



## **Minutes of the Thursday, June 11, 2015 Meeting of the Board of Directors**

The Board of Directors of the Placer County Air Pollution Control District met for a regular meeting at 2:30 PM, Thursday, June 11, 2015, at the Placer County Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn, California.

Representing the District were: Tom Christofk, Air Pollution Control Officer; A.J. Nunez, Administrative Services Officer; Yu-Shuo Chang, Planning and Monitoring Manager; Russell Moore, I.T. Technician; and Shannon Harroun, Clerk of the Board.

The meeting was called to order by acting Chairperson, Stan Nader. Roll call was taken by the Clerk of the Board, with the following members in attendance: Tony Hesch, Robert Black, Stan Nader, Jim Holmes, Diana Ruslin, and Carol Garcia. A quorum was established.

**Approval of Minutes:** April 9, 2015, Regular Meeting.

**Motion to approve minutes: Diana Ruslin. Unanimously approved.**

**Public Comment:** There were no comments from the public.

### **Public Hearing (No Action): Item 1**

- 1. Proposed Preliminary Budget FY 2015-16 Public Hearing.** *Conduct a Public Hearing in accordance with the Health and Safety Code §40131(3)(A) that states: "The district shall notice and hold a public hearing for the exclusive purpose of reviewing its budget and of providing the public with the opportunity to comment upon the proposed district budget." District management also seeks guidance from the Board regarding any changes to this Proposed Preliminary Budget for FY 2015-16 for inclusion in the Final Proposed Budget, which will be presented to the District Board for adoption on August 13, 2015.*

Ms. A.J. Nunez, Administrative Services Officer, presented the FY 2015-16 Proposed Preliminary Budget in accordance with Health and Safety Code 40131(3)(A). She stated that the District continues the philosophy of budgeting revenues conservatively, and expenditures that are adequate to cover cost with a small amount for contingencies. Historically the District ends each Fiscal Year above revenue projections and below proposed expenditures. This creates a fund balance that provides seed money for the upcoming year.

Ms. Nunez explained that the District budget is organized into five funds: the Operations Fund, DMV Fund, Mitigation Fund, Black Carbon Research Fund and Wildfire Mitigation Fund. The Settlement Fund and the Litigation Cost Recovery Fund that total \$1.6 Million Dollars are not shown in this budget, and can only be used at the discretion of the Board. The interest from these two funds is included in the District's budget.

Ms. Nunez reported that the Proposed Preliminary Budget for FY 15-16 of \$4.6 Million is very similar to the approved budget for FY 2014-15, with about a 2 percent increase. The Total Projected Revenue is \$3.6 Million, combined with the projected Fund Carry-Over of \$1 Million provides the \$4.6 Million in Total Funds Available. Proposed expenditures total \$4,140,840.

Ms. Nunez pointed out that a \$1 Million ending fund balance is projected to be carried over from FY 14-15 to begin FY 15-16. The Operations Fund carry over portion of that amount is \$492,303 or 10% of the FY 14-15 budget. The National Advisory Council on State and Local Budgeting recommend an Operations Fund carry over of between 5 to 15%. The District is well within that healthy range.

Ms. Nunez stated that the District will incorporate direction from the Board into the final proposed budget for FY 2015-16; and finalize the fiscal position at the close of FY 2014-15 on June 30, 2015, using actual revenues and expenditures to obtain the fund carryover for the FY 2015-16 final District budget. The District will then bring the final proposed budget back to the Board for approval on August 13, 2015.

Director Holmes asked about black carbon research. APCO, Tom Christofk explained that black carbon is a short term climate forcing pollutant that is an emission from open burning. The District is working with the USDA/USFS Rocky Mountain Research Station in Missoula, Montana to do field research on emissions factors from the combustion of various vegetation types. This may eventually lead to the development of an emission's offset protocol for use within the cap and trade program, whereby there might be a financial incentive for a project proponent who directs biomass towards a power plant for renewable energy production, versus burning it in the open as a disposal method. Also, we have received some funding from SMAQMD for application towards this black carbon research.

Acting Chairperson, Stan Nader, opened the public hearing. There were no comments from the public.

**Motion to approve Item 1: Jim Holmes. Unanimously approved by roll call vote.**

**Consent: Items 2 – 5**

- 2. Hearing Board Appointment.** *Reappoint current Hearing Board member and Chairperson, Mr. Donald Gronstal, as the public at large representative to the Placer County Air Pollution Control District Hearing Board. The current term of office for Mr. Gronstal will expire as of June 14, 2015. If the Board reappoints Mr. Gronstal, his term of office will be extended for another three year term, to June 14, 2017.*

- 3. Advance Budget Authorization for Contracted Support Services from Air Permitting Specialists, Moots Point, Aqua Terra Aeris Law Group, and Darlington Legal Services.** *Adopt Resolution #15-04, thereby authorizing the expenditure of up to One-Hundred Sixty Thousand Dollars (\$160,000) for contracted technical and legal support services. This authorization request is in advance of the adoption of the Final FY 2015-2016 District Budget that is scheduled to be heard on August 13, 2015, in order to enable the services to continue uninterrupted after the end of the current fiscal year on June 30, 2015.*
  
- 4. Approval for a Technical Services Contract with USDA, Forest Service Rocky Mountain Research Station for Technical Services to Quantify Emission Factors of Black Carbon, Major Carbon Species, and PM2.5 from the Burning of Open Piled Forest Biomass Residue.** *Adopt Resolution #15-06, thereby authorizing the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a technical services contract with USDA, Forest Service Rocky Mountain Research Station, to quantify emission factors of black carbon, major carbon species, and PM2.5 from the burning of open piled forest biomass residue. The total proposed contract amount is \$33,474.20.*

