

SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

# REQUEST FOR PROPOSALS

POLLUTING AUTOMOBILE SCRAP AND SALVAGE PROGRAM  
REPAIR COMPONENT

The San Joaquin Valley Air Pollution Control District (District) is seeking proposals for the administration of the repair component to the Polluting Automobile Scrap and Salvage (PASS) Program.

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Submittal: Three (3) hard copies and one (1) electronic copy of the proposal must be received at the address below on or before:

Friday, October 29, 2010 – 5:00 PM

PROPOSALS RECEIVED AFTER THE TIME AND DATE  
STATED ABOVE WILL NOT BE ACCEPTED.

Address to: Kevin M. Wing  
Air Quality Specialist  
San Joaquin Valley Air Pollution Control District  
1990 East Gettysburg Avenue  
Fresno, CA 93726-0244

Issuance Date: October 01, 2010

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## **1.0 Information**

This Request for Proposals (RFP) is being issued to select one or more contractors who propose projects meeting requirements of this request to conduct up to fifteen (15) weekend events for the repair component of the Polluting Automobile Scrap and Salvage (PASS) Program. The contractor(s) must possess, and document within the proposal, the substantial expertise necessary to administer the events within the required time period. Proposals must be submitted in the required format to be considered.

The challenges faced by the San Joaquin Valley (Valley) with respect to air quality are unmatched by any other region in the State. The Valley's topography, climate, geography and the presence of two major transportation corridors connecting northern and southern California all contribute to the region's difficulty in achieving compliance with the health standards for particulate matter and ozone.

The PASS Program was created by the San Joaquin Valley Air Pollution Control District (District) in 2007 and was the first of its kind vehicle replacement incentive program in the United States. Under the PASS Program the District has retired or replaced over 600 polluting automobiles in the Valley. This project is to expand on the success of the PASS Program to include a new repair component to the program, funded by the Vehicle Repair, Retirement, Replacement for Motorists (VRRRM) Project. The VRRRM Project was made possible by a grant from the Reformulated Gasoline Settlement Fund. Created as a result of an antitrust class action, the purpose of the Fund is to achieve a clean air or fuel economy benefit for California consumers. This fund is being administered by the Foundation for California Community Colleges (FCCC).

The PASS Program repair component will include weekend events to screen potential participants and arrange for appointments for diagnosis and repairs at contracted Gold Shield Program repair stations. The purpose of this RFP is to select a contractor to administer the weekend events including planning and outreach.

## **2.0 Contact Person**

Technical questions regarding this RFP should be addressed to:

Kevin M. Wing, Air Quality Specialist  
Strategies and Incentives  
San Joaquin Valley Air Pollution Control District  
1990 East Gettysburg Avenue  
Fresno, CA 93726-0244  
(559) 230-5800, FAX (559) 230-6112

### **3.0 Schedule of Events**

October 01, 2010	Release of RFP
October 29, 2010	RFP Closes (No Later than 5:00 PM)
November 24, 2010	Review and Selection of Approved Projects

### **4.0 Award Information**

The selected Contractor(s) will coordinate with the District, FCCC, contracted Gold Shield stations, and local Community College campuses to administer up to fifteen (15) weekend events with the purpose of identifying vehicles operating in the Valley and emitting at levels higher than allowed by the State's smog check program.

The events shall be organized in such a manner as to make available a screening process to identify vehicles likely to be exceeding Smog Check cut points. Participants who arrive at the event should be directed to the screening station(s) and have their vehicles processed in a timely fashion. Participants identified by the screening methodology will be assisted in scheduling appointments with participating Gold Shield repair stations.

FCCC will administer the contracting process with Gold Shield stations, and operate a call center for prescreening potential participants. Participants prescreened shall be given priority to be screened as timely as possible.

#### **4.1 Objective**

The District is requesting proposals for the planning and administration of up to fifteen (15) weekend events to support the repair component of the District's PASS Program.

#### **4.2 Partial Funding**

In appropriate circumstances, the District reserves the right to partially fund proposals by selecting a contractor for a subset of the expected weekend events. Potential contractors who demonstrate the ability to more effectively implement the program in a specific geographic section of the Valley may be chosen for only those events within that geographic area.

#### **4.3 Project Period**

The estimated project period for awards resulting from this solicitation will begin on December 1, 2010. Projects should be operational no later than January 1, 2011, with project reporting completed by March 1, 2013.



#### 4.4 Funding Type

The funding for selected projects will be in the form of a cooperative agreement. Cooperative agreements permit substantial involvement between the District and the selected applicants in the performance of the work supported. The District and Contractor will negotiate precise terms and conditions of the agreement.

### 5.0 Project Deliverables

The selected Contractor(s) will be responsible for coordinating and managing the weekend events they are selected to operate (up to fifteen events).

#### 5.1 Event Planning

The selected contractor shall, in consultation with District, develop a schedule for up to fifteen (15) weekend events. Locations for each event shall be coordinated with District staff to ensure a reasonable distribution of event location and timing to best meet the Valley's needs.

The selected contractor will be responsible for planning and coordinating all elements necessary to successfully execute each of the fifteen events. These elements include but are not limited to, securing the location, event staff, security, insurance, permits, etc.

Event planning should be coordinated through the District and FCCC to make use of community college campuses and where practical provide opportunities for community college students. FCCC will coordinate participating Gold Shield certified Smog Check stations for diagnostics and repairs, the selected contractor will coordinate appointments for participants with participating Gold Shield Stations.

#### 5.2 Outreach

In order to ensure a successful event, comprehensive outreach coordinated with the District's other vehicle programs and branding shall be conducted. Outreach should be a multi-faceted approach involving both finely targeted grass-roots efforts and a traditional advertising strategy.

The selected contractor shall identify grass-roots outreach opportunities to promote the program to Valley residents. These activities should include at least partnering with community-based organizations, making presentations at various meetings, and exploring opportunities for radio and television interviews.

Outreach will direct participants to contact FCCC's call center to have their eligibility prescreened.

### 5.3 Event Management

The selected contractor(s) will be responsible for fully managing up to fifteen (15) weekend events. Selected contractor(s) will be responsible for coordinating with FCCC to identify those participants who have been prescreened and given priority processing, as well as accommodating the maximum number of drop-in participants as possible.

The Contractor(s) will be responsible for identifying the method of priority processing given to pre-screened applicants. This may include appointment windows (i.e. an identified time period they should arrive prior to and will be screened during), dedicated screening capacity set aside for prescreened participants, or any other method identified in the submitted proposal.

Participating vehicle owners who attend an event will have their vehicles screened by the Contractor for the likelihood of needing emission repairs. Data should be collected from the event on participating vehicles, including results of the screening methods employed and contact information for participants. Collected data shall be transmitted to FCCC and the District within seven (7) days of the event.

Appointments for diagnosis and repair should be made for participants based on the results of the screening. Consideration must be made in appointment scheduling to ensure that drop-in participant eligibility can be confirmed.

### 5.4 Vehicle Screening

The selected contractor(s) will be responsible for ensuring an effective screening methodology is utilized, and properly trained operators are present to administer the screening. Details of the screening method(s) proposed should be identified clearly in your proposal, see Section 6.1.4 Work Program.

## 5.5 Event Schedule

The forecasted calendar for the Weekend Events is as shown below:

Weekend Event	Date
Event 1	January 22, 2011
Event 2	March 19, 2011
Event 3	April 16, 2011
Event 4	May 14, 2011
Event 5	June 11, 2011
Event 6	July 9, 2011
Event 7	August 6, 2011
Event 8	October 15, 2011
Event 9	January 14, 2012
Event 10	March 17, 2012
Event 11	April 14, 2012
Event 12	May 12, 2012
Event 13	June 9, 2012
Event 14	July 21, 2012
Event 15	August 18, 2012

## 5.6 Liability Insurance

The contractor must maintain appropriate insurance, including but not limited to the following:

### 5.6.1 Commercial Liability

Commercial Liability insurance (occurrence based) with combined single limit of no less than \$1,000,000 per occurrence and \$2,000,000 aggregate including products and completed operations. To the extent, contractor utilizes a lift or hoist in garage(s), contractor must maintain the necessary coverage endorsements or amendments to extend coverage to liabilities arising therefrom.

The policy must include the "Foundation for California Community Colleges, its officers, directors, and employees" as additional insured insofar as the operations under the January 29, 2010 Proposal are concerned.

#### 5.6.2 Garage Keepers Insurance

Garage Keepers Legal Liability Insurance (occurrence based) covering physical damage sustained to vehicles while in the possession of Contactor or its agent. Coverage shall be written for a minimum of \$40,000.00 for any one vehicle and a minimum of \$100,000.00 for all vehicles damaged in a single loss.

#### 5.6.3 Automobile Insurance

Automobile liability insurance covering owned, non-owned, scheduled and hired vehicles used by Contractor or its agents with a combined single limit of not less than \$1,000,000.00.

#### 5.6.4 Workers' Compensation Insurance and Employer's Liability Coverage

Workers' compensation and employer's liability coverage covering all employees as required under the Workers' Compensation and Safety Act of the State of California, as amended from time to time.

#### 5.6.5 General Insurance Requirements

All insurances required for this project shall contain a thirty (30) day notice of cancellation provision. Contractor shall transmit, electronically, all certificates of insurance, including the additional insured endorsement, to the District 45 days prior to commencement of this project.

### 6.0 Response Submittal Requirements

#### 6.1 Contents of Proposal

Submitted proposals must follow the format outlined below and all requested information **must** be supplied. Failure to submit all requested information may result in the proposal being deemed unresponsive and disqualified from consideration. The submitted proposals shall be limited to sixteen (16) pages, single sided or eight (8) pages, double sided, with 1" margins. Proposals shall be printed on white paper with black Arial font no smaller than 12 point. The page limit applies to the body of the proposal only and does not include resumes or appendices. Failure to submit proposals in the required format may result in elimination from proposal evaluation. Submissions of the proposal will be considered to be a binding commitment (firm offer) by the Contractor to provide the proposed services by the identified personnel at the specified cost.

##### 6.1.1 Cover Letter

Must include the name, address, and telephone number of the company, project cost broken down by weekend event, the name of the contact

person for the proposal, and be signed by the person or persons authorized to represent the company.

#### 6.1.2 Table of Contents

Clearly identify the material contained in the proposal by section and page number.

#### 6.1.3 Summary (Section 1)

State the overall approach to the project and specific objective(s). Demonstrate a clear understanding of the project goal. Include total project cost and cost per weekend event, and a list of general tasks to be performed to complete the project. Provide specific examples of steps to be taken to complete the project.

#### 6.1.4 Work Program (Section 2)

Describe work activities or tasks to be performed including the sequence of activities and a description of the methodology or techniques used. This work program should clearly indicate the processes that will be undertaken by Contractor in meeting all project deliverables as outlined in section 5 of this RFP.

#### 6.1.5 Event Schedule (Section 3)

Provide projected milestones or benchmarks for all tasks and reports as they relate to a scheduled event day. This must demonstrate the event planning and logistics for an individual event and be applicable for up to fifteen (15) events. The timeline must include the minimum number of days in advance of an event that a date must be specified necessary to hold an event. This minimum time should be sufficient to allow for effective outreach and planning.

#### 6.1.6 Project Organization (Section 4)

Describe the proposed management structure, project monitoring procedures, organization of the contracting group, and facilities available.

#### 6.1.7 Assigned Personnel (Section 5)

Identify the principals having primary responsibility for implementing the project. Discuss their professional and academic backgrounds, including all certifications and licenses held. Provide a summary of similar work they have previously performed. Describe the responsibilities and capacity of the technical personnel involved. Substitution of the project manager and/or lead personnel will not be permitted without prior written approval of the District.

6.1.8 Additional Resources (Section 6)

6.1.8.1 Community College Resources (Section 6.1)

Describe how the requirements in Section 8.1 will be met. Include descriptions of the community college resources involved. Additionally, indicate the cost savings or extra costs necessary to utilize these resources over non-community college options.

6.1.8.2 District Resources (Section 6.2)

Describe any District services and staff resources needed to supplement Contractor activities to achieve identified objective(s).

6.1.9 Contractor Capability and References (Section 7)

Provide a summary of the company's relevant background experience. Discuss the applicability of background experience to this RFP. Include examples of related projects completed for other parties that are of similar nature to the work requested herein with references. Please include telephone numbers and email addresses of references.

6.1.10 Costs of Proposal (Section 8)

Identify all costs associated with the execution of one weekend event. Agreements established from the proposal are considered to be fixed price, including all miscellaneous expenses. Project budgets may identify costs based potential locations, and should include budgets for utilizing community college campuses as well as non-community college locations to serve populations that are not near community college campuses.

This section should also contain a calculation of proposal cost efficiency. This should be measured as a cost per vehicle participating. This calculation should utilize the expected number of vehicles that will be screened per event, estimates of the effectiveness of outreach, and accuracy of screening method(s) utilized.

6.1.11 Conflict of Interest (Section 10)

Identify any actual or potential conflicts of interest resulting from any contractual work performed, or to be performed, for other clients, as well as any such work done, or to be done, by proposed Subcontractors. Specifically, Contractors must disclose any recent or current contracts with the District, business entities regulated by the District, and/or any environmental or business interest group. In addition, Contractors must disclose any contracts with the District, public or private entities, which are scheduled to be performed in the future, or which are currently under negotiation.

Additional information must be supplied for any actual or potential conflicts of interest with Union Oil Company of California, Unocal Corporation, and Chevron Oil Company ("Oil Companies"). For any actual or potential conflicts of interest with these Oil Companies include documentation ensuring project funds will not supplant Oil Companies' funding, if any.

The District will consider the nature and extent of such work in evaluating the proposal (see Section 7.0).

6.1.12 Additional Information to Demonstrate Previous Experience  
(Section 9)

Attach a description of any work prepared similar to what is requested in this RFP. These attachments will not be considered part of this 16-page limitation set for the proposal. Provide other essential data that may assist in the evaluation of this proposal.

6.2 Proposal Submission

All proposals must be submitted according to the specifications set forth in section 6.1 – "Contents of Proposal" and this section. Failure to adhere to these specifications may be cause for rejection of proposal.

6.2.1 Signature

All proposals shall be signed by an authorized representative of the Contractor

6.2.2 Due Date

All applicants shall submit an electronic copy in a searchable Adobe Systems Portable Document Format (PDF) or Microsoft Word (Microsoft Office 2003 or older versions of Microsoft Office) format as a single file. The electronic copy shall be emailed to: [weberip@valleyair.org](mailto:weberip@valleyair.org). All applicants shall also submit three (3) complete hard copies of the proposal.

**Proposals must be received at the address below, no later than 5:00 p.m. on October 29, 2010**, and shall be directed to:

Kevin M. Wing  
Air Quality Specialist  
San Joaquin Valley Unified Air Pollution Control District  
1990 E. Gettysburg Ave.  
Fresno, CA 93726-0244

Late proposals will not be accepted. Any correction or resubmission by the proponent will not extend the submittal due date.

### 6.2.3 Addenda

The District may modify the request for proposal and/or issue supplementary information or guidelines relating to the RFP at any time. If the District modifies the request for proposals the modification will be posted on the District website. Applicants whose proposals are received prior to the proposal modification will be notified that a proposal modification has been made and will be allowed to submit a new proposal. However, if a new proposal is submitted the new proposal must be received prior to the deadline. The new proposal will be evaluated in lieu of the prior proposal. The District will not review multiple proposals from a single Applicant.

### 6.2.4 Grounds for Rejection

A proposal may be immediately rejected if it is:

- Received at any time after the exact due date and time set for receipt of proposals; or
- Not prepared in the format prescribed; or
- Not signed by an individual authorized to represent the company.

The District reserves the right to reject all proposals and make no awards.

### 6.2.5 Disposition of Proposals

All proposals become the property of the District. Unless the applicant specifically requests otherwise and the District approves such a request, all proposals are considered public information.

### 6.2.6 Modification or Withdrawal

Once Submitted, proposals, including the composition of the contracting team, cannot be altered without prior written consent of the District. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

## **7.0 Proposal Evaluation**

For clarification purposes, during the selection process, District staff may interview Contractors with scores above a natural break. This may include interviews to confirm statements made within the proposal and clarify sections of and equipment specified in the proposal. Contractors shall not provide new material at this time.



A contract will be awarded to the Contractor that in the sole discretion of the District is deemed to best and most cost-effectively meet the needs of the District. Additional consideration will be given to proposals based on the methods and processes identified to fulfill the requirements of Section 8.1: Community College Involvement. The District may choose not to award this contract if it is deemed that such action is in the best interest of the District. Failure to adhere to specifications in this RFP may be cause for rejection of the proposal.

District staff will evaluate all proposals and recommend the selection of the contractor(s) to the Executive Director/Air Pollution Control Officer (APCO). The Executive Director/APCO shall select contractor(s) for approval.

## **8.0 VRRRM for PASS Special Funding Requirements**

A portion of the funding for this project is made available from the VRRRM Program. The VRRRM Program was made possible by a grant from the Reformulated Gasoline ("RFG") Settlement Fund. The RFG Settlement appointed a grant contract administrator ("Cy Pres Administrator") over the VRRRM Program. Foundation for California Community Colleges ("FCCC") was identified in the Class Notice as the recipient of 75% of the net proceeds of the Settlement Fund ("FCCC Settlement Funds"). FCCC and the Cy Pres Administrator executed a Grant Agreement on January 22, 2010 which contains terms and conditions under which Cy Pres Administrator will grant FCCC the FCCC Settlement Funds ("Cy Pres Agreement"). On January 29, 2010, FCCC's vehicle repair and scrap program proposal, entitled Vehicle Repair, Retirement and Replacement for Motorists ("VRRRM") Program, as developed by FCCC with assistance from an advisory committee, was submitted to the Court ("January 29, 2010 Proposal" or "Proposal", attached as Appendix A). On August 31, 2010 the District entered into a grant agreement ("District Grant Agreement") with FCCC to administer the VRRRM for PASS component of the VRRRM Program.

This section contains additional requirements of this funding source.

### **8.1 Community College Involvement**

The selected contractor(s) shall involve the California Community Colleges and their students in the project to involve and benefit the California Community College system and enrich workforce development for California Community College students and graduates. The contractor shall have the discretion, working in good faith with the District, to determine how they will meet this requirement. This provision should not be construed to preclude the Contractor from utilizing the most economical and operationally feasible options and methods with regards to the implementation of the project; however this provision is meant to ensure some form of involvement of the California Community Colleges and their students is included as determined by the District, during the term of the project.

### 8.1.1 Community College Contact Information

In order to utilize community college assets prospective bidders may utilize the following contacts to determine the capacities and requirements of partnering with community colleges.

San Joaquin Delta College, Stockton  
Sal Vargas - Dean of Instruction  
(209) 954-5023

Modesto J.C.  
Jerry Wray - Automotive Instructor  
(209) 575-6355

Merced College  
Jim Anderson - Automotive Instructor  
(209)384-6396

Fresno City College  
Martin Kamimoto - Automotive Instructor  
(559) 442-4600 Ext. 8526

College of the Sequoias, Visalia  
Steven Chance - Automotive Instructor  
(559) 730-3788

Bakersfield College  
George Canaday - Automotive Instructor  
(661) 395-4727

### 8.2 Acknowledgement of Support

Materials produced with VRRRM for PASS Grant Funds and annual reports, announcements, news releases, etc., describing the VRRRM Project, including, but not limited to VRRRM for PASS, will acknowledge that "The project was made possible by a grant from the Reformulated Gasoline Settlement Fund. Created as a result of an antitrust class action, the purpose of the Fund is to achieve a clean air or fuel efficiency benefit for California consumers." All materials distributed to the public must be provided to District for review and approval prior to dissemination.

### 8.3 Record Retention and Audit

The selected contractor(s) will segregate District grant funded activity and maintain separate and complete books and records of receipts and expenditures of District Grant Funds. Books and records relating to this project will be maintained in accordance with generally accepted accounting principles. The District, FCCC, and/or the Cy Pres Administrator reserve the right to conduct an

inspection or audit of a selected contractor's programmatic, financial and contractual information related to the project, and the contractor(s) will make such books, records, reports and supporting documentation, available to district, FCCC, and/or Cy Pres Administrator or their designee(s) for inspection upon request. In addition, the contractor(s) will obtain from parties with which it works on the programs (e.g., vendors) all records needed for such inspection or audit. Selected contractor(s) and any other parties with whom it contracts, or enters into memoranda of understanding, must keep such records as well as copies of all reports to the District and supporting documentation for at least three (3) years after the end of the Grant Period and make them available for inspection by the District, FCCC, and/or the Cy Pres Administrator or her designee if requested ("Three Year Retention Period").

#### 8.4 Funding Contingences

Pursuant to the terms of the Court Appointing Order, the Cy Pres Administrator is granted broad authority with respect to oversight and monitoring of the VRRRM Program and its performance under the Cy Pres Agreement between Cy Pres Administrator and FCCC. Cy Pres Administrator may authorize payments of FCCC Settlement Funds and recommend to the Plaintiffs' Counsel that FCCC Settlement Funds (including but not limited to VRRRM for PASS Funds and/or Repair-Associated VRRRM for PASS Funds) be reallocated between and among the component programs of the VRRRM Program if the Cy Pres Administrator, in her sole discretion, determines that one or more of the component programs of the VRRRM Program (including but not limited to VRRRM for PASS) is failing to perform according to terms of the Cy Pres Agreement. The Cy Pres Administrator may recommend withdrawal of all FCCC Settlement Funds from the VRRRM Program in the event that the Cy Pres Administrator, in her sole discretion, determines that FCCC's Program (including but not limited to VRRRM for PASS) has failed.

Additionally, in the event of any violation by FCCC, or its partners or subcontractors, including but not limited to the District, of the terms and conditions of the Cy Pres Agreement between the Cy Pres Administrator and FCCC, including but not limited to failing to execute the work of the grant in accordance with the Proposal, or any of Cy Pres Administrator's (to the extent required) and/or FCCC approved modifications thereto, or failing to submit required reports or requested information in a timely manner, the Cy Pres Administrator reserves the right in her absolute discretion to (1) recommend reallocation of funding between and among the VRRRM Program's component programs described in the January 29, 2010 Proposal and/or (2) recommend that payments to FCCC (and/or VRRRM for PASS) be reduced, suspended or terminated and/or that all funding be withdrawn from the VRRRM Program entirely.

If funding for the VRRRM Program, or any of its component parts, is reduced, suspended, discontinued or terminated for any reason, FCCC shall have the

option of 1) terminating the District Grant Agreement with no liability occurring to FCCC and/or its employees; and/or 2) ceasing operations and activities under the VRRRM Program or any component part for which funding has been affected. Under all circumstances, FCCC shall also have the option of reducing or modifying payments to the District. In any event, should Cy Pres Administrator reduce, suspend or terminate any portion of the FCCC Settlement Proceeds, funding for VRRRM for PASS may be adjusted accordingly in FCCC's sole discretion; funding for VRRRM for PASS is entirely contingent on FCCC's receipt of the FCCC Settlement Funds; under no circumstances will FCCC fund VRRRM for PASS except via receipt of FCCC Settlement Funds.

Notwithstanding the foregoing, FCCC reserves the right to discontinue funding to either the District or, the geographical area over which the District oversees, from either the VRRRM for PASS Grant Funds and/or Repair-Associated VRRRM for PASS Funds, regardless of the Cy Pres Administrator's action, if at any time during the term of the District Grant Agreement, FCCC determines, in its sole discretion, that the District has breached a material term or condition of the District Grant Agreement, the grant's purposes have been significantly diverted, that the purposes agreed upon are unlikely to be met or, absent reasonable justification, if the benchmarks and/or Operational Indicator Cumulative Targets identified in the Proposal (or the most current updated version, approved, in writing, by the Cy Pres Administrator) have not been met. Reasonable effort will be made by the parties to reach a mutually satisfactory resolution between the parties. FCCC also reserves the right, in FCCC's absolute and sole discretion, to reallocate unexpended VRRRM for PASS Grant Funds and/or Repair-Associated VRRRM for PASS Funds in any manner whatsoever that FCCC decides as long as the Cy Pres Agreement terms and conditions are not violated.

The District acknowledges that FCCC and its employees have made no actual or implied promise of funding except for the representations specified in the Proposal or that which is stated in the District Grant Agreement. If VRRRM for PASS funding is rescinded, the District shall return any unexpended portion of the VRRRM for PASS Grant Funds in the District account within seven days after being notified of such event. The District acknowledges that FCCC will have no further obligation to the District in connection with this VRRRM Agreement as a result of such return of funds or rescission.

Nothing in the VRRRM Agreement between FCCC and the District shall prevent or be construed to limit the District's right to request "Interim Funding" pursuant to section 2.d, page 6 of the Cy Pres Agreement ("Interim Funding Provision"). FCCC will work cooperatively and in good faith with the District to assist the District in requesting and receiving Interim Funding per the Cy Pres Agreement. The District may submit to FCCC a request for receipt of funds for expenses incurred by the District in good faith for completion of activities contemplated under the District Grant Agreement which are in progress at a time when any of the above-reference funding contingencies go into effect. The request must include supporting documentation, including, but not limited to (1) the District's

costs and other commitments/obligations incurred by Grantee and/or its partners in good faith to ensure that consumers are informed about the VRRRM for Pass program; (2) an accounting of expenditure of funds to date for VRRRM for PASS, including a report detailing any and all encumbered Weekend Event costs; and (3) a budget detailing amounts needed to close-out VRRRM for PASS ("Supporting Documentation"). Said Supporting Documentation will be submitted to Cy Pres Administrator along with a recommendation issued by FCCC as to whether or not Cy Pres Administrator should approve or deny the District's request for Interim Funding. The District agreed to submit its request for Interim Funding and all Supporting Documentation to FCCC within thirty (30) calendar days of being notified of any VRRRM for PASS funding reduction, suspension, discontinuation or termination. If the District fails to submit a request for Interim Funding and Supporting Documentation within said time frame, the District will be deemed to have waived its right to seek Interim Funding, unless the parties agree to a longer time frame in a written document executed by authorized representatives of each party.

**Appendix A:**

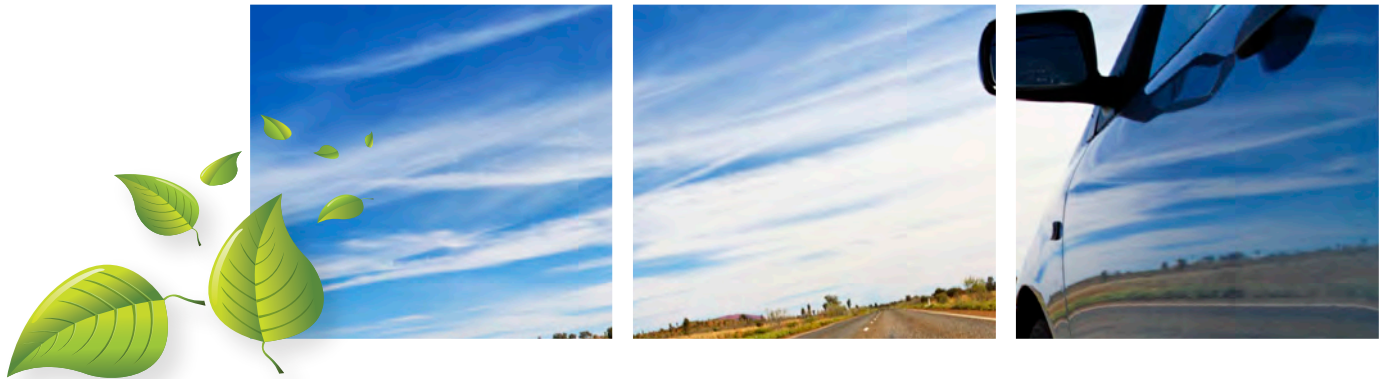
Vehicle Repair, Retirement, Replacement for Motorists (VRRRM)

January 29, 2010 Proposal

# VRRRM...

Vehicle Repair, Retirement, Replacement for Motorists  
***Accelerating California's Clean Air Initiatives***

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Proposal | January 2010



FOUNDATION *for* CALIFORNIA  
COMMUNITY COLLEGES

1102 Q Street  
Sacramento, California 95811  
866.325.3222

[www.foundationccc.org](http://www.foundationccc.org)

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## **I. Introduction**

Through successful partnerships with statewide and local air quality agencies, operation of Smog Check Referee Centers throughout California, and active participation in a clean air vehicle emissions reduction pilot project, the Foundation for California Community Colleges (FCCC) has emerged as a proven champion in California's fight to achieve clean air. Based on years of experience implementing programs designed to reduce vehicle emissions in California, FCCC proposes to implement a multi-faceted, cost-effective Vehicle Repair, Retirement, and Replacement for Motorists program (VRRRM, Program, or Proposal) funded by settlement proceeds from the class action litigation, *In Re Reformulated Gasoline (RFG) Antitrust & Patent Litigation*.

FCCC's VRRRM will provide California motorists monetary assistance to enable emission repairs to high-emitting light- and medium-duty vehicles or to retire and/or replace such vehicles. VRRRM is designed to maximize benefits to California motorists and ensure measurable, cost-effective results, while limiting administrative overhead costs.

In formulating this Proposal, FCCC convened an advisory committee comprised of air quality experts from statewide and local air quality agencies who vetted this Proposal and who support its implementation. FCCC acknowledges that this Proposal is subject to the Court's approval.

### **A. Program Summary**

Over a program period of approximately three years, FCCC's Proposal repairs, retires (scraps), and/or provides replacement incentives for 17,020 high-emitting light and medium duty-vehicles, with 76 percent of the RFG Settlement funds providing direct assistance to California motorists. VRRRM has four main components that leverage resources and supplement (not supplant) already-existing or developing programs with RFG Settlement funds. These four components are as follows:

1. VRRRM for CAP: A statewide incentive that supplements the Bureau of Automotive Repair's (BAR) Consumer Assistance Program (CAP) to repair high-emitting vehicles for which a Repair Cost Waiver or extension would have been requested.
2. VRRRM for HEROS: A funding mechanism to fill the void in the South Coast Air Quality Management District's (SCAQMD) High Emitter Repair or Scrap (HEROS) Program by repairing or retiring high-emitting vehicles that are not eligible for existing public funding.
3. VRRRM for PASS: An initiative to add a vehicle repair component to the retirement and replacement incentive program known as Polluting Automobile Scrap and Salvage (PASS) in the San Joaquin Valley Air Pollution Control District (SJVAPCD).
4. VRRRM Replacement Incentive: A funding mechanism designed to work in tandem with the California Air Resources Board (CARB) AB118 Enhanced Fleet Modernization Program

(EFMP) by offering a replacement incentive throughout the state to stimulate the purchase of newer, more energy-efficient replacement vehicles.

Keeping at the forefront the notion that public funds cannot be supplanted with funds from the RFG Settlement funds, FCCC will leverage existing infrastructure and relationships to accelerate California's clean air initiatives, providing maximum benefit to California motorists, while minimizing administrative costs. FCCC's award-winning communications department will strengthen the efforts to provide strategic outreach to bolster the success of VRRRM, as well as increase public awareness of the impacts of air pollution, how high-emitting vehicles exacerbate those risks, and ways to mitigate the problems.

## **B. Foundation for California Community Colleges**

FCCC is the official foundation to the California Community College system. Its mission is to benefit, support, and enhance the California Community College system. Incorporated in 1998, FCCC is a 501(c)(3) tax-exempt nonprofit corporation that receives no direct state or public support and has special legal status as a public agency for contracting purposes, which allows it to represent and act on behalf of the system in grant and purchase agreements. FCCC employs over 100 full-time staff, in addition to over 400 student assistants who participate every year in career training opportunities. FCCC has significant experience in overseeing complex system wide programs that reach out across the state.

### *History in Managing Grants and Contracts*

Over the last decade, FCCC has secured over \$150 million in grants, contracts, and gifts, and currently manages over 30 funding sources, the majority of which are multi-million dollar grants. In addition, investment funds and endowments managed by FCCC, including the Nursing Education Investment Fund and the California Community Colleges Scholarship Endowment, are currently valued at approximately \$40 million. FCCC provides senior management oversight, grant management and distribution, as well as accountability tracking. FCCC also offers comprehensive strategic communications services.

FCCC's communications, marketing, and public relations team provides strategic messaging and branding, comprehensive website and publication design services, marketing support, and media outreach for the Foundation's programs and its partners, and has won numerous state and national awards for its work, including two prestigious Paragon awards from the National Council for Marketing and Public Relations.

### *Experience in Air Quality-related Programs*

FCCC has specialized in-house expertise in the field of air quality. FCCC offers a statewide reach with established partnerships in the air quality arena, and air quality expertise, infrastructure, and managerial experience to effectively run an air quality improvement program that substantively benefits the motorists and consumers of California.

Currently, FCCC works closely with the California Department of Consumer Affairs (DCA) BAR to provide air quality testing and support through its statewide network of BAR Smog Check Referee Stations (See Exhibit A: Map of BAR Smog Check Referee Centers). In the process, FCCC also provides automotive emissions-related training and valuable hands-on experience for community college students. Thirty-three (33) Smog Check Referee Centers located strategically throughout California at community college campuses perform a variety of smog check services, including inspecting specially-constructed vehicles, certifying vehicles with engine changes, resolving consumer complaints, and issuing Repair Cost Waivers. These stations are staffed by FCCC Smog Check Referees and student lane technicians. As part of its contract with BAR, FCCC manages a call center to assist consumers in resolving automotive smog check issues and scheduling appointments at Smog Check Referee Centers. Given that FCCC has a proven track record of inspecting approximately 28,000 vehicles per year, BAR has repeatedly renewed its contract with FCCC.

FCCC also works with CARB to conduct research, perform special studies, and provide database programming related to stationary and mobile source emissions reduction projects. FCCC is currently working on a research project involving potent greenhouse gases emissions from air conditioning systems in vehicles at the end of their useful lives during automobile dismantling.

In addition to operating the BAR Smog Check Referee program, FCCC recently acted as a contractor in the SCAQMD AB 923 (Moyer)-funded HEROS pilot program. During the 18-month program, FCCC developed a highly specialized database to cull emissions data captured by remote sensing device (RSD) technology from vehicles operating on SCAQMD highways and identified high emitters for the HEROS pilot program. Through specialized software designed by FCCC, the organization tracked the progress of the HEROS program and identified areas of improvement. FCCC solicited participants, staffed a full-service call center to interact with the public, answer questions and schedule appointments at the Smog Check Referee Centers and Gold Shield stations for vehicles identified by RSD as high emitters, and authorized and oversaw the repair and retirement of vehicles. While the technical aspects of the HEROS pilot program were successful, the program encountered low participation rates, emphasizing the critical need to utilize built-in and variable marketing, solicitation, and outreach methods to improve participation. FCCC was flexible in its approach, making adjustments along the way based on recommendations derived from periodic reviews to address problems and improve the success of the program.

### *Connection to the California Community Colleges*

FCCC's status as the official foundation to the California Community College system provides a natural mechanism for educating the general public, community college students, and those associated with the California Community College system about air quality concerns, vehicle emissions and to promote fuel efficiency. FCCC's marketing and communications department, which already promotes a number of different programs associated with the colleges, provides an excellent resource to advertise and promote the good work being done with the RFG Settlement funds. FCCC's Proposal involves the California Community Colleges at all stages and ensures that California Community College students and sites will be integrated in all conceivable aspects of FCCC's multi-faceted approach.

With respect to VRRRM for CAP and the VRRRM Replacement Incentive, FCCC will involve its student assistants to provide career training and education.

With respect to VRRRM for HEROS and PASS, FCCC will work with the air districts to involve college students in the weekend events. Additionally, FCCC's Smog Check Referees will provide assistance at these events.

### **C. Partnerships with Industry Experts**

Throughout the development of this Proposal, FCCC has greatly benefited from the guidance of an Advisory Committee, consisting of experts in the field of air quality, and the cy pres attorneys involved with the RFG Settlement, who have provided numerous insights.

