



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

AGENDA: 3

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

**Mobile Source and Climate Impacts Committee Meeting  
December 6, 2021**

**Alona Davis, Manager  
Strategic Incentives Division  
[adavis@baaqmd.gov](mailto:adavis@baaqmd.gov)**

# 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
  - Revenue sources
  - 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)**

Mobile Source  
Incentive  
Fund  
**(MSIF)**

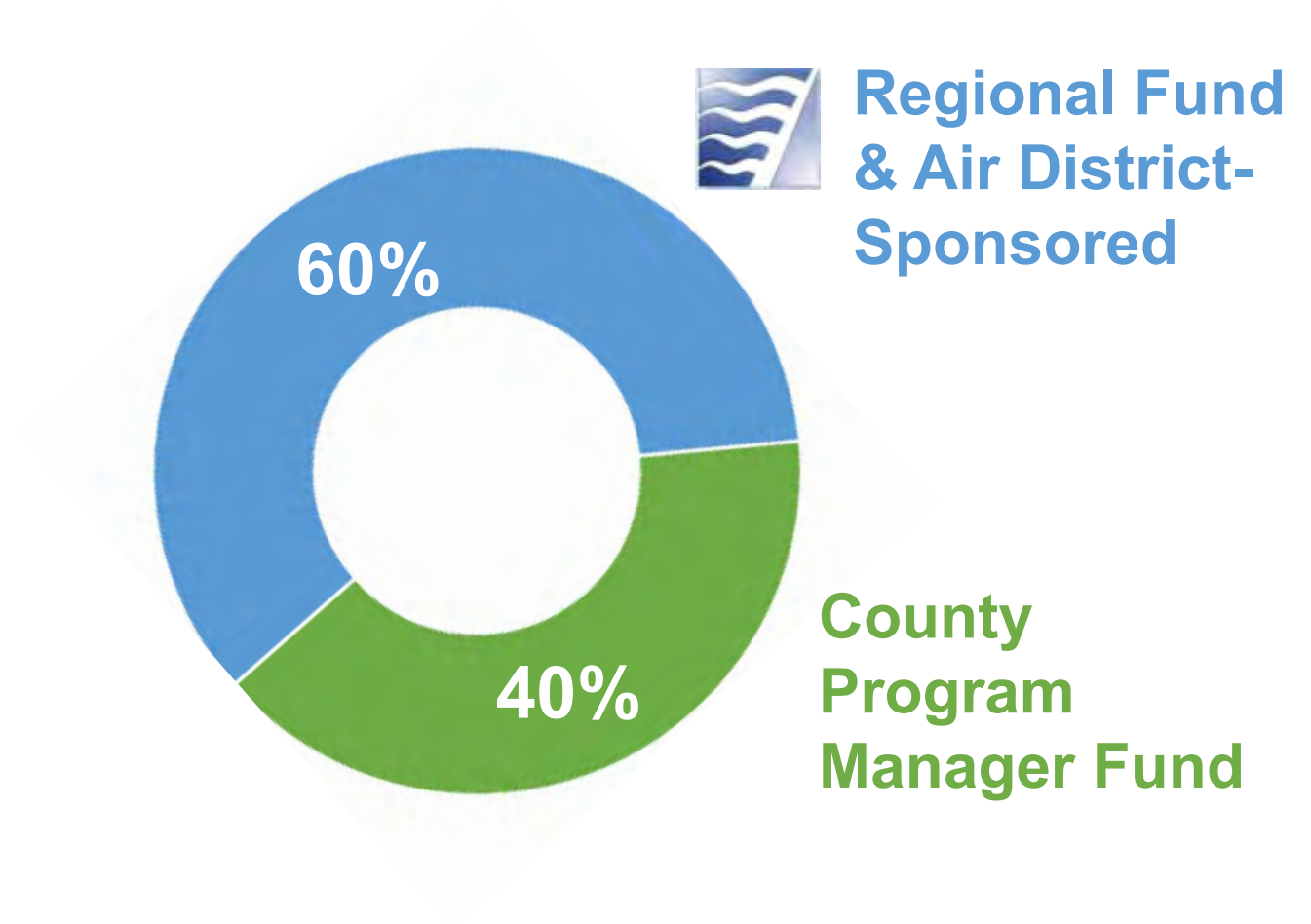
California Air Resources Board  
**\$34 million**

