

Action Summary Minutes

San Joaquin Valley Unified Air Pollution Control District

GOVERNING BOARD STUDY SESSION

Central Region Office, Governing Board Room
1990 E. Gettysburg Avenue, Fresno, CA

Thursday, October 19, 2017
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 9:11 a.m.
2. ROLL CALL – was taken and a quorum was present.

Present:

David Ayers, Mayor	City of Hanford
Oliver L. Baines III, Councilmember, Chair	City of Fresno
John Capitman, Ph.D	Appointed by Governor
David Couch, Supervisor*	Kern County
Bob Elliott, Supervisor**	San Joaquin County
Christina Fugazi, Councilmember**	City of Stockton
Buddy Mendes, Supervisor, Vice Chair	Fresno County
Kristin Olsen, Supervisor**	Stanislaus County
Lloyd Pareira, Supervisor**	Merced County
Craig Pedersen, Supervisor	Kings County
Monte Reyes, Councilmember	City of Porterville
Dr. Alexander Sherriffs	Appointed by Governor
Chris Vierra, Mayor**	City of Ceres
Tom Wheeler, Supervisor	Madera County
J. Steven Worthley, Supervisor	Tulare County

**attended in Southern Region Office*

***attended in Northern Region Office*

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF CONSENT CALENDAR – Item Numbers (18 – 26): *These matters are routine in nature and are usually approved by a single vote. Prior to any action by the board, the public was given the opportunity to comment on any consent item.*

- 18. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, AUGUST 17, 2017
- 19. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD STUDY SESSION ON WEDNESDAY, SEPTEMBER 20 AND THURSDAY, SEPTEMBER 21, 2017
- 20. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2017 AND 2018
- 21. RECEIVE AND FILE OPERATIONS STATISTICS SUMMARIES FOR AUGUST AND SEPTEMBER 2017
- 22. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF SEPTEMBER 30, 2017
- 23. APPROVE AMENDMENTS TO SECTION 12 – FISCAL POLICY AND PROCEDURE
- 24. APPROVE THE ASSIGNMENT OF A PORTION OF A VOLUNTARY EMISSION REDUCTION AGREEMENT FROM MG3 PARTNERS, LLC TO WESTERN PACIFIC HOUSING, INC
- 25. AMEND MEMORANDUM OF AGREEMENT WITH THE SAN JOAQUIN VALLEYWIDE AIR POLLUTION STUDY AGENCY
- 26. RECEIVE AND FILE LISTING OF REFUNDS FOR FISCAL YEAR 2016-17

Moved: Mendes
Seconded: Wheeler
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes, Olsen, Pareira, Pedersen, Reyes, Sherriffs, Vierra, Wheeler, Worthley, Baines
Nays: None

Motion unanimously carried approve Consent Calendar Item Numbers 18 - 26

5. PUBLIC COMMENT - None

6. S.T.A.R. RECOGNITION (Service, Teamwork, Attitude, Respect) – Chenecua Dixon, Director of Personnel, formally recognized the employees who reached a service milestone during the third quarter of 2017, including:

Five Years of Service

Kyle Melching, Senior Air Quality Specialist
My Dang, Network Systems Analyst
Justin Benavides, Senior Accountant
Jeff Daniels, Supervising Programmer/Analyst
Shannon Moore, Air Quality Specialist
Imtiaz Haq, Director of Information Services
Sharla Yang, Air Quality Specialist

Ten Years of Service

Jennifer Ridgway, Air Quality Specialist

Fifteen Years of Service

John Copp, Air Quality Inspector

Twenty Years of Service

Cheryl Lawler, Air Quality Specialist

Twenty Five Years of Service

Leland Villalvazo, Supervising Atmospheric Modeler

Chairman Baines congratulated all on reaching their service milestones and said the Board appreciated their service.

7. REPORT ON DISTRICT'S CITIZENS ADVISORY COMMITTEE – Manuel Cunha, Chair of the Citizens Advisory Committee (CAC), highlighted the following items from the September 5, 2017, CAC meeting:

- At the June and August 2017 Governing Board meetings, the Governing Board accepted nearly \$8 million in grants and mitigation funds for replacing trucks, tractors, and other sources of pollution with cleaner units.
- The Governing Board adopted a 30% reduction in fees charged to facilities subject to state Air Toxics regulation, which was enabled by significant streamlining of the administrative portions of the program by District staff
- The Governing Board directed the submittal of a Clean Data Finding to EPA demonstrating that the District now meets the national 1997 24-hour PM2.5 standard of 65 µg/m³.

