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Action Summary Minutes (Comments in Item # 7 Revised)
Southern Region Hearing Board Meeting
San Joaquin Valley Unified Air Pollution Control District
2700 M Street, Suite 275, VTC Room
Bakersfield, CA.

Wednesday, September 14, 2005 10:00 a.m.

Meeting held via video teleconferencing (VTC) with the Central Region Office (Fresno) participating via VTC.

- <u>Call Meeting to Order</u> The Chair, Hollis B. Carlile, called the meeting to order at 10:00 a.m.
- 2. Roll Call was taken and a quorum was present.

Kimm Wolber Medical
Nancy Ann Dunn Public
William L. Bland, Jr., Vice Chair
Hollis B. Carlile, Chair Engineer

Also present in the Southern Region Office (Bakersfield)
Creighton Smith, Supervising Air Quality Inspector and Steve

Tomlin, Senior Air Quality Engineer.

Also present in the Central Region Office (Fresno) – Catherine Tognazzini, Assistant Counsel, Morgan Lambert, Senior Air Quality Inspector, Ted Strauss, Supervising Air Quality Inspector and Sissy Smith, Clerk to the Board.

Approve Minutes of August 10, 2005 – The Chair asked if there were any comments regarding the Minutes of August 10, 2005.
Hearing no comments the Chair declared the Minutes of August 10, 2005 were approved as submitted.

4. Public Hearing

All persons testifying were sworn in by the Chair.

The Chair requested the Petitioners sign the Sign In Sheet.

The Chair asked if the Petitions had been properly noticed and on file with the Clerk to the Board. Ms. Smith responded affirmative.

The Chair requested the Southern Region Hearing Board Packet and any addenda brought forth in today's hearings be entered into the Official Record.

Morgan Lambert presented the Staff Reports.

A.)

Docket S-05-60R, Regular Variance, **Corrpro Companies Inc.**, 6837 Krebs Road, Bakersfield, CA. 93308. Type of Business: Metal Parts and Products Coating.

Petitioners – Mike Polyniak and Jim Odom represented Corrpro Companies Inc.

Public Comment – No Public Comment.

<u>Decision</u> – Board Member Bland made the motion to grant the variance. Board Member Bland stated the Board reviewed the required six findings set forth on page 3 of the Staff Report and concurred the findings could be made. Board Member Bland stated the variance shall be subject to the eight recommended conditions set forth on pages 4 and 5 of the Staff Report. Seconded by Board Member Wolber and unanimously carried with the following roll call vote:

Ayes: Wolber, Dunn, Bland and Carlile.

Absent: None.

The Southern Region Hearing Board granted a Regular Variance to Docket S-05-60R, Corrpro Companies Inc. The Southern Region Hearing Board concurred the required six findings could be made. The regular variance shall be effective from September 15, 2005 to June 10, 2006, or until the District's Governing Board amends Rule 4603 to allow the use of coating application equipment/methods that are demonstrated to the District to be capable of achieving at least 65% transfer efficiency; however, if the conventional (i.e., non-HVLP) spray gun is not capable of achieving at least 65% transfer efficiency, as determined in accordance with South Coast Air Quality Management District (SCAQMD)methodology, the variance shall effectively be terminated and CORRPRO shall cease coating operations using the conventional spray gun. The eight recommended conditions will be set forth in the Southern Region Hearing Board Order.

Board Member Bland stated he has a business conflict in respect to Docket S-05-65S, PACTIV Protective Packaging Inc.

Catherine Tognazzini stated that if Board Member Bland has any financial association with PACTIV he should recuse himself from the hearing.

Board Member Bland recused himself from Docket S-05-65S hearing.

B.)

Docket S-05-65S, Short Variance, **PACTIV Protective Packaging Inc.**, 8201 W. Elowin Court, Visalia, CA. 93291. Type of Business: Foam Products Manufacturing.

<u>Petitioners</u> – Claude Toweiy, Kevin Madry and Tim Kunstel represented PACTIV.

Public Comment – No Public Comment.

