

**PLACER COUNTY AIR POLLUTION CONTROL DISTRICT  
BOARD OF DIRECTORS**

**Thursday, August 11, 2011**

**Board of Directors' Regularly Scheduled Meeting Minutes**

The Board of Directors of the Placer County Air Pollution Control District met in session at 2:30 PM, Thursday, August 11, 2011, at the Placer County Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn, California. Representing the District were: Tom Christofk, Air Pollution Control Officer; Todd Nishikawa, Deputy Air Pollution Control Officer; Yu-Shuo Chang, Planning and Monitoring Manager; Don Duffy, Air Quality Engineer; Jane Bailey, Fiscal Officer; and Margie Koltun, Clerk of the Board.

The meeting was called to order by Chairman Peter Hill. Roll call was taken by the Board Clerk with the following members in attendance: Mike Holmes, Donna Barkle, Stan Nader, Jim Holmes, Peter Hill, Jennifer Montgomery and Carol Garcia. Robert Weygandt and Miguel Ucovich were absent. A quorum was established.

**Approval of Minutes:**

Chairman Hill asked for a motion on the minutes of the June 9, 2011, Board meeting.

Motion to approve: J. Holmes/M. Holmes/Unanimous

**Public Comment:**

No public comment.

**Approval of Agenda:**

Motion to approve: Montgomery/Garcia/Unanimous

**Consent Items 1 & 2:**

**Item 1: Budget Revision to reclassify remainder of FY 2010-11 building funds to FY 2011-12 budget:**

Approve Budget Revision #11-03 thereby reclassifying the upgrade expenditures for the facility located at 110 Maple Street, Auburn, CA. Chairman Hill said that there was a correction to the title of this item which should have read "Budget Revision to reclassify the remainder of the FY 2010-11 building funds". The funds were not being moved to the FY 2011-12 Budget but only being moved to another classification within the FY 2010-11 Budget.

**Item 2: Hearing Board Reappointment:**

Approve the reappointment of current Hearing Board member, Ms. Diane Przepiorski, as representative of the public at large to the Placer County APCD Hearing Board.

Motion to approve: M. Holmes/J. Holmes/Unanimous

## **Public Hearing Action Items 3, 4 & 5:**

### **Item 3: Adoption of FY 2011-12 Final Budget:**

Ms. Bailey, Fiscal Officer, gave the presentation for the proposed final budget. Ms. Bailey started with a recap of the three major fund types and sub-funds which make up the District's Budget. She said that the preliminary budget, presented at the June 9, 2011, Special Board meeting projected a fund carryover of \$902,000, but that the actual carryover was \$811,773. The fund usage for supplies and services was realigned to show actual usage. An additional \$78,000 was added to Clean Air Grants because of the receipt of additional mitigation funds since the Preliminary Budget was presented. An additional \$5,000 was also added to the Woodstove Replacement Incentive Program from the Mitigation Fund. The outcome of this was that the difference between the preliminary and the final proposed budgets was only one half of one percent overall.

The final proposed budget for FY 2011-12 is about ten percent less than the final budget for FY 2010-11 if the building purchase, moving expenses, and monitoring equipment are removed from the FY 2010-11 budget. This gives a more direct comparison between the two budgets. The total funds available for FY 2011-12 are \$4,209,563 and about 48% of that comes from the DMV Surcharge funds, with approximately 18% coming from permitting fees. On the expense side, there is 53% going to salaries and benefits, 20% to Clean Air Grants and 18 % to services and supplies. Ms. Bailey described the specific projects and programs that make up the expenses. She also mentioned that a new expense this year is for building operations and maintenance which is budgeted to be just over \$69,903 for the next year. This figure includes all of the monthly utilities and services plus a 10% contingency for unexpected expenses.

Chairman Hill asked the Board if they had any questions. Director Barkle said she thought that the operations and maintenance figure was low and Mr. Christofk replied that the figure was based on fixed monthly amounts for services and on billing history for the utilities. He stated that with the investment in the energy efficiency enhancements the utility expenses should be reduced from the historical average but that it will take time to establish the monthly average with the building occupied. He said that he felt comfortable with the budgeted amount.

Chairman Hill opened the public hearing and seeing no one coming forward, closed it and asked for a motion to adopt Resolution #11-16 thereby approving the FY 2011-12 District Budget.

Motion to approve: J. Holmes/Garcia/Unanimous

### **Item 4**

#### **Indirect Source Review/State Implementation Plan Revision:**

Dr. Yu-Shuo Chang, Planning and Monitoring Manager, presented this item. He said that Staff is asking that the Board consider approving a revision to the Placer County portion of the 2009

Sacramento Regional 9-hour Ozone Attainment and Reasonable Further Progress Plan (Plan) in order to remove the commitment to adopt three rules: the Construction Mitigation Rule (IS-1), the Operational Indirect Source Rule (IS-2) and the Asphaltic Concrete Production Rule (CM-1).

Dr. Chang went on to explain the reasons for this revision to the Plan which includes uncertainties as to whether the rules are still necessary, potential cost impacts, and a potential emission inventory revision. The EPA established the 8-hour ozone standard in 1997 and the final area designations were published in 2004. It was determined that a plan was needed for nonattainment areas in order to demonstrate how the 8-hour ozone standard could be achieved. Part of Placer County is in the Sacramento Federal Nonattainment Area (SFNA) which also includes Sacramento, Yolo, and parts of El Dorado, Solano and Sutter counties. The Plan is part of the State Implementation Plan (SIP) and includes control measures committed to by each air district in the SFNA. Placer County committed to seven control measures in the plan.

