

## 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, January 16, 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 9:05 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
David Couch, Supervisor**	Kern County
Bob Elliott, Supervisor*	San Joaquin County
Harold Hanson, Councilmember**	City of Bakersfield
William O'Brien, Supervisor*	Stanislaus County
Dr. Alexander Sherriffs	Appointed by Governor
Hub Walsh, Supervisor, <b>Chair</b>	Merced County
Tom Wheeler, Supervisor, <b>Vice Chair</b>	Madera County
J. Steven Worthley, Supervisor	Tulare County

\* Attended meeting in Northern Region Office

\*\*Attended meeting in the Southern Region Office

3. RECOGNITION OF THE OUTGOING CHAIR, COUNCILMEMBER BARWICK – Supervisor Walsh recognized Councilmember Barwick, outgoing Governing Board Chair, thanking him for doing a great job running the Board meetings and successfully integrating his sense of humor with the important business at hand. Councilmember Barwick stated his experience as Board Chair has changed his attitude toward air quality issues in the Valley. He commented it has been a great pleasure working with Mr. Sadredin, the Governing Board, and District staff.

He introduced his wife, Mary Jane Barwick, who was seated in the audience. He also thanked everyone for their confidence in his Chairmanship.

Public Comment: None

4. APPROVAL OF CONSENT CALENDAR – (Item Numbers 15 – 21) *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, DECEMBER 19, 2013
  16. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2014
  17. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR DECEMBER 2013
  18. RECEIVE AND FILE BUDGET STATUS REPORT AS OF DECEMBER 31, 2013
  19. APPOINT MEMBER TO THE DISTRICT'S ENVIRONMENTAL JUSTICE ADVISORY GROUP
  20. CONTRACT FOR EXECUTIVE DIRECTOR/APCO
  21. CONTRACT FOR DISTRICT COUNSEL

Public Comment: None

Moved: Worthley

Seconded: Barwick

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

Nays: None

***Motion unanimously carried to approve Consent Calendar Items 15-21.***

5. PUBLIC COMMENT: *The following persons provided comment at this meeting:*
  - Ray Sweidy
  - Christopher Breedlove
  - Cesar Campos, FERN
  - Sam Chaney, We Are Change Fresno TV

6. S.T.A.R RECOGNITIONS (Service, Teamwork, Attitude, Respect) – Adriana Myovich, Director of Personnel, gave the presentation on this item which formally recognized District employees who reached a service milestone during the fourth quarter of 2013 as follows:

**Five Years of Service**

Eden Estrada, Air Quality Field Assistant  
Carol Flores, Operations Support Supervisor  
David Lighthall, Health Science Advisor  
Ruben Ibarra, Air Quality Field Assistant  
Thom Maslowski, Air Quality Engineer II  
Kristopher Rickards, Senior Air Quality Engineer  
Christina Sharp, Air Quality Specialist II  
Lisa Van de Water, Air Quality Specialist II  
Tim Van Dyne, Senior Network Systems Analyst

**Ten Years of Service**

Jo Mikelyn Esposito, Air Quality Inspector II

**Fifteen Years of Service**

Richard Edgehill, Air Quality Engineer II  
Nick Peirce, Supervising Air Quality Engineer  
Chay Thao, Senior Air Quality Engineer

**Twenty Years of Service**

Ken Pretzer, Director of Information Systems

7. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Lee Smith, the newly-elected Citizens Advisory Committee Chair (representing the Environmental Interest Group) gave this presentation on highlights from the CAC meeting of January 7, 2014. In addition to his election, Mr. Smith reported that Sarah Sharpe, representative from Fresno County was elected to serve as vice-chair.

