

year period. On December 9, 2004, the VTA Board extended the TFCA 40% commitment to the bicycle program until 2030.

At its May 3, 2007 meeting, the VTA Board approved the programming of \$2,591,431 in FY 2007/08 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds. Of this, \$1,520,653 was for six competitive projects, submitted by the VTA Member Agencies, and \$1,070,778 to MTC's Vehicle Buyback Program as the third and final part a fund exchange for CMAQ funds.

DISCUSSION:

During the FY2007/08 TFCA programming exercise described above, the City of San Jose canceled two ITS projects on Bascom Avenue from FY04/05, with concurrence from VTA and BAAQMD. These projects had \$439,495 in unspent funds. On May 3, 2007, the VTA Board of Directors programmed \$391,394 of this amount as part of the FY07/08 TFCA program.

After the FY07/08 TFCA program was approved, \$48,101 in unallocated funds from the cancelled projects remained in the TFCA account. BAAQMD policy states that *"Any TFCA County Program Manager funds that are not allocated within six months of the Air District Board of Directors approval of the Program Manager's Expenditure Programs shall be allocated to eligible projects by the Air District. Program Managers may choose to add additional projects after the submittal of their original Expenditure Program, if the corresponding costs can be covered by unallocated funds. Any such requests must be submitted in writing by the Program Manager to the Air District TFCA contact for that county and approved by the Air District Board of Directors."*

In order to expeditiously allocate the \$48,101 described above, VTA staff reviewed potential projects in the Bicycle Expenditure Program. Staff identified Morgan Hill's Little Llagas Creek Trail Segment 2 project as a suitable candidate. After performing the requisite cost-effectiveness analysis, staff recommends allocating the remaining \$48,101 to this project.

ALTERNATIVES:

The VTA Board may approve other programming alternatives. BAAQMD will take the funds if the VTA Board does not approve them at this meeting.

FISCAL IMPACT:

TFCA funds returned by BAAQMD to VTA are maintained in a dedicated account. No funding from the VTA Transit Enterprise Fund will be used for this work.

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