

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, August 17, 2017
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 Vice Chair, Supervisor Mendes, called the meeting to order at 9:06 a.m.
2. ROLL CALL – was taken and a quorum was present.

Present:

David Ayers, Mayor	City of Hanford
John Capitman, Ph.D.	Appointed by Governor
David Couch, Supervisor**	Kern County
Bob Elliott, Supervisor*	San Joaquin County
Christina Fugazi, Councilmember	City of Stockton
Buddy Mendes, Supervisor, Vice Chair	Fresno County
Kristin Olsen, Supervisor	Stanislaus County
Lloyd Pareira, Supervisor***	Merced County
Craig Pedersen, Supervisor	Kings County
Monte Reyes, Councilmember	City of Porterville
Dr. Alexander Sherriffs	Appointed by Governor
J. Steven Worthley, Supervisor	Tulare County

* Attended meeting in Northern Region Office

**Attended meeting in the Southern Region Office

***Arrived at 9:10 a.m.

Absent:

Oliver L. Baines III, Councilmember, Chair	City of Fresno
Chris Vierra, Mayor	City of Ceres
Tom Wheeler, Supervisor	Madera County

3. APPROVAL OF CONSENT CALENDAR – Item Numbers (15 – 20): *These matters are routine in nature and are usually approved by a single vote. Prior to any action by the Board, the public was given the opportunity to comment on any consent item.*
- 15. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, JUNE 15, 2017
 - 16. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2017
 - 17. RECEIVE AND FILE OPERATIONS STATISTICS SUMMARIES FOR JUNE AND JULY 2017
 - 18. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF JULY 31, 2017
 - 19. APPROVE AGREEMENT WITH CJ LAKE, LLC FOR FEDERAL LEGISLATIVE ADVOCACY FOR AN AMOUNT NOT TO EXCEED \$93,708
 - 20. RECEIVE AND FILE DRAFT 2017 ANNUAL DEMONSTRATION REPORT FOR DISTRICT RULE 9610 (SIP-CREDITABILITY OF EMISSION REDUCTIONS GENERATED THROUGH INCENTIVE PROGRAMS)

Dr. Sherriffs requested that Consent Item Number 19, APPROVE AGREEMENT WITH CJ LAKE, LLC FOR FEDERAL LEGISLATIVE ADVOCACY FOR AN AMOUNT NOT TO EXCEED \$93,708, be pulled for separate consideration.

Public Comment: None

Moved: Worthley
Seconded: Sherriffs
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes
Olsen, Pedersen, Reyes, Sherriffs, Worthley
Nays: None

Motion unanimously carried to approve Consent Calendar item numbers 15 – 18, and 20

19. APPROVE AGREEMENT WITH CJ LAKE, LLC FOR FEDERAL LEGISLATIVE ADVOCACY FOR AN AMOUNT NOT TO EXCEED \$93,708 – Dr. Sherriffs said the item in question involves a pay increase for C.J. Lake, LLC and the item lists a number of policies and direction

from the Board for C.J. Lake, LLC to use when working on the District's behalf. He recommended that it be made explicit that the District supports federal action promoting ultra-low NOx truck standards and also the waiver process at the federal Environmental Protection Agency. He said as the District makes a push on the state Air Resources Board for additional mobile source reductions, it is important to support the tools ARB needs to accomplish that. Mr. Sadredin clarified that the Board's position is exactly what Dr. Sherriffs has recommended, and said the District's Legislative Platform, as adopted by the Board every year, is what really drives the scope of work for staff and the District's advocates in Washington. He said the platform specifically lists the petition to pursue national controls on trucks as a top priority. He noted the old administration did not do anything to move that forward and there may be challenges moving forward with the new administration as well. He said the District's attainment strategy will rely on assignments to the state and federal government.

