



March 25, 2019

TO: Member Agencies and Interested Persons

FROM: AHRON HAKIMI,
EXECUTIVE DIRECTOR

By: Raquel Pacheco,
Regional Planner

SUBJECT: **Congestion Mitigation and Air Quality (CMAQ) Program
Call for Projects Application Package**

On March 21, 2019, the Kern Council of Governments' (Kern COG) Board of Directors approved a Congestion Mitigation and Air Quality (CMAQ) Program call for projects. The following items have been assembled to assist member agency staff and interested persons applying for CMAQ funding. Please see attachments for more details.

- **Project Application** – The application and instructions are enclosed. The application package is available on the Kern COG website at www.kerncog.org/call-for-projects/. **CMAQ Program project applications are due by 5:00 PM on Thursday, August 15, 2019.** Please submit all applications **electronically** on flash drive with transmittal letter on agency letterhead to:

Attn: Joseph Stramaglia, Project Delivery Team Lead
Kern Council of Governments
1401 19th St., Suite 300
Bakersfield, CA 93301

- **CMAQ Program Policy and Procedure** – The CMAQ Policy and Procedure is provided to explain that funding can be used to maintain and improve the existing transportation system, expand the system to reduce congestion, and to establish programs and projects that will assist the region in reducing mobile emissions and help meet federal air quality standards. CMAQ funds are reimbursable federal aid funds, subject to the requirements of Title 23, United States code. Eligible costs for funds under this program includes preliminary engineering, right-of-way acquisition, capital costs, and construction costs associated with an eligible activity. If there are any questions regarding eligibility and agency sponsorship, please contact Kern COG staff.
- **CMAQ: Local Cost-Effectiveness Policy** – As part of the development of local air quality measures for the 8-hour Ozone Plan, the San Joaquin Valley COG's acting in their role as Federal Metropolitan Planning Organizations (MPOs) developed a process across the Valley for distributing 20% of the CMAQ funds to projects that meet a minimum cost-effectiveness.

- **Emission Reduction Calculation Resource** – The “Methods to Find the Cost-Effectiveness of Funding Air Quality Projects” tool is the standard for calculating emissions reductions. Please provide documentation of emission input data for each application. For more information, visit <http://www.arb.ca.gov/planning/tsaq/eval/eval.htm>. For projects to pave unpaved roads and shoulders, use spreadsheets provided on the Kern COG website www.kerncog.org/call-for-projects/ to calculate PM10 emission reductions.
- **Local Agency Adopted Resolution** – A resolution where a commitment is made to fund and implement projects as described in application is required.
- **Air District Grant Programs** – The Eastern Kern Air Pollution Control District Grants website is http://www.kernair.org/Main_Pages/grants.html. The San Joaquin Valley Air Pollution Control District’s Grants and Incentives website is <http://valleyair.org/grants/>. These grants should be considered for matching purposes or to fund an entire project.
- **Timeline** – In January 2020, a final draft CMAQ Program of Projects will be submitted to the Transportation Technical Advisory Committee and the Transportation Planning Policy Committee for their review. In February 2020, if the CMAQ Program of Projects is approved, these projects will be amended into the 2019 Federal Transportation Improvement Program (FTIP) and introduced into the Draft 2021 FTIP.
- **Proposed Project Review** – Kern COG staff will be available by appointment April 24th – 30th to review proposed project(s). Call 661-635-2908 or email rinvina@kerncog.org by April 19th to set up an appointment. Kern COG staff will provide project development and submittal assistance.

Should you have any questions, specifically regarding eligibility, please contact:

Raquel Pacheco at 661-635-2907 or rpacheco@kerncog.org

Joseph Stramaglia at 661-635-2914 or jstramaglia@kerncog.org

Rochelle Invina at 661-635-2908 or rinvina@kerncog.org

Enclosures:

- CMAQ Project Application
- CMAQ Project Application Instructions
- CMAQ Program Policy and Procedure
- CMAQ: Local Cost-Effectiveness Policy
- Sample Local Agency Resolution

**KERN COUNCIL OF GOVERNMENTS
Congestion Mitigation and Air Quality (CMAQ) Program
PROJECT APPLICATION – Due Thursday, August 15, 2019**

- (1) Is the project included in a local agency-adopted resolution supporting the project?
- (2) Does the proposed project meet basic eligibility requirements?
- (3) Project background and justification: Explain the project in terms of the existing infrastructure, its impact for service, safety or any other issue that is relevant to the project. (Attach to application.) If the project scope relates to fueling infrastructure please provide a 3-year fleet conversion plan.
- (4) Lead Agency: _____
- (5) Project description [(Location:) + (Limits) + (;) + (Improvement/Activity)] _____

(6)	Funding Type	PE	R/W	Const.	Total
	Local	\$ _____	\$ _____	\$ _____	\$ _____
	Local	\$ _____	\$ _____	\$ _____	\$ _____
	State	\$ _____	\$ _____	\$ _____	\$ _____
	Federal	\$ _____	\$ _____	\$ _____	\$ _____
	Total	\$ _____	\$ _____	\$ _____	\$ _____

(7) Programming Year by Phase: PE: _____ R/W: _____ Const: _____

- (8) VMT Reduction (annual miles): _____
- (9) VOC Reduction (kg/day): _____ Additional documentation required. See instructions.
- (10) NOx Reduction (kg/day): _____ Additional documentation required. See instructions.
- (11) PM₁₀ Reduction (kg/day): _____ Additional documentation required. See instructions.
- (12) PM_{2.5} Reduction (kg/day): _____ Additional documentation required. See instructions.
- (13) CO Reduction (kg/day): _____ Additional documentation required. See instructions.
- (14) Cost-Effectiveness (\$/lb): _____ Additional documentation required. See instructions.

- (15) Livability and Safety: Describe how project provides the six benefits; limit to half page per benefit.
- (16) Hwy Peak Period LOS Before Project (AM/PM average): _____
- (17) Hwy Peak period LOS After Project (AM/PM average): _____
- (18) Bikeway Peak Period LOS Before Project (AM/PM average): _____
- (19) Bikeway Peak period LOS After Project (AM/PM average): _____
- (20) Pedestrian Peak period LOS Before Project (AM/PM average): _____
- (21) Pedestrian Peak period LOS After Project (AM/PM average): _____
- (22) Is the project identified as a RACM/BACM?

Application completed by: _____ Phone Number: _____

Date Completed: _____ E-mail: _____

Agency: _____

Address: _____

Send completed application electronically on flash drive with transmittal letter on agency letterhead to:
Attn: Joseph Stramaglia ❖ Kern Council of Governments
1401 19th Street, Suite 300 ❖ Bakersfield, CA 93301

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2019 PROJECT APPLICATION INSTRUCTIONS

1. Resolution requirement – All projects submitted for funding must be included in a local agency-adopted resolution where a commitment is made to fund and implement projects as described in applications. A sample resolution is provided. When submitting multiple CMAQ project applications, all CMAQ projects may be included in one CMAQ resolution.
2. Eligibility requirements – Chapter 5 of the Kern COG Project Delivery Policies and Procedures manual provides information regarding eligible projects funded in the CMAQ program. Please review those eligibility guidelines. Should there be any question about project eligibility, Kern COG staff should be consulted prior to submittal.
3. Project background and justification - A purpose and need statement for the project, no longer than one page. Provide relevant information about the need for the project, recent history, safety issues, air quality benefits or any other information that relates the project to the agencies transportation goals, air quality commitments, etc.
4. Lead agency - The lead agency is the same agency that will be responsible for delivering the project. That agency will require a Master Agreement with Caltrans to participate in the federal-aid reimbursement process.
5. Project description – The project description should provide information related to the limits and length, intersection location, transit vehicle description in terms of passenger size and fuel/engine type, replacement stock or new service, and route/corridor service information. Example: (Location:) + (Limits) + (;) + (Improvement/Activity)
6. Funding information – Funding type refers to revenue source description such as: general fund, impact fee, Transportation Development Act (TDA), etc. The funding chart is broken into local, state, and federal funding rows, by phase: PE is preliminary engineering; R/W is rights-of-way; and Const is construction. Transit projects may use the const. phase to indicate their amounts for capital costs. The Local match requirement for CMAQ funding is 11.47%. This is the minimum amount of local match required for a CMAQ project. Should your agency choose to increase the local match percentage in the proposed project, indicate that in the table as well. Federal-aid funding may be matched with local and state funds.
7. Programming year – Projects will be programmed either in federal fiscal year 20/21 or 21/22. The federal fiscal year begins October 1 each year and ends on September 30th of the following year. It is imperative that a project be initiated and obligated during the year in which it is programmed. For more information, please see Chapter 2 Implementation Procedures Overview of the Kern COG Project Delivery Policies and Procedures available at www.kerncog.org/call-for-projects/.
8. Effectiveness using the program titled “Methods to Find the Cost Effectiveness of Funding Air Quality Projects”, General Methods Program (Microsoft Access), from the California Air Resources Board in Cooperation with