#### *Advisory Committee*

In formulating this Proposal, FCCC convened a voluntary Advisory Committee comprised of air quality experts from BAR, CARB, SCAQMD, and SJVAPCD, as well as FCCC's air quality experts and other personnel. Specifically, members of the Advisory Committee include Pat Dorais, Deputy Chief of Smog Check Operations, Engineering – Research Branch (BAR), John Wallauch, Program Manager for Smog Check (ARB), Terry Ford, Staff Air Pollution Specialist, Retired (ARB), Dean Saito, Manager, On Road Strategies (SCAQMD), and, more recently, Tom Jordan, Senior Policy Advisor, and Samir Sheikh, Director, Emissions Reduction Incentive Program (both from SJVAPCD).

FCCC's team included Vanessa W. Whang, General Counsel, Keetha Mills, Chief Financial Officer, Marie Chaump, Executive Director of Operations, Cynthia Stover, Director of Systems Development, and Lee Shook, Director of Air Quality Programs.

The Advisory Committee provided invaluable critique and approval of this Proposal. They met several times, starting on June 4, 2009, to discuss industry standards, problems, solutions, challenges,

and needs in the air quality arena, while moving forward with formulation of this Proposal. The Advisory Committee reviewed the Proposal at various stages of its development, and all members support FCCC's Proposal set forth below.

Upon Proposal approval, the Advisory Committee will continue to convene in order to review program progress, successes, opportunities, and need for adjustments. The committee's input will be invaluable in progress assessment and in identifying the best course of action when programmatic adjustments are necessary. The Advisory Committee will meet at least quarterly during the Program's inaugural year and semiannually thereafter. In addition, FCCC will solicit input and direction from the Advisory Committee, and/or its members whenever merited by program results or to help formulate modifications to the program as warranted. The committee will also provide input into the development and review of formal reports prior to submission.

*Cy Pres Attorneys*

In addition to input of the Advisory Committee, FCCC discussed the formulation of this Proposal with appointed cy pres attorneys at various stages of its development.

## II. Background

Although air pollution levels in California have improved significantly in the past few decades due to aggressive controls on vehicles and industry, Californians, in some portions of the state, still breathe the worst air in the nation, and this air poses significant health risks. Ozone, a highly reactive gas that forms in the atmosphere through complex reactions between chemicals directly emitted from motor vehicles, industrial plants, consumer products, and other sources, has been consistently linked to negative health impacts, and extensive studies on the health effects of air pollution worldwide have confirmed the importance of continuing to reduce people's exposure to air pollution. Reducing air pollution in California could potentially prevent about 8,800 premature deaths, or 3.7 percent of all deaths per year.<sup>1</sup>

### A. California's Air Quality Challenges

California's climate and geography are conducive to the formation and accumulation of air pollution, especially in Los Angeles and its surrounding areas, known as the South Coast Basin, and portions of Central California, known as the San Joaquin Basin. The American Lung Association's State of the Air 2002 report lists the Los Angeles metro area as the most heavily ozone-polluted metropolitan area in the country, followed by Bakersfield, Fresno and Visalia-Tulare-Porterville, California.

Air quality measurements reveal that the South Coast and San Joaquin basins continue to face great challenges with respect to their air quality and vehicle emissions:

- Over 40 percent of California vehicles are registered and operate within the South Coast basin;<sup>2</sup>
- Approximately 9.8 percent of California vehicles are registered and operate within the San Joaquin basin;<sup>3</sup>
- The South Coast and San Joaquin air basins are plagued by the most severe air quality attainment issues in the state and the nation. In addition to being in a nonattainment status in terms of federal ozone emissions classification, South Coast and San Joaquin are the only two air districts in California that failed to attain federal PM<sub>2.5</sub> standards (particulate matter less than or equal to 2.5 microns).<sup>4</sup>
- The Legislature has found and declared that the South Coast Air Basin is "acknowledged to have critical air pollution problems caused by the operation of millions of motor vehicles in the basin, stationary sources of pollution, frequent atmospheric inversions that trap aerial contaminants, and

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<sup>1</sup>These premature deaths shorten lives by an average of 14 years. This is greater than the number of deaths (4,200 – 7,400) linked to secondhand smoke in the year 2000. In comparison, motor vehicle crashes caused 3,200 deaths and homicides were responsible for 2,000 deaths (CARB 2002a, CARB 2005, CDHS 2000, and Ostro et al. 2006).

<sup>2</sup> See Exhibit B: Chart of 2005 Vehicle Registration per Air District

<sup>3</sup> See Exhibit B: Chart of 2005 Vehicle Registration per Air District

<sup>4</sup> 2007 California State Implementation Plan, April 26, 2007.

the large amount of sunshine that transforms vehicular and non-vehicle emissions into a variety of deleterious chemicals.”<sup>5</sup>

- The Legislature has found and declared that the residents of “San Joaquin Valley suffer some of the worst air quality in the world” and that “this poor air quality poses a significant threat to public health, the environment and the economy of the Valley.”<sup>6</sup>

Because of these findings, VRRRM places special emphasis on the South Coast and San Joaquin basins, with the support of the Advisory Committee.

## **B. Overview of Current Repair, Retirement, and Replacement Programs**

An important part of California’s strategy to meet health-based ambient air quality standards is reducing emissions and accelerating turnover from the existing fleet.<sup>7</sup> Approximately 10 percent of the light- and medium-duty vehicles are responsible for close to 50 percent of vehicle emissions according to remote sensing studies conducted in the South Coast Air Basin and in other urbanized areas of the country.<sup>8</sup> California’s mild climate contributes to the longer survival rates of the state vehicle fleet. About half of all light-duty vehicles survive at least 15 years and one-quarter survive at least 20 years; of those that survive 20 years, however, about 40 percent will still be in use at least 10 more years. Additionally, due to current economic conditions, consumers are holding onto older vehicles with greater frequency.

It has been found that providing monetary incentives can provide a necessary and cost-effective “push” for retiring many of these older, inherently higher-emitting vehicles. Successful voluntary incentive programs are designed in a manner that generates significant public interest while ensuring adequate safeguards to prevent fraud. Since these types of programs are voluntary in nature, any obstacles that make the program difficult for the public to access can significantly reduce the amount of interest in the programs.

A number of government programs have been implemented to repair, retire, and/or replace high-emitting vehicles. A brief review of existing programs is provided below:

### *Bureau of Automotive Repair Consumer Assistance Program*

California BAR administers a statewide vehicle repair and retirement program under CAP. CAP, which administers and operates in a manner consistent with the Moyer Guidelines, accepts “on

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<sup>5</sup> California Health & Safety Code § 40402

<sup>6</sup> California Health & Safety Code § 40610

<sup>7</sup> See, generally, 2007 California State Implementation Plan, April 26, 2007, CA Health & Safety Code §§ 40402 & 40610

<sup>8</sup> SCAQMD HEROS II RFP, p. 2, citing, National Resource Council, 2001

cycle” vehicles that have failed their current biennial smog check inspection and that meet a number of other eligibility requirements. The design of the current program limits CAP assistance to motorists who have owned a vehicle registered in California for a minimum of the preceding 24 months. During the most recent fiscal year (2008–09), CAP repaired 48,574 vehicles at a cost of \$18.876 million and retired an additional 22,331 vehicles at a cost of \$22.636 million. In spite of the restrictions limiting participation, during the same fiscal year, the need and demand for repair assistance was so great that CAP ran out of repair funds before the end of the fiscal year, resulting in thousands of motorists being turned away.

#### *California Air Resources Board Carl Moyer Funding*

The Carl Moyer Memorial Air Quality Standards Attainment Program (Moyer) funds projects that voluntarily reduce air emissions. Established in 1999 by sections 44275–44299.1 of the California Health and Safety Code, its purpose is to obtain early emission reductions (those not currently required by statute or regulation) in order to help California attain health-based ambient air quality standards and meet its air quality obligations under the State Implementation Plan (SIP). The Moyer program provides grants to local air districts for disbursement to applicants to fund the incremental cost of lower-emission vehicles, engines, and equipment. In essence, the Moyer program buys critical emission benefits that California needs to attain state standards and to meet federal air quality deadlines.

CARB operates a program in which Moyer funding is made available to California Air Quality Management Districts (AQMDs) to repair or scrap high-emitting vehicles that passed their last smog check. Due to tight budgets at the local level, few AQMDs are able to take advantage of these funds. A further deterrent to programs that utilize Moyer funds are the stringent eligibility requirements that severely restrict the vehicles that can qualify for repair or retirement.

Of the 35 California air districts, only SCAQMD has a vehicle repair and retirement program that is Moyer-funded. (SCAQMD also runs an Old Vehicle Scrapping Program (Rule 1610)).

A number of California air districts have recently operated or continue to operate vehicle retirement programs, including the Bay Area AQMD, San Diego Air Pollution Control District (APCD), SJVAPCD, Santa Barbara APCD, and SCAQMD.

#### *Federal “Cash for Clunkers” Program*

On July 27, 2009, the federal government implemented an extremely popular program that became known as Cash for Clunkers. Prior to the start of the program, the level of public support could not be gauged, but the program became so immediately popular that it ran through a billion dollars of funding within the first week of operations. Even with an additional influx of \$2 billion, the



program had to be closed down within a month due to public response. The Cash for Clunkers program was primarily created as a stimulus for new car sales (and limited to the purchase of new vehicles), with a secondary objective to improve vehicle mileage efficiencies. The obvious keys to success were incentive levels of \$3,500 and \$4,500 for the retirement of clunkers, with the qualifying amount determined by the combined gas mileage differential gained by the replacement vehicle.

#### *AB 118 Enhanced Fleet Modernization Program*

CARB, BAR, and regional AQMDs are in the final stages of preparation to implement a new California state program, as a result of passage of Assembly Bill 118. The retirement and replacement portions of the program (no funding is included for repairs) are slated to begin in mid-2010. For the first year of operations, the funds will be available only in the South Coast and San Joaquin air districts. The program may be expanded the following year to the Bay Area and other air districts based on initial program results and lessons learned. Based on the program design, CARB and BAR will work in conjunction to manage implementation and provide financial control and oversight, and the air districts will qualify participants, assist them with documentation, and validate compliance and the level of assistance.

The program proposes to offer \$1,000–\$1,500 for vehicle retirement and an additional \$2,000–\$2,500 for vehicle replacement (with specific amounts depending on income eligibility). AB 118 could provide low-income eligible vehicle owners as much as \$4,000 for the retirement of a high-emitting vehicle and the replacement of that vehicle with the purchase of a qualifying, newer model vehicle.

#### *San Joaquin Valley Air Pollution Control District Polluting Automobile Scrap and Salvage Program*

SJVAPCD operates the PASS program, a voluntary vehicle retirement incentive program that also includes a vehicle replacement element. To fund the program, SJVAPCD has allocated \$2 million in locally generated DMV surcharge funds toward its existing PASS program, and is expecting to receive \$500,000 from ARB to establish a voluntary vehicle retirement incentive pilot program through the recently adopted AB 118 Enhanced Fleet Modernization Program. SJVAPCD has chosen to utilize DMV surcharge funds instead of Carl Moyer funds for several reasons. The San Joaquin Valley has a wide variety of emissions sources, and Moyer funds have already been used to fund a wide range of highly cost-effective projects. Additionally, the use of local funding sources provides flexibility with respect to program requirements and cost-effectiveness; based on experience with voluntary light-duty retirement and repair programs, this is considered an integral factor to program success.

Participants can volunteer for the program or may be identified through BAR and DMV data. Vehicle data from BAR and DMV is used to verify eligibility and to identify off-cycle high emitting vehicles. The PASS program offers eligible participants either \$1,000 cash for their vehicles to be scrapped or a \$5,000 voucher redeemable toward the purchase of a qualifying used or new clean replacement vehicle. In order to take advantage of PASS program incentives, vehicle owners must agree to keep the vehicle for the next three years in the air basin, keep the vehicle insured, registered, and authorize SJVAPCD to perform automated annual reports by looking up the replacement vehicle registration. Replacement vehicles must be purchased from a licensed dealership and be of a model year three or fewer years from the current year; participants who earn less than 225 percent of the federal poverty level are allowed to select from vehicles of a model year six or fewer years from the current year.

#### *Programs in Other States*

In addition to the current and proposed California state and regional programs listed above and the recent, short-lived federal Cash for Clunkers stimulus program, other programs in other states were identified. Missouri operated a vehicle repair program between 2001 and 2003, which lost funding as a result of a state budget crisis. Among the lessons learned were that participating stations need to be “high-performing” stations that produce high-quality, durable repairs, and that emission test results need to be collected both before and after repair in order to accurately gauge emissions reduction benefits. Texas has a robust vehicle repair assistance and replacement program which can provide a rich source of lessons learned.

As illustrated above, there are a number of different existing programs addressing vehicle repair, retirement, and replacement incentives throughout the state and beyond. FCCC recognizes that many of these existing programs have gaps or voids that, many times, hamper successful outcomes. California-based programs are limited in their ability to provide much-needed assistance to all motorists due to programmatic eligibility limitations imposed by Moyer Guidelines and/or other legislative or local restrictions. FCCC has assessed these existing federal, state, and regional programs in order to identify gaps or voids and develop strategies to fill them in order to design a successful program that minimizes administrative costs associated with creating new programs.

### III. VRRRM Program Description

The RFG Settlement funds provide a unique opportunity to fill voids in existing repair, retirement, and replacement programs, opening up vehicle emission reduction benefits to all motorists, especially those who are disqualified from existing programs. Based upon the Advisory Committee’s collective expertise, assessment of current needs and opportunities, desire to minimize overhead costs, and the parameters of the RFG litigation, FCCC’s VRRRM takes a multi-pronged approach to maximize both the benefits available to California consumers and vehicle emissions reductions. In addition, VRRRM will satisfy the requirements set forth in the Class Notice and communicated to California Consumers.<sup>9</sup>

FCCC has the unique ability, based upon its already-existing business model, to handle implementation of a statewide program that effectuates emissions reductions throughout the state with special emphasis in those areas (the South Coast and San Joaquin basins) to achieve the greatest air quality impact.

#### **Branding**

In order to increase effectiveness, the Program has been given a memorable brand that captures its multi-component structure.

The name VRRRM suggests the Program’s role in accelerating existing vehicle repair,

retirement, or replacement programs by keeping consumers moving through the process of removing polluting vehicles from California’s roads. The name, corresponding logo, and tagline, “Accelerating California’s Clean Air Initiatives,” work together to convey a positive sense of increased momentum and moving forward—for California consumers and for the state’s overall fight to achieve clean air.



VRRRM consists of 1) VRRRM for CAP, 2) VRRRM for HEROS, 3) VRRRM for PASS, and 4) VRRRM Replacement Incentive. Program narrative descriptions are provided below. Additionally, program activity flowcharts are provided in Exhibit C: Program Flowcharts.

<sup>9</sup> Class Notice, p. 6-7. Seventy-five percent of the cy pres distribution would be distributed through FCCC using FCCC’s infrastructure to “Identify and Repair or Scrap” high emissions vehicles. More specifically, “Funds would be used to provide cash incentives to California consumers to either repair or replace their high emissions vehicles thereby both reducing air pollutants and subsidizing the purchase of more fuel-efficient automobiles.”

## **A. VRRRM for CAP**

### *1. Background*

The California Bureau of Automotive Repair's (BAR) Consumer Assistance Program (CAP), launched in 1999, provides assistance for qualified consumers to undergo emissions-related repairs. CAP eligibility is identified at a vehicle's biennial smog check, during which consumers may be deemed eligible to receive up to \$500 toward repairs needed to meet smog check requirements; to receive assistance, consumers must contribute a co-payment toward the cost of inspection and repair<sup>10</sup>.

If the cost of repairs exceeds the financial amounts paid by CAP and the consumer, the vehicle is eligible for a Repair Cost Waiver, which allows a vehicle to be registered in California without passing its smog check inspection by providing a temporary, two-year extension of time to complete all emissions-related repairs. The Repair Cost Waiver may only be used once by a motorist during the period of vehicle ownership. FCCC's Smog Check Referees serve as the only source through which Repair Cost Waivers may be issued.

The numbers of requests for extensions or repair costs waivers have steadily increased since November 2004. According to the BAR Smog Check Referee Administration System Action Code Summary, approximately 5,160 vehicles requested extensions or Repair Cost Waivers from July 1, 2008, until June 30, 2009. This reflects an increase of over 1,000 requests over the previous year (July 1, 2007–June 30, 2008), and a 2,000-request increase over 2005-06.<sup>11</sup> These statistics show that more vehicles continue to drive without having passed smog check inspections.

### *2. VRRRM Supplement*

FCCC proposes to use a portion of the RFG Settlement funds to supplement the CAP program to successfully complete emissions-related repairs on those vehicles that would have otherwise been issued a waiver, thereby reducing the pollutants emitted. Since these vehicles must come through FCCC's existing Smog Check Referee Centers statewide at the time the vehicle owner seeks a Repair Cost Waiver, this portion of VRRRM affords a low-cost way to reach motorists with high-emitting vehicles, even in those air districts that do not have active air quality programs.

The goals of VRRRM for CAP are to encourage vehicle owners to complete needed repairs on their vehicles; to bring the vehicle into emissions compliance rather than to obtain a Repair Cost Waiver; to yield concrete data upon which the emissions benefits and the reduction in the annual volume of

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<sup>10</sup> The consumer contributes a co-pay amount of \$100 towards diagnostic testing and repairs (reduced to \$20 if the individual qualifies as low income).

<sup>11</sup> Statistics provided by BAR Consumer Assistance Program (CAP). From July 1, 2007, to June 30, 2008, 3,953 requests for extensions or Repair Cost Waivers were received. From July 1, 2006, to June 30, 2007, 3,187 requests were received. From July 1, 2005, to June 30, 2006, 3,000 requests were received. From November 2004 to June 30, 2005, 2,200 requests were received.

Repair Cost Waivers can be measured; and to provide additional financial assistance to complete needed emissions-related repairs for an estimated 9,000 motorists or 65% of vehicles (approximately 3,000 per year over a three-year period) who would otherwise have sought a Repair Cost Waiver.

VRRRM for CAP will supplement BAR's existing CAP program by providing repair assistance worth up to \$500 (plus additional diagnostic and testing fees if necessary) to individuals who would have otherwise received a Repair Cost Waiver or extension and that meet industry standard repair criteria.<sup>12</sup> The additional funds will enable the vehicle owner to complete repairs to bring the vehicle into emissions compliance.

VRRRM for CAP eligibility will be determined by Smog Check Referees during the initial assessment<sup>13</sup>. Smog Check Referees may determine that some vehicles may not reach smog check compliance even with supplemental VRRRM for CAP funds; in those cases, the referee will advise the consumer on any applicable state or regional retirement or replacement programs, such as AB118, SJVAPCD's PASS program, the SCAQMD HEROS II program, or the VRRRM Replacement Incentive. FCCC's call center will facilitate the scheduling of repair appointments, place appointment reminder phone calls, and provide general consumer assistance related to the VRRRM for CAP program.

Vehicle owners who qualify for VRRRM for CAP will be invited to apply for the supplemental funding. Smog Check Referees will verify applicant eligibility and collect consumer and vehicle information. Participants will then be directed to a Gold Shield<sup>14</sup> station for repairs, post-repair testing, cost-effectiveness assessment, and vehicle inspection. Once the repairs have been verified by FCCC, the Gold Shield station will be reimbursed. If the vehicle does not pass smog inspection after the additional repairs have been completed, the vehicle owner will be advised to either obtain a Repair Cost Waiver or to consider a state or local vehicle retirement or replacement program.

FCCC will track the number of Repair Cost Waivers issued, specifically waivers issued even after the VRRRM for CAP funds were used. This monthly data analysis will enable FCCC to gauge success of the VRRRM for CAP component and to be able to implement timely adjustments, if necessary.

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<sup>12</sup> Although FCCC anticipates that up to \$500 would be allocated per vehicle for emissions-related repairs, according to records provided by the BAR CAP program, the CAP repair cost average in 2008 calendar year was \$372. Therefore, the actual repair cost average may be less, allowing more vehicles to be repaired for the amount of funds set aside.

<sup>13</sup> Repair eligibility will be determined utilizing the parameters set forth in Section 5 of the CAP Repair Assistance Operations Manual (Exhibit E) and Mitchell1 Automotive Repair benchmark information.

<sup>14</sup> Unlike a "Test Only" station, which is authorized to perform smog check inspections but not repairs, a "Gold Shield" station is a test and repair automotive repair shop, under contract with BAR, which follows particular regulations approved by BAR, including, (e.g., regulations related to providing CAP repair services and consumer warranties). To maintain "Gold Shield" status the station must meet BAR performance standards and perform a minimum number of successful repairs every three months. Out of approximately 7,200 licensed Smog Check stations that are active in California, nearly 600 are certified Gold Shield stations. FCCC will enter into formal agreements with all repair shops contracted to perform services under this Proposal.

### *3. Marketing and Consumer Outreach*

In order to seek and obtain a Repair Cost Waiver, vehicle owners must come through FCCC's existing Call Center and SMOG Check Referee Centers. As such, marketing and consumer outreach activities for VRRRM for CAP will be performed by FCCC's Call Center and Smog Check Referee staff. The number of vehicles repaired over the life of VRRRM for CAP program is estimated conservatively to capture approximately 65% of vehicles that would otherwise have sought a Repair Cost Waiver based on the number of Repair Cost Waivers requested in previous years.

Formal VRRRM for CAP program training will be conducted with FCCC Call Center and Referee staff to ensure comprehensive understanding of program requirements and provide marketing and outreach tools to assist in recruiting eligible consumers. Such training will be developed by FCCC's program management team and conducted in connection with regularly scheduled joint Call Center and Referee staff meetings. Marketing and outreach tools will be developed by FCCC's internal marketing and communications staff and will include items such as program specific brochures and website, Frequently Asked Questions (FAQs), and sample scripts to facilitate conversations with eligible consumers. FCCC's Call Center and Smog Check Referee staff has a statewide reach, is trained extensively in customer service skills, and is comprised of a seasoned, experienced, multi-cultural workforce, many of whom are bilingual and all of whom have a proven track record of successful Bureau of Automotive Repair program operations. FCCC Call Center and Smog Check Referee staff has extensive experience serving a diverse population of consumers throughout the state thereby making them distinctly qualified to serve the wide range of consumers who will respond to the VRRRM for CAP program. FCCC's Smog Check Referee staff each have extensive experience in the automobile repair and technology field and must maintain an Advanced Emission Specialist Technician license, issued by the State of California, Bureau of Automotive Repair, which allows FCCC Referees to inspect, diagnose, adjust, repair and certify the emissions control systems on vehicles throughout the state. The EA license requires examination and rigorous training, a process that has to be updated every two years. See, 16 California Code of Regulations 3340.28, et. seq. the highest level of mechanic license offered by the State of California. As such, FCCC's Call Center and Smog Check Referee staff are uniquely experienced and positioned to market this program, recruit consumer participation, and assess consumer eligibility.

## **B. VRRRM for HEROS**

### *1. Background*

The High Emitter Repair or Scrapping Program (HEROS), funded by AB 923 (Moyer), identifies high-emitting vehicles in the South Coast Air Quality Management District (SCAQMD) and is being implemented in multiple phases. The HEROS I program, which ran from Spring 2007 through Fall 2008, obtained over 2.1 million vehicle emissions records and identified approximately 25,000 high emitting vehicles driving on Southern California freeways using remote sensing technology on freeway on-ramps. Using DMV data, high emitting vehicle owners were offered potential incentives of up to \$500 in vehicle repairs or \$1,000 for vehicle scrapping. Low-income eligible participants qualified for an additional \$1,000 incentive for replacement of the scrapped vehicle with a California Air Resources Board (CARB)-certified Low Emission Vehicle (LEV). FCCC, under contract with SCAQMD, managed the outreach, testing, and repair program implementation.

HEROS I experienced a low level of voluntary participation due to the stringent eligibility requirements imposed by the Moyer Guidelines. Many owners of high-emitting vehicles did not qualify for assistance. These requirements included: vehicle must be continuously registered to a zip code in SCAQMD's jurisdiction currently and for the last two years; DMV registration must be current and valid; vehicle must be repaired 90 days prior to the next smog due date; vehicles must not be registered to a nonprofit organization, fleet, or business; and vehicle cannot receive repair incentives if it is operating under a Repair Cost Waiver. During HEROS I, it was projected that these restrictions disqualified an estimated 50%–60% of the high-emitting vehicles identified.

HEROS II was created by SCAQMD to address the low participation rate in HEROS I. The goal of HEROS II is to achieve a higher participation rate by pre-qualifying participants and encouraging them to attend advertised weekend events for vehicle pre-screening. At these events, vehicle owners can schedule appointments for confirmatory emissions testing and subsidized repairs at Gold Shield stations. HEROS II will also maximize emission reductions within Moyer Guidelines by providing an option for “off-cycle” voluntary scrap or repair of high-emitting vehicles, reducing the time high-emitting vehicles are polluting on California roadways. The HEROS II program was approved by the SCAQMD Board on October 2, 2009 for award to Valley Clean Air Now (Valley CAN), along with FCCC as a subcontractor.

### *2. VRRRM Supplement*

VRRRM for HEROS will supplement the HEROS program by utilizing RFG Supplemental Funds to repair or retire vehicles that are disqualified from participating in HEROS due to the Moyer Guidelines, filling a critical void in the HEROS program.

<b>Moyer Restrictions Summary</b>	<b>VRRRM for HEROS Eligibility Comparison Summary</b>
1. Must be currently registered in a SCAQMD zip code	1. Must be registered in a California zip code
2. Must have continuous two year registration in a SCAQMD zip code	2. Must have continuous six month registration to the same owner in California
3. May not be registered to a non-profit, fleet, or business	3. No similar restriction
4. May not be currently operating under a Smog Check repair cost waiver	4. No similar restriction
5. May not be due for a Smog Check within the next 90 days (on cycle)	5. No similar restriction

FCCC will work with SCAQMD to leverage the HEROS II weekend events and maximize the potential benefits of administrative, outreach, and management investments. FCCC and SQAQMD will execute a memorandum of understanding, outlining each party’s responsibilities, including those of Valley CAN, with respect to the VRRRM for HEROS program. VRRRM for HEROS will offer eligible consumers up to \$500 in emissions-related repairs or \$1,000 for each vehicle retired.

The HEROS II program has been approved by the SCAQMD Governing Board to hold 10 weekend events through April 2011. It is further anticipated that an ongoing vehicle scrap and repair program will continue as committed to in the State of California SIP adopted in 2007.

FCCC’s Call Center will serve as a clearinghouse to screen participants prior to each event, in part to determine whether the consumer qualifies for Moyer, CAP, AB 118, or VRRRM for HEROS funding. Those who meet Moyer Guidelines will be pre-registered to attend the weekend events. Those who do not meet the Moyer requirements will be assessed first for CAP or AB118 eligibility. Only those that do not qualify for Moyer, CAP, and AB118 will be considered for VRRRM for HEROS.

Once a consumer has been pre-screened for other program eligibility and directed into VRRRM for HEROS, he or she will be referred to a local Gold Shield station for a baseline smog test and diagnostic evaluation. Based on the diagnosis, consumers will be given the option to repair or retire their vehicle. Repair eligibility will be determined utilizing the parameters set forth in Section 5 of the CAP Repair Assistance Operations Manual and Mitchell1 Automotive Repair benchmark information. FCCC will select a cost-effective vendor to manage the vehicle retirement aspect of the program, or will work cooperatively with SCAQMD to leverage their existing vehicle retirement resources. VRRRM for HEROS funds will take effect after the consumer has been directed into VRRRM for



HEROS, and will include call center, vehicle testing and repair, and other administrative costs associated with data analysis and reporting.

SCAQMD has agreed to provide in-kind support through investing in marketing and outreach and the HEROS I database hardware and software developed by FCCC for data collection and analysis. The in-kind support for marketing and outreach results in significant cost savings for vehicles that will be repaired or retired using RFG Settlement funding through VRRRM for HEROS—marketing and outreach are typically a very costly portion of any repair or scrap program.

Given the severity of the air pollution challenge in the South Coast Air Basin and the number of high-emitting vehicles registered in this district, FCCC believes support for this effort to repair and/or scrap as many high-emitting vehicles as possible is an imperative.

### *3. Marketing and Consumer Outreach*

Consumer solicitation for VRRRM for HEROS will be performed by Valley CAN and its subcontractors. The SCAQMD Governing Board has awarded Valley CAN a contract to perform the marketing and outreach services the HEROS II program, and FCCC has been approved by South Coast as a subcontractor to Valley CAN to perform call center and information technology services for HEROS II. The SCAQMD Governing Board has also awarded FCCC a contract to perform the testing and diagnostic functions of the proposed program.

Valley CAN has a proven track record and has extensive experience gained from successfully developing and operating a test and repair weekend event model, particularly in regards to community outreach and the techniques needed to motivate consumers to test and repair their vehicles. Over the past five year period, Valley CAN's weekend event model has become an award-winning, effective, innovative vehicle emissions reductions program in California. Valley CAN's program was named twice in 2009 as a finalist for the prestigious national public relations awards, the PR Week Platinum Award and the SABRE Award. In 2008, the program received the Governor's Environmental and Economic Leadership Award, the state's highest environmental honor.

The VRRRM for HEROS and HEROS II marketing and outreach program leverages the weekend event model with regional adjustments relevant to South Coast Air Basin's demographics, program-specific requirements, and established relationships. Valley CAN and its sub-contractors will work closely with the SCAQMD Community Relations group in order to take advantage of SCAQMD's existing relationships with community leaders. Fundamental to the program is an innovative approach focused on demographics, persuasion, mobilization, and grassroots organization that utilizes advanced computer modeling and opinion research in order to achieve continuous improvement. Through local

grassroots efforts, this approach has proven to establish trust, create strong bonds, and maintain the connection with consumers throughout the vehicle repair lifecycle.

Valley CAN has extensive experience serving a diverse population of consumers and a proven track record of attracting and fostering trustworthy consumer relationships through the execution of multi-faceted, culturally competent marketing methods. The multi-faceted approach includes such activities as television and radio public service announcements, social media, and print messaging in a variety of trusted local sources in a number of languages and working with local community leaders to reach diverse groups of consumers through local schools, churches, and community groups. The most effective marketing campaign for the South Coast area will be a combination of the best elements of paid advertising and community outreach as well as partnerships with local businesses and community organizations.

The VRRRM for HEROS and HEROS II marketing and outreach program will direct consumers to the FCCC Call Center for eligibility screening. Formal HEROS II and VRRRM for HEROS program training will be conducted with FCCC Call Center staff to ensure comprehensive understanding of program requirements and provide screening tools to assist in directing eligible consumers. Such training will be developed by FCCC's program management team and conducted in connection with regularly scheduled Call Center staff meetings. FCCC's Call Center staff is trained extensively in customer service skills, and is comprised of a seasoned, experienced, multi-cultural workforce, many of whom are bilingual, most of whom participated in HEROS I operations, and all of whom have a proven track record of successful Bureau of Automotive Repair program operations. FCCC Call Center staff has extensive experience serving a diverse population of consumers thereby making them distinctly qualified to serve the wide range of consumers who will respond to HEROS II and the VRRRM for HEROS programs. As such, FCCC's Call Center staff is uniquely positioned to support marketing efforts for these programs, reinforce consumer participation, and assess consumer eligibility.

The number of vehicles to be repaired and retired over the life of the VRRRM for HEROS program is based on historical past consumer response to similar weekend event marketing and outreach efforts and South Coast basin population. The number of VRRRM for HEROS events is based on SCAQMD's commitment to operate a repair, retirement, and replacement program to achieve measurable air quality improvements by 2014 as presented in the State of California's 2007 State Implementation Plan submitted to the United States Environmental Protection Agency.

## **C. VRRRM for PASS**

### *1. Background*

The Polluting Automobile Scrap and Salvage (PASS) program was created by the San Joaquin Valley Air Pollution Control District (SJVAPCD) in 2007 and was the first voluntary vehicle retirement incentive program in the United States. The PASS program comprises two major elements—retirement and replacement. Eligible participants can receive either \$1,000 cash for their vehicles to be retired or a \$5,000 voucher toward the purchase of a qualifying used or new clean replacement vehicle and must agree to keep the replacement vehicle within the air basin for the next three years, to keep the vehicle insured and registered, and to authorize SJVAPCD to look up the replacement vehicle's registration for reporting purposes. Vehicle data from BAR and California Department of Motor Vehicles (DMV) is used to verify eligibility and to identify off-cycle high emitting vehicles. Participation can be initiated by the vehicle owner calling a toll-free number or by the program sending a mailer to owners of high-emitting vehicles, identified through BAR and DMV data.

SJVAPCD has over 15 years of experience implementing highly successful voluntary incentive programs. To date, the District has awarded over \$240 million, achieving over 70,000 tons of emissions reductions. The District has gained a reputation of excellence and has become a model for grant programs throughout the state. During recent audits of the program by CARB, the Department of Finance, and the Bureau of State Audits, the District was lauded for its effective and efficient use of Carl Moyer Program funds. The most recent audit of the District's grant program, conducted this year by the Sierra Nevada Air Quality Group, on behalf of the Central Valley Air Quality Advocates, concluded that the District's incentive programs compared extremely favorably to other large air districts' in the state.

### *2. VRRRM Supplement*

FCCC and SJVAPCD propose to utilize RFG Settlement funds to supplement the existing PASS program with VRRRM for PASS, a new light- and medium-duty vehicle repair program and fill a critical void in the overall strategy of reducing vehicular emissions in the San Joaquin Valley. FCCC and SJVAPCD will execute a grant agreement, outlining each party's responsibilities with respect to the VRRRM for PASS program. VRRRM for PASS will operate using a weekend event model, similar to that of HEROS II. SJVAPCD, through its VRRRM for PASS program, will hold 15 weekend events between May 2010 and October 2012. VRRRM for PASS will offer eligible consumers up to \$500 in emissions-related repairs. This repair component rounds out the existing retirement and replacement components of the PASS program and provides a comprehensive resource for eligible vehicle owners in the San Joaquin Valley. The VRRRM for PASS program will reduce emissions by providing emissions-related repairs on vehicles that would not have otherwise been repaired and by repairing high-emitting vehicles earlier than would be required for compliance.

Operating under the PASS program umbrella maximizes outreach, ensures eligibility, increases emission reductions, enhances continuity in customer service, and reduces fraud. In addition to leveraging the administrative resources of the existing PASS program, SJVAPCD has agreed to provide \$300,000 in additional funding for the program to minimize the overall cost of implementing the new repair program and maximize the benefit to vehicle owners. Fifteen percent (15%) of the overall RFG Settlement-funded program costs will be allocated for repair program operations management activities, which include costs to be incurred by SJVAPCD, working collaboratively with FCCC, to implement, market, and operate a repair program while leveraging existing infrastructure.

VRRRM for PASS includes the following elements:

*Comprehensive outreach, including community-based and grassroots efforts.* The proposed VRRRM for PASS component will be initiated under the established and recognizable PASS brand in the San Joaquin Valley, allowing SJVAPCD to leverage existing administrative and outreach resources to minimize overhead costs associated with operating VRRRM for PASS while maximizing benefits to vehicle owners. Public awareness of the PASS program has improved recently due to program branding and a comprehensive marketing and outreach campaign that includes traditional media advertising and grassroots efforts. Additionally the PASS program will leverage the existing outreach support of other SJVAPCD programs, such as the Smoking Vehicle program and the innovative Healthy Air Living™ campaign. The benefits of operating as a component of the PASS program include access to these brands and the public recognition that has been carefully cultivated by SJVAPCD.

*Pre-screening vehicles for eligibility in various vehicle programs.* Vehicles identified for participation in VRRRM for PASS will be screened in advance of participation using SJVAPCD's existing screening process in order to identify vehicles that qualify for CAP, the PASS program's replacement or retirement program, or the upcoming Enhanced Fleet Modernization Program, which will be operated by SJVAPCD when it becomes available mid- 2010. By directing participants to the program best suited to their needs and qualifications, all programs will benefit.

