

MINUTES

February 04, 2009

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

BOARD MEMBERS PRESENT

Patrick Bartosh (Harris County), Catarina Cron – Phone (Harris County), Ed Fiesinger (Brazoria County), John Kush (Harris County), Edward Lewis (Harris County), Mary Jane Naquin (Harris County), Orval Rhoads (Waller County), and Julie Woodard (Brazoria County)

PROXY VOTES

Proxies given to the Chair (Ed Fiesinger) prior to the meeting were Mark Bosma (Montgomery County), Steve Cernak (Galveston County), John Hebert – Phone (Liberty County), Alton Porter (Harris County), Jeanette Rash (Harris County), and Betin Santos (Harris County),

NON-BOARD MEMBERS AND H-GAC STAFF PRESENT

Connie Chao (H-GAC), Ben Finley (H-GAC), 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 naming attendees and proxy votes. Mr. Fiesinger welcomed everyone and introduced the AERCO Board Member attendees. All guest and staff introduced themselves.

ADMINISTRATIVE BUSINESS

APPROVAL OF NOVEMBER 12, 2008 MINUTES

AERCO board meeting minutes for November 12, 2008 was approved with revisions.

DISCUSSION ITEMS

CLEAN FLEET UPDATE – Christine Smith, H-GAC

(Please refer to handout.) Ms. Christine Smith began her discussion by giving a brief school bus update. The Active Project Report as of January 31, 2009 reflects 12 projects currently in the implementation phase. The school districts are purchasing buses, destroying the old engines, and invoicing AERCO. Humble ISD and Tomball ISD have both invoiced AERCO and have shifted over into compliance. Six school districts have pending applications and evaluations; most of the school districts are expected to receive the funds they are applying for. Two Schools districts within the 4th quarter of 2008 went to the Board for funds. Waller ISD is listed under the implementation phase but due to EPA changes in the retrofits verification process, their work scope will need to be amended. Ms. Christine Smith explained the administrative process changes regarding the Bank Transactions. The term “Obligated” means the funds are marked and are going to a specific area; does not necessarily mean the funds are committed to a specific school district; rather the funds are not available for general use by AERCO. Brief comments and revisions followed this discussion item.

TCEQ REPORT – Jay Tonne, TCEQ

No report available.

ACTION ITEM

ACCEPTANCE OF 4th QUARTER FINANCIAL REPORT

(Please refer to handout.) Ms. Christine Smith began the action by discussing the format of the 4th Quarter Financial Report consisting of the Bank Transactions, Funding Summary, and Funding Detail. The meeting noted the confidentiality of exposing the contributing companies name on the Bank Transactions spreadsheet. It was suggested and agreed to have the Bank Transactions Final Version for

the official public records not list the contributing companies' name. Brief comments and questions followed this action item.

The action item was motioned, seconded, and all were in favor of approving the 4th Quarter Financial Report.

AFFIRMATION OF SUPPLEMENTAL ENVIRONMENTAL PROJECT FUNDS FOR DANBURY ISD

Mr. Ed Fiesinger began the action by discussing the AERCO Account Information. The action item was motioned, seconded, and all were in favor of approving the expenditures for Danbury ISD.

DANBURY ISD

1 Bus Replacement at \$61,714.00

STATUS ON THE NEW 3RD PARTY SEP AGREEMENT FOR LOCAL GOVERNMENT FLEETS

Ms. Connie Chao began the action by discussing a brief status of the new 3rd party SEP agreement for the local government fleets application; the application was submitted to TCEQ and it is in the process of being reviewed.

BOARD MEMBERS TERMS EXPIRING – REQUEST TO SOLICIT BOARD MEMBERS NOMINATIONS FROM RESPECTIVE COUNTIES

Mr. Fiesinger announced several of the AERCO member terms expiring status:

Patrick Bartosh agreed to stay on the Board.

Ke Chen has not responded.

John Hebert has not responded.

Matt Kuryla preferred not to stay on the Board.

Eddie Lewis agreed to stay on the Board.

Alton Porter preferred not to stay on Board.

Betin Santos preferred not to stay on Board.

The action item was motioned, seconded, and all were in favor to approve issuing a certificate of appreciation and participation to Alton Porter.

OTHER BUSINESS
ANNOUNCEMENTS

- Carbon Counting Conference – May 13-14, 2009
- Clean City Stakeholder Meeting – March 18, 2009
- Compelling Case for Natural Gas Workshop – April 09, 2009
- Annual Advancing the Choice Conference – June 24, 2009

ITEM FOR DISCUSSION AT NEXT MEETING

- Draft Report
- Annual Report
- Certificate of Appreciation and Photograph
- Vehicle Items
- Status of New Members Recruiting
- New 3rd Party SEP Agreement for Local Government Fleets

PUBLIC COMMENT

- Question: How many people are on the AERCO Board?
Answer: There are 18 members on the AERCO Board with 1 vacancy for Chamber County.

NEXT MEETING DATE

The next meeting is scheduled for Wednesday, May 06, 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 Christine Smith at christine.smith@h-gac.com.