

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, February 18, 2016
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, Councilmember Baines, called the meeting to order at 9:08 a.m.
2. ROLL CALL was taken and a quorum was present.

Present:

Oliver L. Baines III, Councilmember, Chair	City of Fresno
John Capitman, Ph.D.	Appointed by Governor
David Couch, Supervisor**	Kern County
Bob Elliott, Supervisor*	San Joaquin County
Virginia R. Gurrola, Councilmember**	City of Porterville
Harold Hanson, Councilmember**	City of Bakersfield
Buddy Mendes, Supervisor, Vice Chair	Fresno County
William O'Brien, Supervisor*	Stanislaus County
Craig Pedersen, Supervisor	Kings County
Hub Walsh, Supervisor*	Merced County
Tom Wheeler, Supervisor	Madera County

* Attended meeting in Northern Region Office

** Attended meeting in the Southern Region Office

Absent:

Dennis Brazil, Mayor	City of Gustine
Dr. Alexander Sherriffs	Appointed by Governor
J. Steven Worthley, Supervisor	Tulare County

3. APPROVAL OF CONSENT CALENDAR – (Item Numbers 16 – 21): *These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public was given the opportunity to comment on any consent item.*
16. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, JANUARY 21, 2015
17. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2016
18. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR JANUARY 2016
19. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF JANUARY 31, 2016
20. APPROVE CONTRACT WITH HYLAND INC., FOR CONVERSION OF THE DISTRICT'S ELECTRONIC DOCUMENT MANAGEMENT SYSTEM FROM CURRENT HYLAND SOFTWARE (SIRE) TO REPLACEMENT HYLAND SOFTWARE (ONBASE)
21. APPOINT MEMBER TO THE DISTRICT'S ENVIRONMENTAL JUSTICE ADVISORY GROUP

Public Comment: None

Moved: Pedersen
Seconded: Wheeler
Ayes: Capitman, Couch, Elliott, Gurrola, Hanson, Mendes,
O'Brien, Pedersen, Walsh, Wheeler, Baines
Nays: None

Motion unanimously carried to approve Consent Calendar Items 16 – 21

4. PUBLIC COMMENT – None
5. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Manuel Cunha, Chair of the Citizens Advisory Committee (CAC), gave a report on highlights from the CAC meeting of February 2, 2016. Highlights included Seyed Sadredin, Executive Director/APCO, provided detailed updates on the Valley experiencing the cleanest ozone season on record in 2015, the Valley experiencing record low PM2.5 levels so far this year, and back on track to meeting federal air quality standards, the upcoming May 4-5 Governing Board Study Session, the District's efforts to secure the Valley's fair share of state Cap and Trade funding, the EPA's recently proposed approval of the District's

attainment plan to address the 1997 PM2.5 Standard, the recent updates to the District's Charge Up! Electric vehicle charging incentive program to allow funding of solar chargers and standardize funding criteria for Level 3 chargers, the changes to Air Quality Index to incorporate 2008 federal 8-hour ozone standard, the upcoming focus groups to identify potential enhancements to the HAL Partner program to increase participation by Valley businesses and agencies, and the meeting on Friday, February 12th to discuss the District's offset equivalency program.

In addition, Mr. Cunha reported that Mr. Sadredin provided information regarding the District's efforts to modernize the Clean Air Act, and Mr. Sadredin requested input from CAC members on the manner by which the District may reach this goal. The vast majority of CAC members expressed support for the District's proposal, praising the detailed explanation and recommendations included in the proposal, and expressing frustration with the legislative atmosphere that made it difficult to secure bipartisan introduction this past year. All CAC members providing input during the meeting recommended that the District hold a meeting including CAC and EJAG members to discuss the proposal in more detail. Lastly, Mr. Cunha stated CAC members expressed concern with the California Air Resources Board's implementation of the truck and bus regulation, particularly with respect to the 2016 compliance and reporting requirements.

Public Comment - None

6. REPORT ON DISTRICT ENVIRONMENTAL JUSTICE ADVISORY GROUP (EJAG) ACTIVITIES – Mr. Sadredin announced that Kevin Hamilton, EJAG Chair was unable to attend the meeting today to present this report. He highlighted a couple of items on the written report included in the agenda packet, including a request by Dr. Capitman and direction by the Board to engage EJAG members regarding the Burn Cleaner program to examine both the communication to disadvantaged communities as well as the dollar amounts awarded to those communities from that program. He said staff plans to report back to the Board with specific recommendations. In addition, he reported EJAG members developed their draft proposed goals and objectives, as they do each year, to ensure they stay focused on areas of importance to the Board and the District. Under the Board's direction, the goals and objectives are reviewed by the Executive Director/APCO in consultation with CAC members, and then finalized by the Executive Director/APCO and returned to EJAG members to guide their actions.

