

## 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, August 15, 2019**  
**9:00 a.m.**

***Meeting held via video 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:*

Drew M. Bessinger, Mayor	City of Clovis
David Couch, Supervisor	Kern County
Kuyler Crocker, Supervisor	Tulare County
Bob Elliott, Supervisor*	San Joaquin County
Christina Fugazi, Councilmember*	City of Stockton
Buddy Mendes, Supervisor, <b>Chair</b>	Fresno County
Kristin Olsen, Supervisor*	Stanislaus County
Lloyd Pareira, Supervisor**	Merced County
Craig Pedersen, Supervisor, <b>Vice Chair</b>	Kings County
Alvaro Preciado, Councilmember	City of Avenal
Monte Reyes, Councilmember	City of Porterville
Dr. Alexander Sherriffs	Appointed by Governor
Tom Wheeler, Supervisor	Madera County

*Absent:*

John Capitman, Ph.D	Appointed by Governor
Chris Vierra, Mayor	City of Ceres

*\*Attended in the Northern Region*

*\*\*Attended in the Northern Region and arrived at 9:19 a.m.*

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF CONSENT CALENDAR – Item Numbers (18 – 24): *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.*
18. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, JUNE 20, 2019
19. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2019
20. RECEIVE AND FILE OPERATIONS STATISTICS SUMMARIES FOR JUNE AND JULY 2019
21. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF JULY 31, 2019
22. APPROVE AGREEMENT WITH CJ LAKE, LLC FOR FEDERAL LEGISLATIVE ADVOCACY FOR AN AMOUNT NOT TO EXCEED \$93,708
23. RECEIVE AND FILE DRAFT 2019 ANNUAL DEMONSTRATION REPORT FOR DISTRICT RULE 9610 (SIP-CREDITABILITY OF EMISSION REDUCTIONS GENERATED THROUGH INCENTIVE PROGRAMS)
24. APPROVE AND AUTHORIZE CHAIR TO SIGN AN AGREEMENT WITH CALIFORNIA AIR RESOURCES BOARD FOR CONTINUED DISTRICT ENFORCEMENT OF STATE REFRIGERANT MANAGEMENT PROGRAM

Public Comment: None

Moved: Pedersen  
Seconded: Olsen  
Ayes: Bessinger, Couch, Crocker, Elliott, Fugazi, Olsen,  
Pedersen, Preciado, Reyes, Sherriffs, Wheeler, Mendes  
Nays: None

***Motion unanimously carried to approve Consent Calendar Item Numbers 18 – 24***

5. PUBLIC COMMENT – *The following persons provided public comment at this meeting:*
- Connie Young, Citizens Climate Lobby

6. S.T.A.R. RECOGNITION (Service, Teamwork, Attitude, Respect) – Chenecua Dixon, Director of Personnel, formally recognized the employees who reached a service milestone during the second quarter of 2019:

**Five Years of Service**

See Thao, Operations Support Supervisor

**Ten Years of Service**

Catherine Blevins, Network Systems Analyst  
Valarie Ballard, Air Quality Compliance Manager  
Jesse Garcia, Air Quality Engineer

**Fifteen Years of Service**

Joe Avila, Air Quality Inspector  
Jaime Holt, Chief Communications Officer

**Twenty Years of Service**

Kamaljit Sran, Senior Air Quality Engineer

7. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Manuel Cunha, Fresno County Industry/Agriculture member, gave the report on highlights from the Citizens Advisory Committee meeting of August 6, 2019.

*The Governing Board recessed at 9:15 a.m. due to technical difficulties  
The Governing Board reconvened at 9:25 a.m.*

8. ACCEPT AND APPROPRIATE \$10,000,000 IN ADDITIONAL REVENUE FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO FUND THE REPLACEMENT OF AGRICULTURAL TRACTORS AND YARD TRUCKS– Todd DeYoung, Program Manager, reported the District was awarded \$10 million from the federal Environmental Protection Agency (EPA) in response to proposals submitted under the highly competitive 2018 Targeted Air Shed Grant program, and recommended that the Board accept and appropriate the funds. These funds will be used to replace 2009 or older yard trucks with zero-emission battery electric trucks, and replace uncontrolled, Tier 1, or Tier 2 agricultural tractors with new Tier 4 tractors.