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Caltrans and CAPCOA, available at <http://www.arb.ca.gov/planning/tsaq/eval/eval.htm>, or the updated version. Kern COG staff shall be consulted prior the application deadline to determine is an alternative analysis program or formula should be used outside the Air Resources Board air quality emission calculation tools. Otherwise all applications are expected to use the appropriate ARB calculator / formulas. The application shall provide the following information for each emissions benefit reported. This information may be submitted as a separate document and attached to the application along with other documentation. The Kern COG CMAQ Policy requires that calculations be consistently used for all applications. In order to assure this consistency, additional documentation is required to allow for verification of the methodology, data and output.

9. Through 21. EMISSIONS BENEFIT CALCULATIONS:
- The project scope should be described in terms of current conditions and conditions after the project is completed. This information should then support the technical assumptions for the project.
 - Technical assumptions about the project should be provided in detail and include quantity and metrics for use in the emissions calculations. Information should be provided for the “before” scenario and “after” scenario.
 - The emissions calculation formula used should be written out to facilitate verification and accuracy.
 - References to emissions tables used should be provided as necessary to facilitate verification and accuracy.
14. COST BENEFIT CALCULATION - Should there be an issue with finding an appropriate calculator for emissions benefits calculations or the cost benefit calculator, Kern COG staff should be consulted prior to the application deadline to allow for appropriate assistance to member agency staff. Kern COG staff should be able to verify output, the formula used and data used in order for the application to be ranked.
15. LIVABILITY AND SAFETY - Describe whether and how the project provides the six listed livability or safety benefits; provide no more than a half page response for each benefit. The four Livability benefits are: (1) Will enhance or reduce the average cost of user mobility through the creation of more convenient transportation options for travelers; (2) Will improve existing transportation choices by enhancing points of modal connectivity, increasing the number of modes accommodated on existing assets, or reducing congestion on existing modal assets; (3) Will improve travel between residential areas and commercial centers and jobs; (4) Will improve accessibility and transportation services for economically disadvantaged populations, non-drivers, senior citizens, and persons with disabilities, or make goods, commodities, and services more readily available to these groups. The two Safety benefits are: (5) Is the existing Accident Rate higher than the average rate for a similar facility, and does the project reduce the Accident Rate to the average rate or lower? Yes or No; and (6) Is the existing Fatality Rate higher than the average rate for a similar facility, and does the project reduce the Fatality Rate to the average rate or lower? Yes or No.

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16. through 21. – Provide peak period Level of Service (LOS) for intersection(s) and/or road segments within the project limits for existing conditions (Before LOS) and estimated LOS after project completion (After LOS). If applicable, provide Bikeway and/or Pedestrian LOS. If LOS varies within the project limits, provide a weighted average. LOS should be calculated using methods consistent with the Highway Capacity Manual available at <http://www.trb.org/Main/Blurbs/164718.aspx>.
22. Is the project identified as a RACM/BACM? Please contact Kern COG staff to determine if the proposed project is a Reasonably Available Control Measure (RACM) or a Best Available Control Measure (BACM).

If there are any questions about information in the application or these instructions, please contact:

Raquel Pacheco at 661-635-2907 or rpacheco@kerncog.org

Joseph Stramaglia at 661-635-2914 or jstramaglia@kerncog.org

Rochelle Invina at 661-635-2908 or rinvina@kerncog.org

Chapter 5

Congestion Mitigation and Air Quality Program (CMAQ)

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Background

The Congestion Mitigation and Air Quality (CMAQ) program was established by the Intermodal Surface Transportation Act of 1991 (1991 ISTEA, Public Law 102-240) and was continued by the Transportation Equity Act for the 21st Century (TEA-21, Public Law 105-178) and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) under 23 U.S.C. 149. SAFETEA-LU was scheduled to expire on September 30, 2009, but was extended through September 30, 2012. On July 6, 2012, the “Moving Ahead for Progress in the 21st Century Act (MAP-21)” was signed into law and continues the CMAQ program to fund projects likely to reduce air pollution. MAP-21 provided funding over a two-year period starting October 1, 2012 (FY12-13) and ending September 30, 2014 (FY 13-14) followed by continuing resolutions. The CMAQ program is continued with the enactment of Fixing America’s Surface Transportation Act, or “FAST Act” which was signed into law on December 4, 2015. It is a 5-year transportation bill.

CMAQ funding can be used to maintain and improve the existing transportation system, expand the system to reduce congestion, and to establish programs and projects that will assist the region in reducing mobile emissions and help meet federal air quality standards. CMAQ funds are reimbursable federal aid funds, subject to the requirements of Title 23, United States code. Eligible costs for funds under these programs include preliminary engineering, right-of-way acquisition, capital costs, and construction costs associated with an eligible activity.

The purpose of developing this policy guidance, procedures and criteria to program CMAQ projects is to provide a consistent project development framework. It is used to develop a regionally balanced program of projects while building consensus among member agencies and the public throughout the planning process. Once locally approved, CMAQ projects must then be included in the Federal Transportation Improvement Program (FTIP) prior to reimbursement of federal funding. The federal-aid process to build transportation projects requires substantial effort from the lead agency to submit paperwork required to process a project once it's identified in the FTIP. Therefore, projects should be developed and incorporated into the FTIP in a timely manner so as to allow sufficient time to deliver them.

Development Timeline

After funding allocations for CMAQ are determined by Caltrans, KCOG shall initiate a call for projects to develop projects for inclusion into the FTIP, either by amendment into a current FTIP or included as part of the development of a new FTIP. The Transportation Technical Advisory Committee (TTAC) meets monthly to review transportation items and recommend actions to the Transportation Planning Policy Committee (TPPC). Detailed below and in Figure 5-A on the next page is a list of events leading up to the programming of new CMAQ projects in the FTIP. The schedule reflects a 12-month time span from the call for projects to inclusion in the FTIP.

- KCOG shall first issue a “Call for Projects” announcement to the member agencies at the Transportation Technical Advisory Committee (TTAC) meeting and the Transportation Planning Policy Committee (TPPC) meeting. An application form and instructions giving specific information regarding what type of projects are eligible and application process information are distributed. Eligible applicants are organizations that have the ability to accept and account for federal funding. There is a date established as to when the applications must be returned to KCOG.
- KCOG staff shall first evaluate applications for consistency and accuracy. KCOG shall create a subcommittee of TTAC volunteers to review and comment on submitted applications. The subcommittee shall be given the opportunity to ask questions of KCOG staff and project sponsors during the meeting for clarification and to discuss the merits of each application. TTAC members shall be invited to participate in a peer review assessment after initial review by KCOG staff to ensure consistent review of submitted CMAQ applications.

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- The initial assignment of points and ranking of projects shall occur after all questions by KCOG staff, TTAC members, the Board or the public are sufficiently addressed by the applicant in order for the ranking to have significant value.
- During the application review period, KCOG staff will ensure that calculations for emissions benefits and cost benefits are reviewed to ensure consistency and accuracy.
- KCOG staff shall prepare a staff report detailing the findings of the subcommittee and suggesting the recommended course of action to the TTAC. Upon recommendation of the TTAC, the projects proposed for funding are forwarded to the TPPC. Upon the approval of the TPPC the matter is then referred to state and federal agencies for approval. This action financially constrains new projects to available regional funding levels, and allows KCOG to program a list of financially constrained projects in transportation improvement program documents.
- Eligibility of projects is subject to state and federal review.
- After the federal and state approval of the amended FTIP, the lead agencies may request authorization to proceed with design for the project if applicable (design is an eligible expense). Caltrans must review the draft design of the project; and a final plan is developed incorporating the comments and suggestions resulting from the review.
- After the final design plan is approved by Caltrans, the lead agency may then request authorization to proceed for project construction. After the authorization is received, the lead agency may then proceed with construction. In most cases, the project is “cost reimbursable”, meaning that the lead agency must initially finance the project (i.e. buy supplies, pay contractors) and then submit the expenses to Caltrans for reimbursement, upon approval of expenditures.
- When the project is completed, a Notice of Completion is filed with Caltrans. The project is field checked by staff and instructions to issue final payment are issued.
- These policies and procedures may be revised, updated, or otherwise modified at the discretion of the KCOG Board of Directors and through state and federal guidance.

