

**Action Summary Minutes  
San Joaquin Valley Unified Air Pollution Control District  
Governing Board Meeting, Governing Board Room  
1990 E. Gettysburg Avenue, Fresno, CA.**

**Wednesday, April 20, 2005  
9:00 a.m.**

<p><b>The Meeting was held via video teleconference (VTC) in the Central Region Office (Fresno), the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield).</b></p>
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1. **CALL TO ORDER** – The Chair, Supervisor Thomas W. Mayfield, called the meeting to order at 9:17 a.m.

2. **ROLL CALL was taken and a quorum was present.**

Susan B. Anderson, Supervisor	Fresno County
J. Steven Worthley, Supervisor	Tulare County
Jack A. Sieglock, Supervisor ( <b>absent</b> )	San Joaquin County
Sam Armentrout, Councilmember	City of Madera
Barbara Patrick, Supervisor	Kern County
Tony Barba, Supervisor	Kings County
Ronn Dominici, Supervisor	Madera County
Dan Prince, Councilmember (*)	City of Ripon
Michael G. Nelson, Supervisor	Merced County
Mike Maggard, Councilmember, <b>Vice Chair (absent)</b>	City of Bakersfield
Thomas W. Mayfield, Supervisor, <b>Chair (*)</b>	Stanislaus County

**(A) Attended Meeting in Northern Region Office (Modesto)**

3. **APPROVAL OF CONSENT CALENDAR** – Item Numbers **(15-23)**. (These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public will be given the opportunity to comment on any consent item).

15. Approve Action Summary Minutes from the Governing Board Meeting of Thursday, March 17, 2005.

16. Receive and file List of Scheduled Meetings for 2005.

17. Receive and file Operation Statistic Summary for March 2005.

18. Receive and file Budget Status Report as of March 31, 2005.

19. Receive and file the District's Annual Air Toxics Report for the year 2004.

20. Approve termination of agreement with Macias Gini & Company LLP for audit services.
21. Receive and file proposed amendments to Rule 4103 (Open Burning), and set May 19, 2005 for a Public Hearing to consider the adoption of the amendments.
22. Approve and authorize the Chair to sign agreement between the Air District and Black & Decker to conduct a Lawn Mower Trade-In Program, approve and authorize Chair to sign Memorandum of Understanding between the Air District and Home Depot, and approve budget resolution allocating \$48,500 in unanticipated revenue for a Lawn Mower Program.
23. Approve and authorize Chair to sign contract renewal with Jeffrey/Scott Advertising (JSA) for Bilingual Spare the Air and Wood-Burning Curtailment Media Outreach Campaigns.

**APPROVED AS RECOMMENDED** – Board Member Prince made the motion to approve the Consent Calendar as submitted. Seconded by Board Member Patrick and carried unanimously with the following Roll Call Vote:

**Ayes:** Nelson, Dominici, Worthley, Armentrout, Anderson, Barba, Patrick, Prince and Mayfield.  
**Absent:** Sieglock and Maggard.

**Action:** The Board approved the Consent Calendar Items 15, 16, 17, 18, 19, 20, 21, 22 and 23 as submitted.

4. **PUBLIC COMMENT** – No Public Comment.
5. **REPORT FROM CITIZENS ADVISORY COMMITTEE (CAC)** – Mary-Michal Rawling, Environmental Primary Member, Merced County, made the CAC Report to the Board for the April 5, 2005 CAC Meeting.
6. **POSTPONE PUBLIC HEARING FOR PROPOSED AMENDMENTS TO RULE 4623 (STORAGE OF ORGANIC LIQUIDS) UNTIL MAY 19, 2005** – The public hearing for this matter was set for today. Due to noticing problems, publication did not occur in the eight county newspapers of major circulation. Staff recommends setting the public hearing for the May 19, 2005 meeting.

Staff presentation made by David L. Crow, Executive Director/APCO and George Heinen, Supervising Air Quality Engineer.