Samir Sheikh, Executive Director/APCO, said this is one of the District's biggest years in total grant funding awarded from the federal DERA and Targeted Air Shed Grant programs. He said staff is continuing to push for EPA to give more funding to the Valley. District staff are advocating heavily as EPA works up the guidelines for the Targeted Air Shed program that the severity of the air quality

challenge is even more of a factor and should be given more of a priority. Supervisor Pedersen stated that federal funding from is a huge priority during the Board's lobbying efforts in Washington, DC. Supervisor Elliott said this was a very good news story, as the District was awarded 25% of the funding available for the entire country. Similar to the District's Hot Spots program, he said it was important to stress to EPA that the Valley is a "hot spot" in terms of the ability to meet federal air quality standards and therefore should get the majority of funding available.

Dr. Sherriffs commended staff for their work and asked if this funding should be used for in the District's Hot Spots areas to help the Valley reach attainment. He noted the amount of reductions for yard trucks versus tractors. Mr. Sheikh responded the District has designed its incentives programs consistent with the attainment challenges faced by the Valley and depending on the program, there are regional allocations making sure there is equity across the regions. He said both of these programs follow the Board-approved approaches for how we implement those programs. He added these funds feed into larger programs and are not implemented differently than the programs in the District's budget. Regarding the reductions achieved, he acknowledged that the zero-emission technologies are more expensive than the conventional, latest tier technology. The goal, as the District tries to deploy more battery electric technology, is for the costs to go down over time as in other sectors.

Chairman Mendes commended staff for doing a great job getting 25% of the nationwide funding available. He said it was a shame that only \$40 million in funding was made available nationwide for this important program.

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

- Manuel Cunha, Nisei Farmers League
- Chris McGlothlin, Western Ag Producers and Growers Association, California Cotton Ginners Association

*Moved:* Wheeler

*Seconded:* Pedersen

*Ayes:* Bessinger, Couch, Crocker, Elliott, Fugazi, Olsen, Pareira, Pedersen, Preciado Reyes, Sherriffs, Wheeler, Mendes

*Nays:* None

***Motion unanimously carried to accept and appropriate \$10,000,000 in additional revenue from the United States Environmental Protection Agency to fund the replacement of agricultural tractors and yard trucks***

9. APPROVE NEW INCENTIVE PROGRAM FOR ALTERNATIVE FUEL INFRASTRUCTURE PROJECTS IN THE SAN JOAQUIN VALLEY – Brian Dodds, Program Manager, gave an overview of the proposed incentive program and associated criteria designed to provide a range of funding levels to support

the deployment of new clean vehicle fuel infrastructure throughout the Valley. The proposed program would be implemented in accordance with guidelines developed by CARB for use in implementing Carl Moyer Program and Community Air Protection Funds.

Supervisor Wheeler asked if the projects must be completed by program participants prior to receiving the incentives funds. Mr. Dodds responded affirmatively. Supervisor Wheeler asked if the Hot Spots areas, including Fresno, Madera, and Kern County would also qualify as sensitive receptor areas. Mr. Sheikh responded that at the Board's direction staff is willing to accommodate any additional criteria or priority. He added that the goal is to build a strong network of fueling stations up and down the corridor with distribution across the Valley, so as trucks travel through the Hot Spots, they have the ability to fuel. He cautioned that adding extra layers as to where the projects are located could cause some issues in terms of the overall network.

Supervisor Olsen asked about the criteria for evaluating applications. She asked how disadvantaged and low income communities would be defined. Mr. Sheikh responded the District follows existing statutory framework for defining disadvantaged and low income communities. Supervisor Olsen commented on the selection scoring criteria for the use of solar and wind-generated power versus any other renewable source. She said if the other Board members agreed, she would prefer expanding the scoring criteria to any type of renewable power source, rather than specific to the technology of solar and wind.

Councilmember Reyes asked for another example of sensitive receptor areas. Mr. Dodd responded that a day care or child care facility would also qualify as a sensitive receptor, as per state guidelines. Mr. Sheikh added that he did not think there would be projects that would be located near a senior living facility or hospital, but this was another Moyer program category that was open for discussion by the Board. Councilmember Reyes said he is aware that some cities have yards that they may use for transit, which schools also use for maintenance and to run their buses.

