

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, May 19, 2011**  
**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 Worthley, called the meeting to order at 10:49 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
Dr. Henry Jay Forman, Ph.D.	Appointed by Governor
Randy Miller, Mayor**	City of Taft
William O'Brien, Supervisor*	Stanislaus County
Leroy Ornellas, Supervisor*	San Joaquin County
Chris Vierra, Mayor*	City of Ceres
Hub Walsh, Supervisor	Merced County
Raymond Watson, Supervisor**	Kern County
J. Steven Worthley, Supervisor, <b>Chair</b>	Tulare County

\* Attended meeting in Northern Region Office

\*\*Attended meeting in Southern Region Office

*Absent:*

Mike Lane, Councilmember	City of Visalia
Ann Johnston, Mayor, <b>Vice Chair</b>	City of Stockton
John G. Telles, M.D.	Appointed by Governor

*The Governing Board took a recess at 10:50 a.m.*

*The Governing Board reconvened at 10:56 a.m.*

3. APPROVAL OF CONSENT CALENDAR – Item numbers 15 – 27 *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.*

15. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, APRIL 21, 2011.

16. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2011
17. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR APRIL, 2011
18. RECEIVE AND FILE BUDGET STATUS REPORT AS OF APRIL 30, 2011
19. RECEIVE AND FILE PROPOSED AMENDMENTS TO RULE 4401 (STEAM-ENHANCED CRUDE OIL PRODUCTION WELLS)
20. RECEIVE AND FILE PROPOSED AMENDMENTS TO RULE 4605 (AEROSPACE ASSEMBLY AND COMPONENT COATING OPERATIONS)
21. RECEIVE AND FILE PROPOSED NEW RULE 2410 (PREVENTION OF SIGNIFICANT DETERIORATION)
22. VALLEY AIR QUALITY RESEARCH PROGRAM AT UC MERCED
23. APPROVE CONTRACT RENEWAL WITH ATMOSPHERIC ANALYSIS AND CONSULTING, INC. TO PROVIDE LABORATORY ANALYSIS OF NON-METHANE ORGANIC COMPOUNDS FOR A TOTAL OF \$157,370
24. APPROVE CONTRACT RENEWAL WITH ATMOSPHERIC ANALYSIS AND CONSULTING, INC. TO PROVIDE LABORATORY ANALYSIS OF CARBONYL COMPOUNDS FOR A TOTAL OF \$42,944
25. APPROVE AND AUTHORIZE BUDGET TRANSFER OF \$80,000 TO THE SAN JOAQUIN VALLEYWIDE AIR POLLUTION STUDY AGENCY FOR RESEARCH ON MITIGATION MEASURES FOR DAIRY SILAGE VOC EMISSIONS
26. APPOINT ALTERNATES TO THE DISTRICT'S ENVIRONMENTAL JUSTICE ADVISORY GROUP
27. AMEND CONFLICT OF INTEREST CODE

Public Comment: None

Regarding Items #23 and #24, Supervisor Case requested staff provide additional details regarding future proposals that are not accepted during the Request for Proposal process.

Moved: Case  
Seconded: Dominici  
Ayes: Barba, Case, Dominici, Walsh, Forman, Miller, Watson, O'Brien, Ornellas, Vierra, Worthley  
Nays: None

**Motion unanimously carried to approve Consent Calendar Items 15-27.**

4. PUBLIC COMMENT – *The following persons provided testimony during the public comments portion of the meeting:*
- Tom Frantz, Association of Irrigated Residents
  - Sarah Sharpe, Fresno Metro Ministry
5. SUPPORT H.R. 1582 “COMMON SENSE OZONE REGULATION ACT” – Seyed Sadredin, Executive Director/APCO stated that as the Majority Whip in the House of Representatives, Congressman Kevin McCarthy has introduced a bill which would remove the applicability of the revoked 1-hour federal ozone standard eliminating the widely-criticized nonattainment penalty fees that the Valley is facing, but would not affect District efforts to meet the current, more health protective, 8-hour ozone standard. He noted the bill would also establish a local advisory committee to prepare a report for Congress on the feasibility of achieving any new eight-hour ozone standard set by EPA.

