Projects and Contracts with Proposed Awards over $100,000

Mobile Source and Climate Impacts Committee Meeting
December 6, 2021

Alona Davis, Manager
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Outcome

• Provide status update of grant funds awarded since July 1, 2021, and information about new recommended awards greater than $100,000

• Obtain Committee’s support and approval to forward the recommended projects to the full Board of Directors for approval
Outline

• Background

• Proposed projects with awards over $100,000

• Status of incentive funding
  o Revenue sources
  o Community benefits & project locations

• Recommendations
Requested Action

Recommend that 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.
CMP/MSIF, CAPP, and FARMER

Carl Moyer Program (CMP)  Funding Agricultural Replacement Measures for Emission Reductions (FARMER)  Community Air Protection Program (CAPP)

California Air Resources Board  $34 million

Mobile Source Incentive Fund (MSIF)  DMV Fees  $12 million
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
CMP/MSIF, CAPP, FARMER, and TFCA

• Recommend $1,890,616 in awards for two projects to replace:
  ✓ engines for a charter fishing vessel
  ✓ three electric school buses with infrastructure

Emissions Reductions
  ❖ Over 1.5 tons per year of criteria pollutants
Incentive Funding Awarded & Recommended Since July 2021 by Revenue Source (in Millions)

Previously Awarded and Recommended

Previously Awarded

Available

Mobile Source and Climate Impacts Committee
December 6, 2021

Bay Area Air Quality Management District
Funds Awarded & Recommended Since July 2021 by Project Category (in Millions)

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Amount (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light-duty Cars &amp; Infrastructure</td>
<td>$7.4</td>
</tr>
<tr>
<td>Trucks &amp; Buses</td>
<td>$0.1</td>
</tr>
<tr>
<td>School Buses</td>
<td>$12.8</td>
</tr>
<tr>
<td>Off-road Equipment</td>
<td>$2.4</td>
</tr>
<tr>
<td>Marine &amp; Rail</td>
<td>$4.8</td>
</tr>
<tr>
<td>Trip Reduction</td>
<td>$2.5</td>
</tr>
</tbody>
</table>

Total = $30M

List of projects is shown in Attachments 2 & 3

Mobile Source and Climate Impacts Committee
December 6, 2021

Bay Area Air Quality Management District
Funds Awarded & Recommended Since July 2021 (in Millions)

Sonoma $8.1, 28.8%
Marin $0.7, 2.4%
San Francisco $1.6, 5.8%
San Mateo $0.8, 3%
Napa $0.7, 2.6%
Solano $4.2, 15.2%
Contra Costa $2.0, 7.2%
Alameda $4.3, 15.4%
Santa Clara $5.5, 19.6%

$30 Million Awarded*
*$2 million has not yet been attributed

86% to CARE areas, disadvantaged and low-income communities, and low-income residents

Mobile Source and Climate Impacts Committee
December 6, 2021
Recommend that 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 2021

Mobile Source and Climate Impacts Committee Meeting
December 6, 2021

Minda Berbco, Manager
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Outcome

Provide information on Transportation Fund for Clean Air (TFCA) Expenditures and Effectiveness Report for Fiscal Year Ending (FYE) 2021 and respond to questions
Outline

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

None. Informational item only, receive and file.
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 2021:
  ✓ 16 TFCA Regional Fund projects
  ✓ 4 Air District-sponsored programs

* California Health and Safety Code § 44241 and 44242
Summary of Project & Program Results
FYE 2021 TFCA Expenditures

Total expenditures: $5.26 million (M)

- $2.55 M Regional Fund (16 projects)
- $1.74 M Air District-sponsored (4 programs)
- $0.96 M FYE 2021 administration
Summary of Project & Program Results (cont.)

FYE 2021 TFCA Expenditures by Project Category

<table>
<thead>
<tr>
<th>Category</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spare the Air</td>
<td>$1,501,900</td>
</tr>
<tr>
<td>Alternative Fuel Vehicle &amp; Infrastructure</td>
<td>$1,076,070</td>
</tr>
<tr>
<td>Bicycle Facility &amp; Pedestrian Improvement</td>
<td>$987,803</td>
</tr>
<tr>
<td>Last-Mile Commuter Connection</td>
<td>$490,833</td>
</tr>
<tr>
<td>Vehicle Buy-Back (Ad-Mail Only)</td>
<td>$135,344</td>
</tr>
<tr>
<td>Commuter Benefits &amp; Enhanced Mobile Source...</td>
<td>$107,594</td>
</tr>
</tbody>
</table>
Summary of Project & Program Results (cont.)
FYE 2021 TFCA Effectiveness & Emissions Reductions

• Lifetime criteria pollutants reduced: **58.54 tons**
  - $\text{PM}_{10}$: 17.82 tons
  - $\text{NO}_x$: 31.02 tons
  - ROG: 9.69 tons

• Equivalent to:
  - Over 327 million Vehicle Miles Traveled (VMT)
  - Removing **25,000 passenger cars** for one year at a cost of $222 per vehicle

• **54%** of funds expended directly benefited Community Air Risk Evaluation (CARE) Areas
Summary of Project & Program Results (cont.)
FYE 2021 TFCA Cost-Effectiveness and Key Report Findings

- TFCA funds were allocated to eligible projects and programs
- Overall cost-effectiveness: $66,927/ton criteria pollutant emissions reduced
  - 3 projects and 1 program exceeded the cost-effective threshold for the year they were awarded
- Achieved public health benefits
Next Steps

• Continue to identify cost-effective projects and programs and opportunities to focus funds in CARE and AB 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 #22 Results

Mobile Source and Climate Impacts Committee Meeting
December 6, 2021

Ken Mak, Supervising Staff Specialist
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Outcome

• Provide information on Audit 22 and respond to questions
Outline

• Background
• Audit #22
  ▪ Scope
  ▪ Results
• Next Steps
Requested Action

• None. Informational item only, receive and file.
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
Audit #22 Scope

TFCA Regional Fund projects completed prior to June 30, 2020

Financial audits

Compliance audits
Audit #22 Results

Audits completed for 33 TFCA Regional Fund Projects

- Total audited expenditures = $6,092,222
- No findings identified
- Compliance with other aspects of the funding agreement was reviewed through Agreed-Upon Procedures
Next Steps

- Review results from Agreed-Upon Procedures
  - Further refine contractual requirements
  - Continue to improve communications with project sponsors regarding contractual requirements and audit process