

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, April 18, 2013
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 Vice Chair, Supervisor Walsh called the meeting to order at 9:04 a.m.
2. ROLL CALL was taken and a quorum was present.

Present:

Oliver L. Baines III, Councilmember	City of Fresno
Tony Barba, Supervisor	Kings County
Dennis Brazil, Mayor*	City of Gustine
Judy Case, Supervisor	Fresno County
David Couch, Supervisor**	Kern County
Bob Elliott, Supervisor*	San Joaquin County
Harold Hanson, Councilmember**	City of Bakersfield
William O'Brien, Supervisor*	Stanislaus County
Hub Walsh, Supervisor, Vice Chair	Merced County
Tom Wheeler, Supervisor	Madera County
J. Steven Worthley, Supervisor	Tulare County
Sally Bomprezzi, Councilmember	City of Madera
Dr. Alexander Sherriffs	Appointed by Governor

* Attended meeting in Northern Region Office

**Attended meeting in the Southern Region Office

Absent:

Skip Barwick, Councilmember, Chair	City of Tulare
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3. APPROVAL OF CONSENT CALENDAR – (Item Numbers 17 - 20) *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.*

17. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, MARCH 21, 2013
18. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2013
19. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR MARCH 2013
20. RECEIVE AND FILE BUDGET STATUS REPORT AS OF MARCH 31, 2013

Public Comment: None

Moved: Worthley

Seconded: Barba

Ayes: Baines, Barba, Bomprezzi, Brazil, Case,
Couch, Elliott, Hanson, O'Brien, Sherriffs,
Wheeler, Worthley, Walsh

Nays: None

Motion unanimously carried to approve Consent Calendar Items 17-20.

4. PUBLIC COMMENT – None
5. S.T.A.R. RECOGNITION (Service, Teamwork, Attitude, Respect) – Adriana Myovich, Director of Personnel, presented this item which formally recognized the employees who reached a service milestone during the first quarter of 2013.

Five Years of Service

Corinne Bartlett, Senior Air Quality Instrument Technician
Gurpreet Brar, Air Quality Engineer II
Cherie Clark, Senior Personnel Analyst
Jennifer Ledergerber, Air Quality Inspector II
Jeff Riding, Air Quality Specialist II
Jack Samarjian, Programmer Analyst II
Nathan Trevino, Supervising Air Quality Instrument Technician
Scott VanDyken, Air Quality Inspector II
Lien Vong, Office Assistant II

Ten Years of Service

Anthony Presto, Air Quality Education Representative II

6. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Kevin Hamilton, CAC - Environmental Interest Group Representative, reported there was a presentation on reducing vehicle idling at Valley schools and the

CAC members expressed support for evaluating and pursuing options for reducing idling. He added the District's Annual Report to the Community was also presented. Mr. Hamilton stated the EJAG update included a presentation on the ARB Adaptive Management Plan and a review of the committee's By-Laws. He added the EJAG Grants Subcommittee is developing recommendations for funding emission reduction projects in environmental justice areas and the recommendations may be included in the 2013-14 District's proposed budget.

Dr. Sherriffs asked if invitations to attend CAC meetings from the Governing Board members to the public are welcomed. Mr. Hamilton responded affirmatively and added invitations are extended to the EJAG meetings as well.

Supervisor Case expressed appreciation for the CAC's undertaking of vehicle idling at Valley schools.

7. APPROPRIATE \$473,643 IN UNANTICIPATED REVENUE FOR THE CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT PROGRAM FROM THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT AND THE TUOLUMNE COUNTY AIR POLLUTION CONTROL DISTRICT – Seyed Sadredin, Executive Director/APCO, explained the Carl Moyer Program funds have been utilized to reduce the impacts of diesel emissions. He added the District has successfully partnered with the Mojave Desert Air Quality Management District for the last four years to accept and use their Carl Moyer funds on projects located in the Valley. Mr. Sadredin noted in addition this year the Tuolumne County Air Pollution Control District approached the District to utilize their Carl Moyer funds in the Valley. He expressed gratitude to both Districts. Mr. Sadredin requested a letter of appreciation from the Chair to the two Districts should the Board approve this item.

