

File No. 110157

Committee Item No. 2
Board Item No. 6

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee PUBLIC SAFETY

Date 2/17/11

Board of Supervisors Meeting

Date 3/1/11

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

(Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Gail Johnson
Completed by: [Signature]

Date 3/14/11
Date 2/22/11

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

TIME

1 [Accept and Expend Grant - Carl Moyer Program - \$178,962]

2 **Resolution authorizing the Police Department to retroactively accept and expend a Carl**
3 **Moyer Grant in the amount of \$178,962 from the Bay Area Air Quality Management**
4 **District to replace the engines on board the Marine 1 Police Boat.**

5
6 WHEREAS, The San Francisco Police Department applied for and was awarded a Carl
7 Moyer grant from the Bay Area Air Quality Management District; and

8 WHEREAS, The purpose of this grant project is to upgrade the engines on board the
9 Marine 1 Police Boat and provide cleaner engine exhaust; and

10 WHEREAS, The award period is from October 1, 2009 through June 30, 2011; and

11 WHEREAS, this grant requires a twenty percent project match; and

12 WHEREAS, the San Francisco Police Department was recently awarded a grant from
13 the State Office of Boating and Waterways which the Air District has approved as an
14 appropriate match source; and

15 WHEREAS, The grant does not include any provision for indirect costs; and

16 WHEREAS, The San Francisco Police Department is seeking retroactive approval
17 because it did not obtain the match until September 27, 2010; and

18 WHEREAS, This grant does not create any new positions, and will not require an
19 amendment to the Annual Salary Ordinance; now therefore be it

20 **RESOLVED** The City and County of San Francisco is authorized to retroactively accept
21 and expend a grant from the Bay Area Air Quality Management District in the amount of
22 \$178,962; and be it

23 **FURTHER RESOLVED**, That the Board of Supervisors hereby waives inclusion of
24 indirect costs in the grant budget; and be it

1 FURTHER RESOLVED, That the Chief of Police, or his designee, is authorized to
2 enter into the agreement on behalf of the City and County of San Francisco.

3
4
5 RECOMMENDED:

6
7 
8 JEFFREY GODOWN, Interim Chief of Police

9
10 APPROVED:

11
12 
13 Mayor

14
15 
16 BEN ROSENFELD, Controller

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: San Francisco Police Department
DATE: January 21, 2011
SUBJECT: Accept and Expend Resolution for Subject Grant
GRANT TITLE: FY 2010 Carl Moyer Grant

Attached please find the original and 4 copies of each of the following:

- Proposed grant resolution; original signed by Department, Mayor, Controller
- Grant information form, including disability checklist
- Grant budget
- Grant application
- Grant award letter from funding agency
- Other (Explain): Grant Agreement

Special Timeline Requirements:

Departmental representative to receive a copy of the adopted resolution:

Name: Dana Lang Phone: 415-553-1120

Interoffice Mail Address: SFPD Fiscal – 850 Bryant St, Rm 511, San Francisco

Certified copy required Yes

No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).

File Number: _____
(Provided by Clerk of Board of Supervisors)

Grant Information Form
(Effective March 2005)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

- 1. Grant Title: **FY 2009-10 Carl Moyer Grant**
- 2. Department: **San Francisco Police Department**

3. Contact Person: **Dana Lang** Telephone: **415-553-1120**

4. Grant Approval Status (check one):

Approved by funding agency

Not yet approved

5. Amount of Grant Funding Approved or Applied for: **\$178,962**

6a. Matching Funds Required: **\$0**

b. Source(s) of matching funds (if applicable):

7a. Grant Source Agency: **Bay Area Air Quality Management District**

b. Grant Pass-Through Agency (if applicable):

8. Proposed Grant Project Summary: **This project will enhance public safety through upgrades to the Marine 1 Police Boat, including the removal and replacement of heavy-duty diesel engines with lower polluting engines. This project will receive a 20% match (\$45,000) from the California Department of Boating and Waterways.**

9. Grant Project Schedule, as allowed in approval documents, or as proposed:

Start-Date: **July 1, 2009**

End-Date: **June 15, 2011**

10a. Amount budgeted for contractual services: **0**

b. Will contractual services be put out to bid? **N/A**

c. If so, will contract services help to further the goals of the department's MBE/WBE requirements? **N/A**

d. Is this likely to be a one-time or ongoing request for contracting out? **One-time request**

11a. Does the budget include indirect costs? Yes No

b1. If yes, how much? \$

b2. How was the amount calculated?

c. If no, why are indirect costs not included?

