

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, June 16, 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 9:06 a.m.
2. ROLL CALL was taken and a quorum was present.

*Present:*

David Ayers, Councilmember	City of Hanford
Oliver L. Baines III, Councilmember, <b>Chair</b>	City of Fresno
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
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

\*\*\*Arrived at 11:14 a.m.

*Absent:*

Dennis Brazil, Mayor	City of Gustine
Harold Hanson, Councilmember	City of Bakersfield

3. APPROVAL OF CONSENT CALENDAR – (Item Numbers 19 – 25): *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.*

19. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, APRIL 21, 2016

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

21. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2016

22. RECEIVE AND FILE OPERATION STATISTICS SUMMARIES FOR APRIL AND MAY 2016

23. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF MAY 31, 2016

24. APPOINT MEMBER TO THE DISTRICT'S ENVIRONMENTAL JUSTICE ADVISORY GROUP

25. ADOPT RESOLUTION AUTHORIZING COMPENSATION OF GOVERNING BOARD MEMBERS WHILE ENGAGED IN OFFICIAL DISTRICT BUSINESS

Public Comment: None

Moved: Wheeler

Seconded: Worthley

Ayes: Ayers, Couch, Elliott, Gurrola, Mendes, O'Brien,  
Pedersen, Sherriffs, Walsh, Wheeler, Worthley, Baines

Nays: None

***Motion unanimously carried to approve Consent Calendar Items 19, and 20-25. Supervisors Walsh and Elliott abstained from voting on Item #20 as they were not present at the Special Public Hearing: Review of 2016-17 Recommended Budget.***

4. PUBLIC COMMENT – None

5. ADOPT THE DISTRICT' S 2016-17 RECOMMENDED BUDGET – Seyed Sadredin, Executive Director/APCO expressed his gratitude to the Board's Ad Hoc Budget Subcommittee for their guidance with the preparation of the 2016-17 Recommended Budget. He said at the meeting held on May 19, 2016, the Board received a detailed presentation on the Recommended Budget and received comments from the public. By law, he said the Board could not take action until today's meeting and based on positive feedback received at that meeting from Board members and the public, staff recommended adoption today.

Public Comment: None

Supervisor Wheeler thanked staff for such a great and detailed presentation at the Public Hearing last month.

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

***Motion unanimously carried to adopt the District's 2016-17 Recommended Budget***

6. REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES – Manuel Cunha, CAC Chair, reported on highlights from the CAC meeting held on May 3<sup>rd</sup>, 2016 including: Seyed Sadredin, Executive Director/APCO provided detailed updates to members on the End of Season Wood Burning Report; EPA's recent finding that the Valley has met the 1-hour Ozone Standard; the recently completed State Auditor's report; the proposed new rule from ARB for the oil and gas industry that is intended to reduce methane emissions; and recent progress in the District's Clean Air Act Modernization efforts.

In addition, he reported members received a presentation on the potential development of a new San Joaquin Valley Healthy Soils Initiative and received an update on recent successful efforts to secure Cap and Trade funding for projects in the San Joaquin Valley.

7. CONSIDER OPTIONS TO LEVERAGE THE DISTRICT'S BURN CLEANER PROGRAM WITH CAP AND TRADE-FUNDED LOW-INCOME WEATHERIZATION PROGRAMS TO MAXIMIZE ENERGY EFFICIENCY AND EMISSION BENEFITS FOR LOW-INCOME VALLEY RESIDENTS – Mehri Barati, Director of Administrative Services, presented options to the Board for leveraging the District's highly successful Burn Cleaner Program with the state's Cap and Trade-funded Low Income Weatherization Program (LIWP) energy efficiency upgrade programs for low income Valley residents, as well as other state or federal energy efficiency programs.

She explained that in crafting an integrated program, the following options were considered:

- Option 1: Increase the incentive level for qualified low-income Burn Cleaner Program applicants who also participate in LIWP.
- Option 2: Require applicants who apply for low-income funding under the Burn Cleaner Program to also apply for LIWP when eligible for such programs through partnerships established with the District.

