURTHER INFORMATION: Questions, comments, or requests for further information regarding this RFP may be obtained by calling Ryan Murano, located at the Truckee Field Office (530) 550-7872 or by FAX (530) 587-2623.

SECTION II. SCHEDULE

| <u>DATE</u> | <u>EVENT</u> |
|-----------------------------|--|
| March 23, 2009 | Board approval of RFP |
| March 24, 2009 | Distribution of 2-page screening proposal solicitation |
| April 27, 2009 | 2-Page screening proposals due 5:00 P.M. (postmarks <u>NOT</u> accepted) |
| May 25, 2009 | Detailed Request For Proposal (RFP) sent to top contenders |
| July 27, 2009 | Proposal submission deadline - 5:00 P.M. (postmarks <u>NOT</u> accepted) |
| July 28 –September 14, 2009 | District reviews proposals |
| September 28, 2009 | Committee/District staff recommendations to Board. Governing board approves, rejects, or directs staff on the recommendations |
| October 26, 2009 | If no meeting occurs on September 28, 2009, then committee/District staff recommendations to Board. Governing board approves, rejects, or directs staff on the recommendations |
| December 28, 2009 | All contracts signed by the Air Pollution Control Officer and participants |
| January 1, 2010 | Commencement of Funding |

SECTION III. BACKGROUND

Assembly Bill 2766 (Sher) authorized air pollution control districts and air quality management districts to impose a \$2 to \$4 motor vehicle registration fee to provide funds for air districts to meet new responsibilities mandated under the California Clean Air Act (See Attachment 3). The District set the fee at \$4 per registered motor vehicle for Nevada County, and \$2 per registered vehicle in Plumas and Sierra Counties.

The California Health and Safety Code states that the fees shall be used to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement and technical studies necessary to implement the California Clean Air Act. The California Air Resources Board has expanded on this with guidance titled *Proposed Criteria and Guidelines For Use of Motor Vehicle Registration Fees*. In accordance with this guidance, the District's Board of Directors adopted the District's DMV Surcharge Fund Program Plan For Use of Funds For FY 2009-2010 (see Attachment 7), which provides a history of the use of these funds in the District and details on the planned use of these funds.

Pursuant to the District's DMV Surcharge Fund Program Plan for Use of Funds for FY 2009-2010, the District's Governing Board will determine from year to year what amount of motor vehicle registration fees are to be budgeted to fulfill the District's requirements for implementing the California Clean Air Act. On March 23, 2009, the District's Board of Directors made a budget allocation of \$266,659 for external projects. The breakdown is as follows: **\$164,518 for western Nevada County, \$29,033 for eastern Nevada County, \$50,233 for Plumas County and \$22,876 for Sierra County.** The amount available for projects may change if the revenues change or plans change. In addition, since these funds are also used to fund internal programs referred to in the paragraphs above, plans for internal activities may influence the funds available for external projects.

Eligible projects and programs are described in Section IV in more detail. The District and its committees will rank proposed projects and programs based on evaluation criteria (see Section X and Attachment 7) approved by the board and make recommendations to the District's Governing Board. *The District will be sensitive to an equitable distribution of the funds within the District,* as long as projects from a given area score well against the evaluation criteria.

The District's Governing Board may approve proposals, reject proposals, or refer proposals back to the District and its committees for reconsideration or refinement to improve various aspects of the proposal. The District may request minor changes in a project proposal or in rare cases, may request major changes instead of simply rejecting the project. The proposer is expected to comply with the District's requests to modify proposals to be compatible with the District's program needs, however, the proposer has the option to withdraw a refer-back proposal if the District's requested changes are not compatible with the proposer's needs. Once a proposal (or a modified proposal) is submitted, it shall be considered firm.

SECTION IV. ELIGIBLE PROJECTS

The District will be seeking to reduce the nonattainment air pollutants associated with motor vehicles identified in Attachment 6 (e.g. ozone precursors and vehicle-related PM10). Projects eligible for AB 2766 DMV Surcharge funding must meet one of two goals in order to be considered by the District. Those goals include (1) reducing air pollution emissions from motor vehicles, reductions in vehicle miles traveled, and/or reductions in vehicle trips; (2) implementing transportation control measures (TCMs) and transportation demand management (TDM) measures identified in the District's AB 2766 DMV Surcharge Fund Program Plan For Use of Funds For FY 2009-2010 (see Attachment 7).

Applicants are instructed to determine which of the *two* categories described below (Quantifiable, or Reduced Emission Vehicles) their proposal falls under. Applicants are to select one of the two categories, for each submitted proposal, on Attachment 2, Request For Proposal Contents Checklist. The District reserves the right to reclassify the category of a proposal. Additionally, if the applicant does not choose a category, the District will select a category for the proposal.

The proposal will be evaluated in one of two (2) categories as follows:

1) QUANTIFIABLE

Such projects are known to have measurable results and demonstrate the most significant emission reduction benefits. Emissions benefits should be calculated using a calculation methodology acceptable to the District. Documentation of the assumptions and inputs used in calculations must be included in the proposal.

2) REDUCED EMISSION VEHICLES

These are projects that use Reduced Emission Vehicle technology to demonstrate significant emission reduction benefits. An example of a project may include vehicle conversions to zero emissions vehicles (ZEV) or purchase of a new ZEV. Another option is purchasing a vehicle manufactured using alternate technologies producing fewer emissions than its comparable counterpart. For example, purchasing a bus that is powered by compressed natural gas (CNG) instead of purchasing a diesel powered bus or even a diesel hybrid.

NOTE: CNG conversion kits must be ARB-certified to be eligible for funding. Bi-fueled vehicle conversion proposals must agree to enhanced recordkeeping to monitor both CNG fuel use and conventional fuel use to facilitate emissions reduction calculations.

The following projects are not eligible for AB 2766 DMV Surcharge funding:

1. **The purchase of any hybrid vehicle, unless its emissions are less than its conventional counterpart.**
2. Projects required as mitigation by an environmental document under CEQA or NEPA are not eligible.
3. Projects and programs with fund requests to reimburse administrative costs with AB 2766 Funds (ref Attachment 8).
4. Any project that falls under any Air District or the California Air Resources Board regulation (funding will not be used for rule compliance).

NOTE: Some proposals may need to be reduced in scope and/or funding level. Therefore, proposals should be presented in segments, if possible, so that portions of a proposal may be easily approved for funding. The District reserves the right to recommend for approval to the District's Governing Board only a portion of the proposer's scope of work and funding request. In this case, the proposer may be requested to submit a revised work statement, schedule of deliverables, and cost breakdown. For this reason, it is strongly recommended that proposals be structured with alternate funding levels in proposals, if feasible.

NOTE: Any application submitted that contains more than one project type must be submitted as **separate proposals**. Submitting combined proposals may result in rejection of the entire proposal. However, in some cases, the District may return the proposal and request separate proposals. Typical project types that should be separated follow: Alternative fuel vehicles, alternative fuel infrastructure, electric vehicles, electric charging infrastructure, marketing of transit services, new transit services, fare subsidies/incentives, new shuttle services, telecommunications, vanpools, rideshare matching services and bikeways. In the case of voluntary employer trip reduction programs, project components may include rideshare matching, vanpools, guaranteed ride home, etc., however, special structuring is necessary to separately evaluate trips and VMT reduced, and emissions reduced for each component. The cost-effectiveness is then determined as the quotient the AB 2766 funding and the combined emissions reductions for each component.

SECTION V. FORMAT OF PROPOSALS

- All proposals must follow the format outlined below and all requested information must be supplied:
- Proposals must be submitted on white paper; stapled (not bound).
- No plastic covers on proposals.
- No covers of any kind; the Exhibit Summary Sheet will be the cover.
- Proposals may be no longer than ten (10), double sided, 8-1/2" x 11" sheets of paper in addition to the Cover Letter, Request for Proposal Contents Checklist, and Exhibit Summary Form.
- All proposals must be clearly printed or typed.
- Technical appendices of no more than ten (10), 8-1/2" x 11" sheets of paper, including information on proposer's past projects and experience, may be attached.
- No videos will be accepted with proposals.

FAILURE TO ADHERE TO THE AFOREMENTIONED SPECIFICATIONS MAY BE CAUSE FOR REJECTION OF PROPOSAL.

SECTION VI. CONTENTS OF PROPOSALS

All proposals must be submitted with the following sections, in the order listed below, and must provide the information specified below:

- A. Exhibit Summary Sheet - Provide basic information indicated, including a brief project overview in the space provided. The "Exhibit Summary Sheet" form is included in this RFP as Attachment 1.
- B. Request For Proposal Contents Checklist - Use the summary checklist sheet to ensure that all of the appropriate contents of the proposal have been included (see Request For Proposal Contents Checklist form, Attachment 2).
- C. Authorization Letter/Resolution - A letter or resolution authorizing the applicant to submit a proposal must be included with the proposal. The letter must include the proposing entity's name, address, telephone number and contact person, and must be signed by the person or persons authorized to represent the proposing entity. For proposals from more than one entity, letter(s) must be signed by an authorized representative from each entity. Please indicate which entity will be the project manager of the project.
- D. Project Description - Identify specific objectives of the proposal and describe the scope of work of the proposed project. The applicant should refer to the appropriate section of the California Air Resources Board's *Methods to Find the Cost-Effectiveness of Funding Air Quality Projects -- 2005 Edition (this is a hardcopy version of the "Automated" methods)* for assistance on successful project design. The Handbook can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds."
- E. Project Organization/Background - Provide a very brief description (one page or less; no resumes) of your organization. Please indicate if your agency has successfully completed a similar project. If subcontractors are to be used in the project, please identify and state their qualifications, or if subcontractors have not been identified, state the specific qualifications that must be met. Describe the technical capabilities available to the proposer for preparing estimates of emissions reductions for both the proposal and reporting. Describe the accounting capabilities available to the proposer for tracking costs by project task and tracking which funding source pays for each expenditure.
- F. Emission Benefits/Cost Effectiveness - This important section shall clearly state the estimated total lifetime emission reductions of NO_x, ROG, and PM₁₀, if emissions reductions are quantifiable. When emissions reductions are quantifiable, state the vehicle miles traveled (VMT) reductions, vehicle trip reductions, or persons served. The calculations and assumptions necessary to derive and support these estimates must be clearly and concisely included in the technical appendix and will be verified by District staff. Please refer to Section XI of this RFP for more detailed information on this important section of your proposal.

The applicant should also refer to the appropriate section of the California Air Resources Board's (ARB) *Methods to Find the Cost-Effectiveness of Funding Air Quality Projects -- 2005 Edition* (this is a hardcopy version of the "Automated" methods) for assistance on successful project design, necessary data inputs, emission factors, and formulas used to determine cost-effectiveness. The Handbook can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds."

The District will be looking for the maximum benefit per AB 2766 dollar spent and per total project dollar spent. Therefore, the proposal must provide the cost-effectiveness based on AB 2766 funding and the cost-effectiveness based on total project dollar spent. NOTE: More points are allocated for cost-effectiveness than any other evaluation criteria.

- G. Work Statement - Describe separately each phase of the work to be performed. Break the work down into logical tasks, list tasks within each phase of work and describe as necessary. Such a breakdown will vary somewhat for each project or program, but normally there are between 2 and 12 tasks. State the sequence of work activities, including a starting date no sooner than January 1, 2010, and completion date within one year (December 31, 2010). Include all relevant information regarding: a) the technology involved in the project; and b) the parties involved in the project.

All project recipients must provide some type of public acknowledgment that their project was funded by the District utilizing DMV Surcharge Funds. How this is done will vary by project (e.g. logo/placard on equipment, include acknowledgment in pamphlets, etc.), but must be addressed in this section of the proposal.

- H. Funding Request/Breakdown of Cost - A table is recommended for this purpose listing costs by task (and sub-tasks) in rows and funding sources in columns. Identify all sources of funds, including the AB 2766 DMV Surcharge funds, other direct funding sources and in-kind (non-dollar) contributions. Clearly state the amount of AB 2766 funds requested from the District for each task. Clearly state the amount of matching funds (co-funding) available from each co-funding source for each task and whether funds are monetary or in-kind (non-cash) contributions. Clearly state the total costs for each task and the total project costs. District staff will review all matching funds for availability and will verify eligibility. If identified matching funds are found to no longer be available, it may be grounds for eliminating the project.

This breakdown of costs must include a category for all administrative costs. The District will not reimburse for any administrative costs due to State-mandated limits (ref. California Health and Safety Code, Section 44233). Administrative costs must be funded by other funding sources or paid by the proposer with an "in-kind" contribution. The California Air Resources Board's definition of administrative costs is included in Attachment 8. NOTE: If a person whose job title is considered administrative by your agency is completing project management tasks, this is acceptable as long as you label the work "project management" and the billing rate you use is not "burdened" with administrative costs, as defined by ARB.

Separate from the above table, provide an itemized list of equipment to be purchased and the proportion of the cost of each piece of equipment to be funded by AB 2766 DMV Surcharge funds. The program will fund only that portion of the equipment's cost that is related to the provision of motor vehicle emissions reductions or technical studies, planning or monitoring related to the implementation of the California Clean Air Act. Co-funding must be used to fund any non-qualifying benefit.

Separate from the above table, provide an estimate of the operating costs to be funded by AB 2766 funds. The program will fund only that portion of the operating costs that is related to the provision of motor vehicle emissions reductions or technical studies, planning or monitoring related to the implementation of the California Clean Air Act. Co-funding must be used to fund any non-qualifying benefit.

It is recommended that proposals include alternate funding levels in case the District cannot fully fund your proposal.

Describe what procedures will be used to track/monitor costs against those approved in the project.

If AB 2766 funding has been provided to the proposer for the past 2 years for the same project or program being proposed for FY 2009-2010, then provide a discussion and analysis showing when this activity can become self-funding so that AB 2766 funding "sunsets". Refer to the AB 2766 Fund Plan in Attachment 7, FY 2009-2010 for more information/discussion on the District's fund sun setting strategy.

NOTE: Reimbursements will not be made prior to contract execution.

- I. Schedule of Deliverables/Monitoring Program - Provide a list of all work products or deliverable items and their anticipated dates of delivery. The schedule should not extend past more than one year after the date of contract execution. Show the task sequence in chart-form using a time-line for each task.

Describe how the project objectives will be measured and reported, being consistent, as applicable, with the requirements described in Section IX. A monitoring program is required for all projects to assure the necessary data are collected to quantify reductions of vehicle trips and vehicle miles traveled. ARB's *Methods to Find the Cost-Effectiveness of Funding Air Quality Projects -- 2005 Edition* should be used as a resource to identify the data that must be collected for an acceptable monitoring program. There are alternative ways to measure effectiveness, such as number of people reached, number of responses where asked for, and increased participation in a promoted event or service.

NOTE: The District will not provide copies of previous proposals to applicants. Applicants will have to contact the previous proposal author for copies.

SECTION VII. SUBMISSION OF PROPOSALS

All proposals must be submitted according to specifications set forth in the RFP. Failure to adhere to these specifications may be cause for rejection of proposal.

THE APPLICANT SHALL SUBMIT AN **ORIGINAL AND 5** COMPLETE COPIES (AS DESCRIBED ON REQUEST FOR PROPOSAL CONTENTS CHECKLIST, ATTACHMENT 2) OF THE PROPOSAL IN A SEALED ENVELOPE PLAINLY MARKED IN THE UPPER LEFT-HAND CORNER WITH THE NAME AND ADDRESS OF THE PROPOSER AND THE WORDS "AB 2766 DMV SURCHARGE PROGRAM."

DUE DATE: ALL PROPOSALS ARE DUE NO LATER THAN 5:00 P.M., July 27, 2009 (POSTMARKS NOT ACCEPTED) AND SHOULD BE DELIVERED TO:

**Northern Sierra Air Quality Management District, Truckee Field Office
ATTENTION: Ryan Murano
P.O. Box 9766 or Drop Off At 13450 Donner Pass Road, Ste B
Truckee, CA 96162**

Or

**Northern Sierra Air Quality Management District
ATTENTION: Ryan Murano
P.O. Box 2509 or Drop Off At 200 Litton Drive, Ste 320
Grass Valley, CA 95945**

PROPOSALS WILL NOT BE ACCEPTED AT ANY OTHER LOCATIONS. LATE PROPOSALS WILL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES.

