

## 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, March 17, 2016**  
**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, Councilmember Baines, 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, <b>Chair</b> | City of Fresno        |
| Dennis Brazil, Mayor*                             | City of Gustine       |
| John Capitman, Ph.D.                              | Appointed by Governor |
| David Couch, Supervisor**                         | Kern County           |
| Bob Elliott, Supervisor*                          | San Joaquin County    |
| Virginia R. Gurrola, Councilmember**              | City of Porterville   |
| Harold Hanson, Councilmember**                    | City of Bakersfield   |
| Buddy Mendes, Supervisor, <b>Vice Chair</b>       | Fresno County         |
| William O'Brien, Supervisor*                      | Stanislaus County     |
| Craig Pedersen, Supervisor                        | Kings County          |
| Dr. Alexander Sherriffs                           | Appointed by Governor |
| Hub Walsh, Supervisor*                            | Merced County         |
| Tom Wheeler, Supervisor                           | Madera County         |
| J. Steven Worthley, Supervisor                    | Tulare County         |

\* Attended meeting in Northern Region Office

\*\*Attended meeting in the Southern Region Office

3. APPROVAL OF CONSENT CALENDAR – (Item Numbers 13 – 16): *These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public was given the opportunity to comment on any consent item.*

13. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, FEBRUARY 18, 2016
14. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2016
15. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR FEBRUARY 2016
16. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF FEBRUARY 29, 2016

Public Comment: None

*Moved:* Wheeler  
*Seconded:* Pedersen  
*Ayes:* Brazil, Capitman, Couch, Elliott, Gurrola, Hanson, Mendes, O'Brien, Pedersen, Sherriffs, Walsh, Wheeler, Worthley, Baines  
*Nays:* None

***Motion unanimously carried to approve Consent Calendar Items 13 – 16***

4. PUBLIC COMMENT – None
5. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Manuel Cunha, Citizens Advisory Committee (CAC) Chair, reported on highlights from the CAC meeting on March 1, 2016 including: Seyed Sadredin, Executive Director/APCO, provided detailed updates to members on the legislative effort to modernize the Clean Air Act, including a trip to Washington D.C. to host a Congressional Briefing; a meeting with Richard Corey, Executive Officer of the California Air Resources Board, to discuss concerns raised by CAC members regarding 2016 compliance deadlines and reporting under the state Truck and Bus Regulation; and an upcoming Voluntary Emission Reduction Agreement with Tejon Ranch.

In addition, Mr. Sadredin provided information regarding the District's efforts to compel the federal government to reduce emissions from sources under its jurisdiction. Lastly, Mr. Sadredin reviewed the draft 2016 Environmental Justice Advisory Group (EJAG) Goals, Objectives, and Action Plan with CAC members who supported the items as presented.

Public Comment - None

6. DISTRICT'S ANNUAL AIR TOXICS REPORT FOR THE YEAR 2015 – Dave Warner, Deputy APCO, presented the District's Annual Air Toxics Report for the

Year 2015. He explained the California Health and Safety Code required the District to prepare and distribute an annual report describing the implementation of the state's AB 2588, Air Toxic Hot Spots Information and Assessment Act. The Hot Spots program is only one part of the District's comprehensive program to regulate air toxics. To achieve maximum efficiency and effectiveness, the District operates an integrated air toxics program that harmonizes local, state, and federal mandates.

He reported the District's implementation of AB 2588 has resulted in dramatic reductions in emissions of air toxics from existing sources in the San Joaquin Valley. Under this right-to-know law, the District has worked with 5,700 Valley facilities to quantify emissions of air toxics, determine the health risk caused by those emissions, report emissions and any significant risks through written public reports and public neighborhood meetings, and take steps to reduce such risks. As a result of these efforts, since 2007 there have been no Valley facilities posing a significant risk under the Hot Spots program, while at the beginning of the implementation of the program in 1989, 16 facilities were classified as "Significant Risk Facilities".

The District's health risk assessment processes were updated July 1, 2015, to implement revisions to state guidance on performing health risk assessments, triggering a new round of risk analyses under the Air Toxics Hot Spots program. The District's revised guidance was designed to follow the Governing Board's direction to implement all of the state's recommendations designed to provide enhanced protection of children, and the public overall, while maintaining the public's right-to-know about air toxics risk in their neighborhoods and preventing unreasonable restrictions on permitting actions.