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

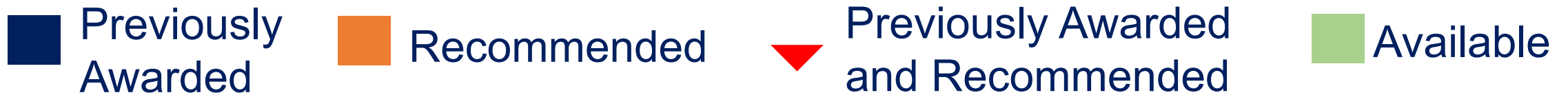
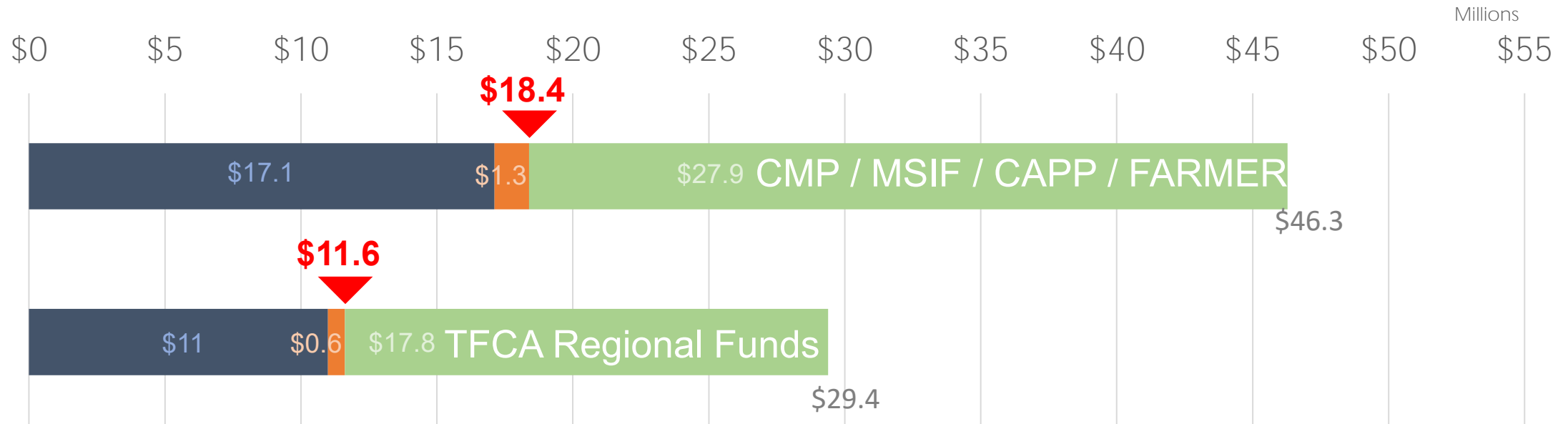


## Emissions Reductions

- ❖ Over 1.5 tons per year of criteria pollutants



# Incentive Funding Awarded & Recommended Since July 2021 by Revenue Source (in Millions)



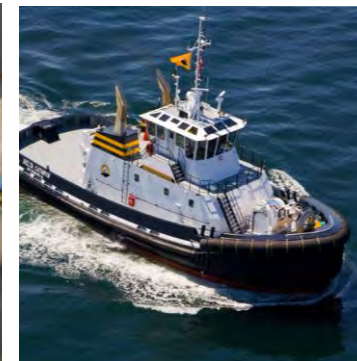
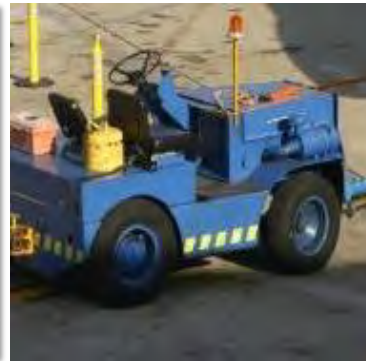


