Valley Now Meets a Federal Standard for Particulate Matter
The District Governing Board authorized the Executive Director/APCO to submit a Clean Data Finding to EPA demonstrating that the District now meets the national 1997 24-hour PM2.5 standard. Due to the significant investments made by Valley businesses and residents and stringent regulatory programs by the District and State Air Resources Board (ARB), the Valley’s ozone and PM2.5 precursor emissions are at historically low levels and air quality over the past two years has been better than any other time on record. The Valley attained the 1-hour ozone standard in 2014, and despite the continuation of stagnant conditions, drought, and wildfires, the Valley now meets the 1997 24-hour PM2.5 standard of 65 μg/m$^3$ based on monitoring data from the three-year period from 2014 to 2016.

District Governing Board Reduces Fees
The District adopted an amendment to Rule 3110 to reduce the fees paid by Valley businesses subject to the Air Toxics "Hot Spots" Information and Assessment Act (AB 2588). The District invested significantly in upfront streamlining of the AB2588 program administration and implementation processes, reducing both the District’s and the regulated businesses’ costs of implementation, while simultaneously improving the protection of the public health via the implementation of the District’s more health protective air toxics health risk assessment methodologies. The rule amendments will result in a 30% reduction in fees charged to facilities subject to the Air Toxics “Hot Spots” program, over the multi-year cycle of the program, compared to the fees that would have been collected under the current rule.

Funding to Replace Aging Locomotives at the Port of Stockton
The District provided $1,812,500 for a clean air project at the Port of Stockton aimed at reducing air pollution and improving public health in communities near the port. The funding provided by the District will help pay for replacing two old locomotives with the newer Tier 4 engines that are 90% cleaner and will reduce 218 tons of emissions. The District was also able to secure an additional $3,067,657 from a number of partners including $392,657 from the City of Stockton’s Terminal and Eastern Tax and Metro Ports Use Tax revenues.

The first project, a partnership with Omni TRAX, Inc., will replace one pre-model year 1973 non-regulated and unmodified 1963 built EMD SW1200 diesel Switch locomotive with a new Tier 4 Knoxville Locomotive Works (KLW) SE10B T4L four-axle diesel Switcher. The replacement locomotive will be a single-engine EPA Tier 4 certified and ARB verified Switcher locomotive. The new locomotive is more than 90% cleaner than the existing, high-polluting locomotive it is replacing. Based on past usage records, the existing Switcher’s annual fuel usage is 16,000 gallons/year. The existing Switcher is used within the Stockton Terminal and Eastern Rail Yard in Stockton and throughout 10 miles of track, eight miles of which are through residential neighborhoods within the city of Stockton and two miles through commercial and residential zoned areas. The Valley Air District is funding slightly less than 50% of the total cost.

The second project, a partnership with the Metropolitan Stevedore Company, will replace one non-regulated and unmodified 1984 built GE C30-7 six axle diesel line-haul locomotive with a
new Tier 4 Knoxville Locomotive Works (KLW) SE24C DET4L six-axle diesel line-haul locomotive. The replacement locomotive will be a single-engine EPA Tier 4 certified and ARB verified line haul locomotive. The new locomotive is more than 90% cleaner than the existing, high-polluting locomotive being replaced. Based on past usage records, the existing locomotive annual fuel usage is 26,673 gallon/year. The existing GE C30-7 locomotive is used to breakdown incoming rail car trains and for unloading and exporting shipments of mineral commodities. This locomotive operates within the Port of Stockton property. The Valley Air District is funding approximately 30% of the total cost.

**District Accepts Funding from EPA to Replace Trucks and Agricultural Equipment**

The District Governing Board accepted $2,389,959 in funding from the United States Environmental Protection Agency (EPA) to replace heavy-duty trucks and agricultural equipment in the San Joaquin Valley. These two grants were awarded under EPA’s highly competitive Diesel Emission Reduction Account (DERA) Program and together represent one-third of the total funding available to the states in Region 9. The truck funding will be utilized in the District’s highly-successful Truck Voucher Program which, to date, has replaced more than 1,469 older, high-polluting trucks with new, cleaner vehicles. This grant will provide funding to replace an additional 52 trucks. The funding for agricultural equipment will be utilized in the District’s existing Agricultural Tractor Replacement Program, which to date has replaced more than 3,800 older, high-polluting agricultural tractors with new, significantly cleaner units. This grant will provide funding to replace an additional 92 tractors.

**June District Activities**

**Outreach and Communications**

- The District spent June updating Healthy Air Living, working towards decluttering the website but still making it a resourceful tool. The District also spent the month of June attending various events and giving Air Quality presentations.
- In June, District staff responded to 12 media calls and 42 public calls and 17 emails, issued two news releases and attended 2 event/presentations.

**Grant and Incentive Programs**

- In June, the District received 701 incentive program applications. 80 were for the Wood Stove Change-Out Program and 171 were for the Heavy Duty Engine Program.
- In June, $20,172,285.76 was placed under contract in the Heavy Duty Engine Program and 181 claims were paid.
- In June, $1,998,245.24 was paid out in REMOVE II program claims.
- In June, $644,415.00 was paid in Burn Cleaner program claims and 382 claims were processed.

<table>
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<th>Key</th>
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<th>Applications</th>
<th>Grants Offered</th>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Number</td>
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| Off-Road     |                              |           |              |                | $5,496,824.25   |             |              |
## Operations Overview
- Completed 3,658 inspections in June, and 139 NOVs were issued. Mutual settlement case completions totaled 120.
- Received 201 permit applications in June, and 146 permits were issued.
- Received 14 smoking vehicle reports in June.
- Received 205 environmental documents in June.

## Upcoming Meetings
- **Gov. Board Study Session**
  - Sept. 20 and 21st, 2017
  - 10:00 a.m.

- **Citizens Advisory Committee**
  - Oct. 3, 2017
  - 5:30 p.m.

- **Enviro. Justice Adv. Grp.**
  - Oct. 26, 2017

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### Reductions from Executed Contracts (tons)

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### Smoking Vehicles

- **14**
Meetings are held in the Fresno office Governing Board Room and via video teleconference to the Modesto and Bakersfield offices. Details: www.valleyair.org

*Held at Pines Resort at Bass Lake
** Webcast