

Actions by the Governing Board – September 19, 2019

District Receives Award for Excellence in Financial Reporting

The Government Finance Officers' Association (GFOA) awarded the District the Certificate of Achievement for Excellence in Financial Reporting, the GFOA's highest form of recognition in governmental accounting and financial reporting. This award was for the latest District's comprehensive Annual Financial Report (fiscal year 2017-18 CAFR) representing a significant achievement for the District and representing its commitment to meeting the highest principles of Governmental reporting and transparency to the public. To earn this award, an impartial panel judged the CAFR as meeting the high standards of the GFOA program, including demonstrating a constructive "spirit of full disclosure" to clearly communicate the District's financial story and motivate the public to read the CAFR.

District Governing Board Adopts Community Emissions Reduction Program for Shafter

Assembly Bill (AB) 617, signed into law in July 2017, initiated a state-wide effort to monitor and reduce air pollution, and improve public health, in communities that experience disproportionate burdens from exposure to air pollutants through new community-focused and community-driven actions. The rural community of Shafter was prioritized by the District and subsequently selected by the California Air Resources Board (CARB) as one of two first-year communities in the San Joaquin Valley to receive support for the implementation of an enhanced local air monitoring network and a Community Emissions Reduction Program (CERP), to be developed through a public process guided by the input of a Community Steering Committee consisting of community members and local governmental representatives.

The community-driven CERP, adopted by the Governing Board, anticipates investing \$38.2 million in emission reduction incentives for cleaner cars and trucks, low dust nut harvesting equipment, enhanced residential incentive programs, and a variety of other clean air projects in the Shafter area. These efforts are projected to achieve approximately 265 tons of PM_{2.5} reductions and 1,718 tons of NO_x reductions as well as significant reductions in air toxics emissions in the community, particularly with respect to diesel particulate matter from mobile sources, the main contributor to the community air toxics health risk. Additional regulatory and outreach strategies will provide for further reductions and increased awareness of the community's air quality challenges and the resources available to help the public reduce emissions and avoid exposure to air pollution. Further information about AB 617 implementation in the Valley, including the final CERP for Shafter, is available at community.valleyair.org.

District Governing Board Adopts Community Emissions Reduction Program for South Central Fresno

The urban community of South Central Fresno was prioritized by the District and subsequently selected by the California Air Resources Board (CARB) as one of two first-year communities in the San Joaquin Valley to receive clean air resources newly available under AB 617, based on a technical analysis of several pollution and poverty-related criteria. In the preparation of this Community Emissions Reduction Program (CERP), the District worked closely with CARB, the Community Steering Committee, and the public, including other local agencies, community-based organizations, community members, environmental organizations, regulated industry representatives, and other key stakeholders to develop strategies and an implementation plan to reduce harmful air pollutants in the community of South Central Fresno. The plan developed through this collaborative process employs proven and innovative strategies, and significant resources, to improve community health by reducing exposure to air pollutants in South Central Fresno.

The South Central Fresno CERP, adopted by the Governing Board, anticipates investing \$44.3 million in emission reduction incentives for cleaner cars and trucks, residential incentive programs, and a variety of other clean air projects in the South Central Fresno area. Additional measures have been developed to reduce exposure to air pollution for sensitive receptors, including substantial funding for the installation of advanced filtration systems at community schools. These efforts are projected to achieve approximately 278 tons of PM2.5 reductions and 1,662 tons of NOx reductions as well as significant reductions in air toxics emissions in the community, particularly with respect to diesel particulate matter from mobile sources, the main contributor to community air toxics health risk. Additional regulatory and outreach strategies will provide for further reductions and increased awareness of the community's air quality challenges and the resources available to help the public reduce emissions and avoid exposure to air pollution. Further information about AB 617 implementation in the Valley, including the final CERP for South Central Fresno, is available at community.valleyair.org.

