

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5000

APPROVED MINUTES

Summary of Board of Directors
Mobile Source Committee Meeting
9:30 a.m., Thursday, March 29, 2007

- 1. Call to Order – Roll Call:** Chairperson Tim Smith called the meeting to order at 9:33 a.m.

Present: Tim Smith, Chairperson; Tom Bates, Scott Haggerty (9:37 a.m.), Carol Klatt, Patrick Kwok, Jake McGoldrick (9:46 a.m.).

Absent: Jerry Hill, John Silva, Gayle B. Uilkema.

Also Present: Mark Ross, Pamela Torliatt (9:44 a.m.).

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

- 3. Approval of Minutes of January 8, 2007:** Director Kwok moved approval of the minutes; seconded by Director Klatt; carried unanimously without objection.

- 4. Proposed Revisions to Transportation Fund for Clean Air (TFCA) Policies and Evaluation Criteria for FY 2007/2008 and Establishment of a Bicycle Facility Program for FY 2007/2008:** *The Committee considered recommending Board of Directors' approval of 1) proposed revisions to TFCA Policies and Evaluation Criteria to govern allocation of FY 2007/2008 TFCA Regional Funds; 2) A Bicycle Facility Program for FY 2007/2008; and 3) set aside \$1,000,000 in TFCA Regional Funds to fund clean-air vehicle advanced demonstration projects.*

Jean Roggenkamp, Deputy APCO, introduced the item and stated that the Regional Fund Policies are brought to the Board each year. Staff is recommending a streamlined program for some specific project types, allocation of specific dollar amounts for certain types of projects, and to set aside funding for advanced technology vehicle demonstration projects.

David Wiley, Supervising Environmental Planner, discussed and presented proposed revisions to Transportation Fund for Clean Air (TFCA) Regional Fund policies and evaluation criteria for fiscal year 2007/2008.

Director Scott Haggerty arrived at 9:37 a.m.

Mr. Wiley also reviewed the establishment of a Bicycle Facility Program (BFP) for fiscal year 2007/2008 and noted that the BFP would be separate from the TFCA Regional fund process. The initial funding level for the BFP is recommended to be \$600,000 a year.

The TFCA Regional Fund Policies and Evaluation Criteria were reviewed and Mr. Wiley highlighted the substantive changes. Staff recommends that the Committee recommend Board of Directors' approval of:

1. A Bicycle Facility Program for FY 2007/2008, including the allocation of \$600,000 in TFCA Regional funds, and the proposed Bicycle Facility Program Guidelines presented in Attachment A of the staff report;
2. The proposed FY 2007/2008 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment B of the staff report; and
3. The allocation of \$1,000,000 in TFCA Regional funds to clean-air vehicle advanced technology demonstration projects that meet the FY 2007/2008 TFCA Regional Fund Policies.

Director Pamela Torliatt arrived at 9:44 a.m. and Director Jack McGoldrick arrived at 9:46 a.m.

The Committee discussed the BFP and Ms. Roggenkamp noted that the Board and Committee can modify the policies and guidelines when they are reviewed each year. The BFP is new and this is just a starting point. Director Bates requested staff provide periodic reports on the Bicycle Facility Program to the Committee.

The Committee discussed Policy #28 regarding advanced technology demonstration projects and eligibility for this funding. The projects would have to meet the cost-effectiveness criterion. In response to a question from Board Chair Ross, Jack Broadbent, Executive Officer/APCO, stated that staff is only discussing the amount of the allocation for these projects and that staff will come back to the Committee with specific projects at a later date. It was noted that applicants would receive extra points for reducing greenhouse gas emissions.

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

5. **Carl Moyer Program Grant Allocations:** *The Committee considered recommending Board of Directors' approval of awarding grants to applicants for the Carl Moyer Program Year 8 and Year 9 funding cycles.*

Jack Colbourn, Director of Outreach and Incentives, clarified that the agenda should read Year 8 and Year 9 funding cycles.