Supervisor Worthley thanked Mr. Warner for the great report and said it was good to hear that the District has been able to implement the more stringent standards without affecting Valley businesses. He asked if it was possible to add actual emissions to the chart showing the reduction in health risk, as it would be helpful to show to the public the actual reduction in emissions to reassure them of the progress made in the Valley. Mr. Warner responded affirmatively. Supervisor Wheeler voiced agreement with Supervisor Worthley's comments.

Dr. Sherriffs voiced appreciation for the great report and said he was pleased to see the District has taken the calculations that increased risk while ignoring the ones that would lower risk in terms of the new state methodology to enhance their health protective work in the Valley. He said it is not just the facilities but the cumulative effects that are very important, which is one reason why a graph such as this is reassuring in terms of the progress that the District has made. He commented this is a very effective program whose strengths are very important. Supervisor Pedersen asked about the most challenging air toxics in the Valley. Mr. Sadredin responded that diesel particulate is the source of the largest portion of statewide and regional health risk. Dr. Sherriffs commented that 90 percent of the cancer risk experienced by Valley residents is from diesel particulate.

Supervisor Elliott asked for clarification of the terms significant risk and high risk facilities. Mr. Sadredin responded that significant risk is defined as 10 in one million and high risk is 100 in one million. He said in the Valley there are currently no high risk facilities. Supervisor Elliott voiced appreciation for this report and the fact that the implementation of the new guidelines has not resulted in adverse impact on Valley businesses.

Councilmember Gurrola asked about the public notification process for significant risk facilities. Mr. Sadredin responded significant risk facilities do require notification to the public. For facilities with significant risk the District intends to hold public meetings, inviting residents within the area that would be impacted by the source and take their comments and address their concerns.

Councilmember Baines thanked staff for the report saying it was very well done and he was very pleased to see that the District is still taking an aggressive, health protective approach, which is very important. He said the District does a very fine job of balancing the needs of businesses while also ensuring they do not outweigh the safety of the public.

Public Comment: None

*Moved:* Mendes  
*Seconded:* Worthley  
*Ayes:* Brazil, Capitman, Couch, Elliott, Gurrola, Hanson, Mendes, O'Brien, Pedersen, Sherriffs, Walsh, Wheeler, Worthley, Baines  
*Nays:* None

***Motion unanimously carried to receive and file the District's Annual Air Toxics Report for the Year 2015.***

7. APPROVE COMMUNITY BENEFIT AGREEMENT WITH WOODSIDE 06N LP AND BOLTHOUSE PROPERTIES, LLC TO RECEIVE FUNDS TO MITIGATE GREENHOUSE GAS IMPACTS FROM THE STOCKDALE RIVER RANCH PROJECT – Mr. Warner explained the Stockdale River Ranch project (also known as the Stockdale Ranch Project), proposed by Woodside 06N LP and Bolthouse Properties LLC (collectively, Bolthouse), encompasses 565 acres and includes up to 2,900 single family residential homes and condominiums in Bakersfield. The City of Bakersfield served as Lead Agency for the project under the California Environmental Quality Act (CEQA) and prepared and certified an Environmental Impact Report (EIR) to satisfy the requirements of CEQA. Upon certification of the EIR, the Sierra Club filed a lawsuit, claiming the project failed to adequately address greenhouse gas (GHG) emission impacts.

Mr. Warner said as a result of the litigation the Sierra Club and Bolthouse entered into a settlement agreement, which required the payment of a fee associated with the transfer of each residence constructed within Stockdale River

Ranch. The fee is to be used to reduce GHG emissions. Both parties to the settlement requested that the District implement the settlement by using developer funding to generate GHG emission reductions through the District's well-respected emission reduction incentive grant programs. If the proposed Community Benefit Agreement between the District and Bolthouse is approved by the Board, Mr. Warner said the District will utilize the revenues to fund emission reduction projects that not only reduce GHG emissions but also help improve public health through reductions of toxics and/or criteria air pollutants. He gave examples of how these funds may be utilized to reduce emissions, including:

- Grants to Valley residents to replace fireplaces and non-certified wood burning stoves with clean-burning EPA certified units
- Grants to Valley businesses and municipalities to electrify or replace existing diesel-powered off-road equipment
- Grants to Valley businesses and municipalities to electrify or replace older, high-emitting trucks
- Grants to Valley residents through the District's Tune-In-Tune-Up program to repair older high-polluting vehicles
- Grants to Valley residents to purchase electric vehicles

Supervisor Pedersen asked if there was an estimate of the percentage of the number of residences that would be transferred. Mr. Warner responded the developer has estimated a 7-year average between the transfers of homes. Supervisor Worthley commented on the lack of affordable housing in California, noting fees such as these, although they are not mandated by the District, also contribute to the increase in the price of homes. Supervisor Mendes commented this agreement will bring in \$1.45 million off the initial sales, and agreed this is one reason why housing is becoming more expensive.