# Funds Awarded & Recommended Since July 2021 by Project Category (in Millions)



**Total = \$30M**

List of projects is shown in Attachments 2 & 3



**Light-duty  
Cars &  
Infrastructure**

**Trucks &  
Buses**

**School  
Buses**

**Off-road  
Equipment**

**Marine  
& Rail**

**Trip  
Reduction**

**\$7.4**

**\$0.1**

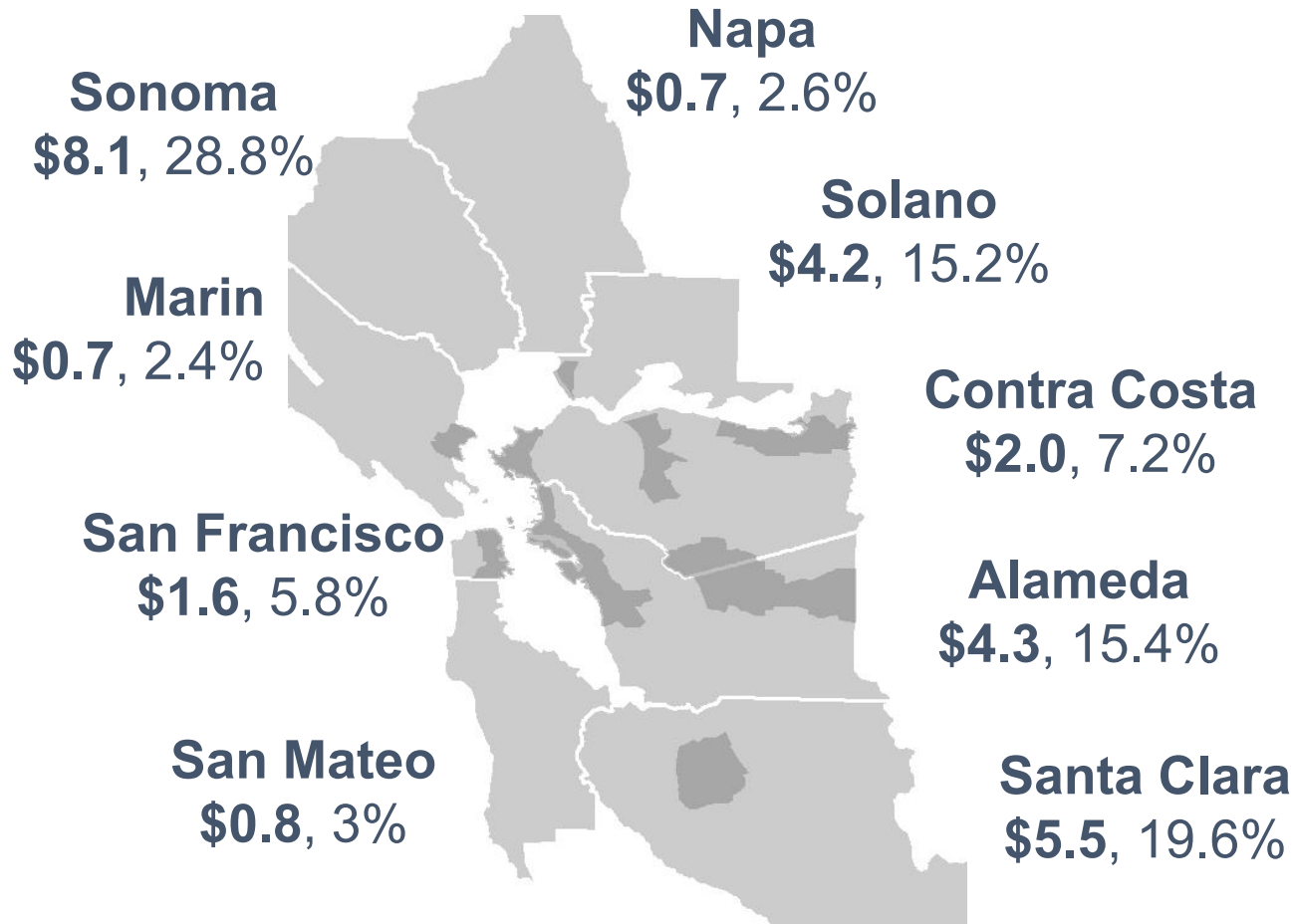
**\$12.8**

**\$2.4**

**\$4.8**

**\$2.5**

# Funds Awarded & Recommended Since July 2021 (in Millions)



**\$30 Million Awarded\***

\*\$2 million has not yet been attributed



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

# Action Requested



## 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.



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AGENDA: 4

# **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 Berbeco, Manager  
Strategic Incentives Division  
[mberbeco@baaqmd.gov](mailto:mberbeco@baaqmd.gov)**