Public Comment: None

Moved: Pedersen
Seconded: Worthley
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes
Olsen, Pareira, Pedersen, Reyes, Sherriffs, Worthley
Nays: None

Motion unanimously carried to approve Consent Calendar item number 19

4. PUBLIC COMMENT – None
5. S.T.A.R RECOGNITION (Service, Teamwork, Attitude, Respect) –
Chenecua Dixon, Director of Personnel, recognized the employees who reached a service milestone during the second quarter of 2017:

Ten Years of Service

Michelle Franco, Deputy Clerk to the Board
Tina Frederick, Air Quality Inspector
Janet Goode, Air Quality Field Assistant
Yousif Zardo, Senior Air Quality Inspector

Fifteen Years of Service

James Harader, Senior Air Quality Engineer

Twenty Five Years of Service

John Cadrett, Air Quality Compliance Manager
Michael Carrera, Air Quality Compliance Manager
Kai Chan, Air Quality Engineer
Frederick Cruz, Air Quality Engineer
Rupinder Gill, Air Quality Engineer
Richard Karrs, Supervising Air Quality Engineer
Greg LaFore, Senior Air Quality Inspector
Stephen Leonard, Senior Air Quality Engineer
Joven Refuerzo, Supervising Air Quality Engineer
Leonard Scandura, Permit Services Manager
Stephen Shaw, Senior Air Quality Specialist
Suzanne Tange, Air Quality Inspector
David Warner, Deputy Air Pollution Control Officer
Sayed Sadredin, Executive Director/Air Pollution Control Officer

Supervisor Mendes thanked all who were recognized and thanked District staff in attendance to support them. Mr. Sadredin said this is the first time anyone has achieved the 25 years of service milestone, as this is the 25th anniversary of the District's unification from 8 individual county agencies. He acknowledged the great work that District staff does on a daily basis while making tens of thousands contacts per year with Valley businesses, stakeholders and regulated entities. He said it makes him proud that considering that the District has some of the toughest regulations in the nation, he receives very few complaints and they usually compliment the great customer service provided by staff. He thanked the Board for allowing him to enjoy 25 years of service with the District, saying it gets better and better each year.

6. **APPROVE REDUCTIONS IN FEES FOR AIR TOXICS HOT SPOTS PROGRAM**
– Dave Warner, Deputy APCO, gave the presentation on this item which asked the Board to adopt amendments to District Rule 3110 (Air Toxics Fees) to reduce the District's Air Toxics Hot Spot fees due to efficiencies gained through significant streamlining of program administration and implementation. He said the District was able to achieve these reductions due to the Board's directive that staff minimize costs due to effective and efficient use of public funds as stated in the District's Core Values. He said staff works hard to minimize costs by integrating programs so they are not rebuilding the wheel with each new mandate, and works to streamline processes that result in better quality work with fewer and more efficient steps. District employees are asked to be super-efficient, innovative, exercise initiative and strive for continuous improvement. He said the District's zero-based budgeting practice is another innovative way that the District ensures to operate at the highest level of efficiency. As a result of all of these actions, he said he was pleased to ask the Board today to reduce fees up to 30% for those who are subject to the District's Air Toxics programs.

Supervisor Elliott commented that this is an excellent initiative and congratulated

staff for all of the efforts put into streamlining processes to reduce the administrative red tape for businesses and lower the fees they have to pay. He said this is an example of good government and commended everyone involved. Mr. Sadredin said it is important to note these changes have made the program even stronger and the District is the first in the nation to implement the new state mandates as most air districts are at least a year behind in implementation.

Dr. Capitman said it is always a positive thing to be able to improve a program and reduce its costs. He asked about the new legislation, AB 617, which increases some of the requirements in terms of the monitoring of air toxics. He asked how that may influence the costs of this program change. Mr. Sadredin responded that AB 617 will be a separate program on its own, and the legislation was part of the extension of Cap and Trade. AB 617 requires community monitoring and emission reduction plans at or around Cap in Trade facilities. He said ultimately it is likely that the District will find that most of the communities are impacted most heavily by mobile sources although there are a few places where the stationary sources may have localized issues that the District will need to monitor and address. He said the District has submitted estimates to ARB of the costs to implement AB 617. He said it is hoped that the state will ultimately reimburse the District for the potential costs, but additional fees may be required from affected sources as well.