Councilmember Hanson said clean air and healthy living is important, but to him this agreement represents \$8 million taken out of the economy. Dr. Sherriffs asked why the developer did not ask for a VERA instead of a Community Benefit Agreement and commented that this money is being put back into the economy into cleaner developments. Mr. Sadredin responded this developer already entered into a VERA with the District in 2007 and this Community Benefit Agreement is in addition to the VERA and was the result of the lawsuit filed by the Sierra Club. He also pointed out that the short-lived carbon pollutants that come from fireplaces not only affect the health of Valley residents but also climate change and are an area that needs greater focus. He said this is one of the potential areas of expenditure for these funds. Dr. Sherriffs suggested investing locally near the source of these funds, perhaps in electric vehicle infrastructure. Dr. Capitman suggested exploring the economic impacts of the District's incentive programs, saying he believes they have significant multiplier effects and attract additional economic opportunity rather than being money that is lost.

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

- Dolores Weller, CVAQ
- Manuel Cunha, Nisei Farmers League

*Moved:* Couch

*Seconded:* Worthley

*Ayes:* Brazil, Capitman, Couch, Elliott, Gurrola, Hanson, Mendes, O'Brien, Pedersen, Sherriffs, Walsh, Wheeler, Worthley, Baines

*Nays:* None

***Motion unanimously carried to approve Community Benefit Agreement with Woodside 06N LP and Bolthouse Properties, LLC to receive funds to mitigate greenhouse gas impacts from the Stockdale River Ranch project.***

8. SET DATES AND AGENDA FOR THE MAY 2016 GOVERNING BOARD STUDY SESSION FOR EDUCATIONAL AND STRATEGIC PLANNING PURPOSES -

Mr. Sadredin said the Governing Board Study Session is a Brown Act compliant meeting designed to provide for a fuller, but less formal, exchange and a more relaxed dialogue amongst the Governing Board members, District staff, and members of the public in attendance. He proposed May 4 and 5, 2016 as dates for the 2016 Study Session at Bass Lake, and reviewed potential agenda topics including:

1. District's Emission Reduction Credit Program
2. Air Resources Board's Oil and Gas Greenhouse Gas Reduction Regulation
3. Employer Based Trip Reduction (eTRIP)
4. STAR Video
5. District's Succession Planning Efforts
6. Update from SJVAPCD Employee's Association
7. Healthy Soils Initiative
8. Clean Air Act Modernization Update
9. District's Means and Methods for Advocacy and Education at the State and Federal Level
10. Combine Home Weatherization/Energy Efficiency with Burn Cleaner
11. Technology Advancement Program
12. Update on Implementation of Hot Spots Approach Within Plans
13. Use of Incentive-Based Control Measures in Upcoming Ozone and Particulate Matter Attainment Plans
14. New Focus Area for District's Public Benefit Grants

Supervisor Wheeler suggested adding an item on tree mortality and the District's prescribed and hazard reduction burning regulations. Supervisor Worthley agreed with Supervisor Wheeler's suggestion and noted the concentration and acute nature of wildfire smoke and its corresponding health impacts are very

different than the same amount of emissions from vehicles over the course of a year. He also suggested providing an update on the success rate of the District's Technology Advancement program during item number 11. Supervisor Pedersen asked if potential solutions to address the lack of biomass plants would fall under funding for the District's Technology Advancement Program. Mr. Sadredin suggested it might be good to include as part of an item on the tree mortality epidemic. Upon consensus of the Board, Councilmember Baines added an item on tree mortality and biomass to the Study Session agenda.

Public Comment: None

*Moved:* Pedersen  
*Seconded:* Baines  
*Ayes:* Brazil, Capitman, Couch, Elliott, Gurrola, Hanson, Mendes, O'Brien, Pedersen, Sherriffs, Walsh, Wheeler, Worthley, Baines  
*Nays:* None

***Motion unanimously carried to set May 4 and 5, 2016 as the dates for the 2016 Governing Board Study Session and to add an item on tree mortality and biomass to the Study Session agenda.***

9. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reported on highlights from the meeting of February 18, 2016, including that the Air Resources Board heard an informational update on the Aliso Canyon methane leak and ARB staff's preparation of a climate impacts mitigation program pursuant to the Governor's January 6, 2016 Proclamation concerning the incident. In addition, the Board heard an update on ARB staff's development of proposed amendments to the Advanced Clean Transit Rule. This update included information on establishing an advanced clean transit workgroup and a summary of outcomes from staff's advanced transit technology symposium.