Supervisor Wheeler asked why the other Districts could not administer the funds themselves. Mr. Sadredin explained the District has more resources to manage incentive programs.

Supervisor Case commented there is minimal administrative funding and due to the District being larger and efficient the administrative costs are absorbed. She stated it speaks well that the District works well with other air pollution districts. She added receiving his revenue also says a lot of about the staff of the District and their ability to do things efficiently and distribute the funds for air pollution reduction programs.

Supervisor Worthley explained the District's program were audited and deemed the most efficient which brought recognition among other air districts. He added he wanted to extend thanks to District staff because receiving this revenue is a direct relationship to the efficiencies of what is accomplished.

Public Comment: None.

Moved: Wheeler
Seconded: Worthley
Ayes: Baines, Barba, Bompreszi, Brazil, Case,
Couch, Elliott, Hanson, O'Brien, Sherriffs,
Wheeler, Worthley, Walsh
Nays: None

Motion unanimously carried to approve the appropriation of \$473,643 in unanticipated revenue for the Carl Moyer Memorial Air Quality Standards Attainment Program from the Mojave Desert Air Quality Management District and the Tuolumne County Air Pollution Control District.

8. APPROVE VOLUNTARY EMISSION REDUCTION AGREEMENT WITH MERITAGE HOMES OF CALIFORNIA, INC. TO RECEIVE FUNDS IN THE AMOUNT OF APPROXIMATELY \$1,940,000 FOR THE PURPOSE OF MITIGATING AIR QUALITY IMPACTS OF THE PROPOSED "PILLSBURY ESTATES" DEVELOPMENT PROJECT – Dave Warner, Director of Permit Services, explained the key concepts of the District entering into mitigation agreements. He added that these agreements benefit air quality by achieving additional reductions in emissions. Mr. Warner explained these agreements are between developers and the District and are designed to mitigate the air quality impacts of these projects. He noted the District encourages developers to implement everything they can do to reduce the generation of onsite emission by using best design practices. Mr. Warner commented although there are several ways to reduce emissions through design elements, there could still be significant increases in emissions associated with mobile sources that are attracted to these new communities. He stated these agreements are all about mitigating these emissions.

Mr. Warner explained the developer submits to the District its assessment of air quality impacts, the District does an analysis to quantify the emissions from the projects. He continued the District invests funds provided by the developer in emissions reductions projects through grant programs. Mr. Warner added the projects are chosen by looking at the proximity of the reduction to the source of emissions increase and also at the cost effectiveness of the reductions. He noted the District's incentive program has really been repeatedly found to not only implement best practices for these kinds of efforts, but also to set those standards.

Mr. Warner stated it is important to note these agreements are not required by any rule or regulation, they're voluntary. He added they address air pollution concerns that are beyond the scope of the air districts rules and regulations. Mr. Warner commented the money is spent on emissions reductions projects as soon as possible so that the increases are mitigated contemporaneously and that there are no refunds after funds are spent.

Mr. Warner explained these agreements are complimentary to the California Environmental Quality Act (CEQA) process in that the developers can commit to

these agreements as part of their efforts to mitigate their environmental impacts under CEQA. He added they are also complimentary to the District's Indirect Source Review Rule.

Mr. Warner reported it's important to understand the Board is not voting on whether or not to approve the Pillsbury Estates Project. However if the Board approves this agreement, it ensures the significant air quality impacts that may result from the development are going to be fully mitigated.

Supervisor O'Brien asked how the rate per ton is calculated. Mr. Sadredin responded the rate per ton is established in the District's Indirect Source Review Rule approved by the Board and is calculated based on the actual dollars that it will take to purchase the number of tons of emissions in San Joaquin Valley. He added the contracts do include provisions to increase or lower the mitigation costs depending on the actual cost of the reductions. He clarified the fee is determined by the quantity of emissions over the defined lifetime of the project.

