

GOVERNING BOARD

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Supervisor, Merced County

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Supervisor, Madera County

J. Steven Worthley
Supervisor, Tulare County

DATE: June 16, 2016

TO: SJVUAPCD Governing Board



FROM: Seyed Sadredin, Executive Director/APCO
Project Coordinator: Michelle L. Franco

RE: **ITEM NUMBER 20: APPROVE ACTION SUMMARY
MINUTES FOR THE SAN JOAQUIN VALLEY
UNIFIED AIR POLLUTION CONTROL DISTRICT
SPECIAL PUBLIC HEARING: REVIEW OF 2016-17
RECOMMENDED BUDGET ON THURSDAY, MAY
19, 2016**

RECOMMENDATION:

Approve the attached Action Summary Minutes.

DISCUSSION:

The following Action Summary Minutes summarize the San Joaquin Valley Unified Air Pollution Control District Special Public Hearing: Review of 2016-17 Recommended Budget on Thursday, May 19, 2016.

Seyed Sadredin
Executive Director
Air Pollution Control Officer

Northern Region Office
4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400 • FAX (209) 557-6475

Central Region Office
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-6000 • FAX (559) 230-6061

Southern Region Office
34946 Flyover Court
Bakersfield, CA 93308-9725
(661) 392-5500 • FAX (661) 392-5585

Attachment:

Action Summary Minutes, SJVUAPCD Special Public Hearing: Review of 2016-17 Recommended Budget on Thursday, May 19, 2016 (5 pages)

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 2016-17 RECOMMENDED BUDGET

Thursday, May 19, 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 9:03 a.m.
2. ROLL CALL - was taken and a quorum was present.

Present:

David Ayers, Councilmember	City of Hanford
Oliver L. Baines III, Councilmember, Chair	City of Fresno
Dennis Brazil, Mayor*	City of Gustine
John Capitman, Ph.D.	Appointed by Governor
David Couch, Supervisor***	Kern County
Virginia R. Gurrola, Councilmember	City of Porterville
Harold Hanson, Councilmember**	City of Bakersfield
Buddy Mendes, Supervisor, Vice Chair	Fresno County
William O'Brien, Supervisor*	Stanislaus County
Tom Wheeler, Supervisor	Madera County

* Attended meeting in Northern Region Office

**Attended meeting in the Southern Region Office

***Attended meeting in the Southern Region and arrived at 9:37 a.m.

Absent:

Bob Elliott, Supervisor	San Joaquin County
Craig Pedersen, Supervisor	Kings County
Dr. Alexander Sherriffs	Appointed by Governor

Hub Walsh, Supervisor
J. Steven Worthley, Supervisor

Merced County
Tulare County

Councilmember Baines asked if anyone present at the meeting would like to make a comment on any item not included on the meeting agenda.

Public Comment – None

3. PUBLIC HEARING FOR REVIEW AND COMMENT ON DISTRICT'S 2016-17 RECOMMENDED BUDGET – Seyed Sadredin, Executive Director/APCO, explained this was the first of two Public Hearings required by law to adopt the District's 2016-17 Budget. He explained the purpose of today's hearing was to allow the public the opportunity to comment on the Recommended Budget. He thanked Supervisor Mendes, Supervisor Wheeler, Councilmember Gurrola, Supervisor Pedersen and Dr. Capitman for the guidance and oversight they provided while serving on the Board's Ad Hoc Subcommittee for Budget and Finance. He also introduced District staff who would assist with the Budget presentation, including: Morgan Lambert, Deputy APCO, who presented details on the new workload; Dave Warner, Deputy APCO, who provided information on the District's streamlining and efficiency measures to absorb the new workload, as well as staffing changes; Samir Sheikh, Deputy APCO, who shared the District's proposed Spending Plan for Emission Reduction Incentive Grants. Mr. Sadredin expressed his gratitude for all of the hard work of the District's Finance Department. He said while the District functions like a well-tuned, high performance engine, the Finance and support staff are the necessary oil in that engine. He introduced Mehri Barati, Administrative Services Director, and Charlie Hemphill, Controller, who compiled the budget documents and ensured the Board's wishes and policy priorities would be implemented with proper accounting and resources.

Mr. Sadredin provided an overview of the District's accomplishments over the past year, the guiding principles laid out by the Board for preparing the budget, and a summary of the District's financial and strategic outlook for 2016-17. As presented, the budget highlights included:

- Total operating budget down \$26,508
- Significant increase in mandated workload absorbed through efficiency and streamlining
- No increase in total number of positions
- 7% salary savings through position control
- Strong public education and outreach
- Expeditious administration and use of emission reduction incentive funds in a wide range of applications (\$150.9 million)
- \$300,000 for Valley-specific scientific studies and air quality modeling
- Continued assistance to local municipalities in meeting clean-air and

- climate change mandates
- Balanced budget with adequate reserves and contingencies

The Board took a brief recess at 9:50 a.m.

The Board reconvened at 9:55 a.m.

