



San Joaquin Valley Air Pollution Control District

GOVERNING BOARD

J. Steven Worthley, Chair
Supervisor, Tulare County

Leroy Ornellas, Vice Chair
Supervisor, San Joaquin County

Judith G. Case
Supervisor, Fresno County

Jon McQuiston
Supervisor, Kern County

Tony Barba
Supervisor, Kings County

Ronn Dominici
Supervisor, Madera County

Michael G. Nelson
Supervisor, Merced County

William O'Brien
Supervisor, Stanislaus County

Chris Vierra
Councilmember, City of Ceres

Vacant
Large City, Central Region

Vacant
Small City, Southern Region

Seyed Sadredin
Executive Director/
Air Pollution Control Officer

Northern Region Office
4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400
FAX (209) 557-6475

Central Region Office
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-6000
FAX (559) 230-6061

Southern Region Office
2700 M Street, Suite 275
Bakersfield, CA 93301-2373
(661) 326-6900
FAX (661) 326-6985

www.valleyair.org

Action Summary Minutes San Joaquin Valley Unified Air Pollution Control District GOVERNING BOARD

Governing Board Room
1990 E. Gettysburg Avenue, Fresno, CA

Thursday, February 15, 2007
9:00 a.m.

Meeting held via teleconferencing (VTC) with the Central Region Office (Fresno), the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield). This meeting was webcast.

1. CALL MEETING TO ORDER

The Chair, Supervisor Worthley, called the meeting to order at 9:10 a.m.

2. ROLL CALL was taken and a quorum was present

Present

Judith G. Case, Supervisor	Fresno County
Jon McQuiston, Supervisor (**)	Kern County
Tony Barba, Supervisor	Kings County
Ronn Dominici, Supervisor	Madera County
Michael G. Nelson, Supervisor	Merced County
Leroy Ornellas, Supervisor, Vice Chair	San Joaquin County
William O'Brien, Supervisor (*)	Stanislaus County
J. Steven Worthley, Supervisor, Chair	Tulare County

Absent

Chris Vierra, Councilmember	City of Ceres
-----------------------------	---------------

(*) *Attended meeting in Northern Region Office*

(**) *Attended meeting in Southern Region Office*

3. APPROVAL OF CONSENT CALENDAR – Item numbers 14-18.

These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public is given the opportunity to comment on any consent item.

14. Approve Action Summary Minutes for the San Joaquin Unified Air Pollution Control District Governing Board Meeting of Thursday, January 18, 2007
15. Receive and File Budget Status Report as of January 31, 2007 and Cash Balance Report as of December 31, 2006
16. Receive and File Operations Statistics Summary for January, 2007
17. Receive and File Proposed Rule 4565 (Biosolids, Manure and Poultry Litter Management)
18. Receive and File List of Scheduled Meetings for 2007

Public Comment: NONE

Moved: Nelson

Seconded: Barba

Ayes: Case, McQuiston, Barba, Dominici,
Nelson, Ornellas, O'Brien, Worthley

Nays: None

Motion unanimously carried to approve items 14-18 as recommended

4. PUBLIC COMMENT

Daniella Simunovic, Center on Race Poverty and the Environment, asked the Board to consider scheduling the April 2007 Ozone Plan hearing for an afternoon hearing to facilitate community participation. The Chair also requested that the April meeting be moved to a later date to accommodate the schedules of Board Members who are attending a meeting of San Joaquin Valley Supervisors Association. After discussion, it was decided to reschedule the meeting date and to start the public hearing on the proposed Plan no earlier than 11:00 a.m.

5. REPORT FROM CITIZENS ADVISORY COMMITTEE (CAC)

Dennis Tristao, Chair of the CAC, briefed the Governing Board regarding the CAC's February 6, 2007 meeting. He updated the Board regarding the formation of an Environmental Justice Advisory Council, and noted that the CAC received a great deal of public input on the topic. He also stated that because there was no quorum of the CAC's environmental interest group, no action could be taken on the item, but much testimony was received. The CAC interest groups intend to meet and have each group formulate an opinion and

present those papers to the Governing Board. The CAC also heard a status report on the Draft Ozone Plan.

The Chair, on behalf of the Governing Board, thanked the CAC for their efforts.