Public Comment - None

7. APPOINT GOVERNING BOARD AD HOC BUDGET SUBCOMMITTEE – Councilmember Baines, said typically 4-5 Board members, and no more than 7 to avoid quorum issues, serve on this committee to review and provide direction on the District's proposed budget for the upcoming fiscal year. Mr. Sadredin said the budget subcommittee meeting is currently scheduled for Wednesday, March

23, 2016 at 9:00 a.m. Councilmember Gurrola, Supervisor Mendes, Supervisor Pedersen, Supervisor Wheeler, Dr. Capitman, and Councilmember Baines volunteered to serve on the committee

8. PRESENTATION BY COMMUTE CONNECTION ON PROGRAM SERVICES AND DEMO ON MULTI-MODAL TRIP PLANNING AND RIDEMATCHING TOOL

- Mr. Sadredin introduced Yvette Davis, Senior Program Specialist and Kari McNickle, Program Specialist who presented information to the Board regarding the Commute Connection program. Ms. Davis thanked the Board for their support of this program, saying they work closely with District staff on a lot of special projects and they are awesome to work with and truly appreciated. She said Commute Connection is the transportation demand management program that serves San Joaquin, Stanislaus and Merced Counties to promote alternative transportation options and modes to the commuting public such as carpooling, vanpooling, riding transit, biking and walking to work. She said the goal of this program is to improve air quality and take cars off the road. She provided a demonstration of this online system that contains significant tools to assist the commuting public with identifying alternative transportation opportunities.

Supervisor Pedersen asked if the organization has identified a sweet spot to get the most usage out of the program. Ms. McNickle responded there is a very passionate base of vanpoolers for the long haul, super commute trips as well as those who are excited about biking and walking as well. Supervisor Pedersen asked if the District is able to take credit for commuter trips with a destination outside the Valley and Mr. Sadredin responded affirmatively, saying the District is able to take credit for the Valley portion of these multi-jurisdictional trips. Supervisor Wheeler said this was a great presentation and Madera County has been working hard to get a similar program up and running. He asked about the funding sources for the prizes awarded by this program. Ms. Davis responded it was a combination of public funds and private donations.

Supervisor O'Brien thanked Ms. Davis and Ms. McNickle for the presentation, noting there have been a lot of good enhancements added over the years. In regard to vanpool subsidies, he said in the past he has been highly critical of commute connections for not tapping into available District funds. After pushing hard to get credits for the miles traveled within the air basin, participation from these groups has increased. He noted there are 80 thousand trips altogether that leave the three counties served by Commute Connection every day and that is still a huge issue. Supervisor O'Brien asked for a status update on the van pool voucher numbers for the Northern region. Mr. Sadredin said the District has not denied a request for vanpool subsidies from the Northern region, but he will send the actual numbers to the Board after the meeting. Ms. Davis responded that Commute Connection has worked to ensure these incentives are taken advantage of.

Mr. Sadredin said one good example in the Valley is the Kings Area Rural Transit Project which really engages the farmworkers who are the heaviest users of

vanpools. He recommended the northern region may want to craft a similar program. He also suggested providing financial incentives, such as those provided by Fresno County COG via Measure C funds.

Dr. Capitman asked about the costs for participating in a vanpool program. Ms. Davis responded state and federal agencies offer significant subsidies in addition to those offered by the District and Commute Connection. She said those working for private employers may incur greater costs. She said not many private employers offer incentives in the Valley. Dr. Capitman asked if the District should address this issue further. Mr. Sadredin there is an item in the District's draft 2015-16 Annual Report to address the District's Employer Trip Reduction Rule which applies to employers with over 100 employees, and suggested the Board could consider additional measures to compel employers to participate in such programs. He said this item could also be added to the upcoming Governing Board Study Session in May. Councilmember Baines agreed to add this item to the agenda. He thanked Ms. Davis and Ms. McNickle for a very informative presentation.

Supervisor Elliott left at 10:00 a.m.

9. REVIEW AND PROVIDE COMMENT ON THE DRAFT 2015-16 ANNUAL REPORT TO THE COMMUNITY – Mr. Sadredin said consistent with the District's Core Value of accountability and public transparency, the Board requested staff compile an annual report card of District activities to share with the public. He reviewed the District's Draft 2015-16 Annual Report to the Community and asked Board members for feedback. The report provides Valley residents with a detailed account of the District's operations in the preceding year, and highlights the following:

- Air Quality Progress and Challenges
- Valley Continues to Experience Record Setting Reductions in Summertime Smog
- EPA Corrects National Report Based on Input from the District
- District Incorporates New Health Risk Assessment Guidelines for Enhanced Health Protection for Children
- District Forms a Public Advisory Group to Guide Clean Air Strategies
- Efforts to Modernize the Federal Clean Air Act
- Wildfires
- Working with Farmers to Find Options for Agricultural Waste Disposal
- Effective and Timely Communication to the Public of Air Quality Information
- Bringing Cap and Trade Funding to the Valley
- Public/Private Investment to Reduce Air Pollution through Voluntary Incentives

