

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, February 19, 2009
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, Chris Vierra, called the meeting to order at 9:14 a.m.

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

Present:

Tony Barba, Supervisor, Vice Chair	Kings County
Judy Case, Supervisor	Fresno County
Ronn Dominici, Supervisor	Madera County
Henry J. Forman, Ph.D.	Appointed by Governor
William O'Brien, Supervisor*	Stanislaus County
Leroy Ornellas, Supervisor*	San Joaquin County
John G. Telles, M.D.	Appointed by Governor
Chris Vierra, Councilmember, Chair	City of Ceres
Raymond Watson, Supervisor	Kern County
J. Steven Worthley, Supervisor	Tulare County

*Attended meeting in Northern Region Office

Absent:

Michael G. Nelson, Supervisor	Merced County
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3. APPROVAL OF CONSENT CALENDAR – Items numbers 17 – 24 *These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public is given the opportunity to comment on any consent item.*

17. APPROVE REVISED ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, DECEMBER 18, 2008

18. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, JANUARY 15, 2009

19. RECEIVE AND FILE OPERATIONS STATISTICS SUMMARY FOR JANUARY 2009
20. RECEIVE AND FILE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2008
21. RECEIVE AND FILE BUDGET STATUS REPORT AS OF JANUARY 31, 2009 AND CASH BALANCE REPORT AS OF DECEMBER 31, 2008
22. RECEIVE AND FILE PROPOSED AMENDMENTS TO RULE 4902 (RESIDENTIAL WATER HEATERS)
23. APPROVE AND AUTHORIZE CHAIR TO SIGN AGREEMENT WITH THE ENTERPRISE FOR EDUCATION CORPORATION TO FUND THE CLEAN AIR CHALLENGE MIDDLE AND HIGH SCHOOL CURRICULUM PROGRAM IN THE AMOUNT OF \$30,000
24. ADOPT AMENDMENT TO THE PERSONNEL RULES SECTION OF THE DISTRICT'S ADMINISTRATIVE CODE – SECTION 17.7 ANNUAL LEAVE

Consent Calendar Item #20 was pulled for discussion by Dr. Telles. Dr. Telles stated his concern over the increase in salaries and retirement benefits for District employees over the last several years. Supervisor Worthley stated there had been an increase in the District's jurisdiction over the last several years and a resulting increase in the number of employees. Supervisor Case agreed with Supervisor Worthley's comments, but also stated the need to reevaluate retirement costs for future employees.

Public Comment – None

Moved: Worthley
Seconded: Watson
Ayes: Case, Watson, Worthley, Dominici, Telles, Forman
Barba, Ornellas, O'Brien, Vierra
Nays: None

Motion unanimously carried to approve Consent Calendar Items 17-24.

4. PUBLIC COMMENT – *The following persons provided testimony during the Public Comment portion of the meeting:*

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- Sarah Sharpe, Fresno Metro Ministry
- Manuel Cunha, Nisei Farmers League

5. REPORT FROM THE CITIZEN'S ADVISORY COMMITTEE (CAC) – Mary-Michal Rawling, Chair of the Citizen's Advisory Committee, gave a report on the meeting held on February 3, 2009. She stated there were no action items at this meeting. She reported the CAC received reports from Seyed Sadredin, the District's Executive Director, the Environmental Justice Advisory Group, the District's Outreach and Communications Department and the ARB. Ms. Rawling stated EJAG has approved their Bylaws. She also reported EJAG meets the third Monday of every month, alternating morning and evening meeting times. She stated EJAG is currently looking at maps of environmental justice communities throughout the Valley and is exploring a recommendation for a fee waiver for Public Records Requests from environmental justice communities. In addition, she stated EJAG has formed a sub-committee to develop public outreach materials. Ms. Rawling also reported the CAC is moving forward to fill their vacancies and addressing their attendance issues as the Governing Board directed in the CAC Bylaws.
6. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2009 AND SELECT A TENTATIVE DATE FOR NOVEMBER 2009 GOVERNING BOARD MEETING – Seyed Sadredin, Executive Director gave the presentation. He stated that at the January meeting, Supervisor O'Brien requested a Governing Board meeting be scheduled in November 2009 to avoid a longer December 2009 meeting. Mr. Sadredin reported staff polled the Governing Board members to find a possible meeting date for November and were unable to establish a date when more than 5 of the Governing Board members were available. He asked the Board members if they would like to proceed with a November meeting date and if so, could they choose a meeting date where a quorum would be present.

Mr. O'Brien stated the Board should try to schedule a November meeting to avoid another situation like last December where the meeting stretched so long that some Board Members had to leave during the meeting. Supervisor Case suggested setting November 12, 2009 as a tentative date for a Governing Board meeting and made a motion to that effect.