6. STATUS REPORT ON 2007 OZONE PLAN

Seyed Sadredin, Executive Director/APCO, presented the status report. He stated that the District is soliciting input until February 26, 2007 on the draft plan presented at the February workshop, with receive and file scheduled for March 15, 2007, and the hearing before the Board in April. The Ozone Plan is due to the EPA on June 15, 2007.

Mr. Sadredin stated that the Valley sees 28% of the State's total truck miles, with 12% of those miles pass-through only and contributing nothing but pollution and wear-and-tear on our roads and highways; therefore, the District feels justified in asking for 25% of the Proposition 1B funds. He also stated that most of the Valley's ozone is generated by mobile sources, and while new engines burn cleaner than old engines, vehicle turnover is slow and must be expedited with incentive funding.

The Chair stated that the District does not have the power to regulate mobile sources, so we can only incentivize fleet replacement, not mandate it. Mr. Sadredin confirmed and stated that 15% of pre-emission reductions in the plan will come from incentives, while 85% will come from regulations. He added that companies receiving incentive funds must provide matching funds. Supervisor Case stated that during their visits to Washington D.C., the District and Board Members should ask the federal legislators to emphasize fuel efficiency on cars which means cleaner burning engines. She also added that she lives in one of the Valley's hot spots and asked for a list of the alternative suggestions to the Ozone Plan to be included in the April staff report. Mr. Sadredin stated that staff has looked at all alternatives, and only decided to ask for the "extreme" designation after careful thought and research led to the conclusion that the "extreme" designation is the only choice possible under the Federal Clean Air Act.

Public Comment:

- o Sarah Sharpe, Coalition for Clean Air, invited the Board to attend the Senate Select Committee discussing air quality on February 20, 2007 in Sacramento.
- o Manuel Cunha, Nisei Farmer's League, stated that the USDA Air Quality Task Force met with Agriculture Secretary Mike Johanns in Modesto on the air quality component of the farm bill. The farm bill recommends \$300 million per year for the first five years to be used as incentives to

replace farm and processing equipment. He added that it is the first time that mobile sources and machines have been included in a farm bill, as most funding has been tied to the ground with items like water sources and wind erosion. The Task Force hopes the Secretary will write a formal request to the President that this be included in his plan. Mr. Cunha added that the \$300 million is nationwide, but California can expect to get a large portion of the funds.

7. VERBAL REPORT: PRESENTATION BY SENATOR MIKE MACHADO, D-LINDEN, 5TH SENATE DISTRICT, ON POTENTIAL LEGISLATION REGARDING MAKEUP OF THE GOVERNING BOARD

Senator Mike Machado stated that two weeks ago, he met with Seyed Sadredin, Peter Webber, Supervisor Ronn Dominici, and Supervisor Mike Nelson to discuss his suggested Board reorganization. He acknowledged the efforts the Board has made in the recent past. The Board should be commended for the regulations for confined animal operations and winery emissions, the progress made in the on-field agricultural operations, and the voluntary pollution reduction programs. Senator Machado proposed Board change would include permanent representation for the large Valley cities—Stockton, Bakersfield, Fresno—and two positions that rotate to include the small and medium sized Valley cities. Additionally, two Governor-appointed members would be added. These appointees must live and practice in the Valley. One should be a medical doctor specializing in health effects of air pollution on vulnerable population. The second would be an environmental engineer with a background in chemistry and meteorology who is a specialist in the public health impacts of air pollution. Both would be appointed on their interest, their proven ability, and the ability to be a proactive part of the meetings. Senator Machado believes these appointees would be complementary to the Board and bring in certain constituencies that are essential for the type of coalition and collaboration building that needs to take place to solicit the types of funding requests necessary to carry out the Ozone Plan. He requested input from the Board on his proposal, and feels that the Board needs to be more diverse in order to meet the challenges of reaching attainment and aggressively seeking the type of support that is needed, particularly when so much of the Valley's pollution is a product of pass-through traffic or industry outside the Valley.

The Chair thanked Senator Machado for coming to speak to the Board. He stated that the Board is focused singularly on cleaning the air and has made great progress. The Chair noted that the Board has passed a number of regulatory measures within their jurisdiction. In the past, the Board has been reluctant to support a change in the Board's make-up because the Board is currently nimble, and large Boards can be cumbersome. The subcommittee

will consider Senator Machado's comments, his bill and the other bills that have been submitted regarding the District's Governing Board.