Grounds for Rejection - A proposal will be rejected if:

- a) It is received at any time after the exact date and time set for receipt of proposals.
- b) Any of the contents described on the Request For Proposal Contents Checklist (Attachment 2) are not provided in the application.
- c) The proposal does not meet the criteria described in the RFP.
- d) The District determines that the project is ineligible (See Section IV).

Disposition of Proposals - The District reserves the right to reject any or all proposals. All proposals become the property of the District. Proposals are valid only during the current funding cycle that the proposals are submitted.

Modification or Withdrawal - Once submitted, proposals may not be altered. Additional information may not be accepted after the proposal is submitted. All proposals shall constitute firm offers and shall not be withdrawn for a period of 120 days following the last day to accept proposals. The District may contact the applicant for more information or clarification on a proposal. The applicant may be asked by the District to submit additional written information or clarification on a proposal. Applicants are not to initiate contact with the District during the

project evaluation phase about proposed projects. Lobbying for a proposed project is expressly forbidden. The Board may approve a project on the proviso that the proposal is modified in specific ways. The District may require a proposal to be modified prior to being included as an attachment to a contract agreement to help clarify the project commitments.

SECTION VIII. CONTRACT PREPARATION AND PROJECT TERM

Those projects that are chosen for funding will be required to complete a contract with the District as a condition of receiving funds. A draft copy of a contract is enclosed in this RFP as Attachment 4. Contract preparation will begin soon after approval of projects by the District Governing Board. Contracts will be executed by the Air Pollution Control Officer after the Governing Board approves projects. This will occur in June or July. All projects should be scheduled to begin no sooner than October 1st. Projects must be completed within one year from the execution of the contract with the District. Multiple-year or phased projects can only be guaranteed funding for one year, but may apply each year for additional funding. Prior to receiving any funds, the District will provide the project participant with ONE final COPY of the signed contract. Refer to Attachment 5 (*Project Guidance*) for written instructions on how to request funds. Prior to receiving any funds, the project participant must provide the District with the following documents:

- i) *Verification of appropriate signing authority.* The signing authority must be the person authorized in the contract as the person who can act on all fiscal matters on behalf of the funded agency. This may be accomplished by resolution, or the like.
- ii) *Verification of all insurance requirements identified in the contract.* If self insured, a letter from a risk manager or the like will be acceptable.
- iii) *Verification that any and all matching funds identified in the proposal are still available.* The signing authority must provide formal documentation of the available matching funds.

The contract will require the applicant to perform adequate record keeping to allow the District to take credit for the emission reductions. **All emissions reductions achieved through this program are the property of the District.** It will also include requirements for monitoring and reporting by the proposer. The District may conduct a fiscal audit of the project participants' records to ensure appropriate expenditure of the AB 2766 DMV Surcharge funds. An in-house audit may be conducted on selected projects.

Proprietary Rights - Applicants wishing to propose the use of proprietary data developed solely at their own expense should clearly identify such data and the restrictions on its use in their proposals (see Attachment 4 - Standard Agreement).

SECTION IX. REPORTING AND AUDIT PROCEDURES

Contract monitoring will be performed by the District on a regular basis. All projects will be reimbursed on a quarterly or monthly basis, only for work completed. A Monthly/Quarterly Financial Report is required to be submitted by the applicant (see Attachment 5 - Project Guidance) with each request for reimbursement, which must include a brief progress report. A mid-way *Monitoring Report* is also due by July 31, 2009, describing what work has been successfully completed on schedule, percentage completion for each task, what work is behind schedule and why, what will be done to get back on schedule (if needed), and whether challenges are anticipated in completing the scheduled work by December 31, 2009. This is the project participants' opportunity to accent successes and forewarn about anticipated problems. In addition, a *Final Report* is required detailing what was actually accomplished and providing a final cost breakdown. The final report will also include emission reductions achieved, based on actual monitoring data, if applicable, and shall include all information necessary to judge the success of the project in meeting its goals. This analysis shall include a comparison of the proposed benefits to the actual benefits. More detailed information on the reporting requirements is included in the *Project Guidance*, which will be issued to all successful project participants.

The District, may at any time during regular business hours, and as often as the District may deem necessary, examine all records and data with respect to the matters contained in the contractual agreement. The applicant will be required to permit the District access to such records and data to ensure the applicant's compliance with the terms of said agreement (see Attachment 4).

Any entity that receives monies from the AB 2766 DMV Surcharge funds may be subject to an audit of each project funded. The audit will be conducted by an independent auditor selected by the District. Upon the completion of an audit, the District will make the audit available to the public, and the proposer upon request. The District will review the audit to determine if the monies were used per the contractual agreement for the reduction of air pollution from motor vehicles.

If the District determines that the monies were expended in a manner contrary to law or not in accordance with contract provisions, the District will notify the contractor of the determination, and within forty-five days, the District's Governing Board will hold a public hearing at which the contractor may present information related to the expenditure of monies. After the hearing, if the District determines that the contractor has expended the monies in a manner that is contrary to law or not in accordance with contract provisions; the District shall withhold monies from the contractor in an amount equal to the amount that was inappropriately expended. In addition to all other available remedies, the District may, at its discretion, also seek re-payment of funds misappropriated, spent for non-eligible activities, or otherwise inappropriately expended.

SECTION X. PROPOSAL EVALUATION

Proposals will be evaluated and points awarded based upon the criteria outlined in the District's *PLAN FOR THE USE OF AB 2766 FUNDS, 2009-2010* (see Attachment 7). The maximum possible score is 100 points. The maximum score for each category was approved by the Board of Directors and is based on the priorities of the Board. Cost-effectiveness is the category that receives the most points. Projects with the highest total scores will be funded first.

Note: Points may be deducted for applicants whose previous project performance is not consistent with the commitments made in their previous funding proposal(s). This may include, but is not limited to: failure to execute a contract, numerous contract extensions, or poor goal achievement (e.g. over-promising in proposals and under-delivering during the implementation).

Note: Projects that have received funding for **three years or more** fall under the sun setting category and are eligible for remaining funds after new projects have been approved. This allows start-up projects to compete, based other relevant criteria (e.g. cost-effectiveness), against marginal, ongoing projects that request funding for operating expenses (see attachment 7-9 for more information on sun setting).

Allocated funds are earmarked for each county in the same proportion that fees are collected. This attempts to assure a measure of fairness - returning the funding to various areas of the District in the same proportion as collected. However, exact parceling of funding in this manner is not intended. There may be circumstances where the amounts will vary from the optimum, and times when it is desirable to provide more funding in an area due to need (e.g. high pollution areas).

District staff will evaluate all projects. Projects will be ranked and presented to the District's Board of Directors for approval. The District's Board of Directors may form, at their discretion, an ad hoc project evaluation committee for each County to review proposals for that County. At the completion of the evaluation process, each committee recommends proposals and the amount of funding for each proposal to the District's Governing Board for approval at a regular meeting.

The evaluation criteria are included in Attachment 7 (near end) to provide the proposer additional insights on how their proposal that will be evaluated.

NOTE: ALL DISTRICT BOARD MEETINGS ARE OPEN TO THE GENERAL PUBLIC. OPPORTUNITIES FOR PUBLIC COMMENTS ARE ENTERTAINED AT THE END OF EACH MEETING. IT IS REQUESTED THAT NO UNSOLICITED COMMENTS BE MADE BY THE GENERAL PUBLIC DURING ANY PORTION OF THE MEETING, EXCEPT DURING THE PUBLIC COMMENT PERIOD. ALL MEETINGS OF THE DISTRICT ARE SUBJECT TO THE RALPH M. BROWN ACT.

NOTE: THE DISTRICT STRONGLY RECOMMENDS THAT ALL APPLICANTS ATTEND THE DISTRICT GOVERNING BOARD MEETING WHEN PROJECTS ARE APPROVED OR DENIED FOR FUNDING.

NOTE: AFTER THE APPLICATION DUE DATE, APPLICANTS ARE NOT ALLOWED TO INITIATE DISCUSSIONS REGARDING THEIR PROJECTS WITH DISTRICT STAFF. LOBBYING FOR A PROPOSAL IS EXPRESSLY FORBIDDEN. HOWEVER, THE DISTRICT MAY INITIATE DISCUSSIONS WITH APPLICANTS TO GATHER INFORMATION OR CLARIFICATION ON PROPOSALS DURING THE EVALUATION PERIOD.

SECTION XI. EMISSIONS CALCULATIONS AND COST-EFFECTIVENESS

For most project types, it is possible to estimate emissions reductions, however, certain assumptions are necessary in many cases.

The California Air Resources Board (ARB) has developed standardized methods for calculating emissions reductions for typical projects encountered around the state. Innovative projects may require innovative development of methodologies to calculate emissions reductions and cost-effectiveness. ARB adds new methodologies as they are developed and approved by a committee of reviewers. ARB has developed a software program that can be used to calculate emissions reductions and cost-effectiveness by using *ACCESS*[®] database software. The software program can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds." The District can email the software program upon request. You must have the Microsoft *ACCESS*[®] software program in order for the ARB software program to run.

In cases where there is an existing methodology, appropriate for a proposed project, the applicant is responsible for providing the emissions calculations. Please run the software and submit a copy of the report with the proposal as a technical appendix. The District will assist the applicant in completing these calculations, if requested. The applicant must justify the use of the inputs and assumptions in the proposal's technical appendix. District staff will review the emissions calculations and assumptions provided by the applicant for accuracy.

For innovative projects that have not been attempted before, the District will need to work with the applicant to develop an acceptable methodology. In such cases, a rough estimation may be all that is required for the proposal. However, the method may be refined by the District as a greater understanding of the project emerges and the new information becomes available. This refined methodology would then be used in the final report.

ARB's methodologies often calculate cost-effectiveness based on total project costs. ARB recommends rejection of proposals that exceed \$10 per pound. The District does not agree that this approach is appropriate, especially in rural areas. The District's position is that cost-effectiveness should be based on the motor vehicle emissions reductions and the AB 2766 funding used to achieve those emissions reductions. Also, cost-effectiveness based on overall project cost may be helpful in comparing other similar projects that have been attempted, but should not be the singular cause to reject a project. Projects will not necessarily be rejected if they exceed the ARB threshold of \$10 per pound. However, the District's goal is not to fund projects that greatly exceed ARB's recommended cost-effectiveness recommendation.

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ATTACHMENT 1

EXHIBIT SUMMARY SHEET

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EXHIBIT SUMMARY SHEET

Proposing Entity (include other participating entities):

Contact Person:

Address:

Phone #:

FAX #:

EMAIL:

Total Project Budget:

| | AB 2766 Funds | Co-Funding | Total Project Costs |
|-----------------|----------------------|-------------------|----------------------------|
| Capital Costs | \$ _____ | \$ _____ | \$ _____ |
| Operating Costs | \$ _____ | \$ _____ | \$ _____ |
| TOTAL | \$ _____ | \$ _____ | \$ _____ |

Type of Project: (check one)

Quantifiable Project

Reduced Emission Vehicles Project

Implementation Area for Project: Check if District-wide

Describe the Implementation Area for the Project (e.g. city, county, region):

Estimated Emission Reductions:

A. Emission Reductions (lbs/yr)

Reactive Organic Gases _____ Nitrogen Oxides _____ PM₁₀ _____

B. Vehicle Miles Traveled (VMT) Reduced _____

Single Occupancy Vehicle Trips Reduced _____

C. Number of people reached per day through public education _____

Cost-effectiveness: \$ _____ **per pound (AB 2766 Funds Only)**

Brief Project Description:

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ATTACHMENT 2

REQUEST FOR PROPOSAL
CONTENTS CHECKLIST

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REQUEST FOR PROPOSAL CONTENTS CHECKLIST

Applicant: _____

Please complete and attach this checklist with your application.

Exhibit Summary Sheet - page _____

Request for Proposal Contents Checklist - page _____

Authorization Letter/Resolution - page _____

Project Description - page _____

Project Organization/Background - page _____

Emissions Benefits/Cost-Effectiveness - page _____

Work Statement - page _____

Funding Request/Breakdown of Cost - page _____

Schedule of Deliverables/Monitoring - page _____

All Pages Numbered

5 Copies of Proposal

(CHECK ONE ONLY)
Quantifiable Project

- OR -

Reduced Emission Vehicles Project

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ATTACHMENT 3

ASSEMBLY BILL 2766

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Assembly Bill 2766

CHAPTER 1705

An act to add Chapter 7 (commencing with Section 44220) to Part 5 of Division 26 of the Health and Safety Code, and to add Section 9250.17 to the Vehicle Code relating to air pollution.

[Approved by Governor September 30, 1990. Filed with Secretary of State September 30, 1990.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2766, Sher. Air pollution: vehicles: fees.

Existing law provides for the collection of registration and other specified fees on motor vehicles, including fees or surcharges authorized to be imposed by the South Coast and Sacramento Metropolitan Air Quality Management Districts, which fees are required to be used to reduce air pollution.

This bill would authorize an additional \$2 fee, which may be increased to \$4, to be imposed by a county, unified, or regional air pollution control district, or air quality management district, except specified districts, and used to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies, as specified. The bill would prescribe the distribution of revenues from that fee in the south coast district. The bill would impose certain duties on the Department of Motor Vehicles with respect to the collection of the fees, and the State Air Resources Board with respect to determining the efficacy of the air pollution reduction programs.

The people of the State of California do enact as follows:

SECTION 1. Chapter 7 (commencing with Section 44220) is added to Part 5 of Division 26 of the Health and Safety Code, to read:

CHAPTER 7. DISTRICT FEES TO IMPLEMENT THE CALIFORNIA CLEAN AIR ACT

44220. The Legislature hereby finds and declares as follows:

(a) This chapter is intended to ensure that any county air pollution control district, or unified or regional air pollution control district, may, upon adoption of a resolution by the district governing board, exercise fee authority similar to that provided the south coast district pursuant to Section 9250.11 of the Vehicle Code and the Sacramento district pursuant to Section 41081, in order to ensure that districts, and, in the South Coast Air Quality Management District, other implementing agencies, have the necessary funds to carry out their responsibilities for implementing the California Clean Air Act of 1988 (Chapter 1568 of the Statutes of 1988).

(b) The revenues from the fees collected pursuant to this chapter shall be used solely to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988.

y 44223. (a) In addition to any other fees specified in this code, the Vehicle Code, and the Revenue and Taxation Code, a county air pollution control district, air quality management district, or unified or regional air pollution control district, except the Sacramento district or the Bay district, which has been designated by the state board as a state nonattainment area for any pollutant emitted by motor vehicles may levy a fee of up to two dollars (\$2) on motor vehicles registered within the district. A district may impose the fee only if the governing board of the district adopts a resolution providing for both the fee and a corresponding program for the reduction of air pollution from motor vehicles pursuant to, and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of, the California Clean Air Act of 1988.

(b) In districts with nonelected officials on their governing boards, a resolution adopted pursuant to subdivision (a) shall be approved by both a majority of the governing board and a majority of the board members who are elected officials.

(c) A fee imposed pursuant to this section shall become effective on either April 1 or October 1, as provided in the resolution adopted by the board pursuant to subdivision (a).

44225. On and after April 1, 1992, a district may increase the fee established under Section 44223 to up to four dollars (\$4). A district may increase the fee only if the following conditions are met:

(a) A resolution providing for both the fee increase and a corresponding program for expenditure of the increased fees for the reduction of air pollution from motor vehicles pursuant to, and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of, the California Clean Air Act of 1988 is adopted and approved by the governing board of the district.

(b) In districts with nonelected officials on their governing boards, the resolution shall be adopted and approved by both a majority of the governing board and a majority of the board members who are elected officials.

