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
Carl Moyer Program (CMP)
- Created in 1998
- Administered in partnership with California Air Resources Board (CARB)

Mobile Source Incentive Fund (MSIF)
- Assembly Bill (AB) 923 (2004)
- Additional $2 motor vehicle registration fee surcharge

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

Funding Agricultural Replacement Measures for Emission Reductions (FARMER)
- Established by CARB in 2018
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
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)

Previously Awarded

Previously Awarded and Recommended

Available

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December 3, 2020
Incentive Funding Awarded & Recommended by Project Category Since July 2020

Total = ~$22 M*

List of projects is shown in Attachments 2 & 3

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light-duty Cars &amp; Infrastructure</td>
<td>$11.3 M</td>
</tr>
<tr>
<td>On-road Trucks &amp; Buses</td>
<td>$0.6 M</td>
</tr>
<tr>
<td>School Buses</td>
<td>$0.3 M</td>
</tr>
<tr>
<td>Off-road</td>
<td></td>
</tr>
<tr>
<td>Off-road Ag</td>
<td>$3.3 M</td>
</tr>
<tr>
<td>Off-road Non-Ag</td>
<td>$0.7 M</td>
</tr>
<tr>
<td>Off-road Marine &amp; Locomotive</td>
<td>$1.4 M</td>
</tr>
<tr>
<td>Trip Reduction</td>
<td>$4.7 M</td>
</tr>
</tbody>
</table>

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

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Bay Area Air Quality Management District
Incentive Funding Awarded & Recommended by County Since July 2020

- Napa: $1.79M, 8%
- Alameda: $5.2M, 23.6%
- Contra Costa: $2.6M, 11.8%
- Marin: $584k, 2.6%
- Napa: $1.79M, 8%
- Solano: $1.2M, 5.4%
- Contra Costa: $2.6M, 11.8%
- Sonoma: $1.9M, 8.5%
- Alameda: $5.2M, 23.6%
- San Mateo: $2.5M, 11.3%
- Santa Clara: $5.3M, 23.6%
- Solano: $1.2M, 5.4%

List of projects is shown in Attachments 2 & 3

Total = $~22 M*

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

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

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December 3, 2020

Bay Area Air Quality Management District
# Incentive Funding Offered by Air District

## Program Name, Description, and Website

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Description and Website</th>
<th>Status</th>
<th>Revenue Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carl Moyer Funding</td>
<td>replace heavy-duty on- &amp; off-road vehicles and equipment, marine engines, and locomotives</td>
<td>Open</td>
<td>CMP, MSIF, CHP, FARMER</td>
</tr>
<tr>
<td>Community Health Protection Grant Program</td>
<td>replace old, high-polluting vehicles and equipment</td>
<td>Open</td>
<td>California Climate Investments</td>
</tr>
<tr>
<td>Lower-Emission School Bus Program</td>
<td>for bus replacements, engine repowers or electric conversions, natural gas tank replacements, and electric charging &amp; alternative fueling infrastructure projects</td>
<td>Open</td>
<td>CMP, MSIF, CHP</td>
</tr>
<tr>
<td>Goods Movement Program</td>
<td>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</td>
<td>Open</td>
<td>GMP</td>
</tr>
<tr>
<td>Vehicle Buy Back Program</td>
<td>Funding to scrap 1997 and older vehicles and equipment</td>
<td>Open</td>
<td>MSIF</td>
</tr>
<tr>
<td>Clean Cars for All Funding</td>
<td>for low-income owners to retire and replace their vehicles with a cleaner option</td>
<td>Open</td>
<td>California Climate Investments</td>
</tr>
<tr>
<td>Climate Tech Finance Program</td>
<td>Subsidized financing to help Bay Area facilities adopt emerging technologies that reduce greenhouse gas emissions</td>
<td>Open</td>
<td>Ibank</td>
</tr>
</tbody>
</table>
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.
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

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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

Bar chart showing expenditures by project category:
- Spare the Air: $2,040,543
- Alternative Fuel Infrastructure: $1,645,798
- Arterial Management: $355,229
- Shuttles & Ridesharing: $246,329
- Bicycle Facilities: $119,536
- Commuter Benefits & Enhanced Mobile Source Inspections: $121,794
- Vehicle Buy-Back (Ad-Mail Only): $120,013
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
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
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
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