#### **VRRRM for PASS Eligibility Summary**

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1. Must be registered in a California zip code
2. Must have continuous six month registration to the same owner in California
3. May be registered to a fleet or business
4. May be currently operating under a Smog Check repair cost waiver
5. No limitation based on next smog due date

*Emissions pre-test, diagnosis, and repair.* Participants who do not qualify for CAP or other existing programs will be directed to a Gold Shield Station for a smog check inspection pre-test to determine the eligibility of the vehicle's participation in the VRRRM for PASS program and the vehicle's

emission levels prior to repairs. Repair eligibility will be determined utilizing the parameters set forth in Section 5 of the CAP Repair Assistance Operations Manual and Mitchell1 Automotive Repair benchmark information. Vehicles that can be cost-effectively repaired will receive repairs worth up to \$500 and a post-repair smog check inspection test to verify the efficacy of work. The Gold Shield Station will be reimbursed for repairs once all required data collection and reporting has been completed. During the diagnosis stage, it may be determined that a vehicle is better suited for the retirement or replacement portions of the PASS program at which time the vehicle will be redirected to that component of the program.

*Post-repair follow-up and program auditing.* Vehicles participating in the VRRRM for PASS program will randomly be selected to receive follow-up testing to determine the long-term efficacy of repairs, identify underperforming repair stations, and ensure the integrity of emission reductions generated by the program. Additionally participants will complete a follow-up survey to evaluate customer satisfaction with the program, including repair stations, the program's contractor(s), and SJVAPCD.

*Data Collection, calculations, and cost-effectiveness.* VRRRM for PASS will generate a large amount of data on vehicle emissions, diagnostic trends, geographic trends, repair efficacy, and customer service. Data will be utilized to calculate the emission reductions generated by operating the program. SJVAPCD will also keep the data available for future use to identify opportunities for programmatic improvements, planning, and outreach.

### *3. Marketing and Consumer Outreach*

VRRRM for PASS will operate using a weekend event model, similar to that of HEROS II and VRRRM for HEROS. SJVAPCD expects to develop partnerships with other agencies and organizations such as The Bureau of Automotive Repair, through the EFMP program, in order to expand the reach and effectiveness of VRRRM for PASS marketing and outreach efforts. Marketing and outreach efforts will be managed by SJVAPCD leveraging the PASS brand infrastructure and working closely with partner organizations and agencies in order to identify additional grass-roots outreach opportunities to promote VRRRM for PASS.

SJVAPCD's innovative and established Polluting Automobile Scrap and Salvage (PASS) program was the first of its kind in the United States when first introduced in 2007, and other agencies have been looking at the program as a model for future programs. Existing PASS marketing and outreach efforts include partnering with culturally diverse community-based organizations, delivering presentations at various community forums, maintaining a program-specific website, and billboard, radio, and movie theatre advertising. SJVAPCD also operates a successfully branded Smoking Vehicle program and

Healthy Air Living campaign, which may provide additional consumer leads for participation in VRRRM for PASS.

The number of vehicles to be repaired and retired over the life of the VRRRM for PASS program is based on historical past consumer response to similar weekend event marketing and outreach efforts, San Joaquin basin population, and proven consumer response to the recognizable PASS brand.

#### **D. VRRRM Replacement Incentive**

##### *1. Background*

The CARB AB118 Enhanced Fleet Modernization Program (EFMP) vehicle replacement component will offer eligible vehicle owners incentives of up to \$4,000 to replace high-emitting vehicles with a newer, lower-emitting vehicle. It is anticipated that EFMP will begin providing funds to the South Coast and San Joaquin air districts for vehicle replacement in mid 2010. The program may be expanded the following year to the Bay Area and other air districts based on initial program results and lessons learned. Based on the program design, CARB and BAR will work in tandem to manage implementation and provide financial control and oversight, and the air districts will qualify participants, assist them with documentation, and validate compliance and the level of assistance. In preparation for the implementation of EFMP, the air districts and their partners are currently working to develop the infrastructure, vendor relationships, processes, and procedures necessary for successful program implementation.

##### *2. VRRRM Supplement*

The VRRRM Replacement Incentive program is designed to work in tandem with the development of EFMP implementation. FCCC proposes to work cooperatively with and in parallel to the air districts participating in EFMP to leverage the systems and tools being developed and implemented in order to maximize the potential benefits achieved from initial execution, outreach, and program development activities. The VRRRM Replacement Incentive program will follow general processes, procedures, and guidelines designed to complement EFMP in a way that reaches additional high-polluting vehicles ineligible for participation in EFMP. FCCC will execute an MOU with participating air districts, including South Coast and San Joaquin, describing the process by which referrals will be made to the VRRRM Replacement Incentive program for those consumers who do not qualify for EFMP or other public funding.

<b>EFMP Proposed Restrictions Summary</b>	<b>VRRRM Replacement Incentive Eligibility Comparison Summary</b>
1. Must be currently registered in a participating air district zip code	1. Must be registered in a California zip code
2. Must have continuous two year registration in a participating air district zip code	2. Must have continuous six month registration to the same owner in California
3. May not be registered to a nonprofit, fleet or business	3. No similar restriction
4. May participate by invitation only	4. No similar restriction

Upon EFMP implementation in a given air district, the VRRRM Replacement Incentive program will provide a replacement incentive for vehicle owners who do not qualify for EFMP funding. In areas that do not receive EFMP funding, FCCC will operate the VRRRM Replacement Incentive program to offer replacement incentives statewide through the use of its existing Smog Check Referee and Call Center infrastructure for program solicitation and qualification pre-screening. Similar to EFMP, the VRRRM Replacement Incentive program will provide vouchers of up to \$3,500 for consumers to retire vehicles that are either high-emitting or at least 10 years old (HE/10 vehicles) and replace them with a qualified low emission and fuel efficient vehicle (LEFE)<sup>15</sup>.

Vehicle owners will be solicited to participate in the VRRRM Replacement Incentive through two primary sources. In regions funded by EFMP, existing program administrative, outreach, and public awareness resources will be utilized to provide VRRRM Replacement Incentive information to consumers who do not qualify for EFMP. Statewide, FCCC Call Center resources and Smog Check Referee Centers will be leveraged to solicit and pre-screen eligible participants.

Vehicles identified for participation in VRRRM Replacement Incentive will be screened in advance of participation in order to identify and redirect vehicles that may qualify for another publicly funded program. Participants who do not qualify for another existing program, but otherwise qualify for the VRRRM Replacement Incentive, will be directed to a FCCC Smog Check Referee Center or similar facility to be pre-tested<sup>16</sup> for data collection purposes and otherwise follow the general processes, procedures and guidelines attributable to EFMP.

<sup>15</sup>For the purposes of this program, an LEFE vehicle shall be considered any light- or medium-duty gasoline-powered vehicle that is four model years old or less. An LEFE vehicle shall also include a hybrid vehicle, electric vehicle, or other similar fuel-efficient vehicle as determined by FCCC.

<sup>16</sup> Under all circumstances, the HE/10 vehicle must be inspected at a Smog Check Referee Center within 30 days prior to replacement for data collection purposes.

### *3. Marketing and Consumer Outreach*

Consumer solicitation for VRRRM Replacement Incentive will occur through the FCCC Call Center and Smog Check Referee centers statewide and through existing marketing and outreach programs in regions funded by EFMP. The number of vehicles replaced over the life of the VRRRM Replacement program is estimated at approximately 29 vehicles per month. We believe this estimate is conservative based on the statewide reach of the program and the broad public awareness of and overwhelming consumer response to the recent Cash for Clunkers program.

Formal VRRRM Replacement Incentive program training will be conducted with FCCC Call Center and Referee staff to ensure comprehensive understanding of program requirements and provide marketing and outreach tools to assist in recruiting eligible consumers. Such training will be developed by FCCC's program management team and conducted in connection with regularly scheduled joint Call Center and Referee staff meetings. Marketing and outreach tools will be developed by FCCC's internal marketing and communications staff and will include items such as program specific brochures and website, Frequently Asked Questions (FAQs), and sample scripts to facilitate conversations with eligible consumers. FCCC's Call Center and Smog Check Referee staff has a statewide reach, is trained extensively in customer service skills, and is comprised of a seasoned, experienced, multi-cultural workforce, many of whom are bilingual and all of whom have a proven track record of successful Bureau of Automotive Repair program operations. FCCC Call Center and Smog Check Referee staff has extensive experience serving a diverse population of consumers throughout the state thereby making them distinctly qualified to serve the wide range of consumers who will respond to the VRRRM Replacement Incentive program. FCCC's Smog Check Referee staff maintains the highest level of mechanic license offered by the State of California. As such, FCCC's Call Center and Smog Check Referee staff are uniquely positioned to market this program, recruit consumer participation, and assess consumer eligibility.

The VRRRM Replacement Incentive program will complement the implementation of EFMP, expected to initially provide funds in the South Coast air district. Because the incentive available through EFMP and the VRRRM Replacement Incentive programs is less than what was available through Cash for Clunkers, these programs will be primarily marketed as a Cash for Clunkers-style program for used vehicles. In order to solicit participation, SCAQMD plans to stage weekend event promotions, which may include promotional pricing, in large population centers with significant numbers of used car lots and auto malls. SCAQMD will work cooperatively with the dealerships' marketing teams to promote the program. These efforts will be complemented by grassroots outreach efforts that will include partnering with culturally diverse community-based organizations. Local business leaders will be invited to attend press events in order to garner earned media, which is expected to generate local media coverage, further driving interest in the program. Given the



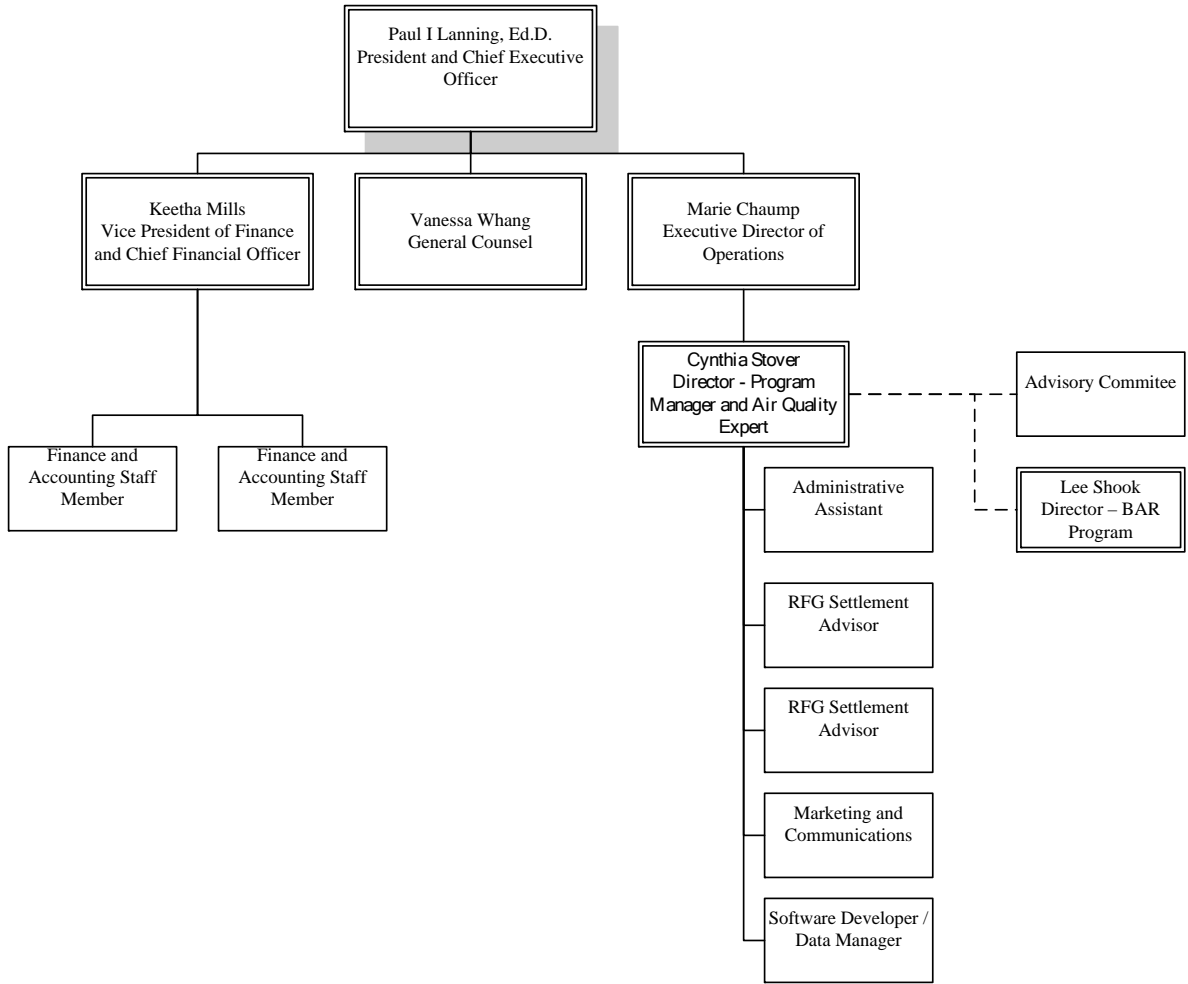
importance of auto dealers to local economies, significant support for the program is expected from local governments and business communities. Other air districts are expected to employ similar tactics as EFMP funding is made available. As EFMP is implemented, FCCC will work cooperatively with air districts to establish referral processes for consumers ineligible for EFMP and for leveraging each air district's efforts in the areas of marketing and outreach.

## **IV. Oversight, Assessment, and Reporting**

### **A. Direct Program Management and Oversight**

Recognizing the complexity and scale of the VRRRM program, FCCC is leveraging its existing infrastructure and its many different statewide resources in a cost-effective way that would be possible by no other organization in this state. FCCC has assembled a versatile team of skilled and experienced staff to meet the Program's management needs (Program Management Team); see Exhibit D: Management Team Resumes. For Program Management Team roles and full-time equivalent assumptions related to each functional area of program management and operational support, see get and Budget Narrative (Exhibit E).

*Program Management Team*



### **Program Management and Oversight**

<i>Name and Title</i>	<i>Responsibilities</i>
Keetha Mills, Vice President of Finance and Chief Financial Officer	Overall financial oversight of all program components and investment oversight related to the receipt and payment of settlement funds
Vanessa Whang, General Counsel	Legal compliance and contract management oversight for all program components
Marie Chaump, Executive Director of Operations	Executive oversight of operational program manager and point of escalation for programmatic and operational issues
Cynthia Stover, Director – Program Manager and Air Quality Expert	Oversight of all program operations and related staff
Lee Shook, Director – Bureau of Automotive Repair Program and Air Quality Expert	Technical advisement and program operations consulting
RFG Settlement Advisors	Management of subcontractor services and repairs, benefit approvals, and quality control
Finance and Accounting Staff	Full cycle accounting services, monthly and year-end financial reporting, audit preparation and management, invoice processing, cash receipts, cash payments, treasury management, and account reconciliations
Software Developer / Data Manager	Design, development, and maintenance of a customized, web-based software application intended to serve as a tool for data collection and analysis, an interface for subcontractors, and a data mine for all aspects of programmatic oversight activities
Administrative Assistant	Support all members of the project team with administrative tasks such as correspondence, reception, logistics, and paperwork including participating in the review of invoices, cross-checking repairs against the system, and performing quality control measures

Marketing and Communications	Includes communications, public relations, creative design and development, production of collateral materials, publications, and website design and development
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The program management function will be active, dynamic, and involved in many aspects of the day-to-day operations. Because VRRRM’s success is largely dependent on consumer participation and the continuation of supplemental program components, effective change management practices must be exercised in order to operate a program that responds to shifting needs. While this Proposal will serve as the basis for the baseline work plan and budget, the Program Manager will work closely with the Advisory Committee in order to maintain a current work plan and budget that reflect the changing needs of the program. In addition to the formal reports that will be provided in connection with the award of this Proposal, the Program Manager will be responsible for the regular, ongoing collection, qualification, and quantification of data throughout the Program lifecycle. This data will be used to analyze program success, capture variances, and plan revisions to the baseline work plan and budget. Major programmatic changes, defined as those which significantly alter the program model or budget, will be reviewed by the Program Management Team, and, as needed, by the Advisory Committee. Changes to the Program and budget will be included in formal reports. Programmatic and budgetary changes are subject to approval by the Cy Pres Administrator pursuant to the terms of the grant agreement.

**B. Reporting, Timeline, Benchmarks, and Work Plan**

FCCC intends to be accountable for its performance against the timeline, benchmarks, and work plans contained in this proposal in an open and transparent manner by submitting monthly and quarterly reports to the Cy Pres Administrator. Details pertaining to reporting requirements are articulated in the Grant Agreement between the Cy Pres Administrator and FCCC (“Grant Agreement”). The VRRRM Program timeline covers a 36-month program period (See Exhibit G: Program Work Plans).

**1. Initiation**

The initiation period includes Program design, preparation of the Proposal and all associated activities, and Program review and approval. Time spent during the Initiation phase by FCCC, the Advisory

Committee, and other business partners, estimated to value over \$100,000 in total, has been donated in-kind to the program and California consumers.

## **2. Planning and Implementation**

During the three-month planning stage of the project, which follows Proposal approval from the Court and Cy Pres Administrator and the first payment, FCCC will make final planning adjustments, select, approve, and provide necessary training to subcontractors, prepare and finalize legal agreements and contracts, and prepare all internal resources (such as staff designations, training, and marketing/software development/reporting tools).

## **3. Execution**

Led by the Program Management Team, the activities planned in the work plan will be executed and adjusted as necessary.

## **4. Closing**

All activities will be finalized, open issues will be resolved, administrative and contract close-outs will be performed, and the Final Report will be prepared.

## **5. Monitoring and Controlling**

Monitoring and control activities are to be executed by the Program Management Team's oversight activities throughout the life of the project (see Section IV.A, "Direct Program Management and Oversight").

Monthly and quarterly reports will be submitted to the Cy Pres Administrator in accordance with the requirements outlined in the Grant Agreement.

While monthly reporting provides a real-time quantitative measure of program outcomes and activities, measuring overall program success will require longer term evaluation in six month intervals. Key benchmarks, which are included as major outcomes in the Program Work Plans, are summarized below.

	<b>VRRRM for CAP</b>	<b>VRRRM for HEROS</b>	<b>VRRRM Replacement Incentive</b>	<b>VRRRM for PASS</b>
<b>Period One: End of Month 6</b>	<ol style="list-style-type: none"> <li>1. Project kick-off held</li> <li>2. MOU executed with BAR</li> <li>3. Eligibility guidelines published</li> <li>3. RFG Settlement Advisors in place and trained</li> <li>4. Administrative Assistant in place and trained</li> <li>5. Finance and accounting processes in place</li> <li>6. IT/Software development hardware and software for data collection and reporting in place and in production</li> <li>7. Marketing materials in circulation; website in production</li> <li>8. Press release issued</li> <li>9. Gold Shield stations ready</li> <li>10. Referee training complete</li> <li>11. Call Center training complete</li> <li>12. Fraud prevention and quality control measures in place</li> <li>13. Customer survey process and tools in place</li> <li>14. Formal program review and assessment conducted with Advisory Committee</li> <li>15. Call center calls to date: 1,460 to 2,180 (Target 1,820)</li> <li>16. Vehicles repaired to date: 430 to 650 (Target 540)</li> </ol>	<ol style="list-style-type: none"> <li>1. Project kick-off held</li> <li>2. MOU executed with SCAQMD</li> <li>3. Eligibility guidelines published</li> <li>4. RFG Settlement Advisors in place and trained</li> <li>5. Administrative Assistant in place and trained</li> <li>6. Finance and accounting processes in place</li> <li>7. IT/Software development hardware and software for data collection and reporting in place and in production</li> <li>8. Marketing activities launched</li> <li>9. Auto dealers participating in South Coast ready</li> <li>10. Press release issued</li> <li>11. Gold Shield stations ready</li> <li>12. Retirement vendor ready</li> <li>13. Referee training complete</li> <li>14. Call Center training complete</li> <li>15. Fraud prevention and quality control measures in place</li> <li>16. Customer survey process and tools in place</li> <li>17. Formal program review and assessment conducted with Advisory Committee</li> <li>18. Six weekend events held to date</li> <li>19. Call center calls to date: 3,740 to 5,620 (Target 4,680)</li> <li>20. Vehicles repaired to date: 650 to 970 (Target 810)</li> <li>21. Vehicles retired to date: 160 to 240 (Target 200)</li> </ol>	<ol style="list-style-type: none"> <li>1. Project kick-off held</li> <li>2. Eligibility guidelines published</li> <li>3. RFG Settlement Advisors in place and trained</li> <li>4. Administrative Assistant in place and trained</li> <li>5. Finance and accounting processes in place</li> <li>6. IT/Software development hardware and software for data collection and reporting in place and in production</li> <li>7. Marketing materials in circulation; website in production</li> <li>8. AB118 referral process defined with participating districts</li> <li>9. Auto dealers participating in South Coast ready</li> <li>10. Press release issued</li> <li>11. Gold Shield stations ready</li> <li>12. Referee training complete</li> <li>13. Call Center training complete</li> <li>14. Fraud prevention and quality control measures in place</li> <li>15. Customer survey process and tools in place</li> <li>16. Formal program review and assessment conducted with Advisory Committee</li> <li>17. Call center calls to date: 140 to 220 (Target 180)</li> <li>18. Vehicles replaced to date: 50 to 70 (Target 60)</li> </ol>	<ol style="list-style-type: none"> <li>1. Project kick-off held</li> <li>2. Contract executed with SJVAPCD</li> <li>3. Eligibility guidelines published</li> <li>4. RFG Settlement Advisors in place and trained</li> <li>5. Administrative Assistant in place and trained</li> <li>6. Finance and accounting processes in place</li> <li>7. IT/Software development hardware and software for data collection and reporting in place and in production</li> <li>8. Marketing activities launched</li> <li>9. Press release issued</li> <li>10. Gold Shield stations ready</li> <li>11. Retirement vendor ready</li> <li>12. Fraud prevention and quality control measures in place</li> <li>13. Customer survey process and tools in place</li> <li>14. Formal program review and assessment conducted with Advisory Committee</li> <li>15. One weekend event held to date</li> <li>16. Call center calls to date: 630 to 950 (Target 790)</li> <li>17. Vehicles repaired to date: 180 to 280 (Target 230)</li> </ol>
<b>Period Two: End of Month 12</b>	<ol style="list-style-type: none"> <li>1. FAQ document compiled and published</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. Call center calls to date: 5,130 to 7,690 (Target 6,410)</li> <li>4. Vehicles repaired to date: 1,530 to 2,290 (Target 1,910)</li> </ol>	<ol style="list-style-type: none"> <li>1. FAQ document compiled and published</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. Eight weekend events held to date</li> <li>4. Call center calls to date: 5,350 to 8,030 (Target 6,690)</li> <li>5. Vehicles repaired to date: 930 to 1,390 (Target 1,160)</li> <li>6. Vehicles retired to date: 220 to 340 (Target 280)</li> </ol>	<ol style="list-style-type: none"> <li>1. FAQ document compiled and published</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. AB118 referral process defined with new participating districts</li> <li>4. Call center calls to date: 490 to 790 (Target 610)</li> <li>5. Vehicles replaced to date: 160 to 240 (Target 200)</li> </ol>	<ol style="list-style-type: none"> <li>1. FAQ document compiled and published</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. Four weekend events held to date</li> <li>4. Call center calls to date: 2,820 to 4,220 (Target 3,520)</li> <li>5. Vehicles repaired to date: 800 to 1,200 (Target 1,000)</li> </ol>
<b>Period Three: End of Month 18</b>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. Call center calls to date: 8,540 to 12,820 (Target 10,680)</li> <li>3. Vehicles repaired to date: 2,540 to 3,820 (Target 3,180)</li> <li>4. Tons of emissions reductions to date: 110 to 170 (Target 139)</li> </ol>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. Fourteen weekend events held to date</li> <li>3. Call center calls to date: 10,530 to 15,790 (Target 13,160)</li> <li>4. Vehicles repaired to date: 1,820 to 2,740 (Target 2,280)</li> <li>5. Vehicles retired to date: 450 to 670 (Target 560)</li> <li>6. Tons of emissions reductions to date: 120 to 180 (Target 146)</li> </ol>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. AB118 referral process defined with new participating districts</li> <li>3. Call center calls to date: 930 to 1,390 (Target 1,160)</li> <li>4. Vehicles replaced to date: 310 to 470 (Target 390)</li> <li>5. Tons of emissions reductions to date: 40 to 60 (Target 46)</li> </ol>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. Seven weekend events held to date</li> <li>3. Call center calls to date: 4,930 to 7,390 (Target 6,160)</li> <li>4. Vehicles repaired to date: 1,400 to 2,100 (Target 1,750)</li> <li>5. Tons of emissions reductions to date: 60 to 90 (Target 76)</li> </ol>

	<b>VRRRM for CAP</b>	<b>VRRRM for HEROS</b>	<b>VRRRM Replacement Incentive</b>	<b>VRRRM for PASS</b>
<b>Period Four: End of Month 24</b>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. Call center calls to date: 11,960 to 17,940 (Target 14,950)</li> <li>3. Vehicles repaired to date: 3,560 to 5,340 (Target 4,450)</li> </ol>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. Nineteen weekend events held to date</li> <li>3. Call center calls to date: 12,470 to 18,710 (Target 15,590)</li> <li>4. Vehicles repaired to date: 2,160 to 3,240 (Target 2,700)</li> <li>5. Vehicles retired to date: 540 to 800 (Target 670)</li> </ol>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. Call center calls to date: 1,380 to 2,060 (Target 1,720)</li> <li>3. Vehicles replaced to date: 460 to 680 (Target 570)</li> </ol>	<ol style="list-style-type: none"> <li>1. Formal program review and assessment conducted with Advisory Committee</li> <li>2. Ten weekend events held to date</li> <li>3. Call center calls to date: 7,040 to 10,560 (Target 8,800)</li> <li>4. Vehicles repaired to date: 2,000 to 3,000 (Target 2,500)</li> </ol>
<b>Period Five: End of Month 30</b>	<ol style="list-style-type: none"> <li>1. Human resources transition plan for program-specific employees complete</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. Call center calls to date: 15,380 to 23,080 (Target 19,230)</li> <li>4. Vehicles repaired to date: 4,580 to 6,880 (Target 5,730)</li> </ol>	<ol style="list-style-type: none"> <li>1. Human resources transition plan for program-specific employees complete</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. Twenty-seven weekend events held to date</li> <li>4. Call center calls to date: 17,660 to 26,480 (Target 22,070)</li> <li>5. Vehicles repaired to date: 3,060 to 4,600 (Target 3,830)</li> <li>6. Vehicles retired to date: 760 to 1,140 (Target 950)</li> </ol>	<ol style="list-style-type: none"> <li>1. Human resources transition plan for program-specific employees complete</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. Call center calls to date: 1,850 to 2,770 (Target 2,310)</li> <li>4. Vehicles replaced to date: 620 to 920 (Target 770)</li> </ol>	<ol style="list-style-type: none"> <li>1. Human resources transition plan for program-specific employees complete</li> <li>2. Formal program review and assessment conducted with Advisory Committee</li> <li>3. Thirteen weekend events held to date</li> <li>4. Call center calls to date: 9,150 to 13,730 (Target 11,440)</li> <li>5. Vehicles repaired to date: 2,600 to 3,900 (Target 3,250)</li> </ol>
<b>Period Six: End of Month 36</b>	<ol style="list-style-type: none"> <li>1. Open contracts and agreements closed</li> <li>2. Invoicing and collection activities closed</li> <li>3. Final report submitted</li> <li>4. Formal program review and assessment conducted with Advisory Committee</li> <li>5. Call center calls to date: 18,800 to 28,200 (Target 23,500)</li> <li>6. Vehicles repaired to date: 5,600 to 8,400 (Target 7,000)</li> <li>7. Tons of emissions reductions to date: 240 to 370 (Target 306)</li> </ol>	<ol style="list-style-type: none"> <li>1. Open contracts and agreements closed</li> <li>2. Invoicing and collection activities closed</li> <li>3. Final report submitted</li> <li>4. Formal program review and assessment conducted with Advisory Committee</li> <li>5. Thirty weekend events held to date</li> <li>6. Call center calls to date: 19,600 to 29,400 (Target 24,500)</li> <li>7. Vehicles repaired to date: 3,400 to 5,100 (Target 4,250)</li> <li>8. Vehicles retired to date: 840 to 1,260 (Target 1,050)</li> <li>9. Tons of emissions reductions to date: 220 to 330 (Target 272)</li> </ol>	<ol style="list-style-type: none"> <li>1. Open contracts and agreements closed</li> <li>2. Invoicing and collection activities closed</li> <li>3. Final report submitted</li> <li>4. Formal program review and assessment conducted with Advisory Committee</li> <li>5. Call center calls to date: 2,320 to 3,480 (Target 2,900)</li> <li>6. Vehicles replaced to date: 780 to 1,160 (Target 970)</li> <li>7. Tons of emissions reductions to date: 90 to 140 (Target 115)</li> </ol>	<ol style="list-style-type: none"> <li>1. Open contracts and agreements closed</li> <li>2. Invoicing and collection activities closed</li> <li>3. Final report submitted</li> <li>4. Formal program review and assessment conducted with Advisory Committee</li> <li>5. Fifteen weekend events held to date</li> <li>6. Call center calls to date: 10,560 to 15,840 (Target 13,200)</li> <li>7. Vehicles repaired to date: 3,000 to 4,500 (Target 3,750)</li> <li>8. Tons of emissions reductions to date: 130 to 200 (Target 163)</li> </ol>



### **C. Fraud Prevention and Quality Control Measures**

At all stages of the program, FCCC will implement several levels of fraud prevention and quality control measures to prevent abuse. FCCC will ensure that additional control procedures are swiftly implemented, if necessary, to address unanticipated fraud as detected and guarantee accountability.

FCCC's established infrastructure, combined with existing program protocols, ensures that the potential for fraud is minimal. For example, VRRRM for CAP has little risk of consumer fraud because there is an established procedure through which consumers are directed to the program. Eligible participants must qualify for a Repair Cost Waiver and have already spent money towards vehicle repairs (whether in the form of a co-pay or towards repairs themselves) before becoming eligible for VRRRM for CAP funding. Additionally, many eligible participants will have been approved through the CAP Program which provides another layer of administration to prevent fraud. Finally, consumers must come to Smog Check Centers, *in person*, with their vehicles and have their vehicles inspected by trained and knowledgeable Referees.

With respect to the repair shops, FCCC will contract with certified Gold Shield Stations to perform the actual testing and repair services, ensuring high quality repairs and added repair shop integrity. The Gold Shield stations are regulated by the State of California (*see*, 19 CCR 3392.1-3392.6.) and are therefore subject to specific regulations concerning Gold Shield Program responsibilities, eligibility, quality assurance and causes for invalidation. FCCC plans to contract with each Gold Shield station electronically and, like in HEROS I, will create a VRRRM Gold Shield Operations Manual which will govern operational issues and will be revised as necessary. FCCC will train the Gold Shield stations during the implementation phase to ensure that the Gold Shield stations fully understand and have electronic access to the necessary databases, policies and procedures.

### **D. Funds Management**

#### *1. Escrow*

Funds will be held in custody in a separate segregated account designated as "FCCC In Re Reformulated Gasoline Antitrust Litigation Cy Pres Fund" with J.P. Morgan and invested in cash and fixed-income vehicles designed to preserve capital, maintain liquidity, provide moderate yield, and ensure safety of capital. Fund portfolio characteristics will include liquid investments with an average credit quality of AA+ with a duration appropriately matched with the distribution requirements of the program. Anticipated investment vehicles include: Government securities (T-bills, notes), FDIC-backed corporate vehicles, Treasury Inflation Protected Securities (TIPS), and cash (JPMorgan Money Market Fund).

Additional funds management details are described in the Grant Agreement.

### **E. Cost-effectiveness Considerations**

The FCCC proposes to use cost-effectiveness calculations for vehicles that are retired, repaired, or replaced as set forth in Moyer Guidelines with an exception related to the VRRRM for CAP program. The exception related to the VRRRM for CAP program relates to the term of the project credit life. Moyer Guidelines typically allow a credit life of one year for any emissions reductions of repaired vehicles. This is because, on average, vehicles are one year away from their next biennial smog check, at which time the vehicle would have to be repaired in order to pass its smog test and continue operating. Vehicles participating in the VRRRM for CAP program will be two years away from their next biennial smog check. As such, the credit life of the repair utilized in our cost-effectiveness calculations for vehicles repaired in connection with the VRRRM for CAP program will be two years, which represents the period of time between the repair and the vehicle's next scheduled smog check.

FCCC estimates that at the end of the program, emission reductions for all program components will total an aggregate of 856 tons. The methodology that will be used to calculate the cost effectiveness of the VRRRM program is described in detail in Exhibit F. Estimated emission reductions by program component are summarized below:

<b>Program Component</b>	<b>Tons of Emission Reductions</b>	<b>Cost Effectiveness Benchmark</b>
VRRRM for CAP	306	\$16,000 per ton
VRRRM for HEROS	272	\$16,000 per ton
VRRRM for PASS	163	\$16,000 per ton
VRRRM Replacement Incentive	115	\$30,000 per ton
<b>Total Emission Reductions</b>	<b>856</b>	

Emission reduction calculations are summarized below:

#### *VRRRM for CAP*

Total Costs – excludes marketing, outreach and certain administrative costs - \$4,900,000

Total Vehicles repaired – 7,000

- Tons of emissions reductions =  $\$4,900,000 / \$16,000 = 306$  tons
- Average tons of emissions reductions/vehicle =  $306 / 7,000 = 0.044$

#### *VRRRM for HEROS*

Total Costs – excludes marketing, outreach and certain administrative costs - \$4,350,000

Total Vehicles Repaired – 4,250

Total Vehicles Scrapped – 1,050

- Tons of emissions reductions =  $\$4,350,000/\$16,000 = 272$  tons
- Average tons of emissions reductions/vehicle =  $272/4,250 = 0.064$

#### *VRRRM for PASS*

Total Costs – excludes marketing, outreach and certain administrative costs - \$2,600,000

Total Vehicles Repaired – 3,750

- Tons of emissions reductions =  $\$2,600,000/\$16,000 = 163$  tons
- Average tons of emissions reductions/vehicle =  $163/3,750 = 0.043$

#### *VRRRM Replacement Incentive*

Total Costs – excludes marketing, outreach and certain administrative costs - \$3,440,000

Total Vehicles Replaced – 970

- Tons of emissions reductions =  $\$3,440,000/\$30,000 = 115$  tons Average tons of emissions reductions/vehicle =  $115/970 = 0.119$ .

## **F. Risk Management and Mitigation**

FCCC has conducted a review of potential and significant Program risks and has developed subsequent plans to reduce uncertainties to acceptable levels. Following are the identified risks by Program component and the associated mitigation plans:

### **1. VRRRM for CAP**

#### *a. Levels of Consumer Participation*

This Program component has a proven track record of consumer participation, evidenced by the number of Repair Cost Waivers issued by BAR each year. Therefore, FCCC is confident in the assumed level of consumer participation.

#### *b. Overall Program Component Contingency Plan*

Should success of VRRRM for CAP be compromised in a manner not anticipated by FCCC, FCCC will propose to reallocate budgeted funds to other more successful aspects of the VRRRM program, subject to Cy Pres Administrator review and approval.

### **2. VRRRM for HEROS**

#### *a. Levels of Consumer Participation*

Given the marketing and outreach modifications made to HEROS II in light of lessons learned from HEROS I, FCCC anticipates strong consumer participation for the VRRRM for HEROS

component. Should HEROS II participation levels be less than anticipated, SCAQMD may consider soliciting motorists disqualified from HEROS I.

*b. HEROS II Program Contingency*

The HEROS II Program period is expected to operate through April 2011. SCAQMD has also committed to operate a repair, retirement, and replacement program to achieve measurable air quality improvements by 2014 as presented in the State of California's 2007 State Implementation Plan submitted to the United States Environmental Protection Agency. If there is a significant lag between the completion of the HEROS II Program and the next phase of the HEROS program, FCCC and SCAQMD envision that the VRRRM for HEROS program will continue to operate, uninterrupted, through ongoing car dealer weekend event outreach and marketing efforts.