Mr. Sadredin reported the Board has already adopted a legislative position supporting the repeal of Section 185 nonattainment penalties and noted support of this bill is consistent with that message. Supervisor Worthley commented on the graph which shows 80% of criteria pollutants have been taken out of the air since District formation over twenty years ago. He stated in order to meet these standards another 80% would need to be removed from the existing 20% of criteria pollutants. Dr. Forman also stated the federal ozone standard is unrealistic as there is no technology for removing ozone from the atmosphere. He suggested asking for a realistic standard rather than a delay. Supervisor Case suggested taking a balanced approach to this issue. Dr. Forman stated he believes the science will prove that the standard is impossible to meet and advocated for legislative changes which would require scientific evaluation of the achievability of new standards. Supervisor Walsh recommended adding a suggestion for scientific review of the standard. Supervisor Watson suggested sending letters to the Boards of Supervisors in each county of the San Joaquin Valley to ask for their support on this issue.

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

- Tom Frantz, Association of Irrigated Residents
- Les Clark, Independent Oil Producers
- Joe Miller, West Kern Water District
- Roger Isom, CA Cotton Ginners and Western Ag Processors
- Sarah Sharpe, Fresno Metro Ministry
- Elizabeth Jonasson, Coalition for Clean Air
- Manuel Cunha, Nisei Farmers League

Moved: Watson

Seconded: Dominici

Ayes: Barba, Case, Dominici, Walsh, Forman, Miller, Watson,  
O'Brien, Ornellas, Vierra, Worthley

Nays: None

***Motion unanimously carried to support H.R. 1582 “Common Sense Ozone Regulation Act” and to add a request for scientific review of the achievability of the standard.***

6. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES - Manuel Cunha, Chair of the CAC, reported the CAC unanimously voted to support Rule 3170 (Federally Mandated Ozone Nonattainment fee), Rule 4307 (Boilers, Steam Generators, And Process Heaters – 2.0 MMBTU/HR to 5.0 MMBTU/Hr) and the District Progress Report. He reported the District staff made a presentation on the Risk Based Approach at their May meeting.
7. ADOPT PROPOSED AMENDMENTS TO RULE 3170 (FEDERALY MANDATED OZONE NONATTAINMENT FEE) - Dave Warner, Permits Services Director, reported this rule implements federal law requiring the District to collect fees from major stationary sources of nitrogen oxides and volatile organic compounds in the San Joaquin Valley. The amendments incorporate the administrative processes necessary for the District to implement this ozone nonattainment penalty fee through an innovative alternative approach that collects the fees only from major sources that have not installed the best available air pollution control technology. Amendments also include tracking and reporting requirements necessary to show that the fees collected from major sources, plus the mobile source fees collected under state Assembly Bill 25822, are, in total, sufficient to meet the federal requirements. Mr. Warner explained the amendments provide the administrative process to implement the Board's guidance. An issue that is currently being observed is litigation against EPA over the equivalency concept. He noted that all three sectors of the CAC unanimously voted to support the amendments to this rule.

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

- Tom Frantz, Association of Irrigated Residents
- Elizabeth Jonasson, Coalition for Clean Air
- Laura Baker, Center on Race, Poverty and the Environment
- Roger Isom, California Cotton Ginners and Growers, Western Agricultural Processors Association
- Manuel Cunha, Nisei Farmers League
- Irma Conder

*Moved:* Dominici  
*Seconded:* Barba  
*Ayes:* Barba, Case, Dominici, Walsh, Miller, Watson, Ornellas, Vierra, Worthley  
*Nays:* None  
*Abstain:* Forman, O'Brien

***Motion carried to adopt proposed amendments to Rule 3170 (Federally Mandated Ozone Nonattainment Fee)***

8. ADOPT PROPOSED AMENDMENTS TO RULE 4354 (GLASS MELTING FURNACES) – Errol Villegas, Strategies and Incentives Program Manger, reported the amendments modified the existing start-up provision, which limited excess oxygen to 5 percent, to accommodate the unique nature of an advanced emission control technology, oxy-fuel firing. Mr. Villegas explained no additional emissions are expected to result from this

change. Mr. Villegas reported the information that has been obtained demonstrates that the excess oxygen limits does not apply to the oxy-fuel furnaces. He explained that the oxy-fuel furnaces operate in an oxygen rich environment and by design have inherently low NOX emissions during start up.