Because CMAQ funds are federal funds, project sponsors must follow federal funding guidelines and environmental (NEPA) processes.

Figure 5-A: CMAQ Milestones for Project Submittal & Approval

CMAQ Milestones	
Month 1, Year 1	CMAQ Allocation estimates received from Caltrans;
Month 2, Year 1	KCOG: reveals the CMAQ apportionment amount(s) available for programming new projects; establishes percentage funding targets for the CMAQ programming categories; and requests approval of the call for projects timeline through the regular committee process.
Month 2, Year 1	Issue a call for projects (4 months);
Month 7, Year 1	Project submittal deadline;
Month 8, Year 2	Evaluate and rank applicable projects; Develop draft program of projects
Month 9 & 10, Year 2	TTAC Subcommittee shall review and comment on applications and initial rankings;
Month 11, Year 2	Draft program of projects is reviewed by TTAC;
Month 11, Year 2	Draft program of projects is reviewed by TPPC;
Month 12, Year 2	Request recommendation of approval by TTAC of Final List of Projects;
Month 12, Year 2	Request TPPC approval on Final List of Projects.
<p><i>Note: Additional cycles may be implemented at the discretion of Kern COG staff that follows the time frame as defined above. Even year = Year 1; Odd year = Year 2</i></p>	

Programming Guidance

The following guidance shall direct the programming of available CMAQ funding over the course of the FAST Act. The four categories listed in Figure 5-B provide guidance on project categories that will be identified for funding. Reasonably Available Control Measures (RACM) and Best Available Control Measures (BACM) projects are eligible under any category. Projects will compete within each category separately as recommended by KCOG staff and approved by the KCOG Board of Directors.

For all categories, lead agencies must demonstrate the ability to process projects in a timely manner so that funding is not lost to the Kern region due to delays or mismanagement. Air quality benefits of all projects or activities shall be quantified and documented before CMAQ funding is approved. Caltrans submits an annual report to FHWA covering all CMAQ obligations for the fiscal year ending the previous September 30. This report documents how CMAQ funds were spent and what the air quality benefits are expected to be.

Figure 5-B: CMAQ Programming Categories

CMAQ Programming Categories	
Category 1: Public Transit Projects	Eligible projects shall include but are not limited to transit stock and transit amenity improvements. A 3-year fleet conversion plan shall be required for alternative refueling infrastructure. Projects shall be distributed across: small urban areas; regional transit; and metropolitan transit.
Category 2: Alternative Fuel & Infrastructure Projects	Eligible projects may include advanced clean engine technology for non-transit vehicles and refueling infrastructure. Refueling infrastructure projects shall require a 3-year fleet conversion plan outlining how the refueling project will either expand, replace or transition vehicle technology within the agency and identified committed partners, and how they will serve those vehicles during operational peak-periods and non-peak periods. The fleet conversion plan must be specific to the project location and surrounding need.
Category 3: Transportation System Management Projects	Eligible projects: Transportation System Management (TSM) projects shall include traffic signal interconnect projects, operational improvements and Traffic Operation Center projects in the metropolitan Bakersfield area.
Category 4: Discretionary Projects	Eligible projects: The Discretionary Projects Category may include projects such as dust mitigation reductions, non-motorized projects, safety / traffic flow projects, freight/goods movement projects, (Active) Transportation Demand Management, or TSM projects outside of the Metropolitan Bakersfield area that can demonstrate an air quality benefit to the non-attainment area.

Screening Criteria

Proposed CMAQ projects must meet all of the following screening requirements, where applicable. If a proposal meets all of the applicable criteria, it is eligible for prioritization; if not, it cannot be considered for funding.

- Project must be included in a local agency-adopted resolution stating financial support for the project.
- Project is eligible for CMAQ funding as defined by the latest federal transportation authorization bill and federal CMAQ Guidelines.
- Project applicant is either a public agency, i.e. city, county, special district, Caltrans, transit operator, transit authority, or a non-profit agency or group with the sponsorship of a public agency.
- Successful project applicants or their sponsors must have executed a master agreement with Caltrans in order to be authorized to expend funds for reimbursement under this program. Agencies without a master agreement will either need to obtain one or the sponsorship of an agency that does have one.
- Road projects must have a functional classification of urban collector, or major rural collectors or higher.

- CMAQ projects must demonstrate a tangible benefit to air quality. CMAQ funded projects are required to quantify or qualify their benefit as part of annual reporting requirements.
- The project must comply with the Americans with Disabilities Act (ADA) requirements.
- The project must be consistent with the currently approved Regional Transportation Plan.
- The applicant or their sponsor must have financial capacity to complete, operate and maintain the project.
- Funds required from other sources must reasonably expected to be available on the time frame needed to carry out the project.

Project Eligibility

The purpose of the CMAQ program is to fund transportation projects or programs that will improve safety, reduce congestion, and contribute to attainment of national ambient air quality standards with a focus on ozone, PM₁₀, and their precursors, and precursors of carbon dioxide (CO₂): PM_{2.5}; volatile organic compounds (VOC); nitrogen oxides (NO_x); and Carbon Monoxide. The CMAQ Program Eligibility Listing has been refined to provide local governments with greater flexibility in choosing the types of projects that will provide the "greatest air quality benefits" for their regions in order to meet national goals and standard.

A state or MPO may obligate CMAQ funds apportioned to it only for a transportation project or program:

- If the DOT in consultation with the EPA determines that the project or program is likely to contribute to the attainment of a national ambient air quality standard; or
- If the project or program is included in a State Implementation Plan (SIP) that has been approved pursuant to the Clean Air Act and the project will have air quality benefits; or
- The project or program is likely to contribute to the attainment of a national ambient air quality standard, whether through reductions in vehicle miles traveled, fuel consumption, or through other factors.

Transportation Activities

Transportation activities from approved state SIPs for air quality should be given highest priority for CMAQ funding. The priority of CMAQ funded projects in the FTIP will be based on their air quality benefits.

Transportation Control Measures

The fundable TCMs below are included in Section 108(f)(1) of the Clean Air Act and meet the transportation conformity rule's definition of a TCM (included in approved SIP):

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- Programs for improved public transit;
- Restriction of certain roads or lanes to, or construction of such roads or lanes for use by passenger buses or high occupancy vehicles;
- Employer-based transportation management plans, including incentives;
- Trip-reduction ordinances;
- Traffic flow improvement programs that achieve emission reductions;
- Fringe and transportation corridor parking facilities serving multiple occupancy vehicle programs or transit service;
- Programs to limit or restrict vehicle use in downtown areas or other areas of emission concentration particularly during periods of peak use;
- Programs for the provision of all forms of high-occupancy, shared-ride services;
- Programs to limit portions of road surfaces or certain sections of the metropolitan area to the use of non-motorized vehicles or pedestrian use, both as to time and place;
- Programs for secure bicycle storage facilities and other facilities, including bicycle lanes, for the convenience and protection of bicyclists, in both public and private areas;
- Programs to control extended idling of vehicles;
- Programs to reduce motor vehicle emissions, consistent with title II, which are caused by extreme cold start conditions;
- Employer-sponsored programs to permit flexible work schedules;
- Programs and ordinances to facilitate non-automobile travel, provision and utilization of mass transit, and to generally reduce the need for single-occupant vehicle travel, as part of transportation planning and development efforts of a locality, including programs and ordinances applicable to new shopping centers, special events, and other centers of vehicle activity;
- Programs for new construction and major reconstructions of paths, tracks or areas solely for the use by pedestrian or other non-motorized means of transportation when economically feasible and in the public interest; and
- Programs to encourage the voluntary removal from use and the marketplace of pre-1980 model year light duty vehicles and pre-1980 model light duty trucks.