**POSTPONED** – Board Member Worthley made the motion to postpone the public hearing to the May 19, 2005 Governing Board Meeting. Seconded by Board Member Dominici and carried unanimously with the following **Roll Call Vote**:

**Ayes:** Anderson, Dominici, Barba, Patrick, Nelson, Armentrout, Prince, Worthley and Mayfield.

**Absent:** Sieglock and Maggard.

**Action:** The Board postponed the Public Hearing for proposed amendments to Rule 4623 (Storage of Organic Liquids) to the May 19, 2005 Governing Board Meeting.

7. **PUBLIC HEARING ADOPT REVISED PROPOSED AMENDMENTS TO RULE 2201 (NEW AND MODIFIED STATIONARY SOURCE REVIEW RULE), AND RULE 2530 (FEDERALLY ENFORCEABLE POTENTIAL TO EMIT)** – Staff presentation made by David L. Crow, Executive Director/APCO, Seyed Sadredin, Deputy Air Pollution Control Officer, and Dave Warner, Director of Permit Services.

**The following persons provided comments during the public comment portion of this item:**

Mike Kelly, Vector Environmental, asked for clarification regarding major modifications and BACT requirements for Section 4.1.3. and Section 3. 2. 5.

Mr. Warner stated that Mr. Kelly's question is a very complicated question to answer for major sources. Mr. Warner stated that it would take an engineer a few hours to run through the calculations to reach a conclusion. Mr. Warner stated that at this time, and without knowing the details of a particular proposal he would defer the question to a technical meeting.

Carolina Simunovic, Fresno Metro Ministry, asked for clarification regarding the approval dates of the revisions. Ms. Simunovic also asked what would the major source threshold be for the Valley under the new 8-Hour Ozone Standard.

Mr. Warner responded that the District does not expect the EPA to approve this rule prior to June 15, 2005 which is the date the EPA is expected to revoke the 1-Hour Standard. Mr. Warner noted that the major source threshold will probably remain exactly as it is now which is 50,000 pounds per year.

Mr. Sadredin stated that the District's permitting program is and will continue to be more stringent than the federal New Source Review programs. The District's trigger levels for Best Available Control Technology and offsets are much more stringent than those in the federal program.

**ADOPTED AS RECOMMENDED** – Board Member Patrick made the motion to adopt Rule 2201 and Rule 2530 as recommended. Seconded by Board Member Worthley and carried unanimously with the following **Roll Call**

**Vote:**

**Ayes:**           Worthley, Prince, Nelson, Patrick, Dominici, Armentrout, Anderson, Barba and Mayfield.

**Absent:**         Sieglock and Maggard.

**Action: The Board:**

- 1.) **Adopted revised proposed amendments to Rule 2201 (New and Modified Stationary Source Review Rule) and Rule 2530 (Federally Enforceable Potential to Emit)**
- 2.) **Authorized the Chair to sign the resolution.**

8. **PUBLIC HEARING ADOPT REVISED PROPOSED NEW RULES AND RULE AMENDMENTS FOR FUGITIVE VOC EMISSIONS FROM OIL, GAS, REFINING, AND CHEMICAL FACILITIES** – Staff presentation made by David L. Crow, Executive Director/APCO and George Heinen, Supervising Air Quality Engineer.

**The following persons provided comments during the public comment portion of this item:**

Roger Christy, ChevronTexaco, spoke in support of the Board adopting the revised proposed new rules and rule amendments.

Scott Sill, Lone Star Gas, spoke in support of the Board adopting the revised proposed new rules and rule amendments. Ms. Sill thanked staff for working with them on this rule.

Mike Kelly, Vector Environmental and the Western States Petroleum Association, spoke in support of the Board adopting the revised proposed new rules and rule amendments.

Jerry Frost, Kern Oil, spoke in support of the Board adopting the revised proposed new rules and rule amendments.

Les Clark, Independent Oil Producers Agency, spoke in support of the Board adopting the revised proposed new rules and rule amendments.

Carolina Simunovic, Fresno Metro Ministry, spoke in support of the Board adopting the revised proposed new rules and rule amendments.

