

CMAQ COST-EFFECTIVENESS THRESHOLD DOCUMENTATION FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS 2011 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 beginning in Fiscal Year (FY) 2011. For the 2011 Federal Transportation Improvement Program (FTIP), this applies to years 2010-2011 through 2013-2014. *San Joaquin Council of Governments* (SJCOG) 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 SJCOG 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 + PM₁₀). The cost-effectiveness threshold for the 2011 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.

SJCOG has identified, through existing programmed projects in those years or other selection methods, projects that qualify for the cost-effectiveness policy. SJCOG revised the CMAQ project selection and scoring criteria in September 2009 to incorporate the 2007 CMAQ Cost effectiveness policy. This CMAQ scoring criteria was developed in consultation with local jurisdictions and transit agencies in San Joaquin County. SJCOG Technical Advisory Committee and Board of Directors approved the revised CMAQ scoring criteria in November 2009. SJCOG then issued a call for projects on December 1, 2009.

The SJCOG revised CMAQ scoring criteria incorporates the CMAQ cost effectiveness Policy into the criteria to provide at least 20% of the CMAQ funds for the projects that meet a cost-effectiveness threshold of \$30 per pound for the emission reductions beginning in Fiscal Year 10/11. SJCOG received a total of \$34.6 million in CMAQ funds for the FFY 10/11 through FFY 13/14. Based on the CMAQ policy adopted by SJCOG Board, SJCOG will allocate a minimum of \$6.9 million of those funds to projects that meet the cost effectiveness threshold.

SJCOG formed a CMAQ Scoring Committee to score and rank the proposed projects. SJCOG Technical Advisory Committee and Board of Directors approved the Scoring Committee recommendations in January 2010. SJCOG then incorporated the ranked list of projects in 2011 FTIP.

As stated in the Cost-Effectiveness Policy, SJCOG 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 SJCOG has estimated the amount of funding in the 2011 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.