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

- John Haley, AERA
- Dennis Tristao, Kings County Farm Bureau
- Roger Isom, California Cotton Ginners Association, Western Ag Producers Association

Supervisor Worthley commended staff and what they have done to be a leader for government entities all over as so often the fee structure is a real sticking point for the public. He said frequently there are built in CPI factors among other things, and he very much appreciates that the District looks at every situation through the lens of their zero-based budgeting process. He said there are no automatic fee increases, but the actual cost of processing the application is what drives the fee which is the way it should be. Dr. Sherriffs voiced appreciation for the streamlining and the other positive comments. He said a simplified process is huge for businesses. He asked what could be done to ensure that facility reporting is accurate. Mr. Sadredin responded that is a key factor at the heart of our streamlining process was to make sure to not ask for the information that the District already has. He said the District already has a strong regimen of inspecting facilities, some up to 4 times per year or more. He said this not only makes the process simpler, but also a lot more accurate and effective and gives the District time and opportunity to make sure the information is accurate.

Moved: Elliott
Seconded: Worthley
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes, Olsen, Pareira, Pedersen, Reyes, Sherriffs, Worthley
Nays: None

Motion unanimously carried to approve reductions in fees for Air Toxics Hot Spots Program

7. APPROVE FUNDING TO REPLACE HIGH-POLLUTING LOCOMOTIVES OPERATING WITHIN VALLEY DISADVANTAGED COMMUNITIES – Mr. Sadredin asked the Board to allocate up to \$1,812,500 in District incentive funding to leverage up to \$3,067,657 in non-District funding to replace two old, high-polluting locomotives with new Tier 4 locomotives that operate within disadvantaged communities in the vicinity of the Port of Stockton.

Councilmember Fugazi thanked staff for placing this item on the agenda. She said this is a low socioeconomic area with an elementary school nearby, and the incentives to make the necessary changes to improve air quality are essential. She said she is fully in favor of this action. Supervisor Elliott said this is a great use of the District's incentives funds to make an excellent improvement that will affect disadvantaged communities. Supervisor Mendes voiced agreement for the comments made.

Public Comment - None

Moved: Fugazi
Seconded: Elliott
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes, Olsen, Pareira, Pedersen, Reyes, Sherriffs, Worthley
Nays: None

Motion unanimously carried to approve funding to replace high-polluting locomotives operating within Valley disadvantaged communities

8. ACCEPT AND APPROPRIATE \$2,389,959 IN ADDITIONAL REVENUE FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO FUND THE REPLACEMENT OF HEAVY-DUTY TRUCKS AND MOBILE AGRICULTURAL EQUIPMENT – Mr. Sadredin asked Board members to accept \$2,389,959 from the United States Environmental Protection Agency to replace heavy-duty trucks and mobile agricultural equipment and amend the 2017-18 District Budget to appropriate \$2,389,959 in unanticipated revenue. He said this was a competitive process with the District applying for 3 different projects, and 2 of the 3 projects were selected for funding. He said the District was able to secure over one third of the total funding available for the entire Region IX, which covers multiple states.

Supervisor Worthley said the Board has become almost accustomed to these kinds of awards coming to the District, but said they don't just happen. It takes the hard work of staff to produce a successful application for these funds. He thanked staff for a job well done that produces a significant contribution towards the District's efforts. Dr. Sherriffs commented that staff are fighters when it comes to improving air quality.