The Senator wanted to make sure the Board doesn't underestimate the magnitude of the challenge to affect the ongoing funding. He stated that Proposition 1B is explicit in how it is to be used, and while it is appropriate for the District to ask for a portion of the funds, the Valley needs to face the political reality that two-thirds of the State representatives come from Southern California. He added that in the process that takes place in the Capital, it is very important to have a diverse and strong coalition willing to advocate. He agreed that the nimbleness of the Board is a positive aspect, but in his proposal, the majority of the Board doesn't change. He emphasized that there has been talk of the need for further inclusion of populations that felt they have not been adequately heard. From a political standpoint, the Board change could facilitate the type of collaboration necessary to achieve the objectives of the Board.

Leroy Ornellas asked Senator Machado if a city council member would be the representative from the big cities. The Senator responded affirmatively. Mr. Ornellas also asked how the Senate advises the Governor on his appointments. The Senator said the Governor seeks recommendations from people in the Valley, a background check is performed, and he receives recommendations. The Senate then seeks input from a network of people. Mr. Ornellas asked how long the terms would be for Governor appointees. The Senator said it could be four-year terms, or at will.

Supervisor Nelson thanked Senator Machado for presenting his proposal to the Board, and for the meeting a few weeks earlier. Supervisor Nelson said he appreciated the fact that Senator Machado acknowledged the good work the Board has done, and agrees that working together will produce more results.

8. APPROVE PROGRAM GUIDELINES FOR THE GROSS POLLUTING VEHICLE REPLACEMENT PROGRAM

Todd DeYoung, Supervising Air Quality Engineer, presented the report.

The Chair asked if the location of the gross polluting vehicle is considered for this program, and asked that preference be given to vehicles in ozone hot spot areas such as Arvin and Northwest Fresno. Mr. Sadredin stated that the location could be included in the parameters to narrow down the applicants. Supervisor Case wanted assurance that the vehicles that are replaced are from permanent Valley residents and not from transient residents or from vehicles imported to take advantage of the program. Mr. Sadredin stated that the program covers that issue. He stated that this pilot program is by invitation only, and the cars must fit the parameters in the report.

The Chair commented that a lot of thought has been given to preventing abuse. Supervisor Barba asked if the District would be the lien holder on the car. Mr. Sadredin stated that the District would like to have that option, but there may be logistical issues. The type of vehicle the recipient would have to purchase, a LEV II, would most likely cost more than the \$5,000 they get from the Gross Polluting Vehicle Program, so the recipient would probably use the \$5,000 towards the down payment of the car. The District does not want to be the lien holder on all cars, but does want to exercise some discretion. Supervisor Dominici agreed that the gross polluting vehicles should come from the pollution hot spots. He asked what would happen if the replacement vehicle becomes a gross polluter after three years. Mr. Sadredin replied that the second vehicle would not be replaced through this program. They are responsible for maintenance and making sure it passes the Smog Check. Supervisor Barba asked if the cars would be crushed or could they be stripped and the parts sold. Mr. DeYoung stated the car must be crushed.

Supervisor Case stated that staff must be flexible and continuous in monitoring so they know they're meeting their goals. She added that a lot of thought was given to the report, and the Board needs to be aware that the staff may make administrative changes as necessary. Supervisor McQuiston stated that he supported the recommendation to include the location of the vehicle in the parameters. Supervisor O'Brien agreed. Supervisor O'Brien asked how we ensure the recipient retains the vehicle. Mr. Sadredin stated that the recipient would sign a contract stating they had to keep the vehicle for three years; if they don't, they have to pay the District a pro-rated amount. Phil Jay, District Counsel, said the contract seems to be enough in most cases. The Chair stated that the key component is that the recipients are invited only. Supervisor O'Brien suggested we strike the word "will" and change the word to "may" to say the District "may be a lien holder."

