

Agenda Date: May 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

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### 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 County 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 April 1, 2008 the APCD has retired 683 vehicles, resulting in the reduction of more than 25 tons of ozone precursors (NO<sub>x</sub> + ROG), at a cost-effectiveness of \$9,884 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 \$750,000 would be raised to \$1,000,000. This proactive measure is structured similar to the March 16, 2006 and March 15, 2007 Board actions and will ensure that the program will continue without interruptions which might result from delays in obtaining additional funding allocations.

## 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 justifies 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.

On March 15, 2007, your Board again 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 justifies it. On April 27, 2007 the APCO increased funding by \$150,000 and then increased by \$100,000 on November 2, 2007.

As of April 1, 2008 the APCD has retired 683 vehicles, resulting in the reduction of more than 25 tons of ozone precursors (NO<sub>x</sub> + ROG), with the average model year of 1983 at an average cost-effectiveness of \$9,884 per ton of NO<sub>x</sub>, 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 April 1, 2008.

In order for the program to continue without interruptions from delays in authorizing additional funding allocations, staff recommends your Board authorize the APCO to approve an 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 and March 15, 2007 Board actions and will bring the total funding allocation for this program to \$1,000,000. 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 FY07-08 budget, will be in the FY08-09 budget, and will come from either the Carl Moyer Program or the Department of Motor Vehicle surcharge fees.

