

Action Summary Minutes
San Joaquin Valley Unified Air Pollution Control District

GOVERNING BOARD MEETING

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

Thursday, April 19, 2018
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 Mendes, called the meeting to order at 9:01 a.m.
2. ROLL CALL – was taken and a quorum was present.

Present:

David Ayers, Mayor	City of Hanford
Drew M. Bessinger, Councilmember	City of Clovis
John Capitman, Ph.D	Appointed by Governor
David Couch, Supervisor*	Kern County
Christina Fugazi, Councilmember**	City of Stockton
Buddy Mendes, Supervisor, Chair	Fresno County
Kristin Olsen, Supervisor**	Stanislaus County
Lloyd Pareira, Supervisor**	Merced County
Craig Pedersen, Supervisor	Kings County
Dr. Alexander Sherriffs	Appointed by Governor
Chris Vierra, Mayor**	City of Ceres
Tom Wheeler, Supervisor	Madera County

Absent:

Bob Elliott, Supervisor	San Joaquin County
Monte Reyes, Councilmember	City of Porterville
J. Steven Worthley, Supervisor, Vice Chair	Tulare County

**attended in Southern Region Office*

***attended in Northern Region Office*

3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF CONSENT CALENDAR – Item Numbers (20 – 28): *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.*
 20. APPROVE ACTION SUMMARY MINUTES FOR THE SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING OF THURSDAY, MARCH 15, 2018
 21. RECEIVE AND FILE LIST OF SCHEDULED MEETINGS FOR 2018
 22. RECEIVE AND FILE OPERATIONS STATISTICS SUMMARY FOR MARCH 2018
 23. RECEIVE AND FILE BUDGET STATUS REPORTS AS OF MARCH 31, 2018
 24. CERTIFICATION OF NEW SOURCE REVIEW PROGRAM COMPLIANCE WITH REQUIREMENTS FOR IMPLEMENTATION OF THE 2008 OZONE NATIONAL AMBIENT AIR QUALITY STANDARD
 25. NO-COST CONTRACT AMENDMENT WITH BGV INTERNATIONAL TO EXTEND TIMEFRAME FOR COMPLETION OF BAKERSFIELD NEAR-ROAD AIR MONITORING SHELTER
 26. APPROVE MEMORANDUM OF UNDERSTANDING WITH KERN COUNTY FOR CONTINUED PARTICIPATION IN RETIREE HEALTH BENEFITS PROGRAM
 27. APPROVE CONTRACT WITH ATMOSPHERIC ANALYSIS & CONSULTING, INC. TO PROVIDE LABORATORY ANALYSIS OF CARBONYL COMPOUNDS FOR A TOTAL OF \$31,500
 28. APPROVE CONTRACT WITH ATMOSPHERIC ANALYSIS & CONSULTING, INC. TO PROVIDE LABORATORY ANALYSIS OF NON-METHANE ORGANIC COMPOUNDS FOR A TOTAL OF \$89,370

Public Comment: None

Moved: Wheeler
Seconded: Bessinger
Ayes: Ayers, Bessinger, Capitman, Couch, Fugazi, Olsen,
Pareira, Pedersen, Sherriffs, Vierra, Wheeler, Mendes
Nays: None

***Motion unanimously carried approve Consent Calendar Item
Numbers 20 - 28***

5. **PUBLIC COMMENT** – *The following persons provided public comment:*

- Thomas Menz, Fresno Resident
- Connie Young, Citizens Climate Lobby

6. **S.T.A.R. RECOGNITION (Service, Teamwork, Attitude, Respect)** – Chenecua Dixon, Personnel Director, recognized the following individuals who achieved a service milestone during the first quarter of 2018:

Five Years of Service

Julie Means, Air Quality Inspector

Ten Years of Service

Jennifer Ledergerber, Supervising Air Quality Inspector
Jeff Riding, Air Quality Specialist
Nathan Trevino, Supervising Air Quality Instrument Technician
Corinne Bartlett-Engel, Air Quality Instrument Technician
Gurpreet Brar, Air Quality Engineer
Lien Vong, Office Assistant
Cherie Clark, Air Quality Specialist

Fifteen Years of Service

Anthony Presto, Air Quality Education Representative

7. **REPORT ON DISTRICT CITIZENS ADVISORY COMMITTEE ACTIVITIES** – Manuel Cunha, Chair of the Industry/Agriculture Interest Group, reported on the highlights from the Citizens Advisory Committee meeting of April 3, 2018 including Jack Lemen, City Interest Group representative from Merced County, was appointed as the new CAC chairman. Mr. Lemen, who has served on the CAC since April of 2013, will serve as the chairman through December of 2019.

