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## **Joint Comments from MCCV & CLFP Employer-Based Trip Reduction Rule (9410) \* November 4, 2009**

The Manufacturers Council of the Central Valley (MCCV) and the California League of Food Processors (CLFP) appreciate the opportunity to provide additional comments on the revised version of the San Joaquin Valley Air Pollution Control District's Proposed Rule 9410 and we thank you for listening and responding to the concerns that we have expressed in writing and at stakeholder meetings and public workshops.

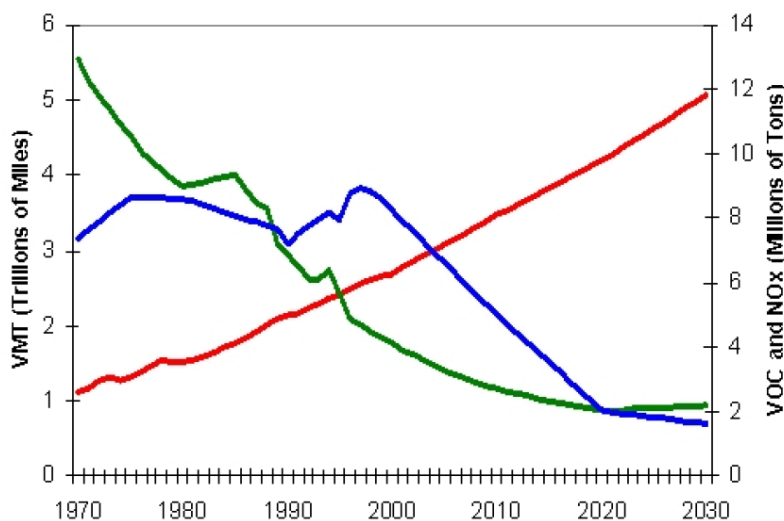
As we have stated on numerous occasions, and must continue to do so for the record, we are philosophically opposed to this rule: it is social engineering with the burden placed primarily upon the shoulders of private industry: and those who are already shouldering most of the of the cost burden for emission reductions in the San Joaquin Valley. That said, we continue to have a number of other concerns with this regulation and believe there are significant obstacles to implementation, particularly among the industries we represent. It is our hope that these issues can be resolved so that we might continue to do our part in the on-going efforts to improve the valley's air quality and to assist the District in meeting its legal obligations.

### **PHILOSOPHICAL & POLICY ISSUES**

#### **REDUCED VMTs=REDUCED EMISSIONS=FALSE**

There is a growing body of evidence which indicates that a point of diminishing returns has been reached relative to capturing emissions reductions by reducing vehicle miles traveled, and that, as we move forward, there will be very little benefit to the implementation of such programs, particularly in view of the cost. The Federal Highway Administration has prepared an analysis of

Vehicle Miles Traveled (VMT) vs. Vehicle Emissions



this issue based on three non-attainment areas, but none with vehicle standards as rigorous as those in California.<sup>1</sup>

## **REVENUE STREAM FOR TRANSIT AGENCIES**

Adding to our uneasiness is the recent San Joaquin Valley Express Transit Study prepared by the Merced County Council of Governments on behalf of the eight San Joaquin Valley metropolitan planning agencies (MPOs), also know as Council of Governments or COGS. It is apparent that many of the services that will be necessary to implement in order for companies to comply with this rule are not currently available in the San Joaquin Valley. Additionally, it is also clear that the MPO's view this rule as a source of funding in a number of ways:

*While individual employers could develop their own trip reduction programs, it would benefit both employers and regional agencies **to create** a coordinated regional program to meet these goals. Under this scenario, the regional ridesharing programs (Commuter Connection and South Valley Ridesharing) would provide large employers with a coherent program of marketing, ride matching, subsidized vanpools, and other services that **would be designed** specifically to meet the Air District's requirements. In exchange, **large employers could provide these programs with financial support they could use to fund services. A portion of the funding could also be directed towards securing park-and-ride facilities in origin communities.** Direct marketing of vanpools to employees at participating large employers may be among the most efficient ways to attract new vanpool participants, as a new vanpool requires a critical mass of participants from a single employer. The regional ridesharing entities, and their participating MPO's, should seek to influence the development of the Air District's trip reduction rule so that it makes this arrangement possible. The MPO's should immediately begin collaborating with the Air District planners developing the rule, and should jointly provide public comment on any draft rule released. The goal should be a final rule **with robust trip reduction requirements**, and a rule that specifically recognizes the regional ridesharing entities and their ability to provide a package of trip reduction services to help employers meet the those requirements.*

*The **amount of revenue** that could be generated through the program would depend upon the nature of the requirements and the scale of trip reduction they require from large employers.<sup>2</sup> **Emphasis Added.***

## **COMPLIANCE COST ESTIMATES**

In reviewing the compliance cost estimates, we believe the district has significantly underestimated both the implementation and ongoing costs associated with this Rule, particularly as it relates to the manufacturing sector. Key components of this underestimation can be found in the wage scale as it pertains to the average hourly rate and also in the estimates of the amount of time it will take to administer the program. The district's assumption on rate of pay for hourly production workers is below what the MCCV members have validated by at least \$2 per hour. Another gross underestimation is the average rate of pay for the policy review and administration of the program. Local industry averages validate that these assumptions are off as much as \$19 per hour. In the case of our member companies, it is incorrect to assume that a \$31/hour employee would be setting up this entire program including reviewing and setting policy and then rolling the program out to the entire employee base. We believe it is more accurate to assume this task will be performed by mid to upper level managers at a fully loaded cost (salary, benefits, etc.) of \$50 an hour. Also, while the current worksheet does account for

<sup>1</sup> [http://www.fhwa.dot.gov/environment/vmt\\_grwt.htm](http://www.fhwa.dot.gov/environment/vmt_grwt.htm) (Federal Highway Administration)

<sup>2</sup> San Joaquin Valley Express Transit Study, Pages 8-10,11

employee labor to fill out the survey, it does not include the cost of lost production hours which our member companies factor into their cost vs. return models. This typically averages about \$3,400 per hour for a workforce of 150.

