

Action Summary Minutes
San Joaquin Valley Unified Air Pollution Control District
GOVERNING BOARD

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

Thursday, December 17, 2009
9:00 a.m.

*Meeting held via teleconferencing with the Central Region Office (Fresno), the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield).
This meeting was webcast.*

1. CALL MEETING TO ORDER
The Chair, Chris Vierra called the meeting to order at 9:00 a.m.
2. ROLL CALL was taken and a quorum was present.

Present:

David G. Ayers, Councilmember	City of Hanford
Tony Barba, Supervisor, Vice Chair	Kings County
Judy Case, Supervisor	Fresno County
Henry J. Forman, Ph.D.	Appointed by Governor
Ann Johnston, Mayor	City of Stockton
Randy Miller, Councilmember	City of Taft
Michael G. Nelson, Supervisor	Merced County
William O'Brien, Supervisor*	Stanislaus County
Leroy Ornellas, Supervisor*	San Joaquin County
John G. Telles, M.D.	Appointed by Governor
Chris Vierra, Councilmember, Chair	City of Ceres
Raymond Watson, Supervisor	Kern County
J. Steven Worthley, Supervisor	Tulare County

*Attended meeting in Northern Region Office

Absent:

Ronn Dominici, Supervisor	Madera County
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3. APPROVAL OF CONSENT CALENDAR – Item numbers 17 – 25 *These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public is given the opportunity to comment on any consent item.*
 17. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, NOVEMBER 5, 2009
 18. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2010

19. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR OCTOBER AND NOVEMBER 2009
20. RECEIVE AND FILE BUDGET STATUS REPORT AS OF NOVEMBER 30, 2009
21. RECEIVE AND FILE DISTRICT'S ANNUAL OFFSET EQUIVALENCY REPORT TO THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY
22. APPROVE AND AUTHORIZE CHAIR TO SIGN AIR QUALITY MITIGATION AGREEMENT WITH MARIPOSA ENERGY, LLC
23. APPROVE CONTRACT WITH NETWORKFLEET TO PROVIDE A GLOBAL POSITIONING TRACKING SYSTEM FOR THE DISTRICT'S FLEET OF COMPLIANCE DEPARTMENT VEHICLES
24. AMENDMENT TO MOU FOR FUNDING SAN JOAQUIN VALLEY EPIDEMIOLOGY STUDY OF HEALTH EFFECTS OF OZONE AND PM2.5
25. AUTHORIZATION TO SUBMIT APPLICATION TO CALIFORNIA ENERGY COMMISSION FOR SMALL JURISDICTION ENERGY EFFICIENCY CONSERVATION BLOCK GRANT SOLICITATION AND AUTHORIZE APCO TO ENTER INTO AGREEMENT WITH THE SAN JOAQUIN VALLEY CLEAN ENERGY ORGANIZATION FOR \$15,000 TO PREPARE GRANT PROPOSAL

Consent Item number 23 was pulled by Seyed Sadredin, Executive Director/APCO for clarification.

23. APPROVE CONTRACT WITH NETWORKFLEET TO PROVIDE A GLOBAL POSITIONING TRACKING SYSTEM FOR THE DISTRICT'S FLEET OF COMPLIANCE DEPARTMENT VEHICLES – Mr. Sadredin noted there was a \$20 dollar error in calculating the sales tax on the contract with Networkfleet. He noted the correct amount of the contract is \$43,154.00.

Moved: Worthley
Seconded: Barba
Ayes: Watson, Worthley, Ayers, Barba, Case, Forman
Nelson, Telles, Johnston, O'Brien, Ornellas, Miller, Vierra
Nays: None

Motion unanimously carried to approve Consent Calendar Items 17 – 25.

4. END OF YEAR REPORT BY CHAIRMAN VIERRA – Chairman Vierra presented a year end report detailing air quality issues encountered during the year and the District's work towards achieving cleaner air and fulfilling legal mandates. Chairman Vierra expressed his gratitude for public participation, sacrifices and investments by

businesses, and the hard work by the Board and the staff throughout the year.

