

COUNTY OF SONOMA AGENDA ITEM SUMMARY REPORT		Clerk of the Board Use Only Meeting Date Held Until ____/____/____ ____/____/____ Agenda Item No: Agenda Item No: _____ _____	
Department: Transportation and Public Works- NSCAPCD		<input type="checkbox"/> 4/5 Vote Required	
Contact: Barbara Lee	Phone: (707) 433-5911	Board Date: 04/14/09	Deadline for Board Action:
Agenda Short Title: Carl Moyer Grant Approval Process			
Requested Board Action: Authorize the Air Pollution Control Officer to approve Carl Moyer Grant awards to eligible projects with concurrence from the Chairman of the Board of Directors, and to enter into contracts subject to the approval of County Counsel, and subject to the following conditions: <ol style="list-style-type: none"> 1. The Air Pollution Control Officer has determined the project is eligible for Carl Moyer Grant funding, consistent with the Guidelines established by the California Air Resources Board, the Policies and Procedures of the District, and prior actions by the Board of Directors; 2. The total funds awarded under this provision will not exceed \$195,000; 3. The Air Pollution Control Officer provides a report to the Board of Directors of any such approved projects within 45 days of approval; and 4. This authorization expires on June 30, 2009, unless it is continued by action of the Board. 			
CURRENT FISCAL YEAR FINANCIAL IMPACT			
<u>EXPENDITURES</u>		<u>ADD'L FUNDS REQUIRING BOARD APPROVAL</u>	
Estimated Cost	\$ -0-	Contingencies	\$
Amount Budgeted	\$	(Fund Name:)	
Other Avail. Approp (Explain below)	\$	Unanticipated Revenue	\$
		(Source:)	
Additional Requested	\$ -0-	Other Transfer(s)	\$ _____
			\$
		Add'l Funds Requested:	
Explanation (if required):			
Prior Board Action(s): 11/4/08, Resolution No. 08-0929: Board approved 3 Carl Moyer projects; 11/4/08, Resolution No. 08-0930: Board authorized application of Year 11 funds; 5/13/08, Resolution No. 08-0442: Board approved 5 Moyer projects; 12/11/07, Resolution No. 07-1030: Board authorized application of Year 10 funds; 12/11/07, Resolution No. 07-1011: Board approved 1 Moyer project.			
Alternatives - Results of Non-Approval: Eligible projects may not be approved and contracted in time for the project to be executed and funds expended; up to \$195,000 in grant funds could be returned.			

Background:

On November 14, 2006, the Board authorized the Air Pollution Control Officer (APCO) to apply to the California Air Resources Board (ARB) for up to \$300,000 in Year 9 Carl Moyer Grant Funds, to solicit projects for funding, and to administer the Carl Moyer Program consistent with the Guidelines established by the California Air Resources Board. The same authorization was provided on December 11, 2007, for \$200,000 in Year 10 Carl Moyer Grant Funds. The ARB awarded the Northern Sonoma County Air Pollution Control District (District) \$246,990 in Year 9 funds and \$200,000 in Year 10 funds.

The District has implemented the Carl Moyer Grant program since Year 1. In prior years, the APCO has solicited, evaluated, and recommended projects to the Board of Directors for funding awards. This same process has been followed for Year 9 and Year 10 funds. The Board has approved the award of Year 9 and Year 10 funds as follows (actual awards may differ depending funding available):

1. \$195,000 (Year 9 funds) for retrofit of truck engines with Kadon Trucking on May 13, 2008
2. \$20,000 (Year 9 funds) for an agricultural pump with Wasson Vineyards on May 13, 2008
3. \$40,000 (Year 9 funds) for repower of a truck engine with Gevas Heavy Transport, on May 13, 2008
4. \$10,000 (Year 9 funds) for repower of a marine engine with Keller Vessel, on May 13, 2008
5. \$3,000 (Year 9 funds) for retrofit of a municipal engine with City of Healdsburg, on May 13, 2008
6. \$50,000 (Year 10 funds) for repower of a marine engine with the Caledonian, on November 4, 2008.

Due to the economic downturn, several of the projects to which funds were awarded are proceeding more slowly than anticipated and may not be completed before the deadline to expend funds. This is a trend seen in Carl Moyer projects in air districts across the state. Year 9 funds must be expended by June 30, 2009, and Year 10 funds must be expended by June 30, 2010. Any funds that have not been expended by their deadline must be returned to the ARB. Under the current ARB Carl Moyer Guidelines, funds are not expended until the applicant performs the contract and is reimbursed; simply awarding the funds is not sufficient. In addition, no work can be done on a project prior to the execution of the contract and verification by the District that the original engine is intact and operating as stipulated by the applicant.

(continued on next page)

Attachments: Resolution

On File With Clerk:

CLERK OF THE BOARD USE ONLY

Board Action (If other than "Requested")

Vote:

In order to prevent the return of unexpended funds to the ARB, District staff has, consistent with ARB Guidelines, realigned the assignment of projects to funding years to ensure that the projects completed earliest are credited towards Year 9 expenditures. The staff continues to work with existing project proponents to expedite the completion of projects to the extent possible, and has also aggressively pursued new Carl Moyer projects that could be completed before the expenditure deadline.

Staff has developed a plan to promote the Carl Moyer Grant Program and to identify eligible projects, including workshops, mailings, advertising, coordination with trade associations, coordination with neighboring air districts, and contacting businesses identified through other means (such as the Yellow Pages). Based on the current response, staff anticipates the District will receive sufficient applications to expend all Year 9 funds; however, time is needed to help project proponents complete the application, for staff to conduct the evaluation and field verification, for contracts to be executed, and for the project proponents to implement the projects.

Because the deadline for Year 9 funds is less than 3 months away, and as much as \$195,000 in project funds have not yet been expended, District staff seeks to streamline the project approval process to provide the longest possible time for projects to be performed once they have been evaluated and contracted. To that end, the APCO is seeking authorization to approve funding for eligible projects with the concurrence of the Chairman of the Board, provided the projects are otherwise consistent with all applicable guidelines, not more than \$195,000 in project funding is awarded, and the APCO reports to the Board within 45 days of approving projects. This authorization is requested only for the remainder of the Year 9 funding cycle.

In order to minimize the possibility of a similar problem arising with Year 10 funding, staff will continue to vigorously promote the Carl Moyer Grant Program. Staff will attempt to commit all Year 11 funding (not yet awarded by the ARB) before December of 2009, in order to have projects in place that could be completed in lieu of Year 10 projects, in the event that some Year 10 projects are not completed in a timely manner.

Recommendation:

Authorize the Air Pollution Control Officer to approve Carl Moyer Grant awards to eligible projects with concurrence from the Chairman of the Board of Directors, and to enter into contracts subject to the approval of County Counsel, and subject to the following conditions:

1. The Air Pollution Control Officer has determined the project is eligible for Carl Moyer Grant funding, consistent with the Guidelines established by the California Air Resources Board, the Policies and Procedures of the District, and prior actions by the Board of Directors; and
2. The total funds awarded under this provision will not exceed \$195,000; and
3. The Air Pollution Control Officer provides a report to the Board of Directors of any such approved projects within 45 days of approval; and
4. This authorization expires on June 30, 2009, unless it is continued by action of the Board