

Action Summary Minutes

San Joaquin Valley Unified Air Pollution Control District

GOVERNING BOARD MEETING

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

Thursday, February 15, 2018
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 Mendes, called the meeting to order at 9:02 a.m.
2. ROLL CALL – was taken and a quorum was present.

Present:

David Ayers, Mayor	City of Hanford
Drew M. Bessinger, Councilmember	City of Clovis
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, 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
Chris Vierra, Mayor**	City of Ceres
Tom Wheeler, Supervisor	Madera County
J. Steven Worthley, Supervisor, Vice Chair	Tulare County

**attended in Southern Region Office*

***attended in Northern Region Office*

3. PLEDGE OF ALLEGIANCE
4. INTRODUCTION OF NEW GOVERNING BOARD MEMBER, COUNCILMEMBER DREW M. BESSINGER – Chairman Mendes introduced new Governing Board member, Councilmember Drew M. Bessinger, representing the City of Clovis and welcomed him to the District’s Governing Board. Councilmember Bessinger said it was his honor and privilege to serve on the Board, as air pollution respects no borders or city limits and regardless of income or stations of life, we all breathe the same air. He said he looked forward to making the Valley a healthier place by working with the Board, District staff, District partners and citizens to improve the air quality for all Valley residents.
5. APPROVAL OF CONSENT CALENDAR – Item Numbers (17 – 22): *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.*
 17. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, JANUARY 18, 2018
 18. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2018
 19. RECEIVE AND FILE OPERATIONS STATISTICS SUMMARY FOR JANUARY 2018
 20. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF JANUARY 31, 2018
 21. APPROVE REAPPOINTMENTS OF HEARING BOARD PUBLIC MEMBERS GROUP
 22. REAPPOINTMENTS TO THE DISTRICT’S ENVIRONMENTAL JUSTICE ADVISORY GROUP

Public Comment: None

Moved: Wheeler

Seconded: Pedersen

Ayes: Ayers, Bessinger, Capitman, Couch, Elliott, Fugazi,
Olsen, Pareira, Pedersen, Reyes, Sherriffs, Vierra, Wheeler,
Worthley, Mendes

Nays: None

Motion unanimously carried approve Consent Calendar Item Numbers 17-22

6. PUBLIC COMMENT – *The following persons provided testimony during this item:*

- Robert Skowronski, Fresno Resident
- Steve Montgomery, Sierra Club

7. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Manuel Cunha, CAC Chair, gave highlights from the Citizens Advisory Committee meeting held on February 6, 2018, including:

- Samir Sheikh, Deputy Air Pollution Control Officer, provided updates to members on items from the January 2018 Governing Board meeting:
 - The District’s Real-time Air Advisory Network (RAAN) and other public outreach tools are used to provide the public with timely air quality information and the ability to use this information to take protective actions as necessary. Furthermore, at the upcoming February 2018 Governing Board meeting, the District will be recommending the launch a new public outreach campaign to further educate Valley residents about the District’s RAAN system and the upcoming enhancements to the system which will provide neighborhood-by-neighborhood level air quality information to the public.
 - Changes approved by the Governing Board at the January 2018 meeting to enhance the Burn Cleaner incentive program and Check Before You Burn Outreach efforts in response to findings from the recent Residential Wood Burning Survey.
 - Governing Board accepted the Government Finance Officers’ Association of the United States and Canada Certificate of Achievement for Excellence in Financial Reporting for the District’s Comprehensive Annual Financial Report for the fiscal year ending June 30, 2016.
 - At the upcoming February 2018 Governing Board meeting, the Board will consider the District resources necessary to meet the mandates of AB 617 along with the hundreds of millions of dollars in new incentive funding coming to the District as a result of the extension of the state’s Cap and Trade program.
 - The Central Valley Summit on Alternatives to Open Burning of Agricultural Waste was hosted by the District in Parlier, CA on November 7th and 8th of 2017. At the February 2018 Board meeting, the Governing Board will receive an update on the Summit as well as consider recommendations built on the lessons learned from the Summit to continue to advance the development of alternatives to the open burning of agricultural waste.
- Vernon Hughes and Heather Arias from the Air Resources Board (ARB) presented on the requirements of AB 617, which focuses on identifying

and addressing cumulative impacts in communities through the state. As ARB works to implement the many facets of AB 617, they are currently engaged in a public outreach process to educate stakeholders on the requirements of the Bill as well as to solicit input to be considered in crafting the community-level framework and programs to implement the legislative mandates.

