

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, October 20, 2011

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, Supervisor Worthley, called the meeting to order at 9:05 a.m.
2. ROLL CALL was taken and a quorum was present.

Present:

Tony Barba, Supervisor	Kings County
Dr. Henry Jay Forman, Ph.D. ***	Appointed by Governor
Ann Johnston, Mayor, Vice Chair*	City of Stockton
Randy Miller, Mayor**	City of Taft
William O'Brien, Supervisor*	Stanislaus County
Leroy Ornellas, Supervisor	San Joaquin County
Chris Vierra, Mayor*	City of Ceres
Hub Walsh, Supervisor	Merced County
Raymond Watson, Supervisor**	Kern County
J. Steven Worthley, Supervisor, Chair	Tulare County

* Attended meeting in Northern Region Office

**Attended meeting in Southern Region Office

***Dr. Forman arrived at 9:08 a.m.

Absent:

Judy Case, Supervisor	Fresno County
Ronn Dominici, Supervisor	Madera County

3. APPROVAL OF CONSENT CALENDAR – (Item Numbers 20 - 31) *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.*

20. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, AUGUST 18, 2011

21. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2011 AND 2012

22. RECEIVE AND FILE OPERATION STATISTICS SUMMARY FOR AUGUST AND SEPTEMBER 2011
23. RECEIVE AND FILE BUDGET STATUS REPORT AS OF SEPTEMBER 30, 2011
24. AUTHORIZE APCO TO SIGN MEMORANDUM OF UNDERSTANDING WITH THE CALIFORNIA AIR RESOURCES BOARD FOR DISTRICT IMPLEMENTATION AND ENFORCEMENT OF STATE LANDFILL METHANE REGULATION
25. AMEND 2011-12 ADOPTED BUDGET TO ADJUST ESTIMATED AMOUNTS TO ACTUAL AND RE-APPROPRIATE OUTSTANDING ENCUMBRANCES AT 6/30/11
26. RECEIVE AND FILE LISTING OF REFUNDS FOR FISCAL YEAR 2010-11
27. APPROVE 457 DEFERRED COMPENSATION PLAN INVESTMENT POLICY STATEMENT INCLUDING ESTABLISHMENT OF DEFERRED COMPENSATION COMMITTEE
28. APPROVE AND AUTHORIZE THE CHAIR TO EXECUTE AMENDMENT 3 TO AGREEMENT No. 07-10-08 WITH APPLIED DEVELOPMENT ECONOMICS TO EXTEND THE TERM OF THE AGREEMENT TO MARCH 31, 2012
29. APPROVE RESOLUTION AUTHORIZING DISTRICT OFFICIALS TO PERFORM BANKING TRANSACTIONS ON BEHALF OF THE DISTRICT
30. APPROVE AGREEMENT WITH CJ LAKE, LLC FOR FEDERAL LEGISLATIVE ADVOCACY FOR AN AMOUNT NOT TO EXCEED \$89,244
31. APPROVE AND AUTHORIZE CHAIR TO SIGN CONTRACT FOR INSTALLATION OF CARPET AT A COST OF \$25,382 WITH \$7,500 MOISTURE BARRIER CONTINGENCY

Public Comment: None

Regarding Item # 24 AUTHORIZE APCO TO SIGN MEMORANDUM OF UNDERSTANDING WITH THE CALIFORNIA AIR RESOURCES BOARD FOR DISTRICT IMPLEMENTATION AND ENFORCEMENT OF STATE LANDFILL METHANE REGULATION, Supervisor Walsh disclosed that he serves on an Integrated Waste Management Board which runs a local landfill. He asked District Counsel, Catherine Redmond, if there would be any conflict of interest on this matter. She replied there was no incompatible office discerned for this item.

Moved: Johnston
Seconded: Watson
Ayes: Miller, Watson, Vierra, Johnston, O'Brien,
Ornellas, Walsh, Barba, Worthley
Nays: None

Motion unanimously carried to approve Consent Calendar Items 20 - 31.

