PLACER COUNTY AIR POLLUTION CONTROL DISTRICT BOARD OF DIRECTORS

Minutes of the Thursday, December 13, 2012 Meeting of the Board of Directors Regularly Scheduled Meeting

The Board of Directors of the Placer County Air Pollution Control District met in session at 2:30 PM, Thursday, December 13, 2012, 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; Bruce Springsteen, Compliance and Enforcement Manager; Don Duffy, Associate Engineer; Jane Bailey, Fiscal Officer; and Margie Koltun, Clerk of the Board.

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

Chairperson Garcia welcomed Ms. Diana Ruslin to the Board as the new representative for the City of Rocklin. She will take the place of Peter Hill who is retiring from public service.

Approval of Minutes: October 11, 2012, Regularly Scheduled Meeting.

Motion to approve: M. Holmes/Ucovich/Unanimous

Public Comment: No public comment.

Action:

Item 1: Budget Revision and Resolution for the purchase and installation of a Renewable Energy System (photovoltaic)

Mr. Don Duffy, Associate Engineer, gave this presentation. At the last Board meeting in October, staff gave a presentation asking for direction regarding the installation of a photovoltaic system at the District offices. The Board directed staff to bring the item back at the December meeting with some actual bids and recommendations.

Staff sent out a request for proposal to two vendors based on mPower staff recommendations and received two bids. Based on cost, staff is recommending that the Board authorize the APCO to purchase the system from RT Solar of Meadow Vista. This bid was almost \$13,000 less than the competing bid.

A budget revision for \$90,000 had been prepared to cover the \$82,377 cost for the system plus an approximate 10% contingency if there were additional unforeseen costs. Staff recommended that the board adopt the resolution and the budget revision in order to move forward on the project.

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Director Barkle stated that she was concerned with the warranty on the solar panels since they were made in China. Mr. Duffy assured her that he felt there would be no problems with the warranties. Directors Nader and Ucovich were concerned about the fact that the panels were made in China. They both would prefer to use American made panels even if it increases the cost.

Mr. Rick Therien, owner of RT Solar, was present in the audience and was asked to step forward and address the Board's concerns. He said that American made panels were manufactured with products that were imported from China, so there was really no advantage to using "made in America" products. He said he could substitute the Chinese panels for American made, but it would increase the cost substantially.

Director Montgomery asked Mr. Duffy to clarify how long it would take to re-coup the expense for the system. Mr. Christofk said that he hoped to pay the settlement fund back through the annual budget process which could be \$50,000 to \$100,000 per year depending on the Board's direction at budget time. But that the system itself would pay itself off in energy savings within 10-11 years.

Chairperson Garcia asked for a motion. Director Jim Holmes made the motion to approve Resolution 12-12 and Director Montgomery seconded the motion. Chairperson Garcia asked for a vote by roll call:

Motion: J Holmes/Montgomery/the motion passed with a 7 to 2 vote, Nader and Ucovich dissenting.

Item 2: Budget Revision to support a Biomass Waste for Energy Greenhouse Gas Offset Project.

Mr. Bruce Springsteen, Compliance and Enforcement Manager, presented this item using PowerPoint. He said that staff is asking for approval of a budget revision in order to invest in a biomass waste to energy project at the Blodgett Forest Research Station which is owned and operated by the University of California Berkley, Department of Natural Resources Center for Forestry.

The Blodgett Forest Research Station is located in El Dorado County, north east of Placerville. It contains over 5,000 acres of mixed conifer forest and over time has accumulated excess biomass waste (slash) from forest management – fuel treatments and timber harvest. They have over 1,350 bone dry tons (BDT) of waste in seven landing piles. Although they are permitted to dispose of the waste by burning, the preferred disposal method would be to chip it and transport it to the nearest energy facility. At this point the cost to transport it is greater than its value as biomass. Staff is asking that the District use up to \$60,000 for a project to transport the waste to an energy facility to make up the difference in what it costs to transport the waste and what the energy facility will pay for it.

The green house gas benefits will be determined and verified using PCAPCD protocol and could

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also result in green house gas offset credits which could then be sold or traded through CAPCOA or through the District. The District would own the credits and the sale of the credits could help to recover some of the costs. Staff propose that the funding would come from the District's Supplemental Environmental Project (SEP) fund which was set up as part of the settlement with Sierra Pacific Industries several years ago. Mr. Springsteen showed several slides that illustrated the benefits of using the waste for energy as opposed to open burning.

Approve a budget revision to support a biomass waste for energy project: Motion: J. Holmes/Montgomery/Unanimous

Information:

Item 3: Regulatory Measures list for 2013

Mr. Nishikawa, Deputy APCO, explained that the California Health and Safety Code requires that a regulatory measure cannot be adopted during any year where it is not listed in the most recently published listing of proposed regulatory measures, unless there may be a substantial endangerment to public health or welfare if it is not adopted. Therefore, each year the District compiles and publishes a list of regulatory measures for possible consideration.

He then explained some of the rules being considered for adoption or amendment in 2013, and the priorities staff has set up for achieving these goals. The notice of publication was published in the Auburn Journal on November 2, 2012. The list will be made available at the District office and on the District webpage and will be considered as published effective January 1, 2013.

Action:

Item 4: Approval of Resolution #12-13 recognizing Director Peter Hill's years of service on the APCD Board of Directors.

Chairperson Garcia asked the Board to approve Resolution #12-13 recognizing Director Peter Hill's years of service on the APCD Board of Directors which they did unanimously. She then presented a signed and framed copy of the resolution to Mr. Hill. She read aloud the resolution which highlighted many of the District's achievements during Mr. Hill's tenure on the Board.

Air Pollution Control Officer Report:

Chair and Vice-chair for 2013

Mr. Christofk said that per the Boards Administrative Rules and Regulations, the rotation for Chair and Vice Chair place Director Montgomery as the Chair and Director Mike Holmes as Vice-chair for 2013. Director Montgomery stated that Supervisors Homes, Weygandt and she would not be able to attend the February 14, 2013, meeting and she suggested that meeting could

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be re-scheduled or that Director Mike Holmes could preside. Mr. Christofk said he would look into having the meeting rescheduled and would let the Board know through the Board Clerk.

Fiscal Report:

A balance sheet and fund summary handout were provided to the Board members and made available to the public. Mr. Christofk stated that 42% of the fiscal year has passed as of November 30th and that the budget is running at a 52% increase in budgeted revenue and a decrease of 37% in expenditures compared to the budget which is normal for this time of year.

Adjournment:

Chairperson Garcia asked for a motion to adjourn:

Motion: Montgomery/Ucovich/Unanimous

Meeting adjourned at 3:35 PM

Margie Koltun, Clerk of the Board