Based on the District's current experience with low income participants under the Burn Cleaner Program, Option 1 is not recommended at this time. Currently, for the majority of low income participants, the District's grant amount and the discount that they receive from the District's participating retailers covers the full cost of the new cleaner devices. Therefore, a higher Burn Cleaner incentive amount is not expected to encourage participation in home weatherization and energy efficiency programs. Through available state and federal programs, low income residents are able to receive a home evaluation and a number of weatherization and energy efficiency upgrades at zero out-of-pocket cost to the resident. Many low-income residents may be unaware of the opportunities under LIWP, and Option 2 enables them to become fully aware of no cost home weatherization and energy efficiency upgrades that are available. This option will enable low income residents to seek and take advantage of additional financial help to make their home more energy efficient and reduce their overall expense year-round.

Supervisor Worthley said it was a great idea but he was hesitant to make participation in the LIWP a requirement. He expressed concern that the additional requirement may discourage some residents from participating entirely. Mr. Sadredin said staff made the recommendation based on the expectation that the additional program requirements would not create a roadblock for participants. Supervisor Worthley suggested having a single application for both programs. Mr. Sadredin agreed and stated that having an efficient process is part of the District's proposal. Supervisor Wheeler asked if the low income threshold for LIWP was designated statewide or by county. Ms. Barati responded it is statewide. He asked if those who have already participated in the Burn Cleaner could still apply for LIWP. Mr. Sadredin responded affirmatively. Supervisor O'Brien asked if the District would be administering the LIWP. Mr. Sadredin said staff would write an MOU with the local provider to integrate the two programs with separate funding. Supervisor O'Brien voiced agreement with Supervisor Worthley's concerns. He questioned the air quality benefits of participating in the LIWP, as its primary focus is greenhouse gases and expressed concern with the idea of making it a requirement of the Burn Cleaner program.

Dr. Sherriffs expressed concern over making the application process too complicated by including the LIWP. He suggested making this an educational piece for residents or having a single application process. Mr. Sadredin

responded the District would work to have a single application and make sure the process is streamlined without causing delays with processing applications in the District's Burn Cleaner program. Councilmember Gurrola made a motion to approve this item as recommended by staff along with a single application process. Supervisor Worthley asked for clarification of the motion. Councilmember Gurrola clarified her motion was to approve the recommendation to provide a single application process for both the Burn Clean and LIWP with the provision that the applicant may opt out of the LIWP. Dr. Sherriffs suggested adding a solar component if possible. Mr. Sadredin responded there were solar options available that staff could research.

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

- Colby Morrow, So Cal Gas

*Moved:* Gurrola

*Seconded:* Worthley

*Ayes:* Ayers, Couch, Elliott, Gurrola, Mendes, Pedersen, Sherriffs, Walsh, Wheeler, Worthley, Baines

*Nays:* O'Brien

***Motion carried 11-1 to require applicants who apply for low-income funding under the Burn Cleaner Program to also apply for LIWP when eligible for such programs through partnerships established with the District, by using a single application process and provide participants with the ability to opt out of the LIWP if they so choose.***

8. REVIEW PROPOSED ENFORCEMENT INITIATIVES WITH RESPECT TO RULE 9410 (EMPLOYER BASED TRIP REDUCTION) AND CONSIDER POTENTIAL RULE ENHANCEMENTS – Ryan Hayashi, Director of Compliance, reviewed proposed enforcement initiatives with respect to Rule 9410 (Employer Based Trip Reduction) and asked the Board to consider potential rule enhancements. He explained with more than 85 percent of the Valley's NOx emissions, the key precursor for both ozone and particulate matter, coming from mobile sources, Rule 9410 was designed to reduce commute-related vehicle miles traveled and the associated emissions.

Mr. Sadredin said the purpose of this presentation is to give a heads up to affected businesses that the District is ratcheting up its enforcement now that all outreach and educational phases of the rule have been fully implemented. He also clarified that staff is looking for direction on whether to explore potential rule enhancements to expand applicability and/or increase stringency while maintaining the cost effectiveness of the rule. He said that at this point the Board is not required to approve any specific outcome but simply provide direction to staff on areas to further research.