□ ***Bicycle & Pedestrian Facilities & Programs***

Construction of bicycle and pedestrian facilities, non-construction projects related to safe bicycle use, and State bicycle/pedestrian coordinator positions for promoting and facilitating the increased use of non-motorized modes of transportation. This includes public education, promotional, and safety programs for using such facilities.

□ ***Management and Monitoring Systems***

Developing and establishing management systems for traffic congestion, public transportation facilities and equipment, and intermodal transportation facilities and systems, where it can be demonstrated that they are likely to contribute to the attainment of a National Ambient Air Quality Standard.

□ **Traffic Management / Congestion Relief Strategies**

Capital and operating costs for traffic monitoring, management, and control facilities and programs, where it can be demonstrated that they are likely to contribute to the attainment of a National Ambient Air Quality Standard. In addition to traffic signal modernization projects destined to improve traffic flow within a corridor or throughout an area, CMAQ funding can also be utilized to support Intelligent Transportation Infrastructure (ITI) Traffic Management and Traveler Information Systems that may include: Regional Multi modal Traveler Information Centers; Traffic Signal Control Systems; Freeway Management Systems; Traffic Management Systems; Incident Management Programs; and Electronic fare Payment/Toll collection Systems. CMAQ program funds may not replace existing local and State Funds used for operating cost, but are intended to augment and reinforce new efforts. Operating costs are eligible only for a period of 2 years from inception. Operating costs for these services are eligible under RSTP.

□ **Transit Projects**

Improved public transit is an eligible TCM. Transit improvements fall under three broad types of action: system/service expansion, operational improvements, and demand/market strategies. Emission reductions vary widely depending on project specifics as well as the existence of policies and actions that promote transit use, such as transit-supportive land use controls and single-occupant auto disincentives.

- **Transit facilities** - In general, capital costs of system/service expansion are eligible. Examples include new rail systems and extensions, new roadways or reserved lanes on existing roads for exclusive bus/HOV use, and capital costs of initiating commuter rail or ferry service. Enhancements such as new stations, new vehicles/equipment, terminals, transit malls, Intermodal transfer facilities, and track and signalization improvements are also eligible. If it is a reconstruction or rehabilitation project of an existing facility, it is not eligible. Park and ride facilities related to transit systems are eligible.
- **Transit vehicles and equipment** - One-for-one vehicle replacements of the existing bus or rail fleet are eligible because other new vehicles are generally more reliable, less polluting, and make transit a more attractive option. New buses are significantly cleaner than old with respect to PM10; thus justification is strong for using CMAQ funds for replacements in PM10 non-attainment areas like Kern County.
- **Transit associated development** - This includes various types of retail and other services located in or very close to transit facilities. They offer convenience for the transit patron but are not required for the functioning of the system. In general, transit-associated development is not eligible under the CMAQ Program. Child-care centers located adjacent to a major transit stop have been proposed in the past as beneficial to air quality. The type of use could now be funded as an experimental pilot project. Such type of uses could possibly help support mandated “Welfare to Work” Programs.

- **Transit Operations** - In limited cases, operating costs for new transit service are eligible. The main criterion is that it must be for new service, which supports a discrete, new project or program having documented air quality benefits. The funds cannot be used to replace existing funding sources or to further subsidize existing operations. Operating costs are eligible only for a 3-year start-up period. Examples of eligible costs include shuttle service feeding a station; circulator service within an activity center; fixed-route service linking activity center new transit service to a major employer in support of an employer trip reduction program; new bus service in a community that presently lacks adequate transit service; or new transit service initiated on a HOV facility. Service demonstrations will usually involve buses or vans since the service should be relatively low-cost and easily terminated if sufficient ridership is not achieved. In addition to operating assistance for new transit service, the CMAQ Guidance also allows partial short-term subsidies of transit/paratransit fares as a means of encouraging transit use. Proposals such as reduced fare programs during periods of elevated ozone levels (such as a spare the air day) and discounted transit passes targeted at specific groups or locations may now be eligible if these conditions are met.

□ ***Planning and Project Development Activities***

Project planning or other development activities that lead directly to construction of facilities or new services and programs with air quality benefits. Such as preliminary engineering or major investment studies for transportation /air quality projects, are eligible. This includes studies for the preparation of environmental or NEPA documents and related transportation/air quality project development activities. Project development studies include planning directly related to an event that air quality monitoring is necessary to determine the air quality impacts of a proposed project, which is eligible for CMAQ funding, the costs of that monitoring are also eligible. General planning activities, such as economic or demographic studies, that do not directly propose or support a transportation/air quality project are too far removed from project development to ensure any emission reductions and are not eligible for funding. Regional or area-wide air quality monitoring is not eligible because such projects do not themselves yield air quality improvements nor do they lead directly to projects that would yield air quality benefits.

□ ***Alternative Fuels***

In general, the conversion of individual, conventionally powered vehicles to alternative fuels is not eligible under CMAQ. However, the conversion or replacement of centrally fueled fleets to alternative fuels is eligible. The establishment of on-site fueling facilities and other infrastructure needed to fill alternative fueled vehicles are also eligible expenses. Although, if private fueling stations are reasonably accessible and convenient, then CMAQ funds may not be used. Interference with private enterprise is to be avoided and services should not be needlessly duplicated.

□ ***Telecommuting***

The CMAQ Program allows for the establishment of telecommuting programs. Planning, technical and feasibility studies, training, coordination, and promotion are eligible activities under CMAQ. Physical establishment of telecommuting centers, computer and office equipment purchases and related activities are not eligible. Such activities are not typically transportation projects and funding them would not meet current federal requirements.

□ ***Travel Demand Management***

Travel demand management encompasses a diverse set of activities ranging from traditional car pool and vanpool programs to more innovative parking management and road pricing measures. Eligible activities include: market research and planning in support of TDM implementation; capital expenses required to implement TDM measures; operating assistance to administer and manage TDM programs for up to 3 years; as well as marketing and public education efforts to support and bolster TDM measures.

□ ***Intermodal Freight***

CMAQ funds may be used for improved intermodal freight facilities where air quality benefits can be shown. Capital improvements as well as operating assistance meeting the conditions of this guidance are eligible. In that many intermodal freight facilities included private sector businesses, several of the proposals that have been funded nation-wide have been under public-private partnerships.

□ ***Public/Private Initiatives***

SAFETEA-LU provides greater access to CMAQ funds for projects that cooperatively implemented by public/private partnerships and/or non-profit entities. Proposed projects no longer have to be under the primary control of the cooperating public agency as under ISTEA; although, it is still the responsibility of the public agency to oversee and protect the investment of the Federal funds used by the partnership. Eligible activities include the following: ownership or operation of land, facilities or other physical management or operational duties associated with a project; and any other form of privately owned vehicles and fleets using alternative fuels to the incremental vehicle cost over a conventionally-fueled vehicle. Activities that are the mandated responsibility of the private sector under the Clean Air Act, such as vapor recovery systems at gas stations, are not eligible for CMAQ funding. Implementation of employer trip reduction programs is also a private responsibility, but general program assistance to employers to help them plan and promote these programs is eligible.

□ ***PM-10 Activities***

Projects and programs that reduce transportation generated PM10 emissions are eligible for CMAQ funding. Specifically projects qualifying as “control strategies” identified in the Air

District's PM10 Attainment Plan including the following: paving shoulders, shoulder stabilization, paving or stabilizing unpaved roads, and curbing.

□ ***Outreach Activities***

Outreach activities, such as public education on transportation and air quality, advertising of transportation alternatives to Single Occupancy Vehicle (SOV) travel, and technical assistance to employers or other outreach activities for Employee Commute Option program implementation are eligible for CMAQ funding. The previous policy limiting CMAQ funding for only a two-year period has been eliminated. Now, outreach activities may be funded under the CMAQ program for an indefinite period. Outreach activities may be employed for a wide variety of transportation services. They may equally affect new and existing transit, shared ride, traffic management and control, bicycle and pedestrian, and other transportation services.