Not allowed by granting agency

To maximize use of grant funds on direct services

Other (please explain):

c2. If no indirect costs are included, what would have been the indirect costs? **\$4,444**

12. Any other significant grant requirements or comments: **No**

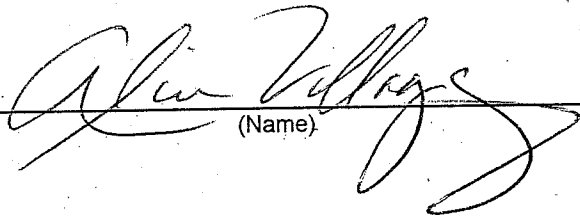
****Disability Access Checklist*****

13. This Grant is intended for activities at (check all that apply):

- | | | |
|--|---|---|
| <input type="checkbox"/> Existing Site(s) | <input checked="" type="checkbox"/> Existing Structure(s) | <input checked="" type="checkbox"/> Existing Program(s) or Service(s) |
| <input type="checkbox"/> Rehabilitated Site(s) | <input type="checkbox"/> Rehabilitated Structure(s) | <input type="checkbox"/> New Program(s) or Service(s) |
| <input type="checkbox"/> New Site(s) | <input type="checkbox"/> New Structure(s) | |

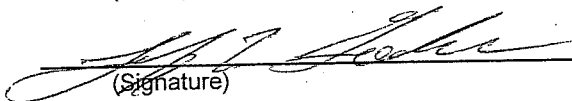
14. The Departmental ADA Coordinator and/or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local access laws and regulations and will allow the full inclusion of persons with disabilities, or will require unreasonable hardship exceptions, as described in the comments section:

Comments:

Departmental or Mayor's Office of Disability Reviewer: 
(Name)

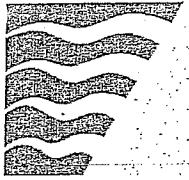
Date Reviewed: 1/26/11

Department Approval: Jeffrey Godown Interim Chief of Police
(Name) (Title)


(Signature)

Carl Moyer Grant - Engine Replacement Project

<u>Budget Item</u>	<u>Amount</u>
Replace/Upgrade 1997 Detroit Diesel Engine # 80627404	\$89,481
Replace/Upgrade 1997 Detroit Diesel Engine # 80677428	\$89,481
Total, Carl Moyer Grant	<u><u>\$178,962</u></u>
 Memo: 20% Match (State Boating & Waterways Grant) - Replace Electrical, Exhaust & Running Gear	 <u>\$45,000</u>
Total Project	\$223,962



7/1/2009

Officer Keith Matthews
850 Bryant Street
San Francisco, CA 94103

BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

On 7/1/2009, the Bay Area Air Quality Management District (Air District) Board of Directors approved projects to be funded by the Carl Moyer Program (CMP). The agenda packet for the 7/1/2009 Board meeting, which includes a Staff Report with the projects recommended for funding, is posted on the Air District's website in a PDF format at:

<http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes/2009.aspx>

The following are the details of the Air District Board's action regarding your project:

Project #: 11MOY27 Equipment owner: City and County of San Francisco, San Francisco Poli

<i>Equipment Unit #/ ID</i>	<i>Equipment Category</i>	<i>Project Type</i>	<i>Proposed Award *</i>	<i>Project life (yrs.)</i>
SF Marine 1-main-2	Marine	Repower	\$89,481.00	4
SF Marine 1-main-1	Marine	Repower	\$89,481.00	4

** Proposed funding amount, subject to collection and verification of all application materials*

At this time, Air District staff is in the process of collecting any additional information needed from applicants and drafting contracts that will be sent to grantees for signature. The Air District reserves the right to cancel the grant award offer if you do not sign and return the Grant Agreement within 30 days from the date of the award letter mailed with the Grant Agreement. Once you have signed and returned the Grant Agreement, the Air District will sign the Grant Agreement, and return a fully executed copy to you.