Joseph Steinberger, Principal Environmental Planner, presented the report and stated that there are two funding sources for these grant allocations – Carl Moyer funds and Mobile Source Incentive Funds (MSIF). Mr. Steinberger reviewed the background of the Moyer Program and noted that at least 50% of funds must be allocated to eligible projects in communities where there is a high level of particulate matter (PM) exposure among sensitive populations. Background information on the MSIF was provided to the Committee and \$900,000 is accruing in the MSIF each month.

Mr. Steinberger outlined the eligible equipment types, Year 8 Moyer Guidelines, the solicitation of grant applications, and the evaluation process for the grant applications. There is \$21,761,710 in Moyer funding available for allocation by combining Year 8 and Year 9 funds. To achieve the Air District's required matching funds, \$4,103,646 in MSIF revenues would be allocated. The evaluation results were reviewed as well as the recommended projects.

Staff recommends that the Committee recommend Board of Directors' approval of:

1. Allocation of \$21,761,710 in Carl Moyer Program Year 8 and Year 9 funding cycle funds for the eligible projects listed in Attachment 1 of the staff report;
2. Allocation of \$4,103,646 in MSIF revenues for the eligible projects listed in Attachment 1 of the staff report;
3. Funding for the projects listed in Attachment 2 of the staff report as contingency projects to be funded with either Moyer for MSIF dollars if funds become available due to current or prior year grant award cancellations or completion of projects under budget; and
4. Authorization for the Executive Officer to enter into funding agreements with recipients of grant awards for the projects listed in Attachments 1 and 2.

During discussion, the Committee provided direction to staff regarding working on items in the Moyer program including more outreach to the wine industry, putting a cap on how much Moyer funding a company can receive, and designing a matrix that projects impacted communities. In addition, a request was made to staff to prepare a separate chart that indicates the total funding that each entity is receiving and that it be available to the full Board before its next meeting. There was some discussion on private companies that may be in litigation with public agencies and if that could affect funding they receive. School bus retrofits were also discussed.

Director Haggerty moved the staff recommendations, that staff would come back to the Committee regarding the school bus issue, putting a cap on Moyer funding a company can receive, and including the other issues the Committee discussed. The motion includes removing Project # 87-1 and Project # 88-1 and using that money for outreach to the wineries. There was no second to the motion.

After a brief discussion, Director Haggerty withdrew his motion.

Committee Action: Director Haggerty moved that the Committee recommend Board of Directors' approval of the staff recommendations; seconded by Director Bates.

It was noted that the Committee provided direction to staff on several items and staff will report back to the Committee on these items at a later date. The motion then carried unanimously without objection.

6. Transportation Fund for Clean Air (TFCA) Annual Report: *The Committee considered recommending Board of Directors' approval of the report titled Transportation Fund for Clean Air Report on FY 2006/2007 Allocations and Effectiveness.*

Juan Ortellado, Grant Programs Manager, presented the item and stated that the Report is prepared to fulfill a requirement in the State law to review the expenditure of TFCA funds annually to determine their effectiveness. The Report includes a list of all the projects and programs funded, the funding allocations, and estimated emission reductions. Mr. Ortellado reviewed the funding programs, the lifetime emission reductions, and the aggregate cost-effectiveness for fiscal year 2006/07.

Staff recommends that the Committee recommend Board of Directors' approval of the *Transportation Fund for Clean Air Report on FY 2006/2007 Allocations and Effectiveness.* There were no public comments on this agenda item.

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

7. **Committee Member Comments/Other Business:** There were none.
8. **Time and Place of Next Meeting:** 9:30 a.m., Thursday, April 26, 2007 – 939 Ellis Street, San Francisco, CA 94109
9. **Adjournment:** The meeting adjourned at 11:00 a.m.

/s/ Mary Romaidis

Mary Romaidis
Clerk of the Boards