

Action Summary Minutes
San Joaquin Valley Unified Air Pollution Control District

CITIZENS ADVISORY COMMITTEE

Central Region Office, Governing Board Room
1990 E. Gettysburg Avenue, Fresno, CA

May 3, 2016
10:00 a.m.

The Citizens Advisory Committee Meeting was held via video teleconference (VTC): Central Region Office, Governing Board Room, 1990 E. Gettysburg Avenue, Fresno, the Southern Region Office, VTC Room, 34946 Flyover Court, Bakersfield and teleconference in the Northern Region Office, VTC Room, 4800 Enterprise Way, Modesto. The CAC Meeting was webcast.

1. CALL TO ORDER – The Chair, Manuel Cunha, called the meeting to order at 10a.m.
2. ROLL CALL – was taken and a quorum was present to hold a meeting.

County	Member Name/Interest Group	Location
Fresno	Manuel Cunha/IAIG (P)	Central
	Chris McGlothlin/IAIG (A)	Central
	Sarah Sharpe/EIG (P)	Central
	Stephen Hill/CIG (P)	Central
Kern	Jenifer Pitcher/IAIG (A)	South
	Carolyn Temple/EIG (P)	South
Kings	Dustin Ference/IAIG (P)	Central
	Alene Taylor/EIG (A)	Central
	Dennis Tristao/CIG (P)	Central
Madera	Donald Horal/IAIG (P)	Central
	Lee Smith/EIG (P)	Central
San Joaquin	Roger Hoffdahl/IAIG (P)	North
	David Phippen/IAIG (A)	North
	Katelyn Roedner/EIG (P)	North
Stanislaus	Chris Savage/IAIG (P)	North
Tulare	Derek Williams/IAIG (P)	Central

*(P)=Primary, (A)=Alternate, IAIG=Industry/Ag Interest Group,
EIG=Environmental Interest Group, CIG-City Interest Group*

Staff Present in Central Region Office (Fresno) – Seyed Sadredin, Executive Director/APCO; Dave Warner, Deputy APCO; Jaime Holt, Chief Communications Officer; Sheraz Gill, Director of Strategies and Incentives; Chay Thao, Program Manager, Todd DeYoung, Program Manager; Alex Krivobok, Network Systems Analyst II; Michelle Franco, Deputy Clerk of the Boards

Staff Present in the Northern Region Office (Modesto) – Ann Marie Collins, Office Services Manager

Staff Present in the Southern Region Office (Bakersfield) – Christal Martinez, Office Services Manager

3. APPROVE MINUTES FOR MARCH 1, 2016 – The Chair tabled this item due to lack of a quorum.
4. PUBLIC COMMENTS – None
5. CHAIR COMMENTS – None
6. EXECUTIVE DIRECTOR/APCO COMMENTS – Seyed Sadredin, Executive Director/APCO, provided detailed updates to the CAC on the following:
 - The End of Season Wood Burning report presented at the April 23, 2016 Governing Board meeting, which detailed a historic clean PM2.5 season with a number of new clean air records across a variety of metrics.
 - EPA's recent finding that the Valley has met the 1-hour Ozone Standard as a result of decades of work after being designated as an Extreme Non-Attainment area.
 - The recently completed State Auditor's report, which validated the District's longstanding position that the District's fees are low due to a strict adherence to zero-based budgeting principles, significant investment in automation, and implementation of countless streamlining and efficiency measures, which allow the District to achieve low administrative overhead and great productivity in all program areas and therefore reduced costs.
 - Proposed new rule from ARB for the oil and gas industry that is intended to reduce methane emissions. He reported the District has been actively involved in the public process with ARB, as the rule has an potential impact on NOx in the Valley due to additional flaring requirements.
 - Recent progress in District's Clean Air Act Modernization efforts, including a Congressional Briefing on the proposal and the introduction of a bipartisan bill that contains some of the District's requested changes.