**ADOPTED AS RECOMMENDED** – Board Member Patrick made the motion to adopt the revised proposed new rules and rule amendments. Seconded by Board Member Armentrout and carried unanimously with the following **Roll Call Vote:**

**Ayes:** Patrick, Worthley, Dominici, Barba, Anderson, Armentrout, Prince, Nelson and Mayfield.

**Absent:** Sieglock and Maggard.

**Action: The Board:**

- 1.) **Adopted Revised Proposed Rule 4409 (Components at Light Crude Oil Production Facilities, Natural Gas Production Facilities, and Natural Gas Processing Facilities, Revised Proposed Rule 4455 (Components at Petroleum Refineries, Gas Liquids Processing Facilities, and Chemical Plants), Proposed Amendments to Rule 4403 (Components Serving Light Crude Oil or Gases at Light Crude Oil and Gas Production Facilities and Components at Natural Gas Processing Facilities), Proposed Amendments to Rule 4451 (Valves, Pressure Relief Valves, Flanges, Threaded Connections, and Process Drains at Petroleum Refineries and Chemical Plants), and Proposed Amendments to Rule 4452 (Pump and Compressor Seals at Petroleum Refineries and Chemical Plants).**
- 2.) **Authorized the Chair to sign the resolution.**

9. **CONTINUE PUBLIC HEARING OF PROPOSED 2005 AMENDMENTS TO THE 2003 PM10 PLAN TO MAY 19, 2005** – Staff presentation made by David L. Crow, Executive Director/APCO and Dave Mitchell, Planning Manager.

**CONTINUED** – Board Member Dominici made the motion to continue the Public Hearing to May 19, 2005. Seconded by Board Member Nelson and carried unanimously with the following **Roll Call Vote:**

**Ayes:** Barba, Armentrout, Patrick, Prince, Dominici, Nelson, Worthley, Anderson and Mayfield.

**Absent:** Sieglock and Maggard.

**Action: The Board:**

- 1.) **Continued the Public Hearing to adopt the Proposed 2005 Amendments to the 2003 PM10 Plan.**
- 2.) **Set May 19, 2005 for the Public Hearing to consider adoption of the above-listed plan amendments.**

10. **APPROVE AIR QUALITY MITIGATION AGREEMENTS WITH TEJON RANCHCORP AND CASTLE & COOKE CALIFORNIA INC. TO RECEIVE FUNDS FOR THE PURPOSE OF MITIGATING AIR QUALITY IMPACTS OF**

**PROPOSED DEVELOPMENT PROJECTS** – Staff presentation made by David L. Crow, Executive Director/APCO and Seyed Sadredin, Deputy Air Pollution Control Officer.

**The following persons provided comments during the public comment portion of this item:**

Joe Drew, Tejon Ranch, spoke in support of the Board approving the air quality mitigation agreements.

Mike Kelly, Vector Environmental, asked if a source receives an air quality mitigation agreement would they be eligible to seek grant funding from the District on that air quality mitigated project.

Mr. Sadredin stated that a source that has a air quality mitigation agreement would not be eligible to receive grant funds for the existing project.

Mary-Michal Rawling, CAC Member and Merced/Mariposa County Asthma Coalition, commented that there was not ample time for public review or comment, nor did the District conduct public workshops on the concept of air quality mitigation agreements. Ms. Rawling requested the Board give the public additional time to review these agreements. Ms. Rawling stated that since we are developing an ISR Rule, and this is so closely tied to an ISR Rule then we need to look at these agreements better.

Kathryn Phillips, Environmental Defense, stated that the Environmental Defense urges the Board to take no action on this issue today.

Manuel Cunha, Jr., Nisei Farmers League, spoke in support of the concept in which this District is trying to work with businesses and industry. Mr. Cunha stated that he hopes that the Board moves forward with this item today.

Mark Stout, Air Quality and Renewal Energy Consultant, and the Central Valley Air Quality Coalition, stated that the details of the agreements are causing concern.

Mark Jones, Castle & Cooke, spoke in support of the Board approving the air quality mitigation agreements.

Stephan DeBranch, Castle & Cooks, spoke in support of the Board approving the air quality mitigation agreements.

Carolina Simunovic, Fresno Metro Ministry, and the Central Valley Air Quality Coalition, stated that we wouldn't be here today talking about these agreements if the ISR Rule was completed as scheduled. Ms. Simunovic noted that the ISR

Rule was supposed to be adopted by now, and getting implemented by now. Ms. Simunovic stated that this very important rule (ISR) that we've all been talking about is a greater context for these agreements. This is a rule that the whole state is looking at the District for. The whole country even, and everybody is holding on to their seats waiting to see what happens.

