

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

**Minutes of the Thursday, June 14, 2012
Meeting of the Board of Directors
Special Proposed Budget Public Hearing and Regularly Scheduled Meeting**

The Board of Directors of the Placer County Air Pollution Control District met in session at 2:30 PM, Thursday, June 14, 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; John Finnell, Permitting and Engineering Manager; Jane Bailey, Fiscal Officer; and Margie Koltun, Clerk of the Board.

The meeting was called to order by Chairperson Carol Garcia and the flag salute led by Director Montgomery. Roll call was taken by the Clerk of the Board with the following members in attendance: Mike Holmes, Donna Barkle, Rhonda Morillas (alternate for Miguel Ucovich, arrived after budget presentation began), Stan Nader, Carol Garcia, Jim Holmes, Peter Hill, and Jennifer Montgomery. Robert Weygandt and Miguel Ucovich were absent. A quorum was established.

Proposed Preliminary Budget FY 2012-13 Special Meeting and Public Hearing:

Ms. Jane Bailey gave this presentation. She began with an explanation of the three funds that make up the "consolidated funds" described on her pie charts and graphs. These are the Operations Fund, which has 4 sub funds, the DMV Fund and the Mitigation Fund which both are restricted usage funds. She said that this proposed preliminary budget is not very different from the FY 2011-12 Budget in revenue and expenditures. The projected revenues (including carry-over) are \$4.2 million and the projected expenditures are \$3.9 million.

Ms. Bailey went on to show graphs and charts that gave detail on the projected revenues and expenditures which showed that the largest revenue source is from the DMV derived funds (AB2766 and AB923) and the largest expenditure is salary and benefits. She also gave some details on the programs, projects and enhancements the District is proposing for FY 2012-13. These include air monitoring, biomass, clean air projects, database improvements and costs for county services. This year the specific goals and objectives for each of the overall sections were all tied to the District's mission statement so the Board can track resource allocations to the adopted goals and objectives of the District.

Ms. Bailey asked that the Board provide direction on any desired changes to the Proposed Preliminary Budget and said that she would be happy to answer any questions. Director Mike Holmes asked about the \$50,000 pay-back to the Settlement Fund for the building purchase. Ms Bailey said that it is up to the discretion of the Board whether the Settlement Fund gets reimbursed and how much. Director Montgomery noticed that the projected revenues for fines

and penalties were much less than the actual. Ms. Bailey said that the budget for fines and penalties is always understated since it is not the Districts desire to balance the budget with penalties and that the \$35,000 is a place holder in the budget for an unknown amount of fines and penalties.

Chairperson Garcia then opened the item to public comment, seeing none; she closed the public hearing and brought it back to the Board. As this was only an information item, no action was taken by the Board and no changes to the Proposed Preliminary FY 2012-13 Budget were directed.

Chairperson Garcia adjourned the special meeting and opened the Regularly Scheduled Meeting at 2:45 PM

Regularly Scheduled Meeting:

Roll call and flag salute done in the special meeting.

Approval of Minutes:

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

Public Comment: No public comment.

Consent Calendar Items 1 & 2

Item 1: Technical Services Contract Approval

The Board adopted Resolution #12-06 thereby approving an Information Technology Technical Services Consultant Contract with Clark L. Moots, (DBA "MootsPoint") for IT technical support services, information technology strategic assessment and implementation services and other IT support to the District.

Item 2: Reappointment of Hearing Board Member

The Board approved the reappointment of current Hearing Board member and Chairperson, Don Gronstal, as representative of the public at large, to the Placer County APCD Hearing Board. The term of office will end September 30, 2015.

Motion to approve consent calendar: Montgomery/Hill/Unanimous

Public Hearing Action Item 3

Item 3: Amendment of Rule 233; Biomass Boilers

Mr. John Finnell, Senior Air Quality Engineer, gave this presentation. He gave a brief history of Rule 233, which controls nitrogen oxides (NOx) on biomass boilers and is required by the Federal Clean Air Act (CAA) in 1990. The District adopted the rule in 1994. Over time there have been amendments to fine tune the rule to be consistent with other rules in the region. However, there was an objection by the U.S. Environmental Protection Agency (EPA) to a similar rule in the San Joaquin Valley Air Pollution Management District and EPA issued a formal limited approval and limited disapproval of the rule on January 10, 2012. This meant that the rule as it was would not be approved into the SIP (State Implementation Plan). The District needed to satisfy the limited disapproval by the EPA in order to obtain approval of the amended rule as a revision to the SIP. This needed to be done before July 20, 2013, or sanctions could have been imposed.

The EPA had determined that in its limited approval/limited disapproval action that the NOX emission limit did not represent the most current Reasonably Available Control Technology (RACT). Mr. Finnell explained the current rule limitations and the changes being made to the rule to make it acceptable to the EPA. There are only two sources affected by the rule and the new limitations will require that they make some minor software changes to their Continuous Emission Monitoring Systems (CEMS) for compliance, alarms and reporting purposes. There were no comments received either from the public or representatives of these two sources during the required noticing time. Both sources are aware that they need to make the changes in their CEMS by January 1, 2013.

Chairperson Garcia then opened the item to public comment, seeing none; she closed the public hearing and brought it back to the Board.

Motion to approve Amendment to Rule 233, Biomass Boilers: Montgomery/J. Holmes/Unanimous

Air Pollution Control Officer Report:

Fiscal Report:

As of the end of May, revenues are up 9.8% and expenses are 32% less than budgeted. A balance sheet and fund summary handout were provided to the Board members and made available to the public.

Mr. Christofk reminded the Board that the Auburn Art Walk was being held that evening and the District Offices were going to be open from 6-9 PM for the event.

Mr. Christofk also informed the Board that the District was able to find a tenant for the downstairs office space. He said that they will be moving in during the following week.

Placer County Air Pollution Control District
Board of Directors Meeting Minutes
June 14, 2012
Page 4 of 4

Motion to adjourn: Montgomery/J. Holmes/Unanimous

Margie Koltun, Clerk of the Board