

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  
Thursday, May 28, 2009  
9:30 a.m.

**CALL TO ORDER:** Vice Chairperson Gayle B. Uilkema called the meeting to order at 9:30 a.m.

Roll Call: Scott Haggerty, Chairperson; Gayle B. Uilkema, Vice Chairperson; Tom Bates, Carol Klatt, and Michael Shimansky

Absent: Yoriko Kishimoto, Eric Mar, Mark Ross, and Brad Wagenknecht

Also Present: Chairperson Pamela Torliatt

**PUBLIC COMMENTS:** There were no public comments

**APPROVAL OF MINUTES:** Director Shimansky moved approval of the April 30, 2009 minutes; seconded by Director Klatt; carried unanimously without objection.

**Consideration of Approval for Carl Moyer Program Year 11 Projects with Proposed Grant Awards over \$100,000 – Staff Presentation by Supervising Environmental Planner Anthony Fournier**

Overview:

*Carl Moyer Program (CMP):*

- Created in 1998 to reduce emissions from heavy-duty engines
- Voluntary program that funds surplus emission reductions
- Jointly administered by CARB and local Air Districts

*Mobile Source Incentive Fund (MSIF):*

- AB 923 allowed for additional \$2 motor vehicle registration fee surcharge (December 2004)
- Eligible Project Types:
  - Purchase of new school buses
  - Eligible CMP projects
  - Vehicle Scrap Program
  - Agricultural Assistance Program

*Carl Moyer Program Year 11:*

- February 4, 2009 – Board of Directors approved participation in CMP Year 11 and authorized the Executive Officer/APCO to execute contracts and amendments with grant awards up to \$100,000.
- April 15, 2009 – Applications available
- Applications being evaluated on a first come-first served basis until all funds have been allocated
- Up to \$20 million available from a combination of CMP and MSIF

*Project Summary:*

- 41 applications received as of May 11, 2009;
- Applications received for on-road, off-road, marine, locomotive and agricultural projects;
- CMP Year 11 Project Recommendations (over \$100,000) include:
  - 13 projects for a total of 84 engines
  - \$5,789,626 in total awards
  - Over 430 tons of lifetime reductions
  - 95% of projects reduce emission in impacted areas

Recommendation:

1. Request the Committee recommend the Air District Board of Directors approve Carl Moyer Program Year 11 projects with proposed grant awards over \$100,000.
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended Carl Moyer Program Year 11 projects.

Committee Comments/Discussion:

- A total of \$5,789,626 (Attachment 1) is recommended to be awarded and comprises of 84 engines;
- Committee members requested staff return with a breakdown of all projects, both above and below \$100,000, awarded by type (especially agriculture), amount and by county at the Board of Directors meeting;
- Confirmed the “off-road” category includes agriculture, grading and construction-related equipment;
- Discussed risk of CMP take-away by the State;
- Discussed cost effectiveness of projects - the higher dollar amounts equal less value for projects;
- Confirmed private companies are required to dedicate at least 20% of their own funds and typically fund up to 85% for on-road truck retrofits.

Public Comments: Tom Kelly, Kyoto USA, questioned and confirmed applications were received from the six communities with high emissions, those below the poverty line, and sensitive receptors and are funded on a first-come, first-served basis if they meet cost effectiveness guidelines.

**Committee Action:** Director Bates made a motion to recommend Board of Directors’ approval of Carl Moyer Program Year 11 projects with proposed grant awards over \$100,000; and authorizing the Executive Officer/ APCO to enter into agreements for the recommended Carl Moyer Program Year 11 projects; seconded by Director Shimansky; unanimously approved without objection.

**Consideration of Approval for Air District Participation in the 2009 California Air Resources Board (ARB) Lower Emission School Bus Retrofit Program Funded By the State Diesel Emission Reduction Act (DERA) – Staff Presentation by Grants Manager Damien Breen**

Overview:

*Lower-Emission School Bus Program (LESPB):*

- Provides financial incentives to replace older public school buses with new clean buses, and retrofit diesel school buses with particulate matter retrofit devices.
- Established by State in FY 2000/2001 – Air District has been involved since its inception and over \$12 million has been allocated to replace over 100 pre-1987 school buses.

*LESBP Funding Update:*

- \$8.4 million in Proposition 1B funds allocated to LESBP (May 2008) – Replaces pre-1977, then 1977-1986 buses, purchase and installation of retrofit devices
- Proposition 1B funding currently on-hold from ARB (December 2008)
- \$6.875 million in MSIF funds allocated by the Board (July 2008 and February 2009) for school bus replacements
- Air District received over \$11 million in eligible project applications in the 1<sup>st</sup> year of the current program

*2009 ARB Retrofit Funds:*

- New ARB Funding:
  - \$1.73 million for school bus retrofit projects from the United States EPA
  - American Recovery and Reinvestment Act of 2009 Funding for State Clean Diesel Grant Programs
- ARB solicited participation from air districts:
  - Air District applied for up to \$503,855 in funding
  - ARB has allocated \$382,000 to the Air District
- Project eligibility:
  - Retrofit projects that meet the ARB 2008 LESBP guidelines
  - Projects must be complete & paid by 9/30/09
  - Operation in areas with high exposure to diesel pollution

Recommendation:

1. Adopt a resolution authorizing Air District participation in the 2009 California Air Resources Board (ARB) Lower Emission School Bus Retrofit Program and acceptance of 2009 State DERA grant funds.
2. Authorize the Executive Officer/APCO to execute the necessary agreements with ARB relating to the Air District's receipt of the 2009 Lower Emission School Bus Program Retrofit Funds.

Committee Discussion/Comments:

- Confirmed that program requirements mandate funds to go to public, and not private, school district buses;
- As a condition of the grant, retrofits of public school buses are focused in the 6 highly impacted communities;
- \$5 million in retrofit applications have been received; it is expected that the ARB Board will act to provide \$1.2 million in additional funding for these projects;

- Confirmed participating school district awardees for current funding to be: Berkeley (\$160,000 to retrofit 8 buses), San Lorenzo (\$180,000 to retrofit 9 buses) and San Jose (\$20,000 to retrofit 1 bus).

**Committee Action:** Director Bates moved to recommend Board of Directors' adoption of a resolution to authorize Air District participation in the 2009 California Air Resources Board (ARB) Lower Emission School Bus Retrofit Program; and authorizing the Executive Officer/ APCO to execute the necessary paperwork with ARB relating to the Air District's receipt of the 2009 Lower Emission School Bus Program Retrofit Funds; seconded by Director Shimansky; unanimously approved without objection.

**Committee Member Comments:** None

**Next Meeting:** 9:30 AM, Thursday, June 25, 2009  
939 Ellis Street, 4<sup>th</sup> Floor Conference Room

**Adjournment:** Meeting adjourned at 9:58 a.m.

*Lisa Harper*  
Clerk of the Boards