*c. Overall Program Component Contingency Plan*

Should success of the VRRRM for HEROS be compromised in a manner not anticipated by FCCC, FCCC will propose to reallocate budgeted funds to other more successful aspects of the VRRRM program, subject to Cy Pres Administrator review and approval.

**3. VRRRM for PASS**

*a. Levels of Consumer Participation*

VRRRM for PASS will be initiated under the established and recognizable PASS brand in the San Joaquin Valley. Further, public awareness for the PASS program continues to gain momentum due to recent program branding, marketing and outreach campaigns. As such, FCCC anticipates strong consumer participation in VRRRM for PASS.

*b. Overall Program Component Contingency Plan*

In the event that a repair program cannot be developed in the San Joaquin Air District meeting the requirements of the RFG Settlement, or the Program be compromised in a manner not anticipated by FCCC, FCCC will propose to reallocate budgeted funds to other more successful aspects of the VRRRM program, subject to Cy Pres Administrator review and approval.

**4. VRRRM Replacement Incentive**

*a. Levels of Consumer Participation*

Should participation be under the level assumed and planned for any reason, FCCC will employ additional marketing and outreach efforts similar to those employed by the federal Cash for Clunkers program, which included work with a direct marketing firm to engage participation by car dealerships. Under this model, the car dealerships pay the costs for marketing and outreach.

*b. Overall Program Component Contingency Plan*

In the event that a replacement incentive program cannot be developed meeting the requirements of the RFG Settlement, or the program be compromised in a manner not anticipated by FCCC, FCCC will propose to reallocate budgeted funds to other more successful aspects of the VRRRM program, subject to Cy Pres Administrator review and approval.

#### **G. Program Evaluation**

FCCC will maintain accurate programmatic, financial, and contractual records related to the Program and will make these records and related operations available for inspection or audit.

In connection with FCCC's evaluation of potential long term program sustainability or replication opportunities, FCCC will explore options for an independent program evaluation performed by an industry-related state regulatory agency or outside vendor. Independent program evaluation is contingent upon the identification of additional funding for such activities.

## **V. Budget**

The estimated cost for the life of VRRRM is \$20,000,000. It is further estimated that of the total program cost, 76 percent will result in direct benefits to the consumer. FCCC estimates that 21,770 cars will be processed through VRRRM with RFG Settlement funds, of which 15,000 will be repaired, 1,050 retired, 970 replaced, and 4,750 stranded (will not complete the process). Costs include all program activities to be conducted during the program period.

Repair, retirement, and replacement programs are often expensive to administer, primarily due to the costs associated with consumer solicitation and the thorough level of management and oversight required to operate an effective program with minimal fraud. Because FCCC is able to leverage existing relationships and physical and programmatic infrastructure, FCCC has developed a program that will operate a cost effective program with minimal initial costs.

Please see Exhibit E: Budget and Budget Narrative for further detail and explanation.

## **VI. Conclusion**

The approach presented herein is a comprehensive plan to effect motor vehicle pollution reduction in the most cost-effective and equitable manner possible. Funding for this program comes from a settlement involving reformulated motor vehicle fuel intended to improve air quality. FCCC's VRRRM program is projected to improve air quality in the geographical areas of the state most troubled with air pollution. Improving air quality is our goal and will benefit all California consumers.

VRRRM leverages FCCC's unique infrastructure and established relationships to maximize benefit to California consumers so that 76 percent of the RFG Settlement funds directly benefit California consumers through vehicle repair incentives, vehicle scrappage incentives, vehicle replacement incentives, and public education and outreach. VRRRM has a statewide reach via the VRRRM for CAP and VRRRM Replacement Incentive pieces so that all geographical areas of California will benefit from the RFG Settlement funds. To focus on the indisputable air districts with the most severe air quality issues in the state of California (South Coast and San Joaquin), FCCC has also chosen to fill voids, supplement programs, and incentivize the development of repair and scrap programs aimed at reducing vehicle emissions so that the RFG Settlement funds can be put to use in the geographic areas that are most in need. FCCC's approach is flexible and multi-pronged so that programmatic changes can be made at any time during the course of the three-year program. The Advisory Committee will provide appropriate oversight to ensure results are attained.

VRRRM will bring clean air and fuel efficiency benefits to California consumers by removing and repairing an estimated 17,020 polluting cars from California highways and removing 856 tons of pollutants from California's airways.

FCCC has taken great efforts to ensure that VRRRM's overall programmatic cost is eminently reasonable. FCCC has taken into account Moyer standards in terms of calculating cost effectiveness while at the same time making necessary adjustments to conform the calculations to the parameters of the VRRRM program and the intention behind the RFG litigation, and setting up a program that does not supplant public funding. With the oversight of the Advisory Committee and various checks along the way, FCCC, Gold Shield stations, and other subcontractors will be held accountable for spending the RFG Settlement funds.

FCCC looks forward to implementing VRRRM and accelerating California's clean air initiatives to the benefit of all Californians.

# FCCC/BAR SMOG CHECK REFEREE CENTERS





# VEHICLE REGISTRATION PER AIR DISTRICT

California Department of Motor Vehicle, 2005

**10%**  
**San Joaquin Valley Unified APCD**  
 VRRRM for CAP •  
 VRRRM for PASS •  
 VRRRM Replacement Incentive •



**40%**  
**South Coast AQMD**  
 VRRRM for HEROS II •  
 VRRRM for CAP •  
 VRRRM Replacement Incentive •

**50%**  
**Other AQMD**  
 • VRRRM for CAP  
 • VRRRM Replacement Incentive

NAME	REGISTERED VEHICLES	
	Total #	% of Total
Amador County APCD	54827	0.168061029
Antelope Valley AQMD	477399	1.463369642
Bay Area AQMD	6101522	18.70297605
Butte County AQMD	239551	0.734294921
Calaveras County APCD	74128	0.227224323
Colusa County APCD	28959	0.088767931
El Dorado County APCD	226265	0.693569387
Feather River AQMD	172156	0.527709241
Glenn County APCD	38483	0.117961818
Great Basin Unified APCD	48010	0.147164901
Imperial County APCD	158283	0.485184378
Kern County APCD	159840	0.489957045
Lake County AQMD	89359	0.273911859
Lassen County APCD	41278	0.126529323
Mariposa County APCD	27809	0.08524284
Mendocino County AQMD	116137	0.355994378
Modoc County APCD	14144	0.043355558
Mojave Desert AQMD	595483	1.825332152
Monterey Bay Unified APCD	685790	2.102149913
North Coast Unified AQMD	201418	0.617405957
Northern Sonoma County APCD	68830	0.210984381
Northern Sierra AQMD	166327	0.509841626
Placer County APCD	371706	1.139389224
Sacramento Metropolitan AQMD	1358967	4.165637238
San Diego County APCD	2658080	8.147804199
<b>San Joaquin Valley Unified APCD</b>	<b>3187544</b>	<b>9.77076852</b>
San Luis Obispo County APCD	289616	0.887759007
Santa Barbara County APCD	380190	1.165395202
Shasta County AQMD	240057	0.735845961
Siskiyou County APCD	70074	0.21479761
<b>South Coast AQMD</b>	<b>13097879</b>	<b>40.14888698</b>
Tehama County APCD	68943	0.211330759
Tuolumne County APCD	79191	0.242743921
Ventura County APCD	766929	2.350865033
Yolo/Solano AQMD	268094	0.821787688



Exhibit C  
**PROGRAM FLOW CHARTS**

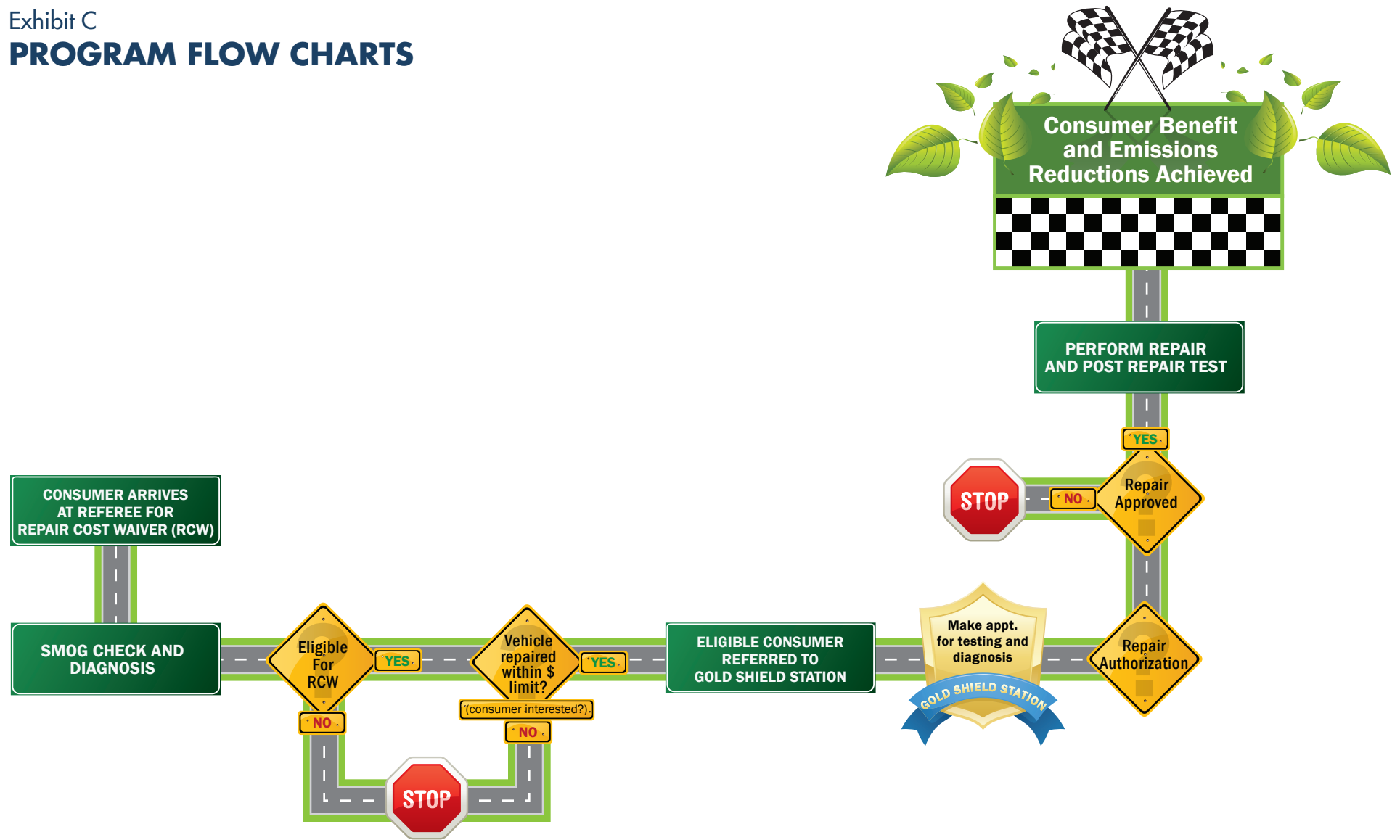


Diagram of VRRRM for CAP Process

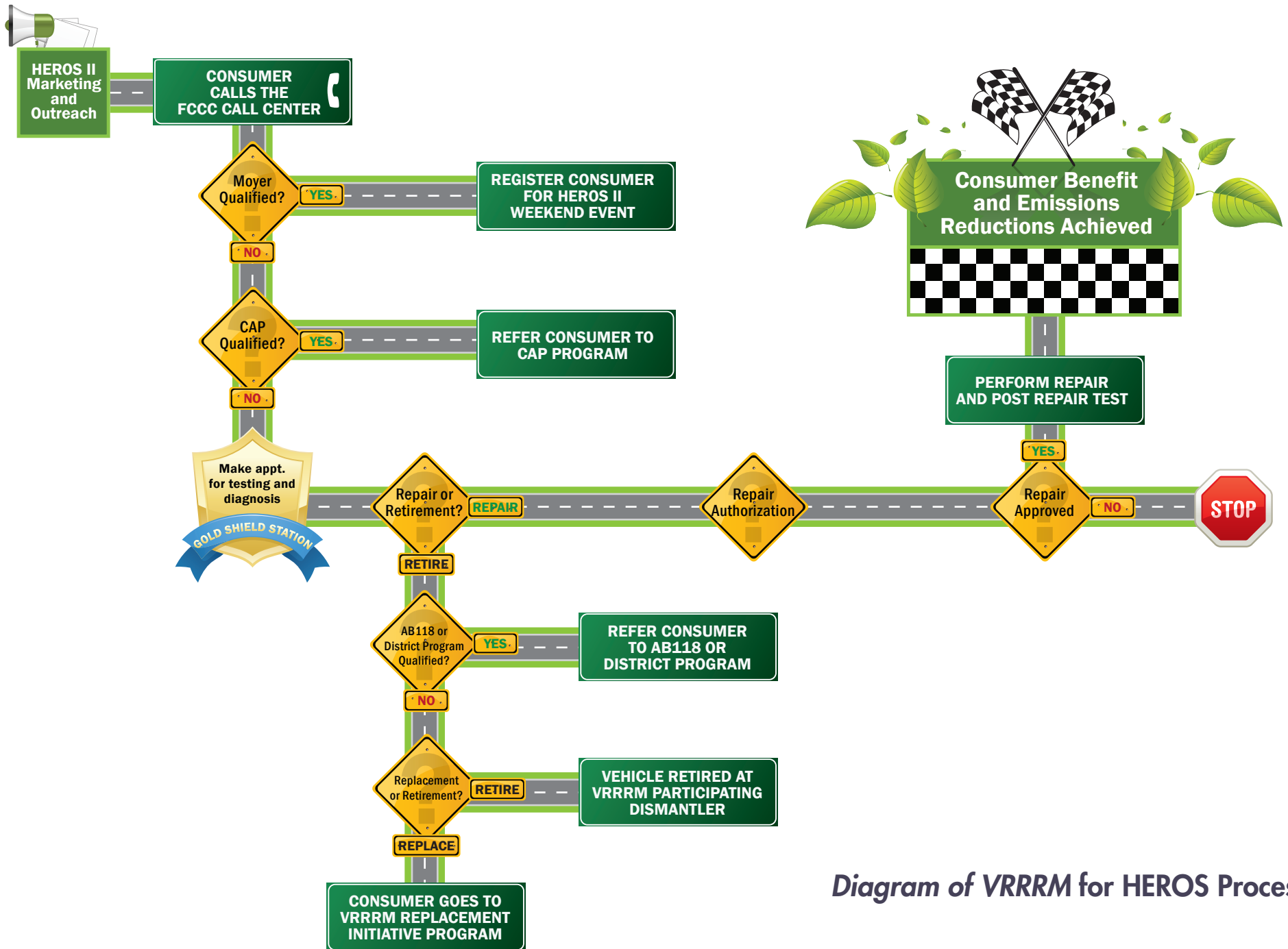


Diagram of VRRRM for HEROS Process

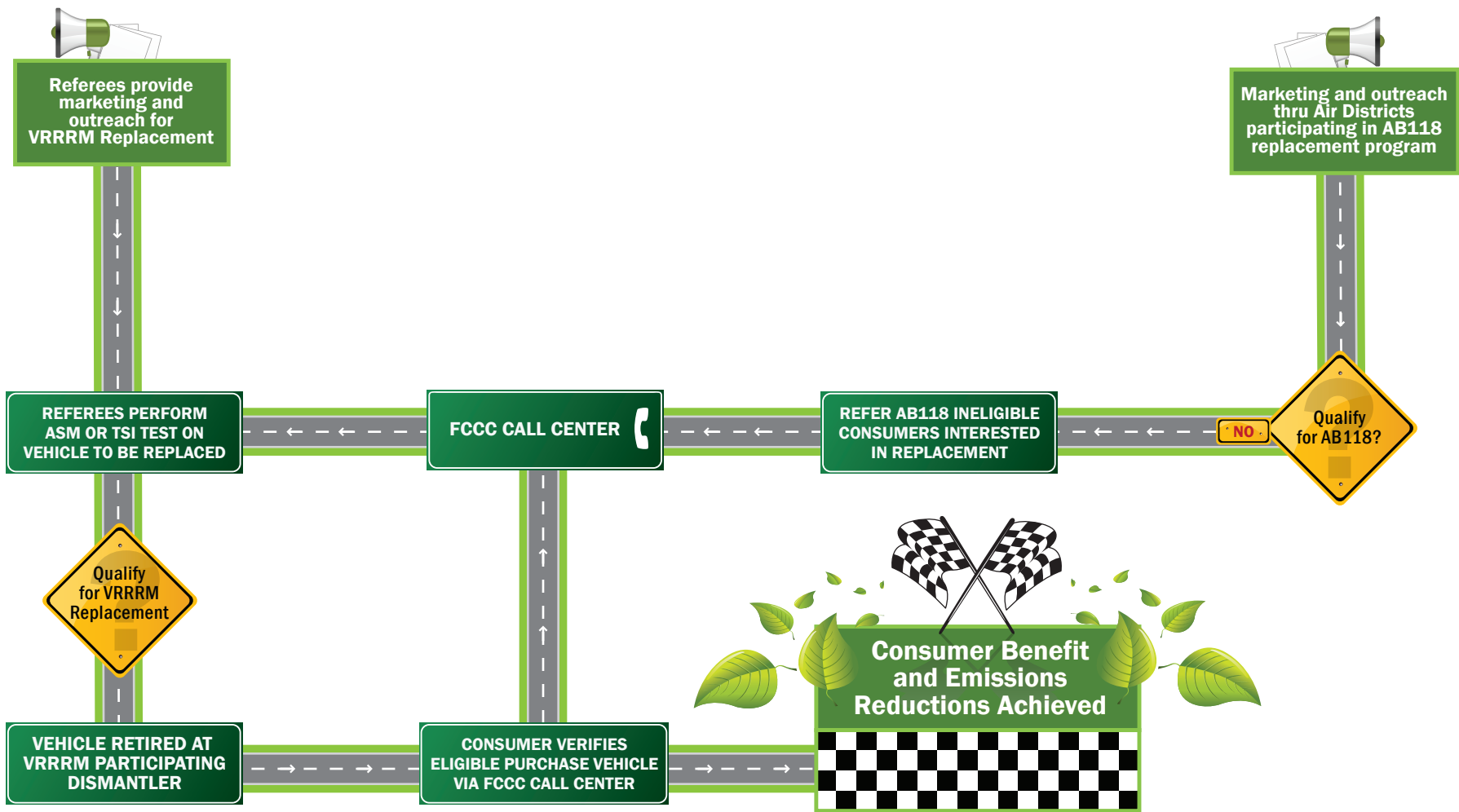


Diagram of VRRRM Replacement Incentive

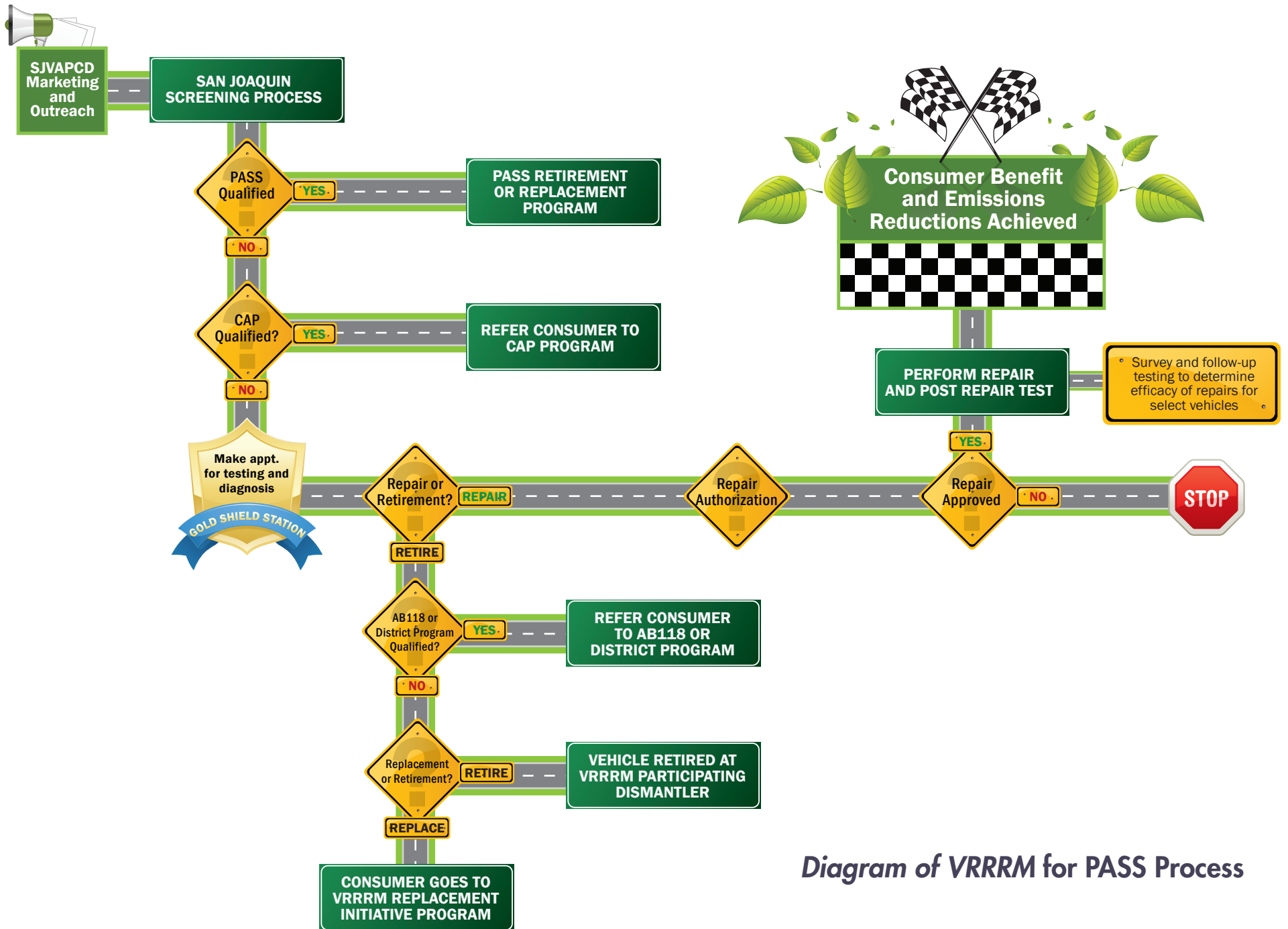


Diagram of VRRRM for PASS Process

Exhibit D

## **Management Team Resumes**

Resumes of key program management team members are included below.

**KEETHA C. MILLS, CPA**

12403 Herzog Road  
Courtland, CA 95615  
916-775-1340

**Professional Experience**

**Vice President of Finance and Chief Financial Officer**

September 2008 – Present

Foundation for California Community Colleges, Sacramento, CA

- Provides strategic executive leadership and manages all financial activities for the Foundation's \$35.6 million annual revenue stream, including grant management, program oversight and financial reporting. Duties include oversight of approximately \$7.2 million of grants and contracts related to Air Quality programs.
- Oversees the investment policies for the Foundation's endowments, currently totaling over \$40 million.

**Controller**

May 2007 – September 2008

Hines Interest Limited Partnership, Sacramento, CA

- Direct financial operations related to 1.4 million square feet of newly acquired Class A office space in the greater Sacramento area. Manage profit and loss and corporate reporting for \$490 million portfolio of real estate assets. Oversee Sarbanes-Oxley compliance, documentation and reporting.

**Chief Operating Officer**

August 2005 – May 2007

**Chief Financial Officer**

January 2003 – August 2005

Planned Parenthood of Houston and Southeast Texas, Inc.

- Provided corporate business expertise and financial leadership to a regional, multi-location, non-profit medical services organization with annual revenues of over \$25 million and investment funds totaling over \$30 million. Managed multiple revenue streams from government, foundation and corporate grants, public and private donations, and other restricted and non-restricted funding sources.
- Planned and executed the initiation of a \$20 million special fundraising campaign to fund capital expansion activities. Campaign planning included the identification of donor tiers, production of donor marketing materials, face to face donor meetings, community presentations and the development of fundraising strategies aimed to maintain annual giving levels during campaign fundraising.
- Played a lead role in the execution of a Strategic Planning process that resulted in the development of a 10-Year Vision and a 4-Year Strategic Plan for the organization. Key initiatives focused on expansion of new locations and innovative health services, standardization among multiple health center locations, improved financial performance and productivity, implementation of innovative fundraising strategies, enhanced staff competencies and morale and improved public image through strategic, cost-effective marketing efforts.
- Developed data aggregation and reporting tools designed to communicate key operational and financial metrics to the Board, management and staff in a clear, concise, timely manner.
- Developed and refined key operational and financial metrics designed to measure and evaluate health center performance against industry standards and identify process and practice differences and best practices among 12 clinic locations.
- Supervised the Human Resources, Information Technology, Purchasing, Security and Facilities Management departments. Implemented various tools designed to track and report employee turnover, training activities, employee performance rating statistics. Reorganized the Information Technology and Facilities Management departments to better align skills with responsibilities and to foster an environment of strategic thinking and problem solving vs. an environment of pure tactical problem resolution.
- Led due diligence efforts related to acquisition of state-wide medical services operation in Louisiana. Integrated all back office activities resulting in significant administrative cost savings and operational efficiencies. Named Interim CEO of Louisiana operations acting as primary liaison with Board of Directors and management.

### **Vice President and Assistant Treasurer**

July 2002 – January 2003

Dynegy Inc., Houston, Texas

- Managed \$2.6 billion of credit lines including periodic borrowings and letters of credit issuances. Supervised a staff of seven individuals responsible for maintaining daily cash and liquidity projections, debt management operations, cash management operations and active investment of excess funds.
- Named as a key member of an executive restructuring team convened to monitor operations, liquidity and market peers/competitors for key strategic decision-making to avert potential bankruptcy. Drafted Liquidity and Capital Resources sections of SEC filings mapping out plan for capital restructuring.

### **Director – Accounting Deal Structure**

July 2001 – July 2002

Dynegy Inc., Houston, Texas

- Participated as an integral member of various cross-functional deal teams by providing strategic accounting and structuring advice for a wide range of transaction types on a company-wide basis. Significant transaction experience includes various bank and other financing structures, equipment and property lease structuring, joint venture structuring, acquisition due diligence, implementation of new accounting standards and financial reporting. Drafted SEC filings including Form 10-K and Form 10-Q
- Led the Initial Public Offering process related to the spin-off of a portion of the Natural Gas Liquids business line through the formation of a master limited partnership. Prepared carve-out financial statements and footnotes, drafted various portions of S-1 filings including Description of Operations and Management Discussion and Analysis, drafted multiple rounds of SEC comment responses, participated in conference calls with corporate attorneys and SEC staff, facilitated negotiation of comfort letter between the lead underwriter and external accounting firm.
- Promoted to Vice President and Assistant Treasurer within one year of hire date.

### **Vice President and Corporate Controller**

Ashford.com, Inc., Houston, Texas

Sept 1999 – July 2001

- Developed and presented a number of long-term business plans to senior management that analyzed the financial, operational, cash flow and liquidity impacts of various business assumptions, such as potential acquisitions and entry into new product lines.
- Reorganized accounting department with a focus on realigning personnel and implementing policies and procedures designed to improve process flow, improve communications between operations and accounting and improve internal controls in all areas of financial accounting and reporting.
- Promoted to Vice President within one year of hire date.

### **Manager**

PricewaterhouseCoopers LLP, Houston, Texas

Sept 1996 – Sept 1999

- Successfully managed numerous special projects and recurring audits simultaneously for large publicly traded international clients, exceeding engagement economic goals and illustrating strong prioritization, delegation, client service, risk management and coaching skills. Consistently rated within the top percentile of peer group.
- Served as the lead engagement manager on large international clients, multiple secondary stock and debt offerings and an initial public offering. Significant responsibilities included consultations with the client on SEC accounting and reporting matters, conducting phone conversations with the SEC staff, drafting formal responses to SEC comment letters and negotiating comfort letters with underwriters.

### **Experienced Senior**

Arthur Andersen LLP, Houston, Texas

Dec 1993 – Sept 1996

- Led various engagements primarily in the manufacturing and oil field service industries, with responsibilities including assistance in client risk assessment and design and execution of audit approaches. Provided advice to clients on various accounting issues including cost accounting, percentage of completion accounting and contract accounting.
- Promoted to senior within 17 months of hire date.

### **Education**

Bachelor of Science – Accounting - Cum Laude - December 1993 - University of Houston - Clear Lake, Houston, Texas  
Associate of Arts – Business Administration – 1991 - Lee College, Baytown, Texas



## VANESSA W. WHANG

General Counsel  
Foundation for California Community Colleges  
www.foundationccc.org  
1102 Q Street, Suite 3500  
Sacramento, CA 95811  
[vwhang@foundationccc.org](mailto:vwhang@foundationccc.org)  
916-996-4847 cell

**Overview:** Accomplished California attorney with 12 years of legal experience in private law practice and nonprofit 501(c)(3) corporation.

**Employment:** **FOUNDATION FOR CALIFORNIA COMMUNITY COLLEGES**

**General Counsel, February 2009–Present**

Perform a broad range of legal duties for the nonprofit corporation, which is the official auxiliary to the California Community Colleges Board of Governors and Chancellor's Office. The Foundation for California Community Colleges has an annual operating budget of approximately \$30 million with approximately 500 employees and 25 lines of business.

- Federal, State, Local and Private Grant Management and Oversight:** Ensure compliance with federal, state, local and private grants, cooperative agreements and contracts, ensuring flow-down requirements apply to subrecipients and subcontractors.
- Contracts:** Review, draft, negotiate and approve large volume of contracts. Ensure state and federal contracting compliance.
- Advice and Counsel:** Advise board of directors, corporate officers and managers on a variety of legal matters including insurance/indemnification, multi-million dollar educational endowments, compliance with IRS Form 990, potential litigation, etc.
- Corporate Transactions and Governance:** Review articles of incorporation and bylaws. Attend board meetings ensuring compliance with the Brown Act and the Non-Profit Integrity Act. Review financial statements, budgets, public audit documents, etc.
- Employee Relations and Human Resources:** Advise human resources and executive management about employee relations and human resources issues.
- Legal Opinions:** Provide extensive written legal opinions on novel and complex issues involving interplay between diverse federal and state laws and regulations.
- Legislation:** Monitor legislation and engage in limited lobbying of legislators.
- Corporate Policies:** Formulate, draft, oversee and ensure compliance with corporate policies.
- Risk Management:** Manage all aspects of insurance and claims.

**CARLTON, DISANTE & FREUDENBERGER LLP**

**Partner, 2006–February 2009**

**Associate Attorney, 2000–2006**

Promoted to Partner at statewide employment law firm. Litigated all aspects of employment cases. Provided employment law advice and counsel to employers in both union and non-union environments. Drafted comprehensive employee handbooks and other employment policies. Conducted investigations regarding employee misconduct and sexual harassment. Conducted wage and hour audits under federal and state laws.

- Litigation:** Handled all aspects of employment litigation, including claims involving sexual harassment, discrimination, retaliation, wage and hour violations, disabilities, the FMLA/CFRA, defamation, and trade secrets in state and federal courts on behalf of corporate employers.
- Administrative Charges:** Responded to administrative charges filed with the NLRB, EEOC, DLSE and DFEH.
- Trials:** Conducted jury trials involving claims for defamation.
- Advice and Counsel:** Provided employment law advice and counsel to employers of various sizes in both union and non-union environments related to issues involving terminations, severance agreements, leaves of absences, accommodation of physical and mental disabilities, the Fair Credit Reporting Act, the California Investigative Consumer Reporting Act, workers' compensation, electronic information, etc.
- Policy Review:** Drafted numerous employee handbooks and policies.
- Investigations:** Conducted sexual harassment investigations and prepared detailed reports.
- Audits:** Conducted wage and hour audits involving classification of exempt employees, meal and rest breaks, travel issues, issuance of final paychecks and other violations of the California Labor Code and Fair Labor Standards Act.

**PORTER, SCOTT, WEIBERG & DELEHANT**

**Associate Attorney, 1996–2000**

Represented various public entities and privately held corporations at Sacramento-based private law firm. Litigated all aspects of employment, civil rights and general liability cases. Duties included handling discovery matters, taking depositions, drafting motions and attending hearings, arbitrations, and mediations. Participated as sole trial counsel and second chair in four jury trials including claims for misrepresentation in the employment context and intentional infliction of emotional distress

**DEPARTMENT OF FAIR EMPLOYMENT & HOUSING**

**Legal Intern**

Conducted legal research and prepared memoranda regarding California employment law issues particularly the Fair Employment and Housing Act. Prepared legal pleadings in administrative law forum.

**Education:**

**MCGEORGE SCHOOL OF LAW**

Sacramento, CA, Juris Doctor, May 1996, Dean's List, 1995–1996

**UNIVERSITY OF CALIFORNIA, SAN DIEGO**

Bachelor of Arts, English, June 1991

**Activities:**

Mediator, Sacramento Superior Court Pilot Mediation Program, 2008

Sacramento Diversity Hiring and Retention Committee, 2001–2009

Women Lawyers of Sacramento, Board Member, 2002–2004

Voluntary Legal Services Provider, Employment Law Clinic, Volunteer, 2002–2007

Senior Legal Hotline, Volunteer, 2001–2004

Sunday School Preschool Teacher, 2009

## **MARIE CHAUMP**

725 Ramon Court, El Dorado Hills, CA 95762  
marie\_chaump@earthlink.net / (916) 601-9795

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### **PROFESSIONAL EXPERIENCE**

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#### **The Foundation for California Community Colleges**

October 2008 to Present

##### *Executive Director of Operations*

- Direct the day-to-day logistical and business operations of a multi-site non-profit organization that generates \$35.6 million in annual revenues
- Profit and loss accountability for key program areas that generate \$26.3 million in annual revenues
  - Achieved a 15% reduction in air quality program expenses by leading the restructure of the Foundation's Bureau of Automotive Repair program operations
  - Manage over \$14 million in State contracts to provide student labor; directed the implementation of an improved, more economical student jobs database, resulting in \$30 thousand in annual cost savings
  - Led the transition of Healthcare Programs operations from grant funding to a sustainable fee-for-service business model that includes plans for attainable growth
- Oversee and provide strategic direction for infrastructure support services
  - Secured a 43% reduction in annual information technology expenses through the renegotiation of contracts, resource reallocation, and the streamlining and centralization of services
- Facilitated the development and implementation of revised company policies and procedures, which has led to increased and improved levels of internal documentation and controls
- Promoted from Director to Executive Director within 6 months of hire date

#### **Amdocs (telecommunications customer management)**

November 2004 to September 2008

##### *Project Officer*

- Managed the financial program operations for a large (150+ employees) software development organization, including planning and overseeing a \$20 million annual budget that funded the activities of over five product lines
  - Prepared, drove to approval, and managed the organization's annual operating plan (AOP)
  - Consistently delivered year-over-year cost reductions relative to plan
  - Designed, developed, and implemented the necessary tools to support key financial processes and measure and evaluate project financial performance
  - Designed, developed, and implemented a project cost estimation calculator, that when applied by project management staff, led to improved accuracy in project accounting and an increased margin
- Successfully managed and trained two project analysts, coaching one to promotion

#### **Frito-Lay, Inc.**

June 2000 to November 2004

##### *Zone Administrator*

- Managed the administrative functions and acted as the human resources representative for a territory that consisted of 250 employees and seven locations
  - Oversaw and administered benefits, workers' compensation, leaves of absence, all aspects of the hiring process, performance management, company and legal regulatory compliance, staffing and resource management, outreach programs, and risk management
- Extracted, analyzed, and reported sales data
- Managed administrative staff

##### *Sales Associate (District Sales Leader in Training)*

- Responsible for sales performance, including revenue and profit generation, for a territory that included 13 large grocery stores
  - Met or exceeded all aggressive growth targets while successfully managing expenses

- Ensured growth and retention of existing customers by successfully developing and maintaining customer relationships
- Executed all store-level marketing plans
- Enabled successful results for the district through effective management of 10+ Sales Representatives

*Executive Assistant*

- Assistant to the Northern California Region Vice President

**Inspectech Corporation (home inspection company)**

February 1998 to June 2000

*Special Programs Administrator*

- Customer Relations Manager
- Trained new and existing nationwide inspector force on company operational procedures
- Oversaw the Southern California Customer Service operation and its staff
- Improved efficiency of customer service operations by identifying needed improvements in the proprietary customer service application, designing changes, and working with IT to implement
- Coordinated and conducted monthly inspector meetings

*Risk Management Coordinator*

- In collaboration with the Corporate Counsel, managed all aspects of the litigated and non-litigated claims handling process
- Designed and maintained a loss history database that streamlined the claims handling process
- Implemented policies and procedures that minimized the company's potential exposure to errors and omissions in home inspection reports; designed and implemented related training programs

**EDUCATION**

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- Bachelor of Arts, Child Development - California State University Sacramento
  - May 2008, Summa Cum Laude
  - Member, Phi Kappa Phi Honor Society
- Associate of Arts, General Education/Transfer - Folsom Lake College
  - December 2006, Highest Honors

Cynthia Stover  
2023 Impressionist Way  
El Dorado Hills, CA 95762  
(916) 941-3964

## Experience

December 2005 to present      Foundation for California Community Colleges

### **Director of Systems**

Primary responsibilities include project management and oversight for several air quality software development projects, and research projects. Tasks include planning, managing and overseeing projects and resources. Managing implementation of projects from inception through completion. Responsibility for system testing, quality assurance, implementation, support and documentation. Developing detailed work plans, schedules, project estimates, budgets and status reports. Conducting project meetings and oversight of all project deliverables. Providing recommendations for analysis and solutions to problems. Projects include the following:

- South Coast AQMD - Moyer Light Duty Repair and Retirement Pilot Program. Manage the development of an automated system to identify Moyer qualified high-emitting light duty vehicles, solicit vehicle owner's participation in a repair or scrapping program and repair or retire high-emitting vehicles. The automated system also calculates the emissions reductions associated with the repairs and retirements.
- Air Resources Board – Principle investigator on the study Emissions of HFC-134a from Auto Dismantling. Up to 2.5 million vehicles reach the end of their useful life in California each year. The goal of this study is to stratify the population of End of Life Vehicles (ELVs) in California for the past several years. Up to 1800 ELVs will be sampled to determine the amount of HFC-134a remaining prior to dismantling and this information will be used to estimate the amount of HFC-134a remaining in all ELVs.
- Air Resources Board – Manage the development of the Enforcement Division's case management system. The system is composed of multiple modules that specifically address the needs of the various program areas in Enforcement. When completed, the System will track Cases for Heavy Duty Diesel Fleets, Mobile Sources, Consumer Products, Reformulated Gasoline, Cargo Tanks and Hotline and Web Complaints. The system's reporting module will allow the Enforcement Annual Report to be automated.
- Air Resources Board – Manage the development of a compliance and reporting tool which will enable industry to report the carbon intensity of fuels using an online system. The system will provide real-time compliance status and includes management and reporting capabilities for ARB staff.