5. ELECTION OF OFFICERS – Seyed Sadredin, Executive Director/APCO gave the presentation on this item. He stated the Board has adopted a rotation schedule which appoints a Chairperson and a Vice-Chairperson who will become the Chairperson the following year. He stated at the request of Dr. Telles, his rotation as the Vice-Chair will be skipped and Supervisor Worthley will become Vice-Chair this coming year and Chair in 2011.

Supervisor O'Brien asked about modifications made to the rotation schedule in 2007. Mr. Sadredin responded that this item follows the rotation schedule that was adopted in 2007. Mayor Johnston asked who the Large Cities #1 and #2 were on the schedule. Mr. Sadredin stated Stockton is designated as Large City #1, and Large City #2 will be Visalia, when their vacant seat is filled. Supervisor Case noted the City terms are three years and stated the designated City could possibly change by their term in the rotation schedule. Mr. Sadredin agreed and stated the Board also decided previously that the Chair of the Board must have served on the Governing Board for at least one year prior to assuming the position of Chair. Supervisor O'Brien noted the Small-City Northern Region is missing from the rotation schedule in 2022. Mr. Sadredin stated he will take another look at the rotation schedule and report back to the Board.

Moved: Case
Seconded: Watson
Ayes: Miller, Ayers, Barba, Case, Forman, Nelson, Telles,
Watson, Worthley, Johnston, O'Brien, Ornellas, Vierra
Nays: None

Motion unanimously carried to elect Tony Barba, Kings County Supervisor as Chairperson and J. Steven Worthley, Tulare County Supervisor as Vice-Chairperson of the SJVAPCD Governing Board.

6. REPORT FROM THE CITIZEN'S ADVISORY COMMITTEE (CAC) – Mary-Michal Rawling, Chair of the CAC gave a report on the meeting held on December 1, 2009. She stated they received a report from Mr. Sadredin and an introduction to the District's new Administrative Services Director, Cindi Hamm. She reported there was an item on the CAC Agenda to elect a new Chair from the Industry/Ag Group, but the item was tabled to the next meeting due to a lack of a quorum. She noted the nomination was for Manuel Cunha, Nisei Farmers League to serve as Chair from the Industry/Ag Group.

Ms. Rawling also reported they received a report from the Environmental Justice Advisory Group (EJAG) on their November and December meetings. She stated the EJAG held a discussion on ways to get members of the public to participate in future meetings and how to eliminate barriers to participation. She also reported the EJAG finalized and approved a fee waiver process for Public Records Requests as well as the map of the Environmental Justice communities in the San Joaquin Valley at their

November meeting. She also stated there was a lengthy discussion at the CAC meeting on the draft evaluation of the EJAG that was presented by Mr. Sadredin and noted comments and suggestions were made to him about the composition of the EJAG. Ms. Rawling stated the CAC also received a report on proposed Rule 9410 (Employer-Based Trip Reduction) and stated that many CAC members gave their feedback on this proposed Rule. Lastly, she thanked Chair Vierra for his leadership on the Board for this past year and stated she is looking forward to continuing to serve on the CAC in her capacity as a representative from Merced County.

7. ADOPT PROPOSED DISTRICT POLICY AND GUIDANCE DOCUMENT FOR LAND-USE AGENCIES FOR USE IN ADDRESSING GREENHOUSE GAS EMISSION IMPACTS UNDER CEQA FOR NEW PROJECTS IN THE SAN JOAQUIN VALLEY – Mr. Sadredin introduced this item, which was continued from the November 5, 2009 Governing Board meeting due to technical difficulties. He stated this is a significant new policy to address greenhouse gas emissions within the land-use permitting process. He noted the focus of this policy is to work on reducing greenhouse gas emissions without excessive and crippling administrative red tape which could often come with the CEQA process. He stated staff believes this is a scientifically justifiable, legally defensible process that will be offered to cities and counties at their request, and noted that the action by the Board will not mandate that cities and counties adopt this process. Mr. Sadredin then introduced Dave Warner, who gave the presentation on this item. Mr. Warner also noted the proposed amendments to Rule 2301 (Emissions Reduction Credit Banking), which would allow banking of voluntary greenhouse gas reductions, would not be presented for consideration today as staff is still addressing issues raised by concerned parties.

