



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 3

Projects and Contracts with Proposed Awards over \$100,000

**Mobile Source Committee Meeting
December 3, 2020**

**Adam Shapiro
Supervising Staff Specialist**

Overview



- Background
- Proposed projects with awards over \$100,000
- Incentive funding status update
 - Funding by revenue source
 - Awards by project type and county
- Recommended Actions

CMP/MSIF, CHP, and FARMER



<p>Carl Moyer Program (CMP)</p>	<p>Mobile Source Incentive Fund (MSIF)</p>	<p>Community Health Protection Program (CHP)</p>	<p>Funding Agricultural Replacement Measures for Emission Reductions (FARMER)</p>
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- Created in 1998
- Administered in partnership with California Air Resources Board (CARB)

- Assembly Bill (AB) 923 (2004)
- Additional \$2 motor vehicle registration fee surcharge

- AB 617 (2017)
- Funds distributed through the Community Health Protection Program

- Established by CARB in 2018

CMP/MSIF, CHP, and FARMER Project Recommendations over \$100k



- Recommend \$2,739,150 in awards for eight projects to replace 17 pieces of diesel-powered:

- ✓ agricultural equipment
- ✓ off-road construction equipment
- ✓ marine vessels

- **Emissions Reductions**

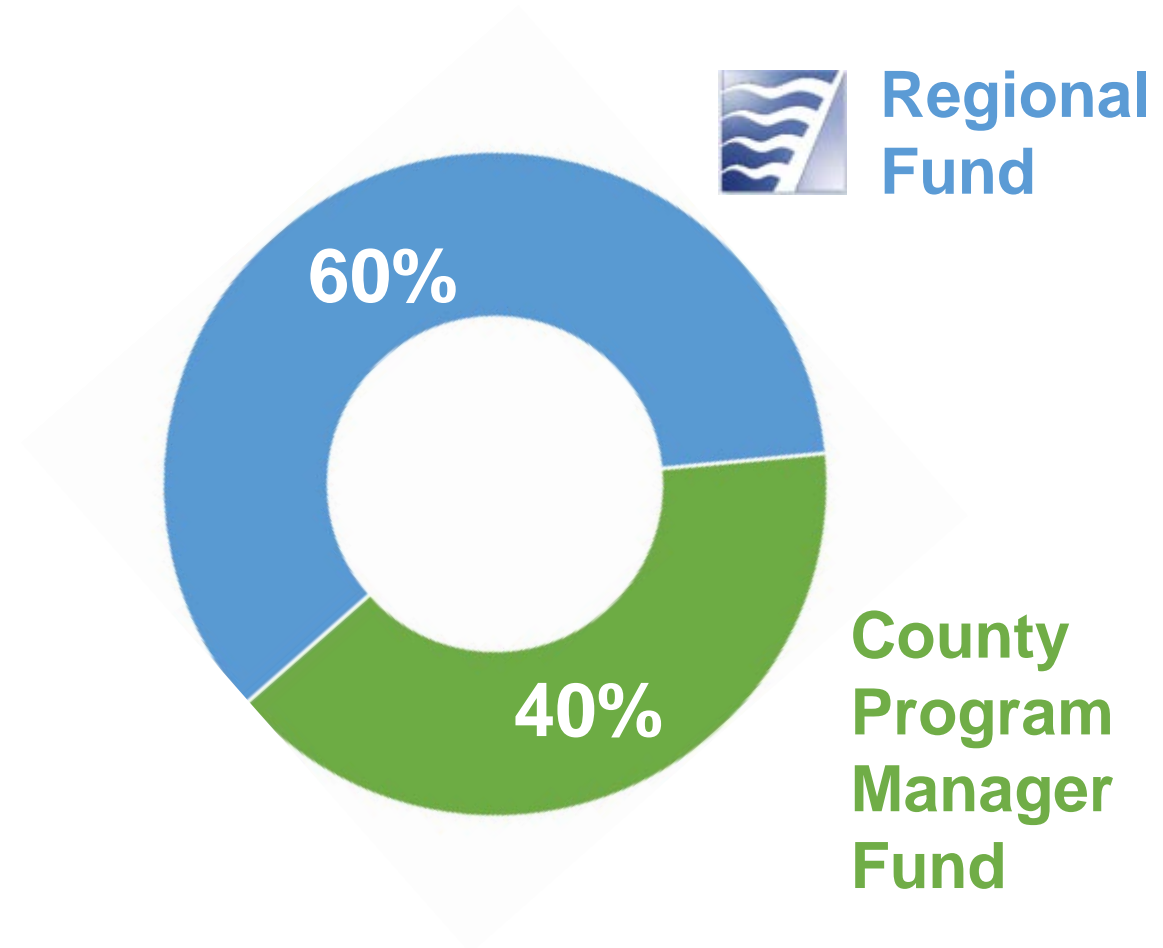
- ✓ Over 13.68 tons per year (TPY) of criteria pollutants



