

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 15, 2011
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, Supervisor Worthley, called the meeting to order at 9:10 a.m.
2. ROLL CALL was taken and a quorum was present.

Present:

Tony Barba, Supervisor	Kings County
Judy Case, Supervisor	Fresno County
Ronn Dominici, Supervisor	Madera County
Ann Johnston, Mayor, Vice Chair*	City of Stockton
Randy Miller, Mayor**	City of Taft
William O'Brien, Supervisor*	Stanislaus County
Leroy Ornellas, Supervisor*	San Joaquin County
Chris Vierra, Mayor*	City of Ceres
Raymond Watson, Supervisor**	Kern County
Dr. Alexander Sherriffs	Appointed by Governor
J. Steven Worthley, Supervisor, Chair	Tulare County

* Attended meeting in Northern Region Office
**Attended meeting in Southern Region Office

Absent:

Dr. Henry Jay Forman, Ph.D.	Appointed by Governor
Hub Walsh, Supervisor	Merced County

3. INTRODUCTION OF ALEXANDER SHERRIFFS, M.D., NEW GOVERNING BOARD MEMBER APPOINTED BY THE GOVERNOR – Supervisor Worthley welcomed Dr. Sherriffs to his first Governing Board meeting. He explained Dr. Sherriffs was appointed by Governor Brown to both the District's and ARB Governing Boards. Dr. Sherriffs commented that he was grateful for the opportunity to make a positive contribution to improving air quality and the health of Valley residents. He noted the many impediments in the fight to improve air quality in the Valley include geography, meteorology, and the economy - with increasingly disproportionate unemployment rates, poverty and fewer services than other parts of the state, including fewer doctors. He also commented that he is awed by the past accomplishments of the Governing

Board and District staff, not to mention the efforts of Valley residents, agriculture and business – resulting in cleaner air than it was ten years before. He stated he understood his responsibility on the ARB Governing Board involves representing and explaining the District's positions to ARB. He noted having lived in the Valley over 30 years, he understood well the challenges faced in communicating the Valley perspective to the state's urban areas. Lastly, he stated his hope that his experiences as a practicing physician who sees the health consequences of poor air quality on a daily basis will help the Board in their common task of improving air quality for the betterment of everyone's health. Supervisor Worthley thanked Dr. Sherriffs for his comments and stated the Board members look forward to working with him.

4. RECOGNITION OF THE OUTGOING GOVERNING BOARD MEMBERS: MAYOR JOHNSTON AND MAYOR MILLER – Chairman Worthley stated the Board would like to recognize the two outgoing members of the Governing Board, Mayor Ann Johnston from the City of Stockton, and Mayor Randy Miller from the City of Taft. Supervisor Ornellas presented a plaque to Mayor Johnston in the Northern Region office, in appreciation of her service to the District's Governing Board and her commitment to improving the Valley's air quality. He noted she cares deeply about the Valley and her community and she was very interested to ensure that any actions taken to improve air quality did not mean the loss of family jobs in the area. Mayor Johnston stated it has truly been an honor and a privilege to serve on the District's Governing Board.

Supervisor Watson presented a plaque to Mayor Miller in the Southern Region office, in appreciation of his service to the District's Governing Board and his commitment to improving the Valley's air quality. Supervisor Watson noted it has been a pleasure to work with Mayor Miller and thanked him for his efforts on behalf of the Board. Mayor Miller thanked everyone he has come in contact with in his tenure on the Board. He stated the District is truly impressive from top to bottom, and Mr. Sadredin has built a great team and it shows every time he attends a Governing Board meeting. Mayor Miller thanked staff for their great presentations and for running their programs very effectively.