8. RECEIVE AND FILE THE 2017 ANNUAL REPORT ON THE DISTRICT'S INDIRECT SOURCE REVIEW PROGRAM – Dave Warner, Deputy APCO, presented the 2017 Annual Report on the District's Indirect Source Review Program. During this reporting period (July 1, 2016 to June 30, 2017), the District received 264 Air Impact Assessment applications under the ISR program compared to 204 received during the previous 12-month reporting period, representing a 29% increase. He said the number of AIA applications received is the highest number since the rule was adopted, and seems to provide evidence of a continuing trend of a growing development market in the San Joaquin Valley.

Supervisor Wheeler asked about the nature of the extensive list of design features that the District provides to applicants. Mr. Warner responded by saying it is a compilation from a variety of sources containing the emission reductions from various design elements so that it is easy for a developer to understand the emission reduction benefit each measure would provide for the project. Supervisor Elliott thanked staff for an excellent report. He asked how the District determines which emissions reductions were achieved by the rule versus on-site measures. Mr. Warner responded the District has a multi-step process wherein staff takes the design of the project and calculates, through a standardized model, the emissions that would occur without any emissions reductions proposed. Then he said staff takes all of the clean design elements that the developer has proposed for the project and calculates the reductions that are generated by those cleaner than average design elements. He said the remainder of reductions required by the Rule, after the developer is given credit for the design elements incorporated into the project, are the emission reductions that have to be achieved with off-site mitigation fees.

Supervisor Pedersen asked if a new business wanting to locate at a vacant space without the need for additional construction would just be subject to the off-site mitigation. Mr. Warner said if the location is already constructed the business would be subject to the operational mitigation requirements of the rule and not the construction mitigation requirements. Supervisor Worthley commended staff for their ability to turn the funds over quickly to benefit air quality in the Valley.

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

- Janet Diets Camay, Fresno Resident

Moved: Worthley

Seconded: Wheeler

Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes, Olsen, Pareira, Pedersen, Reyes, Sherriffs, Vierra, Wheeler, Worthley, Baines

Nays: None

Motion unanimously carried to receive and file the 2017 Annual Report on the District's Indirect Source Review Program

9. APPROVE PILOT INCENTIVE PROGRAM TO REDUCE EMISSIONS FROM FEEDING OPERATIONS AT VALLEY DAIRIES – Todd DeYoung, Program Manager, gave the presentation on this item, which recommended the Board approve a new pilot Dairy Feed Mixing Electrification Program to provide incentive funding to achieve emissions reductions from feeding operations at Valley dairies and other confined animal feeding operations; allocate \$4,000,000 in existing motor vehicle surcharge revenues, included in the 2017-18 Incentives Spending Plan, to fund this new pilot program; and authorize the Executive Director/APCO to make administrative changes to the program as necessary.

Supervisor Worthley asked if a piece of equipment that is pulled by a tractor would be required to be destroyed under this program. Mr. DeYoung responded only the diesel-powered tractor with the PTO-driven system that operates that mixer would be destroyed under the program. Supervisor Worthley commented that this program gets a big bang for the buck as it will replace a lot of old equipment that is very polluting and used every day.

Dr. Sherriffs said the project was terrific and a great example of moving thoughtfully forward to end up with such better things at the end. He asked where these projects compare to other incentive projects based on cost-effectiveness. Mr. Sherriffs also asked whether Hot Spots or proximity to environmental justice communities would be used in evaluating which of these projects to fund during the pilot. Seyed Sadredin, Executive Director/APCO, responded that as we move toward electrification projects the cost per ton increases appreciably when compared to replacing diesel agricultural irrigation pumps or tractors. To put these projects in context with other electrification projects, the District program for personal vehicle electrification costs 5-6 times more in dollars per ton. In response to Dr. Sherriff's second question, Mr. Sadredin pointed out that as this is only a pilot program consisting of 4-6 projects it would not be useful to restrict it geographically at this point. Dr. Sherriffs said this program is great given the initial project demonstrated that labor and diesel fuel cost savings, along with better output in terms of feeding and milk production.

Supervisor Pereira suggested that staff work with dairy equipment manufacturers to help identify dairymen to participate in the program moving forward.