4. **QUICK REFRESHER ON THE USE OF TABLET COMPUTERS AND THE DISTRICT'S PAPERLESS AGENDA** – Seyed Sadredin, Executive Director/APCO, stated the District is moving towards a paperless Governing Board Agenda packet and planned to use both paper and electronic packets until the Board members get used to the new system. He reported that the majority of the Board members have stated they no longer need the paper documents. Mr. Sadredin noted staff would continue to provide paper copies of the Governing Board Agenda so that members could check off items as they are heard. He introduced Alex Aftanas, Information Technology Services Supervisor, who gave a brief refresher to the Board members on the use of the tablet computers.
5. **PUBLIC COMMENT** – *The following persons provided testimony during the public comments portion of the meeting:*
 - Tom Frantz, Association of Irrigated Residents
 - Stacy LaJoie, Tumblegator, Inc.
 - Kevin Hall, Central Valley Air Quality Coalition
 - Bob Smith, Bike Bakersfield
 - Roger Isom, CA Cotton Ginners Association
6. **S.T.A.R. RECOGNITION (Service, Teamwork, Attitude, Respect)** – Marissa Gonzales, Personnel Director, presented this item which acknowledges employees' service milestones:

Five Years of Service

Vicki Christie, Senior Office Assistant
Gary Henry, Air Quality Instrument Tech
Janice Jameson, Network Systems Analyst
Ryan Kincaid, Senior Accountant
Leland Thompson, Air Quality Instrument Tech

Ten Years of Service

Thomas Busenbark, Supervising Air Quality Inspector
Brian Dodds, Supervising Air Quality Specialist
Shawn Ferreria, Senior Air Quality Specialist
Esteban Gutierrez, Senior Air Quality Specialist
Ryan Hayashi, Supervising Air Quality Specialist
Daniel Martinez, Supervising Air Quality Specialist
Kevin McCaffery, Senior Air Quality Specialist

Kashmir Pandher, Air Quality Specialist

Fifteen Years of Service

Michael Oldershaw, Air Quality Compliance Manager

7. **REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES** – Manuel Cunha, Chair of the CAC, gave a report on highlights of their September meeting. He reported members from all three interest groups voted unanimously to endorse the recommendations of the District's Economic Analysis Committee. He also stated he appointed six new members to the CAC Hearing Board subcommittee, who will interview potential Hearing Board candidates and make recommendations to the Governing Board for appointments. He noted CAC received an update on EJAG activities including the formation of the EJAG Grants Subcommittee.

Mr. Cunha reported in October, the CAC received a presentation from Dr. Lighthall, the District Health Science Advisor, on the Real-Time Air Advisory Network (RAAN) program. He stated they also received a presentation from Brian Dodds, Strategies and Incentives Supervisor, on new proposals to increase electric vehicle usage and awareness in the Valley. Lastly, he noted CAC also received an update from EJAG describing Mr. Cunha's presentation on CAC activities at their September meeting.

8. **ENHANCE DISTRICT EFFORTS RELATED TO ZERO-EMISSION AND CLEAN VEHICLE AWARENESS AND DEPLOYMENT IN THE SAN JOAQUIN VALLEY AND ACCEPT AND APPROPRIATE \$275,000 IN UNANTICIPATED REVENUE** – Brian Dodds, Strategies and Incentives Supervisor, gave the presentation on this item which proposed to accept \$275,000 in additional funds to increase electric vehicle deployment and market penetration in the Valley. He reported the funding will be used for the development of a regional electric vehicle readiness plan and grants for charging and refueling infrastructure in the Valley for plug-in electric vehicles. He noted other revisions shift the existing Light-duty and Medium-duty vehicle incentive program to one that is rebate-based to better match the state's Clean Vehicle Rebate Program and also reclassify vehicle categories to be more consistent with the state. He noted the District anticipates that these improvements will reverse a trend of low Valley participation in electric vehicle deployment efforts.