Public Comment – None

Moved: Pedersen
Seconded: Worthley
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes,
Olsen, Pareira, Pedersen, Reyes, Sherriffs, Worthley
Nays: None

Motion unanimously carried to accept and appropriate \$2,389,959 in additional revenue from the United States Environmental Protection Agency to fund the replacement of heavy-duty trucks and mobile agricultural equipment

9. CLEAN DATA FINDING TO EPA FOR THE 1997 24-HOUR PM2.5 STANDARD AND PROPOSED PM2.5 ATTAINMENT STRATEGY – Mr. Sadredin said this topic has been before the Board a number of times, as there are many standards and attainment deadlines that the District must meet. He said staff would again provide a comprehensive explanation of the various standards that must be addressed. He said the District has been involved in a very public process for this plan to attain these various PM2.5 standards for well over a year, and while they are getting closer and closer there is unfortunately still not a path that shows attainment. He said today, the proposal is for the District to do the best it can with the sources under its jurisdiction, and doing well in that regard the District has greater standing to ask EPA and ARB to do their part to reduce air pollution from sources under their control. He introduced Samir Sheikh, Deputy APCO, Sheraz Gill, Director of Strategies and Incentives, and Jon Klassen, Program Manager, who presented this item asking the Board to authorize the Executive Director/APCO to submit a Clean Data Finding to EPA demonstrating that the District now meets the national 1997 24-hour PM2.5 standard of 65 µg/m³.

Mr. Sadredin introduced Karen Magliano, Chief of Air Quality, Planning and Science at the state Air Resources Board, who addressed the Board on the District's proposed PM2.5 Attainment Strategy.

Supervisor Worthley said the Board must evaluate different principles when developing attainment strategies to ensure measure are cost effective and are based on the best available scientific information. He said there is always room for improvement, as he realized when he recently testified before the California Public Utilities Commission as they are looking to improve the quality of life by

bringing natural gas into disadvantaged communities who currently have none. He said this would be paid by the state through the rate payers in general and he was wondering how the District could partner with them to concentrate on replacing wood burning devices with natural gas devices in those communities. He said the Valley is judged by the worst air quality at a given monitoring station in the entire region. He said in the past the Board has discussed a more strategic approach, by targeting resources in some of those areas and have been met by resistance from other residents that may not have the same air quality challenges. He suggested the District should strategically focus its limited resources on areas in the Valley where they are needed the most, and it should be one of the District's primary objectives. He said he is concerned as the District looks at imposing draconian restrictions on businesses to gain minimal reductions, and clarified his understanding is that stationary sources are only responsible for 20% of air pollution, and mobile sources for which the District has no jurisdiction are responsible for 80%. He said the District is beyond the point of turning over every stone, and is now turning over every pebble to try and meet these standards. He said this must be done strategically to get the most bang for every buck, the most air quality improvement for the dollar, and still allow residents and businesses to prosper in the Valley.

Dr. Capitman clarified that today's action would be to approve the clean finding for the 1997 PM_{2.5} standard. Mr. Sadredin responded the specific action is to approve the clean data finding for 65 µg/m³ 1997 PM_{2.5} standard, but also to lay out the attainment strategy framework and get the Board's direction to ensure staff is on the right path. He said a key policy issue is the state and federal assignment, noting there are legal risks associated with that path if the state or federal government do not volunteer for those actions. He also said he wanted to ensure the Board was aware of a host of local measures that are on the table, noting the District has received a lot of concerns from industry that some of these measures are not technologically possible and may put people out of business. He said the attainment plan is still taking shape and there is no final plan for people to comment on.

Regarding electric vehicle infrastructure and directly emitted PM_{2.5} from oil and gas production wells, Dr. Capitman said he heard discussion but did not see it mentioned in the written material. Mr. Sadredin responded staff does not believe the directly emitted PM_{2.5} from oil and gas is an effective target because we are talking about PM emissions related to natural gas combustion. He said the only way to achieve reductions in the area is to require thousands of natural gas-fired steam generators to become electric and the District does not believe that is a viable strategy that is feasible by the 2025 attainment deadline. Dr. Capitman asked for a cost benefit chart for each measure planned.