Supervisor Pedersen said probably the most painful reduction in dairy emissions has been the price of milk, and noted that hundreds of dairies have gone out of business as a result. He said he hoped staff was tracking this information when looking at the total impact that the dairy industry makes on the Valley. He said there are still a number of dairies in operation that may not be able to afford to participate in this program and said he wouldn't be hasty in terms of destroying equipment that could possibly be used in a trade up program.

Councilmember Reyes asked how the quality of the feed has significantly improved as mentioned. Mr. DeYoung said a previous program participant had

commented that the feed was more consistent and mixed better. Supervisor Pedersen said the feed would also be more consumable and break down quicker, making the nutrients that much more available at a quicker pace to the cows. Supervisor Mendes added it takes a lot of horsepower to go through the mixing process, so mixing longer with electrification would get a better mix of the feed. He said this would be a long experimental deal because there were not many dairies that are the same. He said most dairymen put their better equipment in front of the cows to reduce the chance of equipment breakdown. He suggested Board members should take a tour of the initial program participant, Verway Farms, to get a better idea of the process. He said all in all, this was a good program.

Supervisor Elliott said performance results were very impressive in terms of improvements that have taken place. He said when looking at specific items that were measured including mixing times reduced and quality of feed, were those improvements a result of newer technology or the electrification of the technology that was used. Mr. DeYoung said it was his understanding that it was because of the electrification of the technology and the reduction of mixing time was due to several factors, which included not only the mixing but the distribution of feed which was done more efficiently through electrification. Mr. Sadredin clarified that the District's goal is not to improve the mixing quality but to reduce diesel combustion. He said the only reason the District is citing these other benefits is to reassure potential participants that not only will the new technology not harm the quality of the product, but based on experience, may actually improve it. Supervisor Elliott concurred with Supervisor Pedersen's suggestion to develop a trade up program for the equipment that is replaced with this program.

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

- Kevin Abernathy, Milk Producers Council and Dairy CARES
- Manuel Cunha, Nisei Farmers League

Moved: Mendes

Seconded: Pedersen

Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes, Olsen, Pareira, Pedersen, Reyes, Sherriffs, Vierra, Wheeler, Worthley, Baines

Nays: None

Motion unanimously carried to approve pilot incentive program to reduce emissions from feeding operations at Valley dairies

10. APPROVE ENHANCEMENTS TO THE DISTRICT'S CHARGE UP! ELECTRIC VEHICLE CHARGER INCENTIVE PROGRAM – Mr. DeYoung presented this item which asked the Board to approve enhancements to the District's Charge Up! Electric Vehicle Charger Incentive Program to increase program efficiency and maximize leveraging of \$4 million in new state funding to deploy electric vehicle (EV) charging infrastructure.

Councilmember Fugazi said she was very happy with the enhancements to the program to allow funding of charging stations located at rental communities. She said it is very important when looking at ways to serve disadvantaged communities such as hers. She said there are currently not enough charging stations located in these communities and suggested the District could partner with various area businesses in high traffic areas to make it easier for EV owners in disadvantaged communities to charge. She mentioned the San Joaquin County Office of Education has placed chargers at their facilities that are accessible to the public. She asked about the costs involved and suggested partnering with local energy providers to share the costs of installing EV charging infrastructure. Mr. DeYoung responded that the costs of installing EV charging infrastructure can vary depending on the type of charger and infrastructure needed. Councilmember Fugazi suggested the District could approach developers of new businesses and ask them to add EV charging infrastructure during the construction phase. Mr. Sadredin responded that the District will evaluate the feasibility of adding such a measure to the Indirect Source Review (ISR) list of suggested project features to reduce emissions. He suggested Board members could also work those features into the land use process for their cities and counties.

Dr. Capitman said he was very excited to see Board investment in the EV infrastructure which is important to creating a cultural climate shift. He asked if there is sufficient demand to prioritize projects based on the EV charging infrastructure regional siting plan. Mr. DeYoung responded that the installation of level 2 chargers is on a first come, first serve basis. For level 3 DC fast chargers, he said they will be sited in accordance with the siting plan. Dr. Capitman suggested looking at ways to better communicate charging station locations to the public. Dr. Sherriffs said this a great thing to move forward on and asked how the outcomes of EV infrastructure installation would be tracked. Mr. DeYoung responded the District requires that applicants submit reports detailing usage on an annual basis. He said the District does not have a preference at this point whether the usage will be free to the public or part of a network that charges a fee. Dr. Sherriffs said the District should not be pushing one way or another yet, until more information is gathered.