Public Comment – *The following persons provided testimony on this item:*

- Laura Fultz-Stout, Coalition for Clean Air

Moved: Case
Seconded: Watson
Ayes: Watson, Telles, Forman, Case, Ornellas, O'Brien
Barba, Dominici, Worthley, Vierra
Nays: None

Motion unanimously carried to set November 12, 2009 as a tentative Governing Board meeting date and to re-assess the need for a November meeting in August/September 2009.

7. APPROVE THE DISTRICT'S ECONOMIC ASSISTANCE INITIATIVE – Seyed Sadredin, Executive Director, gave the presentation. He noted customer service is a core value of the District's Mission and Vision Statements and the District's STAR Program. He stated the Economic Assistance Initiative is an extension of the District's commitment to customer service in light of the difficult economic circumstances that we are currently facing globally. He reported staff has looked into ways to help entities regulated by the District without sacrificing public health. He stated due to the great financial stewardship provided to the District by the Governing Board, the District is in a position to allow some flexibility and provide a measure of relief to the businesses and entities regulated by the District.

Proposed measures to relieve financial hardship include providing businesses and municipalities with additional time to pay permit fees; waive late fees; offer installment payment plans on some fees and penalties for businesses and municipalities; defer payment of Indirect Source Review mitigation fees to the time of occupancy; waive \$5,000 penalty for certain defaults on Proposition 1B grant contracts; provide additional time to meet the minimum usage requirements in incentive grant contracts; and priority-processing of grant applications for economically distressed businesses. In addition, the District is proposing to provide for active remote participation in public workshops; provide additional time to install Enhanced Vapor Recovery systems for businesses failing to meet the April 1, 2009 deadline due to economic hardship; and provide training and assistance for job applicants.

Dr. Forman asked how providing additional time to install Enhanced Vapor Recovery (EVR) systems would affect VOCs. Mr. Sadredin responded the effect on VOCs will be minimal. Although Enhanced Vapor Recovery helps assure compliance and system reliability, the EVR does not directly increase VOC control efficiency. He also noted that a number of gas stations have already complied with the Rule and that VOCs are a secondary pollutant in terms of Ozone impact. Supervisor Case asked about the deferred payment for Indirect Source Review and if it would change who pays the fees. Mr. Sadredin replied the developer would still be responsible for paying the fees and the only change would be to the time of payment.

Supervisor Case also asked about waiving the penalty for certain defaults on Proposition 1B grant contracts and whether it put the District at risk of having to pay back incentive funds to the state. Mr. Sadredin responded this penalty only applies to Proposition 1B grant contracts which were written but not executed. He stated due to a deficiency in the legislature, the only risk is if the District signed a contract and the independent owner could not provide the matching funds, the money would have to be sent back to the state. He stated staff is working with the ARB and other air districts to find legislative relief for this issue. Supervisor Worthley asked about the criteria to determine the source categories or businesses who qualify for the District's Economic Assistance Initiative. Mr. Sadredin responded the District intends to make these services available to most on a case-by-case basis depending on their individual situations.

Supervisor O'Brien stated he agreed with the Economic Assistance Initiative proposal and felt the District should do all they can do to help businesses in the current economic climate. Supervisor Ornellas thanked staff for their forethought, compassion and flexibility in developing this proposal. Supervisor Dominici stated he is in favor of this proposal and the show of compassion to the Valley's business owners. Both Supervisor Barba and Supervisor Watson voiced support for this proposal. Supervisor Worthley stated action is very important in the Valley's current economic climate and this proposal is an incremental benefit to the Valley's air quality. Dr. Forman stated helping small businesses without impacting air quality is a good idea. Dr. Telles gave information on the effects of the economy on the Firebaugh area. Chairman Vierra stated his support for this proposal.

Several of the Board Members stated their concerns about providing training and assistance for job applicants, including the possible duplication of services already provided by county Workforce Investment Boards. Mr. Sadredin responded by agreeing that some of these job training services are already provided by other entities. However, he reported many of the District's job applicants were not aware these services existed. He stated the contribution of District staff would be limited and that providing this benefit to job seekers would enable the District to hire the best candidates available for these positions.

Public Comment: *The following persons provided testimony on this item:*

- Laura Fultz-Stout, Coalition for Clean Air
- Manual Cunha, Nisei Farmers League
- Sarah Sharpe, Fresno Metro Ministry
- Roger Isom, California Cotton Ginners and Growers Assoc./CAGI

Supervisor Case made a motion to approve the District's Economic Assistance Initiative and requested staff to contact the Workforce Investment Boards in the District to determine the services they provide to job applicants.