□ ***Rideshare Programs***

Rideshare services consist of carpool and vanpool programs; important activities may include computer matching of individuals seeking to vanpool and employer outreach to establish rideshare programs. New or expanded rideshare programs, such as new locations for matching services, upgrades for computer matching software, etc. continue to be eligible and may be funded for an indefinite period of time. Vanpool programs are different from carpooling programs. Implementation of a vanpool operation entails purchasing vehicles and providing a transportation service. Proposals for vanpool activities must be for new or expanded service, subject to the 3-year limitation on operation costs.

□ ***Establishing/Contracting with TMA's***

Transportation Management Associations (TMA's) are comprised of private individuals or firms who organize to address the transportation issues in their immediate locale. Such Associations are currently eligible for CMAQ funding. Eligible expenses for reimbursement are associated start-up costs for up to 3 years. CMAQ requires that the TMA's must be sponsored by a public agency, and the State is responsible for insuring that funds are appropriately used to meeting CMAQ program objectives. The TMA's may play a role in brokering transportation services to private employers--such as: coordinating rideshare programs, provided shuttle services, and developing parking management programs, etc. Applications of these programs must specify program goals and deliverables.

□ ***Inspection/Maintenance Activities***

Emission Inspection/Maintenance (I/M) programs are eligible activities under CMAQ. I/M program funds can be provided for publicly owner I/M facilities-or at privately owned stations where a "public-private partnership" is created. Start-up costs and three years of operating expenses are eligible for CMAQ funds. The establishment of "portable" I/M programs is also

eligible under the CMAQ program, provided that they are public services, contribute to emission reductions and do not conflict with statutory I/M requirements.

□ **Experimental Pilot Projects/Innovative Financing**

States and local areas have long experimented with various types of transportation services, and different means of employing them in an effort to better meet the travel needs of their constituents. These “experimental” projects may not meet the precise eligibility criteria for Federal and State funding programs, but they may show promise in meeting the intended public purpose of those programs in an innovative way. The CMAQ provisions of TEA-21 allow experimentation provided that the project or program can reasonably be defined as a “transportation” project and that emission reductions can reasonably be expected “through reductions in vehicle miles traveled, fuel consumption, or through other factors.”

□ **Fare/Fee Subsidy Program**

The CMAQ Program allows funding for partial user fare or fee subsidies in order to encourage greater use of alternative travel modes (e.g. carpool, vanpool, transit, bicycling and walking). CMAQ funds can be used to subsidize fares or fees if the reduced fare/fee is offered as a component of a comprehensive, targeted program to reduce SOV use. Other components of such a program would include public information and marketing of non-SOV alternatives, parking management measures, and better coordination of existing transportation services. The intent of federal policy on this is to focus on situations where alternative transportation modes are viable, but nonetheless, heavy reliance on single-occupant vehicles exists, such as at major employment or activity centers. Examples of fare-fee subsidy programs include the following: 1) discount transit fare through a cooperative arrangement between a transit operator and a major employer; 2) subsidize empty seats during the formation of a new vanpool; 3) reduce fees for shuttle services within a defined area, such as a flat-fare taxi program; or 4) provide financial incentives for carpooling, bicycling and walking in conjunction with a demand management program. An underlying tenet of this provision is to support experimentation but always with the goal of identifying projects that are viable without the short-term funding assistance provided by the CMAQ program. Thus, the subsidy must be used in conjunction with reasonable fares or fees to allow the greatest change of holding on the “trial” users. While the fare/fee subsidy program itself is not limited in time, specific groups or locals targeted under the program must be rotated and the subsidized fare/fee must be limited to any one entity or location.

□ **Other Eligible Activities**

Innovative activities based on promising technologies and feasible approaches to improve air quality will also be considered for funding. This includes such ventures as new efforts to identify and prove the emissions of gross emitters, vanpooling programs, planning and development of parking management program, and preferential treatment for high-occupancy vehicles.

The eligible activities listed above are subject to federal interpretation and the latest CMAQ Guidance.

Non-Eligible Projects

- General planning activities, even for conformity of implementation plan revisions, are not eligible for CMAQ funding.
- Routine maintenance projects are ineligible. Routine maintenance and rehabilitation on existing facilities maintains the existing levels of highway and transit service and, therefore, maintains existing ambient air quality levels rather than improving them.
- Funding for a project that will result in the construction of new capacity available to single-occupant vehicles unless the project consists of a high-occupancy vehicle facility available to single-occupant vehicles only at other than peak travel times.
- Planning activities/modal enhancements required for conformity findings.
- Preparation of Transportation Improvement Programs and plan development.
- Air quality monitoring systems.
- The use of funds for non-governmental partnerships on projects required under the Clean Air Act, the Energy Policy Act, or other federal laws.

Ranking Criteria and Point System

CMAQ projects must first meet federal requirements, such as be on an eligible route, be an eligible type of project and, finally, meet air quality standards. CMAQ funds can be used for transit capital improvements, for high occupancy vehicle lanes, and to alleviate PM₁₀. CMAQ funds may not be used for highway maintenance, transit-operating expenses or for capacity increasing lanes available to single occupancy vehicles. Having met the above standards, the KCOG criteria for selecting CMAQ projects are listed in Figure 5-F (page 5-15) and Figure 5-G (page 5-16). Please note the criteria will not apply to all project types. For example, the safety criteria will not apply to most transit projects because the scoring is based on road safety data. This difference in total possible points between project types is resolved by having projects compete separately within Programming Categories presented in Figure B on page 5-4.

The air quality maps in Figures 5-C, 5-D, and 5-E on the next two pages are included to guide applicants in determining project eligibility, and to identify the air district for each project for scoring purposes.