# TABLE 1

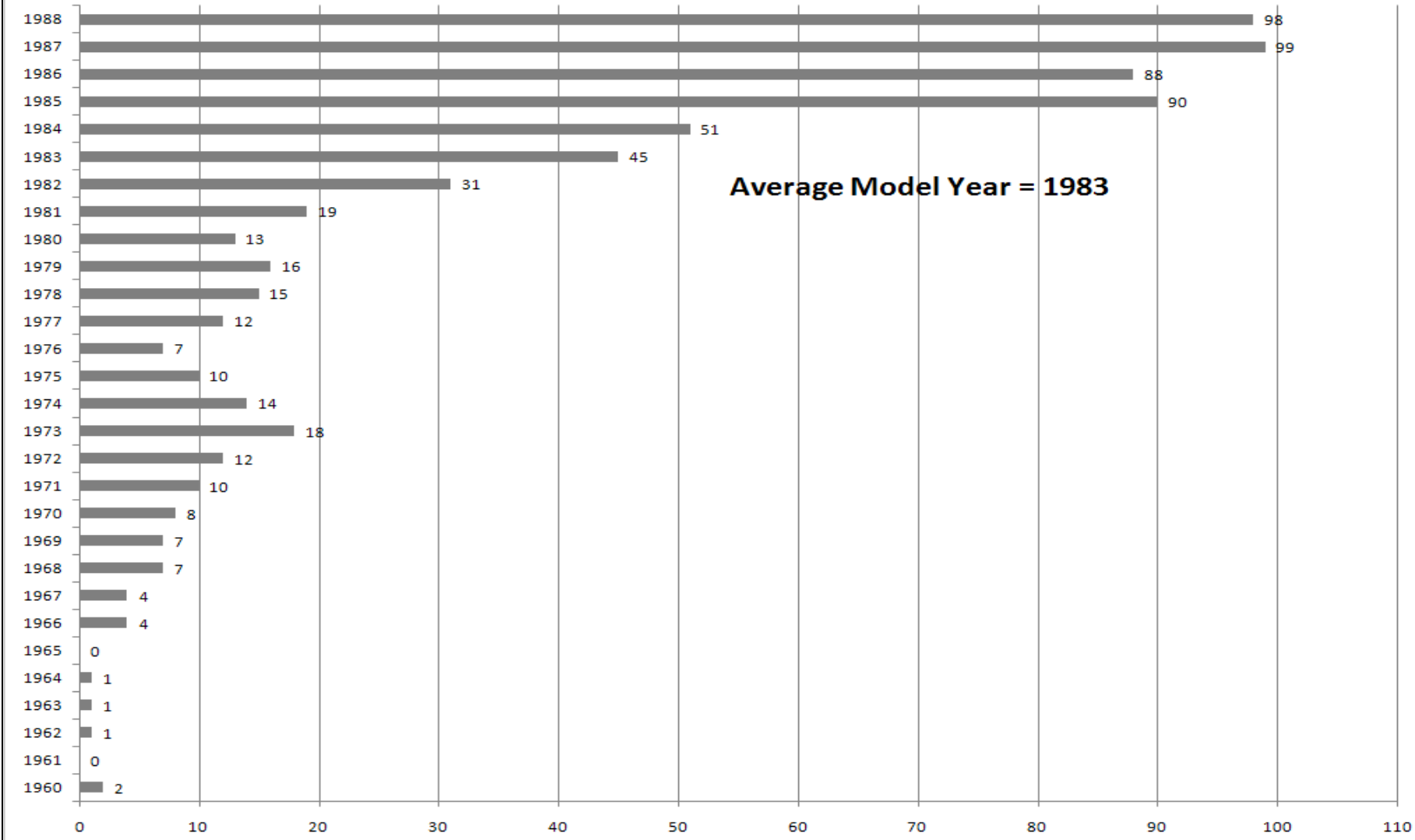
## Vehicles Retired

	2006	2007	2008
January	0	34	20
February	0	35	12
March	0	24	2 *
April	0	38	
May	94	18	
June	63	24	
July	48	20	
August	36	16	
September	38	18	
October	27	27	
November	28	22	
December	23	16	
<b>Annual Total</b>	<b>357</b>	<b>292</b>	<b>34</b>
<b>Monthly average by year</b>	<b>45</b>	<b>24</b>	<b>11</b>
<b>Total number of vehicles retired since May 2006</b>			<b>683</b>
<b>Monthly Average Overall</b>			<b>32</b>

