PLACER COUNTY AIR POLLUTION CONTROL DISTRICT BOARD OF DIRECTORS

Thursday, October 14, 2010 2:30 PM Board of Directors' Meeting Minutes

The Board of Directors of the Placer County Air Pollution Control District met in session at 2:30 PM, Thursday, October 14, 2010, 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; Jane Bailey, Administrative Services Manager; Bruce Springsteen, Associate Engineer; and Heather Kuklo, Air Specialist II.

The meeting was called to order by Chairman Miguel Ucovich and the flag salute was led by Director Kent Nakata. Roll call was taken by the Board Clerk with the following members in attendance: Mike Holmes, Kent Nakata, Robert Weygandt, Miguel Ucovich, Jim Holmes, Peter Hill and Jennifer Montgomery. Donna Barkle and John Allard were absent. A quorum was established.

The minutes for the August 12, 2010, meeting was approved unanimously. The agenda was also approved unanimously.

Public Hearing/Action Items

Adoption of Proposed Amendments to Rules 218 <u>Architectural Coatings</u>, 234 <u>Automotive Refinishing Operations</u>, 236 <u>Wood Products Coatings Operations</u>, & 238 <u>Factory Coating of Flat Wood Paneling</u>

Mr. Christofk said that these rules were being presented for amendment together since they are all similar in terms of VOC (volatile organic compounds) reduction strategies. He introduced Associate Engineer, Bruce Springsteen, who provided the Staff Report on these rules. Mr. Springsteen began by explaining what type of operations, materials, and which permitted sources the rules pertained to. He also explained that the rules were being amended to meet requirements under the State Implementation Plan (SIP). The SIP requires reductions in VOCs due to the fact that the District is in non-attainment for ozone –VOC is a precursor to ozone formation. The District has also committed, along with other air districts in the Sacramento region, to make amendments to Rules based on the State's suggested control measure (SCM). The State's SCM is a model rule that provides for the best available control. Rule 218 and 234 are amended based on their associated SCMs. Mr. Springsteen went on to explain that Rule 238 was being amended based on a US EPA Control Technique Guideline. Rule 236, he said, was being amended for rule uniformity and consistency.

Mr. Springsteen then discussed that the primary rule changes were the more stringent VOC

Placer County Air Pollution Control District Board of Directors Meeting Minutes October 14, 2010 Page 2 of 4

limitations for the coating and solvent products, and went over other rule changes. He also stated that even though the District is proposing to adopt these rule amendments now, the new coatings categories and VOC limits would not be in effect until July 1, 2011, in order to allow industry time to use-up and restock their inventories.

The other main points of the rules amendments were the emission benefits of an estimated 0.2 tons per day for Rule 218 and 0.05 tons per day for Rule 234, new recordkeeping requirements and that the rules would now apply to the entire county and not just the Sacramento Valley Air Basin portion of the District.

Mr. Springsteen said that in order to comply with Rule 218, there would be some additional cost for the new products, an increase estimated at 6% on average. For compliance with Rule 234, there will be a one-time cost of up to \$1,000. He said that the District will be diligent in informing all permitted shops of the amended rules in a timely matter in order to assist them with compliance.

There were some minor last minute changes in the rules which were brought to the Board's attention through an errata sheet provided at the meeting. These non-substantial changes were proposed in response to comments by the Air Resources Board, the US EPA, the American Coatings Association and the Roof Coatings Association. Staff requested that the Board approve and adopt the amended rules including the changes shown in the errata.

Chairman Ucovich asked the Board if they had any questions. Director Mike Holmes was concerned that some small shops would end up being stuck with non-compliant coatings. Deputy APCO, Todd Nishikawa, said that many times the manufacturers/suppliers will change out old coatings for compliant ones. The effective date is July 1, 2011, for Rules 234, 236, and 238 therefore the new elements of these rules won't take effect for nine months. These provisions were intended to allow the use or sell-through of non-complying product by the effective date.

Chairman Ucovich opened the public hearing. No members of the public came forward and the item was brought back to the Board for a vote.

Motion to adopt Resolution #10-10 and all findings and recommendations for Rule 218, <u>Architectural Coatings</u>: Hill/J. Holmes/Unanimous

Motion to adopt Resolution #10-11 and all findings and recommendations for Rule 234, <u>Automotive Refinishing Operations</u>: Hill/Weygandt/Unanimous

Motion to adopt Resolution #10-10 and all findings and recommendations for Rule 236, <u>Wood Products Coatings Operations</u>: Hill/Nakata/Unanimous

Placer County Air Pollution Control District Board of Directors Meeting Minutes October 14, 2010 Page 3 of 4

Motion to adopt Resolution #10-10 and all findings and recommendations for Rule 238, <u>Factory Coating of Flat Wood Paneling</u>: Hill/Nakata/Unanimous

Closed Session

Authorization for the APCO to Enter into a Building Purchase Agreement (Closed Session/Action)

The Board and the APCO adjourned to closed session with Counsel to discuss authorizing the APCO to enter into negotiations with selected property owners, or their representatives, to purchase a building to house the District and its operations.

The Board reconvened and Christa Darlington, Counsel for the District, reported out that direction was given to the APCO to move forward with the property purchase negotiations.

Information

Air Pollution Control Officer's Report

Mr. Christofk said he had provided a CD of some work that CAPCOA had done on Green House Gas Mitigation Measures and Model Policies for Green House Gas in General Plans to each Board member. He also reminded the Board that he will be the president of CAPCOA for the next year beginning at the end of this month.

Mr. Christofk brought up the article in the San Francisco Chronicle regarding in-use off-road diesel emissions. The article stated that CARB had overestimated diesel emissions from construction and off road engines by 340%. He asked Heather Kuklo, Air Specialist II, to provide some analysis on this subject. Ms. Kuklo gave a brief report based on information previously provided at the CARB workshops. She said that CARB is in the process of updating their information to reflect more "actual" data rather than the "projected" inventories previously used. The calculations they originally used to project their emissions data had errors which compounded and resulted in the larger error. The regulation requires that fleet operators report their usage which, due to the economic downturn and lack of construction projects, has ended up being considerably less than what had been projected prior to the regulation being adopted.

Ms. Kuklo said the good news is that since CARB is meeting their goals in reducing diesel particulate matter, they are able to loosen the standards in the off-road regulation. This will result in a cost savings to diesel fleet owners in the industry. It will also allow the state and the air districts to continue to offer grant opportunities and fund incentive projects.

Mr. Christofk then reported on the fiscal status of the District after the completion of the first quarter

Placer County Air Pollution Control District Board of Directors Meeting Minutes October 14, 2010 Page 4 of 4

of FY2010-11. The report is typical for this time of year, showing 8.9% ahead on revenue projections and under running expenses by 52% because of funds set aside for the 2011 CAG program. He said he is watching the DMV revenue which accounts for about 2.1 million of the budget annually. The payments have been taking two months to get to the District after they have been collected, which is a bit slower than in the past. Otherwise, the fiscal situation is on track.

Director Jim Holmes thanked Heather Kuklo and Ann Hobbs for coming to four of his Municipal Advisory Committee (MAC) meetings over the past month and giving an overview to the committees on what the District does. Director Weygandt echoed the thanks as Ms. Kuklo and Ms. Hobbs had also attended the Lincoln MAC and gave a presentation on Ag burning in Sheridan. Mr. Christofk said that the PIO team is available to any of the jurisdictions for this type of briefing.

Adjournment:

Motion to adjourn: Nakata/M. Holmes/Unanimous

Margie Koltun, Clerk to the Board