



**Bay Area Air Quality Management District
Mobile Source Committee**

December 15, 2016

Projects with proposed awards over \$100,000

**Damian Breen
Deputy Air Pollution Control Officer**

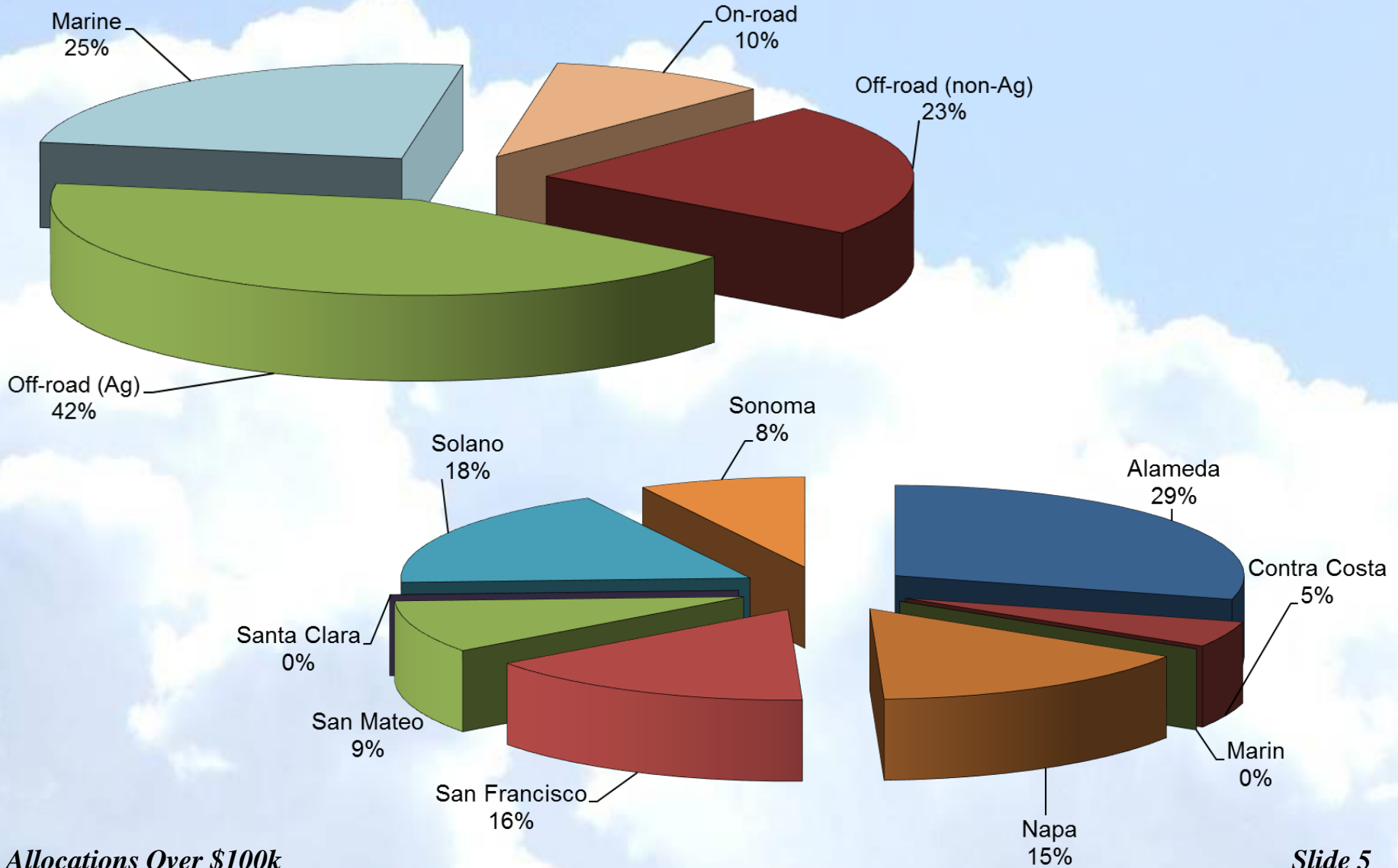
- Background
- Proposed projects with awards over \$100,000
- Recommendations

- **Carl Moyer Program (CMP)**
 - Created in 1998 to reduce emissions from heavy-duty engines
 - Voluntary program that funds surplus emission reductions
- **Mobile Source Incentive Fund (MSIF)**
 - AB 923 allowed for additional \$2 motor vehicle registration fee surcharge (12/04)
 - CMP and LESBP projects eligible for MSIF funding

