

Bay Area Air Quality Management District  
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## APPROVED MINUTES

Summary of Board of Directors  
Mobile Source Committee Meeting  
9:30 a.m., Thursday, September 25, 2008

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

**Present:** Tim Smith, Chair, Tom Bates, Scott Haggerty, Carol Klatt, Mark Ross

**Absent:** Yoriko Kishimoto, Jake McGoldrick, John Silva, Gayle B. Uilkema

**Also Present:** Michael Shimansky and Pamela Torliatt

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

Chair Smith requested moving Item 5 up on the agenda.

**5. Status Report on California Goods Movement Bond (I-Bond) Funding Process:** *The Committee received an update on the outreach performed and applications received as part of the California Goods Movement Bond (I-Bond) Program.*

Grants Manager, Damien Breen, presented an update on the California Goods Movement Bond, stating that in November California voters authorized the Legislature to appropriate \$1 billion in bond funding, which served to quickly reduce health risks from freight movement in California trade corridors. He said \$25 million was set aside in early grants and \$225 million for main grants.

Mr. Breen discussed ARB's allocation of \$140 million for the Bay Area trade corridor (\$35 million for the next four years), \$3.4 million in early grants to the Air District for an electrical grid system for APL Shipping and 75 truck retrofits with the Port of Oakland. The Air District applied for the remainder of the \$35 million for the Bay Area Goods Movement corridor in April and on May 22, 2008 the ARB approved the Air District's plan to expend funding.

Mr. Breen then described I-Bond funding by project type and funding requested, as well as outreach efforts which included:

- 6 workshops;
- 75 local trucking firms visited by Air District Inspectors;
- 15 meetings held with truck owners (Firms/Independents);
- Advertisements secured in national trade publications;
- 7 trade association speaking engagements;
- Partnering with community groups by distributing 1,000 leaflets at truck scales and a weekend outreach event for Port drayage truckers; and
- An outreach center on the Port of Oakland truck route was opened.

Mr. Breen said as a result of outreach a total of 1,954 applications were received amounting to \$63,335,000 in funding requested. He then described applications received and funding requested by each category.

Next steps will involve staff entering information into the Air District's database and removing any duplicate information. Staff will then seek supplemental information from grantees and update the Mobile Source Committee on recommended projects in November.

Director Haggerty asserted the importance of labor involvement and requested a list of the 75 trucking companies and the 15 independent truck owners contacted. He confirmed the list was geographically represented and discussed with Mr. Breen the Air District's broad outreach efforts. Director Torliatt requested the names of union representatives contacted, and Committee members thanked Mr. Breen for the informative presentation.

3. **Approval of Minutes of July 9, 2008:** Director Haggerty moved approval of the minutes; seconded by Director Ross; carried unanimously without objection.
4. **Consideration of Transportation Fund for Clean Air (TFCA) Regional Fund Projects and Mobile Source Incentive Fund (MSIF) Projects:** *The Committee considered recommending Board of Directors' approval of projects received as part of this year's TFCA Regional Fund and MSIF projects call for applications.*

Supervising Environmental Planner, David Wiley, provided a background of the Transportation Fund for Clean Air objectives, discussed eligible project types, revenue sources, noted that 60% of TFCA revenues are allocated directly by the District, a portion of which fund Air District programs. He said the balance available is awarded on a competitive basis to projects proposed by public agencies or non-public entities. Grant applications are screened for compliance and scoring criteria.

Mr. Wiley reported that 79 grant applications were received representing \$17.5 million. There were 2 ineligible applications and 24 projects not recommended. He noted that \$11.3 million is available in TFCA Regional Funds and \$500,000 in MSIF funds. A total of 53 projects are recommended for approval which Mr. Wiley outlined in Attachment 1. Attachment 2 identifies projects recommended contingent upon additional funds becoming available. He noted that 576 tons of ozone precursors and particulate matter and over 83,000 tons of CO<sub>2</sub> would result in combined total reductions over the life of the TFCA and MSIF projects, with an aggregate cost effectiveness of \$11,700 per ton.

Mr. Wiley discussed FY 2007/2008 projects that were not cost-effective, ineligible projects, and said 1 project was incorporated into an FY 2008/2009 project, which is being recommended.