### **EMISSION REDUCTIONS AND COST-EFFECTIVENESS ANALYSIS**

The Air District concludes that implementing Rule 9410 could reduce total Valley NOx emissions by 0.315 tons/day by 2014. However, the estimate appears to be vastly inflated. Furthermore, according to the San Joaquin Valley Express Transit Study, approximately 25 percent of the valley workforce already commutes to work using some means other than a single passenger vehicle.<sup>3</sup> Additionally, we have the following questions:

- **Based on third quarter, 2008 EDD data, the District assumes that there are a total of 1,396,416 workers in the District, and a review of the EDD data confirms this estimate.** However, why did the District use employment data from just one quarter rather than an average based on several years of data? Also, using third quarter data may skew the data due to seasonal food processing employment.
- **The District assumes that 36.27 percent of Valley employees work at sites with more than 100 employees.** How was this number derived? According to the EDD data used by the District a total of 643,985 employees fit this category, equivalent to 46.9 percent.
- **Applying the 36.27 percentage to the 1,396,416 total, the District concluded that 506,923 employees will be affected by the rule. However, this estimate seems too high as it does not reflect that:**
  - A large number of employees may not commence work between 6-10 a.m., especially at manufacturing facilities and hospitals;
  - A number of workers may be field workers, home garage workers, or emergency workers as defined by the rule;
  - A number of work sites may be located in cities with less than 10,000 population or in the unincorporated area, and have more than 50 percent of their workforce working less than 2040 hours per year.
  - A number of workers may already take the bus, walk, or walk to work, so the rule would not reduce their vehicle miles traveled;
  - Some workers may already be in car pools or van pools, so including them would be double-counting the number of eligible workers;
  - A number of workers may already work compressed schedules, work flex-time, telecommute, and so the rule would not reduce their trip miles traveled.
  - The average employee does not commute 365 days a year; the actual total is closer to 240 days (subtracting weekends, two weeks vacation and 10 holidays)
- **The District calculates the total VMT as 2 trips/day x 14.3 miles per trip x 506,923 employees = 14.5 million VMT.** This calculation, along with assumptions regarding a 10 percent participation rate was used to generate the District's estimate that a total of 0.315 tons per day of NOx could be reduced by 2014 by implementing this rule.

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<sup>3</sup> San Joaquin Valley Express Transit Study, Pages 2-7

However, if the number of eligible workers is much lower due to the adjustments detailed above, then the VMT total would be much lower. As a result, it would require a much higher participation among the eligible workers to obtain the same total NOx emissions reductions.

- **On page C-7 of the October 21, 2009 staff report, the total number of eligible employees is listed as 390,650 (Table C-4).** How was this number derived? Why didn't the District use this figure to estimate total NOx emissions reduction potential—it would reduce the estimate by about 23 percent and significantly decreases the cost-effectiveness of the Rule.
- **Table C-7 (Part II)**—The emissions reduction calculations that flow from the assumptions above are carried forward by allocating emissions reductions/employee for the various tiers of work sites.
- **The socioeconomic analysis conducted by ADE seems to indicate that there are 398,016 total private sector employees at work sites with over 100 workers.** However, this seems to be a total number, not adjusted for the number of eligible employees. Further, why is this number higher than the 390,650 figure used by the District in Table C-4? How can the private sector total exceed the total for all employers?

**Absolute Cost Effectiveness**

Although we believe the district has overstated the potential emission reductions which will result from this rule, nonetheless we have used the district calculations to determine the Absolute Cost Effectiveness based on a potential ETRIP and extrapolated across the manufacturing sector. Data from our members indicate a cost ranging from \$49,007 per ton to \$74,194 per ton, far above the \$25,000 cost effectiveness threshold and of that estimated in the staff report.

**Rule 9410 Estimated Absolute Cost Effectiveness for Manufacturing Sites**

Type of Work Site	<sup>1</sup> Number of Manufacturing Work Sites	<sup>2</sup> Average Annual Cost per site	Annual Cost for All Work Sites	<sup>3</sup> Emissions Reductions (tons/yr)	Absolute Cost Effectiveness (\$/tpy)
Tier 1	157	\$ 6,824	\$1,071,368	14.44	\$74,194
Tier 2	79	\$10,490	\$ 828,710	16.91	\$49,007
<b>Total</b>	<b>236</b>		<b>\$1,900,078</b>	<b>31.35</b>	<b>\$60,609</b>

**Notes:**

1. The number of manufacturing work sites is based on the data provided in Table 3 (page 13) of the Socioeconomic Analysis prepared by ADE for the District. However, these estimates are not adjusted for worksites that do not have a sufficient number of eligible employees, or are located in an area that does not meet the applicability criteria. As a result, the total number of manufacturing sites subject to the rule could be much lower.
2. The average annual costs per site are based on the data provided in the enclosed attachments that are representative of actual costs that may be incurred by manufacturers. Costs per site are based on the 2010-2014 compliance period.
3. The emissions reductions estimates were derived by using the data prepared by the District in Table C-4 (page C-7) of the October 21, 2009 Staff Report--Average Tier 1 emissions reductions per site = 121 tons per

year/1,322 sites = 0.092 tons/yr/site. Average Tier 2 emissions reductions per site = 114 tons per year/533 sites = 0.214 tons/yr/site (Table C-4). In the table above these averages were applied to the estimated number of manufacturing work sites to derive the totals for Tier 1 and Tier 2 manufacturers. MCCV and CLFP have previously noted that the District's estimated emissions per site may be inflated due to a number of factors and reiterate that point here.

