



Our Vision  Clean Air

Agenda Date: January 15, 2008
Agenda Placement: Admin
Estimated Time: N/A
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

CONTACT: Ron Tan, Planning and Technology Supervisor (961-8812)

SUBJECT: Old Car Buy Back Program

RECOMMENDATION:

Authorize the Air Pollution Control Officer to increase the funding amount for the Old Car Buy Back Program by \$150,000 with the option of an additional \$100,000 increase if community interest justifies it.

SUMMARY:

The Santa Barbara Air Pollution Control District (APCD) has successfully implemented several Old Car Buy Back (OCBB) programs since the early 1990's with the most recent program approved by your Board on March 16, 2006. This latest program began retiring light-duty vehicles on May 1, 2006. There has been tremendous community interest in the program from the beginning and as of December 1, 2008 the APCD has retired 873 vehicles (averaging 28 cars/month), resulting in the reduction of almost 33 tons of ozone precursors (NO_x + ROG), at a cost-effectiveness of \$9,653 per ton. Staff recommends that your Board authorize the Air Pollution Control Officer (APCO) to approve an additional program funding of \$250,000 (\$150,000 to start with an option for an additional \$100,000 if program interest justifies the funding increase). The current program budget of \$1,000,000 would be raised to \$1,250,000. This proactive measure is structured similar to the March 16, 2006, March 15, 2007, and May 15, 2008 Board actions. By obtaining additional funding allocations, this will ensure that the program continues service without interruption.

DISCUSSION:

The goal of an Old Car Buy Back program, also known as a Voluntary Accelerated Vehicle Retirement program, is to retire older, higher polluting vehicles prior to the end of their expected lifetime, thereby eliminating air pollution emissions associated with their operation. Real emission reductions can be achieved from this strictly voluntary program as the target vehicles are still fully operational and therefore have some useful life remaining. Vehicles meeting the eligibility requirements of the program must be retired by dismantling the vehicle to such a degree that the vehicle is rendered unusable.

On March 16, 2006 your Board approved a Grant Agreement with Environmental Engineering Studies (EES) to implement the Old Car Buy Back Program. The grant initially allocated to the program \$150,000 and gave the APCO the authority to increase the funding amount to \$250,000 if justified by demand. Approximately 100 vehicles were accepted within the first two weeks of the start of the program, and the APCO authorized the \$100,000 increase in program funding on May 15, 2006. On June 15, 2006 your Board authorized the APCO to increase the funding amount for the Old Car Buy Back Program by \$150,000 with the option of an additional \$100,000 increase if community interest in the program justified it. By the end of 2006, 357 vehicles had been retired. On January 2, 2007, the APCO authorized a \$100,000 program increase bringing the total program allocation to \$500,000.

Again on March 15, 2007, your Board authorized the APCO to increase the funding amount for the Old Car Buy Back Program by \$150,000 with the option of an additional \$100,000 increase if community interest in the program justified it. On April 27, 2007 the APCO increased funding by \$150,000 and then increased by \$100,000 on November 2, 2007.

Lastly, on May 15, 2008, your Board authorized the APCO to increase the funding amount for the Old Car Buy Back Program by \$150,000 with the option of an additional \$100,000 increase if community interest in the program justified it. On May 15, 2008 the APCO increased funding by \$150,000 and then increased by \$100,000 on December 3, 2008, as documented in an attached letter.

As of December 1, 2008 the APCD has retired 873 vehicles, resulting in the reduction of more than 37 tons of ozone precursors (NO_x + ROG), with the average model year of 1983 at an average cost-effectiveness of \$7,986 per ton of NO_x, ROG and PM reduced. Please refer to Table 1 and Figure 1 through Figure 3 for a summary of the program's performance as of December 1, 2008.

To ensure that the program continues service without interruption, staff recommends your board authorize the APCO to approve additional program funding of \$250,000 (\$150,000 to start and an option for an additional \$100,000 if program interest justifies the funding increase). This proactive measure is structured similar to the March 16, 2006, March 15, 2007, and May 15, 2008 Board actions and will bring the total funding allocation for this program to \$1,250,000. Any program funding increases will be authorized through written notice and the concurrence with the grantee, (e.g., Attachment 1), and will be included as an item in the subsequent Board meeting.

FISCAL IMPACT

Funding and appropriations for this program are in the APCD FY08-09 budget, will be in the FY09-10 budget, and will come from either the Carl Moyer Program or the Department of Motor Vehicle surcharge fees.