IMPORTANT: NO equipment is to be ordered and NO work is to begin until you have a fully executed Grant Agreement in place AND Air District staff has successfully conducted a pre-project inspection of your equipment. No costs or financial commitments (e.g., purchase order) associated with the project that were incurred or undertaken before the date of execution of the Grant Agreement will be accepted by the Air District. Board approval of a project recommendation is not a guarantee of funding. Please note that only a fully executed Grant Agreement constitutes an obligation for the Air District to fund a project.

Thank you for your interest in improving air quality in the Bay Area. Please contact Stacy Shull [(415) 749-4955 or by email at: sshull@baaqmd.gov] of my staff immediately if you no longer wish to continue with all (or part) of this project, or if you have any questions.

Respectfully,

Damian Breen
State Grant Programs Manager

CARL MOYER PROGRAM GRANT AGREEMENT
BETWEEN
THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT
AND
CITY AND COUNTY OF SAN FRANCISCO, SAN FRANCISCO POLICE DEPARTMENT

11MOY27

This Carl Moyer Program grant agreement ("Agreement") is made and entered into between CITY AND COUNTY OF SAN FRANCISCO, SAN FRANCISCO POLICE DEPARTMENT, hereinafter referred to as "Grantee," and the Bay Area Air Quality Management District, hereinafter referred to as the "Grantor" or "Air District," hereinafter collectively referred to as the "Parties."

RECITALS

- 1) The Carl Moyer Memorial Air Quality Standards Attainment Program, California Health and Safety Code section 44275 et seq. ("Program"), is an incentive program to provide grants in order to reduce emissions of oxides of nitrogen, particulate matter (PM10), and reactive organic compounds in the State from sources of air pollution, such as heavy-duty and light-duty diesel vehicles, off-road construction equipment, marine vessels and agricultural sources of pollution, by measures such as replacement of engines with cleaner-than-required engines or installation of emission reduction equipment ("Equipment").
- 2) The California Air Resources Board ("CARB"), which oversees and administers the Program, has adopted guidelines and criteria for the Program's implementation entitled, The Carl Moyer Program Guidelines ("CARB Program Guidelines"). The Air District implements the Program in the San Francisco Bay Area air basin in accordance with the CARB Program Guidelines and the criteria and guidelines of the Air District.
- 3) The Air District determined that the Grantee has proposed a project that is eligible for Program funding and meets the CARB Program Guidelines and the Air District's criteria and guidelines, including cost-effectiveness requirements, based on the information provided in the Grantee's project application ("Project").
- 4) This Agreement is made pursuant and in accordance with the requirements of the Program, established by the California State Legislature and implemented by CARB. All Equipment funded under the terms of this Agreement must be certified as required by CARB Program Guidelines. Any questions or disputes the Parties may have regarding the implementation of this Agreement shall be resolved in accordance with the guidelines for the Program as promulgated by CARB.
- 5) On July 1, 2009, the Board of Directors of the Air District approved the Air District's recommendation to enter into an Agreement with Grantee to implement the Project, provided Grantee meets all of the Program Guidelines.

SECTION I

GRANTEE AGREES:

- 1) To implement the Project in accordance with the terms and conditions of this Agreement and all attachments hereto. Failure to do so will be deemed a breach of this Agreement, and the Air District may terminate this Agreement pursuant to the termination provisions herein.
- 2) To maintain the Project Equipment according to the manufacturer's specifications throughout the Project Term, which is set forth in Section III.1 below. No tampering or modification of the Project Equipment is allowed.

