

Agenda Date: May 20, 2010
Agenda Placement: Administrative
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 (961-8812),
Bill Dillon, Deputy County Counsel (568-2950)

SUBJECT: Innovative Technology Group (ITG) Program

RECOMMENDATION:

Adopt the attached resolution establishing the cost effectiveness limit for grant agreements at no greater than \$16,400 per weighted ton of emissions reduced as allowed under the current Air Resources Board Carl Moyer Program Guidelines.

SUMMARY:

At several meetings since 2002, the Board of Directors has adopted resolutions delegating authority to the APCO to enter into and approve certain grant agreements for emission reduction projects within specified parameters. One parameter is "All grants must meet or exceed the cost-effectiveness limits established by the Board". This condition was carried forth to the most recent adopted resolution, the October 2009 Resolution 09-14 which clarified the delegation authority of the APCO. At their meeting of March 25, 2010, the California Air Resources Board (ARB) established the cost effectiveness limit for the Carl Moyer Program at a not to exceed \$16,400 per weighted ton of emissions reduced to reflect consumer price index adjustments. In keeping with the cost effectiveness condition in the most recent adopted resolution, the District requests the Board to establish the cost effectiveness limit for grant agreements at no greater than \$16,400 per weighted ton of emissions reduced.

DISCUSSION:

The Santa Barbara County Air Pollution Control District (“District”) has a long history of providing grant funds to projects to reduce air pollution. These projects began with funds from oil and gas projects related to development on the Outer Continental Shelf in the 1980’s and 1990’s and later expanded to include fees on automobiles from Department of Motor Vehicle registrations and then the Carl Moyer Memorial Air Quality Standards Attainment Program (“Moyer Program”).

Established pursuant to Section 44275 of the California Health and Safety Code, the Moyer Program is administered and overseen by the Air Resources Board which provides incentives for cleaner heavy-duty diesel engines in the state. The District has participated in all eleven years of the Moyer Program, and has received Air Resources Board grants totaling \$4,761,534. The District has provided \$1,298,127 in matching funds for a program total of \$6,059,661 (including administration) that have been utilized to reduce a combined total of 1,183 tons of nitrogen oxide, reactive organic gas and particulate matter emissions from heavy-duty diesel engines in Santa Barbara County.

The District’s Innovative Technology Group is responsible for administering the Moyer Program consistent with Air Resources Board Carl Moyer Program Guidelines. These Guidelines specify, among other requirements, that grants to recipients of Moyer program funds must not exceed a cost effectiveness limit established by the ARB.

Because the District Board’s bi-monthly meetings made it difficult to obligate funding in a timely manner, your Board in 2002 delegated to the Control Officer the authority to enter into and approve individual grant agreements up to the amount of \$100,000 per agreement. This amount was increased to \$150,000 by your Board in 2005. In October 2009, your Board clarified the authority delegated to the APCO for administering the District’s program. This authority was delegated with the following five conditions:

1. The Board must have authorized the overall grant program (e.g., agricultural booster pump grant program, marine vessel engine repower program);
2. The Board must have authorized an overall budget for the particular grant program and the total dollar amount of all grants approved by the Control Officer shall be within the budget authorized by the Board;
3. All grants must meet or exceed the established cost-effectiveness limits established by the Board;
4. Individual grants shall be on the standard grant agreement used by the District and shall reviewed and approved as to form by Risk Management, the Auditor-Controller and County Counsel; and
5. Individual grant amounts shall not exceed one hundred and fifty thousand dollars (\$150,000).

At their meeting of March 25, 2010, the California Air Resources Board established the cost effectiveness limit for the Carl Moyer Program at no greater than \$16,400 per weighted ton of emissions reduced to reflect consumer price index adjustments.

In concert with signature authority condition 3 listed above, the District recommends the Board adopt the attached resolution establishing the cost effectiveness limit for grant agreements at no greater than \$16,400 per weighted ton of emissions reduced.

RESOLUTION OF THE
AIR POLLUTION CONTROL DISTRICT BOARD
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

In the Matter of Establishing Cost Effectiveness)
For Authorized Innovative Technology Group)
Programs)
_____) Resolution No. _____

RECITALS

- 1) WHEREAS, the Board in Resolution 09-14 has delegated authority to the Control Officer to enter into and approve certain grant agreements for emissions reduction projects within specified parameters.; and
- 2) WHEREAS, condition 3 of that delegation states “All grants must meet or exceed the established cost-effectiveness limits established by the Board”; and
- 3) WHEREAS, at their March 25, 2010 meeting, the California Air Resources Board established the cost effectiveness limit in the Carl Moyer Guidelines for the Carl Moyer Program at no greater than \$16,400 per weighted ton of emissions reduced to reflect consumer price index adjustments.
- 4) WHEREAS, the administration of the District’s Carl Moyer Program meets the provisions in the California Air Resources Board Carl Moyer Guidelines.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

- 1) The Board hereby establishes the cost effectiveness limit for grant agreements at no greater than \$16,400 per weighted ton of emissions reduced for authorized Innovative Technology Group Programs.

PASSED AND ADOPTED by the Santa Barbara County Air Pollution Control District Board, County of Santa Barbara, State of California, this ____th day of May 2010, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Clerk of the Board

Santa Barbara County Air Pollution Control
District, State of California

By _____
Deputy

Chairperson

APPROVED AS TO FORM

DENNIS MARSHALL
SANTA BARBARA COUNTY COUNSEL

ROBERT W. GEIS
Auditor Controller

By: _____
Deputy

By _____

RAY AROMATORIO
Risk Program Administrator

By _____