PLACER COUNTY AIR POLLUTION CONTROL DISTRICT BOARD OF DIRECTORS

Thursday, December 14, 2006 2:30 P.M.

Meeting Minutes

The Board of Directors of the Placer County Air Pollution Control District met in session at 2:30 P.M., Thursday, December 14, 2006, at the Placer County Administrative Center, Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn, California. Representing the District was: Tom Christofk, Air Pollution Control Officer; Todd Nishikawa, Compliance and Enforcement Manager; Don Duffy, Associate Engineer; Yu-Shuo Chang, Planning and Monitoring Manager; and Jane Bailey, Administrative Services Manager.

- 1. Call to Order: Jim Holmes, Acting Chairperson
- 2. Flag Salute:
- 3. Roll Call / Determination of a Quorum

Present: Mike Holmes, Tom Millward, Sherrie Blackmun, Jim Holmes, Kent Nakata, Peter Hill, Robert Weygandt and Jim Gray

4. Approval of Minutes: August 10, 2006, Regular Board Meeting.

Motion: Peter Hill, second: Kent Nakata, approved unanimously

- **Public Comment:** Don Gronstal, chairperson of the PCAPCD Hearing Board, asked to give special recognition and a certificate of appreciation to outgoing Hearing Board Member Albert Cardosa. Mr. Cardosa served on the Hearing Board from May of 1997 to December of 2006.
- 6. Synopsis of Agenda (information only, no action needed)
- 7. Approval of Agenda:

Motion: Kent Nakata, second: Mike Holmes, approved unanimously

Consent Calendar Item:

8. Budget Revision #07-01: (Consent)

Approve Budget Revision #07-01 thereby increasing the budgeted expenditure and revenue to reflect the actual Cost of Living Allowance provided by the Memorandum of Understanding between Placer Public Employees Organization and Placer County.

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Motion: Jim Gray, second: Peter Hill, approved unanimously

Public Hearing Item:

9. RACT/ SIP Resolution #06-19 Clarification: (Public Hearing/Action)

Mr. Nishikawa presented this item. On August 10, 2006, this Board adopted four resolutions having to do with negative declarations stating that there were no sources to regulate in Placer County in certain categories. Subsequently, the District received a letter from the United States Environmental Protection Agency (US EPA) which commented on one of the resolutions, #06-04, for 17 VOC categories that there were no major sources to regulate. The resolution should have also included a statement that there were no *minor sources* or any sources that exceed the Control Technology Guideline (CTG) thresholds.

Resolution #06-19 will meet the requirements of the EPA. Staff are requesting that Resolution #06-19 be adopted thereby certifying that there are no existing sources of Volatile Organic Compounds in the nine (9) categories specified, within the Placer County, that exceed the CTG thresholds and therefore that the requirements of Section 182(b)(2) of the Federal Clean Air Act Amendments are not presently applicable to the District. Resolution #06-19 also directs the submittal of the negative Declaration to the U.S. EPA as a revision to the State Implementation Plan.

Director Mike Holmes asked what would happen if in the future Placer County did acquire one of these sources that exceed the CTG thresholds of Volatile Organic Compounds. He wanted to know what impact the adoption of Resolution #06-19 would have on future growth. Mr. Nishikawa stated that in concert with the periodic update of the air quality plans, the sources would need to be reviewed so that the District could determine if any new sources have come into the District for which regulations would have to be adopted. Periodically, through the review process or when asked to by the EPA, the District will develop a list of control measures and adopt the appropriate rules for them.

Mr. Christofk added that any new source coming into the District would need to go through the normal permitting process. The provisions of Best Available Control Technology (BACT) would apply to the new sources rather than Reasonably Available Control Technology (RACT). The District's engineering staff would make sure that the new source would be subject to BACT which is a higher level of regulation than RACT.

Chairperson Jim Holmes asked for public comment. There was no public comment and a motion for approval was put before the Board.

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Motion: Mike Holmes, second: Kent Nakata, approved unanimously

Information Item

10. Second Annual Progress Report Pertaining to Mitigation Measures and Monitoring Activities for the Roseville Rail Yard: (Information)

Mr. Christofk introduced the second annual report on the progress being made in emission reduction at the Roseville Rail Yard. In December of 2004, this Board signed a Memorandum of Understanding (MOU) with Union Pacific Rail Road (UPRR) whereby the District and UPRR agreed to implement a plan that encompassed three major elements to reduce emissions at the rail yard. One was mitigation efforts to reduce emissions; the second was a monitoring plan which was to gather data regarding trends in emissions emanating from the rail yard over a period of three years and the third was a grant program whereby UPRR agreed to provide funds (not less than \$150,000) to be used for Clean Air Grants (CAG) that would reduce by one ton the particulate matter emissions from the area impacted by the rail yard.