Mr. Sadredin also reminded members about the upcoming Governing Board Study Session at Bass Lake and encouraged all to attend if possible. Mr. Cunha remarked on positive feedback he had received regarding Mr. Sadredin's

congressional testimony during his meetings in Washington, DC. He commented that Mr. Sadredin did great job and was very knowledgeable and professional during his testimony. Ms. Pitcher thanked Mr. Sadredin and District staff for working with the Western States Petroleum Association on the proposed ARB oil and gas rule, noting they were against increased flaring and its possible negative effects on NOx in the Valley. Mr. Williams commented that he was impressed with Mr. Sadredin's testimony in Washington, DC, as posted on the District website. Mr. Cunha reiterated his thanks to Mr. Sadredin, District staff and Governing Board members who attended the Congressional Briefing in Washington, DC.

Public Comment: None

7. UPDATES ON ATTAINMENT PLANS AND RULES – Chay Thao, Program Manager, provided the following updates on District planning and rule development efforts:

- Amendments to Rule 4307 (Boilers, Steam Generators, and Process Heaters 2.0 MMBtu/hr to 5.0 MMBtu/hr) which were adopted by the Governing Board on April 21, 2016.
- The District will publish and make available on the District's website the Proposed 2016 Plan for the 2008 8-hour Ozone Standard (75ppb) for public review and comment no later than May 17, 2016.
- The District is working with ARB to perform modeling runs to determine the amount of emission reductions necessary for attainment of the 2006 PM2.5 Standard (24-hr: 35µg/m³). The District is also in the process of identifying and reviewing potential opportunities to reduce emissions and public workshops will be scheduled at a later date;
- The District is also in the process of addressing the 2012 PM2.5 Standard (Annual: 12 µg/m³) and will schedule public workshops sometime in 2016.
- A public workshop will be scheduled this spring for Rule 9510 (Indirect Source Review); and a public workshop will be scheduled later in 2016 for Rule 4692 (Commercial Charbroiling).

Mr. Savage verified the proposed dates for the Ozone Plan and asked about any scheduled workshops for the PM2.5 Plan. Mr. Thao responded that staff is currently working with ARB on modeling and potential emission reduction opportunities at this point. Regarding Rule 4692 (Commercial Charbroiling), Ms. Temple asked if the public should report excessive smoke emissions from Valley restaurants. Mr. Thao responded these restaurants are subject to the District's nuisance rule and said the District would investigate any nuisance complaints. Mr. McGlothlin thanked the Board and District staff for working with the California Cotton Ginners and Growers Association on the Rule 4307 amendments.

Public Comment: None

8. VERBAL REPORT FROM CALIFORNIA AIR RESOURCES BOARD (ARB)

- a. *ARB Board Meeting Summary* – Patricia Velasco, ARB Representative, gave an update on the ARB Board meetings held March 17 and 24, 2016. Ms. Velasco reported the Board heard an overview of the comprehensive process involved in implementing mobile source regulations, considered the staff recommendation of a site for the proposed Southern California Consolidation Project, and subsequently approved the site on the University of California, Riverside campus and forwarded the site recommendation to the Joint Legislative Budget Committee for a 30-day review period.

On April 22, 2016, she reported the Board approved amendments to California's regulation regarding aftermarket parts, which establish a procedure for ARB to evaluate aftermarket Diesel Particulate Filters (DPFs) for 2007 through 2009 model year on-road heavy-duty diesel engines to ensure they meet all applicable criteria. In addition, the Board approved amendments to the Regulation for Small Containers of Automotive Refrigerant.

Public Comments: None

9. PROVIDE INPUT ON DEVELOPMENT OF A SAN JOAQUIN VALLEY HEALTHY SOILS INITIATIVE – Sheraz Gill, Strategies and Incentives Director gave an overview of the District's efforts, working closely with the agricultural community, United States Department of Agriculture Natural Resource Conservation Service (USDA-NRCS), researchers, and other stakeholders to promote the increased use of conservation management practices and healthy soil principles through the District's groundbreaking CMP program (District Rule 4550). Through these efforts, San Joaquin Valley farmers have been working to improve soil health and crop yields while significantly reducing air pollutants and sequestering more carbon through the use of innovative practices such as conservation tillage, cover cropping and diverse crop rotations. Implementation of the CMP program and the investment by farmers was key to the Valley's success in attainment of the federal PM10 standards ahead of schedule in 2005.