Transportation Fund for Clean Air (TFCA)



- Statutory authority set forth in California Health and Safety Code Sections 44241 and 44242
- Funding provided by a \$4 surcharge on motor vehicles



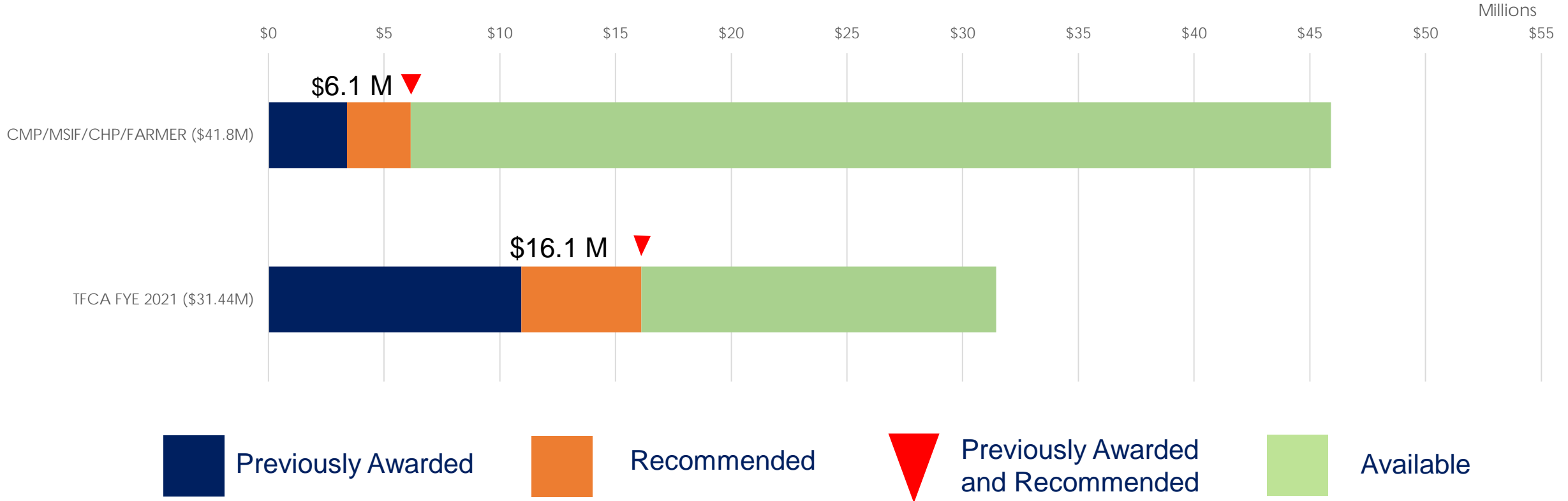
TFCA Project Recommendations over \$100k



- Recommend award of \$184,500 to one project to:
 - ✓ to increase ridesharing along State Route 37
- Emissions Reductions
 - ✓ Over 0.386 TPY of criteria pollutants



Incentive Funding Awarded & Recommended Since July 2020, by funding source in Millions (M)