- 3) To complete the Project in accordance with the payment and reporting conditions identified in Attachment A. The Air District's funding obligation under this Agreement is limited to reimbursement of Eligible Costs, the amount of which shall not exceed the Total Grant Funds Awarded, specified in Paragraph 4 of Attachment A. Any Project cost overruns are the sole responsibility of the Grantee.
- 4) To allow the staff and third-party representatives of the Air District and CARB to inspect the Project Equipment and to conduct financial and performance audits of the Project. Grantee further agrees to cooperate fully with such inspections and audits, including providing on a timely basis copies of any Project records related to performance of this Agreement requested by the Air District or CARB.
- 5) To acknowledge the Air District and the Carl Moyer Program as a funding source for the Project in any related media events, articles, news releases or other publicity materials. Grantee must obtain prior written approval by the Air District in order to disseminate any report or other document describing the Program, the Project, or this Agreement.
- 6) To assure that all funds received under this Agreement are expended only in accordance with the requirements of the Program, this Agreement, and all applicable provisions of law and regulations.
- 7) To permanently destroy and remove from service any Equipment replaced as part of the Project and to provide documentation to support destruction of the Equipment. Failure to permanently destroy the Equipment shall be deemed a breach of this Agreement.
- 8) To monitor the operational status of the Project Equipment throughout the Project Term. Grantee will notify the Air District in writing of any change in operational status of the Project Equipment funded and installed under this Agreement within 30 calendar days of its occurrence. For purposes of this Agreement, a "change in operational status" occurs whenever any Project Equipment is removed from active service, relocated outside the boundaries of the Air District, wrecked, scrapped, sold, or transferred to another entity, before full completion of the Project Term. If Grantee fails to provide the required written notice of a change in operational status on a timely basis, the Grantee is subject to the repayment requirements set forth in Paragraph 15 of Attachment A.
- 9) To neither seek nor accept any additional grant funds or incentives from any State of California agency or any local air quality district in order to implement this Project. Grantee shall be deemed in breach of this Agreement if Grantee seeks or accepts such funds or incentives and as a result, the Air District may terminate this Agreement for breach, which shall disqualify Grantee from participating in the Carl Moyer Program for 2 years.
- 10) To obtain and maintain throughout the Project Term the insurance coverage specified in "Insurance Requirements," Attachment B, and to comply with all insurance requirements set forth therein, including the provision of documentation of said insurance coverage. Failure to obtain and maintain the insurance coverage or to comply with all insurance requirements shall be deemed a breach of this Agreement.
- 11) Grantee shall use the Air District's approved logo as specified below:
 - a) The logo shall be displayed on the vehicle(s) identified in the Project Description (Attachment A, Paragraph 6);
 - b) The logo shall be used on any printed material intended for public consumption associated with the Project; and
 - c) The logo shall be used on any signs posted at the site of any construction associated with the Project.
- 12) To comply with all "Special Conditions," set forth in Attachment A.

SECTION II

AIR DISTRICT AGREES:

- 1) To reimburse Grantee for Eligible Costs in an amount not to exceed the "Total Grant Funds Awarded," set forth in Attachment A.
- 2) To endeavor to pay the undisputed invoiced amount of the Eligible Costs within thirty (30) calendar days of receipt of the invoice.
- 3) To deliver the payment following the Air District's verification that Grantee has completed the Project. Verification by Air District will include physical inspection of any Equipment specified in Attachment A, confirmation that the Equipment is operational and in service, and has reviewed and accepted evidence of the permanent destruction of any Equipment replaced as part of the Project.
- 4) To provide reasonable notice to Grantee prior to the Air District or CARB conducting an inspection or audit of the Project. What constitutes "reasonable notice" shall be based in part upon any prior notice from CARB received by the Air District of such CARB audit or inspection.

SECTION III

AIR DISTRICT AND GRANTEE AGREE:

- 1) **Project Term:** This Agreement will commence as of the Effective Date of this Agreement and shall remain in effect until the conclusion of all Project Equipment Operational Periods ("Project Term"), unless it terminates earlier as provided below. A Project Equipment's Operational Period concludes upon the satisfaction of the earlier of that Project Equipment's usage requirement or project life requirement. The Project Equipments' Operational Periods (if there are multiple Project Equipment) are set forth in Paragraph 7 of Attachment A. In no event shall Grantee operate the Project Equipment less than three (3) years under the terms of this Agreement.
- 2) **Termination:**
 - a) Either party may terminate this Agreement at will, and without specifying any reason, at any time prior to the Air District's transfer of Project funds by notifying the other party in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of such notice. Notice shall be delivered in accordance with the Notice provisions set forth in Paragraph 5 below.
 - b) The Air District may terminate this Agreement for breach of the Agreement by Grantee by giving Grantee a minimum of ten (10) business days written notice of such breach and the opportunity to cure the breach within that period of time. The notice will specify the amount of Project Grant Funds to be reimbursed to the Air District, if any, which Grantee shall reimburse within thirty (30) days of the effective date of termination. The Air District shall calculate the reimbursement based on the repayment formula set forth in Paragraph 15 of Attachment A.
 - c) The Air District shall not pay any Project Grant Funds in the event that this Agreement is terminated and no funds have been expended by Grantee. If the Project has been completed and the Air District has paid the grant funds to Grantee, Grantee may not terminate this Agreement pursuant to subparagraph 2(a), unless it reimburses the Air District the amount of Project Grant Funds due based on the repayment formula set forth in Paragraph 15 of Attachment A.
- 3) **Additional Acts and Documents:** Each party agrees to do all such things and take all such actions, and to make, execute and deliver such other documents and instruments that are reasonably required to carry out the provisions, intent and purpose of this Agreement. All attachments to this Agreement are expressly incorporated herein by this reference and made a part hereof as though fully set forth.
- 4) **Indemnification:** Grantee shall indemnify and hold harmless the Air District, its officers, employees, agents, representatives, and successors-in-interest from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance by Grantee of its duties and obligations under this Agreement, and arising out of the operation of the engine