Supervisor Elliott requested clarification on the estimate of 20 tons per year emissions after employing on-site mitigations. Mr. Sadredin explained the 20 tons per year is the net increase in emissions after the reductions the developer is able and willing to do on-site. He added developers typically perform a cost benefit analysis and determine what is most economically feasible by design features. Supervisor Elliott asked if the mitigated emissions are in addition to what is required. Mr. Sadredin answered affirmatively and explained the developer is doing what is necessary to satisfy the needs and concerns within the community.

Mr. Worthley provided a brief history of the circumstances that brought developers to create mitigation agreements. He noted the District is not charging the developers; the developers are offering mitigation costs to avoid litigation.

Supervisor O'Brien expressed a concern for different rates for the two different projects on the agenda. Mr. Sadredin noted there are different types of emissions and variations in the defined life cycle for certain emissions for mobile sources, stationary sources and construction phases. Supervisor O'Brien asked what is producing the 20.17 tons per year of emissions for this project. Mr. Warner explained the emissions are operational emissions. He added the District estimates a ten-year life cycle for these sources of emissions.

Supervisor Couch commented he would support the Board taking additional time to consider the approval of the agreements.

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

- Tom Frantz, AIR
- Manuel Cunha, Nisei Farmers League

Moved: Worthley
Seconded: Wheeler
Ayes: Baines, Barba, Bomprezzi, Brazil, Case, Couch,
Elliott Hanson, O'Brien, Sherriffs, Wheeler,
Worthley, Walsh
Nays: None

Motion unanimously carried to approve voluntary emission reduction agreement with Meritage Homes of California, Inc. to receive funds in the amount of approximately \$1,940,000 for the purpose of mitigating air quality impacts of the proposed "Pillsbury Estates" development project

9. APPROVE TWO MITIGATION AGREEMENTS WITH HYDROGEN ENERGY CALIFORNIA, LLC TO RECEIVE FUNDS IN THE AMOUNT OF APPROXIMATELY \$8,747,160 FOR THE PURPOSE OF MITIGATING AIR QUALITY IMPACTS OF A PROPOSED NEW POWER GENERATION FACILITY IN KERN COUNTY –Supervisor Walsh noted neither the District nor the Board is the siting agency for the project. He added the recommendation before the Board is the approval of mitigation agreements should the project be approved, and not the approval of the project itself.

Mr. Warner began the presentation by stating the proposed mitigation agreements are with Hydrogen Energy California (HECA). He added the project is a future power plant and fertilizer manufacturing facility in Kern County. Mr. Warner commented the key concepts of the agreement are that the District uses developer funds to generate enforceable and publicly accountable emissions reductions that directly and contemporaneously mitigate the proposed increase in emissions.

Mr. Warner explained HECA is a power plant with the ability of putting 300 megawatts into the grid making it a medium sized power plant. He added it uses coal or petroleum coke but it doesn't burn the coal or coke as a typical power plant. He stated instead it gasifies the coal driving off the hydrogen and essentially turns the hydrogen from the coal into the fuel that gets burned in the turbine. He noted this difference is significant because it inherently reduces emissions from the process and it also allows for some very advanced emission controls that are not possible in a typical coal fired power plant. He gave the example of nitrogen oxides emissions are emitted at approximately the same concentration as from the cleanest natural gas fired power plants. He commented that another interesting difference between this power plant and a more typical facility is that the CO₂ that is generated during the gasification process will be captured, separated from the hydrogen, compressed and then delivered via pipeline to a nearby oil field for injection in the oil containing formations underground enhancing the oil production of the oil field and permanently sequestering the CO₂. Mr. Warner explained the CO₂ from power plants is believed to be one of the most potent man-made global warming

pollutants so permanently sequestering CO₂ is a very interesting possibility so much so that the Department of Energy is providing more than \$400 million in grant funds to HECA. He commented that one more interesting aspect of the HECA plant is that they will be producing a nitrogen-based fertilizer of various kinds when not producing power. He concluded that the fuel will be delivered and products and waste will be taken from the plant in large numbers of trucks every day, and HECA is attempting to site a train rail spur which will reduce the number of trucks significantly, but if there's no train spur there will be average of almost 400 truck trips per day with peak trips of about 500.