(c) An increase in fees established pursuant to this section shall become effective on either April 1 or October 1, as provided in the resolution adopted by the board pursuant to subdivision (a).

44227. Upon request of a district, the Department of Motor Vehicles shall collect the fees established pursuant to Sections 44223 and 44225 upon renewal of the registration of any motor vehicle subject to this part and registered in the district, except those vehicles which are expressly exempted under the Vehicle Code from the payment of registration fees.

44229. (a) After deducting all administrative costs it incurs through collection of fees pursuant to Section 44227, the Department of Motor Vehicles shall distribute the revenues to districts which shall use the fees to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies necessary for implementation of the California Clean Air Act of 1988. Fees collected by the Department of Motor Vehicles pursuant to this chapter shall be distributed to districts based upon the amount of fees collected from motor vehicles registered within each district.

(b) The Department of Motor Vehicles may annually expend not more than the following percentages of the fees collected pursuant to Section 44227 on administrative costs:

(1) During the first year after the operative date of this chapter, not more than 5 percent of the fees collected may be used for administrative costs.

(2) During the second year after the operative date of this chapter, not more than 3 percent of the fees collected may be used for administrative costs.

(3) During any year subsequent to the second year after the operative date of this chapter, not more than 1 percent of the fees collected may be used for administrative costs.

44231. After consulting with the Department of Motor Vehicles on the feasibility thereof, a district board may exempt from all or part of the fee any category of low-emission motor vehicle.

44233. Not more than 5 percent of the fees distributed to any district pursuant to Section 44229 shall be used by the district for administrative costs.

44235. A district shall not use fees established under Sections 44223 and 44225 for the purpose of establishing or maintaining the district as a direct provider of carpool, vanpool, or other ridesharing or transit services. However, a district may use these funds to enter into, and implement, agreements with agencies which directly provide carpool, vanpool, or other ridesharing or transit services to provide these services.

44236. A district may allocate funds raised by fees established under Sections 44223 and 44225 to meet the requirements of Section 65089 of the Government Code, if those requirements are in compliance with, and necessary for the implementation of, the California Clean Air Act of 1988.

44237. A district may use fees established under Sections 44223 and 44225 to enter into an agreement with a council of governments, regional agency, or local agency to carry out Section 40717.

44243. Fee revenues generated under this chapter in the south coast district shall be subvended to the south coast district by the Department of Motor Vehicles, after deducting its administrative costs pursuant to Section 44229, for expenditure in the following manner:

(a) Thirty cents (\$0.30) of every dollar subvended shall be used by the south coast district for programs to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies which are authorized by, or necessary to implement, the California Clean Air Act of 1988, or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3.

(b) Forty cents (\$0.40) of every dollar subvended shall be distributed by the district to cities and counties located in the south coast district, based upon their prorated share of population, to be used to implement programs to reduce air pollution from motor vehicles which are authorized by, or necessary to implement, the California Clean Air Act of 1988, or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3. No city or county may receive funds pursuant to this subdivision unless the city or county has adopted and transmitted to the south coast district an ordinance which does all of the following:

(1) Expresses support for the adoption of motor vehicle registration fees to be used to reduce air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3.

(2) Expressly requires all fee revenues distributed to the city or county pursuant to this subdivision or subdivision (c) to be spent to reduce air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3.

(3) Establishes an air quality improvement trust fund into which all fee revenues distributed to the city or county shall be deposited, and out of which expenditures shall be made to reduce air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3.

If a city or county fails to adopt an ordinance pursuant to this subdivision, the fee revenues which would be distributed to that city or county shall instead be distributed to the other cities and counties within the south coast district which have adopted an ordinance pursuant to this subdivision, based upon their prorated share of registered motor vehicles.

(c) Thirty cents (\$0.30) of every dollar subvended shall be deposited by the district in an account to be used, pursuant to Section 44244, to implement or monitor programs to reduce air pollution from motor vehicles which are authorized by, or necessary to implement, the California Clean Air Act of 1988, or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3.

44244. (a) There is hereby created a regional Mobile Source Air Pollution Reduction Review Committee. The committee shall be comprised of one representative from each of the following agencies:

- (1) The south coast district.
- (2) The Southern California Association of Governments.
- (3) The San Bernadino Associated Governments.
- (4) The Los Angeles County Transportation Commission.
- (5) The Orange County Transportation Commission.
- (6) The Riverside County Transportation Commission.
- (7) The state board.
- (8) A regional ridesharing agency selected by the other members of the committee.

(b) Fees allocated pursuant to subdivision (c) of Section 44243 shall be used to fund projects pursuant to a work program developed and adopted by the committee and approved by the south coast district board in the following manner:

(1) The work program shall be adopted by an affirmative vote of a majority of the committee members.

(2) Upon adoption of the work program, the work program shall be submitted to the south coast district board which, within 60 days, shall approve or disapprove the work program. If the district board fails to approve or disapprove the work program within 60 days of receiving it, the work program shall be deemed approved. The district board may disapprove the work program only upon a three-fourths vote of the full district board. If the district board disapproves the work program, it shall be returned to the committee which shall amend, readopt, and resubmit the work program to the district board for approval or disapproval.

(c) The committee shall establish a technical advisory committee to assist in the development of the work program. The technical advisory committee shall include, but not be limited to, representatives of agencies which make up the committee, a representative of the cities from each county within the district, and a representative of the boards of supervisors of each county within the district. The technical advisory committee may also include representatives of other public agencies and other interested parties as the committee may determine to be appropriate.

(d) The south coast district shall not be eligible for funds allocated pursuant to this section.

44244.1. (a) Any agency which receives fee revenues pursuant to Section 44243 or 44244 shall, at least once every two years, be subject to an audit of each program or project funded. The audit shall be conducted by an independent auditor selected by the south coast district in accordance with Division 2 (commencing with Section 1100) of the Public Contract Code. The district shall deduct any audit costs which will be incurred pursuant to this section prior to distributing fee revenues to cities, counties, or other agencies pursuant to Sections 44243 and 44244.

(b) Upon completion of an audit conducted pursuant to subdivision (a), the south coast district shall do both of the following:

(1) Make the audit available to the public and to the affected agency upon request.

(2) Review the audit to determine if the revenues from the fees received by the agency were spent for the reduction of air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3.

(c) If, after reviewing the audit, the south coast district determines that the revenues from the fees may have been expended in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to the California Clean air Act of 1988 or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3, the district shall do the following:

(1) Notify the agency of its determination.

(2) Within 45 days of the notification pursuant to paragraph (1), hold a public hearing at which the agency may present information related to expenditure of the revenues from the fees.

(3) After the public hearing, if the district determines that the agency has expended the revenues from the fees in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the plan prepared pursuant to Article 5 (commencing with Section 40460) of Chapter 5.5 of Part 3, the district shall withhold these revenues from the agency in an amount equal to the amount which was inappropriately expended.

(d) Any agency which receives fee revenues pursuant to Section 44243 or 44244 shall expend the funds within one year of the program or project completion date.

44245. The state board shall report to the legislature on or before December 31, 1992, on the air pollution reduction programs funded pursuant to this chapter. The report shall include, but not be limited to, an analysis of the use of vehicle registration fees for air pollution programs, the efficacy and results of the programs funded by the fees and any conclusions and recommendations by the state board.

44247. Local agencies imposing vehicle registration fees for air pollution programs pursuant to this chapter shall report to the state board on their use of the fees and the results of the programs funded by the fees and shall cooperate with the state board in the preparation of its report. These reports shall be submitted according to a schedule adopted by the state board to ensure compliance with the reporting requirements of Section 44245.

SEC. 2. Section 9250.17 is added to the Vehicle Code, to read:

9250.17. (a) The department shall, if requested by a county air pollution control district, air quality management district, or unified or regional air pollution control district, collect fees established pursuant to Sections 44223 and 44225 of the Health and Safety Code upon the registration or renewal of registration of any motor vehicle registered in the district, except those vehicles which are expressly exempted under this code from payment of registration fees.

(b) After deducting all costs incurred pursuant to this section, the department shall distribute the revenues to the districts based upon the amount of fees collected from motor vehicles registered within each district.

(c) The department may annually expend for its costs not more than the following percentages of the fees collected pursuant to subdivision (a):

(1) Five percent during the first year after the operative date the fee is imposed or increased.

(2) Three percent during the second year after the operative date the fee is imposed or increased.

(3) One percent during any subsequent year.

ATTACHMENT 4

SAMPLE CONTRACT

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AGREEMENT

This Agreement is made and entered into this 00 day of Month, 2009, by and between the Northern Sierra Air Quality Management District, a unified air pollution control district formed pursuant to California Health and Safety Code section 40150, et seq. (the "DISTRICT"), and XYZ Company (the "CONTRACTOR").

RECITALS:

WHEREAS, the California Clean Air Act requires local air pollution control districts to reduce emissions from motor vehicles; and

WHEREAS, AB 2766, codified in California Health and Safety Code section 44223, authorizes districts to impose a fee of up to four dollars upon certain registered motor vehicles within the district, and the Governing Board of the DISTRICT has imposed said fee (\$4 per vehicle in Nevada County and \$2 per vehicle in Plumas and Sierra Counties); and

WHEREAS, said legislation requires the DISTRICT to use said funds for activities to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988; and

WHEREAS, DISTRICT staff reviews proposals for eligible projects for the purpose of making funding recommendations to the Governing Board of the DISTRICT; and

WHEREAS, on October 26, 2009, after holding a public meeting and considering the recommendations of DISTRICT staff, the DISTRICT Board of Directors approved funding for this project; and

WHEREAS, CONTRACTOR has proposed a project that meets the eligibility criteria for funding approved by the DISTRICT, which is consistent with the goals of Health and Safety Code section 44220 through 44247; and

WHEREAS, CONTRACTOR represents that it is willing and able to perform the activities set forth herein.

NOW, THEREFORE, based on their mutual promises, covenants, and conditions, the parties hereby agree as follows:

1 **1. PROJECT**

2 CONTRACTOR shall perform all activities and work necessary to complete the
3 [*project name] project set forth in the proposal, which is attached hereto and
4 incorporated herein as Exhibit A. In addition, CONTRACTOR agrees to conduct record
5 keeping, monitoring, and reporting as described in the DISTRICT'S letter to the
6 CONTRACTOR, dated*, and incorporated herein as Exhibit B. Also, the DISTRICT
7 letter dated *, to the CONTRACTOR is incorporated herein as Exhibit C to establish
8 additional details of the DISTRICT'S conditional approval of this grant. CONTRACTOR
9 agrees to furnish all labor, materials, equipment, licenses, permits, fees, and other
10 incidentals necessary to perform and complete, in a professional manner, the services
11 described herein. CONTRACTOR represents that CONTRACTOR has the expertise
12 necessary to adequately perform the project specified in said Exhibits A, B, and C.

13 In the event of any conflict between or among the terms and conditions of this
14 Agreement, the exhibits incorporated herein, and the documents referred to and
15 incorporated herein, such conflict shall be resolved by giving precedence in the
16 following order of priority:

- 17 1. The text of this Agreement;
- 18 2. Exhibits A, B, and C to this Agreement; and
- 19 3. The "AB 2766 DMV Surcharge Fund Program RFP" prepared by
20 the DISTRICT and dated March 23, 2009; and
- 21 10. The "AB 2766 DMV Surcharge Fund Program Grant
22 Guidance.

23 **2. PERIOD OF PERFORMANCE/TIMETABLE**

24 CONTRACTOR shall commence performance of work and produce all work
25 product in accordance with the work schedule and deadlines for performance identified
26 in Exhibit A, which is attached hereto and incorporated herein, unless this Agreement is
27 terminated sooner as provided for elsewhere in this Agreement. In addition, the
28 CONTRACTOR shall make arrangements with the DISTRICT to receive Grant
29 Guidance training from the DISTRICT for any CONTRACTOR'S Program Manager
30 assigned to the project during the term of the Agreement.

31 The CONTRACTOR shall submit regular progress reports, at intervals set forth in
32 the *Grant Guidance* or as otherwise requested by the DISTRICT, detailing the work

1 performed during the current reporting period; work planned for the next reporting
2 period; problems identified, solved, and the percentage of each task completed.
3 CONTRACTOR shall provide DISTRICT with a comprehensive final written report prior
4 to final reimbursement payment. Said final report shall be complete and shall document
5 the work performed under this Agreement, the emissions reduction achieved (if
6 applicable), as calculated using the methodologies and format required by the
7 DISTRICT, and shall report all co-funding and in-kind contributions actually received.

8 **3. COMPENSATION**

9 In no event shall the total obligation of the DISTRICT under this Agreement
10 exceed **\$0,000**. Compensation shall be for work completed in accordance with this
11 agreement, starting January 1, 2010, and continuing through the term of this
12 agreement, ending December 31, 2010.

13 CONTRACTOR shall obtain through other sources sufficient additional monies
14 (co-funding) to fund the total cost of the project as outlined in Exhibit A. Satisfactory
15 written evidence of such funding commitments shall be provided to DISTRICT prior to
16 the release by DISTRICT of any funds under this Agreement, with the exception of user
17 fee revenue. In the event funding from other sources for the balance of the cost of the
18 project, as outlined in Exhibit A, is not received by CONTRACTOR, DISTRICT reserves
19 the right to terminate or renegotiate this Agreement. In that event, if requested by the
20 DISTRICT, CONTRACTOR shall return any DISTRICT funds advanced. All co-funding
21 and in-kind contributions must be documented as they are received, in accordance with
22 generally accepted accounting principles. The value assigned to in-kind contributions
23 must be consistent with the market value of the goods or service being donated. Co-
24 funding in the form of fee revenue must be documented as it is received (e.g. receipts
25 log for cash), in accordance with generally accepted accounting principles. Fee
26 revenue should normally be used to offset operating expenses or otherwise accrued per
27 the proposal.

28 **A. PAYMENTS:** Advance payments shall not be permitted. The DISTRICT
29 shall reimburse CONTRACTOR monthly (or quarterly), in arrears, after receipt of a
30 reimbursement request that includes all documentation necessary to verify expenses
31 were incurred, in compliance with the requirements listed in the *Grant Guidance*, and

1 the DISTRICT has approved payment. Reimbursement requests shall be mailed to
2 Northern Sierra Air Quality Management District, Attention: Ryan Murano.

3 Payment shall be made to CONTRACTOR by the DISTRICT upon submission
4 and evaluation of the CONTRACTOR'S invoice, documentation, and period report. Said
5 invoice shall set forth the work completed pursuant to this Agreement, broken down by
6 work tasks, in compliance with the *Grant Guidance*. Allowable expenditures under this
7 Agreement are specifically established and included in Exhibit A attached hereto and
8 incorporated herein.

9 Upon receipt of proper documentation, and verification that CONTRACTOR has
10 satisfactorily completed the work agreed to and for which compensation is sought,
11 DISTRICT will issue payment to CONTRACTOR within thirty (30) calendar days.

12 The amount to be paid to CONTRACTOR under this Agreement includes all
13 sales and use taxes incurred pursuant to this Agreement, if any. The CONTRACTOR
14 shall not receive additional compensation for reimbursement of such taxes and shall not
15 decrease work to compensate therefore.

16 Concurrently with the submission of any invoice for payment, CONTRACTOR
17 shall certify (by providing copies of invoices issued, checks, receipts, or other
18 documentation) that complete payment has been made to any and all subcontractors
19 conducting any portion of the work of this contract.

20 No administrative costs are to be reimbursed for the work performed.
21 Administrative costs must be borne by outside source funding or provided as "in-kind"
22 contributions. Administrative costs, as used herein, are defined as overhead costs (e.g.
23 salaries and benefits, and services and supplies of the administrative officer(s), legal
24 personnel, maintenance and finance departments; of the governing body; and some
25 secretarial support) that are **NOT** chargeable directly to a specific project or program or
26 operating function, but are charged proportionately to the department or functions that
27 do directly charge to a project or program. Indirect costs include administrative costs.
28 Thus, direct costs for labor charged to a project must not include a portion that is
29 administrative as defined above.

