

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

SPECIAL PUBLIC HEARING:
REVIEW OF 2012-13 RECOMMENDED BUDGET

Thursday, May 17, 2012
9:00 a.m.

Or as soon thereafter as the matter may be heard

*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, William O'Brien, called the meeting to order at 9:05 a.m.
2. ROLL CALL was taken and a quorum was present.

Present:

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|---|-----------------------|
| Tony Barba, Supervisor | Kings County |
| Skip Barwick, Vice Mayor, Vice Chair | City of Tulare |
| Sally Bomprezzi, Councilmember | City of Madera |
| Judy Case, Supervisor | Fresno County |
| Ronn Dominici, Supervisor | Madera County |
| Dr. Henry Jay Forman, Ph.D.** | Appointed by Governor |
| Harold Hanson, Councilmember** | City of Bakersfield |
| William O'Brien, Supervisor, Chair | Stanislaus County |
| Alexander Sherriffs, M.D. | Appointed by Governor |
| Chris Vierra, Mayor* | City of Ceres |
| Raymond Watson, Supervisor** | Kern County |
| J. Steven Worthley, Supervisor, | Tulare County |

* Attended meeting in Northern Region Office

**Attended meeting in Southern Region Office

Absent:

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|------------------------------------|--------------------|
| Oliver L Baines III, Councilmember | City of Fresno |
| Leroy Ornellas, Supervisor | San Joaquin County |
| Hub Walsh, Supervisor | Merced County |

3. PUBLIC HEARING FOR REVIEW AND COMMENT ON THE DISTRICT'S 2012-13 RECOMMENDED BUDGET – Seyed Sadredin, Executive Director/APCO introduced this item and thanked the members of the Ad Hoc Budget Subcommittee including: Chairman O'Brien, Supervisor Worthley, Councilmember Baines, Councilmember Hanson, and Vice Mayor Barwick.

Mr. Sadredin, Rick McVaigh, Deputy APCO, and Cindi Hamm, Director of Administrative Services gave the presentation, including highlights of the District's 2012-13 Recommended Budget:

- No fee rate increase
- Significant increase in workload absorbed with existing staff through efficiency and streamlining – no staffing increase
- 7% salary savings
- Maintains lowest permit fees and administrative overhead
- Operating expenditures decrease by 1%
- Automation and remote control for the air monitoring network
- Strong public education and outreach
- Helping hand to local municipalities in meeting clean-air and climate change mandates
- Valley-specific health and scientific studies
- Expedient administration and use of emission reduction incentive funds in a wide range of applications
- \$8 million in funding for air pollution control technology advancement
- Incorporates fiscal impact from the Tentative Agreement with employees pending final approval by the Governing Board
- Balanced budget with adequate reserves and contingencies

Mr. Sadredin shared the information on the previous year's accomplishments, guiding principles that staff used to create the 2012-13 Recommended Budget, and information on the District's outlook for next year, including summary highlights of information included in the Budget. Mr. McVaigh presented information on the significant increase in workload experienced by the District this year and all of the efficiency and streamlining in place to accommodate the added workload without an increase in staff. Ms. Hamm provided detailed information on the revenues and expenditure numbers. Mr. Samir Sheikh, Strategies and Incentives Director, presented detailed information on the District's incentive grants programs, including the grants spending plan for 2012-13.

Supervisor Worthley asked if the new delegation of PSD permitting to the District included financial support. Mr. Sadredin responded it does not. He said costs would be recovered from permit holders, who wholeheartedly agreed to the costs in exchange for eliminating delays experienced with EPA. Supervisor Case asked if the proposed position changes were to accommodate what staff members are already doing. Mr. Sadredin responded they are new classifications with additional responsibilities for which the incumbents would compete with other applicants.

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Mr. Sadredin asked for guidance from the Board, for the \$18.3 million in local funds that the District has designated for school buses, in the event that the state does not provide funding for school bus operation, and proposed that the funding in the spending plan be contingent on continued operation of school buses. Supervisor Watson stated he agreed with staff's recommendation for school bus funding. Supervisor Worthley stated in the event that legislation would result in curtailment of busing activities, the Board would want to authorize staff to reallocate those dollars using a cost benefit analysis to gain the biggest impact for the money

Supervisor Watson asked about the upcoming drop in grant funding and the impact on the District's progress towards its goals. Mr. Sadredin explained right now there is no overall reduction in funding. He explained there would be a major reduction in funding in 2015, when the funding for Prop 1B, which is an average of \$50 million per year, will expire. He also noted Moyer funding and AB 923 funds will also expire in 2015 if not reauthorized.

Supervisor Case reminded everyone going forward to continue to make sure District resources are focused on measures that get the biggest emission reductions for dollars spent. Supervisor Worthley suggested conveying information on emission reduction incentives effectiveness in reducing emissions to the public. Dr. Sherriffs suggested staff provide historical information on emission reductions achieved. Mr. Sadredin stated at the Board's direction, staff could add spending plan information to the Budget documents, including a historical look back at the effectiveness of monies spent to date and highlighting matching funds provided by the grant recipients.

Vice Mayor Barwick suggested emphasizing the economic benefit and return to the community of emission reduction incentives. Dr. Sherriffs suggested possibly paying a higher incentive for buying local. Mr. Sadredin stated the Board has always supported local purchases with incentive programs when possible. Chairman O'Brien complimented and thanked staff for their excellent Budget presentation.

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

- Sarah Sharpe, Fresno Metro Ministry
- Manuel Cunha, Nisei Farmers League
- Elizabeth Jonasson, Coalition for Clean Air

ADJOURN

Meeting adjourned at 11:22 a.m.