Mr. Warner presented a photo of where the facility will be located explaining the area is sparsely inhabited except for agricultural operations.

Mr. Warner reported the State of California has provided the California Energy Commission (CEC) with the sole licensing authority over power plants of 50 MW and greater in size. He added the CEC is the only agency in the state that issues a pre-construction permit for power plants and in this case it is a license that allows construction. He noted CEC is responsible for ensuring the proposal complies with all applicable laws including District rules and regulations. He added the local government officials cannot say where or whether a power plant is sited in their jurisdictions. He explained the role of local governments is limited in making comments and recommending mitigations of any particular impacts that are expected. He added the District is in exactly that same role noting the District can provide comments to the CEC but the District does not issue a permit or any kind of approval that allows the facility to begin construction. Mr. Warner explained the District's role is to provide comments in an official document named a Determination of Compliance (DOC) in which the District assesses the power plant's ability to comply with all air quality rules. He added the District also identifies conditions the CEC needs to incorporate into their licensing process in order to ensure the facility complies with those rules. He noted the CEC makes its own independent decisions regarding the rules the facility must adhere to.

Mr. Warner reported the District has released a preliminary DOC for HECA and in the document is a list of all applicable rules and regulations that were analyzed including rules that require all of the stationary source emission points to be controlled with the very best air pollution control available and all remaining emission from those stationary sources be mitigated to less than significant levels with emissions reduction credits. He added the District also performs comprehensive computer modeling of the emissions and their potential to cause health impacts using methods developed by the state's Office of Environmental Health and Hazard Assessment (OEHHA). He stated the District's analysis concluded that the HECA facility as proposed will not create a health risk to the residents of the Valley. He noted the HECA facility as proposed can comply with all applicable regulations. Mr. Warner stated the District has held a public hearing in Bakersfield and will be holding another public hearing in Spanish for public comment. He added the District is requesting all comments be submitted by May 30th, after which the District will be taking final action. Mr. Warner explained the DOC is a staff approval process with its own public processes established by the

rules and regulations the Board has adopted. He added the DOC is all about the determination of whether or not the facility complies with all air quality regulations.

Mr. Warner reported there is a requirement in Rule 2201 (New and Modified Stationary Source Review Rule) that states all new significant increases in emissions from stationary equipment at facilities be mitigated with emissions reductions. He added the credits will be surrendered to the District to mitigate increases in emissions and are required by the conditions that are being recommended to CEC to demonstrate compliance with the District rules and regulations. He commented that HECA is going beyond the requirements with the agreements by mitigating for three categories of emissions. He explained that the first category and the first agreement involve the increase in NO_x emissions due to efficiency loss associated with carbon sequestration and coal gasification. He added HECA agreed to mitigate the excess emissions. He further explained the second category of emissions covered by the second agreement mitigates all construction emissions. He added the third category is the mitigation of NO_x emissions associated with the long term operation of the facility and is mitigated in the second agreement as well.

Supervisor O'Brien commended staff for their willingness to consider new and innovative projects in this case and assessment of the project.

Supervisor Case asked if the DOC will be before the Board for approval. Mr. Sadredin explained the Board does not approve the DOC, but there is a public hearing, at the staff level. He noted the CEC has advised the District they would like to publish their preliminary staff assessment by the end of April and it's important to include the mitigation agreements in the CEC's public process. This would allow for another round of public review and assessment through the CEC process.

Supervisor Couch expressed concern regarding the DOC being completed after the mitigation agreements come before the Board. He commented that he cannot support this matter due to the fact that the Kern County Board of Supervisors, which he serves on, has asked CEC to consider an alternative site for this project and that the proposed mitigations are fore the site currently proposed by the applicant.