Councilmember Hanson said he was very proud to serve on the Governing Board, as the District is a fine organization with Mr. Sadredin as an exceptional leader and bright staff members who work very hard. He asked how it came about that other air districts routinely approach the District about providing assistance with various programs. Mr. Sadredin thanked Councilmember Hanson for his sentiments and said it is the Board's desire to ensure that the rest of the state recognizes all of the good work and the talent that is located here in the Valley. He also said he was happy to report that the District has been able to showcase this good work and talent in a number of areas, including having the best grant program in the State of California and outstanding performances in various audits. These efforts have been instrumental in building support for more resources for the Valley.

Councilmember Hanson asked about the District's many proactive measures, such as being the first air district to establish and implement new policies addressing changes in toxic risk methodology. Mr. Sadredin responded the Office of Environmental Health Hazard Assessment (OEHHA) came up with a new set of guidelines intended to increase the health protection for children. He said the Board directed staff to change permitting policies and implementation processes to implement the new guidelines, which are very protective of public health. Meanwhile, he said other air districts are still working on their plans. He noted several of them plan to copy what the District has already put in place. He recognized Dave Warner - Deputy APCO, Arnaud Marjollet - Permit Services Director, and Leland Villavazo - Supervising Atmospheric Modeler, along with other staff for their hard work on this very detailed project which was well supported by public and industry, and is protective of the health of the Valley's children while still giving flexibility to businesses to do what they need to do.

Councilmember Hanson asked about the existence of a survey for District employees. Mr. Sadredin responded that every District department conducts regular staff meetings and the first item on the agenda is a period for recognitions of the great work done by employees' coworkers and the agency. In addition, he said the District has a robust employee suggestion program, in which employees are always encouraged to look for things the District can do better in terms of their welfare and well-being as well as continuous improvement of work processes and procedures. Councilmember Hanson said District staff appeared to be the happiest employees in the world. In terms of external customer service, Mr. Hanson asked if the District conducts regular surveys. Mr. Sadredin responded that from time to time the District does survey its stakeholders and the public. He said that given the tough day-to-day business conducted by District

staff, he believes that Board members would certainly hear complaints from stakeholders or their constituents if there were issues with customer service at the District. Councilmember Hanson commented he was extremely impressed by the way the District is run, more so as an effective and efficient business, than a traditional government agency.

Supervisor Couch remarked on the surge in popularity of telemedicine, which he said is a much-needed service in the Valley and asked if any of the District's incentive programs could provide assistance. Mr. Sadredin responded it could be considered under the District's REMOVE program, which is designed to reduce vehicle traffic. He asked Supervisor Couch to have interested parties contact him.

Councilmember Hanson asked about how residents are qualified for the District's community benefit programs such as the Tune-In Tune-Up Program. Mr. Sadredin responded there is a comprehensive system of checks and balances for all District incentive programs. He said for the Tune-In Tune-Up Program vehicles are tested onsite to confirm they do not pass the smog inspection. Regarding the District's commercial lawn and garden, or Clean Green Yard Machine program, Mr. Sadredin said the contracts require the new zero emissions equipment to remain in the Valley for a specified number of years. Dr. Capitman suggested focusing future research on understanding the distribution of the benefits and burdens of regulatory and incentive efforts in the Valley from an economic perspective.

Supervisor Mendes left at 11:41 a.m.

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

- Dolores Weller, Central Valley Air Quality Coalition (CVAQ)
- Dennis Tristao, CA Safflower Growers Association

Supervisor Wheeler complimented Mr. Sadredin and staff for the great presentation. He asked about the requirement for paid registrations for the wood burning program. Mr. Sadredin said the enhancements to Rule 4901 (Wood Burning Fireplaces and Wood Burning Heaters) were designed to encourage residents to upgrade to a cleaner wood burning device, and the Board thought it would be prudent to develop a program similar to a smog check program to ensure the devices are maintained and to assist with enforcement.

Councilmember Gurrola asked about looking at alternative agricultural waste disposal options. Mr. Sadredin responded there is a need to take a comprehensive approach toward this issue. He expressed his hope that environmental groups, including CVAQ, would be willing to take a different position on legislation introduced last year that would have provided additional

funding for biomass facilities that provide cleaner alternatives for agricultural waste disposal. He said he spoke to Senator Florez, recently appointed to the Air Resources Board, who agreed this would be a good area for support from environmental organizations. Councilmember Gurrola announced that the City of Porterville recently signed an agreement with GreenPower Motor Company, who plans to build a 150,000 square foot assembly facility there for their electric-powered vehicles. She thanked District staff for their assistance on this project that will bring an additional 200 to 1,000 new competitive wage jobs to the City of Porterville.

Hearing no further comments, the Chair affirmed that the District's 2016-17 Recommended Budget was ready to be considered for adoption at the June 16, 2016 Governing Board meeting.

ADJOURN

Meeting adjourned at 12:04 p.m.

The next scheduled meeting of the Governing Board is: Thursday, June 16, 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.