5. ELECTION OF OFFICERS FOR 2012 – Seyed Sadredin, Executive Director/APCO explained in accordance with the most current Governing Board Officer Selection Policy adopted by the Board on December 17, 2009, the next Board member in line for the Chair position would have been Mayor Johnston. He stated unfortunately her term on the Air Board was expiring at the end of December. He stated the next person in the rotation was Supervisor Hub Walsh from Merced County. However, due to a number of other time consuming obligations, Supervisor Walsh is unable to serve as the Chair at this time. Mr. Sadredin stated staff recommended to elect Chairperson and Vice Chairperson for 2012 as follows: Chairman shall be representative from Stanislaus County, Supervisor William O'Brien; Vice Chair shall be Small City Representative from Tulare County, Vice Mayor Skip Barwick.

Public Comment: None

Moved: Dominici
Seconded: Barba
Ayes: Miller, Watson, Barba, Dominici, Sherriffs, Case, O'Brien,
Johnston, Vierra, Ornellas, Worthley
Nays: None

Motion unanimously carried to elect Supervisor O'Brien as Chair and Vice Mayor Barwick as Vice Chair for the 2012 term.

6. APPROVAL OF CONSENT CALENDAR – (Item Numbers 23 - 33) *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.*
23. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, OCTOBER 20, 2011 -
24. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2012
25. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR OCTOBER AND NOVEMBER 2011
26. RECEIVE AND FILE BUDGET STATUS REPORT AS OF NOVEMBER 30, 2011
27. AMENDED TIMELINE FOR RESEARCH STUDY OF ULTRAFINE PARTICLE PLUMES
28. APPROVE AND AUTHORIZE THE CHAIR TO EXECUTE AN AMENDMENT TO AGREEMENT DATED JANUARY 20, 2011 WITH THE AMERICAN LUNG ASSOCIATION IN CALIFORNIA TO ADJUST THE WORK PLAN FOR THE 2011-12 RAAN AND AIR QUALITY FLAG PROGRAM
29. RECEIVE AND FILE PROPOSED AMENDMENTS TO RULE 2301 (EMISSION REDUCTION CREDIT BANKING)
30. RECEIVE AND FILE DISTRICT'S ANNUAL OFFSET EQUIVALENCY REPORT TO THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY
31. APPROVE DISTRICT'S 457 DEFERRED COMPENSATION PLAN AS AMENDED TO COMPLY WITH LEGISLATION
32. APPROVE PROPOSED AMENDMENTS TO THREE PREVIOUSLY ADOPTED VOLUNTARY EMISSION REDUCTION AGREEMENTS
33. APPROVE AND AUTHORIZE THE CHAIR TO SIGN CONTRACT AMENDMENT WITH FRESNO COUNCIL OF GOVERNMENTS TO EXTEND THE EXPIRATION OF THE CONTRACT TO JUNE 30, 2013

Public Comment: None

Moved: Barba
Seconded: Case
Ayes: Miller, Watson, Vierra, Johnston, O'Brien, Ornellas,
Sherriffs, Barba, Case, Dominici, Worthley
Nays: None

Motion unanimously carried to approve Consent Calendar Items 23 - 33

7. PUBLIC COMMENT – *The following persons provided testimony during the public comments portion of the meeting*

- Dennis Fox, Resident of Bakersfield City
- Tom Frantz, Association of Irrigated Residents
- Maricela Mares-Alatorre, People for Clean Air and Water of Kettleman City
- Sarah Sharpe, Fresno Metro Ministry Environmental Health Program
- Adam Martinez, Green Action
- Ramon Mares, Resident of Kettleman City
- Maria Salcedo, Mothers of Children with Deformities in Kettleman City
- Mario Talavera, Latinos Unidos Conscientes al Ambiente (United Latinos Aware of the Environment)

8. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Manuel Cunha, Chair of the CAC, gave a report of their meetings held on November 1, 2011 and December 6, 2011. His highlights included discussion of comments and suggestions for potential enhancements to the District's Air Alert program and complementary health advisory efforts. He said CAC members and other stakeholders agreed that media coverage for the 2011 Air Alert outreach campaign was outstanding, and they provided suggestions regarding the target audiences, outreach messaging and appropriate actions for each target group. He stated the suggestions provided by participants were forwarded to the District's Executive Director for review as possible enhancements to the District's 2012 Outreach program.

