



San Joaquin Valley Air Pollution Control District

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David L. Crow
Executive Director/
Air Pollution Control Officer

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Action Summary Minutes Citizens Advisory Committee (CAC) Meeting San Joaquin Valley Unified Air Pollution Control District Central Region Office, 1990 E. Gettysburg Avenue Governing Board Room, Fresno, CA.

Tuesday, March 4, 2003
10:30 a.m.

Meeting held via video teleconferencing (VTC) at the Central Region Office (Fresno) with the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating via VTC.

- Call Meeting to Order** – The Chair, Lee Smith, called the meeting to order at 10:32 a.m.
- Roll Call was taken and a quorum was present.**

(P) designates Primary Member and (A) designates Alternate Member

<u>County</u>	<u>Member Name/Interest Group</u>	<u>Regional Office</u>
Fresno	Roger Isom, Industry/Agriculture (P)	Central
Kern	Les Clark, Industry/Agriculture (P)	Central
"	(*) Suzanne Noble, Industry/Agriculture (A)	
Southern		
"	Pauline Larwood, Environmental (P)	Southern
Kings	Riley Jones, Industry/Agriculture (P)	Central
"	Kelly Deming, Environmental (P)	Central
"	Theo DeHaan, Environmental (A)	Central
Madera	Donald Horal, Industry/Agriculture (P)	Central
"	Lee Smith, Environmental (P) Chair	Central
"	Glenn Igo, City (P)	Central
Merced	Linda Falasco, Industry/Agriculture (P)	Central
"	Pheakdey Preciado, Environmental (P)	Central
San Joaquin	Robert Sarvey, Industry/Agriculture (P)	Northern
Stanislaus	(*) Chris Savage, Industry/Agriculture (P)	Northern
"	L. D. "Denny" Hoeh, Environmental (P)	Northern
"	John Honnette, Environmental (A)	Northern
Tulare	David Harrald, Industry/Agriculture (P)	Central
"	Ted Dinkler, Industry/Agriculture (A)	Central

(*) Arrived during Item # 4

Also present in the Central Region Office (Fresno) – Mark Boese, Deputy Air Pollution Control Officer, Seyed Sadredin, Director of Permit Services, Roger McCoy, Director of Administrative Services, Josette Merced Bello, Public Education Administrator, Anthony Presto, Air Quality Education Rep., Joe Nazareno, Senior Air Quality Engineer, Rich Burt, Communication Systems Analyst and Sissy Smith, Clerk to the Board.

Also present in the Northern Region Office (Modesto) – Ravi Ramalingam, ARB representative and ARB Liaison for the Valley Air District and Karen Morris, Administrative Analyst.

Also present in the Southern Region Office (Bakersfield) – Doug McCormick, Insight Environmental and Linda Phillips, Administrative Analyst.

3. **Chair Comments** – No Comments.

4. **Deputy Air Pollution Control Officer Comments** – Mark Boese, Deputy Air Pollution Control Officer, reported on the Governing Board Actions from the February 20, 2003 meeting. Mr. Boese noted that the Chair welcomed and introduced three new Governing Board Members, Tom Mayfield, Supervisor, Stanislaus County, Steve Worthley, Supervisor, Tulare County and for February's meeting Deidre F. Kelsey, Supervisor, Merced County sitting in for Mike Nelson, Supervisor, Merced County.

Mr. Boese noted that the Board took the following action:

Received and filed proposed Rule 4313 (Lime Kilns) and set March 27, 2003 for the Public Hearing.

Received a proposed draft schedule for development of the Ozone Attainment Demonstration Plan (1-Hr Standard) for the San Joaquin Valley Air Basin Under a Designation of Extreme Nonattainment.

Approved changes to the District's Classification Plan, Compensation Plan and Position Control List.

Approved Budget Resolution increasing District Budget by \$42,400 to allow receipt of Environmental Protection Agency (EPA) Mobile Source Outreach Assistance Grant and approved the agreement with Local Government Commission to perform work proposed for the grant amount of \$41,200.