Supervisor Elliott commented that the situation that the Valley is facing demonstrates exactly why the Board, staff and stakeholders make trips to Washington, DC to advocate for common sense adjustments to the Clean Air Act. He said looking at a policy today that is addressing 3 standards with 6 different deadlines all at the same time does not make sense, and the District

should not have to try to juggle all of these standards and timelines. He said he agrees with some of the comments that have already been made and it is good to look at the list of measures but when the Board comes back to approve the final plan, it must outline measures that are cost-effective, achievable, and technologically feasible as those are common sense things that need to go into the process. He said incentives are definitely imperative, as there is no way to get there by imposing more regulations and financial hardships on Valley businesses. Regarding previous comments made about modeling, he noted actual achievements may not match what the modeling said. He said it is important of making sure the modeling is correct, and he is a big proponent of the District doing its own modeling to determine what is needed and what the results may be. Regarding the District's Hot Spots Strategy, he said a targeted approach makes sense but he cautioned against ignoring the rest of the Valley.

Supervisor Olsen echoed Supervisor Elliott's opening comments about the need to continue advocating for common sense in the Clean Air Act. She asked if approving the staff recommendation today indicates the Board is in agreement with moving forward with these particular components of the strategy, or was it just indicating that the Board agrees that staff needs to keep working on a strategy. Mr. Sadredin responded it is more of the latter, but there are a couple of key approaches that could have huge consequences to the Valley, notably the possible assignment of reductions to ARB and/or EPA. He clarified that by approving this item, the Board is not signing off on all of the various control measures that are on the list, as staff and Board members have heard a lot of concerns about the extreme expense, and potential for putting stakeholders out of business. He said the next step is for staff to create a viable plan that will detail the results of District's efforts along with a set of recommendations that are fully vetted by stakeholders and whose comments are incorporated into the final plan. He stated after additional workshops, the proposed plan will be presented to the Board for consideration. Ms. Olsen asked if any analysis has been done on the likelihood of legal sanctions if the District cannot comply. Mr. Sadredin responded that the Board's position has been to take the federal law seriously, and believes if ultimately the District is not able to draft a plan that shows attainment, then the sanction clock will begin.

Supervisor Olsen asked if the California Restaurant Association has been engaged in the conversation about the charbroiler strategy. Mr. Sadredin responded affirmatively and said staff has engaged them. The District offers huge incentives but there are many challenges with regards to technological viability and enormous costs. He said the modeling, however, shows the new filters are very effective once they are put into place. He said he is hoping to bring a strategy back to the Board that is similar to what Supervisor Worthley suggested, which would provide funding to subsidize the costs to restaurants to implement the new technology. Supervisor Olsen asked if the agenda item regarding the final plan could include the letters received from various stakeholders regarding the plan. Mr. Sadredin responded affirmatively.

Supervisor Couch echoed the comments from Supervisors Worthley, Elliott and Olsen, and underlined the feasibility aspect. He also said he was interested in the information that Dr. Capitman requested. He stressed that it is important to him that the final plan be both technologically and economically feasible. Dr. Sherriffs thanked the community for getting the Valley here, noting it is the presence and the voices heard back in October that made the District and ARB sit down and get more serious about moving an effective, health protective plan forward. He thanked those who came to the ARB Board meeting in October and advocated for health. He also acknowledged and thanked staff for all the work they have done to really develop a much more robust plan, their involvement in the public process that was mentioned, and the ongoing collaboration with ARB. He said it was remarkable to be able to meet more healthful standards in a much more timely fashion. He said the District will be clearly asking ARB to do more on the mobile side, and staff's commitment to doing more on stationary sources will make it much more likely that the ARB Board will be more receptive to hearing those arguments. He voiced appreciation for Supervisor Worthley's suggestion of more targeted strategies, and said the modeling should help identify potential areas to be targeted.

Mr. Sadredin said in order for the Valley to achieve the reductions it needs, it is important to have Dr. Sherriffs play a strong role on the District's behalf before ARB to get them to the point where they do what the Valley needs for reductions from mobile sources. Dr. Sherriffs said we all want to succeed as public health is what we are all about.