He also reported CAC elected a new chairperson, Amarpreet Dhaliwal, City Interest Group representing the City of San Joaquin. He stated CAC endorsed the proposed amendments to Rule 4402 (Crude Oil Production Sumps); Rule 4625 (Wastewater Separators); Rule 4352 (Solid Fuel Fired Boilers); and Rule 4682 (Polystyrene, Polyethylene and Polypropylene Products manufacturing). Mr. Cunha stated an update on Environmental Justice Advisory Group (EJAG) business had been received and that updated District outreach materials were being reviewed for publication. Mr. Cunha commended staff in their efforts during his tenure as Chair.

9. RECOGNITION OF THE OUTGOING CHAIR OF THE CITIZENS ADVISORY COMMITTEE: MANUEL CUNHA – Supervisor Worthley presented a plaque to Mr. Cunha in appreciation for his service as Chair of the Citizens Advisory Committee for the past two years, and thanked him for his efforts on behalf of agriculture to improve the Valley's air quality. Supervisor Dominici thanked Mr. Cunha for everything he has

done on behalf of the Citizens Advisory Committee and his efforts to improve air quality.

10. S.T.A.R. EMPLOYEE OF THE YEAR AWARDS – Marissa Gonzales, Personnel Director, presented this item which acknowledges employees' outstanding performance and achievement for 2011:

Administration

Kelly Taylor, Accounting Technician
Erin Green, Office Assistant

Outreach & Communication

Sheri Bohigian, Air Quality Education Representative

Personnel

Sharon Kendall, Personnel Administrator

Information Systems

Brian Johnson, Programmer/Analyst

Compliance

Adam Mumford, Air Quality Inspector
Jeff Voorhees, Air Quality Specialist
Jennifer Turnipseed, Air Quality Inspector
Mike Oldershaw, Air Quality Compliance Manager

Permits

Fred Cruz, Air Quality Engineer
Rupi Gill, Permit Services Manager
Brian Clements, Senior Air Quality Engineer
Glenn Reed, Senior Air Quality Specialist
Kristopher Rickards, Air Quality Engineer

Strategies & Incentives

Jessi Fierro, Supervising Air Quality Specialist
Jeannine Tackett, Senior Air Quality Specialist

11. APPROVAL OF PROJECT SELECTIONS AND ADDITIONAL FUNDING FOR THE DISTRICT'S TECHNOLOGY ADVANCEMENT PROGRAM – Samir Sheikh, Strategies and Incentives Director, gave the presentation on this item which proposed to approve \$2,947,694 in funding new projects for the District's Technology Advancement Program (TAP). He explained despite major reductions in emissions and improvement in air quality, the Valley continues to face difficult challenges. He stated the program's primary goal is to advance technology and accelerate deployment of innovative clean-air technologies. The projects and amounts are:

- \$350,000 for Pure Power Technologies' proposal to demonstrate a non-urea NOx reduction retrofit system for diesel trucks;
- \$300,000 for California Bioenergy's proposal to demonstrate advanced

- two-stage controls to a biogas engine system to achieve near-zero NOx;
- \$258,000 for US Hybrid Corp.'s proposal to demonstrate a plug-in hybrid wheel loader in a dairy application, and \$292,830 for their demonstration of a plug-in hybrid propane/electric work truck;
- \$75,580 for Energy Conversions Inc.'s proposal to demonstrate a natural gas conversion kit for two-stroke diesel locomotive engines;
- \$370,534 for Electricore Inc.'s proposal to demonstrate a fully autonomous agricultural sprayer based on a zero-emission, all electric vehicle platform;
- \$28,250 for Sun-Maid Growers of California's proposal to demonstrate an emission-reducing raisin tray burning system;
- \$300,000 for Thermata's proposal to demonstrate a concentrating solar steam system to offset boiler fuel consumption and emissions;
- \$250,000 for Leva Energy Inc.'s proposal to demonstrate a power-generating burner that recovers wasted energy through a microturbine;
- \$242,500 for the City of Manteca's proposal to demonstrate a serial hybrid hydraulic refuse truck;
- \$230,000 for the Association of Compost Producer's proposal to demonstrate a positively aerated static compost pile system;
- \$350,000 for PG&E Fleet Engineering's proposal to demonstrate an extended range electric drive Class 6 bucket truck with electric worksite operation capacity.