Oct. 2004 – December 2005      Department of Mental Health      Sacramento, CA

### **Senior Programmer Analyst**

Supervisor Responsible for automating activities and applications used to support Headquarters Administrative Services. While supervising three Staff Programmer Analysts and a contracting Database Administrator, had primarily responsibility for the daily operation of the unit's production systems, availability of database services, and progression of current development efforts. Provided supervision, guidance and mentorship to state staff. Primary role included planning the overall IT direction for DMH resulting in productive outcomes and providing cost effective solutions.

Technologies used: SQL Server 2000, Visual Studio.NET, JavaScript, XML, Visual Basic.Net, Transact/SQL, Visual UML, MSPProject, Excel, Word, Visio.

Feb. 2001 – October 2004      Bureau of Automotive Repair      Sacramento, CA

### **Staff Programmer Analyst**

Act as lead person in the design, development and maintenance of web-based applications to an Enterprise Oracle database using Visual Studio.NET, Crystal Reports 10, Visual UML, ASP, Visual InterDev, XML, XSLT, JavaScript, VBScript and PL/SQL tools to retrieve, manipulate and display/publish information.

Understand and apply industry standard application development and software engineering principles to analyze, design and construct automated solutions that meet customers' business and information systems requirements. Maintain accurate and complete records of development activities. Prepare accurate, complete and comprehensible technical and user documentation for both applications and projects.

1994–2001      Air Resources Board      Sacramento, CA

### **Air Pollution Specialist/Air Pollution Research Specialist**

Contract administration and technical oversight of the Children's Health Study (CHS), a \$15,000,000

epidemiological research effort. Developed and implemented QA/QC standards for ambient monitoring data. This included managing the operation and maintenance of air monitoring sites, performing quality assurance, data analysis and database management of the study data. Developed filters for the data using Access (VBA) and created daily and monthly reports. These standards and methods were used in subsequent air quality research projects. Wrote technical reviews of research proposals for presentation to the Executive Office. Prepared Board presentations.

1987–1990                      Stanford University                      Palo Alto, CA

**Staff Research Associate – Department of Pharmacology**

Purification, characterization and binding studies of substrates to insulin, IGF I and II. ELIZA Assay Development: Developed and characterized monoclonal and polyclonal antibodies to various substrates to the insulin receptor. Grant proposal preparation, project planning, and report writing. Published five peer reviewed Journal articles.

1985–1987                      Collagen Corporation                      Palo Alto, CA

**Research Associate**

Key member of research team developing product to be used in repair of soft tissue. Work included in vivo studies of response to growth factor combinations. Research focused on interaction of growth factors and their combined effects on fibroblast proliferation and function. Support activities included routine clinical serology and in-house safety studies.

**Education**

Graduated 1985                      University of California Davis                      Davis, CA  
B.S. Biochemistry

**Publications**

1. Interactions of the receptor for insulin-like growth factor II with mannose-6-phosphate receptor. Roth, R.A.; Stover, C.; Hari, J.; Morgan, D.O.; Smith M.C.; Sara, V.; Fried, V.A. (1987) *Biophys. Res. Commun.* 149.
2. Expression and characterization of a functional human insulin-like growth factor I receptor. Steele-Perkins, G.; Turner, J.; Edman J.C.; Hari, J.; Pierce, S.B.; Stover, C.; Rutter, W.J.; Roth, R.A. (1988) *J. Biol. Chem.* 263, 11486-92.
3. Insulin and insulin-like growth factor receptors and responses. Roth, R.A.; Steele-Perkins, G.; Hari, J.; Stover, C.; Pierce, S.; Turner, J.; Edman, J.C.; Rutter, W.J. (1988) *Cold Spring Harb. Symp. Quant. Biol.* 53 537-43.
4. Substrates of the insulin receptor kinase. Yonezawa, K.; Endemann, G.; Kovacina, K.S.; Chin, J.E.; Stover, C.; Roth, R.A. (1990) 24, 266-72.
5. Endogenous substrates of the insulin receptor: studies with cells expressing wild type and mutant receptors. Yonezawa, K.; Pierce, S.; Stover, C.; Aggerbeck, M.; Rutter, W.J.; Roth, R.A. (1991) *Adv. Exp. Med Biol.* 293, 227-38.
6. Speciated fine Particle and Vapor-Phase Acid Concentrations in Southern Cal. Taylor, C.; Stover, C.; Westerdahl, D. (1998) A&WMA.
7. Evaluation of High PM Emitting Light Duty Gasoline Vehicles and Potential Repair Benefits. Pablo Cicero-Fernandez; Thomas D. Durbin; Mang Zhang; Alvar Gutierrez; Darey Huol; Thu Vol; John F. Collins; Tao Huai; Alberto Ayala; Robert Gentala; Mark Olson; Cynthia Stover; Dean Saito. 19th CRC On-Road Vehicle Emissions Workshop, March 2009.

**Lee Shook**  
**1244 Magnolia Lane**  
**Lincoln, CA 95648**  
**916-204-9544**  
[lshook@foundationccc.org](mailto:lshook@foundationccc.org)

**EXPERIENCE:**

**Director of Air Quality Programs**

Foundation for California Community Colleges – 2004 to Present

- Responsible for the management and supervision of all Bureau of Automotive Repair program staff
- California Smog Check Referee Program expert
- Plan, direct, and manage all activities of the Statewide Referee Program as follows:
  - Initiate all personnel matters for scheduling, central administration and technical staff
  - Monitor all program operational and financial activities
  - Coordinate all technical information and requirements between BAR, the regional managers, and the Referees
  - Serve as the direct contact with BAR's technical staff, Engineering staff and Standards and Training staff as needed
  - Direct the implementation of any program modifications or special projects as necessary
  - Resolve consumer complaints which cannot be resolved at the regional manager level

**Field Operations Manager, BAR Project**

Community College Foundation – 2002 to 2004

- Responsibilities included oversight of all 40 sites in the state of California
- Established successful educational partnerships with the Community College sites by administration of the Student Technician program
- Coordinated work activities, program development and monitored the overall program
- Coordinated and implemented all schedules for the 40 sites as well as the call center

**Regional Manager**

Community College Foundation – 1998 to 2002

- Managed all Referees at 40 sites
- Maintained a current State of California Enhanced Area Smog Technician license
- Communicated the Referee Inspector's concerns and questions to the BAR's technical advisor
- Provided technical assistance to Referee Inspectors
- Handled complaints concerning the Referee inspection

**Site Manager**

Parson's Engineering Science – 1989 to 1998

- Managed smog check referee site operations in accordance with all policies and procedures set forth by the BAR Program for the State of California
- Trained and supervised the student lane technicians
- Led the customer satisfaction survey and evaluation process
- Maintained a valid EA smog technician license

Exhibit E

**Budget and Budget Narrative**

The following financial charts and corresponding narratives summarize the activities and assumptions related to the total VRRRM Program budget over the entire life of the Program.

**I. Total Program Budget**

	Year 1	Year 2	Year 3	Program closing period	Total
<b>VRRRM Program Operations Management (Timeline includes 3 month implementation period, 33 month operating period and 3 month closing period)</b>					
Personnel Salary:*					
Keetha Mills, Vice President of Finance and Chief Financial Officer - 0.25 FTE	39,375	40,556	41,773	10,757	132,461
Vanessa Whang, General Counsel - 0.25 FTE	33,750	34,763	35,805	9,220	113,538
Marie Chaump, Executive Director of Operations - 0.25 FTE	23,750	24,463	25,196	6,488	79,897
Cynthia Stover, Operational Project Management / Air Quality Expert - 1.00 FTE	105,000	108,150	111,395	28,684	353,229
RFG Settlement Advisors - 2.00 FTE	130,000	133,900	137,917	35,514	437,331
Finance / Accounting - 2.00 FTE	90,000	92,700	95,481	24,586	302,767
Software Developer/Data Manager - 1.00 FTE first six months, 0.50 FTE thereafter	60,000	41,200	42,436	9,106	152,742
Administrative Assistant - 1.00 FTE	40,000	41,200	42,436	9,106	132,742
Marketing and Communications - 0.50 FTE first three months, 0.30 FTE thereafter	22,750	20,085	20,688		63,523
Benefits - 30% of personnel salary costs (OASDI, Health and Welfare Benefits, Unemployment Insurance, Workers Compensation, Public Employees Retirement System)	163,388	161,105	165,938	40,038	530,469
Equipment - 2 Production Servers	10,000				10,000
Mailing Costs	9,000	9,000	9,000		27,000
Printing Costs	33,333	33,333	33,333		100,000
<b>Sub-Total VRRRM Program Direct Operations Management</b>	<b>760,346</b>	<b>740,454</b>	<b>761,398</b>	<b>173,499</b>	<b>2,435,697</b>
<i>*includes average annual increases of 3%</i>					
<b>VRRRM for CAP (Timeline includes a 3 month implementation period in Year 1 and 33 month operating period through Year 3)</b>					
Call Center Costs - Repaired Vehicles (7,000 consumers * 3 calls per consumer * 5 minutes per call * \$1.00 call center operations cost per minute)	28,650	38,175	38,175		105,000
Call Center Costs - Stranded Vehicles (1,250 consumers * 2 calls per consumer * 5 minutes per call * \$1.00 call center operations cost per minute)	3,400	4,550	4,550		12,500
Smog Check Inspection Pre-Test and Diagnosis - Repaired and Stranded Vehicles (8,250 vehicles *\$100)	225,000	300,000	300,000		825,000
Repair Costs (7,000 vehicles * \$500)	955,000	1,272,500	1,272,500		3,500,000
Post Repair Smog Check - Repaired Vehicles (7,000 vehicles *\$75)	143,250	190,875	190,875		525,000
Smog Certificate Fee - Repaired Vehicles (7,000 vehicles *\$8.25)	15,758	20,996	20,996		57,750
<b>Sub-Total VRRRM for CAP</b>	<b>1,371,058</b>	<b>1,827,096</b>	<b>1,827,096</b>	<b>-</b>	<b>5,025,250</b>
<b>VRRRM for CAP Vehicles Repaired</b>	<b>1,910</b>	<b>2,545</b>	<b>2,545</b>		<b>7,000</b>
<b>VRRRM for CAP Vehicles Stranded</b>	<b>340</b>	<b>455</b>	<b>455</b>		<b>1,250</b>
<b>VRRRM for CAP Total</b>	<b>2,250</b>	<b>3,000</b>	<b>3,000</b>		<b>8,250</b>



	Year 1	Year 2	Year 3	Program closing period	Total
<b>VRRRM for HEROS (Timeline includes 30 events over the term of the program)</b>					
Call Center Costs - (8,150 consumers * 3 calls per consumer * 10 minutes per call * \$1.00 call center operations cost per minute)	66,300	89,100	89,100		244,500
Smog Check Inspection Pre-Test and Diagnosis - Repaired, Retired and Stranded Vehicles (8,150 vehicles * \$100)	221,000	297,000	297,000		815,000
Repair Costs (4,250 vehicles * \$500)	580,000	772,500	772,500		2,125,000
Post Repair Smog Check - Repaired Vehicles (4,250 vehicles * \$75)	87,000	115,875	115,875		318,750
Smog Certificate Fee - Repaired Vehicles (4,250 vehicles * \$8.25)	9,570	12,746	12,746		35,063
Retirement Costs (1,050 vehicles * \$1,000)	280,000	385,000	385,000		1,050,000
Retirement Vendor Verification (1,050 vehicles * \$145)	40,600	55,825	55,825		152,250
<b>Sub-Total VRRRM for HEROS</b>	<b>1,284,470</b>	<b>1,728,046</b>	<b>1,728,046</b>		<b>4,740,563</b>
<b>VRRRM for HEROS Vehicles Repaired</b>	<b>1,160</b>	<b>1,545</b>	<b>1,545</b>		<b>4,250</b>
<b>VRRRM for HEROS Vehicles Retired</b>	<b>280</b>	<b>385</b>	<b>385</b>		<b>1,050</b>
<b>VRRRM for HEROS Vehicles Stranded</b>	<b>770</b>	<b>1,040</b>	<b>1,040</b>		<b>2,850</b>
<b>VRRRM for HEROS Total</b>	<b>2,210</b>	<b>2,970</b>	<b>2,970</b>		<b>8,150</b>
<b>VRRRM Replacement Incentive (Timeline includes a 3 month implementation period in Year 1 and 33 month operating period through Year 3)</b>					
Call Center Costs (970 consumers * 3 calls per consumer * 5 minutes per call * \$1.00 call center operations cost per minute)	3,000	5,550	6,000		14,550
Smog Check Inspection Pre-Test (970 vehicles * \$50)	10,000	18,500	20,000		48,500
Retirement Vendor Verification (970 vehicles * \$145)	29,000	53,650	58,000		140,650
Replacement Incentive (970 vehicles * \$3,500)	700,000	1,295,000	1,400,000		3,395,000
<b>Sub-Total VRRRM Replacement Incentive</b>	<b>742,000</b>	<b>1,372,700</b>	<b>1,484,000</b>	<b>-</b>	<b>3,598,700</b>
<b>VRRRM Replacement Incentive Vehicles Replaced</b>	<b>200</b>	<b>370</b>	<b>400</b>		<b>970</b>

	Year 1	Year 2	Year 3	Program closing	Total
<b>VRRRM for PASS (Timeline includes 15 events over the term of the program)</b>					
Smog Check Inspection Pre-Test and Diagnosis - Repaired and Stranded Vehicles (4,400 vehicles * \$100)	117,500	176,000	146,500		440,000
Repair Costs (3,750 vehicles * \$500)	500,000	750,000	625,000		1,875,000
Post-repair Smog Test - Repaired Vehicles (3,750 vehicles * \$75)	75,000	112,500	93,750		281,250
Random Follow-up Emissions Tests - 5% of vehicles repaired (186 vehicles * \$75)	900	5,400	7,650		13,950
SJVAPCD Call Center Activities, Event Management and Direct Program Operating Activities (\$30,700 per event, ~15% of other direct program costs)	122,800	184,200	153,500		460,500
<b>Sub-Total VRRRM for PASS</b>	<b>816,200</b>	<b>1,228,100</b>	<b>1,026,400</b>	<b>-</b>	<b>3,070,700</b>
<b>VRRRM for PASS Vehicles Repaired</b>	<b>1,000</b>	<b>1,500</b>	<b>1,250</b>		<b>3,750</b>
<b>VRRRM for PASS Vehicles Stranded</b>	<b>175</b>	<b>260</b>	<b>215</b>		<b>650</b>
<b>VRRRM for PASS Total</b>	<b>1,175</b>	<b>1,760</b>	<b>1,465</b>		<b>4,400</b>
<b>VRRRM Program Sub-Total - Direct Costs</b>	<b>4,974,073</b>	<b>6,896,397</b>	<b>6,826,941</b>	<b>173,499</b>	<b>18,870,910</b>
Indirect Costs - 6% of total Direct Costs (CEO and Board oversight, human resources, contract and risk management, rent and facilities, telecommunications, information technology, insurance, office supplies, other general operating expenses)	298,444	413,784	409,616	10,410	1,132,255
<b>VRRRM Program Total</b>	<b>5,272,518</b>	<b>7,310,181</b>	<b>7,236,557</b>	<b>183,909</b>	<b>20,003,164</b>
<b>VRRRM Total Vehicles Repaired</b>	<b>4,070</b>	<b>5,590</b>	<b>5,340</b>		<b>15,000</b>
<b>VRRRM Total Vehicles Retired</b>	<b>280</b>	<b>385</b>	<b>385</b>		<b>1,050</b>
<b>VRRRM Total Vehicles Replaced</b>	<b>200</b>	<b>370</b>	<b>400</b>		<b>970</b>
<b>VRRRM Total Vehicles Stranded</b>	<b>1,285</b>	<b>1,755</b>	<b>1,710</b>		<b>4,750</b>
<b>VRRRM total Vehicles Processed</b>	<b>5,835</b>	<b>8,100</b>	<b>7,835</b>	<b>-</b>	<b>21,770</b>

## II. VRRRM Program Management and Oversight

	Year 1	Year 2	Year 3	Program closing period	Total
<b>VRRRM Program Operations Management (Timeline includes 3 month implementation period, 33 month operating period and 3 month closing period)</b>					
Personnel Salary:*					
Keetha Mills, Vice President of Finance and Chief Financial Officer - 0.25 FTE	39,375	40,556	41,773	10,757	132,461
Vanessa Whang, General Counsel - 0.25 FTE	33,750	34,763	35,805	9,220	113,538
Marie Chaump, Executive Director of Operations - 0.25 FTE	23,750	24,463	25,196	6,488	79,897
Cynthia Stover, Operational Project Management / Air Quality Expert - 1.00 FTE	105,000	108,150	111,395	28,684	353,229
RFG Settlement Advisors - 2.00 FTE	130,000	133,900	137,917	35,514	437,331
Finance / Accounting - 2.00 FTE	90,000	92,700	95,481	24,586	302,767
Software Developer/Data Manager - 1.00 FTE first six months, 0.50 FTE thereafter	60,000	41,200	42,436	9,106	152,742
Administrative Assistant - 1.00 FTE	40,000	41,200	42,436	9,106	132,742
Marketing and Communications - 0.50 FTE first three months, 0.30 FTE thereafter	22,750	20,085	20,688		63,523
Benefits - 30% of personnel salary costs (OASDI, Health and Welfare Benefits, Unemployment Insurance, Workers Compensation, Public Employees Retirement System)	163,388	161,105	165,938	40,038	530,469
Equipment - 2 Production Servers	10,000				10,000
Mailing Costs	9,000	9,000	9,000		27,000
Printing Costs	33,333	33,333	33,333		100,000
<b>Sub-Total VRRRM Program Direct Operations Management</b>	<b>760,346</b>	<b>740,454</b>	<b>761,398</b>	<b>173,499</b>	<b>2,435,697</b>
<i>*includes average annual increases of 3%</i>					

The VRRRM Program Management and Oversight costs include FCCC executive and operational project management, air quality expertise, general program oversight and quality assurance, dedicated financial and accounting services, customized software development and data management and related hardware, administrative assistance, and marketing and communications expertise and costs of related collateral materials. Executive project management of the program will be performed by a diverse and capable group of FCCC executives, which is listed below along with relevant responsibilities.

**Executive Project Management**

<i>Name and Title</i>	<i>Executive Project Management Responsibilities</i>
Keetha Mills, Vice President of Finance and Chief Financial Officer – 0.25 Full Time Equivalent (“FTE”)	Overall financial oversight of all program components and investment oversight related to the receipt and payment of settlement funds
Vanessa Whang, General Counsel – 0.25 FTE	Legal compliance and contract management oversight for all program components
Marie Chaump, Executive Director of Operations – 0.25 FTE	Executive oversight of operational program manager and point of escalation for programmatic and operational issues

Operational program management of the VRRRM Program will be performed by Cynthia Stover (1.00 FTE), FCCC Air Quality Industry Expert. The Program Manager / Air Quality Expert (PM) will have overall Program accountability and be responsible for ensuring the overall success and quality of the Program by monitoring and controlling adherence to the most current work plan. The PM will oversee all members of the project team and subcontractors, including all related functions and associated activities. The PM shall hold regularly scheduled project status meetings in order to assess status and, if necessary, guide operational changes required to the program. Changes to the Program shall reflect lessons learned, advances in methodology or technology, and changes in circumstance that may occur throughout the project lifecycle.

The PM shall maintain an accurate and current project budget and will be responsible for delivering all formal reports. As the Air Quality Expert, the PM will also provide overall programmatic subject matter expertise and be responsible for data collection and analysis, including cost effectiveness and emissions reductions calculations. The PM will also be the primary person responsible for maintaining relationships with Advisory Committee and convening the committee for regularly scheduled meetings.

The RFG Settlement Advisors (2.00 FTE) will be two FCCC Smog Check Referees who will manage subcontractor services and repairs, approve all consumer benefits from the RFG settlement funds (repairs, replacements, and retirements), and perform quality control checks. The RFG Settlement Advisors shall also perform physical inspections of select FCCC and subcontractor facilities and conduct internal operations audits.

Finance and accounting services (2.00 FTE) will include full cycle accounting, monthly and year-end financial reporting, audit preparation and management, invoice processing, cash receipts, cash payments, treasury management, and account reconciliations.

The Software Developer / Data Manager (1.00 FTE for the first six months of the program, 0.50 FTE for the remainder of the program) will perform design, development, and maintenance of a customized, web-based software application intended to serve as a tool for data collection and analysis, an interface for subcontractors, and a data mine for all aspects of programmatic oversight activities. Two servers will be required for the development of such application and the production system. The cost of these servers is estimated at \$5,000 each.

The Administrative Assistant (1.00 FTE) will support all members of the project team with administrative tasks such as correspondence, reception, logistics, and paperwork. The Administrative Assistant will be participating in the review of invoices, cross checking repairs against the system, and performing quality control measures.

Marketing and Communications (0.50 FTE for the first three months of the program, 0.30 FTE for the remainder of the program) includes communications, public relations, creative design and development, production of collateral materials, publications, and website design and development performed by FCCC's internal marketing and communications staff. Mailing and printing costs related to applications, verification, reports, brochures, and marketing materials are estimated to total \$27,000 and \$100,000, respectively.

### III. VRRRM for CAP

	Year 1	Year 2	Year 3	Total
<b>VRRRM for CAP (Timeline includes a 3 month implementation period in Year 1 and 33 month operating period through Year 3)</b>				
Call Center Costs - Repaired Vehicles (7,000 consumers * 3 calls per consumer * 5 minutes per call * \$1.00 call center operations cost per minute)	28,650	38,175	38,175	105,000
Call Center Costs - Stranded Vehicles (1,250 consumers * 2 calls per consumer * 5 minutes per call * \$1.00 call center operations cost per minute)	3,400	4,550	4,550	12,500
Smog Check Inspection Pre-Test and Diagnosis - Repaired and Stranded Vehicles (8,250 vehicles * \$100)	225,000	300,000	300,000	825,000
Repair Costs (7,000 vehicles * \$500)	955,000	1,272,500	1,272,500	3,500,000
Post Repair Smog Check - Repaired Vehicles (7,000 vehicles * \$75)	143,250	190,875	190,875	525,000
Smog Certificate Fee - Repaired Vehicles (7,000 vehicles * \$8.25)	15,758	20,996	20,996	57,750
<b>Sub-Total VRRRM for CAP</b>	<b>1,371,058</b>	<b>1,827,096</b>	<b>1,827,096</b>	<b>5,025,250</b>
<b>VRRRM for CAP Vehicles Repaired</b>	<b>1,910</b>	<b>2,545</b>	<b>2,545</b>	<b>7,000</b>
<b>VRRRM for CAP Vehicles Stranded</b>	<b>340</b>	<b>455</b>	<b>455</b>	<b>1,250</b>
<b>VRRRM for CAP Total</b>	<b>2,250</b>	<b>3,000</b>	<b>3,000</b>	<b>8,250</b>

The VRRRM for CAP Program costs include call center operations, smog check pre and post inspections, vehicle diagnoses, repair costs, and smog certificate fees for vehicles that pass smog inspection. The assumptions used to calculate VRRRM for CAP costs are described below.

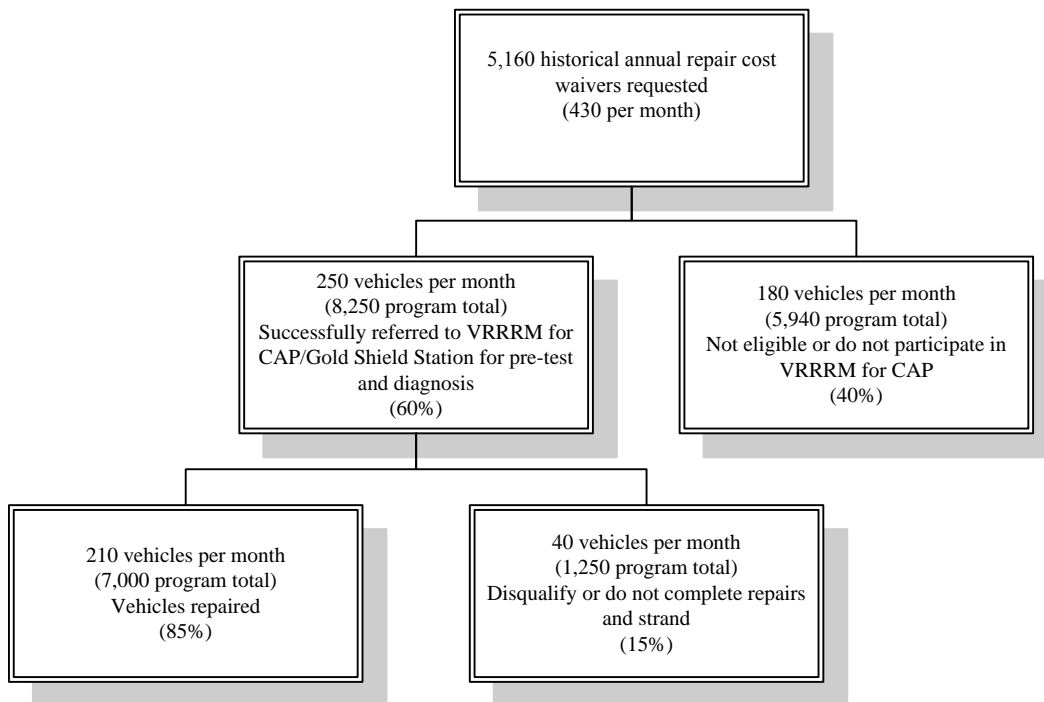
The operational timeline for VRRRM for CAP includes a three month planning and implementation period and a 33 month operating period. Approximately 7,000 vehicles are expected to be repaired during the 33 month operating period.

The number of vehicles repaired during the 33 month period is estimated based on the number of vehicles that have historically requested Repair Cost Waivers. According to the BAR Smog Check Referee Administration System Action Code Summary, approximately 5,160 vehicles requested extensions or

Repair Cost Waivers during the one year period from July 1, 2008, until June 30, 2009, which equates to approximately 430 vehicles per month. FCCC conservatively expects to successfully refer at least 60% or 250 of these vehicles per month (8,250 vehicles over the 33 month operating period) to the VRRRM for CAP program who would otherwise have received a Repair Cost Waiver.

Of the 250 vehicles that are successfully referred to the VRRRM for CAP program and receive a smog inspection pre-test and diagnosis each month, FCCC expects approximately 40 vehicles, or 15% (based on HEROS I participation data), to disqualify or not complete repair (i.e. “strand”) and approximately 210 vehicles per month to qualify for and complete the repair process.

### Consumers Reached and Number of Vehicles Served



FCCC’s call center will facilitate the scheduling of repair appointments, place appointment reminder phone calls, and provide general consumer assistance related to the VRRRM for CAP program. The average number of calls per consumer and average expected minutes per call are estimated based on historical FCCC call center operating data. Call center operating costs of a \$1.00 per minute are based on historical average annual costs of call center operations divided by historical average call center activity. Call center operating costs include staff salaries, benefits, rent, equipment, technology, maintenance and other direct costs of operating the FCCC call center.

Eligible vehicles will be directed to a Gold Shield Station. Each Gold Shield station is expected to perform a pre-repair test, repairs, and a post-repair test to determine efficacy of the repair work performed. The pre-test and diagnosis is expected to cost \$100, while the post-repair test is expected to cost \$75. These cost estimates are based on average costs charged for similar services in the HEROS I project.

The VRRRM for CAP program will fund cost effective repairs expected to average \$500 per vehicle. All successfully repaired vehicles will be issued a smog certificate for a fee assessed by the Bureau of Automotive Repair of \$8.25 per certificate issued.

#### IV. VRRRM for HEROS

	Year 1	Year 2	Year 3	Total
<b>VRRRM for HEROS (Timeline includes 30 events over the term of the program)</b>				
Call Center Costs - (8,150 consumers * 3 calls per consumer * 10 minutes per call * \$1.00 call center operations cost per minute)	66,300	89,100	89,100	244,500
Smog Check Inspection Pre-Test and Diagnosis - Repaired, Retired and Stranded Vehicles (8,150 vehicles * \$100)	221,000	297,000	297,000	815,000
Repair Costs (4,250 vehicles * \$500)	580,000	772,500	772,500	2,125,000
Post Repair Smog Check - Repaired Vehicles (4,250 vehicles * \$75)	87,000	115,875	115,875	318,750
Smog Certificate Fee - Repaired Vehicles (4,250 vehicles * \$8.25)	9,570	12,746	12,746	35,063
Retirement Costs (1,050 vehicles * \$1,000)	280,000	385,000	385,000	1,050,000
Retirement Vendor Verification (1,050 vehicles * \$145)	40,600	55,825	55,825	152,250
<b>Sub-Total VRRRM for HEROS</b>	<b>1,284,470</b>	<b>1,728,046</b>	<b>1,728,046</b>	<b>4,740,563</b>
<b>VRRRM for HEROS Vehicles Repaired</b>	<b>1,160</b>	<b>1,545</b>	<b>1,545</b>	<b>4,250</b>
<b>VRRRM for HEROS Vehicles Retired</b>	<b>280</b>	<b>385</b>	<b>385</b>	<b>1,050</b>
<b>VRRRM for HEROS Vehicles Stranded</b>	<b>770</b>	<b>1,040</b>	<b>1,040</b>	<b>2,850</b>
<b>VRRRM for HEROS Total</b>	<b>2,210</b>	<b>2,970</b>	<b>2,970</b>	<b>8,150</b>

The VRRRM for HEROS Program costs include call center operations, smog check pre and post inspections, vehicle diagnoses, repair costs, smog certificate fees for vehicles that pass smog inspection, retirement costs, and retirement vendor verification fees. The assumptions used to calculate VRRRM for HEROS costs are described below.

The VRRRM for HEROS timeline anticipates 30 events over the three year term of the program. Costs are calculated on a per-weekend event basis. Events are anticipated as follows:

<b>VRRRM for HEROS Events</b>	
	<i>Total</i>
Year One	8
Year Two	11
Year Three	11
<b>Total</b>	<b>30</b>

The South Coast Air Quality Management District (SCAQMD), through the HEROS II program, will hold a total of 10 weekend events through April 2011. It is further anticipated that an additional 20 events will occur between May 2011 and October 2012 based on SCAQMD's commitment to operate a repair, retirement and replacement program to achieve measureable air quality improvements by 2014 as

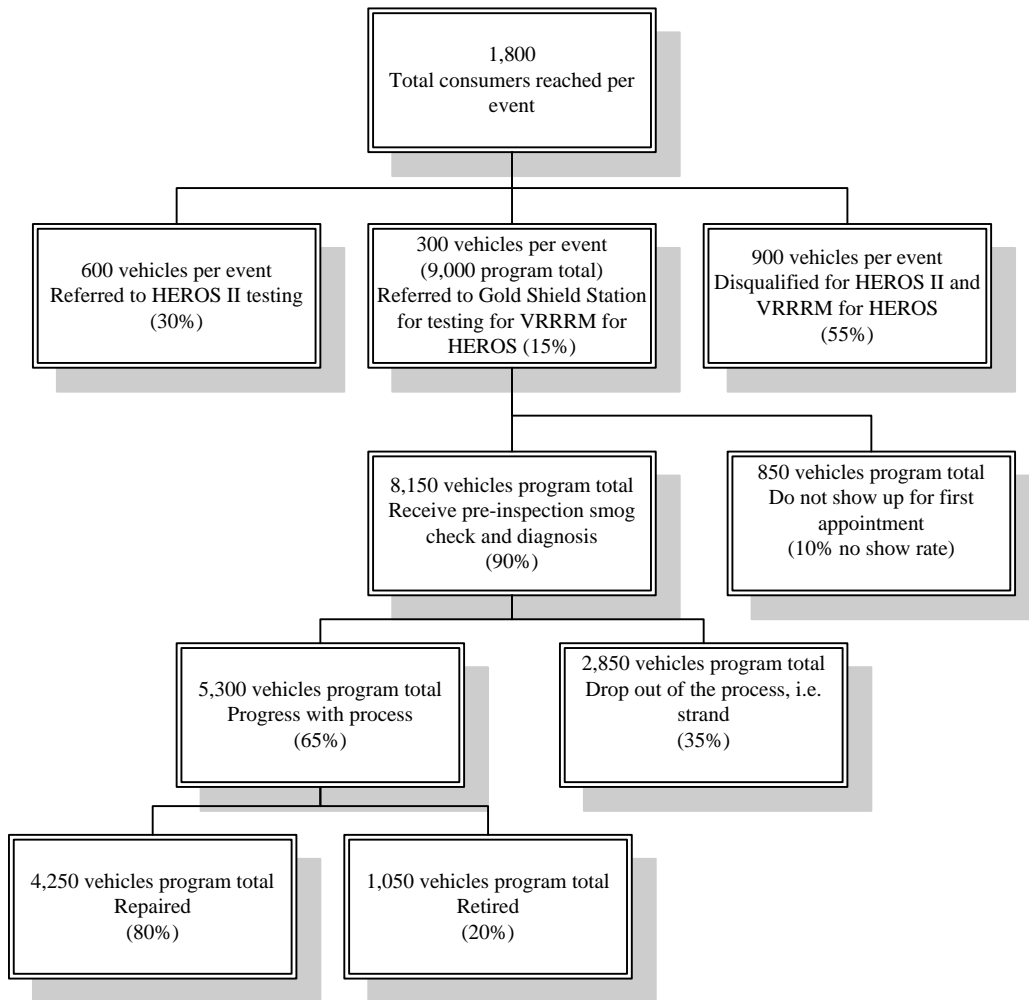
presented in the State of California's 2007 State Implementation Plan submitted to the United States Environmental Protection Agency.