and vehicle, vessel, locomotive or other equipment that is the subject of this Agreement by the Grantee or its officers, agents, employees, representatives and successors in interest.

- 5) Notices: Any notice required under this Agreement shall be in writing and made by personal delivery service, first class mail, or certified mail (return receipt requested) to the addressee for notice set forth below, or to such addressees which may be specified in writing by the Parties. Notices are effective upon receipt. Each Party shall promptly inform the other of any changes of addressees and any changes of address.

Grantee Company
Company Address
City, State Zip Code

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

- 6) Contacts: The Contact for the Grantee shall be the person named in the Project application, which shall also list the Contact's address, telephone number, fax number and email address. The Contact shall be the liaison to the Air District pertaining to implementation of this Agreement and shall be the contact for information about the Project. The Grantee shall notify the Air District of a change of the Contact's name or contact information in writing no later than thirty (30) days from the date of any change. The Contact for the Air District shall be the person named in the Air District's project application form. The Air District shall notify the Grantee of a change of the Contact's name or contact information in writing no later than thirty (30) days from the date of any change.
- 7) Project Number: All correspondence shall reference this Agreement, which is the same as the "Project Application Number."
- 8) Integration of Agreement: This Agreement represents the final, complete and exclusive statement of the agreement between the Grantee and the Air District and supersedes all prior and other contemporaneous understandings and agreements of the Parties pertaining to this Agreement. Neither Party has been induced to enter into this Agreement by, nor is either party relying upon any representation or warranty outside those expressly set forth herein.
- 9) Amendment: This Agreement may not be modified except in writing, signed by both Parties hereto, and any attempt to modify this Agreement orally shall be void and of no effect. Any change in Project scope shall constitute an amendment under this Agreement.
- 10) Independent Contractor: Grantee is an independent contractor. None of Grantee's officers, employees, agents, contractors, subcontractors, or vendors are, nor shall they be considered, officers, employees, agents, contractors, subcontractors, or vendors of the Air District.
- 11) Assignment: Grantee may not assign, sell, transfer, license, or subcontract or otherwise transfer any rights or obligations under this Agreement without the prior written consent of the Air District.
- 12) Waiver: No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Agreement, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.

- 13) Severability: If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions thereof shall not be affected.
- 14) Effective Date: The effective date of this Agreement is the date the Air District's Executive Officer/Air Pollution Control Officer executes this Agreement.
- 15) Eligible Costs: Only the actual Project costs for the Project Equipment that a) are listed in Paragraph 5 of Attachment A and b) are incurred after the Effective Date and prior to termination of the Project or upon Air District's verification that Grantee has completed the Project, whichever occurs first, are eligible for reimbursement with Program Grant funds ("Eligible Costs").
- 16) Cost Reduction: In the event that the "Total Project Cost" is less than the amount listed in Attachment A, the Air District shall recalculate its contribution to the Project in accordance with the provisions of Paragraph 4 of Attachment A.
- 17) Force Majeure: Neither the Air District nor Grantee shall be liable for or deemed to be in default for any delay or failure in performance under this Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of the Air District or Grantee, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen (15) calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Contract.
- 18) Governing Law: Any dispute that arises under or relates to this Agreement shall be governed by California law, including Health & Safety Code section 44280 et seq., its accompanying regulations and the CARB Carl Moyer Program guidelines, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Agreement shall be San Francisco, California.
- 19) Emissions Testing: The Air District may conduct emissions testing, at its expense, on any Equipment that is purchased or modified as part of the Project, including a vehicle or vessel. Testing will be limited to no more than once per year during the duration of this Agreement. Testing will be conducted according to a schedule agreed upon by both Parties.
- 20) Emission Reductions: The Air District retains the exclusive right to claim any emission reduction credits under state or federal law that might result from emissions reduced by the Project implemented pursuant to this Agreement. The emissions reduced by the Project may not be used by Grantee to comply with any local, state, or federal air pollution regulation or law, or used to fulfill Grantee's obligations arising out of any order, settlement contract, memorandum of understanding, or other binding legal document.
- 21) Preliminary Inspection: At the Air District's discretion, Air District shall perform a preliminary inspection of the Project equipment prior to implementation of the Project. Grantee shall facilitate and cooperate with any Air District inspection. Grantee must demonstrate to the Air District that the Equipment to be replaced under this Agreement is fully operational at the time of the preliminary inspection. Grantee must also facilitate the Air District in obtaining and confirming equipment information (e.g. Model year, serial numbers, power, etc.) at the time of inspection. Failure to demonstrate that the Equipment to be replaced is operational at the time of the preliminary inspection shall be deemed a breach of this Agreement, and the Air District may terminate the Agreement.
- 22) Post-Project Inspection: Air District shall perform a post-project inspection of the Equipment funded under the terms of this Agreement to verify that the Project has been implemented according to the terms