Mr. Sheikh also recommended the Board allocate \$3 million for the next TAP Request for Proposal process to solicit additional demonstration projects for emission-reduction technologies.

Mr. Worthley stated a concern regarding applying retrofit equipment to trucks due to the uniqueness of the year manufactured and the manufacturer and asked if there was a universal application component or is the retrofit specific to a model year. Mr. Sheikh responded the proposal from Pure Power Technologies is unique in that it would apply to a broader range of trucks. Ms. Case stated a concern regarding problems with retrofits including clogging, installation and effectiveness and mentioned the specific proposal is meant for 2007 to 2009 model years to meet 2010 standards which is a narrow time frame. Mr. Sadredin explained that under the state truck regulations those models years need to meet the 2010 emissions standard. He reported he will be attending an ARB Board meeting to testify in support of a trade-down program for trucks within environmental justice communities in the Valley. He explained ARB is proposing to provide San Joaquin Valley with newer trucks which are being surrendered in the Bay Area and Los Angeles instead of crushing or destroying them.

Ms. Case asked if there was discussion on multiple submissions from the same company. Mr. Sheikh responded there were discussions but there were no restrictions and instead projects are based and ranked on merit. Mr. Sadredin added the main focus of these request for proposals was to find projects that are far along in terms of technology advancements. Mr. O'Brien asked how proposed projects were still being deployed without the complete funding as requested by the organizations and what would happen if the projects could not be completely funded. Mr. Sheikh responded there is a robust set of milestones to ensure that funds will not be distributed without

evidence of progress. He explained there is no funding dispensed without actual expenses being incurred. He commented there is a reimbursement process in place. Mr. Watson asked how the matching funds provided by the project proponents were considered in the ranking of the project. Mr. Sadredin explained that funding percentage requested by the applicants was a factor but projects were evaluated on an overall value basis and for the projects that were not completely funded there was a negotiation process to ensure project viability. Mr. Sherriffs suggested directing scoring to favor programs that will coordinate, cooperate, and collaborate with local institutions of higher learning.

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

- Elizabeth Jonasson, Coalition for Clean Air
- Manuel Cunha Jr., Nisei Farmers League

Moved: Dominici
Seconded: Case
Ayes: Barba, Sherriffs, Dominici, Case, O'Brien, Ornellas,
Johnston, Vierra, Watson, Miller, Worthley
Nays: None

Motion unanimously carried to approve project selections and additional funding for the District's Technology Advancement Program.

12. REVIEW AND PROVIDE COMMENT ON THE DRAFT "2011 ANNUAL REPORT TO THE COMMUNITY" - This item was tabled until the January 2012 Governing Board meeting.

The Board adjourned to Closed Session at 10:41 a.m.

13. CLOSED SESSION – Catherine Redmond, District Counsel, announced the Board would adjourn to Closed Session to consider the following, with no additional announcement to be made:

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code section 54956.9(a): *Our Children's Earth Foundation v. San Joaquin Valley Air Pollution Control District, et al., San Joaquin County Case No. 39-2011000270026-CU-WM-STK*
- CONFERENCE WITH LABOR NEGOTIATOR– Marissa Gonzales, Pursuant to Government Code Section 54957.6. Employee Organization – SEIU Local 521

The Board reconvened at 11:16 a.m. Roll Call was taken and a quorum was present.

