

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, July 9, 2008

1. **Call to Order – Roll Call:** Chair Tim Smith called the meeting to order at 9:31 a.m.

Present: Tim Smith, Chair, Yoriko Kishimoto, Carol Klatt, Jake McGoldrick, Mark Ross, John Silva, Gayle B. Uilkema

Absent: Tom Bates, Scott Haggerty

Also Present: Director Chris Daly

2. **Public Comment Period:** There were no public comments.

3. **Approval of Minutes of May 14, 2008:** Director Silva moved approval of the minutes; seconded by Director Ross; carried unanimously without objection.

4. **Consideration of Carl Moyer Year 10 Funding and Mobile Source Incentive Fund Projects:**
The Committee considered recommending Board of Directors' approval of staff recommendations for the funding of eligible projects under the Carl Moyer Program (CMP) Year 10 and the Mobile Source Incentive Fund (MSIF) and authorize the Executive Officer/APCO to enter into all necessary contracts.

Grants Manager, Damian Breen, gave a PowerPoint presentation on consideration of Carl Moyer Year 10 Funding and Mobile Source Incentive Fund Projects. He gave an overview on the background of each program, reviewed project solicitation/evaluation, discussed proposed projects, percentages of funding and equipment category distribution, equipment category analysis, the Carl Moyer Program background and the percentage of funding as it related to the impacted community analysis.

Directors recognized staff's work and outreach to impacted communities and briefly discussed specific timing of funds to grant recipients, particularly given the litigious status of Hornblower Cruises and Events. Mr. Broadbent indicated the matter had been discussed and it was felt that absent any policy of the Air District regulating defrauding public agencies, the award is appropriate. It was also noted that contracts would not be signed for some time and until after litigation has begun.

Public Comments:

Don Syle, California Northern Railroad, thanked the Air District for their solicitation and outreach efforts, discussed their margins as a small railroad working under contract with Union Pacific,

acknowledged new engine technology and their continued goal in increasing the number of truckloads off of the highways.

Brett Greene, Peterson Power Systems, thanked the Air District for their solicitation and outreach efforts and reported they were currently working with engine suppliers in determining feasible new technology.

Committee Action: Director Uilkema moved to recommend Board of Directors' approval of the allocation of \$20,756,901 in funding from a combination of Carl Moyer Program (CMP) funds and Mobile Source Incentive Fund (MSIF) funds for the projects listed in Attachment 1; and recommend Board of Directors' authorization for the Executive Officer/APCO to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachment 1; seconded by Director Kishimoto; carried unanimously without objection.

5. Consideration of Expenditure Plans for Transportation Fund for Clean Air (TFCA) County Program Managers: *The Committee considered recommending Board of Directors' approval of staff recommendations on the approval of expenditure plans for TFCA County Program Manager Projects and authorization of the Executive Officer/APCO to execute all necessary contracts.*

Supervising Planner, David Wiley, gave a PowerPoint presentation of consideration of Expenditure Plans for Transportation Fund for Clean Air (TFCA) County Program Managers. He gave an overview of the background on funding, project evaluation, County PM expenditure plans for FY 2008/2009 wherein 45 projects are recommended for approval, reductions in emissions, and funds available and the allocation amount recommended by project type.

Director Kishimoto discussed with Mr. Wiley the ineligible project from the Caltrain Station which was a new shuttle project, and Mr. Wiley reported data was not available to show ridership numbers and defaults applied did not deem the project cost-effective. Mr. Broadbent clarified that other projects will be enhanced in that County as a result of the determination, and the Air District is in the process of funding more CMA's and the program should be very successful.

Committee Action: Director Uilkema moved to recommend Board of Directors' approval of staff recommendations on the FY 2008/2009 Transportation Fund for Clean Air (TFCA) County Program Manager projects listed on Table 1; and recommend Board of Directors' authorization for the Executive Officer/APCO to enter into funding agreements with the County Program Manager's Board-approved projects, consistent with Board-adopted TFCA Program Manager Policies; seconded by Director Ross; carried unanimously without objection.