of this Agreement. Grantee shall facilitate the Air District inspection and make the new Equipment available for the post-project inspection, which may include a test to verify that the Equipment is fully operational. The post-project inspection will include verification of the destruction of the replaced Equipment. Grantee must contact the Air District to arrange a post-project inspection and should provide at least 2 business days advanced notice for scheduling.

- 23) Compliance with Carl Moyer Program Guidelines: The Grantee agrees to implement the Project in accordance with all requirements of the CARB Program Guidelines. Any questions or disputes the Parties may have regarding the implementation of this Agreement shall be resolved in accordance with the applicable CARB Program Guidelines.
- 24) Enforcement: Both the Air District and CARB have the authority to inspect the Project, enforce the terms of this Agreement, and pursue repayment of grant funds for noncompliance with the terms and conditions of this Agreement or applicable state laws or regulations throughout the Project Term. The following circumstances are the bases under which the Air District seeks repayment of grant funds: Grantee's failure to comply with the terms of this Agreement, including the requirements set forth in Section I; Grantee's failure to implement the Project, as defined in Paragraph 6 of Attachment A; Grantee's failure to comply with the Project requirements set forth in Attachment A; and Grantee's actions specified in Attachment A, Paragraph 15, which could reduce the air quality benefits of this Project.

IN WITNESS WHEREOF, the Parties to this Agreement have caused this Agreement to be duly executed on their behalf by their authorized representatives.

SIGNATURES:

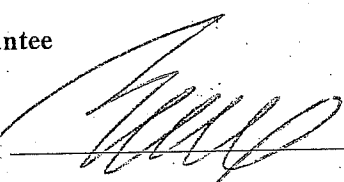
Bay Area Air Quality Management District

By: _____ Date: _____
 Jack P. Broadbent
 Executive Officer/Air Pollution Control Officer
 Bay Area Air Quality Management District

Approved as to legal form:

By: _____
 Brian C. Bunger
 District Counsel
 Bay Area Air Quality Management District

Grantee

By:  _____
 Chief George Gascón
 City and County of San Francisco, San Francisco Police Department

Date: 1-5-2011

ATTACHMENT A - PROJECT SPECIFIC INFORMATION

[Note: The section numbers shown in parenthesis below refer to Sections in the Agreement.]

1. **Grantee:** City and County of San Francisco, San Francisco Police Department
2. **Project Number (Section III.7):** 11MOY27
3. **Air District Approval Date (Section III.14):** The Effective Date of this Agreement.
4. **Total Grant Funds Awarded (Sections I.3, II.1, and III.15):** Total Grant Award: \$178,962.00. The Air District will pay the percentage of the Eligible Costs of the Project Equipment, as adjusted and, set forth in Table 1 below; payment shall not exceed the permitted Funds Awarded for the individual Project Equipment. In no event shall the Total Grant Funds Awarded for all Project Equipment exceed the maximum of \$178,962.00. Air District grant funds may only be used for direct costs to purchase the Project Equipment described in this Agreement.
5. **Total Project Cost (Sections I.3 and III.15):** A detailed breakdown of project costs and Equipment information is shown in Table 1.