14. ADOPT PROPOSED AMENDMENTS TO RULE 4402 (CRUDE OIL PRODUCTION SUMPS) – Dr. Sherriffs stated for the record there was a potential conflict due to his ownership of a number of energy stocks, however, he noted there does not appear to be a material interest that would preclude his participation in hearing the item. Errol

Villegas, Strategies and Incentive Program Manager, gave the presentation on this item which proposed to prohibit first stage sumps, update test methods, clarify existing requirements and add new requirements for recordkeeping and for use of emergency pits. He explained these amendments are expected to satisfy Clean Air Act requirements for Reasonably Available Control Technology (RACT) and to result in full EPA approval of this rule.

Public Comment: None

Moved: Case
Seconded: Dominici
Ayes: Johnston, O'Brien, Vierra, Ornellas, Watson
Miller, Dominici, Sherriffs, Barba, Case, Worthley
Nays: None

Motion unanimously carried to adopt amendments to Rule 4402 (Crude Oil Production Sumps).

15. ADOPT PROPOSED AMENDMENTS TO RULE 4682 (POLYSTYRENE, POLYETHYLENE, AND POLYPROPYLENE PRODUCTS MANUFACTURING) – Dr. Sherriffs again stated there was a potential conflict due to his ownership of a number of energy stocks, however, he noted there does not appear to be a material interest that would prevent him from hearing the item. Mr. Villegas gave the presentation on this item which proposed to separate the VOC limits for foam extrusion facilities and expandable polystyrene (EPS) foam facilities and add a daily VOC limit for EPS facilities. He explained these amendments are expected to satisfy Clean Air Act requirements for reasonably available control technology (RACT) and to result in full EPA approval of this rule.

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

- Elizabeth Jonasson, Coalition for Clean Air

Moved: Case
Seconded: Dominici
Ayes: Watson, Miller, Dominici, Sherriffs, Barba, Case
Vierra, Johnston, O'Brien, Ornellas, Worthley
Nays: None

Motion unanimously carried to adopt amendments to Rule 4682 (Polystyrene, Polyethylene and Polypropylene Products Manufacturing).

16. ADOPT PROPOSED AMENDMENTS TO RULE 4625 (WASTEWATER SEPARATORS) – Dr. Sherriffs stated there was a potential conflict due to his ownership of a number of energy stocks, however, he noted there does not appear to be a material interest that would preclude him from hearing the item. Mr. Villegas gave the presentation on this item which proposed to add new definitions for improved clarity, increase required vapor control efficiency, remove all exemptions, update test methods

and include new recordkeeping and inspection requirements. He explained these amendments are expected to satisfy Clean Air Act requirements for reasonably available control technology (RACT) and to result in full EPA approval of this rule.

Public Comment - None

Moved: Case
Seconded: Dominici
Ayes: Sherriffs, Case, Barba, Dominici, O'Brien,
Johnston, Vierra, Ornellas, Watson, Miller, Worthley
Nays: None

Motion unanimously carried to adopt amendments to Rule 4625 (Wastewater Separators)

17. ADOPT PROPOSED AMENDMENTS TO RULE 4352 (SOLID FUEL FIRED BOILERS, STEAM GENERATORS AND PROCESS HEATERS) – Dr. Sherriffs stated there was a potential conflict of interest due to his ownership of a number of energy stocks, however, he noted there does not appear to be a material interest that would preclude him from hearing the item. Mr. Villegas gave the presentation on this item which proposed to lower NOx emission limits, add definitions and remove outdated sections for rule clarity. He explained these amendments are expected to satisfy Clean Air Act requirements for reasonably available control technology (RACT) and to result in full EPA approval of this rule.

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

- Dr. Ted Guth, Rio Bravo Fresno
- Jeffrey Hahn, California Biomass Energy Alliance
- Tom Frantz, Association of Irrigated Residents

Moved: Barba
Seconded: Dominici
Ayes: Miller, Watson, Vierra, Johnston, O'Brien, Ornellas
Sherriffs, Case, Barba, Dominici, Worthley
Nays: None

Motion unanimously carried to adopt amendments to Rule 4352 (Solid Fuel Fired Boilers, Steam Generators and Process Heaters).

