

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, November 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 9:01 a.m.
2. ROLL CALL was taken and a quorum was present.

Present:

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
Bob Elliott, Supervisor*	San Joaquin 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
Craig Pedersen, Supervisor	Kings County
Dr. Alexander Sherriffs	Appointed by Governor
Hub Walsh, Supervisor*	Merced County
J. Steven Worthley, Supervisor	Tulare County

* Attended meeting in Northern Region Office

**Attended meeting in the Southern Region Office

***Arrived at 9:20 a.m.

Absent:

David Ayers, Councilmember	City of Hanford
Tom Wheeler, Supervisor	Madera County

3. RECOGNITION OF OUTGOING BOARD MEMBERS – COUNCILMEMBER VIRGINIA GURROLA AND COUNCILMEMBER HAROLD HANSON – Chairman Baines commented that this was a bittersweet moment for the Governing Board as they are losing two valuable members, Councilmember Virginia Gurrola and Councilmember Hanson. Supervisor Couch commented that he has known Councilmember Hanson for quite some time and said that he would be missed. He presented a plaque and thanked him for his years of service to the City of Bakersfield and the District’s Governing Board. Councilmember Hanson thanked the people of Bakersfield and District staff and Governing Board noting the complex nature of air quality issues facing the Valley. He also thanked Supervisor O’Brien for serving as a mentor to him during his years on the Board and thanked Mr. Sadredin and staff for their hard work to improve the Valley’s air quality.

Councilmember Baines presented a plaque to Councilmember Gurrola and thanked her for her many years of service, to the City of Porterville and the District’s Governing Board. Councilmember Gurrola thanked the Board, Mr. Sadredin and District staff for their support and dedicated efforts to improve the health and quality of life for our Valley residents. She said the Board and staff have achieved dramatic reductions in air pollution, which have prevented hundreds of cases of serious health issues and the work would continue. She commented on the drastic learning curve she experienced as a new Board member and thanked the Board and staff for all of their guidance and assistance.

4. APPROVAL OF CONSENT CALENDAR – (Item Numbers 16 – 24): *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.*

16. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, SEPTEMBER 15, 2016

17. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2017

18. RECEIVE AND FILE OPERATION STATISTICS SUMMARIES FOR SEPTEMBER AND OCTOBER 2016

19. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF OCTOBER 31, 2016

20. RECEIVE AND FILE THE 2016 ANNUAL REPORT ON THE DISTRICT’S INDIRECT SOURCE REVIEW PROGRAM

21. CONTRACT FOR EXECUTIVE DIRECTOR/APCO

22. CONTRACT FOR DISTRICT COUNSEL

23. AMEND 2016-17 NON-OPERATING BUDGET TO ADJUST ESTIMATED AMOUNTS TO ACTUAL AMOUNTS AS OF JUNE 30, 2016

24. RECEIVE AND FILE LISTING OF REFUNDS FOR FISCAL YEAR 2015-16

Public Comment: None

Moved: Walsh

Seconded: Worthley

Ayes: Brazil, Capitman, Couch, Elliott, Gurrola, Hanson, Mendes, Pedersen, Sherriffs, Walsh, Worthley, Baines

Nays: None

Motion unanimously carried to approve Consent Calendar Items 16 - 24

5. PUBLIC COMMENT – *The following persons provided public comment during this item:*

- Angelica Gomez, Resident
- Julie Johnson, Resident

Seyed Sadredin, Executive Director/APCO, responded to concerns about almond harvesting raised during the public comment item, saying that District staff greatly appreciates the well thought out comments made by both members of the public. He said they highlight an issue that staff is paying close attention to and hoping to bring a number of solutions to the Board in the near future. In terms of the request made to have PM10 information reported on the internet, he noted that information is already available online and staff can help with access to both the historical and real time information. He explained staff uses PM2.5 information for the District's RAAN and old flag program, as PM2.5 is more health protective than PM10. Staff is looking at incentive-based measures to obtain cleaner harvest equipment and have been in close communication with industry representatives as there is great interest in the agricultural community to use cleaner harvesters, which not only reduce NOx but also PM emissions. In addition, he said staff is looking at regulatory enhancements to the District's Conservation Management Program to require cleaner practices and more efficient equipment and methods. He noted most of the emissions associated with almond harvesting consist of PM10 particles, and encouraged residents to notify the District of any nuisance situations as they occur, as the District has successfully worked with growers to minimize those impacts.