*Consent Item 5 was pulled from the consent agenda at the request of a member of the public-- Auburn Chamber of Commerce CEO, Kevin Hanley. Therefore, the Board first acted to approve Consent Items 2-4.*

**Motion to approve Consent Items 2-4: Carol Garcia. Unanimously approved.**

- 5. Approval for a Consultant Services Contract with Ralph Andersen and Associates for Recruitment Services.** *Adopt Resolution #15-05, thereby approving, in advance of the final District budget for FY 2015-16, the allocation of \$25,000 for FY 2015-16, as shown in the preliminary FY 2015-16 annual budget to be presented to the District Board on June 11, 2015; and thereby authorizing the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a consulting contract with Ralph Andersen and Associates.*

Consent Item 5 was pulled from the consent agenda at the request of member of the public, Mr. Kevin Hanley, Auburn Chamber of Commerce CEO. Mr. Hanley stated that CEO's of the various chambers of commerce within the county have been discussing the position of District Director, and the position's importance to the business community in Placer County. He noticed that the proposed services for the recruitment firm states that the position profile for the Director is to guide the entire search process. He stated that he anticipates submitting a letter to Board members asking the Board to consider in its search, factors such as weighing the costs and benefits of various regulations on businesses, and continuation of Mr. Christofk's work in areas such as wildfire mitigation and the use of biomass for energy.

**Motion to approve Consent Item 5: Diana Ruslin. Unanimously approved.**

**Public Hearing/Action: Item 6**

- 6. Approval of the Placer County Ozone Emergency Episode Plan.** *Conduct a Public Hearing regarding the proposed Ozone Emergency Episode Plan and Adopt Resolution #15-07, thereby approving the Ozone Emergency Episode Plan for Placer County.*

Mr. Yu-Shuo Chang presented the Ozone Emergency Episode plan for the Board's review and approval. He introduced Mr. John McEldowney from the County Office of Emergency Services, who was available to answer questions. To summarize, Mr. Chang stated the following:

This Ozone Emergency Episode Plan has been prepared to fulfill the Federal Clean Air Act and Federal Regulations requirements for areas that have not attained the federal ozone standards and have had hourly ozone concentration measurements over 0.10 ppm. Portions of Placer County (excluding Lake Tahoe area) are designated as nonattainment based on federal 1997 and 2008 ozone 8-hour standards. Between 2011 and 2014, there were several hourly measurements over 0.10 ppm in Placer County. Although, after 2012, there was only one day exceeding 0.10 ppm within the entire County.

ARB requested that EPA exempt El Dorado and Placer County from the emergency episode plan requirement because air quality has been substantially improved, emissions from stationary sources comprise a very small portion of each countywide inventory, and the plan development would only be a paper exercise that would not offer benefits in terms of air quality or public health. However, EPA has not exempted this requirement for the two counties.

There are two options to meet the ozone emergency plan requirements--either to adopt a regulation, as recommended by EPA, or to adopt a plan. Although 14 air districts in California have adopted regulations for the ozone emergency episode plan, the federal regulation does not say these requirements must be met by a regulation. The District chose to develop a Plan which would trigger regulation development in the future only when the ozone concentration reaches the significant level, in order to save the resources necessary for the regulation development process, and to provide for engagement of a local emergency declaration with the County OES to control mobile source emissions, which the District cannot regulate.

The emergency episode plan must identify actions for each episode to avoid the ozone concentration reaching the significant harmful level of 0.6 ppm. According to the authority from the Federal Clean Air Act, EPA established three trigger levels for ozone pollution episodes:

- 1) Alert Episode at 0.20 ppm
- 2) Warning Episode at 0.35 ppm
- 3) Emergency episode at 0.50 ppm

The District's Plan also calls for an additional alert level--Health Advisory Alert--when the ozone level reaches .15 ppm, at which time District Staff would initiate and accomplish the regulation development for necessary emission control strategies. The ozone concentration trend in Placer County shows no exceedance over .15 ppm since 2000.

The District has met EPA's requirements for public outreach with regards to Plan approval. No public comments were received.

Mr. Chang concluded by recommending the Board adopt Resolution #15-07, thereby approving the Placer County Ozone Emergency Episode Plan and directing Staff to forward the Plan to ARB and EPA for final approval.

Acting Chairperson, Stan Nader, opened the public hearing. There were no comments from the public.

Director Hesch commented that he was pleased that the Plan provides for taking systematic steps to reduce air pollution, and he believes the Plan covers everything adequately.

After Board approval of the Ozone Emergency Episode Plan, APCO, Tom Christofk, commented that he believes the Plan was an unnecessary bureaucratic exercise, but that the District took the pathway that was the least onerous, and that if we had not completed and adopted the Plan, there likely would have been negative consequences for the District in the future.

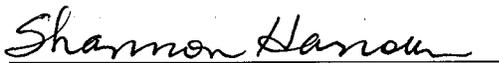
**Motion to approve Item 6: Jim Holmes. Unanimously approved.**

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

Fiscal Update – Ms. A.J. Nunez provided a fiscal update through the end of month 11, stating that the District is below on expenditures by 12.43% and above on revenues by 12.82%. The District has received 103% of anticipated revenue, and expended 84% of proposed expenditures.

#### **Adjournment**

Acting Chairperson, Stan Nader, adjourned the meeting at 3:09 p.m.

  
Shannon Harroun, Clerk of the Board