

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

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

Thursday, September 18, 2008
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 Ornellas, called the meeting to order at 9:05 a.m.
2. ROLL CALL was taken and a quorum was present.

Present

Tony Barba, Supervisor	Kings County
Judy Case, Supervisor	Fresno County
Ronn Dominici, Supervisor**	Madera County
Michael G. Nelson, Supervisor*	Merced County
William O'Brien, Supervisor*	Stanislaus County
Leroy Ornellas, Supervisor, Chair *	San Joaquin County
Henry T. Perea, Councilmember	City of Fresno
John G. Telles, M.D.	Appointed by Governor
Chris Vierra, Councilmember, Vice Chair *	City of Ceres
Raymond Watson, Supervisor***	Kern County
J. Steven Worthley, Supervisor	Tulare County

* Attended meeting in Northern Region Office (Modesto)

** Supervisor Dominici arrived at 9:07 a.m.

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

3. APPROVAL OF CONSENT CALENDAR – Items numbers 14 - 19
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 VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, AUGUST 21, 2008.
15. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2008
16. RECEIVE AND FILE OPERATION STATISTICS SUMMARIES FOR AUGUST 2008

17. RECEIVE AND FILE BUDGET STATUS REPORT AS OF AUGUST 31, 2008
18. RECEIVE AND FILE PROPOSED AMENDMENTS TO RULE 4603 (SURFACE COATING OF METAL PARTS AND PRODUCTS) AND RULE 4606 (WOOD PRODUCTS COATING OPERATIONS)
19. RECEIVE AND FILE PROPOSED AMENDMENTS TO RULE 4901 (WOOD BURNING FIREPLACES AND WOOD BURNING STOVES)

Public Comment – None

Moved: Barba
Seconded: Worthley
Ayes: Telles, Worthley, Barba, Case, Perea, Dominici, Watson,
Nelson, Vierra, O'Brien, Ornellas
Nays: None

Motion unanimously carried to approve Items 14-19 as recommended.

4. PUBLIC COMMENT- Mary-Michal Rawling gave the report from the Citizen Advisory Committee Meeting held September 2, 2008. She informed the Governing Board that the CAC unanimously recommended filling the permanent alternate seat for the Southern Region Hearing Board and discussed their participation in setting up work groups in the development of the Climate Change Action Plan.
5. APPROVE INCREASING THE 2008-09 DISTRICT BUDGET IN THE AMOUNT OF \$7,651,884 FOR ADMINISTERING THE LOWER-EMISSION SCHOOL BUS PROGRAM FOR THE DISTRICT AND NEIGHBORING AIR DISTRICTS - Seyed Sadredin, Executive Director/APCO gave an overview of the District's Incentive Grant Program. He reported that the State performed three audits of our Grant Program last year and concluded that we have one of the best programs in the State. A number of our neighboring Air Districts have asked for our help in administering their Grant Programs for School Buses and other Grant Programs previously authorized by the Governing Board. Mr. Sadredin stated the District believes this is a valuable program that will help improve the air quality in the entire region.

Supervisor Case reported that she has informed all of the school districts in Fresno County about this important program for school buses which helps to protect children.

Supervisor Worthley commended other Air Districts and our staff for bringing this program together.

Supervisor Watson asked about the percentage of the emissions that is contributed

by school buses which might help to determine how much additional funding we should put into the program.

Mr. Sadredin stated that the key problem with school buses is not the quantity of emissions, it's the toxicity of the emissions and the exposure and health impact to the school children riding the buses.

Public Comment – None

Moved: Worthley

Seconded: Case

Ayes: Watson, Vierra, O'Brien, Nelson, Worthley
Dominici, Perea, Barba, Telles, Case, Ornellas

Nays: None

Motion passes unanimously to approve increasing the 2008-09 District Budget in the amount of \$7,651,884 for administering the Lower-Emission School Bus Program for the District and neighboring air districts.