Incentive Funding Awarded & Recommended by Project Category Since July 2020



Total = ~\$22 M*

List of projects is shown in Attachments 2 & 3

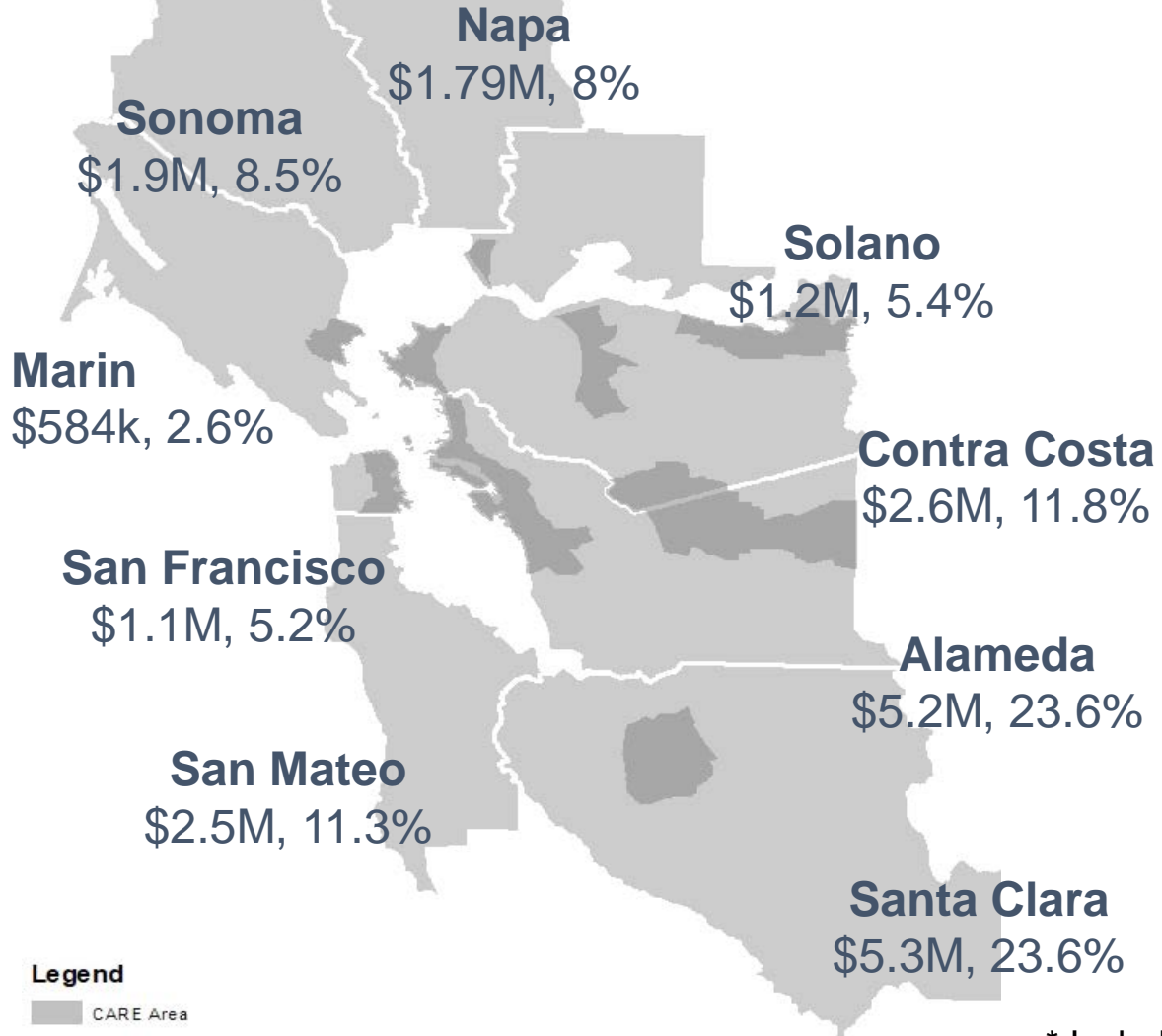
					
Light-duty Cars & Infrastructure	On-road Trucks & Buses	School Buses	Off-road	Off-road Marine & Locomotive	Trip Reduction
\$11.3 M	\$0.6 M	\$0.3 M	Ag: \$3.3 M Non-Ag: \$0.7 M	\$1.4 M	\$4.7 M