Supervisor Elliott asked if Rule 2201 requires more mitigation than emissions produced. Mr. Sadredin responded affirmatively. He explained the mitigations are from off-site sources, not the facility where the emissions are being produced, and the extra mitigation is to offset the distance from the off-site source and the facility in question. Supervisor Elliott asked if the facility receives credit for the additional mitigation. Mr. Sadredin stated the facility does not receive credit for the additional mitigation. Supervisor Elliott requested clarification of the CO₂ sequestration and the reason for the need for additional mitigation. Mr. Sadredin explained that the Governing Board has placed a higher priority on public health versus climate change. He added that in this case sequestering CO₂ is good for

climate change but leads to increased NOx formation which is a public health concern.

Dr. Sherriffs clarified air quality impacts being fully mitigated essentially means zero new criteria pollutants. Mr. Warner responded affirmatively. Dr. Sherriffs stated the DOC is not part of the mitigation, but the mitigation is part of the DOC. Mr. Warner responded affirmatively. Dr. Sherriffs commented there is a public process and there may be additional mitigation agreements should the need arise. Mr. Warner responded affirmatively.

Councilmember Hanson asked what happens if the Board does not approve the agreements. Mr. Sadredin explained the opportunity to mitigate the impact of the project is being denied. He recommended the approval ensures the agreements are incorporated into the CEC's report and will be fully accessible to public review during the CEC process. He added if the agreements are not approved today it is possible the project may be approved by the CEC without any mitigation agreements. Councilmember Hanson expressed concern with future issues that may arise. Mr. Sadredin explained the approval of the mitigation agreements in no way results in approval of the project. He added the agreements before the Board provide for mitigation of worst case emissions.

Councilmember Baines expressed appreciation for staff's efforts on the presentation. He commented there cannot be too much mitigation because the District's mission is to improve air quality and public health.

Supervisor Couch conveyed appreciation for the staff's work and stated they have done a good job.

Supervisor Walsh asked if the facility would also be required to comply with the National Environmental Policy Act (NEPA). Catherine Redmond, District Counsel, responded the facility would have to go through NEPA but the process is less rigorous than the CEQA process. Leonard Scandura, Permit Services Manager, displayed a binder of over 600 pages of the District's analysis. Supervisor Walsh asked if the ancillary projects will be approved by CEC or land use decisions. Mr. Sadredin explained the other project would require District permits and other land use authorization. He added that CEC will consider the impact from ancillary projects in their review.

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

- Manuel Cunha, Nisei Farmers League
- George Landman, Hydrogen Energy California, LLC
- Mike Carroll, Latham and Watkins
- Sarah Sharpe, Fresno Metro Ministry
- Elizabeth Jonasson, Coalition for Clean Air
- Tom Frantz, Shafter Resident

Moved: Worthley
Seconded: Barba
Ayes: Baines, Barba, Bompreszi, Brazil, Case, Elliott, Hanson,
O'Brien, Sherriffs, Wheeler, Worthley, Walsh
Nays: Couch

Motion carried to approve two mitigation agreements with Hydrogen Energy California, LLC. to receive funds in the amount of approximately \$8,747,160 for the purpose of mitigating air quality impacts of a proposed new power generation facility in Kern County.

10. END OF SEASON REPORT ON THE 2012-13 WOOD-BURNING SEASON – Jaime Holt, Chief Communications Officer, Errol Villegas, Strategies and Incentive Program Manager and Jessi Fierro, Supervising Air Quality Specialist gave the presentation on this item. Ms. Fierro explained there are several departments at the District working together to ensure the program is successful. She gave a brief summary on what occurs and the reason for the rules during the wood-burning season. Ms. Fierro explained wood burning emissions are the largest source of PM2.5 emission during winter months thus the residential wood burning curtailment program assists in limiting the impact of emissions. She added Rule 4901 (Wood Burning Fireplaces and Wood Burning Heaters) has been amended and will be amended again for the PM2.5 Plan. She stated the Rule is very important because it prevents 16 tons per day of PM2.5 emissions on each Valley-wide no-burn day. Ms. Fierro commented the continued success will require a strong public outreach and education strategy and public support. She reviewed the health benefits of Rule 4901 including reducing health impacts when and where emissions reductions are most needed in impacted areas.