Figure 5-C: Air Pollution Control Districts in the Kern Region

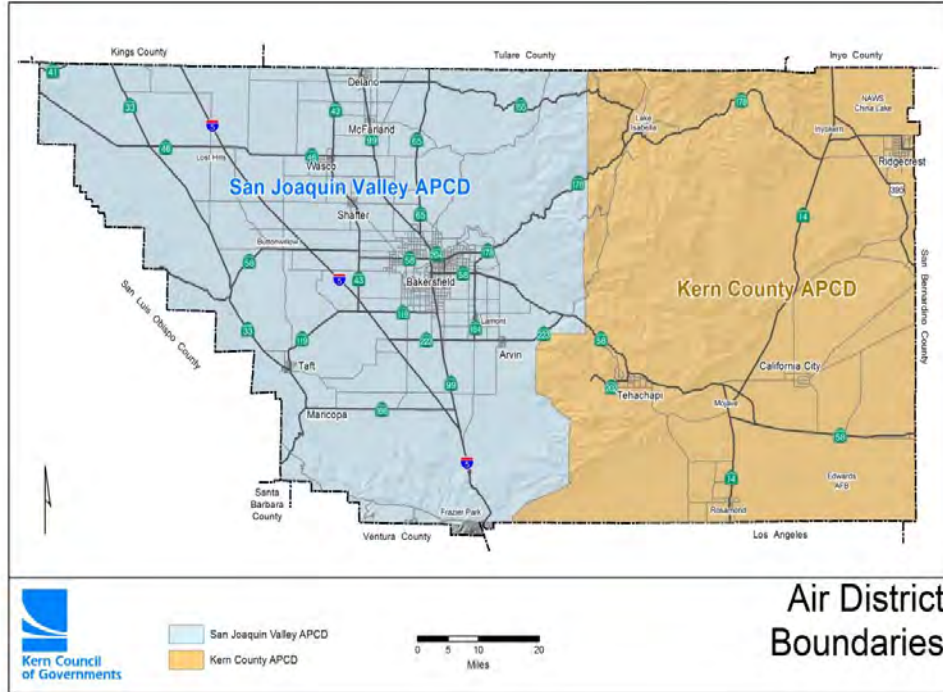


Figure 5-D: Ozone/Carbon Monoxide Planning Areas

Figure 2 – Ozone/Carbon Monoxide Planning Areas

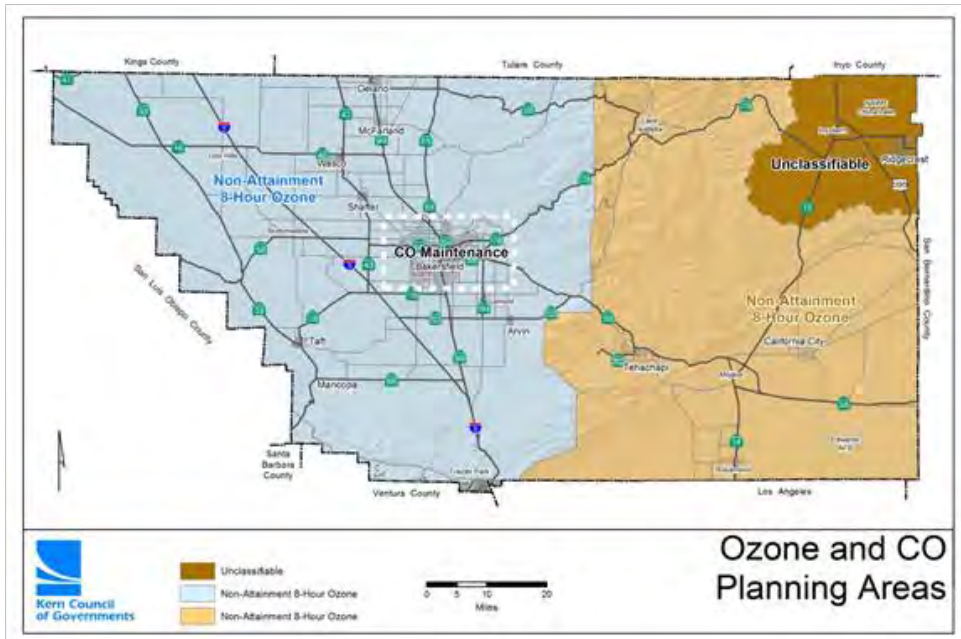


Figure 5-E: Particulate Matter Planning Areas

Figure 3 – Particulate Matter Planning Areas

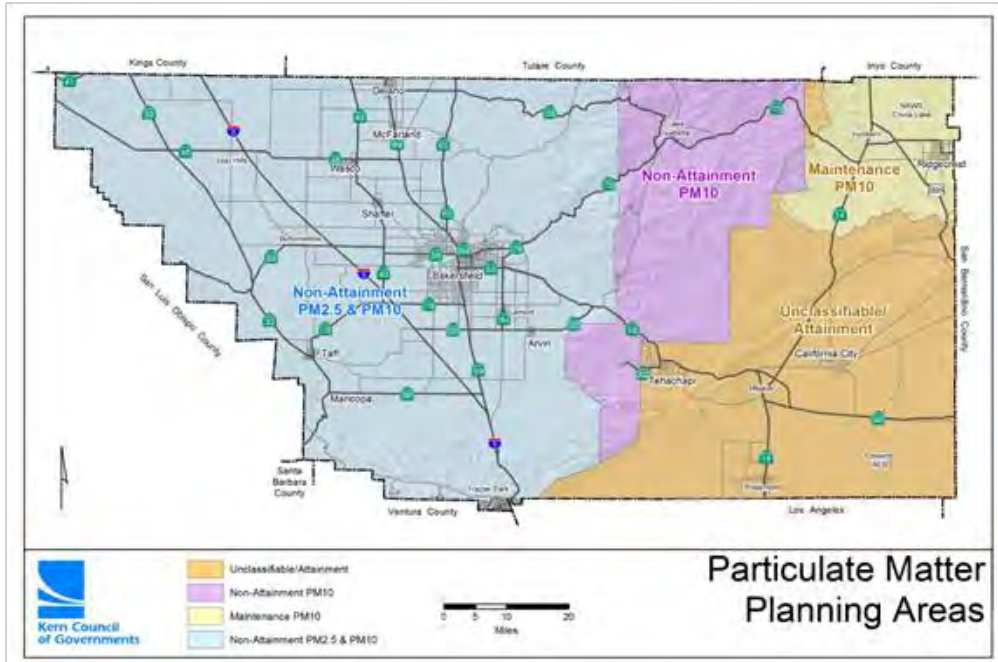


Figure 5-F: Ranking Criteria and Point System Summary

Screening Criteria	YES / NO
Does the proposed project meet all of the CMAQ screening criteria listed on Page 5-5 of the KCOG Project Delivery Policies and Procedures manual?	<i>The project is not eligible if the answer is no.</i>
General Criteria	100
VMT Reduction*	15
Emissions Reduction*	25
BACM/RACM?*	5
Livability and Safety*	15
Congestion (LOS)*	25
Cost-Effectiveness	15
Max 100 Points	

Note: Projects compete separately within each of the four categories based on project type.
 *KCOG SCS framework-related metrics.

LEVERAGING OF LOCAL MATCH



KCOG staff shall note whether a project has included local match which exceeds the statutory requirement of 11.47% in most cases. Projects which indicate a 50% match or higher and less than 75% shall be considered only in the case of a tie-breaker situation during the financial constraint process in which two like projects also have the same number of points. Projects that demonstrate a local match of 75% or higher shall be awarded an extra 5 points for their project and will compete as normal. Again, if the project that is awarded the extra points ties with another project that does not have the extra match the project with the extra match will be selected. KCOG staff shall apply this option at their discretion during the financial constraint process.

Figure 5-G: CMAQ Performance Measures and Ranking Criteria Detail

General Criteria	
<u>VMT Reduction</u>	
Estimate the reduction in vehicle miles traveled (VMT) using the program titled “Methods to Find the Cost Effectiveness of Funding Air Quality Projects”, General Methods Program (Microsoft Access), from the California Air Resources Board in Cooperation with Caltrans and CAPCOA, available at http://www.arb.ca.gov/planning/tsaq/eval/eval.htm , or the updated version.	
Note: projects are ranked relative to all other projects competing for funds.	
Ranking Criteria (projects are ranked relative to all other projects competing for funds)	Points
Top 1/3 rd (68% - 100%) of projects with the highest VMT reduction	15
Middle 1/3 rd (34% - 67%) of projects with mid-range VMT reduction	12
Bottom 1/3 rd (1% - 33%) of projects with the lowest VMT reduction	8
No reduction	0

Emissions Reduction

Estimate the reduction in emissions using the program titled “Methods to Find the Cost Effectiveness of Funding Air Quality Projects”, General Methods Program (Microsoft Access), from the California Air Resources Board in Cooperation with Caltrans and CAPCOA, available at <http://www.arb.ca.gov/planning/tsaq/eval/eval.htm>, or the updated version. Kern COG staff shall be consulted prior the application deadline to determine is an alternative analysis program or formula should be used outside the Air Resources Board air quality emission calculation tools. Otherwise all applications are expected to use the appropriate ARB calculator / formulas. Note: projects are ranked relative to all other projects competing for funds.

Emissions Reduction Ranking Criteria ¹				
Pollutant (kg/yr)	San Joaquin Valley Air Basin ²	Kern River Valley Air Basin ³	Mojave Air Basin ⁴	Indian Wells Valley Air Basin ⁵
PM₁₀	Top 90% - 100% = 8 Top 80% - 89% = 7 Top 70% - 79% = 5 Top 60% - 69% = 3 Top 50% - 59% = 2	Top 90% - 100% = 8 Top 80% - 89% = 7 Top 70% - 79% = 5 Top 60% - 69% = 3 Top 50% - 59% = 2	Top 90% - 100% = 8 Top 80% - 89% = 7 Top 70% - 79% = 5 Top 60% - 69% = 3 Top 50% - 59% = 2	Top 90% - 100% = 8 Top 80% - 89% = 7 Top 70% - 79% = 5 Top 60% - 69% = 3 Top 50% - 59% = 2
VOC 	Top 90% - 100% = 7 Top 80% - 89% = 5 Top 70% - 79% = 3 Top 60% - 69% = 2	Top 90% - 100% = 7 Top 80% - 89% = 5 Top 70% - 79% = 3 Top 60% - 69% = 2	Top 90% - 100% = 7 Top 80% - 89% = 5 Top 70% - 79% = 3 Top 60% - 69% = 2	
NO_x 	Top 90% - 100% = 5 Top 80% - 89% = 3 Top 70% - 79% = 2	Top 90% - 100% = 5 Top 80% - 89% = 3 Top 70% - 79% = 2	Top 90% - 100% = 5 Top 80% - 89% = 3 Top 70% - 79% = 2	
PM_{2.5}	Any reduction = 3			
CO	Any reduction = 2 ⁶			
	Max Points = 25	Max Points = 20	Max Points = 20	Max Points = 8

¹ Note: Project eligibility is ultimately determined by FHWA through Caltrans Local Assistance when the project sponsor submits the Request for Authorization (E-76) to Caltrans to obligate the CMAQ funds. When CMAQ guidelines under MAP-21 are available, the KCOG CMAQ project selection process will be reviewed and updated as required.

