

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, October 16, 2006

1. Call to Order – Roll Call: Chairperson Tim Smith called the meeting to order at 9:36 a.m.

Present: Tim Smith, Chairperson; Tom Bates, Scott Haggerty (9:44 a.m.), Jerry Hill, Carol Klatt, Jake McGoldrick (9:40 a.m.), Michael Shimansky, Pamela Torliatt (9:43 a.m.).

Absent: John Silva.

Also Present: Gayle B. Uilkema (9:39 a.m.).

2. Public Comment Period: There were none.

3. Approval of Minutes of September 11, 2006: Director Shimansky moved approval of the minutes; seconded by Director Klatt; carried unanimously without objection.

4. Implementation of Year 8 Carl Moyer Program in the San Francisco Bay Area: *The Committee considered recommending Board of Directors' approval of the Air District's continued participation in implementing the California Air Resources Board Year 8 Carl Moyer Program in the San Francisco Bay Area.*

Juan Ortellado, Grant Programs Manager, presented an overview of the Carl Moyer Program (CMP), a statewide grant program created in 1998. The objective of the program was originally to reduce NOx emissions from heavy-duty diesel engines. For the Year 8 funding cycle of the CMP, the California Air Resources Board (CARB) has issued new guidelines.

Director Gayle B. Uilkema arrived at 9:39 a.m. and Director Jake McGoldrick arrived at 9:40 a.m.

The new CMP guidelines include additional eligible projects and a revision to the cost-effectiveness calculation. Fleet modernization projects are now eligible for funding and would provide incentives to replace high-polluting heavy-duty vehicles that are model year 1990 or older with newer, lower-emission replacement vehicles that are model year 1999 or newer. Other project types now eligible for CMP funding include additional agricultural sources of emissions, and scrappage or repair of light-duty vehicles.

Director Pamela Torliatt arrived at 9:43 a.m. and Director Scott Haggerty arrived at 9:44 a.m.

Staff will be evaluating other air districts with regard to the CMP funding of fleet modernization projects and intends to incorporate the fleet modernization program into the Year 9 CMP funding cycle. Mr. Ortellado then summarized the implementation of Year 8 of the CMP in the Bay Area. Staff recommended that the Committee recommend Board of Directors approval of implementation of Year 8 Carl Moyer Program in the Bay Area for all eligible project types with the exception of Fleet Modernization projects.

The Committee discussed the Fleet Modernization projects, with input from staff, regarding staffing, CARB requirements, contractors and development of policies before implementation. In response to a question from Director Torliatt, Jean Roggenkamp, Deputy APCO, stated that the District is using the inventory data from the Community Air Risk Evaluation (CARE) Program to determine the areas where there is high PM, high population density, and low-income population; these areas will receive extra points in the evaluation of projects applying for Year 8 CMP grants.

Director Bates inquired about requirements that the District could impose to clean up construction vehicles. Director Torliatt suggested an additional criteria to give extra points to areas in which companies are taking steps now to reduce NOx without funding from the CMP.

There were no public comments on this agenda item.

Committee Action: Director Hill moved the staff recommendations; seconded by Director McGoldrick; carried unanimously without objection.

5. Contractor Selection for Vehicle Buy Back Program for FY 2006/07: *The Committee considered recommending Board of Directors' approval of one or more contractors for the FY 2006/2007 Vehicle Buy Back Program vehicle dismantling services.*

Joseph Steinberger, Principal Environmental Planner, provided background information on the Vehicle Buy Back (VBB) Program. The goal of the program is the retirement of older, more polluting light-duty vehicles. Mr. Steinberger reviewed the process for the selection of the contractors.

Staff recommended that the Committee recommend Board of Directors' approval of the following:

- The selection of Environmental Engineering Studies, Inc., Pick-N-Pull, and Pick Your Part as the vehicle scrapping contractors for the FY 06/07 VBB Program; and
- Authorize the Executive Officer/APCO to execute contracts for vehicle scrapping and related services with the selection of contractors, that will distribute, on a monthly reimbursement basis, the \$7 million allocated for this purpose to the VBB Program in FY 06/07.

During discussion, Mr. Steinberger stated that Environmental Engineering Studies, Inc. will receive more for advertising because they are expanding in that area. There was further discussion by the Committee on the allocation of advertising funds and how the contractors advertise. Staff will provide additional information to the Committee, at a future meeting, on the funds spent by the contractors on advertising for the VBB Program

Committee Action: Director McGoldrick moved the staff recommendation; seconded by Director Bates.

Director Haggerty offered a substitute motion to approve the staff recommendation, but only allow \$20 for the cost for advertising overhead to all three contractors and staff to report back to the Committee on last year's advertising and next year's advertising. There being no second, the motion died. The original motion then passed on the following roll call:

AYES: Bates, Hill, Klatt, McGoldrick, Shimansky, Torliatt, Smith.

NOES: Haggerty.

ABSENT: Silva.

6. Transportation Fund for Clean Air (TFCA) Regional Fund Grant Awards for FY 2006/2007:

The Committee considered recommending Board of Directors' approval to allocate available FY 2006/07 TFCA Regional Funds.

Ms. Roggenkamp reviewed the proposed reallocation of VBB Program funds and stated that \$2,655,239 in funding is contingent on approval by the Metropolitan Transportation Commission (MTC).

David Wiley, Supervising Environmental Planner, presented the report and provided background information on the TFCA Program. Mr. Wiley discussed and provided information on the evaluation of the TFCA Regional Fund grant applications and scoring criteria, available funds, emission reductions from recommended projects, and the percent of funding by project type.

Staff recommended that the Committee recommend Board of Directors' approval of the following:

- The replacement of up to \$7,386,585 in TFCA Regional Fund revenues with the same amount in Mobile Source Incentive Fund (MSIF) revenues for the District's VBB Program for FY 2006/2007, with \$2,655,239 contingent on approval by MTC on the use of these funds for TFCA Regional Fund projects; and
- Staff recommendations for FY 2006/2007 TFCA Regional Fund grant awards listed in Attachment 1 of the staff report, totaling up to \$12,350,489, with the projects listed under "Contingent Projects" funded upon approval by MTC on the use of \$2,655,239 for TFCA Regional Fund projects.

The Committee discussed several of the projects not recommended for funding and requested that staff provide additional information on the chart that lists these projects.

The following individuals came forward and spoke on this agenda item:

Stuart Cohen
Transportation & Land Use Coalition
Oakland, CA 94612

Deborah Funt
Port of Oakland
Oakland, CA 94602

Roger Hooson
San Francisco Airport
San Francisco, CA 94125

Doug Cameron
Clean Energy
San Francisco, CA

Chris Ferrara

P. G. & E.
Pleasant Hill, CA 94523

Chairperson Smith recommended that the allocation of the TFCA Regional Fund grant awards for Fiscal Year 2006/2007 be brought back to the Committee at its next meeting. This will allow staff to reevaluate several of the applications.

Committee Action: Director McGoldrick moved the staff recommendations, excluding allocation of the TFCA Regional Fund grant awards; seconded by Director Bates.

Ms. Roggenkamp noted that the District should have the approval regarding funding from MTC by the time the Committee next meets. The motion then passed without objection.

7. **Committee Member Comments/Other Business:** There were none.
8. **Time and Place of Next Meeting:** 9:30 a.m., Monday, November 13, 2006, 939 Ellis Street, San Francisco, CA 94109.
9. **Adjournment:** The meeting adjourned at 11:05 a.m.

/s/ Mary Romaidis
Mary Romaidis
Clerk of the Boards