

Action Summary Minutes

San Joaquin Valley Unified Air Pollution Control District

SPECIAL PUBLIC HEARING:
REVIEW OF 2019-20 RECOMMENDED BUDGET

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

Thursday, May 16, 2019
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 9:00 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
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
Monte Reyes, Councilmember	City of Porterville
Tom Wheeler, Supervisor	Madera County

Absent:

John Capitman, Ph.D	Appointed by Governor
Kuylar Crocker, Supervisor	Tulare County
Craig Pedersen, Supervisor, Vice Chair	Kings County
Dr. Alexander Sherriffs	Appointed by Governor
Chris Vierra, Mayor	City of Ceres

**attended in Southern Region Office and arrived at 9:05 a.m.*

***attended in Northern Region Office*

3. PLEDGE OF ALLEGIANCE

This item was taken out of order

5. PUBLIC COMMENT – None

4. PUBLIC HEARING FOR REVIEW AND COMMENT ON DISTRICT'S 2019-20 RECOMMENDED BUDGET – Samir Sheikh, Executive Director/APCO, said this was the first of two public hearings required by the California Health and Safety Code on the Budget. The purpose of this May Hearing is solely to present and receive public feedback on the Recommended Budget, and there can be no formal action by the Governing Board at this Hearing.

Mr. Sheikh also thanked Chairman Mendes, Supervisor Pareira, Councilmember Reyes, and Supervisor Crocker who served on the Ad Hoc Budget Subcommittee, which met and worked on details of the Budget and provided input that shaped this Recommended Budget.

As presented, the budget highlights included:

- Total operating budget up by 13% - majority of increase due to new state mandates and grant programs, costs covered by state implementation funds
- Significant additional workload largely absorbed through efficiency and streamlining
- Proposed staffing adjustments after streamlining through zero-based budgeting
- Strong public education and outreach
- Expeditious administration and use of significantly increased emission reduction incentive funds in wide range of applications (\$560 million in funding)
- Significant funding for Valley-based scientific studies and regulatory-grade air quality monitoring
- Balanced budget, with adequate reserves and contingencies

Councilmember Fugazi said when comparing last year's budget with this year's, she noticed a substantial increase in funding for the Tune In Tune Up, Clean Green Yard Machine, Burn Cleaner, and Vanpool Voucher programs. She asked how aggressive the District's outreach campaigns would have to be to get the information out to the public that these programs are available. Mr. Sheikh responded the District has recently launched an online portal for its vehicle component programs, in addition to its monthly Tune In Tune Up events and will conduct extensive outreach to make sure residents are aware of the events and that they can also use the portal. In regards to the Burn Cleaner measures and funding enhancements proposed for adoption in June, Mr. Sheikh said the incentive levels would go up significantly along with the outreach to residents. He thanked Councilmember Fugazi for her continued assistance with promoting these programs.

Regarding charging stations, Councilmember Fugazi asked if the additional funding was for residents who convert to electric vehicles. Mr. Sheikh said right now the program is primarily aimed at both workplace and publically available charging. He said the Board has provided specific direction to not include funding for residential charging because the District already provides significant funding on the electric vehicle side, the costs for residential charging infrastructure are lower, and there are other programs that support residential charging infrastructure deployment. This program was leveraged against a lot of other programs that are becoming available and it has still been very helpful because match funding is needed. He added this could be revisited in the future at the Board's direction. Councilmember Fugazi said there are not enough public charging stations in Stockton and recommended outreach to municipalities to provide charging stations at city halls and other government buildings such as libraries, which receive numerous daily public visitors.

Regarding the San Joaquin Zero-Emission Cargo Handling program, she said the Port of Stockton has approached her regarding the availability of zero-emission tugboats that help bring cargo into the Port. She asked staff to follow up on this potential funding opportunity. Mr. Sheikh said staff would follow up.

Supervisor Wheeler announced he was having a pre-fire season informational event on June 15, 2019, at Oakhurst Elementary School and invited District staff to participate. He asked how many restaurants have signed up for the Restaurant Charbroiler Technology Partnership. Mr. Sheikh responded there was currently 3 active projects and staff is on the verge of executing agreements with a number of others, some of which are quite large and prominent locations. He added while there is some interest, staff is hoping for much more in the coming year.

Supervisor Wheeler asked for details about the enhanced Residential Wood Burning Strategy. Mr. Sheikh responded this measure is part of the District's 2018 PM2.5 Plan and will be a combination of new regulatory measures and incentive measures with a Hot Spots component in Fresno, Madera, and Kern County. If approved by the Board in June, the new strategy will set a lower burn threshold in the 3 counties and the District will increase incentive amounts for residents to convert their wood burning fireplaces to cleaner devices. Existing incentive levels will be maintained in the other 5 counties in the Valley. He added staff would conduct extensive outreach and education as part of this strategy. Lastly, Supervisor Wheeler asked about Healthy Air Living Schools participation. Mr. Sheikh responded there are approximately 1,400 schools that District staff is actively working with and a number of new schools have enrolled in the program this past year. Supervisor Wheeler added that the Healthy Air Living Schools program is extremely important for Valley schoolchildren.