## **TECHNICAL ISSUES**

### **SURVEY METHODOLOGY AND PARTICIPATION THRESHOLD**

We commented in the previous draft, and at workshops, that the 90 percent participation threshold on a semi-annual survey was unattainable and suggested that the district lower the mandated participation rate and require a single annual survey. The solution presented in the current draft is outrageous and punitive. The district should adopt a single participation threshold at a reasonable level and leave it at that: It is only reasonable to expect a 40 to 60% return on surveys even under the best circumstance and this would require operations to pay for their employee's time to complete the surveys, as well as lost production time. When you consider there are 10 weeks of the year that an employer cannot survey, due to state, federal or local holidays, and then factor in that some employers will not be subject to the rule for the entire year, the "solution" proposed in the October draft is entirely unworkable.

### **ETRIIP MEASURES ANALYSIS**

In performing a detailed analysis of the Employer Trip Reduction Implementation Plan (ETRIIP) menu options, MCCV and CLFP have determined that there are a number of the proposed options which simply do not work in a manufacturing environment, and as such, warrant an approach which would provide manufacturing operations with a reasonable and achievable compliance strategy.

For the purposes of this evaluation manufacturing is defined as those facilities regulated under Industrial Welfare Commission Wage Orders 1-2001, Manufacturing Industry; 3-2001; 3-2001, Canning, Freezing, and Preserving Industry; and/or 8-2001, Industries Handling Products After Harvest.<sup>4</sup> We utilized the IWC wage order definitions as they are legally recognized and most precisely categorize the manufacturing sector.

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<sup>4</sup> **Industrial Welfare Commission Wage Orders and Definitions:**

**1-2001 "Manufacturing Industry"** means any industry, business, or establishment operated for the purpose of preparing, producing, making, altering, repairing, finishing, processing, inspecting, handling, assembling, wrapping, bottling, or packaging goods, articles, or commodities, in whole or in part; EXCEPT when such activities are covered by Orders in the: Canning, Preserving, and Freezing Industry; Industries Handling Products After Harvest; Industries Preparing Agricultural Products for Market, on the Farm; or Motion Picture Industry.

**3-2001 "Canning, Freezing, and Preserving Industry"** means any industry, business, or establishment operated for the purpose of canning soups, or of cooking, canning, curing, freezing, pickling, salting, bottling, preserving, or otherwise processing any fruits or vegetables, seafood, meat, poultry or rabbit product, when the purpose of such processing is the preservation of the product and includes all operations incidental thereto.

**8-2001 "Industries Handling Products After Harvest"** means any industry, business, or establishment operated for the purpose of grading, sorting, cleaning, drying, cooling, icing, packing, dehydrating, cracking, shelling, candling, separating, slaughtering, picking, plucking, shucking, pasteurizing, fermenting, ripening, molding, or otherwise preparing any agricultural, horticultural, egg, poultry, meat, seafood, rabbit, or dairy product for distribution, and includes all the operations incidental thereto.

For the review, each option was evaluated against several criteria:

1. Does the ETRIP option work in a manufacturing environment which has schedules that can be very rigid and at times, quite unpredictable given the potential for equipment breakdowns and material supply issues which may affect all or a portion of the operations and, consequently, the workforce that supports the operation.
2. Does the ETRIP option affect union work rules and/or wage orders which are in place at most manufacturing operations?
3. Does the ETRIP option create the potential for employees to have to work for more than a 12 hour shift, which would create significant legal issues for the worksite?
4. Are the services described in the ETRIP option available at most manufacturing sites which typically exist in remote areas of cities and counties where traditional services such as busing and other multiple ridership options are not available?
5. Are there employee safety issues associated with the ETRIP option which may make it unworkable or unconscionable?
6. Does the cost of implementation of an ETRIP option exceed what is reasonable for the benefit received?

### **Marketing Strategy**

The results of this work conclude that all options in the “Marketing Strategy” menu are possible and can be performed when evaluated against the above criteria, therefore MCCV and CLFP believe that our members can adequately attain the requisite point total set forth in the rule.

<b>MARKETING STRATEGY</b>	
Original Points	41
Mfg Available Points	41
Required Points (Tier 1/Tier 2)	6/10

### **Program Support Strategy**

The “Program Support Strategy” has several options which are incompatible with the manufacturing environment and will add to the degree of compliance difficulty in this section. Without some additional flexibility, some manufacturing employers will not be able to meet the prescriptive point total in this strategy. Specifically, both guaranteed ride home options and the commute assistance program are not possible.

With the complexities of scheduling in a manufacturing environment the use of a guaranteed ride home options would be nearly a daily occurrence and in the case of a complete line shut down, tens to perhaps hundreds of people could demand the program which would overwhelm either internal or external resources, not to mention be quite costly for the organization offering the options. The commute assistance program is wrought with logistical, legal and potential liability issues.

### **Liability Concerns Remain**

Our member companies have checked with their legal counsels and their insurance providers (though many are self-insured) and as a result, we maintain that vanpools, shuttles and carpool programs, including personalized commute assistance programs, that are implemented or arranged by an employer will increase liability to the employer. For example, should an

employer design a vanpool program, and a group of employees suffers an accident, the employees can bring legal action against the employer for negligent design of the route. Extending the employer's control to the commute, may also change the obligations of the employer under the workers' compensation system, and may even change the compensation to the employee, if it is deemed to be working time, due to the exercise of employer control, particularly in the realm of a union negotiated contract. The use of telecommuting (which is not feasible in any case in manufacturing) may result in the creation of other "job sites" for employers with attendant liability.