Jerry Frost, Kern Oil, noted that Ms. Phillips made the comment that refineries receive grant funds. Mr. Frost noted for the record that refineries receive no grant funds.

**Correspondence received:** written to Thomas W. Mayfield, Chair of the Governing Board, from Environmental Defense, Kathryn Phillips, Manager, California Clean Air for Life Campaigns, dated: April 11, 2005.

**APPROVED AS RECOMMENDED** – Board Member Worthley made the motion to approve the air quality mitigation agreements as recommended. Seconded by Board Member Patrick and carried with the following **Roll Call**

**Vote:**

**Ayes:** Armentrout, Prince, Patrick, Nelson, Barba, Worthley, Dominici and Mayfield.

**Noes:** Anderson.

**Absent:** Sieglock and Maggard.

**Action: The Board:**

- 1.) **Approved and authorized the Chair to sign the Air Quality Mitigation Agreements with Tejon RanchCorp and Castle & Cooke California, Inc.**
- 2.) **Authorized staff to identify, fund and manage air quality projects that will mitigate the net project criteria pollutant impacts determined in an approved Air Quality Impact Assessment for each proposed project.**
- 3.) **Approved the Budget Resolution which increases the estimated revenues and appropriations in the 2004-05 District Budget in the amount of \$531,900 to facilitate the receipt of Development Mitigation Funds and authorize expenditure of those funds in accordance with the Air Quality Mitigation Agreements.**

11. **VERBAL REPORT: CALIFORNIA AIR RESOURCES BOARD (ARB) BOARD MEETING** – Report by Douglas Ito, ARB representative and Liaison for the Valley Air District.

12. **EXECUTIVE DIRECTOR/APCO COMMENTS** – David L. Crow, Executive Director/APCO, commented that on Monday, April 19, 2005 the Legislative Session began. Mr. Crow reported that he and Seyed Sadredin met with about seven of the Valley’s local delegation in Sacramento, and will meet with the balance on May 4, 2005 to talk about a broad spectrum of issues.
13. **GOVERNING BOARD MEMBER COMMENTS** – Board Member Prince commented that he wanted to thank Board Members Worthley and Dominici for representing the Board at the Senate Hearing on SB 999 on Monday, April 18, 2005. Board Member Prince stated that he understands they did a tremendous job. Board Member Prince noted that we were one vote short of defeating SB 999. Board Member Prince noted that we should include in future correspondence the fact that the learning curve for someone coming on the District’s Governing Board at this point in time, is tremendous. Board Member Prince noted that he thinks we need to do a better job in outreach to the different cities and counties, and to get them individually involved in doing things for improving air pollution.

Board Member Worthley stated he wanted to say thanks to Board Member Alene Taylor who is the Alternate to Board Member Barba. Board Member Worthley noted that Board Member Taylor traveled with us to Sacramento. Board Member Worthley noted that there was a total of three supervisors who made comments during the SB 999 hearing. Board Member Worthley stated he also wanted to thank Seyed Sadredin and Tom Jordan for preparing comments for us to present.

Board Member Worthley noted there were some statements of fact made by Senator Machado at the end of his presentation. Board Member Worthley stated he would like for us to try and capture those comments, have our staff respond to them, and make sure the committee receives that information. Board Member Worthley explained there was some gross misinformation presented to the committee in Senator Machado’s final comments. Unfortunately, we had no opportunity to respond to those comments.

**OTHER BUSINESS** – No Other Business.

**Philip M. Jay, District Counsel, made the following announcement:**

14. **CLOSED SESSION** - The Governing Board will hold a Closed Session pursuant to Section **54957.6 and 54956.9 (b)** of the Government Code (Ralph M. Brown Act) as follows:
- Conference with labor negotiator – Carolyn Rose; Employee Organization SEIU, Local 700



- Conference with Legal Counsel – Anticipated litigation: significant exposure to litigation pursuant to Government Code Section 54956.9 (b): One potential case.

**ADJOURN** – The Chair adjourned the meeting to Closed Session at 11:55 a.m.

**The Board adjourned from Closed Session at 12:35 p.m.**