Dr. Telles asked if SB97 called for the state Department of Planning and Research to come up with a similar guideline. Mr. Sadredin stated to his knowledge those guidelines will not establish a threshold. Dr. Telles asked if there have been any additional conversations with the Attorney General's office addressing their concerns. Mr. Sadredin responded that many of their concerns were addressed in the staff report and that Dave Warner, Permits Director was in recent contact with the Attorney General's office.

Public Comment: *The following persons gave testimony on this item:*

- Suzanne Noble, WSPA
- Gordon Nipp, Sierra Club
- Jerry Frost, Kern Oil & Refining
- Lorelei Oviatt, Kern County
- Steve Letterly, Tejon Village
- Mario Guerrero, Coalition for Clean Air
- Sarah Sharpe, Fresno Metro Ministry
- Colby Morrow, Southern CA Gas Company
- Bart Doyle, Building Industry Association
- J.P. Cataviela, Dairy CARES
- Jenny Saklar, Central Valley Air Quality Coalition

- Laura Fultz-Stout, Coalition for Clean Air
- Casey Creamer, CA Cotton Ginners Association

Moved: Case
Seconded: Watson
Ayes: Ornellas, Johnston, O'Brien, Miller, Ayers, Barba,
Case, Forman, Nelson, Telles, Watson, Worthley, Vierra
Nays: None

Motion unanimously carried to adopt proposed District Policy and Guidance Document for Land-Use Agencies for Use in Addressing Greenhouse Gas Emission Impacts Under CEQA for New Projects in the San Joaquin Valley.

8. ADOPT PROPOSED AMENDMENTS TO RULE 4308 (BOILERS, STEAM GENERATORS, AND PROCESS HEATERS – 0.075 TO LESS THAN 2.0 MMBTU/HR) – George Heinen, Supervising Air Quality Engineer gave the presentation on the amendments to Rule 4308. He stated these amendments will implement a NOx control measure in the Ozone and PM 2.5 Plans. He stated the units that are impacted by this Rule are primarily institutional water heaters, including both tanked and tank less water heaters. He noted the project will require new and replaced units to meet lower NOx limits. He stated the emission reduction estimate is 2.8 tons per day of NOx.

Public Comment – None

Moved: Worthley
Seconded: Case
Ayes: Barba, Case, Ayers, Forman, Nelson, Telles, Watson,
Worthley, Miller, Johnston, Ornellas, O'Brien, Vierra
Nays: None

Motion unanimously carried to adopt proposed amendments to Rule 4601 (Architectural Coatings).

9. ADOPT REVISED PROPOSED AMENDMENTS TO RULE 4601 (ARCHITECTURAL COATINGS) – George Heinen, Supervising Air Quality Engineer gave the presentation on the revised proposed amendments to Rule 4601. The Rule amendments will implement a control measure in the Ozone Plan and reduce the VOC content limits of several coating categories to make them consistent with the Suggested Control Measure that was adopted by ARB. Emission reduction estimate is 2.1 tons per day of VOC.

Public Comment – *The following persons provided testimony on this item:*

- James F. Nyarady, Air Resources Board
- Madelyn Harding, Sherwin-Williams
- David Darling, National Paint and Coatings Association

Moved: Barba
Seconded: Case
Ayes: Miller, Ayers, Barba, Case, Forman, Nelson, Telles
Watson, Worthley, Johnston, O'Brien, Ornellas, Vierra
Nays: None

Motion unanimously carried to adopt revised proposed amendments to Rule 4601 (Architectural Coatings).

This item was taken out of turn.