He also reported on upcoming matters before the Board, including that the Board is expected to hear an update on a new regulatory effort, scheduled for late 2016 adoption, to reduce GHG emissions from the oil and gas production and processing industries by establishing a series of operating practices, equipment design standards, and control strategies; ARB staff is expected to present to the Air Resources Board for their consideration proposed amendments to the AB 2588 Air Toxics Hot Spots Emission Inventory Criteria and Guidelines Regulation and Fee Regulation to address changes to the OEHHA risk guidelines; and in late 2016 the Air Resources Board will hear and consider adoption of amendments to the fleet rule for transit agencies to achieve additional Particulate Matter, Nitrogen Oxide, and Greenhouse Gas emissions reductions from transit fleets.

10. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin reported the Request For Proposals (RFP) for the District's Public Benefit Grant program for

alternative fuel infrastructure projects had been opened for three months and the District received proposals for \$9 million in the Central Region, \$4 million in the Southern Region and one proposal for \$3 million in the Northern Region. In order to seek increased participation, especially in the Northern Region, he reported the District plans to reopen the RFP until April 18, 2016, and said he will send an email notification asking Board members to share this extended deadline with their constituents and other interested parties.

He reported that the District's Check Before You Burn program that started in November and ended on February 29<sup>th</sup> was highly successful. This year the Valley enjoyed its best season on record. For the first time ever, there were zero unhealthy days during the winter season and the Valley had the lowest number of days ever exceeding the 35 µg/m<sup>3</sup> 24-hour PM2.5 Standard.

Regarding the District's Federal Clean Air Act Modernization proposal, he reported that he presented the Board's proposal to the District's CAC and EJAG members, and worked to increase pressure on the District's congressional representatives to pursue needed legislation. He reported the proposal received almost universal support from all groups at CAC and EJAG with most expressing the desire to offer full support for the District's proposal. In addition, Mr. Sadredin reported he, Councilmember Baines, Supervisor Mendes, and Supervisor Worthley were invited to speak at a congressional briefing in Washington, DC, and also met with the top congressional leaders of the Energy and Commerce Committee which has full jurisdiction over this matter. Mr. Sadredin said he was happy to report that legislation will be introduced with high level congressional support, with likely prospects for passage in the House of Representatives which will include a number of provisions from the District's Clean Air Act Modernization proposal. He said he may be invited to return to Washington, D.C. to testify before Congress in April and suggested it would helpful to have some Board members attend as well.

11. GOVERNING BOARD MEMBER COMMENTS – Supervisor Worthley commented that the trip to Washington, DC was a successful as the Committee was very open to the District's suggestions and took them almost wholesale into their recommended legislation. He said he received a phone call from Congressman McCarthy's office indicating that the Congressman was planning to co-sponsor the legislation and asking for the Board's support. In addition, he said Congressman Valadao's office arranged for the District's contingent to meet with 20 staffers from various Congressional offices across the country that share the District's concerns regarding the nation's air quality standards.

Supervisor Mendes commented that Mr. Sadredin is very well respected in Washington, DC, and is a great spokesman for what has been done and what needs to be done regarding the nation's air quality standards. He also complimented Supervisor Worthley for his extensive air quality knowledge and efforts. Councilmember Baines commented this was an exceptional trip, the group was well received and much progress was made toward modernization of



the Clean Air Act. Supervisor Mendes thanked Congressman Valadao's office for their responsiveness and efforts to make this legislative trip a success.

12. **CLOSED SESSION** – Annette Ballatore-Williamson, District Counsel, announced that the Board, having met in Closed Session, took action unanimously on Closed Session item number 1, HPS Mechanical, Inc. v. Biogas & Electric, LLC, and approved the settlement offer proposed by the Plaintiff in that case to dismiss with prejudice, mutual waiver of costs and waiver of their attorney's fees.

Public Comment: None

**ADJOURN**

Meeting adjourned at 11:14 a.m.

*The next scheduled meeting of the Governing Board is: Thursday, April 21, 2016. The 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.*