Supervisor Pedersen commented that programs like this work well in big cities, but expressed concern about businesses in rural areas and their ability to comply. Mr. Sadredin responded that recognizing regional differences was a big focus when this rule was initially adopted by the Board. He said there is already an exemption for rural areas, including cities with a population of less than 10,000 people. In addition, there are exclusions for certain types of employees. Working with stakeholders, the District came up with a host of menu options for employers, depending on their type of business. Dr. Sherriffs thanked staff for the report. He said the District should ramp up enforcement of this rule and asked if it might be difficult for employers to meet the requirements of the rule. He expressed interest in receiving an early report containing employer feedback and air quality impacts. He said he is most aware of farmworkers who carpool, which is counterintuitive to most beliefs about rural areas.

Supervisor O'Brien commented that he has never been in favor of this rule nor is he in favor of any amendment that would increase the stringency of the rule. Supervisor Walsh asked if it were possible to look at a phased review to identify the rate of compliance and what works and doesn't work for those employers. Mr. Sadredin responded affirmatively, suggesting staff would go through a public process to gather this information and then report back to the Board in approximately 6 months. Supervisor Walsh voiced support for this approach. Supervisor Worthley said he recalled that the rule requires employers to educate and assist their employees but does not compel them to adhere to the requirements. Mr. Sadredin responded affirmatively and said employee non-participation would not be a violation of the rule. Supervisor Worthley voiced support for a light-handed enforcement approach and said he was concerned about placing additional burdens on Valley businesses. Supervisor Wheeler asked about incentives provided for this program. Mr. Sadredin responded there are many incentive programs at the District that can help an employer meet the rule requirements, including the Charge Up program. Supervisor Elliott voiced agreement with Supervisor Worthley's and Supervisor Walsh's comments. He said he is more in favor of an approach that incentivizes and encourages companies to comply, rather than a heavy-handed approach. Dr. Sherriffs said it is his understanding that businesses have had to put out very little hard money to educate their employees.

Councilmember Baines clarified that staff is looking for direction from the Board, rather than a motion. Mr. Sadredin responded affirmatively, stating his understanding that it was the consensus of the Board to have a greater focus on education and compliance assistance, unless there are very strong cases of disregard for the rule. With respect to the rule, the Board prefers staff to do some fact finding, engage stakeholders and learn about what they think works and doesn't work and educate them on available incentives to make the rule more cost effective. Councilmember Baines responded affirmatively.

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

- Manuel Cunha, Nisei Farmers League

Supervisor O'Brien said he wanted to ensure the District will continue to absorb administrative costs for this program, which was the Board's original intention when the rule was adopted. Mr. Sadredin responded affirmatively and said the District has and will provide plenty of administrative support to employers to help them comply. Councilmember Baines thanked staff for this item and said he looked forward to their report in 6 months.

9. APPROPRIATE \$4,000,000 FOR CONTINUED OPERATION OF THE TUNE IN TUNE UP VEHICLE REPAIR PROGRAM – Brian Dodds, Supervising Air Quality Specialist, presented this item which asked the Board to appropriate an additional \$4,000,000 for the continuation of the ground-breaking Tune In Tune Up Vehicle Repair Program for Valley residents. This successful partnership with Valley Clean Air Now (Valley CAN) provides funding for Valley residents to make smog-related repairs to their existing vehicles. To date, the District has held more than 85 weekend repair events and repaired over 17,000 vehicles at a combined cost-effectiveness of \$7,500 per ton of emissions reduced. In addition, the new vehicle replacement component continues to be successfully incorporated into the Tune In Tune Up weekend event model. To date, the District has replaced more over 630 older high emitting vehicles with newer, cleaner, and more fuel-efficient models.

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

- Tom Knox, Valley CAN

Supervisor Worthley made a motion to approve this item as recommended and commented this program is a gift that keeps on giving, providing tremendous benefits for the investment made while helping many Valley residents. Supervisor O'Brien agreed it is a great program, and asked the maker of the motion if he would agree to add the stipulation that Valley CAN schedule at least 3 events in each county to provide equal distribution of funds. He voiced concern that the funds were not being equally distributed in all regions due to lack of events held in certain counties. Mr. Knox responded that the June 4, 2016 event was cancelled due to a scheduling conflict at the Stanislaus County Fairgrounds. A concert was scheduled at the fairgrounds for the evening of June 4<sup>th</sup>, after the repair event. However, law enforcement and concert event coordinators determined that it was necessary to have the parking lot clear the entire day for concert crowd control and public safety, leading to the cancellation of the event. He said Valley CAN is working to balance events between all 8 counties in the District, plus or minus 1 per county.