Supervisor O'Brien arrived at 9:20 a.m.

6. **S.T.A.R. RECOGNITION (SERVICE, TEAMWORK, ATTITUDE, RESPECT) –**
Chenecua Dixon, Personnel Director, formally recognized District employees who reached a service milestone during the third quarter of 2016.

Five Years of Service

Stephen Amberg, Air Quality Inspector
Chenecua Dixon, Director of Personnel
Dante Sanson, Air Quality Specialist
Ryan Buchanan, Supervising Accountant
Megan Cox, Air Quality Specialist
Brandon Swedblom, Network Systems Analyst

Ten Years of Service

Gary Henry, Air Quality Instrument Technician
Ryan Kincaid, Senior Accountant
Kathleen Miller, Air Quality Field Assistant
Adriana Myovich, Senior Personnel Analyst

Fifteen Years of Service

Esteban Gutierrez, Supervising Air Quality Specialist
Ryan Hayashi, Director of Compliance
Daniel Martinez, Supervising Air Quality Inspector
Kashmir Pandher, Air Quality Specialist
Brian Dodds, Supervising Air Quality Specialist
Shawn Ferreria, Senior Air Quality Specialist
Kevin McCaffery, Senior Air Quality Specialist

7. **REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES –**
Manuel Cunha, Citizens Advisory Committee (CAC) Chair, reported on highlights from the CAC meeting held on October 4, 2016, including:

- CAC members received detailed updates on:
 - The recent Board-to-Board meeting between the District and the South Coast Air Quality Management District
 - The recent \$25 million award of Cap and Trade funding for the District's light duty vehicle replacement program
 - The District's adoption of the 2016 Moderate Area Plan for the 2012 PM2.5 standard, which also included an attainment impracticability demonstration and request for reclassification to a Serious nonattainment area
 - The Air Resources Board's proposed oil and gas methane regulation

- OEHHA's proposed amendments to the CalEnviroScreen model for identifying disadvantaged communities and the resulting impacts of the proposed changes
- The upcoming Check Before You Burn residential wood burning season
- CAC members expressed support for reconvening the CAC Technical Rule Review Subcommittee in light of the attainment planning efforts necessary in the coming years to address multiple federal PM2.5 and ozone air quality standards

Mr. Cunha thanked the Board on behalf of the CAC members for their support and guidance. Supervisor Worthley congratulated Mr. Cunha on being named Agriculturist of the Year by the Fresno Chamber of Commerce, and thanked him for his many years of continued service to the District.

Public Comment - None

8. RECEIVE AND FILE RECOGNITION FROM INDEPENDENT AUTHORITIES COMMENDING THE DISTRICT FOR JUDICIOUS EXERCISE OF FIDUCIARY RESPONSIBILITIES AND COST CONTAINMENT EFFORTS – Mr. Sadredin said the District is routinely audited by various independent organizations. He said these audits are always welcome, given the District's tremendous responsibility to administer a large amount of public funds and they are important for public transparency. He presented the Board with two awards, including a letter from the Special District Risk Management Authority formally acknowledging "the dedicated efforts of the San Joaquin Valley Air District's Governing Body, management and staff towards proactive risk management and loss prevention". In addition, he announced for the third year in a row, the District was awarded the Government Finance Officers' Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2015.

Mr. Sadredin expressed his gratitude to the Board for their leadership and direction to staff to always to do the best they can and to do more with less. He also thanked staff for doing a great job to earn these recognitions.

Public Comment: None

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

Motion unanimously carried to receive and file recognition from independent authorities commending the District for judicious exercise of fiduciary responsibilities and cost containment efforts

9. REPORT ON 2016 WILDFIRE SEASON AND AIR QUALITY IMPACTS – Jon Klassen, Program Manager, provided the Board with a report on the 2016 wildfire season and associated impacts on the Valley's air quality. He reported that this summer, multiple large wildfires impacted the Valley's air quality. The 2016 wildfire season has brought more wildfires across California compared to both last year and the average over the previous 5-years.