18. APPROVE PROPOSED GREEN PROCUREMENT AND SUSTAINABLE PRACTICES POLICY - This item was tabled until the January 2012 Governing Board meeting.
19. IMPOSE THE DISTRICT'S LAST, BEST, AND FINAL OFFER ON SERVICE EMPLOYEES' INTERNATIONAL UNION (SEIU) LOCAL 521 – Mr. Sadredin gave the presentation on this item and noted there was a typo under the Discussion area of page 3 of the Board Agenda Item. He stated the correct figure for the retirement unfunded liability is \$40 million and not \$60 million. He noted the correct information was

communicated with SEIU in a letter dated November 18th, 2011, and in the actuarial report that was provided to SEIU. Mr. Sadredin summarized events that led to impasse between the District and SEIU Local 521 and explained the staff recommendation.

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

- Andy Christensen, SEIU Local 521
- Janelle Schneider
- Bonnie East
- Ellyce Baldwin
- Dave Baldwin
- Dan Klaaven
- Mike Buss
- Bob Goon
- Steve Roeder

Mr. Dominici left at 12:18 p.m.

Mr. Vierra left at 12:19 p.m.

Mr. Watson commented that he would be willing to come back for a Special Meeting next week.

Moved: Johnston

Seconded: Barba

Ayes: Sherriffs, Case, Barba, O'Brien, Johnston,
Ornellas, Miller, Watson, Worthley

Nays: None

Motion unanimously carried to assume jurisdiction over the impasse between the District and Service Employees' International Union (SEIU) Local 521 pursuant to District Administrative Code Section 21.12 and unilaterally impose the following items from the District's Last, Best and Final Offer:

- I. Require all employees in the SEIU General Services and Supervisory bargaining units to pay the full normal employee contribution rate towards retirement as expressed in column 2 of Appendix 'A' of the District's Last, Best and Final offer.***
- II. Authorize the Executive Director to arrange for the availability of lockable bike racks in the Northern and Southern Regional offices.***
- III. Amend District Administrative Code section 17.8 entitled "Bereavement Leave" to allow for the inclusion of stepbrothers and stepsisters as recognizable family members for bereavement leave requests to arrange for or attend a family member's funeral.***

- IV. Amend District Administrative Code section 17.10 entitled “Jury Duty/Witness Leave” to allow for the approval of employee requests to report directly to jury service when they are required to report to court on or before 9am.**
- V. Authorize the Executive Director to arrange for the availability of District Healthy Air Living (HAL) hats or caps to be provided to field service workers upon request as needed for protection from the sun and its ultraviolet rays when working outdoors.**
- VI. Authorize the Executive Director to arrange for the performance of an ergonomic evaluation of an employee’s workstation upon request.**
- VII. Authorize the Executive Director to provide, in conformance with state and federal law, a room with an internal lock to be used by nursing mothers.**

20. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – None

21. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin reported the 2012 Kids Calendars are now available. He also reported the Lawn Care Conference is scheduled for March 21, 2012. Mr. Sadredin presented Scott Nester, Senior Project Manager with a plaque in appreciation of his 19 years of service and commitment to assist in cleaning the Valley’s air. Mr. Sadredin also expressed his gratitude to Mr. Miller and Mayor Johnston for their leadership and guidance.

22. GOVERNING BOARD MEMBER COMMENTS – Mr. Miller thanked the Board for the opportunity to serve. Ms. Johnston thanked the Board for the opportunity to serve and conveyed her appreciation in working with the staff. Mr. Worthley expressed his thanks to Mr. Miller and Mayor Johnston for serving on the Board.

ADJOURN

Meeting adjourned at 12:33 p.m.

Next scheduled meeting of the Governing Board: Thursday, February 16, 2012. Meeting starts at 9:00 a.m., Central Region Office, Governing Board Room, and 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.