Mr. Smith also reported the CAC received a presentation from Tom Jordan, District Senior Policy Advisor, on the District's 2014 Legislative Platform as approved by the Governing Board in December. He also reported that Derek Williams, EJAG Chair, provided an update on recent EJAG activities. These included receiving a presentation on the District's Truck Voucher and Proposition 1B incentive programs, and the upcoming deadlines for the State Truck and Bus Regulation. He reported EJAG voted to support CAC proposals as described by District staff for providing more incentive funding, more outreach, and more time to small truck fleet operators working to comply with the State regulations.

8. REVIEW AND PROVIDE COMMENT ON THE DRAFT “2013 ANNUAL REPORT TO THE COMMUNITY” – Mr. Sadredin stated in response to the Board’s direction to improve the District’s communication means and methods to the public, staff has continued to develop the District’s Annual Report to the Community, which is an easier to understand version of the air quality issues before the District and a report card of District activities throughout the year. He and Jaime Holt, Chief Communications Officer, led the Board members on a review of the 2013 Draft Annual Report.

Supervisor Worthley asked for information on PM2.5 and precursor levels to be made easier to understand. Mr. Sadredin responded affirmatively. Supervisor Worthley stated it was a very good report. He suggested including additional information on the ARB Truck Rule, noting although mobile sources are not within the District’s jurisdiction, the regulations will dramatically impact the Valley’s economy. Supervisor O’Brien commented the report was really good and that he supported Supervisor Worthley’s comments. Supervisors Couch and Case McNairy voiced agreement with Supervisor Worthley’s suggestion. Supervisor Case McNairy added it was an excellent report.

Public Comment – None

Supervisor Walsh summarized the Board members’ direction to highlight the Board’s position on the Truck Rule. Mr. Sadredin suggested adding a page to the Annual Report with a side-by-side article containing the District’s recommendations for the Truck Rule. He noted ARB has given a 6-month extension to truckers and stated so far, approximately 2200 Valley truck owner operators have applied for incentive funds from the District, with funding available for only 20% of them. Supervisor Case McNairy stated there are probably a lot of truckers that do not have the means to apply. Councilmember Barwick voiced concern over the ARB Truck Rule. Dr. Sherriffs voiced support for Mr. Sadredin’s suggestion and gave a summary report of current numbers regarding the Truck Rule stating they are at a crossroads and ideas are welcomed. Supervisor Elliott suggested making it more clear that mobile sources of emission are beyond the District’s control, however the District will continue to push ARB to make changes in ways that do not cause economic devastation in the Valley. Councilmember Baines thanked Supervisor Worthley for bringing attention to this issue and Dr. Sherriffs for his explanation from the ARB standpoint. He asked if staff has contemplated a solution for this issue. Mr. Sadredin commented the ARB Board will consider a set of amendments to the Rule in April. The Board directed staff to return at a future meeting with specific recommendations to ARB for addressing local concerns with the state’s Truck Rule implementation.

*The Governing Board adjourned for a brief recess at 10:43 a.m.  
The Governing Board reconvened at 10:50 a.m.*

9. RECEIVE AND FILE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND

SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013 –

Mehri Barati, the District's Administrative Services Director, stated over the course of the last several years, the District has been successful in bringing hundreds of millions of dollars in state and federal funds that are reinvested in Valley communities to reduce air pollution. She explained in exercising its fiduciary responsibilities, the District places a high priority on public accountability and transparency. Towards that end, she explained the District's finances are audited annually by an independent accounting firm. Ms. Barati introduced Fausto Hinojosa, CPA, of Price, Paige, and Stewart, who presented the results of a recent independent audit of the District's financial statements and federal awards programs. He explained the purpose of the audit was to assure that District financial statements conformed to strict governmental standards and that all federal dollars were spent in accordance with program requirements. He reported the District received the highest possible scores with no need for corrections and maintained its status as a federal low-risk auditee.