6. Consideration of \$796,573 in California Goods Movement Bond Funding to Engage an Administrative Consultant to Assist in Program Execution: *The Committee considered recommending Board of Directors' approval of TIAX LLC to provide administrative services for the California Goods Movement Bond in an amount not to exceed \$796,573 and the authorization of the Executive/APCO to execute all necessary contracts.*

Grants Manager, Damian Breen, gave a PowerPoint presentation on the Committee's consideration to enter into a contract for administrative services related to the I-Bond Program. He provided background stating in November of 2006, California voters authorized the Legislature to appropriate \$1 billion in bond funding to quickly reduce health risk from freight movement on California trade corridors. He noted the ARB allocated \$140 million for the Bay Area trade corridor, \$3.4 million in early grants to the Air District which helped to fund an electrical grid system with APL Shipping and 75 truck retrofits

with the Port of Oakland. He described I-Bond Funding by project type, funding requested and estimated numbers of projects and discussed reasons the Air District was seeking consultant services. He further described the RFP process and results, criteria, percentage of total ratings and highlights of the recommended consultant.

Director Uilkema suggested amendment to staff's recommendation regarding automatic renewal of the contract; to add to the end of the second recommendation: "...that the Board of Directors authorize the Executive Officer/APCO to renew this contract annually for up to three years based on the performance of the consultant after approval of the Mobile Source Committee."

Mr. Broadbent briefly discussed the process of reviewing significant consultant contracts, and Committee members concurred with the suggested amendment.

Committee Action: Director Kishimoto moved to recommend that the Board of Directors authorize the Executive Officer/APCO to execute all necessary agreements to enter into a contract for administrative services related to the I-Bond program with TIAX, LLC for an amount not to exceed \$796,573; and recommend that the Board of Directors authorize the Executive Officer/APCO to renew this contract annually for up to three years based on the performance of the consultant after approval of the Mobile Source Committee; seconded by Director Uilkema; carried unanimously without objection.

7. Consideration of Approval to Reserve \$3.375 Million in Mobile Source Incentive Funds (MSIF) to Match Funds from the School Bus Program Portion of the California Goods Movement Bond: *The Committee considered recommending Board of Directors' approval of reserving \$3.375 million in MSIF funding to match available Goods Movement Bond funding for replacement of approximately 80 school buses ranging in age from 1977 to 1986 and authorization for the Executive Officer/APCO to execute all necessary contracts.*

Environmental Planner, Geraldina Grunbaum, gave a PowerPoint presentation on the consideration to reserve \$3.375 million in Mobile Source Incentive funds (MSIF) to match funds from the School Bus Program portion of the California Goods Movement Bond. She said AB 923 allowed for an additional \$2 motor vehicle registration fee surcharge approved by the Board in December 2004 which can fund the purchase of new clean school buses. The goal is to reduce school children's exposure to air pollutants, the program provides financial incentives for replacement and retrofit, and over \$12 million will assist in replacing over 100 pre-1987 school buses. She discussed the allocation of MSIF revenues to LESBP which covers the match of \$25,000 per bus, replacement of 10 additional 1977-1986 buses, and \$5,000 per bus to cover costs beyond ARB cost cap for all public school buses replaced.

Committee members questioned and confirmed that the Air District was paying the School District's portion or match of \$25,000 per bus and older buses are taken out of service and are required to be dismantled.

There were no public comments.

Committee Action: Director Silva moved to recommend Board of Directors' approval of allocation of \$3.375 million in Mobile Source Incentive Fund (MSIF) revenues to the Lower-Emission School Bus Program (LESBP) for the purchase of new public school buses; and authorization for the Executive Officer to enter into funding agreements with recipients of grant awards under the LESBP; seconded by Director Kishimoto; carried unanimously without objection.

8. Committee Member Comments/Other Business: None

9. Time and Place of Next Meeting: Thursday, September 25, 2008 at 9:30 a.m.

10. Adjournment: The meeting adjourned at 10:23 a.m.

/s/ Lisa Harper
Clerk of the Boards