Table 1: Detailed Project Description

Baseline Equipment ID (Description)	Funded Equipment *	Project Cost	Maximum % of funding	Total usage & Project life	% Operation in Air District	Funds Awarded
SF Marine 1-main-1 1997 Detroit Diesel 80627404 / 450 hp	2009 Volvo D9-500 500 hp	\$111,852.00	80%	6,080 hours 4 Years	100%	\$89,481.00
SF Marine 1-main-2 1997 Detroit Diesel 80677428 / 450 hp	2009 Volvo D9-500 500 hp	\$111,852.00	80%	6,080 hours 4 Years	100%	\$89,481.00
Total award:						\$178,962.00

* Grantee may propose Equivalent Equipment subject to advanced written approval from the Air District. The Equivalent Equipment must result in the same or better emissions reductions and meet or exceed the operational parameters specified in Attachment A of this Agreement.

6. **Project Description:** Marine Repower Project – Repower two (2) main engines in the vessel SF Marine 1. Table 1 provides the details of the existing and funded Equipment. Any change in Equipment specifications or Project Description must receive written approval in advance by the Air District. For equipment replacement projects the old Equipment must be fully operational at the time of preliminary inspection by Air District staff. If the old Equipment is not operational, the grant funding may be withdrawn by the Air District. For repower and equipment replacement projects, the old Equipment shall be destroyed upon completion of the Project.
7. **Project Term (Section III.1 & Section III.14):** The required usage and project life for each of the Project Equipment are specified in Table 1 above. The Project Term concludes upon the satisfaction of the earlier of the usage and project life requirements.
8. **Operating Parameters:** Air District has awarded this Grant based upon Grantee's agreement to operate the funded Equipment for the usage identified in Table 1 of this Attachment. Grantee shall operate the Equipment within the Air District as specified in Table 1. In no event shall Grantee operate the Equipment less than three (3) years under the terms of this Agreement. Pursuant to Paragraph 15 of this Attachment,

Grantee may be required to repay Grant funds if unable to satisfy the Project's usage and project life requirements identified in Table 1.

9. **Project Schedule:** By no later than June 15, 2011, the Project must be completed by Grantee and inspected by the Air District, and Grantee must have submitted its request for payment in accordance with Paragraph 13 of this Attachment.
10. **RESERVED.**
11. **RESERVED.**
12. **RESERVED**
13. **Project Implementation Report and Request for Payment (Section I):** No later than thirty (30) days from completion of the work set forth in the Project Description, Grantee shall submit a Project Implementation Report, an IRS W-9 form and a project invoice to request payment of the Eligible Costs of the Project. The Project invoice shall:

- Provide documentation for all Eligible Costs, document the Equipment serial number(s), and include a description of the Equipment purchased.
- Demonstrate the costs are Eligible Costs and have been expended in compliance with the Project Description and, the Project Schedule.
- Itemize the total funds requested for this reimbursement, which shall include an itemization of payments to vendors, consultants, and contractors.
- Include copies of invoices that document the goods and services provided by vendors, consultants, and contractors and documentation of the total hours incurred to complete the Project, the hourly rates of any labor charges, the costs of such goods, and any other Eligible Costs.
- Be submitted with a summary sheet that specifies the Program Project Number. If costs are incurred that are not directly related to the Project as described in Paragraph 6 of this Attachment, all such costs must either be deleted when the Project invoice is prepared, or clearly identified as costs that are not eligible for reimbursement by the Air District.

The Grantee may seek an interim payment from the Air District. To request an interim payment, the Grantee must submit an updated Project schedule that identifies the anticipated completion date, together with invoices for costs incurred to date, to the Air District. The Air District has the sole discretion to approve an interim payment for Eligible Costs incurred to date.

Upon verification that the Project has been completed according to the terms of this Agreement, that the Equipment has been installed and is fully operational, and that for repower and replacement projects, the old Equipment has been removed from service and destroyed, the Air District will issue final payment of the Grant Funds Awarded.