The District has already adopted three of the control measures in the plan. If the proposed revision to the SIP is adopted today that leaves only one more control measure to be adopted in order to meet the commitment to the SIP. Staff believes that the District will still be able to achieve the emission reductions necessary to meet the federal standard without the three control measures being recommended for removal since the amount of emissions they account for is not significant.

Dr. Chang concluded that the proposed revision complies with the California Clean Air Act requirements, will remove any additional regulatory land development costs, and also ensures that the costs of operating asphaltic concrete plants will not increase due to new emission control requirements. The three control measures removed will be re-evaluated when a new plan is prepared for attaining the revised federal ozone standard. He also said that Feather River AQMD, Sacramento AQMD, and Yolo-Solano AQMD either have or are planning to take SIP revisions to their Boards regarding the same or similar issues.

Director Montgomery had a question about the existing requirements for asphaltic concrete plants and Dr. Chang told her they would still have to meet BACT (best available control technology). She also observed that the other districts seemed to be delaying their revisions. Dr. Chang said they all had different deadlines for adopting the control measures and that some districts were waiting to see what the other districts were doing in order to be consistent within the region. Ms. Montgomery also wanted to know what would happen to the Tahoe Air Basin once the 2011 ozone standard was implemented. Dr. Chang said that based on the current proposed standards, the Tahoe Air Basin would go into nonattainment due to the reduced limits.

Chairman Hill opened the public hearing, seeing no one coming forward he closed the public hearing and brought the item back to the Board for a motion. Director Mike Holmes moved that the Board adopt Resolution #11-15.

Motion to approve: M. Holmes/Garcia/Unanimous

## **Item 5**

### **Revision to Rule 412, Agricultural Engines:**

Mr. Don Duffy, Air Quality Engineer, presented this item. He said that the entire title of the rule is Registration Requirements for Stationary and Portable Compression Ignition Engines Used in Agricultural Operations. The reason for the amendment is to provide a “low use” and “intermittent use” exemption for agricultural engines. The current rule requires that non-road engines greater than 50 horsepower used in agricultural service obtain and maintain registration with the District.

Rule 412 implements the ARB airborne toxic control measure (ACTM) for stationary diesel engines used in agriculture. It is meant to target specific hazardous pollutants. Four years ago ARB made this ACTM applicable to agricultural engines for the first time. As part of the changes, diesel engines are required to be replaced on a schedule based on the age and the size of the engine. Rule 412 requires the registration of these engines mainly to identify and track them for compliance with their mandatory replacement dates.

Adopting the proposed amendment would allow the agricultural engines to stay in use beyond their mandatory replacement dates based on their usage, rather than the age and size of engine. Currently all of the known agricultural engines that were designated as Tier 0 (compliance dates of 2010 and 2011) are gone. Most of the engines were used for pumping water for rice growing operations and many have been replaced with electric engines.

Mr. Duffy described the details of qualifying for a low use exemption and under what circumstances this exemption would benefit growers. He also provided details on how the District would define and track the engines that would operate under the exemption. He said that several other air districts had found ways to allow low use engines to survive beyond the mandated replacement dates and that this rule amendment follows the Yolo-Solano AQMD’s rule which has been approved by ARB.

Mr. Duffy answered questions from the Board after which Chairman Hill opened the item for public comment. Mr. Josh Huntsinger, Placer County Agricultural Commissioner, spoke to the Board about this item which he fully supports. He said that Mr. Duffy had provided a presentation to the Agricultural Commission which had been well received.

Chairman Hill closed the public hearing and brought the item back to the Board for a motion.

Motion to approve: Garcia/Montgomery/Unanimous

### **Air Pollution Control Officer Report:**

**Facility Recap:** Mr. Christofk said that the District opened for business at the new building on Maple Street on June 27<sup>th</sup>. He showed the Board the PowerPoint that had been prepared for the open house on July 20<sup>th</sup>. He described the energy efficiency upgrades and all the other improvements and showed several graphs that illustrated the savings and advantages of owning the building as compared to leasing space from the County.

**Biomass, Renewable Energy Update:** Mr. Christofk said that he had just been to a renewable energy conference at UCLA which he was invited to by the Governor. It mainly had to do with an initiative to put 12,000 megawatts of renewable energy onto the “grid” by 2020. He was invited there to represent Biomass and Biogas type utilities. However most of the focus was on photovoltaic type energy development.

Mr. Christofk then brought the Board’s attention to the letter in the packet from Santa Maria Pacific which is an independent energy company doing on-shore exploration of oil and gas resources in Santa Barbara County. He said they are interested in increasing their production and are looking to offset a significant amount of their green house gas emissions by purchasing credits through the District’s Biomass Program. This would be the first public-private partnership of this kind. Mr. Christofk said there would be more information to come as the project moves forward.

**Art Walk Scheduled:** The District’s offices are part of the bi-monthly Auburn Art walk, and will be open between 6-9 PM this evening for the event.

**Fiscal Report:**

In month one of FY 2011-12 the District is showing 66% decrease in expenditures and a 52% increase in revenues compared to the budget. A balance sheet and fund summary handout was provided to the Board members.

Chairman Hill adjourned the meeting.

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Margie Koltun, Clerk of the Board