Rather than allaying our concerns, the section of the labor code cited by the District in response to our continuing concerns about liability issues, actually reinforces them. California Labor Code Section 3600.8, was cited by the district on page A-20 of the October 21, 2009 draft staff report and paraphrased as saying, "when an employee voluntarily participates in an alternative commute program that is provided or subsidized by an employer complying with an air district trip reduction mandate, this commute is not within the scope of employment." What the district did not include, and this is the point we have made repeatedly, is that there is continued exposure to legal liability as the statute goes on to state that "**An employee who is injured while acting outside the course of his or her employment, or his or her dependents in the event of the employee's death, shall not be barred from bringing an action at law for damages against his or her employer as a result of this section.**"

As the district surely understands, employer sponsored or initiated policies or programs are always subject to scrutiny anytime the policy or program results in some form of employee discipline, including termination. We are concerned that the more the employer becomes involved in the activities outside of work, in this case the commute to and from work, the more the burden of accountability shifts from the employee to the employer. For example, if an employee with attendance issues who is on a last step of discipline for attendance misses/was late to work because the carpool had problems. When the carpool in question was coordinated by the employer as part of Personalized Commute Assistance, the employee will argue that the burden of responsibility has shifted to the employer, and this will have traction with the Arbitrators.

The legal question of worker's compensation and liability (injury/death from auto accidents, bike accidents, etc.) that will arise from Personalized Commute Assistance are untested. What we can predict with certainty is that litigation will arise from this, and it will bring into question the employer's responsibility. And, we can also predict with certainty that insurance costs will surely rise, as policies are extended to cover commutes, employees riding together (which raises the risk of multiple accidents), and attendant activities of the employer.

Though sufficient points remain in the Program Support Strategy after our review, the options to choose from are reduced in half to one five point measure and two three point measures. As noted above, without some additional flexibility, it will be difficult for most manufacturing employers to meet the prescriptive point total in this strategy.

<b>PROGRAM SUPPORT STRATEGY</b>	
Original Points	24
Mfg Available Points	11
Required Points (Tier 1/Tier 2)	6/8

### **Services and Facilities**

In this section/strategy, those options which are not viable for manufacturing are:

- On-site child care;
- On site bike repair;
- Health facilities;
- Employer provided bicycles;
- Check cashing; and
- Break or lunch room activities

Each of these options represents significant liability and legal risk to the organization and are simply not conducive to a manufacturing environment. Child care and manufacturing are incompatible uses; bike repair services are a liability to the company providing the repairs, and in most circumstances the manufacturing operations are in a remote area and bicycling to work is not a viable option or one that employers could encourage to due safety considerations. In the case of check cashing services it would be necessary to maintain a minimum amount of cash on hand to ensure this service is available to employees around the clock. This would require a significant change in security at most sites and would require the construction of a separate facilities to house this activity and additional staff to provide the service.

For the record, we would also like it noted that for the most part, manufacturing employees have ½ hour for lunch. Considering that most firms are located away from the downtown core and urban services, this is insufficient time to leave the facility, run an errand and return to work. Accordingly, many of the measures which are feasible, provide value and are cost effective have already been implemented, therefore, as noted above, the actual emission reductions or behavior influencing impact, will be minimal. That said, there are adequate opportunities for compliance available in this section.

<b>SERVICES AND FACILITIES STRATEGY</b>	
Original Points	53
Mfg Available Points	33
Required Points (Tier 1/Tier 2)	8/10

### **Transportation, Alternative Schedules and Incentives Strategies**

From the perspective of a manufacturing employer, the only workable options in the Transportation, Alternative Schedules and Incentives Strategies are the car pool program and preferential parking.

Scheduling flexibility, telecommuting and related programs are not options that are even remotely congruous with the demands of a manufacturing operation. Other programs have to do with providing incentives for services that are unavailable. While the box could be checked, it would be disingenuous, for example, to provide discount transit passes or a transit subsidy, when no transit service is available. Additionally, discount programs, free or reduced rideshare passes, etc. represent significant issues with union contracts which are described in detail below.

**Union Contract Issues**

The majority of manufacturing companies that fall within the jurisdiction of the District, are governed by negotiated labor contracts with respect to their frontline, hourly workforce, and in many cases these labor contracts can apply to multiple worksites both within and outside the State of California and, therefore, outside the jurisdiction of the District. This is certainly the case with most of the fruit processing facilities which are part of California Processors Incorporated (CPI) a multi-employer bargaining association. CPI negotiates a master labor agreement on behalf of its member food processing companies in Northern California.

The significance of this labor arrangement is particularly relevant and problematic to the implementation of the monetary incentives, subsidies, and hours-of-work incentives required in Phase III of proposed Rule 9410. Typical workplace concepts such as compensation, conditions of employment, and hours of work are key elements of any negotiated labor contracts. In other words, these are the very items that are at the heart of the negotiations between the union representatives and the employer. The employer’s desire to make changes to any of these areas, all of which would be required to implement the provisions of Phase III of the Rule, will ultimately be determined by the negotiation process and the union’s ability to see these incentives/subsidies as “compensation” or a favorable improvement to work hours. In our estimation, this is very unlikely for three reasons.

First, the union is in the position of representing the entire workforce, and therefore, focuses on compensation increases that benefit every member of that group (e.g. a three percent across-the-board pay increase). In this case, the union will quickly recognize that these subsidies or incentives will only be paid to participating employees, and they will not have effectively represented their entire constituency. From the employer’s perspective these incentives and subsidies have a cost implication that has to be factored into any agreed pay increases.