In November 2015, the Board directed staff to pursue additional strategies for reducing fuel buildup as a means of reducing wildfire emissions, including identifying ways to facilitate the more effective use of prescribed burning and other practices as means to reduce the number and severity of future wildfires, supporting federal and state legislation to increase funding for land and forest management, developing a targeted public education campaign regarding wildfires, and working with state and federal land managers to formulate new strategies to reduce fuel-buildup and address wildfire emissions. He reported District staff has proceeded with implementing the Board's direction, including developing enhancements to prescribed burn procedures, meeting with land managers to discuss potential strategy enhancements, and conducting public outreach this year with respect to wildfires and their impact on air quality. The District will continue to work closely with the land management agencies in the region to develop enhanced strategies for reducing fuel in the foothills and mountainous areas of the Valley to improve forest health and reduce wildfire emissions.

Supervisor Worthley thanked Mr. Klassen for the great presentation. He said this situation is of great concern to him because of the potential public health impacts. He voiced concerned that if lands are not managed properly, what happened this year will continue to happen for the foreseeable future. He said the Board has previously discussed policies of working with agencies on prescribed burning, but he suggested going further and talking about advocating for active management on the national forest lands particularly in the public lands. He said he finds it ironic that the Valley suffers the possibility of penalties from the federal government (EPA) over air quality when one of the worst offenders are public federal land managers that own so much of California.

Supervisor Worthley said 66 million dead trees were counted during a recent survey conducted in May and the number of trees actually treated during this drought was miniscule and was carried out by Cal Trans and the utility companies, not the federal land managers. He said he is also concerned about how these wildfire incidents are reported when they occur, as they are likened to the amount of vehicles being on the road. He said those numbers reflect an annual amount of pollution from those vehicles versus huge spikes in air pollution from the wildfires that can occur over days or even hours, and which have

instantaneous impacts on public health. He proposed that the Board do more to encourage the U.S. Forest Service and public land managers to properly manage these properties for the benefit of the people who live in the San Joaquin Valley.

Councilmember Baines said he completely agreed and wholeheartedly endorsed Supervisor Worthley's comments. He suggested this issue should be added to the District's Legislative Platform. Mr. Sadredin responded that at the Board's direction this issue could be addressed in both the District's Legislative Platform and the District's White Paper that will be prepared to inform the Presidential transition process.

Dr. Sherriffs commented that he agreed that it is a great idea to add active management of forested land with a sustained commitment to better practices along with long term funding to the District's Legislative Platform. He said he feels it is very appropriate for the District to head in that direction. Regarding the health effects of wildfires, Dr. Sherriffs said it is well known there are both short and long-term health effects. He noted the short-term effects are obvious to the public as they see the smoke, feel their eyes burning and have tightness in their chests. He said this is also an opportunity for the public to utilize tools such as the RAN program to take action to protect themselves from such effects and decide whether to continue their outdoor activities during such periods. He said the long-term effects are very subtle and therefore more dangerous, and both are very important. Mr. Sadredin commented that Dr. Sherriffs made a great point, that these issues have ongoing consequences.

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

- Manuel Cunha, Nisei Farmers League

10. APPOINT AD-HOC BOARD SUBCOMMITTEE OF THE GOVERNING BOARD TO EVALUATE AND PROVIDE RECOMMENDATIONS FOR BAKERSFIELD OFFICE PRIOR TO END OF CURRENT LEASE AGREEMENT – As the largest air district in the state, Mr. Sadredin noted the District has three offices in the Valley, with one in Modesto, one in Fresno and one in Bakersfield. Noting the District owns every building except the location in Bakersfield, Mr. Sadredin asked the Board to appoint an Ad-Hoc Subcommittee of the Governing Board to evaluate potential options and make appropriate recommendations to lease or purchase a suitable location for the Bakersfield office. He said the current lease agreement for the Bakersfield building is higher than current market values and this is a good time for the District to either continue renegotiating the contract towards a purchase, or potentially move to a new location. Noting the current rent is approximately \$35 thousand per month, he feels a purchase option at the right price might be best as the payback on investment in the form of lease payments would be significant. He suggested appointing Supervisors Couch and Worthley to investigate the options and report back to the Board at a later date.

Supervisors Couch and Worthley agreed to serve on the Ad Hoc Subcommittee.