Supervisor Crocker clarified that the AB 617 communities do not receive a higher dollar amount, but do get a higher ranking based on the criteria. Mr. Sheikh responded affirmatively.

Dr. Sherriffs thanked staff for their work on this program. He voiced agreement with Supervisor Olsen's suggestion to include the use of any renewable source. He said the emphasis on networks was important to what the District is trying to accomplish by promoting these technologies, and if they were not accessible to the public and businesses moving goods up and down the state, it would be a major issue. He asked how that fit into the criteria. Mr. Sheikh responded that in the proposal, there is a higher funding for publicly accessible projects but there is still funding allowed for a privately-accessible station. He added based on what staff has heard from stakeholders, the majority of projects are publicly-accessible

but there are potential projects where a facility may want to have dedicated fueling for their own fleets. He said the ultimate goal of this program is more deployment of these types of vehicles and fuels. He said this funding is nowhere near the amount of money needed to complete the network and voiced hope that the state, including CARB, starts putting funding into this project so the program can make a bigger difference. Dr. Sherriffs said at the state level, a lot of the VW settlement funds are focused to develop the infrastructure network. He asked staff to report back to the Board on the location of the approved projects from this program and said it was important to encourage private industry to adopt these alternative fuels. Mr. Sheikh said staff would report back to the Board on the results of this program, along with the status of similar projects from other funding sources, including the VW settlement.

Supervisor Wheeler commented this program may help the District get more funding for similar projects in the future. Supervisor Pedersen asked about the implement time periods associated with these funds. Mr. Sheikh said there were some tight encumbrance deadlines associated with all of the dollars that would be used in this type of program. He said staff planned to open the program immediately and have enough projects to satisfy the demand over the course of the next year as far as executing agreements and getting into projects. He added if staff doesn't see a demand, the monies can be shifted to other eligible, cost-effective projects such as heavy duty trucks and tractors.

Councilmember Preciado commented that some disadvantaged communities do not have any charging stations at all and suggested there should be additional outreach regarding available funding to encourage residents of these communities to drive electric vehicles. He also recommended scheduling more Drive Clean program workshops in these communities. Mr. Sheikh responded affirmatively.

Chairman Mendes said the District has been providing funding for these types of projects for many years, but is now focused on creating a network of these projects.

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

- Nathan Alonzo, Caglia Environmental
- Shawn Edgar, Clean Fleets
- Kevin Kruse, Western Milling
- Colby Morrow, So Cal Gas
- Jared Johnson, Dynamic
- Patrick Smith, Harris Ranch/Central Valley Meat Company

Moved: Crocker  
Seconded: Reyes  
Ayes: Bessinger, Couch, Crocker, Elliott, Fugazi, Olsen, Pareira,  
Pedersen, Preciado, Reyes, Sherriffs, Wheeler, Mendes  
Nays: None

***Motion unanimously carried to approve new incentive program for alternative fuel infrastructure projects in the San Joaquin Valley and to change the criteria to include all renewable energy sources***

10. ADOPT PROPOSED AMENDMENTS TO DISTRICT RULES 2201, 2301, AND 2520 – Mr. Sheikh introduced Arnaud Marjollet, Director of Permit Services, and said there were a number of components in this proposal, including rule clarification amendments, an amendment to enhance the District’s public notification processes, and a scientific demonstration that ammonia is not a significant precursor to PM2.5 concentrations in the Valley for the purposes of new source review permitting to satisfy federal Clean Air Act requirements. Mr. Marjollet presented the proposed revisions to Rule 2201 (New and Modified Stationary Source Review Rule), Rule 2301 (Emissions Reduction Credit Banking), and Rule 2520 (Federally mandated operating Permits).

Supervisor Olsen suggested that District social media pages also be used to post the public notices in addition to the District website, which would help for public noticing and transparency purposes. Mr. Sheikh responded that staff would look at taking advantage of the District’s social media pages to let residents know that those resources are available. Dr. Sherriffs wondered if there was a group of residents that would be missed by eliminating newspaper notices. Mr. Sheikh responded that staff is very confident based on their experience with noticing of public meetings, workshops, and permitting actions for many years that residents will find online notices more convenient. He added that staff have not received concerns from any residents about this change, during the public process for these proposed rule amendments.