# 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)

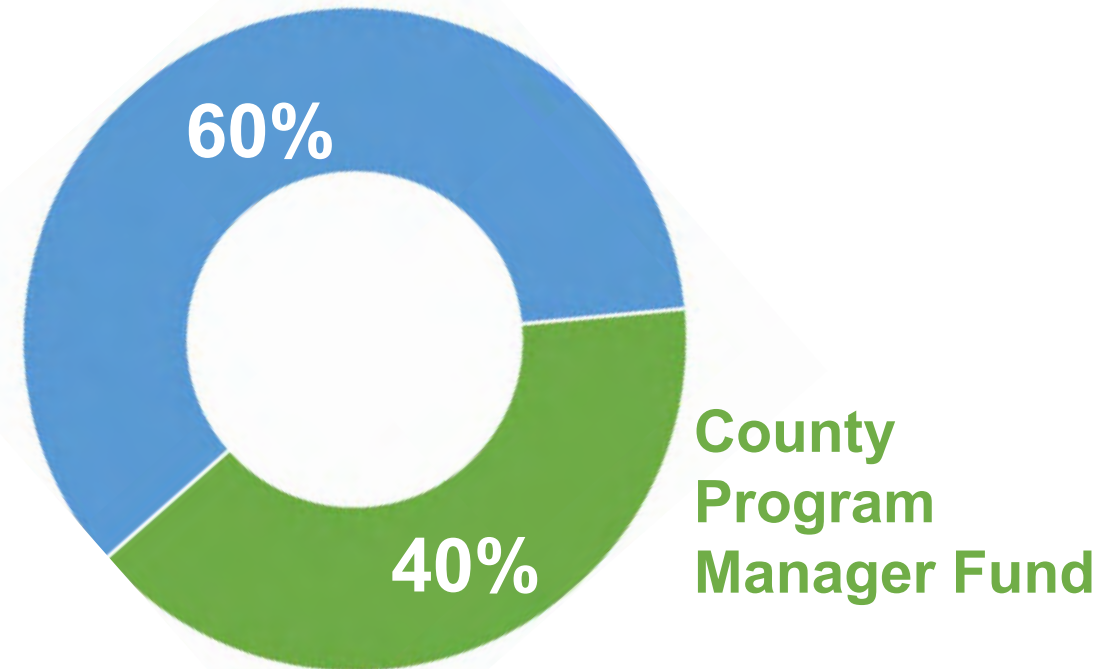


- Funding provided by \$4 surcharge on motor vehicles\*
- Air District's Board to annually review the expenditures to determine their effectiveness in improving air quality\*
- Projects & Program completed in FYE 2021:
  - ✓ 16 TFCA Regional Fund projects
  - ✓ 4 Air District-sponsored programs