30 It is understood that all expenses incidental to CONTRACTOR'S performance of
31 services under this Agreement shall be borne exclusively by CONTRACTOR.

1 **B. Surplus Funds:** Any compensation which is not expended by
2 CONTRACTOR pursuant to the terms and conditions of this Agreement by the project
3 completion date shall automatically revert to the DISTRICT. Only expenditures incurred
4 by the CONTRACTOR in the direct performance of this Agreement will be reimbursed
5 by the DISTRICT. Allowable expenditures under this Agreement are specifically
6 established and included in Exhibit A, attached hereto and incorporated herein.

7 **4. NON-ALLOCATION OF FUNDS**

8 The terms of this Agreement and the services to be provided there under are
9 contingent on the approval of funds by the appropriating government agency. Should
10 sufficient funds not be allocated, the services provided may be modified or this
11 Agreement terminated at any time by giving the CONTRACTOR thirty (30) days' prior
12 written notice.

13 **5. INDEPENDENT CONTRACTOR**

14 In performance of the work, duties, and obligations assumed by CONTRACTOR
15 under this Agreement, it is mutually understood and agreed that CONTRACTOR,
16 including any and all of CONTRACTOR'S officers, agents, and employees, will at all
17 times be acting and performing as an independent contractor and shall act in an
18 independent capacity and not as an officer, agent, servant, employee, joint venture,
19 partner, or associate of the DISTRICT. Furthermore, DISTRICT shall have no right to
20 control or supervise or direct the manner or method by which CONTRACTOR shall
21 perform its work and function. However, DISTRICT shall retain the right to administer
22 this Agreement so as to verify that CONTRACTOR is performing its obligations in
23 accordance with the terms and conditions thereof.

24 Because of its status as an independent contractor, CONTRACTOR shall have
25 absolutely no right to employment rights and benefits available to DISTRICT
26 employees. CONTRACTOR shall be solely liable and responsible for providing to, or on
27 behalf of, itself and save DISTRICT harmless from all matters relative to payment of
28 CONTRACTOR'S employees, including compliance with Social Security, withholding,
29 and all other regulations governing such matters, It is acknowledged that during the
30 term of this Agreement, CONTRACTOR may be providing services to others unrelated
31 to the DISTRICT or to this Agreement.

1 **6. COMPLIANCE WITH ALL LAWS** CONTRACTOR and DISTRICT shall comply with
2 all applicable provisions of law and the rules and regulations, if any, of governmental
3 authorities having jurisdiction over the matters which are the subject of this agreement,
4 and contractors shall maintain all necessary permits or licenses for the duration of this
5 agreement.

6 **7. TERMINATION**

7 **A. Breach of Agreement:** The DISTRICT may immediately suspend or
8 terminate this Agreement, in whole or in part, where in the determination of the
9 DISTRICT there is:

- 10 1. An illegal or improper use of funds;
- 11 2. A failure to comply with any term of this Agreement;
- 12 3. A substantially incorrect or incomplete report submitted to
13 the DISTRICT; or
- 14 4. Improperly performed services.

15 In no event shall any payment by the DISTRICT constitute a waiver by the
16 DISTRICT of any breach of this Agreement or any default which may then exist on the
17 part of the CONTRACTOR. Nor shall such payment impair or prejudice any remedy
18 available to the DISTRICT with respect to the breach or default. The DISTRICT shall
19 have the right to demand of the CONTRACTOR the repayment to the DISTRICT of any
20 funds disbursed to the CONTRACTOR under this Agreement which in the judgment of
21 the DISTRICT were not expended in accordance with the terms of this Agreement. The
22 CONTRACTOR shall promptly refund any such funds upon demand.

23 In addition to immediate suspension or termination, DISTRICT may impose any
24 other remedies available at law, in equity, or otherwise specified in this Agreement.

25 **B. Without Cause:** Either party may terminate this Agreement at any time
26 upon giving the other party at least thirty (30) days' advance, written notice of intention
27 to terminate. In such case, the CONTRACTOR shall, subject to paragraph 3, be paid
28 the reasonable value of all services satisfactorily rendered and actual, reasonable costs
29 incurred up to the time of the termination. Upon such termination, all the work product
30 produced by CONTRACTOR shall be promptly delivered to the DISTRICT.

31 **8. MODIFICATION**

1 Any matters of this Agreement may be modified from time to time by the written
2 consent of all the parties.

3 **9. NON-ASSIGNMENT**

4 Neither party shall assign, transfer, or subcontract this Agreement, nor their
5 rights or duties under this Agreement, without the prior, express, written consent of the
6 other party. CONTRACTOR shall provide a written request to the DISTRICT for
7 consent on any such changes described above. Contractor shall provide to the
8 DISTRICT as much advance notice on developments related to such changes
9 described above as is reasonably possible.

10
11
12 **10. INDEMNIFICATION**

13 CONTRACTOR agrees to indemnify, save, hold harmless, and at DISTRICT'S request,
14 defend the DISTRICT, its boards, committees, representatives, officers, agents, and
15 employees from and against any and all costs and expenses (including reasonable
16 attorneys fees and litigation costs), damages, liabilities, claims, and losses (whether in
17 contract, tort, or strict liability, including, but not limited to, personal injury, death, and
18 property damage) occurring or resulting to DISTRICT which arise from any negligent or
19 wrongful acts or omissions of CONTRACTOR, its officers, agents, subcontractors, or
20 employees in their performance of this Agreement, and from any and all costs and
21 expenses (including reasonable attorneys fees and litigation costs), damages, liabilities,
22 claims, and losses (whether in contract, tort, or strict liability, including, but not limited
23 to, personal injury, death, and property damage), occurring or resulting to any person,
24 firm, corporation, or entity who may be injured or damaged when such injury or damage
25 arises from any negligent or wrongful acts, or omissions of CONTRACTOR, its officers,
26 agents, subcontractors, or employees in their performance of this Agreement.

27 **11. INSURANCE**

28 **A.** Without limiting the DISTRICT'S right to indemnification from
29 CONTRACTOR or any third parties, CONTRACTOR, at its sole expense, shall maintain
30 in full force and effect the following insurance policies throughout the term of this
31 Agreement:

1 1. Commercial general liability insurance with minimum limits of
2 coverage in the amount of One Million Dollars (\$1,000,000) per occurrence;

3 2. Commercial automobile liability insurance which covers
4 bodily injury and property damage with a combined single limit with minimum
5 limits of coverage in the amount of One Million Dollars (\$1,000,000) per
6 occurrence;

7 3. Workers compensation insurance in accordance with
8 California law.

9 **B.** Such insurance policies shall name the DISTRICT, its officers, agents,
10 and employees, individually and collectively, as additional insured (except worker's
11 compensation insurance). Such coverage for additional insured shall apply as primary
12 insurance, and any other insurance maintained by the DISTRICT, its officers, agents,
13 and employees, shall be excess only and not contributing with insurance provided under
14 the CONTRACTOR'S policies herein. This insurance shall not be canceled or changed
15 without a minimum of thirty (30) days' advance, written notice given to the DISTRICT.

16 **C.** Prior to the commencement of performing its obligations under this
17 Agreement, CONTRACTOR shall provide certificates of insurance on the foregoing
18 policies, as required herein, to the DISTRICT, showing that the coverage meets all of
19 the requirements described above.

20 **D.** In the event CONTRACTOR fails to keep in effect at all times insurance
21 coverage as herein provided, the DISTRICT may, in addition to other remedies it may
22 have, suspend or terminate this Agreement upon the occurrence of such event.

23 **E.** If the CONTRACTOR is a government entity, then it may self-insure such
24 of those risks identified above under the same terms and conditions set forth above.

25 **12. AUDITS AND INSPECTIONS**

26 CONTRACTOR shall keep full books and records relating to work required by
27 this contract. CONTRACTOR shall at any time during regular business hours, and as
28 often as DISTRICT may deem necessary, make available to DISTRICT for examination
29 all of its records and data with respect to the matters covered by this Agreement.
30 CONTRACTOR shall, and upon request by DISTRICT, permit DISTRICT to audit and
31 inspect all of such records and data necessary to ensure CONTRACTOR'S compliance
32 with the terms of this Agreement.

1 CONTRACTOR shall be subject to an audit by DISTRICT or its authorized
2 representative to determine if the revenues received by CONTRACTOR were spent for
3 the reduction of air pollution as provided in AB 2766 and to determine whether said
4 funds were utilized as provided by law and this Agreement. If, after audit, DISTRICT
5 makes a determination that funds provided CONTRACTOR pursuant to this Agreement
6 were not spent in conformance with this Agreement, or AB 2766 or any other applicable
7 provisions of law, CONTRACTOR agrees to immediately reimburse to DISTRICT all
8 funds determined to have been expended not in conformance with said provisions.

9 CONTRACTOR shall retain all records and data for activities performed under
10 this Agreement for at least three (3) years from the date of final payment under this
11 Agreement or until all state and federal audits are completed for that fiscal year,
12 whichever is later.

13 Because this Agreement exceeds ten thousand dollars (\$10,000), Contractor
14 shall be subject to the examination and audit of the Auditor General for a period of three
15 (3) years after final payment under contract (Government Code 10532).

16 **13. NOTICES**

17 The persons and their addresses having authority to give and receive notices
18 under this agreement are as follows:

19 **CONTRACTOR**

20 *
21 Attn: *
22 •
23 •

DISTRICT

N. Sierra AQMD
Attn: Gretchen Bennett, APCO
P.O. Box 2509
Grass Valley, CA 95945

24
25 Any and all notices between the DISTRICT and the CONTRACTOR provided for
26 or permitted under this Agreement or by law shall be in writing and shall be deemed
27 duly served when personally delivered to one of the parties, or in lieu of such personal
28 services, when deposited in the United States mail, postage prepaid, addressed to such
29 party.

30 **14. POLITICAL ACTIVITY PROHIBITED**

1 None of the funds, materials, property, or services provided under this
2 Agreement shall be used for any political activity, or to further the election or defeat of
3 any candidate for public office contrary to federal or state laws, statutes, regulations,
4 rules, or guidelines.

5 **15. LOBBYING PROHIBITED**

6 None of the funds provided under this Agreement shall be used for publicity,
7 lobbying, or propaganda purposes designed to support or defeat legislation before the
8 Congress of the United States of America or the Legislature of the State of California or
9 any local agency.

10 **16. CONFLICT OF INTEREST**

11 No officer, employee, or agent of the DISTRICT shall have any direct or indirect
12 personal financial interest in this Agreement. CONTRACTOR shall comply with all
13 federal and state conflict of interest laws, statutes, and regulations, which shall be
14 applicable to all parties and beneficiaries under this Agreement and any officer, agent,
15 or employee of the DISTRICT.

16 **17. GOVERNING LAW**

17 This Agreement shall be governed in all respects by the laws of the State of
18 California. Venue for any action arising out of this Agreement shall only be in Nevada
19 County, California.

20 **18. BINDING ON SUCCESSORS**

21 This Agreement, including all covenants and conditions contained herein, shall
22 be binding upon and inure to the benefit of the parties, including their respective
23 successors-in-interest, assigns, and legal representatives.

24 **19. TIME IS OF THE ESSENCE**

25 It is understood that for CONTRACTOR'S performance under this Agreement,
26 time is of the essence. The parties reasonably anticipate that CONTRACTOR will, to
27 the reasonable satisfaction of the DISTRICT, complete all activities provided herein
28 within the time schedule outlined in the attachments to this Agreement, provided that
29 CONTRACTOR is not caused unreasonable delay in such performance.

30 **20. DATA OWNERSHIP**

31 Upon termination or expiration of this Agreement, all data which is received,
32 collected, produced, or developed by CONTRACTOR shall be delivered to the

1 DISTRICT. Contractor shall be allowed to retain a copy of any non-confidential data
2 received, collected, produced, or developed by CONTRACTOR under this Agreement
3 subject to the DISTRICT'S exclusive ownership rights stated herein. Accordingly,
4 CONTRACTOR shall, if requested, surrender to DISTRICT all such data which is in its
5 possession (including its subcontractors, or agents), without any reservation of right of
6 title, not otherwise enumerated herein.

7 DISTRICT shall have the right at reasonable times during the term of this
8 Agreement to inspect and reproduce any data received, collected, produced, or
9 developed by CONTRACTOR under this Agreement. No reports, professional papers,
10 information, inventions, improvements, discoveries, or data obtained, prepared,
11 assembled, or developed by the CONTRACTOR, pursuant to this Agreement, shall be
12 released or made available (except to the DISTRICT) without prior, express written
13 approval of the DISTRICT while this Agreement is in force.

14 **21. NO THIRD-PARTY BENEFICIARIES**

15 Notwithstanding anything else stated to the contrary herein, it is understood that
16 CONTRACTOR'S services and activities under this Agreement are being rendered only
17 for the benefit of DISTRICT, and no other person, firm, corporation, or entity shall be
18 deemed an intended third-party beneficiary of this Agreement. All third party
19 involvement shall relate to a bonafide air quality benefit, otherwise, the third party must
20 be a co-funder, contributing at least a proportionate value for the benefit they are
21 receiving.

22 **22. OWNERSHIP OF EMISSIONS REDUCTIONS**

23 All emissions reductions achieved by the project are the property of the
24 DISTRICT. The CONTRACTOR has no legal rights to any emissions reductions credits
25 that may be generated as a result of the project. Emissions reductions from funded
26 projects are not transferable and may not be used as emissions offsets.

27 **23. CONTRACTOR'S REPRESENTATION**

28 CONTRACTOR shall present proof of license to do business in the state of
29 California or provide other certification proving the contractor is a legal business entity.
30 Proof shall also be provided showing that the person signing the agreement on behalf of
31 the CONTRACTOR is duly authorized to enter into a binding legal agreement.
32

1 **24. SEVERABILITY**

2 In the event that any one or more of the provisions contained in this Agreement
3 shall for any reason be held to be unenforceable in any respect by a court of competent
4 jurisdiction, such holding shall not affect any other provisions of this Agreement, and the
5 Agreement shall then be construed as if such unenforceable provisions are not a part
6 hereof.

7 **25. ENTIRE AGREEMENT**

8 This Agreement constitutes the entire agreement between the CONTRACTOR
9 and DISTRICT with respect to the subject matter hereof and supersedes all previous
10 negotiations, proposals, commitments, writings, advertisements, publications, and
11 understandings of any nature whatsoever unless expressly included in this Agreement.

12 **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be
13 executed as of the day and year first hereinabove written.

14 CONTRACTOR

DISTRICT

15 *

Northern Sierra AQMD

16
17
18 By _____

By _____

Gretchen Bennitt
Air Pollution Control Officer

19
20 _____
21 Print Name and Title

22
23 _____
24 Tax I.D. No.

ATTACHMENT 5

PROJECT GUIDANCE

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Northern Sierra Air Quality Management District

AB 2766

DMV SURCHARGE FUND PROGRAM

PROJECT GUIDANCE

2009-2010 Project Cycle

NORTHERN SIERRA
AIR QUALITY MANAGEMENT DISTRICT

MAIN OFFICE:
200 LITTON DRIVE, SUITE 320
P.O. BOX 2509
GRASS VALLEY, CA 95945
(530) 274-9360
FAX:(530) 274-7546

TRUCKEE FIELD OFFICE:
13450 DONNER PASS ROAD, STE. B
P.O. BOX 9766
TRUCKEE, CA 96162
(530) 550-7872
FAX: (530) 587-2623

March 23, 2009

DMV SURCHARGE PROGRAM
PROJECT GUIDANCE

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ATTACHMENTS

 Sample Claim for Payment Form

 Claim for Payment Form

 Definition of Administrative Costs

 Monthly/Quarterly Financial Report Forms

 Monitoring Report Form

 Final Report Form

DMV SURCHARGE FUND PROGRAM PROJECT GUIDANCE

PROJECT OVERVIEW

PURPOSE: This guidance document explains the required content for the successful completion of an AB 2766 DMV Surcharge Fund Program with the Northern Sierra Air Quality Management District (NSAQMD).