8. **END-OF-SEASON REPORT ON THE 2017-18 WOOD BURNING SEASON** – Jaime Holt, Chief Communications Officer, Sheraz Gill, Director of Strategies and Incentives, and Jon Klassen, Program Manager, presented the District's End-of-

Season report on the 2017-2018 wood burning season detailing the following:

- Improvement in Valley air quality due to implementation of Rule 4901
- Air quality and meteorology during the 2017-2018 winter season compared to previous seasons
- Impact of wildfire emissions on PM2.5 concentrations during the 2017-2018 winter season
- Overview of the District's Burn Cleaner Program and summary of results
- Extensive public outreach efforts during the 2017-2018 wood burning season
- Enforcement and compliance assistance activities
- Potential changes to the residential wood burning emissions reduction strategy as part of the District's PM2.5 Attainment Strategy

Mr. Gill emphasized that any proposed changes to the District's residential wood burning strategy would be presented to the Board for consideration at a future meeting after conducting significant additional public process associated with the District's PM2.5 attainment plans.

Supervisor Wheeler said the District's wood burning programs have helped improve the air quality tremendously in eastern Madera County. He suggested raising the incentive amount to increase participation. He thanked District staff for presenting information on District rules and incentive programs at several town hall meetings in Madera County and said the outreach has helped improve participation by Madera County residents.

Dr. Capitman said it was exciting to see the continued impact of the District's residential wood burning rule and outreach on fireplace burning. He said the statistics suggest that the District must do more to continue to see a growing reduction in PM2.5 from these rules, and said he was really excited to talk about the new direction staff has proposed. He commented on the amount of staff time spent on each wood burning violation and that the current penalty fees do not seem to cover the cost of this program. He suggested the Board consider raising the penalties associated with these violations. Regarding the higher number of complaints received in Fresno County, he wondered if the numbers were a result of more illegal burns taking place or more engaged residents reporting these activities. He said not enough is known as to why people conduct wood burning activities and said it is really important to engage more people who burn to find what incentives would curtail their activity. Seyed Sadredin, Executive Director/Air Pollution Control Officer (APCO), responded that penalties are not designed to recover costs associated with programs. He said the penalty for

illegal wood burning has already been doubled, and it is a painful penalty for residents who violate the wood burning rule. He said in terms of the punitive impact, the current penalty amount is effective. He said the history of the District's wood burning rule shows the strong level of objection that residents have to a government agency telling them what to do in their own home.

Councilmember Bessinger thanked staff for the excellent report. Although he comes from an enforcement background he said in this situation, education is the key. Mr. Sadredin said most participants in the District's smoke school leave with a greater understanding of the District's rules and regulations and are more likely to adhere to the rules in the future. Dr. Sherriffs commented that this was an amazing program with great success that brings together the nexus of health driving science, stakeholder and public education, engagement and coming up with incentive programs and regulations that make it all work. He said he cannot over-emphasize how important this rule is as PM2.5 is the most unhealthful form of particulate matter. In response to the elevated PM2.5 levels resulting from fireworks on New Year's Eve, he added there should not be fireworks allowed on a fireplace curtailment day.

Supervisor Pedersen said the goal of the Board has been to always take a reasonable approach to changing minds and changing habits and he said while there are some who feel the District does not do enough, there is a large part who feels the District is doing too much. He said those who receive a penalty for violating the wood burning rule usually tell many others, which helps with the education process. He expressed that it is important that the District maintain a reasonable approach to the wood burning issues. Supervisor Mendes said that educating residents through the District's smoke school is very important.