Public Comment: None

Moved: Wheeler  
Seconded: Preciado  
Ayes: Bessinger, Couch, Crocker, Elliott, Fugazi, Olsen, Pareira,  
Pedersen, Preciado, Reyes, Sherriffs, Wheeler, Mendes  
Nays: None

***Motion unanimously carried to adopt proposed amendments to District Rules 2201, 2301, and 2520***

*Mayor Bessinger left at 10:46 a.m.*

11. AUTHORIZE UP TO \$200,000 IN FUNDING FOR SOCIOECONOMIC ANALYSES IN SUPPORT OF DISTRICT STRATEGY DEVELOPMENT – Jon Klassen, Director of Strategies and Incentives, said California Health and Safety Code (CH&SC) §40728.5 requires that the District perform an assessment of socioeconomic impacts for new and amended rules that significantly affect air quality or emissions limits. In November 2018, the Board adopted the *2018 PM2.5 Plan*, which included several regulatory commitments in the upcoming years to provide the additional emissions reductions needed to attain the federal PM2.5 standards as expeditiously as practicable. He added through prior actions, and most recently in September 2018, the Board has established direction for conducting accurate and Valley-specific socioeconomic analyses for key rule amendment projects to ensure that both the cost-effectiveness of the further controls and the subsequent potential impacts to the economy are understood before a final rulemaking is reached. Mr. Klassen said staff recommended obtaining services necessary to ensure that socioeconomic impacts related to upcoming regulatory efforts are thoroughly evaluated consistent with Board direction.

Councilmember Fugazi expressed concern about the number of businesses, including grocery stores that do outdoor grilling. She asked if this would potentially create an opportunity to have a discussion with these businesses to limit this source of air pollution in the community. Mr. Sheikh responded that would be one of the priority measures that staff is working on with the PM2.5 Plan. He said as staff looks at potential options for addressing these emissions, the economic impacts that may be associated with any regulatory requirements that result from that process would be addressed by these analyses. He added this information would help the Board to make their decisions and also guide staff as they look at different alternatives and attempt to minimize impacts to jobs and businesses.

Supervisor Wheeler said the cost of the analyses is well worth the savings that can result from the information provided. He voiced support for minimizing impacts of regulatory actions on small businesses in the community.

Dr. Sherriffs said it was easier to measure the cost of acting versus not acting and asked how to ensure those often hidden costs, including health, are included in the analysis. He said there are many positive impacts to the things that the District does that have a cost associated with them, including generating new businesses, new tractor sales, promoting dairy digesters, funding for construction and supporting local economies and building infrastructure. He asked how the analyses would be sure to capture some of those harder to measure costs, but also the benefits of acting as well. Mr. Sheikh responded the Board provided a really robust direction and guidance on these issues over the 10 to 20 years that they have worked on these measures and had a detailed discussion last year on what these analyses look like. He said this is one piece of a much larger package that staff go through when it comes to regulatory development, including health benefits and emissions reductions from each measure.



Supervisor Pedersen commended staff for bring this forward and said it really goes to the District's Core Value of continuous improvement, where it has the respect of both industry and residents in using common sense to derive our policies and ensure that every step made is calculated and researched over and over. He said adding the socioeconomic analyses is very important and one of the reasons why the Board has the respect that it does today and will continue to get better.

Supervisor Elliott said he was glad the Board previously reviewed the components of the socioeconomic analyses because it was important to interject the common sense there and in the principles outlined in the staff report and presentation ensure to do that well. Analyzing whether the sources are going to reduce business operations by implementing new rules and have the unintended consequences of reducing the number of jobs that people are able to have to support their families, is very important and it is important of having a complete analysis that is done well. He voiced support for staff recommendations in this item.

Supervisor Crocker suggested the District should partner with one of the multiple universities in the District's jurisdiction who have extensive experience in performing these analyses. He also asked staff to return with a proposal to conduct a study to show the benefits of agriculture as it relates to climate change and carbon emissions. He said he thinks that is something that is not discussed and there are several studies from outside our region that talk about how citrus in particular is carbon-negative. He said the potential impacts of the Sustainable Groundwater Management Act should be evaluated to see how the fallowing of millions of acres of land would affect particulate matter and air quality.