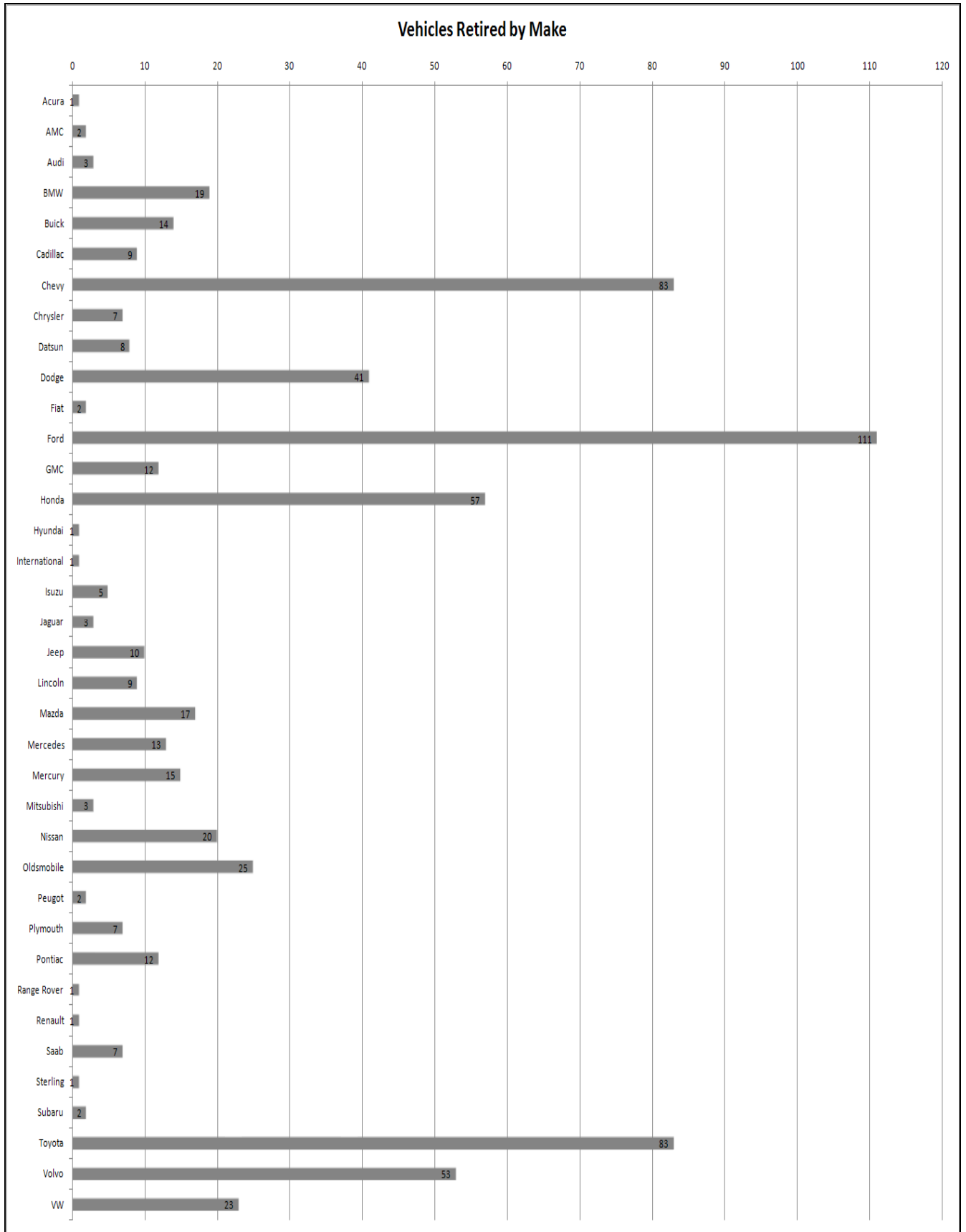
\* Partial month

**FIGURE 1**

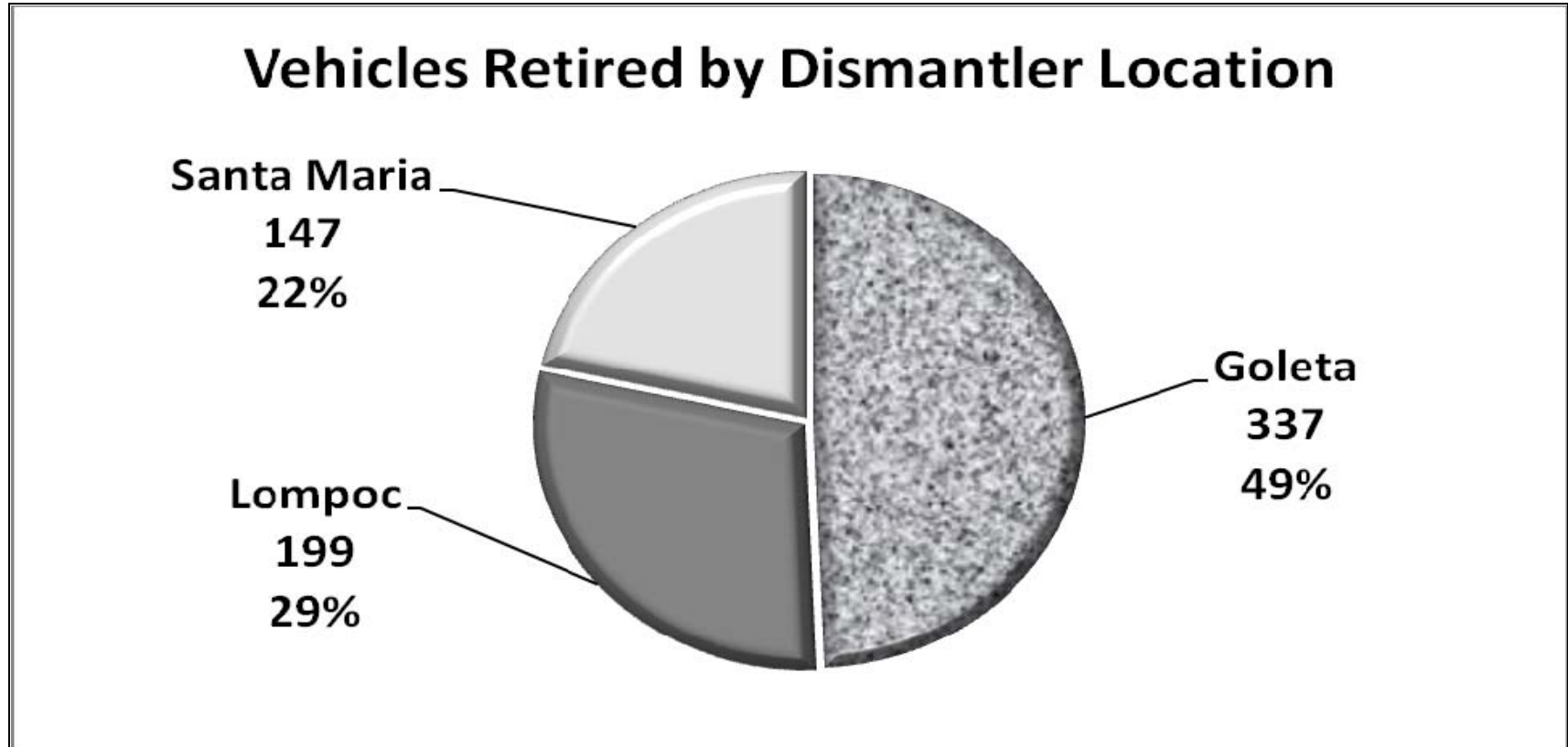
**Vehicles Retired by Model Year**



# FIGURE 2



**FIGURE 3**



# **Attachment 1**



Our Vision  Clean Air

April 21, 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 to confirm your interest and intent to continue implementing your grant as the enterprise operator for 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 seven hundred eligible vehicles. The current program amount of \$750,000 will retire about 746 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. We are now seeking APCD Board approval for an additional \$250,000 funding increase at the May 15, 2008 APCD Board Meeting. This would raise the Old Car Buy Back program budget to \$1,000,000.

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



**Table 1: Old Car Buy Back Program Budget**

<b>Date</b>	<b>Fund Amount</b>	<b>Grant Fund Budget</b>	<b>Description of Action Taken</b>
3/16/06	\$150,000	\$150,000	Original grant for \$150,000 approved and included potential for an additional \$100,000 increase given 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 potential \$150,000 and \$100,000 program increases 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 potential \$150,000 and \$100,000 program increases 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
<b>Total</b>	<b>\$750,000</b>	<b>\$750,000</b>	<b>Program budget to date</b>

Pursuant to the prior actions taken by the APCD Board, and your email concurrence on April 14, 2008, the APCD will be requesting our Board to increase your grant funding from its current amount of \$750,000 to \$1,000,000. This letter will constitute the required written notice. If you have any questions, please contact Jim Fredrickson, of my staff, at (805) 961-8892.

Sincerely,

Terry Dressler  
Air Pollution Control Officer

cc: Linda Alexander, APCD  
Jim Fredrickson, APCD