Supervisor Case commented this is an example of a rule that got ahead of technology. She asked if there was any risk in adopting the amendments due to no ability to change a rule after it has been adopted. Mr. Sadredin responded the District staff believes this changes approval by EPA due to not resulting in reduction in the effectiveness of the rule or any increase in emissions. Supervisor Case stated she appreciated the public comment referring to the Board expressing consideration when making decisions that may bring potential harm to the economy and jobs.

Public Comment: None

*Moved:* Case  
*Seconded:* Dominici  
*Ayes:* Barba, Case, Dominici, Walsh, Forman, Miller,  
Watson, O'Brien, Ornellas, Vierra, Worthley  
*Nays:* None

***Motion unanimously carried to adopt proposed amendments to Rule 4354 (Glass Melting Furnaces)***

9. ADOPT PROPOSED AMENDMENTS TO RULE 4307 (BOILERS, STEAM GENERATORS, AND PROCESS HEATERS – 2.0 MMBTU/HR TO 5.0 MMBTU/HR) – Mr. Villegas reported the amendments incorporate tree nut pasteurizers, which are subject to FDA restrictions and cannot be retrofitted with add-on pollution controls, as a new, separate unit type. He reported District staff proposes to establish a new category for tree nut pasteurizing units to be fired on natural gas in lieu of installing the low NOX burner technologies. He commented this would still limit emissions associated with these units. He explained there are no impacts associated with the reductions from this rule. Mr. Villegas commented that this rule was unanimously supported by the CAC.

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

- Roger Isom, Western Agricultural Processors Association
- Irma Conder, Energy Resources

*Moved:* Case  
*Seconded:* Dominici  
*Ayes:* Barba, Case, Dominici, Walsh, Forman, Miller,  
Watson, O'Brien, Ornellas, Vierra, Worthley  
*Nays:* None

***Motion unanimously carried to adopt proposed amendments to Rule 4307 (Boilers, Steam Generators, and Process Heaters – 2.0 MMBTU/HR to 5.0 MMBTU/HR).***

10. APPROVE MEMORANDUM OF UNDERSTANDING WITH TULARE COUNTY TO AUTHORIZE THE DISTRICT TO ENTER INTO NECESSARY AGREEMENTS WITH QUALIFIED CONTRACTOR(S) TO COMPLETE EECEBG PROJECTS – Todd DeYoung, Strategies and Incentives Program Manager, reported the District is partnering with the San Joaquin Valley Clean Energy Organization to administer the EECEBG on behalf of three counties and 33 cities in the Valley. Under the partnership, local jurisdictions are eligible for \$3.7 million in energy efficiency projects, which will also benefit air quality. Mr. DeYoung reported the goal of the partnership is to provide administrative assistance to the local jurisdictions and to provide a local resource to complete the energy efficiency upgrades. Mr. DeYoung reported Tulare County has requested the District sign an agreement with the qualified contractors to complete the projects on their behalf.

Supervisor Case asked about the differences in the MOU and the updated MOU. Mr. DeYoung explained that Tulare County made a slight change to the insurance requirement. He commented the updated MOU was approved by legal counsel. Supervisor O'Brien requested clarification regarding the District administering this grant for a fee of approximately \$41,313. Mr. DeYoung explained this amount was between the District and the partnership.

Public Comment: None

Moved: Dominici  
Seconded: Barba  
Ayes: Barba, Case, Dominici, Walsh, Forman, Miller,  
Watson, O'Brien, Ornellas, Vierra, Worthley  
Nays: None

***Motion unanimously carried to approve Memorandum of Understanding with Tulare County and authorize the District to enter into necessary agreements with qualified contractor(s) to complete EECEBG projects.***

11. APPROVE AND AUTHORIZE THE CHAIR TO SIGN AGREEMENT FOR \$229,700 WITH THE FRESNO COUNCIL OF GOVERNMENT, ON BEHALF OF THE EIGHT COUNCILS OF GOVERNMENTS, TO DEVELOP IMPROVED TRANSPORTATION MODELS TO ASSIST CITIES AND COUNTIES TO BETTER ASSESS THE EMISSIONS ASSOCIATED WITH LAND USE ALTERNATIVES – Tom Jordan, Senior Policy Advisor, reported CARB recommending a 5% reduction in greenhouse gas emissions from transportation and land use decisions in the Valley by 2020 and 10% by 2035. The District with the Valley Metropolitan Planning Organizations proposed a 2% reduction by 2020 and 5% by 2035. The ARB did not go along with the District's recommendations but they did recognize the transportation models in the Valley are not sophisticated enough to give an accurate analysis of what can be achieved. The eight Valley COGS developed a San Joaquin Valley Model Improvement Program and have been successful in obtaining funding from the state to assist in the implementation. CARB allocated \$1 million to do a Valleywide model to assist in the analysis with pass through traffic. The District included \$250,000 in the 2010/2011 budget to assist with these model improvements. These models will also assist in determining the criteria pollutant emissions from land use projects as well as green house