Mr. Villegas briefly reviewed the significant improvement in air quality during the 2012-13 winter compared to the 2011-12 winter months. He noted the unhealthy AQI days and wood burning curtailments were reduced throughout the Valley. He added there is an overall trend in decreasing PM2.5 levels. Mr. Villegas presented graphs to illustrate the improvement. He noted the Rule is not the only reason for the improvement adding that public outreach including new lifestyle media contributed to the success.

Ms. Holt noted the Check Before You Burn program is one of the most important annual District outreach programs. She added the program falls under the Healthy Air Living program. She stated the advertising included Board members and is multi-lingual throughout the Valley. Ms. Holt explained the message is being distributed to schools and children. She added the District incorporated the acknowledgment of the public in the campaign message. Ms. Holt shared some of the television commercials and thanked the Board for their participation in the public service announcements. Ms. Holt explained the lifestyle media is cost effective and distributes the information to a younger, more mobile demographic.

Ms. Fierro stated the Burn Cleaner Incentive Funding is an important resource for helping Valley residents to make changes in their residential wood burning practices. She reviewed the funding levels and the number of vouchers issued. Ms. Fierro noted the potential program enhancements will be discussed at the May 2013 Study Session. Ms. Fierro reported the District continues the previously implemented shift of staff hours to include night and weekends for enforcement efforts. She reviewed the number of violation notices issued which was fewer than the previous season.

Supervisor Worthley asked if there was sufficient funding for all applicants. Mr. Sadredin noted there were no applicants denied funding. Supervisor Worthley complimented Ms. Fierro on her presentation.

Supervisor Case acknowledged staff's efforts on this item.

Councilmember Hanson stated he supports the Wood-Burning Rule. He requested a presentation on the studies that discuss mortality rates. Mr. Sadredin noted all particulates are different and do not have the same impact. He added a briefing memo explaining the studies will be distributed to the Board. David Lighthall, Health Science Advisor, stated the mortality figures are based on a series of national studies that are large epidemiological studies based on the relationship between deaths and the annual daily exposure of the subjects. Councilmember Hanson requested an update on the speciation studies.

Supervisor Elliott expressed concern with the language regarding prevention of premature mortality. Dr. Sherriffs commented there is very strong evidence to confirm PM2.5 does impact health.

Supervisor Walsh asked where the Healthy Air Living smartphone application can be downloaded. Ms. Holt explained an app is for iPhones, but the app for Androids and Windows is currently being developed. She added it can be downloaded from the District website or iTunes. Supervisor Walsh suggested the discussion of the data and studies be added to the Study Session Agenda.

Public Comment: None.

11. APPROVE CONTRACT WITH JEFFREY SCOTT ADVERTISING (JSA) FOR OUTREACH AND MARKETING AGENCY REPRESENTATION – COMPREHENSIVE, MULTILINGUAL PUBLIC OUTREACH CAMPAIGNS – Mr. Sadredin explained a letter was received by the District on April 17, 2013 late in the day from a law firm that their client had questions regarding this item. He stated there was no specific concern identified in the letter. He recommended not delaying the approval of the contract since the ozone season begins May 1st and the outreach campaigns need to get started. Mr. Sadredin noted there is a 30-day contract cancellation provision should the Board not be satisfied with the results.

Ms. Holt stated the Valley is faced with unmatched challenges and stringent federal standards that require additional emissions reductions. She added the focus for outreach campaigns is to educate the public that what they do on a daily basis has a direct impact on the District's ability to reach public health goals and meet the standards. She noted businesses cannot meet the clean air goals alone. Ms. Holt reported the outreach campaign is focused on educating the public to take steps to protect their health and to reduce their emissions. She explained two years ago the District went through a very competitive Request For Proposal (RFP) process and Jeffrey Scott Advertising (JSA) provided the best proposal at that time. She added the contract with JSA explained the term was for one year with the possibility of a contract renewal for up to four years with the Board's approval on an annual basis. She noted the contract before the Board today is the third of the contract series. Ms. Holt reviewed the roles of JSA including reaching multiple target groups, developing overall strategies and producing outreach pieces. She added JSA assists in leveraging funds through partnerships and the organization donates staff hours and secured free media for key District projects. Ms. Holt noted JSA does not move forward on any projects without District approval. She stated the District spends less per capita on outreach than any other large air district and has better effectiveness. She said there is no increase in the contract. Ms. Holt reviewed the scope of work includes the Summer Healthy Air Living campaign, Real-time Air Advisory Network and incentive programs. Ms. Holt reviewed the fiscal details including monthly invoicing.