He then presented a breakdown of project type outlined in Table 4 and said staff recommends the Committee recommend Board of Directors' approval of:

1. The allocation of \$11,790,697 in funding from a combination of Fiscal Year (FY) 2008/2009 TFCA Regional Funds and Mobile Source Incentive Fund (MSIF) funds for the forty-six projects listed in Attachment 1;
2. The allocation of \$1,744,627, pending available funding, for seven projects listed in Attachment 2, using FY 2008/2009 TFCA Regional Funds; and

3. Authorization for the Executive Officer to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachments 1 and 2.

Committee member Haggerty clarified information regarding Project #08R16 and #08R14 on Attachment 2, discussed his desire to not delay funding for Attachment 2 projects, voiced concern with the cost and process of funding shuttle service contracted through public agencies by Bauers Intelligent Transportation and said his preference would be to instead directly fund public agencies that provide that same service.

Committee members further reviewed criteria, factors that go into calculating points and prioritization, the selection processes, shuttle service, and the number of public agencies that contract for transit services.

#### Public Comments:

Gary Bauers, Bauers Intelligent Transportation, discussed Bauers' historical and current statistics on their company's ability to provide transportation. He described the purchase of new CNG vehicles and their work to keep vehicles off the road and reduce emissions.

Ian McAvoy, Caltrain JPB, reported that Caltrain ridership has increased over 100%; he believed that the elimination of links would impact their mission and vision, and said if they were to cut back people would either return to single occupancy trips or find an alternative way to get to a Caltrain system.

Chair Smith said he believed that both shuttle projects (#08R14 and #08R16) run in the same corridor and they have a very high combined score. After brief discussion by Committee members and staff, Mr. Broadbent offered for staff to return to the Board with an outline or process to prioritize and fund projects in Attachment 2.

**Committee Action:** Chair Smith made a motion to approve 1) The allocation of \$11,790,697 in funding from a combination of Fiscal Year (FY) 2008/2009 TFCA Regional Funds and Mobile Source Incentive Fund (MSIF) funds for the forty-six projects listed in Attachment 1; 2) The allocation of \$1,744,627, pending available funding, for seven projects listed in Attachment 2; and 3) Authorization for the Executive Officer to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachments 1 and 2, and directed staff to return to the Committee with an outline or process to fund Attachment 2 projects; seconded by Director Ross; carried unanimously without objection.

#### **6. Status Report on the California Air Resources Board (ARB) Audit of the Carl Moyer**

**Program:** *The Committee received the results of the Carl Moyer Program audit conducted by the ARB in May of Fiscal Year 2008/09.*

Director of Administration and Incentives, Jack Colbourn, gave an overview of the audit of the Carl Moyer Program, stating that an audit of the Carl Moyer Program was initiated in June of 2007. ARB identified deficiencies in the District's program regarding project eligibility determination, project documentation, emissions reporting, expenditure of funds, and contract enforceability. He discussed the District's action to address audit findings, said ARB assigned a new program liaison, provided training for Air District staff, reviewed the remediation plan status reports and had scheduled a follow-up Audit in May 2008.

He further reported that the District has made great strides with significant improvement in practices, and ARB believes the Year 10 Carl Moyer program demonstrates this progress. He discussed the audit's timeline and noted the Air District must finish its remediation in compliance with the plan. He also reported that work began on FY 2005/06 School-bus Projects prior to the grantees having executed contracts and said ARB wishes to impose a 25% retrofit goal on the District's School-Bus Program with funds returned in FY 2000/01 and 2005/06.

Committee members questioned and confirmed that matching requirements vary and the District can provide 100% of retrofit and replacement costs but can only fund incremental costs through the Carl Moyer program. The Committee discussed the need to solicit available funds to school districts, and they reviewed outreach efforts and the extension of eligibility to the private sector. Mr. Breen said he believed that regulations for school buses will force many agencies to seek funding in order to meet compliance. He noted that the District requested an additional \$3.375 million to match ARB's \$4.2 million to pay for the retrofit of 100 buses and said additional retrofits will help achieve even more emission reductions.

In summary, Mr. Broadbent reported that he would be discussing with Board members the need for communication to school districts regarding the availability of Carl Moyer matching funds.

**Committee Action:** None; informational report only.

**7. Committee Member Comments/Other Business:**

Committee Member Bates asked for the ability of Director participation for those present but not on the Committee. Mr. Bunger reported that an Attorney General opinion stands which states Directors who are not on a Committee are not recognized as a member of the Committee, and cannot participate in Committee meetings.

**8. Time and Place of Next Meeting:** Thursday, October 23, 2008 at 9:30 a.m.

**9. Adjournment:** The meeting adjourned at 10:43 a.m.

*/s/ Lisa Harper*  
Clerk of the Boards