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

- Janet Diets Camay, Fresno Resident
- Thomas Menz, Fresno Resident

Moved: Pedersen

Seconded: Wheeler

Ayes: Ayers, Bessinger, Capitman, Couch, Fugazi, Olsen,
Pareira, Pedersen, Sherriffs, Vierra, Wheeler, Mendes

Nays: None

Motion unanimously carried to receive and file District's End-of-Season Report on the 2017-18 Wood Burning Season

3. ACCEPT AND APPROPRIATE \$8,000,000 IN FUNDING FROM THE CALIFORNIA ENERGY COMMISSION FOR THE REPLACEMENT OF HEAVY-DUTY TRUCKS – Samir Sheikh, Deputy APCO, presented this item which recommended the Board accept and appropriate \$8,000,000 from the California Energy Commission (CEC) for the replacement of heavy-duty trucks with near-

zero emission natural gas trucks; amend the 2017-18 District Budget to appropriate \$8,000,000 in unanticipated revenue; authorize the Executive Director/APCO, with Board Chair signature, to negotiate and enter into an agreement with CEC on behalf of the Board to implement this funding; and authorize the Executive Director/APCO to make administrative changes to the program, as necessary.

Supervisor Olsen asked if propane trucks were also eligible for this funding. Mr. Sheikh responded that propane technology certified to the 0.02 g/bhp-hr near-zero emission standard would be eligible.

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

- Janet Diets-Camay, Fresno Resident

Moved: Sherriffs

Seconded: Capitman

Ayes: Ayers, Bessinger, Capitman, Couch, Fugazi, Olsen,
Pareira, Pedersen, Sherriffs, Vierra, Wheeler, Mendes

Nays: None

Motion unanimously carried to accept and appropriate \$8,000,000 in funding from the California Energy Commission for the replacement of heavy-duty trucks

4. ACCEPT AND APPROPRIATE \$1,000,000 FROM THE CALIFORNIA AIR RESOURCES BOARD TO ADMINISTER A HEAVY-DUTY TRUCK REPAIR PILOT PROGRAM FOR SMALL VALLEY TRUCK FLEETS – Todd DeYoung, Program Manager, presented this item which recommended the Board accept and appropriate \$1,000,000 from the California Air Resources Board (ARB) to administer a heavy-duty truck repair pilot program for small Valley truck fleets, and authorize the Executive Director/Air Pollution Control Officer (APCO), with Board Chair signature, to negotiate and enter into agreements with ARB and subcontractors on behalf of the Board to implement this pilot program and make administrative changes to the pilot program, as necessary.

Supervisor Pedersen asked about the costs of administering this program. Mr. Sadredin responded this is a pilot program and there is a lot of work involved in developing new program components. He said it is hoped that this will ultimately become a "Tune In Tune Up" program for heavy-duty trucks. Dr. Sherriffs said this was an excellent opportunity to find out what kinds of emissions benefits can be realized from getting in the repair game for trucks. He said how a truck is maintained is very important in relation to its function and emissions. Supervisor Mendes said this is a great pilot program as there are a myriad of details to work out when working with heavy-duty trucks.

Public Comment: None

Moved: Wheeler
Seconded: Ayers
Ayes: Ayers, Bessinger, Capitman, Couch, Fugazi, Olsen,
Pareira, Pedersen, Sherriffs, Vierra, Wheeler, Mendes
Nays: None

Motion unanimously carried to accept and appropriate \$1,000,000 from the California Air Resources Board to administer a heavy-duty truck repair pilot program for small Valley truck fleets

5. ACCEPT AND APPROPRIATE \$1,285,829 IN CARL MOYER PROGRAM STATE RESERVE PROJECT FUNDING – Mr. Sheikh presented this item, which recommended the Board accept and appropriate \$1,285,829 from ARB Carl Moyer Program State Reserve Project Funding Solicitation to replace eligible off-road equipment in the San Joaquin Valley.

Councilmember Fugazi said she also sits on the San Joaquin Regional Rail Commission and they have received some of the Carl Moyer funds to purchase additional locomotives. She said the Commission is in need of additional funds. She mentioned the Port of Stockton is also looking to purchase zero-emission tug boats. Mr. Sheikh responded that the District has worked closely with both entities in the past on similar projects and said staff would follow up to get more information on these potential projects.