- Dave Warner, Deputy Air Pollution Control Officer, provided a presentation on the process used by the District to assess District costs and revenues. He reported that this process is critical to maintaining the District's focus on streamlining and efficiency efforts, as well as identifying on an ongoing basis any developing imbalances in costs versus revenues.

8. REPORT AND RECOMMENDATIONS FROM THE CENTRAL VALLEY SUMMIT ON ALTERNATIVES TO OPEN BURNING OF AGRICULTURAL WASTE – Morgan Lambert, Deputy APCO, reported on the District's recent Central Valley Summit on Alternatives to Open Burning of Agricultural Waste and asked the Board to consider the following recommendations:

1. Withhold rolling back the District's current agricultural burning prohibitions until further work on exploring and advancing alternatives to open burning is completed.
2. Continue to implement the District's Smoke Management System safeguards to ensure no adverse air quality impact from authorized agricultural open burning.
3. Explore the feasibility of utilizing air curtain burn boxes subject to the District's Smoke Management System safeguards as an extension of agricultural operations.
4. Continue to support state and federal financial assistance to biomass power industry for the disposal of agricultural waste.
5. Support technology advancement for emerging cleaner alternatives to the open burning of agricultural waste, with priority given to on-the-farm deployable (minimum or no transportation related emissions) and scalable technologies.
6. In assessing the feasibility of alternatives to open burning, consider the full life-cycle emissions and impact on air quality.

Supervisor Worthley asked if there was any discussion on fungal effects on wood. Mr. Lambert responded that it was discussed in context of soil reincorporation and they are continuing to do more research on the potential

benefits. He said there is funding and research being done by the California Department of Food and Agriculture on the effects of spreading wood chips on the ground from a healthy soils perspective. Supervisor Wheeler said there is great potential for biochar but it is a very expensive process. He suggested an incentive program for air curtain boxes as a more efficient process than open burning of agricultural waste. He also thanked staff for the valuable information.

Councilmember Bessinger asked if community composting events would be a viable use for wood waste, and suggested that residents could pick up the wood chips on farms. Mr. Sadredin responded that it can be feasible in some instances but District staff do not see it as a broad scale alternative to current practices as many farmers may not be open to having members of the public picking up wood chips on their property, in addition the last thing staff wants to do is see an increase in vehicle traffic that would be generated by such a practice. He said it was important to look at the totality of the impact of these options on air quality. Councilmember Bessinger asked about the feasibility of allowing farmers to use District-purchased air curtain boxes at low or no-cost. Mr. Sadredin responded the District has been open to offering grants at least initially, towards developing the technology and the practice. However, he said District-owned air curtain boxes would bring up a whole host of issues due to the liability concerns.

Supervisor Pedersen mentioned urban organic waste from other areas and asked if it has caused any further emission concerns in the Valley. Mr. Sadredin said the Valley becoming the area for handling other area's urban waste is a huge source of frustration and the District must not only absorb the transportation emissions, but also the emissions from processing of the urban waste from other parts of the state. He said it is going to become a bigger issue in the next few years as more areas in California look at dumping their urban waste in the Valley. Supervisor Pedersen suggested looking at ways to fund the technology needed to deal with urban waste from other areas. Dr. Sherriffs said he wished he could have attended more of the Summit and was struck by the energy, ideas and gathering of people together to work on this issue, which was commendable. He said it was important for the Board to support technology advancement in this area. Dr. Capitman said he was fascinated by the discussion of the urban organic waste coming to the Valley from other areas. He asked how the District would take account of that in the PM Plan and suggested a more assertive effort should be made in the short run to discourage growth in that area. Mr. Sadredin responded the District could impose tough permitting requirements to make sure that becomes part of the cost equation. He said Kern County passed a local measure to prevent these facilities from coming there, which the courts overruled so prohibiting them may not be an option.