Supervisor Pedersen commented that it is important to not lose sight of the \$1.6 billion in public and private funds which have been spent to get to where we are today. It is important to always recognize that we have laid the assignment of responsibility on the District and the businesses that function here in the Valley. He said paying special attention to economic feasibility is critical and added that the numerous mandates and requirements are making it very difficult for various industries to stay in business.

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

- Tom Frantz, Association of Irrigated Residents (AIR)
- Jenifer Pitcher, Western States Petroleum Association (WSPA)
- Dennis Tristao, Kings County Farm Bureau
- Kevin Hamilton, Central CA Asthma Collaborative
- Roger Isom, CCGA and WAPA
- Manuel Cunha, Nisei Farmers League
- Janet Diets Camay
- Dolores Barajas Weller, CVAQ
- Genevieve Gale, Coalition for Clean Air

Mr. Sadredin provided clarification to the Board on several items. He clarified that it is very important for Dr. Sherriffs to note that as the District is advocating

for more reductions, the 20-1 ratio of NO_x versus PM that he mentioned must be put in proper context. He said if there are directly-emitted PM emissions in an urban area near a monitor, reducing that results in 20-1 ratios. What the District is finding in modeling, for instance with almond harvesting and a lot of other agricultural operations that happen in rural areas away from urban centers, is that there is almost no benefit for attainment from reducing those directly emitted PM emissions. He said to put it in proper context, all directly emitted PM_{2.5} reductions are not equal whereas NO_x is a largely regional pollutant and even reducing NO_x in the Bay Area helps the Valley with PM_{2.5}. He said also a big chunk of directly-emitted PM is from mobile source emissions, not only the combustion products but also every tire on the road generates emissions while running on the road.

Moved: Worthley
Seconded: Pedersen
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes,
Olsen, Pareira, Pedersen, Reyes, Sherriffs, Worthley
Nays: None

Motion unanimously carried to authorize the Executive Director/APCO to submit a Clean Data Finding to EPA demonstrating that the District now meets the national 1997 24-hour PM_{2.5} standard of 65 µg/m³ and to accept the framework for the District's strategy, that the District will leave no stone unturned to address reductions under their local jurisdiction; if the District finds out there is a gap, either in the form of an assignment or mutually agreeable assignment, the District will ask ARB to do their part, and lastly, these measures listed are still subject to full due diligence in terms of cost effectiveness, technological feasibility and how effective they are in reducing air pollution.

10. PHASING OF THE EMPLOYER CONTRIBUTION RATE CHANGES RESULTING PRIMARILY FROM THE LOWERING OF THE INVESTMENT RETURN ASSUMPTION RATE – Mr. Sadredin asked the Board to approve incorporating the effects of the latest actuarial assumption changes that Kern County Employees' Retirement Association (KCERA) has adopted without a phase in. He said there has been a trend recently by a number of retirement agencies to lower their assumed rate of return, which in the long term is helping in reducing the unfunded liability which is too high right now. In the short term, he said it does increase the cost to members by way of added contributions. He said in the District's case, the increased costs will be about \$800 thousand per year. He said the District has no option to say yes or no to the assumed rate of return change, but has the option for a three-year phasing in of the change versus a no phase in period. He said he recommends that since the District can handle the cash flow to not go with the phasing in, which would increase costs over time.

Public Comment – None

Moved: Couch
Seconded: Worthley
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes,
Olsen, Pareira, Pedersen, Reyes, Sherriffs, Worthley
Nays: None

Motion unanimously carried to direct Executive Director/APCO to notify Kern County Employees' Retirement Association that the District is in favor of not phasing in the employer contribution rate changes resulted by the recent actuarial experience study.

Supervisor Couch left at 12:09 p.m.