- Work to Advance New and Innovative Technologies to Reduce Air Pollution
- District Receives Federal Funds for Reducing Air Pollution
- District Provides Assistance to Other California Air Districts
- New Rule Requires Cleaner Residential Furnaces
- Enhanced Role for Environmental Justice Advisory Group (EJAG)
- District will Ramp Up Efforts to Ensure Full Compliance with the Employer Based Trip Reduction (eTRIP) Rule
- Neighborhood by Neighborhood Air Quality Information
- Healthy Air Living Schools Program
- Sharing the STAR (Service, Teamwork, Attitude and Respect) Culture
- District Operations

Supervisor Pedersen asked about the costs to produce the report. Mr. Sadredin responded District outreach staff creates all of the artwork in house, which saves significant money. Ms. Holt responded that the District works to get the lowest costs possible. Supervisor Pedersen asked if it would be possible to send an email blast with an electronic version rather than printing hardcopies of the report. Mr. Sadredin responded affirmatively, saying the District prints a limited number of reports each year and the rest are distributed online. Dr. Capitman commented this is a great document and the staff photography is very beautiful and impressive.

Public Comment – None

10. APPROVE VOLUNTARY EMISSION REDUCTION AGREEMENT WITH TEJON RANHCORP TO RECEIVE FUNDS IN THE ESTIMATED AMOUNT OF \$127,198,954 TO FULLY MITIGATE CONSTRUCTION AND OPERATIONAL AIR QUALITY IMPACTS OF THE PROPOSED GRAPEVINE PROJECT – Dave Warner, Deputy APCO, reported the proposed Voluntary Emission Reduction Agreement (VERA) with Tejon Ranchcorp would mitigate the planned Grapevine Project that encompasses approximately 8,010 acres in southwestern Kern County, California. The project includes up to 12,000 residential units and up to 5.1 million square feet of commercial land uses to be constructed over a 20-year period.

Supervisor Wheeler asked if there were any upfront costs paid by the developer. Mr. Warner responded affirmatively and said once the county approves the project and construction is ready to begin, the developer will bring a construction phase proposal to the District for analysis and to set the subsequent payment schedule. Supervisor O'Brien recommended the developer enter this agreement with their eyes wide open as it requires much more than would be required through the normal county development process. Supervisor Pedersen asked how the proposed amendments to Rule 2201 (New and Modified Stationary Source Review) would affect future VERAs. Mr. Sadredin responded that Rule 2201 does not impact VERAs as they typically cover mobile sources over which

the District has no regulatory authority.

Public Comment: *The following persons commented on this item:*

- Dolores Weller, CVAQ
- Mary Jane Wilson, WZI Inc. and Tejon Ranch
- Derek Abbott, WZI Inc. and Tejon Ranch

Regarding a request for comment from a member of the public for Supervisor Couch, Mr. Couch responded he did not feel it would be appropriate for him to comment on this project until the public process is complete, as the project will also be considered by the Kern County Board of Supervisors. Mr. Sadredin said there would be no conflict of interest for Mr. Couch to vote on this item as this action in no way implies approval or disapproval of the development of this project from a county standpoint.

Moved: Couch
Seconded: Wheeler
Ayes: Capitman, Couch, Gurrola, Hanson, Mendes,
O'Brien, Pedersen, Walsh, Wheeler, Baines
Nays: None

Motion unanimously carried to approve Voluntary Emission Reduction Agreement with Tejon Ranchcorp to receive funds in the estimated amount of \$127,198,954 to fully mitigate construction and operational air quality impacts of the proposed Grapevine Project

11. ADOPT PROPOSED AMENDMENTS TO RULE 2201 (NEW AND MODIFIED STATIONARY SOURCE REVIEW RULE) – Mr. Sadredin said the Board received a detailed presentation on these proposed amendments to Rule 2201 (New and Modified Stationary Source Review Rule) to address the District's reclassification from Moderate to Serious nonattainment for the 1997 and 2006 National Ambient Air Quality Standards (NAAQS, or standards) for particulate matter with an aerodynamic diameter of less than 2.5 microns (PM2.5) at their last Board meeting and approved the recommended language at that meeting. He said at that time there were three proposed minor changes based on late comments received from EPA, which the Board approved last month. Out of an abundance of caution and the Board's desire for public transparency, the Board withheld final approval of these proposed amendments until today's meeting to allow for additional public comments. Mr. Sadredin reported that no additional public comments were received regarding these proposed changes.