For each event, at least 1,800 total consumers are expected to respond to event-specific marketing and outreach efforts. Expected consumer response is based on similar past weekend events, disqualification and turn-away rates of past similar events, and South Coast basin population. Depending on number of vehicle testing lanes in operation, the average number of cars tested at similar weekend events in the San Joaquin air basin range from 300 to over 450. For the HEROS II program, it is expected that 600 vehicles per event will be tested through additional testing lanes and by virtue of the dense population in the South Coast Basin. It is estimated that at least three consumer responses are fielded for each vehicle tested at a weekend event. FCCC-conducted research shows that one in three consumers reached through marketing and outreach efforts qualified for testing under the HEROS program. As such, it is estimated that of the 1,800 or more consumer respondents, 600 vehicles will qualify for HEROS II testing. It is further estimated that the remaining 1,200 respondents who do not qualify for HEROS II testing, one fourth, or 300 per event and 9,000 over the life of the program, will be referred to VRRRM for HEROS.

Of the 9,000 vehicles referred to the VRRRM for HEROS Program, it is estimated that approximately 8,150 consumers will receive a pre-inspection smog check and diagnosis, which assumes a 10% appointment no-show rate. Of the 8,150 consumers who receive a pre-inspection smog check and diagnosis, it is expected that 35%, or roughly 2,850, will drop out of the process (i.e., "strand"), either due to passing their smog inspection or due to failure to follow-through with the process and that 65%, or 5,300, will progress. Of the 5,300 consumers who progress, it is expected that 80%, or 4,250, will choose to repair their vehicles, and 20%, or 1,050, will choose to retire their vehicles based on HEROS I and past weekend event data.



## Consumers Reached and Number of Vehicles Served



FCCC's Call Center will serve as a clearinghouse to screen participants prior to each event. The average number of calls per consumer and average expected minutes per call are estimated based on historical FCCC call center operating data. Call center operating costs of a \$1.00 per minute are based on historical average annual costs of call center operations divided by historical average call center activity. Call center operating costs include staff salaries, benefits, rent, equipment, technology, maintenance and other direct costs of operating the FCCC call center.

Vehicles eligible for VRRRM for HEROS will be directed to a Gold Shield Station for a pre-test and diagnosis at a cost of \$100 based on average costs charged for similar services in the HEROS I project. Based on the diagnosis, consumers will be given the option to repair or retire their vehicles. For consumers who choose to repair their vehicles, the VRRRM for HEROS program will fund cost effective repairs expected to average \$500 per vehicle. The Gold Shield Station will perform a post-repair test to determine efficacy of the repair work performed, at a cost of \$75 based on average costs charged for similar services in the HEROS I project. All successfully repaired vehicles that are on cycle will be issued a smog certificate for a fee assessed by the Bureau of Automotive Repair of \$8.25 per certificate issued. Consumers who choose to retire their vehicles will be referred to a retirement vendor for verification and processing at a cost of \$145 per vehicle for costs related to vehicle and DMV paperwork.

processing, such as transfer of ownership. Retirement vendor verification costs are based on a quote provided by a preferred industry vendor with whom FCCC expects to contract.

## V. VRRRM Replacement Incentive

	Year 1	Year 2	Year 3	Total
<b>VRRRM Replacement Incentive (Timeline includes a 3 month implementation period in Year 1 and 33 month operating period through Year 3)</b>				
Call Center Costs (970 consumers * 3 calls per consumer * 5 minutes per call * \$1.00 call center operations cost per minute)	3,000	5,550	6,000	14,550
Smog Check Inspection Pre-Test (970 vehicles * \$50)	10,000	18,500	20,000	48,500
Retirement Vendor Verification (970 vehicles * \$145)	29,000	53,650	58,000	140,650
Replacement Incentive (970 vehicles * \$3,500)	700,000	1,295,000	1,400,000	3,395,000
<b>Sub-Total VRRRM Replacement Incentive</b>	<b>742,000</b>	<b>1,372,700</b>	<b>1,484,000</b>	<b>3,598,700</b>
<b>VRRRM Replacement Incentive Vehicles Replaced</b>	<b>200</b>	<b>370</b>	<b>400</b>	<b>970</b>

The VRRRM Replacement Incentive costs include call center operations, smog check pre-inspections, retirement vendor verification fees, and replacement incentives. The assumptions used to calculate VRRRM Replacement Incentive costs are described below.

The operational timeline for VRRRM Replacement Incentive includes a three month planning and implementation period and a 33 month operating period. Approximately 970 total vehicles are expected to be replaced during the 33 month operating period for an average of 29 cars replaced per month. Participation rates are estimated based on the assumption that VRRRM Replacement will complement the implementation and operation of parallel programs such as Enhanced Fleet Modernization Program (EFMP) and will benefit from the broad public awareness of and overwhelming consumer response to the recent Cash for Clunkers program.

FCCC's call center will facilitate the scheduling of appointments, place appointment reminder phone calls, and provide general consumer assistance related to the VRRRM Replacement Incentive program. The average number of calls per consumer and average expected minutes per call are estimated based on historical FCCC call center operating data. Call center operating costs of a \$1.00 per minute are based on historical average annual costs of call center operations divided by historical average call center activity. Call center operating costs include staff salaries, benefits, rent, equipment, technology, maintenance and other direct costs of operating the FCCC call center.

Eligible vehicles will be directed to a smog check referee station for a smog inspection pre-test at a cost of \$50 per test. This cost is based on an hourly smog check referee operations rate of \$100 and a half hour smog inspection.

Qualified vehicles will be referred to a retirement vendor for verification and processing at a cost of \$145 per vehicle for costs related to vehicle and DMV paperwork processing, such as transfer of ownership. Retirement vendor verification costs are based on a quote provided by a preferred industry vendor with whom FCCC expects to contract.

The VRRRM Replacement Incentive Program will provide consumers with vehicle replacement incentives of \$3,500 per vehicle.

**VI. VRRRM for PASS**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
<b>VRRRM for PASS (Timeline includes 15 events over the term of the program)</b>				
Smog Check Inspection Pre-Test and Diagnosis - Repaired and Stranded Vehicles (4,400 vehicles * \$100)	117,500	176,000	146,500	440,000
Repair Costs (3,750 vehicles * \$500)	500,000	750,000	625,000	1,875,000
Post-repair Smog Test - Repaired Vehicles (3,750 vehicles * \$75)	75,000	112,500	93,750	281,250
Random Follow-up Emissions Tests - 5% of vehicles repaired (186 vehicles * \$75)	900	5,400	7,650	13,950
SJVAPCD Call Center Activities, Event Management and Direct Program Operating Activities (\$30,700 per event, ~15% of other direct program costs)	122,800	184,200	153,500	460,500
<b>Sub-Total VRRRM for PASS</b>	<b>816,200</b>	<b>1,228,100</b>	<b>1,026,400</b>	<b>3,070,700</b>
<b>VRRRM for PASS Vehicles Repaired</b>	<b>1,000</b>	<b>1,500</b>	<b>1,250</b>	<b>3,750</b>
<b>VRRRM for PASS Vehicles Stranded</b>	<b>175</b>	<b>260</b>	<b>215</b>	<b>650</b>
<b>VRRRM for PASS Total</b>	<b>1,175</b>	<b>1,760</b>	<b>1,465</b>	<b>4,400</b>

The VRRRM for PASS Program costs include smog check pre and post inspections, vehicle diagnoses, repair costs, random follow-up emissions tests to help gauge overall program success, and program operating costs to be incurred by San Joaquin Valley Air Pollution Control District. The assumptions used to calculate VRRRM for PASS costs are as follows.

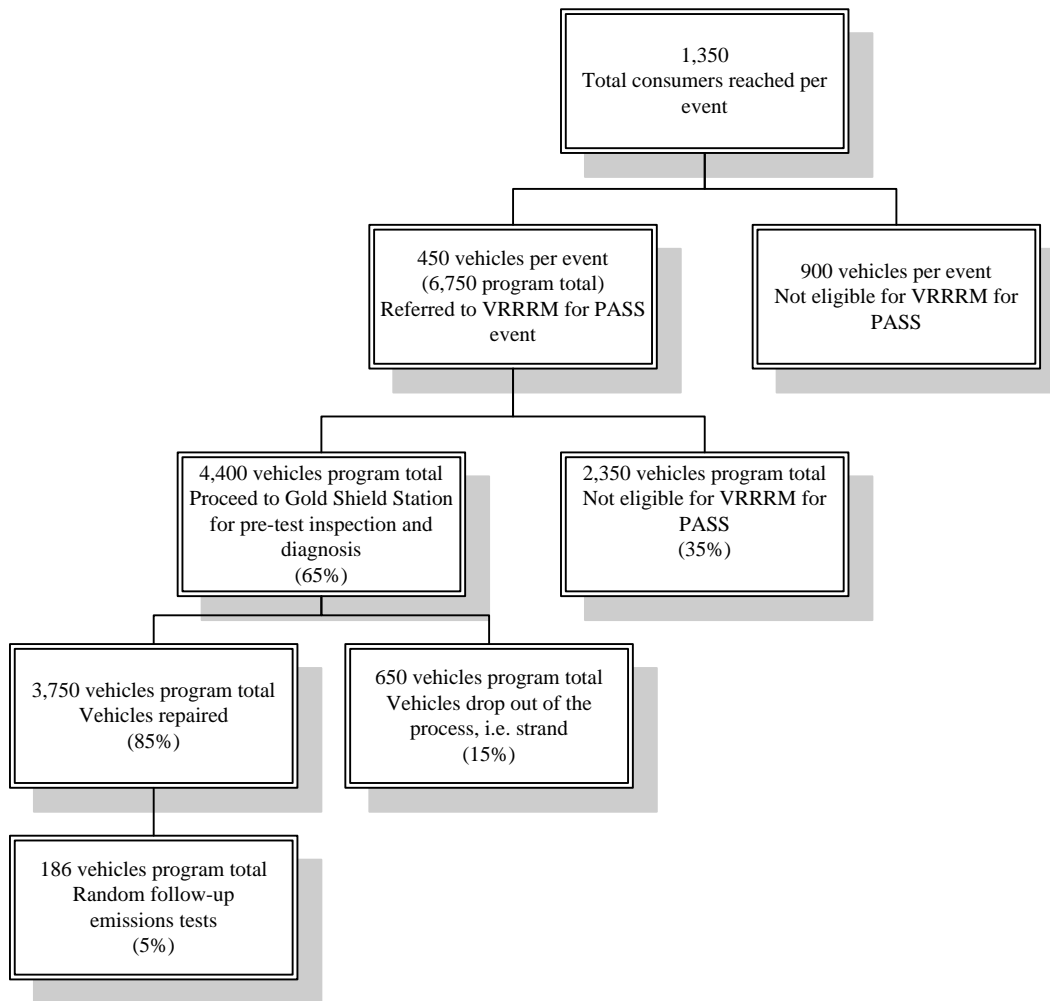
The VRRRM for PASS timeline includes 15 events over the three year term of the program. Costs are calculated on a per-weekend event basis. Events are planned as follows:

<b>VRRRM for PASS Events</b>	<i>Total</i>
Year One	4
Year Two	6
Year Three	5
<b>Total</b>	<b>15</b>

For each event, at least 1,350 total consumers are expected to respond to event-specific marketing and outreach efforts. Expected consumer response is based on similar past weekend events, disqualification and turn-away rates of past similar events, and San Joaquin population. It is estimated that at least three consumer responses are fielded for each vehicle tested at a weekend event. FCCC-conducted research shows that one in three consumers reached through marketing and outreach efforts qualified for testing under the HEROS program. As such, it is estimated that of the 1,350 or more consumer respondents, 450 vehicles will qualify for VRRRM for PASS event participation.

Of the 6,750 vehicles referred to the VRRRM for PASS Program, it is estimated that approximately 65%, or 4,400 consumers, will be eligible to receive a pre-inspection smog check and diagnosis. Of the 4,400 consumers who receive a pre-inspection smog check and diagnosis, it is expected that 15% will drop out of the process (i.e., “strand”), either due to passing their smog inspection or due to failure to follow-through with the process and that 85%, or 3,750 vehicles, will be repaired under the VRRRM for PASS Program.

### Consumers Reached and Number of Vehicles Served



Vehicles deemed eligible for VRRRM for PASS at an event will be directed to a Gold Shield Station. Each Gold Shield station is expected to perform a pre-test, repairs, and a post-repair test to determine efficacy of the repair work performed. The pre-test and diagnosis is expected to cost \$100, while the post-repair test is expected to cost \$75. These cost estimates are based on average costs charged for similar services in the HEROS I project. The VRRRM for PASS program will fund cost effective repairs expected to average \$500 per vehicle.

Vehicles participating in the VRRRM for PASS program will randomly be selected to receive follow-up testing to determine the long-term efficacy of repairs, identify underperforming repair stations, and ensure the integrity of emission reductions generated by the program. Additionally participants will complete a

follow-up survey to evaluate customer satisfaction with the program, including repair stations, the program's contractor(s), and the San Joaquin Valley Air Pollution Control District (SJVAPCD). Costs associated with follow-up testing are estimated at \$75 per vehicle based on average costs charged for similar post-inspection services in the HEROS I project.

Program operating costs will be incurred by SJVAPCD and its subcontractors, working collaboratively with FCCC, to implement, market, and operate a repair program while leveraging existing infrastructure. It is estimated that program operations costs will total approximately \$60,000 per event, of which SJVAPCD will contribute half as in-kind. The \$30,700 VRRRM for PASS contribution per event equals approximately 15% of the total VRRRM for PASS Program costs.

#### **VII. VRRRM Program Indirect Costs**

The VRRRM Program indirect costs include FCCC's costs of infrastructure required to support overall program management and oversight activities. Infrastructure components include CEO and Board oversight, rent, facilities costs, insurance, human resources, payroll processing, phones, telecommunications costs, information technology, and risk management. Indirect costs are calculated at 6% of total program expenditures.

#### **VIII. Payment Schedule**

Payments shall be made in quarterly installments. The first and last payments shall be exceptions, with the first payment funding the initial six months of activities and the last being withheld until submission of the final report. Payment terms will be further outlined and detailed in the Grant Agreement to be executed with the Grant Administrator.

## Methodology to Calculate Cost Effectiveness of VRRRM

### 1. Conventional Voluntary Accelerated Vehicle Retirement (VAVR) Projects

Emission reductions from conventional VAVR projects are calculated using the VAVR regulation methodology. If the emissions readings for the retired vehicle are known (i.e., the vehicle was tested at the time of retirement), then emission reductions are equal to the retired vehicle’s emission rates minus those of the replacement vehicle with the difference multiplied by the average vehicle miles traveled (VMT) by vehicles in the year of vehicle retirement and by the three-year project life.

Formula:	$\text{Emission Reductions} = [\text{ER}_{\text{retired}} - \text{ER}_{\text{replace}}] * \text{VMT} * \text{Life}$
Where:	$\text{ER}_{\text{retired}}$ = Emission rate of retired vehicle $\text{ER}_{\text{replace}}$ = Emission rate of replacement vehicle VMT = Vehicle miles traveled Life = Project life = 3 years

If the emissions readings for the retired vehicle are unknown (i.e., the vehicle was not tested at the time of retirement), then the retired vehicle’s emission rates are equal to those for gasoline-powered vehicles for the model year of the retired vehicle in the year of vehicle retirement. If the emissions readings for the replacement vehicle are unknown (i.e., the replacement vehicle was not tested at the time of replacement) or the replacement vehicle is unknown) then the emissions for the replacement vehicle are estimated using the emissions of the average fleet vehicle as provided by ARB’s EMFAC model. The Emission FACTors (EMFAC) model is developed by the Air Resources Board and used to calculate emission rates from on-road motor vehicles from light-duty passenger vehicles to heavy-duty trucks that operate on highways, freeways, and local roads in California.

Emission rates and average VMT are generated by the ARB’s EMFAC model. NO<sub>x</sub>, ROG, CO, and PM emission reductions over the 3-year project life by vehicle model year (as displayed in Tables D-1, 2, 3, and 4).

### 2. High Emitter VAVR Projects

#### A. Exhaust Emission Rates of Retired Vehicle

- 1) For retired vehicles exempt from Smog Check (i.e., pre-1976), ROG<sub>exh</sub>, NO<sub>x</sub>, and CO emission rates for the full 3-year credit life shall be assumed to equal the pollutant concentrations measured by the Smog Check test at the time of vehicle retirement converted to FTP emission rates (using the conversions listed in Table D-5).
- 2) For retired vehicles subject to Smog Check (i.e., 1976 and newer model year vehicles), for year 1 of the 3-year project life, ROG<sub>exh</sub>, NO<sub>x</sub>, and CO emission rates shall be assumed to equal the pollutant concentrations measured by the Smog Check test at the time of vehicle retirement converted to FTP emission rates (as described in D-2 VEHICLE CALCULATIONS Table D-5).

However, Two Speed Idle (TSI) test results from high emitting vehicles that are not testable by the ASM Smog Check test may be used to estimate ROG<sub>exh</sub> emission rates when converted to FTP emission rates (as described in Table D-6).

For years 2 and 3 of the 3-year project life, ROG<sub>exh</sub>, NO<sub>x</sub>, and CO emission rates for most post-1975 vehicles shall be assumed to equal the Smog Check pass/fail cutpoints for the retired vehicle's model year and vehicle class converted to FTP emission rates (as described in Table D-5).

For high emitting vehicles that are not testable by the ASM Smog Check test, ROG<sub>exh</sub> emission rates shall be assumed to equal to the TSI pass/fail cutpoints for the retired vehicle's model year and vehicle class converted to FTP emission rates (as described in Table D-6).

The most recent TSI pass/fail cutpoints are located in Table D-8.

**B. Exhaust Emission Rates of Replacement Vehicle** (replacement vehicle is unknown)

Emission rates for an unknown replacement vehicle shall be assumed to equal the emissions of the average fleet vehicle as provided by ARB's EMFAC model (using the ARB's latest approved motor vehicle emissions model). Emission rates by year of vehicle retirement are displayed in Table D-10.

High emitting vehicle projects may also generate extra emission reduction credits for the documented purchase of an ARB-certified LEV (Low Emission Vehicle) or cleaner replacement vehicle as defined in Title 13, CCR, Division 3, Chapter 1, Article 1, Sections 1960.1 and 1961. Default emission rates for LEV's are located in Tables D-11, 12, 13, and 14.

**C. Evaporative Emission Reductions**

Districts may include an evaporative emission reduction element in a high emitting vehicle project. If no evaporative testing is conducted, default evaporative emission reductions are estimated from the retired vehicle's model year (as listed in Tables D-1, 2, 3, and 4). Districts also may conduct evaporative testing on vehicles identified as high emitting vehicles to determine if they are also high evaporative emitting vehicles.

- 1) Low pressure evaporative testing must be conducted according to manufacturer's standard operating procedures and BAR protocols using equipment certified by BAR or submitted for BAR certification, if BAR-certified equipment is not available.
- 2) Only high emitting vehicles that fail the low pressure evaporative test are eligible to receive extra emission reduction credit if retired or if they receive evaporative control repairs that result in passing the low pressure evaporative test. Extra emission reductions equal 14.5 pounds of ROG per vehicle per year (as described in D-3 VEHICLE CALCULATIONS).

**D. Particulate Matter Emission Reductions**

District project plans that include a PM emission reduction component must also include verification that the methodology for measuring PM is scientifically valid, documentation that the results are reproducible, and a complete copy of the methodology.

### 3. Vehicle Repair Cost-Effectiveness Calculation

All vehicles repaired as part of the RFG Settlement Funds program will use the Moyer Guidelines for calculating cost-effectiveness. Vehicles being repaired must receive a baseline ASM or TSI test prior to the repair. This baseline test will establish the emissions footprint of the vehicle prior to the repair. Following a repair all vehicles must receive a post-repair ASM or TSI test. This test will establish the emissions footprint of the vehicle after the repair is completed. The emissions reductions will be determined by the difference between the post-repair test and the baseline test.

Moyer Guidelines for Vehicle repair allow a credit life of one year for any emissions reductions of repaired vehicles. This is because, on average, vehicles are one year away for their next biennial Smog Check, at which time the vehicle would have to be repaired in order to pass its smog test and continue operating. The credit life of the repair is the period of time between the repair and the vehicle's next scheduled Smog Check. At that time, the Smog Check program would have forced the reductions to occur, so they would no longer be surplus. These guidelines will be used for vehicles repaired in conjunction with the South Coast Air Quality Management District's HEROS II program.

For the CAP vehicles that are repaired, a two-year credit life for the repair will be used. The rationale for the two-year credit life is that CAP vehicles, eligible to receive a Repair Cost Waiver, will receive supplemental funding to ensure repairs can be successfully completed in lieu of a Repair Cost Waiver. The waiver allows a vehicle to be registered without passing its Smog Check inspection by providing a temporary (two year) extension of time to complete all emissions-related repairs. The vehicle owner whose vehicle has failed smog check is allowed to continue driving their high-emitting vehicle for up to two full years. Since this vehicle will be polluting in excess of smog check requirements for two years, FCCC proposes to use a two-year credit life for the repair. The Moyer Guidelines for calculating cost-effectiveness for vehicle repairs are described as follows:

#### A. Conventional Voluntary Repair of Vehicles (VRV) Projects

Emission benefits are calculated from the difference between the pre and post-repair Smog Check test where the post-repair test is a full test, not a "fast pass" test. The pre- and post-repair Smog Check testing should be as close to the time of repair as possible. To calculate pre- and post-repair emission rates, the pollutant concentrations measured in the ASM test are converted to an FTP based gram per mile emission rate using the conversion equations listed in Table 11-3. The VMT is the average VMT of the vehicle's model year based on the ARB's motor vehicle emission model. Average VMT for each model year is listed in Table 11-4. The life of the emission credit for exhaust and evaporative repairs is one year. The mass emission reduction is equal to the gram per mile emission reduction multiplied by the VMT multiplied by the one year credit life.

Formula:  $\text{Emission Reductions} = [\text{ER}_{\text{pre}} - \text{ER}_{\text{post}}] * \text{VMT} * \text{Life}$

Where:  $\text{ER}_{\text{pre}}$  = Emission rate of pre-repaired vehicle

$\text{ER}_{\text{post}}$  = Emission rate of vehicle after repair

VMT = Vehicle miles traveled

Life\* = Project life = 1 year

\* Note – for CAP waiver repairs, FCCC will use a 2-year Project life



## B. High Emitter VRV Project

### 1) Exhaust Emissions

Emission reductions are calculated as the difference between the pre and post-repair Smog Check test results converted to FTP emission rates (using the conversion equations in Table D-5) with the difference multiplied by the VMT for a one-year project life. Two Speed Idle (TSI) test results from vehicles not testable by the ASM Smog Check test may be used when converted to FTP (using the ROGexh emission rates as described in Table D-6). VMT is the average VMT for the vehicle's model year based on the ARB's motor vehicle emission model (listed in Table D-9).

### 2) Evaporative Emission Reductions

Districts may conduct evaporative testing on vehicles identified as high emitting vehicles to determine if they are also high evaporative emitting vehicles.

- a. Low pressure evaporative testing must be conducted according to manufacturer's standard operating procedures and BAR protocols using equipment certified by BAR (or submitted for BAR certification, if BAR-certified equipment is not available).
- b. Vehicles that fail low pressure evaporative tests are eligible to receive extra emission reductions where reductions equal the average emission reductions for repairing evaporative system failures or 14.5 pounds of ROG per vehicle per year.

Evaporative repairs must bring the vehicle's emissions into compliance with the low pressure fuel evaporative test to be creditable and fundable.

### 3) Particulate Matter Emission Reductions

District project plans that include a PM emission reduction component must also include verification that the methodology for measuring PM is scientifically valid, documentation that the results are reproducible, and a complete copy of the methodology.

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Cost Effectiveness = Cost (in Dollars)/Tons of emissions reductions

#### Definitions (Acronyms):

ASM	Acceleration Simulation Mode (type of Smog Check test)
CAP	BAR's Consumer Assistance Program
CO	Carbon Monoxide
FTP	Federal Test Procedures
LEV	Low Emission Vehicle
NOx	Oxides of Nitrogen
PM	Particulate Matter
ROG	Reactive Organic Gases
ROGexh	Reactive Organic Gases Exhaust
TSI	Two Speed Idle (type of Smog Check test)
VAVR	Voluntary Accelerated Vehicle Retirement
VMT	Vehicle Miles Traveled
VRV	Voluntary Repair of Vehicle

TABLE D-1						
Retired Vehicle Emission Reductions, CY2008 (lbs/3 yr)						
MY	ROG			CO Exhaust	NOx Exhaust	PM10 Exhaust
	Exhaust	Evap	Total			
Pre 1966	325.9	235.1	560.9	3595.8	187.9	0.54
1966	284.1	239.9	524.0	3313.3	179.7	0.69
1967	289.2	242.7	531.9	3374.6	183.8	0.70
1968	296.5	247.3	543.8	3462.7	188.0	0.69
1969	304.1	249.8	553.9	3553.5	193.3	1.06
1970	310.4	178.6	489.0	3669.0	199.6	0.53
1971	323.4	175.6	499.1	3674.2	201.1	0.60
1972	337.8	172.2	510.0	3686.3	203.8	0.80
1973	345.4	174.2	519.6	3709.4	205.9	1.26
1974	326.6	135.2	461.8	3424.0	185.1	1.41
1975	256.5	124.8	381.4	3256.4	173.2	0.36
1976	121.7	119.6	241.3	2759.5	134.1	1.81
1977	109.7	92.7	202.4	2784.3	118.0	1.21
1978	109.3	95.5	204.8	2764.6	117.8	1.36
1979	95.3	93.8	189.1	1863.5	105.5	1.09
1980	77.3	72.6	149.8	1616.4	99.8	1.16
1981	64.2	66.2	130.4	1330.5	78.8	2.00
1982	60.8	63.1	124.0	1310.3	84.0	1.59
1983	47.6	59.1	106.7	1138.0	87.3	1.37
1984	45.7	52.9	98.6	1105.0	87.4	1.24
1985	36.7	47.7	84.4	819.1	82.5	1.44
1986	36.5	44.7	81.2	791.2	84.7	1.33
1987	35.7	57.3	93.0	739.0	81.9	1.16
1988	35.2	60.9	96.1	693.3	80.4	1.23
1989	36.8	41.5	78.4	748.3	67.2	1.13
1990	38.2	38.3	76.5	773.0	55.6	1.13
1991	38.8	34.2	72.9	766.3	57.6	1.10
1992	39.2	32.2	71.3	767.1	58.5	1.07
1993	31.7	30.8	62.5	566.5	55.3	1.05
1994	21.0	28.6	49.7	337.4	42.2	0.97
1995	16.6	23.6	40.2	242.8	29.6	0.88
1996	12.0	17.6	29.6	233.4	23.7	0.74
1997	9.3	11.4	20.8	223.6	17.9	0.64
1998	4.6	-0.7	3.9	198.1	12.5	0.57
1999	0.1	-2.1	-2.0	171.9	6.0	0.43
2000	-4.0	-3.6	-7.6	143.6	-0.6	0.29

Source: Emfac2007 V2.3 Nov 1, 2006

TABLE D-2						
Retired Vehicle Emission Reductions, CY2009 (lbs/3 yr)						
MY	ROG			CO	NOx	PM10
	Exhaust	Evap	Total	Exhaust	Exhaust	Exhaust
Pre 1966	321.8	233.1	554.9	3499.2	186.2	0.76
1966	282.1	236.3	518.4	3229.2	178.8	0.12
1967	286.5	240.6	527.1	3288.1	182.5	0.12
1968	294.7	243.1	537.9	3373.8	186.5	0.10
1969	301.6	247.4	549.0	3465.2	192.0	0.62
1970	308.4	176.3	484.7	3577.0	197.9	0.67
1971	321.3	174.4	495.7	3581.9	200.0	0.75
1972	336.1	170.8	506.9	3593.3	202.5	0.96
1973	343.4	172.9	516.4	3612.9	204.4	0.93
1974	328.8	135.1	463.9	3352.4	186.4	0.87
1975	257.8	128.1	385.9	3213.7	176.9	0.45
1976	118.6	118.5	237.1	2658.1	131.2	2.05
1977	106.4	92.3	198.7	2667.3	116.9	1.26
1978	106.9	93.2	200.1	2644.1	116.4	1.42
1979	92.5	91.9	184.4	1740.4	103.4	1.14
1980	75.5	72.0	147.5	1520.7	98.9	1.23
1981	61.7	66.1	127.8	1230.7	77.7	2.11
1982	59.5	62.3	121.8	1216.9	83.2	1.69
1983	46.4	59.1	105.4	1042.5	86.4	1.47
1984	44.8	52.5	97.3	1012.0	86.6	1.36
1985	36.2	47.6	83.8	737.7	82.0	1.18
1986	35.5	44.4	79.9	701.9	83.4	1.32
1987	35.8	57.8	93.6	664.6	82.3	1.17
1988	35.4	63.0	98.4	619.0	80.8	1.10
1989	37.0	44.3	81.3	671.2	68.0	1.14
1990	38.1	41.1	79.2	691.4	56.4	1.17
1991	38.5	36.6	75.1	681.4	58.2	1.14
1992	39.1	34.8	73.9	681.6	59.5	1.12
1993	32.0	33.2	65.2	483.0	56.4	1.07
1994	21.5	30.9	52.4	255.8	43.4	1.00
1995	17.3	25.7	43.0	162.1	31.1	0.92
1996	13.1	19.4	32.4	151.9	25.2	0.81
1997	10.6	13.1	23.7	141.7	19.7	0.72
1998	5.9	0.7	6.5	114.2	14.5	0.64
1999	1.4	-0.7	0.7	86.2	8.3	0.52
2000	-2.7	-2.1	-4.8	56.7	2.1	0.38

Source: Emfac2007 V2.3 Nov 1, 2006



TABLE D-3						
Retired Vehicle Emission Reductions, CY 2010 (lbs/3 yr)						
MY	ROG			CO	NOx	PM10
	Exhaust	Evap	Total	Exhaust	Exhaust	Exhaust
pre 1967	280.4	233.6	514.0	3200.7	176.5	0.21
1967	285.6	236.1	521.7	3258.3	180.3	0.20
1968	292.1	537.3	829.4	3342.6	185.6	0.18
1969	300.3	245.1	545.4	3433.9	191.1	0.75
1970	306.0	174.5	480.4	3547.9	196.1	0.82
1971	320.2	171.9	492.1	3551.7	199.0	0.93
1972	334.3	169.2	503.5	3562.9	201.5	1.17
1973	341.6	171.8	513.3	3583.3	202.5	1.11
1974	330.6	136.2	466.8	3338.2	187.9	0.17
1975	258.8	122.8	381.7	3230.5	179.4	0.58
1976	116.9	117.3	234.1	2636.0	129.4	1.31
1977	105.7	92.6	198.3	2635.6	114.5	1.45
1978	105.3	92.3	197.6	2600.5	115.1	1.49
1979	91.0	90.4	181.4	1706.4	103.0	1.20
1980	73.5	149.5	223.0	1481.2	97.6	1.29
1981	60.9	65.0	126.0	1213.7	77.7	1.61
1982	57.8	61.2	119.0	1194.5	82.3	1.79
1983	45.2	58.4	103.7	1029.3	85.8	1.17
1984	43.8	52.5	96.4	996.9	86.1	1.46
1985	35.8	47.4	83.2	734.5	81.3	1.30
1986	35.1	43.6	78.7	701.5	83.0	1.30
1987	35.0	59.0	93.9	658.3	81.1	1.29
1988	35.6	64.8	100.4	627.0	81.4	1.11
1989	37.1	46.7	83.9	677.5	68.8	1.20
1990	38.3	43.9	82.2	697.2	57.6	1.20
1991	38.7	39.2	77.9	686.3	59.2	1.20
1992	39.2	37.3	76.4	685.3	60.3	1.14
1993	32.2	35.8	68.1	491.0	57.5	1.14
1994	22.1	33.3	55.4	269.8	44.9	1.07
1995	17.9	27.8	45.7	176.5	32.5	0.99
1996	14.1	21.4	35.4	168.7	26.6	0.87
1997	11.6	14.7	26.4	158.8	21.3	0.79
1998	7.1	2.0	9.1	134.1	16.4	0.72
1999	2.6	0.7	3.2	107.3	10.4	0.59
2000	-1.5	-0.6	-2.1	79.8	4.5	0.46

Source: Emfac2007 V2.3 Nov 1, 2006

Table D-4						
Retired Vehicle Emission Reductions, CY 2011 (lbs/3 yr)						
MY	ROG			CO	NOx	PM10
	Exhaust	Evap	Total	Exhaust	Exhaust	Exhaust
pre 1968	283.9	232.7	516.6	3229.5	179.1	0.30
1968	292.3	234.8	527.1	3310.0	183.9	0.27
1969	299.3	239.4	538.7	3400.8	188.3	0.12
1970	305.2	174.7	480.0	3514.1	194.9	0.98
1971	319.6	171.5	491.1	3519.8	196.4	1.11
1972	334.8	168.3	503.2	3530.2	199.2	0.70
1973	342.5	169.9	512.4	3550.6	200.5	0.65
1974	335.2	135.2	470.4	3321.7	188.4	0.26
1975	263.3	126.8	390.1	3233.9	180.5	0.33
1976	115.9	114.9	230.9	2611.1	128.2	0.40
1977	104.4	89.5	193.9	2609.3	113.3	1.67
1978	103.7	92.8	196.5	2566.0	113.1	1.09
1979	89.7	88.6	178.3	1676.3	101.1	1.26
1980	72.0	70.2	142.2	1457.4	96.6	1.35
1981	59.1	63.7	122.8	1189.8	76.4	1.07
1982	57.4	60.6	118.0	1182.7	82.1	1.89
1983	44.8	58.3	103.1	1014.1	85.2	1.25
1984	43.4	51.9	95.3	990.1	85.8	1.33
1985	35.5	47.2	82.8	733.1	80.9	1.22
1986	35.0	43.5	78.6	702.3	82.8	1.42
1987	34.8	60.0	94.8	661.6	80.9	1.28
1988	34.9	67.2	102.1	623.5	80.3	1.23
1989	37.5	49.3	86.9	685.6	69.6	1.26
1990	38.7	46.5	85.2	705.0	58.6	1.12
1991	39.2	41.9	81.1	695.2	60.4	1.24
1992	39.5	40.1	79.6	693.2	61.4	1.25
1993	32.6	38.7	71.2	498.4	58.6	1.24
1994	22.7	36.2	58.9	283.3	46.5	1.15
1995	18.6	30.2	48.8	192.6	34.1	1.07
1996	15.0	23.4	38.3	185.0	28.1	0.97
1997	12.6	16.6	29.2	175.4	22.8	0.86
1998	8.1	3.4	11.5	151.4	18.0	0.80
1999	3.7	2.1	5.8	127.1	12.3	0.67
2000	-0.4	0.7	0.3	100.7	6.5	0.56

Source: Emfac2007 V2.3 Nov 1, 2006



**TABLE D-5  
ASM-FTP Correlation Equations**

Pre-1990 Model Year

$$\begin{aligned} \text{FTP\_HC} = & 1.2648 * \exp (- 4.67052 \\ & + 0.46382 * \text{hc\_term} \\ & + 0.09452 * \text{co\_term} \\ & + 0.03577 * \text{no\_term} \\ & + 0.57829 * \text{wt\_term} \\ & - 0.06326 * \text{my\_term} \\ & + 0.20932 * \text{trk}) \end{aligned}$$

$$\begin{aligned} \text{FTP\_CO} = & 1.2281 * \exp (- 2.65939 \\ & + 0.08030 * \text{hc\_term} \\ & + 0.32408 * \text{co\_term} \\ & + 0.03324 * \text{co\_term}^2 \\ & + 0.05589 * \text{no\_term} \\ & + 0.61969 * \text{wt\_term} \\ & - 0.05339 * \text{my\_term} \\ & + 0.31869 * \text{trk}) \end{aligned}$$

$$\begin{aligned} \text{FTP\_NOX} = & 1.0810 * \exp (- 5.73623 \\ & + 0.06145 * \text{hc\_term} \\ & - 0.02089 * \text{co\_term}^2 \\ & + 0.44703 * \text{no\_term} \\ & + 0.04710 * \text{no\_term}^2 \\ & + 0.72928 * \text{wt\_term} \\ & - 0.02559 * \text{my\_term} \\ & - 0.00109 * \text{my\_term}^2 \\ & + 0.10580 * \text{trk}) \end{aligned}$$

Where:

hc\_term = ln ((ASM1\_HC\*ASM2\_HC) ^ 0.5) - 3.72989  
 co\_term = ln ((ASM1\_CO\*ASM2\_CO) ^ 0.5) + 2.07246  
 no\_term = ln ((ASM1\_NO\*ASM2\_NO) ^ 0.5) - 5.83534  
 MY\_Term = model\_year - 1982.71  
 wt\_term = ln (vehicle\_weight in pounds)  
 TRK = 0 for a passenger car and 1 for a light-duty truck.