² Classified non-attainment for four pollutants (PM₁₀, Ozone, PM_{2.5} & CO).

³ Classified non-attainment for two pollutants (PM₁₀, Ozone).

⁴ Classified non-attainment for one pollutant (Ozone).

⁵ Classified maintenance for one pollutant (PM₁₀).

⁶ Only applies to projects within the Bakersfield Metropolitan Area.

Livability and Safety

Livability - Describe whether and how the project provides the four listed Livability benefits; provide no more than a half page response for each benefit: (1) Will enhance or reduce the average cost of user mobility through the creation of more convenient transportation options for travelers; (2) Will improve existing transportation choices by enhancing points of modal connectivity, increasing the number of modes accommodated on existing assets, or reducing congestion on existing modal assets; (3) Will improve travel between residential areas and commercial centers and jobs; (4) Will improve accessibility and transportation services for economically disadvantaged populations, non-drivers, senior citizens, and persons with disabilities, or make goods, commodities, and services more readily available to these groups.

Chapter 5: Congestion Mitigation & Air Quality Program (CMAQ)

Safety - Provide: (a) Existing and After project accident & fatality rates (accidents/millions of vehicle miles (MVM); fatalities/MVM) for the road segment within the project limits using three years of accident data, and (b) the statewide average accident and fatality rate for a similar facility (from Caltrans TASAS database or local agency accident database). Instructions for obtaining project accident and fatality rates are available on pages B-21 and B-22 of Appendix B. Answer the following two questions (5) and (6) based on the calculated values for accident rates and fatality rates as described above in items (a) and (b).

(5) Is the existing Accident Rate higher than the average rate for a similar facility, and does the project reduce the Accident Rate to the average rate or lower? Yes or No

(6) Is the existing Fatality Rate higher than the average rate for a similar facility, and does the project reduce the Fatality Rate to the average rate or lower? Yes or No

Ranking Criteria	Points
Project provides five of the six listed Livability or Safety benefits	15
Project provides three of the six listed Livability or Safety benefits	10
Project provides two of the six listed Livability or Safety benefits	5
Project provides one of the six listed Livability or Safety benefits	1

Congestion Relief

Provide peak period Level of Service (LOS) for intersection(s) and/or road segments within the project limits for existing conditions (Before LOS) and estimated LOS after project completion (After LOS). If applicable, provide Bikeway and/or Pedestrian LOS. If LOS varies within the project limits, provide a weighted average. LOS should be calculated using methods consistent with the Highway Capacity Manual available at <http://www.trb.org/Main/Blurbs/164718.aspx>. Ranking criteria is summarized in the tables below.

Highways

(where bicycles and pedestrians are prohibited)

Points are awarded to projects based on the change in LOS before and after project completion using the table below.

		After LOS Hwy					
		A	B	C	D	E	F
Before LOS Hwy	A	0	0	0	0	0	0
	B	5	0	0	0	0	0
	C	10	5	0	0	0	0
	D	15	10	5	0	0	0
	E	20	15	10	5	0	0
	F	25	20	15	10	5	0

Max Points = 25

OR

(Next page)

Highways & Bicycle Lanes

(when bicycles are allowed on the highway but pedestrians are prohibited)

Points are awarded to projects based on the change in LOS before and after project completion using the two tables below for highway and bikeway facilities.

		After LOS Hwy						
		A	B	C	D	E	F	
Before LOS	Hwy	A	0	0	0	0	0	0
	B	4	0	0	0	0	0	
	C	8	4	0	0	0	0	
	D	12	8	4	0	0	0	
	E	16	12	8	4	0	0	
	F	20	16	12	8	4	0	

Plus Bikeway LOS:

		After LOS Bikeway						
		A	B	C	D	E	F	
Before LOS	Bikeway	A	0	0	0	0	0	0
	B	1	0	0	0	0	0	
	C	2	1	0	0	0	0	
	D	3	2	1	0	0	0	
	E	4	3	2	1	0	0	
	F	5	4	3	2	1	0	

Max Points Highway LOS (20 Points) + Bikeway LOS (5 Points) = 25

OR

(Next page)

Highways, Bicycle Lanes and Pedestrian Facilities
(when bicycles and pedestrians are allowed on the highway)

Points are awarded to projects based on the change in LOS before and after project completion using the three tables below for highway, bikeway and pedestrian facilities respectively.

		After LOS Hwy					
		A	B	C	D	E	F
Before LOS Hwy	A	0	0	0	0	0	0
	B	3	0	0	0	0	0
	C	6	3	0	0	0	0
	D	9	6	3	0	0	0
	E	12	9	6	3	0	0
	F	15	12	9	6	3	0

Plus Bikeway LOS:

		After LOS Bikeway					
		A	B	C	D	E	F
Before LOS Bikeway	A	0	0	0	0	0	0
	B	1	0	0	0	0	0
	C	2	1	0	0	0	0
	D	3	2	1	0	0	0
	E	4	3	2	1	0	0
	F	5	4	3	2	1	0

Plus Pedestrian LOS:

		After LOS Pedestrian					
		A	B	C	D	E	F
Before LOS Pedestrian	A	0	0	0	0	0	0
	B	1	0	0	0	0	0
	C	2	1	0	0	0	0
	D	3	2	1	0	0	0
	E	4	3	2	1	0	0
	F	5	4	3	2	1	0

Max Points Highway LOS (15 Points) + Bikeway LOS (5 Points) + Pedestrian LOS (5 Points) = 25

Chapter 5: Congestion Mitigation & Air Quality Program (CMAQ)

Cost-Effectiveness

Calculate cost-effectiveness using the program titled “Methods to Find the Cost Effectiveness of Funding Air Quality Projects”, General Methods Program (Microsoft Access), from the California Air Resources Board in Cooperation with Caltrans and CAPCOA, available at <http://www.arb.ca.gov/planning/tsaq/eval/eval.htm>, or the updated version.

	Ranking Criteria	Points
	Project does not exceed the Cost-Effectiveness Threshold	15
	Project exceeds the Cost-Effectiveness Threshold by not more than 50%	10
	Project exceeds the Cost-Effectiveness Threshold by not more than 100%	5

RACM/BACM

Is the project identified as a RACM/BACM?

	Ranking Criteria	Points
	Yes	5
	No	0

CMAQ: LOCAL COST- EFFECTIVENESS POLICY

The following three pages present the local cost-effectiveness policy adopted by Kern COG in September 2007.

Summary

The Congestion Mitigation and Air Quality (CMAQ) program provides funding for transportation projects or programs that will contribute to attainment or maintenance of the national ambient air quality standards. The CMAQ program supports two important goals of the Department of Transportation: improving air quality and relieving congestion. SAFETEA-LU strengthens these goals by establishing priority consideration for cost-effective emission reduction and congestion mitigation activities. Exhibit A provides a summary of the policy for distributing at least 20% of the CMAQ funds to projects that meet a minimum cost-effectiveness threshold for emission reduction beginning in FY 2011. This policy will focus on achieving the most cost-effective emission reductions, while maintaining flexibility to meet local needs.

Estimates of Available Funds

Caltrans Programming provides apportionment estimates to all regions of the state. The FTIP is currently developed for a four-year programming cycle; with each new FTIP document, Kern COG will use the Caltrans estimate to develop the available CMAQ funds over the four-year period. Kern COG commits to dedicate at least 20% (or insert larger percentage, if appropriate) of the total funding for the four-year period of each FTIP as part of the local cost-effectiveness CMAQ policy. For example, if an agency were estimated to receive \$20 million over a four-year period, it would allocate 20%, or \$4 million, of the CMAQ program to projects that meet a minimum cost-effectiveness.

