

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 771-6000

APPROVED MINUTES

Summary of Board of Directors
Mobile Source Committee Meeting
9:30 a.m., Monday, March 13, 2006

- 1. Call to Order – Roll Call:** Chairperson Tim Smith called the meeting to order at 9:34 a.m.

Present: Tim Smith, Chairperson; Jerry Hill, Michael Shimansky, John Silva (9:36 a.m.), Pamela Torliatt.

Absent: Roberta Cooper, Scott Haggerty, Jake McGoldrick.

Also Present: Gayle B. Uilkema.

- 2. Public Comment Period:** There were none.

- 3. Approval of Minutes of January 12, 2006:** Director Hill moved approval of the minutes; seconded by Director Torliatt; carried unanimously without objection.

- 4. Carl Moyer Program Grant Allocations:** *The Committee considered recommending Board of Directors' approval of awarding grants to applicants for the Carl Moyer Program Year 7 funding cycle.*

Jean Roggenkamp, Deputy APCO, stated that, in the past, the Committee has considered recommendations from staff regarding allocation of Carl Moyer funds. The District received a number of applications and the majority of the applications meet the criteria set out by the California Air Resources Board (CARB) and the District Board for allocating Carl Moyer grants.

Director John Silva arrived at 9:36 a.m.

Ms. Roggenkamp stated that there is about \$2.5 million in Carl Moyer funding for this cycle and that the next cycle will have close to \$10 million. The Board approved a new source of funding, the Mobile Source Incentive Fund (MSIF), which is generated by a \$2.00 surcharge on motor vehicle registration fees. This differs from the Transportation Fund for Clean Air (TFCA) funding, which has a specific set of projects that are eligible. Carl Moyer-type projects are eligible for funding from the MSIF. There are about \$15 million in projects that meet the criteria, staff is recommending that the projects be funded with the joint Carl Moyer funding and Mobile Source Incentive Fund funding.

David Burch, Principal Environmental Planner, provided background information on the Carl Moyer Program (CMP), which was created in 1999. Mr. Burch discussed eligible equipment types, year 7

CMP guidelines, the process used for solicitation of applications, the process for evaluating the applications, the evaluation results, and the available CMP funds.

Mr. Burch stated that one option to fund more projects is through the MSIF and that staff recommends allocation of MSIF revenues to supplement the CMP funds. Funding all eligible projects would achieve total emission reductions of 579 tons of NO_x per year and 35.3 tons of particulate matter (PM) per year. Mr. Burch provided background information on the MSIF.

Staff recommends that the Committee recommend the following:

1. Board of Directors' approval of the allocation of \$2,667,676 in CMP funds for projects listed in Attachment 1-A of the staff report.
2. Board of Directors' approval of up to \$13.2 million in MSIF revenues for projects listed in Attachment 1-A of the staff report.
3. Board of Directors' authorization for the Air Pollution Control Officer (APCO) to enter into funding agreements with grant recipients listed in Attachment 1-A of the staff report.

In response to a question from Director Torliatt, Mr. Burch stated that these funds are used on projects that will result in surplus emission reductions; those that would go beyond any CARB requirements. There was also discussion on manure pumps and possible funding for this equipment in the future.

Committee Action: Director Shimansky moved that the Committee recommend Board of Director approval of the staff recommendations; seconded by Director Hill; carried unanimously without objection.

5. Status Report on Carl Moyer Program Funding Allocation: *Staff provided a report on the methodology for allocating Carl Moyer Program funds to the Bay Area and other regions.*

Jack Broadbent, Executive Officer/APCO, presented the report and stated that the issue revolves around the statewide methodology for allocating Carl Moyer Program funds to the Bay Area and other regions. Mr. Broadbent stated that, based on population, the Bay Area Air District receives less funding than it should. District staff has been working with the California Air Pollution Control Officers Association (CAPCOA) regarding changes in the allocation formula to correct past problems. The formula is currently based on the severity of the air quality in the region.

Mr. Broadbent reported that, to date, there has been no action from CARB to change the methodology for allocating these funds and that the issue should be taken to the Legislative Committee for discussion and possible action by the legislature.

The Committee discussed ways of building support from the surrounding air districts and presenting a unified front in the legislature. There was discussion regarding money that was not spent by a district then going to other districts that could use the additional funding. The Committee provided additional direction to staff on suggested changes to the allocation formula for the Carl Moyer Program funds.

Committee Action: None. This report provided for information only.

- 6. Amendment to Transportation Fund for Clean Air (TFCA) Marin County Program Manager Expenditure Program:** *The Committee considered recommending Board of Director approval of an amendment to the TFCA Marin County Program Manager Expenditure Program for FY 2005/06.*

Andrea Gordon, Senior Environmental Planner, presented the report and details on the project that is the subject of the amendment request from Marin County. Ms. Gordon stated that staff recommends that the Committee recommend Board of Director approval of an amendment to the Marin County Program Manager TFCA fiscal year 2005/2006 expenditure program to award \$159,037 to the Town of Fairfax for the Safe Routes to Schools Pedestrian/Bicycle Bridge and Sidewalk Project.

Committee Action: Director Torliatt moved that the Committee recommend Board of Director approval of the staff recommendation; seconded by Director Hill; carried unanimously without objection.

- 7. Bio Diesel Feasibility Study and Pilot Projects:** *Staff provided a report on bio diesel fuel.*

Joseph Steinberger, Principal Environmental Planner, presented the report and stated that the Board of Directors allocated \$75,000 from CARB diesel back-up generator (BUG) mitigation funds for a biodiesel feasibility study and pilot project. Mr. Steinberger discussed the basics of biodiesel and noted that the use of biodiesel as an emission reduction strategy has not yet been certified by CARB. The benefits of using biodiesel were reviewed. There are seven biodiesel retail outlets in the Bay Area. Mr. Steinberger reviewed biodiesel characteristics and the average emission impacts of biodiesel for heavy-duty highway engines.

In discussing the pilot project, Mr. Steinberger stated that the biodiesel was produced from local feedstocks, such as “yellow grease” from restaurants. B20 biodiesel was supplied to four local fleets and the fleet managers indicated a reduction in exhaust smoke with no noticeable changes in performance. The Air District will track issues that relate to biodiesel.

Mr. Broadbent stated that once CARB certifies this as an emission reduction strategy, the District will know which projects would work. There was discussion on the issue of the warranty of a vehicle using biodiesel fuel. The Committee recommended this issue be reviewed by both the Legislative and Mobile Source Committees.

Speaker: Sam Altshuer of Pacific Gas and Electric spoke on this item.

Committee Action: None. This report presented for information only.

- 8. Committee Member Comments/Other Business:** There were none.
- 9. Time and Place of Next Meeting:** 9:30 a.m., Monday, April 10, 2006, 939 Ellis Street, San Francisco, CA 94109.
- 10. Adjournment:** The meeting adjourned at 10:46 a.m.

/s/ Mary Romaidis
Mary Romaidis

Clerk of the Boards