Mr. Boese reported that the Senate Select Committee on Air Quality in the Central Valley headed by Senator Dean Florez, D-Shafter held the third of thirteen committee meetings in the District's Governing Board Room on February 28, 2003. Mr. Boese noted that this meeting focused on the cost of missing

federal control guidelines. Mr. Boese announced that the next meeting of the Select Committee is March 7, 2003, at the Ag Pavilion, Bakersfield and that meeting will focus on the agricultural industry in the Central Valley.

Mr. Boese mentioned that Senator Florez introduced ten Senate Bills dealing with air quality with a lot of them dealing in particular with the San Joaquin Valley and some that deal with state-wide issues. Mr. Boese noted that the District is in the process of reviewing those bills. Mr. Boese explained that at the beginning of each year the District's Governing Board adopts a Legislative Platform and that Legislative Platform then guides staff in commenting of opposition or support positions on bills. Mr. Boese noted that staff is still doing the analyses on those bills in respect to the District's Legislative Platform.

Roger Isom stated that one of the Florez bills has to do with eliminating or minimizing the standby charge for electric pumps and wind machines. Mr. Isom stated that this could be a significant benefit to air quality. Mr. Isom requested through the Chair if that specific piece of legislation or maybe even just the issue itself could come back to the CAC next month. Mr. Isom noted that this would allow for some discussion and maybe some possible recommendations or even a letter from the CAC to the Governing Board and maybe even to Senator Florez in support of that effort.

The Chair requested a copy of the referenced bill be included with the April 1, 2003 Agenda packet.

The CAC requested a copy of the District's Legislative Platform.

The CAC requested a copy of the Draft PM10 Plan.

Mr. Boese noted that the District will send the Draft PM10 Plan to the CAC upon it's availability.

Pauline Larwood asked about the nature of the District's testimony at the Senate Select Committee meeting on February 28. Ms. Larwood requested information regarding the District's Legislative Platform as it relates to mobile sources.

Mark Boese announced that the Senate Select Committee meetings will be transcribed and all of the testimony will be available within two weeks of each meeting from Senator Florez's office.

A report on the District's 2003 Legislative/Regulatory Platform will be placed on the CAC Agenda for April 1, 2003.

Mr. Boese announced that the March 20, 2003 Governing Board Meeting has been canceled and rescheduled to March 27, 2003.

5. **Approve Minutes of Tuesday, February 4, 2003** – The Chair asked if there were any corrections, additions or comments regarding the Minutes of February 4, 2003. The Chair, hearing no response, declared the Minutes of February 4, 2003 approved as submitted.
6. **Public Education** – Josette Merced Bello, Public Education Administrator, introduced Anthony Presto, the new Air Quality Education Representative for the Northern Region.

Ms. Bello stated that February is traditionally the planning month at the District as to when staff finalized budget request for the upcoming fiscal year starting on July 1. Public Education (Pub. Ed.) has set forth the following priorities: increase outreach into the Hmong and Hispanic communities specific to Spare the Air and residential wood burning. Pub. Ed. is also looking at developing a product line to begin reaching the pre-driving middle schoolers. Ms. Bello noted that Pub. Ed. will increase the options for Spare the Air activities with more things that both employers and the public can do to participate. Pub. Ed. with the board's approval, will add print three tip sheets to share creative ideas from Employer Partners around the Valley. Ms. Bello noted that Pub. Ed. will add more specific ideas to reduce vehicle miles traveled.

Ms. Bello stated that Pub. Ed. is exploring more joint marketing ideas with Amtrak to expand the concept of train as a viable alternative for business travel to the capital and the Bay Area, as well as family vacations. Pub. Ed. will be working on a joint campaign to schools cross marketing our curriculum and their Kids on Trains program. Ms. Bello noted that they are planning to kick off that cross promotions by distributing 1000 train travel bags to classes traveling on San Joaquin Lines June 3-5.