Councilmember Reyes said he could see great benefits by locating EV chargers at medical and appointment-based destinations where people will stay for at least 30 minutes.

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

- Linda Urata, Kern Council of Governments, SJ Valley EV Partnership
- Brian Richmond, Leprino Foods
- Janet Diets Camay, Fresno Resident
- Dolores Weller, CVAQ

Moved: Fugazi
Seconded: Worthley
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes, Olsen, Pareira,
Pedersen, Reyes, Sherriffs, Vierra, Wheeler, Worthley, Baines
Nays: None

Motion unanimously carried to approve enhancements to the District's Charge Up! Electric Vehicle Charger Incentive Program

11. ACCEPT AND APPROPRIATE \$2,999,800 IN CAP AND TRADE FUNDS FROM THE CALIFORNIA AIR RESOURCES BOARD TO IMPLEMENT TWO CAR SHARING AND CLEAN MOBILITY PILOT PROJECTS IN THE SAN JOAQUIN VALLEY – Mr. DeYoung presented this item which recommended that the Board Accept \$2,999,800 in Cap and Trade funding from the California Air Resources Board (ARB) for two projects selected through a competitive process for the implementation of car sharing and clean mobility pilot projects in the San Joaquin Valley.

Supervisor Pedersen asked about potential legal exposure to the District by program participants who are involved in an accident. Mr. Sadredin responded the District always includes indemnity and liability protections for the District in its contracts and has not been subject to any claim or litigation as a result of these programs. Supervisor Mendes asked about the number of participants in the ride sharing program in Western Fresno County. Mr. DeYoung responded that the program has been successful and that is why staff is looking to expand the existing program as they have reached capacity.

Mr. Sadredin highlighted that this program was designed and coordinated with all 8 county Councils of Governments and Municipal Planning Organizations and the partner agencies were recommended by them. Supervisor Elliott commented that these were excellent initiatives and that it makes common sense to accept and appropriate such funding. Dr. Sherriffs thanked and congratulated staff for submitting these proposals and accepting the collaboration that has clearly gone in to making this happen. He said these are innovative projects that clearly are going to improve access to clean transportation options for individuals in low-income, disadvantaged communities who are most heavily impacted.

Supervisor Olsen left at 10:55 a.m.

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

- Linda Urata, Kern Council of Governments, SJ Valley EV Partnership
- Cesar Aguirre, Central CA Environmental Justice Network (CCEJN)

Moved: Sherriffs
Seconded: Capitman
Ayes: Ayers, Capitman, Couch, Elliott, Fugazi, Mendes, Pareira,
Pedersen, Reyes, Sherriffs, Vierra, Wheeler, Worthley, Baines
Nays: None

Motion unanimously carried to accept and appropriate \$2,999,800 in Cap and Trade funds from the California Air Resources Board to implement two car sharing and clean mobility pilot projects in the San Joaquin Valley

12. DISTRICT INITIATIVE TO FACILITATE GOOD CITIZEN SCIENCE FOR UTILIZING PERSONAL AIR SENSORS IN THE SAN JOAQUIN VALLEY – Jon Klassen, Program Manager, presented this item which asked the Board to review and approve a comprehensive action plan to facilitate good citizen science for utilizing personal air sensors in the Valley.

Supervisor Worthley asked about the budget for this program. Mr. Sadredin responded that the public outreach and web-based tools can be handled in house with current staffing. In terms of purchasing air monitors to be placed in various locations to test available options, the District is planning to work with other agencies including South Coast AQMD which is already doing significant work in that area. At this point, he said the expectation is to not spend more than \$50 thousand for this program this year.

Supervisor Worthley expressed some reservations for setting a precedent, stating that the District's mission is to clean up the air and this is responding to private people who have purchased these monitors and having issues with their readings. He said it is important to provide credibility for the District's current air monitoring systems and it is not as important for private devices. Mr. Sadredin clarified this is not meant to be a defensive move but is more a good investment in public education that is consistent with what the Board has already put in place with the neighborhood by neighborhood air monitoring system. He said staff believes the majority of Valley residents will rely on the information provided by the District's neighborhood by neighborhood system. Mr. Sadredin said ignoring this interest and trend in the use of personal air monitors is a missed opportunity that could lead to misinformation to the public and also misuse of the devices without education and training.