Moved: Case
Seconded: Dominici
Ayes: O'Brien, Ornellas, Telles, Dominici, Forman
Case, Worthley, Barba, Watson, Vierra
Nays: None

8. RECEIVE A REPORT ON THE IMPACTS OF WILDFIRES ON SUMMER 2008 AIR QUALITY AND DISCUSS POTENTIAL APPROACHES TO MINIMIZE FUTURE AIR QUALITY IMPACTS – Scott Nester, Planning Manager, gave a report on the impacts of wildfires on the San Joaquin Valley air quality in summer 2008. In 2008, northern California's wildfires burned over 1.3 million acres, causing spikes in San Joaquin Valley's ozone and particulate matter air pollution levels. In the report, staff discussed the extent of the violations of the federal health-based ambient air quality standards and how the District is working closely with federal land managers to

mitigate the air quality impacts of wildfires in the future. Ed Cole, Land Manager at Sierra National Forest and Deb Schweitzer, Land Manager at Sequoia/Kings Canyon National Park also gave a presentation regarding the U.S. Forest Service program for prescribed burning.

Supervisor Worthley voiced concern about the impact of emissions from prescribed burning on the Valley's air quality and recommended using alternatives to burning to manage the land. Mr. Cole responded the U.S. Forest Service is using alternative tools for land management where possible, including timber harvests. However, he stated the U.S. Forest Service encounters many roadblocks to using these alternatives. Supervisor Dominici stated the Governing Board must work with the U.S. Forest Service on land management. Dr. Forman asked how the Forest Service determined optimized burning conditions. Trent Proctor, Regional Air Quality Specialist for the U.S. Forest Service, responded they are monitoring PM 2.5 and Ozone and working with modeling to better determine optimized conditions. Supervisor Watson asked about the cost difference among the various land management tools and how the Forest Service considers the cost of fighting fires in their land management costs. Mr. Cole responded funding for the Forest Service comes from appropriations and the cost of firefighting has grown from 13% of the Forest Service budget to 50% of the budget, which reduces the amount of money available for other things. He stated they are working on separating the cost of fighting the fires.

Supervisor Worthley stressed the need to proactively address the impact of wildfires and use of alternatives to fire. Dr. Telles stated there is a 2008 Southern Sierra Science Symposium website, sponsored by the Forest Service, with information on climate change, fire, forest management, pollutants and invasive species. Mr. Sadredin reported the District is working with land managers to accomplish three things: reduce the fuel supply; make sure air quality is a primary factor in deciding how to manage wildfires; and, work together on the administrative process for exceptional event findings with the EPA. Supervisor Dominici stated these issues should be a priority for the District. Supervisor Case gave kudos to the land managers and suggested the District add this issue to their Legislative Platform in the future. Supervisor Watson suggested staff bring forth a resolution regarding the District's work with the U.S. Forest Service, including solutions to pursue with respect to the air quality problems relating to wildfires. Mr. Sadredin responded this item will be added to a future agenda. Supervisor Case suggested finding additional funding for fuel management in the stimulus package.

Public Comment: *The following persons provided testimony on this item:*

- Evan Shipp
- Manual Cunha

The Governing Board adjourned to Closed Session at 11:40 a.m.

Supervisor Case left after Closed Session.

The Governing Board reconvened at 12:30 p.m.

9. REPORT ON DISTRICT'S AIR QUALITY FLAG PROGRAM. APPROVE AND AUTHORIZE CHAIR TO SIGN AGREEMENT WITH THE AMERICAN LUNG ASSOCIATION OF CALIFORNIA IN THE AMOUNT OF \$48,000 – Jaime Holt, Chief Communications Officer, gave the presentation regarding the agreement with the American Lung Association of California to continue the AQI Flag Program in Valley schools. Schools receive four flags that serve as a visual communicator of daily air quality forecasts, as well as educational materials and workshops on air quality and the health impacts of exposure to air pollution. All materials are free to the schools and more than 750 have implemented the program. The goal is to work toward 100% participation.

Supervisor Watson asked about the difference in cost per school. Ms. Holt responded this was due to staff resources and size of the school district. Dr. Telles commended staff on this tremendously successful program and asked if the District provides information to schools on the best time to exercise on bad air days. Dr. Telles asked that the District provide an ongoing report on the number of schools participating in the Flag Program. Ms. Holt responded the District provides a guide to schools with information about the best time of day for outdoor exercise and alternative indoor cardio activities. Mr. Sadredin reported staff is currently working on an additional policy for schools regarding physical activity on bad air days.