District Governing Board Approves Community Recommendation for Second Year Implementation of AB 617

Under state law, CARB, in consultation with air districts, is required to select communities for action under the second year of AB 617 implementation by Jan 1, 2020. CARB asked air districts to submit their recommendations for communities to be selected by October 1, 2019. District staff presented to the Governing Board an analysis and prioritization methodology for identified disadvantaged Valley communities and presented recommended communities to be nominated to receive additional clean air resources and public engagement under AB 617. With significant, effective resources already at work under the first-year selection for communities in the District's Central and Southern Regions, the District focused this second round of community prioritization on disadvantaged communities within the Northern Region.

Based on the results of the District's analysis, the District recommended that Southwest Stockton be selected by CARB for second-year resources for the development of community air monitoring and emissions reduction programs. This nomination was based on extensive air quality analysis, numerous health indicators from the state's CalEnviroScreen model, and various other socioeconomic indicators. Should more funding become available that would allow CARB's selection of more communities without diluting the necessary resources for implementation of AB 617 programs in the existing communities, the District recommended strong consideration for Arvin/Lamont as a second Valley community for consideration. After discussion and public comment, the Board directed the District to proceed with recommending Southwest Stockton and, to the extent that additional state resources are available, Arvin/Lamont to CARB for the state's second-year implementation of AB 617.

District Governing Board Approves Additional Funding for New Incentive Program to Support On-Field Alternatives to the Open Burning of Agricultural Materials

In November 2018, the Valley Air District Governing Board approved a new pilot incentive program to support on-field alternatives to the open burning of agricultural waste materials. Until 2014, the open burning of agricultural waste in the Valley had been reduced by 80%. The exceptional drought conditions that the Valley recently experienced and the demise of the biomass power industry has resulted in an increase in the open burning of wood waste since that time and now threatens the Valley's progress. This new program offers incentive funding for emerging alternative practices as a mechanism to reduce the open burning of woody materials from orchard removals. Incentive options range from \$300 to \$600 per acre of agricultural material removed, up to a maximum of \$60,000 per recipient per year. To date, the District received applications requesting over \$3.2 million in funding representing 6,454 acres of orchard and vineyard removals. With the Board's action in September, an additional \$1,500,000 was added to respond to the significant level of

interest for the program. With an increased level of participation, the District can better understand the potential benefits of utilizing these alternative practices throughout the Valley.

August District Activities

Outreach and Communications

- In August, the District prepared for back to school outreach and informed media and the public that the season has been good for ozone and provided steps to reduce vehicle emissions.
- The District released a new component for the Clean Green Yard Machines Residential and Commercial Rebate Program giving Valley residents more options for electric yard care equipment. To learn more about this program please visit www.valleyair.org/grants/cgym.htm or call the District at (559) 230-5800.
- District staff continued to promote Healthy Air Living Schools Program, which continues to make education a priority. With more than 1,500 public and private schools in the Valley, the District's Healthy Air Living Schools Program actively engages with parents and administrators at schools and school districts to provide them with free resources to make the best decisions about outdoor activities during air quality episodes. To learn more or find out if your child's school participates in the Healthy Air Living Schools Program, contact public.education@valleyair.org
- In August, District staff responded to 7 media calls, 42 public calls, and 13 emails, and attended three event/presentations.

Grants and Incentive Programs

- In August, the District received 1211 incentive program applications. 120 were for the Wood Stove Change-Out Program and 386 were for the Heavy Duty Engine Program.
- In August, \$15,405,641.76 was placed under contract in the Heavy Duty Engine Program and 243 claims were paid.
- In August, \$1,587,382.80 was paid out in REMOVE II program claims.
- In August, \$181,400.00 was paid in Burn Cleaner program claims and 106 claims were processed.

Key	August 2019 Program	Applications	Grants Offered		Grants Executed		Amount Paid	
		Number Received & Entered	Number of Contracts Sent Out	Sum of Grant Funding	Number of Contracts Executed	Sum of Grant Funding	Number of Claims Paid	Sum of Grant Funding
Burn Cleaner	Burn Cleaner - Wood Stove Change Out	120	52	\$100,500.00	52	\$100,500.00	106	\$181,400.00
Commuter Subsidy	Transit Bus Subsidy	0	1	\$30,000.00	0	\$0.00	2	\$6,962.00
CAP & Trade	Demonstration - Cargo Handling	0	4	\$13,948,403.00	0	\$0.00	1	\$155,931.94
	Demonstration - New Electric Vehicle	0	0	\$0.00	0	\$0.00	3	\$122,935.65
Heavy Duty	Ag Burn Alternative	9	14	\$385,212.00	14	\$385,212.00	9	\$154,650.00