Public Comment:

- o Mark Keppler, Kenneth L. Maddy Institute at CSU Fresno, wanted to follow up on the Chair's proposal to target gross polluting vehicles. The California Partnership for the San Joaquin Valley has seed grant money available, and they've narrowed the proposals to 33, including a proposal from the Maddy Institute. Their proposal is for air quality education in three selected Valley communities: Arvin, Avenal, and Parlier. One of the components in the program is gross polluting vehicles, so Mr. Keppler is seeking a letter of support from the Board. The Chair stated that the Board would support the Maddy Institute's proposal. Supervisor Barba noted that most of the traffic in Avenal is transient traffic of people traveling through to the prison, and there is a van pool to transport prison employees. Supervisor Case suggested that carpooling could be part of the education. Mr. Keppler stated that

this is a pilot program specifically focusing on small communities that are typically missed, and they hope to educate the retailers, schools and individuals to think about air quality solutions. The Chair stated that as these are poorer communities, they are more likely to have gross polluting vehicles. Supervisor Case agreed that she would support the proposal. Mr. Sadredin stated that he has been working with Mr. Keppler, and stated that they can support the program through outreach to the Partnership, but that the District is also working on brochures to help promote the Maddy Institute's proposal. The Chair asked them to prepare a letter for his signature.

- David Lighthall, Central Valley Health Policy Institute, asked the staff if the Smog Check program is an integral part of the program. Dr. Lighthall stated that as a cycling commuter, he sees a large number of pre-1976 vehicles and invariably they are smokers. He would like to know if there has been an analysis of how many vehicles will fall through the cracks because they have to depend on the Smog Check program. Mr. Sadredin stated that for the District to get "credit" for the reduction in its implementation plan, the gross polluting vehicle has to be registered and go through the Smog Check program, but the District is targeting vehicles with multiple failures. Eventually, the District would like to move beyond the Smog Check and ask for people to voluntarily turn themselves in if the District can get the funding.
- Mary-Michael Rawling, Merced Mariposa County Asthma Coalition, would like to know if the District will utilize its smoking vehicle telephone line in the selection process. Mr. Sadredin stated that the information may be used as a way to narrow the selection, but the primary criteria are more sophisticated. He added the District sends information about the State's car crushing program when it notifies someone that they've been reported. Ms. Rawling stated that she appreciates the sophisticated selection process, but would like to point out that we already know these vehicles are a problem, and should follow up. Supervisor Dominici suggested the District work with CHP to have them call in a gross polluter and take action. The Chair suggested that would be a legislative item the District could consider.
- Manuel Cunha, Nisei Farmer's League, wanted to point out that under the US Department of Labor's Migratory Seasonal Workers Protection Act, employers cannot ask workers to carpool. However, last year, 300 vans were utilized to move the migrant workers who volunteered. They are now seeking an additional \$20 million to expand the program to other counties, and since many of the workers drive older vehicles, getting those vehicles off the daily commuting schedule should help. The US Department of Labor supports the program, and Mr. Cunha

suggested we should take credit for that in our Ozone Plan. Mr. Cunha would like to thank Supervisor Barba for assisting with this process. Supervisor Dominici stated he would like to get the District to help make the program regional.

Moved: Case

Seconded: Dominici

Ayes: Case, McQuiston, Barba, Dominici,
Nelson, Ornellas, O'Brien, Worthley

Nays: None

Motion unanimously carried to approve with the amendments to target the gross polluting vehicles in areas with the lowest carrying capacity of ozone precursors such as Arvin and Northwest Fresno, and to change the wording of "will be a lien holder" to "may be a lien holder."

9. EXECUTIVE DIRECTOR/APCO COMMENTS

This item heard after the Verbal Report from the ARB (Item 10).

Seyed Sadredin, Executive Director/APCO, stated that Councilmember Chris Vierra of the City of Ceres has been appointed to the Board and should attend the March meeting. The other City appointments should be announced on February 21, 2007. Mr. Sadredin informed the Board that he appeared at the Arvin City Council on February 13, 2007 to apprise the Council and the Arvin residents of air quality challenges faced by the Valley, and the important role that Arvin plays in dictating clean-air strategies for the Valley. He explained to the City Council the topographic, geographic and metrological conditions that exacerbate Arvin's pollution problems. He shared statistics on how Arvin's air quality has improved, and how the number and magnitude of Ozone violations have dropped dramatically. He stated that the District is trying to target their resources to areas that have problems, and informed them of the Gross Polluting Vehicle program. Mr. Sadredin stated that the Chair and other Board Members have asked the District to appear before City Councils and Board of Supervisors, and as soon as the ozone plan is complete, Mr. Sadredin plans to do that on an ongoing basis.

