

**San Joaquin Valley Air Pollution Control District  
NORTHERN REGION HEARING BOARD MEETING**

Northern Region Office Magnolia Room  
4800 Enterprise Way, Modesto, CA 95356

**ACTION SUMMARY MINUTES**

**Wednesday, April 3, 2013**

*Meeting held via teleconferencing with the  
Central Region Office (Fresno) and the  
Northern Region Office (Modesto) participating via teleconferencing.*

1. CALL MEETING TO ORDER  
The Chair, Mark Kanai, called the meeting to order at 9:58 a.m.
  
2. ROLL CALL

Roger Gohring - Public	Present
Gerald Schneider (Vice Chair) - Public	Present
Mark Kanai – Attorney (Chair)	Present

Staff Present:

Northern Region (Modesto): Ron Giannone, Supervising Air Quality Inspector

Central Region (Fresno): Patrick Houlihan, Senior Air Quality Specialist; Ryan Hayashi, Supervising Air Quality Specialist; Annette Williamson, Assistant Legal Counsel; Ramon Norman, Engineer; Carol Flores, Operations and Program Support Supervisor

3. APPROVE MINUTES OF March 6, 2013  
The Chair asked if there were comments regarding the Minutes for March 6, 2013. Hearing no comments, the Chair declared the minutes were approved as submitted.
  
4. PUBLIC HEARING  
The Chair swore in all those present to testify for all matters.

	<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
A.	N-12-19R	Regular	Musco Family Olive Company 17950 Via Nicolo Tracy, CA 95377

Petitioners: Dennis Leikam

Patrick Houlihan presented the Staff Report.

Musco has requested a regular variance from the applicable requirements of District Rules 2010 and 2201, in addition to the applicable conditions of the ATC. The requested variance period would be from April 3, 2013, until September 1, 2013. If granted, the variance would allow for the postponement of the start-up compliance source test and the operation of the biomass combustor with excess NO<sub>x</sub> emissions.

Mr. Leikam thanked Mr. Houlihan for his presentation. He explained the facility was very close to meeting the standards.

Mr. Kanai requested confirmation the facility has the option of paying mitigation fees or surrendering Emission Reduction Credits. Mr. Houlihan responded affirmatively.

Public Comments: None

Having decided the petition has met the required findings, on motion of Mr. Schneider and seconded by Mr. Gohring, unanimously passed, the petitioner was granted a regular variance.

B. N-12-20R    Regular    Hilmar Cheese Company  
9001 North Lander Avenue  
Hilmar, CA 95324

Petitioners: Michael Kummer

Patrick Houlihan presented the Staff Report.

Hilmar is requesting a regular variance from the applicable requirements of District Rules 2010, 2201, and 4311 in addition to the applicable conditions of the subject ATC. The requested variance period would be from April 7, 2013, until April 7, 2014. If granted, the variance would allow for the postponement of the start-up compliance source test of the flare and continued operation of the subject flare with excess emissions of CO and NO<sub>x</sub>.

Mr. Kummer stated the facility will submit a request for an adjusted ATC.

Mr. Schneider requested confirmation that the reason for the digester producing enough gas is for source testing and not specifically to reduce emissions. Mr. Kummer responded affirmatively.

Public Comments: None

Having decided the petition has met the required findings, on motion of Mr. Gohring and seconded by Mr. Schneider, unanimously passed, the petitioner was granted a regular variance.

C. N-13-02R    Regular    E&J Gallo Winery - Brandy  
200 Yosemite Boulevard  
Modesto, CA 95353

Petitioners: Kristie Ryan

Patrick Houlihan presented the Staff Report.

Gallo is requesting a regular variance from the applicable requirements of District Rules 2070.7.0, 2201, and 2520 in addition to the applicable conditions of the subject PTOs. The requested variance period would be from April 3, 2013, until October 2, 2013. If granted, the variance would provide that the subject warehouses

need not be operated in “normal operation” which shall mean that access doors may be propped open for extended time periods while the fire protection system is upgraded.

Mr. Houlihan stated the following recommendations are modified:

1. The variance shall be effective from April 3, 2013, until February 5, 2014, or until the subject work is completed, whichever occurs first.
8. Should Gallo find that they need variance protection beyond the end date of this regular variance, they shall file a petition for an extension variance no later than December 20, 2013
11. By February 20, 2014, or no later than 15 calendar days after completing the subject work, whichever occurs first...

Mr. Houlihan noted typographical errors to the staff report on page 4 where PES should be Gallo.

Ms. Ryan explained there will be two portions of work that will be performed concurrently. She added one warehouse will be worked at a time. She added the amount of time work is being performed will be logged to be tallied at the end of the project and providing the information to the District.

Mr. Kanai asked if the doors must be open the whole time the work is being performed. Ms. Ryan explained the doors will remain closed unless necessary to bring in materials.

Public Comments: None

Having decided the petition has met the required findings, on motion of Mr. Schneider and seconded by Mr. Gohring, unanimously passed, the petitioner was granted a regular variance.

D. N-13-03R    Regular    Doctors Hospital of Manteca  
1205 East North Street  
Manteca, CA 95336

Petitioners: Gary Modlin

Patrick Houlihan presented the Staff Report.

DHM has requested a regular variance from the applicable requirements of District Rule 4307, in addition to the applicable conditions of PEERs. The requested interim variance period would be from April 3, 2013, until April 3, 2014. If granted, the variance would allow for the continued operation of the boilers with excess NO<sub>x</sub> emissions until they can be replaced with low or ultra-low NO<sub>x</sub> units.

Mr. Houlihan noted the boilers heat water to provide space heating and not for everyday hot water use. He added the correction will be made in the decision order.

Mr. Houlihan noted a typographical error on Recommendation 10: By April 18, 2014, or no later than 15 calendar days after both non-compliance boilers has been permanently shut down, whichever occurs first.

Mr. Kanai asked if the boiler runs constantly. Mr. Modlin responded the boiler maintains a 160° temperature.

Mr. Modlin asked if an extension is needed, would it be possible. Mr. Houlihan explained an application for an extension would need to be submitted by February 19, 2014.

Mr. Kanai asked why the boilers need to be moved. Mr. Modlin stated the boilers are too close to the oxygen tanks.

Public Comment: None

Having decided the petition has met the required findings, on motion of Mr. Gohring and seconded by Mr. Schneider, unanimously passed, the petitioner was granted a regular variance.

5. EMERGENCY VARIANCE

The Northern Region Hearing Board had not heard or granted any emergency variances since the March 6, 2013, Hearing.

6. PUBLIC COMMENTS

No public comment.

7. HEARING BOARD MEMBER COMMENTS

Mr. Schneider noted the Minutes of March 6, 2013, stated Doctor's Hospital of Manteca was not under PEER and he had the understanding they were. Mr. Houlihan stated the Minutes were incorrect and would be revised.

8. NEW BUSINESS

None.

9. NEXT SCHEDULED MEETING

The next scheduled meeting is May 1, 2013. The meeting will be held via teleconferencing in the Northern Region Office (Modesto) with the Central Region Office (Fresno) participating via teleconferencing.

10. ADJOURN

The Chair adjourned the meeting at 10:40 a.m.