Supervisor Olsen gave kudos to staff for working so hard to bring the Tune In Tune Up event back to eastern Stanislaus County and said the Oakdale

community was excited for the upcoming event. Regarding the \$12 million in expected state funds for the implementation of AB 617, she mentioned that the Assembly Budget Subcommittee recently withdrew the \$200 million from the Governor's Proposed Budget for AB 617 implementation. She asked what the District process would entail if those funds were not restored by the time the Board adopts the District Budget and there is a deficit. Mr. Sheikh responded the AB 617 implementation funds referred to in the District's Recommended Budget were already approved in the current State Budget, but haven't been received by the District yet. He said staff is closely monitoring the State Budget as it goes through the various processes.

Supervisor Olsen asked if the money in the proposed State Budget for AB 617 implementation was solely for the purpose of expanding to additional communities or if it was coupled with additional mandates. Mr. Sheikh responded the funds were focused on continued implementation of the mandates in those first year communities over a multi-year phase. He said staff was planning for the worst and not banking on any additional funding in the upcoming budget. He added any new mandates in terms of new communities that would be added would need to be coupled with the new funding that would hopefully be approved in future years as well.

Supervisor Olsen asked about allocation of the remainder of the \$12 million in funding. Mr. Sheikh said through the District's zero-based budgeting process, it was very important that staff identify every possible opportunity to use existing staffing where possible to absorb the additional workload and these funds will cover the cost of existing as well as new staff involved in implementation of AB 617. He added while the funding is given up front, it is meant to be used over a multi-year implementation period. Supervisor Olsen said the Board should be kept apprised on the status of the expenditure of these funds. Mr. Sheikh said updates will be provided as part of the District's routine budget reports.

Supervisor Elliott commented that he was happy to see the District continuing to emphasize scientific research and adequately funding its air quality modeling center as it is absolutely essential to maintain these capabilities. He added that he was pleased to see the District continue with its zero-based budgeting process as that is also essential to having a budget that makes sense.

Regarding exceptional event submittals and the significant amount of time and money that goes into that, he asked if staff also spend time submitting documentation for pollution that arrives from other areas or from other countries. Mr. Sheikh responded affirmatively and said that is one area that staff would like to continue to do research on the ozone impacts that may be coming from transboundary pollution. He said as staff works on the new Ozone Plan for the latest federal ozone standard, those types of issues can be important in that process. Supervisor Elliott reiterated that is an area for which the District's own science will be very important.

Mayor Bessinger commented that within an hour of leaving the April 18, 2019, Governing Board meeting, he had contacted a Ford dealer and 10 other Police Chiefs to give them the information on the District's incentive program enhancements to include law enforcement vehicles. Mr. Sheikh thanked Mayor Bessinger and noted that staff had received numerous calls that were a result of his outreach.

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

- Connie Young, Citizens Climate Lobby
- Manuel Cunha, Nisei Farmers League

6. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sheikh thanked the Board members who traveled to Washington, D.C. on the District's annual legislative advocacy outreach trip for key legislative and policy priorities including Chairman Mendes, Supervisor Pedersen, Supervisor Elliott, Supervisor Wheeler and Councilmember Reyes. He said they met with key staff at the White House, the Valley's Congressional Delegation, key committee staff, high-level EPA and USDA staff during the very busy trip where they pushed for the District's funding needs. He said they also thanked the District's partners in Washington for all of their work to secure this funding in the past. On the District's PM2.5 Plan, the District emphasized the need for EPA staff to quickly review and approve the District's 2018 PM2.5 Plan. He added it was a very effective trip and they were well-received by everyone in Washington, D.C.
7. GOVERNING BOARD MEMBER COMMENTS – Chairman Mendes said it was a very good trip. Supervisor Elliott voiced agreement for Mr. Sheikh's comments and said it was a very effective trip. Supervisor Wheeler echoed Supervisor Elliott's comments and said the District's advocacy firm did a great job of organizing the very busy trip. He said this time, he felt the District's delegation was really listened to by everyone they met.

Mayor Bessinger commented that he was in Washington, D.C. as part of the One Voice Tour and one of the items discussed was vocational training for loggers and fellers in correlation with the fact that we do not have people to cut down the dead trees. He said he used every opportunity to bring up the issues experienced by the Valley with regards to forest fires.

ADJOURN

Chairman Mendes adjourned the meeting at 12:12 p.m.

The next scheduled meeting of the Governing Board is: June 20, 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.