Dr. Sherriffs commended staff for a job well done. He asked if there were any suggestions for ways to strengthen methods for public transparency. Mr. Hinojosa stated suggestions are usually made to staff during the audit. Mayor Brazil congratulated staff for a great job. Councilmember Barwick also commended staff for a great job. Supervisor Walsh thanked staff for the great work. Supervisor Case McNairy asked for additional elements to ensure transparency regarding the pension standards. Mr. Hinojosa responded there is a new GASB regarding pension standards which will be implemented for the District in 2015. Mr. Sadredin reported Kern County Employee Retirement Association (KCERA) is in process of assessing and reporting the District's specific unfunded liability.

Public Comment – None

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

***Motion unanimously carried to receive and file the Comprehensive Annual Financial Report and Single Audit Report for the Fiscal Year ended June 30, 2013.***

*Councilmember Barwick left at 11:10 a.m.*

*Councilmember Hanson left at 11:17 a.m.*

*Supervisor Elliott left at 11:35 a.m.*

10. REVIEW AND APPROVE AMENDMENT TO BUDGET ADJUSTMENT AND REPORTING APPROACH – Mr. Sadredin stated this item is in keeping with the District's core value of continuous improvement and in response to issues raised

by Supervisors Case McNairy and O'Brien at the November 14, 2013 meeting. He noted the following staff recommendations will improve the District's transparency in regards to its budget adjustment and reporting approach:

1. For the District's "Non-Operating" budgets, continue to use the budgeting approach where unused appropriations lapse at the year-end and are re-budgeted, at the Board's discretion, in the next year's annual budget. Prior-year encumbrances are re-budgeted automatically. The true-up budget adjustments (revenues and appropriations), based on the year-end closing actuals, are presented to your Board to review and approve.
2. For the District's "Operating" budgets, use the budgeting approach where unused and unencumbered appropriations lapse at the year-end. All unused revenues will be transferred to the appropriate reserve or fund balance. Expenses that are encumbered in a given budget year will be considered spent and will not be added to the next year's appropriations.
3. Approve and authorize Chair to sign a Resolution amending the District's 2013-14 Adjusted Budget to reverse the November 14, 2013 amendment and decrease the Operating Budget from \$45,863,661 to \$43,955,896.

Dr. Sherriffs asked if these recommendations create a challenge for the audit. Ms. Barati responded they would not. Supervisor Case McNairy stated she appreciated staff's work on this item, noting it would make the information clearer for the public. Supervisor O'Brien commented that he supported the recommendations.

Public Comment: None

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

***Motion unanimously carried to review and approve Amendment to Budget Adjustment and Reporting Approach.***

*Councilmember Barwick left at 11:10 a.m.*  
*Councilmember Hanson left at 11:17 a.m.*

11. VERBAL REPORT ON SEVERE WEATHER CONDITIONS – Samir Sheikh, Strategies and Incentives Director, reported absent the extreme weather conditions, the Valley was set to have its cleanest winter on record. He noted although emissions that cause particulate matter and smog in the Valley are at record lows, the abnormal weather conditions we are experiencing have led to higher pollution concentrations in the Valley and throughout California.

Mr. Sheikh introduced Jon Klassen, Supervising Air Quality Specialist, who noted the atmospheric conditions experienced in the Valley and throughout California which have led to stagnation and a lower than usual inversion level, over the past several weeks, are exceptional weather conditions not seen in modern history. He reported Winter 2013-14 was the driest year on record with severe prolonged stagnation, strong surface-based temperature inversions, and cold overnight temperatures with unseasonably warm afternoon highs. Mr. Klassen stated the District's residential wood burning rule (Rule 4901) helped reduce particulate matter concentrations by as much as 30 percent. He noted however, these extreme conditions overwhelmed strong air pollution control measures.

Mr. Sheikh stated barring recognition by EPA of these extreme weather conditions as "exceptional events", the Bay Area, other coastal regions, and Sacramento will be deemed nonattainment for the first time. More importantly, he noted the District may not be able to show attainment by the 2015 deadline for the PM 2.5 standard. In addition, Ms. Holt gave an overview of the District's outreach efforts relating to these conditions.

