

MINUTES

May 06, 2009

H-GAC, Conference Room C
3555 Timmons Lane, 2nd Floor
Houston, TX 77027

BOARD MEMBERS PRESENT

Catarina Cron (Harris County), Ed Fiesinger (Brazoria County), John Kush (Harris County), Mary Jane Naquin (Harris County), Julie Woodard (Brazoria County), Mark Bosma (Montgomery County)
Present by Phone: Adrian Araiza (Galveston County), John J. Hebert (Liberty), and Edward Lewis (Harris)

PROXY VOTES

Proxies given to the Chair (Ed Fiesinger) prior to the meeting were Patrick Bartosh (Harris County), Mark Bosma (Montgomery County), Steve Cernak (Galveston County), and Jeanette Rash (Harris County)

NON-BOARD MEMBERS AND H-GAC STAFF PRESENT

Graciela Lubertino (H-GAC), Christine Smith (H-GAC), Crystal Spencer (H-GAC), and Shelley Whitworth (H-GAC)

CALL TO ORDER AND INTRODUCTIONS

Mr. Ed Fiesinger officially began the AERCO board meeting by identifying meeting attendees and proxy votes. Mr. Fiesinger welcomed all people in attendance and then followed with the introduction of AERCO Board Members in attendance. Guests and staff present introduced themselves.

PRESENTATION

“CLEAN AIR TECHNOLOGIES INTERNATIONAL” – Mr. Dave Miller

(Please refer to handout.) Mr. Miller delivered a presentation entitled “Clean Air Technologies International.” Included in his presentation was information on:

- 1.) Credits: Stationary to Mobile
- 2.) Trading MERCs
- 3.) Mobile Credits: US States with Trading Rules
- 4.) Mobile Credit Trading: Sacramento Air Quality management District
- 5.) Problem: Technology to Detect, Monitor and Report in “Real Time”
- 6.) National and Global Convergence
- 7.) Market Drivers – “what’s next?”
- 8.) Diesel Contributions to Mobile Source Emissions:
- 9.) Ready to Go Now!
- 10.) Real – Time Solution: Mobile GSE
- 11.) Steps to Global Potential
- 12.) Voluntary Mobile Emission Reduction Programs (VMEPs)
- 13.) Mobile Credits – Sacramento Air Quality Management District

ADMINISTRATIVE BUSINESS

APPROVAL OF FEBRUARY 04, 2009 MINUTES

Mr. Fiesinger motioned for approval of minutes for February 04, 2009 and the AERCO Board members approved them.

DISCUSSION ITEMS

CLEAN FLEET UPDATE – Christine Smith, H-GAC

No update available.

TCEQ REPORT – Jay Tonne, TCEQ

No report available.

STATUS ON THE NEW 3RD PARTY SEP AGREEMENT FOR LOCAL GOVERNMENT FLEETS – Christine Smith, H-HAC

The 3rd Party SEP Agreement for Local Government Fleets are currently under review by the Houston-Galveston Area Council.

BOARD MEMBER APPOINTMENT UPDATE – Christine Smith, H-GAC

All renewing AERCO Board member appointments are scheduled to go to the H-GAC board in June 2009. At present, the AERCO Board has three vacancies needing to be filled.

REVOLVING LOAN FUND – Shelley Whitworth

H-GAC did a joint partnership with the Port of Houston and Environmental Defense for creating a Revolving Loan Fund for drayage trucks associated with different ports in the HGB region. Should AERCO apply for the funding through H-GAC, it would be able to hold the Revolving Loan Fund at H-GAC as well as accept responsibility of the Fund.

ACTION ITEM

ACCEPTANCE OF 1ST QUARTER 2009 FINANCIAL REPORT

(Please refer to handout.) Mrs. Christine Smith opened with a brief update of the organization's financials spreadsheet that the AERCO maintains. Bank transactions indicate that the Galveston ISD invoice is clear. According to Mrs. Smith there are also several more submittals that should clear during the upcoming quarter. Additionally, the AERCO Program Account Funding Summary suggests that the status of AERCO funding, as of May 05, 2009, shows Brazoria County with a substantial amount of funding available and Liberty County soon to have funding available. The financial report includes a status of all projects currently receiving funding through AERCO.

The Humble ISD project will be closing soon because it invoiced last year. Moreover, Galveston ISD will be closing soon since its invoice has been completed. The corrected board date for Our Lady Queen of Peace is March 17, 2009. There are five school districts that are in the application phase. Brief questions and comments followed this action item.

The action item was motioned, seconded, and all present were in favor of approval of the First Quarter 2009 Financial Report.

ACCEPTANCE OF 2008 AERCO ANNUAL REPORT – Ed Fiesinger

(Please refer to handout.) The 2008 AERCO Annual Report is a summary of the AERCO activities for calendar year 2008. The action item was motioned, seconded, and all were in favor to approve the acceptance of the 2008 AERCO Annual Report.

ACCEPTANCE OF SUPPLEMENTAL ENVIRONMENTAL PROJECT FUNDS FOR CY-FAIR ISD AND OUR LADY QUEEN OF PEACE CATHOLIC SCHOOL

The action item was motioned, seconded, and all were in favor to approve the expenditures for Cy-Fair ISD and Our Lady Queen of Peace Catholic School.

CY-FAIR ISD

3 Buses Replacement at \$254,913.00

OUR LADY QUEEN OF PEACE CATHOLIC SCHOOL

1 Bus Replacement at \$92,495.00

OTHER BUSINESS
ANNOUNCEMENTS

- Annual Advancing the Choice Conference in Humble, Texas – June 24, 2009
- Environmental Trade Fair in Austin, Texas – May 12, 13, & 14, 2009

ITEM FOR DISCUSSION AT NEXT MEETING

- 3rd Party SEP Status Update
- AERCO Board Member Appointments Update
- Clean Fleets Update
- Legislative Update

PUBLIC COMMENT

- No comments were presented

NEXT MEETING DATE

The next meeting is scheduled for Wednesday, August 05, 2009 at 2:00 P.M.

ADJOURN

If you have an item you wish to be added to the agenda for a future meeting, please e-mail Patricia Franco at patricia.franco@h-gac.com.