Public Comment: None

Moved:	Johnston
Seconded:	Watson
Ayes:	Barba, Forman, Walsh, Watson, Miller, Ornellas, Johnston, Vierra, O'Brien, Worthley
Nays:	None

Motion unanimously carried to enhance District efforts related to zero-emission and clean vehicle awareness and deployment in the San Joaquin Valley and accept and appropriate \$275,000 in unanticipated revenue.

9. VERBAL REPORT: AIR ALERT PROGRESS REPORT RECAPPING THE INAUGURAL LAUNCH OF THE AIR ALERT PROGRAM WITH AN OVERVIEW OF THE ACTIONS, THE RESULTS, AND POTENTIAL NEXT STEPS – Mr. Sadredin gave the report on the District's inaugural Air Alert Program. He explained the Air Alert Program was launched this past summer to promote air-friendly actions by residents and businesses aimed at bringing the Valley into attainment of the federal 1-hour ozone standard. He reported Air Alert episodes were declared when meteorological conditions and emission trends showed the likelihood of a violation if no adjustments were made. He noted four Air Alert episodes were called between August 23rd and September 30th.

Mr. Sadredin explained the District received widespread coverage from the media, including those in the Sacramento-area. He reported the Air Alert Program urged Valley residents and businesses to take voluntary, emission-reducing steps such as carpooling, shifting operations to early morning or late evening, and refraining from idling or using drive-throughs. He noted the first three episodes ended without any 1-hour ozone standard violations. Unfortunately, exceedances occurred Sept. 29 at monitoring sites in Fresno and Clovis. However, Mr. Sadredin noted actions taken by residents and businesses during Air Alert periods helped the Valley continue its significant progress toward meeting the 1-hour ozone standard and appear to be an effective strategy to minimize ozone levels. Additionally, he reported the Air Alert initiative gave the District important information on effectively communicating complex messages to a diverse audience.

Mr. Sadredin introduced Dr. David Lighthall, the District's Health Science Advisor, who gave a quick demonstration on the Real Time Air Quality Advisory Network (RAAN), the District's ground-breaking program designed to notify schools of current air quality conditions. Supervisor Worthley commented the RAAN program was a great example of the District using real-time monitoring information and applying it in a cutting-edge manner to assist schools in discerning potential health risks to students. Supervisor O'Brien thanked staff for their hard work on the Air Alert Program. Supervisor Watson complimented staff on the Air Alert Program and asked about the possibility of using the air monitoring data to inform residents of their exposure to air pollution by area. Mr. Sadredin responded staff is researching the possibility of using GIS to assist with this type of reporting.

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

- Tom Frantz, Association of Irrigated Residents
- Manuel Cunha, Nisei Farmers League
- Elizabeth Jonasson, Coalition for Clean Air
- Kevin Hall, Central Valley Air Quality Coalition
- Kevin Abernathy, California Dairy Campaign

Dr. Forman commented the District Governing Board is doing a good job at reducing air Pollution. He suggested including information on the worst case scenarios, when producing reports such as these.

10. APPROVE AND AUTHORIZE CHAIR TO SIGN AIR QUALITY MITIGATION AGREEMENT WITH AMERESCO VASCO ROAD LLC – Dave Warner, Permits Director, gave the presentation on this item which proposed to accept funds in the amount of \$201,183 to mitigate localized air quality impacts within the District from the operation of a proposed landfill gas to energy power plant in the Bay Area Air Quality Management District (BAAQMD), just west of the San Joaquin County line.