<u>Decision</u> – Board Member Dunn made the motion to grant the variance. Board Member Dunn stated the required six findings set forth on pages 2 and 3 of the Staff Report could be made. Board Member Dunn stated the variance shall be subject to the ten recommended conditions set forth on pages 4 and 5 of the Staff Report. Seconded by Board Member Wolber and unanimously carried with the following roll call vote:

Ayes: Wolber, Dunn and Carlile.

Recused: Bland.

The Southern Region Hearing Board granted a Short Variance to Docket S-05-65S, PACTIV Protective Packaging Inc. The Southern Region Hearing Board concurred the required six findings could be made. The variance shall be effective between September 7, 2005 and December 6, 2005, or until compliance is achieved, whichever occurs first. The ten recommended conditions will be set forth in the Southern Region Hearing Board Order.

The Chair, Hollis B. Carlile, due to a conflict of interest, recused himself from hearing Docket C.) S-05-68S, Chevron USA Inc., Monterey Tank Facility and D.) Docket S-05-69S, Chevron USA Inc., 31X Oil Cleaning Plant.

Therefore, William L. Bland, Jr., Vice Chair, chaired Dockets C.) and D.)

C.)

Docket S-05-68S, Short Variance, **Chevron USA Inc.**, Monterey Tank Facility, Kern River Oilfield, Kern County, CA. Type of Business: Crude Oil and Natural Gas Production.

Staff made a correction to Recommended Condition # 5 set forth on page 4 of the Staff Report to read:

5. The daily throughput for each subject tank shall not exceed 50,000 110,000 barrels per day, total of petroleum and water, during the variance period.

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<u>Petitioners</u>- Larry Landis and Bob Riley represented Chevron USA Inc., Monterey Tank Facility.

Public Comments – No Public Comments.

<u>Decision</u> – Board Member Wolber made the motion to grant the variance. Board Member Wolber noted the required six findings set forth on pages 2 and 3 of the Staff Report could be made. Board Member Wolber indicted the variance shall be subject to the eleven recommended conditions set forth on pages 4 and 5 of the Staff Report with a correction to recommended condition # 5. Seconded by Board Member Dunn and unanimously carried with the following roll call vote:

Ayes: Wolber, Dunn and Bland.

Recused: Carlile.

The Southern Region Hearing Board granted a Short Variance to Docket S-05-68S, Chevron USA Inc., Monterey Tank Facility. The Southern Region Hearing Board concurred the required six findings could be made. The variance shall be effective for a single, consecutive 120-minute period to occur sometime between September 14, 2005 and October 15, 2005, or until installation of the UPS is complete and the Monterey VRS is brought back on-line, whichever occurs first. The eleven recommended conditions with a correction to # 5 will be set forth in the Southern Region Hearing Board Order.

D.)

Docket S-05-69S, Chevron USA Inc., 31X Oil Cleaning Plant, Cymric Oilfield, Kern County, CA. Type of Business: Crude Oil and Natural Gas Production.

The Petitioner provided the Southern Region Hearing Board and staff with the following document: Chevron U.S.A. Inc. (CUSA) Supplemental to Variance Application, 31X OCP, Cymric Oilfield (8/30/2005).

The Staff Report for Docket S-05-69S, Chevron USA, Inc., 31X Oil Cleaning Plant was provided to the Southern Region Hearing Board prior to the hearing. The Southern Region Hearing Board Members requested five minutes to review the Staff Report, as well as the Petitioners Supplemental to Variance Application.

<u>Petitioners</u> – Frank Maccioli, George Wolfe and Bob Langner represented Chevron USA Inc., 31X Oil Cleaning Plant.

Staff noted a typo set forth in the Staff Report on page 5, **RECOMMENDATIONS:** # 9 the date of October 29, 2005 should read <u>November</u> 29, 2005.

The Petitioner stated that pages 2, 3, and 4 of the Staff Report indicates the variance request pertains to an incorrect PTO Number #S-1131. The Petitioner stated the correct PTO Number is #S-1128.