WHO: This guidance is directed toward all AB 2766 DMV Surcharge Fund Program project participants.

WHAT: The AB 2766 DMV Surcharge Fund Program is an innovative program that allocates fees collected from motor vehicle registrations for local projects that reduce emissions from mobile sources, such as automobiles, trucks, and buses. The NSAQMD Governing Board makes a final funding decision based on the Air Pollution Control Officer's (APCO) recommendation, which in turn makes funds available to project participants.

WHEN: Within 120 days after the NSAQMD Governing Board makes a final decision, all prospective project participants must enter into a formal contract with the NSAQMD. The effective starting date of most contracts is January 1st.

CORRESPONDENCES: All correspondences, including all reporting and claim for payments shall be sent to the Truckee Field Office unless other arrangements have been made between the participant and the District.

Mailing Address: P.O. Box 9766, Truckee, CA 96162

Shipping Address: 13450 Donner Pass Rd., Ste. B, Truckee, CA 96161

HELP: NSAQMD staff is available to answer questions and to provide assistance to project participants regarding these procedures. You should read the entire document in order to fully understand the requirements, and all questions should be directed to Ryan Murano located at the Truckee Field Office (530) 550-7872.

SECTION 1

A. Letter of Confirmation of Funding

Within thirty (30) days of NSAQMD Governing Board approval, all prospective project participants will receive a *Letter of Confirmation* and will be expected to reply indicating their desire to proceed with their project.

B. Contract Preparation

Upon receiving a reply from the applicant on their intent to proceed with the project, the NSAQMD will send a contract to the project applicant for their review and signature. All contracts must be reviewed in full, all changes made, and signed by both parties by September 30. All unsigned contracts will be terminated after the specified time period.

C. Matching Funds

All project participants must provide sufficient evidence of matching funds prior to receiving any reimbursement from the NSAQMD. This can be supplied in the form of a bank statement, an approved budget, board resolution, or letter of available funds. All co-funding and in-kind contributions must be documented as they are received, in accordance with generally accepted accounting principles. The value assigned to in-kind contributions must be consistent with the market value of the goods or service being donated. Co-funding in the form of fee revenue must be documented as it is received (e.g. receipts log for cash), in accordance with generally accepted accounting principles.

D. Signing Authority

All project participants must provide appropriate documents, such as a resolution or letter establishing who is authorized to sign on behalf of the project participant. The authorized designee will be responsible for signing the contract and claims for payment.

E. Insurance

The contract will specify the levels and amounts of insurance the NSAQMD will require. All insurance requirements must be met before any reimbursements will be made by the NSAQMD. Promptly sending an insurance certificate that meets the requirements set forth in the contract agreement to the NSAQMD will help avoid delays in reimbursing funds.

F. Revisions (e.g. Changes to Work Plan, Breakdown of Cost, Co-funding)

Any revisions to the project work plan, budgeted breakdown of costs by task, or co-funding arrangements must be submitted in writing and approved by the NSAQMD prior to initiating changes. If changes are not authorized by the NSAQMD, the applicant may be ineligible for reimbursements.

SECTION 2

A. Claim for Payment

Project participants will be reimbursed for all project costs on a monthly basis, quarterly if requested. The NSAQMD will not provide advances to project participants. Project participants must submit request for payment on the NSAQMD *Claim for Payment* form only. When an agency has been awarded multiple project/program projects, a claim for payment must be submitted for each project, separately. All claims must be typed, signed and dated by the appropriate signing authority or they will be returned to the applicant. All claims for payments must adhere to the work plan and specified line item budgets as identified in your contract (e.g. list expenses by task). Any changes will be considered as work plan revisions (see Section 1). No administrative costs shall be included in claims for payment. Included in this guidance document is a sample *Claim for Payment* showing how to complete the form, a blank *Claim for Payment* form to be duplicated and used by the project participants, and a definition of administrative costs.

Up to 95% of the contract amount may be claimed before the completion and submittal of the final report. Once the District receives and approves the final report, the remaining 5% may be claimed. The claim for payment of the final 5% may be included with the final report (See Section 4, A. for final report requirements).

B. Invoices and Receipts

All requests for reimbursement must be accompanied by appropriate invoices and receipts showing the actual expenses incurred and proving payments were made (copies of checks are acceptable receipts). If not, all claims will be returned and no reimbursement will be made until the appropriate documentation is submitted.

C. Monthly/Quarterly Financial Report

The *Monthly/Quarterly Financial Report* must accompany all requests for reimbursement for the payment requests. The *Monthly/Quarterly Financial Report* is used to verify that applicants are tracking funds used and funds remaining and that projects are on a timely schedule. The report can also be used by the applicant to identify any potential problems or delays. Included in this guidance document is a *Monthly/Quarterly Financial Report* form to be duplicated and used by the project participants.

SECTION 3

A. Monitoring

All projects will begin on January 1st (beginning of project cycle) with a mid-way *Monitoring Report* due by July 31st. The *Monitoring Report*, a form is attached to this guidance, will be prepared by the project participant and sent to the NSAQMD by the above indicated date. The *Monitoring Report* shall include a more detailed status of the project or program than the monthly/quarterly project status provided with the financial report: describe what work has been successfully completed on schedule, percentage completion for each task, what work is behind schedule and why, what will be done to get back on schedule (if needed), and whether

challenges are anticipated in completing the scheduled work by December 31st (end of project cycle). This is the project participants' opportunity to accent successes and forewarn about anticipated problems. The District should be notified as soon as the project participant discovers a serious problem that jeopardizes the successful completion of a project or program and should not wait until a report due date.

The *Monitoring Report* shall also include a description of the data being gathered to calculate vehicle emissions reductions, trip reductions, and/or vehicle miles traveled reductions. Submit a detailed description of the monitoring systems you have designed and implemented to gather data to calculate motor vehicle emissions reductions, vehicle miles traveled (VMT) reductions and trip reductions. Please provide samples of your data gathering forms or surveys. It is recommended that you use the ARB's computer program *METHODS TO FIND COST-EFFECTIVENESS OF AIR QUALITY PROJECTS* to assure you are collecting complete information necessary for accurate calculations and analysis. This program can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds."

The State, at many levels (e.g. legislature, Cal-EPA, CARB), industrial groups, and watch-dog groups have been questioning the effectiveness of this program. The California Air Pollution Control Officers Association has lobbied hard to maintain local control over these funds, but we will lose them if we cannot show these public funds are being used responsibly, cost effectively, and with accountability. The reality is, there are many other groups looking for reasons to take this funding source away from local agencies and use it at the state level.

Project participants that do not adequately monitor the motor vehicle emissions reductions, vehicle miles traveled reductions and trip reductions may not be considered for future funding.

B. Site Visit

Depending on the type of project and the necessity, some project participants will be scheduled for a site visit by NSAQMD Staff. The purpose of the visit is to ensure that projects are underway and on schedule. The ultimate goal is to share project successes with other agencies throughout the NSAQMD and the State. NSAQMD staff may request taking photographs and videotapes of projects.

SECTION 4

A. Final Report

Within sixty (60) days of the completion date of the contract, project participants are required to provide the NSAQMD with a final report. Included in this guidance document is a *Final Report* form. It is expected that additional sheets will be attached to substantiate the results compiled on this form.

The report shall include a list of completed activities and a breakdown of final, total costs that includes costs paid by all sources of funding, including "in-kind" contributions. Project costs shall also be broken down into capital costs and operating costs. A description of the capital and operational costs must be included. All of the input data required to run ARB's computer program *Methods To Find Cost-Effectiveness Of Air Quality Projects* must be provided in the final report. This information will be used by the District to determine the project's cost-

effectiveness. Project participants are encouraged to run this program. The program can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds." If requested, the District can email the ARB software program too.

The report shall also include emission reductions achieved, based on actual monitoring data, if applicable, and shall include all information necessary to judge the success of the project in meeting its goals. This analysis shall include a comparison of the proposed benefits to the actual benefits.

The final report shall include the monitoring data used to calculate vehicle emission reductions (e.g. trips reduced, vehicle miles traveled reduced, and other data inputs) and shall clearly list assumptions used. The emissions reductions shall be totaled for each pollutant and entered on the *Final Report* form in tons per year and pounds per year.

Final payment will not be made until the final report is submitted and approved by the NSAQMD.

B. Request for Information

Periodically, the NSAQMD may send project participants a *Request for Information* letter or memo when the NSAQMD needs some information that may be required for its reporting to the California Air Resources Board. Project participants are expected to cooperate since such work is necessary to assure continued funding. The state legislature will take steps to eliminate this funding source if emission reductions are not shown to be cost-effective.

Northern Sierra Air Quality Management District

Claim For Payment

Payee: Provide the name of the agency that received the funding

Address: Address of the agency, city, state, zip code

Phone Number/Email: 555-5555 / myemail@ myemail.com

Federal Tax I.D. #: please provide

CA Sales Tax Permit #: If applicable

Project Description: provide brief project description (title)

| Date | Description | Amount |
|-----------|--|---------|
| 3/10/2010 | TASK #1 | \$ 0.00 |
| | TASK #2 | \$ 0.00 |
| | Note: Please provide all relevant invoices, receipts, and other supporting material documenting actual expenses and payments made. | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | TOTAL CLAIM | \$00.00 |

*All Claims must be typed, signed, and dated or they will be returned

| | |
|---------------------------------|-------|
| Provide Authorized Signature | |
| Signature of Claimant: | Date: |
| | |
| Print Name of Authorized Signer | |
| Print Name of Claimant: | |
| | |
| NSAQMD Use Only | |
| | |
| Reviewed By: | Date |
| | |

Reviewed By: _____ Date _____

ARB/CAPCOA DEFINITION OF ADMINISTRATIVE COSTS

For the purpose of the AB 2766 DMV Surcharge Fund Program, administrative costs are overhead costs (e.g. salaries and benefits, and services and supplies of the administrative officer(s), legal personnel, maintenance and finance departments; of the governing body; and some secretarial support) that are NOT chargeable directly to a specific project or program or operating function, but are charged proportionately to the department or functions that do directly charge to a project or program. Indirect costs include administrative costs.

Thus, direct costs for labor charged to a project must not include a "burden" portion that is administrative as defined above.

The law limits total administrative costs for the entire program to 5% of the vehicle registration fees distributed to the districts. Due to the many administrative requirements imposed on the districts by the ARB to run the program, the full 5% is reserved for District use. Therefore, administrative costs incurred by the project participant must be covered by other co-funding sources or provided by "in-kind" contributions from the project participant. Such arrangements with co-funders are left to the project participant.

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
MONTHLY/QUARTERLY FINANCIAL REPORT

Please provide the following information:

AGENCY: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE NUMBER/EMAIL: _____ / _____

REIMBURSEMENT MONTH/QUARTER: _____

PROJECT DESCRIPTION: _____

FISCAL INFORMATION

- | | | |
|----|---|----------|
| 1 | Total project amount: | \$ _____ |
| 2. | Amount of funds requested this report, if any: | \$ _____ |
| 3. | Amount of funds expended to date: | \$ _____ |
| 4. | Amount of funds anticipated next 90 days: | \$ _____ |
| 5. | Total amount of funds expended: (Add line 2 and 3) | \$ _____ |
| 6. | Remaining balance: (Subtract line 5 from line 1) | \$ _____ |

PROJECT STATUS: _____

Northern Sierra Air Quality Management District

MONITORING REPORT (Due July 31st)

Please provide the following information on mid-project performance:

AGENCY: _____

PREPARER: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE NUMBER/EMAIL: _____ / _____

DATE REPORT PREPARED: _____

PROJECT DESCRIPTION: _____

This report should include information to all of the questions listed below. Use additional sheets and include attachments as necessary.

1. Is the project on schedule and are all of the goals being achieved?
2. Provide the percentage completion of each task listed in the proposal and any pertinent information on the status of the project.
3. Are there any difficulties or challenges occurring that may cause the schedule to slip?
4. On a separate sheet of paper, provide a detailed description of the monitoring systems you have designed and implemented to gather data to calculate motor vehicle emissions reductions, vehicle miles traveled (VMT) and trip reductions. Please provide samples of your data gathering forms or surveys.

Northern Sierra Air Quality Management District

FINAL REPORT

Please provide the following information to close out your contract:

AGENCY: _____

PREPARER: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE NUMBER/EMAIL: _____ / _____

DATE REPORT PREPARED: _____

PROJECT DESCRIPTION: _____

This report should include information to all of the questions and include attachments as necessary.

1. Is the project complete and were all of the goals achieved? Please provide a copy of all final products or works.

2. Final breakdown of expenditures by line item compared to the original proposal. If your project was completed under the budgeted amount, please give a complete explanation by line item. Use additional sheets if necessary:

3. Funding a. _____ vehicle registration fees percent of total d. _____
b. _____ co-funding by e. _____

c. _____ total cost of project

4. Capital Costs \$ _____
Operating Costs \$ _____
Total Project Costs \$ _____

5. Description of Capital Costs (Equipment, infrastructure, etc.)

6. Description of Operating Costs (fuel, labor, etc.)

7. Please list data sources, assumptions, and methodologies used to determine costs

8. Total Vehicle Miles Traveled Reductions _____VMT
9. Total Trip Reductions _____Trips
10. Emissions reductions in tons per year for NO_x, ROG and PM₁₀:
NO_x: _____ Tons/Year; _____ Lbs/Year
ROG: _____ Tons/Year; _____ Lbs/Year
PM₁₀: _____ Tons/Year; _____ Lbs/Year
11. Cost-effectiveness: \$ _____ per pound (AB 2766 Funds Only)
12. Please list data sources, assumptions, and methodologies used to determine travel/trip and emission reductions (attach additional sheets if necessary, i.e.: ARB Methodology Reports).

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ATTACHMENT 6

NSAQMD

POLLUTANT

DESIGNATION/CLASSIFICATION

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**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
POLLUTANT DESIGNATION/CLASSIFICATION**

STATE AND FEDERAL CRITERIA POLLUTANTS
Updated 3-24-09

**Attainment Status: Northern Sierra Air Quality Management District
(Counties of Plumas, Sierra and Nevada)**

| Attainment Status by Northern Sierra Air Quality Management District of State and Federal Air Quality Standards | | | |
|--|-----------------|--|--|
| <u>Pollutant</u> | | <u>State Standard</u> | <u>Federal Standard</u> |
| O ₃ | 1-Hour Standard | Nevada County: Non-attainment (overwhelming transport); Sierra and Plumas Counties: Unclassified | Standard has been rescinded; entire district was formerly Unclassified/Attainment |
| | 8-Hour Standard | Nevada County: Non-attainment (due to overwhelming transport); Sierra and Plumas: Unclassified | <u>1997 O₃ Standard (80 ppb)</u> Western Nevada County: Non-attainment (proposed Moderate); Sierra, Plumas, Eastern Nevada County: Unclassified/Attainment <u>2008 O₃ Standard (75 ppb)</u> Western Nevada County: Recommended Non-attainment; Sierra, Plumas, Eastern Nevada County: Recommended Unclassifiable |
| PM ₁₀ | | Nevada, Sierra and Plumas Counties: Non-attainment | Unclassified |
| PM _{2.5} | | Portola Valley in Plumas County: Non-attainment; Nevada, Sierra and Remainder of Plumas County: Unclassified | Unclassifiable/Attainment (Plumas County is very close to the non-attainment threshold) |

In addition, the entire district is either Attainment or Unclassified for all State and federal NO₂, SO₂, CO, Pb, H₂S, visibility reducing particles, sulfates, and vinyl chloride standards.