*Includes CMP/MSIF/CHP/FARMER and TFCA Regional Fund

Mobile Source Committee Meeting
December 3, 2020

Bay Area Air Quality Management District

Incentive Funding Awarded & Recommended by County Since July 2020



List of projects is shown in Attachments 2 & 3
Total = \$~22 M*



36% in CARE
45% in disadvantaged or low-income communities

* Includes awards from CMP/MSIF/CHP/FARMER and TFCA Regional Fund

Incentive Funding Offered by Air District



Program Name, Description, and Website	Status	Revenue Source
Carl Moyer Funding to replace heavy-duty on- & off-road vehicles and equipment, marine engines, and locomotives www.baaqmd.gov/moyer	Open	CMP, MSIF, CHP, FARMER
Community Health Protection Grant Program Funding to replace old, high-polluting vehicles and equipment www.baaqmd.gov/ab617grants	Open	California Climate Investments
Lower-Emission School Bus Program Funding for bus replacements, engine repowers or electric conversions, natural gas tank replacements, and electric charging & alternative fueling infrastructure projects www.baaqmd.gov/lesbp	Open	CMP, MSIF, CHP
Goods Movement Program funding to upgrade or replace diesel freight movement equipment, including trucks, locomotives, transportation refrigeration units, cargo handling equipment, and shore power equipment, within California's trade corridors www.baaqmd.gov/goods	Open	GMP
Vehicle Buy Back Program Funding to scrap 1997 and older vehicles and equipment www.baaqmd.gov/vbb	Open	MSIF
Clean Cars for All Funding for low-income owners to retire and replace their vehicles with a cleaner option www.baaqmd.gov/cleancarsforall	Open	California Climate Investments
Climate Tech Finance Program Subsidized financing to help Bay Area facilities adopt emerging technologies that reduce greenhouse gas emissions www.baaqmd.gov/ctf	Open	Ibank

Recommended Actions



Recommend the Board of Directors:

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



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AGENDA: 4

Report on Transportation Fund for Clean Air Projects Expenditures and Effectiveness for Fiscal Year Ending (FYE) 2020

**Mobile Source Committee Meeting
December 3, 2020**

**Linda Hui
Senior Staff Specialist**

Overview



- Background
- Summary of Project & Program Results
 - Fund Expenditures
 - Emission Reductions
 - Cost-Effectiveness
- Next Steps

Background Transportation Fund for Clean Air (TFCA)

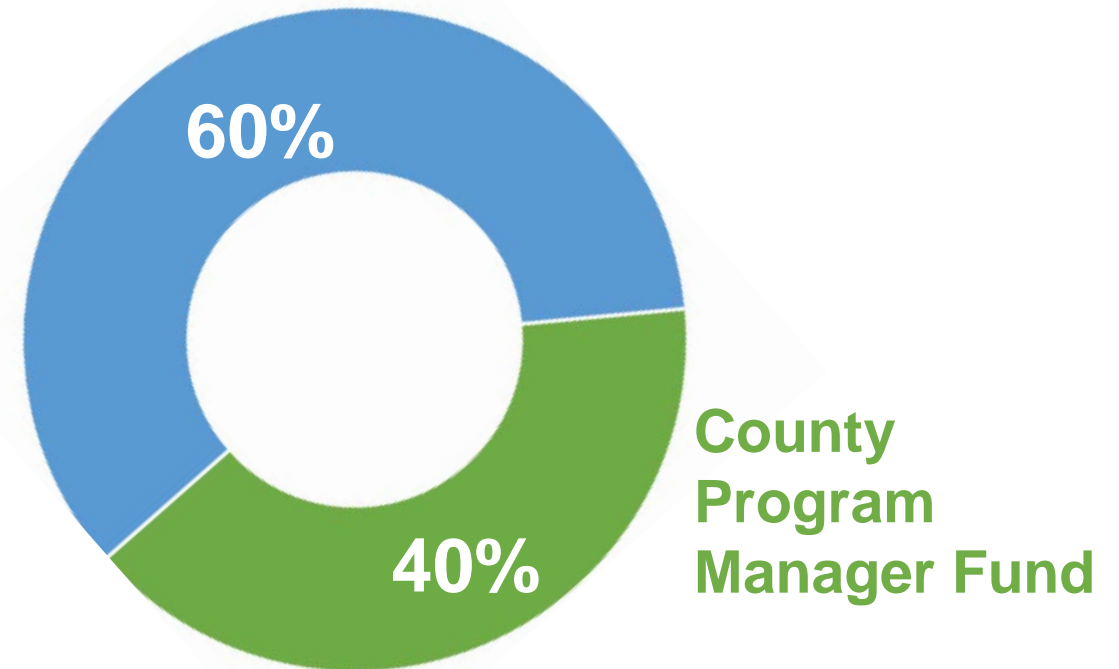


- Funding provided by \$4 surcharge on motor vehicles
- Air District's Board to annually review the expenditures to determine their effectiveness in improving air quality
- Projects & Program completed in FYE 2020:
 - ✓ 29 TFCA Regional Fund projects
 - ✓ 4 Air District-sponsored programs

