

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

SPECIAL PUBLIC HEARING:
REVIEW OF 2014-15 RECOMMENDED BUDGET

Thursday, May 15, 2014
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 Walsh called the meeting to order at 9:02 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
Skip Barwick, Councilmember	City of Tulare
Sally Bompreszi, Councilmember	City of Madera
Dennis Brazil, Mayor*	City of Gustine
Judy Case McNairy, Supervisor	Fresno County
Harold Hanson, Councilmember**	City of Bakersfield
William O'Brien, Supervisor*	Stanislaus County
Dr. Alexander Sherriffs	Appointed by Governor
Hub Walsh, Supervisor, Chair*	Merced County
Tom Wheeler, Supervisor, Vice Chair	Madera County

* Attended meeting in Northern Region Office

**Attended meeting in the Southern Region Office

Absent:

John Capitman, Ph.D.	Appointed by Governor
David Couch, Supervisor	Kern County
Bob Elliott, Supervisor	San Joaquin County
J. Steven Worthley, Supervisor	Tulare County

3. PUBLIC HEARING FOR REVIEW AND COMMENT ON THE DISTRICT'S 2014-15 RECOMMENDED BUDGET - Seyed Sadredin, Executive Director/APCO, explained this was the first of two Public Hearings required by law to adopt the District's 2014-15 Recommended Budget. He explained the purpose of today's hearing was to allow the public the opportunity to comment on the Recommended Budget. He thanked the members of the Board's Ad Hoc Subcommittee for Budget and Finance, consisting of Supervisor Barba, Councilmember Bomprezzi, Mayor Brazil, Dr. Capitman, Supervisor Case McNairy, Chairman Walsh, and Supervisor Wheeler.

Mr. Sadredin explained as in previous years, this year's budget was developed using the zero-based budgeting approach. He noted the resources contained in the budget will enable the District to continue to provide excellent customer service, expedited processing of permit applications, and fulfill all state and federal mandates in a timely fashion. Budget highlights included:

- No fee rate increase
- No increase in total number of positions – additional workload absorbed through efficiency and streamlining
- 7% salary savings through position control
- \$156 million in funding for incentive grants for wide range of emission reduction projects (\$30 million increase from last year)
- Over \$8.7 million in Community Incentives for Valley residents
- \$300,000 for Valley-specific scientific studies
- \$6 million in funding for technology advancement
- Continued assistance to local municipalities in meeting clean-air and climate change mandates
- Continue work on automation of District's air monitoring network
- Strong public education and outreach
- Balanced budget with adequate reserves and contingencies

Mr. Sadredin shared information on the District's previous year accomplishments, the guiding principles used by staff to develop the 2014-15 Recommended Budget and information on the District's outlook for next year, in addition to summary highlights of the information included in the Budget. He then introduced Morgan Lambert, Deputy APCO, who provided details on the added workload for the next budget year. Dave Warner, Deputy APCO, presented information on efficiency and streamlining measures in place to absorb the added workload without additional resources. In addition, Samir Sheikh, Deputy APCO, shared information on the District's spending plan for the Incentives Program. Lastly, Mehri Barati, Administrative Services Director and Charlie Hemphill, Accounting Manager, provided detailed information on the District's Budget documents and the strict guidelines that must be followed while staff is preparing the Budget.

Supervisor Walsh asked if the estimated actual expenditures included Fiscal Year 2013-14 numbers. Mr. Sadredin responded the numbers are actual expenditures, not estimates.

Councilmember Barwick left at 9:53 a.m.

Supervisor Case McNairy asked how the District's energy efficiency approach relates to air pollution. Mr. Sadredin responded that energy efficiency will reduce fuel combustion and thereby reduce air pollution. For example, he explained with ag pumps, if a way to improve irrigation and pump efficiency can be found, the result will be less fuel burned along with fewer emissions. Supervisor Walsh asked if installing air monitors near roadways is related to possible future monitoring of mobile sources. Mr. Sadredin responded this is a federal mandate from EPA.

With regard to the streamlining and efficiency measures District staff has put in place, Mr. Sadredin thanked the Board for their vision and for providing the resources needed to achieve automation. Supervisor Walsh asked if the Chair's signature will be included in the District's proposed Electronic Signature process. Mr. Warner responded affirmatively.

Supervisor Walsh left at 11:51 a.m.

Supervisor O'Brien congratulated staff on a very good and thorough budget presentation, noting he had no major concerns. He asked about the difference in estimated actual expenditures of incentive funds. Mr. Sadredin responded the difference was due to ARB's inability to sell bonds and delays in funding from the state. He noted the District spends incentive funds as soon as they get them. Ms. Barati explained that the estimated actuals are based on the best information available at this time with a "true-up" action by the Board in the fall based on audited actual numbers.

Supervisor Case McNairy commented on how quickly the District is moving towards electronic transmission and automation of processes. She commended the District for being at the forefront of technology and automation. She also voiced support for the transition to smartphones for field staff. In addition, she asked if there were any changes to the school bus program this year, noting buses and diesel trucks were two huge pending issues in the Valley. Mr. Sadredin responded at the Board's direction, increased focus was placed this year on diesel trucks instead of buses. He stated the Board approved a smaller incentive funding program for school buses last year, requiring a greater match from school districts. He stated in the past typically buses were funded at 100%; however, at the Board's direction the new program required a 50% match. Mr. Sadredin said the program was oversubscribed at 400 applications received and 37 buses funded.

Dr. Sherriffs asked about staff participation numbers for alternate transportation trips. Mr. Sadredin explained that these trips, which do not generate emissions, such as biking, carpooling, vanpooling, and electric vehicles, have about a 50% staff participation rate. Dr. Sherriffs suggested promoting the District's high level of participation with other local government agencies to encourage them to do the same. Mr. Sadredin noted the District is on the Best Workplace for Commuters List and will investigate other means to increase participation by local agencies.

Dr. Sherriffs asked for a brief explanation of the Public Benefits Grants program. Mr. Sadredin explained when the Board adopted the \$12 DMV fee one of the commitments they made was to find a way to give some of that money back to the community in a manner that would benefit Valley residents directly. At the Board's suggestion, staff targeted local government agencies that provide services to the public, and who may have to cut back services to the community during times of economic distress. He said the current focus is on mass transit projects and other vehicle fleet turnovers that will benefit those communities and help local governments with limited resources. Dr. Sherriffs commented the District's support for what municipalities, counties and COGs are doing for SB375 is very important. He said the District needs to be an advocate to help those communities. He noted the Metropolitan Planning Agencies must make a case for public health and not just greenhouse gases reduction to take advantage of the District's grant opportunities.

Mayor Brazil congratulated Mr. Sadredin and staff for doing a great job on the Budget presentation, noting it was very detailed and included a lot of information. He commented it was great to give the public the opportunity to see how detailed the District's Budget is and how much work goes into it.

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

- Dennis Tristao, Citizens Advisory Committee

Councilmember Baines made a motion to set June 19, 2014 for the Public Hearing to consider adoption of the District's 2014-15 Recommended Budget.

Moved: Baines

Seconded: Barba

Ayes: Baines, Barba, Bomprezzi, Brazil, Case McNairy, Hanson, O'Brien, Sherriffs, Wheeler

Nays: None

Motion unanimously carried to set June 19, 2014 for the Public Hearing to Consider Adoption of the District's 2014-15 Recommended Budget

ADJOURN

Meeting adjourned at 12:08 p.m.

The next scheduled meeting of the Governing Board is: Thursday, June 19, 2014. 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.