6. CONSIDER OFFER BY TEJON RANCH COMPANY TO DONATE TO THE DISTRICT AN AIR MONITORING STATION LOCATED NEAR LEBEC, CALIFORNIA. IF ACCEPTED, DISTRICT STAFF TO NEGOTIATE THE TERMS OF THE TRANSFER AND RETURN TO THE GOVERNING BOARD FOR FINAL APPROVAL – Seyed Sadredin, Executive Director/APCO reported that Tejon Ranch has an air monitoring station they no longer need which they have offered to donate to the District. Because Tejon Ranch is an entity regulated by the District, Mr. Sadredin felt that the discussion should be held in a public forum to avoid any appearance of a conflict of interest. Mr. Sadredin stated that a monitor in this area is not currently required by the EPA, but would help satisfy many concerns of area residents regarding air quality. He also clarified that the objective today is not to accept the donation, but to see if staff should pursue an agreement to accept the air monitoring station. Mr. Joe Drew, Senior Vice President of Tejon Ranch, gave an overview of the current use of their air monitoring station and its importance in helping Tejon Ranch be a good neighbor. He also stated that they are committed to helping improve air quality in the District and feel that by donating this air monitoring station they can help to achieve this goal.

Supervisor Watson thanked Mr. Drew and Bob Stein, President and CEO of Tejon Ranch, for their sensitivity toward environmental issues in that area. He stated the air monitoring station would be a valuable asset to the area, as its residents are extremely concerned about air quality issues.

Mr. Sadredin reported the District plans to keep the monitoring station at its current location for a year and then might consider moving it to a location better suited to the District's needs.

Supervisor Nelson thanked the Tejon Ranch for their generosity and asked about the cost to operate the air monitoring station.

Mr. Sadredin stated the estimated operating costs are \$74,000 per year and that the data received from the station is helpful to the District.

Scott Nester, Director of Planning, stated the station will monitor the following criteria pollutants: Ozone, PM2.5 and PM10 on a continuous basis, and NOx. The station will also be used in the daily meteorology forecasts.

Public Comment - *The following persons provided testimony on this item:*

- Evan Shipp, Private Citizen
- Mary-Michal Rawling, Coalition for Clean Air

Moved: Watson

Seconded: O'Brien

Ayes: O'Brien, Nelson, Vierra, Barba, Perea, Dominici, Worthley, Case, Telles, Watson, Ornellas

Nays: None

Motion passes unanimously to consider offer by Tejon Ranch Company to donate to the District an air monitoring station located near Lebec.

7. RECEIVE AND FILE THE REPORT TO THE COMMUNITY-Seyed Sadredin, Executive Director/APCO, Rick McVaigh, Deputy APCO, Scott Nester, Director of Planning, Jessica Hafer, Planning Department, Jon Adams, Director of Compliance, Samir Sheikh, Director of ERIP and Tom Jordan, Senior Policy Advisor, gave an overview of the Report to the Community which provides an account of the District's activities for the preceding year, during which seven rules, the PM10 Maintenance Plan and Request for Redesignation and the 2008 PM2.5 Plan were adopted and submitted to the EPA for approval. All seven rules were adopted on or ahead of schedule, and resulted in reductions in excess of our State Implementation Plan commitments.

The District also has awarded over \$190 million in incentives to reduce emissions with nearly \$38 million awarded in 2007. The report also details the fast track strategy to cleaner air and extensive public outreach efforts. Through the District's rules and ongoing efforts, significant improvements have been made in the Valley's air quality, but more work remains to be done.

Supervisor Watson stated that the District's Report to the Community needs to better acknowledge the contributions of industry towards emissions reductions. After discussing the Report to the Community, the Governing Board members praised the District for the most comprehensive report ever presented to the public.

Seyed Sadredin stated the final Report to the Community will more fully reflect the

long-term progress that has been made in improving air quality, and a section will be added which will highlight specific industry efforts. Copies of the revised Report to the Community will be sent to each Board Member and elected officials throughout the Valley. It will be posted on the District's website and staff will be available to present the report.

Public Comment – *The following persons provided testimony on this item:*

- Jerry Frost, Kern Oil & Refining Co.
- Colby Morrow, Southern CA Gas Company
- Evan Shipp, Private Citizen

Moved: Worthley

Seconded: Dominici

Ayes: Perea, Case, Telles, Dominici, Barba, Worthley, O'Brien,
Nelson, Vierra, Watson, Ornellas

Nays: None

Motion unanimously carried to receive and file the Report to the Community with the recommended changes.