Ms. Bello stated that Pub. Ed. has identified the upcoming changes to Rule 4901 (Wood Combustion) as a communication priority for the year. Ms. Bello explained that Pub. Ed. is looking at several grass roots campaigns to get information directly into hands of Valley residents. Ms. Bello stated that just yesterday, Pub. Ed. met with members of the Sierra Club, Medical Alliance for Healthy Air and Latino's Issues Forum to discuss such an outreach partnership on this important issue.

7. **Rules Under Development**- Joe Nazareno, Senior Air Quality Engineer, reported on the following rules:

Rule 4313 (Lime Kilns)

- Rule 4351 (Boilers, Steam Generators, and Process Heaters – Phase 1)
- Rule 4305 (Boilers, Steam Generators, and Process Heaters – Phase 2)
- Rule 4306 (Boilers, Steam Generators, and Process Heaters – Phase 3)
- Rule 4403 (Components Serving Light Crude Oil or Gases at Light Crude Oil and Gas Production Facilities and Components at Natural Gas Processing Facilities)
- Rule 4451 (Valves, Pressure Relief Valves, Flanges, Threaded Connections and Process Drains at Petroleum Refineries and Chemical Plants)
- Rule 4452 (Pump and Compressor Seals at Petroleum Refineries and Chemical Plants)
- Rule 4604 (Can and Coil Coating Operations)
- Rule 4610 (Glass Coating Operations)
- Rule 4701 (Stationary Internal Combustion Engines – Phase 1)
- Rule 4702 (Stationary Internal Combustion Engines – Phase 2)
- Rule 4901 (Residential Wood Combustion)

8. **Discussion re: Recent EPA decision on Emission Reduction Credits (ERCs), Review of Response to Calpine, Necessity of Subcommittee** - the CAC requested a synopsis of the pre 1990 Emission Reduction Credits (ERCs) issue.

Staff presentation made by Mark Boese, Deputy Air Pollution Control Officer and Seyed Sadredin, Director of Permit Services.

Mr. Sadredin mentioned the District's letter of February 10, 2003.

This is a portion of that letter:

TO: All Holders of ERC Certificates in San Joaquin Valley

RE: Pre-1990 Emission Reduction Credits (ERCs)

The purpose of this letter is to advise you of EPA's opposition to the use of pre-1990 ERCs in San Joaquin Valley. To date, EPA has not provided the District with a formal written critique of the District's past attainment or Rate of Progress (ROP) plans in relation to the use of pre-1990 ERCs. Nonetheless, EPA Region IX staff has informed us, through commenting on proposed permits for new projects, that the District's past attainment and ROP plans have not properly accounted for the use of pre-1990 ERCs. Also, recently, EPA Region IX staff has taken a position that an approved ozone attainment demonstration is a prerequisite to allowing the use of pre-1990 credits. EPA has raised similar issues regarding PM10 offsets.

The District believes that prior plans properly account for the use of pre-1990 ERCs. We have not adopted EPA's position regarding pre-1990 ERCs, but wish to inform owners and potential users of ERCs of the EPA's position so that they can make informed decisions regarding ERC transactions. Until EPA is satisfied that the pre-1990 credits are properly accounted for, you are hereby cautioned that the validity of the pre-1990 ERCs and the ability to use them remains in question.

Mr. Sadredin summarized the pre-1990 Emission Reduction Credits (ERCs) issue to the CAC.

The CAC had several questions and concerns regarding the EPA ERC issue.

The CAC formed a subcommittee to draft a letter for CAC review in respect to support for the District regarding the EPA ERC issue. That draft letter will be returned to the CAC for review before sending out at the April 1, 2003 CAC Meeting.

The following CAC volunteered to serve on that subcommittee:

***Chris Savage, Stanislaus County, Industry/Agriculture, Primary
Lee Smith, Madera County, Environmental, Primary***

MOTION TO SUPPORT DISTRICT'S POSITION – Riley Jones made the motion that the CAC provide a letter to EPA and make it available to all suggested interested parties opposing the elimination of the use of pre-1990 Emission Reduction Credits (ERCs) and support the District's position regarding the use of those pre-1990 ERCs. Seconded by Don Horal and carried with the following Roll Call Vote:

Ayes: Roger Isom, Les Clark, Pauline Larwood, Riley Jones, Kelly Deming, Don Horal, Lee Smith, Glenn Igo, Linda Falasco, Pheakdey Preciado, Chris Savage, Denny Hoeh and David Harrauld.