Mr. Sadredin stated that there is a hearing next week regarding an alternative ozone plan prepared by a Southern California based organization on behalf of environmental groups. The alternative plan relies on outdated emission inventories, double-counts emission reductions, underestimates emission reduction goals for attainment, calls for \$450 million in incentive funds per year, and falls short of attainment. It also has proposed no-farm days and no-drive days, and other operational restrictions on high ozone days—about 100 days

between June and September. The hearing is scheduled for 11:00 a.m. on February 20, 2007 in Sacramento with Senator Florez.

Mr. Sadredin informed the Board that the ARB has requested a Board-to-Board retreat for June 14 in the afternoon and/or evening.

Supervisor Nelson stated that he forwards the District highlights email to the City Councils of the six cities in Merced County.

10. VERBAL REPORT: CALIFORNIA AIR RESOURCES BOARD (ARB) – Report Presented By ARB Staff.

Jeff Lindberg, ARB, stated that the ARB released their draft ozone plan. The ARB recognizes that 80% of the NOx emissions in the State are released by mobile sources. As the primary regulatory authority of mobile sources in California, ARB has addressed this concern in their State Implementation Plan (SIP). California currently has the cleanest cars and trucks in the world under the Mobile Source Control Program; unfortunately, even with this program in place, the State will not reach standards without additional controls. With commercial trucks the leading source of NOx in the Valley, the State strategy contains measures to keep the vehicles in service today maintained in a clean burning state. Additionally, because new trucks today are 50% cleaner than new trucks of last year, the ARB is working to get older trucks off the road more quickly. Passenger vehicle measures will further reduce ozone emissions: annual Smog Checks are proposed for older and higher mileage vehicles, the cut points for passing scores are to be tightened, and the vehicle scrappage programs are to be expanded. Combining existing programs and new proposals would reduce NOx emissions by 380 tons per day and Reactive Organic Gas emissions by almost 100 tons per day in 2023, though that will still not be enough to reach the Federal Standard. NOx emissions have to be at or below 160 tons per day to attain the Federal ozone standard. The technology needed to bridge this gap does not exist today. For the Valley, anything short of an extreme designation is unrealistic and would force an EPA disapproval of the Valley Ozone Plan, but the Valley will benefit from cleaner air to breathe as ozone forming emissions are reduced. District staff and ARB will continue to adopt regulations which will reduce emissions, and ARB and the District will work to identify advancements in technology which can be put to use to reduce emissions. Achieving the Federal Ozone standard will require time, money, and effort. Emissions will be reduced and improved throughout the Valley during the entire process.

Supervisor Case asked if there was any way to expedite the advancement of new technology to get those advancements on the street sooner. Mr. Lindberg stated that the ARB has grant programs to foster clean air technologies.

Public Comment:
No public Comment

11. GOVERNING BOARD MEMBER COMMENTS

Supervisor Dominici wished to congratulate Les Clark for receiving an achievement award, and asked him to elaborate.

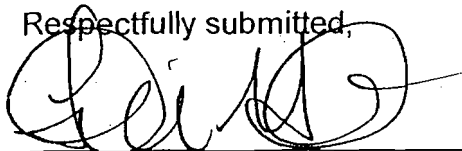
Mr. Clark, Independent Oil Producers Agency (IOPA), stated that he received an award from Citizens Advisory Group of Industries (CAGI). Mr. Clark stated that CAGI was Manuel Cunha's brainchild, and they work to educate industry people regarding the impacts and rules and regulations. Over the years, CAGI has been willing participants to advise the Board and work with District Staff to make sure industry does what is necessary. Mr. Clark appreciated the award and stated that it's very special to him. Mr. Clark thanked Supervisor Dominici for the recognition.

12. OTHER BUSINESS
None

13. ADJOURN
The Chair adjourned the meeting at 11:01 a.m.

The next meeting is scheduled for Thursday, March 15, 2007. Meeting starts at 9:00 a.m., Central Region Office, Governing Board Room, 1990 E. Gettysburg Avenue, Fresno. The meeting will be held via video conferencing (VTC), with the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating via VTC. Governing Board Meetings are webcast.

Respectfully submitted,



Toni J. Taber, Clerk to the Boards
San Joaquin Valley Unified
Air Pollution Control District