Supervisor Elliott commented on the importance on the full lifecycle emission analysis that staff recommended. He said he supported staff recommendations and said it is important to look at the full picture, in addition to doing all the Board can to discourage the importation of additional sources of further emissions into the Valley. He also suggested encouraging the use of portable devices in the

areas that need to get rid of this waste, particularly in the forested areas. Supervisor Mendes commented that the Public Utilities Commission did not look at the bigger picture when they cured their problem, but caused a bigger problem elsewhere. He thanked staff for the Summit and this informative report.

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

- Steve Montgomery, Sierra Club
- Roger Isom, California Cotton Ginners and Growers Association., Western Agricultural Producers Association
- Connie Young, Citizen's Climate Lobby
- Robert Skowronski, Fresno Resident
- Janet Diets Camay, Fresno Resident
- Manuel Cunha, Nisei Farmers League
- Dolores Barajas Weller, Central Valley Air Quality Coalition
- Thomas Menz, Fresno Resident

Moved: Wheeler

Seconded: Worthley

Ayes: Ayers, Bessinger, Capitman, Couch, Elliott, Fugazi, Olsen, Pareira, Pedersen, Reyes, Sherriffs, Vierra, Wheeler, Worthley, Mendes

Nays: None

Motion unanimously carried to accept staff recommendations from the Central Valley Summit on Alternatives to Open Burning of Agricultural Waste

9. ACCEPT AND APPROPRIATE \$6,369,750 IN ADDITIONAL REVENUE FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO FUND THE REPLACEMENT OF HEAVY-DUTY TRUCKS AND AGRICULTURAL TRACTORS – Mr. Sadredin reported on July 7, 2016 the San Joaquin Valley Air Pollution Control District (District) submitted three grant proposals to the United States Environmental Protection Agency (EPA) in response to the Targeted Air Shed Grant Program. The three applications proposed to do the following: replace agricultural tractors that have uncontrolled, Tier 1 or Tier 2 engines with new agricultural tractors that have Tier 4 engines; replace on-road heavy duty class 5 to 8 trucks that have 2006 or older engines with trucks that have engines that meet the emission standard of 0.20/bhp NO_x; and replace on-road heavy duty trucks with zero emission electric trucks.

He reported on January 24, 2018, EPA informed the District that the Heavy-Duty Truck Replacement proposal and the Agricultural Tractor Replacement proposal for the Targeted Air Shed Grant Program were each selected for funding in the amount of \$3,184,875 for a total award of \$6,369,750 and asked the Board to accept and appropriate the funds.

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

- Steve Montgomery, Sierra Club

Moved: Worthley

Seconded: Wheeler

Ayes: Ayers, Bessinger, Capitman, Couch, Elliott, Fugazi, Olsen,
Pareira, Pedersen, Reyes, Sherriffs, Vierra, Wheeler,
Worthley, Mendes

Nays: None

Motion unanimously carried to accept and appropriate \$6,369,750 in additional revenue from the United States Environmental Protection Agency to fund the replacement of heavy-duty trucks and agricultural tractors

10. ACCEPT \$108,000,000 IN NEW STATE FUNDING FOR INCENTIVE GRANTS AND APPROVE APPROPRIATIONS FOR STAFFING AND SUPPORT SERVICES AND EQUIPMENT FOR IMPLEMENTATION OF AB 617

MANDATES – Mr. Sadredin said under the Board’s leadership, as expressed in the District’s 2017 Legislative Platform, the District’s advocacy focused on efforts to ensure that the state’s climate change initiatives also assist with Valley-centric public health objectives aimed at reducing criteria pollutants and toxic emissions. This is critical in light of the District’s current efforts to attain the federal PM2.5 standards and pending mandates for the latest federal ozone standard. He said these efforts were highly successful in educating the state’s administrative and legislative branches and led to significant new funding coming to the Valley for clean air programs.