11. REVIEW AND SET AGENDA FOR THE SEPTEMBER 2017 GOVERNING BOARD STUDY SESSION FOR EDUCATIONAL AND STRATEGIC PLANNING PURPOSES – Mr. Sadredin asked Board members to review the proposed agenda topics for the 2017 Governing Board Study Session and set the agenda after considering any changes or additions.

Supervisor Pareira said as a newer Board member, he is looking forward to the Study Session and appreciates the comprehensive agenda that staff has put together. Councilmember Reyes said he was interested in hearing more about the HAL Schools Outreach program. Mr. Sadredin said given the recent changes to take the program in-house, staff will need more time to have a more fruitful discussion with the Board. Dr. Sherriffs asked given the planned charbroiling discussion, if it would also be an appropriate time to discuss the District's wood burning strategy. Mr. Sadredin responded that the wood burning strategy may surface in the context of the District's Hot Spots Strategy, as that would be one of the obvious candidates. The Vice Chair approved the agenda as presented.

Public Comment - None

Supervisor Pareira left at 12:19 p.m.
Supervisor Olsen left at 12:21 p.m.

12. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reported on highlights of the ARB Board meetings of June 22 and 29, 2017 and July 27, 2017, including:

- The Board heard an informational update on the EFMP and EFMP Plus-Up programs' performance and the impacts of changes made in June 2014
- The Board announced the 2016 Haagen-Smit Award recipients, heard an update on efforts to control emissions from off-road recreational vehicles, and received reports on the ARB's enforcement program and on the progress of the Low Carbon Fuel Standard

- The Board adopted proposed amendments to the *Regulation for the Mandatory Reporting of Greenhouse Gas Emissions* that is part of California's climate change programs
- The Board approved amendments to the Cap-and-Trade Regulation to link the program with Ontario's and to extend Cap-and-Trade to 2030
- The Board approved California's Compliance Plan for the federal Clean Power Plan (CPP), which is currently under review by the federal Environmental Protection Agency for possible rewrite, suspension, or cancellation
- The Board approved the Volkswagen Zero Emission Vehicles Investment Plan to implement the legal settlement over Volkswagen's use of defeat software that resulted in NOx emissions of up to 40 times higher than allowed from approximately 85,000 vehicles in California

13. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin directed the Board's attention to the new artwork on the walls in each of the regional offices, which was part of the District's presentation several months ago on the attainment of the Ozone standard. He said several members commented on the need to highlight this information which illustrates enormous reduction in Valley emissions and tremendous benefits to public health. He also gave the Board members a preview of several District commercials that are currently airing in all local markets urging Valley residents to take air friendly actions. He said the District's outreach campaign that uses radio ads, television commercials and billboards is very effective in getting the District's message out to all Valley residents. He thanked the Board members for their participation in these efforts.
14. GOVERNING BOARD MEMBER COMMENTS – Supervisor Elliott proposed that the Governing Board begin each meeting with the flag salute. Mr. Sadredin responded unless there were any objectives, the District can institute that at the next meeting. Dr. Sherriffs responded that the ARB Board meetings always begin with the flag salute. Ms. Fugazi gave kudos to Jose Marin, who runs the Tune In Tune Up program in Stockton. She said they recently held 3 events that were very successful and out of that were individuals that qualified for the District's Enhanced Fleet Modernization Program (EFMP). She said it is a great tool to introduce electric vehicles to Valley residents and is a very important service to low income residents in the City of Stockton. Supervisor Pedersen said he and Councilmember Ayers recently attended an announcement of a new car builder coming to the area, Faraday Future, which is planned to build 1,000 electric vehicles annually and employ 1,300 people. He said it is a great opportunity to capitalize on the District's message of the importance of near zero emission vehicles in the Valley. Councilmember Ayers voiced agreement with Supervisor Pedersen's comments.

ADJOURN

The Vice Chair adjourned the meeting at 12:32 p.m.

The next scheduled meeting of the Governing Board: September 20 and 21, 2017 (Study Session).