11. APPOINT AN AD-HOC SUBCOMMITTEE OF THE GOVERNING BOARD TO GUIDE THE DISTRICT'S EFFORTS TO PROVIDE INPUT TO THE PRESIDENTIAL TRANSITION PROCESS – Mr. Sadredin remarked on the recent national election and upcoming changes with a new party taking hold of the Administration. Between now and January 20, 2017, he voiced hope that the District and the Valley would be in a position of significant influence for the transition. He recommended the Board appoint a Transition Ad-Hoc Subcommittee to guide the District's activities to influence the transition to the new administration, including the preparation and submittal of a White Paper highlighting Valley air quality issues.

Councilmember Baines, Supervisor Mendes, Supervisor Pedersen, Supervisor Couch, Dr. Capitman, Supervisor Elliott and Supervisor Worthley volunteered to serve on this ad-hoc subcommittee. Dr. Capitman expressed concerns about the process of developing the White Paper and questioned how the Ad-Hoc Subcommittee would engage the public and allow opportunity for them to be aware and weigh in on the group's decisions. Councilmember Baines responded the resulting White Paper would highlight positions and opinions already taken by the Board, which have already gone through a public process. He said there should be no alarm that the Board would be shifting positions from one side to the other. Mr. Sadredin responded affirmatively, noting the White Paper would also be a public document, accessible by various means once completed. He said the White Paper would affirm the Board's position on their Legislative Platform and the policies that they have already put in place.

Dr. Sherriffs commented that the District priorities are important to communicate in the White Paper, noting suggestions made by Supervisor Worthley during the earlier Wildfire Update. He said broad representation on this committee is important and in terms of the public process, it is important to think about those priorities. Councilmember Baines said the committee would vet these issues out during the process. Mr. Sadredin commented that it is important to lay out in the public record and committee members' guidance that the purpose of this item is simply to articulate and communicate the Board already established policies and not to set new policies or priorities. Councilmember Gurrola suggested that the White Paper communicate the Board's Clean Air Act modernization proposal. Supervisor Worthley stressed the importance of this effort as there will be an entirely new Administration coming into place and a new audience who may be more receptive to the District's position and policies. Mr. Sadredin suggested the process must be very nimble, noting communication will primarily take place via phone calls and emails. Supervisor O'Brien expressed the importance of being quick and nimble to ensure the District's voice is heard.

Dr. Capitman said he was not comfortable with the development of this document without a public review process, including input from CAC and EJAG members, and asked the Board to take a vote on this item. Councilmember Baines responded that the Board was unable to vote on this item at today's meeting and reiterated that the purpose of this item was to appoint an Ad-Hoc Subcommittee

to assist with the development of the White Paper, which would not express any new policies or positions by the Board. Mr. Sadredin reiterated that this committee will not make new public policy that has not already been discussed many times through numerous public meetings and hearing. He suggested the committee would report back to the Board on the status of the committee's transition activities at future Board meetings. Councilmember Baines confirmed that the resulting White Paper, developed by the subcommittee would be placed on the District website and status updates on the Subcommittee activities would be provided at future meetings in the interest of public transparency.

12. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reported on highlights from the ARB Board meeting of September 22, 2016, including:

- Board heard an informational update on the Proposed 2016 State Strategy for the State Implementation Plan
- Board approved staff recommendations for initial designations of California areas that are nonattainment for the revised national ambient air quality 8-hour ozone standard of 70 parts per billion
- Board heard informational updates on three greenhouse gas related ARB staff proposals: amendments to the Mandatory Reporting of Greenhouse Gas Emissions Regulation and the Cap-and-Trade Regulation, and mechanisms to demonstrate California's compliance with the federal Clean Power Plan.

In addition, on October 20, 2016, he reported the Board tabled adoption of the 2016 San Joaquin Valley Air Pollution Control District Moderate Area State Implementation Plan (SIP) for the 2012 federal PM_{2.5} annual standard for a period of four months, and directed ARB staff to return with additional measures to reduce mobile source emissions in the pre-2025 timeline that is critical for the Valley and to work with the District to find additional measures to reduce directly emitted particulate matter from stationary sources.

Lastly, he noted the Board heard updates from ARB staff on recently published Federal Phase 2 Greenhouse Gas (GHG) Standards for heavy-duty engines and vehicles and on the need to establish more stringent national NO_x standards for heavy-duty, on-highway engines.