11. APPROPRIATE \$942,545.66 IN UNANTICIPATED REVENUE FOR THE CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT PROGRAM FROM ANTELOPE VALLEY AND MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICTS – Mr. Sadredin gave the presentation on this item. He stated over the last three to four years the District has built a great reputation in effective administration of incentive grants. He also noted that the District has built effective relationships with neighboring air districts by providing assistance with grant writing and program administration. He stated as part of this relationship, in the past, these districts have offered funding awarded to them, which they were unable to use prior to the deadline, to the District to assist with reducing emissions in the Valley, which will in turn benefit these other districts. He noted this amount includes \$294,932 in Carl Moyer Program funds from the Antelope Valley Air Quality Management District and \$647,613 in Moyer funds from the Mojave Desert Air Quality Management District. Mr. Sadredin also expressed his gratitude to these air districts for these unanticipated funds.

Dr. Forman expressed general concern with high levels of ultra fine particles that are associated with the newer engines. Supervisor Watson suggested sending a letter of thanks to these neighboring air districts.

Public Comment: *The following persons provided testimony on this item:*

- Colby Morrow, Southern California Gas Company

Moved: Watson
Seconded: Case
Ayes: O'Brien, Johnston, Ornellas, Miller, Ayers, Barba, Case,
Nelson, Telles, Watson, Worthley, Vierra
Nays: Forman

Motion carried 12-1 to appropriate \$942,545.66 in unanticipated revenue for the Carl Moyer Memorial Air Quality Standards Attainment Program from Antelope Valley and Mojave Desert Air Quality Management District.

This item was taken out of turn.

12. VERBAL REPORT BY JOHN G. TELLES, M.D. ON AIR RESOURCES BOARD (ARB) ACTIVITIES – Dr. Telles reported on items discussed during the ARB meeting held on December 9th and 10th, including the proposed refrigerant

management program to reduce greenhouse gases. He stated this is the 5th most significant greenhouse gas reduction measure completed by the ARB and noted it is representative of 8.1 million metric tons of CO² equivalents per year. Dr. Telles also stated they discussed the effect of the recession on truck emissions. He noted ARB staff estimated that diesel fuel usage was down 18 to 20% as of September, 2009 and reported that by December, 2009 estimated usage was down 20 to 29%. He stated even with the impact of the recession on fuel usage, the SIP plan goal for PM2.5 and Ozone is still out of reach. Lastly, Dr. Telles reported there was a lot of public comment from the trucking industry on this item. He noted that ARB will meet to discuss possible modifications to the On-Road Truck Regulation in April, 2010.

The Board adjourned to Closed Session at 11:45 a.m.

21. CLOSED SESSION – The Governing Board held a Closed Session pursuant to Section 54957 and 54957.6 of the Government Code (Ralph M. Brown Act) as follows:

- Conference with Executive Director/APCO, regarding compensation for Management staff (excluding District Counsel and Executive Director/APCO)
- Performance Evaluation: District Counsel
- Performance Evaluation: Executive Director/APCO

The Board reconvened at 1:00 p.m.

10. ADOPT PROPOSED RULE 9410 (EMPLOYER BASED TRIP REDUCTION) – Mr. Sadredin introduced Rule 9410 as a commitment in federal attainment plans aimed at reducing emissions associated with work commutes through promoting alternative modes of transportation. He noted the District's Personnel department was involved in the design of this Rule to ensure that the requirements were legal and would address employer liability issues. Mr. Sadredin stated this Rule was designed to minimize red tape and administrative costs. He also stated the District wanted to give employers credit for measures already in place. He noted stakeholders also asked the District to take responsibility to help them comply with the Rule. The District will provide those tools to assist with the administrative work required by the Rule.

Mr. Sadredin introduced Jessi Fierro, Senior Air Quality Specialist, who presented details of the Rule as proposed. She stated under this new Rule, larger employers (those with 100 or more eligible employees) would use District-supplied tools and materials to establish employee trip-reduction programs. She noted the Rule has a menu-based approach and a phased in compliance schedule. Carolyn Rose, the District's Personnel Director addressed administrative challenges that could be faced by employers in promoting alternative transportation modes and described methods by which Rule 9410 was designed to address those challenges. She noted the District is committed to provide support for each strategy of the Rule. Jaime

Holt, the District's Chief Communication Officer presented the Healthy Air Living tools that will be available to employers to assist with complying with the Rule. Lastly, Scott Nester, Planning Director discussed the extensive public participation process with various stakeholders and issues that were addressed as a result of this process.