Dr. Sherriffs thanked Valley CAN and staff and said this is a great program. He suggested looking for more money and ways to expand this program. Supervisor Walsh said it is an outstanding program and very impressive. He suggested

increasing communication between Valley CAN and local community officials to provide additional scheduling opportunities. He also suggested increasing communication with local businesses to find help local vendors to participate in the repair and review process in an effort to enhance the program. Supervisor Mendes voiced agreement with Dr. Sherriffs comment that more money is needed to expand this program. Mr. Sadredin assured the Board that staff and Valley CAN would make a greater effort to ensure equal geographic distribution of events and asked for their assistance to make additional locations available in their jurisdictions. He clarified that any Valley resident can attend an event in any of the counties.

*Moved:* Worthley

*Seconded:* Sherriffs

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

*Nays:* None

***Motion unanimously carried to appropriate \$4,000,000 for continued operation of the Tune In Tune Up Vehicle Repair Program***

10. ACCEPT AND APPROPRIATE \$25,550,900 IN CAP AND TRADE FUNDS FROM THE CALIFORNIA AIR RESOURCES BOARD TO IMPLEMENT FOUR ZERO-EMISSION TRUCK AND BUS DEPLOYMENT PROJECTS IN THE SAN JOAQUIN VALLEY – Todd DeYoung, Program Manager, presented this item which recommended the Board accept \$25,550,900 in Cap and Trade funding from the California Air Resources Board (ARB) to implement four projects selected for approval by ARB for the deployment of zero-emission trucks and buses throughout the San Joaquin Valley. The projects selected for funding by ARB include the San Joaquin Valley Transit Electrification Project, the Green On-Road Linen Delivery Project and the USPS Zero-Emission Delivery Truck Pilot Commercial Demonstration Project. In addition to these awards, the District assisted the City of Porterville with a successful application for deploying electric transit buses on all of the City's fixed bus routes.

Supervisor Pedersen asked about the evaluation process for federal projects versus private industry. Mr. Sadredin responded that the District did not play a role in the evaluation process but did provide assistance to some of the candidates with the application process. He said the state ultimately decided which projects received funding. Councilmember Gurrola thanked District staff for doing an outstanding job while assisting to the City of Porterville for their application.

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

- Richard Tree, City of Porterville
- Dolores Weller, CVAQ



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

***Motion unanimously carried to accept and appropriate \$25,550,900 in Cap and Trade funds from the California Air Resources Board to implement four zero-emission truck and bus deployment projects in the San Joaquin Valley***

11. APPROVAL OF PROJECT SELECTIONS FOR THE DISTRICT'S PUBLIC BENEFITS GRANTS PROGRAM – Mr. Sadredin said the District's Public Benefit Grants program was put in place by the Board in 2011 as a means to return some of the DMV dollars paid by Valley residents back to those communities through public benefit programs. The program has four focus areas all aimed at reducing mobile source emissions, which is within the criteria for DMV funds. This solicitation received strong interest, District wide, with twenty-four proposals submitted seeking over \$16 million in funding. He said staff recommended approval of the following six projects:

**Northern Region:**

- City of Manteca – Food to Energy Renewable Compr3essed Natural Gas Project

**Central Region:**

- Sanger Unified School District – Reduced Emissions and Consolidated Transportation
- Clovis Unified School District – CNG Station Expansion Project
- City of Fresno – Compressed Natural Gas (CNG) Fueling Station Compressor

**Southern Region:**

- City of Porterville – Transit Electric Vehicle Charging Facility
- Visalia Unified School District – CNG Fuel Station Expansion

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

- Richard Tree, City of Porterville
- Charlie Ott, Clovis Unified School District

Dr. Sherriffs thanked Porterville officials for sharing their perspective. He pointed out that 90% of the awarded projects are CNG, which is much cleaner and very important to help the Valley reach attainment and 10% went to zero emissions electric. He suggested the District work on increasing the amount of zero emissions electric projects by working with local agencies.