Secondly, the union establishes their fees based on the wages of union members. Incentives or subsidies, while part of compensation from the employer’s perspective, would be difficult for the union to quantify, not to mention the union would have to risk calculating an increase on union dues based, in part, on financial incentives that only benefit a portion of the workforce; that would certainly not be in their best interest.

Lastly, for manufacturers who are governed by labor contracts that cover multiple worksites, particularly those contracts that are multi-state or national in scope, it will be difficult for those employers that fall within the District’s jurisdiction to achieve a special ‘one-site-only’, carve-out in their labor contract for items that fall within “compensation” or “hours of work” parameters; in this case, the incentive and subsidy items of Phase III. The only clear exceptions to this during contract negotiations on national contracts are specific to State Wage and Hour Laws, and these exceptions would then apply to every site within that state, not just one site located in the San Joaquin Valley.

<b>TRANSPORTATION, ALTERNATIVE SCHEDULES &amp; INCENTIVES STRATEGY</b>	
Original Points	118
Mfg Available Points	9
Required Points (Tier 1/Tier 2)	14/24

## **MCCV & CLFP RECOMMENDATIONS**

It should be quite clear from the discussion above that the manufacturing situation is quite different from a typical administrative office environment (which we believe is the basis for the type of trip reduction program being developed by the District). The number of available ETRIP options in an environment such as manufacturing is very limited; consequently, we believe that a workable solution would be that manufacturing facilities, as previously defined be required to comply with the Phase 1 and Phase 2 point totals only:

### ***Trip Reduction Requirements***

- 5.1 *Employers shall implement an Employer Trip Reduction Implementation Plan (ETRIP) for each worksite with 100 or more eligible employees. Employers shall implement an ETRIP to meet the applicable point targets specified in Table 1. Employers with eligible employees protected by the Migrant and Seasonal Agricultural Worker Protection Act and those covered by Industrial Welfare Commission Wage Orders 1-2001; 3-2001; 8-2001 will be required to comply with Phase 1 and Phase 2 point targets only.*

Even with this provision, there may some manufacturing employers who, due to the tight margin indicated above in the Program Support Strategy, have particular conditions at their worksite which make it impossible to attain the requisite points. In this case, we would propose a provision which would allow an employer/worksite to utilize points from other strategies to make up a deficit in this category.

- 5.4 *In the event an employer with eligible employees covered by Industrial Welfare Commission Wage Orders 1-2001; 3-2001; 8-2001 is unable to implement an ETRIP which will meet the requisite point total in the Program Support Category, the employer can request that the APCO authorize the use of measures from other strategies so that the total points can be achieved.*

## **CONCLUSION**

Rule 9410 is precedent setting and is very different in nature to the technically based rules the district has promulgated previously since its formation nearly 20 years ago. The district has invested considerable time and effort into the development and marketing of this rule, yet we believe there is still work to be done to ensure that it can and will achieve the stated goals.

We have offered a number of suggestions as to how the rule might be modified to achieve better results from the manufacturing sector. If this effort is to be successful, the district has an obligation to help employers understand the various options that currently exist; to help identify the obstacles to successful deployment, including the issues raised by the various stakeholder groups and the infrastructure deficits. We would maintain that this rule is “technology forcing” in that many of the options that the district cites as solutions and/or measures, are simply not yet available to the degree that will be necessary to ensure success. Other government and quasi-government agencies have attempted and failed at implementing many of these same measures due to the lack of interest, infrastructure and overall benefit versus cost.

The MCCV and the CLFP believe that what we have offered will meet the intent of the District's SIP obligations and do the most possible to help the District achieve its goals to reduce vehicle miles traveled. We would ask for your serious consideration of our comments and suggestions.

We would be happy to talk with you in more detail concerning our recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Neenan". The signature is stylized with a large "R" and "N".

**Rob Neenan  
California League of Food Processors**

A handwritten signature in blue ink, appearing to read "Jan Marie Emmenga". The signature is highly stylized with large loops.

**Jan Marie Emmenga  
Manufacturers Council of the Central Valley**

## Attachment 1: Tier 1 Estimated Costs for Feasible ETRIP

Rule Element	Description of Expenditure	Frequency	One-Time Costs						Capital Costs		Recurring Costs						Total Costs Each Year (\$/yr)											
			Admin Labor (hours)	Admin Labor (\$)	Employee Labor (Hours)	Employee Labor (\$)	Materials (\$)	Other Operations (\$)	Total One-Time Costs (\$/yr)	Equipment & Installation (\$)	Annualized (\$/yr)	Admin Labor (hrs/yr)	Admin Labor (\$/yr)	Employee Labor (hrs/yr)	Employee Labor (\$/yr)	Materials (\$/yr)	Other Operations (\$/yr)	Total Recurring Costs (\$/yr)	2010	2011	2012	2013	2014	2015+				
<b>Tier One Worksites Annual Total</b>																	76	3100	7377	12392	11174	13929						
<b>ADMINISTRATIVE REQUIREMENTS</b>																												
Employer Registration	Admin labor	one-time	2	76.00				76								0	76											
<b>Employer Trip Reduction Implementation Plan (ETRIP)</b>																												
Notify Employees	Admin labor	one-time	2	100.00				100								0		100										
Develop each phase of ETRIP	Admin labor	recurring						0			60	3000.00				3,000		3000	3000	3000								
<b>Survey 2x/yr starting in 2014</b>																												
Preparation	Admin labor	recurring						0			15	570.00				570							570	570				
Distribution	Admin labor	recurring						0			15	750.00				750							750	750				
Completion by employees	Employee labor	recurring						0					75	2,475		2,475							2475	2475				
Materials	Materials	recurring						0						100		100						100	100					
<b>Annual Report starting in 2015</b>																												
Compile Survey Results	Admin labor	recurring						0			35	1330.00				1,330								1330				
Revise ETRIP	Admin labor	recurring						0			35	1750.00				1,750								1750				
Approval, submission to District	Admin labor	recurring						0			15	750.00				750								750				
<b>MARKETING STRATEGY</b>																												
<b>Host a Rideshare event</b>																												
Plan event	Admin labor	recurring						0			4	152.00				152							152	152				
Employee time to attend	Employee labor	recurring						0					37.5	1,238		1,238							1238	1238				
Employee time to host event	Admin labor	recurring						0			2	76.00				76							76	76				
Materials from District	Materials	recurring						0								0							0	0				
<b>E-mail blasts to employees</b>																												
Prepare using District templates	Admin labor	recurring						0			1	38.00				38							38	38				
<b>Register with local rideshare agency</b>																												
Time to fill out form	Admin labor	one-time	1	38.00				38								0							38					
<b>Distribute District information to employees</b>																												
Request and distribute materials	Admin labor	recurring						0			1	38.00				38							38	38				
<b>Distribute CEO letter/email</b>																												
Prepare using District templates	Admin labor	recurring						0			1	50.00				50							50	50				
<b>Onsite transit information center</b>																												
Develop policy and procedures	Admin labor	one-time	8	400.00				400								0							400					
Organize/post info	Admin labor	recurring						0			4	152.00				152							152	152				
Accounting - for transit passes	Admin labor	recurring						0			6	228.00				228							228	228				
Energy consumption and space	Materials	recurring						0								0							0	0				
<b>Rideshare &amp; alternative transportation bulletin boards</b>																												
Initial purchases & set-up	Materials	one-time	2	76.00			55	131								0							131					
Update information Quarterly	Admin labor	recurring						0			4	152.00				152							152	152				
<b>Receive training at a District marketing class</b>																												

