

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., Wednesday, October 31, 2007

1. Call to Order – Roll Call: Chair Tim Smith called the meeting to order at 9:30 a.m.

Present: Tim Smith, Chair, Scott Haggerty (9:48 a.m.), Carol Klatt, Patrick Kwok, John Silva, Gayle B. Uilkema (9:34 a.m.).

Absent: Tom Bates, Jerry Hill, Jake McGoldrick.

Also Present: Board Chair Mark Ross, Pamela Torliatt.

2. Public Comment Period: There were none.

3. Approval of Minutes of September 27, 2007: Director Silva moved approval of the minutes; seconded by Director Kwok; carried unanimously without objection.

4. Transportation Fund for Clean Air (TFCA) Regional Fund Grant Awards for FY 2007/2008:
The Committee considered recommending Board of Directors' approval to allocate available FY 2007/2008 TFCA Regional Funds.

Jack Colbourn, Director of Administration & Incentives, introduced the item and reminded the Committee that the TFCA program is funded by a \$4 per vehicle surcharge collected by the DMV on motor vehicles registered within Air District.

Davis Wiley, Supervising Environmental Planner, presented the report and provided background information on the TFCA objectives, eligible project types and the funding sources.

Director Gayle B. Uilkema arrived at 9:34 a.m.

Mr. Wiley reviewed the project scoring criteria and stated that there were 67 grant applications submitted that amounted to \$17.5 million in requests. Thirty-seven projects are being recommended for funding and are listed on Attachment 1 of the staff report. Mr. Wiley reviewed the allocation of funds by project type. Nineteen of the projects are currently not recommended for funding because the projects did not achieve the minimum point score. Staff will contact the sponsors of these projects and report back to the Committee on any that would be eligible for funding in the future. Mr. Wiley noted that \$200 remains from the funds allocated to the advanced-technology demonstration projects.

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

1. Fiscal Year 2007/2008 TFCA Regional fund grant awards listed in Attachment 1 of the staff report, totaling \$10,348,655; and
2. Reallocation of any funds remaining from \$1 million in fiscal year 2007/2008 TFCA Regional funds set aside for clean-air vehicle advanced technology demonstration projects back to the TFCA Regional fund.

After a brief discussion, Mr. Colbourn stated that staff will work with the sponsors of those projects that did not get funded to make sure that they know why the projects did not qualify for funding and will discuss with the sponsors how the projects might quality in the future.

There were no public speakers on this agenda item.

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

Mr. Colbourn introduced Damian Breen as the new Air Quality Program Manager in the Grants Section.

5. Update on State-Wide Goods Movement Emission Reduction Program: *Staff provided an update to the Committee on the State-Wide Goods Movement Emission Reduction Program.*

Jack Broadbent, Executive Officer/APCO, stated that the item will focus on the Proposition 1B monies that were approved by the voters. The Program is moving very quickly in terms of how to allocate and distribute these monies. It is anticipated that the Air District may be the recipient of some of the money. Mr. Broadbent advised the Committee that this is an on-going process and that this item will be brought back to the Committee on a regular basis.

Jean Roggenkamp, Deputy APCO, reviewed the presentation outline.

Director Scott Haggerty arrived at 9:48 a.m.

Ms. Roggenkamp presented background information on the Program and stated that in 1998, diesel particulate matter was identified as a toxic air contaminant. In 2000, the Air Resources Board (ARB) developed a Diesel Risk Reduction Plan. Ms. Roggenkamp reviewed the health risk assessments being done at rail yards and ports. The ARB developed a Goods Movement Emission Reduction Plan in 2006 for ports and rail yards and the goal is for an 85% reduction in PM emission by 2020.

Proposition 1B provides \$1 billion to reduce health risks from freight movement in California and the Bay Area is one of the trade corridors for freight movement. Ms. Roggenkamp stated that SB 88 directs implementation of "Goods Movement Emissions Reduction." There is approximately \$250 million available State-wide for the first year to help provide incentives to achieve emission reductions beyond regulatory requirements.

Jeff McKay, Deputy APCO, discussed the program targets and themes. The focus of the Program will be on communities heavily impacted by goods movement and will be modeled after the Carl

Moyer Program. The funding will be specifically targeted with specific amounts, and will maximize match funding from federal, local and private sources.

Mr. McKay reviewed the program structure and stated that local agencies will compete for the fund from ARB, equipment owners will compete for funds from agencies, and there will be a minimum number of local agency partners to increase administrative efficiency. Approximately \$25 million of the \$250 million will be available in January throughout the state.

The Program timeline includes public meetings that are in process now, agency letters requesting early grant funds are due in late November, the Program Guidelines will be released in December, Early Grants funds will be released in January, the Round 1 agency applications are due in February, and ARB will approve the Round 1 funding in July.

Mr. Broadbent reviewed the key issues, which include: staffing, competition for the funds, the timeframe, guidance, and oversight. Approximately \$35-40 million will come to the Bay Area with the majority going to the South Coast. Mr. Broadbent noted that the timeframe for the early grants is short. To-date, the guidelines are very general with matching funds one issue. Ms. Roggenkamp explained that there have been discussions with ARB regarding matching funds coming from the Transportation Fund for Clean Air (TFCA) funds and/or Mobile Source Incentive funds. Mr. Broadbent added that the Air District will look into partnering with the Port of Oakland and other agencies like the Metropolitan Transportation Commission.

There were no public speakers on this agenda item.

Committee Action: None. The Committee received and filed the report.

- 6. Committee Member Comments/Other Business:** Chair Smith thanked staff for working with the CMAs and the 19 applicants that do not presently qualify for TFCA funding.

Director Kwok noted that this was his last meeting of the Mobile Source Committee and thanked Chair Smith and staff.

Director Uilkema thanked staff for their outreach efforts and helping the applicants that did not receive TFCA funding.

- 7. Time and Place of Next Meeting:** At the Call of the Chair.
- 8. Adjournment:** The meeting adjourned at 10:11 a.m.

/s/ Mary Romaidis
Mary Romaidis
Clerk of the Boards