Mayor Johnston asked for clarification on the mitigation agreement. Mr. Sadredin responded the District has no regulatory authority over this facility, which operates according to the less stringent BAAQMD standards. He commented this agreement would lead to net zero localized air quality impacts from this facility. Supervisor O'Brien noted the District needs to continue to keep an eye on the surrounding facilities which could negatively impact the Valley's air quality. Supervisor Ornellas stated he was glad to hear these dollars would be used to mitigate impact in proximity to the project. Supervisor Watson stated his concerns regarding facilities operating outside the District, which negatively impact the Valley's air quality, due to the lower standards of surrounding air districts. Mayor Vierra suggested the District might pursue discussions on a sphere of influence arrangement with neighboring air districts, to give the District some jurisdictional input on potential projects located in neighboring air districts which could have negative influence on the Valley's air quality. Mr. Sadredin responded that may be a good idea to put on the table with neighboring air districts. Supervisor Worthley voiced his appreciation for the District and applicant working together to mitigate this project. He noted there were larger policy implications which will need to be addressed in the future. Supervisor Walsh voiced his concerns over the impacts, however, he noted his appreciation that the situation would not get any worse for the Valley.

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

- Kevin Hall, CVAQ
- Kevin Abernathy, California Dairy Campaign

Moved: Watson
Seconded: Forman
Ayes: Johnston, O'Brien, Vierra, Ornellas, Watson,
Miller, Forman, Walsh, Barba, Worthley
Nays: None

Motion unanimously carried to approve and authorize Chair to sign air quality mitigation agreement with Ameresco Vasco Road LLC.

11. APPROVE MUNICIPAL, COMMERCIAL, AND INDUSTRIAL ENERGY EFFICIENCY PROJECTS – Tom Jordan, Senior Policy Advisor, gave the presentation on this item which proposed to approve funding for three municipal, commercial and industrial energy efficiency projects as part of the District's Regional Energy Efficiency Strategy. He proposed to award \$70,000 to the San Joaquin Valley Clean Energy Organization for energy-efficiency grant programs; \$50,000 to the Greater Stockton Chamber of Commerce to share its award-winning Green Team San Joaquin outreach plan that

educates businesses about reducing energy usage, air pollution and waste; and \$20,000 to California Manufacturing Technology Consulting, a non-profit that works with manufacturers to reduce emissions, making them more efficient and competitive.

Mayor Johnston stated she supports the award of these grants and noted the Greater Stockton Chamber of Commerce has been a leader by taking their programs out to other businesses to help them dramatically reduce their energy usage. Supervisor Walsh noted Merced has benefitted from the Greater Stockton Chamber of Commerce's Green Team San Joaquin outreach plan.

Public Comment: None

Moved: Johnston
Seconded: Ornellas
Ayes: Watson, Miller, Walsh, Forman, Barba,
Ornellas, Vierra, Johnston, O'Brien, Worthley
Nays: None

Motion unanimously carried to approve municipal, commercial, and industrial energy efficiency projects.

This item was taken out of order

15. VERBAL REPORT: AT THE REQUEST OF MAYOR MILLER, KERN GREEN WILL BE MAKING A VERBAL PRESENTATION ABOUT THEIR ORGANIZATION AND POTENTIAL PARTNERSHIP OPPORTUNITIES WITH THE DISTRICT – Mayor Miller introduced Kern Green as a potential District partner, whose mission is to engage individuals and businesses on the benefits of improving their environment through education and awareness that will contribute to the economic vitality and the environmental conservation of the region. He explained Kern Green has a variety of programs such as community recycling days, Kern County Green Business Certification Program, and, Just Say No to Idling Campaign. Mayor Miller then introduced Sasha Windes, Kern Green Program Director.

Ms. Windes explained she has been assisting businesses green up their operations for the last four years. She explained her presentation would include how a Kern Green partnership could assist with eTrip and HAL Programs and other District air quality improvement measures. Ms. Windes commented the District's programs are really great at assisting the Valley in cleaning up the air, but could use work in some areas. She explained businesses are overwhelmed due to a bad economy, rising costs, being short-staffed, an uncertain future and threats of a double dip recession. She explained when businesses are given new regulations they don't know where they can go for assistance. Ms. Windes commented the eTrip Program is a constantly evolving program and people do not know where to start. She explained this means people are just trying to comply in the easiest way possible, without management help, overwhelming employees without participation or funding assistance.