* California Health and Safety Code § 44241 and 44242



Regional Fund



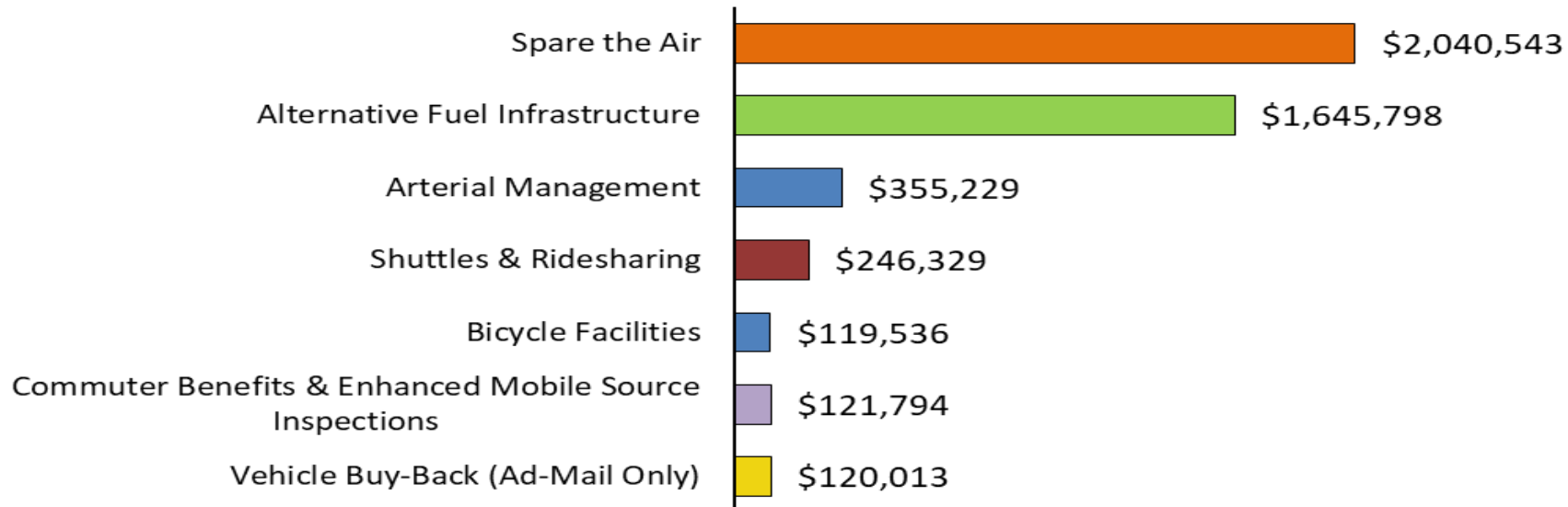
Project & Program Results

FYE 2020 TFCA Expenditures by Project Category



Total expenditures: \$5.59 million (M)

- \$2.37 M Regional Fund (29 projects)
- \$2.28 M Air District-sponsored (4 programs)
- \$0.94 M FYE 2020 administration



Project & Program Results

FYE 2020 TFCA Effectiveness & Emissions Reductions



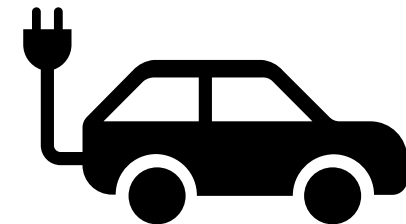
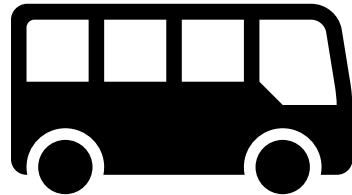
- Lifetime criteria pollutants reduced: **99.77 tons**
- Equivalent to:
 - **>800 million VMT reduced**
 - Removing **61,000 passenger cars** for one year at a cost of **\$90 per vehicle**
- **38%** of funds expended directly benefited **CARE Areas**