Councilmember Hanson made the motion to approve the contract with Jeffrey Scott Advertising.

Supervisor O'Brien asked if JSA assisted with the PBS documentary. Ms. Holt explained JSA did not assist with the PBS documentary.

Dr. Sherriffs asked if there was consideration to work with the Bay Area districts in the multi-media markets. Mr. Sadredin stated the District implemented the suggestion by Supervisor O'Brien and coordinated with Bay Area air districts to have one phone number for residents to call and check whether they can burn in their fireplaces. Ms. Holt added District staff, Sacramento Air District and JSA will meet at least twice a year with the televisions stations and news rooms.

Supervisor O'Brien asked if the money spent is being tracked by region. Ms. Holt responded affirmatively.

Supervisor Case complemented Ms. Holt and her staff and acknowledged JSA staff.

Public Comment: None

Moved: Hanson
Seconded: Wheeler
Ayes: Baines, Barba, Bompreszi, Brazil, Case, Couch, Elliott,

Hanson, Sherriffs, Wheeler, Worthley, Walsh
Nays: O'Brien

Motion carried to approve contract with Jeffrey Scott Advertising for outreach and marketing agency representation – comprehensive multilingual public outreach campaigns.

12. APPOINTMENT OF GOVERNING BOARD MEMBERS TO AD-HOC HEARING BOARD MEMBER REVIEW COMMITTEES – Supervisor Walsh asked the previous Hearing Board Member Review Committee if they still wished to serve. Mayor Brazil asked about the times of the committee meetings. Mr. Sadredin explained staff will work with the schedules of the members. The following members were appointed by the Vice Chair:

Mayor Brazil
Supervisor O'Brien
Councilmember Barwick
Councilmember Hanson
Supervisor Barba
Councilmember Bompreszi

13. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reported the Board approved several research projects at their last meeting and funding for the Truck Loan Assistance Program. He stated at the upcoming Board meeting there will be a review of regulations to promote linkages with other jurisdictions interested in using Cap-and-Trade as a mechanism to decrease green-house gas emissions. He added the Board will also review the priorities for the funds gained from Cap-and-Trade auctions.
14. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin reported the Sequoia National Forest published the Forest Management document noting the District has made significant comments regarding minimizing air quality impact due to prescribed burning. He noted the Governing Board Study Session will be held on May 2nd and May 3rd at Bass Lake.
15. GOVERNING BOARD MEMBER COMMENTS – Supervisor Worthley reported he and associates traveled to Washington D.C. and were informed there were CMAQ funds that were to be used in Tulare County specifically for air quality improvement projects.

Supervisor Wheeler stated he attended the Governing Board Budget Subcommittee meeting and commended staff for the presentation on streamlining and efficiency. He stated he asked his staff to contact District staff regarding the District's Labor Information System.

16. **CLOSED SESSION** – District Counsel, Catherine Redmond, announced the Board would move to Closed Session pursuant to Section 54957 and 54956.9(d)(4) of the Government Code (Ralph M. Brown Act) to discuss the following item, followed by adjournment:

- Conference with Legal Counsel – Anticipated Litigation; Initiation of litigation pursuant to Government code section 54956.9(c) (2 potential cases)

Assistant District Counsel, Annette Ballatore-Williamson, reported the Governing Board, through unanimous vote, authorized the initiation of two lawsuits; one involving a grant contract and the second against a facilities contractor, followed by adjournment.

ADJOURN

Meeting adjourned at 12:29 p.m.

The next scheduled meeting of the Governing Board is: Thursday, May 16, 2013. 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 video teleconference (VTC) with the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating via VTC.