Ms. Windes explained Kern Green is a local non-profit structured program that provides tools, resources, and technical support for businesses that want a targeted approach to

greening their operations. She noted the projects Kern Green has been a part of include the Greater Bakersfield Green Expo and Green Schools Programs. She stated Kern Green can assist the District with outside education which will assist businesses to create a successful carpooling program. She explained creating a successful program includes surveying employees and developing a targeted plan based on the survey results. She commented education is the most important item for a successful program. She noted education creates behavioral changes such as carpooling. She explained Kern Green focuses on the positives for carpooling such as saving money and explained some of the benefits of the District partnering with Kern Green include: companies that will be more honest - which will bring better results, good outreach with local organizations, allowing access to inside information to help businesses get employees carpooling, bike riding and vanpooling; and integrating HAL into their Green Business Certification Program.

Supervisor Watson commented he thought it was wonderful to have local partners to assist in accomplishing the mission of cleaner air quality. He asked Ms. Windes what the District can do to assist Kern Green in assisting the District. Ms. Windes responded funding is the most needed element of outreach campaigns. Supervisor Watson suggested Ms. Windes meet with District staff to further discuss proposals and goals.

Public Comment - None

12. ACTION PLAN FOR DEVELOPMENT OF UPCOMING ATTAINMENT PLANS FOR NEW OZONE AND PARTICULATE STANDARDS – This item was tabled until the December Governing Board meeting.
13. ENHANCEMENTS TO DISTRICT ECONOMIC ANALYSIS OF REGULATIONS – Rick McVaigh, Deputy APCO, gave the presentation on this item which proposed enhancements to the District's economic analysis process for regulations. He explained the revisions are the result of public meetings with an ad hoc committee of business community members and other stakeholders and will help ensure that economic analyses used to evaluate rule proposals provide complete and accurate assessments of potential costs and economic impacts. These enhancements include:
 1. District staff will include descriptions and cost estimates for previous generations of air pollution controls that have been required for affected source categories in each rule staff report, and also reference previous socioeconomic impact reports as each rule is amended.
 2. The District will include a provision in rule development procedures to prioritize the use of cost data based on a hierarchy of data sources, and appropriately characterize the source of cost data in staff reports.
 3. The District will modify rule development procedures to include provisions to share a list of impacted trade organizations at the first public meeting with stakeholders and in the draft staff report at the beginning of each rule development cycle.
 4. The District will more clearly document in staff reports, the efforts and diligence of staff to obtain performance data and cost data for control equipment.
 5. The District will verify that proposed control equipment is approved by other

- agencies with applicable regulations such as EPA, DOT, and OSHA.
6. The District will ensure that any costs associated with new employee safety requirements are included in cost effectiveness and socioeconomic analyses.
 7. Socioeconomic reports that are presented to the Governing Board will reflect the provisions of the rule as proposed to the Governing Board and not previous draft versions. Any efforts to mitigate impacts based on previous rule drafts will be described separately.
 8. District staff will identify appropriate industry subgroups for socioeconomic analysis where costs, profits, or production methods vary significantly within an industry.
 9. More emphasis will be included in the socioeconomic analysis report on the impacts on small business, and a section that discusses the impacts on municipalities will be added.
 10. Future socioeconomic analyses will more fully characterize the Valley's current economic issues and challenges and be expanded to include potential impacts on "at-risk" communities.
 11. For proposed rules where a new technology is introduced and the cost of the control is estimated to be significant, staff will provide the Board the option of requesting that a retrospective analysis of actual costs to industry be performed.
 12. When selecting socioeconomic consultants, the level of expertise of the economist in specific industries affected by scheduled rule amendments will be considered.
 13. Economic analyses will better document that there is a need for air pollution control because of the adverse impacts of air pollution on public health, the economy and the quality of life, and that health risk impacts need to be primary considerations as rule amendments are proposed.
 14. The District will modify rule development procedures to include specific guidance on resolving discrepancies between staff and stakeholder estimates of control costs, and identify staff and stakeholder responsibilities in this process.
 15. District staff will include enough funding in future budget proposals for socioeconomic analysis contracts to ensure that all potential socioeconomic impacts can be thoroughly investigated and analyzed.