Public Comment: None

Moved: Pedersen
Seconded: Mendes
Ayes: Capitman, Couch, Gurrola, Mendes, O'Brien,
Pedersen, Walsh, Wheeler, Baines
Nays: None

***Motion unanimously carried to adopt proposed amendments to Rule 2201
(New and Modified Stationary Source Review Rule)***

12. APPROVE DISTRICT'S PARTICIPATION IN THE CAP AND TRADE-FUNDED CALIFORNIA COLLABORATIVE ADVANCED TECHNOLOGY DRAYAGE TRUCK DEMONSTRATION PROJECT BRINGING APPROXIMATELY \$2,300,000 IN FUNDS FOR VALLEY PROJECTS WITH A 43% MATCH PROVIDED BY THE DISTRICT FOR UP TO \$1,000,000 – Todd DeYoung, Program Manager, gave the presentation on this item which asked the Board to approve the District's participation in the Cap and Trade-funded California Collaborative Advanced Technology Drayage Truck Demonstration project bringing approximately \$2,300,000 in funds for Valley projects with a 43% match provided by the District for up to \$1,000,000. He said this project is a direct result of the Board's commitment to ensure the District receives and secures the Valley's fair share of Cap and Trade funding. The Board approved a comprehensive and aggressive Cap and Trade Action Plan at the May 2015 Governing Board Study Session, which focuses on several strategies to meet the District's goals for the Cap and Trade program.

Supervisor Wheeler asked if there were any funds available to offset road impacts for counties. Mr. Sadredin responded not at this time but there has been discussion to authorize spending of Cap and Trade funds on other items, but this may require a two thirds vote of the legislature. Councilmember Gurrola asked if the vehicle driver would manually switch to electric power in disadvantaged communities. Mr. DeYoung responded technology would allow for automatic switching. Supervisor Pedersen commented that it appears that there is a need for charging station infrastructure with this project. Mr. DeYoung responded affirmatively and said these vehicles would have the technology to charge rapidly. Dr. Capitman asked if the term drayage is restricted to port trades. Mr. Sadredin responded that term has been expanded to include any vehicle traveling to and from the Valley to those areas.

Supervisor O'Brien commented this is a great idea and that he is happy to be working with other air districts to prove this technology can work and is well worth the investment. He congratulated District staff for going after this project. Councilmember Baines echoed Supervisor O'Brien's comments saying he was very pleased to read the staff report on this project and that he is excited that the District is a participant. He gave kudos to staff for a great job.

Public Comment: *The following persons commented on this item:*

- Dolores Weller, CVAQ

Moved: Walsh

Seconded: Capitman

Ayes: Capitman, Couch, Gurrola, Mendes, O'Brien,
Pedersen, Walsh, Wheeler, Baines

Nays: None

Motion unanimously carried to approve District's participation in the Cap and Trade-funded California Collaborative Advanced Technology Drayage Truck Demonstration Project bringing approximately \$2,300,000 in funds for Valley projects with a 43% match provided by the District for up to \$1,000,000

13. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Mr. Sadredin said Dr. Sherriffs was unable to deliver the report today because he was attending the ARB Board meeting in Sacramento.
14. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin said he was happy to report that EPA finally took action and proposed to approve the District's PM2.5 Plan. He reported that Senator Dean Florez was appointed to be a representative for disadvantaged communities on the ARB Board by the Senate Rules Committee. He said the District had a lot of interaction with Senator Florez while he was in office, and while some were contentious, he was also helpful to the District in many ways and staff hopes he keeps his fighting spirit on the Board on behalf of the Valley's disadvantaged communities for resources from the state. Unless there were objections by the Board, Mr. Sadredin said he plans to send a congratulatory note to Senator Florez offering the District's assistance for anything he may need to help the Valley. Mr. Sadredin also reported that Cesar Campos, a member of the District's EJAG, has accepted a job in Southern California and will be leaving the Valley. In relationship to the District's legislative proposal for Clean Air Act Modernization, Mr. Sadredin reported that work is in progress to invite congressional officers from across the nation to a briefing in Washington, D.C., where the District may present information and advocate for its position regarding the new air quality standards.
15. GOVERNING BOARD MEMBER COMMENTS – Supervisor O'Brien commented that Senator Florez mentioned funding for disadvantaged communities in his ARB appointment acceptance speech and he suggested keeping the District's focus on that. Supervisor Wheeler asked for information on the District's Burn Cleaner Program. Mr. Sheikh responded the program has been busy with good demand but there are remaining funds available, and District staff plans to increase outreach efforts in that area over the next few weeks.

ADJOURN

Meeting adjourned at 11:12 a.m.

The next scheduled meeting of the Governing Board is: Thursday, March 17, 2016. The meeting starts at 9:00 a.m., in the 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.