



**Mobile Source  
Air Pollution Reduction  
Review Committee**

Approved by: MSRC

Date: 2-27-97

**THURSDAY, JANUARY 23, 1997, MSRC MEETING MINUTES**  
21865 E. Copley Drive ♦ Diamond Bar, CA 91765 ♦ Conference Room CC8

**MSRC MEMBERS PRESENT:**

(Chair) Rialto Mayor John Longville, representing SCAG  
Eric Haley (Alternate), representing SANBAG  
Roberta Hughan, representing ARB  
Judy Nieburger (Alternate), representing RCTC  
Board Member Leonard Paulitz, representing AQMD

**MSRC MEMBERS ABSENT:**

(Vice-Chair) Chino Hills Council Member Gwenn Norton-Perry, representing SANBAG  
Redondo Beach Council Member Joseph Dawidziak  
Santa Clarita Council Member Jan Heidt, representing SCR  
Riverside County Supervisor Tom Mullen, representing RCTC  
Michael Scheible, representing ARB  
Orange County Supervisor Thomas Wilson, representing OCTA

**TAC MEMBERS PRESENT:**

Annabel Cook, TAC Chair/SCAG  
Ron Hoffman, TAC representative/Los Angeles County  
George Karbowski (Alternate), TAC representative/Los Angeles County MTA  
Doug Kim, TAC representative/Los Angeles County MTA  
Joan Mavima (Alternate), TAC representative/Riverside County  
Marilyn Williams, TAC representative/RCTC

**OTHERS PRESENT:**

Mitch Boretz, CE-CERT  
Dave Brandmeyer, Battelle  
John Cox, president/SCEP  
John Dutrey, AQMD Board Assistant (Paulitz)  
Enid Joffe, Edison EV  
Wayne King, representing self  
Flo Ovando, City of Glendale  
James Provenzano, Clean Air Now  
Paul Staples, Staples & Associates/Hydrofuel Industries

1947 ♦ 1997  **YEARS OF PROGRESS TOWARD CLEAN AIR**  
*Clean Air is Every Body's Business*

**AQMD STAFF**

Nancy Covey, Contracts Manager  
Ray Gorski, AB 2766 Technical Advisor  
Lily Kapur, Financial Analyst  
Lilia Miranda, AB 2766 Office Assistant  
Drue Ramirez, MSRC Administrative Liaison  
Larry Rhinehart, Intergovernmental Affairs Director  
Michele Stitzel, AB 2766 Contracts Administrator  
Jeri Voge, Deputy District Counsel II

**CALL TO ORDER****Agenda Item #1 - Call to Order/Opening Remarks**

The meeting was called to order at 1:25 p.m. by MSRC Chair John Longville.

**Agenda Item #2 - Public Comment Period**

Public comments were allowed during the discussion of each agenda item, and there were no public comments on any non-agenda items.

**CONSENT CALENDAR (Items 3 through 7)****Agenda Item #3 - December 19, 1996, Meeting**

The December 19, 1996, meeting minutes were included in the agenda package. Drue Ramirez, the MSRC's Administrative Liaison, noted one amendment on page 6 relative to the Local Government Commission's contract modification. Specifically, the contingency should have indicated that the MSRC will *allow an increase of up to 5% on the contract total if needed to reimburse expenses for the expanded workshop.*

ON MOTION BY BOARD MEMBER LEONARD PAULITZ, AND SECONDED BY COUNCIL MEMBER GWENN NORTON-PERRY, UNDER APPROVAL OF THE CONSENT CALENDAR, THE MSRC UNANIMOUSLY APPROVED THE DECEMBER 19, 1996, MONTHLY MINUTES, AS AMENDED ABOVE.

**ACTION:** AQMD staff (Drue Ramirez) will include these minutes in Board Member Paulitz's MSRC report to the Board for February 14, 1997.

**Agenda Item #4 - Ratification of Actions Taken at December 19, 1996, Meeting (as detailed in minutes)**

Since the MSRC met as a committee of the whole on December 19, 1996, actions taken at that time must be ratified by a quorum of the Committee.

ON MOTION BY BOARD MEMBER LEONARD PAULITZ, AND SECONDED BY COUNCIL MEMBER GWENN NORTON-PERRY, UNDER APPROVAL OF THE CONSENT CALENDAR, THE MSRC UNANIMOUSLY RATIFIED THE ACTIONS TAKEN ON DECEMBER 19, 1996, AS A COMMITTEE OF THE WHOLE.

**Agenda Item #5 - Financial Report on AB 2766 Discretionary Fund Account**

A written financial report on the AB 2766 Discretionary Fund account was included in the agenda package for the MSRC's information.

ON MOTION BY BOARD MEMBER LEONARD PAULITZ, AND SECONDED BY COUNCIL MEMBER GWENN NORTON-PERRY, UNDER APPROVAL OF THE CONSENT CALENDAR, THE MSRC UNANIMOUSLY RECEIVED AND FILED THE FINANCIAL REPORT ON THE AB 2766 DISCRETIONARY FUND ACCOUNT DATED JANUARY 10, 1997.

**Agenda Item #6 - AQMD Contract Administrator Report:**

The AQMD AB 2766 Contract Administrator Report was included in the agenda package, including contract status reports on all fiscal years.

ON MOTION BY BOARD MEMBER LEONARD PAULITZ, AND SECONDED BY COUNCIL MEMBER GWENN NORTON-PERRY, UNDER APPROVAL OF THE CONSENT CALENDAR, THE MSRC UNANIMOUSLY RECEIVED AND FILED THE AQMD AB 2766 CONTRACT ADMINISTRATOR REPORT FOR JANUARY 1997.

**ACTION:** AQMD staff (Drue Ramirez) will include the AQMD Contract Administrator Report in Board Member Paulitz's MSRC report to the Board February 14, 1997.

**Agenda Item #7 - Receive and Approve Final Reports for: City of Lakewood Contract #C94026; Southern California Association of Governments Contract #C94046; and City of Los Angeles/Department of Transportation Contract #C95018**

The agenda package included three final report summaries, including estimated emissions reduction benefits. They are as follows: 1) City of Lakewood Contract #C94026, which provided \$117,025 for a Southeast Los Angeles County Teleconferencing Network Demonstration project; 2) Southern California Association of Governments Contract #C94046, which provided \$160,600 for a Monrovia/Duarte Community TDM promotion project;

and 3) City of Los Angeles/Department of Transportation Contract #C95018, which provided \$53,604 for a Traffic Officers on Bicycles Program.

Board Member Leonard Paulitz urged the Committee to review the final report summaries to ensure that failures are not repeated. For example, of these three final summaries only one project was successful in achieving any significant emissions reductions.

ON MOTION BY BOARD MEMBER LEONARD PAULITZ, AND SECONDED BY COUNCIL MEMBER GWENN NORTON-PERRY, UNDER APPROVAL OF THE CONSENT CALENDAR, THE MSRC UNANIMOUSLY RECEIVED AND APPROVED FINAL REPORTS FOR CITY OF LAKEWOOD CONTRACT #C94026; SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS CONTRACT #C94046; AND CITY OF LOS ANGELES/DEPARTMENT OF TRANSPORTATION CONTRACT #C95018.

**ACTION:** AQMD staff (Michele Stitzel/Doris Moore) will process the final 10% on the above contracts and file the final reports in the AQMD's Library.

**ACTION CALENDAR (Items 8 through 10)**

**Agenda Item #8 - MSRC-TAC Report and Recommendations on Contract Modifications by Contractors and Potential Contractors**

The agenda included five contract modifications, all of which were recommended for approval by the MSRC-TAC.

Board Member Leonard Paulitz asked why there was an abstention on #8(c). Staff explained the abstention was cast because of a conflict of interest.

Board Member Paulitz asked staff to define parking cash-out programs. Ray Gorski explained that building codes require a certain amount of spaces. However, Assembly Bill 2109 (Parking Cash-Out), effective since 1993, affects employers of 50 or more, in non-attainment air quality areas, who provide parking subsidies, have non-owned employee parking and can reduce this parking without incurring a financial penalty. It requires those employers who subsidize parking to offer employees a choice: either free/partially subsidized parking, or money equivalent to the out-of-pocket cost of the space. Employees may choose to apply their subsidy towards a parking space, or they may arrange alternative transportation and keep the cash. The policy helps to reduce solo driving, and therefore parking demand.

Roberta Hughan also commented that there is a parking cash-out law which applies to tenants, but it lacks an appropriate enforcement technique. Board Member Paulitz

understood that the Legislature was unhappy with the wording of this law. Ms. Hugan replied then the Legislature should amend it.

ON MOTION BY MS. JUDY NIEBURGER, AND SECONDED BY COUNCIL MEMBER GWENN NORTON-PERRY, THE MSRC UNANIMOUSLY APPROVED ALL THE CONTRACT MODIFICATIONS RECOMMENDED BY THE MSRC-TAC, AS FOLLOWS:

- 1) FOR CITY OF COMPTON CONTRACT #C94044, APPROVAL OF A SIX-MONTH CONTRACTUAL TERM EXTENSION THROUGH JUNE 26, 1997, CONTINGENT THAT THIS IS THE LAST EXTENSION AND THAT THE CONTRACT WITHHOLD BE INCREASED FROM 10% TO 25%;
- 2) FOR WJ SCHAFER ASSOCIATES, INC., CONTRACT #C96020, APPROVAL OF A FIVE-MONTH CONTRACTUAL TERM EXTENSION THROUGH NOVEMBER 27, 1997, AND SCOPE CHANGE TO CHANGE THE SITE OF THE PROJECT;
- 3) FOR MIKE R. KODAMA CONTRACT #C96008, APPROVAL OF A SCOPE CHANGE TO SUBSTITUTE PARTICIPANTS IN THE PROJECT AND A COST REALLOCATION WITH ADDITIONAL CO-FUNDING;
- 4) FOR RIVERSIDE COUNTY TRANSPORTATION COMMISSION CONTRACT #C96029, APPROVAL OF A COST REALLOCATION AND SCOPE CHANGE TO SUBCONTRACT FOR SERVICES OF AN INDEPENDENT RISK MANAGEMENT CONSULTING FIRM; AND
- 5) FOR THE PLANNING CENTER CONTRACT #C96003, APPROVAL OF A COST REALLOCATION AND SCOPE CHANGE TO DEVELOP AN IMPLEMENTATION PLAN FOR EV SIGNAGE WHICH IS PROPOSED FOR INCLUSION IN THE FY 1997-99 WORK PROGRAM.

**ACTION:** AQMD staff (Michele Stitzel) will process the above contract modifications accordingly.

**Agenda Item #9 - Consider and Provide Feedback on Lessons Learned Recommendations for FY 1997-99 Discretionary Fund Work Program**

Eric Haley, as chair/Lessons Learned Subcommittee, advised that the proposed FY 1997-99 AB 2766 Discretionary Fund Work Program, funded over a two-year period, includes the following categories:

1. Heavy-Duty, including transit and fuel-cell buses and heavy-duty vehicles, with funding of \$7,500,000;

2. Local Government/AB 2766 City Subvention Match Program, with funding of \$6,500,000, providing a 25% match intended to encourage cities and counties to spend down their AB 2766 revenue balances;
3. Electric Vehicles, including a review of the EV "Quick Charge" buydown program to date, signage implementation, an EV "Quick Charge" Phase II buydown program, and funding for ultra-low emission vehicles, with funding of \$8,550,000;
4. Research & Development, including advanced CNG/LNG fuel sites and advanced development of certified LPG engines, with funding of \$1,000,000; and
5. Transportation Control Measures, including the PON to solicit market-based strategies and student education projects released in early January, bicycle/tele-commuting projects, smart shuttles, and transportation market strategies, with funding of \$2,500,000.

Mr. Haley explained that the Local Government/Subvention Match Program is based on the premise of using \$5 million to leverage local governments to spend \$15 million from their AB 2766 City Subvention funds. Those who have efficiently spent their money, would be eligible for an additional \$2 million or 25% match to commit anticipated revenue.

Ray Gorski, MSRC Technical Advisor, advised the Committee that to date 94 EV-1s have been leased by Saturn dealers, with an average of 3-4 leased daily. Despite rigorous qualifications, including a 14-hour instruction period, enthusiasm and interest continue to exceed expectations. Mr. Gorski also advised that if leasing continues on the same level, the Quick Charge incentive dollars will be depleted by December 1997. This could mean that consumers would have to wait six months until the new fiscal year for the incentive, which could put a damper on sales. Eric Haley also understands that a second advertising campaign is under development. Although at this time all leases have been to individuals, Enid Joffe, Edison EV, informed the MSRC that several public agencies are interested in leasing also. However, insurance and other issues relating to multiple drivers must first be addressed before leases to public agencies can be completed.

Eric Haley also advised that the proposed Advanced Battery Charger effort has been set aside at this time. In the R&D category, since there are state legislative constraints regarding duplication of research efforts, the Subcommittee also proposes deleting Low NOx Water Technology. He believes there is a Sacramento study being performed on this technology, and expects that the Petroleum industry will step in to ensure the success and durability of this low-NOx diesel engine. Consequently, as a place holder \$500,000 was left toward CNG/LNG fueling sites. The same can be said for advanced development of certified LPG engines since the Propane industry has yet to certify any engines. However, the indications suggest they may be on the market soon. Although the

Subcommittee agrees that the MSRC should invest only in ARB certified engines, they want to stimulate the options.

The overall Work Program should total approximately \$26 million, although with the annual revenue projected, interest, and carryover, staff anticipates that \$27 million will be available. The remaining \$1 million will be reserves. In conclusion, Mr. Haley congratulated the committee on a job well done, noting that considerable public input was also received.

**PUBLIC COMMENT:** Paul Staples commented that the last work program included funding for hythane (a combination of hydrogen and methane) engines, which he believed was very forward looking. He urged the Committee to include hythane in the R&D category for the upcoming work program as well. Board Member Leonard Paulitz replied that cities can always apply for funding toward a hydrogen fueling station within the Subvention Match Program.

Judy Nieburger commented that she recently attended one-day of the 1997 World Car Conference, and was surprised at the number of alternative-fueled vehicles that were available. She urged the Committee to consider not only electric vehicles, but remain cognizant that many other options should be explored for funding in the future.

**ACTION:** There will be no further Lessons Learned meetings. Ray Gorski, in consultation with the Subcommittee chairs, will prepare the final recommendations for consideration next month.

**Agenda Item #10 - Recommend Preparation and Adoption of Policies & Procedures for Proposal Submission and Evaluation Process for 1997-99 Work Program**

Jeri Voge, AQMD Deputy District Counsel II, commented that there is a need to adopt another policies & procedures for the upcoming proposal submission and evaluation process for the FY 1997-99 AB 2766 Discretionary Fund Work Program. She recommend that the MSRC ask staff to revise the policies for consideration at the next MSRC meeting. She wants to ensure that the policies are in place before the process begins.

Larry Rhinehart advised the Committee that preparation of this document is an annual process every work program cycle. Michele Stitzel added that the document has in fact already been revised and is ready for inclusion in next month's agenda.

Chair Longville suggested that the policies include a neon-colored paper which indicates that no late proposals will be accepted and urging proposers not to wait until the very last minute to deliver proposal submittals.

**ACTION:** AQMD staff (Michele Stitzel) will include the policies & procedures in the February MSRC-TAC/MSRC agendas for adoption.

### **OTHER BUSINESS**

#### **Agenda Item #11 - Other Business**

No other business was introduced. However, the agenda package included a copy of Assembly Bill 57 (Escutia) which would affect the AB 2766 Program if chapered as currently written. To date, AB 57 is the only bill affecting the AB 2766 Program introduced this legislative session. Staff will track all bills and advise the Committee if anything further affecting the Program arises.

### **CLOSED SESSION**

#### **Agenda #12 - The Committee May Adjourn to Closed Session to Consider Pending or Potential Litigation**

It was unnecessary for the MSRC to adjourn to closed session at this time. This item was deferred until the next MSRC meeting.

**ACTION:** AQMD staff (Drue Ramirez) will include a closed session on the MSRC's next agenda.

### **ADJOURNMENT**

#### **Agenda Item #13 - Adjournment**

THERE BEING NO PUBLIC COMMENT OR FURTHER BUSINESS, ON MOTION BY COUNCIL MEMBER GWENN NORTON-PERRY, AND SECONDED BY BOARD MEMBER LEONARD PAULITZ, THE MSRC MEETING ADJOURNED AT 2:19 PM.

[Prepared by Drue Ramirez, CPS]