Mr. Sadredin said he sent a Board Briefing memo to members regarding the recent ARB hearing on the District's Moderate Area SIP. He said the big point that the District is trying to make is that 85 percent of emissions come from mobile sources and that ARB needs to come through with more reductions prior to 2030. He said he received positive feedback from the ARB Board members who appreciated the stringency and time crunch faced by the Valley. He reported ARB has scheduled another workshop in the Valley on December 1st and the District has one scheduled on the 7th. He voiced hope, with Dr. Sherriffs' support and the Board's continued pressure, that the District can get ARB to

come forward with more mobile source control measures to develop a plan that actually moves the ball forward in terms of improving public health.

13. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin reported that he and number of Board members traveled to Washington, D.C. prior to the recent election to meet with EPA. He said EPA's top air quality official, Janet McCabe, assured the District that EPA was doing their best to get to a yes in that process where they were not ultimately able to get to a decision and were optimistic that the 5% plan is feasible. He said the Board would discuss this issue more at the upcoming Closed Session.

He also reported that Dr. Sherriffs was recently invited to a meeting of the California Air Pollution Control Officers' Association (CAPCOA), along with two other ARB Board members. He said there was a good discussion and a lot of the other air districts expressed their desire for more focus from ARB on their primary mission which is reducing criteria pollutants and toxic emissions. Lastly, he updated members on the contract authorized by the Board with the City of Bakersfield to pave the areas near the District's airport monitoring sites. He reported staff has been able to negotiate a much lower cost agreement including free mulch to cover a lot of the area, which will come before the Bakersfield City Council for their approval shortly.

14. GOVERNING BOARD MEMBER COMMENTS – Supervisor O'Brien said he wanted to attend his second to the last Governing Board meeting in the Fresno office to thank his colleagues on this Board and especially District staff. He said he has served on the Board for 10 years and this staff is top notch. Supervisor Couch thanked all outgoing Board members for their service and asked about the process for reappointing members. Mr. Sadredin responded that outgoing Board members representing Valley cities will be replaced through the process outlined under state law. Each county is responsible for appointing Board members representing their county.

Supervisor Worthley commented on the recent meeting with EPA and said the District contingency accomplished what the Board directed in that they confronted EPA staff about how they came to their decision, the process they followed and said it was a very interesting meeting including a lot of staff from the Office of General Counsel and staff from Region IX who teleconferenced in. He said there was a feeling that EPA was disingenuous when they said they were "trying to get to yes" and that is was good to have everyone present to discuss this issue. He said he was disappointed that EPA did not communicate their concerns with District staff, nor did they give any indication that there was a problem.

Supervisor Pedersen commented that it was a valuable trip and that the District contingency also met with representatives on the House and Senate side and they were optimistic that perhaps the Valley would be given more priority in the future. He voiced agreement with Supervisor Worthley's comments on the EPA

meeting. Supervisor Elliott said he was also on the trip and thought Mr. Sadredin, Supervisors Worthley and Pedersen, and Councilmember Baines did a great job of conveying the sentiments and perspectives of the District's Governing Board on EPA's inaction, which was not explainable or excusable. He said he thought the meetings with a staffer from the House Energy and Commerce Committee and Senator Feinstein's Legislative Director were very constructive. He said it was important to express the Board's dissatisfaction with EPA's inaction. Councilmember Baines endorsed the comments made by other Board members about the trip. He said they expressed a healthy contempt for the way that EPA treated the District. He said he was impressed by the District's advocates in D.C. and said that they seem to have risen to the expectations issued by the Board earlier this year. He commended Mr. Sadredin and staff for working closely with their contracted advocates in D.C. to improve their performance.

15. **CLOSED SESSION** – District Counsel, Annette Ballatore-Williamson announced the Board would adjourn to Closed Session and called for public comment.

Public Comment – None

Open Session adjourned to Closed Session at 10:40 a.m.

Jessi Fierro, Assistant District Counsel announced that all members present during the meeting were present during the entire Closed Session and that no action was taken.

Closed Session adjourned at 11:28 a.m.

ADJOURN

The next scheduled meeting of the Governing Board is: Thursday, December 15, 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.