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ATTACHMENT 7

DMV SURCHARGE FUND

PROGRAM

PLAN

FOR USE

OF

FUNDS

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DISTRICT HEADQUARTERS

200 Litton Drive, Suite 320

P.O. Box 2509

Grass Valley, CA 95945

(530) 274-9360 / FAX: (530) 274-7546

email: office@myairdistrict.com or www.myairdistrict.com

TRUCKEE FIELD OFFICE

13450 Donner Pass Rd., Ste. B, Truckee, CA 96161

Mailing Address: P.O. Box 9766, Truckee, CA 96162

(530) 550-7872 / FAX: (530) 587-2623

email: ryan@myairdistrict.com

QUINCY FIELD OFFICE

270 County Hospital Road, Suite 127

P.O. Box 3981, Quincy, CA 95971

(530) 283-4654 / FAX: (530) 283-0699

email: george@myairdistrict.com

AB 2766 DMV SURCHARGE FUND PROGRAM PLAN FOR USE OF FUNDS FOR 2009-2010 PROJECT CYCLE

Executive Summary

The Northern Sierra Air Quality Management District's (District) plan for the use of AB 2766 DMV Surcharge Funds for the 2009-2010 project cycle will continue largely consistent with previous years' however, there are several changes that may be considered significant.

Western Nevada County has been designated as a federal nonattainment area for ozone due to violations of the new eight-hour National Ambient Air Quality Standard for ozone. Significant new work is being required of the District as a result of becoming a new nonattainment area.

- Public Education/Awareness (avoiding exposure)
- Ozone Episode Curtailment Promotions
 - ▶ Voluntary trip reduction (reducing motor vehicle emissions)
 - ▶ Voluntary behavior modification (preventing or delaying emissions)
- Enhanced Emissions Inventory Development
 - ▶ Stationary sources
 - ▶ Area sources (assist state)
 - ▶ Mobile sources (check state data)
- Attainment Planning
 - ▶ Upwind area emissions control strategies (will they be enough?)
 - ▶ Modeling to demonstrate re-attainment
- Transportation Conformity
 - ▶ Local consultative process (rule development/adoption)
 - ▶ Emissions budget or vehicle miles traveled budget
 - ▶ Review all federally funded highway projects
- "Relaxed" New Source Review
 - ▶ Applies to major new sources of nonattainment emissions or precursors
 - ▶ Emissions offsets - no net emissions increases
 - ▶ Lowest Achievable Emissions Rate controls required

Annual District DMV surcharge fee revenue for FY 2009-2010 is estimated to be \$266,659. In accordance with the Air Resources Board's 1998 Addendum to the Motor Vehicle Registration Fee Program Criteria and Guidelines, "...rural districts should assess program needs and the air quality benefits of proposed projects and allocate funds accordingly." Depending on overall program needs, this amount could vary from 50% to 0% to be used for external projects that reduce vehicle emissions. District Policy # 3090.3.1 states that the first priority for use of funds is to implement emission reduction measures and strategies that are included in District's clean air plans. At least 50 percent of the total funds spent in a region should be used for projects that directly reduce mobile source emissions.

External projects targeted by the District include, but are not limited to, the following:

- Clean fueled public transit
- Heavy duty engines (qualified match funds for Carl Moyer Memorial Program)
- Clean fueled vehicles
- Teleconferencing/Video conferencing systems
- Pedestrian and bicycle projects
- Zero emission vehicles and Charging Infrastructure
- Super ultra-low emission vehicles (SULEVs and hybrid electric vehicles)
- Public Transit Marketing
- Public education
- Street sweeping equipment
- Landfill trip reduction
- Telecommuting
- Computer Access Services: Internet/Intranet

Background

Heat waves in the Sacramento Valley and poor air quality in the foothills go hand-in-hand. High pressure areas and inversion layers cause pollutants to accumulate in the valley where sunlight converts some of the pollutants to another pollutant, ozone. When the evening delta breezes kick in, they blow the ozone to downwind communities such as Grass Valley and Nevada City. Transported ozone also impacts the rest of the District, but to a lesser extent due to the longer distances from the upwind sources. Atmospheric mixing, oxidation reactions on exposed surfaces, and conversion to other chemical compounds reduces ozone concentrations as the pollutant moves through the region.

The pollutant of concern is ground-level ozone. If this ozone were up in the stratosphere, it would absorb harmful ultraviolet radiation. But, at ground-level, ozone is a powerful respiratory irritant that can cause coughing, shortness of breath, headaches, fatigue, and lung damage, especially in children, the elderly, ill, and people who exercise strenuously. Ozone also damages plants, including agricultural crops, and degrades manufactured materials such as paint and rubber, resulting in millions of dollars of damage each year.

Ozone is just one of the pollutants that the Northern Sierra Air Quality Management District (District) monitors. Ozone readings averaged over a one hour period exceed the California Ambient Air Quality Standard (CAAQS). The National Ambient Air Quality Standard (NAAQS) is averaged over an 8 hour period. The NAAQS is more stringent, even with a longer averaging period.

Under the eight-hour NAAQS, western Nevada County experienced many violations and still continues to experience violations of the NAAQS. The data for the last ten years follows:

| <u>Year</u> | <u>Days of CAAQS Exceedances (1hour)</u> | <u>Days of NAAQS Exceedances</u> |
|-------------|--|----------------------------------|
| 1998 | 12 | 19 |
| 1999 | 21 | 28 |
| 2000 | 18 | 29 |
| 2001 | 17 | 23 |
| 2002 | 20 | 22 |
| 2003 | 20 | 22 |
| 2004 | 11 | 14 |
| 2005 | 15 | 20 |
| 2006 | 29 | 24 |
| 2007 | 11 | 9 |
| 2008 | 7 | 18 |

Evaluation of data leading to these exceedances reveals they were due to pollutant transport from upwind areas, since they occurred late in the day and even after dark. Ozone is created photochemically - in the presence of sunshine. Therefore, if ozone concentrations are rising at night, in the presence of a breeze, the readings are most likely due to ozone formed upwind of the ozone monitor. Also, in ozone transport-impacted areas, ozone levels stay at higher levels for longer duration, as compared to “spike”-like short duration ozone levels observed near the sources of ozone pollution. Ozone spikes are very rare in western Nevada County.

Western Nevada County has been designated as nonattainment for the National Ambient Air Quality Standard (NAAQS) for ozone. However, the classification recognizes the monitored violations of the NAAQS for ozone are due to “overwhelming transport” of ozone from the Broader Sacramento Area and “significant transport” from the Bay Area. While the District has been relieved the from many of the more onerous, mandated emission control strategy planning requirements of the California Clean Air Act of 1988 (CCAA), the state still requires a minimum level of District activities which reduce and/or maintain ozone precursor emissions. The California Health and Safety Code (HSC) Section 40912 still requires the District to develop an attainment plan to maintain emissions from within the District to levels below which violations would occur in the absence of the transport contribution.

Growing numbers of cars, population, and businesses increase the emissions of ozone precursors. Unless local motor vehicle emission strategies are employed to offset the effects of local growth, transport will no longer be a valid excuse. Past trends indicate that Nevada County has experienced slow growth while our upwind neighbors, Placer and Sacramento County, have experienced high population growth with air pollution monitoring showing a corresponding degradation in air quality.

Therefore, proactive, preventative measures are needed to avoid continued air quality degradation and mandatory prescriptive control strategy planning and implementation to re-achieve the air quality standard. The expense of such a program is significant.

Criteria and Guidelines for Use of Motor Vehicle Registration Funds

Pursuant to Assembly Bill (AB) 2766 and HSC Chapter 7, Section 44220 et. seq., the District has been collecting motor vehicle registration fees to implement the CCAA and reduce air pollution from motor vehicles. AB 2766 allows such funded efforts to include planning, monitoring, enforcement, and technical studies. This rather vague description of what these funds could be used for has led to the development of guidelines, developed by the ARB and California Air Pollution Control Officers Association (CAPCOA).

These guidelines were adopted by the District Board of Directors as Policy #3090 - *Criteria and Guidelines for Use of Motor Vehicle Registration Fees*, which are synopsized here with relevant comments. State law clearly specifies that these funds are to be used to reduce mobile emissions and to carry out related California Clean Air Act activities. Administration of these funds by air districts retains local flexibility and decision-making to reflect the fact that recipient agencies vary in terms of size and program responsibilities.

According to the policy, about half of the funds should be targeted for projects that directly reduce mobile source emissions, with the remaining funds going toward technical work needed to develop and update clean air plans and monitor progress towards attainment of air quality standards. The air district's budget should clearly identify the amount of money allocated to external projects and to internal district activities, assuring governing board involvement in developing priority strategies and resultant fund allocation processes.

Project selection criteria have been set up with prioritized ranking factors to assure projects selected are consistent with and support the District Board priorities. Proposals are evaluated against these criteria, scoring points based on how effectively the proposal supports the Board's priorities. These criteria are listed in detail later in this plan.

Obviously, project and program proposals should be prioritized and funded primarily on the basis of cost-effectiveness. Getting the most from these public funds is essential to responding to the public's mandate for a smaller, more effective government. The most points are therefore reserved for cost-effectiveness since this is the top priority.

A combination of near and long-term strategies are considered, involving factors of timing, duration, and magnitude of emission reductions. Short-term strategies encompass the emissions reductions needed to improve air quality quickly. Long-term strategies are needed to offset anticipated growth in population and vehicle travel, thus maintaining attainment. Since the District is not technically nonattainment (yet), there is justification for more long-term than short-term strategies. Notwithstanding this, higher priority is given to projects that produce the greatest overall reductions in motor vehicle emissions. Therefore, more points are reserved for emissions reductions than most other factors.

Emission reduction projects that have co-funding from other sources should be given priority over those that do not, if leveraging results in greater benefit per dollar spent. This concept can apply to the number of other funding sources and/or the percentage contribution from other sources. Combined efforts result in efficiencies of scale and avoid duplications of effort. Third party benefits that result from a project should be paid for by the third party through co-funding.

Air pollution is a regional issue since nothing stops it from crossing jurisdictional boundaries. A program that has the potential to produce motor vehicle emissions reductions in a broad area has more benefit than one with very limited application. Therefore, projects with regional emissions benefits will score more points.

Other factors should also be considered. For example, demonstrating and introducing new technology that may have future value in the long-term. The ranking system awards points for innovative new technology, providing opportunities for long-term future air quality benefits that offset population and vehicle travel growth for years to come.

In addition, the quality of the proposal should be considered since there are savings to the District in the time it takes to evaluate well-designed proposals and typically the quality of a proposal is a very good indicator of how much District effort will be required to oversee the project.

Points can also be deducted for projects that have been funded previously, which may otherwise compete against new, innovative proposals. Participants are expressly discouraged from considering this program a perpetual funding source for operating expenses. This concept has been communicated to participant for several years now. The proposal evaluation criteria and ranking factors now to reflect this goal, allowing good start-up projects that are not requesting funding for operating expenses to compete against marginal ongoing projects that use project funds to cover operating expenses.

2009-2010 Plan for Use of DMV Funds

All approved projects will be required to provide some agreed-to measure of public recognition to the District for providing the funds for the project or program. FY 2009-2010 plan categories are discussed below in general order of priority. Projects will be scored against ranking and evaluation criteria listed later in this plan.

1. **Clean Fueled Public Transit Vehicles:** The District will continue its aggressive clean fuels and clean vehicles program. The compressed natural gas (CNG) refueling station in Grass Valley paved the way for clean-fueled public transit vehicles and growth in CNG-fueled passenger vehicle numbers. AB 2766 funds will be made available to offset the incremental cost of dedicated CNG-fueled transit buses. This is a long-term strategy.

While many in the public feel that riding transit buses helps reduce air pollution, the reality is that this is not the case unless the transit buses involved have clean-fueled engines. The emissions from buses running with gasoline, and especially diesel engines, exceeds the emissions from the motor vehicles that don't operate as a result of people opting to ride transit instead of driving their cars. The cost-effectiveness of funding public transit vehicles is much greater than for school buses due to the higher yearly mileage of transit buses. Therefore, funding for transit buses will get priority over school buses.

2. **Clean Fueled Vehicles:** This category is directly related to Item #1. AB 2766 funds may be available to offset the incremental cost increase for dedicated clean-fueled vehicles (CNG, propane, hybrid, clean diesel) and bi-fueled (CNG/gasoline) vehicles. To qualify, however, these projects must meet the following criteria:

- Project must use Reduced Emission Vehicle Technology to demonstrate significant emission reduction benefits
- The project must meet AB 2766 DMV Surcharge Fund cost-effectiveness

In rural areas at the fringes of the refueling infrastructure, bi-fueled vehicles are practical in many applications. Bi-fueled vehicles do have the added challenge of calculating emissions reductions, because tracking CNG use and gasoline use is more labor intensive than for a dedicated CNG vehicle.

3. **Verified Diesel Control Technologies (Diesel Particulate Traps) and Infrastructure:** The use of a Diesel Particulate Trap (DPF) is an excellent avenue to take to reduce diesel particulate matter pollution from on-road diesel engines. The DPF will reduce diesel particulate matter by 85-99 percent. Both DPFs and related infrastructure are eligible for funding.

4. **Hybrid Vehicle Purchase:** The purchase of any hybrid vehicle, unless its emissions are less than its conventional counterpart is no longer eligible for funding.
 5. **Teleconferencing Systems:** Teleconferencing systems (audio and video) are needed for use by businesses, the justice system, city and county departments, air districts and other governmental agencies for interactive meetings, hearings, and interviews, all of which would reduce vehicle trips and vehicle miles traveled. As an example, linkage between county offices and jails could provide for inmate interviews by probation officers without travel to outlying facilities.
 6. **Development of Pedestrian and Bicycle Projects:** The District encourages improved pedestrian and bicycle facilities in higher population areas, consistent with County and City Pedestrian and Bicycle Master Plans. A comprehensive system of sidewalks, pathways, bikeways, and trails is needed to encourage pedestrian and bicycle use. Emphasis will be placed on connecting residential areas to commercial, industrial, and education centers. These projects have shown to have outstanding cost-effectiveness. This long-term strategy will also need facilities to advance bicycle use, such as bicycle racks and bicycle lockers.
 7. **Zero Emission Vehicles and Charging infrastructure:** Demonstrating the technology locally will educate the public, and generate interest in and demand for EVs. Past projects have produced outstanding cost-effectiveness.
 8. **Promotion of Alternative Commute Programs:** The District encourages employers in the District to provide employee trip reduction programs to reduce the number of vehicle miles traveled and resultant air pollution. Typically, these types of programs are operated by transportation management associations. Western Nevada County no longer has a transportation management association (TMA). There is no indication that a TMA will be created in the near future.
- State law prohibits the District from providing direct carpool, vanpool, or other ridesharing or transit services. This leaves a void that will assuredly not be filled in time for the 2009-2010 project cycle.
- The District is open to discussions with agencies interested in providing such services. Funding incentives may be made available to employers that are willing to meet the District's monitoring requirements to facilitate emissions reduction and cost-effectiveness calculations. Employee transportation coordinators are needed to organize consistent use of alternative commute options so that when ozone episodes occur, the District can notify the coordinators to initiate strategies that reduce the numbers of vehicle trips until the episode passes. Once the system is set up, other coordination opportunities are possible that could reduce emissions of non-motor vehicle related ozone precursors.
9. **Public Transit Marketing:** Development of mass transit services along the Highway 49 corridor, as recommended in the Nevada County Corridor Management and Rail Feasibility Studies, is needed. Easy connections with Auburn and Sacramento are critical to reducing the numbers of single occupancy vehicles (SOVs) commuting to these areas. The Highway 20 corridor also needs to be considered. Key to the success of public transit is an effective marketing program to keep the public aware of available routes and schedules. Funding for marketing of transit services will continue, especially as it relates to increasing ridership on existing routes or promoting new routes. Public transit marketing goals should address maintaining and increasing ridership to reach the break-even point for operating costs. Public transit is long-term strategy.
 10. **Street Sweeping Equipment:** The District may provide funding assistance to purchase a

street sweeper to cover the incremental cost of equipping the sweeper with a more efficient dust control system. After snow storm events, as the streets dry out, motor vehicle tires grind up and re-entrain significant amounts of road sand. Speciation studies in Truckee and Quincy have shown that over 50% of the particulate matter collected in the air monitoring filters comes from road sand on such days. These projects will only be considered for areas where there is a serious threat of violating the federal particulate matter ambient air quality standards.