He reported that on December 20, 2017, the Governing Board accepted and appropriated state funding in the amount of \$80,000,000 for incentive-based grant projects and \$8,400,000 to support the District’s implementation of state mandates under AB 617. Today’s recommendations include acceptance and appropriation of an additional \$108,000,000 in state funding for incentive-based grant programs for agricultural equipment and vehicles. Additionally, he said given our success in securing additional commitments for state funding for other incentive-based measures, pending Board approval, the San Joaquin Valley is likely to receive up to another \$200,000,000 in state funding this year. He said timely and effective use of these new funds by the District requires additional staffing and resources, and introduced Sheraz Gill, Director of Strategies and Incentives, who outlined the process involved, proposed programs, and resources needed by the District to ensure the Valley can take full advantage of these funds expeditiously.

Given the District’s already robust monitoring system, Supervisor Pedersen

expressed frustration at the monies that will be used to deploy the additional monitoring required by AB 617, rather than using these monies to fund emission reduction projects. Mr. Sadredin responded the District had no discretion to utilize the money set aside for monitoring for any other purpose. Councilmember Fugazi asked for additional details on the mobile monitoring platforms. Mr. Sadredin responded that most of the costs involved were for the monitoring instruments, not the vehicles themselves and said there is value in the portable nature of the proposal as opposed to stationary monitoring as it would provide for ongoing use at multiple locations at a lower cost.

Dr. Sherriffs said it has been gratifying to serve on the Air Resources Board to help draft policies and direct funds that have resulted in this extraordinary infusion of funds into the Valley that is unparalleled. He said, as Mr. Sadredin pointed out, this is not expected to be a one-time deal but it will be dependent on performance and success in finding and supporting good projects. He said he has a lot of confidence, based on the District's solid record of efficient, science-driven collaborative work in the past with business and agricultural stakeholders. He said the emphasis on community engagement with AB 617 is vital and it is important to engage any community group that can help the District achieve the mandated investments in disadvantaged communities.

Supervisor Elliott said staff has come up with an excellent approach to be able to spend the funds that are available on mobile equipment that the District can make the best use of depending on where the needs are and not lock themselves up into something they can't use later, and taking the same approach with additional personnel. He said right now AB 617 is fully funded but it is important to not be locked into an unfunded mandate in the future and using temporary positions is very wise. Dr. Capitman voiced agreement with Supervisor Elliott's comments on phasing in additional personnel needed to meet these mandates. He said he expected the high level of community involvement required by these mandates would be tremendously staff intense in the future. He said the staff increases proposed today sounded very reasonable, and said he felt the Board should leave the door open to add additional staff in the future. Mr. Sadredin responded the new state mandates will be further defined by ARB in the coming months and years. As the mandates are fully defined and implemented, additional staffing may be required.

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

- Roger Isom, California Cotton Ginners and Growers Association; Western Agricultural Producers Association
- Colby Morrow, So Cal Gas
- Manuel Cunha, Nisei Farmers League
- Thomas Menz, Fresno Resident
- Janet Diets Camay, Fresno Resident

Supervisor Pereira left at 12:08 p.m.

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

Motion unanimously carried to accept \$108,000,000 in new state funding for incentive grants and approve appropriations for staffing and support services and equipment for implementation of AB 617 mandates

11. APPROVE CONTRACT AMENDMENT WITH ARCHER AND HOUND ADVERTISING TO EXPAND PUBLIC EDUCATION AND OUTREACH CAMPAIGN FOR THE REAL-TIME AIR ADVISORY NETWORK – Jaime Holt, Chief Communications Officer, asked the Board to approve and authorize the Chair to execute a contract amendment between the District and Archer and Hound Advertising to expand the District's existing comprehensive public education and outreach campaign for Real-time Air Advisory Network (RAAN) through strategic enhancements to the existing program and approve the attached Budget Resolution to amend the 2017-18 District Budget to fund the amendment. Ms. Holt thanked Archer and Hound for designing this campaign so quickly and said the goal of this campaign is to produce a quantifiable increase in the number of RAAN users, which can be tracked.