The CMAQ allocation formula is currently based on population, ozone status, and carbon monoxide status. Revisions to the formula or updates to estimates may result in changes to available funds for the Kern COG CMAQ program; such updates will also affect the funds available for the local cost-effectiveness policy. CMAQ estimates may be revised at any time due to changes from Caltrans, Federal legislation, or classification of the air quality standards in the San Joaquin Valley.

Timeframe

The local cost-effectiveness CMAQ policy is scheduled to be implemented in FY 2011 because the current federally approved 2007 Federal Transportation Improvements Programs (FTIPs) have committed CMAQ funds through FY 2009 and in some cases, regional commitments through FY 2010. In addition, the current CMAQ programming assists in implementing approved local RACM (Amended 2003 PM-10 Plan) that are committed through 2010.

The San Joaquin Valley Air Basin is currently classified as a serious ozone non-attainment area with an attainment deadline of 2013. As part of the 2007 Ozone plan, the Air District is requesting an “extreme” classification, which would delay the attainment deadline until 2023. If approved and assuming no change to the current funding formula, the MPOs may continue to receive CMAQ funding through that time (2023). The local cost-effectiveness CMAQ policy may remain in effect through 2023; however, continuation of the policy will be reviewed on a regular basis per the Policy Review section below.

Local Allocation of Funds

The Federal Highway Administration (FHWA) released new CMAQ guidance based on SAFETEA-LU on October 31, 2006. The new legislation and guidance clarifies project eligibility, including advanced truck stop electrification systems and the purchase of diesel retrofits. SAFETEA-LU directs States and MPOs to give priority to diesel retrofits and to use cost-effective congestion mitigation activities that provide air quality benefits. Though SAFETEA-LU establishes these investment priorities, it also retains State and local agencies’ authority in project selection, meaning that changes to local procedures are not required by SAFETEA-LU. Kern COG has previously developed procedures for allocating CMAQ funds; the local cost-effectiveness CMAQ policy will be incorporated into existing procedures. Prioritization and funding of projects will continue to be based on criteria developed by Kern COG.

Cost-Effectiveness Threshold

Cost-effectiveness is a key component of providing funding to projects that improve air quality and reduce congestion. The cost-effectiveness of an air quality project is based on the amount of pollution it eliminates for each dollar spent. Policies that focus on cost-effectiveness will result in the largest emission reductions for the lowest cost. Cost-effectiveness can be based on total project costs, including capital investments and operating costs. However, for the purposes of this policy, cost-effectiveness is based on CMAQ funding dollars only.

In the state of California, the Air Resources Board (ARB) provides funding for air quality improvement projects through the Carl Moyer Program, which requires that heavy-duty vehicle projects meet a cost-effectiveness threshold. The San Joaquin Valley Air Pollution Control District (SJVAPCD) also uses cost-effectiveness thresholds for projects funded through the REMOVE II and Heavy-duty Incentive Programs. However, there is currently no minimum cost-effectiveness established for the CMAQ program, and according to recent studies, the numbers vary widely across the country and by project type.

Prior to allocation of CMAQ funds for the local cost-effectiveness policy with each FTIP, the SJV MPOs in consultation with the interagency consultation (IAC) partners will develop the minimum cost-effectiveness threshold. While other criteria may be developed at the discretion of Kern

Council of Governments, all projects funded by the 20% of CMAQ dollars related to the local cost-effectiveness CMAQ policy must meet that minimum threshold.

Expenditure of Funds under the Local Cost-Effectiveness Policy

Kern COG will make every effort to expend the minimum 20% funding for the cost-effective projects as soon as possible beginning in FY 2011. However, recognizing that there are additional issues related to project delivery and financial constraint, Kern COG will be allowed to meet the 20% funding over the course of the FTIP, beginning with the 2008 FTIP and each new FTIP thereafter. For example, if the four-year estimate is \$4 million in one year, or other combination of funding.

Project eligibility will continue to be based on federal CMAQ guidance. MPOs can continue to fund projects within the local jurisdictions, or contribute funding to the SJVAPCD air quality grant incentive programs to meet their cost-effectiveness threshold requirements.

Emissions Estimates

CMAQ projects must demonstrate an air quality benefit, and the expected emissions reductions will continue to be estimated with the most recent methodology. As of 2007, the ARB “Methods to Find the Cost-Effectiveness of Funding Air Quality Projects” released in 2005 is the appropriate methodology. If necessary, interagency consultation will be used to reach agreement on the methodology for future estimates. Emission benefits and cost-effectiveness calculations will continue to be based on the applicable pollutants for the region, including nitrogen oxides (NO_x), volatile organic compounds (VOC), particulate matter (PM) and carbon monoxide (CO).

Reporting Requirements

Tracking of the CMAQ policy will be achieved through several methods. MPOs must develop annual reports for Caltrans and FHWA that specify how CMAQ funds have been spent and the expected air quality benefits. This report is due by the first day of February following the end of the previous Federal fiscal year (September 30) and covers all CMAQ obligations for that fiscal year. As has been the practice of several MPOs, a copy of the CMAQ annual report will also be submitted to the Air District for information purposes. Each MPO will also post information related to the implementation of the local cost-effectiveness CMAQ policy on its website.

Policy Review

Due to changes in project costs and technology over time, the MPOs will revisit the minimum cost-effectiveness threshold, as well as policy feasibility, at least once every four years prior to FTIP development. A periodic review of the policy is necessary due to potential changes in federal transportation legislation, apportionments, and project eligibility. This policy will only affect 20% of the allocated federal CMAQ funds, and does not imply changes to other funding programs.

Should future transportation legislation not include CMAQ funding, this policy will no longer be in effect.

Example Schedule

The following is an example schedule of the policy implementation and updates. This information is only representative of the general approach and specific schedules will be developed in the future (annual reports will continue to be prepared and submitted as required).

Example Schedule	
Summer 2008	Develop cost-effectiveness threshold through interagency consultation
Fall 2008	Identify funding available in the 2008 FTIP related to the 20% local cost-effectiveness policy
Spring 2009	Implement call for projects – Quantify, rank, and select CMAQ projects
Summer 2009	Approve Amendment to 2008 FTIP
Summer 2011	Review policy feasibility. If policy is continued, proceed with following steps. Update cost-effectiveness threshold through interagency consultation
Fall 2011	Identify funding available in the 2012 FTIP related to the 20% local cost-effectiveness policy
Spring 2012	Implement call for projects – Quantify, rank, and select CMAQ projects
Summer 2012	Approve 2012 FTIP

**Resolution of Local Support
Resolution No.**

Authorizing the filing of an application for (INSERT FUNDING PROGRAM NAME HERE) funding and committing the necessary local match and stating the assurance to complete the project

The (INSERT APPLICANT NAME HERE) (herein referred to as APPLICANT) is submitting an application to the Kern Council of Governments (Kern COG) for (INSERT FUNDING \$ AMOUNT HERE) in funding from the (INSERT FUNDING PROGRAM NAME HERE) program for the (INSERT PROJECT TITLE(S) HERE) (herein referred to as PROJECT); and

APPLICANT has the financial capacity to complete, operate and maintain the project; and

APPLICANT will ensure that funds required from other sources will be reasonably expected to be available on the time frame needed to carry out the project; and

APPLICANT is authorized to execute and file an application for funding the PROJECT under the (INSERT FUNDING PROGRAM NAME HERE) Program; and

APPLICANT, by adopting this resolution, does hereby state that:

1. APPLICANT will provide (\$ minimum match amount) in local matching funds; and
2. APPLICANT understands that the (INSERT FUNDING PROGRAM NAME HERE) funding for the project is fixed at the approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional (INSERT FUNDING PROGRAM NAME HERE) funding; and
3. APPLICANT understands the funding deadlines associated with these funds and will comply with the program implementation procedures described in Chapter 2 of the Kern COG Project Delivery Policies and Procedures manual; and
4. PROJECT will be implemented as described in the complete application and in this resolution and, if approved, for the amount programmed in the FTIP; and
5. APPLICANT and the PROJECT will comply with the requirements as set forth in the program; and

APPLICANT authorizes its Executive Director, General Manager, or designee to execute and file an application with Kern COG for (INSERT FUNDING PROGRAM NAME HERE) funding for the PROJECT as referenced in this resolution.