Public Comment - None

Moved: Watson
Seconded: Dominici
Ayes: Watson, Barba, Dominici, Worthley, Telles
Forman, O'Brien, Ornellas, Vierra
Nays: None

Motion unanimously carried to approve and authorize the Chair to sign agreement with the American Lung Association of CA in the amount of \$48,000.

10. APPROVE AND AUTHORIZE CHAIR TO SIGN VOLUNTARY GREENHOUSE GAS MITIGATION AGREEMENTS FOR TWO PROPOSED ETHANOL MANUFACTURING FACILITIES – Dave Warner, Director of Permit Services, gave the presentation on voluntary agreements to mitigate greenhouse gas emissions associated with two proposed projects: the Cilion Ethanol facility in Kern County and Great Valley Ethanol in Kings County. The funds will go toward grants for projects ranging from energy and water conservation efforts to the electrification of fossil fuel-fired internal combustion engines. The highest priority will be given to projects located near the new plants.

Supervisor Worthley asked if the funds must be used for specific greenhouse gas emissions. Mr. Warner replied there are two specific emissions: Carbon Dioxide and Methane. Supervisor Ornellas asked why there is difference in cost between the two

facilities. Mr. Warner replied it was due to more efficiencies and trees planted at the Cilion facility.

Public Comment – None

Moved: Watson
Seconded: Worthley
Ayes: Ornellas, O'Brien, Forman, Telles, Dominici
Barba, Worthley, Watson, Vierra
Nays: None

Motion passes unanimously to approve and authorize Chair to sign voluntary greenhouse gas mitigation agreements for two proposed ethanol manufacturing facilities.

11. UPDATE ON AGRICULTURAL AND RESIDENTIAL WOOD BURNING RESTRICTIONS – Rick McVaigh, Deputy APCO, gave the update on agricultural and wood burning restrictions. He reported preliminary data indicate that more stringent residential wood burning restrictions, which were adopted as amendments to Rule 4901 in October 2008, have resulted in improved wintertime air quality. He stated staff will put together a full report for the Governing Board after the wood burning season is over. He reported agricultural burning is currently being phased out, declining from 14,000 acres to 4,000 acres per year, Valley-wide. He stated most agricultural burning is prohibited every day of the year, but exceptions remain for diseased crops and where alternatives to burning are not economically feasible. He noted the agricultural burning that is allowed is strictly subject to the District's Smoke Management System, which takes various factors, including meteorology, into account. He also reported that due to a new District policy, agricultural burning is also prohibited on days when wood burning is prohibited.

Supervisor Watson thanked staff and stated the new policy eliminates some of the confusion regarding agricultural burning and residential wood burning.

12. VERBAL REPORT: CALIFORNIA AIR RESOURCES BOARD (ARB) – Jeff Lindbergh gave very brief comments due to the passing of the state budget that morning.
13. APPOINT AD HOC BUDGET SUBCOMMITTEE – Chairman Vierra appointed Supervisor Barba, Supervisor Ornellas, Chairman Vierra, Supervisor Worthley and Supervisor O'Brien to the Ad Hoc Budget Subcommittee.
14. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin reported the District has submitted its Appropriation Request Letters to the Federal Legislature for earmarks and other assistance available from the stimulus package and other federal funding. He noted staff is planning a trip to Washington D.C. during the week of March 24th and suggested a couple of Board Members may want to consider attending. Chairman Vierra stated he will coordinate attendance with staff.

Mr. Sadredin reported on the Special Valley-Wide City Selection Committee meeting held on January 29, 2009. He stated 59 City Members attended the meeting and adopted the process for making appointments to the City seats on the Governing Board. He reported there was great interest in serving on the Governing Board from the various City Members and they will adopt a rotation schedule at their next meeting. He stated due to the various steps in the Board Member selection process, the vacant City seats may not be filled until late summer 2009 at the earliest. He also reported on a joint meeting with District staff, Governing Board members and South Coast AQMD where they identified several items that could be addressed by working together. Mr. Sadredin also reported, as provided for in the new state budget, the average DMV registration fee will increase 30-50% overall, depending on the type of the vehicle. Lastly, he stated the District received a perfect score on their recent audit and recognized Roger McCoy, Administrative Services Director and his staff for a job well done.

15. GOVERNING BOARD MEMBER COMMENTS – Dr. Telles stated he would like to give a brief presentation at a future meeting on life expectancy and particulate matter. Supervisor Worthley commented on the recent meeting with South Coast AQMD Board Members and staff and how the District will benefit from this working relationship.

ADJOURN

Meeting adjourned at 1:23 p.m.

*Next scheduled meeting of the Governing Board: Thursday, March 19, 2009.
Meeting starts at 9:00 a.m., 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.*