

**MINUTES**

May 08, 2007

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

**BOARD MEMBERS PRESENT**

Bartosh, C. Patrick (Harris County); Fiesinger, Ed (Brazoria County); Hutchison, Aaron (TCEQ by Phone); Kilpatrick, Steve (Brazoria County); Kuryla, Matt (Harris County by Phone); Kush, John (Harris County); Peak, Mark (Harris County – Phone); and Porter, Alton (Harris County)

**PROXY VOTES**

Proxies given to the Chair (Ed Fiesinger) prior to the meeting were Hebert, John J. (Liberty County); Lewis, Edward (Harris County); Naquin, Mary Jane (Harris County); and Rash, Jeanette (Harris County)

**NON-BOARD MEMBERS AND H-GAC STAFF PRESENT**

DeCandis, Andrew (H-GAC); Lee, Stephanie (H-GAC); Lubertino, Graciela (H-GAC); Smith, Christina (H-GAC); Spencer, Crystal (H-GAC); and Whitworth, Shelley (H-GAC)

**CALL TO ORDER AND INTRODUCTIONS**

Mr. Ed Fiesinger officially began the AERCO board meeting with naming attendees and proxy votes. Mr. Fiesinger welcomed all attendees. Each attendee introduced themselves.

**ADMINISTRATIVE BUSINESS**

**APPROVAL OF FEBRUARY 07, 2007 MINUTES**

AERCO board meeting minutes for February 07, 2007 were motioned, seconded, and approved.

**DISCUSSION ITEM**

**CLEAN SCHOOL BUS UPDATE – Stephanie Lee, H-GAC**

Ms. Stephanie Lee began her discussion by informing the committee that H-GAC submitted an application to TCEQ for the administration of the state wide Clean School Bus program. The application was not approved by TCEQ. H-GAC staff expressed their preference to TCEQ that the state wide program that will be administered by another agency exclude the eight county H-GAC region covered by AERCO and the five remaining counties in the H-GAC region. H-GAC advised TCEQ that concern, conflict, and confusion may arise from school districts if there are two agencies trying to administer the same program within the same counties. TCEQ requested that H-GAC staff in the near future attend a coordination meeting with TCEQ and the agency that will be handling the statewide Clean School Bus Program in order to deal with some of these concerns. AERCO will continue the administration of the Clean School Bus program within the 8-county non-attainment area. H-GAC will manage the remaining five counties if approved by TCEQ.

In addition, H-GAC has moved forward with processing the applications from Sheldon ISD and Humble ISD. Additional school districts are preparing applications to the Clean School Bus Program and inquires from several other school districts have been received by H-GAC staff.

The Advancing the Choice events are scheduled for June 27, 2007 at Stafford Convention Centre on Cash Road.

The Clean School Bus workshop on February 22, 2007 was very successful. No questions and comments followed the discussion.

**TCEQ QUARTERLY REPORT (CLEAN SCHOOL BUS) – Stephanie Lee, H-GAC**

(Please refer to handout.) Ms. Stephanie Lee began her discussion by explaining the SEP Quarterly Report Form with the Texas Commission on Environmental Quality figures. TCEQ is currently monitoring the ending balance YTD quarterly total in the amount of \$190,260.83. The ending balance YTD quarterly total includes upcoming projects, of which \$35,569.00 will go to Sheldon ISD. The current total of AERCO Texas State SEP contributions is \$323,886.00. The AERCO school bus fund current total is \$25,000. Brief questions and comments followed the discussion.

**TCEQ REPORT – Steve Sun, TCEQ**

Mr. Steve Sun began his discussion by addressing questions regarding carbon emissions. Several bills were introduced in the Texas Legislative session regarding Vehicles, CAP and Trade Programs related to CO<sub>2</sub>, Electric Facilities, mobile and point sources. The Supreme Court decided that the EPA could regulate green house gas emissions. TCEQ will not actually have involvement with the potential programs until they are directed by EPA or the Texas Legislature. TCEQ would have to construct current rules and emission inventories related to green house gases, as there are currently none in existence. The earliest expected time for any program related to green house gases would be 2012. Brief questions and comments followed the discussion.

**CLEAN VEHICLES UPDATE – Stephanie Lee, H-GAC**

Ms. Stephanie Lee began her discussion with the current call for projects. An estimated \$11,000,000.00 in funds is available for the Clean Vehicle Program. Applications are currently being received and considered. Ms. Lee encouraged the committee to inform others about the program and to help recruitment efforts of new and existing fleets. In addition, the Clean Vehicles program would like to see increased local government participation. Ms. Lee assured the committee that the Clean Vehicles Program is moving forward. Brief questions and comments followed the discussion.

**ANNUAL REPORT – Stephanie Lee, H-GAC**

(Please refer to handout.) Ms. Stephanie Lee began her overview by informing the committee that the handout is the final version of the AERCO Annual Report for January 01, 2006 – December 31, 2006. The report was updated and clarified for review of expenditures. Brief questions and comments followed the overview.

**ACTION ITEMS**

**APPROVAL OF AERCO FUNDS FOR SHELDON ISD, \$25,000 – Ed Fiesinger, Chair**

(Please refer to handout.) The full board committee motioned, seconded, and unanimously approved transferring the remaining AERCO funds (\$25,000.00) to Sheldon ISD to assist with the replacement of a school bus.

Mr. Ed Fiesinger and Mr. Steve Kilpatrick approved transferring \$35,569.00 in SEP funds from the Clean School Bus account to Sheldon ISD to assist with the replacement of a school bus.

**APPROVAL OF SUPPLEMENTAL ENVIRONMENTAL PROJECT FUNDS – Ed Fiesinger, Chair**

- i. Humble ISD –  
Humble ISD is inquiring into four school buses with the Proposed Total Project Cost of \$340,000.00. Base on NO<sub>x</sub> reductions Humble ISD is awarded \$105,892.00 of CMAQ funding. Humble ISD is contributing \$180,000.00 towards the purchase of the new school buses, and the remaining \$54,000.00 will be provided with AERCO Clean School Bus SEP funds. Mr. Ed Fiesinger and Mr. Steve Kilpatrick approved moving \$54,000.00 from the SEP funds to Humble ISD.
- ii. Sheldon ISD –

Sheldon ISD bus inventory submission qualified for funding based on mileage. Sheldon ISD's proposed total project cost for a new bus is \$85,000.00. Sheldon ISD qualified for \$14,431.00 in CMAQ funds. The \$14,431.00 is paired with the \$25,000.00 remaining from the AERCO account. In addition, AERCO offered SEP funds totaling \$35,569.00. Mr. Ed Fiesinger and Mr. Steve Kilpatrick approved moving \$35,569.00 from the AERCO Clean School Bus SEP funds to Sheldon ISD.

- iii. Klein ISD – Currently being evaluated.
- iv. Tomball ISD – Currently being evaluated.
- v. Texas City ISD – Currently being evaluated.

**OTHER BUSINESS**

**ITEM FOR DISCUSSION AT NEXT MEETING**

- Recap of financial actions.
- Status of Klein ISD, Tomball ISD, and Texas City ISD regarding SEP Funds.
- Recap of Texas Legislature Project Status from TCEQ.
- AERCO Advertisement Brochure Draft Approval.
- Current AERCO Finance Account Balance with Deductions.

**PUBLIC COMMENT**

No public comments available.

**NEXT MEETING DATE**

The next meeting is scheduled for Wednesday, August 01, 2007 at 2:00 P.M.

**ADJOURN**