Noes: Robert Sarvey.

Absent: Jack Grisanti, Joseph Rhodes, Les Clark III, Dennis Tristao, David Brown, Wade Broughton, Mike Burns and Ray Millard.

Action: The CAC will draft a letter to EPA and make it available to all suggested interested parties opposing the elimination of the use of pre-1990 Emission Reduction Credits (ERCs) and support the District's position regarding the use of those pre-1990 ERCs.

Suggestions were made that the letter be sent to: all permit holders, County Economic Development Corporations, League of California Cities and the Supervisors Association.

9. **Staff Report RE: District Stationary Source Fees and Subvention Funding in respect to the State Budget** - Staff presentation made by Roger McCoy, Director of Administrative Services.
10. **Report from CAC Subcommittee/Sustainable Incentives** – The Chair stated that this item was postponed until Mr. Tristao could be available.
11. **ARB Comments** – Ravi Ramalingam, California Air Resources Board (ARB) representative and ARB Liaison for the Valley Air District, made comments in respect to Senator Dean Florez's Bill pertaining to the Smog Check II Program. Mr. Ramalingam noted that Senator Florez's Bill requires that vehicles up to 45 years old be included in the Smog Check II Program.

Mr. Ramalingam stated that ARB staff was present during the Senate Select Committee on Air Quality held in Fresno on February 28, 2003. Mr. Ramalingam noted that ARB staff provided testimony that looks at the emission inventory over the years.

Chris Savage asked Mr. Ramalingam if he would query ARB in respect to the ERC issue regarding their thoughts on the EPA pre-1990 ERC issue.

12. **CAC Member Comments** – Mr. Hoeh mentioned that we are coming up on spring time and March is when communities start to plan their Earth Day activities. Mr. Hoeh requested that the CAC please be aware and participate in those events.

MOTION TO CHANGE CAC MEETING TIME – ***Don Horal made the motion to change the CAC Meeting time to 10:00 a.m. Seconded by Glenn Igo and carried unanimously with the following Roll Call Vote:***

Ayes: Pauline Larwood, Riley Jones, Kelly Deming, Don Horal, Lee Smith, Glenn Igo, Linda Falasco, Robert Sarvey, Chris Savage and Denny Hoeh.

Absent: Roger Isom, Jack Grisanti, Joseph Rhodes, Les Clark, Les Clark III, Dennis Tristao, Pheakdey Preciado, David Brown, Wade Broughton, Make Burns, David Harrald and Ray Millard.

Action: The CAC Meeting time has been changed to 10:00 a.m. until further notice.

13. **Public Comments and/or Reports**

Briefing Report: Doug McCormick, RE: Association of Air Permitting Professionals

– stated that our goals are to maintain high ethical and professional attainment standards for association members and to further education that between our group and the Air District. Mr. McCormick stated that we also hope to include communications between our group and the Air District staff and hopefully end up with the ability to speed up some of the permit processing that is currently going on within the District. Mr. McCormick stated that we look forward to working with Mr. Sadredin and his staff on attaining that goal.

The Chair asked Mr. McCormick if he could provide the CAC with a phone number where he could be contacted.

Mr. McCormick stated that he could be reached at 661/282-2200 and Dennis Tristao with J. G. Boswell.

14. **Volunteer to present CAC Report, Thursday, March 27, 2003 at 9:00 a.m., Governing Board Meeting** - The Chair stated that he would present that report.

15. **Next Meeting** - Tuesday, April 1, 2003 at **10:00 a.m.**, via video teleconferencing (VTC), Central Region Office (Fresno) with the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating via VTC.

16. **Adjourn** – The Chair adjourned the meeting at 12:04 p.m.

Sissy Smith, Clerk to the Board
Citizens Advisory Committee (CAC)
San Joaquin Valley Unified APCD