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

***Motion unanimously carried to approve project selections for the District's Public Benefits Grants Program***

12. PETITION REQUESTING THAT EPA ADOPT NEW NATIONAL STANDARDS FOR ON-ROAD HEAVY-DUTY TRUCKS AND LOCOMOTIVES UNDER FEDERAL JURISDICTION – Samir Sheikh, Deputy APCO, said in addition to the many attainment plans that the District has already developed and implemented, the District is mandated under the Clean Air Act to develop and adopt a number of new ozone and particulate matter plans in the coming years. The degree of difficulty in meeting the new federal ambient air quality standards are unmatched by any other region in the nation. Attainment of the latest standards will require transformative changes and development of innovative control strategies to significantly reduce emissions from mobile sources, which now make up over 85% of the Valley's NOx emissions.

In May 2016, the Board authorized District staff to pursue an approach in the District's upcoming attainment plans that will ask the federal government, through legally binding assignments, to adopt national emissions standards for key mobile source categories such as heavy-duty trucks and locomotives. To obtain reductions in a timely fashion for meeting the deadlines prescribed in the Clean Air Act, District plans will also contain incentive-based measures that will ask the state and federal governments to supplement local funds to achieve necessary fleet turnover. As a first step in pursuing this strategy, the Board's action today would authorize the submittal of a petition to EPA to address mobile source emissions under their legal jurisdiction.

Mr. Sadredin added that so far EPA has taken a position that as part of local government, the District cannot tell them what to do, and that mobile source rules such as these may not be feasible on a national basis. He said he hoped they would do the right thing and said this would be the first step in the assignment process, which the District is doing administratively, before including such an assignment in its Plan.

Supervisor Pedersen asked what the next steps would be if this petition is denied. Mr. Sadredin responded that for the District's next PM2.5 Plan, there is no way for the Valley to reach attainment without significant reductions in all source categories. At that point, he said a legal question would arise about a legal mandate that can only be met by the federal government taking action, and what happens to that mandate in terms of its reasonableness and legality if the federal government fails to do what only it can do. He said he hopes they will do the right thing and reduce air pollution by doing their part. He said there is a

great likelihood that plans with assignments to the federal government will be disapproved by EPA, which may lead to sanctions and loss of federal highway funding. Annette Ballatore-Williamson, District Counsel, added that if EPA denies this petition, there is the option of challenging EPA's denial through court action to compel EPA to grant the petition and there is certain precedent that the court has applied on when it is appropriate to compel an administrative agency to adopt a regulation.

Supervisor Pedersen asked how that would differ from compelling the Department of Forestry to take action with regard to forest fires. Mr. Sadredin explained that EPA does not see the Clean Air Act as a mandate on their agency, only on state and local agencies. He said the District has exhausted all other ways of reaching attainment outside of mobile sources and there is no other option than to compel EPA to grant the petition. Supervisor Worthley commented that the District has no jurisdiction over mobile sources, and yet is held responsible for meeting the impossible standards. He said he feels a very good legal argument exists after the District exhausts all of its available administrative remedies before taking legal action. He pointed out these air quality standards affect not only the District, but also South Coast and many other jurisdictions will find themselves in similar situations. He said he is very pleased that the District is taking these steps toward resolving this impossible situation.

*Dr. Capitman arrived at 11:14 a.m.*

Supervisor Walsh said the educational component at the federal and local level is critical, as the local jurisdictions need to be aware of the repercussions, such as the risk to transportation dollars, if the situation is not resolved. Supervisor Elliott said this is a clear case of a common sense approach with no other recourse, as there is nothing more the Valley can do to meet these standards that are becoming increasingly more stringent. Councilmember Gurrola voiced agreement with the comments made by other Board members and the proposed action today. Dr. Sherriffs said he was encouraged by pushing EPA to get the earliest possible adoption of the low NOx standards for heavy duty trucks and locomotives, which is definitely the direction they need to be moving. He commented that the issue of assignment is another, different issue and there have been comments about the challenges and dangers that presents. He said he is a physician and not a politician, who tends to look for collaboration and not confrontation and he said he feels there is an established record with EPA that assignment does not work. He suggested partnering with other air districts and ARB in an attempt to get the needed reductions. He said there is much about the petition that he likes, but ultimately he is not ready to support it in its current form, nor will he oppose it. He said there were a number of projects that the Board considered at this meeting that would make an impact on mobile source emissions. Mr. Sadredin responded that South Coast has already submitted a similar petition, although they do not include in-use locomotives in their petition. He said ARB has expressed support for the District's petition and is drafting its

own petition. He clarified that a petition is not an assignment, but a strongly worded letter asking them to do what is fair to do. He said he is in very close communication with EPA Region IX and their office in Washington, DC and they tell him they want to do the right thing but at this point they say it is too difficult to do a national standard of this magnitude. He said everyone seems to be in agreement that these reductions need to be achieved, the federal government needs to take action, and there has been broad support for petitions like this moving forward.

