

CMAQ COST-EFFECTIVENESS THRESHOLD DOCUMENTATION FOR THE MADERA COUNTY TRANSPORTATION COMMISSION 2015 FTIP

The Congestion Mitigation and Air Quality (CMAQ) program provides funding for transportation projects or programs that contribute to attainment or maintenance of the national ambient air quality standards. All San Joaquin Valley Metropolitan Planning Organizations (MPOs) adopted policies in 2007 for distributing at least 20 percent of the CMAQ funds to projects that meet a cost-effectiveness threshold for emission reductions. For the 2015 Federal Transportation Improvement Program (FTIP), this applies to years 2014-2015 through 2017-2018. The Madera County Transportation Commission (MCTC) has made every effort to expend the minimum 20 percent funding for cost-effective projects over the course of the FTIP and the attached documentation demonstrates that the MCTC has met the 20 percent funding goal.

Project eligibility continues to be based on federal CMAQ guidance. MPOs can fund projects within local jurisdictions or contribute funding to the San Joaquin Valley Air Pollution Control District (SJVAPCD) grant incentive programs to meet the cost-effectiveness threshold requirements. Funds contributed to the SJVAPCD grant incentive programs will be assumed to have met the threshold, as that threshold is more stringent than the one established by the CMAQ cost-effectiveness policy.

Emission benefits and cost-effectiveness calculations are based on the applicable pollutants for the region, including the components of ozone (nitrogen oxides [NO_x] and reactive organic gases [ROG]) and particulate matter (PM). The “Methods to Find the Cost-Effectiveness of Funding Air Quality Projects” document developed by the Air Resources Board (ARB) is currently the appropriate methodology for calculating cost-effectiveness. Cost-effectiveness is expressed as dollars spent per pound of pollutant reduced (ROG + NO_x + PM). The cost-effectiveness threshold for the 2015 FTIP has been maintained at the previously recommended level of \$30 per pound (\$60,000 per ton) and is based on CMAQ dollars only, not total project cost.

The MCTC has identified, through existing programmed projects in those years or other selection methods, projects that qualify for the cost-effectiveness policy. The MCTC CMAQ Program allows for 70% of the total apportionment to be available to local government agencies/districts/jurisdictions and public/private partnerships in the Madera County Region through a competitive grant program. The remaining 30% of the total apportionment is set aside as a “Lifeline” amount. Each MCTC member agency is provided with a guaranteed level of CMAQ funding that can be used for any eligible CMAQ project. The MCTC utilizes a scoring committee to select Grant projects utilizing established cost-effectiveness methodologies and project eligibility. Lifeline projects must also meet CMAQ eligibility requirements.

As stated in the Cost-Effectiveness Policy, the MCTC has agreed to post information related to the implementation of the cost-effectiveness CMAQ policy on its website. Attached is documentation that fulfills this requirement and demonstrates that the MCTC has estimated the amount of funding in the 2015 FTIP necessary to meet the 20 percent cost-effectiveness goal and provided a summary of the CMAQ projects that meet the minimum cost-effectiveness threshold.

CMAQ Cost-Effectiveness Documentation for the *Madera County Transportation Commission* 2015 FTIP

<u>Year</u>	<u>Estimated CMAQ Apportionments</u>	<u>20 Percent Minimum</u>
FY 2014-2015	\$ 1,779,000.00	\$ 355,800.00
FY 2015-2016	\$ 1,779,000.00	\$ 355,800.00
FY 2016-2017	\$ 1,779,000.00	\$ 355,800.00
FY 2017-2018	\$ 1,779,000.00	\$ 355,800.00
Totals	\$ 7,116,000.00	\$ 1,423,200.00

Year	FTIP ID	Agency	Project Description	CMAQ Funding Amount	Estimated Cost-Effectiveness⁽¹⁾
2015	MAD502014	Allview Dairyland School District	4 New Replacement Clean Diesel School Buses	545000	15.54
2016	MAD302052	City of Chowchilla	Alley Paving - Various Locations - Robertson Blvd Commercial District	312000	18.44
2018	MAD302053	City of Chowchilla	Ave 24 1/2 - UPPR to Road 15 1/2 Shoulder Paving	266000	3.22
2017	MAD102057	County of Madera	Pave Dirt Road - Road 406, Road 400 to 2.5 miles east	440000	12.97
Total CMAQ Funding Amount				\$ 1,563,000.00	
CMAQ Cost-Effectiveness Goal				\$ 1,423,200.00	
CMAQ Cost-Effectiveness Goal Met?				YES	
Percent of CMAQ Funds Awarded to Cost-Effective Projects				22%	

(1) Cost-effectiveness for each project identified as meeting the cost effectiveness threshold must be below \$30 per pound, or \$60,000 per ton.