14. **Annual Monitoring Reports:** Grantee shall submit an annual monitoring report each calendar year for the Project Term, in a format approved by the Air District. The monitoring report shall provide information regarding annual fuel consumption, annual hours of operation, locations where the unit described in Paragraph 6 of this Attachment operated, percentage of operating hours within the boundaries of the Air District, and proof of insurance. The first annual report shall be submitted by August 1, 2010 to cover the period from July 1, 2009 through June 30, 2010. The first annual report shall include a report on the Grantee's progress in meeting milestones listed in the Project Schedule as set forth in Paragraph 9 of this Attachment. Subsequent annual reports shall be submitted by August 1st of each succeeding year with the final annual monitoring report due by August 1st in the last year of the Project Term. If Grantee fails to submit annual monitoring reports in a timely fashion, the Air District shall perform a project performance audit. Failure to submit monitoring reports could be considered a breach of Contract and may jeopardize Grantee's eligibility to apply for grant funding for any future projects.

- 15. Repayment of Grant Funds For Failure to Complete Project:** Grantee shall repay the Total Grant Funds Awarded on a prorated basis for selling, retiring, scrapping, or removing any Project Equipment from service within the boundaries of the Air District during the Project Term prior to having achieved the total usage of operation for the Project Equipment or for failing to achieve the total usage of operation by the end of the Project Term. The fraction of funds to be repaid will be determined by subtracting the usage of the Project Equipment at the time of sale, retirement, scrapping, or removal from service from total usage pursuant to Paragraph 7 of this Attachment and dividing that result by the total usage. The Air District may waive such repayment if it determines at its sole discretion, that Grantee's failure to complete the Project was due to events beyond Grantee's reasonable control.

The Air District may waive repayment by the Grantee if, prior to a sale of the Project Equipment, the Grantee enters into a written agreement with the Air District and the subsequent owner who agrees to assume all obligations under this Agreement and specifically agrees to continue operation of the Project Equipment in order to provide equivalent emission reductions required by this Agreement.

16. Special Conditions:

- A. Grantee shall ensure that if the Project Equipment are new engines, they shall be installed and equipped with a tamper-proof, non-resetting hour meter. If the hour meter fails during the Project Term, the Grantee must notify the Air District and take action to fix the device or provide other documentation of operating hours.

ATTACHMENT B - INSURANCE REQUIREMENTS

Grantee to initial next to each checked box indicating they have read their project insurance requirements

Verification of Coverage:

Grantee shall provide the Air District certificates and/or other evidence of the insurance coverage required below. The Air District reserves the right to require Grantee to provide complete, certified copies of any insurance offered in compliance with these specifications. Certificates, policies and other evidence provided shall specify that the Air District shall receive 30 days advanced notice of cancellation from the insurers.

Minimum Scope of Insurance

Throughout the Term as defined in Section III of the Agreement of which this Attachment is a part, Grantee shall obtain and maintain in full force and effect the insurance as set forth below:

 1

Initial

Liability Insurance:

Corporations and Public Entities - a limit of not less than \$1,000,000 per occurrence. Such insurance shall be of the type usual and customary to the business of the Grantee, and to the operation of the vehicles, vessels, engines or equipment operated by the Grantee.

Single Vehicle Owners - a limit of not less than \$750,000 per occurrence. Such insurance shall be of the type usual and customary to the business of the Grantee, and to the operation of the vehicles, vessels, engines or equipment operated by the Grantee.

At the time the Grantee submits invoices for payment to the Air District, the Grantee must demonstrate that the equipment purchased in the Funding Agreement, of which this is an Attachment, is covered under the following property insurance, if grantee has not already demonstrated possession of this insurance to the Air District. The property insurance must remain effective from the date of the invoice to the Air District to the end of the project life as defined in Section IV of the Agreement.

 2.

initial

Property Insurance for Repower and New Vehicle/Equipment Purchase in an amount of not less than the insurable value of Grantee's vehicles, vessels, engines or equipment funded under the Agreement of which this Attachment is a part, and covering all risks of loss, damage or destruction of such vehicles, vessels, engines or equipment.

 3.

Initial

Property Insurance for Retrofit Projects - 2003 Model year and newer vehicles, vessels, engines or equipment in an amount of not less than the insurable value of Grantee's vehicles, vessels, engines or equipment funded under the Agreement of which this Attachment is a part, initial and covering all risks of loss, damage or destruction of such vehicles, vessels, engines or equipment.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII. The Air District may, at its sole discretion, waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance.

