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AB 2766 DMV SURCHARGE FUND PROGRAM PLAN FOR USE OF FUNDS FOR 2008-2009 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 2008-2009 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 2008-2009 is estimated to be \$279,368. 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 above 9 parts per 100 million averaged over a one hour period exceed the California Ambient Air Quality Standard (CAAQS). The National Ambient Air Quality Standard (NAAQS) is 8 parts per 100 million averaged over an 8 hour period. The NAAQS is more stringent, even with a longer averaging period.

Under the old one-hour NAAQS for ozone, there were two exceedances. But, under the new eight-hour NAAQS, starting July 16, 1997, western Nevada County experienced many more violations and still continues to experience violations of the NAAQS. The data for the last fifteen years follows:

<u>Year</u>	<u>Days of CAAQS Exceedances</u>	<u>Days of NAAQS Exceedances</u>
1993	6	0
1994	8	0
1995	16	2
1996	20	0
1997	8	17 (starting July 16 th)
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

Evaluation of these exceedances reveals they were obviously 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.

At the state level, the California Air Resources Board (ARB) has designated Nevada County as nonattainment for the California Ambient Air Quality Standard (CAAQS) for ozone. However, the classification recognizes the monitored violations of the CAAQS for ozone are due to "overwhelming transport" of ozone from the Broader Sacramento Area and "significant transport" from the Bay Area. While ARB has relieved the District 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.

Ozone data for Grass Valley reveals the western Nevada County area has violated the NAAQS. Western Nevada County has been re-designated as nonattainment for the 8-hour ozone NAAQS.

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 (and upwind neighbors, Placer and Sacramento County) has experienced a very high population growth rate with air pollution monitoring showing a corresponding degradation in air quality. Economic growth forecasts indicate high growth rates are expected in these areas in the next ten years and beyond.

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 synopsised 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.

2008-2009 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 2008-2009 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):** 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 a comparable vehicle is no longer eligible for funding. Currently, only the Ford Escape hybrid replacing a **conventional SUV or pickup truck** will qualify. Replacing a **conventional non SUV or pickup truck** with the Ford Escape hybrid or any other hybrid vehicle does not qualify.
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 2008-2009 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
10	<u>Other Desirable Factors</u>
100	Total Possible Points

Fund Sun Setting:

Under each of these project categories, a supplemental evaluation criteria will be applied. As discussed above, this criteria is designed to generate new, innovative proposals and discourage participant from considering AB2766 funds as a perpetual funding source For operating expenses. Points deductions will be applied as listed below to force funding sun setting and provide incentive for new, innovative project proposals.

- 1st & 2nd yrs no points deducted
- 3rd yr 10 points deducted
- 4th yr 20 points deducted

This allows good long-term projects that are not requesting operating funds to continue to compete, based on other relevant criteria (e.g. cost-effectiveness), but marginal multi-year projects may have to give way to more innovative, new project concepts.

The criteria for the project categories listed above are broken down further below.

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.
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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.
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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.
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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.
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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.
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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.
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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.
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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.
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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.
4	Meets AT-PZEV (advanced technology partial zero emission vehicle) standards.

3	Meets PZEV (partial zero emission vehicle) standards.
2	Meets SULEV (super-ultra low emission vehicle) standards.
0	Meets ULEV (ultra low emissions vehicle) standards.
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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.
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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.

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.

8. Hybrid Vehicles: Both the NSQAMD and Nevada County Department of General Services have purchased hybrid vehicles. The NSAQMD purchased a Toyota Prius in June 2001. The NSAQMD 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 NSAQMD 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 District's 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 tool. 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 2008-2009 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.