Councilmember Baines declared that there is a broad consensus for this action and staff and the Board have been discussing it for some time. He voiced appreciation for Dr. Sherriffs' comments and said Board members are air quality advocates for this region, and it is incumbent of them to do everything they can in terms of pushing the envelope in terms of public health. He said everything asked for in this petition improves public health and EPA has a responsibility in that and it is not out of line for the District to ask them to participate in cleaning the air as advocates for Valley residents. He said the District is doing everything they have to do in the interest of air quality and if it means fighting the federal government to have them be participatory in this process then so be it. He said he wholeheartedly endorses this action.

Public Comment: None

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

***Motion carried 12-0 with 1 abstention, to approve petition requesting that EPA adopt new national standards for on-road heavy-duty trucks and locomotives under federal jurisdiction***

13. ADOPT 2016 PLAN FOR THE 2008 8-HOUR OZONE STANDARD – Sheraz Gill, Director of Strategies and Incentives, presented the details of the Proposed 2016 Plan for the 2008 8-Hour Ozone Standard for which the Valley is classified as “Extreme” nonattainment with an attainment deadline of 2013. He reported the proposed plan was developed through an extensive public process and builds on decades of implementing effective air pollution control strategies. The plan demonstrates that the District’s attainment strategy satisfies all federal Clean Air Act (CAA) requirements, includes commitments for evaluating and implementing additional emission reduction measures, and provides for expeditious attainment. However, he said staff is disappointed that they were forced to include a “black box” in the proposed plan.

The District plan as initially proposed demonstrated attainment as expeditiously as possible before the 2031 deadline without the need to rely on a “black box” under §182(e)(5) of the Clean Air Act. By definition, a black box represents reductions that would be needed to attain the standard for which specific measures or technologies are not currently available. The District was forced to rely on the “black box” provision to satisfy the contingency requirements under the Clean Air Act. To satisfy these requirements, the District had to hold back 1.6 tons per day of NOx emissions reductions that could have otherwise been used to take credit toward attaining the standard in a timely fashion without using a “black box”.

Supervisor Walsh asked why the black box was not placed in the contingency. He also asked how many years of no violations are required to declare attainment. He asked if staff could put together an overlay presentation explaining all of the different standards. Mr. Sadredin responded that using the black box as a contingency is against the law as currently written in the Clean Air Act. He said the District was allowed one violation per year for a consecutive 3-year period to be considered in attainment. Supervisor O'Brien clarified that EPA, by insisting that measures be held back to meet contingency requirements, is requiring the District to weaken their Ozone Plan to meet an outdated provision of the Clean Air Act. Mr. Sadredin responded that would be a fair interpretation. Supervisor Wheeler commented on the new rules with regard to flaring. Mr. Sadredin said the District is working with ARB to ensure they do not adopt a new rule that encourages flaring and subsequently more emissions.

Dr. Sherriffs thanked staff for the presentation. He asked about potential approvability issues with the plan. Mr. Sadredin responded staff doesn't anticipate any issues and have been in constant communication with ARB and EPA to ensure they have an approvable plan. He added the only approvability issue was the late contingency issue and so far all indications are that this is an approvable plan. Supervisor Elliott commented on the contradiction in logic by asking the District to reserve actions so that there is some kind of contingency. He asked if there were any consideration given to meeting the spirit of the law as opposed to the strict letter. Mr. Sadredin responded he believes EPA agrees with the District in spirit as the draft implementation rule they put out for the 2008 Standard proposed that Extreme areas do not need contingencies; however, they withdrew that language at the end after receiving comments and opposition from those in the environmental communities.

Dr. Capitman asked about the proposed Indirect Source Rule amendments. Mr. Sadredin reported staff is currently going through the public process and will present the item to the Board at a future meeting. Dr. Capitman asked if this plan contains a commitment for this amendment. Mr. Sadredin responded the District takes credit for any rules already in place plus any additional amendments. Supervisor Walsh asked if contingencies could be moved to the operational plan during the implementation phase. Mr. Sadredin responded affirmatively.