<u>Public Comment</u> – No Public Comment.

<u>Decision</u> – Board Member Dunn made the motion to grant the variance. Board Member Dunn noted the required six findings set forth on pages 3 and 4 of the Staff Report 5 could be made. Board Member Dunn stated the variance shall be subject to the eleven recommended conditions set forth on pages 4 and 5 of the Staff Report with corrections to the PTO Number change from #S-1131 to #S-1128 listed on pages 2, 3 and 4 of the Staff Report and a date change to Recommended Condition # 9 from October 29, 2005 to November 29, 2005. Seconded by Board Member Wolber and unanimously carried with the following roll call vote:

Ayes: Wolber, Dunn and Bland.

Recused: Carlile.

The Southern Region Hearing Board granted a Short Variance to Docket S-05-69S, Chevron USA Inc., 31X Oil Cleaning Plant, Cymric Oilfield. The Southern Region Hearing Board concurred the required six findings could be made. The variance shall be effective for a cumulative 32-day period to occur sometime between September 15, 2005 and November 14, 2005, or until the proposed preventative maintenance is complete and the 31X OCP VRS is brought back on-line, whichever occurs first. The eleven recommended conditions with corrections to # 2 and # 9 will be set forth in the Southern Region Hearing Board Order.

The Vice Chair, William L. Bland, Jr., relinquished the chairmanship to Hollis B. Carlile.

E.)

Docket S-05-70S, Short Variance, Big West of California, LLC, Area 1 & 2 Refineries, 6451 Rosedale Hwy, Bakersfield, CA. 93308. Type of Business: Crude Oil Refining.

Petitioners – Brian Pellens represented Big West of California, LLC, Aera 1 & 2.

<u>Public Comment</u> – No Public Comment.

<u>Decision</u> – Board Member Bland made the motion to grant the variance. Board Member Bland noted the required six findings set forth on pages 3 and 4 of the Staff Report could be made. Board Member Bland stated the variance shall be subject to the eleven recommended conditions set forth on pages 4 and 5 of the

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Staff Report. Seconded by Board Member Wolber and unanimously carried with the following roll call vote:

Ayes: Wolber, Dunn, Bland and Carlile.

Absent: None.

The Southern Region Hearing Board granted a Short Variance to Docket S-05-70S, Big West of California, LLC, Area 1 & 2. The variance shall be effective for a consecutive 48-hour period to occur sometime between September 14, 2005 and November 12, 2005, or until maintenance to replace the corroded sections of piping is completed and the VRS is brought back online, whichever occurs first. The eleven recommended conditions will be set forth in the Southern Region Hearing Board Order.

- 5. <u>Emergency Variances</u> The Southern Region Hearing Board approved the following emergency variance orders:
 - A.) Docket S-05-65E, PACTIV Protective Packaging Inc.
 - B.) Docket S-05-67E, Chevron USA Inc., 31X Oil Cleaning Plant
- 6. **Public Comments** No Public Comments.
- 7. <u>Hearing Board Member Comments</u> Board Member Wolber noted that numerous petitioners appear before the Hearing Board with pipe corrosion problems. Board Member Wolber requested clarification from staff regarding pipe corrosion problems and asked if there was a solution to the ongoing problems of pipe corrosion.

Creighton Smith explained that <u>corrosion is a fact of life</u>, and so long as we feel that the issue is being identified and dealt with before it becomes a violation we <u>can support the variance</u>, but generally speaking if they allow it to deteriorate to the point that it results in a violation then in those instances we're generally not <u>supportive of variance relief</u>. with pipe corrosion will always be problematic and unfortunately there are no long term solutions to prevent pipe corrosion.

- 8. **New Business** No New Business.
- Next Scheduled Meeting Wednesday, October 12, 2005, 10:00 a.m. The meeting will be held via video teleconferencing (VTC) in the Southern Region Office (Bakersfield), with the Central Region Office (Fresno) participating via VTC.
- 10. **Adjournment** The Chair adjourned the meeting at 10:56 a.m.