One of the aspects of the agreement was to provide an annual progress report to the Board and to the community. The first report was provided a year ago in December 2005, and the District has since moved forward with the three elements of the program. At the end of next year, December 2007, the District hopes to provide empirical data which will show whether or not UPRR has met their obligation to reduce emissions at the Roseville Rail Yard.

Mr. Christofk introduced Mr. Don Duffy, Associate Engineer and Project Manager, and Dr. Yu-Shuo Chang, Planning and Monitoring Manager, to report on the progress of the mitigation and monitoring efforts at the rail yard. Mr. Duffy showed a power point presentation stating the five elements staff thinks have had an impact on the particulate matter at the Railyard:

The first element was to determine how much locomotive traffic there is at the rail yard currently and over the next year, as opposed to the counts done in the 2000-01 original study. Due to the cost of fuel and other factors, locomotive traffic at the rail yard has increased. Inter-modal cargo has increased significantly and cargo shipping is migrating towards rail. UPRR will conduct a new traffic study in 2007.

The next element was to examine the effects of idling reduction devices and the impact of exhaust capturing and cleaning devices (Hood). Idling reduction devices have been installed on 85% of intrastate locomotives visiting Roseville and Tier II locomotives are being equipped with the devices as standard equipment from the factory. The "Hood" technology

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was tested in August and the results will be presented at a later meeting.

Next was the use of low sulfur diesel fuel. As of approximately June 1, 2006, all fuel dispensed at Roseville is CARB carbon diesel with 15 ppm maximum sulfur. Out of state diesel fuel has decreased from 2,500-3,000 ppm sulfur in year 2000 to approximately 500 ppm in year 2006. The estimated PM reduction due to fuel is approximately 10% as of 2006.

There are four Gen-Set Switcher locomotives being co-funded using Moyer money for use in the hump and trim operations at the Roseville Rail Yard. They are scheduled to be delivered in 2007, but may end up slipping into 2008 (due to a high demand for this type of engine). There will be an estimated PM reduction of 2.4 tons/year and NOx reduction of 64 tons/year when the new switchers are fully operational. Tier II locomotives are being added to the fleet routed through Roseville and there are fewer old (GP-4X type) locomotives in the fleet. The Tier II locomotives are the newest models and have higher standards for emission limits than what was available in the past. All in all, there is a cleaner class of locomotive traveling through the Roseville Rail Yard.

Mr. Duffy also mentioned that the results from the monitoring of the changes in the PM at the rail yard are being analyzed and the results would be available for next years report. It is hoped that the figures, when added up, will result in more than a 10% decrease in the PM. He then asked the Board if they had any questions.

Director Hill wanted clarification of how much 2.5 tons per year equated to reductions on a daily basis. Mr. Duffy said that it amounted to 12-15 pounds per day. Given that the number of trains going through the rail yard per day has increased since the original study was done, this is a significant reduction.

Dr. Chang then began his portion of the report which focused on the monitoring project and the grant program. The monitoring period for the study started on June 15, 2006 and was scheduled to end September 30, 2006. However, due to the impacts of the Ralston Fire in September, the monitoring was extended for two weeks into October and officially ended on October 15, 2006. The data collected during the fire incident is still valid, but will be excluded from the data analysis.

During the second year study more instruments were available to the District from other agencies. The use of these instruments allowed the District to conduct better ambient measurements. The District was able to obtain an additional four samplers from California Air Resources Board (CARB) and EPA. The additional samplers allowed for two filter samplers at each site which ran Teflon and quartz filters simultaneously. This will provide

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more information regarding the total mass versus organic carbon and elemental carbon concentrations from filter based results. The data recovery on most of the instruments was over 90%. There was one filter tape failure during the Ralston Fire incident at the pool site that lowered the percentage on the data recovery somewhat. Since the analysis will exclude that time frame, the data collected from the pool site is still valid.

During this years study, there were two site audits conducted by CARB. One was on July 5 and 6, 2006 and the other on October 23, 24 and 30, 2006. CARB staff audited three instruments at each site. All instruments functioned well at the first audit. During the second audit the leak test on the samplers at the pool site failed due to a worn out "O" ring. These have since been replaced.

Dr. Chang then outlined the schedule for the data analysis report for the second year and indicated that the second year report would be presented to the Board at the April 2007 regular meeting. He then showed some charts and graphs outlining some of the preliminary raw data from which no conclusions can be drawn at this time.