### Attachment 1: Tier 1 Estimated Costs for Feasible ETRIP

Rule Element	Description of Expenditure	Frequency	One-Time Costs						Capital Costs		Recurring Costs						Total Costs Each Year (\$/yr)								
			Admin Labor (hours)	Admin Labor (\$)	Employee Labor (Hours)	Employee Labor (\$)	Materials (\$)	Other Operations (\$)	Total One-Time Costs (\$/yr)	Equipment & Installation (\$)	Annualized (\$/yr)	Admin Labor (hrs/yr)	Admin Labor (\$/yr)	Employee Labor (hrs/yr)	Employee Labor (\$/yr)	Materials (\$/yr)	Other Operations (\$/yr)	Total Recurring Costs (\$/yr)	2010	2011	2012	2013	2014	2015+	
Annual class	Admin labor	recurring						0			6	300.00					300				300	300	300	300	
<b>Employer rideshare newsletter</b>																									
	Prepare using District templates	Admin labor	recurring					0			4	152.00					152				152	152	152	152	
	Paper and ink	Materials	recurring					0							80		80				80	80	80	80	
<b>Healthy Air Living Partner</b>																									
<b>Administrative</b>																									
	Download forms	Admin labor	one-time	0.5	19.00			19									0				19				
	Complete/submit forms	Admin labor	one-time	1.5	57.00			57									0				57				
	Develop policy and procedures	Admin labor	one-time	8	400.00			400									0				400				
<b>PROGRAM SUPPORT STRATEGY</b>																									
<b>Internal Guaranteed Ride Home Service</b>																									
	Policy development	Admin labor	one-time	8	400.00			400									0				400				
	Outreach to Employees	Admin labor	one-time	2	100.00			100									0				100				
	2 requests/month	Admin labor	recurring					0			2	76.00					76				76	76	76	76	
<b>External Employee Ride Matching Program</b>																									
	Outreach to employees	Admin labor	one-time	2	100.00			100									0				100				
<b>SERVICES AND FACILITIES STRATEGY</b>																									
<b>On-site Vending Machines</b>																									
	Solicit and review proposals	Admin labor	one-time	16	608.00			608									0				608				
	Service contract preparation	Admin labor	one-time	16	800.00			800									0				800				
	Space required is 100 sq. feet (machines - 1 soft drink and 1 snack)	space costs, \$/sq. ft./month	recurring					0							160		160				160	160	160	160	
	Electricity costs - operate 24/7 - power is already available	same cost as refrigerator	recurring					0							428		428				428	428	428	428	
<b>Onsite Breakroom and Kitchenette</b>																									
	Solicit and review proposals	Admin labor	one-time	24	912.00			912									0				912				
	Contract preparation	Admin labor	one-time	24	1200.00			1200									0				1200				
	Refrigerator	delivery fee	capital					0	947	154							0				154	154	154	154	
	Microwave oven		capital					0	262	43							0				43	43	43	43	
	2 dining tables and 8 chairs		capital					0	950	155							0				155	155	155	155	
	Cabinets, Counter, Sink - 6 feet		capital					0	2,016	328							0				328	328	328	328	
	Space required is 200 sq. feet	cost, \$/sq. ft./month	recurring					0							320		320				320	320	320	320	
	Cleaning	Labor/month	recurring					0			20	760.00					760				760	760	760	760	
	Supplies		recurring					0							240		240				240	240	240	240	
<b>Direct Deposit Payroll</b>																									
	Cost for 150 employees	Cost per employ	recurring					0									0								
	Savings - Postage & Printing							0									0								
<b>Postal Service</b>																									
	Prepare policy and procedures	Admin labor	recurring	8	400.00			400									0				400				