TABLE 1
Vehicles Retired

	2006	2007	2008
January	0	34	20
February	0	35	16
March	0	24	20
April	0	38	24
May	94	18	21
June	63	24	14
July	48	20	15
August	36	16	17
September	38	18	18
October	27	27	22
November	28	22	37
December	23	16	
Annual Total	357	292	224
Monthly average by year	45	24	20
Total vehicles retired since May 2006			873
Overall Monthly Average			28

FIGURE 1

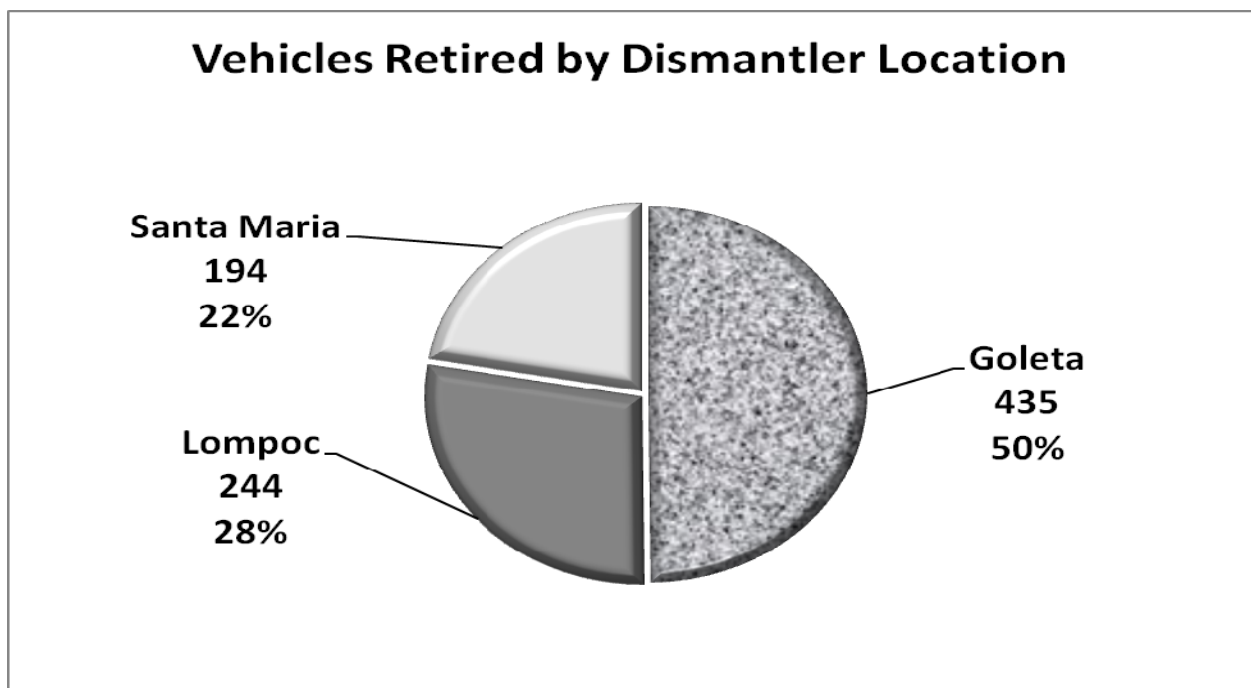


FIGURE 2

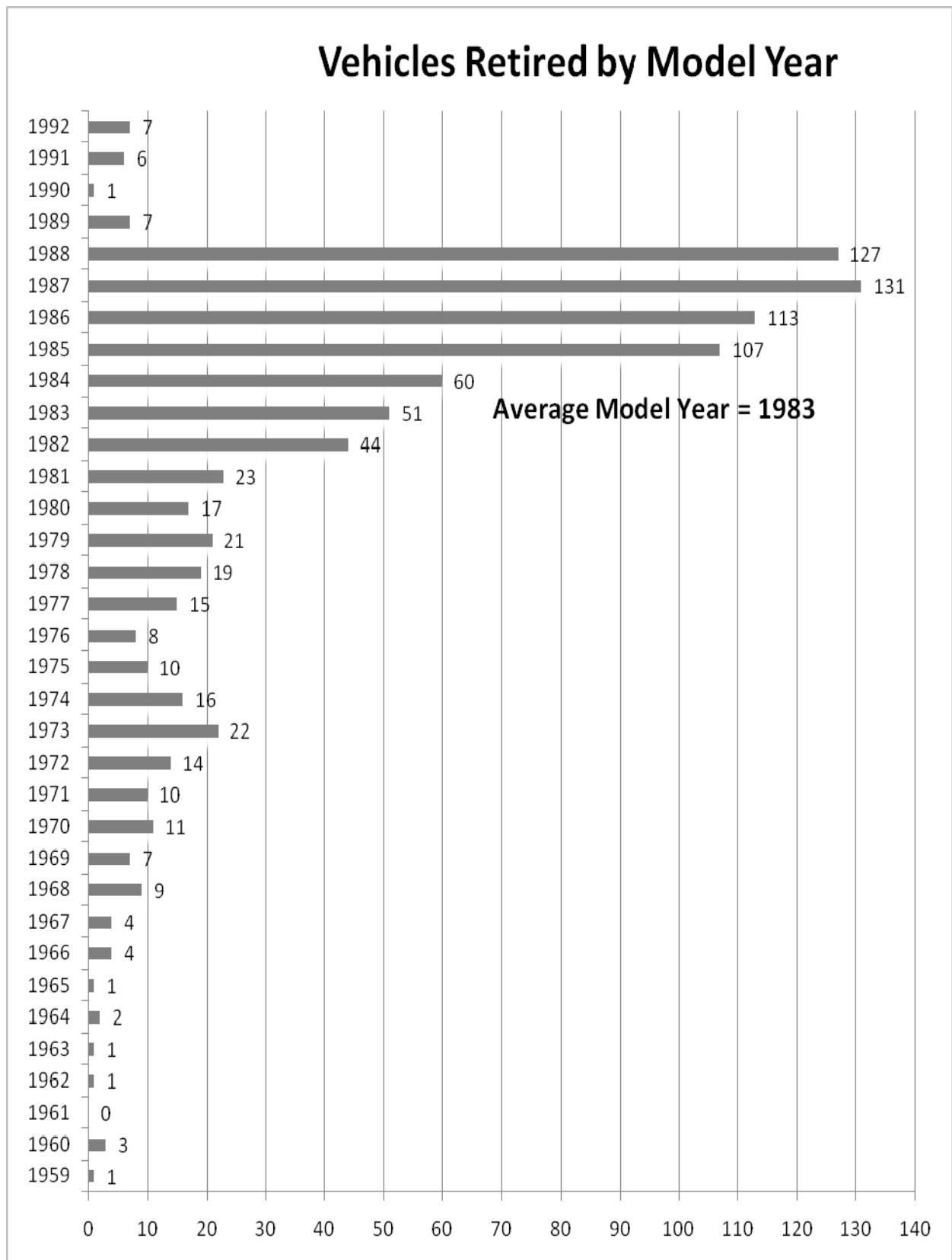
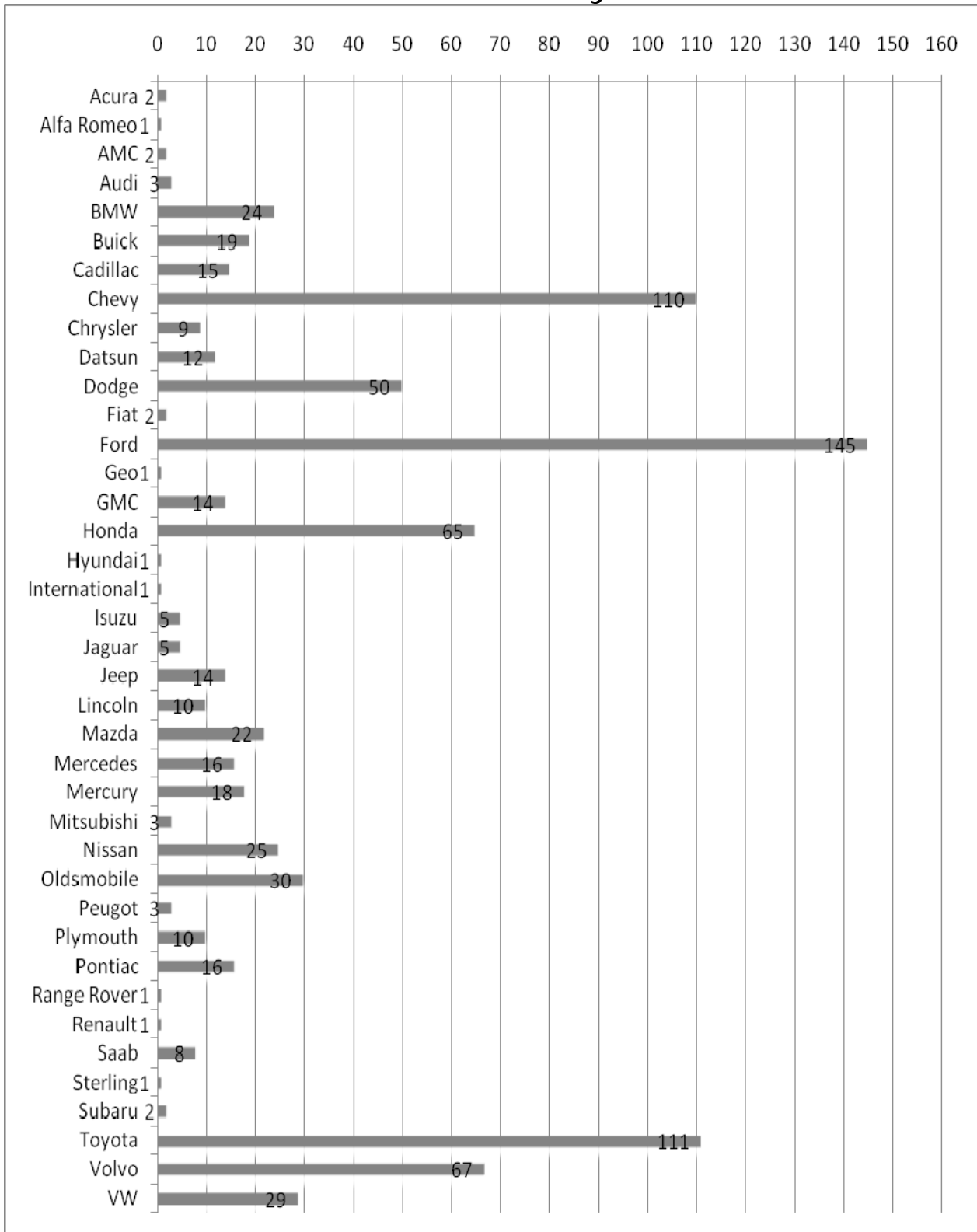