Dr. Chang also presented the grant program section of the annual report. In 2004 UPRR and PCAPCD entered into an agreement by which UPRR committed to contributing no less than \$150,000 to reduce one ton of diesel PM in the "background" air through the District's Clean Air Grant (CAG) program. In 2005, the District applied \$50,000 toward the CAG program which was given to the City of Roseville to retrofit nine refuse trucks. In 2006 \$100,000 was also expended through the CAG program and was used to replace an existing 1977 school bus for Roseville Joint Union High School District. According to estimates, the amount of \$150,000 will achieve a total of 0.67 tons of PM over the project lifetime with the added bonus of reducing a significant amount of NOx as well. It is estimated that the District will require an additional \$77,000 from UPRR to complete the goal of achieving a one ton PM reduction. This is based on the historical cost effectiveness of reducing diesel PM. The District is working with UPRR to obtain the additional funds.

Action Item:

11. Request to Board for Study/Guidelines for Air Pollution Control Officer Compensation: (Action)

Mr. Christofk presented this item. At the April 13 2006, APCD Board meeting one of the agenda items was the APCO evaluation (held in closed session). At that time the Board asked that the APCO's compensation be looked at in comparison to other Placer County management employees. Mr. Christofk followed up on this request by initiating a meeting with Placer County's CEO (Mr. Tom Miller) to discuss the Boards request. At that time, the

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County was undergoing an analysis of its management compensation. However, because the District and the County had not concluded the MOU defining the District-County relationship, the APCO's position was not included in the study. Subsequently, the MOU between the District and the County was adopted by the District and the County. The MOU had a direct effect on the relationship between the APCO, the CEO and the District Board. In effect, it established a direct line from the District Board to the APCO whereby the District Board has complete jurisdiction to set the compensation for the APCO regardless of what other County managers are making.

Mr. Christofk's request was for the Board to provide some guidance as to how to affect a comparative analysis for APCO compensation. The position of the APCO is unique in that this Board has complete jurisdiction over the position and it will not be included in any analysis by the County in the future.

Mr. Tom Miller, Placer County CEO, came to the podium speak to the Board about the possibility of the County providing an analysis. Director Gray asked him if the Human Resources Staff or Placer County had the time to provide this type of analysis. Mr. Miller said yes, and that they had already started looking into it. He also pointed out some of the relationship issues regarding the staff working below Mr. Christofk whose compensation is set by negotiation with the Placer Public Employees Organization (PPEO). Mr. Miller briefly explained the processes the County went through to come up with the compensation packages that were offered to some of the Placer County managers.

Director Nakata asked if there were any similar boards throughout the Placer County system or if this District was unique in the way it was set up. Mr. Miller said there are some other boards within the County but none that could really be effectively compared with this District. Director Hill asked about Local Area Agency Formation Commission (LAFCO) and Mr. Miller said that organization was under the direction of the County Board of Supervisors and the County CEO. LAFCO was not set up in the same manner as the District. Mr. Hill then clarified the position of the APCO as being able to receive all benefits as any other county employee, and that the difference for the APCO position was that the Board has the sole jurisdiction over hiring, firing and setting the compensation for the APCO.

Director Hill said that he thought the Placer County Personnel Department does a good job with their analysis and studies and he wanted to continue that relationship. He said that he believes that the APCO compensation should be somehow linked to Placer County management compensation and be comparable in as far as the duties and responsibilities of other County managers. Director Gray agreed with Director Hill and suggested that the Placer County Personnel Department go forward with the study.

Mr. Miller made the suggestion that if the APCD Board wanted to take this path, then a sub-

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committee of two APCD Board members to assist with the process would be good. Director Hill said that there needed to be a study of other similarly sized air districts included in the analysis.

Mr. Christofk said that the compensation rate for the APCO within the County appointed department heads was 19th out of 20 positions. He agreed that other air districts should be looked at for comparison and had provided a list of them in his staff report. He also asked that this issue be looked at soon since the APCO position was not included in the latest study done by the County and that if adjustments are warranted they should be considered in conjunction with planning for the next fiscal year's budget.

Director Gray suggested a motion that Chairperson (Jim) Holmes and he act as a sub-committee working with the Placer County Personnel Department to bring back some recommendations for the compensation for the APCO by the next board meeting (February 8, 2007) and that the agreed upon methodology established at that meeting regarding this subject will become the process by which the APCO compensation is set in the future.

Motion: Jim Gray, second: Kent Nakata, approved unanimously

12. Air Pollution Control Officer's Report

a. 2007 Board Chair and Vice-Chair Assignments

Mr. Christofk said this item was informational to indicate the Chair and Vice-Chair rotation per the District's Administrative Rules and By-laws. According to the by-laws, the Chair will be County Seat I, Jim Holmes and Vice-Chair will be City of Lincoln, Kent Nakata.

b. Fiscal Update.

End of month five (November) of the FY 2006-07 shows revenues are up by about 20% and expenditures are 50% under budget. This will be remedied in April when the Clean Air Grant program encumbrances will begin to be processed. Mr. Christofk says the budget is on target except for the State subvention check which should be coming in January.

NEXT REGULARLY SCHEDULED MEETING - Thursday, February 8, 2007 at 2:30 PM