### Attachment 1: Tier 1 Estimated Costs for Feasible ETRIP

Rule Element	Description of Expenditure	Frequency	One-Time Costs						Capital Costs		Recurring Costs						Total Costs Each Year (\$/yr)								
			Admin Labor (hours)	Admin Labor (\$)	Employee Labor (Hours)	Employee Labor (\$)	Materials (\$)	Other Operations (\$)	Total One-Time Costs (\$/yr)	Equipment & Installation (\$)	Annualized (\$/yr)	Admin Labor (hrs/yr)	Admin Labor (\$/yr)	Employee Labor (hrs/yr)	Employee Labor (\$/yr)	Materials (\$/yr)	Other Operations (\$/yr)	Total Recurring Costs (\$/yr)	2010	2011	2012	2013	2014	2015+	
Balance accounts, purchase and sell stamps, inventory stamps	Admin labor	recurring						0			4	152.00					152				152	152	152		
<b>TRANSPORTATION AND ALTERNATIVE SCHEDULES STRATEGY</b>																									
<b>Carpool Program</b>																									
Policy development	Admin labor	one-time	8	400.00				400									0							400	
Coordinate information	Admin labor	recurring						0			6	228.00					228						228	228	
Provide information to employees	Admin labor	recurring						0			4	200.00					200						200	200	
<b>Staggered Work Schedules</b>																									
Policy development	Admin labor	one-time	8	400.00				400									0							400	
								0									0								
<b>INCENTIVES STRATEGY</b>																									
<b>Preferential Parking</b>																									
Painting & Stenciling bumpers	Labor	one-time	3	114.00				114									0							114	
Materials - paint & stencils		one-time					165	165									0							165	
<b>Discount Transit Passes</b>																									
Development of policy and procedures	Admin labor	one-time	6	300.00				300									0							300	
Balance accounts, purchase and distribute passes, inventory passes	Admin labor	recurring						0			8	304.00					304							304	
<b>Notes and assumptions</b>																									
Number of employees				150																					
Labor rate for wages, benefits, overhead				33 Hr, 38/hr, 50/hr																					
Sales tax rate, \$/\$1.00				0.09																					
Electricity costs \$/kwhr				0.15																					
Cost recovery factor for annualized costs				0.1627																					
Material costs includes supplies and small equipment costs																									

## Attachment 1a: Tier 2 Estimated Costs for Feasible ETRIP

Rule Element	Description of Expenditure	Frequency	One-Time Costs						Capital Costs		Recurring Costs						Total Costs Each Year (\$/yr)											
			Admin Labor (hours)	Admin Labor (\$)	Employee Labor (Hours)	Employee Labor (\$)	Materials (\$)	Other Operations (\$)	Total One-Time Costs (\$/yr)	Equipment & Installation (\$)	Annualized (\$/yr)	Admin Labor (hrs/yr)	Admin Labor (\$/yr)	Employee Labor (hrs/yr)	Employee Labor (\$/yr)	Materials (\$/yr)	Other Operations (\$/yr)	Total Recurring Costs (\$/yr)	2010	2011	2012	2013	2014	2015+				
<b>Tier One Worksites Annual Total</b>																	76	4100	10493	18132	19651	22971						
<b>ADMINISTRATIVE REQUIREMENTS</b>																												
Employer Registration	Admin labor	one-time	2	76.00				76								0	76											
<b>Employer Trip Reduction Implementation Plan (ETRIP)</b>																												
Notify Employees	Admin labor	one-time	2	100.00				100								0		100										
Develop each phase of ETRIP	Admin labor	recurring						0		80	4000.00					4,000		4000	4000	4000								
<b>Survey 2x/yr starting in 2014</b>																												
Preparation	Admin labor	recurring						0		20	760.00					760						760	760					
Distribution	Admin labor	recurring						0		20	1000.00					1,000						1000	1000					
Completion by employees	Employee labor	recurring						0				175	5,775			5,775						5775	5775					
Materials	Materials	recurring						0						100		100						100	100					
<b>Annual Report starting in 2015</b>																												
Compile Survey Results	Admin labor	recurring						0		40	1520.00					1,520							1520					
Revise ETRIP	Admin labor	recurring						0		40	2000.00					2,000							2000					
Approval, submission to District	Admin labor	recurring						0		20	1000.00					1,000							1000					
<b>MARKETING STRATEGY</b>																												
<b>Host a Rideshare event</b>																												
Plan event	Admin labor	recurring						0		4	152.00					152						152	152					
Employee time to attend	Employee labor	recurring						0				87.5	2,888			2,888						2888	2888					
Employee time to host event	Admin labor	recurring						0		2	76.00					76						76	76					
Materials from District	Materials	recurring						0								0						0	0					
<b>E-mail blasts to employees</b>																												
Prepare using District templates	Admin labor	recurring						0		1	38.00					38						38	38					
<b>Register with local rideshare agency</b>																												
Time to fill out form	Admin labor	one-time	1	38.00				38								0						38						
<b>Distribute District information to employees</b>																												
Request and distribute materials	Admin labor	recurring						0		1	38.00					38						38	38					
<b>Distribute CEO letter/email</b>																												
Prepare using District templates	Admin labor	recurring						0		1	50.00					50						50	50					
<b>Onsite transit information center</b>																												
Develop policy and procedures	Admin labor	one-time	8	400.00				400								0						400						
Organize/post info	Admin labor	recurring						0		4	152.00					152						152	152					
Accounting - for transit passes	Admin labor	recurring						0		8	304.00					304						304	304					
Energy consumption and space	Materials	recurring						0								0						0	0					
<b>Rideshare &amp; alternative transportation bulletin boards</b>																												
Initial purchases & set-up	Materials	one-time	2	76.00			55	131								0						131						
Update information Quarterly	Admin labor	recurring						0		4	152.00					152						152	152					
<b>Receive training at a District marketing class</b>																												