11. **Landfill Trip Reduction**: This program has been very successful in the past and enjoys very strong public and Board support. Therefore, it will continue as in the past; however, site selection criteria will be used to assure the greatest possible combination of emissions reduction, cost-effectiveness, and other relevant factors. Project proponents must be willing to conduct surveys and provide the monitoring information necessary to calculate and report motor vehicle emission reductions. A county-wide, coordinated program is needed that addresses chipping, shredding, and composting. Third party benefits that do not result in emission reductions from motor vehicles must be co-funded by the third party beneficiaries. If sufficient co-funding is secured, then more AB 2766 funds could be allocated to such projects. District non-AB 2766 funds may be used as part of this co-funding arrangement to the extent funding is available.

12. **Telecommuting**: Telecommuting from home completely eliminates the employee work commute. Funds may be made available to home-based telecommuters or their employers to pay for start-up costs if the employer agrees to maintain the telecommute arrangement with the employee for a period of at least one year and provide the AQMD with periodic monitoring information. This is a combination of short- and long-term strategies.

13. **Computer Access Services**: Computer access services are needed to provide access to libraries, city and county offices, and other governmental agencies. Internet connections could allow information and forms to be transmitted electronically. In addition, such connections would allow access to city and county offices for viewing of maps and documents without the need to travel, reducing vehicle trips and vehicle miles traveled.

Other innovative projects that reduce motor vehicle emissions in a cost-effective manner will be considered.

Evaluation Criteria and Ranking Factors (See Criteria and Guidelines Section, above.)

Proposals will be evaluated in one of two (2) project categories as follows:

1. QUANTIFIABLE PROJECTS: These are projects with currently acceptable emissions calculation methodologies. Such projects are known to have measurable results and demonstrate the most significant emission reduction benefits. Emissions benefits should be calculated using the accepted calculation methodology. Documentation must be included in the proposal.

2. REDUCED EMISSION VEHICLE PROJECTS: These are projects that use reduced emission vehicle technology. Examples of projects may include original equipment manufacturer (OEM) vehicle purchases or vehicle conversion projects and could involve super ultra low emission vehicles (SULEV), partial zero emission vehicles (PZEV), advanced technology partial zero emission vehicles (AT-PZEV) and zero emissions vehicles (ZEV);

SUMMARY OF EVALUATION CRITERIA

QUANTIFIABLE AND REDUCED EMISSION VEHICLE PROJECTS

| <u>Points</u> | <u>Criteria</u> |
|---------------|--------------------------------|
| 25 | Emission Reductions |
| 10 | Experience of Applicant |
| 30 | Project Cost Effectiveness |
| 10 | Broad Based Application |
| 15 | Dedicated Co-Funding |
| <u>10</u> | <u>Other Desirable Factors</u> |
| 100 | Total Possible Points |

Sun Setting:

The sun setting criteria is designed to generate new, innovative proposals and discourage participant from considering AB2766 funds as a perpetual funding source for operating expenses. Projects that have received funding for **three years or more** fall under the sun setting category. These projects are only eligible for funds that remain after the District Governing Board approves non sun setting projects. Projects that were subjected to the sun setting requirements the previous funding year may participant the following year as a regular project and will be evaluated as if it was a new project. Basically, the clock is reset and these projects have another three years before falling under the sun setting category.

1. QUANTIFIABLE PROJECTS

Maximum Total Points: 100

EMISSION REDUCTIONS

Points: 25 maximum

Points will be awarded based on cost effectiveness and quantifiable emission reductions.

A. First-Year (Short Term) Emission Reduction Benefits

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 10 | Significant emission reductions after the first year. |
| 5 | Moderate emission reductions after the first year. |
| 0 | No emission reductions after the first year. |
| <hr/> | |
| 10 | Total Possible Sub-Category Points |

B. Long-Term Emission Reductions Benefits

| <u>Points</u> | <u>Criteria</u> |
|---------------|--|
| 15 | Significant emission reductions after the first year and continuing. |
| 8 | Moderate emission reductions after the first year and continuing. |
| 0 | No emission reductions after the first year. |
| <hr/> | |
| 15 | Total Possible Sub-Category Points |

EXPERIENCE OF APPLICANT

Points: 10 maximum

Points will be awarded based on the applicant's experience, level of expertise, and feasibility of the proposal.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 10 | Applicant has a significant level of experience and expertise, and the project appears to be feasible, assuring a high degree of success. |
| 7 | Applicant has limited, but direct experience, a moderate level of expertise applicable to the proposal, assuring an adequate degree of success. |
| 4 | Applicant has limited, indirect experience, an acceptable level of expertise applicable to the proposal, assuring a passable degree of success. |
| 0 | Applicant has no prior experience applicable to the proposal and success may be questionable. |
| <hr/> | |
| 10 | Total Possible Category Points |

PROJECT COST EFFECTIVENESS COMPARISON

Points: 30 maximum

Project costs will be evaluated against comparable efforts.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 30 | More cost effective than comparable projects. |
| 15 | Cost effectiveness similar to comparable projects. |
| 0 | Significantly less cost effective than comparable projects. |
| <hr/> | |
| 30 | Total Possible Category Points |

BROAD BASED APPLICATION

Points: 10 maximum

A. Regional Emission Reductions Benefits

| <u>Points</u> | <u>Criteria</u> |
|---------------|--|
| 5 | Emission reductions throughout the District. |
| 3 | Emission reductions in the project vicinity. |
| 0 | Insignificant or no emission reductions. |
| <hr/> | |
| 5 | Total Possible Sub-Category Points |

B. Project contributes to the availability and widespread use of new or existing technology

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 5 | Project utilizes new technology and has direct immediate applications in current research efforts and can be easily replicated in the District. |
| 3 | Project utilizes current technology and has limited applications. |
| 0 | One time demonstration of application. No need to, or cannot be easily replicated, or applied to any future project. |
| <hr/> | |
| 5 | Total Possible Sub-Category Points |

DEDICATED CO-FUNDING

Points: 15 maximum

Co-funding includes in-kind contributions, equipment, labor or direct funding but does not include past work or research performed on behalf of the proposed project.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 15 | 75% or more of total project cost from other funds. |
| 10 | 51-74% of total project cost from other funds. |
| 5 | 25-50% of total project cost from other funds. |
| 0 | Less than 25% of total project cost from other funds. |
| <hr/> | |
| 15 | Total Possible Category Points |

NOTE: If there are third party benefits that are not paid for with co-funding, then the project might score negative points in this category or simply be eliminated from consideration.

OTHER DESIRABLE FACTORS

Points: 10 maximum

A. Innovative Projects

Proposals that result in the development of new technologies or innovative uses of existing technologies.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 5 | Results in the development of new technologies or innovative uses of existing technologies. |
| 0 | Applies existing technology. |
| <hr/> | |
| 5 | Total Possible Sub-Category Points |

B. Quality of Proposal

The quality of the proposals be evaluated against comparable efforts

| <u>Points</u> | <u>Criteria</u> |
|---------------|--|
| 5 | Proposal is in proper format and is clear and concise. |
| 0 | Proposal has been poorly formatted. |
| <hr/> | |
| 5 | Total Possible Sub-Category Points |

3. REDUCED EMISSION VEHICLE PROJECTS

Maximum Points: 100

EMISSION REDUCTIONS

Points: 25 maximum

Points will be awarded based on quantifiable emission reductions.

A. Vehicle Size

| <u>Points</u> | <u>Criteria</u> |
|---------------|------------------------------------|
| 10 | Heavy-Duty Vehicle. |
| 7 | Medium-Duty Vehicle. |
| 5 | Light-Duty Vehicle. |
| 3 | Other (e.g. cycles). |
| <hr/> | |
| 10 | Total Possible Sub-Category Points |

B. Vehicle Type

| <u>Points</u> | <u>Criteria</u> |
|---------------|--|
| 5 | OEM (Original Equipment Manufacturer). |
| 3 | Dedicated (Single, Alternative Fuel Use Only). |
| 2 | Bi-Fuel (Uses More Than One Fuel). |
| <hr/> | |
| 5 | Total Possible Sub-Category Points |

C. Fleet Type

| <u>Points</u> | <u>Criteria</u> |
|---------------|-------------------------------------|
| 5 | Public Transit Vehicles. |
| 4 | All Other Transit Vehicles. |
| 3 | Public and Private Agency Vehicles. |
| 2 | Single Demonstration Vehicles. |
| 1 | Individual Use Vehicles. |
| <hr/> | |
| 5 | Total Possible Sub-Category Points |

D. Fueling Access

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 5 | Existing Fueling Infrastructure Available To Applicant. |
| 1 | Proposed Infrastructure Available To Applicant. |
| 0 | No Fueling Infrastructure Available To Applicant. |
| <hr/> | |
| 5 | Total Possible Sub-Category Points |

EXPERIENCE OF APPLICANT

Points: 10 maximum

Points will be awarded based on the applicant's experience, level of expertise, and feasibility of the proposal.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 10 | Applicant has a significant level of experience and expertise, and the project appears to be feasible, assuring a high degree of success. |
| 7 | Applicant has limited, but direct experience, a moderate level of expertise applicable to the proposal, assuring an adequate degree of success. |
| 4 | Applicant has limited, indirect experience, an acceptable level of expertise applicable to the proposal, assuring a passable degree of success. |
| 0 | Applicant has no prior experience applicable to the proposal and success may be questionable. |
| <hr/> | |
| 10 | Total Possible Category Points |

PROJECT COST EFFECTIVENESS

Points: 30 maximum

Total project costs will be evaluated against comparable efforts.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 30 | More cost effective than comparable projects. |
| 15 | Cost effectiveness similar to comparable projects. |
| 0 | Significantly less cost effective than comparable projects. |
| <hr/> | |
| 30 | Total Possible Category Points |

BROAD BASED APPLICATION

Points: 10 maximum

Points will be awarded for projects that contribute to the availability and widespread use of new or existing technology.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 10 | Project utilizes new technology and has direct immediate applications in current research efforts and can be easily replicated in the District. |
| 5 | Project utilizes current technology and has limited applications. |
| 0 | One time demonstration of application. No need to, or cannot be easily replicated, or applied to any future project. |
| <hr/> | |
| 10 | Total Possible Category Points |

DEDICATED CO-FUNDING

Points: 15 maximum

Co-funding includes in-kind contributions, equipment, labor or direct funding but does not include past work or research performed on behalf of the proposed project.

| <u>Points</u> | <u>Criteria</u> |
|---------------|---|
| 15 | 75% or more of total project cost from other funds. |
| 10 | 51-74% of total project cost from other funds. |
| 5 | 25-50% of total project cost from other funds. |
| 0 | Less than 25% of total project cost from other funds. |
| <hr/> | |
| 15 | Total Possible Category Points |

NOTE: If there are third party benefits that are not paid for with co-funding, then the project might score negative points in this category or simply be eliminated from consideration.

OTHER DESIRABLE FACTORS

Points: 10

A. Innovative Projects Based On Emissions Certification

Proposals that result in the development of new technologies or innovative uses of existing technologies.

| <u>Points</u> | <u>Criteria</u> |
|---------------|--|
| 5 | Meets ZEV (zero emission vehicle) standards. |
| 3 | Meets AT-PZEV (advanced technology partial zero emission vehicle) standards. |

| | |
|-------|---|
| 2 | Meets PZEV (partial zero emission vehicle) standards. |
| 1 | Meets SULEV (super-ultra low emission vehicle) standards. |
| 0 | Meets ULEV (ultra low emissions vehicle) standards. |
| <hr/> | |
| 5 | Total Possible Category Points |

B. Quality of Proposal

The quality of the proposals is evaluated against comparable efforts.

| <u>Points</u> | <u>Criteria</u> |
|---------------|--|
| 5 | Proposal is in proper format and is clear and concise. |
| 0 | Proposal has been poorly formatted. |
| <hr/> | |
| 5 | Total Possible Category Points |

Historical Use of DMV Funds

1. **Diesel-to-Diesel Repowers:** Ryerson, Master and Associates, one of the past project participants, completed seven repowers. DMV funds combined with Carl Moyer funds made this project possible. It is estimated that over 40 tons of emissions will be reduced over the projects' life of ten years. Several diesel to diesel repowers have been funded with DMV funds and most likely will continue.
2. **Clean Fuels:** Upgrades to a Compressed Natural Gas (CNG) refueling facility at the PG&E facility in Grass Valley, were funded in 1996. DMV Surcharge funds were used to offset the incremental cost of a dedicated CNG fueled van used for paratransit services. Nine CNG public transit buses have been purchased by the Nevada County Transit Services Dept. and are in service today. The Town of Truckee and the Truckee North Tahoe TMA have partnered to purchase a CNG transit bus to service the route between The Town of Truckee and Squaw Valley. Funding was awarded to help offset the cost of the CNG bus purchase. The Alliance for Workforce Development was awarded funding to purchase a LPG fueled transit van for Plumas County Transit (2005-2006). This van will replace an existing diesel powered van.
3. **Video Conferencing:** DMV funds have been awarded for several projects to develop video conferencing networks. Feather River College now has an extended learning program that utilizes video conferencing. The Northern Sierra Rural Health Network has developed a system that connects local patients with health specialists in urban areas. Nevada County is currently working on video conferencing the Board of Supervisor meetings, making it possible for public participation from a location in the Town of Truckee. Participants would not have to travel to Nevada City to participate in the meetings. Nevada County Juvenile Hall developed Video Conferencing capabilities, in order to hold hearings for juveniles without transporting them from the Town of Truckee to Nevada City and vice versa. Other Nevada County Departments have also implemented Video Conferencing programs.
4. **County Services on the Internet:** The County received funding to develop an Internet and Intranet. The Internet and Intranet services will allow customers and county employees to obtain many services via the computer; therefore reducing trips to the Eric Rood Administrative Center, the main county building. Several county departments continue to apply for and receive funding that enables these departments to add valuable services to Nevada County's web page. The City of Grass Valley has also received funding to begin implementation of a program similar to Nevada County.
5. **Transit Marketing, Vanpools, Ridesharing, and Public Education:** Funding has gone to transportation management associations and public transit agencies to provide marketing and public education elements in their programs to encourage the public to use available transit systems and thus avoid single occupancy vehicle (SOV) use. These funds have also contributed to the development and support of vanpools, carpools, ridesharing, bus shelters and transit services. A youth summer bus program was funded to help indoctrinate young people to the ease and virtues of using public transit. Various transportation studies have been funded to develop recommendations for transit agencies. Bus pass subsidies for college students and jurors have been funded. Pilot transit routes have been underwritten with these funds to explore self-supporting potential.
6. **Telecommuting:** Past funding for the Grass Valley Telework Center has provided a satellite work center equipped with office furniture, telephones, computers, and modems for linking with the urban office or primary work site. Rather than commuting long distances to urban offices, people drove to the local telecommuting work site and worked using the latest telecommunications equipment,

significantly reducing the vehicle trip length. A teleconference computer video system was available to allow meetings to be conducted without having to travel long distances. The program was designed to demonstrate that it's not necessary to work in the urban office every day. Home office telecommuting has become more desirable and would completely eliminate the employee work commute, even to the telecommuting work site.

7. Zero Emission Vehicles (ZEV): In mid-1994, an electric vehicle (EV) conversion project on a Nevada County pickup truck was completed by the 49ER Regional Occupation Program (ROP) as an educational project for ROP students and as a demonstration of the technology in local terrain. Another project in 1996 funded the conversion of vehicle using Sierra College students as part of an educational program. The vehicle was then taken to car shows and County fairs to provide the public with a hands-on experience. Very positive reactions were reported. This same vehicle will also be loaned out and demonstrated to fleet managers throughout the District. The Twin Ridges School District has successfully completed an EV conversion, providing a pickup that will serve on a daily service route. During project cycle 2008-2009, the City of Grass Valley and Nevada County used funding to purchase ZEVs.