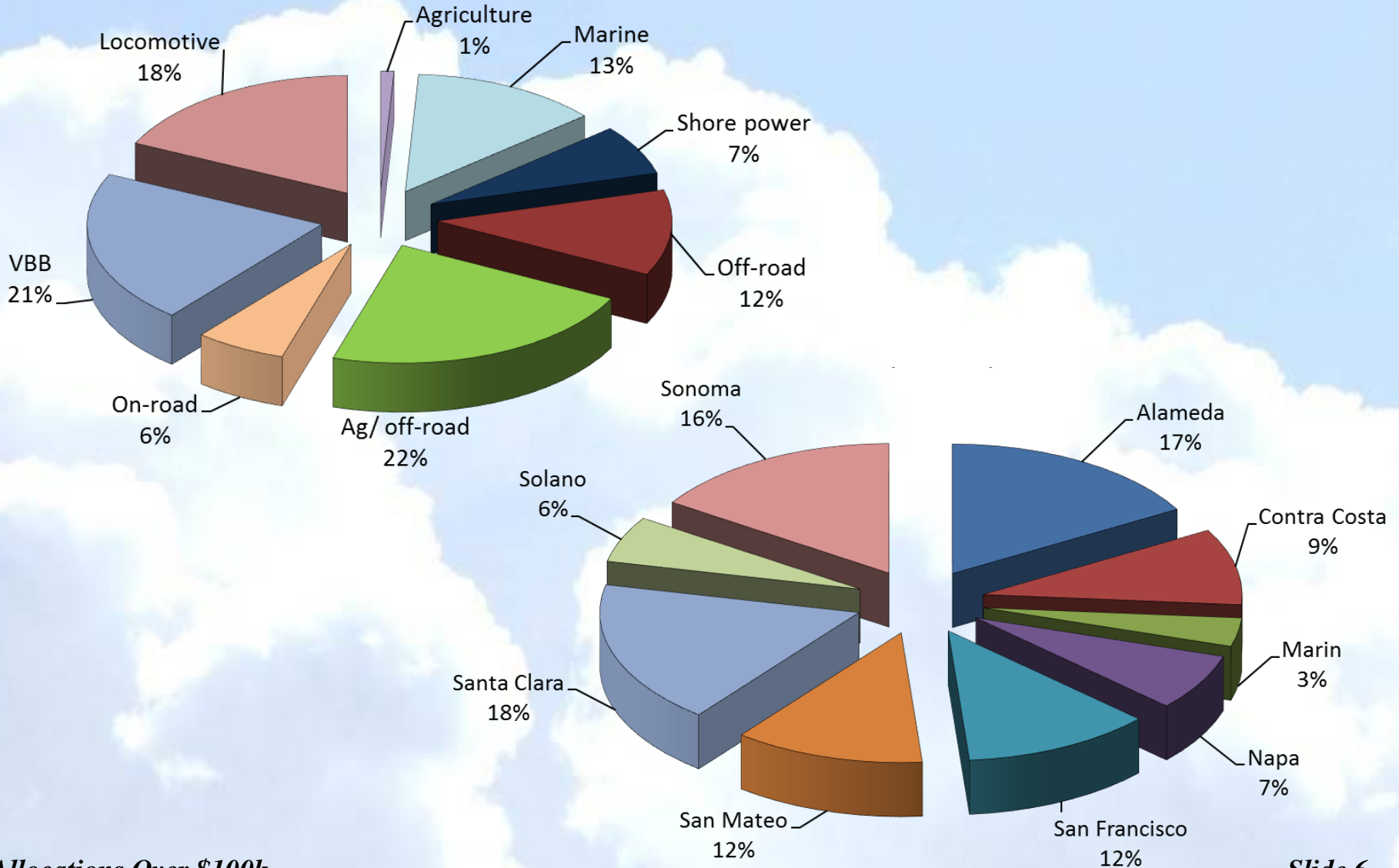
- **On 3/16/16 District Board of Directors:**
 - Approved participation in CMP Year 18
 - Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000
- **CMP Project Recommendations over \$100k:**
 - 3 Projects to reduce emissions from 4 marine engines and 1 off-road tractor
 - \$525,230 in total awards
 - Emission reductions: Over 2.54 TPY of criteria pollutants

CMP and MSIF Funds

Awarded as of 11/21/16



CMP and MSIF Funds Awarded since 2009



Recommendations

Recommend the Board of Directors:

1. Approve Carl Moyer Program (CMP) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into agreements with applicants for the recommended projects.