Supervisor Case McNairy commented on wood burning during the current extreme drought conditions and asked for available statistics. She noted the overwhelming smoke experienced when wood burning is prohibited and suggested perhaps a wood burning emergency ban could be declared. Mr. Sadredin responded staff would report back to the Board on current statistics after the current wood burning season is over. He noted the Board would need to amend the wood burning rule, utilizing the public process, to gain additional authority over this issue.

Mayor Brazil asked how aircraft and locomotive emissions impact the Valley's air quality. Mr. Sadredin responded aircraft emissions are mostly at high elevations and only impact air quality during takeoffs and landings. He noted the District has no jurisdiction over these emissions. He stated locomotive emissions make up approximately 10% of NOx emissions in the Valley, and the Board has made some investment in locomotive replacement fundings. He stated staff is currently working with South Coast AQMD to look into the possibility of jointly funding some of these long-haul locomotive engine replacements. Dr. Sherriffs commended Mr. Klassen on his presentation to the Board. He suggested perhaps the Board should consider restricting the use of blowers and drive through windows on bad air quality days. Councilmember Bomprezzi suggested taking a look at amending the wood burning rule to allow fewer wood burning days under exceptional weather conditions. Councilmember Bomprezzi also suggested limiting the number of drive through windows allowed in future commercial development. Supervisor Wheeler commented on the number of illegal burns he observed during a recent weekend.

Supervisor Worthley commented the Board needs to be very cautious about changing policies based on extraordinary weather events. Supervisor Walsh suggested drafting a letter to the Governor suggesting he declare a drought

emergency in the Valley. He also noted it strengthens the Boards position to report that the Board is looking at tightening policies and rules during extraordinary events. Mr. Sadredin stated staff could approach this in the context of the upcoming PM2.5 Plan or as a separate consideration by the Board, outside of the federally enforceable mandates. Supervisor Worthley commented that stakeholders need to be engaged in this process and the Board should proceed with caution. Mr. Sadredin suggested additional discussion of this item at the Board Study Session in May, to provide direction to staff on the best way to address these issues. The Board directed staff to place an item on the upcoming Governing Board Study Session agenda for discussion and possible action.

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

- Shirley Batchman, California Citrus Mutual

*Supervisor Elliott left at 11:35 a.m.  
Councilmember Baines left at 11:50 a.m.*

12. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs gave a report on highlights from the ARB Board meeting of December 12, 2013, including the Board adopted new optional standards for oxides of nitrogen emissions from heavy duty trucks. In addition, he reported the Board approved new greenhouse gas emissions standards and amended tractor/trailer greenhouse gas regulations for medium and heavy duty trucks. He also stated they amended the Anti-Idling Rule to allow for fining of trucking companies and motor carriers. Lastly, he reported the Board approved \$5.3 million in research to support air quality, public health, and climate change planning efforts.
13. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin stated the Board Study Session is tentatively planned for the first week of May, in Bass Lake. He also reported the Governor is interviewing candidates for the vacant Governor Appointee on the Board and that he expects an appointment soon. Mr. Sadredin commented that Ken Pretzer, ITS Director after 20 years of service to the District, would be retiring at the end of next week. He thanked Mr. Pretzer for all of the hard work, vision and integrity he demonstrated throughout his career at the District. Mr. Sadredin introduced Imtiaz Haq, the District's new ITS Director. Mr. Sadredin also thanked the Board for his evaluation and the kind words and commendations he received.
14. GOVERNING BOARD MEMBER COMMENTS – Dr. Sherriffs commented on the increased use of the District's electric vehicle charging stations. Mr. Sadredin reported there were now over 20 employee-owned electric vehicles in the Central Region.



**ADJOURN**

Meeting adjourned at 12:35 p.m.

*The next scheduled meeting of the Governing Board is: Thursday, February 20, 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.*