8. Hybrid Vehicles: Both the NSQAMD and Nevada County Department of General Services have purchased hybrid vehicles. The NSQAMD purchased a Toyota Prius in June 2001. The NSQAMD was able to display this vehicle at the Nevada County Fair. Nevada County Department of General Services has purchased a Honda Insight, and four Toyota Prius vehicles (2001-2002). Both the Prius and Insight are Super Ultra-Low Emission Vehicles (SULEV). The NSQAMD has also purchased the hybrid version of the Ford Escape (2005). This vehicle is rated as AT PZEV and will be all-wheel drive. The Truckee Fire Protection District received funding (2004-2005) that was used to purchase the hybrid version of the Chevrolet Silverado. This truck is used to transport their chipper and crew to perform definable space projects. In 2005-2006 the Truckee Fire Protection District also received funding to purchase the hybrid version of the Ford Escape. Additionally, the Town of Truckee and the Nevada County Fire Safe Council received funding in 2006-2007 to purchase the hybrid version of the Ford Escape. The Town of Truckee Police Department received funding during 2007-2008 to purchase a Ford Escape hybrid. Several other Nevada County and Sierra County Departments have also received funding towards hybrid vehicle purchases.

Note: Now that several conventional vehicles are just as clean (same emissions) as hybrid vehicles, hybrid purchases will no longer be eligible. There are only a few exceptions.

9. Bicycle Racks/Lockers: Bicycle racks were purchased and installed on transit buses to provide a means of totally avoiding the use of private, single-occupancy vehicles by some people. The City of Grass Valley received funding to install six bike lockers. The purchase of bicycle lockers will encourage City employees and workers at downtown businesses to ride their bikes, thus reducing vehicle trips.

10. Bike Lanes/Pedestrian Walkways: The Nevada County Land Trust was awarded funding to partially fund the building of a bike trail/pedestrian walkway to connect the Sierra College campus to the Nevada Union High School and to Grass Valley residential areas. Another trail/pedestrian walkway is under construction from Memorial Park, through Empire Mine then to Brunswick Road and then into the Brunswick Basin. This new trail will enable residents to travel from their homes to parks, schools, shopping and events via bicycle or foot travel.

11. Employee Trip Reduction Program: The Western Nevada County TMA and Truckee-North

Tahoe TMA have recruited employers to develop programs that encourage employees to carpool, vanpool, bicycle, use public transit, and telecommute. Such programs have great potential for reducing the motor vehicle activity during ozone episodes, when such activity exacerbates already poor air quality. Education of the program participants on air quality issues provides the opportunity for greater public understanding of air quality issues.

12. Air Quality Monitoring: The District's ambient air quality monitoring program is funded with AB 2766 money in proportion to the contribution of nonattainment pollutants to the Districts total emission inventory for these pollutants. Ozone is monitored at three (3) sites - Truckee, Grass Valley, and Quincy. PM-10 monitors are operated at Grass Valley, Truckee, and Quincy. One year dichotomous sampling projects for PM10 have been completed in Truckee, Quincy, and Portola to determine the sources of PM in those areas, with the suspicion confirmed that motor vehicle road sand dust contributes significantly to the PM10 problems in those areas during portions of the winter, usually following storm events. Weather stations are operated at Truckee, Loyalton, Quincy, and Grass Valley to assist in the transport contribution analysis.

13. Ozone Episode Reporting: The District predicts the Air Quality Index (AQI) for the western Nevada County and reports it daily to the local newspaper and radio stations. Sonoma Technology, Inc. was awarded funding in order to develop an ozone episode forecasting tools. This was completed in July of 2000. Through the use of this tool, District staff will more accurately predict exceedances of the NAAQS. District staff may be able to release public health advisories well in advance of an exceedance. In hopes of reducing exposure to sensitive groups.

14. Landfill Trip Reduction: These programs use chipping of biomass to divert material that would normally get hauled to landfill transfer stations and subsequently hauled to the biomass boilers or to landfills in Nevada. Thus, motor vehicle trips and vehicle miles traveled are reduced. The program also reduces smoke from open burning that might have occurred if the materials had not been hauled to the landfill and concomitantly allows residents in populated areas to reduce fire danger.

15. Senior Citizen/Handicapped I/M Assistance: The District's Senior Citizen/Handicapped Inspection and Maintenance Compliance Assistance Program policy was formalized and vigorously promoted to improve participation; however, it was canceled after disappointing participation. The program provided funds to qualifying senior citizens and handicapped, reimbursing them for check-out and repair costs associated with the State's motor vehicle I/M program.

16. Smoking Vehicle Reporting: The District has participated in the ARB's Smoking Vehicle Program by reporting "gross emitters" to the ARB. Since about 60% of all tailpipe emissions come from less than 10% of the vehicles on the road, getting the gross emitters repaired or off the road is sensible. Complaints are reported to ARB, which then requests the vehicle owner to have the vehicle tested and repaired.

Concluding Remarks

Although this plan does not cover all of the requirements of an air quality attainment maintenance plan, the kernels included herein serve the purpose. When time and resources are provided, a clean air plan development process will be undertaken, which will include public input opportunities and will refer to the Nevada County General Plan and city/town general plans to maintain consistency and achieve the goals laid out by these plans.

Now that the U.S. EPA has re-designated western Nevada County as federal non-attainment for the eight-hour standard, motor vehicle emission reductions produced by this program will be included as a critical component of the required attainment plan.

This plan serves as the framework from which the AB 2766 DMV Fund project proposal evaluation criteria are based, assuring the awarded funds in the 2009-2010 cycle are consistent with the prioritization strategies developed here. The District's Board of Directors stamp of approval on this plan helps to assure the primary goal of the *Criteria and Guidelines for Use of Motor Vehicle Registration Funds* is met - reducing emissions from motor vehicles.

ATTACHMENT 8

**ADMINISTRATIVE
COSTS**

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ARB'S CURRENT DEFINITION OF

ADMINISTRATIVE COSTS

Administrative costs are overhead costs (e.g. salaries and benefits, and services and supplies of the administrative officer(s), legal personnel, maintenance and finance departments; of the governing body; and some secretarial support) that are **NOT** chargeable directly to a specific project or program or operating function, but are charged proportionately to the department or functions that do directly charge to a project or program. Indirect costs include administrative costs.

Thus, direct costs for labor charged to a project must not include a "burden" portion that is administrative as defined above.

The law limits total administrative costs for the entire program to 5% of the vehicle registration fees distributed to the districts. Due to the many administrative requirements imposed on the districts by the ARB to run the program, the full 5% is reserved for District use. Therefore, administrative costs incurred by the grantee must be covered by other co-funding sources or provided by "in-kind" contributions from the grantee. Such arrangements with co-funders are left to the grantee.

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ATTACHMENT 9

DEFINITIONS/ACRONYMS

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DEFINITIONS/ACRONYMS

| | |
|--|---|
| AB 2766 | Assembly Bill authorizing a motor vehicle registration surcharge to be used for air quality related transportation projects. |
| Advanced Technology Partial Zero Emission Vehicle | (AT PZEV) - Any vehicle certified to meet ARB advanced technology partial zero emission vehicle emission standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations. |
| Air Basin | An area of the state designated by the ARB pursuant to Subdivision (a) of Section 39606 of the California Health and Safety Code. |
| Air Pollutants | Substances which are foreign to the atmosphere or are present in the natural atmosphere to the extent that they may result in adverse effects on humans, animals, vegetation, and/or materials. |
| Air Pollution Control District | (APCD) - A county agency with authority to regulate stationary sources of air pollution (such as refineries, manufacturing facilities, and power plants) within a given county, and governed by a District Air Pollution Control Board composed of the elected county supervisors. (compare AQMD and Unified District) |
| Air Pollution Control Officer | (APCO) - The Air Pollution Control Officer of the Northern Sierra Air Quality Management District (District) or his designee. |
| Air Quality Attainment Plan | (AQAP) - A plan prepared by an APCD/AQMD designated as a nonattainment area, for incorporation into the State Implementation Plan for purpose of meeting the requirements of the National and/or California Ambient Air Quality Standards. |
| Air Quality Management District | (AQMD) - A group of counties or portions of counties with authority to regulate stationary sources of air pollution within the region and governed by a regional air pollution control board comprised mostly of elected officials from within the region. An AQMD is established by state legislation. (compare APCD) |
| Alternative Fuels | Fuels such as electricity, methanol, ethanol, natural gas, and liquid petroleum gas that are cleaner burning and contribute to the attainment of ARB's emission standards. |
| Alternative Modes | Transportation modes other than one person in a motorized private vehicle, such as transit, walking, bicycling or car-pooling. |
| Average Vehicle | (AVR) - AVR is determined by the number of employees |

who arrive at a worksite divided by the number of vehicles those employees use to arrive at the worksite.

Best Available Control Technology

(BACT) - The most stringent emission limit or control technique that has been achieved in practice (anywhere in the world). BACT is a requirement of NSR (New Source Review).

Best Available Retrofit Control Technology

(BARCT) - An emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source.

California Air Resources Board

(CARB or ARB) - The state's lead air quality agency consisting of a nine-member Governor appointed board fully responsible for motor vehicle pollution control, and having oversight authority over California's air pollution management program.

California Ambient Air Quality Standards

(CAAQS) - Specified concentrations and durations of air pollutants recommended by the California Department of Health Services and adopted into regulation by the ARB, which relate the intensity and composition of air pollution to undesirable effects. CAAQS are the standards which must be met per the requirements of the California Clean Air Act.

California Clean Air Act

(CCAA) - A California law passed in 1988 which provides the basis for air quality planning and regulation independent of Federal regulations, and which established new authority for attaining and maintaining California's air quality standards by the earliest practicable date.

California Environmental Quality Act

(CEQA) - A state law intended to protect the environment of California.

Carbon Dioxide

(CO₂) - A colorless odorless gas that occurs naturally in the earth's atmosphere. Significant quantities are also emitted into the air by fossil fuel combustion. Emissions of CO₂ have been implicated with increasing the greenhouse effect.

Carbon Monoxide

(CO) - A colorless, odorless gas resulting from the incomplete combustion of fossil fuels. Over 80% of the CO emitted in urban areas is contributed to motor vehicles. CO interferes with the blood's ability to carry oxygen to the body's tissues and results in numerous adverse health effects. CO is a criteria air pollutant.

Carpool

Two or more people traveling in a private vehicle.

Criteria Air Pollutant

An air pollutant for which acceptable levels of exposure can be determined and for which an Federal or State Ambient Air Quality

Standard has been set. Examples include: Ozone, Carbon Monoxide, Nitrogen Dioxide, Sulfur Dioxide, and PM₁₀ (see individual pollutant definitions).

Emission Category

The category of base or reduced emission vehicle as certified by the ARB.

Federal Clean Air Act

A federal law passed in 1970 and amended in 1977 and 1990 which forms the basis for the national air pollution control effort.

Heavy Duty Vehicle

Any vehicle with a gross vehicle weight of 14,000 pounds or more.

Hydrocarbon

(HC) - Any of a large number of compounds containing various combinations of hydrogen and carbon atoms. They may be emitted into the air as a result of fossil fuel combustion and fuel volatilization, and are a major contributor to smog.

Light Duty Vehicle

Any passenger car or light truck with a gross vehicle weight of 3,500 pounds or less as defined in Title 13 of the California Code of Regulations.

Low Emission Vehicle

(LEV) - Any vehicle certified to meet ARB low emission vehicle emission standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.

Medium Duty Vehicle

Any pre-1995 model year heavy duty vehicle having a manufacture's gross vehicle weight rating of 8,500 pounds or less or any subsequent model year heavy duty vehicle having a manufactures gross vehicle weight rating of 14,000 pounds or less as defined in Title 13 of the California Code of Regulations.

Mobile Sources

Sources of air pollution such as automobiles, motorcycles, trucks, off-road vehicles, boats, and airplanes.

National Ambient Air Quality Standards

(NAAQS) Standards set by the U.S. EPA for the maximum levels of air pollutants which can exist in the outdoor air without unacceptable effects on human health or the public welfare.

Nitrogen Oxides

(Oxides of Nitrogen, NOX) - A general term pertaining to compounds of nitric oxide (NO), nitrogen dioxide (NO₂), and other oxides of nitrogen. Nitrogen oxides are typically created during combustion processes, and are major contributors to smog formation.

Nonattainment Area

An area identified by the EPA and/or ARB as not meeting either NAAQS or CAAQS standards for a given pollutant.

Ozone

(O3) - A pungent, pale blue, reactive toxic chemical gas consisting of three oxygen atoms. It is a product of the photochemical process involving the sun's energy. Ozone exists in the ozone layer as well as at the earth's surface. Ozone at the earth's surface causes numerous adverse health effects and is a criteria air pollutant. It is a major component of smog.

Ozone Precursors

Chemicals such as hydrocarbons and oxides of nitrogen, occurring either naturally or as a result of human activities, which contribute to the formation of ozone, a major component of smog.

Partial Zero Emission Vehicle

(PZEV) - Any vehicle certified to meet ARB partial zero emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.

Particulate Matter

(PM10) - A major air pollutant consisting of solid or liquid matter such as soot, dust, aerosols, fumes and mists less than 10 microns in size (one micron = 1/1,000,000 meter = 0.00003937 inch). PM₁₀ causes visibility reduction and adverse health effects, and is a criteria air pollutant.

Passenger Car

Any vehicle designed primarily for transportation of persons and having a design capacity of 12 persons or less as defined in Title 13 of the California Code of Regulations.

Photochemical Reaction

A term referring to chemical reactions brought about by the light energy of the sun. The reaction of nitrogen oxides with oxygen in the presence of sunlight to form ozone is an example of a photochemical reaction.

Reactive Organic Gas

(ROG) - hydrocarbon compounds which are reactive and may contribute to the formation of smog. Also sometimes referred to as Non-Methane Organic Compounds (NMOCs).

Reasonably Available Control Technology

(RACT) - The most effective emission limits in existing regulation that are currently in effect in any nonattainment district.

Reduced Emission Vehicle

ARB certified vehicles which meet Transitional Low Emission Vehicle (TLEV), Low Emission Vehicle (LEV), Ultra Low Emission Vehicle (ULEV), or Zero Emission Vehicle (ZEV) emission standards.

Single Occupant Vehicle

(SOV) - A vehicle occupied by one person.

Smog

A combination of smoke, ozone, hydrocarbons, nitrogen oxides, and other chemically reactive compounds, which, under various

conditions of weather and sunlight, may result in a murky brown haze that causes adverse health effects. A primary source of smog is automobiles.

Stationary Sources

Non-mobile sources such as refineries, power plants, and manufacturing facilities which emit air pollutants.

Sulfur Dioxide

(SO₂) - A strong smelling, colorless gas that is formed by the combustion of fossil fuels.

Super Ultra Low emission Vehicle

(SULEV) - Any vehicle certified to meet ARB super ultra low emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.

Transitional Low Emission Vehicle

(TLEV) - Any vehicle certified to meet ARB transitional low emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.

Transportation Control Measures

(TCM) - TCMs are measures designed to decrease pollution from mobile sources by reducing the number of vehicle trips, vehicle miles traveled, idling, and traffic congestion.

Ultra Low Emission Vehicle

(ULEV) - Any vehicle certified to meet ARB ultra low emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.

Unified District

Two or more contiguous counties may merge their county districts into one unified district. A unified district is formed by action of the member counties. The Northern Sierra Air Quality Management District is a Unified District.

U.S. Environmental Protection Agency

(US EPA) - The Federal agency charged with setting policy and guidelines, and carrying out legal mandates for the protection of national interests in environmental resources.

Vehicle Miles Traveled

(VMT) - A measure of both the volume and extent of motor vehicle operation; the total number of vehicle miles traveled within a specified geographical area over a given period of time.

Volatile Organic Compounds

(VOCs) - Hydrocarbon compounds which exist in the ambient air. VOCs contribute to the formation of smog and/or may themselves be toxic. VOCs often have an odor, and some examples include gasoline, alcohol, and the solvent used in paints.

Zero Emission Vehicle

(ZEV) - Any vehicle certified to meet ARB zero emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.