Mr. Gill reviewed the potential benefits of "healthy soils" which include increase in soil water retention and reduction of soil erosion, improvement in plant growth and yields, reduction of greenhouse gases, reduced effects of toxic substances in soil and reduction of criteria pollutants. Financial incentives are critical to make many of the farm and land management practices cost-effective for Valley farmers. The

Governor's 2016-17 budget proposal includes \$20 million of Cap and Trade funding for CDFA to implement a new Healthy Soils program designed to reduce GHG emissions and increase carbon sequestration through alternative soil management practices, such as mulching and adding organic matter to the soil. In collaboration with California Department of Resources Recycling and Recovery (CalRecycle), California Department of Conservation (DOC), and California Air Resources Board (ARB), CDFA will provide funds as an incentive to farms implementing climate-smart management practices as well as for demonstration projects that have quantifiable GHG reductions. He reported the District's initiative would be presented to the Governing Board at their upcoming Study Session and upon approval the District would convene a workgroup, with final recommendations to be presented to the Governing Board for consideration by the first quarter of 2017.

Mr. Cunha voiced appreciation for the District's work with the Valley agricultural community on the Conservation Management Practice (CMP) program, but expressed concerns about additional state regulations on the agricultural industry, specifically in the San Joaquin Valley with its extensive water concerns. Mr. Phippen commented that this initiative is something that the agricultural industry has been working on for the last 100 years and they welcome the added incentive dollars. He suggested heavy stakeholder involvement in the process. Mr. Savage voiced agreement with Mr. Cunha's initial comments, however he commented he does like the potential opportunity that the District has to bring together relevant stakeholders and coordinate a meaningful conversation with all involved. He suggested that District staff keep the coordination of existing activities at the forefront of their efforts on this initiative.

Mayor Hill expressed concern over possibly imposing additional regulations on the agricultural community. Mr. McGlothlin voiced support for this process and said it is vital to bring stakeholders together to get a uniform voice from the agricultural sector. Noting this is already an overregulated process, he cited an example of dealing with four different government agencies in an unsuccessful attempt to get allowance for composting facility to do business in the state. Mr. Tristao noted this is an up and coming federal initiative and the District has been participating in a cooperative nature with the local efforts. He voiced support for the District's leadership role in coordinating these activities.

Ms. Sharpe said this initiative is a long time coming and she was looking forward to participating in this process. Mr. Smith voiced agreement with previous comments on potential contradictory policy issues. Mr. Williams commented that federal regulations are already going in this direction and suggested asking the Board to request additional incentive funding from the state for these efforts. Mr. Sadredin voiced appreciation for Mayor Hill's concern and said this initiative would only have a positive impact on those affected by it and would not impose

additional regulations on farming operations. He said the purpose of this initiative was to create a mechanism or infrastructure to put a list of feasible options before farmers and let them choose what works for them. Mr. Cunha commented that although the District has worked hard to reduce emissions, if it wasn't for the farmers, growers, packers and producers the Valley would not be where it is today. He said small farmers are having a real challenge trying to survive and he does not support putting farms on any type of federal banking credit program. He recommended following Mr. Sadredin's concept of coming together but said he does not support any additional restrictions from CDFA. Mr. Cunha also acknowledged the District for having the lowest fees in the state. Mr. Sadredin reiterated the purpose of this item is to ask the Board to bring various stakeholders together to try and put a package together without imposing any new farming practices that can bring a number of benefits in terms of agricultural productivity, as well as reducing air pollution and greenhouse gases.