When HC and NO ASM scores = 0, set scores to 1 ppm  
 FTP\_HC = HC FTP emission rate in g/mi  
 FTP\_CO = CO FTP emission rate in g/mi  
 FTP\_NO = NOx FTP emission rate in g/mi

1990 and Newer Model Year

$$\begin{aligned} \text{FTP\_HC} = & 1.1754 * \exp (- 6.32723 \\ & + 0.24549 * \text{hc\_term} \\ & + 0.09376 * \text{hc\_term}^2 \\ & + 0.06653 * \text{no\_term} \\ & + 0.01206 * \text{no\_term}^2 \\ & + 0.56581 * \text{wt\_term} \\ & - 0.10438 * \text{my\_term} \\ & - 0.00564 * \text{my\_term}^2 \\ & + 0.24477 * \text{trk}) \end{aligned}$$

$$\begin{aligned} \text{FTP\_CO} = & 1.2055 * \exp (0.90704 \\ & + 0.04418 * \text{hc\_term}^2 \\ & + 0.17796 * \text{co\_term} \\ & + 0.08789 * \text{no\_term} \\ & + 0.01483 * \text{no\_term}^2 \\ & - 0.12753 * \text{my\_term} \\ & - 0.00681 * \text{my\_term}^2 \\ & + 0.37580 * \text{trk}) \end{aligned}$$

$$\begin{aligned} \text{FTP\_NOX} = & 1.1056 * \exp (- 6.51660 \\ & + 0.25586 * \text{no\_term} \\ & + 0.04326 * \text{no\_term}^2 \\ & + 0.65599 * \text{wt\_term} \\ & - 0.09092 * \text{my\_term} \\ & - 0.00998 * \text{my\_term}^2 \\ & + 0.24958 * \text{trk}) \end{aligned}$$

Where:

hc\_term = ln ((ASM1\_HC\*ASM2\_HC) ^ 0.5) - 2.32393  
 co\_term = ln ((ASM1\_CO\*ASM2\_CO) ^ 0.5) + 3.45963  
 no\_term = ln ((ASM1\_NO\*ASM2\_NO) ^ 0.5) - 3.71310  
 MY\_Term = model\_year - 1993.69  
 wt\_term = ln (vehicle\_weight in pounds)  
 TRK = 0 for a passenger car and 1 for a light-duty truck

When CO ASM scores = 0, set score to 0.01%.  
 ASM1\_HC = ASM 5015 mode HC concentration in ppm  
 ASM2\_HC = ASM 2525 mode HC concentration in ppm  
 ASM1\_NO = ASM 5015 mode NOx concentration in ppm  
 ASM2\_NO = ASM 2525 mode NOx concentration in ppm  
 ASM1\_CO = ASM 5015 mode CO concentration in %  
 ASM2\_CO = ASM 2525 mode CO concentration in %

Ref: Technical Support Document, Part 2, "Evaluation of the California Enhanced Inspection and Maintenance (Smog Check) Program", (April 2004), Bureau of Automotive Repair and Sierra Research at [ww.arb.ca.gov/msprog/smogcheck/jun04/tsd\\_part2.pdf](http://ww.arb.ca.gov/msprog/smogcheck/jun04/tsd_part2.pdf).

**TABLE D-6**  
**Conversion of Two Speed Idle Measurements to FTP Emission Rates**

**Model Inputs:**

HCHT =	HC_High Term =	(ln (High-Speed Idle HC in ppm)) - 2.6995
COHT =	CO_High Term =	(ln (High-Speed Idle CO in %)) + 2.9867
HCLT =	HC_Low Term =	(ln (Low-Speed Idle HC in ppm)) -3.6573
COLT =	CO_Low Term =	(ln (Low-Speed Idle CO in %)) + 2.7987
AGE =	AGE Term =	TSI Test Date - January 1 of Vehicle Model Year - 9.0570 years
DISP =	DISP Term =	(ln (Engine Displacement in Liters)) - 0.9873
TRK =		+ 0.5 for light-duty trucks - 0.5 for passenger vehicles
ERG =		+ 0.5 if the vehicle has exhaust gas recirculation - 0.5 if it does not

**IM240 Predicted Emission Rates:**

$$\begin{aligned}
 \text{IM240 HC (g/mi)} = & 1.0396169 * \text{EXP}(-1.0705335) \\
 & + 0.21479968 * \text{COHT} \\
 & + 0.23151769 * \text{HCLT} \\
 & + 0.035948587 * \text{AGE} \\
 & + 0.083671264 * \text{HCLT}^2 \\
 & + 0.020890310 * \text{COLT}^2 \\
 & + 0.099280830 * \text{COLT} * \text{TRK} \\
 & + 0.59513657 * \text{DISP} * \text{ERG}
 \end{aligned}$$

**FTP Predicted Emission Rate:**

$$\text{FTP HC (g/mi)} = 0.094 + 1.194 * \text{IM240 HC (g/mi)}$$

Source: "Techniques for Estimating IM240 and FTP Emission Rates from Two-Speed Idle Emissions Concentrations", May 10, 2001, Technical Notes, Bureau of Automotive Repair



TABLE D-7 - ASM Table --- Phase 4.3												
ACCELERATED SIMULATION MODE EMISSION STANDARDS (Effective 01/08/2003)												
ESC	Model Year Group	Vehicle Type (by GVWR and LVW)				Pass/Fail Emission Standard						
		PC	LDT1	LDT2	MDV	ASM 5015			ASM 2525			
						HC	CO	NO	HC	CO	NO	
1	1974-	X	X	X		A	235.4	2.56	1301.5	185.4	2.36	1161.5
						B	436041.7	4453.19	1192593.0	436041.7	4453.19	1192593.0
2	1975-1980	X				A	123.0	0.91	1016.3	90.3	0.71	876.3
						B	273316.7	1362.96	1043519.0	273316.7	1362.96	1043519.0
3	1981-1983	X				A	63.2	0.64	850.0	42.1	0.44	680.0
						B	234259.3	1064.81	894444.5	212963.0	1064.81	894444.5
4	1984-1986	X				A	67.0	0.52	850.0	42.1	0.32	680.0
						B	212963.0	979.63	894444.5	212963.0	979.63	894444.5
5	1987-1992	X				A	57.0	0.48	608.0	31.7	0.32	547.0
						B	191666.7	851.85	596296.3	191666.7	979.63	596296.3
6	1993-1995	X				A	59.0	0.29	617.1	24.3	0.23	547.0
						B	89951.3	724.07	271314.8	89951.3	851.85	596296.3
7	1996-2000	X				A	16.8	0.29	260.0	0.5	0.23	547.0
						B	128501.9	724.07	596296.3	128501.9	851.85	596296.3
8	2001-2003	X				A	16.8	0.29	260.0	0.5	0.23	547.0
						B	128501.9	724.07	596296.3	128501.9	851.85	596296.3
9	2004+	X				A	16.8	0.29	260.0	0.5	0.23	547.0
						B	128501.9	724.07	596296.3	128501.9	851.85	596296.3
10	1975-1978		X			A	139.4	1.08	1320.9	105.0	0.88	1180.9
						B	225000.0	2025.00	745370.4	225000.0	2025.00	745370.4
11	1979-1983		X			A	139.4	0.88	1315.7	80.0	0.68	1175.7
						B	225000.0	2025.00	596296.3	150000.0	2025.00	596296.3
12	1984-1987		X			A	91.3	0.41	945.0	63.1	0.50	840.0
						B	150000.0	1725.00	525000.0	150000.0	2250.00	1050000.0
13	1988-1992		X			A	83.0	0.27	875.0	63.1	0.43	735.0
						B	150000.0	1725.00	525000.0	150000.0	1875.00	525000.0
14	1993-1995		X			A	68.3	0.30	377.0	33.3	0.40	630.0
						B	78750.0	1350.00	525000.0	78750.0	1500.00	525000.0
15	1996-2000		X			A	22.1	0.30	377.0	5.8	0.40	630.0
						B	112500.0	1350.00	525000.0	112500.0	1500.00	525000.0
16	2001-2003		X			A	22.1	0.30	377.0	5.8	0.40	630.0
						B	112500.0	1350.00	525000.0	112500.0	1500.00	525000.0
17	2004+		X			A	22.1	0.30	377.0	5.8	0.40	630.0
						B	112500.0	1350.00	525000.0	112500.0	1500.00	525000.0
18	1975-1978			X		A	139.4	1.08	1320.9	105.0	0.88	1180.9
						B	225000.0	2025.00	745370.4	225000.0	2025.00	745370.4
19	1979-1983			X		A	139.4	0.88	1315.7	80.0	0.68	1175.7
						B	225000.0	2025.00	596296.3	150000.0	2025.00	596296.3
20	1984-1987			X		A	91.3	0.41	945.0	63.1	0.50	840.0
						B	150000.0	1725.00	525000.0	150000.0	2250.00	1050000.0
21	1988-1992			X		A	83.0	0.27	875.0	63.1	0.43	735.0
						B	150000.0	1725.00	525000.0	150000.0	1875.00	525000.0
22	1993-1995			X		A	68.3	0.30	377.0	33.3	0.40	630.0
						B	78750.0	1350.00	525000.0	78750.0	1500.00	525000.0
23	1996-2000			X		A	22.1	0.30	377.0	5.8	0.40	630.0
						B	112500.0	1350.00	525000.0	112500.0	1500.00	525000.0
24	2001-2003			X		A	22.1	0.30	377.0	5.8	0.40	630.0
						B	112500.0	1350.00	525000.0	112500.0	1500.00	525000.0
25	2004+			X		A	22.1	0.30	377.0	5.8	0.40	630.0
						B	112500.0	1350.00	525000.0	112500.0	1500.00	525000.0
26	1978-				X	A	173.3	2.90	1703.3	123.3	2.70	1563.3
						B	583333.3	3500.00	1633333.3	583333.3	3500.00	1633333.3
27	1979-1983				X	A	139.4	0.88	1315.7	80.0	0.68	1175.7
						B	225000.0	2025.00	596296.3	150000.0	2025.00	596296.3
28	1984-1987				X	A	91.3	0.41	945.0	63.1	0.50	840.0
						B	150000.0	1725.00	525000.0	150000.0	2250.00	1050000.0
29	1988-1992				X	A	83.0	0.27	875.0	63.1	0.43	735.0
						B	150000.0	1725.00	525000.0	150000.0	1875.00	525000.0
30	1993-1995				X	A	83.0	0.30	875.0	60.0	0.70	735.0
						B	150000.0	1350.00	525000.0	150000.0	1500.00	525000.0
31	1996-2000				X	A	71.2	0.30	875.0	60.0	0.70	735.0
						B	150000.0	1350.00	525000.0	150000.0	1500.00	525000.0
32	2001-2003				X	A	71.2	0.30	875.0	60.0	0.70	735.0
						B	150000.0	1350.00	525000.0	150000.0	1500.00	525000.0
33	2004+				X	A	71.2	0.30	875.0	60.0	0.70	735.0
						B	150000.0	1350.00	525000.0	150000.0	1500.00	525000.0

ESC - Emissions Standard Category    GVWR - Manufacture's Gross Vehicle Weight Rating    PC - Passenger car  
 LWV - Loaded vehicle weight    MDV - Medium-duty vehicle, GVWR from 6001 to 8500 lbs    HC - Hydrocarbon, ppm  
 LDT1 - Light-duty truck up through 3750 lbs LWV and GVWR no greater than 6000 lbs    CO - Carbon Monoxide, %  
 LDT2 - Light-duty truck greater than 3750 lbs LWV and GVWR no greater than 6000 lbs    NO - Nitric Oxide, ppm  
**Pass/Fail Emission Standards = A + B / VTW**, where VTW is vehicle/truck weight  
**PASS/FAIL STANDARDS** - Emission standards used to determine if a vehicle passes the emission inspection. A vehicle passes if the emission levels are equal to or less than the standards for HC, CO, and NOx for ASM 5015 and ASM2525.

### D-12 LIGHT-DUTY VEHICLE CALCULATIONS



**TABLE D-8**

**Emission Standards, Dilution Thresholds, and Maximum Idle RPM Limits for BAR-90 Two-speed Test**  
(Effective with 1996 ET Software Update)

E S C	MODEL YEAR GROUP	VEHICLE TYPE (by GVWR)					AVERAGE EMISSIONS FOR PASSING VEHICLES				PASS/FAIL STANDARDS				MIN CO+CO <sub>2</sub>	MAX IDLE RPM
		PC		TRUCK (includes motorhome, minivan, sport utility)			Idle HC	Idle CO	2500 HC	2500 CO	Idle HC	Idle CO	2500 HC	2500 CO		
		<6,001	>6,001	6,001 to 8,500	8,501 to 14,000	>14,001										
1	1966-1967	X	X				212	2.3	182	1.7	700	5.5	600	4.5	8.0	1100
2	1968-1970	X	X				192	2.3	163	1.7	650	5.5	600	4.5	8.0	1100
3	1971-1974	X	X				147	1.8	123	1.4	550	5.0	400	4.0	8.0	1100
4	1975-1980	X					60	0.3	52	0.5	220	2.0	180	1.7	8.0	1100
5	1981-1983	X					42	0.1	37	0.2	120	1.5	150	1.5	8.0	1100
6	1984-1986	X					37	0.1	31	0.2	120	1.0	150	1.2	7.0	1100
7	1987-1992	X					29	0.1	20	0.1	120	1.0	140	1.0	7.0	1100
8	1993+	X					17	0.0	12	0.1	100	1.0	130	1.0	8.0	1100
9	1975-1978		X				73	0.5	67	0.9	250	2.5	200	3.0	7.0	1100
10	1979-1983		X	X			51	0.2	45	0.4	250	2.0	200	2.0	8.0	1100
11	1984-1987		X	X			40	0.1	35	0.2	150	1.2	180	1.2	7.0	1100
12	1988-1992		X	X			30	0.1	20	0.1	120	1.0	180	1.0	8.0	1100
13	1993+		X				17	0.0	13	0.1	100	1.0	170	1.0	7.0	1100
14	1993+			X			26	0.0	11	0.1	100	1.0	180	1.1	7.0	1200
15	1966-1969			X	X	X	188	2.4	241	1.9	700	5.5	750	5.0	7.0	1200
16	1970-1973			X	X	X	152	2.0	200	1.4	550	5.0	600	4.5	8.0	1200
17	1974-1978			X	X	X	99	1.1	95	0.9	300	3.0	350	3.5	7.0	1200
18	1979-1983				X	X	77	0.8	57	0.6	250	2.2	250	3.0	7.0	1200
19	1984-1986				X	X	57	0.7	33	0.3	250	1.5	200	1.6	7.0	1200
20	1987-1990				X		51	0.2	34	0.3	220	1.5	200	1.6	7.0	1100
21	1991+				X		39	0.1	20	0.2	150	1.2	150	1.5	7.0	1100
22	1987-1990					X	60	0.5	32	0.3	250	2.5	200	1.6	7.0	1100
23	1991+					X	42	0.3	17	0.2	150	1.5	150	1.5	7.0	1100

PC = passenger vehicle      ESC -- Emissions Standards Category      HC -- Hydrocarbon, ppm      CO -- Carbon monoxide, %

MIN. CO + CO<sub>2</sub> -- Minimum CO + CO<sub>2</sub> dilution threshold

MAX. IDLE RPM -- Maximum Idle RPM limits

**PASS/FAIL STANDARDS --**

Emission standards used to determine if a vehicle passes the emissions portion of the inspection. A vehicle passes if the emission levels are equal to or less than the hydrocarbon or carbon monoxide standard for the idle or 2500 RPM inspection.

Source: [www.autorepair.ca.gov/stdhome.asp](http://www.autorepair.ca.gov/stdhome.asp). Select "reference library", "Publications", then "TSI Cutpoints Table."

Table D-9									
Vehicle Miles Traveled/Yr/Vehicle									
MY	Year of Retirement				MY	Year of Retirement			
	2008	2009	2010	2011		2008	2009	2010	2011
Pre 1967	5,896	5,793	5,709	5,618	1984	8,193	8,042	7,901	7,765
1967	6,017	5,902	5,828	5,734	1985	8,342	8,194	8,043	7,900
1968	6,167	6,074	5,975	5,886	1986	8,552	8,392	8,242	8,094
1969	6,340	6,239	6,147	6,059	1987	8,662	8,502	8,345	8,198
1970	6,518	6,422	6,337	6,243	1988	8,827	8,661	8,502	8,345
1971	6,671	6,578	6,471	6,384	1989	9,009	8,837	8,671	8,513
1972	6,831	6,730	6,635	6,521	1990	9,156	8,975	8,803	8,637
1973	6,943	6,828	6,735	6,627	1991	9,386	9,198	9,016	8,847
1974	6,915	6,806	6,709	6,604	1992	9,612	9,412	9,220	9,041
1975	7,064	6,926	6,856	6,705	1993	9,882	9,661	9,462	9,274
1976	7,104	7,002	6,898	6,806	1994	10,128	9,893	9,672	9,473
1977	7,273	7,163	7,054	6,915	1995	10,359	10,105	9,870	9,650
1978	7,372	7,254	7,133	7,019	1996	10,662	10,383	10,129	9,894
1979	7,476	7,359	7,228	7,089	1997	10,961	10,662	10,384	10,130
1980	7,610	7,484	7,360	7,239	1998	11,319	10,994	10,695	10,417
1981	7,773	7,644	7,520	7,379	1999	11,727	11,369	11,044	10,744
1982	7,906	7,769	7,629	7,518	2000	12,103	11,708	11,349	11,023
1983	7,997	7,854	7,719	7,589					

Source: Emfac2007 V2.3 Nov 1 2006

TABLE D-10						
Fleet Average Emission Rates for Unknown Replacement Vehicle** (g/VMT)						
Year of Retirement	ROG			CO	NOx	PM10
	Exhaust	Evap	Total	Exhaust	Exhaust	Exhaust
2008	0.1417	0.1341	0.2758	3.2807	0.3430	0.0151
2009	0.1302	0.1340	0.2643	3.0801	0.3167	0.0156
2010	0.1197	0.1336	0.2533	2.8862	0.2919	0.0160
2011	0.1104	0.1328	0.2432	2.7118	0.2690	0.0166

Source: Emfac2007 V2.3 Nov 1 2006

\*\* Fleet Ave. = 1990 through Year of Retirement



Table D-11						
CY 2008 LDV LEV Emission Rates by MY, g/mi						
MY	ROG			CO	NOx	PM10
	EXH	EVAP	TOTAL	EXH	EXH	EXH
1997	0.1038	0.1009	0.2048	4.0607	0.3616	0.0241
1998	0.0979	0.1246	0.2225	3.8895	0.3581	0.0227
1999	0.0949	0.1070	0.2019	3.8010	0.3476	0.0207
2000	0.0911	0.0895	0.1805	3.6683	0.3355	0.0186
2001	0.0830	0.0712	0.1542	3.3853	0.3223	0.0165
2002	0.0790	0.0510	0.1300	3.2353	0.3327	0.0157
2003	0.0702	0.0380	0.1082	2.8771	0.3072	0.0137
2004	0.0405	0.0278	0.0684	1.6568	0.1522	0.0120
2005	0.0240	0.0171	0.0411	0.9777	0.0847	0.0096
2006	0.0163	0.0138	0.0301	0.6669	0.0518	0.0075
2007	0.0131	0.0113	0.0244	0.5218	0.0388	0.0052
2008	0.0103	0.0090	0.0194	0.4387	0.0342	0.0028

Source: EMFAC2007, V2.3, Nov 1, 2006

Table D-12						
CY 2009 LDV LEV Emission Rates by MY, g/mi						
MY	ROG			CO	NOx	PM10
	EXH	EVAP	TOTAL	EXH	EXH	EXH
1997	0.1068	0.1148	0.2216	4.1592	0.3653	0.0232
1998	0.1011	0.1427	0.2438	4.0038	0.3632	0.0222
1999	0.0984	0.1248	0.2232	3.9241	0.3536	0.0205
2000	0.0949	0.1068	0.2017	3.8087	0.3436	0.0188
2001	0.0874	0.0895	0.1768	3.5328	0.3318	0.0169
2002	0.0833	0.0711	0.1544	3.3860	0.3424	0.0165
2003	0.0744	0.0491	0.1235	3.0606	0.3154	0.0147
2004	0.0448	0.0355	0.0802	1.8732	0.1678	0.0132
2005	0.0278	0.0220	0.0498	1.1468	0.0970	0.0110
2006	0.0178	0.0168	0.0346	0.7324	0.0566	0.0091
2007	0.0146	0.0138	0.0284	0.5714	0.0427	0.0071
2008	0.0120	0.0113	0.0234	0.4803	0.0380	0.0049
2009	0.0095	0.0090	0.0186	0.4051	0.0289	0.0026

Source: EMFAC2007, V2.3, Nov 1, 2006

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Table D-13						
CY 2010 LDV LEV Emission Rates by MY, g/mi						
MY	ROG			CO	NOx	PM10
	EXH	EVAP	TOTAL	EXH	EXH	EXH
1997	0.1096	0.1288	0.2384	4.2561	0.3687	0.0276
1998	0.1043	0.1615	0.2658	4.1079	0.3680	0.0262
1999	0.1018	0.1354	0.2371	4.0450	0.3591	0.0241
2000	0.0986	0.1245	0.2231	3.9379	0.3501	0.0221
2001	0.0911	0.1068	0.1979	3.6676	0.3389	0.0199
2002	0.0877	0.0893	0.1770	3.5379	0.3526	0.0194
2003	0.0787	0.0683	0.1470	3.2093	0.3251	0.0174
2004	0.0476	0.0456	0.0933	2.0013	0.1732	0.0159
2005	0.0306	0.0275	0.0581	1.2749	0.1060	0.0135
2006	0.0206	0.0208	0.0414	0.8626	0.0646	0.0116
2007	0.0160	0.0167	0.0327	0.6274	0.0465	0.0095
2008	0.0134	0.0138	0.0272	0.5261	0.0418	0.0073
2009	0.0111	0.0113	0.0224	0.4434	0.0321	0.0051
2010	0.0091	0.0090	0.0181	0.3922	0.0284	0.0027

Source: EMFAC2007, V2.3, Nov 1, 2006

Table D-14						
CY 2011 LDV LEV Emission Rates by MY, g/mi						
MY	ROG			CO	NOx	PM10
	EXH	EVAP	TOTAL	EXH	EXH	EXH
1997	0.1128	0.1439	0.2568	4.3692	0.3736	0.0297
1998	0.1076	0.1807	0.2883	4.2222	0.3730	0.0283
1999	0.1054	0.1620	0.2675	4.1670	0.3649	0.0262
2000	0.1024	0.0000	0.1024	4.0765	0.3566	0.0241
2001	0.0950	0.1247	0.2196	3.8045	0.3459	0.0219
2002	0.0918	0.1067	0.1985	3.6882	0.3610	0.0215
2003	0.0833	0.0857	0.1689	3.3687	0.3359	0.0195
2004	0.0507	0.0636	0.1143	2.1074	0.1792	0.0180
2005	0.0326	0.0347	0.0673	1.3787	0.1102	0.0156
2006	0.0229	0.0258	0.0486	0.9643	0.0693	0.0137
2007	0.0186	0.0206	0.0393	0.7419	0.0518	0.0116
2008	0.0148	0.0167	0.0314	0.5800	0.0457	0.0095
2009	0.0124	0.0137	0.0262	0.4875	0.0354	0.0073
2010	0.0107	0.0113	0.0220	0.4313	0.0317	0.0051
2011	0.0088	0.0090	0.0179	0.3855	0.0281	0.0028

Source: EMFAC2007, V2.3, Nov 1, 2006

D-16 LIGHT-DUTY VEHICLE CALCULATIONS

**Table 11-3**  
**ASM-FTP Correlation Equations<sup>1</sup>**

Pre-1990 Model Year Correlation Equations

$$\begin{aligned} \text{FTP\_HC} = & 1.2648 * \exp( - 4.67052 \\ & + 0.46382 * \text{hc\_term} \\ & + 0.09452 * \text{co\_term} \\ & + 0.03577 * \text{no\_term} \\ & + 0.57829 * \text{wt\_term} \\ & - 0.06326 * \text{my\_term} \\ & + 0.20932 * \text{trk}) \end{aligned}$$

$$\begin{aligned} \text{FTP\_CO} = & 1.2281 * \exp( - 2.65939 \\ & + 0.08030 * \text{hc\_term} \\ & + 0.32408 * \text{co\_term} \\ & + 0.03324 * \text{co\_term}^{**2} \\ & + 0.05589 * \text{no\_term} \\ & + 0.61969 * \text{wt\_term} \\ & - 0.05339 * \text{my\_term} \\ & + 0.31869 * \text{trk}) \end{aligned}$$

$$\begin{aligned} \text{FTP\_NOX} = & 1.0810 * \exp( - 5.73623 \\ & + 0.06145 * \text{hc\_term} \\ & - 0.02089 * \text{co\_term}^{**2} \\ & + 0.44703 * \text{no\_term} \\ & + 0.04710 * \text{no\_term}^{**2} \\ & + 0.72928 * \text{wt\_term} \\ & - 0.02559 * \text{my\_term} \\ & - 0.00109 * \text{my\_term}^{**2} \\ & + 0.10580 * \text{trk}) \end{aligned}$$

where:       $\text{hc\_term} = \ln( (\text{ASM1\_HC} * \text{ASM2\_HC})^{.5} ) - 3.72989$   
                $\text{co\_term} = \ln( (\text{ASM1\_CO} * \text{ASM2\_CO})^{.5} ) + 2.07246$   
                $\text{no\_term} = \ln( (\text{ASM1\_NO} * \text{ASM2\_NO})^{.5} ) - 5.83534$   
                $\text{MY\_Term} = \text{model\_year} - 1982.71$   
                $\text{wt\_term} = \ln( \text{vehicle\_weight in pounds} )$   
                $\text{TRK} = 0$  if vehicle is a passenger car and  $1$  if vehicle is a light-duty truck

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<sup>1</sup> Conversion equations developed by Eastern Research Group and Sierra Research and used in the ARB and BAR's 2004 *Evaluation of the California Enhanced Inspection and Maintenance (Smog Check) Program*.

## 1990 and Newer Model Year Correlation Equations

$$\begin{aligned} \text{FTP\_HC} = & 1.1754 * \exp(- 6.32723 \\ & + 0.24549 * \text{hc\_term} \\ & + 0.09376 * \text{hc\_term}^{**2} \\ & + 0.06653 * \text{no\_term} \\ & + 0.01206 * \text{no\_term}^{**2} \\ & + 0.56581 * \text{wt\_term} \\ & - 0.10438 * \text{my\_term} \\ & - 0.00564 * \text{my\_term}^{**2} \\ & + 0.24477 * \text{trk}) ; \end{aligned}$$

$$\begin{aligned} \text{FTP\_CO} = & 1.2055 * \exp( 0.90704 \\ & + 0.04418 * \text{hc\_term}^{**2} \\ & + 0.17796 * \text{co\_term} \\ & + 0.08789 * \text{no\_term} \\ & + 0.01483 * \text{no\_term}^{**2} \\ & - 0.12753 * \text{my\_term} \\ & - 0.00681 * \text{my\_term}^{**2} \\ & + 0.37580 * \text{trk}) ; \end{aligned}$$

$$\begin{aligned} \text{FTP\_NOX} = & 1.1056 * \exp(- 6.51660 \\ & + 0.25586 * \text{no\_term} \\ & + 0.04326 * \text{no\_term}^{**2} \\ & + 0.65599 * \text{wt\_term} \\ & - 0.09092 * \text{my\_term} \\ & - 0.00998 * \text{my\_term}^{**2} \\ & + 0.24958 * \text{trk}) \end{aligned}$$

where:  $\text{hc\_term} = \ln(\text{ASM1\_HC} * \text{ASM2\_HC})^{.5} - 2.32393$  ;  
 $\text{co\_term} = \ln(\text{ASM1\_CO} * \text{ASM2\_CO})^{.5} + 3.45963$  ;  
 $\text{no\_term} = \ln(\text{ASM1\_NO} * \text{ASM2\_NO})^{.5} - 3.71310$  ;  
 $\text{MY\_Term} = \text{model\_year} - 1993.69$ ;  
 $\text{wt\_term} = \ln(\text{vehicle\_weight in pounds})$   
 $\text{TRK} = 0$  if vehicle is a passenger car and 1 if vehicle is a light-duty truck

For cases in which the HC or NO ASM scores are zero, they are set to 1 ppm;  
for cases in which the CO ASM score is zero, it is set to 0.01%.

Definitions:  $\text{FTP\_HC}$  = Estimated hydrocarbon FTP emission rate in grams per mile  
 $\text{FTP\_CO}$  = Estimated CO FTP emission rate in grams per mile  
 $\text{FTP\_NO}$  = Estimated NOx FTP emission rate in grams per mile  
 $\text{ASM1\_HC}$  = Measured ASM 5015 mode hydrocarbon concentration in ppm  
 $\text{ASM2\_HC}$  = Measured ASM 2525 mode hydrocarbon concentration in ppm  
 $\text{ASM1\_CO}$  = Measured ASM 5015 mode CO concentration in percent  
 $\text{ASM2\_CO}$  = Measured ASM 2525 mode hydrocarbon concentration in percent  
 $\text{ASM1\_NO}$  = Measured ASM 5015 mode NOx concentration in ppm  
 $\text{ASM2\_NO}$  = Measured ASM 2525 mode NOx concentration in ppm



**Table 11-4  
Average Vehicle Miles Traveled by Model Year**

<b>Model Year</b>	<b>Annual VMT* in 2007</b>	<b>Annual VMT* in 2008</b>
1965 and older	5,173	5,118
1966	5,250	5,164
1967	5,350	5,264
1968	5,485	5,400
1969	5,635	5,550
1970	5,786	5,698
1971	5,910	5,823
1972	6,048	5,955
1973	6,132	6,039
1974	6,163	6,068
1975	6,312	6,212
1976	6,376	6,269
1977	6,475	6,364
1978	6,544	6,433
1979	6,636	6,520
1980	6,701	6,586
1981	6,794	6,676
1982	6,893	6,771
1983	6,998	6,870
1984	7,172	7,042
1985	7,306	7,168
1986	7,497	7,360
1987	7,600	7,456
1988	7,763	7,615
1989	7,943	7,787
1990	8,108	7,942
1991	8,317	8,143
1992	8,538	8,346
1993	8,787	8,582
1994	9,022	8,801
1995	9,252	9,010
1996	9,540	9,280
1997	9,834	9,552
1998	10,176	9,866
1999	10,546	10,205
2000	10,912	10,529
2001	11,328	10,897
2002	11,824	11,324
2003	12,411	11,819
2004	13,150	12,426
2005	13,983	13,064
2006		13,999

\*Average vehicle VMT calculated using EMFAC Working Draft 2B (June 2006). Numbers are subject to change pending final version of emission inventory model.

Exhibit G

## **Program Work Plans and Timeline**

Work plans and timeline for each program component are included below.