Supervisor Nelson left at 2:02 p.m.

Mayor Johnston asked about specific roadblocks that came up in the District's implementation of their own trip reduction plan over the last several years. Mr. Sadredin stated that employees' apprehension that leaving their vehicles at home may render them unable to complete their day or respond to emergencies was a roadblock. He also cited the fear of the unknown by managers as another roadblock. Mayor Johnston asked about the number of companies that have already implemented some of these measures. Mr. Sadredin responded many employers have implemented these types of measures, but were lacking a coordinated effort to promote alternative transportation through education and support services. He stated Rule 9410 aims to provide all of these to the Valley's employers. Supervisor O'Brien asked why the focus is on the morning commute. Mr. Sadredin responded that the commute that begins during that time period also is repeated during the periods of Ozone peak levels in the afternoon.

Public Comment – *The following persons provided testimony on this item:*

- Betsy Reifsnider, Catholic Charities
- Matt McCauley
- Mary-Michal Rawling, Merced Madera County Asthma Coalition
- Sandra Brock, City of Fresno
- Michelle Garcia, Fresno Madera Medical Society
- Mario Guerrero, Coalition for Clean Air
- Michael Kovacevich, Bolthouse Farms
- Jeff Cardell, City of Clovis
- Rob Neenan, CA League of Food Processors
- Laura Fultz-Stout, Coalition for Clean Air
- Shirley Batchman, CA Citrus Mutual Association
- Manuel Cunha, Nisei Farmers League
- James Thomas, Nabors
- Robert Wegis, Grimmway Farms

Dr. Telles left at 2:48 p.m.

Supervisor Case suggested perhaps there should be some consideration to the type of vehicle driven. She also suggested the District create a computer program to assist with calculating the emissions saved by employers. Mr. Sadredin stated that the District will commit to provide for all of these needs and allow for automated surveys. She also expressed some concern about Phase 3 of the Rule. Mayor Johnston asked how manufacturers in remote areas would be approached to comply

with the Rule. Mr. Sadredin stated as a result of the rule workshops staff added many options to enable different types of businesses to comply and meet the minimum point requirements. He stated staff met extensively with the manufacturer's council and changed the Rule extensively to help them meet the Phase 3 requirements. Supervisor Worthley stated there is plenty of time to address concerns about Phase 3 in the future. Councilmember Miller stated this Rule is flexible and can be adjusted as needed in the future. Supervisor O'Brien stated he cannot support the Rule as it is written. Mr. Sadredin went through Phase 3 menu options and outlined a number of ways a manufacturing facility could reach the minimum point requirement in a feasible fashion. He also assured the Board that the District will assume much of the administrative burden for the employers. Mr. Sadredin also committed to reporting back to the Board on an annual basis about the progress of this Rule and the support provided by the District.

Moved: Worthley
Seconded: Miller
Ayes: Ayers, Barba, Case, Forman, Watson
Worthley, Miller, Johnston, Vierra
Nays: O'Brien, Ornellas

Motion carried 9-2 to adopt proposed Rule 9410 (Employer Based Trip Reduction).

Supervisor Worthley and Supervisor Watson left at 3:27 p.m.

13. PUBLIC COMMENT – None
14. EXECUTIVE DIRECTOR/APCO COMMENTS – None
15. GOVERNING BOARD MEMBER COMMENTS – Supervisor Ornellas thanked Chair Vierra for his leadership this past year. Supervisor Case thanked Chair Vierra for his extraordinary leadership at today's meeting and for the entire past year.

ADJOURN

Meeting adjourned at 3:49 p.m.

*Next scheduled meeting of the Governing Board: Thursday, January 21, 2010.
Meeting starts at 9:00 a.m., Central Region Office, Governing Board Room, 1990 E. Gettysburg Avenue, Fresno. The meeting will be held via video teleconference (VTC) with the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating via VTC.*