

Chair Person Mary Nichols and Members of the Board,

RE: Comments Regarding ARB Board Item 11-10-3: Public Meeting to Consider Adoption of Proposition 1B Grants to Reduce Emissions from Goods Movement – December 16, 2011

We thank ARB for the opportunity to comment on the Board Item 11-10-3 Goods Movement. We recognize and appreciate the urgency in distributing the next release of grant funds as quickly and expeditiously as possible.

Since the current available funding of \$100 million is insufficient to cover the remaining June 2010 Funding Recommendations it makes sense to make the initial distribution based on existing ranked lists.

Regarding the potential funding in spring 2012, we definitely support the ability of districts to continue using ranked lists should they have pending demand remaining, however, we believe that section B.2. Page 23, Documented Demand for Funding, discussion of potentially shifting funding from one trade corridor to another and limiting the option only to existing lists is premature. At the time of this future funding, over 1 year will have passed from the last grant solicitation, and existing lists may not be the most reliable source of projects. In addition, many truck drivers not in a position to apply in 2011 may be in a different financial situation come spring of 2012. One other consideration, a new solicitation may present better overall air quality reductions versus trucks that are much further down on existing ranked lists.

To this extent, we suggest modifying this section to read as follows:

B. Documented Demand for Funding

After determining whether a trade corridor is eligible for more funding to achieve target percentages, districts will be allowed to continue using existing ranked lists from applications received during the Spring of 2011 solicitations as a means of accelerating contracting of future bond sales. Once a ranked list is exhausted, Districts may open a new solicitation for the continued disbursement of funding that becomes available throughout 2012. Any new solicitations will not be eligible to trucks already remaining on a ranked list from the 2011 solicitation. Releases of funding within a given trade corridor will be done in a manner to maximize early adoption of emission reducing technology.

We strongly believe that this approach will allow ARB to expeditiously disburse the release of the \$100 million available now while ensuring that future disbursements continue to meet the intent of the trade corridors and any recognized demand that can be contracted in a timely manner. Potential new solicitations over a short time period will continue to show demonstrated interest for Department of Finance purposes and Districts that have already been able to contract all of their prior allocations have demonstrated themselves to be in a position of contracting and expending funds in a timely manner.

We thank you for consideration of our comments.

Sincerely,



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