FIGURE 3

Vehicles Retired by Make





December 3, 2008

Mr. Antoine Assioun
Environmental Engineering Studies
7981 Paseo Membrillo
Carlsbad, CA 92009

Subject: Old Car Buyback Program Funding Increase (AP050613)

Dear Mr. Assioun:

The purpose of this letter is in response to continued community interest in the Santa Barbara County Air Pollution Control District's (APCD) Old Car Buyback Program. As you are aware, the program, which officially began on May 1, 2006, has retired almost nine hundred eligible vehicles. The current program amount of \$900,000 will retire about 896 vehicles, and as we approach this number we would like to take proactive measures to ensure that the program is able to continue without interruptions due to delays in funding allocations.

Condition 3, Grant Funding, of Grant Agreement AP050613, dated March 16, 2006, between the APCD and Environmental Engineering Studies (EES) authorized the Air Pollution Control Officer (APCO), upon written notice and with your concurrence, to increase the grant funding from the original amount of \$150,000 up to \$250,000. Additional program funding increases were approved by the APCD Board on 6/15/06, and 3/15/07 that authorized the APCO to increase program funding based on community interest in a manner similar to that of the original grant. On May 15, 2008, the APCD Board approved a \$150,000 funding increase that raised the Old Car Buy Back program budget to \$900,000. An additional funding increase of \$100,000 is available at this time and based on community interest, I am extending the program budget to \$1,000,000.

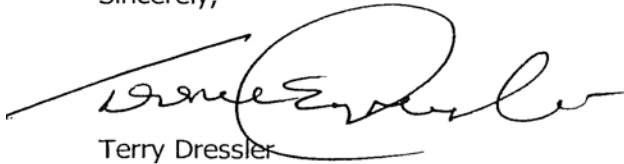
Refer to Table 1 for a summary of the program budget increases and actions taken to date.

Table 1: Old Car Buy Back Program Budget

Date	Fund Amount	Grant Budget	Description of Action Taken
3/16/06	\$150,000	\$150,000	Original grant approved for \$150,000 with an additional \$100,000 increase if justified by community interest
5/15/06	\$100,000	\$250,000	Community interest justified the need for \$100,000 program increase
6/15/06	--	--	APCD Board approves \$150,000 increase with potential for additional \$100,000 increase if justified by community interest
7/25/06	\$150,000	\$400,000	Community interest justified the need for \$150,000 program increase
1/2/07	\$100,000	\$500,000	Community interest justified the need for \$100,000 program increase
3/15/07	--	--	APCD Board approves \$150,000 increase with potential for additional \$100,000 increase if justified by community interest
4/27/07	\$150,000	\$650,000	Community interest justified the need for \$150,000 program increase
11/2/07	\$100,000	\$750,000	Community interest justified the need for \$100,000 program increase
5/15/08	--	--	APCD Board approves \$150,000 increase with potential for additional \$100,000 increase if justified by community interest
5/19/08	\$150,000	\$900,000	Community interest justified the need for \$150,000 program increase
12/3/08	\$100,000	\$1,000,000	Community interest justified the need for \$100,000 program increase
Total	\$1,000,000	\$1,000,000	Program budget to date

Pursuant to the action taken by the APCD Board on May 15, 2008, and a prior letter sent to you November 25, 2008 confirming your continued operation of the program, the APCD will now increase your grant funding \$100,000 from its current amount of \$900,000 to \$1,000,000. This letter will constitute the required written notice. If you have any questions, please contact Jim Fredrickson, at (805) 961-8892.

Sincerely,



Terry Dressler
Air Pollution Control Officer

cc: Linda Alexander, APCD
Jim Fredrickson, APCD