**Bay Area Air Quality Management District
Mobile Source Committee**

December 15, 2016

Fiscal Year Ending (FYE) 2015

**Transportation Fund for Clean Air (TFCA) Audit Report
Results**

Damian Breen

Deputy Air Pollution Control Officer

- Background
- TFCA Audit #17
 - Process
 - Findings and Air District Responses
 - Trends
- Questions

- **Transportation Fund for Clean Air (TFCA)**
 - Funded by \$4 motor vehicle registration fee surcharge
 - 60% to Regional Fund & Air District-sponsored projects
 - 40% to County Program Manager Fund
- **Health and Safety Code (HSC) *Section 44242***
 - Requires a fiscal audit of all projects and programs funded with TFCA monies

- *February 18, 2015*, Board approved award of contract to Gilbert Associates, Inc. (Gilbert) for independent audit services
- Audit # 17 Scope:
 - Reviewed financial and compliance objectives for Regional Fund, Air District-sponsored projects, and County Program Manager (CPM) projects that were closed between 7/1/14 and 6/30/15
 - Covered 140 TFCA projects (26 Regional and Air District-sponsored, 114 CPM) and over \$28M in TFCA funds expended
 - Conducted audit field work and follow-up Jun - Oct. 2016

- Financial audits performed in accordance with generally accepted auditing standards in the U.S. and applicable *Government Auditing Standards*
- Compliance audits performed in accordance with the requirements outlined in the Health and Safety code, funding agreements, and *Government Auditing Standards*
 - Focus to ensure TFCA expenditures were paid in accordance with program objectives
 - Not designed to provide assurance on overall project compliance

Audit #17

Findings and Air District Responses

Regional Fund Sponsor Findings

- *2015-1: Late Filing of Reports*

Air District Response: Taken a series of steps that have significantly reduced the incidence of late reports:

- Strengthened Air District's Administrative Procedures
- Transitioned to online electronic report submittal
- Fined Project Sponsor for late reports
- Required correction of findings to be eligible for future funding
- Continue to explore other options

County Program Manager Sponsor Findings

- *None*

Audit #17

Trends – Audit Findings by Year



Questions



Bay Area Air Quality Management District Mobile Source Committee

December 15, 2016

**Fiscal Year Ending (FYE) 2016 Report on
Transportation Fund for Clean Air (TFCA) Regional
Fund Expenditures and Effectiveness**

**Damian Breen
Deputy Air Pollution Control Officer**

- Background
- Results & key findings
 - Expenditures
 - Emissions reductions
 - Cost-effectiveness
- Questions

Background

- **Transportation Fund for Clean Air (TFCA)**
 - Funded by \$4 motor vehicle registration fee surcharge
 - 60% to Regional Fund projects and Air District-sponsored programs
 - 40% to County Program Manager Fund
- **Health and Safety Code (HSC) Section 44241.5:**
Requires annual public hearing to review TFCA expenditures to determine effectiveness in improving air quality