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

- Sylvia Vanderspeak, ARB
- Jenifer Pitcher, WSPA
- Dolores Weller, CVAQ
- Colby Morrow, So Cal Gas

*Moved:* Mendes

*Seconded:* Sherriffs

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

*Nays:* None

***Motion unanimously carried to adopt the 2016 Plan for the 2008 8-Hour Ozone Standard***

14. APPROVE AND AUTHORIZE CHAIR TO SIGN AN AGREEMENT WITH CALIFORNIA AIR RESOURCES BOARD FOR DISTRICT ENFORCEMENT OF STATE REFRIGERANT MANAGEMENT PROGRAM – Supervisor O'Brien declared a conflict of interest with this item and excused himself from the room. Morgan Lambert, Deputy APCO, presented on this item and requested the Board to approve and authorize the Chair to sign an agreement with the Air Resourced Board for the District to enforce provisions of the state Refrigerant Management Program.

Public Comment: None

*Moved:* Worthley

*Seconded:* Wheeler

*Ayes:* Ayers, Capitman, Couch, Elliott, Gurrola, Mendes, Pedersen, Sherriffs, Walsh, Wheeler, Worthley, Baines

*Nays:* None

***Motion unanimously carried to approve and authorize Chair to sign an agreement with California Air Resources Board for District enforcement of State Refrigerant Management Program***

15. APPOINT GOVERNING BOARD MEMBERS TO AD HOC HEARING BOARD MEMBER REVIEW COMMITTEE – Mr. Sadredin asked for 6 Board members (2 from each region) to volunteer to serve on the Ad Hoc Hearing Board Member Review Committee to consider reappointments for the Attorney Primary and Engineer Primary and Alternate members. The members appointed to the committee included: Supervisor Worthley and Councilmember Hanson (South); Supervisors Wheeler and Mendes (Central); and Supervisor Elliott and Mayor Brazil (North).
16. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reported on highlights from the ARB Board meeting of April 21, 2016, including:

the Board approved amendments to California's regulation regarding aftermarket parts. These amendments establish a procedure for ARB to evaluate aftermarket Diesel Particulate Filters (DPFs) for 2007 through 2009 model year on-road heavy-duty diesel engines to ensure they meet all applicable criteria.

On May 19, 2016, he reported the Board approved the 2016-2017 Research Plan, identifying the ARB's highest priority research needs. Key criteria pollutant research in the Plan will provide data on in-use heavy-duty vehicle emissions versus emission certification levels, and will create strategies to move the heavy-duty truck and bus sector to zero and near-zero emissions. In addition, he said the Board heard a report on the Proposed Short-Lived Climate Pollutant (SLCP) Reduction Strategy. According to ARB staff, SLCPs (methane, black carbon, and fluorinated gases, specifically hydrofluorocarbons (HFCs)) are responsible for 40 percent of current global warming. Lastly, he reported the Board heard a presentation on the draft California Sustainable Freight Action Plan released on May 3, 2016.

17. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin reported that a judge in Fresno ruled against ARB, invalidating the amendments they had made to their Truck Rule. ARB is planning to file an appeal as this decision could be devastating to the smaller fleets and agricultural industry. He said staff is following this situation closely. Regarding Cap and Trade funds, he reported at ARB's last auction, they were expecting to sell \$500 million in credits and only sold \$10 million. There is a school of thought that perhaps the next auction might have similar results. He said the state budget that was recently passed did not appropriate much of the Cap and Trade funding expected to be released. He recommended that the District advocate that available Cap and Trade dollars should be focused on projects that are beneficial to air quality. With respect to monies already in the bank, he voiced hope that to the extent that ARB has some influence, those dollars go where they are needed most in terms of air quality challenges in disadvantaged communities such as the Valley.
18. GOVERNING BOARD MEMBER COMMENTS – Dr. Sherriffs commented that an important issue is whether the legislature will reauthorize Cap and Trade. He reminded everyone that the point of Cap and Trade was not to raise money but to lower carbon emissions. Supervisor O'Brien passed along Mayor Brazil's regrets for missing the meeting.

## ADJOURN

Meeting adjourned at 12:36 p.m.

*The next scheduled meeting of the Governing Board is: Thursday, August 18, 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.*