## Attachment 1a: Tier 2 Estimated Costs for Feasible ETRIP

Rule Element	Description of Expenditure	Frequency	One-Time Costs						Capital Costs		Recurring Costs						Total Costs Each Year (\$/yr)								
			Admin Labor (hours)	Admin Labor (\$)	Employee Labor (Hours)	Employee Labor (\$)	Materials (\$)	Other Operations (\$)	Total One-Time Costs (\$/yr)	Equipment & Installation (\$)	Annualized (\$/yr)	Admin Labor (hrs/yr)	Admin Labor (\$/yr)	Employee Labor (hrs/yr)	Employee Labor (\$/yr)	Materials (\$/yr)	Other Operations (\$/yr)	Total Recurring Costs (\$/yr)	2010	2011	2012	2013	2014	2015+	
Annual class	Admin labor	recurring						0			6	300.00					300				300	300	300	300	
<b>Employer rideshare newsletter</b>																									
	Prepare using District templates	Admin labor	recurring					0			6	228.00					228				228	228	228	228	
	Paper and ink	Materials	recurring					0							80	80				80	80	80	80		
<b>Healthy Air Living Partner</b>																									
<b>Administrative</b>																									
	Download forms	Admin labor	one-time	0.5	19.00			19								0				19					
	Complete/submit forms	Admin labor	one-time	1.5	57.00			57								0				57					
	Develop policy and procedures	Admin labor	one-time	8	400.00			400								0				400					
<b>PROGRAM SUPPORT STRATEGY</b>																									
<b>Internal Guaranteed Ride Home Service</b>																									
	Policy development	Admin labor	one-time	8	400.00			400								0				400					
	Outreach to Employees	Admin labor	one-time	4	200.00			200								0				200					
	2 requests/month	Admin labor	recurring					0			5	190.00				190				190	190	190	190		
<b>External Employee Ride Matching Program</b>																									
	Outreach to employees	Admin labor	one-time	4	200.00			200								0				200					
<b>SERVICES AND FACILITIES STRATEGY</b>																									
<b>On-site Vending Machines</b>																									
	Solicit and review proposals	Admin labor	one-time	16	608.00			608								0				608					
	Service contract preparation	Admin labor	one-time	16	800.00			800								0				800					
	Space required is 100 sq. feet (machines - 1 soft drink and 1 snack)	space costs, \$/sq. ft./month	recurring					0							480	480				480	480	480	480		
	Electricity costs - operate 24/7 - power is already available	same cost as refrigerator	recurring					0							428	428				428	428	428	428		
<b>Onsite Breakroom and Kitchenette</b>																									
	Solicit and review proposals	Admin labor	one-time	24	912.00			912								0				912					
	Contract preparation	Admin labor	one-time	24	1200.00			1200								0				1200					
	Refrigerator	delivery fee	capital					0	947	154						0				154	154	154	154		
	Microwave oven		capital					0	262	43						0				43	43	43	43		
	2 dining tables and 8 chairs		capital					0	950	155						0				155	155	155	155		
	Cabinets, Counter, Sink - 6 feet		capital					0	2,016	328						0				328	328	328	328		
	Space required is 200 sq. feet	cost, \$/sq. ft./month	recurring					0							480	#VALUE!				480	480	480	480		
	Cleaning	Labor/month	recurring					0			20	760.00				760				760	760	760	760		
	Supplies		recurring					0							720	720				720	720	720	720		
<b>Check Cashing</b>																									
	Cost for 150 employees	Cost per employ	recurring	16	800.00			800								0				800	800	800	800		
	Savings - Postage & Printing			24	912.00			912								0				912	912	912	912		
<b>Postal Service</b>																									
	Prepare policy and procedures	Admin labor	recurring	8	400.00			400								0				400					

## Attachment 1a: Tier 2 Estimated Costs for Feasible ETRIP

Rule Element	Description of Expenditure	Frequency	One-Time Costs						Capital Costs		Recurring Costs						Total Costs Each Year (\$/yr)								
			Admin Labor (hours)	Admin Labor (\$)	Employee Labor (Hours)	Employee Labor (\$)	Materials (\$)	Other Operations (\$)	Total One-Time Costs (\$/yr)	Equipment & Installation (\$)	Annualized (\$/yr)	Admin Labor (hrs/yr)	Admin Labor (\$/yr)	Employee Labor (hrs/yr)	Employee Labor (\$/yr)	Materials (\$/yr)	Other Operations (\$/yr)	Total Recurring Costs (\$/yr)	2010	2011	2012	2013	2014	2015+	
Balance accounts, purchase and sell stamps, inventory stamps	Admin labor	recurring						0			8	304.00					304				304	304	304		
<b>TRANSPORTATION AND ALTERNATIVE SCHEDULES STRATEGY</b>																									
<b>Carpool Program</b>																									
Policy development	Admin labor	one-time	8	400.00				400									0							400	
Coordinate information	Admin labor	recurring						0			8	304.00					304						304	304	
Provide information to employees	Admin labor	recurring						0			6	300.00					300						300	300	
<b>Staggered Work Schedules</b>																									
Policy development	Admin labor	one-time	8	400.00				400									0							400	
								0									0								
<b>INCENTIVES STRATEGY</b>																									
<b>Preferential Parking</b>																									
Painting & Stenciling bumpers	Labor	one-time						0									0								
Materials - paint & stencils		one-time						0									0								
<b>Discount Transit Passes</b>																									
Development of policy and procedures	Admin labor	one-time	8	400.00				400									0							400	
Balance accounts, purchase and distribute passes, inventory passes	Admin labor	recurring						0									0								
<b>Notes and assumptions</b>																									
Number of employees																									
Labor rate for wages, benefits, overhead																									
Sales tax rate, \$/\$1.00																									
Electricity costs \$/kwhr																									
Cost recovery factor for annualized costs																									
Material costs includes supplies and small equipment costs																									