FYE 2016 Expenditures and C-E Report

Results & Key Findings

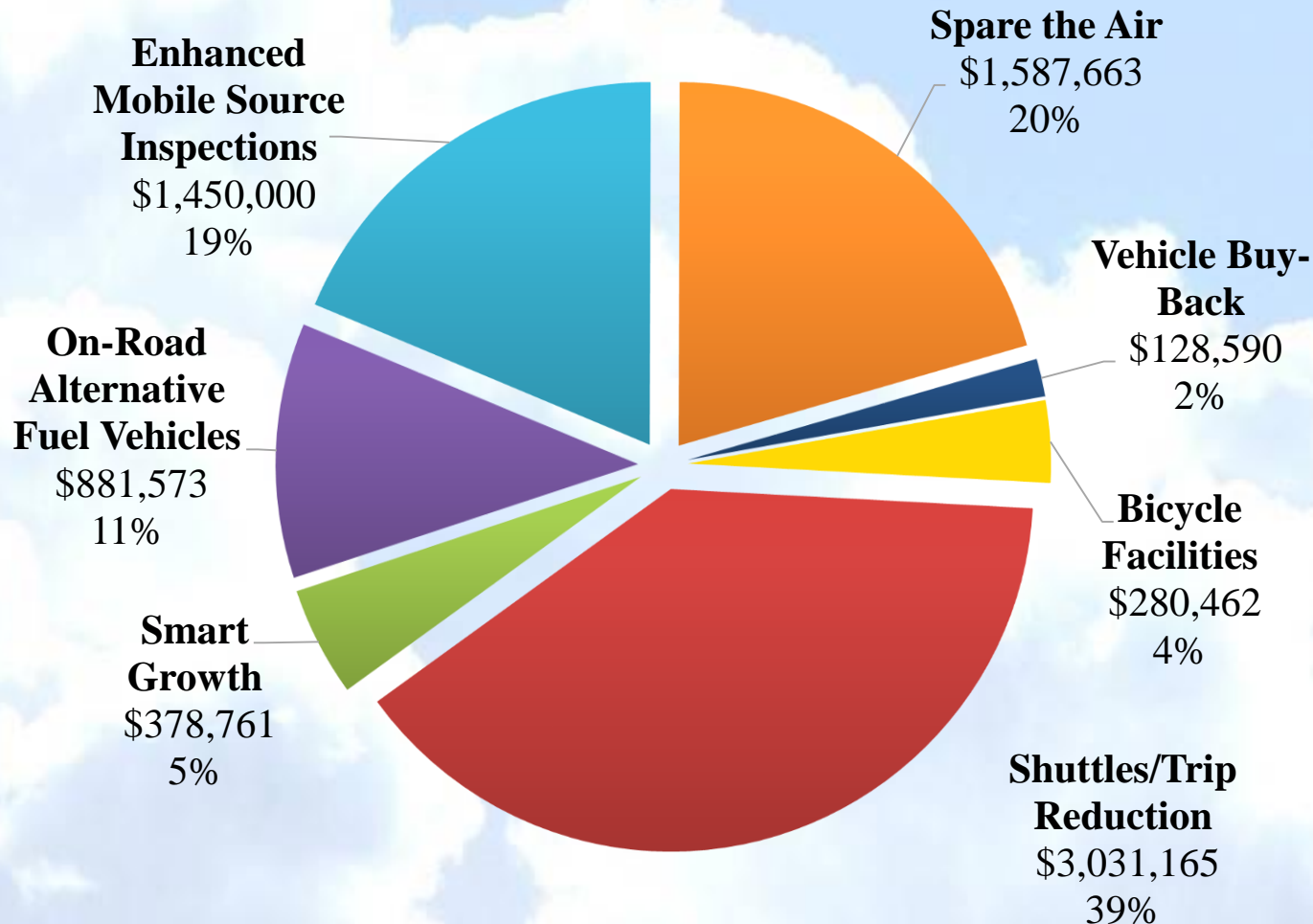
- **Reviewed expenditures and effectiveness of 42 TFCA** Regional Fund projects and Air District-sponsored programs that closed in FYE 2016
- **Expenditures: \$8.56 million**
 - \$4.57 million for Regional Fund projects
 - \$3.17 million for Air District-sponsored programs
 - \$825,838 in administrative and audit costs
- **Lifetime criteria pollutant emissions reduced: 203.61 tons**
 - 70.35 tons of reactive organic gases
 - 79.29 tons of nitrogen oxides
 - 53.97 tons of particulate matter
- **Lifetime greenhouse gas emissions reduced: 91,000 tons**

FYE 2016 Expenditures and C-E Report

Results & Key Findings (cont'd)

- TFCA funds were allocated to eligible projects and programs, consistent with the authorizing legislation
- **Overall cost-effectiveness:** \$36,585/ton of criteria pollutant emissions reduced
- Out of 42 projects and programs evaluated:
 - 7 did not meet cost-effectiveness limit
 - 6 Shuttles/Trip Reduction projects
 - Enhanced Mobile Source Inspections Program
 - 1 Smart Growth project cost-effectiveness could not be determined
- **Other public health benefits:**
 - Conserve energy and reduce greenhouse gases
 - Reduce traffic congestion
 - Expand access to first and last-mile connections to rail, ferry, and mass transit
 - Improve physical fitness and public safety by facilitating active transportation

Expenditures of Projects Closed in FYE 2016 by Project Category



Summary of Expenditures and C-E of Projects closed in FYE 2016

Attachment A - Table 1

Category	# of Projects	TFCA \$ Expended	% of TFCA \$ Expended	Emissions Reduced (tons)	% of Emissions Reduced	C/E - Weighted (\$/ton)
Bicycle Facilities	18	\$280,462	3.62%	2.87	1%	\$89,621
Shuttles/Trip Reduction	10	\$3,031,165	39.17%	80.00	39%	\$28,214
Smart Growth	1	\$378,761	4.89%	-	-	-
On-Road Alternative Fuel Vehicles	10	\$881,573	11.39%	24.07	12%	\$64,099
Enhanced Mobile Source Inspections	1	\$1,450,000	18.74%	3.43	2%	\$349,347
Spare the Air	1	\$1,587,663	20.52%	93.24	46%	\$19,963
Vehicle Buy-Back	1	\$128,590	1.66%	-	-	-
Total for Projects and Programs	42	\$7,738,213	100%	203.61	100%	\$36,585
Administration		\$825,838				

Questions