Public Comment: None

Moved: Wheeler
Seconded: Bessinger
Ayes: Ayers, Bessinger, Capitman, Couch, Fugazi, Olsen,
Pareira, Pedersen, Sherriffs, Vierra, Wheeler, Mendes
Nays: None

Motion unanimously carried to accept and appropriate \$1,285,829 in Carl Moyer Program State Reserve Project Funding

6. REVIEW AND PROVIDE COMMENT ON THE DRAFT “2017-18 ANNUAL REPORT TO THE COMMUNITY” – Mr. Sadredin presented the District’s 2017-18 Annual Report to the Community and solicited feedback from the Board before staff finalizes the report. He explained at the Board’s direction several years ago, the District began an initiative to inform community members of the District’s previous year’s accomplishments, making the information easier to use and more understandable for members of the public.

Supervisor Olsen asked why there have been no Tune In Tune Up events held in Modesto for the last two years. Mr. DeYoung said there have been a couple of events held there in the past but staff has had trouble finding locations that suit the program. He welcomed Supervisor Olsen’s suggestions for suitable locations

in Modesto to hold future events. Supervisor Pareira suggested using photos that are relevant to the subject matter for each section and did not convey unintended messaging. Dr. Sherriffs suggested adding information on the importance of the District's wood burning rule to community health to get further progress.

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

- Thomas Menz, Fresno Resident
- Janet Diets Camay, Fresno Resident

Mr. Sadredin said staff will utilize the suggested changes from Board members and move forward with the publishing process.

7. ADOPT PROPOSED AMENDMENTS TO DISTRICT FEE RULES – Dave Warner, Deputy APCO, presented this item which recommended that the Board adopt proposed amendments to District fee rules. Mr. Warner said under the Board's guidance, the District has devoted tremendous effort to minimizing fees that stakeholders pay. As a result of these efforts, the Board has been asked to vote on a fee increase only three times in the 26-year history of the District and there have been tremendous increases in the workload along the way.

He said the District routinely assesses the costs and needed revenues for administering an active and effective air quality management program. However, when facing new responsibilities and additional unfunded mandates, the District does not first resort to increasing fees. In fact, each year the District engages in a robust zero-based budgeting exercise to ensure utmost efficiency in performing all duties and functions. The District then conducts a comprehensive analysis to estimate the associated costs, and fee adjustments are pursued as a last resort.

Mr. Warner said as in the past, the District performed the current analysis using the following Board-approved process to assess costs and revenues for District programs:

- Estimate ongoing and future workload for existing mandates
- Estimate workload for foreseeable new mandates
- Estimate cost savings achievable through streamlining and efficiency
- Prepare services and supplies and fixed assets costs for each program
- Employ zero-based budgeting to ensure full execution of all mandated functions at the lowest cost possible
- Estimate revenues from existing fees and other funding sources
- Hold public workshops if fee adjustments are necessary, prior to presentation to governing board

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

- Roger Isom, California Cotton Ginners and Growers Association;
Western Agricultural Processors
- Manuel Cunha, Nisei Farmers League

Supervisor Pedersen said the mandates that are required by the state are mostly unfunded and his county is really struggling to find a way to pay their staff and continue to provide the level of desired service to the public. He said the proposed fee increase is a reasonable move based on the current costs in California. He said it was important to stand up and ask for funding to cover costs associated with implementing state mandates. Mr. Sadredin voiced appreciation for the support of District stakeholders through this effort. He said as staff went through the extensive analysis as directed by the Board, they found that the shortfall is actually double what the proposed fee increase is. He said staff will not raise fees to cover the shortfall but will do what they can to cut costs. He also voiced appreciation for the 30,000 regulated entities that have sacrificed tremendously and did not voice objection to the proposed fee changes. He said the reason staff utilizes the zero-based budgeting process is the Board holds them accountable for keeping costs low, and the District is proud to have the lowest fees.

