

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

APPROVED MINUTES

Board of Directors
Mobile Source Committee Meeting
9:30 a.m., Thursday, June 30, 2011

1) Call to Order/Roll Call: Chairperson Scott Haggerty called the meeting to order at 9:30 a.m.

Present: Chairperson Scott Haggerty, Directors David Hudson, Nate Miley, Mark Ross and Brad Wagenknecht. Directors Johanna Partin and Jennifer Hosterman and Board Chairman Tom Bates arrived after the roll had been called.

Absent: Vice Chairperson Carole Groom and Director Carol Klatt.

2) Public Comment Period: Chair Haggerty opened the public comment period. There were no comments made.

3) Approval of Minutes of June 2, 2011

Director Ross made a motion to approve the minutes of the June 2, 2011 meeting of the Mobile Source Committee. Director Wagenknecht seconded the motion and it was carried unanimously without objection.

4) Acceptance of \$2,060,000 in Funding from United States Environmental Protection Agency (US EPA) and California Air Resources Board (ARB) for Mobile Source Grants

Director of Strategic Incentives, Damian Breen, introduced Grants Manager, Anthony Fournier, who presented the staff report. Mr. Fournier gave an overview of the three grants from the California Air Resources Board (ARB) Assembly Bill 118 (AB118) for the demonstration of marine and locomotive technologies that reduce emissions; and one US EPA grant from the Diesel Emission Reduction Act (DERA) program. The funded projects and amounts are as follows:

- 1) A Caterpillar diesel particulate filter (DPF)/selective catalytic reduction (SCR) emission control device on a marine vessel - \$261,000,
- 2) The construction of a Tier-4 Genset locomotive with the Richmond Pacific Railroad - \$529,810,
- 3) A GTE DPF on a locomotive with the BNSF Railroad - \$270,190, and
- 4) Heavy-Duty Drayage Truck Replacement Program -\$1,000,000.

Mr. Fournier explained the technologies being funded by AB 118 have not previously been verified by ARB to reduce emissions, and the emission control technologies being installed will be monitored

to determine their effectiveness. He stated that all three ARB projects will occur in highly impacted communities in the Richmond/Oakland areas.

Mr. Fournier expected these three projects will reduce a combined total of 1.2 tons of particulate matter (PM), 25.4 tons of reactive organic gases (ROG) and 6.3 tons of nitrogen oxides (NOx) annually. He explained that a resolution of local support was needed to obtain the grant awards.

Mr. Fournier stated the US EPA grant and matching funds will replace 54 Model Year (MY) 2003 or older, heavy-duty drayage trucks from the Port of Oakland (Port) or along the major transportation corridors in the Bay Area. He explained the program will give first preference to drayage trucks at the Port, providing \$50,000 per vehicle to replace older trucks with trucks that have EPA/ARB certified engines of MY 2007 or newer, and the project is expected to reduce 0.11 tons of PM, 0.96 tons of ROG and 41.2 tons of NOx annually.

Public Comments: None

Committee Member Comments:

There was discussion regarding retrofitting and replacement, and the benefit of replacing older trucks. Committee members discussed the 2014 compliance deadline, and the expectation of compliance for PM and NOx.

Committee Action:

Director Hudson moved to adopt a resolution to authorize the Executive Officer/APCO to accept grant funding and enter into three contracts with the California Air Resources Board (ARB) and one contract with the United States Environmental Protection Agency (USEPA) on behalf of the Air District, to authorize the Executive Officer/APCO to match DERA funding with \$1,000,000 in Goods Movement Bond (I-Bond) On-road truck Funding, and to authorize the Executive Officer/APCO to execute all necessary contracts to expend this funding. The motion was seconded by Director Ross and carried unanimously without objection.

5) Update on Bay Area Electric Vehicle (EV) Planning and Funding for Clean Cities Coalitions for EV Planning Project

Director of Strategic Incentives, Damian Breen, presented the staff report. Committee members received a review of the Air District's efforts related to EV planning from 1994 to the present. Mr. Breen explained the role of the Air District in the State-wide Plug-In Electric Vehicle Collaborative (PEVC) Government Co-ordination and Grants Committee, a State-wide organization which supports the adoption of EV.