\* California Health and Safety Code § 44241 and 44242



**Regional Fund**





# Summary of Project & Program Results

## FYE 2021 TFCA Expenditures

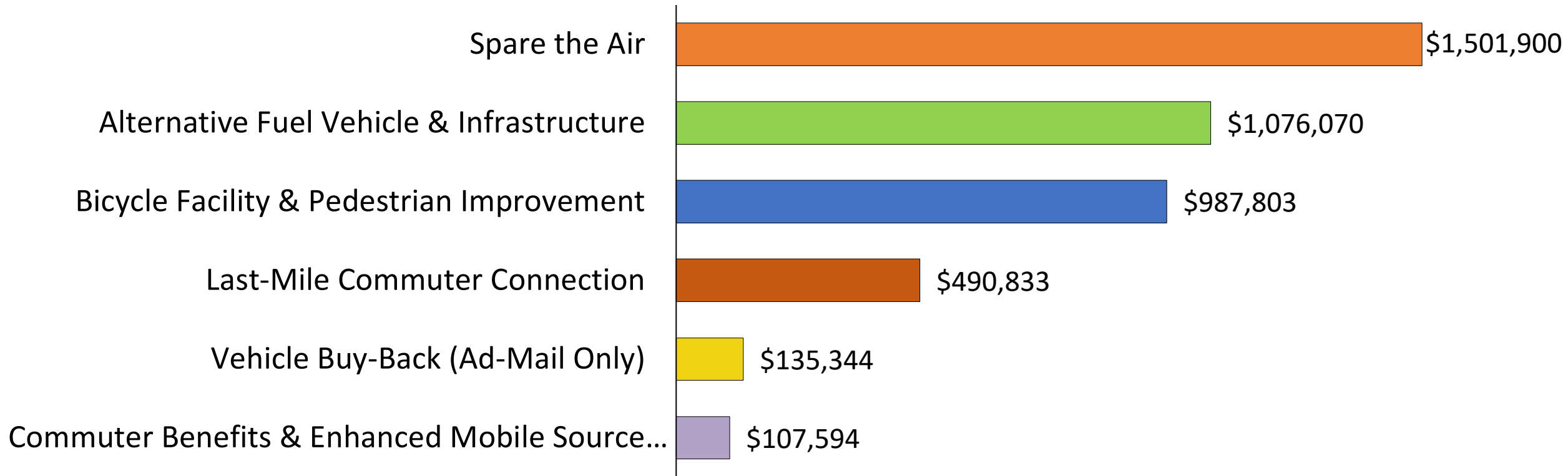


### **Total expenditures: \$5.26 million (M)**

- \$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



# Summary of Project & Program Results (cont.)

## FYE 2021 TFCA Effectiveness & Emissions Reductions



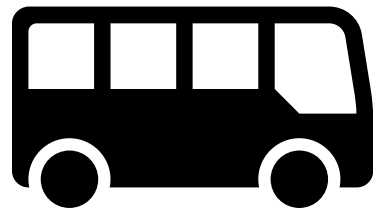
- Lifetime criteria pollutants reduced: **58.54 tons**
  - **PM<sub>10</sub>: 17.82 tons**
  - **NO<sub>x</sub>: 31.02 tons**
  - **ROG: 9.69 tons**
- Equivalent to:
  - **Over 327 million Vehicle Miles Traveled (VMT)**
  - Removing **25,000 passenger cars** for one year at a cost of **\$222 per vehicle**
- **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



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AGENDA : 5

# 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  
Strategic Incentives Division**

**[kmak@baaqmd.gov](mailto:kmak@baaqmd.gov)**

# 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

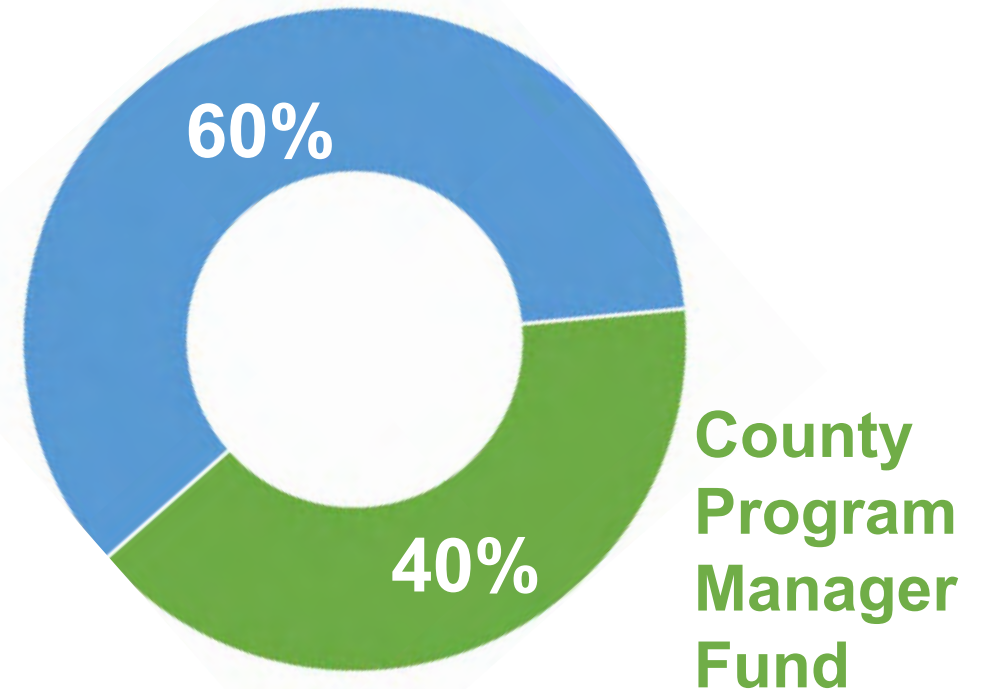
## Transportation Fund for Clean Air (TFCA)



- 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



Regional  
Fund



# 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