gasses. One category is to have CalTrans increase their household travel surveys every ten years after the census.

The second area identified is the models currently being used are old technology, so the COGS would like to purchase new models that are capable of performing much more detail land use analysis. The hope from these models to complete the improvements and obtain new data and go to CARB in 2012 and attempt to obtain a more realistic emission reduction goal. Mr. Jordan requested the Board approve a memorandum of understanding with Tulare County to allow the District to enter into contracts with qualified contractors to complete Energy Efficiency Conservation Block Grant projects. He explained the District is partnering with the San Joaquin Valley Clean Energy Organization to administer the EECBG on behalf of three counties and 33 cities in the Valley. He explained under the partnership, local jurisdictions are eligible for \$3.7 million in energy efficiency projects, which will also benefit air quality.

Supervisor O'Brien clarified the \$150,000 is for 900 surveys at \$166 per survey. He asked if it's necessary to utilize CalTrans for this process. Mr. Jordan explained the process involves more than the survey. He explained that CalTrans also does statistical analysis of the surveys. He commented his understanding from speaking to the COGS there is no other option but to utilize CalTrans for this process.

Public Comment - None

*Moved:* Dominici  
*Seconded:* Case  
*Ayes:* Barba, Case, Dominici, Walsh, Forman, Miller,  
Watson, O'Brien, Ornellas, Vierra, Worthley  
*Nays:* None

***Motion unanimously carried to approve and authorize the Chair to sign agreement for \$229,700 with the Fresno Council of Government, on behalf of the eight Councils of Governments, to develop improved transportation models to assist cities and counties to better assess the emissions associated with land use alternatives.***

12. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES - Mr. Sadredin requested the Board to review the ARB report from the previous month including the progress report on the state of air quality in the San Joaquin Valley that showed significant improvements. He explained the agenda item, Verbal Report On Air Resources Board Activities, was placed on the agenda when there was an ARB representative available. He asked for direction regarding the interest in the agenda item, Verbal Report On Air Resources board Activites, due to Dr. Telles' resignation. Mr. Worthley clarified that previously there was a CARB representative present the report. Mr. Sadredin stated he would propose to the ARB a representative be available to present a report.
13. EXECUTIVE DIRECTOR/APCO COMMENTS - Mr. Sadredin stated that Councilmember Lane resigned his position. He explained that all of the City Board seats, except for Mayor Vierra's, will expire at the end of 2011. Mr. Sadredin commented there will be four vacancies. He explained there is difficulty in establishing a quorum of the 59-member

Valleywide Special Selection Committee. Mr. Sadredin stated there will be a meeting in the fall of 2011 to make appointments for the 2012 terms.

14. GOVERNING BOARD MEMBER COMMENTS – Supervisor Dominici noted former Madera County Supervisor and Governing Board member Sam Armentrout passed away. He suggested staff should send a card to his family. Supervisor Case extended her condolences to Mr. Armentrout's family and stated he was a great advocate on the Board. She also noted that the June Board meeting will be held during the week of Fresno County's Budget Hearings. Mr. Sadredin clarified with the Chair that he directed staff to place the Recommended Budget on the Consent Calendar for adoption at the next Board meeting. Supervisor Worthley responded that would be appropriate, as an opportunity has been provided at today's meeting for input from the Board and the public. Mayor Miller complimented staff on the budget report. He asked for a status of the proposed electronic Board packets. Mr. Sadredin reported the ITS Department is currently working on the project and there will be a demonstration at the June Board meeting.

## **ADJOURN**

Meeting adjourned at 12:31 p.m.

*Next scheduled meeting of the Governing Board: Thursday, June 16, 2011. Meeting starts at 9:00 a.m., Central Region Office, Governing Board Room, and 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.*