Public Comments: None

10. UPDATE ON RECENT CAP AND TRADE FUNDING AWARDS TO VALLEY FOR ZERO AND NEAR-ZERO EMISSIONS TRANSPORTATION PROJECTS – Todd DeYoung, Program Manager, gave members an update on over \$35 million in recent Cap and Trade funding awards for zero and near-zero emissions transportation projects throughout the San Joaquin Valley. In May of 2015, the Governing Board adopted a comprehensive Cap and Trade Action Plan aimed at securing the Valley's fair share of Cap and Trade funds. Mr. DeYoung reported there has been significant progress on implementing the plan and ensuring that the Valley effectively competes for Cap and Trade funding. The Valley recently applied for several projects under ARB's Cap and Trade-funded Low Carbon Transportation Program. The District was recently notified that the Valley has been preliminarily awarded more than \$35 million in Cap and Trade funding for a number of zero and near-zero emissions transportation projects through this highly-competitive solicitation. These awards are contingent upon state budget approvals and the satisfaction of other administrative requirements.

Ms. Roedner encouraged the District's excellent outreach and communications department to heavily promote these projects as funding is awarded and projects are executed. Mr. DeYoung responded the District is prohibited from making any public announcements until the agreements are executed but plans to do so as soon as possible. Mr. Savage thanked Mr. DeYoung for the presentation, saying it was well done. He asked about the deadline for the next round of funding. Mr. DeYoung responded there are many different solicitations out there and the District would be applying for as many as possible. He said there is no specific deadline, but all opportunities are being tracked. Mr. Savage asked how projects are being prioritized. Mr. DeYoung responded the District is actively involved in

all of the project development activities with different agencies and priorities include mobile sources and agricultural opportunities. Mr. Phippen thanked District staff for bringing this Cap and Trade funding to the Valley. He said he would be happy to hear when funding is brought back into the Valley to keep cogeneration facilities in business.

Mr. Smith suggested including the company name in future publicity to help promote the company. Mr. DeYoung responded the names of the project partners would be included on all future press releases. Mr. Cunha thanked District staff for their hard work on this endeavor.

Public Comment – None

11. ENVIRONMENTAL JUSTICE ADVISORY GROUP (EJAG) BUSINESS

- a. Report on District Environmental Justice Advisory Group Activities – Derek Williams, EJAG At Large member, reviewed highlights from the EJAG meeting of March 3, 2016, which included Mr. Sadredin providing an overview of the District's Legislative Platform and Strategy for Modernizing the Federal Clean Air Act. He reported a number of EJAG members expressed strong support for the District's Clean Air Act Modernization Proposal. In addition, he reported EJAG members reviewed and approved the 2016-17 Incentives and Funding Recommendations provided by the Grants Subcommittee.

Ms. Sharpe asked for an update on the process to replace the Fresno County At-Large representative on EJAG. Mr. Williams responded there are four applicants for the vacant position and interviews are scheduled for next week.

Public Comments: None

12. OUTREACH AND COMMUNICATIONS REPORT – Ms. Holt reported the District participated in several Earth Day events up and down the Valley. She said May is Bike to Work month and encouraged members to ride their bikes sometime during the month. She also reported the District's Clean Green Yard Machine program would be heavily promoted during the next few weeks and encouraged members of the public to participate.

Public Comments: None

13. CAC MEMBER COMMENTS; CAC MEMBER SUGGESTIONS TO BE INCLUDED IN THE PRESENTATION OF THE CAC REPORT DURING THE GOVERNING BOARD MEETING ON JUNE 16, 2016 – Mr. Tristao commented on numerous vacancies on the City Interest Group. Deputy Clerk of the Boards Michelle Franco responded that she regularly follows up with the Clerks of the Boards for these counties and that they have publicized these vacancies on their website. Mr. Tristao and Mr. Cunha encouraged existing CAC members to contact their counties and constituents in an effort to fill these vacancies. Mr. Tristao commented that existing vacancies are noted in the CAC Attendance Sheet that is included with every agenda packet.
14. VOLUNTEER TO PRESENT REPORT DURING GOVERNING BOARD MEETING – Mr. Cunha volunteered to present the report to the Board on June 16, 2016.

Meeting adjourned at 11:56 a.m.

Next Meeting – The next meeting is scheduled on June 7, 2016. The meeting will be held via video teleconference (VTC), with the Central Region Office (Fresno), the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating.