

Clean Air Fund Advisory Committee Meeting Summary

September 16, 2003

- I. Call to Order: Chair Nowland called the meeting to order at 4:45 p.m.
- II. Approve summary of the February 18, 2003, meeting: The Committee approved the summary.
- III. Public Comment: There was no public comment.
- IV. Staff Report

Mr. Villegas, APCO, informed the Committee about the passing of John McCarthy. All members expressed sympathies. The Committee was asked to find a Citizen Member to nominate for membership. Mr. Villegas also explained the issue regarding payment to Casitas Boat Rental. Ms. Tina Knight, Grant Director at Ventura County Community Foundation, offered to enter into an agreement with the grantee to help resolve the issue.

- V. Old Business:

At the February 18, 2003, meeting Mr. Baggerly recommended that those outboard projects not funded at this time be brought back for the September 2003 meeting for review when more funds should be available. As a result, APCD staff issued a Request for Proposals to commercial boat owners on July 15, 2003. This item was moved to New Business to allow the Committee to hear another proposal from HaveBlue, Inc.

- VI. New Business:

Fund Balance Update:

Mr. Cowen provided the fund balance update. \$34,445 is available for project this year. Over \$700,000 is remaining in permanent endowment.

Outboard Engine Replacement Proposals

Mr. Cowen summarized the proposals received for the replacement of old high emitting 2 stroke outboards with new ARB-certified low emission 4 cycle outboard engines. The accepted proposals are listed in Attachment 1. Only one of the three remaining project proponents from Phase I reapplied. The projects are listed by cost-effectiveness (in dollars per pound of ROC/NO_x reduced) with the most cost-effective projects listed first. The total requested funding of \$36,248 still exceeds the available funds of \$34,445, by \$1,803. During Phase I, the committee chose to fund the most cost-effective projects with the available funds.

Mr. King, Committee Member, commented that the table did not provide the information on the amount contributed by the project proponents. Staff responded that although this information is not used to specifically calculate the project cost-effectiveness, it does

provide information for comparative analyses. This information has been added to the table in Attachment 1, and the percent contributed by each project proponent has been included. The 37 percent contribution by project proponents compares favorably with the 25 percent minimum requirement established by Santa Barbara APCD in their grant program.

HaveBlue Proposal

Mr. Craig Schmittman, President and CEO of HaveBlue, provided a Powerpoint and Video presentation of his project to develop a hydrogen-based technology providing power and auxiliary propulsion for a Catalina 42 sailboat. The company is initially developing systems for the recreational sailboat market and subsequently will introduce systems for powerboats, yachts, passenger ferries, and ships. Mr. Schmittman asked the committee to grant \$25,000 as an endorsement of his company's project. Staff calculated the cost-effectiveness of this contribution as \$6.67 per pound of ROC/NOx reduced for the prototype sailboat.

Committee Discussion and Recommendation

The general consensus was that the Committee would have recommended funding for both proposals if sufficient funding were available. The outboard repower program has very low cost emission reductions, while the HaveBlue proposal contained very forward-looking clean air technology using hydrogen generation and fuel-cell powered propulsion. However, the limited funding available at this moment necessitated that the committee recommend either the outboard program or the HaveBlue proposal.

After much discussion, the Committee opted for immediate highly cost-effective emission reductions from the outboard program because staff had issued a Request for Proposals in July and that these projects were dependent on the Clean Air Funds to move forward. Mr. King moved and Mr. Forsyte seconded the motion to expend all available funds on outboard repower proposal based on cost-effectiveness. This mean all projects would be funded except the Volaski Fishing Boat would get only \$2,047 and the Milman Fishing Boat would not get funded. The Committee also recommended that Clean Air Funds be offered to HaveBlue, if available, at the next Clean Air Fund Advisory Committee Meeting.

VII. Adjournment: The meeting was adjourned at 5:50 p.m.

Prepared by:
Stan Cowen, Air Pollution Control District Staff

Date: September 16, 2003

		Outboard Repowers								
Member	Attendance *	Moved	Second	Vote* *	Moved	Second	Vote**	Moved	Second	Vote**
Baggerly	P			Y						
Bayman	P			Y						
Forsythe	P		X	Y						
King	P	X		Y						
Kobayashi	P			N						
Kromka	AE									
Montoya	AE									
Nowland	P			Y						
Sauerwein	AE									
Stubblefield	AE									

* Attendance - P(present),A(absent),E(excused)

**Vote - Y(yes), N(no), A(abstain)

APCD Staff:

Mike Villegas
 Jerry Mason
 Stan Cowen

Guests:

Zack Sterngold
 Craig Schmittman
 Joseph Seibel
 Eric Peterson
 Tina Knight

HaveBlue
 HaveBlue
 Channel Islands Diving
 Specialty Marine
 Ventura County Community Foundation