Project & Program Results FYE 2020 TFCA Cost-Effectiveness and Key Report Findings



- TFCA funds were allocated to eligible projects and programs
- Overall cost-effectiveness: \$36,965/ton criteria pollutant emissions reduced
- Achieved public health benefits:



Next Steps



- Continue to identify cost-effective projects and programs and opportunities to focus funds in CARE and Assembly Bill 617 areas
- Partner with transit and congestion management agencies on identifying new cost-effective trip reduction solutions
- Collect and evaluate data reported by project sponsors to refine estimated emissions reductions



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AGENDA: 5

Transportation Fund for Clean Air (TFCA) Program Regional Fund Projects Audit #21 Results

Mobile Source Committee Meeting
December 3, 2020

Sara Lanning
Staff Specialist

Overview



- Background
- Audit #21: Transportation Fund for Clean Air Projects completed by November 19, 2020
 - Scope
 - Results
- Next Steps



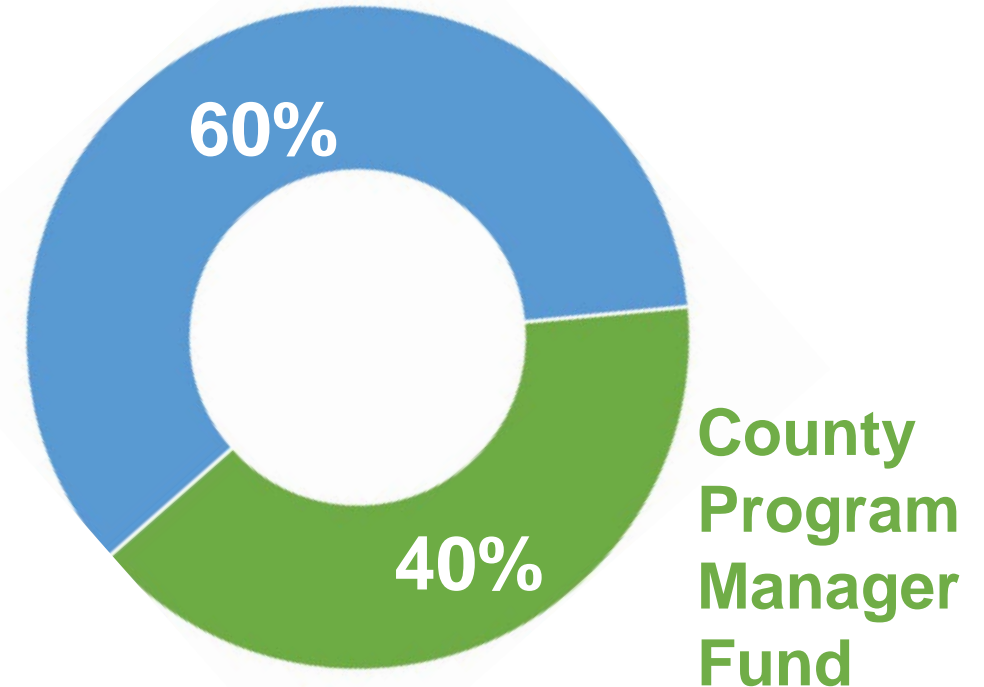
Background Transportation Fund for Clean Air (TFCA)



- Authorized by CA Health and Safety Code § 44241 and 44242
- Funding provided by \$4 surcharge on motor vehicles
- Requires fiscal audit of all TFCA-funded projects & programs at least once every two years
- Board approved contract with Simpson & Simpson, LLP for independent audit services on October 4, 2017



**Regional
Fund**



Audit #21 Scope



TFCA Regional Fund projects completed prior to June 30, 2019



Financial audits



Compliance audits

Audit #21 Results



Audits completed for seven (7) TFCA Regional Fund Projects

- Total audited expenditures = \$648,697
- ***No findings identified***
- Compliance with other aspects of the funding agreement was reviewed through Agreed-Upon Procedures



Next Steps



- Return in 2021 to present remaining audit results:
 - Air District's administrative costs
 - Air District-sponsored programs
 - County Program Manager-sponsored projects
- Review results from Agreed-Upon Procedures
 - Further refine contractual requirements
 - Continue to improve communications with project sponsors regarding contractual requirements and audit process