8. CONTINUE THE PUBLIC HEARING FOR THE PROPOSED AMENDMENTS TO RULE 4354 (GLASS MELTING FURNACES) -

Mr. Sadredin informed the Board that the District is requesting to continue this item as the Notice of Hearing was not published in the Tulare newspaper and it is a legal requirement for a Notice of Hearing to be published for general circulation in all eight counties.

Public Comment - None

Moved: Dominici

Seconded: Watson

Ayes: Watson, Dominici, Barba, Case, Telles, Worthley,
Perea, Nelson, O'Brien, Vierra, Ornellas

Nays: None

Motion unanimously carried to continue the Public Hearing for the proposed amendments to Rule 4354 (Glass Melting Furnaces).

9. CONTINUE THE PUBLIC HEARING FOR THE PROPOSED AMENDMENTS TO RULE 4306 (BOILERS, STEAM GENERATORS, AND PROCESS HEATERS – PHASE 3) AND RULE 4307 (BOILERS, STEAM GENERATORS, AND PROCESS HEATERS – 2.0 MMBTU/HR TO 5.0 MMBTU/HR) AND PROPOSED NEW RULE 4320 (ADVANCED EMISSION REDUCTION OPTIONS FOR BOILERS, STEAM GENERATORS, AND PROCESS HEATERS GREATER THAN 5.0 MMBTU/HR) -

The District requested to continue this item as the Notice of Hearing was not published in the Tulare newspaper and it is a legal requirement for a Notice of

Hearing to be published for general circulation in all eight counties.

Public Comment - None

Moved: Watson

Seconded: Dominici

Ayes: Telles, Worthley, Barba, Case, Perea, Dominici, Watson,
Nelson, Vierra, O'Brien, Ornellas

Nays: None

Motion unanimously carried to continue the Public Hearing for the proposed amendments to Rules 4306(Boilers, Steam Generators, and Process Heaters – Phase 3) and Rule 4307 (Boilers, Steam Generators, and Process Heaters – 2.0 MMBTU/HR to 5.0 MMBTU/HR) and Proposed New Rule 4320 (Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters greater than 5.0 MMBTU/HR).

10. VERBAL REPORT: CALIFORNIA AIR RESOURCES BOARD (ARB) – Jeff Lindberg, ARB Planning Liaison, presented a brief update to the Board on the agenda for the upcoming ARB meeting. ARB staff will present a protocol established by the California Climate Action Registry (CCAR) to quantify the emission reductions associated with livestock manure digester projects. ARB will discuss the development of that protocol and how it contributes to the voluntary greenhouse gas reduction efforts. The next ARB meeting will be held in Diamond Bar, at the South Coast Air Quality Management District headquarters on September 25, 2008.
11. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin informed the Board to expect October's Board meeting to be extensive due to the numerous rules that will be addressed at that time. He also expressed the District's gratitude to Senator Barbara Boxer for her efforts in advancing legislation to create an Air Quality Enterprise Zone in areas such as the San Joaquin Valley that suffer from adverse air quality and economic conditions. He stated SB3496, Air and Health Quality Empowerment Zone Designation Act of 2008 passed almost unanimously.

Mr. Sadredin discussed the Board Briefing on dairy digesters that was sent to Governing Board members on August 27, 2008. The Board Briefing provided background information on a current controversy involving a few dairies in the Valley that have obtained, or are in the process of obtaining, permits from the District to capture and burn methane gases from dairy lagoons to fuel engines that then produce electricity. Mr. Sadredin described the potential air quality impact of these engines and public health and climate change trade off issues that need to be addressed. Mr. Sadredin stressed the importance of ensuring that the emissions from these engines are properly controlled.

12. GOVERNING BOARD MEMBER COMMENTS - Supervisor Watson hopes to engage in future discussions with the Attorney General regarding establishing guidelines for greenhouse gases and CEQA.

Supervisor Nelson thanked Mr. Sadredin for compiling the information on dairy digesters. It highlighted the fact that the District is willing to work with industry.

13. CLOSED SESSION - Mr. Jay stated Closed Session will be heard on two items, one litigation matter and two labor negotiation matters. He stated Closed Session will be followed by adjournment with no announcement.

ADJOURN

Meeting adjourned after Closed Session at 1:05 p.m.

*Next scheduled meeting of the Governing Board: Thursday, October 16, 2008.
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 teleconference (VTC) with the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating via VTC.*