Dr. Sherriffs said it was very important to support this program and added that this public education should be ongoing. Mr. Sadredin responded that staff's proposal included an initial media blitz but also ongoing education. Dr. Capitman suggested additional research was needed to learn what motivates people to use the RAAN program. He strongly suggested doing some focus group work with the advertisements before they go out. Mr. Sadredin responded that the first step was to make sure residents know about the existence of the RAAN program with motivational messaging to follow.

Councilmember Bessinger left at 12:21 p.m.
Councilmember Fugazi left at 12:29 p.m.

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

- Thomas Menz, Fresno Resident
- Jessica Blanchard, Archer and Hound
- Janet Diets Camay, Fresno Resident

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

Motion unanimously carried to approve contract amendment with Archer and Hound Advertising to expand public education and outreach campaign for the Real-Time Air Advisory Network

12. DEVELOPMENT OF NEW PERMITTING PROGRAM FOR COMMERCIAL UNDERFIRED CHARBROILERS – Mr. Sadredin said despite hundreds of millions of dollars of grants that are being brought to the District and all of the other regulations that are in place, there is no way the Valley can reach attainment of the latest federal standards without controlling the emissions from underfired charbroilers in San Joaquin Valley. He said the modeling shows that a \$35 million investment in charbroilers – mostly through grants, would have the same benefit of imposing NOx regulations on Valley businesses to the tune of \$14 billion. He said economically it makes sense, as well as cost-effectively and at the Board's direction staff is proceeding down that path to bring charbroilers into the mix for District emission reduction programs. He said the first step is to begin the permitting process, which requires a very public process to adopt necessary regulatory amendments. He said the cost of a permit would be approximately \$75 per year, keeping with the District's lowest costs in the state. He said those permit holders would be eligible to apply for hundreds of thousands of dollars' worth of incentives. He said staff plans to begin the public process shortly, and would bring necessary regulations to the Board for approval at a later date.

Public Comment: None

13. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs said the ARB Board did not meet in January 2018, but instead held their meeting on February 8th, which was chosen as it was the 50th anniversary of the first ARB meeting. He briefly mentioned historical facts regarding the establishment of ARB and its accomplishments over the past 50 years.
14. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin said there was a conflict with the Board's scheduled meeting on May 17, 2018, and the California State Association of Counties (CSAC) Annual Legislative Conference. He said the May Governing Board meeting is critical as that is traditionally when the District's Budget Hearing takes place and asked for Board direction. By consensus, Board members agreed that the May Governing Board meeting should be moved to Thursday, May 10, 2018.

15. GOVERNING BOARD MEMBER COMMENTS – Supervisor Wheeler shared details about a recent meeting on the current drought situation.
16. CLOSED SESSION – Annette Ballatore-Williamson, District Counsel, announced the Board would adjourn to Closed Session to discuss the following, followed by adjournment:
 - CONFERENCE WITH LEGAL COUNSEL – Existing Litigation pursuant to Government Code Section 54956.9(d)(1) in Kern County Citizens for Responsible Development et. al. v. San Joaquin Valley Unified Air Pollution Control District, et. al., Kern Co. Sup. Ct. Case No. BCV-17-102923, and related appeal of approval of the Calamco NH3, LLC Project No. N-1163737 and Notice of Determination Sch No. 1991122017 before the Governing Board of the San Joaquin Valley Unified Air Pollution Control District

Public Comment: None

The Chair adjourned the meeting to Closed Session at 12:55 p.m.

At the end of the Closed Session, Jessica Fierro, Assistant District Counsel, announced that regarding to the Closed Session item above, the Board authorized Counsel to take all steps necessary to defend the lawsuit, followed by adjournment.

ADJOURN

SJVAPCD Governing Board
ACTION SUMMARY MINUTES
February 15, 2018

The next scheduled meeting of the Governing Board is: Thursday, March 15, 2018. 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.