Dr. Forman urged that item number 13, "Economic analyses will better document that there is a need for air pollution control because of the adverse impacts of air pollution on public health, the economy and the quality of life, and that health risk impacts need to be primary considerations as rule amendments are proposed" be moved to item number 1 to show that public health the number one issue for the District.

Public Comment - None

Moved: Watson
Seconded: Walsh
Ayes: Miller, Watson, Vierra, Johnston, O'Brien,
Ornellas, Walsh, Forman, Barba, Worthley
Nays: None

Motion unanimously carried to adopt enhancements to District Economic Analysis of Regulations and move item number 13, “Economic analyses will better document that there is a need for air pollution control because of the adverse impacts of air pollution on public health, the economy and the quality of life, and that health risk impacts need to be primary considerations as rule amendments are proposed” to number 1.

14. APPROVE AND AUTHORIZE CHAIR TO SIGN MEMORANDUM OF UNDERSTANDING WITH VALLEY PBS FOR THE PRODUCTION OF YOUTH FOCUSED AIR QUALITY RELATED CONTENT – Tom Jordan, Senior Policy Advisor, gave the presentation on this item which proposed an agreement with Valley PBS to produce two segments of youth-focused programming featuring air quality messages. He reported the programming will air as part of the Kids Count show over the next eight months. He noted additional outreach components include Healthy Air Living youth kit giveaways and Boys & Girls Club air quality educational announcements produced in partnership with Fresno Regional Foundation.

Public Comment – None

Moved: Johnston
Seconded: Forman
Ayes: O'Brien, Johnston, Vierra, Ornellas, Walsh,
Forman, Barba, Miller, Watson, Worthley
Nays: None

Motion unanimously carried to approve and authorize Chair to sign Memorandum of Understanding with Valley PBS.

16. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Sylvia Zulawnick, ARB Representative gave a report on items discussed at the September Air Resources Board Hearing. She reported staff updated the Board on the status of the regional actions to develop the Sustainable Community Strategies, also known as SB375. She reported SB375 seeks to address land use and transportation planning throughout California, including recent improvements in the San Joaquin Valley. She noted since 2006, the San Joaquin Valley Blueprint process has been underway to create a regional vision of land use and transportation that will guide growth in the Valley over the next 50 years. She reported the ARB also approved amendments to the Vapor Recovery certification and test procedures. She stated the Board was also meeting during the next two days, and ARB staff planned to recommend the Board take final action to adopt the proposed Cap and Trade Regulation. She noted staff would also present proposed amendments to the TRU Air Toxic Control Measures.

Supervisor Worthley asked if any recent contact had been made with the Governor's office, regarding the District's representative on the ARB Governing Board. Mr. Sadredin responded he previously sent a letter to the Governor in June, and he would follow up with an additional letter.

17. EXECUTIVE DIRECTOR/APCO COMMENTS - None

18. GOVERNING BOARD MEMBER COMMENTS – None
19. CLOSED SESSION – Catherine Redmond, District Counsel, announced the Board would adjourn to Closed Session to consider the following, with no additional announcement to be made:
- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of Litigation Pursuant to Subdivision (c) of Government Code Section 54956.9 (6 Potential Cases)
 - CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code section 54956.9(a): *Our Children's Earth Foundation v. San Joaquin Valley Air Pollution Control District, et al., San Joaquin County Case No. 39-2011000270026-CU-WM-STK*
 - CONFERENCE WITH LABOR NEGOTIATOR– Marissa Gonzales, Pursuant to Government Code Section 54957.6. Employee Organization – SEIU Local 521

ADJOURN

Meeting adjourned at 12:28 p.m.

Next scheduled meeting of the Governing Board: Thursday, December 15, 2011. Meeting starts at 9:00 a.m., Central Region Office, Governing Board Room, and 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.