

# HOUSTON-GALVESTON AREA EMISSION REDUCTION CREDIY ORGANIZATION

## MEETING SUMMARY

February 03, 2010  
H-GAC Conference Room C  
3555 Timmons Lane, 2nd Floor  
Houston, Texas 77027

### **MEMBERS PRESENT:**

Adrian Araiza (Via Phone)	Edward Lewis (Via Phone)
Catarina Cron	Jeanette Rash
Ed Fiesinger	Malcolm Richards (Via Phone)
John J. Hebert (Via Phone)	Orval Rhoads
John Kush	Julie Woodard (Via Phone)

**PROXY VOTES:** given to the Chair (Ed Fiesinger) prior to the meeting

Mary Jane Naquin

### **STAFF PRESENT:**

Ben Finley (H-GAC)  
Patricia Franco (H-GAC)  
Christine Smith (H-GAC)  
Crystal Spencer (H-GAC)

**MEMBERS NOT PRESENT:** not represented by proxy

Patrick Bartosh  
Mark Bosma  
Steve Cernak  
Ke Chen  
Brandon Buell

### **CALL TO ORDER**

1. Mr. Ed Fiesinger officially began the AERCO board meeting at 2:04pm, with identification of meeting attendees present and proxy votes. Mr. Fiesinger welcomed all people in attendance and then followed with the introduction of AERCO Board Members in attendance.
2. Guests and staff present introduced themselves.
3. Mr. Fiesinger motioned for approval of meeting summary for November 04, 2009. The AERCO Board members motioned for approved with revisions.

### **DISCUSSION ITEMS**

1. **Clean Fleet Update – Christine Smith, H-GAC**  
(Please refer to handout.)
  - a. A number of projects were invoiced this past quarter. A number of applications were received and are currently under evaluation for submittal to the H-GAC Board in February or March.
  - b. The Waller ISD Project for 35 Retrofits and 3 Replacements (which goes back to 2007) is going forward.
2. **Clean School Bus Guidelines – Christine Smith, H-GAC**
  - a. For the past couple of years, staff has been preparing some updates to the Clean Vehicle Program which is similar to the Clean School Bus Program in its objectives and processes. Ms. Christine Smith suggested a few changes to the SEP criteria as well as to

establish some new criteria for general donations for fund administration. Suggestions are:

- Start requiring a very small match (10%) from the school districts.
- 2010 Heavy Duty Standards are now fully in place with EPA Standards so the NOx rating for engines dropped from 1.2 to 0.2; requesting 0.2
- Set Light Duty Standards of tier 2, Bin 3.
- Look at odometer readings as part of the application process
- Make destruction requirements correspond with funded equipment (fund engine-only, destroy engine-only)
- Use TERP's cost-effectiveness calculation methodology.
- SEP funds are available for vehicles only; should SEP funding for infrastructure can be open for discussion?
- Open eligibility for funding:
  - a. The allowance of funding for filter cleaner equipment, etc.
  - b. Fund up to a limit of \$500 in an alternative fuel training course for one person.

- b. Publicly, the Clean Vehicle Program and Clean School Bus Program are presented as two separate programs both in terms of structure and marketing. The source of the funding affects the funding eligibility and so selection criteria are different; however, a lot of the functionality of the programs and administration processes overlap. Thus the idea of consolidating the guidelines, procedures, administrative practices and compliance policies all into one – this would make it easier for people to understand; the program would be called the Clean Fleets Initiative. The Initiative will allow streamlining for a lot of the process and optimize the efficiency in term of marketing and outreach. AERCO will continue approving criteria for SEP and donations, receive regular reports, and confirm quarterly projects eligible for grants. AERCO's autonomy over the SEP administration oversight would remain the same.

3. **TCEQ Report – Jay Tonne, TCEQ**

- a. A TCEQ Report was not given.

4. **Status of Supplemental Environmental Project Agreements Revision – Patricia Franco, H-HAC**

(Please refer to handout.)

- a. The Supplemental Environmental Project Agreement has been approved by all parties and is fully in place.

5. **Fund Reserved for Direct TxDOT Costs - \$20,053.08 – Christine Smith, H-GAC**

(Please refer to handout.)

- a. AERCO previously allocated a little over \$20,000 in covering direct cost for TxDOT which was originally designed to cover some fees TxDOT put in place on Clean Vehicles and Clean School Bus Projects. TxDOT fees were impacting people retroactively and the allocated funds were supposed to cover the fees on their behalf. However, these funds are no longer needed for this purpose, and could be reallocated for a different use. Suggestions are:

- Recommendation to allocate funds only to the school districts
- Recommendation to utilize funding for the payment of a third party consultant to go out and get more grant funding

- Recommendation to redesignate them as general purpose funds for AERCO
6. **Schedule of AERCO Meetings for 2010 – Ed Fiesinger**  
(Please refer to handout.)
- a. The 2010 AERCO Board Meetings are as follows:
    - February 03, 2010
    - May 12, 2010
    - August 04, 2010
    - November 10, 2010
7. **Draft Annual Report – Ed Fiesinger**  
(Please refer to handout.)
- a. AERCO Board Members were asked to review the Draft Annual Report and forward comments to H-GAC staff. The Draft Annual Report will be listed as an Action Item for the May 12, 2010 AERCO meeting for approval.

### **ACTION ITEM**

1. **Acceptance of Financial Report**  
(Please refer to handout.)
- a. The action item was motioned, seconded, and all present were in favor of approval of the AERCO Quarterly Financial Report for the Fourth Quarter 2009.
2. **Acceptance of Supplemental Environmental Project Funds**
- a. High Island ISD - \$76,993
  - b. The action item was motioned, seconded, and all present were in favor to approve the expenditures for High Island ISD.
3. **Proposed Language for Future Funds Received that are Earmarked for a Certain County, District or Area (Prepared per last AERCO Meeting)**
- a. Proposed Language are as follows:
    - “Where approved SEP funds are identified to be spent for specific county, district or area, the Houston-Galveston Area Council staff will make a diligent effort to honor and uphold the request of the entity to direct funds as specified.”
  - b. The action item was motioned, seconded, and all present were in favor to approve the Proposed Language for Future Funds Received that are Earmarked for a Certain County District or Area.

### **OTHER BUSINESS**

1. **Announcements**
- a. Annual Fresh Air Friday – April 16, 2010 at the Downtown Jones Plaza
  - b. Annual TCEQ Trade Fair – May 04 & 05, 2010 at the Austin Convention Center
  - c. ITS America Meeting – May 03, 04 & 05, 2010 at the George R. Brown Convention Center
2. **Items for Discussion at Next Meeting**
- a. Action Item – Guideline for the Clean School Bus Project

- b. Action Item – Draft Annual Report
  - c. Renaming the \$20,000
3. **Public Comments**
- a. No Public Comments were received
4. **Next Meeting Date**
- a. The next meeting is scheduled for Wednesday, May 12, 2010 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 Mr. Robert Veazie at [Robert.Veazie@h-gac.com](mailto:Robert.Veazie@h-gac.com).