Moved: Wheeler
Seconded: Bessinger
Ayes: Ayers, Bessinger, Capitman, Fugazi, Olsen,
Pareira, Pedersen, Sherriffs, Vierra, Wheeler, Mendes
Nays: None

Motion unanimously carried to adopt proposed amendments to District Fee Rules

8. UPDATE EXECUTIVE DIRECTOR/APCO SIGNATURE AUTHORITY FOR VERA AND GRANT DOCUMENTS – In the interest of streamlining and expediting the approval process, Mr. Sadredin said the Board asked him to return with an amendment to the District's Administrative Code that would delegate authority to the Executive Director/APCO or designee to approve and sign any Voluntary Emission Reduction Agreement (VERA) with an estimated funding amount of less than or equal to \$100,000. Mr. Sadredin also recommended an additional amendment to the District's Administrative Code to delegate authority to the Executive Director/APCO or designee to approve and sign incentive contracts when the Board Chair and Vice-Chair are precluded by law from doing so do. He said many incentive contracts have specific deadlines and time is of the essence and the recommended actions would streamline the process.

Dr. Sherriffs said streamlining this process was a good idea, and said it seems like there would be a very small number of contracts where both the Chair and Vice Chair would be precluded by law from signing. He said it wouldn't be an

issue for the Board to consider those contracts at future meetings. Mr. Sadredin responded that those contracts do not normally come before the Board as the final signature is ministerial by law.

Public Comment: None

Moved: Wheeler
Seconded: Pedersen
Ayes: Ayers, Bessinger, Capitman, Fugazi, Olsen,
Pareira, Pedersen, Sherriffs, Vierra, Wheeler, Mendes
Nays: None

Motion unanimously carried to update Executive Director/APCO signature authority for VERA and grant documents

9. APPROVE VOLUNTARY EMISSION REDUCTION AGREEMENT WITH AMERICAN KINGS SOLAR LLC TO FUND MITIGATION OF AIR QUALITY IMPACTS FROM THE AMERICAN KINGS SOLAR PROJECT – Mr. Sadredin said at the Board’s discretion, it was no longer necessary to consider this item based on the action taken on the previous item. The Board agreed to move forward with the next item.
10. VERBAL REPORT ON AIR RESOURCES BOARD ACTIVITIES – Dr. Sherriffs reported on highlights of the California Air Resources Board (ARB) meeting of March 22 and 23, 2018, including:
 - The Board approved seven research proposals under the Annual Research Plan, including several mobile source-related proposals and two proposals centered in methane and VOC reduction methods at dairies.
 - The Board adopted updated regional greenhouse gas emissions reduction targets for all 18 of California’s Metropolitan Planning Organizations (MPOs), as required by the Sustainable Communities and Climate Protection Act of 2008 (Senate Bill 375).
 - The Board heard an informational update on potential concepts for reducing emissions and community health impacts from large freight facilities, including seaports, railyards, warehouses, and distribution centers.
 - The Board heard an update on extensive efforts underway by ARB and air district staff to implement the mandates of Assembly Bill 617.
 - The Board approved the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines.
11. EXECUTIVE DIRECTOR/APCO COMMENTS - None

12. **GOVERNING BOARD MEMBER COMMENTS** – None
13. **CLOSED SESSION** – Ms. Ballatore-Williamson announced the Board would hear the following Closed Session items and said no action would occur on either item so it was not necessary to call for public comment.
- **CONFERENCE WITH LEGAL COUNSEL** – Existing Litigation pursuant to Government Code Section 54956.9(d)(1) in Kern County Citizens for Responsible Development et. al. v. San Joaquin Valley Unified Air Pollution Control District, et. al., Kern Co. Sup. Ct. Case No. BCV-17-102923, and related appeal of approval of the Calamco NH3, LLC Project No. N-1163737 and Notice of Determination Sch No. 1991122017 before the Governing Board of the San Joaquin Valley Unified Air Pollution Control District
 - **CONFERENCE WITH LABOR NEGOTIATOR** – Chenecua Dixon, Pursuant to Government Code Section 54957.6. Employee Organization San Joaquin Valley Air Pollution Control District Employees Association

Commented [MF1]: Supervisor Mendes made a comment about head of EPA, Scott Pruitt here based on a comment made earlier in the meeting that wasn't included. I left it out but let me know if you would like it added.

ADJOURN

The Chair adjourned the meeting at 11:38 a.m.

The next scheduled meeting of the Governing Board is: Thursday, May 10, 2018. The meeting starts at 9:00 a.m., in the 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.