Dr. Capitman voiced agreement with Mr. Sadredin's comments. He said there is a need to understand what this data really means. He said there are literally thousands of these monitors in place around California and there will be many more over the coming years. He stressed the importance of having great science of what it really means when EPA monitors and personal monitors receive different results. He said it is important that the District engage in making sure that knowledge is as helpful as possible. He asked for clarification on the proposed District oversight. Mr. Sadredin responded the oversight refers to community groups who want District support for community monitoring projects

where oversight to ensure proper monitoring, including chain of custody for air sampling, would be essential. Councilmember Reyes relayed his personal experience and said that education is very crucial when utilizing personal air monitors.

Dr. Sherriffs commented that the District can use this information to maintain credibility and help people understand the science of air monitoring so they can become advocates and champions for good air quality. He said there is a danger in people having information that may not be used well, but it is also a great opportunity to educate residents. He thanked staff for embarking on this process. Supervisor Elliott said the Board advocates for good and sound science and said it is important to engage in public education to have the discussion in terms of how reliable and accurate the readings on personal devices may be. Councilmember Baines commented that this program is extremely ambitious and noted that the District must proceed with caution. He said the District should do everything they can to educate the public which is the focus of this program. However, he said it is important to realize there are folks on both sides who politicize air quality and sadly may manipulate and use this information to advance an agenda. He said he is absolutely supportive of this idea and it is important to be mindful and for the public to step up to make this program a success.

Councilmember Fugazi left at 11:30 a.m.

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

- Cesar Aguirre, CCEJN
- Janet Diets Camay, Fresno Resident
- Roger Isom, Central CA Cotton Ginners and Growers Association, Western Ag Producers Association
- Thomas Menz, Fresno Resident

Moved: Elliott

Seconded: Sherriffs

Ayes: Ayers, Capitman, Couch, Elliott, Mendes, Pareira, Pedersen, Reyes, Sherriffs, Vierra, Wheeler, Worthley, Baines

Nays: None

Motion unanimously carried to approve District initiative to facilitate good citizen science for utilizing personal air sensors in the San Joaquin Valley

13. APPOINT AD HOC GOVERNING BOARD SUBCOMMITTEE TO NOMINATE CANDIDATES FOR THE 2018 GOVERNING BOARD CHAIR AND VICE CHAIR
– Chairman Baines appointed the following members to the Ad Hoc Governing Board Officer Nomination Subcommittee to identify candidates for the 2018 Governing Board Chair and Vice Chair: Supervisor Mendes, Supervisor

Worthley, Supervisor Elliott, Councilmember Vierra, Councilmember Reyes, Dr. Sherriffs, and Councilmember Baines.

14. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reported on highlights from the California Air Resources Board meeting of September 28, 2017, including:
 - The Board heard an update on the development of the comprehensive PM2.5 State Implementation Plan for the San Joaquin Valley, including the strategy being developed to meet multiple PM2.5 standards.
 - The Board heard an update on the findings from a recently concluded research study investigating the Methane ‘Hot Spot’ and large sources of methane in the South Coast and San Joaquin Valley air basins that was conducted pursuant to Assembly Bill 1496.

15. EXECUTIVE DIRECTOR/APCO COMMENTS – Mr. Sadredin asked Mr. Klassen to display photos and satellite imagery showing the smoke impact on the Valley from the recent wildfires in California. Mr. Sadredin reminded members that there would be no Governing Board meeting in November and the next regularly scheduled meeting was Wednesday, December 6, 2017 at 9:30 a.m., followed by a meeting on Thursday, December 21, 2017 at 9:00 a.m.

16. GOVERNING BOARD MEMBER COMMENTS – Supervisor Elliott thanked staff and the Board for adding the pledge of allegiance to their meetings, which reminds everyone that we all share the same goal of service to our communities and country.

17. CLOSED SESSION – Chairman Baines announced the Board would adjourn to Closed Session and asked for public comment. Hearing none, Ms. Ballatore-Williamson announced that the Board would discuss the following:
 1. Public Employee Performance Evaluation pursuant to Government Code Sections 54957 and 54957.6 for the following:
 - a. District Counsel

ADJOURN

The Chair adjourned the meeting to Closed Session at 12:13 p.m.