	Ag Engine Diesel to Diesel	7	0	\$0.00	2	\$40,500.00	2	\$30,540.00
	Ag Engine Diesel to Electric	2	0	\$0.00	0	\$0.00	0	\$0.00
	Ag UTV	177	226	\$2,656,265.43	226	\$2,656,265.43	59	\$675,449.31
	Off-Road Ag Vehicle Replacement	120	131	\$8,374,954.38	140	\$9,722,720.60	128	\$7,528,374.67
	Off-Road Ag Vehicle Replacement 2 for 1	0	2	\$728,000.00	0	\$0.00	4	\$1,456,000.00
	Off-Road Engine Repower	1	3	\$1,085,796.80	0	\$0.00	1	\$221,732.78
	Off-Road Low-Dust Harvester Replacement	3	1	\$34,700.00	1	\$34,700.00	2	\$127,792.30
	On-Road Ag Truck Replacement	0	1	\$113,036.00	1	\$109,595.52	13	\$776,988.22
	On-Road New Purchase	0	32	\$630,000.00	21	\$410,000.00	0	\$0.00
	On-Road Trade-Up	20	0	\$0.00	0	\$0.00	0	\$0.00
	On-Road Truck Replacement	24	24	\$1,397,677.15	14	\$592,424.26	0	\$0.00
	On-Road Prop 1B Vehicle Replacement	0	0	\$0.00	0	\$0.00	22	\$2,200,000.00
	School Bus Alt Fuel Tank Replacement	0	0	\$0.00	0	\$0.00	2	\$40,969.33
	School Bus Vehicle Replacement	23	0	\$0.00	0	\$0.00	1	\$89,664.39
	Lawn & Garden	Commercial Replacement	35	22	\$63,200.93	22	\$63,200.93	0
Residential New Purchase		63	66	\$3,125.00	66	\$3,125.00	49	\$2,325.00
Residential Replacement		62	62	\$13,700.00	62	\$13,700.00	55	\$12,050.00
Light Duty	Charge Up - Private	8	1	\$50,000.00	1	\$50,000.00	0	\$0.00
	Charge Up - Public	15	3	\$61,000.00	3	\$61,000.00	2	\$16,000.00
	Drive Clean – EV Vehicle Rebate	242	757	\$2,076,379.59	757	\$2,076,379.59	212	\$587,323.92
	EFMP Replacement	98	87	\$809,075.80	87	\$809,075.80	101	\$684,798.20
	TITU Admin/Events	5	7	\$37,722.28	7	\$37,722.28	6	\$33,869.30
	TITU Payroll	8	11	\$140,095.42	11	\$140,095.42	9	\$122,641.46
	TITU Repairs	38	38	\$140,784.47	38	\$140,784.47	39	\$138,879.92
	Van Pool Voucher	56	61	\$21,960.00	61	\$21,960.00	129	\$3,870.00
Public Benefit	Alternative Fuel New Vehicle	75	34	\$583,618.63	41	\$663,177.87	26	\$426,704.70
Totals		1211	1640	\$33,485,206.88	1627	\$18,132,139.17	984	\$15,917,093.09

Reductions from Executed Contracts (tons)			
NOx	PM	ROG	Total
812	192	141	1145

Smoking Vehicles	3
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Operations Overview

- Completed 6,416 inspections in August, and 206 NOVs were issued. Mutual settlement case completions totaled 144.
- Received 184 permit applications in August, and 151 permits were issued.
- Received 216 environmental documents in August.

Upcoming Meetings

Governing Board*
9:00 AM, Dec. 19

Citizens Advisory Committee*
10:00 AM, Dec. 3

Environmental Justice Advisory Group
5:30 PM, Oct. 24

*Meetings are held in the Fresno office Governing Board Room, Modesto VTC room and Bakersfield VTC room.
Details: www.valleyair.org*

**Webcast*