Mr. Breen stated the Air District, together with the Collaborative has applied to the United States Department of Energy (USDOE) for \$300,000 to produce a comprehensive EV deployment plan to be adopted by regional agencies and local governments. Mr. Breen detailed the distribution of USDOE funding to provide \$75,000 to the Clean Cities Coalitions for plan outreach; \$75,000 to the Air District to hire a consultant to write a Bay Area plan; and \$150,000 to issue a request for proposals for requirements by USDOE. Mr. Breen discussed the composition and goals of the EV

Strategic Council, indicating funding would be dispersed by the Air District in consultation with this Council; and he affirmed no USDOE funding will go directly to the Air District, as staff costs would be covered by \$75,000 in budgeted TFCA Regional Fund monies.

Mr. Breen requested that the Committee recommend Board of Directors' authorization for the Executive Officer/APCO to allocate \$75,000 in Transportation Fund for Clean Air (TFCA) Regional Fund monies to support Clean Cities Coalitions outreach activities as part of the USDOE grant for regional EV infrastructure planning.

Public Comments:

Ms. Diane Wittenberg, Executive Director of California Plug-in Electric Vehicle Collaborative (PEV Collaborative), addressed the Committee and discussed coordinated application efforts being made to obtain grant funding and increasing the success of getting EV money for California. She discussed the demand and shortage of electric vehicles and the need for aggregation purchases to make EV more affordable. Ms. Wittenburg thanked the Air District for their support of the PEV Collaborative.

Mr. Rafael Reyes, Executive Director of the Bay Area Climate Collaborative, also addressed the Committee and stated his desire to see the Bay Area become the EV capital with 10% of all vehicles being plug-ins. He discussed the regional need to plan for infrastructure and to collaborate with utilities, car manufacturers and other stakeholders. Mr. Reyes discussed the upfront cost barriers for consumers, and explained the Bay Area Climate Collaborative's goals to attract funding, increase incentives and create community readiness.

Committee Member Comments:

Committee members discussed improved regional EV coordination, public outreach efforts directed at individuals and municipalities, and participation in the Planners Institute was suggested. Aggregated purchasing, government agency EV fleets, decreasing prices and increasing vehicle availability were topics that committee members reviewed and discussed with staff.

Committee members were concerned about consumer utility costs for home vehicle chargers and the fair distribution of chargers throughout the Bay Area. Incentives and tax refunds were also discussed.

Committee Action:

Director Ross moved to authorize the Executive Officer/APCO to allocate \$75,000 in Transportation Fund for Clean Air (TFCA) Regional Fund monies to support Clean Cities Coalitions outreach activities as part of a United States Department of Energy grant for regional electric vehicle infrastructure planning. The motion was seconded by Director Hudson and carried unanimously without objection.

6) Transportation Fund for Clean Air (TFCA) Regional Fund Policies and Evaluation Criteria for Fiscal Year Ending (FYE) 2012 and Proposed Allocations for Shuttle and Ridesharing Projects

Ms. Deepti Jain, Environmental Planner, presented the staff report on Transportation Fund for Clean Air Regional Fund Policies and Evaluation Criteria. She stated that the Air District updates regional fund policies and evaluation criteria, each year, and noted that the proposed policies and strikeout versions are included for the Committee's review in the agenda packet. She indicated that staff opened the public comment period from April 4 to April 25 and the Air District received two sets of comments (also included in the staff report) and based on the public input, additional clarification from staff, the public comment period was re-opened from May 16 to May 31, 2011. Ms. Jain said the proposed allocation of \$4 million remains the same as the past two fiscal years, and there were four changes to the evaluation criteria which will now allow:

- Applicants that did not return agreements from a previous funding cycle to be eligible.
- District to accept signed contracts that are received beyond 60 days from the date of transmittal.
- Projects that are awarded more than \$100,000 in a fiscal year must reapply for funding annually.
- Rideshare projects to provide benefit to 5+ counties, with no one county accounting for more than 80% of participants.

The Committee also reviewed the staff recommendation to grant an extension and award of \$82,000 to the Oakland Waterfront shuttle. Ms. Jain stated that this is a pilot shuttle project along Broadway in Oakland connecting BART to Jack London Square and is cost effective. The extension will align this project with the usual cycle of funding for the next round.