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

- Janet Dietz Kamei, CVAQ
- Connie Young, Citizens Climate Lobby
- Manuel Cunha, Nisei Farmers League
- Kevin Abernathy, Dairy CARES

*Moved:* Pedersen

*Seconded:* Wheeler

*Ayes:* Couch, Crocker, Elliott, Fugazi, Olsen, Pareira,  
Pedersen, Preciado, Reyes, Sherriffs, Wheeler, Mendes

*Nays:* None

***Motion unanimously carried to authorize up to \$200,000 in funding for socioeconomic analyses in support of District strategy development***

12. RECEIVE VERBAL REPORT ON DISTRICT'S IMPLEMENTATION OF AB 617 – Dave Warner, Deputy APCO, gave an update on the District's implementation of AB 617, the Community Air Protection Program, including community selection

for year two and the development of Community Emission Reduction Programs (CERPs).

Councilmember Reyes asked about changes to the selected communities' area and radius. Mr. Warner responded that both communities had concerns about the potential for air pollution generated outside the community to impact the community and dealt with it in different ways. He said the Shafter committee agreed to look within an area that surrounded their boundaries and didn't change the actual boundary of the community, but agreed to look for other sources that might impact the community. The South Central Fresno committee went down a path of advocating for an expanded boundary and then looking within that boundary.

Supervisor Pedersen said economics is a very big indicator in all of this and asked how strongly the economic side of this factors into the community selection process. Referring to Supervisor Crocker's comments, he said if the state cuts water supply to the Valley, there is a huge impact there and the District has no authority to control that stressor. Mr. Sheikh said this was a critical question in how the District implements AB 617. He said it is important when drafting the CERPs to outline and define the challenges in the communities and their burdens in totality, including economic challenges, access to health care, and other issues that exacerbate the situation. Secondly, he said the CERPs are designed by statute to focus in on air quality and emission reduction type measures. He said it was important to focus on what science says is happening in that community from an air quality perspective and how we put cost-effective measures in place to actually improve that situation, as well as how we use the air monitoring information that will be obtained.

Dr. Sherriffs said AB 617 is very different and very much bottom up in terms of identifying communities, concerns and priorities and looking at air quality from a local, community perspective instead of the regional perspective that the District is used to operating from. He voiced appreciation for how District staff have embraced the challenges and opportunities, and the real success they have had in bringing together community concerns, different agencies and entities in the community and said it has been a tremendous amount of work, to put it mildly. He said staff have developed a lot of expertise and encourage interest in the next round of community selection.

Supervisor Elliott said while it was important to give adequate consideration for getting the best bang for the buck on the money that is spent, he was certainly in support of the idea of regional equity here by identifying disadvantaged communities in the northern region as well, including Stockton.

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

- Janet Dietz Kamei, CVAQ
- Connie Young, Citizens Climate Lobby

13. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reviewed highlights from the CARB Board meetings of June 27 and July 25, 2019.
14. EXECUTIVE DIRECTOR/APCO COMMENTS – None
15. GOVERNING BOARD MEMBER COMMENTS – Supervisor Couch asked if any of the eight Valley Councils of Government had contacted the District regarding truck platooning. Mr. Sheikh responded staff had heard some information about the proposal and asked Supervisor Couch to refer interested parties to him.
16. CLOSED SESSION – Annette Ballatore, District Counsel, announced that the Board would enter Closed Session to discuss the following:
  - CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 2 acre parcel on a portion of Parcel # 428-010-24 at 4550 N Blackstone, Fresno, California, consisting of vacant, undeveloped real property  
Agency Negotiators: Samir Sheikh and Sheraz Gill  
Negotiating Parties: SJVAPCD and AG Land Joint Venture  
Under negotiation: price and terms of purchase

Public Comment: None

*The Chair adjourned the meeting to Closed Session at 12:07 p.m.*

17. APPROVAL TO ENTER INTO AGREEMENT WITH AG LAND PARTNERS TO PURCHASE 2-ACRE LAND PARCEL – Ms. Ballatore returned from Closed Session to announce that the Board voted unanimously to approve staff to enter into an agreement with Ag Land Partners to purchase a 2-acre land parcel located on a portion of Parcel #428-010-24 at 4550 N Blackstone, Fresno, California.

## **ADJOURN**

*The Board adjourned from Closed Session at 12:36 p.m.*

*The next scheduled meeting of the Governing Board is: Thursday, September 19, 2019 at 9:00 a.m. 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 videoteleconference (VTC) with the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating via VTC.*