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**OPERATIONAL INDICATORS**

<b>Call Center Calls</b>	<b>Target (program)</b>	23,500	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles in Process</b>	<b>Current Number</b>			
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<b>Vehicles Repaired</b>	<b>Target (program)</b>	7,000	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles Stranded</b>	<b>Target (program)</b>	1,250	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or below target / Yellow = 1-20% over target / Red = 21% or more over target*

<b>Repair Cost Waivers Issued</b>	<b>Current Number</b>			
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<b>Dollars Spent</b>	<b>Target (program)</b>	5,025,250	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = +/- 0 to 10% / Yellow = +/- 11-20% / Red = +/- 21% or more*

<b>Tons of Emissions Reductions</b>	<b>Target (program)</b>	306 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Average Emissions Reduction Per Vehicle</b>	<b>Target (program)</b>	0.044 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	0.044 tons	<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Cost Effectiveness</b>	<b>Target (program)</b>	\$16,000 / ton	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	\$16,000 / ton	<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

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**\* Variance Comments:**

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**MAJOR OUTCOMES AND ACTIVITIES**

<b>Implementation</b>				
<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
1. Kick-off the project	1.a. Hold project kick-off meeting	03/01/10	Open	0%
2. Executed MOU with BAR	2.a. Draft MOU outlining roles and responsibilities of each party	03/31/10	Open	0%
	2.b. Execute MOU	05/31/10	Open	0%
3. Document standardized VRRRM for CAP eligibility guidelines	3.a. Develop eligibility guidelines, including list of approved repairs and assessment of qualification for other publicly funded programs, for use by Referees and Settlement Advisors	03/31/10	Open	0%
	3. b. Develop application and approval process	03/31/10	Open	0%
	3.c. Develop list of outside programs for consumers who do not qualify	03/31/10	Open	0%
	3.d. Develop call center scripts	03/31/10	Open	0%
	3.e. Develop consumer information package to be mailed by call center staff to consumers who do not have internet access, describing claims process	05/31/10	Open	0%
4. Two RFG Settlement Advisors in place	4.a. Post position / begin recruitment	03/15/10	Open	0%
	4.b. Develop and document claims handling procedures	03/31/10		
	4.c. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	4.d. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) GS Station requirements/contracting, 4) claims handling	04/30/10	Open	0%
5. Administrative Assistant in place	5.a. Post position / begin recruitment	03/15/10	Open	0%
	5.b. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	5.c. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) GS Station requirements/contracting, 4) approving/processing consumers incentives	04/30/10	Open	0%
6. Finance/accounting processes in place	6.a. Collect and document finance and accounting requirements	02/28/10	Open	0%
	6.b. Design finance and accounting processes and procedures	03/31/10	Open	0%
	6.c. Develop implementation plan and assign	04/30/10	Open	0%

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	resources			
	6.d. Construct supporting tools/systems	05/31/10	Open	0%
7. IT/Software Development hardware/software for data collection and reporting in place and in production	7.a. Identify and assign resources	03/15/10	Open	0%
	7.b. Purchase equipment	03/31/10	Open	0%
	7.c. Collect and document system and application requirements for data collection and reporting, leveraging existing HEROS I database	03/31/10	Open	0%
	7.d. Design applications, reports, and tools	04/15/10	Open	0%
	7.e. Construct applications, reports, and tools	05/15/10	Open	0%
	7.f. Test	05/31/10	Open	0%
8. Marketing materials in circulation; website in production	8.a. Collect and document requirements and distribution strategy	03/31/10	Open	0%
	8.b. Design marketing pieces and website	04/30/10	Open	0%
	8.c. Print pieces / publish website	05/15/10	Open	0%
	8.d. Execute distribution strategy	05/31/10	Open	0%
9. Supplement outreach efforts and communicate with the Class through the issuance of a press release	9.a. Issue press release with prior approval of plaintiff's attorney and Cy Pres Administrator	03/31/10	Open	0%
10. Gold Shield Station readiness	10.a. Develop and document Gold Shield (GS) Operations Manual	03/31/10	Open	0%
	10.b. Identify and recruit participating stations	04/30/10	Open	0%
	10.c. Execute contracts	04/30/10	Open	0%
	10.d. Provide GS stations with training on operating policies and procedures	05/31/10	Open	0%
11. Referee training complete	11.a. Develop referee training program that includes a marketing and outreach component	03/31/10	Open	0%
	11.b. Execute referee training program	04/30/10	Open	0%
12. Call center training complete	12.a. Develop call center training program	03/31/10	Open	0%
	12.b. Execute call center training program	04/30/10	Open	0%

**Execution, Monitoring, and Control**

<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
13. Fraud prevention and quality control	13.a. Develop and document fraud prevention and quality control measures, which include site visit provisions (GS stations and referee sites) and internal claims handling audit procedures	05/31/10	Open	0%
	13.b. Develop site visit schedule	05/31/10	Open	0%
	13.c. Develop internal claims handling audit schedule	05/31/10	Open	0%
14. Achieve program maintenance, continuous improvement, and	14.a. Develop, document, and publish frequently asked questions for both the project team and consumers	12/31/10 and ongoing	Open	0%

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reporting	14.b. Develop mechanism for continuous consumer feedback collection	05/31/10	Open	0%
	14.c. Collect consumer feedback; analyze data; implement related action plans	Ongoing	Open	0%
	14.d. Develop internal project team meeting tools, such as standard agenda and action items tracking	05/31/10	Open	0%
	14.e. Complete Program Work Plan and Summary Status Report and supporting detailed operational and financial reports for executive program management and project team review; conduct internal review meetings	Monthly, recurring	Open	0%
	14.f. Identify necessary program modifications for approval by the advisory committee and Cy Pres Administrator	Ongoing	Open	0%
	14.g. Maintain open line of communication with advisory committee and Cy Pres Administrator regarding substantial deviations from work plan; conduct informal meetings as necessary	Ongoing	Open	0%
	14.h. Obtain Cy Pres Administrator approval for necessary program modifications	Ongoing	Open	0%
	14.i. Implement program modifications as approved	Ongoing	Open	0%
	14.j. Submit Program Work Plan and Summary Status Report and financial statements to advisory committee; conduct formal review meetings	Quarterly, recurring	Open	0%
	14.k. Submit Program Work Plan, Status Report and financial statements to Cy Pres Administrator pursuant to Grant Agreement	Monthly and Quarterly, recurring	Open	0%
	14.l. Evaluate program sustainability options	06/30/2012	Open	0%

**Closing**

<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
15. Close project activities and achieve project completion and acceptance	15.a. Develop human resources transition plan for program-specific employees	01/31/13	Open	0%
	15.b. Close all open contracts and agreements	04/30/13	Open	0%
	15.c. Close invoicing and collection activities	04/30/13	Open	0%
	15.d. Prepare final report, including supporting financial documentation	05/31/13	Open	0%
	15.e. Celebrate success	06/01/13	Open	0%

\* Status Comments:

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<b>VRRRM for CAP</b>					
<b>Summary of Operational Indicator Cumulative Targets</b>					
	<b>Call Center Calls</b>	<b>Vehicles Repaired</b>	<b>Vehicles Stranded</b>	<b>Dollars Spent</b>	<b>Tons of Emissions Reductions</b>
<b>Month 1</b>	-	-	-	-	-
<b>Month 2</b>	-	-	-	-	-
<b>Month 3</b>	-	-	-	-	-
<b>Month 4</b>	610	180	30	129,000	8
<b>Month 5</b>	1,210	360	60	259,000	16
<b>Month 6</b>	1,820	540	100	388,000	24
<b>Month 7</b>	2,460	730	130	526,000	32
<b>Month 8</b>	3,100	920	160	663,000	40
<b>Month 9</b>	3,810	1,140	200	815,000	50
<b>Month 10</b>	4,670	1,390	250	998,000	61
<b>Month 11</b>	5,520	1,640	290	1,181,000	72
<b>Month 12</b>	6,410	1,910	340	1,371,000	83
<b>Month 13</b>	7,120	2,120	380	1,523,000	93
<b>Month 14</b>	7,830	2,330	420	1,675,000	102
<b>Month 15</b>	8,550	2,550	450	1,827,000	111
<b>Month 16</b>	9,260	2,760	490	1,980,000	121
<b>Month 17</b>	9,970	2,970	530	2,132,000	130
<b>Month 18</b>	10,680	3,180	570	2,284,000	139
<b>Month 19</b>	11,390	3,390	610	2,437,000	148
<b>Month 20</b>	12,110	3,610	640	2,589,000	158
<b>Month 21</b>	12,820	3,820	680	2,741,000	167
<b>Month 22</b>	13,530	4,030	720	2,893,000	176
<b>Month 23</b>	14,240	4,240	760	3,046,000	185
<b>Month 24</b>	14,950	4,450	800	3,198,000	195
<b>Month 25</b>	15,670	4,670	830	3,350,000	204
<b>Month 26</b>	16,380	4,880	870	3,502,000	213
<b>Month 27</b>	17,090	5,090	910	3,655,000	223
<b>Month 28</b>	17,800	5,300	950	3,807,000	232
<b>Month 29</b>	18,510	5,510	980	3,959,000	241
<b>Month 30</b>	19,230	5,730	1,020	4,111,000	250
<b>Month 31</b>	19,940	5,940	1,060	4,264,000	260
<b>Month 32</b>	20,650	6,150	1,100	4,416,000	269
<b>Month 33</b>	21,360	6,360	1,140	4,568,000	278
<b>Month 34</b>	22,070	6,580	1,170	4,720,000	287
<b>Month 35</b>	22,790	6,790	1,210	4,873,000	297
<b>Month 36</b>	23,500	7,000	1,250	5,025,000	306

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**OPERATIONAL INDICATORS**

<b>Call Center Calls</b>	<b>Target (program)</b>	24,500	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles in Process</b>	<b>Current Number</b>			
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<b>Vehicles Repaired</b>	<b>Target (program)</b>	4,250	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles Retired</b>	<b>Target (program)</b>	1,050	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles Stranded</b>	<b>Target (program)</b>	2,850	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or below target / Yellow = 1-20% over target / Red = 21% or more over target*

<b>Dollars Spent</b>	<b>Target (program)</b>	\$4,741,000	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = +/- 0 to10% / Yellow = +/- 11-20% / Red = +/-21% or more*

<b>Tons of Emissions Reductions</b>	<b>Target (program)</b>	272 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Average Emissions Reduction Per Vehicle</b>	<b>Target (program)</b>	0.064 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	0.064 tons	<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Cost Effectiveness</b>	<b>Target (program)</b>	\$16,000 / ton	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	\$16,000 / ton	<b>% Variance to date Over/(Under)*</b>	



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*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

**\* Variance Comments:**

Text

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**MAJOR OUTCOMES AND ACTIVITIES**

<b>Implementation</b>				
<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
1. Kick-off the project	1.a. Hold project kick-off meeting	03/01/10	Open	0%
2. Executed MOU with South Coast Air Quality Management District	2.a. Draft MOU outlining roles and responsibilities of each party, including those of Valley CAN	03/31/10	Open	0%
	2.b. Execute MOU	05/31/10	Open	0%
3. Document standardized VRRRM for HEROS eligibility guidelines	3.a. Develop screening guidelines for call center staff to screen participants prior to events	03/31/10	Open	0%
	3.b. Develop call center scripts	03/31/10	Open	0%
	3.c. Develop eligibility guidelines, including list of approved repairs, for use by Gold Shield Stations	03/31/10	Open	0%
	3.d. Develop application and approval process	03/31/10	Open	0%
4. Two RFG Settlement Advisors in place	4.a. Post position / begin recruitment	03/15/10	Open	0%
	4.b. Develop and document claims handling procedures	03/31/10		
	4.c. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	4.d. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) GS Station and retirement vendors requirements/contracting, 4) claims handling	04/30/10	Open	0%
5. Administrative Assistant in place	5.a. Post position / begin recruitment	03/15/10	Open	0%
	5.b. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	5.c. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) GS Station and retirement vendor requirements/contracting, 4) approving/processing consumers incentives	04/30/10	Open	0%
6. Finance/accounting processes in place	6.a. Collect and document finance and accounting requirements	02/28/10	Open	0%
	6.b. Design finance and accounting processes and procedures	03/31/10	Open	0%
	6.c. Develop implementation plan and assign resources	04/30/10	Open	0%
	6.d. Construct supporting tools/systems	05/31/10	Open	0%
7. IT/Software Development	7.a. Identify and assign resources	03/15/10	Open	0%
	7.b. Purchase equipment	03/31/10	Open	0%

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hardware/software for data collection in reporting in place and in production	7.c. Collect and document system and application requirements for data collection and reporting, leveraging existing HEROS I database	03/31/10	Open	0%
	7.d. Design applications, reports, and tools	04/15/10	Open	0%
	7.e. Construct applications, reports, and tools	05/15/10	Open	0%
	7.f. Test	05/31/10	Open	0%
8. Marketing activities launched	8. a. South Coast to kick-off sales and marketing activities prior to first event	05/31/10	Open	0%
9. Supplement outreach efforts and communicate with the Class through the issuance of a press release	9.a. Issue press release with prior approval of plaintiff's attorney and Cy Pres Administrator	03/31/10	Open	0%
10. Gold Shield Station readiness	10.a. Develop and document Gold Shield (GS) Operations Manual	03/31/10	Open	0%
	10.b. Identify and recruit participating stations	04/30/10	Open	0%
	10.c. Execute contracts	04/30/10	Open	0%
	10.d. Provide GS stations with training on operating policies and procedures	05/31/10	Open	0%
11. Retirement vendor readiness	11.a. Develop and document Retirement Vendor Operations Manual	03/31/10	Open	0%
	11.b. Identify and recruit vendor	04/30/10	Open	0%
	11.c. Execute contract	04/30/10	Open	0%
	11.d. Provide retirement vendor with training on operating policies and procedures	05/31/10	Open	0%
12. Call center training complete	12.a. Develop call center training program	03/31/10	Open	0%
	12.b. Execute call center training program	04/30/10	Open	0%

**Execution, Monitoring, and Control**

<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
13. Fraud prevention and quality control	13.a. Develop and document fraud prevention and quality control measures, which include site visit provisions (GS stations and retirement vendor sites) and internal claims handling audit procedures	05/31/10	Open	0%
	13.b. Develop site visit schedule	05/31/10	Open	0%
	13.c. Develop internal claims handling audit schedule	05/31/10	Open	0%
14. Achieve program maintenance, continuous improvement, and reporting	14.a. Develop, document, and publish frequently asked questions for both the project team and consumers	12/31/10 and ongoing	Open	0%
	14.b. Develop mechanism for continuous consumer feedback collection	05/31/10	Open	0%
	14.c. Collect consumer feedback; analyze	Ongoing	Open	0%

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM for HEROS – Submitted for the period ending \_\_\_\_\_**

	data; implement related action plans			
	14.d. Develop internal project team meeting tools, such as standard agenda and action items tracking	05/31/10	Open	0%
	14.e. Complete Program Work Plan and Summary Status Report and supporting detailed operational and financial reports for executive program management and project team review; conduct internal review meetings	Monthly, recurring	Open	0%
	14.f. Identify necessary program modifications for approval by the advisory committee and Cy Pres Administrator	Ongoing	Open	0%
	14.g. Maintain open line of communication with advisory committee and Cy Pres Administrator regarding substantial deviations from work plan; conduct informal meetings as necessary	Ongoing	Open	0%
	14.h. Obtain Cy Pres Administrator approval for necessary program modifications	Ongoing	Open	0%
	14.i. Implement program modifications as approved	Ongoing	Open	0%
	14.j. Submit Program Work Plan and Summary Status Report and financial statements to advisory committee; conduct formal review meetings	Quarterly, recurring	Open	0%
	14.k. Submit Program Work Plan, Status Report and financial statements to Cy Pres Administrator pursuant to Grant Agreement	Monthly and Quarterly, recurring	Open	0%
	14.l. Evaluate program sustainability options	06/30/10	Open	0%
15. Weekend events held in connection with HEROS II	15.1 Four weekend events held to date	07/31/10	Open	0%
	15.1 Ten weekend events held to date	04/30/11	Open	0%
16. Other weekend events proposed subsequent to HEROS II	16.1 Nineteen weekend events held to date	01/31/12		
	16.1 Thirty weekend events held to date	10/31/12		

**Closing**

<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
17. Close project activities and achieve project completion and acceptance	17.a. Develop human resources transition plan for program-specific employees	01/31/13	Open	0%
	17.b. Close all open contracts and agreements	04/30/13	Open	0%
	17.c. Close invoicing and collection activities	04/30/13	Open	0%
	17.d. Prepare final report, including supporting financial documentation	05/31/13	Open	0%
	17.e. Celebrate success	06/01/13	Open	0%

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM for HEROS – Submitted for the period ending \_\_\_\_\_**

**\* Status Comments:**

Text

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM for HEROS – Submitted for the period ending \_\_\_\_\_**

<b>VRRRM for HEROS</b>						
<b>Summary of Operational Indicator Cumulative Targets</b>						
	<b>Call Center Calls</b>	<b>Vehicles Repaired</b>	<b>Vehicles Retired</b>	<b>Vehicles Stranded</b>	<b>Dollars Spent</b>	<b>Tons of Emissions Reductions</b>
<b>Month 1</b>	-	-	-	-	-	-
<b>Month 2</b>	-	-	-	-	-	-
<b>Month 3</b>	-	-	-	-	-	-
<b>Month 4</b>	2,130	370	90	250	412,000	24
<b>Month 5</b>	3,720	650	160	430	720,000	41
<b>Month 6</b>	4,680	810	200	540	906,000	52
<b>Month 7</b>	4,680	810	200	540	906,000	52
<b>Month 8</b>	5,680	990	240	650	1,100,000	63
<b>Month 9</b>	6,690	1,160	280	770	1,294,000	74
<b>Month 10</b>	6,690	1,160	280	770	1,294,000	74
<b>Month 11</b>	6,690	1,160	280	770	1,294,000	74
<b>Month 12</b>	6,690	1,160	280	770	1,294,000	74
<b>Month 13</b>	6,690	1,160	280	770	1,294,000	74
<b>Month 14</b>	7,500	1,300	320	860	1,450,000	83
<b>Month 15</b>	8,310	1,440	350	960	1,607,000	92
<b>Month 16</b>	9,920	1,720	420	1,150	1,920,000	110
<b>Month 17</b>	11,540	2,000	490	1,340	2,234,000	128
<b>Month 18</b>	13,160	2,280	560	1,530	2,547,000	146
<b>Month 19</b>	13,970	2,420	600	1,620	2,704,000	155
<b>Month 20</b>	14,780	2,560	630	1,720	2,860,000	164
<b>Month 21</b>	15,590	2,700	670	1,810	3,017,000	173
<b>Month 22</b>	15,590	2,700	670	1,810	3,017,000	173
<b>Month 23</b>	15,590	2,700	670	1,810	3,017,000	173
<b>Month 24</b>	15,590	2,700	670	1,810	3,017,000	173
<b>Month 25</b>	16,400	2,850	700	1,900	3,174,000	182
<b>Month 26</b>	17,210	2,990	740	2,000	3,330,000	191
<b>Month 27</b>	18,020	3,130	770	2,090	3,487,000	200
<b>Month 28</b>	19,640	3,410	840	2,280	3,801,000	218
<b>Month 29</b>	21,260	3,690	910	2,470	4,114,000	236
<b>Month 30</b>	22,070	3,830	950	2,570	4,271,000	245
<b>Month 31</b>	22,880	3,970	980	2,660	4,427,000	254
<b>Month 32</b>	23,690	4,110	1,020	2,760	4,584,000	263
<b>Month 33</b>	24,500	4,250	1,050	2,850	4,741,000	272
<b>Month 34</b>	24,500	4,250	1,050	2,850	4,741,000	272
<b>Month 35</b>	24,500	4,250	1,050	2,850	4,741,000	272
<b>Month 36</b>	24,500	4,250	1,050	2,850	4,741,000	272

**VRRRM Program Work Plan and Summary Status Report**  
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**OPERATIONAL INDICATORS**

<b>Call Center Calls</b>	<b>Target (program)</b>	2,900	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles in Process</b>	<b>Current Number</b>			
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<b>Vehicles Replaced</b>	<b>Target (program)</b>	970	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Dollars Spent</b>	<b>Target (program)</b>	\$3,599,000	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = +/- 0 to 10% / Yellow = +/- 11-20% / Red = +/- 21% or more*

<b>Tons of Emissions Reductions</b>	<b>Target (program)</b>	115 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Average Emissions Reduction Per Vehicle</b>	<b>Target (program)</b>	0.119 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	0.119 tons	<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Cost Effectiveness</b>	<b>Target (program)</b>	\$30,000 / ton	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	\$30,000 / ton	<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM Replacement Incentive – Submitted for the period ending \_\_\_\_\_**

**\* Variance Comments:**

Text



**VRRRM Program Work Plan and Summary Status Report**  
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**MAJOR OUTCOMES AND ACTIVITIES**

<b>Implementation</b>				
<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
1. Kick-off the project	1.a. Hold project kick-off meeting	03/01/10	Open	0%
2. Document standardized VRRRM Replacement Incentive eligibility guidelines	2.a. Develop eligibility guidelines, including list of approved replacement vehicles and assessment of qualification for other publicly funded programs, for use by Referees and Settlement Advisors	03/31/10	Open	0%
	2. b. Develop application and approval process	03/31/10	Open	0%
	2.c. Develop call center scripts	03/31/10	Open	
3. Two RFG Settlement Advisors in place	3.a. Post position / begin recruitment	03/15/10	Open	0%
	3.b. Develop and document claims handling procedures	03/31/10		
	3.c. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	3.d. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) Auto dealer requirements/contracting, 4) claims handling	04/30/10	Open	0%
4. Administrative Assistant in place	4.a. Post position / begin recruitment	03/15/10	Open	0%
	4.b. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	4.c. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) Auto dealer requirements/contracting, 4) approving/processing consumers incentives	04/30/10	Open	0%
5. Finance/accounting processes in place	5.a. Collect and document finance and accounting requirements	02/28/10	Open	0%
	5.b. Design finance and accounting processes and procedures	03/31/10	Open	0%
	5.c. Develop implementation plan and assign resources	04/30/10	Open	0%
	5.d. Construct supporting tools/systems	05/31/10	Open	0%
6. IT/Software Development hardware/software for data collection and reporting in place and in production	6.a. Identify and assign resources	03/15/10	Open	0%
	6.b. Purchase equipment	03/31/10	Open	0%
	6.c. Collect and document system and application requirements for data collection and reporting, leveraging existing HEROS I database	03/31/10	Open	0%
	6.d. Design applications, reports, and tools	04/15/10	Open	0%

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM Replacement Incentive – Submitted for the period ending \_\_\_\_\_**

	6.e. Construct applications, reports, and tools	05/15/10	Open	0%
	6.f. Test	05/31/10	Open	0%
7. Marketing materials in circulation; website in production	7.a. Collect and document requirements and distribution strategy	03/31/10	Open	0%
	7.b. Design marketing pieces and website	04/30/10	Open	0%
	7.c. Print pieces / publish website	05/15/10	Open	0%
	7.d. Execute distribution strategy	05/31/10	Open	0%
8. Defined AB118 referral process	8.a. Work with participating air districts to establish a referral process for consumers ineligible for AB118; execute MOUs	05/31/10	Open	0%
	8.b. Develop Referee referral process	03/31/10	Open	0%
	8.c. Work with participating air districts to develop a process for leveraging existing program administrative, outreach, and public awareness resources	05/31/10	Open	0%
9. Supplement outreach efforts and communicate with the Class through the issuance of a press release	9.a. Issue press release with prior approval of plaintiff's attorney and Cy Pres Administrator	03/31/10	Open	0%
10. Auto dealer readiness	10.a. Develop and document Auto Dealer Operations Manual	03/31/10	Open	0%
	10.b. Identify and recruit participating dealers	04/30/10	Open	0%
	10.c. Execute contracts	04/30/10	Open	0%
	10.d. Provide auto dealers with training on operating policies and procedures	05/31/10	Open	0%
11. Referee training complete	11.a. Develop referee training program that includes a marketing and outreach component	03/31/10	Open	0%
	11.b. Execute referee training program	04/30/10	Open	0%
12. Call center training complete	12.a. Develop call center training program	03/31/10	Open	0%
	12.b. Execute call center training program	04/30/10	Open	0%

**Execution, Monitoring, and Control**

<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
13. Fraud prevention and quality control	13.a. Develop and document fraud prevention and quality control measures, which includes an internal claims handling audit procedure; develop guidelines for conducting site visits as needed	05/31/10	Open	0%
	13.b. Develop internal claims handling audit schedule	05/31/10	Open	0%
14. Achieve program maintenance, continuous improvement, and reporting	14.a. Develop, document, and publish frequently asked questions for both the project team and consumers	12/31/10 and ongoing	Open	0%
	14.b. Develop mechanism for continuous consumer feedback collection	05/31/10	Open	0%

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM Replacement Incentive – Submitted for the period ending \_\_\_\_\_**

	14.c. Collect consumer feedback; analyze data; implement related action plans	Ongoing	Open	0%
	14.d. Develop internal project team meeting tools, such as standard agenda and action items tracking	05/31/10	Open	0%
	14.e. Complete Program Work Plan and Summary Status Report and supporting detailed operational and financial reports for executive program management and project team review; conduct internal review meetings	Monthly, recurring	Open	0%
	14.f. Identify necessary program modifications for approval by the advisory committee and Cy Pres Administrator	Ongoing	Open	0%
	14.g. Maintain open line of communication with advisory committee and Cy Pres Administrator regarding substantial deviations from work plan; conduct informal meetings as necessary	Ongoing	Open	0%
	14.h. Obtain Cy Pres Administrator approval for necessary program modifications	Ongoing	Open	0%
	14.i. Implement program modifications as approved	Ongoing	Open	0%
	14.j. Submit Program Work Plan and Summary Status Report and financial statements to advisory committee; conduct formal review meetings	Quarterly, recurring	Open	0%
	14.k. Submit Program Work Plan, Status Report and financial statements to Cy Pres Administrator pursuant to Grant Agreement	Monthly and Quarterly, recurring	Open	0%
	14.l. Evaluate program sustainability options	06/30/2012	Open	0%

**Closing**

<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
15. Close project activities and achieve project completion and acceptance	15.a. Develop human resources transition plan for program-specific employees	01/31/13	Open	0%
	15.b. Close all open contracts and agreements	04/30/13	Open	0%
	15.c. Close invoicing and collection activities	04/30/13	Open	0%
	15.d. Prepare final report, including supporting financial documentation	05/31/13	Open	0%
	15.e. Celebrate success	06/01/13	Open	0%

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM Replacement Incentive – Submitted for the period ending \_\_\_\_\_**

**\* Status Comments:**

Text

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM Replacement Incentive – Submitted for the period ending \_\_\_\_\_**

<b>VRRRM Replacement Incentive</b>				
<b>Summary of Operational Indicator Cumulative Targets</b>				
	<b>Call Center Calls</b>	<b>Vehicles Replaced</b>	<b>Dollars Spent</b>	<b>Tons of Emissions Reductions</b>
<b>Month 1</b>	-	-	-	-
<b>Month 2</b>	-	-	-	-
<b>Month 3</b>	-	-	-	-
<b>Month 4</b>	60	20	74,000	2
<b>Month 5</b>	120	40	148,000	5
<b>Month 6</b>	180	60	223,000	7
<b>Month 7</b>	240	80	297,000	9
<b>Month 8</b>	300	100	371,000	12
<b>Month 9</b>	360	120	445,000	14
<b>Month 10</b>	440	150	546,000	17
<b>Month 11</b>	520	180	651,000	21
<b>Month 12</b>	610	200	756,000	24
<b>Month 13</b>	700	230	870,000	28
<b>Month 14</b>	790	270	984,000	31
<b>Month 15</b>	890	300	1,099,000	35
<b>Month 16</b>	980	330	1,213,000	39
<b>Month 17</b>	1,070	360	1,328,000	42
<b>Month 18</b>	1,160	390	1,442,000	46
<b>Month 19</b>	1,250	420	1,556,000	50
<b>Month 20</b>	1,350	450	1,671,000	53
<b>Month 21</b>	1,440	480	1,785,000	57
<b>Month 22</b>	1,530	510	1,900,000	61
<b>Month 23</b>	1,620	540	2,014,000	64
<b>Month 24</b>	1,720	570	2,128,000	68
<b>Month 25</b>	1,810	610	2,252,000	72
<b>Month 26</b>	1,910	640	2,376,000	76
<b>Month 27</b>	2,010	670	2,499,000	80
<b>Month 28</b>	2,110	710	2,623,000	84
<b>Month 29</b>	2,210	740	2,747,000	88
<b>Month 30</b>	2,310	770	2,870,000	92
<b>Month 31</b>	2,410	810	2,994,000	96
<b>Month 32</b>	2,510	840	3,118,000	100
<b>Month 33</b>	2,610	870	3,241,000	104
<b>Month 34</b>	2,710	910	3,365,000	108
<b>Month 35</b>	2,810	940	3,489,000	111
<b>Month 36</b>	2,900	970	3,599,000	115

**VRRRM Program Work Plan and Summary Status Report**  
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**OPERATIONAL INDICATORS**

<b>Call Center Calls</b>	<b>Target (program)</b>	13,200	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles in Process</b>	<b>Current Number</b>			
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<b>Vehicles Repaired</b>	<b>Target (program)</b>	3,750	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Vehicles Stranded</b>	<b>Target (program)</b>	650	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or below target / Yellow = 1-20% over target / Red = 21% or more over target*

<b>Dollars Spent</b>	<b>Target (program)</b>	\$3,071,000	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = +/- 0 to10% / Yellow = +/- 11-20% / Red = +/-21% or more*

<b>Tons of Emissions Reductions</b>	<b>Target (program)</b>	163 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>		<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Average Emissions Reduction Per Vehicle</b>	<b>Target (program)</b>	0.043 tons	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	0.043 tons	<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

<b>Cost Effectiveness</b>	<b>Target (program)</b>	\$16,000 ton	<b>Actual (to date)</b>	
	<b>Target (to date)</b>	\$16,000 ton	<b>% Variance to date Over/(Under)*</b>	

*Green = on or above target / Yellow = 1-20% under target / Red = 21% or more under target*

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**VRRRM for PASS – Submitted for the period ending \_\_\_\_\_**

**\* Variance Comments:**

Text

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM for PASS – Submitted for the period ending \_\_\_\_\_**

**MAJOR OUTCOMES AND ACTIVITIES**

<b>Implementation</b>				
<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
1. Kick-off the project	1.a. Hold project kick-off meeting	03/01/10	Open	0%
2. Executed contract with San Joaquin Valley Air Quality Management District (San Joaquin)	2.a. Draft contract outlining roles and responsibilities of each party	03/31/10	Open	0%
	2.b. Execute contract	05/31/10	Open	0%
3. Document standardized VRRRM for PASS eligibility guidelines	3.a. San Joaquin to develop screening guidelines for call center staff to screen participants prior to events	03/31/10	Open	0%
	3.b. San Joaquin to develop call center scripts	03/31/10	Open	0%
	3.c. Foundation to develop and provide San Joaquin with eligibility guidelines, including list of approved repairs, for use by Gold Shield Stations	03/31/10	Open	0%
	3.d. San Joaquin to develop application and approval process	3/31/10	Open	0%
4. Two RFG Settlement Advisors in place	4.a. Post position / begin recruitment	03/15/10	Open	0%
	4.b. Develop and document claims handling procedures	03/31/10		
	4.c. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	4.d. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) GS Station and retirement vendors requirements/contracting, 4) claims handling	04/30/10	Open	0%
5. Administrative Assistant in place	5.a. Post position / begin recruitment	03/15/10	Open	0%
	5.b. Conduct interviews / select candidates / extend offers and complete pre-employment processes / hire	03/31/10	Open	0%
	5.c. Conduct training – key competency areas include: 1) org/program overview, 2) quality control and audits, 3) GS Station and retirement vendor requirements/contracting, 4) approving/processing consumers incentives	04/30/10	Open	0%
6. Finance/accounting processes in place	6.a. Collect and document finance and accounting requirements	03/15/10	Open	0%
	6.b. Design finance and accounting processes and procedures	03/31/10	Open	0%
	6.c. Develop implementation plan and assign resources	04/30/10	Open	0%
	6.d. Construct supporting tools/systems	05/31/10	Open	0%



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7. IT/Software Development hardware/software for data collection in reporting in place and in production	7.a. Identify and assign resources	03/15/10	Open	0%
	7.b. Purchase equipment	03/31/10	Open	0%
	7.c. Foundation and San Joaquin to determine data collection and reporting processes and tools	03/31/10	Open	0%
	7.d. Foundation and San Joaquin to design applications, reports, and tools	04/15/10	Open	0%
	7.e. Foundation and San Joaquin to construct applications, reports, and tools	05/15/10	Open	0%
	7.f. Foundation and San Joaquin to test	05/31/10	Open	0%
8. Marketing activities launched	8.a. With Foundation oversight, San Joaquin to execute marketing plan that leverages the existing PASS brand and comprehensive marketing and outreach campaign	05/31/10	Open	0%
9. Supplement outreach efforts and communicate with the Class through the issuance of a press release	9.a. Issue press release with prior approval of plaintiff's attorney and Cy Pres Administrator	03/31/10	Open	0%
10. Gold Shield Station readiness	10.a. Develop and document Gold Shield (GS) Operations Manual	03/31/10	Open	0%
	10.b. Identify and recruit participating stations	04/30/10	Open	0%
	10.c. Execute contracts	04/30/10	Open	0%
	10.d. Provide GS stations with training on operating policies and procedures	05/31/10	Open	0%
11. Call center training complete	11.a. Develop call center training program	03/31/10	Open	0%
	11.b. Execute call center training program	04/30/10	Open	0%

<b>Execution, Monitoring, and Control</b>				
<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
12. Fraud prevention and quality control	12.a. Develop and document fraud prevention and quality control measures, which include site visit provisions (GS stations) and internal claims handling audit procedures	05/31/10	Open	0%
	12.b. Develop site visit schedule	05/31/10	Open	0%
	12.c. Develop internal claims handling audit schedule	05/31/10	Open	0%
13. Achieve program maintenance, continuous improvement, and reporting	13.a. Develop, document, and publish frequently asked questions for both the project team and consumers	12/31/10 and ongoing	Open	0%
	13.b. Develop mechanism for continuous consumer feedback collection	05/31/10	Open	0%
	13.c. Collect consumer feedback; analyze data; implement related action plans	Ongoing	Open	0%
	13.d. San Joaquin to implement post repair follow up and program auditing procedures	05/31/10	Open	0%

**VRRRM Program Work Plan and Summary Status Report**  
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	13.e. Develop internal project team meeting tools, such as standard agenda and action items tracking	05/31/10	Open	0%
	13.f. Complete Program Work Plan and Summary Status Report and supporting detailed operational and financial reports for executive program management and project team review; conduct internal review meetings	Monthly, recurring	Open	0%
	13.g. Identify necessary program modifications for approval by the advisory committee and Cy Pres Administrator	Ongoing	Open	0%
	13.h. Maintain open line of communication with advisory committee and Cy Pres Administrator regarding substantial deviations from work plan; conduct informal meetings as necessary	Ongoing	Open	0%
	13.i. Obtain Cy Pres Administrator approval for necessary program modifications	Ongoing	Open	0%
	13.j. Implement program modifications as approved	Ongoing	Open	0%
	13.k. Submit Program Work Plan and Summary Status Report and financial statements to advisory committee; conduct formal review meetings	Quarterly, recurring	Open	0%
	13.l. Submit Program Work Plan, Status Report and financial statements to Cy Pres Administrator pursuant to Grant Agreement	Monthly and Quarterly, recurring	Open	0%
	13.m. Evaluate program sustainability options	06/30/12	Open	0%
14. Weekend events held	One weekend events held to date	07/31/10	Open	0%
	Four weekend events held to date	01/31/11	Open	0%
	Seven weekend events held to date	07/31/11	Open	0%
	Ten weekend events held to date	01/31/12	Open	0%
	Thirteen weekend events held to date	07/31/12	Open	0%
	Fifteen weekend events held to date	10/31/12	Open	0%

**Closing**

<b>Outcomes</b>	<b>Activities</b>	<b>Expected Completion Date</b>	<b>Status*</b>	<b>% Complete/ Actual Completion Date</b>
14. Close project activities and achieve project completion and acceptance	14.a. Develop human resources transition plan for program-specific employees	01/31/13	Open	0%
	14.b. Close all open contracts and agreements	04/30/13	Open	0%
	14.c. Close invoicing and collection activities	04/30/13	Open	0%
	14.d. Prepare final report, including supporting financial documentation	05/31/13	Open	0%
	14.e. Celebrate success	06/01/13	Open	0%

**VRRRM Program Work Plan and Summary Status Report**  
**VRRRM for PASS – Submitted for the period ending \_\_\_\_\_**

**\* Status Comments:**

Text

**VRRRM Program Work Plan and Summary Status Report**  
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<b>VRRRM for PASS</b>					
<b>Summary of Operational Indicator Cumulative Targets</b>					
	<b>Call Center Calls</b>	<b>Vehicles Repaired</b>	<b>Vehicles Stranded</b>	<b>Dollars Spent</b>	<b>Tons of Emissions Reductions</b>
<b>Month 1</b>	-	-	-	-	-
<b>Month 2</b>	-	-	-	-	-
<b>Month 3</b>	-	-	-	-	-
<b>Month 4</b>	-	-	-	-	-
<b>Month 5</b>	790	230	40	184,000	10
<b>Month 6</b>	790	230	40	184,000	10
<b>Month 7</b>	1,580	450	80	368,000	20
<b>Month 8</b>	1,580	450	80	368,000	20
<b>Month 9</b>	2,550	730	130	594,000	32
<b>Month 10</b>	2,550	730	130	594,000	32
<b>Month 11</b>	3,520	1,000	180	819,000	43
<b>Month 12</b>	3,520	1,000	180	819,000	43
<b>Month 13</b>	4,400	1,250	220	1,024,000	54
<b>Month 14</b>	4,400	1,250	220	1,024,000	54
<b>Month 15</b>	5,280	1,500	260	1,228,000	65
<b>Month 16</b>	5,280	1,500	260	1,228,000	65
<b>Month 17</b>	6,160	1,750	310	1,433,000	76
<b>Month 18</b>	6,160	1,750	310	1,433,000	76
<b>Month 19</b>	7,040	2,000	350	1,638,000	87
<b>Month 20</b>	7,040	2,000	350	1,638,000	87
<b>Month 21</b>	7,920	2,250	390	1,842,000	98
<b>Month 22</b>	7,920	2,250	390	1,842,000	98
<b>Month 23</b>	8,800	2,500	440	2,047,000	109
<b>Month 24</b>	8,800	2,500	440	2,047,000	109
<b>Month 25</b>	9,680	2,750	480	2,252,000	120
<b>Month 26</b>	9,680	2,750	480	2,252,000	120
<b>Month 27</b>	10,560	3,000	520	2,457,000	130
<b>Month 28</b>	10,560	3,000	520	2,457,000	130
<b>Month 29</b>	11,440	3,250	560	2,661,000	141
<b>Month 30</b>	11,440	3,250	560	2,661,000	141
<b>Month 31</b>	12,320	3,500	610	2,866,000	152
<b>Month 32</b>	12,320	3,500	610	2,866,000	152
<b>Month 33</b>	13,200	3,750	650	3,071,000	163
<b>Month 34</b>	13,200	3,750	650	3,071,000	163
<b>Month 35</b>	13,200	3,750	650	3,071,000	163
<b>Month 36</b>	13,200	3,750	650	3,071,000	163