Public Comments: None

Committee Member Comments:

Committee members discussed the ridership and success of the Waterfront shuttle. Staff confirmed that AC Transit provides the outreach and information for the shuttle, which travels from Jack London Square to the 12th Street BART Station, and has a ridership of approximately 2000 riders per day.

Committee Action:

Director Hudson moved to request Board of Directors' approval of the proposed fiscal year ending (FYE) 2012 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment A; approval of an allocation of up to \$4 million in TFCA Regional Funds for shuttle/feeder bus and regional ridesharing projects, and approval of an extension request and award of \$82,000 to Project #09R14 - Oakland Waterfront – Uptown Pilot Shuttle project. Director Wagenknecht seconded the motion and it passed unanimously without objection.

7) California Goods Movement Bond (I-Bond) Program Funding for On-Road Trucks

Ms. Tina McRee, Environmental Planner, presented the staff report for Year 2 California Goods Movement Bond Program funding for on-road trucks. She outlined the program, noting outreach

efforts had resulted in over 350 applications, totaling over \$60 million in funding requests. Ms. McRee explained that many port trucks were ineligible due to grant requirements, and explained the selection process including review and cost effectiveness ranking by the Air Resources Board. She stated that staff expects to conduct project inspections during summer of 2011 and enter into agreements with truck owners in the fall.

Public Comments: None

Committee Member Comments:

Committee members discussed the ranking criteria and whether there were funds set aside for retrofitting alone. Staff replied that all projects rank against each other and mileage reduction, emissions and other criteria are taken into consideration.

Committee Action:

Director Haggerty moved to recommend that the Board of Directors authorize the Executive Officer/ APCO to enter into agreements for on-road truck replacement projects, based on the Air Resources Board rankings and not to exceed the funding available of \$7,232,574. The motion was seconded by Director Ross and carried unanimously without objection.

8) Participation in a Metropolitan Transportation Commission (MTC) Block Grant Pilot Program

Director of Strategic Incentives, Damian Breen presented the report on the OneBayArea Grant, a pilot regional grant program from the Metropolitan Transportation Commission (MTC), which manages federal transportation funding. He explained that the Air District is being requested to consider an initial contribution of \$2 million in Transportation Fund for Clean Air Regional Fund monies toward this pilot program. Mr. Breen described the proposal, which represents a 70% increase in the funding distributed to Bay Area counties as compared to the original framework, and does away with current silos, allowing more flexibility in use of funding. He stated that there are several issues to be resolved and the request is for exploration only, not a commitment and he recommended that Committee members recommended Board of Directors' authorization for the Executive Officer / APCO to explore this allocation.

Public Comments:

Craig Goldblatt of MTC was available to answer questions from the Committee. He explained the OneBayArea Grant program would be unveiled by the MTC Planning Committee next week and then feedback from stakeholders and technical working groups is being sought over the next several months. He hoped the OneBayArea Grant program would better integrate the region's federal transportation program with land-use and housing policies using methodology similar to the Regional Housing Needs Assessment (RHNA).

Committee Member Comments:

In answer to Committee Member questions, Mr. Breen explained that the County Program Managers are generally supportive but have questions. There was discussion about silos and the effective

distribution of funds, and finalizing the formulas for distribution was likely to occur in December. Staff stated that when the funds were allocated, the matter would come to the Committee again for approval.

Committee Action:

Director Hudson moved to recommend Board of Director's authorization of the Executive Officer/APCO to explore allocation of \$2 million in Transportation Fund for Clean Air (TFCA) Regional Fund for a proposed Metropolitan Transportation Commission (MTC) Block Grant pilot program. The motion was seconded by Director Hosterman and passed unanimously with objection.

9) Committee Member Comments / Other Business

There were no additional comments.

10) Time and Place of Next Meeting

9:30 a.m., Thursday, July 28, 2011 at 939 Ellis Street, San Francisco, 94109
(This meeting was later cancelled and rescheduled for Thursday, September 22, 2011)

11) Adjournment

Chair Haggerty adjourned the meeting at 11:08 a.m.

151 Kris Perez Krow

Kris Perez Krow
Clerk of the Boards